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SENATE—*Wednesday, December 19, 1973*

The Senate met at 10 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our Father God, who amidst the traffic of our busy ways points us to the love and wisdom and faith of the Bethlehem event; grant us such love that every barrier to brotherhood and equality may be beaten down; such wisdom that every boundary of geography, language, and culture may be solved; such faith that when the way is long and hard we may yet persevere, in the knowledge that Thy sovereign will reigneth. Guide us here by the spirit of incarnate Deity revealed for all time to all men at the first Christmas.

We pray in the name of the Word which became flesh and dwelt among us. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 19, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, December 18, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE JOINT RESOLUTION 182—EXTENDING THE TIME FOR THE TRANSMISSION OF 1974 ECONOMIC REPORT AND REPORT OF JOINT ECONOMIC COMMITTEE

Mr. MANSFIELD. Mr. President, I send to the desk a Senate joint resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore laid before the Senate, Senate Resolution 182, which was read the first time by title and the second time at length, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of section 3(a) of the Employment Act of 1946 (15 U.S.C. 1022 (a)), the President shall transmit the 1974 Economic Report to the Congress not later than February 1, 1974, and (b) notwithstanding the provisions of clause (3) of section 5(b) of such Act (15 U.S.C. 1024(b)), the Joint Economic Committee shall file its report on the President's 1974 Economic Report with the Senate and the House of Representatives not later than March 13, 1974.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which was ordered to be engrossed for a third reading, was read the third time, and passed.

PROGRAM FOR THE 2D SESSION OF THE 93D CONGRESS

Mr. MANSFIELD. Mr. President, for the information of the Senate, and so that sufficient notice will be given, when the Senate returns for the opening of the second session of the 93d Congress on Monday, January 21, 1974, it is the intention of the leadership to lay before the Senate at that time S. 2798, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. BUCKLEY. I have no objection.

Mr. MANSFIELD. Following that it is anticipated that around the hour of 3 o'clock on that date the Senate will vote on Executive P, 93d Congress, 1st session, the Customs Convention on the International Transit of Goods.

UNANIMOUS-CONSENT AGREEMENT FOR VOTE ON EXECUTIVE P, 93D CONGRESS, 1ST SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on Executive P, 93d Congress, 1st session, the Customs Convention on the International Transit of Goods, occur at 3 o'clock in the afternoon on Monday, January 21, 1974.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, following the disposition of S. 2798 it is anticipated that the Senate will then turn to the consideration of Calendar No. 582, H.R. 8547, an act to amend the Export Administration Act of 1969.

For the further information of the Senate it is anticipated that on Wednesday or Thursday—and that would be the 23d or 24th of January—the leadership intends to call up Executive O, 81st Congress, 1st session, the International Convention on the Prevention and Punishment of the Crime of Genocide.

So the Senate is on notice as to its prospect during the first week of its return.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. In other words, what the distinguished majority leader is saying is that the Senate is going to get moving immediately upon its return following the Christmas and New Year's holiday, with plenty of business pending and yea-and-nay votes occurring.

Mr. MANSFIELD. The Senator is correct.

Mr. ROBERT C. BYRD. And the distinguished majority leader also is indicating that we have not only those measures which he has specified but also the legal services bill which will be coming along that week.

Mr. MANSFIELD. That would be on the 28th, under the agreement reached. That legislation will be the pending business on that day.

Mr. ROBERT C. BYRD. And the budget control bill will be coming along on about what date?

Mr. MANSFIELD. I would have to bow to the judgment of the distinguished assistant majority leader because it will have to come out of his committee. It already has been reported by the Committee on Government Operations. So what date would the distinguished Senator think possible?

Mr. ROBERT C. BYRD. I think perhaps in the early part of February or mid-February.

Mr. MANSFIELD. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the distinguished majority leader.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the executive calendar, beginning with new reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the executive calendar, beginning with new reports, will be stated.

DEPARTMENT OF TRANSPORTATION

The second assistant legislative clerk read the nomination of Rodney Eugene Eyster, of Illinois, to be General Counsel of the Department of Transportation.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

THE JUDICIARY

The second assistant legislative clerk read the nomination of Hebert J. Stern, of New York, to be U.S. district judge for the district of New Jersey.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations in the Department of Justice, as follows:

Donald E. Walter, of Louisiana, to be U.S. attorney for the western district of Louisiana.

Denny L. Sampson, of Nevada, to be U.S. marshal for the district of Nevada.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

The second assistant legislative clerk read the nomination of Thomas B. Davies, of Ohio, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency.

The ACTING PRESIDENT pro temport. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nominations in the Department of State, as follows:

Walter J. Stossel, Jr., of California, a Foreign Service officer of the class of Career Minister, to be, an Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Helmut Sonnenfeldt, of Maryland, a Foreign Service officer of class 1, to be Counselor of the Department of State.

Robert J. McCloskey, of Maryland, a Foreign Service officer of class 1, to be an Ambassador at large.

Arthur A. Hartman, of New Jersey, a Foreign Service officer of class 1, to be an Assistant Secretary of State.

Robert C. Hill, of New Hampshire, to be an Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

Lloyd I. Miller, of Ohio, to be an Ambassador Extraordinary and Plenipotentiary of the United States of America to Trinidad and Tobago.

Mr. FULBRIGHT. Mr. President, on behalf of the Committee on Foreign Relations I wish to make a few brief remarks on the nomination of Helmut Sonnenfeldt to be Counselor of the Department of State.

The committee on December 18, ordered Mr. Sonnenfeldt's nomination to be reported favorably to the Senate without any objection. It did so after having heard the nominee in open session on December 17, and after having reviewed testimony given over a period of 3 days before the Senate Finance Committee in connection with another appointment.

The Foreign Relations Committee decided not to duplicate the thorough work of the Finance Committee and not to hear witnesses who had already made a record before that committee.

The committee's examination of that record, together with a staff report on the contents of the security files on Mr. Sonnenfeldt led it to the conclusion that there was either lack of substantiation of the charges made before the Finance Committee or the charges themselves were of little substance. Hopefully, the committee's favorable action will lay to rest, once and for all, all questions concerning the nominee.

The nominee's background, training, and experience, eminently qualifies him for the position to which he has been appointed. Mr. President, I ask unanimous consent that his biographic sketch be printed in the RECORD at this point.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

HELMUT SONNENFELDT

Position for which considered: Counselor of the Department of State.

Present Position: National Security Council (on detail).

Office Address: The White House, Washington, D.C.

Born: September 13, 1926, Berlin, Germany (naturalized 1945).

Legal Residence: Chevy Chase, Maryland.

Marital Status: Married.

Family: Wife: Marjorie Hecht. Children: Babette, Walter, and Stewart.

Home Address: 4105 Thornapple Street, Chevy Chase, Maryland.

Education: 1942–44, student Manchester University (England); B.A. 1950; M.A. 1951, Johns Hopkins University.

Language Ability: German and French.

Experience:

Non-Government, 1944–45, Photographer, Commercial company.

1952, Translator, language services.

Military, 1945–46, United States Army, Sergeant.

Government, 1947, Clerk (CAF–3), Department of State.

1952–58, Analyst, then later Specialist, Division of Research for USSR and Eastern Europe, Soviet Foreign Branch.

1958–60, Specialist, Bloc Internal Political Relations Branch, Bureau of Intelligence and Research (GS–12).

1960–61, Foreign Affairs Officer, United States Arms Control and Disarmament Agency (GS–13).

1961–69, Chief Bloc International Political Activities Division; Deputy Director, then Director (1966), Office of Research for Soviet Bloc, Bureau of Intelligence and Research (GS–14/15; FSR–2).

1967, Appointed FSR–1.

1969 to present, National Security Council (on detail).

1970, Appointed FSO–1.

Awards: Superior Honor Award, 1968.

Mr. FULBRIGHT. Mr. President, this data speaks for itself and there is no point in repeating it.

There are two aspects of this matter that I wish to stress before closing. One is that Mr. Sonnenfeldt's loyalty to the United States has never been successfully challenged at any time or by anyone. The other point is that there is little if any doubt about his ability to perform the duties of the office to which he is now nominated.

On behalf of the Committee on Foreign Relations, I recommend that the Senate confirm Mr. Sonnenfeldt to be the Counselor of the Department of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER FOR ADJOURNMENT UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I understand the following request has been cleared with the authors of the amendments. I ask unanimous consent that on the amendment by Mr. BUCKLEY—the so-called deregulation amendment to the FEEA bill—there be a time limitation of 2 hours to be equally divided between Mr. BUCKLEY and Mr. RIBICOFF; and that time on any amendment to that amendment be limited to

1 hour, to be equally divided and controlled in accordance with the usual form.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BUCKLEY. Mr. President, reserving the right to object, and I shall not object, I also ask if the distinguished assistant leader would add to that request, the request that that amendment be made the next order of business after the Mondale amendment.

Mr. ROBERT C. BYRD. Yes. I add that to my request.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on an amendment to be offered by the Senator from New York (Mr. BUCKLEY) to the amendment of the distinguished Senator from Minnesota (Mr. MONDALE) there be a time limitation thereon of 30 minutes, to be equally divided and controlled in accordance with the usual form.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on an amendment to be offered by Mr. JACKSON to the FEEA bill there be a time limitation thereon of 30 minutes, to be equally divided and controlled in accordance with the usual form.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONGRESS GREATEST CHRISTMAS GIFT—ADJOURNMENT

Mr. HUGH SCOTT. Mr. President, Congress is about to present its greatest Christmas gift to the American people—adjournment.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair recognizes the distinguished Senator from Texas (Mr. BENTSEN) for not to exceed 15 minutes.

ENERGY AND ECONOMICS

Mr. BENTSEN. Mr. President, the size and scope of the energy crisis is slowly but surely making itself felt on the general economy of the United States.

Recent statements by respected economists have noted that the energy crisis means shortages in consumer products, higher prices, critical dislocations for energy intensive and energy based industries such as transportation, petrochemicals, automobile manufacturing, tourism, and in some cases, basic manufacturing.

The effects of the energy crisis on unemployment are already being felt. Even the more optimistic forecast predicts close to 6 percent unemployment by the end of next year. The fact is that unemployment for some Americans means lost production, slower national growth, and higher unemployment compensation cost for all Americans. And, unemployment means lost opportunity for working persons, their families, and their children.

Already, for example, layoffs have become widespread in the airline industry. Eastern Airlines, according to latest reports, plans to furlough 4,000 employees. TWA has laid off 100 pilots. In addition, about 10,000 gas stations have closed this year, further aggravating the employment situation.

Mr. President, even without the energy crisis, our country is still in the midst of an inflation spiral—most of which can be traced back to the decision of the Nixon administration to remove phase II controls in January 1973. That decision, and the resulting uncertainty flowing from it, help unleash a price explosion that has been plaguing our economy ever since. The recent food-price spiral, the zigzag nature of the stock market, the increased interest rates and credit crunch—all meant nothing but ill will for the consumer's pocketbook.

The latest Consumer Price Index—issued on November 24—showed the cost of living accelerating at a 9.6 percent seasonally adjusted annual rate. These October figures were 7.9 percent higher than 1 year earlier, and were the largest year-to-year jump in consumer prices since 1950.

And, the price inflation could become worse than it is. Herbert Stein, Chairman of the President's Council of Economic Advisers, on December 11, said that fuel prices might rise as much as 50 percent—boosting the cost of living by 3 percent or about $27 billion next year.

Not only are prices and unemployment increasing, but real buying power has decreased—placing a further burden on the working families of this country. American workers are on a treadmill, making more money that will buy less food, less in services, less in consumer goods.

Mr. President, the oil shortage will only aggravate those problems—and make solutions more difficult. The solutions are not just a matter of inconveniences such as lower thermostats or slower driving. The solutions have become a matter of balancing and adjusting our economy to dampen higher prices and protest jobs in the face of a national economy that is complex, interrelated, and runs on a high consumption of increasingly scarce petroleum and petroleum products.

In short, Mr. President, we must take effective action immediately to provide the assistance necessary to our business and their employees so that the economic effects of the energy crisis do not result in millions of employees losing positions and earned benefits, the closing of businesses, and further increased prices.

As a first step, Mr. President, we must conduct a review and reexamination of the price and wage control system, to evaluate its impact in view of new economic demands and make the changes required to minimize future economic dislocations. As a member of the Joint Economic Committee, I intend to participate fully in the upcoming review of our economy conducted by the committee. I want the committee to explore in detail the various policy alternatives and make recommendations based on the criteria of protecting jobs, lessening economic dislocations, and slowing the inflation spiral.

As a second step, Mr. President, I firmly believe that the Government of the United States bears a special responsibility to work with industries and employees affected by the energy crisis to reduce the curtailments of production and to keep factories operating and our workers on the job.

In other words, we need to assist the economy as it moves from petroleum abundance to petroleum scarcity.

To aid in that transition, last week, I introduced legislation that would establish within the Department of Treasury an agency for energy adjustment to administer a guaranteed government loan program for adjustments necessary to convert to a petroleum-scarce economy.

Under this legislation the Federal Government would guarantee the principal and interest of loans made for three purposes:

One, installation of energy-saving production equipment;

Two, conversion from industrial usage of petroleum and natural gas to more abundant forms of energy, such as coal;

Three, conversion to other lines of products and services less dependent on high energy usage.

The bill also grants borrowers a priority under the Federal energy allocation programs to insure that plants are able to continue production during the conversions.

The bill provides for loan guarantees of up to $1½ billion over the next 18 months.

Since the demand for loans such as these are unknown, this figure must be the subject of hearings. But whatever the amount eventually agreed upon I believe the cost of unemployment and plant closings is greater. A 1-percent increase in unemployment reduces revenue to the Federal Treasury by over $10 billion—in addition to the human loss.

I believe that such a program as outlined in my legislation would help keep factories and plants open, production lines moving, and American workers on payrolls instead of in the unemployment compensation or welfare rolls.

The proposal will help move this Nation toward energy self-sufficiency and economic security.

Mr. President, I hope that the Senate will consider the legislation I have introduced as expeditiously as possible.

THE ECONOMY: NEW PROBLEMS IN SEARCH OF NEW SOLUTIONS

Mr. McGOVERN. Mr. President, first, I commend the Senator from Texas, who has just made some remarks with reference to the economic problems facing the Nation. I want to follow up on his comments with some observations on other aspects of the economic situation which confront our country today.

Mr. President, this morning a number of us on this side of the aisle will be discussing legislation which the Congress has adopted this year and could adopt next year to help solve the problems which plague the economy.

Each of us has chosen a topic on which he places a high priority. In my case it is tax reform. But before offering some specific suggestions, I want to underscore the nature of our economic plight today.

For the first time since the 1930's, American jobs and American prosperity are seriously threatened. The increasing inflation, unemployment and shortage we have today are symptoms of serious economic illness. And the fault lies not with the free enterprise system, but in how that system has been perverted for the special interest of a few at the expense of the worker, the farmer, and the small businessman.

The problems we have today are not simply the result of incompetent administration. They are rooted in fundamental choices the Government has made over the past few years—in the budget and tax policies developed to counter inflationary pressures spawned by the Indochina war and its $100 billion deficits.

Despite frequent talk of returning to a "free economy" and getting Government out of the people's pockets, the Nixon administration has intervened extensively in economic matters—trying and abandoning several different policies.

During the first 2 years of his Presidency, Mr. Nixon practiced the economics of Herbert Hoover, seeking to restrain prices by raising unemployment. The result was a major recession and an actual increase in inflation.

To combat this new crisis the President sharply altered his economic policy. Relying on an unprecedented array of economic tools, he sought to pull the country out of recession by raising Government spending and budget deficits more than at any other time of peace. And to combat the inflation in 1970–71, the President imposed the first peacetime wage-price controls in our history. At the same time he radically altered the tax structure.

But the emphasis of his program was to benefit the corporate sector. He hoped that higher profits would lead to greater investment and expansion and thus to more jobs.

Wages have been kept under strict control, while profits have been permitted to soar to record highs, fattened by multimillion dollar tax writeoffs.

The President is following the same strategy in dealing with the energy crisis today—permitting oil prices and profits to soar, and recruiting 250 oil executives to run the emergency energy program.

A decade earlier, President Kennedy also intervened, using fiscal tools to help the Nation recover from the last Eisenhower recession. His program involved fiscal stimulation through increased Government spending and tax reduction, freer trade with foreign nations, and wage-price guidelines.

But while President Nixon has relied on wealth to trickle down from big business to the rest of us, President Kennedy sought to benefit workers and consumers directly. Thus, his program for tax relief, impemented by President Johnson, was basically a lowering of individual income tax rates to increase consumption and therefore production. And his attempts to restrain inflation concentrated on prices rather than wages.

The policies I advocated last year—tax reform, decreased military spending, selective price controls and tougher antitrust enforcement in the case of highly concentrated industries, and income redistribution—basically followed in the Kennedy mold. Their purpose was to stimulate consumption and thereby increase investment and jobs, while moving to balance the budget by closing tax loopholes and reducing unnecessary and unproductive military commitments.

I think that approach would have been more effective as well as more equitable. Although the abuses of the past would still have taken their toll, an earlier return to sound policy would have lessened the cost.

But now we have a new dimension which pushes even this debate into a secondary role. It virtually guarantees that the 1970's will mark a major turning point in American economic thinking—a period no less profound, and perhaps no less traumatic, than the 1930's.

Today the question is no longer one of choosing between alternative strategies, either of which will produce some measure of prosperity. It is one of coping with shortages of essential commodities which cannot be replaced.

Inefficient uses of industrial commodities in short supply will insure that industry will not soon catch up with the demand for many essential products. And a shortage economy will insure that inflation will continue at the high rates we have seen this year.

No economic forecast I have seen paints a hopeful picture. Even the usually optimistic administration projections herald hard years ahead, regardless of what happens with the Arab oil boycott. Just last week the Chairman of the President's Council of Economic Advisers projected a 33-percent increase in the unemployment rate, coupled with 6-percent inflation. The Department of Agriculture has forecast a 17-percent decline in farm income. Housing starts are already down by 25 percent, paced by the highest interest rates since the Civil War.

And on top of this, no expert is sure what effect the energy crisis will have on unemployment or inflation. In terms of jobs, estimates range from 6- to 10-percent unemployment, depending on how serious the shortage is.

As far as prices are concerned, the energy shortage may add as much as 3 percent to the earlier projections.

But for the American people, the question is not who is to blame, but what can be done.

To some extent, past errors in government policy should humble us in our future efforts. But because bad policy has been a major source of the present disorder, only better policy will enable us to restore order.

I personally believe that the tax code furnishes us with one of the most effective means of restoring strength to the economy. For by making certain changes, we can overcome the effects of inflation, put our wealth to more productive use, and begin to end the energy crisis.

I was heartened by a statement the President made at his September 5 news conference. He said:

> A number of my economic advisors, including, incidentally, Arthur Burns, have strongly recommended that the whole answer to this problem of inflation is in the tax structure.

He went on to endorse the concept of a variable investment credit.

Tax reform is essential, and I was disappointed when the President did not follow up his trial balloon with specific proposals. But Chairman MILLS has pledged to report out a comprehensive tax bill next year.

Among the highest priorities for tax reform should be an attempt to distribute the tax burden more equitably among all our citizens. A recent poll reflected that 76 percent of the people now believe that "the rich get richer while the poor get poorer." And the President himself has had an opportunity to personally experience the ire of taxpayers who see someone earning an income of a quarter of a million dollars paying the same amount of tax as a working family of four with an income of only $8,000.

Yet one consequence of inflation has been to redistribute income upwards in the form of higher profits for big business. For example, the profits of the largest corporations have increased at a rate of 30 percent this year. And compensation for executives has gone up a comfortable 13.5 percent. But wages for working people have not even kept pace with inflation. Their purchasing power has actually gone down.

For the rich and superrich, tax shelters have proliferated. The overall effect is that the highest income taxpayers have been able to escape the tax the law appears to require them to pay while inflation forces the average citizen's wages into higher income brackets: a greater tax on a lesser income which they cannot escape.

Last Spring Secretary Shultz endorsed the concept of "minimum taxable income" originally put forth by Professor Surrey of Harvard. Under this concept, wealthy taxpayers would be taxed at normal rates on at least half of their real income. But whatever formula is adopted, an effective minimum tax should be the first priority.

A second area which should be explored is the concept of a variable investment tax credit. Many industries today are experiencing serious capital shortages. They will be unable to readjust to changed times unless they are granted incentives to modernize. The problem with the current investment incentives is that they reflect basically a shotgun approach, rewarding unproductive investments equally with useful ones. So any program of reform in this area should include a repeal of the accelerated depreciation provisions. We should also return to the form of the investment tax credit which worked successfully during the Kennedy years, limiting the credit to actual increases in investment.

This revision of accelerated depreciation and the investment tax credit would permit a reallocation of between $7 and $8 billion into more productive uses.

A third area involves channeling the increased profits of energy companies to uses which will help solve the energy crisis. Chairman Mills has already endorsed the concept of an excess profits tax, as have many segments of organized labor, including the AFL-CIO. Last Wednesday, Representative Les Aspin and I introduced legislation to impose a nominally high rate of tax on increased energy profits, coupled with an investment credit. Under our bill, energy companies would be able to avoid paying that tax if they used their increased profits for certain designated types of investments which would increase the domestic supply of energy. In other words, the excess profits tax would only apply to increased profits which were used for higher dividends, retained earnings, or unproductive investments. Certainly no group should reap windfall profits from a crisis which will force all Americans to sacrifice.

Fourth, we should close the loophole for unrealized capital gains at death, with an exception for estates of moderate size, a deferral of taxes on property left to a spouse and extended averaging provisions. The inevitability of death should not assure the avoidability of taxes. We should no longer permit the passage from generation to generation of vast sums of unearned and untaxed wealth. And if wealthy estates paid taxes on the real value of property, we would have $2.5 billion more in revenues each year.

Fifth, we should grant a more equitable $160 tax credit in place of the regressive personal exemption. Under the present system, a personal exemption reduces taxes by $525 for taxpayers in the highest bracket, but only $107 for those in the lowest bracket. By changing from an exemption to a tax credit, we would reduce taxes for more than 85 percent of American families and at the same time raise nearly $1.5 billion in additional revenue.

Sixth, we should remove the $100 dividend exclusion. For 86 percent of the benefits of this loophole go to the richest 5 percent of our taxpayers, while only 4 percent goes to the average citizen. Its elimination would yield $400 million.

Seventh, we should subject those who earn income from investments to the same withholding and reporting requirements as wage earners. Because the banks and Wall Street brokerage houses did not want the annoyance of extra bookkeeping, withholding for the rich was repealed during the Eisenhower administration. But the question in this age of computers is which problem is the more serious—bookkeeping for banks and brokers, or the revenues lost in unreported dividend and interest income. One commentator has estimated such unreported income at $6 billion a year, with a $1 billion revenue loss.

Eighth, we should repeal DISC and other tax breaks for foreign earned income. In a period of high unemployment, corporations should be encouraged to export their products, but not the jobs of American workers. And by enacting that principle into the tax code, we can raise $1.3 billion more.

In addition to these eight steps, we should carefully review the tax code as it relates to agriculture. The $4 billion projected drop in farm income next year seriously threatens the goals the Congress and the President have set for increased farm production. We must make sure that there is sufficient supply of capital to plant new acreage and avoid the kind of chaos which price controls caused this year.

If we take these steps in the tax area alone we will have gone a long way toward solving many of the problems which face us. By readjusting rate structures to offset the regressive effects of inflation, we can restore equity to the tax code. By reordering investment incentives, we can insure that our capital is used productively in both industry and agriculture. And by providing a stick as well as a carrot to the major oil companies, we can assure that their record profits will be the solution rather than the spoils of the energy crisis.

In conclusion, Mr. President, let me again stress that the problems which we face are new.

If we treat shortages, inflation, and unemployment as temporary aberrations, and continue special interest policies, our wealth and prosperity will ebb.

But if instead we come home to the democratic principles from which our strength once grew, our wealth and strength will be renewed.

RETURN TO A FREE ECONOMY

Mr. BUCKLEY. Mr. President, a few weeks ago I said that I thought we were approaching a watershed between a return to economic freedom and the widespread material benefits that historically have been associated with that freedom, and the adoption of a control mentality that can only remove the elasticity of our economy and create greater shortages and higher prices for the American people.

That was in mid-November. It seems now, however, that the approaching watershed I spoke of has given way under the ascending wave of bureaucratic inertia and congressional rhetoric to tighten further the Government's ill-advised intervention in the market.

In the face of the resounding failure of every facet of the wage-price control program, and with the advent of a largely regulation-induced energy crisis, one could reasonably expect a congressional clamor to dispatch this unwelcome intrusion into a free economy. Incredibly, the manifest failure of controls is being met by suggestions in some quarters for additional controls. Mr. President, there is no alternative to abandoning controls if we are ever to regain a free and prosperous economy.

We often lose perspective in this Chamber and in this city. We tend to think that what is before our nose is what is important. But I say today that history will judge this Congress and this administration not on the matters of peripheral importance, even if they do dominate the front pages, but on how we stand on the question of a free economy. For the first time in American peacetime history, we are living under an authoritarian economy. In 1970, the Congress gave the President of the United States the most broad and sweeping standby powers over the economy that he did not want. Nevertheless, bowing to political pressures, the President invoked more powers 1 year later with results that can only be described as disastrous for the people, for the economy, and for the cause of freedom. To whose benefit?

Since the Nixon administration took office in 1969 we have had an opportunity to test the efficacy of controls. Between December 1970 and August 1971 when controls took effect the Consumer Price Index grew at a 3.8 percent annual rate. Since controls were first imposed in August 1971, the index has reflected an acceleration in consumer prices that demonstrates the futility of wage and price controls.

In August 1971, the index stood at 122.1. By October of this year, it had reached 136.6 and during the most recent 12-month period for which figures are available, it was rising at a rate of 7.4 percent per year.

Thus we have suffered the trauma of dislocations resulting from the imposition of controls only to discover that the problem they are supposed to solve is still with us and growing worse.

If there are any lingering doubts that the whole fabric of controls is harmful to our economy, they will soon be dispelled by the results of a forthcoming study commissioned by the National Association of Manufacturers. In a survey of hundreds of manufacturing firms, preliminary results reveal the cascading series of shortages which have been produced by controls, 83 percent of those surveyed indicate that the continuation of wage and price controls will further worsen an already critical supply situation. At the present time over 150 critical industrial commodities are in short supply. Because these industrial commodities are intermediate products in the production process the shortages will sooner or later affect every corner of American economic life. Thirty-one percent said that they were forced to cancel or postpone expansion plans because of wage and price controls while over two-thirds stated that controls had imposed financial damage to their industry—35 percent of the firms were forced to reduce output as a result of price controls. To add insult to injury, it cost responding firms an average of $100,000 to comply with a set of regulations which have been an unmitigated disaster for the American economy.

Government controls are the primary cause of our current economic difficulties. Organized labor called for their abolition in October. Ninety-six percent of the firms surveyed by the NAM want them abolished.

Wage-price controls have not worked. The evidence is everywhere. Or rather I should say that the lack of materials and food and energy sources are an eloquent, if silent, testimony to the damage done by wage and price controls.

Yet in spite of this overwhelming evidence of deep economic dislocations, despite the growing list of shortages, the regulators and influential voices in the Congress say that the moment is not right to lift these shackles from the American economy. The fact is that the time is never right to abolish controls, and the longer they remain in place, the greater will be the temporary shock as the economy readjusts to the stimuli of the marketplace.

Happily, it does not require an act of Congress to return to conditions of a free economy. The President invoked controls under the authority of the Economic Stabilization Act of 1970. He can, by Executive decree, abolish them. The time for him to bite the bullet is now. The excuse of political pressures will no longer suffice to justify retention of controls. I urge the President to begin the new year by returning freedom to the American economy. If he fails to do so in the face of the overwhelming evidence we now have of their disastrous effect, he alone must bear the heavy responsibility for the damage being inflicted by them.

INFLATION AND SMALL BUSINESS—THE SORRY MANAGEMENT RECORD OF THE NIXON ADMINISTRATION

Mr. BIBLE. Mr. President, this country is in the grip of rampant inflation.

By October 1973, the Consumer Price Index reached 136.6 percent of its 1967 average. This means that more than one-third of the purchasing power of the dollar has been lost to inflation since 1967.

We know that the average American family has less purchasing power today than in 1966, and the average small businessman is probably in the same difficulty.[1] The cost of everything needed in business has soared.

At the beginning of October this year, things were bad enough. Wholesale prices were 16.6 percent higher than a year before. Now, at the beginning of December 1973, the Wholesale Price Index stands at 141.8, 17.5 percent higher than in November 1972. Food and farm prices were 42.9 percent higher than 12 months ago, and fuel prices had escalated 47.7 percent above the levels of a year ago.[2]

In historical perspective, these increases have been astronomical.

I believe it necessary to understand the reasons for this sad state of affairs if we are going to do anything about it. Although worldwide shortages of grains, fuels and other commodities are part of the problem, many commentators seem to agree that our Government has not properly planned to meet these conditions and that the inept performance of the administration in the face of these shortages is a larger part of the problem.

During 1973, so far, prices to the consumer have been increasing at a rate of more than 7 percent.[3]

WHAT INFLATION WILL MEAN TO EVERYDAY PRICES

What does this mean to the average American family and small businessman? Financial commentator Sylvia Porter has illustrated the drastic consequences to our people of even a 5-percent inflation rate. By the year 1985:

Steak would sell for $3.23 a pound;

An average man's suit, instead of $125.00, would cost $224.48;

A new car price would rise from $3,500 to $6,285;

Gasoline would be 72 cents a gallon; and

Milk would be 57 cents a quart.

With wages rising to chase this kind of escalation, the cost of every necessity and convenience would also rise. For instance, at even a 5-percent inflation rate, the items below would cost about two-thirds more than they do now:

Rent;

Bus fare;

Sandwiches;

Sales, property, and income taxes;

Shoes;

Admission to weekend movie would rise from $2.50 to $4.49; and

The New York subway that once upon a time you could ride for a nickel would cost $.63.

Mr. President, I ask unanimous consent that three articles by Miss Porter itemizing these price increases and illustrating the decline in purchasing power of wages be printed in the RECORD following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. BIBLE. Mr. President, as prices increase monthly, or even weekly, some American families can just tighten their belts and give up steaks or movies or an extra piece of clothing. But, there are also many Americans who will simply not be able to pay some of these price increases for necessities.[4] Small enterprises are also buyers of these items. Many of them can also tighten their belts and pay less to their owners and their employees. But many others may be forced out of business, and some already have been.

If inflation is not brought under control, many of our citizens face grim alternatives. For over 20 million elderly and other persons on fixed incomes, their daily lives can become desperate. Small business provides over 50 percent of the jobs in our economy, and close to 40 percent of the gross national product, including many goods and services which are essential. Disruption of small business can severely dislocate the entire economy. This makes inflation a quiet but pervasive national crisis.

Mr. President, as 1973 draws to a close, small businessmen needing to borrow capital are facing interest rates close to or in double figures. Some lending rates have reached as high as 14 to 15 percent when money is available.[5] For the home-building industry for the coming year, economists predict a 30 percent drop in production and a much larger drop in profits.[6] With building hit this hard, there are sure to be ripple effects to home furnishings, appliances, furniture, hardware, and general retailing, in all of which small business firms have a very large stake.

These conditions constitute a radical change from a United States of the 1960's, which enjoyed one of the most stable economies and money systems in the world until the buildup of the Vietnam war.[7]

VERDICT OF THE ECONOMIC EXPERTS

However, the Vietnam inflation came to an end in the recession of 1970. The responsibility for the inflation we are in now is very clear. It was described by two economic authorities as follows:

Eminent financial editor Hobart Rowen has said—"The Nixon administration has itself to blame for the present mess."

Financial columnist Sylvia Porter stated—

> An objective study of these several explanations (failure to correctly assess the worldwide boom, underestimation of the impact of food sales overseas on the U. S. economy and particularly U. S. consumers, and failure to plan for fuel and transport shortages, failure to propose a tax increase or other anti-inflationary fiscal policy, tardiness of the Federal Reserve in fighting inflation, and lack of policy to deal with the energy crisis) must lead you to conclude that on fighting inflation—the No. 1 economic problem to the American public—this administration has been a disaster.[8]

In support of these findings, Mr. Rowen itemizes the following examples of mismanagement by the Nixon administration:

Mr. Nixon's spending budgetary policies resulted in deficits of over $63½ billion during the first 3 fiscal years of his administration. Furthermore, because of high interest rates prevailing during most of that time, there was a runup of over 25 percent in the national debt between June 30, 1969, and June 30, 1973, with interest on the debt now accounting for 9.8 percent of Federal expenditures, compared to 6.0 percent in fiscal year 1969.[9]

Mr. Nixon's tax policy of benefits for big business as indicated by his proposals in 1969 and 1971. I have previously estimated that after Congress succeeded in reducing or eliminating taxes for many citizens under the poverty line in 1969, Mr. Nixon's administration succeeded in legislating approximately $5 billion worth of tax cuts for about 400 of the country's largest corporations in 1971.[10]

Another aspect of Mr. Nixon's fiscal policy referred to by Ms. Porter and others has been the series of announcements during 1972 and 1973 that ruled out any tax proposals in the effort to fight inflation.[11] This policy threw a disproportionate burden on monetary policy, and made the tasks of others seeking price stability—and making the control of inflation—much more difficult.

The Chairman of the Federal Reserve Board, Arthur F. Burns, has repeatedly suggested a variety of possible tax increases and has stated that "the looseness of our Federal fiscal policies (are) the most important underlying cause of inflation."[12]

Most Americans could tell Mr. Nixon from experience that "Inflation is the cruelest tax."

POLICIES AIMED AT LIMITING SUPPLIES

Mr. Nixon's agricultural and fuel policies in the first 4 years of his administration were aimed at assuring scarcity and higher prices. These objectives were not reversed until well into 1973.

It is apparent that some of the short-

Footnotes at end of article.

ages causing inflation in the United States are worldwide in scope. However, the Nixon administration was caught flatfooted in the face of international shortages of grains and petroleum. Just how ill-prepared is illustrated by the fact that it sold a quarter of our 1972 feed grain crops to the U.S.S.R. at $1.50 to $1.60 a bushel, when a year later the price would be $4.80 a bushel.[13]

Mr. Nixon's price control policies which resulted in a year and a half wait after Congress had authorized him to first impose controls before the President would act. Then, in a staggering miscalculation last January he ended controls just when they seemed to be working. Later, he was required to reverse himself again and impose another freeze and another set of controls.

Mr. Rowen might also have cited Mr. Nixon's statement in January 1969—while a war was still in progress—that companies and unions under our system of government should raise prices at will. This declaration terminated a policy of voluntary price cooperation by basic industries which had limited their price increases to 1.7 percent per year for the previous 3 years. Following President Nixon's statement, there was a 6-percent increase in the cost of basic industrial materials in a single year.[14]

SHIFTS IN POLICY ARE ALSO A FACTOR

These actions have been cited as "sudden violent swings in public policy which have created an atmosphere of uncertainty that encourages speculation and therefore inflation."[15]

A recent editorial spells this out:

> The succession of phases, and the changing of basic rules every few months, creates a hostile climate for orderly investment. It jeopardizes the calculations of businessmen and induces them to grab for the nearest profit rather than building for a longer prosperity. The extraordinary rises in industrial prices last spring were obviously owed, in some considerable part, to companies' jittery anticipation of another price freeze. By anticipating it, they made it necessary.[16]

Of course, the Federal Reserve and the Congress are participants in the process of economic policymaking, and we are not blameless.

The Federal Reserve is generally considered to have expanded the money supply much too rapidly in 1972—an election year—in the face of several clear signals to the contrary.[17]

Congress has consistently cut the President's budget proposals. However, its own efforts to formulate adequate procedures for taking an overall stand on budget levels and priorities are just beginning to meet the test of adequacy. Congress should also be doing better in formulating action on overall economic policy.

THE LEADERSHIP POSITION OF THE PRESIDENCY

However, the major responsibility for economic policy and for coping with inflation belongs to the executive branch of Government, and specifically to the President. The Treasury and the Commerce Department and the Council of Economic Advisers, among others, are staffed with full-time experts who have, as their only jobs, analyzing and making recommendations to the President on the economy. The Small Business Administration is in a position to maintain close contact with 8¼ million small business firms and their representatives. The President has continuing access to the Federal Reserve organization. Beyond this, the President is free to draw upon advice of our private financial institutions, our great universities, foundations, "think tanks" and indeed almost any expert in our society.

Added to these manifold resources of the Presidency, Congress in March 1970, gave President Nixon extraordinary authority to impose controls on wages and prices in order to bring inflation under control. President Nixon pointedly declined to exercise this authority at all, which, as it turned out, made their ultimate imposition necessary on August 15, 1971.

President Nixon has, up to the present, gone through several game plans and four phases. In my opinion they add up to a record of consistent mismanagement of the American economy. Economist William Fellner described a recent part of this performance as follows:

> Under pressure from their opponents in 1972, government policy makers expanded the economy too fast and only belatedly did they shift to restraint.[18]

In an essay published in September, Mr. Fellner said further:

> In 1972 the economic policies that determine subsequent aggregate demand were much to expansionary, and a number of special supply-limiting factors became significant. If the basic demand-supply discrepancy is allowed to continue, then price-control measures purporting to be "anti-inflationary" can do no more than to suppress symptoms; and to do even this effectively, such measures would have to be enforced ruthlessly and supplemented by a system of allocations and rationing for which both public opinion and the administrative apparatus are wholly unprepared.[19]

Perhaps it is a somewhat hopeful sign that a man of Mr. Fellner's independent views was nominated for the Council of Economic Advisers.

However, it is a mystery to me how President Nixon, with the whole Republican corporate and financial establishments to choose from, would not for the last 4 years assemble an executive team capable of doing a better job of managing the economy.

It is not difficult to see what needs to be done. The Federal Government as well as State and local governments must address the fundamental structural problems of the economy. This is a task for all parts of the U.S. Government—the executive and legislative branches and also independent regulatory agencies. We are in a new era of worldwide scarcity of basic commodities which calls for multinational consultation and cooperation.[20] We need to maximize efficient production and conservation of food and fiber; fuels and energy; housing; health care; and basic public facilities.

To do this we need the very best talent in both the Government and the private sector who can cooperate to guide our economy in the direction of production and equitable distribution of the goods that the world has to offer.

The Nixon administration has given us a surplus of inflated rhetoric, rosy statements, and determined but often wrong-headed action. The Washington Star-News has described our current economic position "an inflationary debacle that our leaders have been partly unable and partly unwilling to avoid. . . ."[21]

Inflation is raging in our country, and many of our small businesses and ordinary citizens are in trouble. We sorely need leadership of a wise, constructive and patient nature, and solid professional competence in solving the Nation's economic problems. In the Nixon administration, those commodities are in short supply.

FOOTNOTES

[1] "Families Losing to Inflation," *Washington Post,* Aug. 13, 1973, page D11:1. Based upon a study by the Tax Foundation, Inc., a family of four earning $10,000 in 1966 earned raises of $3500, but currently has $466 less in purchasing power.

[2] "Farm, Food Prices Drop at Wholesale," by Peter Milius, The *Washington Post,* Oct. 5, 1973, p. A1: left lead. "Fuel Leads Wholesale Price Rise" by James L. Rowe, Jr., *Washington Post,* Dec. 7, 1973, page A1.

[3] *Economic Indicators,* prepared by the Council of Economic Advisors, Oct. 1973, Prices, p. 26. The consumer price index for all items rose from 127.3 in Dec. 1972 to 136.6 in Oct. 1973, (1967–100) for an increase of 7.3 percent.

[4] A recent study suggests that more than half of our citizens have a net worth of less than $3,000. See "4.4 Pct. Form Affluent Elite" by William Chapman, The *Washington Post,* Sept. 24, 1973, p. A1:2; also see "'Middle Class' is a Myth" by William Raspberry, The *Washington Post,* Oct. 5, 1973, p. A29:4.

[5] Federal Reserve Statistical Release of Oct. 19 indicates that for Sept. 1973, the interest rate for loans of $10,000 to $25,000 payable within a year or less was 9.4%, with the "prime rate" for small businesses at 8.17% compared to 9.75% for large businesses. Somewhat less than 10% of customers are believed to receive the "prime rate." See also "Financing Crises Won't Ease Until Early in 1974," Economic News Notes, the National Assn. of Home Builders Journal, Oct. 1, 1973, p. 52.

[6] See "Housing, Back in the Cycle," *Monthly Economic Letter,* First National City Bank, September 1973, p. 4.

[7] Between 1962 and 1967, the rate of depreciation of the dollar in the U.S. was approximately 2.0 percent per year.

[8] "Economic Policy-makers Prepare to 'Tough It out' " by Hobart Rowen, the *Washington Post,* Aug. 19, 1973, p. F1: 1.

[9] *Economic Indicators,* Oct. 1973, loc. cit., p. 36. Also see "High Money Market Rates Spur Increase in U.S. Government Interest Payments," Comments on Credit, Salomon Brothers, Dec. 7, 1973, p. 4.

[10] "Questions About the President's Phase II Tax Bill," *Congressional Record,* Nov. 8, 1971, vol. 117, pt. 30, p. 39759.

[11] See, for instance, "President Repeats Tax Vow" by Peter Milius, The *Washington Post,* Oct. 8, 1972, in which he reported the President's Oct. 7 three-network radio speech which dealt with taxes in considerable detail, and stated his goal as "no tax increase in the next four years," p. A1. The President also told Garnett Horner of The *Washington Star-News* (see Nov. 9, 1972 edit.):

"You must start with an honest awareness of the . . . problems . . . (But) let me begin with some of the restraints we have. First, there will be no solutions of problems that require a tax increase . . ."

See "Can Nixon Avoid a Tax Hike?" by Hobart Rowen, The *Washington Post,* Nov. 12, 1972, p. E1:1. About this time, the White House Press Secretary, Ronald L. Ziegler, was quoted as saying: The Nixon Administration "contemplates and plans no tax increases in the second term . . . we don't contemplate contemplating (a) tax increase." "Nixon Planning No Tax Boost for 2nd Term," The *Washington Star-News*, Sept. 7, 1972; "Shultz Calls Tax Rise Unlikely for Phase IV," The *Washington Post*, July 14, 1973, p. A3.

[12] "Federal Reserve Chief Warns of Higher Prices," by Hobart Rowen, *The Washington Post*, Sept. 9, 1973, p. A2:7.

[13] See "Commodities, Cash Prices," *The Wall Street Journal*, Oct. 9, 1973, p. 40. Number 2 ordinary hard Kansas City wheat was quoted at $4.82½ per bushel.

[14] President Nixon's Jan. 27, 1969, statement was as follows: "I do not go along with the suggestion that inflation can be controlled by exhorting . . . the leaders of management and labor to follow certain guidelines . . . (These leaders) much as they might want to do what is in the best interests of the Nation, have to be guided by the interests of the organizations they represent."

[15] "The Economy: What Went Wrong" editorial, *The Washington Post*, July 28, 1973, p. A14:1.

[16] *Ibid.*

[17] See, for instance, *Comments on Credit*, Salomon Bros., July 11 and Oct. 13, 1972.

[18] "Nixon Nominee Blames Government for Inflation," *The Washington Post*, Sept. 28, 1973, p. A1:16.

[19] *A New Look at Inflation*, Cagan, Estey, Fellner, Haberler and McLure, American Enterprise Institute, Sept. 1973.

[20] "A Producers World," Joseph Kraft, *The Washington Post*, Sept. 16, 1973, p. C7:1. "Controlling Runaway Inflation Worldwide," by Hobart Rowen, *The Washington Post*, June 14, 1973, p. A31:5.

[21] "Inflationary Shock" editorial, *The Washington Star-News*, Sept. 10, 1973, p. A12:1.

EXHIBIT 1

WHAT 3 PERCENT INFLATION MEANS

(By Sylvia Porter)

If the price of food you eat at home continued to rise at the 14.5 percent rate of the past 12 months, the food market basket you buy for $100 today would cost you $258 by 1980, $508 by 1985 an incredible $999 by 1990.

If the price of meat alone continued to soar at its current 24.7 percent annual rate, your meat bill would spiral from today's $100 to nearly $470 in just seven years!

If the rate of rise in prices of fruits and vegetables persisted, your $100 fruit and vegetable bill would be up to $295 by 1980. Similarly, your $100 home fuel oil bill would be $182. And the used car you could buy today for $1,000 would cost $1,900.

We could not expect our wages, salaries and other forms of income to climb at annual rates matching—much less exceeding—these annual increases. Even if this were possible, the leapfrog of prices over wages and wages over prices and over-and-over would lead only to utter destruction.

There would be no way for older people forced to live on fixed incomes to survive at all. Inflation would wipe them out even more surely than a worldwide pestilence. Cash savings would become worthless in a short time. Security and dignity for the individual would become unattainable.

We simply cannot afford to risk it.

We must find ways to bring the worldwide inflations of the 1970s under control just as an earlier generation found ways to bring the worldwide depressions of the 1930s under control.

The economic-financial-political leaders of the world are tackling the problem of monetary reform together and they will rebuild a workable monetary system. Inflation is a worldwide phenomenon, a worldwide threat, and it too commands a worldwide approach. Who will seize the role of initiator?

In the United States, the Nixon administration has now made our target for yearly price increases 3 percent—but that is not good enough. For that 3 percent means that, from time to time, the rate of annual rise must swell to 4 and 5 percent and even if it were to hold, it would be 3 percent a year compounded. It would be 3 percent year after year on top of a price level increased by 3 percent year after year.

Do you have a clear concept of what price increases of 3 to 5 percent a year would mean to a list of goods and services familiar in your everyday life by 1985, a mere 12 years from now? Here is what it would mean:

Item, price now	3 percent	5 percent
Sirloin steak, $1.80 lb	$2.57	$3.23
Butter, 85c lb	1.21	1.53
Milk, 32c qt	.46	.57
Oranges, $1.05 doz	1.50	1.89
Coffee, $1.00 lb	1.43	1.80
Potatoes, $1.35/10 lb	1.93	2.42
Hamburger, 95c lb	1.35	1.71
Ice cream, 45c qt	.64	.81
Beer, $1.25 six pack	1.78	2.25
Meal out, $15 for two	21.39	26.94
Man's suit, $125	178.22	224.48
Women's shoes, $15	21.39	26.94
Dungarees, $8	11.41	14.37
Bed sheet, $3	4.28	5.39
Lipstick, $2.50	3.56	4.49
Vitamins, $3.75	5.35	6.73
Hair cut, $3.50	4.99	6.29
New car, $3,500	4,990.00	6,285.00
Bicycle, $80	114.06	143.67
Subway fare, N.Y., 35c	.50	.63
Gas, 40c gallon	.57	.72
Movie admiss., $2.50	3.56	4.49
Refrigerator, $275	392.08	493.86
Hospital room, $100 day	142.58	179.59
Physician visit, $15	21.39	26.94

EXHIBIT 2

PAYCHECK VALUES DECLINE

(By Sylvia Porter)

If you earned a salary of $10,000 in 1966 and if you have received raises adding up to $3,500, or 35 percent, since then, how much of your extra pay do you have left in terms of buying power?

Not a cent. In fact, your net purchasing power is down. Your $13,500 is worth $466 less in the open market than your $10,000 was worth in buying power seven years ago.

If you are the sole breadwinner in a family of four and you have been able to hike your salary from $20,000 to $27,000 in the past seven years, what's your extra $7,000 worth to you?

Less than nothing. Your apparent gain of $7,000 has been more than wiped out by the increased taxes you pay and the loss is your after-tax income due to inflation. Your higher pay is actually worth $889 less in the marketplace than your smaller pay in 1966.

And what about you, the man with a wife and two children at home, who earned $50,000 in 1966 and earns $67,500 today—equal to pay increases of 35 percent. What have taxes on your increased income and inflation done to your additional $17,500 in this short span?

They have translated your $17,500 of raises into a net loss in purchasing power of a whopping $3,286!

This is the dreadful story of inflation in our era and it is a tale against which all others place into significance. The Gallup Poll is touching the most sensitive spot on the U.S. body politic—the pocketbook nerve when it reports that by an overwhelming percentage, you consider "inflation" our No. 1 problem today.

Salary 1966–73	Increased taxes	Loss from inflation	Buying loss
$5,000 to $6,750	$288	$1,602	$140
$10,000 to $13,500	950	3,016	466
$15,000 to $20,250	1,421	4,416	587
$20,000 to $27,000	2,132	5,757	889
$30,500 to $40,500	4,000	8,144	1,644
$50,000 to $67,500	8,670	12,116	3,286

If you've been lucky enough to win cumulative raises of 35 percent in only seven years, you are behind. And that suggests that all of us are behind—despite our seeming prosperity and despite our supposedly sophisticated economic leadership.

This is the fundamental message of these estimates put together for me by the Tax Foundation in New York City.

The Watergate scandal and the testing of the historic doctrine of the separation of powers—no one denies; the importance of these events. The emergence of an era of peaceful co-existence, the new global power blocs, the creation of a modern monetary system, the downgrading of the U.S. dollar's role—all of these are developments of monumental significance.

But "inflation" is your everyday life. It is food on your table, a roof over your head, a sense of security now and in the future for your family.

And inflation is the enemy we must now tackle on a worldwide basis, for this is a worldwide enemy. All of us are infecting each other with the disease, exporting it and importing it. How far down must we dig for the causes in international trade jealousies, quotas and walls? In currency relationships and money flows? In sovereignty? Must we create a global central bank to help regulate us? Must we strive for new heights of cooperation? I ask the questions, certain that in them we will find some of the answers.

The accompanying table shows the awful figures. The Tax Foundation assumes a family of four with one member working. It estimates federal and state income taxes and Social Security taxes based on official statistics. It assumes cumulative raises of 35 percent and a cumulating rate of inflation of 36.6 percent for 1966–73.

And, of course, if you haven't received pay increases equal to 35 percent—which millions certainly have not—you're even worse off. And if you have been living on a fixed income in this period, your position is becoming or already is desperate.

EXHIBIT 3

REASONS FOR AN 8-PERCENT INFLATION

(By Sylvia Porter)

The upsurge in our cost of living in 1973 is approximating an oppressive 8 percent, triple the increase projected by President Nixon at the start of the year.

The great business boom of 1973 is to go down in the record books as the most queasy and despondent of modern times.

What went wrong? Why?

There are, I submit, at least seven basic reasons why:

(1) From the very beginning, the White House failed to grasp the awesome power of 1973's worldwide economic boom superimposed on our own boom—and the subsequent explosive demands for our foodstuffs, goods and services.

We have been in a global boom without precedent. All over the world, people have been eating more and better food. Hundreds of millions of customers have been clamoring for our production everywhere.

Nixon encouraged this boom and perhaps he has fully appreciated it. But by no stretch of the imagination have the economic policies he has proposed for the U.S. matched the challenge.

(2) The administration shockingly underestimated the impact of its foreign sales of foodstuffs—particularly of wheat to the Soviet Union—on food prices here. As a result, Nixon did not simultaneously fight for an early overhaul of our agricultural policies to bolster our production of foodstuffs.

Not until August 10 did the President sign into law a new farm program designed to stimulate full production. The White House's failure to concentrate on immediately increasing food supplies (inherent in Shultz's overconfident forecast) was a crucial error.

(3) Bad weather, droughts and crop failures, interfered with food production all over the world. Throughout the year—and long before the Arab oil embargo—shortages of fuel and transportation facilities also adversely affected farm and food prices as well as many other vital prices across the board.

(4) The successive devaluations of the dollar to the point where our dollar has become among the most undervalued currencies in the world has vastly stimulated our exports, a trend devoutly to be wished. But the ironic fact is that increases in agricultural products have led the list.

The dollar devaluations may have been essential shock medicine to the world, but they have scarcely helped the U.S. consumer.

(5) Despite earnest and well publicized goals of limiting inflationary spending, the White House and Congress have continued to follow pro-inflationary fiscal policies.

There has been no anti-inflationary tax rate hike, no anti-inflationary lid on government spending, no curbs on excessive installment buying. Let's not kid ourselves on this.

(6) Only the Federal Reserve has been fighting the spiral with a tight monetary policy, and that policy was not adopted until spring of 1973—when inflation already was at a galloping pace.

What's more, historically high interest rates have added to the cost of living and doing business.

(7) Finally, when signs began to appear that the worst might be behind us, the energy crisis broke wide open. Prices of all types of fuels have been skyrocketing and will go higher. Once again, the White House was caught utterly unprepared. When asked what energy cutbacks would mean, for instance, the President's chief economic adviser, Herbert Stein, replied: "I'm ashamed to say I can't answer the question." And now we face another upward spiral in living costs in 1974 in the midst of what will be at best, a major business slowdown.

An objective study of these seven explanations must lead you to conclude that on fighting inflation—the No. 1 economic problem to the American public—this administration has been a disaster.

INFLATION AND THE ECONOMIC OUTLOOK

Mr. PROXMIRE. Mr. President, this country has suffered one of the worst periods of inflation in its history during 1973. Consumer prices have risen 8 percent during the last 12 months—October 1972 to October 1973, the highest since the Korean war inflation of 1951. In the early part of the year, the price increases were concentrated in the food area, and by October, the price of food at home was more than 20 percent above a year ago. What is disturbing to me, however, is that as food price increases have begun to slow down, the prices of industrial commodities have surged. In November alone, the price of industrial commodities as measured by the Wholesale Price Index went up 3.2 percent. In the last 3 months these commodities have gone up at a compound annual rate of 21 percent. While a significant part of this increase can be attributed to petroleum and related increases, the prices of other manufacturing commodities have jumped sharply in the past year, and especially in the last month. Among basic materials cotton, wool, manmade fibers, paint, agricultural chemicals, lumber, paper, and metals have shown the sharpest rises. This list demonstrates how pervasive the inflation has become. In many cases these basic commodity price increases will be translated into higher consumer prices within 2 or 3 months.

Even though wages continued to rise in 1973, the rise in consumer prices was more than enough to offset these wage gains, and the average worker was worse off at the end of 1973 than he was a year ago. Real earnings in October—that is, earnings adjusted for inflation—were 2 percent below October 1972. The effect on the poor of the 1973 inflation was even greater. In the average family's budget, about 20 percent goes for food. In a low-income family as much as 40 or 50 percent of the budget is used to purchase food. This means that if the poor family spends 40 percent of its disposable income on food, and food prices have gone up more than 20 percent, then this family's real income has been cut by 10 percent. Energy, especially for home heating, constitutes a larger proportion of the low-income family's budget than other income groups. Recent price increases for gasoline and oil may cut the poor family's real income by another 2 or 3 percent. When more detailed statistics become available, they will likely show that the 1973 inflation was a regressive one, and that the distribution of income shifted, leaving the poor and those of modest income with a smaller share of total income.

AND RECESSION TOO

Unfortunately, the prospects for an abatement of inflationary pressures in 1974 are not good. Most economic forecasters are predicting very little or no economic growth in 1974, with declines in real output during the first half of the year and a gradual recovery in the second half. Walter Heller, former Chairman of the Council of Economic Advisers under the Kennedy and Johnson administrations, told the Joint Economic Committee last week:

> The first half of 1974 will look like—and perhaps by traditional standards will be—a recession. We can expect a drop in real GNP at an annual rate of about 1½ percent in the first quarter and 1 percent in the second, followed by a moderate rise in the third quarter and a more rapid recovery in the fourth.

These negative growth rates will be accompanied by continued sharp increases in price according to most forecasts. Data Resources, Inc., a highly respected economic model, predicts an increase of more than 7 percent in the Consumer Price Index in 1974. Walter Heller suggested to the Joint Economic Committee that consumer prices will rise between 7 and 8 percent in the first half of the year, slowing down to a 6 percent increase in the last 6 months of 1974. The GNP deflator, the most comprehensive measure of price increases throughout the economy, will rise by anywhere from 5½ to 7½ percent according to the private forecasts. Many of these forecasts were made before the administration began to consider actively the possibility of letting gasoline prices rise sharply to limit demand. Dr. Herbert Stein, Chairman of the President's Council of Economic Advisers, told the Joint Economic Committee last week that if energy prices were allowed to rise to a level where supply would equal demand, that consumer prices would rise by 3 percentage points more than they would have otherwise.

WHAT TO DO ABOUT IT

The course of the economy in the coming year will be an uncertain one. Inflation coupled with the threat of recession necessitates a carefully balanced policy. It would be a grave error for the administration or Congress to consider abandonment of wage and price controls at this point. As I have indicated, inflationary pressures will continue very strong in the coming year, and this is especially true for fuel prices. Retaining controls, at the very least through the first quarter of 1974, should have a significant impact on the rate of inflation. Witnesses who appeared before the Joint Economic Committee in October suggested that continuation of controls into 1974 could lower the inflation rate by 1 to 2 percent. With respect to energy sources, in particular, removal of controls would do nothing to increase supplies in the short run but would provide windfall profits to oil companies whose earnings have already jumped dramatically in the second and third quarters of 1973. Even after wage and price controls are removed, this country will need some form of incomes policy on a permanent basis. A continuation of controls into next year will provide the time necessary to either decontrol industries selectively or to develop a workable voluntary incomes policy.

Wage and price controls will also take some of the burden of fighting inflation from monetary and fiscal policy. The possibility of recession is great enough that we cannot afford restrictive monetary policy. As Walter Heller told our committee:

> The extra price jolt from the oil shortage in 1974 should not be taken as a signal—any more than the 25 percent jump in food prices in 1973—for monetary tightening. These shortages, to use the words of Arthur Burns in his recent defense of monetary policy, "hardly represent either the basic trend in prices or the response of prices to previous monetary or fiscal policies." To attempt to hammer down price increases in food and inelastic demands—by restrictive monetary policy would wreak havoc on the rest of the economy.

Fiscal policy likewise cannot be as restrictive as the administration had intended in the light of forecasts that the unemployment rate will rise to 6 percent in 1974. We should consider a variety of programs, including public service employment and extended unemployment benefits, as countercyclical measures to lessen the impact of possible negative growth rates in early 1974.

Mr. President, this administration has bungled economic policy for the last 5 years. But using monetary and fiscal policies alone under current economic conditions to fight inflation would make their previous mistakes seem minor in comparison.

AMERICAN WORKERS ARE LOSERS UNDER NIXON ECONOMIC GAME PLAN

Mr. HUMPHREY. Mr. President, the economists now confirm what every American worker has known for months, that the buying power of his paycheck is less this year than it was last year.

The Joint Economic Committee will soon release a study which clearly shows this to be the case. Their analysis concludes—

> The best measure of real per household income or per family income showed a decline to a negative 1.4 percent during 1973. [And], in conjunction with the negative rates of change we found among other measures of purchasing power, explains accurately why consumers do not believe they are better off economically in 1973. They are in fact not better off.

More specifically, the JEC analysis shows that there has been a net fall in real adjusted hourly earnings of about 4 percent from 1972 to 1973. This clearly indicates that wage rates not only have not kept pace with inflation, but also have undergone a significant setback in terms of purchasing power. Even when fringe benefits and overtime are added into the calculation, the American worker is currently unable to keep up with inflation. Not surprisingly, real weekly earnings have declined by about 4 percent from 1972 to 1973, paralleling the decline in real hourly earnings.

Perhaps the American worker was aware long before the economists that he was losing economic ground, because his main income measure is take-home pay. The economists call it "real spendable weekly earnings" and these figures, more than any others, show just how bad a beating our workers have been taking. The data show that, during the last 21 months, the average American worker has experienced a net decline in the buying power of his take-home pay of 6.7 percent.

Additional figures simply reinforce the conclusion that regardless of how you look at it, the American worker has suffered this year both as a wage earner and as a consumer.

And, unfortunately, the worst may be yet to come. According to many experts, inflation next year will be even worse than in 1973. A rate of inflation of over 7 percent is expected during the first half of 1974. Unemployment is also expected to be significantly higher, perhaps around 7 percent during parts of the year.

Economic growth and income growth are expected to be very modest next year, if there is any growth at all. In fact, it is possible that we will actually experience a real decline in GNP during the first two quarters of 1974.

If these projections are correct, the American worker will most likely see his real buying power be reduced even further in 1974.

The economic policy of the Nixon administration has proven to be disastrous for the American worker and his family. While "Nixonomics" have been very effective in holding down wages, they have been a total failure in every other respect.

Prices on nearly everything we buy have gone up at record rates—food costs rose 19 percent in the last year, fuel oil and coal prices are up about 20 percent over last year and rising, and housing costs went up by 6 percent in 1973.

Interest rates have soared to new heights with the prime interest rate now at 10 percent in many banks and home loans carrying a stiff interest charge of 9 percent or more in some parts of the country.

At the same time, industry has reaped a profits bonanza at the expense of the American worker.

Nevertheless, despite all of the evidence, the administration's economic experts have testified before the Consumer Economics Subcommittee, which I chair, and elsewhere, that the average American family never had it so good. It is no wonder that "Nixonomics" have failed to respond to the economic needs of our people. They do not even recognize the problem.

Mr. President, I intend to continue my effort to bring home to the administration the serious economic condition of the American worker and his family. Hopefully, we will have more success in making them see what the facts are than we have had in the past. I urge all of my colleagues to join me in this effort.

THE ECONOMY

Mr. KENNEDY. Mr. President, I welcome the opportunity to join other distinguished Senators this morning as we register our common deep concern over the downward plunge of the American economy in recent weeks and the pollyanna posture of the administration as we seek to cope with the very real difficulties the Nation must overcome if we are to bring the economy back to health in 1974.

The energy crisis has made all our economic problems worse. But long before the embargo by the Arab States, America was running out of oil, yet the White House refused to listen. Now, the crisis is full upon us, and still the policies are out of date.

We in Congress have a tragic sense of having seen it all before. The same dismal record of incompetence and inaction we see on energy has been duplicated on virtually every other economic issue, and the citizens of all our States have had to suffer.

The problems we face today are the culmination of years of economic neglect. Think what we've gone through in the recent past—the highest unemployment in a decade, the worst inflation since the Korean war, the highest interest rates since the Civil War, the worst trade deficits, and the fastest, steepest plunge of the Dow-Jones average in our history, a constant international money crisis, a hat trick of three successive devaluations of the dollar, a recession in 1970, and a severe new recession, or even a depression, on the horizon for 1974 if we do not mend our ways today.

It has not always been that way. Think back to the early 1960's, when the economy began to move again. In those days, we had an administration that understood the modern American economy and could keep it on an even keel. The Nation had its problems in the early 1960's, but inflation and rising unemployment were not among them. Thanks to the policies of the early 1960's, America enjoyed the longest period of sustained economic growth, prosperity, and price stability in our history. We could do the same today, if only we had the vision, will, and leadership in the administration to guide the Nation forward.

Amid the wreckage of current policy, there are two extremely important areas—one long run and the other short run—that require immediate and thoughtful action now, if we are to avoid future serious and harmful consequences to the economy.

First, in the short run, we have to move promptly into an effective program for allocating scarce supplies of oil and for rationing gasoline, and to put a firm ceiling on the exorbitant price increases that are already taking place for gasoline and other petroleum products.

There are some in the administration who favor the relaxation of all controls on oil as the way to meet the current crisis. Let the oil companies charge what the traffic will bear. No rationing. No tax increase. Let the free market ration the fuel. Let the price of gasoline rise by 50 cents a gallon, they say.

What these experts are really talking about, however, is an approach that could well become the biggest redistribution in reverse, a massive welfare plan for the Nation's richest companies, a program that means excess profits for the rich and excess poverty for the poor.

Those who advocate this action want nothing more nor less than to take $50 billion out of the pockets of the ordinary working man and woman in this country and transfer it directly into the pockets and profits of the oil producers. That works out to the forced extraction of something like $20 a week from every family in the Nation over the period of the next 12 months.

What is the administration waiting for? Fuel riots at schools or housing developments or at neighborhood filling stations? Are not the recent actions of the truck drivers enough to signal the seriousness of the situation, the enormous potential for social unrest that exists if the situation continues to fall apart?

Why wait until March for rationing, when the problem will be worse and the quota may be down to 6 gallons a week per person, when rationing today could mean 10 gallons a week? The bureaucracy of rationing, the coupons, the black market prevention measures—all may seem unpalatable today, but they are far less unattractive than the layoffs, the cold homes and schools and offices and hospitals that will be the hallmark of early 1974 if we fail to act today.

What we need is an equitable system that assures every carowner a basic allotment of gasoline to get to work and meet the other important needs of his family, and a firm clamp on the price of gasoline to keep it from rising higher than about 50 cents a gallon.

That is the best and fairest prescription I know to solve the current crisis, a far wiser solution than the ostrich-like "pray for peace and oil," "prosperity is just around the corner" policy and philosophy we have today. That is the sort of thing they tried in 1929 and it will not work any better for President Nixon today than it worked for President Hoover in the Depression years.

Second, for the long run, we cannot afford the wholesale abandonment of phase IV that we have already begun to witness. With phase IV, we have the sort of wage and price control machinery in place that can be our best defense against serious inflation in 1974, as shortages and dislocations brought on by the energy crisis take hold next year and send prices into orbit.

Yet, developments in recent days and weeks suggest that the administration is moving in just the opposite direction. Phase IV expires on April 30, 1974, and Director Dunlop is acting as though his Cost of Living Council is going out of business on that date. But that may be a date when controls will be needed more than ever. Today, however, phase IV is being relaxed and many controls are being taken off entirely, first on one sector of the economy, then on more and more areas where controls may be needed in the future.

What we are witnessing now is the birth of a phase III, junior, with all the dangers reminiscent of the disastrous, discredited old phase III of early 1973, which let inflation loose again after phase II had it nearly under control.

Obviously, some price increases are necessary to meet the fallout from the energy crisis. But the prices of petroleum products have already begun to soar. In November alone, fuel prices led the rise in the wholesale and consumer price indexes, with increases for some components reaching the level of 20 percent for a single month. And the figures for December and January may be even worse.

Was it really necessary to abandon phase IV and essentially decontrol the auto industry altogether, in order to achieve the result desired? How can we maintain the surprisingly tranquil atmosphere in which wage agreements in major industries have been successfully negotiated in recent months, if it is open season on price increases in 1974, and the cost of living is free to rise at will ?

And the timing of the auto decontrols was suspicious in itself. Was it just coincidence that these dramatic decontrols were not announced by the Cost of Living Council until last week, after all the major labor contracts in the auto industry had finally been approved?

The danger is that Secretary Shultz and Chairman Stein are using the energy crisis as a cover and excuse to impose their abhorrence of controls and their well-known free market views on the economy, at a time when the country cannot afford it. Almost by default, the administration is currently making decisions with major longrun implications for the economy.

Yet, if we phase out phase IV now, it will be far more difficult to bring back controls in 1974. Have we not learned anything from the experience of the recession of 1970–71? Here we are, heading back toward 6-percent inflation and 6-percent unemployment or worse for 1974, and all they tell us is, have faith in market forces, that is the only protection we really need.

But that protection failed in 1971, and it will fail again in 1974. The only thing that rescued us from the consequences of this do-nothing philosophy in 1971 was the phase I freeze and then phase II. And those steps were drastic measures, forced on an unwilling administration by the pressure of public opinion, fed up with months of the worsening siege of simultaneous inflation and recession.

That is the epitaph of the administration's economic policies—"Too much, too late." We needed extraordinary remedies in 1971—the freezes, the devaluations of the dollar, the massive expansionary programs—to hold inflation down in 1971 and get the economy moving, because we had failed to take the stitch in time that could have avoided resort to these far more drastic measures.

Let us learn from 1971 today. Now is the time for preventive steps, before things begin to come apart in earnest, before more drastic steps even than rationing are needed in the future. Clearly, the economic picture is already worse today than it was in 1971, and I would hope a sufficient concern on the part of the administration exists to insure positive decisions today, and prevent the lemming-like abandonment of phase IV before it is too late.

In sum, what we need, as in so many other areas, is a healthy dose of foresight and economic leadership. A sound economy is the greatest social program America ever had. As the pending energy bills make clear, Congress is ready to act quickly and effectively. But Congress cannot do the job alone, and so the President will find us ready and willing to work together to do what must be done to make our economy strong.

ON THE ECONOMY AND THE ENERGY CRISIS

Mr. JACKSON. Mr. President, there is a pessimistic maxim known as Murphy's law which postulates that if anything can possibly go wrong it will. The corollary to this law is that things inevitably go from bad to worse. Regrettably, this law must seem an immovable polestar to the casual observer of economic conditions in America over the past 5 years. During this period, we have experienced every possible conventional economic malady plus a few new ones that do not even occur in traditional theory. For example, the "stagflation"—economic stagnation plus inflation—which occurred during the 1969–70 recession was an invention of the present administration. Previously, it was believed that recessions have a natural restraining effect on inflation. Well, we have never gotten rid of the inflation which began in 1969 and unfortunately, it now appears that we are headed for another bout of recession and "stagflation." All of this would warm the heart of Mr. Murphy though it has quite the reverse effect on the patient and long suffering American people.

I have been a careful observer of economic conditions over the past 5 years. These have not been particularly easy times in which to chart an economic course. However, I cannot accept Murphy's fatalistically gloomy explanation of our persistent economic troubles. A faltering economy is not inevitable. Rather, simple human errors of judgment on fundamental questions have in large part brought about or worsened our economic problems. I have been greatly saddened to witness these unnecessary mistakes which have cost the average American working man and woman so dearly and which impose unconscionable hardships on the millions of retired Americans on fixed incomes.

We live in times that require adroit economic leadership from the President and his administration. Instead, the record has been one of ad hoc economic policy, pliant to special interests and crippled by ideological hangups. There has also been a good share of downright economic foolishness in administration policy over the past few years.

And now, the economic crisis brought on by the energy shortage is fast approaching. In the absence of strong measures to deal with the crisis, this will be the greatest challenge to our economic well-being since the Great Depression of the 1930's. There has not been such need for a sure hand in the direction of our economic policy for decades. And yet, administration economists only very recently realized that the energy crisis is much more than a mere inconvenience to motorists and a threat to the comfort of householders in the event of a cold winter. The energy crisis means the possibility of massive unemployment, continued high inflation, and a loss of economic productivity. It means the possibility of great hardship for the American people if our policymakers are not wise.

I do not wish to sound a pessimistic chord. I believe that the economic crisis brought on by the energy shortage is manageable. But, it requires decisive leadership and Government action to shape and moderate the crisis. But, we can successfully manage this problem if we put our minds to it.

I am, however, concerned about the track record of the administration on economic matters, and I would issue these warnings. There is not a great deal of margin for error in this situation, and we cannot afford to repeat errors of the past. In particular, I would make two relatively simple but important recommendations. First, do not permit ideological biases to prevent or weaken necessary Government action. Second, use simple prudence and caution.

For example, I believe that the administration's bias for simple marketplace economic theory has greatly hampered the effort to bring inflation under control since the initial imposition of wage-price controls in August 1971. We never did have a vigorous across-the-board inflation control program. We had a program of ad hoc and partial freezes, and phases of poor effectiveness and failing equity. The premature lifting of controls during phase III with the resultant disastrous inflation ultimately forced reimposition of controls in freeze II and phase IV.

There is an even more recent example of the administration's ideological hangups in the early position taken on mandatory fuel allocations and on gas rationing. You will recall that my mandatory allocations bill did not have the support of the administration when it passed the Senate last June. Not only did they shrink from such action in theory, they also refused to believe that the short supply problem was really serious. As the reports of shortages in key industries poured in, the need for this kind of hard decisionmaking became obvious, and the administration horse which had been led to the water by the Congress was finally forced to drink.

Another example is in the area of gas rationing where the administration has shunned such controls but tinkered with proposals for price increases to dampen demand. And yet, "price rationing" of gas will not work unless the price is driven through the roof simply because demand to meet the necessities of everyday living such as commuting to work, is so inelastic and will continue no matter what price is charged.

I am concerned that the bias which prevented effective price controls and mandatory allocations and still prevents emergency gas rationing will continue to cripple efforts to minimize the adverse economic impact of the energy shortage. I simply urge prudence and commonsense on this score. The sooner we face the fact that direct controls are necessary under emergency circumstances the greater will be our chance of effectively shaping the solutions to our economic problems and making them less disruptive.

I am also concerned about the tendency of economic planners in this administration to make fundamental errors of judgment. Unfortunately, misguided and poorly planned policies have plagued and continue to plague us. Perhaps the most glaring example of this was the great Russian grain robbery of 1972. You will recall that in the grain deal, we awakened one day to find that the Soviet Union had purchased one-fourth of our entire wheat crop. No one in Government seemed to know ahead of time how large the Soviet need was or how large their purchases would be.

No one had calculated the domestic needs for grain and the inflationary impact that would follow from seriously depleting our own supplies. And no one stopped to think that there was no longer a need for export subsidies by the American people in order to make grain prices lower for the Soviets. All of this set off a continuing inflationary spiral in food prices costing Americans at least a billion dollars directly and indirectly.

Another particularly unfortunate mistake directly related to our energy shortage was the retention of outmoded protectionist oil import quotas which did little if anything to encourage self-sufficiency in their latter years—years in which U.S. oil companies were making huge investments in production overseas. And this occurred at a time when prudent planners should have been acting to amass a strategic stockpile of petroleum reserves to withstand precisely the kind of economic and political blackmail that has now occurred.

If it was not obvious that some nations are politically unreliable suppliers of petroleum it should have been obvious that this Nation faced a shortage of refinery capacity that was bound to cause shortages even if supplies of crude petroleum were ample. Beyond that, it should have been obvious that it just made economic sense for producers like Saudi Arabia to cut back on production of their oil resource in order to draw a higher price and earn more money with less resource depletion.

But regrettably, none of this was grasped by the economic planners and policymakers of this administration. It is this kind of fundamental error which must be avoided at all cost in the present economic crisis. We cannot afford another major blunder at this time and under these circumstances. Our economic problems are severe enough without them being made worse by foolish or shortsighted policymaking.

If there was ever a time to disprove Murphy's law it is now. The economic future and well-being of our Nation hangs in a delicate balance. Adroit leadership is essential and I hope forthcoming. Mr. Simon, who has become the new energy czar, is a very competent and hardworking individual with an extensive background in economics. I hope and trust that he will be able to forge a sensible overall administration strategy to deal with the present crisis.

I believe that the biases and mistakes of the past can be set aside and that we can deal with this crisis successfully. I renew my pledge to work for that goal in the months and years ahead.

ECONOMIC DECISIONS FOR 1974

Mr. MUSKIE. Mr. President, I am pleased to join with my distinguished colleagues in this discussion of the economy. For despite the recent public preoccupation with the energy crisis, the crisis of consumer economics of 1973 is still with us—and demands the continued attention of Congress. I commend Senator BENTSEN for bringing us together this morning for that purpose.

This discussion is important now because in the coming weeks the Nixon administration will be making decisions critical for our economic health in the coming year. Those decisions may create a new structure of wage and price controls: Phase V. Or they could follow the pattern of past administration errors by abandoning any effective effort to keep a lid on inflation.

There is little doubt that controls should be relaxed, since retaining them in their current form will cause more harm to the economy—in the form of unnatural shortages of key materials, and other dislocations and inequities—than any salutory effect they can have on inflation. But some kind of controls policy must be maintained. To be effective, the policy must allow increased freedom for economic decisionmaking in the private sector while maintaining the potential for firm administrative action to roll back inflationary price and wage increases.

This optimum policy will require great sophistication, judgment, and leadership—none of which this administration has yet demonstrated on economic matters.

The year we are just finishing, of course, has itself been one of dramatic crisis in the American economy. The figures available for the latest 12-month period show inflation in consumer prices of 9.6 percent. Inflation in food prices was 19 percent over the same period. Unemployment averaged 4.9 percent. And the real value of average weekly earnings actually declined by more than 1 percent. Throughout this crisis, the erroneous predictions of the administration, and its failure to take decisive action, eroded the confidence of the American people in economic actions of the Federal Government.

In the months ahead the American people will feel the effects of the energy crisis—caused in part by the Middle East oil embargo, but also caused in part by the administration's failure to foresee the possibilities of the shortages which are now all too evident. Finally, the executive branch may be ready to take firm action on energy matters, and Congress is this week providing the necessary authority for that action. We all have hope that the forthcoming administration action on energy will minimize the overall effects and inequities of the shortages of petroleum products. But there has been no evidence that dramatic recent price increases in such petroleum products as gasoline, diesel fuel, and heating oil have been justified. The first priority of the new Federal Emergency Energy Administration must be to mitigate the petroleum price squeeze, and insure that the consumer's pocketbook does not bear the brunt of the energy crisis.

Even assuming, however, that decisions on energy in the next few months will be wise and effective, the energy crisis will certainly cause major disruptions in our economy. Some economists now estimate that there may be no real growth of the American gross national product in 1974. Estimates of the inflation rate next year range from 8 to 10 percent. And the estimates for unemployment next year are in excess of 5 percent—again, assuming effective energy action.

These estimates about our economic condition next year—which many would call optimistic—will translate into real hardship for the American people. Not only will there be shortages of gasoline for our automobiles, and fuel to heat, light, and power our homes and factories, but also more families will be out of work and without paychecks. For them, the inevitable price rises in food, petroleum-related products, and many other items will be especially cruel.

But even before the worst economic effects of the energy crisis are felt, the administration is now considering relaxing or abandoning the wage and price control structure. Serious inequities and dislocations have appeared in the economy during the current phase IV. Some products are not available because controls have made them unprofitable to sell. Shortages on some supplies, caused by controls or petroleum scarcity, threaten to bring some businesses and industries to a standstill. And some consumer and business purchasers are unfairly prevented from recovering, through their own wage or price increases, the rising costs they are forced to pay. But when controls are lifted, pent up inflationary pressure could be turned loose with disastrous consequences.

So although a relaxation of controls is needed, abandoning them would be a mistake. A year ago the administration was faced with a similar problem—and decided to relax controls too swiftly in phase III, bringing us the rampant inflation of last spring. When they admitted their mistake, inflation was so bad that a freeze and a tightened control system was needed.

If President Nixon and his advisers chose to heed recent history and retain controls while relaxing them in a new phase V, they will still be faced with a great challenge. They must develop a policy which will allow the economy to make adjustments in wages and prices to correct shortages and inequities, but at the same time protect the public from a new round of uncontrolled inflation.

The essential condition of that policy must be a convincing mix of fairness and firmness. Phase V must give the public confidence that unjustified inflationary wage and price increases will not be permitted, that those who seek to take advantage of relaxed controls to increase disproportionately high profit margins or wage levels will be required to justify their actions in detail, and that administrative wage and price decisions will be tempered by understanding.

That policy must include, for instance, "rollback authority"—the ability of the Government to force a retraction of an unjustified increase. I hope that phase V will include such a provision, and other tools to allow Government action to be effective.

But more important even than the detailed procedures and authorities included in phase V will be its credibility—in other words, whether the American people believe it will be administered with fairness and firmness. And the credibility of the policy will be determined by the way it is formulated, announced, and administered.

If the administration's forthcomong economic decisions are weak, arbitrary, or confusing, 1974 could be a disaster for the American economy. I hope instead that 1974 will begin with the economic leadership we so desperately need.

EFFECT OF INFLATION ON THE HOUSING INDUSTRY

Mr. SPARKMAN. Mr. President, inflation is having a serious effect on the Nation's housing industry. In turn, a sinking housing industry could send the Nation into a serious recession in 1974.

Yesterday, the Department of Commerce released the November figures for private housing starts, and they showed an annual construction rate of 1.69 million units. This is substantially below the rate of November 1972, of 2.39 million units. The Department's figures also showed that building permits continued to decline. These figures tend to confirm the September 1973, prediction of the First National City Bank of New York that there could be a decline of 30 percent in production by the first quarter of 1974, "and a much larger drop in profits."

The construction industry is the largest single industry in this country. Residential housing is a significant portion of this activity and also has great social implications. As the Senator from Nevada (Mr. BIBLE) pointed out in his statement today, a curtailment of housing starts immediately sends shock waves to other industries such as carpeting and other furnishings, appliances, furniture, hardware, and general retailing. Small businesses across the country thus have very large stakes in the number of houses built each year, as do the more than 50,000 homebuilding firms in every State in our Nation.

Thus, if homebuilding falters, our economy could be sent into a recession.

A few statistics will indicate the drastic effect which inflation has had on the financial ability of Americans to afford housing and the ability of the industry to supply it.

The Department of Commerce homeownership expense index during the period from 1969 to the third quarter of 1973 rose almost 28½ percent. This is even faster than the Consumer Price Index which rose at 24½ percent during this period.

Between 1969 and the third quarter of 1973, the median price of a new house increased from $25,600 to $32,900 or 28.5 percent. During this period, the price of the average used house jumped from $21,790 to $29,830 or 36.9 percent.

The average size of a mortgage loan to finance a purchase of one of these residences climbed from $25,000 in 1969 to $28,800 in November of 1973. At today's prevailing interest rates of between 8½ to 9¼ percent on home mortgages, this means that the homebuyer must be prepared for much higher monthly payments than 4 years ago.

As a result of this escalation, it has been estimated that 40 percent of our population cannot now afford to buy newly constructed housing. What is even more disturbing, the "affordability gap" may be widening. The Senator from Tennessee (Mr. BROCK) who is a member of the Senate Housing Subcommittee, which I chair, has summed the situation up by saying:

> The average American can no longer afford the average American home.

We have always prided ourselves as a nation and on the high portion of home ownership. I believe that about 63 percent of our citizens currently own their own homes. This has been a source of great community and national stability.

If more than one-fifth of our population, which could previously expect to own homes now cannot afford them, this will be a source of discontent and instability in the years ahead.

We know that inflation has driven up the cost of building materials to construction firms. There has been a wholesale price change of 10.9 percent in the past year overall in these materials. However, the major factor in the decline in housing has been the drying up of mortgage credit.

The housing industry is as dependent on credit for forward movement as an automobile is upon gasoline. The Federal Reserve estimates that about 75 percent of the average home purchase must be financed through a mortgage. The housing industry mortgages account for about 44 percent of all the funds raised in private credit markets in the course of a year.

I regret that inflation has restricted the flow of credit. It has not only decreased the supply but made it more expensive.

I am sorry that the administration has failed to use his best efforts in resolving the Nation's inflation problems. I strongly disagree with the thought that the way to fight inflation is to increase interest rates. In my view, raising interest rates raises the costs that this consumer must pay.

The economic policies of this administration appear to presage a downturn in housing similar to those in 1966 and 1969. Furthermore, permitting cycles of such magnitude to sweep through an industry periodically is profoundly destructive of orderly planning and investment.

It is my feeling that by the combined used of fiscal policy, as well as the use of monetary efforts by the Federal Reserve, inflation could be controlled. Unfortunately, inflation has such a grip in 1973 that it will take concerted and determined action by all branches of Government to do something about it.

For the sake of the millions of families which are coming into the housing market every year, I certainly hope that this action will be taken. I will continue to do all I can to promote anti-inflationary policies which will insure a steady supply of new homes and apartment residences at prices our citizens can afford.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. At this time there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with speeches by Senators limited to 3 minutes each.

Is there morning business to be transacted at this time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EAGLETON, from the Committee on the District of Columbia, without amendment:

H.R. 6758. An act to amend chapter 33 of title 38 of the District of Columbia Code relating to usury, and for other purposes (Rept. No. 93-649);

H.R. 10806. An act to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes (Rept. No. 93-650); and

H.R. 11238. An act to amend the Act of March 16, 1926 (relating to the Board of Public Welfare in the District of Columbia), to provide for an improved system of adoption of children in the District of Columbia, and for other purposes (Rept. No. 93-651).

By Mr. HUDDLESTON, from the Committee on Agriculture and Forestry, without amendment:

H.R. 2303. A bill to continue mandatory price support for tung nuts only through the 1976 crop (Rept. No. 93-652).

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, without amendment:

S. 2830. A bill to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus (Rept. No. 93-653).

By Mr. RANDOLPH, from the Committee on Public Works, with amendments:

H.R. 11565. An act to insure that certain buildings financed with Federal funds utilize the best practicable technology for the conservation and use of energy (Rept. No. 93-654).

By Mr. HATHAWAY, from the Committee on Banking, Housing and Urban Affairs, without amendment:

H.R. 4738. An act to provide for the striking of medals in commemoration of the one-hundredth anniversary of the Statehood of Colorado (Rept. No. 93-655); and

H.R. 5760. An act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Wash., in 1974 (Rept. No. 93-656).

Under authority of the order of the Senate of December 18, 1973, Mr. FULBRIGHT, from the Committee on Foreign Relations, submitted a report on the bill (H.R. 11088) to provide emergency security assistance authorizations for Israel and Cambodia, which was ordered to be printed (Rept. No. 93-657).

By Mr. STENNIS, from the Committee on Armed Services, with amendments:

S. 2770. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services (Rept. No. 93-658); and

S. 2771. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the armed forces, and for other purposes (Rept. No. 93-659).

REFERRAL OF S. 2804—SINO-AMERICAN SOYBEAN RESEARCH INSTITUTE

Mr. HUMPHREY. Mr. President, on December 12, 1973, I introduced S. 2804, calling for the establishment of a Sino-American Soybean Research Institute and the bill was referred to the Committee on Foreign Relations. In view of the importance of this legislation to agricultural matters, I request unanimous consent that upon being reported by the Committee on Foreign Relations, it be subsequently referred to the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that S. 2804 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall initiate immediate action to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China, and is authorized to bring together representatives from the two countries for the purpose of planning for and establishing a Sino-American Soybean Research Institute (hereinafter referred to as the "Institute").

SECTION 1. The Institute should have as its major objectives the following:

(a) To immediately devote its facilities and expertise to the specific need for increased soybean yields and soybean adaptability to new producing regions;

(b) The development of additional uses for soybeans and soybean products as sources of human and animal protein, including the development of new foods and food substitutes and extenders; and

(c) To serve as a basis for full cooperation and coordination between the People's Republic of China and the United States in the field of soybean research and technology.

SEC. 2. (a) The location or locations of the Institute and its form of administration shall be mutually agreed upon by the People's Republic of China and the United States. The United States and the People's Republic of China will equally share staffing and administrative expenses.

(b) For the immediate establishment and the initial operation of the Institute, the President is authorized to use an amount not to exceed $2,000,000 annually out of any funds available for the activities of the Agricultural Research Service of the United States Department of Agriculture, or from funds available to any other appropriate Federal Agency.

(c) The President shall also request the Consultative Group on International Agricultural Research of the World Bank to consider funding for the Institute after its establishment.

SEC. 3. In working toward the establishment of the Institute, the President should fully utilize the expertise and experience of organizations active in soybean research, particularly the Agency for International Development and the Food and Agriculture Organization of the United Nations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOMINICK (for himself, Mr. JAVITS, Mr. SCHWEIKER, and Mr. TAFT):

S. 2825. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MATHIAS (for himself and Mr. EAGLETON):

S. 2826. A bill to amend the District of Columbia Code to revise and modernize procedure relating to the administration and distribution of decedents' estates and for the proof of wills. Referred to the Committee on the District of Columbia.

By Mr. HUGH SCOTT:

S. 2827. A bill for the relief of Quintin Yuyitung; and

S. 2828. A bill for the relief of Rizal Yuyitung. Referred to the Committee on the Judiciary.

By Mr. BEALL (for himself and Mr. MATHIAS):

S. 2829. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes. Referred to the Committee on the District of Columbia.

By Mr. SCHWEIKER (for himself, Mr. MCGEE, Mr. WILLIAMS, Mr. KENNEDY, Mr. JAVITS, Mr. BEALL, Mr. CRANSTON, Mr. HUGHES, and Mr. PELL):

S. 2830. A bill to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus. Referred to the Committee on Labor and Public Welfare.

By Mr. CLARK:

S. 2831. A bill to authorize the establishment and maintenance of national reserve supplies of corn, grain sorghum, barley, oats, wheat and soybeans to insure an adequate supply of such commodities to protect the American consumer against an inadequate supply of foodstuffs in case of natural disaster; to stabilize farm and market prices; to maintain and promote foreign trade; to protect producers of such commodities against an unfair loss of income resulting from the establishment of these reserve supplies; to assist in marketing such commodities and rotating stocks to insure desirable quality; to assure availability of commodities for humane purposes in the promotion of world peace, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. TAFT (for himself and Mr. PELL):

S. 2832. A bill to provide persons who unlawfully failed to register for the draft, or who unlawfully avoided military service, with an opportunity to earn immunity from prosecution and punishment for such offenses, and for other purposes. Referred to the Committee on the Judiciary, by unanimous consent.

By Mr. SYMINGTON:

S. 2833. A bill for the relief of Opal Garnet Branch. Referred to the Committee on Foreign Relations.

By Mr. THURMOND:

S. 2834. A bill to amend title 10 of the United States Code to provide that certain additional amounts received by retired servicemen employed in the Junior Reserve Officers' Training Corps shall be treated as subsistence or uniform allowances or as amounts received as commutation of quarters. Referred to the Committee on Armed Services.

By Mr. HUMPHREY:

S. 2835. A bill to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson. Referred to the Committee on Agriculture and Forestry.

By Mr. MANSFIELD (for himself and Mr. HUGH SCOTT):

S.J. Res. 182. A joint resolution extending the dates for the transmission of the 1974 Economic Report and the report of the Joint Economic Committee. Considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMINICK (for himself, Mr. JAVITS, Mr. SCHWEIKER, and Mr. TAFT):

S. 2825. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. DOMINICK. Mr. President, I am pleased to introduce, on behalf of myself, Mr. JAVITS, Mr. SCHWEIKER, and Mr. TAFT, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs and which may be cited as the "Drug Identification Act of 1973." I introduced this bill during the 92d Congress, but no action was taken.

The present labeling provisions of the Federal Food, Drug, and Cosmetic Act relating to the identification of drug products and their production or distribution origin do not require that this information be shown directly on the tablets or capsules of drugs marketed in these forms. Thus, in cases of personal emergency, such as overdosages or accidental ingestion of a drug, identification may be seriously delayed and may require elaborate and time-consuming laboratory analysis. A quick identification of the drug in such emergencies, by labeling and direct product coding, could facilitate prompt and appropriate medical treatment. A uniform drug coding system to identify drug manufacturers and distributors would also be of great value to the Department of Health, Education, and Welfare and other Federal agencies and to State agencies in the administration of drug purchase and reimbursement programs.

The bill would amend the Federal Food, Drug, and Cosmetic Act to authorize the Secretary to establish a uniform code or system of coding for prescription drugs representing, first, the identity of the manufacturer; second, the identity of the drug; third, the identity of the final packager if different from the manufacturer; fourth, the dosage form and strength of the drug; and fifth, the number of drug units in the package. The applicable code information would have to appear on the label of the trade package of each prescription drug. In addition, if the drug is in tablet or capsule form, each tablet or capsule would have to be marked with the code symbol representing the identity of the manufacturer and the identity and strength of the drug. The coding requirements would apply to drugs in intrastate as well as interstate commerce.

Where compliance would be impracticable because of the size or other relevant aspects of the container or the tablet or capsule, exemptions from these requirements could be granted if the exemption would not be inconsistent with protection of the public health.

The label of the trade package of a prescription drug would also have to bear the name and place of business of the manufacturer or, if different, the final packager; such a drug could no longer be marketed carrying only the name of the distributor who is not the final packager. It is the purpose of this feature to assist the Food and Drug Administration in effecting recalls of subpotent or other dangerous drugs down to the consumer level when necessary for protection of the public health and safety.

The name of a prescription drug—whether brand or generic—as written by the prescriber, and its strength, would be required to appear on the label of the drug container which is dispensed to the consumer, unless specifically indicated otherwise by the physician. In this event the code symbols identifying the manufacturer and the drug and its strength would have to be on that label. In addition, the bill would make applicable to the container of the dispensed prescription drug the requirement of the act, now applicable only to the trade package, that the label state the quantity of the contents. I might add parenthetically that the Secretary would, however, retain his present authority to exempt from this requirement packages so small that compliance would not be practicable.

The preparation of the drug code directory and its distribution, without charge, to hospitals, to poison control centers, and to such other persons as is deemed necessary to carry out the purposes of the bill would be the responsibility of the Department of Health, Education, and Welfare. Others could, of course, purchase the drug code directory from the Government Printing Office.

The coding requirements for prescription drugs imposed by this bill would take effect 2 years after the month in which regulations establishing the code system are promulgated and would be applicable to products manufactured thereafter. This leadtime would permit drug manufacturers who do not now code their products to phase in such procedures in their manufacturing and distribution operations. Earlier effective dates are specified in the bill for other labeling requirements contained therein.

In closing, I would like to bring to the attention of my colleagues that this bill is designed to carry out the recommendation on this subject in the President's consumer message of October 30, 1969, and would carry out the recommendations by the President in his message on legislation not enacted during the 91st Congress.

By Mr. BEALL (for himself and Mr. MATHIAS):

S. 2829. A bill to amend the District of Columbia Police and Firemen's Safety Act of 1958 to increase salaries, and for other purposes. Referred to the Committee on the District of Columbia.

Mr. BEALL. Mr. President, for myself and my colleague, Senator MATHIAS, I am sending to the desk legislation designed to provide for an increase in salary for the members of the District of Columbia Police Force, the Executive Protective Service, the U.S. Park Police, and the Fire Department of the District of Columbia. A similar measure (H.R. 9922) is pending before the House of Representatives.

Law enforcement officers and firemen play an absolutely essential role in the well-being of any community. Their professions are increasingly complex, frequently thankless, and on far too many occasions extremely dangerous. Like fire insurance, we never think about the importance of our law enforcement and fire prevention agencies until we need them.

Most Americans, the overwhelming majority of whom are law-abiding citizens, never come in direct contact with the law enforcement establishment. When we do come in contact with a policeman, frequently for motor vehicle violations, we are far more likely to blame the officer for catching us violating the law rather than blaming ourselves for the original violation. Thus, the law enforcement officer is frequently in a "no-win" situation; largely invisible to the majority of our population and vigorously resented when he fulfills the requirements of his job. I believe, however, that all of us realize that the "thin blue line" stands between a law-abiding society and anarchy. One need only refer to the serious breakdown of civil authority which took place in the city of Montreal during a policemen's strike several years ago. The absence of law enforcement officers brought out the worst instincts in far too many people and an extremely dangerous and destructive situation developed.

I would also note that our Nation's firefighters are engaged in a most hazardous profession. Their death rate is at least 15 percent greater than that of the next most hazardous occupation, mining and quarrying. Fire fighting is probably always going to be an especially hazardous profession, and like policemen, they are generally out of sight and out of mind.

Now, the Nation's Capitol finds itself confronted by a serious problem in the field of law enforcement. The District of Columbia has a fine police force which is, for the most part, well trained and highly professional. However, the surrounding counties, which have grown dramatically in recent years, are both in need of well trained policemen and prepared to pay a higher salary than is currently being paid in the District of Columbia. Just as there was an international "brain drain" during the 1950's and 1960's. The District police force could be subject to a serious depletion of its talented manpower if this condition is not corrected. Mr. President, I have prepared several tables which compare minimum and maximum salaries paid to police privates in cities over 500,000 population and in the other jurisdictions in the Washington metropolitan area. In addition, I have prepared statistics relative to the turnover in manpower on the District police force, and I ask unanimous consent that these charts be printed in the RECORD at the conclusion of my remarks.

Mr. President, almost all of the employees of the District of Columbia received the 4.7-percent cost of living increase which was granted Federal employees last October. The District's firemen and policemen were not covered by the provisions of this pay increase.

In fact, the District's policemen last received a pay increase in May of 1972. Since that time, the Consumer Price Index has risen 9.6 percent. My legislation would provide for a 15-percent pay increase effective January 1, 1974. This measure is designed to allow the law enforcement and fire protection agencies to hold their own during a period of rapid inflation. The District government has recently offered a 10-percent increase effective July 1, 1974. I believe that this is an inadequate offer in light of the fact that it will become effective 26 months after the last pay increase and it is not adequate compensation in light of the recent increases in the cost of living.

S. 2829 will also provide compensation for inservice training leading to a degree in fire or police science or administration. I believe it is essential for us to steadily upgrade the quality of our police and fire personnel. Improving the quality of our policemen and firemen will better enable them to respond to the needs of their community.

There being no objection, the tables were ordered to be printed in the Record, as follows:

MINIMUM AND MAXIMUM SALARIES PAID POLICE PRIVATES BY CITIES OVER 500,000 POPULATION

Cities

	Minimum	Maximum	Steps	Years
Chicago	$10, 524	$14, 824	5	3½
Cincinnati	10, 183	11, 415	3	3
Cleveland	11, 387	12, 387	3	3
Detroit	10, 300	13, 500	4	4
Houston	11, 140	12, 096	4	3
Los Angeles	11, 256	13, 992	5	1½
New York	12, 849	14, 300	4	3
Philadelphia	11, 447	12, 022	5	2
San Diego	11, 244	13, 672	5	3
San Francisco	13, 680	14, 280	4	4
Seattle	10, 512	13, 032	4	3½
Wash., D.C.	10, 000	14, 400	8	16

Local jurisdictions

	Minimum	Maximum	Steps	Years
Alexandria	$10, 081	$12, 254	5	5
Arlington	10, 605	13, 536	6	6
Fairfax	9, 989	14, 759	8	16
Montgomery County	10, 104	13, 509	6	6
Prince Georges County	10, 275	13, 749	6	6
Wash., D.C.	10, 000	14, 400	8	16

NUMBER OF POLICEMEN APPOINTED

Fiscal year:	
1972	771
1973	331
Calendar year:	
1972	520
1973	476

NUMBER OF POLICEMEN RESIGNED [1]

Fiscal year:	
1972	482
1973	338
Calendar year:	
1972	400
1973	320

Average number of years experience at the time of resignation—3 years. (Salary of a policeman with 3 years experience is $11,300.)

[1] These figures do not reflect involuntary separation.

By Mr. CLARK:

S. 2831. A bill to authorize the establishment and maintenance of national reserve supplies of corn, grain sorghum, barley, oats, wheat, and soybeans to insure an adequate supply of such commodities to protect the American consumer against an inadequate supply of foodstuffs in case of natural disaster; to stabilize farm and market prices; to maintain and promote foreign trade; to protect producers of such commodities against an unfair loss of income resulting from the establishment of these reserve supplies; to assist in marketing such commodities and rotating stocks to insure desirable quality; to assure availability of commodities for humane purposes in the promotion of world peace, and for other purposes. Referred to the Committee on Agriculture and Forestry.

THE FOOD BANK ACT

Mr. CLARK. Mr. President, the legislation I am introducing today, the Food Bank Act, would establish a domestic reserve of six basic grains and feed grains and also authorize and encourage this Nation's participation in the creation of similar reserves worldwide.

Neither kind of reserve is a new concept.

Just a few months ago, Senator Humphrey offered a sophisticated domestic reserve proposal as an amendment to the 1973 farm bill. He has subsequently offered a similar proposal as a separate bill, S. 2005, and the Agriculture Subcommittees headed by Senators Humphrey and Huddleston are currently conducting joint hearings on this and other proposals. In the House of Representatives, Congressmen Smith and Bergland have introduced reserve legislation of their own.

This country's participation in an international reserve has been brought up before the Senate in a resolution offered by Senator McGovern, and the beginnings of an initial reserve plan have been approved by the Food and Agriculture Organization of the United Nations.

The major new contribution of this proposal then is that it represents the first attempt to draw the concepts of domestic reserve and international reserve participation into a single piece of legislation.

We must recognize the fact that the United States does not exist in a vacuum and that—because of our unprecedented capacity for food production—our food policies have a significant effect on the rest of the world community. Our obligations to that community must be considered in our formulation of those policies.

The domestic section of my proposal, similar in approach to the domestic reserve legislation being considered in the House, also contains a variety of new provisions designed to give greater recognition to the role the individual family farm plays in our agricultural economy and to assure that the reserve program will not be abused by either government or corporate interests.

I offer this measure as an alternative to the proposals already before us in the hope that it will contribute some new directions and emphasis in the final reserve bill which results from our deliberations on the subject.

The need for reserves of basic human staples and livestock feeds is overwhelming—both at home and abroad.

A domestic reserve, which would use the surpluses of good years to create stockpiles for years of underproduction, would help protect American consumers from shortages and help stabilize the price of meat and other commodities for farmers and consumer alike. It would help promote foreign trade by increasing the confidence of buyers overseas in our ability to supply, and it would guarantee a ready source of meeting emergency food needs at home and abroad.

An international reserve could accomplish the same purposes worldwide. Since world food supplies are increasingly precarious, this would not only help achieve broad humanitarian goals, but it also would greatly enhance the possibility for a permanent structure of peace.

My domestic reserve proposal would create government reserves of corn, grain sorghum, barley, oats, wheat, and soybeans.

The reserve program would be administered by the Secretary of Agriculture, through existing U.S. Department of Agriculture agencies, such as the Commodity Credit Corporation and the Agricultural Stabilization and Conservation Service, so that a new Federal bureaucracy would not be necessary.

The Government would purchase regulated quantities of these commodities whenever overproduction resulted in surplus, until maximum reserve levels were met.

The maximum reserve levels are set at 300 million bushels for wheat, 25 million tons for feed grains, and 100 million bushels for soybeans. At least 80 percent of the feedgrain reserve would have to be corn—in recognition of the importance of this crop for livestock feeding.

These reserve stocks could be released by the Secretary of Agriculture only under definitely prescribed conditions—to make up the difference between the estimated demand and supply in years of anticipated underproduction or for disaster relief and similar purposes, such as maintenance of foundation livestock heards.

Procedures for purchase and sale are designed to help safeguard the interests of both consumers and the farmers, who have labored to produce the corps, rather than provide exaggerated profits to middlemen.

Purchase orders would go to individual farmers first, through county ASCS offices. Purchase prices would be 100 percent of the average farm price for the commodity for the previous 5 years, or the target price, whichever is greater.

In the case of sales, no one buyer would be allowed to purchase more than 10 percent of the stocks of any reserve commodity. Sales price could be no lower than 120 percent of either the average 5-year farm price, the target price, or the highest price the open market would pay, whichever is higher.

Provision is made for rotating reserve stocks to insure maintenance of quality, and at least 30 percent of the reserve stocks of each commodity must be stored in or near the areas of production to aid fast interior distribution when the need for this arises.

The Secretary of Agriculture would be required to submit to Congress a detailed report each year on the amounts and locations of each commodity stored and the transactions in each commodity in the preceding year, so that Congress can exercise adequate oversight of the program.

My proposal for international reserve participation is necessarily less specific and comprehensive, since such an undertaking is far more complex, and much more study and other groundwork remains to be done.

The legislation would authorize and encourage the participation of the United States in this effort in three ways.

First, it would direct the Secretaries of Agriculture and State to coordinate with the Food and Agriculture Organization's efforts to establish a basic information system and target reserve levels for each nation.

Second, it would allow examination of the possibility of coordination with the World Bank in providing capital to underdeveloped nations for construction of reserve storage facilities in those nations.

Finally, it would permit study of the possibility of pursuing CCC type policy at an international level, to provide further funds and technical assistance for food management in underdeveloped nations.

Mr. President, these matters are of prime importance to us at this time, and I urge the serious consideration of these proposals by this body.

I ask unanimous consent that the bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2831

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Food Bank Act".

Sec. 2. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") shall establish, maintain, dispose of, and replenish under the provisions of this Act a separate reserve of inventories of corn, grain sorghums, barley, and oats (hereinafter referred to as feed grains), wheat, and soybeans.

(b) Such reserve inventories shall include not more than the following quantities: (1) three hundred million bushels of wheat, (2) twenty-five million tons of feed grains, of which not less than 80 per centum in reserve at any time shall be in corn, and (3) one hundred million bushels of soybeans.

Sec. 3. The maximum price the Secretary shall pay for any commodity purchased under authority of this Act shall be (1) the average price farmers received for such commodity during the five marketing years immediately preceding the year in which the commodity is purchased, adjusted to reflect the customary location and grade price differentials, or (2) except in the case of soybeans, the target price established pursuant to Public Law 93–86, whichever is greater.

Sec. 4. The net additional quantity of any commodity procured under this Act in any marketing year shall be the lesser of the following:

(1) 60 per centum of the net additional estimated total carryover for the marketing year; or

(2) the amount the maximum reserve inventory specified in section 2(b) exceeds the total stocks of such commodity owned by the Commodity Credit Corporation at the beginning of the marketing year.

Sec. 5. The maximum price to be paid for any commodity, the quantity of any commodity to be procured during the marketing year, and the estimates used in arriving at such price and quantity shall be announced during such marketing year on the last Friday of July in the case of wheat, on the last Friday of October in the case of feed grains, and on the last Friday of September in the case of soybeans.

Sec. 6. In purchasing any commodity under this Act, the Secretary is authorized to allocate purchases of such commodity among the various varieties and grades thereof to correspond to the usual demands for such commodity.

Sec. 7. (a) Acquisitions made to increase the reserve of stocks of any commodity or to rotate the stocks of any commodity in order to insure quality of the stocks of such commodity shall be made according to the following priorities:

(1) By transfer from Commodity Credit Corporation owned stocks.

(2) By offer to purchase from the producers of such commodity through the offices of the local committees, established under section 8(b) of the Soil Conservation and Domestic Allotment Act, located in the area of production of such commodity.

(3) By offer to purchase on the open market through the offices of the State committees, established under section 8(b) of the Soil Conservation and Domestic Allotment Act.

The method authorized by clause (2) may be used only in the event that the method prescribed by clause (1) fails to provide the desired quantities, and the method authorized by clause (3) may be used only in the event that the method prescribed by clauses (1) and (2) fail to provide sufficient quantities.

(b) Not less than thirty per centum of the total inventory of each commodity acquired and stored pursuant to this Act shall be stored in the area of production, and not less than eighty per centum of that thirty per centum shall be stored in United States Government owned facilities.

Sec. 8. Except when a state of emergency has been proclaimed by the President or by a concurrent resolution of Congress declaring that commodity reserves held by the United States under this Act should not be sold, the Secretary shall offer each commodity in the reserve for sale at the following price: (1) one hundred and twenty per centum of the average price farmers received in the United States for such commodity during the preceding five marketing years, (2) except in the case of soybeans, 120 per centum of the target price established pursuant to Public Law 93–86, or (3) the market price, whichever is greater. The price of the commodity concerned shall be adjusted to reflect the customary location, grade price differentials, and reasonable carrying charges computed from the first day of the current marketing year. Sales during any marketing year shall be limited to the net quantities by which estimated domestic consumption and exports exceed estimated domestic production and imports; no one buyer or single trade entity shall be permitted to purchase more than ten per centum of the current stocks of any commodity held in reserve under this Act.

(c) The Secretary is also authorized to dispose of commodities in such reserve for the following purposes:

(1) For use in relieving distress (A) in any State, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, or the Pacific Trust Territory, declared by the President to be an acute distress area because of unemployment or other economic cause if the President finds that such use will not displace or interfere with normal marketing of agricultural commodities, and (B) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under the Disaster Relief Act of 1970.

(2) For use in connection with a state of civil defense emergency proclaimed by the President or the Congress in accordance with the provisions of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251–2297).

(3) For use in the preservation and maintenance of foundation herds of cattle (including producing dairy cattle), sheep, and goats and their offspring, under section 407 of the Agricultural Act of 1949, as amended (7 U.S.C. 1427), and to provide feed for livestock in any emergency area under the Act of September 21, 1959, as amended (7 U.S.C. 1427, note).

(4) For use by the President to meet famine or other urgent or extraordinary relief requirements in friendly foreign countries.

Sec. 9. The Secretary may buy and sell commodities at an equivalent price, allowing for the customary location and grade price differentials, substantially equivalent quantities in different locations or warehouses to the extent necessary to properly handle, rotate, distribute, and locate the commodity reserve authorized by this Act. The Secretary shall announce his intention to purchase to offset any sale within two market days of the date of such sale, and purchases shall be made within 20 market days after the announcement.

Sec. 10. (a) The Secretary may accept warehouse receipts in lieu of taking physical possession of any commodity, but in such cases the obligor under the warehouse receipt shall be required at all times to have the grade stated on the warehouse receipt or a better grade available for delivery.

(b) The Secretary shall make a daily list available showing the price, location, and quantity of the transactions made under this section.

Sec. 11. The Secretary shall use the Commodity Credit Corporation to the extent feasible to fulfill the purposes of this Act, and shall, to the maximum extent practical consistent with the fulfillment of the purposes of this Act and the effective and efficient administration of this Act, utilize the local and State committees, established under section 8(b) of the Soil Conservation and Domestic Allotment Act, and the usual and customary channels, facilities, and arrangements of trade and commerce.

Sec. 12. The Secretary shall make a report to Congress prior to February 15 of each year which shall include therein the quantity of each commodity owned and stored pursuant to the provisions of this Act, the location of the stored commodities, including the quantity at each location, an itemized listing of purchases and sales made during the prior year, including the commodity, buyer or seller, quantity, price, and such other data as may be necessary to determine the effectiveness of the program provided for under this Act.

Sec. 13. (a) The Secretary and the Secretary of State shall participate to the fullest extent practicable with appropriate international organizations, including the Food and Agriculture Organization of the United Nations, in an effort to establish and maintain world reserves of basic food commodities.

(b) In connection with any action taken

under subsection (a), the Secretary and the Secretary of State shall conduct a study to determine the feasibility of the United States providing financial assistance and of the World Bank providing financial assistance to carry out a program to establish and maintain world reserves of basic food commodities, including increased storage facilities in other countries for the storage of such commodities.

(c) The Secretary and the Secretary of State shall submit a joint report to the Congress within one year after the date of enactment of this Act setting forth the results of actions taken under subsection (a) and the results of the study conducted pursuant to subsection (b). Thereafter they shall submit a joint report to the Congress each year describing any actions taken under subsection (a) together with any recommendations they deem appropriate.

SEC. 14. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. TAFT (for himself and Mr. PELL):

S. 2832. A bill to provide persons who unlawfully failed to register for the draft, or who unlawfully avoided military service, with an opportunity to earn immunity from prosecution and punishment for such offenses, and for other purposes. Referred to the Committee on the Judiciary, by unanimous consent.

THE EARNED IMMUNITY ACT OF 1974

Mr. TAFT. Mr. President, I ask unanimous consent, out of order, to introduce a bill dealing with the Selective Service Act and that the bill be referred to the Committee on the Judiciary.

Mr. President, it is understood that if and when this bill is reported from the Judiciary Committee, the Armed Services Committee, under whose jurisdiction it would normally fall, may want to take a look at it. Should that be the case, necessary steps will be taken to allow the Armed Services Committee to take a look at it.

The PRESIDING OFFICER (Mr. CURTIS). Without objection, it is so ordered.

Mr. TAFT. Mr. President, on December 14, 1971, I introduced S. 3011, the Amnesty Act of 1972. That bill offered a procedure of resolving the very difficult and very practical problem of many young Americans who are in prison, overseas, or living underground in the United States because of their resistance to the Vietnam draft. As I indicated before, many of these draft resisters have been victims of bad judgment and poor advice. Others, however, have acted out of deep personal objection to the cause which our country followed as the United States became involved in the Vietnam war.

Unfortunately, S. 3011 was not acted upon in the 92d Congress as it was not considered by the Subcommittee on Criminal Laws and Procedures of the Judiciary Committee. However, the same questions remain before the country today. Will we offer these young men an opportunity to become productive citizens in their country? Is it more in the interest of the country to have them spend time in jail and in exile or to have them serve their country through some type of alternative service, such as VISTA?

Senator PELL and I believe these young men should be provided with an alternative other than prison or exile and therefore, are introducing today the Earned Immunity Act of 1974. This legislation, while patterned after our proposal in the 92d Congress, does contain some significant changes in that it would require 2 years of alternative service, as compared to 3 in S. 3011. Further, it would create an Immunity Review Board, patterned after the procedure implemented by President Truman in 1946 after World War II. This board would be composed of five members appointed by the President with the advice and consent of the Senate. Of the five members, four would be nominated by the President from individuals recommended by the majority and minority leaders of the Senate and the Speaker and minority leader of the House. The duration of the Board would be for 4 years with the President appointing the chairman.

It is important to note that the Board could only review violations of the Military Selective Service Act from August 4, 1964—the date of approval of the Gulf of Tonkin resolution—to January 27, 1973—the date of the Paris Peace Agreement. Any individual falling into this category would have 1 year from the effective date of the act to present himself to the Board.

Our proposal does not involve unqualified amnesty for draft dodgers and deserters. Quite frankly, we would seriously question such an approach. We believe that deserters should not be encompassed within such legislation for several reasons.

First, those who are in the military are under the Code of Military Justice which involves an entirely different system of law and procedure than those who are merely draft resisters.

Second, those who leave the military and particularly those who leave combat units, have a far more disruptive impact on our Nation's defense posture than those who merely fail to show up at the induction center.

Finally, and most critically, the military estimates that less than 5 percent of those who desert do so for ideological reasons. Some young men desert because they get into trouble with an officer, commit a crime on the military base, or get into difficulty with civilian authority near a military base. A blanket amnesty that would include all deserters would be unfair and very disruptive of military discipline.

From July 1, 1966, through June 30, 1971, for example, there were 354,429 deserters. Desertion is defined administratively as being absent without leave for 30 consecutive days or more. Of this number, 319,168 were returned to military control as of September 1971. Those who would advocate amnesty for deserters, in my judgment, fail to appreciate the extensive number of deserters involved, the reasons for their desertion, and the fact that very few are related to an ideological opposition to the war.

I believe that it would be a great mistake to grant unqualified amnesty without any service requirement. I recognize that there are some Americans who believe that draft resisters should be welcomed back to our country as heroes with a tickertape parade. Certainly there are others who believe that they should be shot on sight. In my judgment, the sensible approach is to offer these young men an opportunity to earn their readmission to American society. Such a service obligation recognizes the indebtedness which they have to their country. In addition, a service requirement recognizes that many who served in Vietnam and died in Vietnam were just as opposed to the war as those who went to Canada. Since we impose a service requirement on our conscientious objectors, I see no reason why those who fled the country should be permitted to come back without undertaking the same type of service which our conscientious objectors have performed.

The case for qualified service becomes compelling when one considers the effect of the change in our Selective Service Law in 1970. Until the U.S. Supreme Court decided Welsh against United States, on June 15 of that year, individuals seeking conscientious objector status had to raise their objection in relation to their belief in a Supreme Being. When the Supreme Court ruled that a belief in a Supreme Being was no longer required, and that other deep-felt personal views could suffice, obvious inequities became evident.

In one family, two brothers might have held the same deep felt opposition to war. The elder son, who became draft eligible before the Welsh decision, could not have been classified as a conscientious objector and might have gone to prison or into exile. His younger brother, holding exactly the same views on war, could have become a conscientious objector. He would not be a criminal, and could be lawfully serving his country in alternative service.

Is it really fair for us to treat the elder brother as a criminal and the other brother as a lawful citizen? I think not.

Because over 55,000 young Americans have lost their lives and many more were wounded serving their country in Southeast Asia, we should not grant amnesty to draft resisters without requiring them to perform alternate service for America. But it would also be a great mistake for us to forever foreclose those who seek to change their status from participating in American life.

Those who are in the military are under the Code of Military Justice which involves an entirely different system of law and procedure than those who are merely draft resisters.

A Gallup poll commissioned for Newsweek indicates that while only 7 percent of Americans favor unqualified amnesty, and while only 22 percent of Americans oppose amnesty in any form, 63 percent of Americans favor a qualified amnesty with a service requirement such as I have proposed.

The Earned Immunity Act of 1974 would permit draft resisters to be released from prison or returned to the United States if they agreed to serve their country for a period of 2 years. They could serve America as members of our Armed Forces or they could elect to serve in alternative service. The alternative service could be in the public or private sector as long as such service was approved by the Board. Because of the strength of our country, I believe America should give these young men an opportunity to return home and make positive contributions to our country.

I realize there will be those in the country that may abuse us for even offering such a proposal and question whether we have lost all sense of patriotism. I feel this is unfortunate and would ask such individuals to focus closely upon what we have proposed. Further, I would ask such individuals to consider the virtue of forgiveness, especially at this time of year.

I ask unanimous consent that the Earned Immunity Act of 1974 be printed in its entirety, and that a memorandum that my staff has prepared stating the general objectives that Senator Pell and I have with regard to this legislation also be printed in the Record.

There being no objection, the bill and memorandum were ordered to be printed in the Record, as follows:

S. 2832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Earned Immunity Act of 1974".

Sec. 2. (a) Notwithstanding any other provision of law, any person who, subsequent to August 4, 1964, and prior to January 27, 1973, unlawfully failed to register under the Military Selective Service Act or failed to comply with a lawful induction order for service in the Armed Forces of the United States may secure immunity from prosecution and punishment for offenses described in section 12 of the Military Selective Service Act and other related offenses if such person completes the period of public service hereinafter prescribed. To be eligible for immunity under this Act, an applicant shall—

(1) present himself by individual appearance, or that of an attorney at law or family member to the Immunity Review Board (established pursuant to section 4(a) of this Act) no later than one year after the effective date of this Act at such place and in such manner as may be required in regulations issued pursuant to section 4(a) of this Act;

(2) enter into a written agreement with the Immunity Review Board under which the applicant agrees, in return for immunity upon completion of the full performance of the agreement, to enlist and agree to serve two years in the Armed Forces of the United States, or up to two years in such alternative service, public or private, contributing to the national health, safety, or welfare as may be approved by the Immunity Review Board, including, but not limited to, service in Public Health Service hospitals, VISTA, and the Peace Corps, except as such term may be otherwise decreased by the Board pursuant to section 4; and

(3) agree to compensation for such period adequate to provide a standard of living reasonably comparable to that which the same man would have enjoyed if he entered the Armed Forces of the United States at the lowest pay grade without promotion and otherwise comply with such regulations as to compensation as are promulgated by the Immunity Review Board established pursuant to section 4(e) of this Act.

(b) During the term of any agreement entered into by any person pursuant to subsection (a)(2), the United States shall withhold any administrative or judicial action to prosecute such person for any violation of any law referred to in such agreement, and any applicable statute of limitations shall be tolled during the period such agreement is in effect.

(c) The willful failure of any person to comply with any term of an agreement entered into under this Act shall constitute grounds for termination of such agreement by the United States. Such termination of the agreement shall void any conditional grant of immunity made under this Act, but any evidence accumulated by or submitted to said Immunity Review Board shall not be released to any governmental agency.

Sec. 3. Any person otherwise eligible for immunity under this Act who is under indictment, who has been convicted, or who is serving a prison sentence arising out of conduct described in section 2 of this Act shall be eligible to earn immunity hereunder, including the revocation of any judgment of conviction, termination, or suspension of any action upon any indictment heretofore entered; but any person subject to the Uniform Code of Military Justice (chapter 47 of title 10, United States Code) shall not be entitled to earn immunity from the sentence or other punishment imposed by any military court under such Code.

Sec. 4. (a) There is hereby established a board which shall be known as the Immunity Review Board (hereinafter referred to as the "Board"). The Board shall be empowered to execute such agreements necessary to effectuate the purposes of this Act and to determine the length of service, if any, required hereunder to earn immunity in accordance with individual circumstances. The Board shall be empowered to issue rules and regulations to effectuate the Congressional intent manifested herein and such rules and regulations shall be promulgated in accordance with chapter 5 of title 5, United States Code.

(b) The Board shall be composed of five members appointed by the President, with the advice and consent of the Senate, four of whom shall be appointed as follows—

(1) One member shall be appointed from among individuals recommended by the majority leader of the Senate.

(2) One member shall be appointed from among individuals recommended by the Speaker of the House of Representatives.

(3) One member shall be appointed from among individuals recommended by the Minority Leader of the Senate.

(4) One member shall be appointed from among individuals recommended by the Minority Leader of the House of Representatives.

A vacancy on the Board shall be filled in the manner in which the original recommendation was made. Members shall be appointed for the life of the Board.

(c) Members of the Board shall each be entitled to receive an annual salary and reimbursement for expenses equal to the annual salary and expenses payable to a United States district court judge.

(d) Three members of the Board shall constitute a quorum. The Chairman of the Board shall be selected by the President from among members of the Board.

(e) The Board shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title.

(f) Each department, agency, and instrumentality of the executive branch of the government, including independent agencies, is authorized and directed to furnish to the Board, upon request made by the Chairman, such information as the Board deems necessary to carry out its functions under this Act.

Sec. 5. (a) The Board shall designate one or more of its members to study each application filed with it under this Act and such member or members shall make a recommendation to the full Board. Prior to the final decision by such Board, the applicants must be timely furnished with a written copy of such recommendations and shall have the opportunity to submit, in accordance with regulations and procedures established by the Board, any additional statements he deems appropriate. The decision of a majority of the Board determining the period needed to earn immunity shall be a final determination not subject to judicial review in any form, notwithstanding any other provision of law.

(b) The Board shall determine the length of alternative service to be included in any agreement consummated in accordance with section 2 of this Act when the applicant demonstrates to the satisfaction of the Board that:

(1) At the time the applicant performed the acts for which he now seeks immunity he was erroneously convinced by himself or others that he was not then or would not be in violation of the Military Selective Service Act by his action;

(2) The applicant could have qualified for classification as a conscientious objector under the decisions of the United States Supreme Court prevailing at the end of the time period set forth in section 2(a);

(3) A member of the applicant's immediate family is now in desperate need of his personal presence for which no other substitute could be found, and such need was not of his own creation;

(4) The applicant demonstrates a lack of mental capacity which might have rendered his acts less than willful;

(5) The applicant has been in the past, or is currently, subject to judicial sanctions for committing offenses for which he seeks immunity; or

(6) Such other circumstances as are consistent with the principles expressed herein.

(c) Nothing in subsection (b) of this section shall authorize the decrease in a term of service solely because of selective opposition to United States military actions in Southeast Asia, it being the sense of Congress that the full terms of service required by section 2 (a) shall be required to earn immunity from prosecution or punishment under such circumstances.

(d) Any assignment of alternative service pursuant to this Act shall not interfere with the competitive job market by assigning a person in a capacity for which there are other qualified aplicants not subject to this Act, nor shall assignments of alternative service pursuant to this Act be permitted to prejudice in any manner the employment opportunities for individuals who have served in the Armed Forces of the United States.

Sec. 6. This Act shall not apply in the case of any person otherwise eligible for immunity if such person (1) is serving a prison sentence for an offense not described in section 2 of this Act or is scheduled to serve, immediately after completion of his sentence for an offense described in section 2 of this Act, a prison term for any other offense for which he has been convicted, or (2) is under indictment for any offense for which immunity may not be granted under this Act.

Sec. 7. All references in this Act to the Military Selective Service Act shall be deemed to include reference to prior corresponding Acts and other statutes of the United States whose applicability depend upon the activities for which the applicant seeks immunity under this Act from prosecution or punishment under an agreement by and between applicant and the Board.

SEC. 8. The Board shall cease to exist four years after the effective date of this Act.

SEC. 9. The provisions of this Act shall not be construed as an attempt to affect in any way the power of the President under section 2 of Article II of the Constitution to grant reprieves and pardons for any offense referred to in section 2 of this Act.

SEC. 10. (a) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) The Board shall reimburse any department or agency of the Government for the salary and other incidental expenses incurred by such department or agency in utilizing the services of persons assigned to perform alternative service under this Act.

SEC. 11. If any provision of this Act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this Act, or the application of such provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 12. This Act shall become effective 60 days after date of enactment.

"THE EARNED IMMUNITY ACT OF 1974": SECTION-BY-SECTION ANALYSIS BY SENATOR ROBERT TAFT, JR.

I. PURPOSES OF THE ACT

A. Introduction

On January 27, 1973, the United States of America entered upon a new era in its relationship to the hostilities in Indochina. At that time, as a result of extensive negotiations, a series of agreements was entered into which has enabled the United States to repatriate its prisoners of war in that area and fulfill its pledge to bring about a cease-fire and peace. Because of these conditions, it is now appropriate to reconsider the situation of those persons who have failed to register for selective service, failed to comply with a lawful induction order, or otherwise disregarded the duties placed upon them with respect to reporting for military service.[1]

B. Those persons who have evaded prosecution for selective service violations should be granted immunity upon the completion of a contractual obligation for compensatory personal service.

In the 92nd Congress, I introduced Senate Bill 3011, which addressed itself to this problem in a preliminary manner. As I had hoped, it provoked considerable discussion and I hope the country has benefited from the many comments, both pro and con, which have been made about my original bill. I am particularly grateful for the thoughtful and serious comments which have been made in a series of law review articles.[2]

As a result of the discussions which Senator Pell and myself, together with our staffs, have held, we now feel that we are in a position to suggest to the Senate the "Earned Immunity Act of 1974" which embodies, we believe, a responsible resolution of the inherent conflict between the demand for total amnesty and the demand for total punishment. We subscribe to neither end and believe our bill reflects that commitment.

The purpose of the legislation, as stated in the purpose clause, is to offer the opportunity to men falling within the class to *earn* immunity from prosecution and punishment under the Military Selective Service Act. As is set forth in Section 2(a) of our bill, only those persons who took unlawful actions under that Act between August 4, 1964, and January 27, 1973, are eligible to seek immunity from prosecution and punishment. Furthermore, such immunity arises only upon the completion by such individual of the terms of a written agreement which such applicant undertakes with the United States. Under that written agreement, the applicant would, in return for immunity upon completion of full performance, agree to enlist and serve for up to 2 years in the Armed Forces or up to two years in alternative service, public or private, contributing to the national health, safety or welfare.

II. ANALYSIS

A. The Immunity Review Board

1. The Immunity Review Board shall determine the conditions by which each applicant shall obtain immunity

This Act contemplates the creation of an "Immunity Review Board," which we have deliberately modeled as an analogy to a board utilized by President Truman.[3] Sections 2(a) and 3 of the Act set forth the general class of persons eligible for immunity, and the general conditions prerequisite to obtaining said grant. Section 4(a) establishes the Board, and delegates to it the authority to determine, on a case by case basis, the conditions which each applicant must fulfill in order to gain immunity. Section 3 permits individuals currently subject to judicial sanctions for violations of the Selective Service Act to similarly obtain immunity through the Board from the further imposition of sanctions.

2. Congress is empowered to create the Immunity Review Board and delegate to it the authority to grant immunity

There can be no question that Congress has the Constitutional authority to enact legislation permitting certain classes of individuals to obtain immunity from criminal prosecution. It is clear that, just as the President may grant reprieves and pardons to particular individuals,[4] Congress may immunize a general class of individuals from prosecution.[5] For example, in 1865, Congress directed the President to issue a proclamation announcing a pardon for all deserters who returned to their posts within sixty days.[6]

This legislative power of immunity has also been exercised numerous times where it has been considered necessary to obtain testimony in connection with criminal investigations.[7] The responsibility to determine which persons should be granted this immunity has variously been placed in federal agencies, prosecutors, and Congressional committees.[8]

Congress also has the undisputed power to modify the terms and conditions of judicial sanctions imposed on those convicted of crimes. This authority has been delegated to the Federal Board of Parole, granting that Board broad discretion in determining whether it should mitigate or alter the form of punishment imposed.[9] The authority exercised by the Board of Parole is probably the most common use of our legislative power of immunity.

The duties and powers of the Immunity Review Board partake of all three of the foregoing examples. This Board is empowered to deal with all members of the specified class of persons to whom Congress has extended this conditional offer of immunity. The Board shall promulgate rules and regulations, and pursuant to them consider the merits of each individual case. The Board shall then offer appropriate conditions of service to each applicant, the fulfillment of which shall entitle that individual to immunity.

B. The Board shall utilize the grounds set forth in the Act in determining the appropriate length of service

Section 5 of the Act sets forth the grounds which we believe the Immunity Review Board should consider in determining the appropriate length of service required for an applicant to gain immunity. One example of the grounds that the Immunity Review Board might consider in mitigation is that of a person who thought he would have been required to perform military service but, in fact, he would not have. The usefulness of the Immunity Review Board in this context would be that each person would have the opportunity to present his individual case before the terms of the agreement would be fixed.

The second ground for consideration by the Immunity Review Board deals with the possibility that the applicant could have secured classification as a conscientious objector. The United States Supreme Court, throughout the Indochina period, gradually broadened its definition of conscientious objector. As a result, one who applied in 1972 could have secured that classification, whereas the same individual, applying in 1964, could not have.[10] We have no illusions about the difficulties involved in administering a procedure which takes into account changing judicial standards. Nevertheless, it is our feeling that any person who could have qualified as a conscientious objector on January 27, 1973 should be permitted to have that fact considered in judging the length of time he would be required to serve under his agreement in order to secure immunity from violation of law. It may be appropriate at this point to mention that we do not believe that it is possible to instruct the Immunity Review Board on how much weight to give to any one particular factor. This does not result from any desire on our part to delegate our legislative function, but, instead, it demonstrates our belief that the confusion and controversy surrounding this matter requires a qualified and thorough analysis. To that end, the legislation instructs the Immunity Review Board, in Section 4(a), to issue rules and regulations in accordance with the Administrative Procedure Act to effectuate these purposes.[11] We would anticipate that the Immunity Review Board would give serious consideration to the Congressional criteria and would establish rules based upon their experience and review.

The third ground set up by our legislation is the existence of an overwhelming need for the personal presence of the applicant with his family. We can conceive of situations where such need results from illness in the family where the person should be released immediately from any further obligation to earn the immunity. However, it is not inconceivable that the Immunity Review Board could accept a deferred contractual obligation in appropriate cases.

The fourth Congressional criterium set forth in our legislation deals with the problem of lack of mental capacity at the time of the alleged unlawful activity. It is entirely possible that there are groups of men of low mental capacity who, through peer pressure or otherwise, took action which, upon full examination, provides a basis for mitigation of the length of service.

The fifth ground provides for those persons who are presently being punished for Selective Service Act offenses. Such persons who have already served time in prisons or periods of probation and/or parole may apply to the Board for immunity from further such treatment. The Board should take this past punishment into account when fashioning the terms of agreements in these cases.

Also, it is deliberately left open to the Immunity Review Board to develop other grounds for consideration as are consistent with the principles embodied in the Act.

Finally, we believe it is appropriate to include a criterium which, when applicable, conclusively forbids reduction of the maximum term of service. Those individuals whose sole motivating factor was selective opposition to the Vietnam War, while not disqualified from securing immunity, cannot use that factor as the basis for any reduction in the term, since that has never been a basis for a similar action by any of the draft regulations.[12]

Footnotes at end of article.

C. The actions of the Immunity Review Board shall not be judicially reviewable

The Act explicitly provides that the decisions of the Immunity Review Board as to term of service proposed shall be final and not subject to judicial review. This investiture of unreviewable power, under analysis, is neither arbitrary nor unwarranted.

The Board is a Congressional mechanism to insure that a person entitled to immunity can gain it through conditions appropriate to his individual case. The Act sets forth relevant criteria for this determination, and confides total discretion to the Board in applying those criteria to the myriad of relevant facts. This exercise of discretion, as delegated to the Board by Congress, should not be the subject of judicial inquiry. It is analogous to the power of the Executive Department, which is charged with the faithful execution of the law, to determine whether or not to institute prosecution in a particular case. The leading opinion is that written by now Chief Justice Berger in the case of *Newman v. United States,* 382 F.2d 479 (C.A. D.C. 1967). In the *Newman* case the United States Attorney determined not to accept a plea from one of two co-defendants. The argument was made that this conduct denied due process and equal protection. Mr. Justice Berger held that this was a matter of first impression and that it had to be resolved on the basis of the constitutional division of power. As Chief Justice Berger stated,

"Few subjects are less adapted to judicial review than the exercise . . . of . . . discretion in deciding when and whether to institute criminal proceedings, or what precise charge should be made, or whether to dismiss a proceeding once brought." (382 F.2d at p. 480).

The Chief Justice, speaking for a unanimous panel, concluded that "no court has any jurisdiction to inquire into or review his decision." *Id.* at 482. In an earlier decision, the Court of Appeals for the Fifth Circuit, speaking *en banc,* held that:

"The courts are not to interfere with the free exercise of the discretionary powers of the Attorneys of the United States in their control over criminal prosecutions." *United States v. Cox,* 342 F.2d 167, 171 (5th Cir.), *cert. den.,* 85 S.Ct., 1767 (1965).

The powers to be exercised by the Board are dramatically similar to that of federal prosecutors. The factors to be considered in each case are so numerous and subtle as not to be susceptible of judicial evaluation and weighing. The analogy shown here leads inescapably to the conclusion that judicial review of these decisions be precluded.

A second example of unreviewable discretion also warrants attention. The Federal Board of Parole provides a striking model of the future tasks of the Immunity Review Board. Similar factors must be weighed by each board in reaching a decision. The courts have long since recognized Congress granted the Board of Parole "absolute discretion" in the grant or denial of parole.[13] In the face of this discretion, judicial review is necessarily precluded.

In the absence of evidence of flagrant, unwarranted, or unauthorized action by the Board, it is not the function of the courts to review such proceedings. *Scarpa*[14] *v. U.S. Board of Parole,* 477 F.2d at 283.

The *Scarpa* court enunciated the principle behind this viewpoint: the government may, in its unreviewable discretion, confer a benefit on an individual or refuse to change an individual's status to the better; on the other hand, where a cognizable benefit is withdrawn, the courts will examine that action to insure the presence of due process.[15] The Immunity Board of Review will confer a benefit, a reduction in service, when it finds it appropriate. The Board need not be reviewed as to the merits of its decisions.

D. Limitations of the Scope of the Act

First of all, it does not apply to anyone serving a prison sentence for crimes unrelated to selective service violations. Furthermore, it is not applicable to those persons who have deserted from the United States Armed Forces. We believe that the problems of these latter individuals are so inextricably intertwined with the considerations of military discipline that a comprehensive solution for that category of persons is beyond the proper scope of this legislation.

III. CONCLUSION

The legislative power of immunity has been little exercised in the context of military service. The reasons for this prior dormancy are varied, but sometimes readily apparent—as where action had been taken by the Executive branch, in each of the country's previous conflicts so as to make Congressional action unnecessary.

Moreover, there is some evidence that an informal type of "amnesty" has been administered on a haphazard basis throughout the United States by the various United States Attorneys. It is widely believed that a lesser sentence may be secured by prosecution in one part of the country;[16] and it is well known that the Justice Department has been less than diligent in pursuing the violations of the various acts involved. An important advantage to having an Immunity Review Board would be that of uniformity; the same considerations would be applicable to all persons who sought immunity from prosecution and, although no one would be compelled to seek immunity, it is anticipated by us that the existence of an alternative uniform procedure would cut down or eliminate the apparently discriminatory practices which are now in existence throughout the country.

We fully recognize the limitations inherent in our legislation, and we hope to provoke a further discussion of this matter with the goal that this acrimonious problem may be resolved in a manner which would benefit not only the individuals involved but the country as a whole. We believe that the time is ripe to move on this issue and that the Congress of the United States should not deny itself the opportunity to consider fully the very serious questions raised by this matter.

FOOTNOTES

[1] The exact number of such persons is in dispute. Our staff analysis, as of the summer of 1973, estimated that at least 18,500 individuals were abroad because of resistance to the draft. As of July 23, 1973, the Department of Justice reported that another 1,351 persons were indicted and awaiting trial and 300 men were imprisoned. The number of persons living "underground" in the United States is very difficult to ascertain, but the most conservative estimates place that figure at several thousand. In sum, the number of persons within the scope of this legislation quite probably exceeds 30,000.

[2] The first bill I introduced on December 14, 1971, was S. 3011. It was referred to the Committee on the Judiciary. The Sub-committee on Administrative Practice and Procedure held hearings on "Selective Service System Procedures and Administrative Possibilities for Amnesty" on February 28, 29, and March 1, 1972 (hereinafter referred to as "Hearings"). The Hearings have been printed by the United States Government Printing Office and comprise 671 pages with considerable amount of source materials incorporated therein. In addition, S. 3011 has been the subject of discussion in a number of law review articles written on the topic. They include the following: Jones and Raish, "American Deserters and Draft Evaders: Exile, Punishment or Amnesty?", 13 Harvard International Law Journal 88 (Winter 1972) (printed verbatim in the Hearings at pages 450–478); Roth and Rothman, "The Authority of a Congress to Grant Amnesty," Yale Legislative Services (1972) (printed at pages 490–501 of the Hearings); Comment, "A History and Discussion of Amnesty," 4 Columbia Human Rights Law Review 529 (Fall 1972); Comment, "Draft Resisters in Exile: Prospects and Risks of Return," 7 Columbia Journal of Law and Social Problems 1 (Winter 1971); Lusky, "Congressional Amnesty for War Resisters: Policy Considerations and Constitutional Problems," 25 Vanderbilt Law Review 525 (April 1972): Migliore, "Amnesty: An Historical Justification for its Continuing Viability," 12 Journal of Family Law 63 (1972–73).

[3] Under Article II, Section 2, Clause 1, the President has the power to ". . . grant reprieves and pardons for offenses against the United States. . . ." There have been numerous examples of the use of this power over the years and they are discussed thoroughly in the various law review articles. President Truman, before exercising that power, created an "Amnesty Board" composed of three members who examined and considered the cases of persons who had already been convicted of violations of the Selective Service Law during World War II. Executive Order 9814, 11 Federal Register 14645 (December 23, 1946). The Amnesty Board was composed of Owen Roberts, Willis Smith, and James F. O'Neil, and they submitted their report to the President exactly one year later, December 23, 1947. That report is printed verbatim at pages 485–489 of the Hearings. As is stated therein, after reviewing 15,805 convictions, the Board recommended that 1,523 persons be granted executive clemency.

[4] U.S. Const. Art. II, § 2; *Ex parte Garland,* 71 U.S. (4 Wall) 333, 380 (1866). Also see Humpert, *The Pardoning Power of the President* 40 (1941).

[5] In *Brown v. Walker,* the United States Supreme Court acknowledged that the power of reprieve and pardon expressly granted the President in no way affected the general authority residing in the legislative branch. 161 U.S. 591, 40 L.Ed. 819, 822 (1896). See also the *Laurg,* 114 U.S. 411 (1884).

[6] Act of March 3, 1865, 13 Stat. 190–91. For a similar exercise of legislative pardon, see Act of July 17, 1862, 12 Stat. 592.

[7] E.g., 27 Stat. 443 (1893), 49 U.S.C.A. § 46 (1969), constitutionality upheld, *Brown v. Walker,* supra; 32 Stat. 904 (1903), 15 U.S.C.A. § 32, 49 U.S.C.A. § 47 (1969), constitutionality upheld, *Hale v. Henkel,* 201 U.S. 43 (1906). Such statutes have "become part of our constitutional fabric." *Ullman v. United States,* 350 U.S. 422, 438 (1956). *See also* Comment, *The Federal Witness Immunity Acts in Theory and Practice: Treading The Constitutional Tightrope,* 72 Yale L.J., 1568 (1963).

[8] See, for example, the "use" immunity provisions of the Organized Crime Control Act of 1970, 18 U.S.C.A. § 6001–05 (Supp. 1973). See also, *Kastigar v. United States,* 406 U.S. 441 (1972), upholding these provisions.

[9] 18 U.S.C.A. § 4201 et seq. (1969). "By the language of [this statute], the Board of Parole is given absolute discretion in matters of parole." *Scarpa v. U.S. Board of Parole,* 477 F.2d 278, 280 (5th Cir. 1973); *accord. Hyser v. Reed,* 318 F.2d 225 (D.C. Cir. 1963) (*per* Berger, J.).

[10] *Compare, George v. United States,* 196 F.2d 445 (9th Cir.), *cert. den.,* 344 U.S. 843 (1952), *with United States v. Seegar,* 380 U.S. 163 (1965) *and Welsh v. United States,* 398 U.S. 333 (1970).

[11] In issuing rules, the Board is directed to utilize the procedures set forth in 5 U.S.C.A. § 551 *et seq.*; however, the Board is in no way subject to the other provisions of the Administrative Procedure Act.

[12] This conclusion is in accord with the Supreme Court's interpretation of the conscientious objector clause in *Gillette v. United States,* 401 U.S. 437 (1971).

[13] *Scarpa v. U.S. Board of Parole*, 477 F. 2d 278, 280 (5th Cir. 1973); *accord., Hyser v. Reed*, 318 F. 2d 225 (D.C. Cir. 1963).

[14] *Accord, Menechio v. Oswald*, 430 F. 2d 403, 408-09 (2d Cir. 1970), *cert. den.*, 400 U.S. 1023 (1971); *Dorado v. Kerr*, 454 F. 2d 892 (9th Cir. 1972).

[15] 477 F. 2d 278, 282. *Compare, Morrissey v. Brewer*, 408 U.S. 471 (1972) (revocation of parole).

[16] In fiscal year 1972, certain district courts reported widely disparate results:

Minnesota—94 convicted; 47 subsequently imprisoned (50.0%);

Washington—65 convicted; 31 subsequently imprisoned (47.7%);

California (Cent. Dist.)—168 convicted; 51 subsequently imprisoned (30.4%);

California (Nor. Dist.)—305 convicted; 55 subsequently imprisoned (18.0%);

Michigan—90 convicted; 5 subsequently imprisoned (5.5%).

Source of data: 1973 Semi-annual Report of the Director of the Administrative Office of the United States Courts, Fig. 24.

It has often been rumored among draft resistor groups that Northern California was the most lenient district. The above figures appear to dispute this. However, the disparity between belief and actual statistics simply underscores the need for a uniform coordinated approach.

Also see *Newsweek*, Oct. 1, 1973, "A Kind of Amnesty", p. 34.

By Mr. THURMOND:

S. 2834. A bill to amend title 10 of the United States Code to provide that certain additional amounts received by retired servicemen employed in the Junior Reserve Officers' Training Corps shall be treated as subsistence or uniform allowances or as amounts received as commutation of quarters. Referred to the Committee on Armed Services.

JUNIOR RESERVE OFFICER TRAINING PROGRAM

Mr. THURMOND. Mr. President, one of the most beneficial and successful educational and training programs in our country for preparing young men and women to be responsible citizens is the Junior Reserve Officers Training Corps—JROTC—program in high schools across the Nation.

The Congress fully recognized the vital importance of this program when it enacted Public Law 88-647 entitled, "Reserve Officers' Training Corps Vitalization Act of 1964." One of the provisions of the law provided for an agreement between the Military Departments and the participating educational institutions to use retired military personnel as instructors and administrators.

Since retired military pay is not sufficient to live on in most cases, an added financial incentive to attract highly qualified retired personnel was incorporated in the law. It provided for the Government and the educational institution to share equally an additional amount equal to the quarters allowance and subsistence pay which the retired member would receive if on active duty. These allowances have always been tax exempt for active duty personnel, but such exemption is not granted those retired personnel who are highly motivated to teach in the JROTC program.

Mr. President, I am confident that it was not the intent of the Congress that the Vitalization Act be interpreted to disallow this exemption. However, an effort to obtain this exemption has not been successful with the Internal Revenue Service, or in the courts, due to the lack of clarity in the current law.

There are about 3,000 retired military members who are dedicating themselves to this important citizenship program. These extra allowances are relatively a small part of their pay from the institution and the Government. The larger portion of their salary is taxable. Consequently, I am introducing an amendment to Public Law 88-647 to clarify the language in the Vitalization Act. It will allow the exemption as an incentive measure and a more livable wage. This amendment will help to insure that this vital program will continue to flourish by helping to train young people to become productive citizens in our society.

Mr. President, I urge my distinguished colleagues to join me in approving this important measure.

By Mr. HUMPHREY:

S. 2835. A bill to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson. Referred to the Committee on Agriculture and Forestry.

LYNDON B. JOHNSON: TEACHER, CONSERVATIONIST, PRESIDENT

Mr. HUMPHREY. Mr. President, I am introducing a bill today which would rename the first Civilian Conservation Corps Center, located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas, in honor of former President Lyndon B. Johnson.

Mr. President, I ask unanimous consent that this bill be referred to the Committee on Agriculture and Forestry.

The bill pays tribute to a man who had a constant interest in the enhancement and development of people as our Nation's basic resource and in the conservation of our natural resources as basic to our people reaching their aspirations. This Nation's quest for major improvement in the quality of our national environment will be fostered by recognizing Lyndon B. Johnson's dedication to this important goal.

I propose that we name two areas for Lyndon Johnson which appropriately honor his efforts over the years to advance both the cause of conservation and the opportunity for personal development. In 1959, when the first post-war effort to reactivate the Civilian Conservation Corps concept was before the Senate, it was Lyndon Johnson as majority leader of the Senate who gave this program the impetus it deserved. He knew, from his experience as a high school teacher and from his experience as Director of the National Youth Administration in Texas in the depth of the depression, how vital it was that we give every young person an opportunity to secure an education that would enable that person to utilize fully his or her capabilities.

Lyndon Johnson knew and loved the land. He knew that people had to have a tie to the land and that this was the bedrock of national unity. The Civilian Conservation Corps of the 1930's was a program about which he had a great deal of knowledge. He knew from experience what it had done for youth and for conservation.

In the late 1950's, when I urged that we reestablish the Youth Conservation Corps, the first person I turned to for advice and counsel as a young Senator was Lyndon B. Johnson. As majority leader, the program had his full support and he made a significant effort to get a bill adopted by the Senate in 1959. That was as far as we got—and we did not get the program adopted in the early 1960's, despite the support that President John F. Kennedy gave the program.

However, shortly after Lyndon Johnson became President, he told me of his plans to do something for youth and conservation by getting a youth conservation program into action. He intended to do more than the program of the 1930's. And he did.

The 1964 Economic Opportunity Act was a broad assault on poverty and ignorance and a key part of that program were the Youth Conservation Camps established as part of the Job Corps.

The first camp was set up near Franklin, N.C. I propose that this camp be renamed the Lyndon B. Johnson Youth Conservation Corps Center.

For Lyndon Johnson the love of the land was one of the strengths of his character and the land itself a restorer of his faith in America. For him looking out over the grasslands of his native Texas kindled his energy and lit his resolve. Lyndon Johnson knew instinctively that man had to work with nature—not fight with nature—if he was going to survive and prosper on this earth. Lyndon Johnson had an intuitive understanding of ecological relationships even though I do not think he ever used those exact words. To him it was the "need to work with nature." He saw that we were mining our resources "rather than minding our resources." He set about to rekindle a national resolve to reverse the desecration of the land.

In 1964 President Johnson signed into law the National Wilderness Act and the Land and Water Conservation Fund Act. He spurred action on devising a national awareness of the vital importance of our resources. In 1967 he embarked on a program to establish natural beauty and conservation as national goals, and he convened a Citizens Advisory Committee on Recreation and Natural Beauty.

A National Grassland is located in Wise and Montague Counties, Tex. These are lands that were worn out and run down until under national programs they were purchased and the process of their rehabilitation began. This area shows not only what can be done, but it also demonstrates the opportunity that exists to do more in the way of conservation of our natural resources. But most of all this sea of restored and renewed grassland represents the faith that Lyndon Johnson had in the land. I, therefore, propose that this area be named the Lyndon B. Johnson National Grasslands.

I have discussed this matter with Mrs. Johnson and she has expressed a warm interest in and support of this proposal as one which would mark interests that were held dearly and closely by her late husband. I hope that we can move expeditiously to enact this legislation.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2718

At the request of Mr. Pell, the Senator from South Dakota (Mr. Abourezk), the Senator from Massachusetts (Mr. Brooke), the Senator from Maryland (Mr. Beall), and the Senator from Minnesota (Mr. Humphrey) were added as cosponsors of S. 2718, the Federal Election Financing Act.

S. 2774

At the request of Mr. Hatfield, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 2774, to provide assistance in improving zoos and aquariums by creating a National Zoological and Aquarium Board.

S. 2782

At the request of Mr. Nelson, the Senator from Missouri (Mr. Eagleton) was added as a cosponsor of S. 2782, a bill to establish a National Energy Information System, to authorize the Department of the Interior to undertake an inventory of United States energy resources on public lands and elsewhere, and for other purposes.

S. 2786

At the request of Mr. Percy, the Senator from Iowa (Mr. Clark) and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of S. 2786, a bill to amend chapter 34 of title 38 United States Code, to increase from 36 to 48 months the maximum period of educational assistance to which an eligible veteran may become entitled under such chapter, and to extend from 8 to 15 years the period within which an eligible veteran must complete his program of education under such chapter after his discharge from military service.

SENATE RESOLUTION 222—SUBMISSION OF A RESOLUTION TO AUTHORIZE A NATIONAL OCEAN POLICY STUDY

(Referred to the Committee on Commerce.)

Mr. MAGNUSON (for himself, Mr. Hollings, Mr. Eastland, Mr. McClellan, Mr. Fulbright, Mr. Sparkman, Mr. Stennis, Mr. Long, Mr. Pastore, Mr. Jackson, Mr. Mansfield, Mr. Ervin, Mr. Cotton, Mr. Hugh Scott, Mr. Bible, Mr. Talmadge, Mr. Randolph, Mr. Cannon, Mr. Hartke, Mr. McGee, Mr. Moss, Mr. Williams, Mr. Bentsen, Mr. Eagleton, Mr. Ribicoff, Mr. Robert C. Byrd, Mr. Humphrey, Mr. Stevens, Mr. Kennedy, Mr. Metcalf, Mr. Stevenson, Mr. McGovern, Mr. McIntyre, Mr. Nunn, Mr. Allen, Mr. Gurney, Mr. Hart, Mr. Buckley, Mr. Gravel, Mr. Abourezk, Mr. Domenici, Mr. Dominick, Mr. Pell, Mr. Chiles, Mr. Burdick, Mr. Weicker, Mr. Biden, Mr. Tunney, Mr. Dole, Mr. Hatfield, Mr. Johnston, Mr. Cranston, Mr. Mathias, Mr. Muskie, and Mr. Beall) submitted the following resolution:

S. Res. 222

Resolution to authorize a National Ocean Policy Study

Whereas the oceans offer the potential for major contribution to world peace and to the quality of life, and the future of mankind, at least in part, may well be dependent upon his knowledge and wise use of the sea; and

Whereas the oceans are of enormous present and potential benefit to all citizens of the United States owing to their extensive supply of living and nonliving resources and because of their utilization as a pathway for maritime commerce and as a continuing source of impact upon the national security, balanced growth, technology, scientific understanding, and the quality of the world environment; and

Whereas the depletable living and nonliving resources of the oceans will necessarily be utilized increasingly in future years as a principal source of protein, raw materials, and energy; and

Whereas the coastal margin of the United States, as one of the Nation's prime resources, is under ever-expanding pressure due to its desirability for siting of commerce, industry, and habitation, and due to increasing needs for recreation, transportation, urbanization, and biological reproduction; and

Whereas serious national and global problems exist and are growing in ocean contamination as a result of land- and vessel-source pollution; and

Whereas the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 2 et seq.) was enacted to develop a comprehensive, long-range national oceans policy, but such Act has been neither fully implemented nor completely successful in achieving that goal; and

Whereas the utilization of ocean resources and solving ocean-related problems depend directly upon developing oceanic knowledge and technology, resolving conflicts of national and international jurisdiction over the ocean, protecting the quality of the marine environment, and, foremost, upon establishing a clear and comprehensive national oceans policy: Now, therefore, be it

Resolved, That the Committee on Commerce is authorized under sections 134(a) and 136(a) of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, as amended, to make a full and complete investigation and study of national oceans policy for the purpose of—

(1) determining current and prospective national capabilities in the oceans, including marine sciences and their application, oceanic research, advancement of oceanic enterprise and marine technology, interdisciplinary education, policy planning, professional career and employment needs, and overall requirements of the United States consistent with the attainment of long-range national goals;

(2) determining the adequacy of current Federal programs relating to the oceans and recommending improvements in agency structure and effectiveness to meet national needs and achieve oceans capabilities, and assessing existing policies and laws affecting the oceans for the purpose of determining what changes might be necessary to assure a strong and internationally competitive oceans policy and program for the United States;

(3) establishing policies to achieve the goal of full utilization and conservation of living resources of the oceans and recommending solutions to problems in marine fisheries and their management, rehabilitation of United States fisheries, current and future international negotiations on fisheries, as well as aquaculture and the extraction of drugs from the sea;

(4) assessing the needs for new policies for the development and utilization of the nonliving resources of the oceans, including the mineral resources of the Outer Continental Shelf and the deep seabed so that the national mineral needs can be met in an economically and environmentally sound manner;

(5) encouraging implementation of coastal zone management through the Coastal Zone Management Act of 1972 by assessing regional and intertsate problems, State functions and powers in coastal zone management, information sources, recreation needs, pollution problems, population trends, and future pressures in the coastal zone;

(6) establishing comprehensive national policy for the purpose of understanding and protecting the global ocean environment through education, exploration, research, and international cooperation; and

(7) making an assessment of proposals for, and current negotiations with respect to, achieving adequate national and international jurisdiction over the oceans, developing and understanding of the relationship of the oceans to world order, and examining United States policy with respect thereto.

Sec. 2. In order that other standing committees of the Senate having jurisdiction under Rule XXV of the Standing Rules of the Senate, as amended, over specific elements of the study authorized in section 1, may participate in that study, the chairman and ranking minority member of each of the Committees on Appropriations, Interior and Insular Affairs, Public Works, Foreign Relations, Government Operations, and Labor and Public Welfare, Armed Services, or a member of such committees designated by each such chairman and ranking minority member to serve in his place, shall participate in the study authorized by this resolution as an ex officio members of the Committee on Commerce. In addition, the President pro tempore of the Senate shall name three majority and three minority Members of the Senate who represent coastal States, without regard to committee membership, to serve as additional ex officio members of the Committee on Commerce for purposes of this resolution.

Sec. 3. The committee shall report its findings, together with its recommendations for such legislation as it deems advisable, to the Senate.

Sec. 4. For the purpose of this resolution, the Committee on Commerce is authorized to expend, through February 28, 1975, from the contingent fund of the Senate, a sum not to exceed $200,000.

Mr. MAGNUSON. Mr. President, I rise on behalf of 55 colleagues as well as myself to introduce Senate Resolution No. 222, to reaffirm the intent of the U.S. Senate that our Nation rededicate its purpose and intensify its commitment to turn the oceans and the Great Lakes to the service of man. I am proud and pleased to be joined in this initiative by distinguished Senators of both parties, many of whom are chairmen of sister committees, to demonstrate the depth and breadth of our concern. But I am also saddened by the melancholy fact that historic cycles of national interest in the seas are once more overtaken by an interval of neglect. This will be the third occasion in 15 years that the Congress of the United States has had to remind the people and their President of this Nation's stake in the sea, and of our unsteady response to that challenge.

It was first in 1959, with a new awareness of the importance of the ocean to our national interests, and of the serious discrepancy between need and prospects, that the Senate passed Senate Resolution 136 to focus attention on the oceans. The Congress continued to hammer away, finally gaining gratifying expression of interest by President Kennedy and his staff in the early 1960's. But that fruitful spasm of increased support was not reinforced with plans or durable funding.

By 1965, it was again the legislative branch that raised questions about national requirements for a more compelling policy to unify fragmented programs and uneven commitment. Measures that 28 Senators and I had the privilege to cosponsor in 1965 were passed by the Senate, and with complementary steps in the House of Representatives, the Congress passed the Marine Resources and Engineering Development Act of 1966.

That second initiative proved to be a major turning point in our Nation's maritime history. The act focused high level attention on the peaceful uses of the sea as a highway for world trade, as a source of protein, minerals and energy, on its contribution to recreation and esthetic enjoyment for a busy people, and on its potential for international cooperation as a further step to world order.

Accordingly, the Congress mandated a policy "to develop, encourage, and maintain a coordinated, comprehensive, and long-range national program in marine science for the benefit of mankind." Then, in recognition of the breadth of involvement by so many Federal agencies and the need to direct their missions to satisfy these objectives, the President was called upon as the only individual having full cognizance over their activities to assume responsibility for high level leadership and implementation. Finally, we provided him with powerful interim machinery to advise and assist a statutory National Council on Marine Resources and Engineering Development, chaired by the Vice President. President Johnson activated the Council promptly, and Vice President HUMPHREY devoted resolute efforts to harmonize disparate goals, orchestrate the bureaucracy, and to raise marine priorities. In addition, a statutory commission under Dr. Julius Stratton brought in persuasive recommendations for a still more influential and permanent organization, not only to centralize fragmented bureaus, but to assume responsibility for realizing the promise of the sea.

During that interval, the Government successfully navigated a transition from scientific oceanography to a broadened program of activities blending engineering, legal, economic and political considerations. And the hierarchy of interested participants was elevated to the level of the President of the United States.

In 1970, a new National Oceanic and Atmospheric Administration was created within the Department of Commerce. But our expectation that it would symbolize and reinforce higher marine priorities established by the National Marine Science Council has failed to be realized. Instead, we are mothballing research vessels, constricting research and exploration, and abandoning needs to redirect our Nation's innovative technical skills to marine technology.

It is not as though the earlier statements as to the importance of the ocean were wrong. If anything, they were too modest.

Maritime transport remains indispensable to modern society. Tonnage of ocean transport will rise dramatically in the next two decades, especially in fuel and minerals required by industrialized nations, and of manufactured goods exchanged across ocean boundaries. In contrast, the fraction hauled in U.S. bottoms continues to decline. Only 5 percent of U.S. foreign trade moves in U.S. flag vessels. Furthermore, the strategic importance of a healthy Merchant Marine is obvious; the Soviet Union is presently building a merchant fleet at an unprecedented rate.

The worldwide demand for protein from the sea is growing even more sharply than world population. Indeed, the green revolution does not show prospects of meeting protein demand of the 6 billion people projected for the year 2000, only about 25 years off. Nutritional demand will be met in part by growing exploitation of fisheries, with corresponding threats of overfishing and need for wise management. Since 1955, the world catch has tripled while our domestic catch has remained almost constant. Our domestic demand meanwhile has more than tripled so we must meet the deficit with imports of foreign products while our own fishing fleet falls further behind.

Offshore oil and gas, already supplying 17 percent of worldwide demand will increase in 20 years to at least 30 percent; in overall volume, operations could quadruple, for along with requirements for increased volume will be needs for diversification of sources to assure continuity of supply.

Our domestic requirements for minerals such as copper, nickel and manganese are projected to grow significantly. These are now satisfied only by imports that contribute to our deficit balance of payments; these could be offset by seabed mining.

The most intensively used and accessible part of the ocean environment is the margin where the land meets the sea. This is where people meet the sea. Seventy-five percent of our population reside in coastal States, most near the shoreline. Little wonder it is subject to ever more pressure for private development and proposals to site inshore platforms for nuclear power generation and metropolitan jetports. Simultaneously, the need expands for public recreational access and for a stewardship of a public trust for conservation. Such conflicts urgently require ever more sensitive and visionary coastal management at State as well as Federal levels to prevent an anarchy of utilization. And we need continued vigilance over ocean disposal of waste.

Finally, we must not overlook the critical role of the sea both in contributing to our defense and in furnishing the opportunity for a bold new thrust to meet nationalistic territorialism with a sense of shared responsibilities—to employ the oceans for peaceful purposes.

Many of the problems and opportunities were copiously documented and statistics quantified at the Conference on the Oceans and National Economic Development, convened in Seattle, July 17–19 of this year.

Meeting these challenges was never easy. Many different interests, numerous institutions and Federal agencies are involved; rational analysis draws on a variety of disciplines, including social as well as natural sciences and engineering. Many political subdivisions have jurisdiction. Many ocean-based activities cannot be arbitrarily isolated from corresponding activities on land. And a partnership is required between a full array of public and private enterprises if the strengths of each are to be mobilized and blended to deal with ocean affairs if many opportunities in the public interest are not to be wasted. Indeed, the entire social, economic, and political fabric of the Nation is involved.

Given this complexity, diversity, and fragmentation, mixed and competing motivation, the Federal Government will have to play a major role in policy leadership. This responsibility stems from expectation of our citizens that the Government is the primary focus to deal with issues of world order, economic vitality, health, safety, adequacy of energy resources, humane living conditions, and stewardship of our environment for future generations. We have had to look to the Government to meet random interests and motivation with a coherent sense of purpose, with a careful assessment of our multitudinal needs and wants, and with a statement of goals, priorities, and strategies. This is what the Congress had in mind in its two earlier initiatives. This is what sparks our initiative again.

This is not to say we have not made progress. Too often we take our accomplishments for granted, measure status only by yearly increases in budgets. Given the primitive and feeble status of oceanography described by the National Academy of Sciences in 1959, we have come a long way.

From 1959 to 1966, we first reinforced our research capabilities with support for ocean science, for training of scientists, for new ships and shore-based facilities. The size and quality of our scientific cadre and our research fleet has improved manifold. That first stage was followed by a second era from 1966 to 1970 when we endeavored to draw a sharper bead on uses of the sea to meet old problems, to identify goals and to marshal strategies. We succeeded rather well. For example, attention was focused on the need for prudent coastal management, conflict resolution, increased public access, pollution control, and rehabilitation of urban waterfronts. We opened an International Decade of Ocean Exploration to foster international cooperation and increase mankind's knowledge about the largest surface feature on the planet. Principles were established for dealing with a new legal regime for the seabeds with emphasis on avoiding a race to grab marine territory.

We concluded that era with creation of new governmental apparatus; and we have subsequently passed significant new legislation to deal with coastal management by grants in aid to States, and with regulatory measures for ocean dumping and maritime safety.

But the momentum of a long-range coordinated national program that the Congress intended has been retarded; the goals are no longer defined; the necessary coordination is no longer shepherded. Creation of just another agency clearly did not meet the emerging stresses in modern government to solve transdepartmental problems and the interaction of science and technology with our society and its traditional institutions.

We no longer need to grope for identification of benefits from the sea. But it is clear that we have lost their articulation within the higher councils of our Government. A maritime presence at policy levels during the late 1960's has vanished. The marine component of public policy has failed to meet tests of viability and of political energy in the familiar battleground among competitors for attention. Notwithstanding the historical importance of the oceans to this Nation's destiny, the clear manifestation of our Nation's stake in benevolent development of the seas makes the present cycle of governmental indifference all the more a paradox.

Diagnosis of such malaise comes from the statutory National Advisory Committee on Oceans and Atmosphere. In its second annual report released 3 months ago, NACOA found:

> The import of budget cutbacks . . . distorts national priorities . . . because of organizational fragmentation and the lack of a strong management focus at a sufficiently high level in government.
>
> The penalty for delay in funding the Coastal Zone Management Legislation enacted last fall has been lack of action in some states and uncoordinated action in others.
>
> National objectives for U.S. domestic and international fisheries are in disarray.

These are strong words, and they come from a distinguished committee. NACOA went on to say:

> The theme which runs through most sections of this Report is about organization for the management of marine and atmospheric affairs, and what the lack of organization does in certain critical areas.
>
> The old backing is weakening, for oceanic affairs especially . . . nothing is taking its place even though the national need in ocean affairs grows larger.

What lies behind these assertions? Here are a few symptoms of the loss in national leadership and retreat:

During the past 3 years, virtually no policy initiatives dealing with the oceans have been taken by officers of the executive branch. Neither has there been a clear restatement of goals or determination to nurture prior ones.

Government-wide funding has leveled off for 3 years in a row, and support for the presidentially initiated International Decade of Ocean Exploration has failed to mature. Sea grant has hit a premature plateau.

Our voice at international conference tables has too often become a flaccid reaction to ploys and stratagems of other participants.

The annual report of the President on ocean affairs, required by the Marine Resources and Engineering Development Act of 1966, was 7 months late in 1972, 8 months late in 1973. And it is only a pale shadow of earlier editions that set forth bold policy initiatives adopted by the Chief Executive and a candid recital of shortfall in accomplishments.

The Marine Council which provided a significant Federal focus in 1966 was disestablished in 1971. The Office of Science and Technology which inherited the Council's role of advising and assisting the President was disestablished on July 1, 1973. Its responsibilities were assigned to the already busy Director of the National Science Foundation. He has set up a Science and Technology Policy Office in NSF to assist him. We need only compare the present situation with that 4 years ago. Then the President had help from a creative policy planning capability in marine affairs. It was led by the Vice President, especially in keeping the 11 Federal agencies involved from running off in 22 directions. It was energized by a presidentially appointed staff director and 20 professionals dealing with Government-wide issues from an independent perspective. Today the same Government-wide activity is led at a substantially lower policy level, with at most two to three full-time staff assistants.

In the meanwhile, the requirement for stronger internal management increases. For despite the creation of NOAA to consolidate some activities, more, not fewer, agencies are involved. Bureaucratic infighting has again become inflamed. In the absence of high-level steering, there is grave hazard that familiar administrative diseases of delay, duplication, and timidity will further weaken the program.

The consequences of such abdication in management can only be estimated. First, domestically:

Our fishing fleet declines—and apparently is unable to provide our national demand for fish products at competitive prices;

Our balance-of-payments deficit in marine-related resources increases yearly;

Shoreline areas which cannot indefinitely absorb insults of man-induced change are increasingly vulnerable to depredation because marketplace economics put emphasis on short term benefits to private investors and seduction of local jurisdictions;

Baseline data needed to facilitate wise decisions in coastal management are not available;

Superport development is pushed to lower costs of oil transportation, with little evaluation of the total costs in port construction, disruption of shoreside petroleum transportation, and secondary social and economic impacts of siting;

U.S. industry increasingly faces foreign competition where the national governments of other countries share costs and risks with their maritime industries.

This abstract of domestic consequences portrays only a portion of the problem. We should never forget that 112 nations front on the sea, and although the ocean has served as a shield and a buffer against aggression, it also has a potential for rekindling conflict; all nations are seeking to identify their dividends from the sea. Mounting U.S. interest is thus matched by that of other countries, and old rivalries and conflicts could well be projected to the ocean arena. When considering these prospects, in a world again recently torn by war, there are opportunities for collective and harmonious relationships, conducive to world order. The United States has a clear opportunity for leadership. Indeed, for a few short years in the late 1960's, it displayed that leadership.

Prestige is still an important diplomatic tool in a world jarred by militant nationalism. The drawing of artificial national boundaries which is a standard practice in world politics is simply in conflict with laws of nature governing the sea. We could collaborate with other countries having less technological maturity, to share our maritime capabilities to extract offshore oil and gas to meet worldwide needs; we could renew efforts to produce fish protein concentrate and other innovative products to help meet worldwide hunger; we could share oceanographic data promptly and effectively with nations lacking research capabilities. These can be responsible and respected steps toward world leadership.

The resolution introduced with this message is an effort to arrest our maritime retreat, to erase present confusion as to priorities at home and abroad, to facilitate intramural communications within Government and those between Government and industry, to again match resources to goals, to mount a vigorous program of technological initiatives aimed at transferring the potential of the sea to meet goals of a stable economic well-being, wholesome environment and human satisfaction at home, to recognize the responsibility of the Government for world order sought by all peoples, and for stewardship of the global environment. In accordance with its jurisdiction under rule XXV of the standing rules, and under section 134(a) and 136 of the Legislative Reorganization Act of 1946, the Commerce Committee and its ex officio members would serve as an agent of the Senate to undertake a full and complete investigation of the evidence of marine neglect, thoroughly probe its causes, report its findings and make recommendations for legislative remedy in a timely fashion.

The Federal Government has a key role to play, partly because so many resources are common property and must be treated as a public trust, because only the Government can serve as steward for the environment to preserve it for future generations and because only the Government can reconcile the disparate sectors having interest in the ocean and establish a rational basis for undeveloped partnerships with the private sector, rehabilitate fisheries and accelerate balanced development of offshore energy and mineral reserves. All interests look to the Government to support the necessary research and surveys, to understand the vast marine world we wish to turn to the service of man. Only the Government can establish rules for safe navigation and only the Government can project the moral principles in the international community to head off anarchy.

The present policy vacuum in marine activity brings to mind a bon mot by Oliver Wendell Holmes. Speaking of our ship of state, he said:

> We must sail, sometimes with the wind, and sometimes against it—but we must sail and not drift nor lie at anchor.

Indeed, we cannot again permit a stagnation of our marine interests.

The challenge is at least as great as it was 15 years ago when, by dedication of the Congress, the Nation was awakened to the stake our Nation and all mankind have in the sea.

We deal today with a constant triphammer of crises. And issues usually find support by a vocal constituency pressing for attention. The oceans present no commanding crises. And has been so often remarked, it lacks a resident constituency; the fish indeed do not vote. Nonetheless, real crises may develop without sufficient attention paid to them and an inherent underrepresentation of the opportunities and obligations offered by the sea and its resources to help solve pressing national problems requires that the Government itself act as a sort of constituency or advocate for options not forwarded by parochial interests. Indeed, this is the fundamental embodiment of the concept of stewardship for the public trust. Under these constraints, progress requires a deliberate act of political will. We cannot afford to default a third time.

Let us set about mobilizing our technical skills and our imagination with the political will to deal with public management, to meet the promise of the sea.

Mr. President, I ask unanimous consent that an additional 400 copies of the resolution be printed for the use of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, in addition, I ask unanimous consent at this point to have printed in the RECORD, in its entirety, a statement by my distinguished colleague, Senator HOLLINGS, who cannot be here today because of his present hospitalization. Senator HOLLINGS serves on our Committee on Commerce as chairman of the Oceans and Atmosphere Subcommittee. Senator HOLLINGS has worked long and tirelessly on behalf of our Nation's oceans programs and has brought to the attention of this Senate on many occasions the need to improve our Federal oceans programs. Upon approval of this resolution, Senator HOLLINGS will be named to chair this special oceans policy study within our Commerce Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

OCEAN POLICY RESOLUTION

(Statement by Senator HOLLINGS)

Mr. President, the Senate Resolution which we are submitting today authorizes a National Ocean Policy Study by the Commerce Committee, working with other interested committees, which will contribute immensely to the welfare and well-being of the people of the United States.

There is no State in the Union that does not depend on the ocean, directly or indirectly, particularly at this time of crisis. The energy crisis has descended upon us like a tornado, threatening to disrupt in its wake all sectors of our economic, social, and political life. But through the rising dust we see a bright light of hope emanating from our ocean domain.

There is no need to reiterate and enumerate the long list of potential ocean resources. Instead, I believe that a major portion of America's hope lies in its seapower. By seapower I do not mean only the military, but also the wide spectrum of economic sea power—a large, modern merchant marine; a healthy, growing fishing industry; a dynamic ocean research program; leadership in ocean technology; ocean policy positions that represent national self-interest in international negotiations; progressive, intelligent coastal zone management; and an ocean business climate that encourages industry to tap all of the potential resources of the sea.

There is also no need to reiterate and enumerate the long list of potential ocean resources. Instead, I would like to point out that the decline in American sea power has had a direct impact on:

The present energy crisis which threatens to get worse;

The embarrassing and frightening plunge of the U.S. dollar on world money markets;

Inflation here at home;

Signs of pending raw materials shortages;

Lower demand and prices for U.S. exports;

Rising prices for goods we buy overseas;

The flood of foreign goods undercutting American products and American jobs here at home;

Our declining prestige and influence around the world; and

The rise in the economic and political strength of our competitors abroad.

These are the problems that broad-spectrum seapower must help solve if the oceans are to enjoy the priority attention we know they deserve. And we must sharpen the focus of America's stake in the oceans into critical national perspective. Although the oceans contain considerable reserves of oil and gas, we find ourselves on the brink of disaster in our energy supply. Although the oceans contain hard mineral deposits essential to our industrial demand, we find ourselves importing more and more of these raw materials from abroad. Although our waters are replete with marine life, we find ourselves importing a huge portion of our fish consumption from abroad.

For the year 1972, Mr. President, the total U.S. balance of payments deficit was more than $10 billion. With an ever-increasing dependence on foreign sources of raw materials and fuels, as well as manufactured products, it must be a matter of urgent national policy to reduce this drain on our economic well-being. The United States had an "ocean balance of payments" deficit in 1972 amounting to more than $8 billion! That is $8 billion worth of ocean-related goods, services, and miscellaneous items we are being forced to buy abroad because we have not been willing to provide them for ourselves.

In fisheries alone our adverse balance of payments last year was $1.3 billion. In metals such as copper, nickel, manganese, cobalt, and iron ore, our adverse balance of payments was close to $1.5 billion; yet the ocean floor is literally blanketed with manganese nodules that contain all these metals. We possess the knowledge and the technology to exploit them, yet we have been unable and downright negligent in providing the proper incentive to encourage their orderly exploitation.

This, Mr. President, is certainly not the fault of the Congress.

The Congress, Mr. President, has always taken the lead in formulating policy for marine-related activities in the United States. For many years we have taken the initiative, sometimes facing outright opposition from the Executive Branch. Our efforts finally culminated in the passage of the National Marine Resources and Engineering Development Act of 1966. We hoped then that we had handed the ball to the Administration and provided it with the statutory wherewithal for a concerted national effort for developing ocean resources.

Unfortunately, we are now back where we started some ten years ago. To be sure, we have had some sort of progress. We have, for example, a National Oceanic and Atmospheric Administration (NOAA) and a National Advisory Committee on Oceans and Atmosphere. We also have passed the National Coastal Zone Management Act in 1972. But our posture as a seapower, and our economic position in the world do not reflect the concerted effort and the national impetus we had hoped for, nationally or internationally.

Here again, the Congress had to do battle with the White House in order to keep some national programs from being put on the shelf. The details of some of these fights would fill a book, but suffice it to say that certain high-level bureaucrats were determined to sabotage these programs. They wanted to kill the Coastal Zone Management program for fear that it would help NOAA achieve a power base. These enemies of NOAA were afraid that implementation of this program might be a major step toward the kind of strong, independent oceans agency originally sought by the Stratton Commission and still desired by the Congress.

Then we have had the constant chipping away at NOAA by other Departments that jealously eyed the coastal zone and the ocean ever since NOAA was created. They have seen that the future of the United States will be closely tied to the ocean—as a source of minerals and fuels, for living resources, for direct energy production, for recreation, for transportation, and, of course, as a major factor in land use management.

Although the Office of Management and Budget finally reversed its opposition and funded the Coastal Zone Management Act, there is very little evidence to indicate an end to the kind of inter-agency jealousy which has stood in the way of legitimate NOAA programs.

The President's formerly proposed Department of Energy and Natural Resources was certain to promote further friction and smother our beleaguered ocean program. Mr. President, I favor an independent agency to administer our national ocean programs. I believe that we are not going to be able to get the job done if our oceans agency is scattered among a handful of agencies or submerged into a new monster department. And because of the meager attention to ocean matters that the President has shown, the proposed organization is not the direction we must take.

We need a strong ocean-related Federal agency. And I have every hope that Congress will use the occasion of debate on this matter to raise some serious questions about our present Federal oceans programs. I also hope that the study authorized in this Senate Resolution will show the need for a centralized oceans agency, not just another bureaucratic reshuffling.

I believe the United States must have an oceans goal on the national level. I believe it is vital that we set certain major priorities, and then go after them with all of our talent and imagination. But in order to set national goals, the government needs the help of the brightest minds in private industry and in colleges and universities. There ought to be a central focal point in Washington which Congress can reach for information and support in policymaking.

We have all got to start taking a little different tack if we are going to get a sound oceans program. Too few Americans are alive to the great promise of the oceans. Too few understand how closely matched are the fate of the human species and the fate of the oceans.

After all my years in politics and my close friendship with many political figures, I know why some programs succeed and others fail. Those which succeed not only make important contributions to national needs, but they have popular support. The best plans and the finest technology all are wasted without the support of Mr. and Mrs. Average American. There simply will be no sound oceans program unless those in science and business join forces with us in the political arena. Together, we can make sure that legislation affecting ocean affairs doesn't get lost for lack of a constituency.

We are hoping that this study will help us develop a national constituency. We can do it by relating national ocean needs and opportunities to the critical national problems that face our country. We can do it by demonstrating the dependence between Americans and the oceans. We can prove that a comprehensive and well-funded program is an urgent necossity.

In a time of unemployment, it can offer jobs. In a time of rapidly-disappearing technological superiority for the United States, it offers the prospect of innovation and renewal. In a time of national drift, it holds out challenge and opportunity. And in a time when the future of mankind is by no means guaranteed, it offers the hope of human survival. And I'm talking about vital issues: food, jobs, industrial growth, balance of payments, transportation, recreation, environmental protection, and ultimately, even our own survival.

The United States must make a commitment. That commitment must be to fulfill the goal of scientific and industrial research and development of the oceans for the benefit of all Americans and for future generations.

First, we must be able to explore and exploit the resources of the ocean and ocean floor for protein, minerals, chemicals, and other benefits to the limits of our national capabilities.

Secondly, we must guarantee the protection and preservation of coastal lands and waters and the deep ocean from the degradation of manmade pollution. In this way, the living bounty of the sea can be managed and utilized wisely.

The United States must seize the initiative in the ocean. We can lead the way in attacking marine pollution which threatens life in the ocean.

We can lead the way in managing land use in the coastal zone for the 80 percent of our population which will inhabit this area by the year 1990.

We can lead the way in developing the skills necessary to safely utilize the minerals on and below the ocean floor.

We can create thousands of new jobs for unemployed or under-employed workers who may become displaced by changes of job patterns. And by so doing, we can capture the imagination and dedication of our young people. By setting such a goal, we will be able to help re-kindle the American spirit.

The oceans present the last frontier on earth. They offer the challenge of knowledge and motivation of the human spirit. But, Mr. President, we seem to lack the adequate knowledge and the necessary motivation.

It is for this reason that this Resolution is being introduced. We hope to bring up to date the national and international developments in ocean technology; we hope to focus national attention on the promise of ocean space; and we hope that Congress and the Executive would finally look to the marine environment as a national goal that deserves much more attention and a greater long-range commitment than the space program.

Mr. MAGNUSON. Mr. President, the distinguished Senator from Mississippi was called back to his State late yesterday. He has been in the front rank of our leadership in ocean-related activities with special emphasis on matters involving our country's fishing interests.

I ask unanimous consent that his statement in support of the Oceans' Policy Resolution be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR EASTLAND

I am pleased to be a sponsor of the Senate Oceans Policy Resolution which will provide the Congress and the people of the United States with an assessment of the potential of ocean resources for meeting both present and prospective national needs.

This resolution authorizes a series of studies to identify and describe the living and non-living resources of the ocean in terms that will be meaningful in our efforts to chart America's future. They will examine the technological and legal capabilities necessary to the development of an effective national ocean competence.

Present policies and institutional structures having to do with the sea will be investigated and evaluated, and recommendations will be made for more purposeful actions and directions of national effort. The extent of the national dependence on the ocean and its resources will be detailed in both a qualitative and a quantitative sense. Finally, the impacts of prospective activities on, in and under the ocean will be determined, and careful consideration will be given to the means of minimizing adverse environmental effects on the ocean and its resources.

Both the Senate and the House of Representatives can be proud of the many ocean initiatives launched by the Congress during the last decade. There was resounding evidence of this awareness just last week when the House overwhelmingly approved—by 405 to nothing—Senate Concurrent Resolution 11 introduced by myself and 43 other of our colleagues earlier this year. The Senate had unanimously approved this Resolution earlier. Thus, the Congress has made its feeling known on this matter in a manner that must be loud and clear to all.

S. Con. Res. 11 will enable us for the first time to assess the problems and needs of our commercial fishermen. We, the Congress, will make this determination by going to the fishermen themselves, listening to *their* story, *their* complaints and *their* suggestions. For too long, now, national fisheries policies—if indeed there have even been fisheries policies—have been dictated by bureaucrats—men who, for the most part, don't know a gill net from a shrimp trawl, a trotline from a dredge, a purse seine from an eel pot. My fishermen friends in Mississippi would have put that much more colorfully!

For over a decade—Washington based "specialists" have watched the decline and fall of the American commercial fishing industry, while at the same time observing, reporting and doing nothing effective about the catastrophic rise of foreign fishing efforts often within sight of our coasts. In that period the Federal Government has spent literally hundreds of millions of dollars, Mr. President, with seemingly little more result than to increase our dependence on foreign supplies of fish.

The coastal waters of the Atlantic and Pacific Oceans and the Gulf of Mexico provide some of the most productive fisheries in the world. Within 12 miles of the coast the rights of U.S. fishermen are more or less protected to the extent that foreign fleets are not permitted within this contiguous zone. The quantity of fish available for the catching within this zone, however, is directly affected by the degree of fishing effort immediately beyond the 12 mile limit, and it is to this region beyond the 12-mile limit that I would like briefly to address myself.

Just outside the United States 12 mile limit almost four million metric tons of fish are taken each year. Of that total American fishermen take only about 300,000 tons. Giant industrial fishing flotillas from Russia take over one million tons, while the Japanese take over two million. Much of this catch we buy back after it has been processed by foreign labor. Why Mr. President, in one month of this year, June 1973, nine-hundred and twenty-seven foreign fishing vessels were counted in waters beyond the 12 mile limit of the contiguous 48 states and Alaska.

Of these, 582 were Japanese, and 277 were Russian. And, even these numbers are misleading. These are not the small, coastal trawlers so typical of the American fishing fleet. These are factory stern trawlers of 3,000 deadweight tons or more, mother factory ships of up to 15,000 tons and countless catcher vessels, every one of which is larger than most of the American boats that must compete with them. In 1972 alone the Russian investment in its fishing fleet was over one billion dollars. The annual Soviet fishing harvest has increased from a little less than three million tons in 1958 to over eight million tons today.

As a result of the sad plight of American commercial fishing, over sixty-five percent of this nation's annual consumption of fish and fish products is imported. That's up from 40% in 1960, only 13 years ago. In 1960 the United States suffered an adverse balance of payments in its trade of fish and fish products of $319 million. Last year it was one and a third billion—a four hundred per cent increase! Our total adverse balance of payments for trade in all goods and services in 1972 was $4.6 billion. Fish, Mr. President, accounted for almost a third of that deficit, fish we could have and should have caught within a few miles of our own shore.

The National Oceanic and Atmospheric Administration and its National Marine Fisheries Service, I understand are trying to develop "new and meaningful national fisheries policies," and have been trying to do so for some time. It seems that the Office of Management and Budget wants to know just why it is that budget requests for fisheries support and research keep going up while the proportion of American needs filled by our fishermen keeps going down. It is a fair question, and one which we, too, have been asking. It is one we intend to answer, and we will do so not by pontificating from Washington but by going out to the fishermen themselves. The men who wear the boots and go out on the boats have been the last—it seems—to be asked. We are about to move them up to first.

But, Mr. President, fisheries is not the only dependence America has on the ocean and its resources. As coastal states go, Mississippi has only a comparatively short coastline, but that belies our status as a maritime state. Mississippi is fifth in the nation in tonnage of landed fisheries catch, including shrimp, oysters, menhaden and a great variety of others. Her great shipyards at Pascagoula construct both warships—including nuclear submarines—and the most modern merchant ships. Pascagoula and Gulfport are both ocean ports, international trading ports. Mississippi has some 6,000 acres in fish farms. We have some of the finest sport fishing in the world. Mississippi, Mr. President, is not only a coastal state, it is an ocean state. As a coastal state it has all the direct interests in coastal resources and activities that all coastal states have.

But, it also has the indirect interests—just as critical, just as vital—in the ocean and ocean resources that all of our 50 United States have.

The oceans are America's first line of military defense. Our Ballistic Missile submarine fleet is a nuclear deterrent that the enemy cannot find and cannot counter. It is also a deterrent that removes the threat of a preemptive strike far from our shores and our people. Our naval surface forces, which we have allowed to decline to a dangerously low level, help assure the freedom of the high seas trade routes and show the flag in many parts of the world where American prestige is important. They are also available for timely responses when some local urgency requires a show of force or the protection of American life and property. Unfortunately, Russia now fields the world's most powerful Navy.

The oceans also constitute America's first line of economic defense. The United States is still the world's greatest trading nation, and ships—sadly—mostly foreign ships, but ships nevertheless—carry the vast majority of our $150-billion-plus of annual international trade. Serious interruption of this trade would have a far more disasterous effect on the American economy than we now suffer from the energy crisis—for not only would it cut off imports of petroleum and other fuels—but also it would sever our supplies of critical raw materials—ores and concentrates, for example, of copper, iron, aluminum, cobalt, manganese . . . sixty-nine in all of the seventy-two industrial raw materials considered critical to the functioning of the American economy and of which we must import all or part. Further, it would block us from exporting—blunting the economy with a sudden annual cutback of sales in goods and services worth over $70 billion a year. Such an eventuality is simply inconceivable. And—it would be unacceptable.

I would like to mention, too, that because so little American trade moves in American flag vessels, the United States annually suffers an adverse balance of payments in fees for handling this freight of between $750 million and $1 billion. Fisheries and the haulage of ocean freight, then, account for roughly half the nation's adverse trade balance. Considering that this adverse balance of payments, more than anything else, is responsible for the sharp and repetitive devaluations of the American dollar in world money markets—and, recognizing that this devaluation is a major driving force of inflation here at home, the reasons for supporting the Senate Oceans Policy Resolution are—in my judgment—crystal clear.

There are more reasons, however, equally as persuasive. A major contributing factor in the present energy situation has been our failure to develop our own offshore oil and gas deposits with sufficient speed and determination.

Even as the failure to take advantage of the ocean opportunities provided right at our doorstep have helped to bring on the energy crisis, so now will the exploitation of these resources help to restore our energy independence from others. Failure to develop these resources in time is not entirely industry's fault. Government policies must share the blame. Since Congress must ultimately enact legislation in the implementation of new energy policies, the Congress must know itself what the energy situation really is—what it will be in the future—what resources are available to the United States and what policies and actions are necessary to their intelligent exploitation . . . and how that exploitation can be best achieved with a minimum of environmental damage. It is one purpose of the Senate Oceans Policy Resolution to examine the roles of ocean resources in easing the energy crisis in the years immediately ahead and in assuring that in the future we will never again permit ourselves to be at the mercy of foreign powers, as we are now.

Some of our colleagues in speaking in support of this Resolution, Mr. President, have warned that we may soon be in a raw materials crisis no less critical to our well-being than the energy problem. Extensive reserves of mineral ores exist on and under the United States continental shelves and slopes. Even vaster deposits are presently being discovered and proved as covering great expanses of the deep oceanic basins beyond any present limits of national sovereignty. As well as energy, America runs on raw materials. It is the greatest consumer of raw materials on earth, and there are those who would like to see our supplies cut off, including some countries on whom we presently depend for our supplies. Mr. President, we cannot afford that risk! The studies authorized in the Senate Oceans Policy Resolution will examine the nation's present and future stake in ocean mineral resources, from the point of view of the need for political as well as economic independence.

Mr. President, the oceans offer us our best hope of independence from foreign sources of supply of all kinds of vital fuels and raw materials. However—the clock is running. It is up to the Congress to see to it that it does not run out—and that America will—indeed—achieve her true destiny. The Senate Oceans Policy Resolution is an important step in enabling Congress to fulfill its responsibilities to that destiny. I urge early and favorable consideration of this Resolution.

Mr. BENTSEN. Mr. President, in the months and years ahead the Congress and the American people are going to be asked to take definitive action on several ocean-related issues which will profoundly affect the economic and social well-being of this country as well as its National defense. Even now we are facing the challenge not only of defining the parameters of our ocean policy and its goals but also of bringing a form of orderly, rational, and equitable administration to the oceans and their resources.

The facets of ocean policy are many and touch our daily lives more closely than we might imagine. In terms of food resources, minerals, energy, defense, transportation, ecology, recreation, and perhaps a host of other ways yet unknown. Each year the Congress considers many issues arising from the oceans; legislation relating to National defense, fisheries, sea grant college programs, the merchant marine, off-shore mineral resources, coastal zone management, and preservation of the marine ecology come to mind immediately.

In particular the energy crisis on which we are being asked to act with such urgency has direct and potentially major implications for the oceanic waters continuous to the United States. Just 1 year hence we may be asked to consider ratification of a wholly new international legal regime laying out new and untried rules for governing the international use of the ocean and its resources. In considerable measure these new rules will determine the United States future rights on, under and over the high seas. For a nation whose marine tradition is well-known and whose present economic and political integrity is, I am convinced, strongly ocean dependent, this is no trivial matter.

To act intelligently on such issues and to protect and foster the best interests of this Nation, the Congress, the executive branch and the people of the United States need to be better informed. Oceanic resources, both living and nonliving, both explicit and implied need to be more closely defined. We need to know where they are and what they are. How accessible are they—physically, economically, and politically? What are the technological requirements of their exploitation? How great will be the national need for them? What share can we reasonably expect of those that are located in or under international waters? Can they be exploited without materially degrading the oceanic environment, without consequently limiting the availability or usefulness of other, perhaps equally as important, oceanic resources?

In a word, we need to know the Nation's present and future stake in the ocean. If we are to expect the Congress—not to mention the executive branch—to approve the allocation of a share of national resources to the development of a sound and competitive ocean capability, we must show both clearly and directly the Nation's need for oceanic resources. Broad generalities are not going to do the trick. They have not done it in the last 15 years, and they will not now.

For such reasons I count myself as an enthusiastic cosponsor of Senate Resolution 222 "to authorize a study of the oceans and to establish a national oceans policy." Some of you may ask: What? Not another ocean study. Well, I cannot fault that question. Ever since the first big benefit/cost analysis of oceanic resources by the National Academy of Sciences in 1958 there have been so many ocean studies and reports by the Congress, various administrations, more by the National Academy of Sciences and countless independent organizations that we are virtually afloat on a sea of oceanic paper.

No, this is not to be just another oceanic study. The intention this time is to clearly outline the need for and potential of oceanic resources, and the solution of present and the avoidance of future critical national problems. The energy crisis is a case in point. There is no need to expound it here; it is everywhere about us—not only in America but throughout much of the rest of the world. In large measure energy today is synonymous with petroleum. And, virtually no matter how you look at it, oil and ocean are inextricably entwined. If you are talking foreign oil, you are talking mammoth tankers and the deep-water ports needed to receive them, of which the United States has neither. If you are talking domestic oil, in large measure and certainly in the short term you are talking off-shore oil—for the largest potential U.S. reserves of conventional petroleum resources—other than oil shale and tar sands—lie not on land but beneath the Nation's Continental Shelves.

And, in the last 2 or 3 years strong indications have been found of substantial petroleum deposits well beyond presently exploitable depths—in 6,000 feet of water in the Gulf of Mexico, for example, and in some 10,000 feet of water off the mouth of the Congo River in the South Atlantic.

So, among other things, it will be a function of this study to examine the ocean in the context of the Nation's present and prospective energy needs—not only petroleum, but also other more exotic potential sources of oceanic energy, those possibly to be derived, for example, from hydrogen, the sun, the tides, waves, and the active geothermal sites so common beneath the ocean.

And what about fisheries? Fifteen years of platitudes about the ocean being the world's largest untapped resource of essential animal proteins have failed to halt the decline of the American commercial fishing industry. While the Office of Management and Budget toys with the idea of a national policy of benign neglect of American commercial fishermen, thus opening the doors wide to unrestricted imports, this country already has dropped from first to seventh place in world fisheries catch. Over two-thirds of the fish and fish products consumed in the United States are imported, resulting in an adverse balance of payments in 1972 on that account alone of $1,300 million. That is nearly one-third of the Nation's total adverse balance of payments in all goods and services.

Balance of payments constitutes a critical National problem, and fish are a big part of that problem. What can we do about it? This study is intended to answer just such questions.

Looking to the future, we have heard a lot lately about "limits to growth." The energy crisis, which we will solve one way or another, is an early-warning symptom of those limits. All the nations of the world are drawing down raw materials at an increasing rate. There is no way that either known or hypothesized landside reserves of critical ores can fulfill future demands. As with energy resources, the United States is increasingly dependent on foreign sources of raw materials so necessary to the functioning of our modern industrial society. Of the nations supplying us with our needs of copper, manganese, steel, nickel, cobalt, and so forth, some are friendly, some are not so friendly, and many are politically unstable. Consequently, unless we take specific action to prevent it now, we may not be through the energy crisis before we are plunged into a raw materials crisis with even more severe damage to our economy and national security. We cannot rely simply on depletion curves to forecast the time when the materials crunch will come. Political interruption of supplies could come at any time, the Arabs have shown us that with oil. And the Venezuelans show indications of using oil to extract economic concessions.

Most of us are aware of the tremendous quantities of so-called manganese nodules that carpet much of the deep ocean floor. Besides being a source of manganese, these nodules are important potential sources of copper, nickel, cobalt, even iron and a variety of other metals. Other areas of the deep ocean floor constitute incredible reserves of aluminum, titanium, iron, cobalt, nickel, copper, manganese, lead, molybdenum, and even cement. They do, that is, if the United States enjoys access to them and if the technology can be developed to recover them economically.

And, just recently it has been discovered by American scientists working under the aegis of the deep ocean drilling project and the U.S. International Decade of Ocean Exploration that new hard rock metallic ores are constantly being renewed from deep within the earth along much of the 47,000 miles of midoceanic ridges that occur in all of the world's oceans. Because of the mechanics of sea-floor spreading, deposits thus generated are believed to be present at various locations beneath the deep ocean floor all the way from the midoceanic ridges to the continental margins. Again, political accessibility and economical technology are the only barriers to their exploitation.

The study authorized in Senate Resolution 222 will examine these resources with specific consideration of their potential in staving off a raw materials crisis, in minimizing the political uncertainty of future sources of supply, and in reducing our large and growing adverse balance of payments in such materials.

The existence of vast, untapped energy, food, and raw materials resources in the ocean does not suddenly remove the limits to growth or open the closed ecology of space ship Earth, but it does have the potential for greatly expanding both national and global options and for removing the threat of forced, traumatic readjustment. The need, of course, is to assure the availability of a fair share to the United States and to develop the capability to exploit these resources both intelligently and economically while preserving the ecological balance.

Inherent in all man's ventures on and beneath the oceans is the absolute necessity to protect the oceanic—and, therefore, the global—environment. Clearly an essential part of both environmental protection and intelligent use of oceanic resources is proper management of the national coastal zone—a seeking and a finding of that middle ground certain to exist between absolute preservation of the natural environment, on the one hand, and unrestrained exploitation, on the other. Again, the study will examine problems and solutions of coastal zone conflicts in light of the needs, pressures, and expectations of today.

In brief, then, the purpose of the study authorized in Senate Resolution 222 is to examine oceanic resources in the light of such critical national needs as energy, raw materials, food and, in turn, balance of payments, inflation, employment, environmental protection and the general quality of American life. The resolution of such critical issues increasingly depends on the proper utilization of the ocean and its resources. This study will develop new approaches important not only to the oceanic community but also to the vast majority of Americans, many of whom are critically ocean-dependent without even knowing it.

Mr. President, I urge that the Senate join me in supporting this resolution.

THE NEED FOR A NATIONAL OCEAN POLICY

Mr. RIBICOFF. Mr. President, I am pleased to join as a cosponsor of Senate Resolution 222 authorizing a coordinated Senate overview of ocean policy.

For too many years this Nation has taken its marine resources for granted. It was assumed that the oceans and seas off our shores were immune from the increasing pollution in our inland lakes and rivers.

We now know that our oceans—the world's oceans—are also in serious trouble. If we hope to reverse this deteriorating trend, we must develop a national ocean policy. We must, for the first time, begin to tie together and study all those factors that contribute to ocean life, including coastal zone management, fishing, ocean mining, and shipping.

In 1970, the Subcommittee on Executive Reorganization, which I chair, was responsible for the creation of the National Oceanic and Atmospheric Administration. This was an important step in the right direction, but much more needs to be done before a truly national policy exists. I hope that the Senate quickly approves this resolution. It it vital that the Congress and the entire United States begin to develop the policies and take the necessary steps to save our oceans and seas. We cannot allow these great resources to turn into global Lake Eries.

EXPLOITING THE RESOURCES OF THE OCEAN

Mr. MOSS. Mr. President, today I am joining my colleagues in sponsoring the Senate ocean policy resolution.

Those unfamiliar with my activities in Congress may wonder why a Senator from Utah would be concerned with ocean affairs. The fact is that in my work on the Committee on Commerce and the Committee on Interior and Insular Affairs I have been very much concerned with the development of ocean resources, particularly seabed minerals and offshore oil and gas. And now as chairman of the Aeronautical and Space Sciences Committee I am further involved in the application of remote sensing technology to earth and ocean resources.

The foremost topic occupying the Nation's attention today is the energy crisis, and my State of Utah, with its oil shale and tar-sand resources, occupies a prominent place in the overall plans of fuel supplies. In the course of the national fuels and energy study, which is analogous to the proposed national ocean policy study, I held hearings on offshore oil and other aspects of the Outer Continental Shelf. The principal result was an acute focus on the need to resolve the many conflicts over the use of the coastal zone. On the one hand we are threatened with an energy crisis, while on the other hand we are faced with an irreversible and intolerable degradation of the environment. Both of these needs must be met, but present policies, knowledge, and programs do not permit truly wise resolution of the problems. This is one major reason why I am supporting this resolution; for I believe that the proposed study is badly needed.

We have seen documentation and heard testimony concerning the various aspects of oil production off our coasts. There is obvious disagreement concerning the best uses of these areas and differences of opinion in regard to the relative values of oil production, recreation, and other benefits. Priorities of each of the many applications and exploitable features of these coastal resources are not well identified, nor are they apt to be, based on available data. The two sides of this issue are a classic example of the dilemma of natural resources management facing the Nation today: the need to differentiate and select the best one of several uses of a resource with minimal damage or foreclosure of other benefits inherent in the resource.

The choice is not simply one of a good and wise option over a bad and foolish one, but rather a sensitive and complicated selection among several resource allocations each of which is extremely valuable or actually essential to the Nation's continued welfare.

There is need for renewed examination of the Federal policies impinging on the coastal zone. Clearly not in dispute is the Federal jurisdiction over the Outer Continental Shelf. The other factors of energy, environment, and societal values are still very unclear.

Basic to the formulation of offshore policy is a thorough and meaningful assessment of the technology of exploring and exploiting seabed resources. In the search for oil, for example, exploration techniques employ a variety of sophisticated equipment necessary for geophysical investigations. Most of these modern devices represent breakthroughs in exploration technology, providing accurate data and at the same time causing the environment no harm.

Drilling techniques have also progressed, and production practices and instrumentation are developing in great strides, spurred for the most part by environmental awareness as well as by the normal demand of a developing offshore industry.

In the case of other minerals on the Continental Shelf, little information is available on the extent of the resources and the state of the art of mining techniques. Seabed mineral deposits such as manganese nodules and phosphorites also have to be taken into consideration. Several companies are presently engaged in research toward mining and processing these deposits, and a major breakthrough in dredging and processing of manganese nodules has been achieved. The supply of raw materials to the United States is no less critical than that of oil. For metals such as copper, nickel, cobalt, and others that can be extracted from the ocean floor, the U.S. adverse balance of payments for 1972 was close to one and a half billion dollars.

Prior to the formulation of national policy, therefore, it becomes necessary to seek answers to many questions. Some of these questions are:

First. What is the state of the art in offshore petroleum and other minerals development technology? Are present exploration and production techniques hazardous to the environment and, if so, to what degree? Are present drilling practices sufficient to avoid adverse effects? What is to be expected in further technological developments?

Second. How much petroleum is estimated to underlie the shelf areas of the United States? How much need is there for these offshore resources? How much of this lies in areas undesirable for drilling?

Third. Are there instances in which potentially oil-rich OCS acreage should be permanently reserved from development for recreational, ecological, or esthetic reasons? What standards and considerations should be applied to proposals for reservation of this type?

Fourth. What should be the extent of a marine sanctuary along our shores, and how can such areas be described and managed in order to be effective? What exactly are the components of the environment to be preserved? How intense is the need to preserve these components? How can we compare the need for preserving environmental components with the need, nationally and internationally, for offshore resources? If both needs are comparable, can we develop the technology to satisfy both needs simultaneously; that is, can we utilize ocean resources and at the same time preserve the environment?

Fifth. If all OCS operations were suspended; From what probable sources would petroleum needs be filled; To what extent would this reduce the risk of pollution of the coastline by oil; What new environmental risks would be associated with alternative sources and methods of energy supply to that area?

Sixth. What are the total cost/benefit considerations comprising adequate bases for decisions concerning proposals for exploring and exploiting our ocean domain? What is the price, considering social and ecological values, as well as economic, that the individuals, the State, and the Nation will have to pay for each of the possible alternative uses of the OCS lands?

Seventh. Should the Congress determine, on a case-by-case basis, the circumstances under which tracts of OCS lands should be used for what particular purpose?

After all these and other germane data have been assembled and assimilated, it will still be necessary to determine the proper course of action in formulating national policy concerning management of Outer Continental Shelf lands. The many questions raised by these hearings demand resolution before making definitive decisions concerning "best" usage of OCS land resources. It would seem premature to venture judgments until the studies which will satisfy these questions have been completed. Some of this information will accrue from the energy study currently underway by the Committee on Interior and Insular Affairs; other information will have to be developed by additional studies yet to be implemented.

Mr. President, it is my hope that the study to be authorized would result in answers to these policy questions. And I would like to urge all my colleagues to act favorably in support of the Senate ocean policy resolution.

Mr. STEVENS. Mr. President, the immense potential of the oceans and seas as repositories of needed foods, minerals, and energy is a recent revelation in terms of world history. As more is learned of the extent of these resources and of ways to exploit them, the nations of the world are engaging themselves in a gigantic race to glean as much as possible while the getting is good. One reason for this is that there is growing realization that the resources of the oceans, vast as they are, still are depletable—and that there just might not be enough to go around. While responsible nations are attempting to agree to means of equitable utilization of the seas and their resources, the more voracious countries are dedicated to a code of first-come first-served.

The most flagrant example of the reckless nature of this uncontrolled race for resources is found in the world's fisheries activities. Some nations have over-harvested the fish from their own adjacent waters and have launched extremely effective onslaughts against the remaining fish stocks of the world. Some of the most bountiful areas, as you know, are, or were, off our own New England and Alaskan shores. Our Government, meanwhile, is dedicated to a concept which calls for the harvest of the maximum sustainable yield of fish by our fishermen, while attempting to cajole other nations into following our example through treaties. Our fishermen have long realized that this is not going to work, because they are just about the only ones being managed. It appears a similar disenchantment is growing in Congress, and numerous bills being considered actually could alter our country's international fisheries policy. Such changes of direction will do the fish no good in international negotiations, so we must find the right policy as soon as possible and stick by it.

I point out the crisis which exists in just one ocean resource, fisheries, simply to illustrate our need for a total oceans policy having the coordinated, full sanction of our Government. As Senator from a State bounded on three sides by mostly undeveloped waters and coastlines, and on the remaining side by a foreign nation, I am concerned not only by our obvious lack of direction in fisheries, but also by the knowledge that a similar hiatus can and will develop in other marine concerns, unless we begin to act according to a defined plan.

It is with a real sense of urgency that I cosponsor this Senate resolution to authorize a National Ocean Policy Study and ask for the support of my colleagues. The resolution would enable a study by the Senate Commerce Committee, with the help of Senators from other committees concerned with ocean resources and relative matters, as well as six Senators from coastal States, regardless of their committee affiliation. It would enable that study to be undertaken almost immediately.

The study would be directed toward analyses of the status of ocean resources and of the Government programs affecting them. Moreover, the resolution requires that the analyses be followed by legislative proposals to alleviate the problems in such critical areas as fisheries, merchant marine, ocean pollution, offshore minerals development, ocean research and exploration, education, employment, and coastal zone management. In my opinion approval of this resolution is a necessity.

Mr. LONG. Mr. President, the great State of Louisiana lands more fish than any other State in the Union—over 500,000 tons a year. We have a large and exciting sport fishery. Louisiana supplies almost 30 percent of America's crude oil production, second only to Texas, and Louisiana produces more offshore oil than any other State.

An ever-increasing share of the Nation's international trade moves through the ports of Lake Charles, Baton Rouge, and New Orleans. We also handle more river and intracoastal trade than any other port in the Nation. The Missisippi River drains the waters—and inevitably much of the wastes—of over half the United States and even part of Canada.

The Mississippi Delta region is one of the largest and in some areas most heavily modified estuarine features in the land. Louisiana has over 2,700 acres of catfish farms. It is conducting shrimp farming experiments and is exploring the feasibility of alligator farming. The great Mississippi Delta in particular and the bayou country generally have a potential for literally tens of thousands of acres of fish farming.

With the right technology and incentive, Louisiana alone could produce more shrimp through farming than is presently taken throughout the world by hunting and catching. A comparable potential exists for oysters and many other species.

These are just a few of the reasons, Mr. President, why I join my distinguished colleagues in cosponsoring the Senate oceans policy resolution. Louisiana's stake in the ocean is already great, and it has the potential for becoming even greater. There is more oil and gas to be discovered beneath Louisiana's offshore waters. There are more fish to be caught and a lot more to be farmed. The port of New Orleans is currently undergoing a period of rapid growth and development.

When it comes to ocean resources of all kinds, Louisiana produces far more than its proportional share of the Nation's needs, and now it is being asked to produce more—especially fuels. This, in many ways, is at the heart of the problem. My constituents do not mind pulling harder for the national well-being, so long as other States do their share and so long as the technological and other means exist for minimizing the adverse environmental, economic, and social impacts that may accompany more intensive development of coastal and ocean resources.

Louisiana has not shirked from pushing development of the petroleum resources that lie within its jurisdiction, and it has not tried to block development of the Outer Continental Shelf resources that reside within the Federal jurisdiction. We have welcomed it, for it has been good for Louisiana, good for all the people of the State, as well as good for the Nation as a whole.

Now, however, we are being pushed to try harder, to increase the rate of extraction of oil and gas from fields under our control. Petroleum is a nonrenewable resource. If we pump it too fast we will exhaust that asset too soon. The State will lose a substantial share of its revenue, and thousands of our citizens will have to seek other employment.

I do not suggest, Mr. President, that Louisiana would shirk its duty to the rest of the country and not do everything reasonably possible to help alleviate the energy crisis. What I do say, however, is that other States—those who also have offshore petroleum resources to exploit—must do their share, too. They cannot expect Louisiana to permit a crash drawdown of its vital resources while they hoard theirs.

I appreciate environmental concerns. Louisiana has environmentalists, too, and each of us has concern for the environment. We have had our share of oil spills, we worry about modification of our valuable wetlands, and we worry, too, about the potential of refineries for air pollution, the potential of offshore platforms for interference with shipping, and the way these installations may alter a pristine view. But, we have met these problems and dealt with them rationally and intelligently.

With occasional altercations the oil men and the commercial fishermen are now reasonably good neighbors. Sport fishermen cluster around oil platforms because they draw, rather than drive away, gamefish. Ocean freighters and tankers have now been assigned fairways through the oil fields to reduce the chances of collision. They are not required to use them, but commonsense says they should, and by and large they do.

Louisiana has had some oil spills as a result of offshore activities, but considering the volume and intensity of such activities they have been few, and they have done no permanent damage. So, Louisiana has shown that we can have our oil and our fish, too—oil and a clean environment—oil and wilderness lands. And, of course, we have the prosperity that oil production brings with it.

An important function of the Senate ocean policy resolution will be to explore and evaluate the ways that offshore resources of all kinds can be exploited without damage to the environment and without assaulting the esthetic senses of those who live on nearby coasts and without hindering their recreational activities.

As a concomitant function, these studies will also point out the importance and the advantages of each and every State reaping full measure from the opportunities that nature and the accidents of geography make available to them—the need, for example, for an equitable sharing among all States of the burden of meeting the Nation's energy requirements and, indeed, such other requirements as the future may unfold.

This Nation's rising ocean dependence has been documented by others of our colleagues both today and in times past. So, I shall not try either to enumerate or to discuss all of them that come to mind. I think it is important that each of us realizes that conditions today are greatly different from what they were a year, or even a few weeks ago. We are cut off from a major foreign source of our petroleum supplies not because those supplies have run out, not because we cannot afford to buy them, but simply because those who control those resources have decided to use them for political leverage.

This places the United States in a totally unacceptable position. It also tells us, or at least it should tell us that what has been done with oil can be done with other materials where we are foreign-dependent for more than our marginal requirements. There is a pressing national need, therefore, that we make ourselves as independent as possible of the threat of such extortion attempts and that we do so as soon as possible. The greatest potential for giving us that independence lies in the ocean, for there is virtually no raw material that is not, theoretically at least, available from within or beneath the sea.

We must elaborate in hard, practical terms—not just scholarly theory and hypothesis—what those materials are and how available they really are, or can be made to be, politically, economically, and technically.

We have to chart specifically the extent to which these resources can relieve America's dependence on other nations and meet its own supply requirements with its own people, its own capital and its own enterprise.

We must examine these resources with the pragmatic eye and viewpoint of the exploration geologist and the miner or oil man, or the fishery biologist and the fisherman, and so forth.

We need to look at the law critically—international law, national law, State law, and local law.

We must examine the present state of the requisite technologies and the incentives for going to sea to fill gaps we know exist now and fear will exist in the future.

We need to plot the lowering costs of ocean exploitation against the increase of prices pushed by demand. When these curves cross, ocean resources offer a viable alternative.

To repeat, we need to know what's available in the way of resources, where they are, when we will be able to exploit them, and how much of our national requirements we can expect thereby to fill. The time has passed, Mr. President, when broad generalities, hypotheses and glowing rhetoric extolling the bounty of the sea will serve any useful purpose. Now is the time to get down to cases, to develop an ocean prospectus that will admit the hazards and pitfalls as well as the promise and potential of reward and that will plot a sound course from the recognition of need to the fulfillment of that need. It is the purpose of the Senate ocean policy resolution to help us plot that course.

The studies to be undertaken will examine not only future needs and possibilities, but also it will take a critical look at the present—things we can do quickly which will produce a rapid return. Protecting fisheries stocks off our shores from exhaustion by foreign fishing fleets is one such example. Increasing the capabilities and safety of the commercial offshore divers that make our ocean oilfields work is another, and one which is close to my heart.

As our colleagues well know, the quest for offshore oil and gas goes ever deeper. Wells are now being drilled in over 300 feet of water. Exploration permits in some countries—Canada to be exact—

have been let for depths in excess of 10,000 feet of water. Exploration—geophysical surveys and the like—is taking place in the United States at depths of 3,000 feet or more. While free divers are not likely to work at such depths, they are or soon will be asked to work at depths of 300 to 600 feet. Right now they work routinely at all depths down to 300 feet.

These men, Mr. President, every day risk their health and even their lives because sufficient research has not been done, because safe operational standards do not exist—or if they do exist, the information has not been sufficiently disseminated and enforceable standards have not been promulgated. These are not just scuba divers, Mr. President; they are professional commercial divers who also know how to use tools underwater and what to do to complete a producing well on the seafloor, how to repair a failure, and what steps to take in an emergency.

National standards of operational safety need to be developed and enforced. These men are a valuable human asset, and their talents are going to be needed now more than ever as the Nation is asked to produce more oil and gas from deeper water farther off shore. To develop standards that will protect the health and safety of the commercial oilfield diver and at the same time raise America's oil producing potential will require a 4- to 5-year, and perhaps an ongoing research program. We cannot simply take Navy diver experience and apply it to the oil industry. The circumstances, including the volume of work, are entirely different.

Another area of oilfield activity that needs investigation is the competitive advantage the United States now has in providing offshore oil services. This competitive advantage earns us dollars—in the North Sea, for example, where American know-how is preferred, and in many other parts of the world. We need to be alert, Mr. President, that unnecessary and cumbersome regulation here at home, and unfair competitive rules abroad, do not erode this important source of dollar earnings.

There is a need, too, to substitute reason for emotion in the whole matter of oil pollution. For example, Mr. President, what is the real risk—both long and short term—from an oil spill far offshore? What is the real nature of the damage? The answer is that right now we do not know. There is a lot of emotion on the subject and a scattering of miscellaneous, uncoordinated fact, but the real truth of the matter still alludes us.

We need to find out, and we can find out, if we decide what it is we want to know, why we need to know, and if we then proceed to conduct a research program that will give us the real answers. This is something that can be done and done fairly quickly. I would hope that the studies authorized under the Senate ocean policy resolution would determine all such present needs and then recommend the policies and procedures for fulfilling those needs in an orderly fashion.

This is an area of activity that calls for large investments of American capital in what at best is a risky business—whether it be distant waters commercial fisheries, offshore oil, or deep ocean mining. If we expect the American public to invest its money and if we expect American industry to take the plunge, we must remove as many artificial constraints as possible. The acceptable risks of the marketplace, of the anticipated pace of the requisite technological development and of that provided, simply, by competition both at home and abroad are hazardous enough without making Government the most dangerous adversary of all.

I am speaking, Mr. President, of the need for consistency in Federal policies and actions. It is the uncertainty, the unpredictability factor that chases capital away—the threat, Mr. President, of instant shutdowns for environmental or whatever reasons. It costs $20,000 to $30,000 a day to operate an offshore drilling platform. That platform may have been transported halfway around the world to drill in a certain area. When it is shut down, it costs almost as much as when it is operating. And, it costs more than dollars. There are opportunity costs to be figured, the productive work that it could be doing elsewhere while it's sitting idle here. If a long shutdown seems likely, the rig may be towed off to the North Sea, Africa, Australia, or Indonesia and be lost for domestic oil development for a year or more.

Knee-jerk Federal management is the direct result of a lack of knowledge and the necessity, therefore, to respond to protest in ignorance—simply to stop everything until we find out who is right, who is wrong, just what is going on. This is the kind of management you expect in a nursery school—not in the biggest Government of the biggest Nation on Earth.

We can avoid this kind of mismanagement and preclude the uncertainty factor if we anticipate the problem in advance and set about to obtain the knowledge we will need before, rather than after, the fact. I am convinced, Mr. President, that the studies authorized in this resolution will go a long way toward enabling us to put in order our ocean affairs in the critical years ahead.

The studies authorized by the Senate ocean study resolution should take a thorough and critical look at each of America's bounding seas—at their resources and at the competition we are encountering in our efforts both to exploit and to conserve those resources.

I am talking about Artic and Pacific Oceans and the Bering Sea that bound Alaska, the Pacific around Hawaii and our west coast States, the Atlantic on the east coast and the Gulf of Mexico that stretches across more than half our southern border. What is the real potential of these areas? What are the barriers, today and tomorrow, to their rational exploitation for the benefit of America? What competition will we have in our efforts to put them to our own use? We cannot say where we are going, Mr. President, until we first determine what lies ahead.

The National Petroleum Council estimates that of 38.6 billion barrels of discoverable oil in the U.S. offshore lands of the Gulf of Mexico only 11.5 billion have been discovered; 27.1 billion barrels, or 70 percent of the total remain to be discovered.

Indeed, of all the oil believed to lie under America's continental shelves, including the oil believed to be offshore of Alaska's North Slope, over 90 percent remains to be discovered, 160.2 billion barrels in all. That is over 40 percent of all the estimated undiscovered oil believed to exist in the United States both on and offshore—not counting the vast oil-shale reserves. At present rates of consumption that is around 30 to 40 years' supply.

I might add, Mr. President, that offshore oil also means a lot in Federal revenues. Since operations first began on Louisiana's Outer Continental Shelf, over $4 billion have been paid by Louisiana alone into the U.S. Treasury from bonuses, royalties, rentals, et cetera. As you know, Mr. President, several offshore revenue-sharing bills have been introduced in the Senate which would allocate a portion of these revenues for ocean resource research and technological development. Considering our present and prospective reliance on ocean resources, I would hope that the studies authorized in the Senate ocean study resolution would provide sound arguments for the enactment of this legislation.

I have already alluded to Louisiana's record commercial fisheries landings. Though these are the largest in America, they can be made even bigger, not only for my State but for others of the Gulf of Mexico as well. As several of our colleagues have pointed out, the United States adverse balance of payments in fish and fish products is a billion-and-a-third dollars a year and rising. A substantial portion of this is accounted for by fish meal reduced from industrial and trash fish. For every pound of shrimp caught in the Gulf of Mexico 8 pounds of trash fish are caught and thrown away. Is there some way this throw-away catch can be landed profitably? Can gear be developed that catches only shrimp? Only trash fish?

Because, perhaps, of this tremendous overboarding of dead fish by the shrimpers, the shark population of the Gulf of Mexico has become both more numerous and larger. What is the economic potential of this resource? As food? As leather? As fish meal?

Also, in the last decade or so the average size of the croakers in the Gulf of Mexico has increased substantially—again perhaps because of the ecological interplay of shrimping operations, trash fish and sharks. As a result a potentially important commercial croaker fishery has begun to develop. In view of our balance-of-payments problems, is there any way this process can be speeded up?

Because of the National Marine Fisheries Service's inadequate budget, far too few dollars are spent on fisheries research in Louisiana and in the Gulf. We need to look into the potential of commercial fisheries, the unexploited potential, all around the United States. We need to do so with an eye toward increasing the profitable catch—reducing our adverse balance of payments and improving the fishermen's wages. The studies authorized in the Senate the Oceans Policy Resolution will examine this problem, too.

But others are fishing in the Gulf of Mexico, competing with the United States for these resources—sometimes within sight of our own shores. The current expansion of Cuban fisheries, for example, is both rapid and substantial. In the last couple of years they have ordered 120 fishing vessels—all shrimpers—from Spain and France. Their catch in the Gulf of Mexico has risen from 62,000 metric tons in 1969 to an estimated 80,000 tons in 1973.

Mexico, too, and others are also increasing their fishing effort. Though Russian and Japanese fishing fleets have not yet invaded the Gulf of Mexico in any substantial numbers, that remains an imminent possibility; they are virtually everywhere else off our shores. We need, therefore, to give careful attention not only to the protection of the rights of American fishermen along the American Gulf coast, but also we need to examine the security of the Gulf of Mexico's basic stocks in light of the inevitable continuing rise of fishing effort in the gulf as a whole. No fishery can survive unrestrained expansion of fishing effort indefinitely.

Finally, Mr. President, it is evident to me that the whole institutional and programmatical structure of the Federal ocean program—if such can be called—needs to be closely scrutinized. The Congress in the last decade has made many efforts to bring order and substance to the national ocean program. The administration has not always carried out the intent of Congress; indeed, quite frequently it has been downright obstructive.

The sea grant program, for example, which has a tremendous potential for upgrading the coastal zone management potential of local, State and Federal officials has been repeatedly level-funded. With inflation what it has been and continues to be, level funding is a cutback. This is despite the fact that one of the fundamental raison d'etre's of the Sea Grant Program Act was to provide continuity of effort and to enable the creation of a sound body of knowledge on which to base coastal zone management decisions.

There is a pressing need for the sea grant program to be closely analyzed and for the benefits that derive from it to be specifically identified and described. This is needed, apparently, to convince the Office of Management and Budget that sea grant is not a welfare program for universities and that, in fact, it is producing tangible benefits, not only locally but nationally, worth many times over the expenditures of Federal funds.

Four years ago the Commission on Marine Science, Engineering and Resources produced "Our Nation and the Sea—A Plan for National Action." This report and its supporting volumes was the most comprehensive, most explicit and most complete analysis of the potential productive interrelationship between the United States and the ocean ever produced. It made a series of specific recommendations designed to optimize America's use of the ocean of its resources and to assure an American preeminence in the ability to economically exploit and to wisely govern those resources. If this Nation had taken the advice of the Commission 4 years ago, the energy crisis would not be so severe as it is today, our adverse balance of payments in ocean and ocean-related goods and services would not equal some $8 billion or more, and our position of power and prestige in the world would not be so precarious.

It has been the Congress, Mr. President, almost without exception that has taken the ocean initiative—the Commission, the National Council on Marine Resources and Engineering Development, Sea Grant, most recently concurrent resolution 11 and many others. Each time we had thought that the administration would see that America's maritime heritage, its vital stake in the ocean is no less today than it has been throughout this Nation's great history, that indeed today with demand for all kinds of raw materials—not just fuels—pushing the limits of landside resources, America's oceanic dependence is greater than ever.

But, these things have not happened. Instead, either the administration has ignored recommendations or at best only made a pretense of carrying them out. Those few that have been executed are now undergoing a kind of budgetary starvation. Worst of all, the decisions being taken of what to support, what to shelve, what to ignore do not seem to be based on any kind of logic or rationale relating benefits to cost, national need to national opportunity.

The time has come once again, Mr. President, for the Congress to take the ocean initiative. Perhaps in light of the energy crisis, the international payments crisis and the frightening prospect of yet other crises of shortage, we can make the ocean story even more pragmatic, even more convincing. I hope so. Our Nation's future depends on it. This is why, Mr. President, I give my unqualified support to the Senate oceans policy resolution and hope that our colleagues will do likewise.

Mr. PELL. Mr. President, I am delighted to join in support of the proposal submitted today to the Senate for a comprehensive study of U.S. oceans programs and policies.

The United States is and has been throughout its history an oceanic maritime nation. In nearly every facet of our national life the oceans, their resources, and the manner in which we manage and utilize them, are of major, if not vital, importance.

Our oceans policies are an important part of our relations with other nations, and must be an integral part of any realistic national policies dealing with energy sources, mineral resources, food and protein supplies, environmental protection and conservation, transportation, commerce, and national defense.

As our Nation and other nations of the world turn increasingly to the sea as a source of food and minerals, and oil; and as the oceans assume ever greater importance in national defense strategies, the need for a vigorous and comprehensive national oceans program becomes increasingly apparent.

During the decade of the 1960's, substantial progress was made toward a more vigorous and effective national oceans program, largely as the result of congressional leadership and initiatives, and with cooperation from an executive branch that was at least receptive, concerned, and interested.

But, during the past 5 years, while the need for a strong national oceans program has grown more urgent, the current administration has given the oceans programs little priority, and little high-level attention. Lacking essential budgetary support and backing from the Office of Management and Budget or the White House, the very capable administrators of Federal oceans programs have struggled simply to maintain their programs.

Clearly, it is time again for a reassertion of traditional congressional leadership to assure a valid and vigorous national program, consistent with our national needs.

That is why I believe the comprehensive review of our national oceans policies proposed by this resolution is both timely and necessary.

As chairman of the Subcommittee on Oceans and International Environment of the Committee on Foreign Relations, I have been particularly concerned with the development and implementation of our international oceans policy. My subcommittee, and indeed the entire Foreign Relations Committee, has devoted a great deal of time and effort to review and oversight of our foreign policy in oceanic and environmental affairs. And I believe the committee's efforts, including hearings, resolutions, and legislation, have been successful in providing guidance and stimulus to the executive branch. I look forward to the continuation of this effort.

As the coauthor, with Representative PAUL ROGERS of Florida, of the National Sea Grant College Program Act, I have also had a continuing interest in the development of our domestic oceans program. The sea grant college program, I believe, has been highly successful in focusing the resources of industry, and educational and research institutions, on the high priority national needs in education, technology, and applied research in the oceans. But this program, too, has suffered from an attitude of indifference in OMB and the White House.

In conclusion, I congratulate the senior Senator from Washington (Senator MAGNUSON), and the junior Senator from South Carolina (Mr. HOLLINGS), both of whom have contributed so greatly to the advancement of our national oceans program, on their leadership in offering this resolution.

I hope the resolution will be approved promptly by the Senate, and I look forward to contributing to the study myself in any way that I can.

Mr. WILLIAMS. Mr. President, I am a cosponsor of, and give my strongest support to the Senate Oceans Policy

Resolution. I am convinced that the well-being of these United States is heavily dependent upon the development of a sound national oceans policy and its energetic implementation. By well-being, I mean a sturdy and growing economy, high standards of living, an independence from others in energy and raw materials, national self-confidence and pride and a restoration of confidence in the national leadership. Neither the American system nor any other system of government, economics and people is a collection of independently functioning parts. Rather, it is a totally interdependent system in which a shock to one part produces a staccato of impacts among all the other parts. That is painfully apparent in these times.

We did not develop a timely energy policy and we now have an energy crisis which shakes the very foundations of our economy and threatens the health and welfare of our citizens. The fuel shortage is increasing prices not only of the fuels themselves, but of every other product and service that requires energy in production that has to be moved by truck, train, air, or rail, and that traditionally has been a byproduct of the energy industry. This is especially true of petrochemicals and all the modern materials that flow from them. Many homes this winter may be cold. Few will get as much gasoline as they would like. Many of us may not get what we need. And already thousands of people are being laid off their jobs. Even now, I do not believe that the administration understands the direct and repercussive impacts that the fuel crisis will inflict upon the American economy.

For over a decade, the Congress has tried to reason, cajole, lead, and force the administration toward a national oceans policy, without any evidence of success. I had planned originally to warn our colleagues that if we do not develop an oceans policy today, we will find ourselves plunged into another crisis tomorrow. But, we are in an oceans crisis right now.

The energy crisis is an ocean crisis. The importation of overseas oil in quantities sufficient to meet our present and future needs requires ships we do not have calling at ports we do not have. It is being suggested that the development of national energy independence may depend on the development of our national offshore petroleum resources and ultimately on America's having fair legal access to, and the capabilities to exploit, petroleum resources in the deep ocean beyond any limits of national jurisdiction.

This is in the short term, between now and the mid-1980's. In the long term, the heat-receiving limitations of the whole planetary ecosystem could force not only America, but the whole world to abandon the further use of both fossil and nuclear fuels, including as yet unrealized fusion power production. This will leave us only solar and gravitational energy. The ocean, Mr. President, makes it easy to use both. The driving force for all the motion in the ocean except the tides is the heat the Earth receives from the Sun. Gravitational attraction of the Moon and the Sun drives the tides. Some of these energy sources are competitive today. These energy sources do not pollute, and they do not use up fixed resources. The "fuel" for them is free and will be available for as long as the Sun and the Moon hang in the heavens. The studies authorized in the Senate Oceans Policy Resolution will explore ocean energy potentials—both the short and the long term, both the prosaic and the exotic.

The national balance-of-payments crisis is also an ocean crisis. Again, jobs, standard of living, national confidence, and pride are at stake. The adverse balance of payments for trade in goods and services in 1972 could have been entirely eliminated merely by cutting in half our adverse balance of payments in those goods and services that are being, or could be, provided through the proper use of ocean resources.

Ocean opportunities are synonymous with jobs, energy, a sound dollar, standard of living, individual health, and well-being. They also offer great promise of providing enervating challenges to our technology, new demands for new skills, new profit potentials for capital, and new and expanding tax bases. They also offer the challenge of a new and demanding frontier—a challenge which has always inspired the American people to excel.

I wish to discuss two other points: The importance of sound coastal zone management and the deliberate administration efforts to block America's ocean initiatives.

NEW JERSEY AND SOUND COASTAL ZONE MANAGEMENT

New Jersey, Mr. President, has a population of about 7½ million. That is not large, but New Jersey is a small State, and it has the highest population density of any State in the Union. Ten percent of its overall area represents water surface. It is entirely surrounded by water except for the 48-mile boundary it has with New York State to the north. New Jersey is a manufacturing State with a third of all employment being in that category. New Jersey is a gateway State. Over 500 New Jersey firms export goods and materials abroad worth over a billion dollars a year. Twenty-nine percent of the exports are chemicals, followed by nonelectrical machinery, transportation equipment, and food. As an exporting State, New Jersey ranks eighth in the Nation. New Jersey's ports combine with the ports of New York and Philadelphia which handle over 50 percent of the North Atlantic ports foreign commerce tonnage.

New Jersey is also an energy State. Of the 10 major refineries that serve the east coast, five are in Pennsylvania and five are in New Jersey. The refinery throughput of the 10 are approaching 1½-million barrels of crude oil a day. By 1985, east coast requirements will amount to some 5 million barrels a day.

With its many miles of Atlantic Ocean barrier islands, New Jersey is also a recreational State; its beaches are intensely used by the people of New Jersey and adjoining States. It is an agricultural State and a fisheries State, though the fishing industry has suffered a serious decline in the last 18 years, with the annual catch having dropped from 270,000 tons in 1956 to 95,258 tons in 1972.

As a national human and material resource, New Jersey is intensely used to serve the national energy, as well as other needs, and is being asked to intensify that usage. Much of that activity is coastal zone oriented, and much of it is in apparent conflict. Unless we have a sound knowledge base, unless we are familiar with all the alternatives and with the experience of others, and unless the Federal and State governments are acting together, the result can be disaster for New Jersey and a much reduced efficiency in the State's service to the rest of America.

For example, overuse of land, air, and water resources as well as the rising environmental objections of individuals ashore now has resulted in plans to consider locating much needed new electrical generating capacity offshore in the Atlantic Ocean. At the same time, the desire to accommodate supertankers has intensified pressures for deepwater oil port facilities being located offshore of the entrance to Delaware Bay.

The conditions that beset New Jersey and encourage plans to look offshore for locating new and necessary facilities are also causing other States to consider similar action. This raises many questions, the answers to which bear vitally on the future well-being of both the affected States and the country as a whole. We need those answers as soon as possible, before we make irreversible decisions.

This brings me to my last point. The Congress in the last decade has taken many initiatives to see to it that America became oceanwise. Most have been blunted, if not blocked, by subtle inaction if not by overt opposition. For some reason, the administration has been strongly reluctant to build a strong American ocean posture. The military posture and a belated attempt to rebuild the American merchant marine are almost the only exceptions, and even those actions are open to question.

One of the most innovative and most promising efforts initiated by Congress was the National Sea Grant College program. It was the purpose of the sea grant program to build a multidisciplinary broadly based body of knowledge, experience, and human competence in the utilization and management of the Nation's ocean, particularly coastal resources. As conceived and now so well directed by Dr. Robert Abel, this program was sure to accomplish its purpose. Furthermore, given adequate support, particularly in its building stages, it promised to enable the development of a tax base, a new tax base which would produce tax revenues far in excess of its costs. I will not detail the methods and accomplishments of the sea grant program here, Mr. President; I understand that this will be among the things to be looked into under the Senate oceans policy resolution.

I do want to say, however, that there appears to be evidence that the Office of Management and Budget may be making a conscious effort to destroy sea grant. With its dictatorial control of the Nation's purse strings, both before and after Congress acts, OMB will have no trouble doing this unless Congress takes effective action to the contrary. As part of its planned orderly growth process, sea grant would gradually increase its support of academic institutions in both the coastal and noncoastal States until it reached a plateau level of support. For the last 3 years sea grant has been virtually level-funded. I understand that in the fiscal year 1975 budget request, which we are to receive next month, sea grant will be cut even below the present level of support. In these latest Nixon years, inflation has been the rule and, we are told, the rate of inflation is now going to increase. Under such conditions, level funding means reduction in funding.

New Jersey has brought all of its State universities and colleges under a single sea grant administrator so that we would be able to coordinate our efforts effectively. We have worked out State financing so that New Jersey would meet its matching funds obligations. We have now been told by sea grant that we did a great job, but that sea grant has no money.

This is not an isolated instance. Alabama and Mississippi joined together into a single coordinated consortium. They were told the same thing. Maine and New Hampshire face a similar prospect. New York, Maryland, Virginia, North Carolina, Georgia, and other States, ready either to enter the sea grant program for the first time or to go on to the next stage of development, are all being told that there is no money.

There is no better way to destroy a program than to permit the several States to build up their hopes, spend time and effort, develop a wholly new system for working together and change ingrained mental attitudes and then to tell them that they did it for nothing.

Sea grant can be a major factor in restoring American commercial fisheries, in developing optimum solutions to offshore siting problems, in enabling both local and Federal administrators to resolve coastal and ocean resource use conflicts equitably, and for introducing wisdom and foresight in America's use, conservation, and management of its ocean and coastal resources. In many critical areas, sea grant is the only centralized, coordinated structure for assuring the kind of know-how we must have in order to realize our true oceanic potential at all levels of national effort.

The Office of Management and Budget takes a shortsighted view of the American commercial fisheries. It has suggested that, rather than try to help restore the American commercial fishing industry to its previous position of world preeminence, we should simply give up and buy our fish from abroad. This raises just one final question in my mind. How many other OMB policies so cavalierly ignore America's foreign trade status and the balance of payments? The OMB may share a portion of the blame for the present international payments crisis.

I hope that the studies authorized under the Senate oceans policy resolution will look into OMB's role in bringing on the ocean crisis which lies at the bottom of so many other of the crises that now buffet America.

New Jersey needs that Senate oceans policy resolution and America needs it. I support it. I hope that all of my colleagues will, also.

NEED FOR A NATIONAL OCEANS POLICY STUDY

Mr. HUMPHREY. Mr. President, I am pleased to join with Senators MAGNUSON and HOLLINGS and others in sponsoring a Senate resolution to authorize a study of national oceans policy, by the Senate Committee on Commerce with the participation of the chairman and ranking minority members of six other Senate committees, as well as six Senators representing coastal States, as ex-officio members.

The purpose of the study authorized under the resolution which we are introducing today would be to conduct a complete assessment of the Nation's capabilities in the oceans; consider changes necessary in existing agencies, policies and laws; establish policies for the full use and best conservation of ocean recources; coordinate coastal zone management; establish a total ocean environmental policy; and assess questions of national and international jurisdiction.

Mr. President, such a study can become the basis for the kind of initiative needed to revive the spirit of concern and enthusiasm toward oceans policy which existed during the 1960's.

The opportunity and the need that present themselves are little different in scope and seriousness from those we faced in the late 1950's and early 1960's in embarking on the Nation's space program.

With a growing world population demanding to be fed, the oceans offer a source of food. With fuel and other vital resources in short supply, the oceans offer both living and nonliving resources. With efficient means of transporting food, raw materials, and finished products essential to meeting the world's needs, the oceans are a natural pathway of commerce. With the world environment being threatened from all sides, the oceans constitute a major potential victim of pollution. And with nations continually maneuvering for strategic military superiority, the oceans represent potential battlegrounds and weapons launching bases that must be kept under international control.

More than 7 years have passed since a Democratic administration launched a major initiative by enacting the Marine Resources and Engineering Development Act of 1966. That act recognized the importance of the oceans, as the dominant single element in our global environment, both physically and economically, and sought to provide means of developing a sound national oceans policy and program.

Unfortunately, Mr. President, what began as a promising endeavor has been largely sidetracked by the present administration, which has seen fit to downgrade continuation of activities begun in 1966. There have been some laudable achievements under the act, including formation of the National Oceanic and Atmospheric Agency. A companion law, the National Sea Grant and College Program Act, has produced valuable research and other work in the field of oceanography.

But for the most part, the Nation remains without a comprehensive, long-range oceans policy or a means of carrying out such a policy if one were created.

It is not as though there were no foundation to build upon. Following President Johnson's signing the Marine Resources and Engineering Development Act into law in 1966, he asked me as Vice President to activate and chair the Marine Resources and Engineering Development Council, more commonly known as the Marine Sciences Council. I was privileged to serve as the Council's chairman from its first meeting on August 17, 1966, through the year 1968.

Mr. President, we undertook a broad and deep examination of our subject matter. One of our responsibilities was to work with the National Science Foundation, setting policy guidelines for NSC administration of the sea grant program. But our major effort began as an extensive evaluation of all continuing Federal marine science activities of that time, both by purpose and by agency, to identify gaps and imbalance.

We selected nine programs for priority attention. These included international cooperation in marine sciences; food from the sea; the sea grant programs; an ocean data systems study; a comprehensive estuary study; an offshore mineral resources survey; ocean observation and prediction; deep ocean technology; and subpolar oceanic research.

We reported our recommendations to the President, and they were contained in the fiscal 1968 agency budgets submitted to Congress in January 1967. We followed these recommendations by presenting later that year a broad range of policy considerations aimed at relating the potential of the oceans to national goals, coupled with programs to aid in achieving those goals. We attempted to lay a foundation for broadened Federal participation in the field, and for increased emphasis on the nine priority project areas we had selected.

We sought during 1968 to assure that our early initiatives were being carried out and to develop a sound framework of institutions and policies to support our long-term program. We put increased emphasis on rational development of the coastal zone, Arctic research, and efforts to create a new structure for international law and international cooperation.

During this period, a 2-year study was being conducted by the Council's complementary body, the Commission on Marine Science, Engineering and Resources. In January 1969, the Commission issued the results of its work—a magnificent document containing 122 principal findings and recommendations. These were turned over to the new administration for study and implementation.

Since that time, there has been some effort to translate these recommendations into action. A major proposal by the Commission was formation of a separate agency to mobilize the Nation's new ocean policies and objectives. The National Oceanic and Atmospheric Agency was established in the Department of

Commerce in October 1970. A companion body, the National Advisory Committee on Oceans and Atmosphere, was established when legislation was signed by the President in August 1971. In October 1972, the Coastal Zone Management Act became law.

Mr. President, these actions have led to some worthwhile achievements, but they fall far short of the objectives we had in mind during my tenure on the Council.

It has been largely through the continued interest of the Congress in pursuing these goals that some of the programs have survived the budget-cutting and priority downgrading of oceans and atmosphere programs by the present administration.

The National Oceanic and Atmospheric Administration, though formed, exists as a skeleton of what it was originally conceived to be and should be. The administration's fiscal year 1974 budget would reduce the budget of NOAA by $50 million, and make reductions in ocean-related activities of other agencies.

Mr. President, much has been said recently about the Congress taking greater initiative in setting the Nation's course for the future. The failure of this administration to chart an oceans policy of its own requires the Congress to assume responsible leadership in this vitally important area.

Mr. President, I urge the Senate to act at its earliest possible convenience to approve this resolution. This is a measure by which we may resume development of strong national and international policies and programs to assure both maximum use and the most effective conservation of our planet's most dominant element.

EMERGENCY SECURITY ASSISTANCE AUTHORIZATIONS FOR ISRAEL AND CAMBODIA—AMENDMENTS

AMENDMENTS NOS. 930, 931, AND 932

(Ordered to be printed and to lie on the table.)

Mr. FULBRIGHT. Mr. President. I submit three amendments to H.R. 11088 and ask unanimous consent that the text of the amendments be printed in the RECORD.

I proposed all of these amendments during the consideration of the Israel aid bill by the Foreign Relations Committee. All were rejected. I believe that the issues involved in this bill are of such significance that all Members of the Senate should have an opportunity to go on record on each of these amendments.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 930

At the end of the bill, add the following new section:

SEC. 7. Not more than $1,200,000,000 of the funds made available pursuant to section 2 shall be furnished to Israel until the President has found that Israel is taking appropriate steps to comply with Resolutions 242 (1967) and 338 (1973) of the United Nations Security Council. Any such finding shall be reported promptly to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives.

AMENDMENT No. 931

At the end of the bill, add the following new section:

SEC. 7. Military and economic assistance provided by the United States to Israel and authorized or appropriated pursuant to this or any other law shall not be construed as a commitment by the United States to Israel for its defense.

AMENDMENT No. 932

At the end of the bill, add the following new section:

SEC. 7. (a) Except as otherwise provided in this section, none of the funds appropriated to carry out the provisions of this Act shall be obligated or expended after January 31, 1974, until the Comptroller General of the United States certifies to Congress that all funds previously appropriated (including any authorization to create obligations in advance of appropriations), and thereafter impounded during fiscal years 1973 and 1974 for activities, programs, and projects under the Departments of Agriculture, Transportation, Housing and Urban Development, and Health, Education, and Welfare, have been released for obligation and expenditure.

(b) The provisions of this section shall not apply with respect to funds impounded in accordance with any provision of law specifically authorizing the impoundment of funds of any such department if (1) such provision is contained in any law authorizing, or making appropriations for, any activity, program, or project of such department, and (2) the impoundment is made only with respect to and in accordance with such provision authorizing the impoundment.

(c) For purposes of this section, impounding includes—

(1) withholding or delaying the expenditure or obligation of funds (whether by establishing reserves or otherwise) appropriated or otherwise obligated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made;

(2) withholding any authorization to establish obligations in advance of appropriations; or

(3) any type of executive action which effectively precludes the obligation or expenditure of the appropriated funds.

AMENDMENT OF EXPORT ADMINISTRATION ACT OF 1969—AMENDMENT

(Ordered to be printed and to lie on the table.)

Mr. MONDALE. Mr. President, I am submitting an amendment to the Export Control Act designed to provide the data and the analysis needed to deal more effectively with shortages.

My amendment would require that the President prepare each year a national shortages report and a national food policy report. It would establish a National Shortages Board to collect, analyze and disseminate information about scarcities of minerals, food, raw materials, industrial products, and vital services. The Board would also make recommendations regarding methods to prevent or minimize the effects of shortages, and it would cooperate with existing agencies in seeking to carry out these objectives.

Today a number of experts are arguing that we have entered a new era, one that will be dominated by the economics of scarcity. The United States has in the past 32 years consumed more minerals than all of the human race in all previous history. As other countries seek the benefits of industrialization and as the world's population continues to grow, these experts argue that shortages will spread.

Whether or not this view is correct, it is clear that for the immediate future shortages will continue to plague our economy.

Prof. Otto Eckstein, who heads the Data Resources, Inc., recently said:

> The energy crisis, combined with the shortage of primary processing industry capacity, will give the entire economy a condition of shortage in 1974. Even in many of the finished goods industries, where physical capacity will be ample, the lack of sufficient input materials and energy will depress production and maintain a sellers' market.

In 1973, in addition to the obvious cases of food and energy, we have experienced shortages of a wide variety of other products, ranging from glass to paints, from antifreeze to furniture. Industries such as steel, petrochemicals, rubber, paper, and plastics cannot get raw materials from their suppliers; and they cannot supply their own customers.

Often and increasingly, shortages in one area of our economy are creating or aggravating shortages in other areas. Earlier this year, for example, consumers were alarmed by skyrocketing food prices. At the Government's urging, farmers responded with fence-to-fence planting. Yet, shortages of propane, gasoline, fertilizer, and machinery are now endangering farm production goals.

Government so far has failed to anticipate shortages and, once they were upon us, has failed to act until we were in a crisis situation.

How was it that we could sell off a quarter of our wheat stocks to the Russians—at ridiculously low prices—and then find out that supplies for American consumers were dangerously low?

Why was it that only a year ago the major oil companies and the administration were fighting to keep oil imports out—when today we desperately need added supplies?

The administration's economic policies in response to shortages have been a disaster. And in large part this failure can be attributed to the lack of any systematic planning. The administration's failures cannot be excused because the facts were not available. The facts are available; the Government has hundreds of economists working on projections of supply and demand for food products, raw materials, and energy. But the administration has failed to bring the facts together and has failed to establish any systematic analysis. The administration's inability to carry out this analysis is an example of Executive mismanagement on a massive scale.

As Senator JACKSON pointed out in a foreword to the December 4 Interior Committee staff analysis of the energy emergency:

> Since before the outbreak of hostilities in the Middle East, this Committee has made persistent efforts to obtain from the several departments and agencies of the executive branch an accurate estimate of both the nature and extent of impending shortages and analysis of their potential impact on the social and economic future of our nation.

> Responses to the Committee's inquiries were typified by varying, uneven and sometimes conflicting estimates of the shortages. Virtually no analysis was provided of existing data.

The chairman of the Interior Committee further found:

> From the study of the material contained in this document, there are three inescapable conclusions: First, the information required to determine and assess the extent of impending energy shortages in most cases has been available in the public domain, but no agency of the Federal government has complied or made any competent analysis of such data. Second, there has been no adequate analysis of the anticipated social and economic impacts of projected fuel shortages. Third, the extent of shortages and the threat they pose to the economy and to national security exceed by far any savings resulting from measures taken to date by the executive branch.

The Interior Committee's findings with respect to energy accurately portray the lack of analysis of shortages among a wide range of other products as well.

Obviously, we need better forecasting, as the Banking Committee rightly pointed out in its report on the export control amendments.

The amendment I offer today is not an instant solution to the problem of shortages. I recognize that there are limitations on our ability to predict future economic trends. And even with better analysis we cannot guarantee that better policies will result.

But my amendment would provide for a centralized information system that could make use of advanced forecasting techniques. It would establish the kind of systematic analysis we need.

And my amendment would force the President, the executive agencies, and the Congress to weigh evidence of impending shortages before they get out of control. It would bring together information that is now scattered throughout the complex of Federal agencies, and make sure that the data and analysis are made available to the Congress and the public on a regular basis.

My amendment would first require the President to prepare an annual shortages report, including:

A list of raw materials, minerals, services, and manufactured items known or expected to be in scarce supply;

Projections of the actual and projected supply and demand for such goods and services;

An analysis of the impact of shortages on the economic, social, and other requirements of our Nation;

A review of the impact of public and private programs and activities on shortages;

Recommendations on methods to improve existing programs and activities to deal with shortages.

Second, it would require the President to submit an annual food policy report, including:

A list of agricultural products known or expected to be in short supply;

The estimated supply and demand of such products, both domestic and international;

An estimate of domestic and world food reserves;

A review of the impact of public and private programs on shortages of food and on the long-term ability of our Nation to produce food;

An estimate of what consumers might reasonably be expected to pay for scarce food products;

Recommendations on methods to improve existing programs and activities related to shortages.

Third, my amendment would create a National Shortages Board to serve as a central office for the collection, evaluation, and dissemination of information about shortages.

The Board would be composed of the principal Cabinet officers who now have planning responsibilities, including the Secretaries of Agriculture, Commerce, Health, Education, and Welfare, Housing and Urban Development, Interior, Labor, State, Transportation, and Treasury. But, in place of the present piecemeal planning efforts, the Board would have its own director and staff capable of coordinated analysis and planning.

The Board would advise the President in the preparation of the annual shortages and food policy reports, would make projections regarding present and future supply and demand of scarce goods and services, and would review and evaluate the activities of public and private programs designed to deal with shortages.

On the day-to-day basis the Board would also cooperate with and assist existing agencies in attempting to anticipate, prevent and/or minimize the effects of shortages.

The Board would have specific responsibilities in seeking to help eliminate obstacles to the orderly production, processing, and marketing of food, including shortages of fuel, fertilizer, feed, equipment, transportation, and credit.

The pending bill recognizes the need to react quickly and effectively when shortages threaten our domestic economy. Export controls are one means to curb demand for scarce materials; and in the face of rapid inflation and worker layoffs, they may be essential to our domestic economy.

However, the United States is dependent upon other countries for a large and growing list of vital raw materials.

If we were to cut off exports of oil, coal, or other energy sources, would the Canadians, one of our biggest petroleum suppliers, be encouraged to cut off their exports to us?

When we impose export controls, we must be sure that they do not end up reducing our vital imports, aggravating shortages, pushing consumer prices higher, and causing even greater job losses to workers.

Therefore, in weighing Government actions designed to alleviate shortages, the Board would also be responsible for analyzing the impacts of export controls on: domestic supplies and prices of scarce commodities, on anticipated imports of products needed by the United States, on our Nation's trade goals, and on our relationships with our trading partners.

Shortages creates far greater problems for our economy than just inconvenience. Many of the shortages that have occurred in 1973 have not yet been felt at the retail level, but they will be. And as shortages spread through our economy, they carry with them the perils of unemployment coupled with inflation—the greatest threat to our standard of living in 40 years.

Bottlenecks in manufacturing are spreading, and wholesale prices are rising rapidly. In November the wholesale price index stood at 17.5 percent above a year ago. Prices for basic materials in October were 23 percent higher than in 1972. As shortages filter down to the consumer level in 1974, higher prices will continue to erode the incomes of working families.

Thousands of auto workers and airline employees have already been thrown out of work. A cutback of 15 percent in the petrochemical industry alone could mean a loss of as many as 1.6 million jobs.

The brutal impact of plant closings, worker layoffs, and skyrocketing prices is usually measured in economic terms. But the human costs to the elderly living on fixed incomes and to unemployed parents with children to support are even greater. And at a time when trust in Government is at an historic low, our political system cannot stand further loss of public confidence because of continued economic mismanagement.

Mr. President, this is a painful time in our country's history. My amendment is by no means a cure-all for the problem of shortages. There are no easy answers to the short term crisis over energy production, and there are no easy answers to long term questions of resource availability and use. My amendment promises no easy answers. But it would assure that the administration, the Congress, and the American people will have the kind of information we need to make the difficult choices with our eyes wide open. It would end decisionmaking in panic and ignorance. I believe it is an urgently needed step in the right direction, and I am hopeful that the Senate will adopt this proposal.

In the words of the distinguished economist, Walter Heller:

> Once again, in today's energy crisis, the U.S. is learning the costly lesson that we can't manage economic policy as if there were no tomorrow.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 920

At the request of Mr. MUSKIE, the Senator from Illinois (Mr. STEVENSON) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of amendment No. 920, intended to be proposed to the bill (H.R. 8214) to modify the tax treatment of members of the Armed Forces of the United States and civilian employees who are prisoners of war or missing in action, and for other purposes.

NOTICE OF HEARINGS ON THE ECONOMIC STABILIZATION ACT

Mr. JOHNSTON. Mr. President, the Subcommittee on Production and Stabilization of the Banking Housing and Urban Affairs plan to hold hearings

January 30, 31, and February 1, 1974. These hearings will be in regard to the Economic Stabilization Act which expires April 30, 1974.

Anyone that wishes to testify, please contact Jack Weiss, 225–5824, room 432, Old Senate Office Building or Gerald Allen, 225–7391, Banking Committee, New Senate Office Building.

ANNOUNCEMENT OF REGIONAL FIELD HEARINGS ON S. 2008, NATIONAL WORKERS' COMPENSATION STANDARDS ACT

Mr. WILLIAMS. Mr. President, I wish to announce that the Subcommittee on Labor of the Committee on Labor and Public Welfare will begin a series of regional field hearings on legislation designed to provide Federal standards for workers' compensation.

The first hearings will be on Thursday, January 24, 1974, in Portland, Oreg., in the auditorium of the Bonnesville Public Power Administration Building beginning at 9 a.m. The second hearing will take place the following day, Friday January 25, 1974, in the Federal Courthouse in Sacramento, Calif., also beginning at 9 a.m.

The subcommittee expects to hear witnesses at the Portland hearing who represent interested persons or groups on the subject of workers' compensation from Oregon, Washington, Idaho, Montana, and Wyoming and in Sacramento from California, and Nevada. Those persons or groups wishing to present testimony at these field hearings should contact the staff of the Labor Subcommittee, room G–237, Dirksen Senate Office Building or telephone (202) 225–3674.

ADDITIONAL STATEMENTS

STATEMENT OF SENATOR SAM J. ERVIN, JR. CONCERNING 1974

Mr. ERVIN. Mr. President, my current term as a U.S. Senator from North Carolina will expire at noon on January 3, 1975. I will not seek reelection to the office in 1974.

My decision to this effect has been made with much reluctance after much deliberation.

September 27, 1973, was my 77th birthday anniversary. Despite this fact, I still do as much work in the Senate as any Senator of any age, and still find the official tasks devolving upon me challenging and satisfying.

Experience is the most efficient teacher of all things, including legislating. I have been privileged to serve North Carolina in the U.S. Senate longer than any other North Carolinians except Matt W. Ransom, Furnifold M. Simmons, and Lee S. Overman.

A case can be made for the proposition that my long service in the Senate, my familiarity with national issues, my friendship with my senatorial colleagues, my chairmanship of the Senate Committee on Government Operations, my seniority on the Senate Committee on the Judiciary, and my chairmanship of its Subcommittees on Constitutional Rights, Revision and Codification of the Laws, and Separation of Powers, and my seniority on the Senate Committee on the Armed Services would enable me to serve North Carolina and the Nation with more effectiveness in the immediate future than at any time in the past.

Moreover, North Carolinians past numbering assure me of their approval of my course in the Senate, and urge me to seek reelection in 1974. To them, I am deeply grateful.

Notwithstanding these considerations, intellectual honesty compels me to confront this inescapable reality: If I should seek reelection in 1974, I would be asking North Carolinians to return me to the Senate for a term which would extend beyond the 84th anniversary of my birth.

Since time takes a constantly accelerating toll of those of us who live many years, it is simply not reasonable for me to assure that my eye will remain undimmed and my natural force stay unabated for so long a time.

As a consequence, I have reached the deliberate conclusion that it would not be fair to the people of North Carolina, who have honored me so much in times past, for me to ask them to reelect me to a new 6-year term in the Senate, which would not expire until January 3, 1981.

It seems not amiss for me to give the people of North Carolina at this time something in the nature of an accounting of my stewardship.

As their Senator, I have endeavored to practice on all occasions the concept that a public office is a public trust.

During my service in the Senate, I have sought to make life more abundant for the farm families of North Carolina, who produce the food, fiber, and agricultural crops essential to our existence and comfort; to support the free enterprise system, and promote the economic interests of those who invest and labor in North Carolina's industries; to promote the development of worthwhile projects in North Carolina's river basins and harbors; to preserve constitutional government and the blessings of liberty for all Americans; to secure to those who labor freedom to join or to refrain from joining unions in conformity with their own desires; to compel the Federal Government to balance its budget, stop deficit financing, and terminate its wasteful foreign aid programs; to maintain Armed Forces sufficient to insure our national survival in a precarious world; to further education, medical research, and the public health; to conserve our natural resources, reduce pollution in our atmosphere and waters, and make our highways, parkways, and parks toll-free to all our people; to secure reasonable benefits to disabled veterans and their dependents and to the aging and handicapped; to obtain the enactment of laws to protect Federal employees against tyrannical treatment by their Government, and to obtain the enactment of laws establishing procedures for constitutional conventions called on the petition of two-thirds of the States.

At the same time I have fought, as sinful and tyrannical, proposals that Americans be taxed to support religious institutions in violation of the first amendment; as incompatible with freedom, proposals that State right-to-work laws be repealed and that compulsory unionism be forced upon those who do not wish to join unions; as inimical to justice, proposals to enact "no knock" and preventive detention laws; as inconsistent with our system of government, the use of the military to spy on civilians exercising their first amendment rights of free speech, assembly, and petition; as intolerable, governmental efforts to intimidate individuals, newsmen, and broadcasters for exercising their rights of free speech and a free press in a manner displeasing to government; as rank tyranny, unnecessary governmental invasions of the privacy of our people, and governmental collection and computerization of data concerning their political and religious thoughts, beliefs, and activities; and as unwise, welfare proposals calculated to convert able-bodied Americans into mendicants.

During my years as a Senator, I have authored or sponsored many legislative proposals which have been enacted into law. Among them were the act protecting the constitutional rights of mentally ill persons in the District of Columbia, the act securing constitutional rights to American Indians residing on reservations, the Criminal Justice Act of 1964, the Law Enforcement Assistance Act of 1965, the Bail Reform Act of 1966, the Narcotic Addict Rehabilitation Act of 1966, the Military Justice Act of 1968, and the Omnibus Crime Control and Safe Streets Act of 1968.

During my time in the Senate, I accepted opportunities to appear in five cases before the Supreme Court because of the substantial constitutional issues involved in them.

These cases were: *Textile Workers* v. *Darlington*, 380 U.S. 263, where the Court unanimously upheld my argument that under the National Labor Relations Act a private business can cease operating entirely for any reason satisfactory to itself and repudiated a National Labor Relations Board decision to the contrary; *Flast* v. *Cohen*, 392 U.S. 83, where the Court upheld my argument that a Federal taxpayer can maintain an action in a Federal court challenging on first amendment grounds grants or loans of Federal tax money to religious institutions; *United States* v. *Gravel*, 408 U.S. 606, where the Court upheld the argument made by Senator SAXBE and me in behalf of the Senate that the protection of the speech and debate clause of the Constitution extends to a Senator's aide while he is assisting the Senator in the performance of his official duties; *Laird* v. *Tatum*, 408 U.S. 1, where the Court in a 5-to-4 decision rejected my argument that the complaint which was drafted by others was sufficient to state a cause of action against Defense officials for using the Army to spy on civilians in violation of their first amendment rights; and *Swann* v. *Board of Education*, 402 U.S. 1, the Charlottee-Mecklenburg School busing case, where I filed an amicus curae brief for the Charlotte-Mecklenburg Classroom Teachers Association urging a reversal of the busing decree.

I add additional observations concerning the Darlington case, where I appeared for the limited purpose of arguing before the Supreme Court that the National Labor Relations Act did not deny a private business the right to go out of business completely for any reason satisfactory to itself. I believe that the decision of the NLRB to the contrary was repugnant to freedom. The Darlington case involved controversies among private litigants; the United States has no legal or financial interest whatever in the matter; and the Supreme Court unanimously adjudged that my argument was in complete harmony with the intent of Congress as set out in the National Labor Relations Act.

I take this occasion to express my profound gratitude to the thousands of North Carolinians who throughout the years have supported me in my effort to secure good government for the people of our land; to the officers, Members, and employees of the Senate whose kindliness and helpfulness have made my service with them a happy experience; to the members of my personal staff as a Senator who have served me and North Carolina with great ability and complete devotion; to the members of the staffs of the Senate Committees on the Armed Services, Government Operations, and the Judiciary, who have assisted me greatly in the performance of the duties devolving upon me as a member of these committees;

To the members of the staff of the Senate Subcommittee on Revision and Codification of the Laws, who have been diligent in their efforts to revise and codify the laws with accuracy and to aid me in countless other ways; to the members of the staffs of the Senate Subcommittees on Constitutional Rights and Separation of Powers who have joined me with untiring dedication in many fights to protect the constitutional rights of all our citizens and to preserve constitutional government for all our people; to the members of the staff of the Senate Select Committee on Presidential Campaign Activities who have sought with intelligence, courage, and fairness to discover the truth in respect to the tragedies known collectively as the Watergate affair and to plan proposed legislation to forestall the recurrence of such tragedies; and to my wife, Margaret Bell Ervin, whose understanding heart has made her companionship an unceasing inspiration and joy.

My wife and I expect to return to our home in Morganton, the county seat of Burke County, N.C., upon the expiration of my present term in the Senate. Here we hope to dwell for a time among the people who have known us best and loved us most, and to watch the sun set in indescribable glory behind Table Rock and Hawk's Bill Mountain.

UNITED STATES NOW FIGHTING FOR SECOND-RATE STATUS

Mr. THURMOND. Mr. President, every American should read the article by Paul Harvey entitled "United States Now Fighting for Second-Rate Status."

This editorial appeared in the Thursday, December 6, 1973, issue of the Aiken Standard newspaper in Aiken, S.C.

In it Mr. Harvey points out that the good life which most Americans enjoy has brought with it some characteristics which do not befit a great nation.

While this article speaks mainly to our Nation's working force, it could as easily be applied to many other segments of our economy including those who work for various levels of government.

Mr. President, I ask unanimous consent that this article be printed in the Record at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Aiken (S.C.) Standard, Dec. 6, 1973]

United States Now Fighting for Second-Rate Status

(By Paul Harvey)

The United States is in a downhill race for second place.

Its people are letting it down.

The United States used to make 76 per cent of all the world's automobiles; now we make 33 per cent.

Once we produced 47 per cent of all the world's steel; now 19 per cent.

In the fifties we built most of the merchant ships in the world; in the seventies we're building only 2 per cent of them.

And where we were first as a builder of machine tools, now we are third.

The sewing machine was "all-American" for generations. Today, only one company makes them in our country.

Some 40 per cent of all Americans wear shoes made outside America.

Why?

Why are other nations now outdistancing ours in the manufacture of almost everything? Because their workers will work longer for less.

No, we can't blame Washington for this. Labor leader George Meany can't blame President Nixon for this.

Our nation is a lesser competitor in the world marketplace because American workers have been running scared from work.

We demand ever-increasing wages, but we're content to turn out shoddy merchandise. Made-in-America stuff costs exorbitant prices and falls apart. So disgusted customers shop elsewhere.

And the "customer service" that Americans used to be so good at—falters.

Today the second most frequent complaint received by the Better Business Bureau is about "unsatisfactory service"; frequently it's plain old-fashioned rudeness.

Detroit's carmakers have had to establish special telephone lines to deal with the avalanche of customer complaints.

Carmakers struck less last year than any year in nine, but any given day at Chrysler one-in-ten workers just "doesn't bother to show up."

And while American labor leaders justify their own jobs with increasing demands for higher wages, shorter workweeks, earlier retirement, more fringe benefits, the harder workers in Japan are about to buy us out—with our own worth-less dollars.

Jim Windle, professor of industrial supervision at Purdue, says our economy is being snafued by goldbrickers, "by a 24-karat I-don't-give-a-damn syndrome sweeping the nation.

"New products fall apart like cheap junk; waiters act like they're doing you a favor by waiting on you; you wait hours in a physician's office while he plays golf; airlines misdirect your luggage; dry cleaners send your things back still stained—or lose them. . ."

Do you realize that the only hope on the horizon for America's economic survival is that the Japanese and Germans, hurrying, as we did, will get rich, as we did, and get lazy—as we did?

AID FOR LEGAL SERVICES

Mr. BIDEN. Mr. President, I am happy to support Senate bill 2686 which will establish a National Legal Services Corporation Act to allow for the continued operation of Legal Services programs currently sponsored by the Office of Economic Opportunity.

S. 2686 is a compromise. It does place some restrictions on local legal aid programs and their staffs. But the need to provide skilled attorneys for the poor and disadvantaged, the need to allow the poor and disadvantaged equal access to our institutions of justice, without regard to wealth, the need to work toward making equal justice under the law a reality, compels me to strongly endorse this compromise.

The Delaware State Bar Association has strongly endorsed the concept of an independent and adequately funded legal services program. A copy of that resolution will be made available for the Record. It was certainly not accidental that the bar saw fit to unanimously endorse the need for legal assistance at a time last spring when the program was under an unparalleled attack by an Acting Director of OEO subsequently found to be holding office unlawfully, an Acting Director whose very action was not only contrary to the principles so aptly summed up in the words, equal justice under the law, but was even contrary to the expressed support for legal aid often given by the President. Fortunately, with the confirmation of Al Arnett as Director of OEO the legal services program has been able to continue to provide quality legal assistance, promptly and effectively, while awaiting a new home. It is time we acted.

In Delaware legal assistance to the poor is provided by the Community Legal Aid Society. It is the result of a merger between the Legal Aid Society of Delaware, established by the Delaware State Bar Association in 1946—and, I might note, one of its incorporators was my predecessor, the Honorable J. Caleb Boggs—and the Community Law Services, first funded by OEO in 1966. Our program is now statewide, serves some 4,000 clients per year, at a cost of less than $70 per client, and has received the strong support of all elements of the organized bar, of county government in each county in the State, and the State itself. In expressing his opinion about the program, Governor Sherman W. Tribbitt said:

> The proposed project addresses itself to an urgent need to the poor throughout Delaware. The organizations direct record has proven to a vital element of the services to the poor.

Thus, in my State of Delaware it is clear that all elements in public life firmly support the concept of an independent Legal Services program, a program able to provide the full range of legal assistance usually available from an attorney. I urge that S. 2686 be enacted without further delay.

Mr. President, I ask unanimous consent that the resolution of the Delaware State Bar Association be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE DELAWARE STATE BAR ASSOCIATION

(Adopted unanimously, April 1973)

Whereas, the legal services programs sponsored by the Office of Economic Opportunity provide a necessary and vital service in support of the concept of equal justice under the law, and

Whereas, the Delaware State Bar Association for many years prior to the creation of the Office of Economic Opportunity Legal Services Program sponsored the Legal Aid Society of Delaware, and

Whereas, in 1971 the Legal Aid Society of Delaware and the O.E.O. sponsored Community Law Service merged to become the Community Legal Aid Society, Inc., and

Whereas, the Delaware State Bar Association recognizes that only an independent legal aid organization can effectively begin to make equal justice under the law a reality, now therefore

Be it resolved that:

1. The Delaware State Bar Association urges the creation of a National Legal Services Corporation that will insure the continued independence, integrity, and effectiveness of the program free from political interference.
2. The Delaware State Bar Association supports the need for adequate funding that will allow the program to better meet the needs of the poor people of Delaware.
3. This resolution shall be sent to the Honorable Richard M. Nixon, to Mr. Howard Phillips, Acting Director, Office of Economic Opportunity, to Mr. J. Lawrence McCarty, Acting Director, Office of Legal Services, to the Honorable William V. Roth, Jr., to the Honorable Joseph Biden, and to the Honorable Pierre S. duPont, IV.

VICE PRESIDENT FORD

Mr. HUGH SCOTT. Mr. President, the Harrisburg Patriot, in a thoughtfully worded editorial, describes our new Vice President, GERALD R. FORD, as "a decent human being who operates in a tradition of civility and respect for both institutions and persons." In addition, the Patriot offers a wish to Vice President FORD which I echo: "In these extraordinary times the Nation wishes you well." I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW VEEP: FORD STILL HAS COMMON TOUCH

GRAND RAPIDS, MICH.—Is a prideful Midwestern city where they make a lot of furniture and grow the likes of Gerald R. Ford. On Thursday, with his family and scores of hometown folk in the audience, the Grand Rapids lawyer who went to Washington 25 years ago was sworn in as the 40th Vice President of the United States and the first ever to be chosen for that office under terms of the 25th Amendment to the Constitution.

As seen on television by millions of Americans, it was a simple and unostentatious ceremony, yet one dripping with historical significance. The 25th Amendment was proposed in Congress on July 6, 1965, and declared effective on Feb. 23, 1967, after ratification by the legislatures of 39 states. It affirms procedures for the replacement of either the President or Vice President of the United States when such becomes necessary, and by its nature would not be invoked in ordinary times.

Gerald R. Ford, on the other hand, is a very ordinary man, a decent human being who operates in a tradition of civility and respect for both institutions and persons. When he faced the Senate Rules Committee to be examined for fitness by a group dominated by political opponents, he was able to say with disarming candor: "I feel that I am among friends."

And so he was. Democrats as well as Republicans voted in overwhelming numbers to confirm him for high office. Many could decry his Midwestern conservatism but none could deny that he was a gentleman, an upright and forthright public servant, a true representative of that host of Americans who had given Republican-enunciated principles a resounding affirmation at the polls 13 months earlier.

On learning of his confirmation, one of his close friends in Congress told him that his only regret was that he could no longer call him Jerry. "From now on it will have to be Mr. Vice President."

So it will. And yet, behind the formailities of protocol we believe there will always be a Jerry Ford, a sincere and humble man from Grand Rapids who, in the strange meanderings of time and the tides, has been swept into the second highest office in the land.

Mr. Vice President, your constitutionally defined duties are few but your real task is large indeed. In these extraordinary times the nation wishes you well.

THE AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

Mr. YOUNG. Mr. President, farm leaders in and out of Congress, and most farm publications, have rightfully claimed, I believe, that the Agriculture and Consumer Protection Act of 1973 passed earlier this year, is the best farm price support bill ever enacted by Congress.

Like most legislation, it represented a compromise between the bills passed by the House and Senate. Even with the compromises, it is still a good farm program. Its major feature is the target price concept, which I originated.

The bill passed by the Senate set target prices for wheat at $2.28 a bushel and for corn at $1.53 a bushel. The House bill established the target price for wheat at $2.05 a bushel and for corn at $1.38 a bushel. In order to get a bill at all, the Senate conferees had to reluctantly accept some less favorable provisions of the House bill. The conferees fixed the target price for wheat for the first 2 years at $2.05 a bushel, corn at $1.38 a bushel and barley at $1.13 a bushel.

The Senate bill tied the target price to parity which meant that the target price would increase considerably for each of the next 4 years, if costs of farm operations continue to rise. The compromise with the House deleted the parity or escalator provision for the first 2 years, but a new escalator provision will be in effect for the last 2 years of the act—1976 and 1977. This will mean increases in target price levels the last 2 years as the cost of farm operations increase.

The price support for wheat in the Senate bill was $1.25 a bushel and $1.49 in the House bill. The conferees agreed to $1.37 price support for wheat, $1.10 for corn, and 90 cents for barley.

The House-Senate conferees retained disaster payments to farmers who lose their crop due to hail, drought, or any other reason. As an example, if a farmer has a total crop failure, he would be paid 68 cents a bushel for the normal wheat production established for his farm. Similar provisions apply to barley and corn.

Mr. President, one of the better analyses of the new farm bill and how it will affect farmers was carried in the December 6 issue of the Benson County Farmers Press published at Minnewaukan, N. Dak. I ask unanimous consent that it be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARMERS PROTECTED BY FLOOR PRICE UNDER NEW FARM BILL

Historically, American farmers have produced more than American consumers were willing to buy, so farm prices were kept very low. Even demand from foreigners was not sufficient to maintain U.S. farm prices at acceptable levels. To help keep the farmer in business over the last 40 years, the federal government has used a series of programs to both restrict supplies of farm commodities and support farm prices in plentiful years.

But all this has changed. According to an article published by the Federal Reserve Bank of Minneapolis, American farmers could not produce enough in 1973 to meet demands and despite record farm output, commodity prices climbed to unprecedented levels. The index of prices received by farmers reached 191 by September, starting from only 129 a year ago (1967 equaled 100).

To deal with this radically different situation, the government has had to change its farm policy. The 1973 Agriculture and Consumer Protection Act, signed into law in August, encourages all-out production and, at the same time, cushions farmers against price declines by pegging minimum rates of return on certain commodities.

The Act specifies, for example, that in the 1974 and 1975 crop years producers are guaranteed $2.05 per bushel for wheat, $1.38 for corn and $1.13 for barley grown on allotted acreage. These "target prices" are substantially below September's market prices of $4.62 for wheat, $2.15 for corn and $3.87 for barley. When market prices exceed target prices, no government payments will be made, but when market prices fall short of target prices, farmers will receive the difference as a direct subsidy. An "escalator clause" has been written into the Act to adjust target prices upward to cover rising production costs in the 1976 and 1977 crop years.

The new farm program also provides for farmland to be set aside for conservation or nonproductive uses if the Secretary of Agriculture determines that farm output is likely to be excessive. There will be no set-aside requirements in 1974.

Total payments under the new program are limited to $20,000 per person, a change from the previous limit of $55,000 per crop, but few farmers in the Ninth District will be affected by this.

The Federal Reserve Bank calculates that if district farmers get at least the target price in 1974, total cash marketings from crops should exceed $3 billion. The annual average from 1970 to 1972 was only $1.83 billion, over half a billion of this came from direct federal payments. Anticipated high market prices will probably eliminate the need for federal payments in 1974.

THE NEW AMERICAN REVOLUTION—A DEDICATION TO FIRST PRINCIPLES

Mr. PROXMIRE. Mr. President, on Sunday, December 16, the Governor of Wisconsin, Pat Lucey made a stirring address at the ninth winter commencement of the University of Wisconsin. I want particularly to bring this speech to the attention of my colleagues in the Senate because it shows what we can gain from the energy crisis if we take the proper attitude toward the sacrifices it surely will entail.

Governor Lucey in that speech referred to a new revolutionary spirit exemplified by the word "enough"—enough pollution, gas-guzzling cars, shabby development of our land. He talked about being independent from Arab oil, independent from an economy built on pollution and profligacy. This is the sort of independence that we must set as our goal if we are to win this new American revolution.

So that my colleagues will have a chance to read this inspiring address I ask unanimous consent to have it printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY GOV. PATRICK J. LUCEY

It is an honor for me to participate in this, the ninth winter commencement in the long and distinguished history of the University of Wisconsin-Madison.

This is a memorable occasion for all of us. But for each graduate, this day—December 16, 1973—will long have special significance. In a very real sense, today is the first day of the rest of your lives.

Exactly 200 years ago, a band of colonial Americans took unto themselves the burden of an action that was to signify the first day of the rest of our life as a free society. That action was the Boston Tea Party.

A group of educated men, merchants and tradesmen, their faces blackened with coal, methodically dumped 340 chests, or over 90,000 pounds, of dutied tea into the Boston harbor. "Enough" was their cry, and the crowd of colonists who quietly witnessed this act of civil disobedience from the shoreline, assented with their silence.

We do not celebrate December 16th as "liberation day"—but that is what it signifies. The War of Independence was three years away, but the revolution had begun—a revolution not in the deed, but in the attitude that allowed the deed to take place.

John Adams wrote in his diary the next day that this was "the most magnificent Movement of all . . . and it must have so important Consequences and so lasting, that I cannot but consider it as an Epoch in History."

Two centuries is a long time. There are some who argue that the American epoch has now run its course.

Looking around, it is easy to be pessimistic. The first revolutionary nation in modern history has grown complacent in its middle age. To life, liberty, and pursuit of happiness, have been added the right to pollute, clutter, waste and despoil.

For two hundred years we have been a people of plenty. Now we are confronting unprecedented resource shortages, and we are unprepared.

What tea was to colonial America, oil is to the contemporary United States. Were King George III and the East India Tea Company any less accountable to the people then than the giant oil companies are to us today?

Pollsters report that Americans are more cynical about their institutions—both public and private—than at any other point in modern history. Has the American epoch, inaugurated by that brave band of colonial marauders two centuries ago, really run its course?

I don't think so. There is no word that is more over-used in our time than "revolution". But it is no exaggeration to say that in your values and attitudes, and those of your peers, lie the seeds of a new American Revolution.

This is a revolution that will not be touched off by a tea party (or a pot party, for that matter). It will be fought on bicycles and buses, and in compact cars. It will be won not by force, but by skill and commitment, and by countless individuals saying "enough".

Enough with the pollution of our streams and lakes and air.

Enough with the shoddy development of our land, and devastation of our precious farm resources.

Enough with gas guzzling, fume-spitting cars.

Enough with work that is without satisfaction or meaning.

Enough with institutions that respond to the special interests but not the needs of the people.

Since the first Earth Day three years ago, we have, with your help, taken important steps towards making the ecological ethic Wisconsin's ethic.

We passed the landmark Wisconsin Environmental Policy Act, to insure that no state decision can come at the expense of the preservation of our natural heritage.

We blocked the establishment of Project Sanguine, and the continued discharge of mercury into Wisconsin waters.

We obtained Wild River status for the St. Croix, and fought off the developers who wanted to exploit the natural beauty of that river's shoreline.

We established the first program of state support for local mass transit systems in Wisconsin history.

We laid the groundwork for a model solid waste recycling program for the State of Wisconsin.

But these battles are only the beginning. With the onset of the energy crisis, we have been forcefully reminded how far we as a people have departed from the independence for which our forefathers fought. We are dependent not just on Arab oil, but on an economy which has been built on pollution and profligacy.

For years, environmentalists have been warning us that our resources are finite, and that we must begin to practice an ethic of recycling and conservation.

Now that the shortages are here, we are being asked to emulate the ancient Greeks, who killed the messengers who brought them bad news. The first place looked to for energy cut-backs by industry and the federal government is our effort to control pollution. This must not be allowed to happen.

If it is necessary this winter to make one or two strategic retreats, we must never abandon the principle: one step backward, two steps forward. The war against pollution and environmental degradation is not a war we can afford to lose.

A few weeks ago, I received a letter from a man who I like to think of as one of your contemporaries. He wrote:

"I am older than you and have seen the changes that have taken place since 1910. I have worked on railroads and traveled all over our land by car. We human beings have made an awful mess of the transportation system and have sat by and let it happen.

". . . We need someone who will take a good look at the situation and make changes. I was a boy in St. Paul, Minnesota, and used to fish in the Mississippi right next to where the raw sewage came into the river. That was bad then and it still is. The people just sat and let it happen. I guess we must be hit over the head to wake us up. Now we are stuck in the swamp over the energy crisis and wandering around blind. That did not come over-night but has been here for years. Where are the brains of the country?"

The American Revolution at 200 years, can, like this man, be thought of as either young or old. It is you who will determine whether on December 16, 1973 the revolution begins anew, whether the best brains of this country are equal to the challenge, whether today marks the first day of the rest of our life as a free and good society.

Congratulations and God speed.

THE VALUE OF THE INDIVIDUAL IN INDUSTRY

Mr. TAFT. Mr. President, I had the pleasure last month to participate in a conference discussion in Canton, Ohio, regarding the value of the individual in industry. This subject area, which has been generally referred to as worker alienation, is an extremely interesting one and one that deserves the consideration of the Congress. I am not certain if this is an area where legislation per se can be extremely helpful. I do believe, however, the Congress should examine methods by which solutions might be found to enhance an individual's relationship to his job. Certainly economic considerations are included as the correlation between production quality and job satisfaction can be quite high. These factors can in turn lead to greater industrial labor stability and improvement and growth in our economy. Such considerations are abviously becoming increasingly important as international competition becomes more of a factor in the continued strength of our Nation. Beyond these economic considerations, however, I believe it is important to consider this subject because of the basic individual humanistic considerations involved—a man or a woman not content with their job often presents tremendous social problems to society in the form of drug addiction, alcoholism, and crime.

Senator KENNEDY has proposed legislation, the "Worker Alienation Research and Technical Assistance Act of 1973," S. 736, which is before the Labor and Public Welfare Committee, Subcommittee on Employment, Poverty and Migratory Labor. As ranking minority member of the subcommittee, I believe Senator KENNEDY's legislation should be examinined again this Congress and I will make such a request to the chairman of the subcommmittee, Senator NELSON, at the beginning of the next session of this Congress. My staff and I are also exploring a number of options in this area and hopefully will be prepared to offer them in connection with S. 736. Senator SCHWEIKER of Pennsylvania, has I know, been very much involved in study of this entire problem.

I wish to thank the participants in the Canton conference: Mr. Wayne Alderson, vice president, Pittron Steel Foundry; Mr. Tom Mueller, assistant to the president, the Canton Malleable Iron Co.; Mr. Earl Flemming, suggestion and training coordinator, Armco Steel Corp.; Rev. Christian F. Kenneweg, New Concord, Ohio, and Mr. James Ragazino, representative of the Steelworkers Union Local, Timken Roller Bearing Plant, Canton, Ohio.

Special thanks also should go to the Rev. Dan E. Bastin, director of the Urban-Industrial Ministry in Aliquippa, Pa., for arranging the conference and Mr. Don L. Mains, president of Canton Malleable Iron Co., for providing the facilities to hold the conference.

I ask unanimous consent that my remarks at the conference be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR ROBERT TAFT, JR.

Albert Camus wrote that "without work, all life goes rotten. But when work is soulless, life stifles and dies." Camus, I think, was absolutely correct as individuals need to supplement their existence with some type of work or work related activity. Society has been slow, however, through the years, to learn that such work activity cannot be provided to an individual based solely on economic considerations.

The theme of this conference—"What is the value of the person in industry"—certainly relates to concerns that many of my colleagues and I in the Congress have and is especially relevant in considering such areas as: productivity commission legislation, strike prevention legislation, manpower training proposals, trade legislation, and of course, Senator Kennedy's "Worker Alienation Research and Technical Assistance Act of 1973" which, at the risk of sounding a bit partisan, I believe might be more properly titled "The Worker Motivation Research and Technical Assistance Act".

As many of you know, the employment, Poverty, and Migratory Labor Subcommittee, of the Senate Labor and Public Welfare Committee, held two days of hearings last year on the Kennedy legislation, identical to the proposal he has again introduced this year. I am privileged to serve as ranking minority member of the subcommittee and for that reason have a special interest in potential federal involvement in this area. To be able to assess, however, what the role the Federal Government might have in this field, I believe we must focus on three questions:

1. What do such terms as "job enrichment" and "worker alienation" really mean—is this a subject area that can be isolated and examined with any degree of accuracy;

2. Assuming we answer the first question in the affirmative, what proposed solutions for this problem area merit implementation; and

3. What role should private industry, Federal, State and local governments and organizations such as the Urban-Industrial Ministry headed by Reverend Bastin play in bringing about such solutions.

Answers to the first question were considered very preliminarily by the hearings chaired by Senator Kennedy last year, and by a number of studies supported by the Federal Government including the study, "Work in America", conducted by the Department of HEW under Elliot Richardson—perhaps the most comprehensive research work to date on this subject. Organized labor, private industry and various universities also have conducted extensive research in this area and are to be commended for taking such constructive action. The question seems to remain an open one, however, as to what extent there really is a problem area with regard to job enrichment and satisfaction.

Elliott Richardson presents the case for greater research in this area as follows in the preamble of "work in America":

"While negotiations over wages and fringe benefits seem to have received the lion's share of attention in the past few decades, considerable interest has been displayed over the past year in our magazines, newspapers, and other media in the *quality* of working life. This is not, of course, an entirely new issue. One need only recall the novels of Dickens and the horrible lot he portrayed of children at work, Steinbeck's migrants and Caldwell's farmers, the sweatshops in our industrial cities, and more recently, the efforts to improve the working conditions of coalminers—to realize how profoundly and broadly people care about the quality of work.

"Yet, after following the searching exposition of this report, one cannot help but feel that however deeply we have cared in the past, we never really understood the importance, the meaning, and the reach of work."

Numerous studies and startling statistics can be cited to support Richardson, including reports of plant sabotage, figures of worker absenteeism—*industry week* recently reported that at least five percent of 1.4 million of the nation's 27.8 blue collar workers will not be on the job on any given day. Perhaps an even more convincing argument to the American consumer is the abundance of poor and inferior quality products on the market.

The seriousness of this problem, however, has been questioned. Professor J. L. Windle of Purdue University, Department of Industrial Supervision, believes it is a waste of time and money for the employer to make changes in the structure of the job in order to motivate the employee. Essentially, he feels that the employee's motivational problem does not arise out of the nature of the work: instead, the motivational problem is more likely to be a personal one—the employee brought it into the plant the day he was hired.

Professor Windle states: "My contention is that if it's a personal thing, a matter of individual motivation, the employer can't do much about it. The kinds of things employers can do include better selection and placement of people. If we're talking about routine, repetitive jobs, let's select people who enjoy doing a routine. We have studies that show such people exist."

A recent study by the University of Michigan supports Professor Windle's argument and numerous union officials also have questioned whether job enrichment really is a legitimate problem, or rather just a problem of society generally. For instance, the effect of pay levels and fringe benefits on the quality of the workers' life could overshadow the work experience (i.e., legal services trust fund).

William Winisinger, vice president of the International Association of Machinists recently stated job enrichment is just "a stop watch in sheep's clothing" in referring to labor's traditional disdain for managements time and motion studies. Numerous other union officials, including Leonard Woodcock also have raised questions about the validity of the problem.

I do not have the definitive answer to this question, but I do not believe we can afford to ignore the possibility of a problem of great magnitude in this area. Our balance of trade payments situation, our country's economic health and potential for growth through increased productivity and industrial peace would seem to almost mandate an exploration of this subject. Beyond these collective national interests, however, I believe it is imperative to at least examine this area because of individual humanistic considerations potentially involved.

The one specific proposal that the Congress has focused upon is the legislation I earlier referred to introduced by Senator Kennedy. His approach would establish a federal commitment of $20 million over the next two years for research into the problem of worker alienation in all occupations. Specifically, the bill would provide technical assistance to groups of workers, unions, private industry and state and local governments for practical experimentation and pilot projects to alleviate worker dissatisfaction and fund development of curriculums for the training of professionals in work humanization methods. Other provisions of his proposal would authorize the Secretary of HEW to insure that federal agencies seek to maximize job satisfaction and permit the Secretary of Labor to seek assurances that job satisfaction is considered by Federal contractors. Both the Secretaries of Labor and HEW would be directed periodically to report back to the Congress and make recommendations as to whether additional legislation is necessary.

Discussions have been held at the staff level for conducting further hearings on the Kennedy proposal and other topics within this subject area. I am hopeful that the Senate employment subcommittee could place priority on this matter during the first part of next year and proceed with comprehensive hearings.

Areas and proposed solutions which I believe the committee should consider include:

Plans to permit groups of workers to join together in teams in performing tasks.

Plans to permit workers to perform more than just one part of a mechanized job.

Programs to permit employee participation in the design of new plants.

Experimentation with supervisor-employee discussion groups including meetings of top management and the rank and file.

Participation by top management in assembly line work to see the job from the workers viewpoint.

Humanization of work facilities and the work environment.

White collar workers and job satisfaction.

Investigation into the relationship between alcohol and drug abuse and worker dissatisfaction.

Experimentation with flexible hour plans to permit workers to begin at different hours.

Experimentation with partial retirement and part-time worker programs.

Implementation of employee quality effectiveness programs permitting employees greater opportunities to test and evaluate the products that they are producing.

Experimentation of variations of profit sharing plans.

With regard to what role private industry, labor organizations, private groups and government can play in helping implement solutions. I believe the answer must be one of maximum co-operation and co-ordination. A start at the congressional level might be enactment of a proposal similar to that advanced by Senator Kennedy. I am not certain. One thing I believe is certain, however, is that this subject must receive continuing national attention and Congress must not fail to at least consider suggestions from organizations such as those represented here.

GENOCIDE MISUNDERSTOOD

Mr. PROXMIRE. Mr. President, some people oppose American ratification of the Genocide Convention because they believe that the convention's definition of the word "genocide" dangerously distorts the true meaning of the term. They maintain that article II of the treaty would require each signatory to prosecute any person demonstrating the intent to destroy or harm a single member of a specified ethnic, racial, or religious group. This mandate they consider too broad.

However, this concern is unwarranted. First, article II of the treaty rather explicitly states that only the intent to destroy the "whole" or part of such groups would require government action. In 1950 Deputy Under Secretary of State Dean Rusk drew the distinction between crimes of genocide and homicide by noting that the former designated the intent for large-scale violence against members of a specific group while actions against one or two members of a racial or ethnic group would fall in the latter category.

Furthermore, ratification of the Genocide Convention would not increase the number of prosecutions for violence against individuals because the U.S. legal system already considers such violent actions to be criminal offenses. Violence and persecution in any form has long been abhorrent to those upholding the principles of freedom and democracy for all men. Ratification of this document would merely reaffirm our commitment to those principles. After more than 20 years of debate such a reaffirmation is more important than ever.

Finally, the convention allows for each nation in agreement to devise implementing legislation consistent with the constitutions of those nations.

This provision would allow the United States to make a stand of moral opposition to genocide while maintaining criminal statutes against homicide and discrimination.

Mr. President, I ask the Senate to ratify the Genocide Convention as quickly as possible, and make clear America's position against mass violence.

RECENT MURDERS COMMITTED BY PALESTINIAN TERRORISTS

Mr. TAFT. Mr. President, I am certain that I express the unanimous view of this Chamber when I say that I have been shocked and horrified by the recent murder of over 30 innocent people by Palestinian terrorists. The wanton and brutal slaughter at Rome and Athens will live for a long time in the memories of civilized men, denoting a new level in the barbarism that increasingly marks our era.

The perpetraters of this terrible crime bear a heavy responsibility in the eyes of the world, and I hope that they will bear equally heavy responsibility before a court of justice. But they are not isolated criminals. Some Arab States condone their actions, in fact if not in official communique, and these states must also be held responsible for their criminal outrage.

There are two recent international agreements designed to deter acts such as those at Rome and Athens. The first, the Hague Convention, is directed at deterring hijacking; and a companion agreement, the Montreal Convention, is aimed specifically at airport incidents such as the recent tragedies. Both agreements provide for the prosecution or extradition of air pirates.

The United States is a party to both conventions as, I would point out, is Israel. So are some Arab States, including our friend and ally, Jordan; and Lebanon, noted for years as perhaps the most sensible and moderate state in the Middle East, has signed the Montreal Convention, and Iraq has adhered to the Hague agreement. Neither Syria nor Kuwait have agreed to either convention.

But what of the other Arab States? Algeria has done nothing, Libya has done nothing, Syria has done nothing. These states are almost as guilty for their lack of action, as were the murderers of the innocent at Rome and Athens. By not agreeing to prosecute pirates and terrorists, these states—I single out Syria in particular, which allowed the pirates to land at Damacus and at Kuwait, presumably under some accommodation—give aid and encouragement to such criminals. I submit that they are thus criminal themselves.

Neither this Nation nor the responsible nations of the Middle East should tolerate any longer their support of criminals and mass murderers. Let those who died in Rome and Athens be the necessary impetus to bring all nations to put an end to air piracy.

The responsible nations of the Middle East—I include especially Egypt, which is now pursuing a reasonable and moderate policy in the pursuit of peace—should be the first to realize that the terrorists do great harm to the Arab cause. Some have. They degrade the world's image of the Arab to that of a cowardly assassin of women and children. They make it all but impossible for non-Arabs to view this situation in the Middle East from an unprejudiced standpoint.

I firmly believe that, despite their pro forma denials, the Palestinian guerrilla organizations have full foreknowledge of incidents such as the recent ones. And I equally believe that the Arab governments have it in their power to control these organizations, and to force them to halt the terrorism.

The Arab States, particularly Egypt, are now indicating a desire for better relations with the United States. We share that hope. They ask us to adopt an impartial attitude toward the situation in the Middle East, and to give Arab claims a fair hearing. I favor these positions. I think it is a matter of justice and of good policy that we should work for good relations with all the nations of this part of the world. And we should be unprejudiced in our examination of the claims of all parties.

But as a precondition to this attitude on our part, I think we should demand of the Arab governments that they condemn and act to end the terrorism, particularly the air piracy perpetrated by the Palestinians. As I said, I firmly believe that these governments have it in their power to do this. We should formally demand that all Arab States adhere to the Hague and Montreal Conventions, and carry out the terms of those conventions by prosecuting or extraditing pirates, and ask for UN support in that position. This would be a strong coercive measure, but with more than 30 coffins containing innocent victims of terrorism now awaiting burial, can we do less? I do not think so.

As I mentioned, some of the Arab States, particularly Lebanon and Jordan, have been leaders in the worldwide fight against air terrorism. Others, such as Egypt, have been moving in the right directon. Let Algeria, Lybia, Syria, Kuwait, and the others who have not adhered to the piracy conventions follow the lead of their neighbors. And let all the nations of the Middle East act effectively against those within their borders who practice, support, espouse, or have foreknowledge of these horrible, murderous activities. Then the Arabs will have put the rest of the world on notice that they are responsible people, deserving of serious and respectful attention. And the innocent victims at Rome and Athens will not have died in vain.

Mr. President, I ask that an editorial from the New York Times of December 18 on this subject be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Arab Terrorists

The fanaticism that has perverted the Palestinian Arab cause for so long has once again taken a bloody, mindless toll in innocent human life. No civilized person or government can stand aloof from the tragedies perpetrated in Rome and Athens yesterday; no political cause can justify the murderous acts.

Yesterday's terrorism follows an all-too-familiar pattern: whenever responsible Arab leaders show some sign of readiness to try for a political settlement with Israel, the Palestinian extremists commit one of their outrages. Their obvious motive is so to arouse passions that no political compromise can be carried through. Neither Arabs nor Israelis must allow themselves to be diverted from the path of accommodation by the action of these gunmen.

But the Arab governments cannot escape all responsibility for the spirit of terrorism, however much they may deplore individual outbursts or claim that individual terrorists are beyond the control of government authority. It is the Arab governments that cynically used the Palestinian grievance to further their own political ends over the years; it is the Arab leaders who have shortsightedly nurtured the Palestinian guerrilla organizations into a political and military force which is now acting against Arab interests as well as against Israel.

Even at this moment the Government of Syria is carrying through an official policy of treating human beings as pawns, in its refusal to exchange prisoners of war with Israel. This inhumane cynicism is just as reprehensible—and breeds just as much suspicion and hostility—as the overt violence of the terrorists.

The terrorists now stalking the airlanes represent no one but themselves. But the Arab world as a whole and a number of other countries are now on test: Will Japan and the European governments, whose obvious need for oil has led them to "tilt" toward the Arabs, muffle their outrage for fear of risking further economic sanctions? Will the oil-rich Arab states dare to invoke their oil weapon against countries which condemn terrorism? Most important, will Syria and the other Arab states on Israel's frontiers recognize their obligations now to make specific gestures of peaceful intent toward Israel, in light of the barbaric acts of yesterday?

Arab leaders protest their readiness for coexistence and settlement. These noble sentiments require confirmation in deeds as well as words.

SOUTHEAST ASIA

Mr. PELL. Mr. President, in a year that has seen little good news, and a surfeit of tragedy, scandal, economic problems, and shortages, there is at least one development for which all Americans are grateful: American men are no longer engaged in combat or bombing in Southeast Asia.

The termination of direct U.S. military involvement in Vietnam has brought to a close a turbulent and agonizing era in our national life. Never before in our history had the American people been so deeply, and indeed bitterly, divided over our participation in a war.

For the United States that war is now over, but much remains to be done to repair the damage it caused to our country, and to individual Americans.

For that reason, the distinguished junior Senator from Ohio (Mr. TAFT) and I are today introducing legislation that would end the war for thousands of Americans who are in hiding in this country, or are living outside of their homeland because their consciences would not permit them to serve in the military forces in Vietnam.

Many Americans faced difficult personal choices as a result of the war in Vietnam. No choice was more difficult than the choice that confronted thousands of young Americans who were called to serve in the Armed Forces in a war whose wisdom, morality, and legality was being questioned and challenged. For those young men who believed the war was right, there was no internal conflict between conscience and duty to country. They served bravely, and they have the respect and admiration they so richly deserve.

Other young men served, but with troubled consciences, or nagging doubts.

And other young men believed so strongly that the war in Vietnam was morally wrong that they decided service to their country in a wrong cause would be a disservice both to their country and to themselves. Some of these young men went to jail. Others left their homes, their parents, their jobs, and their country. There are those who charge that those who refused to serve were motivated by cowardice. There may be some such cases, but I believe, in the agonizing national atmosphere generated by the war, that their actions were not the result of a lack of courage, but of the dictates of conscience.

Mr. President, the legislation Senator TAFT and I have introduced today would not grant a blanket pardon to all those young Americans accused of refusing military service during the war. The bill would, however, provide a way for them to come out of hiding, and to return to their country, if they agree to serve their country in a manner in keeping with their conscientious convictions.

Under this bill, persons accused of violation of the Selective Service Act would be granted immunity from prosecution if they agreed to serve 2 years in the armed services of the United States or in alternate, comparable public service.

The act would not apply to deserters from military service. They are, I believe, in a different category, having willingly accepted an obligation to serve in the armed services and sworn an oath to do so.

Mr. President, our country has nothing to gain in continuing the anguish of young Americans alienated from their country by the tragic war in Vietnam. We gain nothing by forcing them, with the threat of jail, to remain in hiding or overseas, separated from their families and friends. On the other hand, our country has nothing to lose in permitting these young Americans to return to our national life, with a requirement that they dedicate 2 years of their lives to serving their country.

The American people are a generous and forgiving people. We do not bear grudges, and we do not seek retribution or vengeance. We do, however, seek equal justice under the law.

Only a few months ago, a Vice President of the United States admitted that he had cheated on his income taxes, at a time when those tax dollars were needed to support the war in Vietnam. There was no contention that that act of tax evasion was an act of conscience, but the former Vice President remains today a free man.

Are we to apply a different standard to young men who, from conscience, refused to commit their bodies and minds to a war, while permitting a form of amnesty to men who evaded a commitment of their tax dollars? I would hope not.

Mr. President, this is a humane bill. It does not seek to open the wounds inflicted on our Nation by the long and divisive war in Vietnam. It seeks rather to heal those wounds, with tempered justice.

I hope therefore that the bill will be given early and earnest consideration. In some way, at some time, we must resolve the question of our policy toward these young Americans, alienated from their country. The interests of the country, and of these young men are best served by acting now.

RHODESIAN CHROME

Mr. BUCKLEY. Mr. President, 2 years ago, it was my privilege to cast the deciding vote in favor of the Byrd amendment that enacted into law the simple, commonsense proposition that the President may not prohibit or regulate the importation of any strategic or critical material from a non-Communist nation so long as the importation of such materials from Communist nations is not prohibited. When that amendment was enacted into law, the United States was freed of its 5-year dependency on the Soviet Union for its supplies of metallurgical-grade chrome ore, as only Rhodesia and the Soviet Union are significant exporters of this critical metal.

Those who supported the Byrd amendment in 1971 did so on two principal grounds: First of all, the embargo on Rhodesian chrome provided the Russians with a monopoly that they would not be timid about exploiting for commercial profit. In fact during the 5-year period of the embargo—1966–71—Soviet ore selling on the international market rose from $25 per ton to $72 per ton. Secondly, the proponents of the amendment argued that we could not prudently be dependent on a potential adversary for so critically important a strategic material.

What astonishes me is that a majority of this body has repudiated the eminently sensible and responsible action taken just 2 years ago.

I say astonishing because in the last 2 months we have been forced to face the consequences of a monopolistic control of essential resources in the hands of foreign governments, and the dangers of reliance on foreign resources that can be withheld for political reasons. Since the Arab oil embargo was announced 2 months ago, the price of international shipments of crude oil have more than trebled, and we are being forced to make dramatic adjustments in every aspect of our life to accommodate a 15-percent cutback in our total supplies of oil and petroleum products.

Two years ago it was possible to argue that we had adequate stockpiled chrome ore to tide us over any temporary embargoes by the Soviet Union. Today, with the benefit of hindsight, we have a far clearer understanding of the need for continuing importations of chrome in order to expand our production of basic and specialty steels. The fact is that we now have on hand in our stockpile less than a 1-year supply of chrome ore.

Two years ago, critics of the Byrd amendment warned us that America would lose caste in the chanceries of the world if we broke rank with a U.N. resolution. Again with the benefit of hindsight, it is clear that the adoption of the Byrd amendment has had no adverse impact on U.S. foreign relations save for the beneficial one of persuading the Soviets that the United States would not allow itself to be made vulnerable to Soviet economic warfare by a U.N. resolution.

Mr. President, I just hope that our colleagues in the House of Representatives will have the time over the Christmas recess to reflect on current world realities, to reflect on the role of the Soviet Union in encouraging the Arab oil embargo, and then come to the conclusion that the only responsible action the House can take is to allow the bill the Senate has just adopted to gather dust in a congressional pigeonhole.

WHO OWNS TWO-THIRDS OF EARTH?

Mr. METCALF. Mr. President, in the issue of Monday, December 17, the Wall Street Journal's lead editorial reviewed progress, or lack of it, toward international agreement on the question: Who owns two-thirds of earth?

I ask unanimous consent to have printed in the Record the editorial from the Wall Street Journal.

There being no objection, it was ordered to be printed as follows:

[From the Wall Street Journal, Dec. 17, 1973]

LAW OF THE SEA: ENOUGH'S ENOUGH

The UN's Law of the Sea Conference ended Friday with delegates from 148 nations only really able to agree on one thing. They'll all get together for 10 weeks in Caracas next summer. After all, if they couldn't do that much the individual delegates would all be out of jobs. And since that seems to be the only common ground, there's always Vienna in 1975.

It's just as well. The U.S. presented its draft treaty three years ago, and we would have been alarmed if at any point the developing nations had rushed to sign it. U.S. policy on Law of the Sea doesn't really serve U.S. interests, and it has always been a comfort to suspect that these negotiations have been doomed to failure from the start.

The conference grew out of a couple of concerns. One, that if more and more coastal nations extended their territorial limits 200 miles into the sea the freedom of the seas would be threatened. Second, that unless there is some kind of global accord to deal with the exploitation of the ocean resources, nations would be going to war over who gets what. There may be more than 100 billion barrels of oil below the outer continental margins of the world's coastal areas and there is almost an unlimited supply of manganese nodules, rich in nickel and copper as well, heaped on the deep ocean bed.

The draft treaty President Nixon put forward in 1970 in no way attempted to maximize U.S. interests. Rather, it evolved out of struggles within the government, with the loudest, best-positioned voices at the Defense and State Departments winning out. Defense is really only concerned with securing the right of the Navy to go anywhere it now can go. State's chief interest, as usual, is in securing that illusive perfect treaty, a document that will bring happiness and peace to mankind. No one worried about U.S. access to resources.

As a result, the U.S. position emphasizes freedom of passage and a global sharing of ocean resources. From a depth of 200 meters out to the end of the continental margin, the coastal state would have supervisory control over the ocean's resources, but would share the revenues derived with the rest of the world. The deep ocean bed and all those nodules would be controlled by an international regime that would decide who is allowed to mine and where they can mine, dividing the wealth through an international revenue-sharing mechanism.

The State Department may have believed this would look like a bonanza to the developing nations, who through sheer numbers have dominated the Law of the Sea parleys. But these countries naturally looked at the U.S. draft treaty as an opening gambit of the world's chief "economic imperialist." As might be expected, their counterproposals would make it economically impossible to exploit the ocean resources, which is what many of them have in mind.

It is an empty exercise. The U.S. Senate would never ratify the U.S. draft treaty, let alone the bizarre schemes kicking around the Law of the Sea Conference. So far as we can tell, the governments of Western Europe, Japan and the Soviet Union have been going along with these negotiations simply to humor the United States and the passionately serious developing nations.

The only nation that is paying any serious penalty for dragging out the conference is the United States. Its companies have the capital and technology to exploit the resources, but hesitate to do so when in a few years some unknown international authority could theoretically wipe them out with taxes and regulations. The Interior Department won't issue oil and gas leases beyond 200 meters, for example, without making them conditional on terms of some future agreement. Nor will most U.S. companies go after those nodules with the political risk, though Howard Hughes is doing so on the sound assumption that the Law of the Sea Conference will either break down or go on forever, from spa to shining spa.

Enough is enough. For the sake of form, the United States may as well send its negotiators to Venezuela and Vienna. though there is much to recommend a clean break. But the important thing is that the U.S. government should free the petroleum and mining industries of any caveats linked to some future treaty, and let them go to work adding to the world's store of available resources.

Will this mean the U.S. Navy will be boxed in? No. Any coastal state that desires to maintain commerce with the rest of the world will have to maintain reasonable rules of passage. Will it mean countries will go to war over who gets those nodules, oil or fish? No more than they do now, or less than they would if some world authority came into being. When was the last time the United Nations settled such a scrap?

Mr. METCALF. Mr. President, I have read into the Congressional Record an editorial from the Wall Street Journal.

Headlined: "Law of the Sea: Enough's Enough," the editorial said that, while the United States may as well send our negotiators to the forthcoming Law of the Sea Conference our Government should also "free the petroleum and mining industries of any caveats linked to some future treaty and let them go to work adding to the world's store of available resources."

The editorial prompted a response from Ambassador John R. Stevenson, special representative of the President for the Law of the Sea Conference.

I ask unanimous consent that Ambassador Stevenson's reply appear in the Record following my remarks—which include my statement that I am with him when he says:

> U.S. policy is predicated on completion of the conference's work on schedule—preferably next summer but in any event by 1975 at the latest.

There being no objection, the letter to the editor was ordered to be printed in the Record, as follows:

LETTERS: AMBASSADOR ON SEA-LAW TALKS

Editor, The Wall Street Journal:

Your editorial "Law of the Sea: Enough's Enough" (Dec. 17) on the first session of the Law of the Sea Conference reveals a fundamental misconception of present U.S. policy, and misjudges the prospects for an international agreement serving U.S. interests. It also, in my opinion, is premised on a serious miscalculation of what the oceans would be like if an agreement is not reached.

You assert that no one in the U.S. government has worried about U.S. access to ocean resources. Yet the fact is that such access is a fundamental objective of U.S. policy.

That policy, as articulated in draft treaty articles tabled last summer would give coastal states such as the United States full resource jurisdiction over the petroleum and natural gas of the continental margin. With respect to the precise outer limit of coastal state jurisdiction, there was broad support among the countries participating in the preparatory work for 200 miles, or 200 miles on the outer edge of the continental margin, whichever is further seaward.

During the interim period until agreement has been reached, it will not be the policy of the Department of Interior to condition leasing on the outer continental shelf on the terms of a future agreement. In November the Federal Register published the department's opinion that no changes in current lease forms would be required to insure compliance by the United States with any treaty resulting from the present negotiations.

U.S. proposals also provide for coastal state control and preferential fishing rights for species of fish inhabiting coastal waters or spawning in coastal rivers. (Foreign fishermen would be given access on reasonable terms to the extent the coastal state does not have the capacity to catch up to what conservation limits permit.) Fishing for highly migratory ocean species such as tuna would be governed by agreed international agreement.

With regard to nickel and copper from deep-ocean manganese nodules, U.S. proposals provide for licensing that will be nondiscretionary, or a first-come, first served, exclusive-right basis; among qualified ocean miners certified as technically and financially competent by a sponsoring country, and with appropriate measures to prevent staking out vast areas without working them. This is a far cry from an international organization that would have discretionary authority to decide who is allowed to mine and where they can mine. Moreover, U.S. representatives have consistently and strongly opposed giving an international authority the effective power to restrict access through imposing price or production controls.

These are hardly the policies or proposals of a government unconcerned with protecting its resource interests in the oceans. However, it is U.S. policy to achieve its resource objectives, not by unilateral action, but rather by a generally accepted international agreement. Such an agreement would protest other important United States interests that might be sacrificed by a unilateral approach. Thus, for example, it would also provide for free transit through international straits and, in the area of coastal state resource jurisdiction, for freedom of navigation, protection of the ocean environment and the right to conduct scientific research.

Nor is the avoidance of conflict through building more effective international law and institutions merely an international lawyer's idealism. Nations have gone to war over transit through international straits. Fisheries disputes have poisoned normally friendly relations with our neighbors to the South, and the recent "cod war" between Iceland and the United Kingdom has been a matter of serious concern not only to those countries but also to their friends and allies.

In attempting to achieve all of these objectives, the U.S. has sought a treaty giving coastal states broad resource management jurisdiction in a broad area beyond the territorial sea, but which would also provide express protection for other uses of the area and the marine environment. Disputes would be settled through agreed compulsory procedures. Revenue sharing with the international community in respect of non-renewable resources has also been supported by the United States, not alone for reasons of equitable sharing with geographically disadvantaged areas, but also as a practical means of achieving general agreement.

In the deep seabed, similarly, the U.S. has proposed treaty articles providing for resource development while protecting other uses and the marine environment, with disputes settled by compulsory process. While on the one hand providing for sharing of benefits with the international community, these articles would also give deep-sea miners the security of tenure and protection from interference that they could not achieve in reliance on the freedom of the seas right to exploit.

Finally, a word as to your skepticism regarding the prospects of securing a treaty that "will bring happiness and peace to mankind" or settle a "scrap" over navigational rights or resources. No one who has been personally involved in negotiating with some 150 sovereign nations to achieve a comprehensive multilateral treaty affecting hard political, economic, military and other national interests could minimize the inherent difficulties. However, by the same token we should not minimize the threat that failure to reach agreement poses not only for our nonresource interests but for certain resource interests, such as the ocean transportation of petroleum and hard minerals.

The choice is not between U.S. freedom to exploit on the one hand and a give-away on the other, but between an agreed international solution protecting our interests and the partition of a large part of the oceans by coastal states with no agreed rules for the area beyond. There is at the very least a common general interest in minimum rules of order which can, as the International Civil Aviation Organization has done in the skies, provide ground rules under which competition can be carried on without disastrous conflict from which no one will emerge the winner.

To be sure, a successful negotiation must be a two-way street. As you quite properly point out, the developing countries are by their sheer weight of numbers in a position to dominate the conference. But the object of the negotiation is not the adoption by the conference of a treaty text by the developing countries over the opposition of the maritime and developed countries, but rather a generally acceptable treaty that can be ratified by most states, including the principal maritime and developed countries.

Fortunately, the responsible developing country leaders of the conference—including the highly qualified representatives of Sri Lanka, the Cameroons and Venezuela, elected by the just-ended organizational session as chairman of the conference and chairman of two main committees—are well aware of this fundamental limitation on majority rule. If they will work for reasonable accommodation of developed and maritime country interests and avoid a self-defeating tyranny of the majority, our hard interests no less than "a decent respect for the opinions of mankind" require that we, for our part, make a maximum effort to achieve a generally acceptable negotiated solution.

As to the risk of protracted delay in the negotiations, U.S. representatives have made it abundantly clear that U.S. policy is predicated on completion of the conference's work on schedule—preferably next summer but in any event by 1975 at the latest.

AMBASSADOR JOHN R. STEVENSON,
Special Representative of the President for the Law of the Sea Conference.

TRANSIT PLANTING

Mr. BAKER. Mr. President, it is my privilege to serve as a member of the board of directors of the American Horticultural Society, the national organization founded in 1922 to promote and expand interest in the horticultural sciences.

The society, through the expertise of its national membership of 25,000 horticulturists, gardeners, gardening groups and plant societies, and its unique computerized plant records center, is making a dedicated and outstanding effort to improve the urban environment.

Recently, under the guidance of President David Leach, the society completed and published a 64-page manual illustrating how urban transportation facilities can be improved—functionally and esthetically—using plant materials. The manual, "Transit Planting," was prepared under a grant from the Urban Mass Transportation Administration and represents over a year of preparation by horticultural experts in every area of the country who selected plants that are most tolerant of the difficult growing conditions found in American cities.

Although the publication is aimed primarily at transit officials, urban designers, and transportation planners, it will also serve as a highly useful tool for interested gardeners nationwide who will be able to use the listings of plant materials to select those that will grow best in their immediate area.

Transit Planting suggests that "greening up" transit facilities would improve the quality of life for all city dwellers. Since not all plants can survive the tough conditions found in most cities, however, the American Horticultural Society experts have carefully selected only trees, shrubs and ground covers with proven durability in urban settings and low-cost maintenance qualities. The booklet lists 200 plant choices and provides information on the size, coloring, growth and maintenance characteristics of each. In addition, the publication advises which of this broad selection is best suited to each of 10 hardiness or temperature zones in the United States and Canada. The manual also features three prototype planting diagrams and plans for a bus-stop site, a suburban terminal and a downtown station.

Transit Planting, which is available from the American Horticultural Society at Mount Vernon, Va., will also be helpful to urban citizen groups aiming to promote the horticultural development of their public areas. Working with transit planners, these groups can use the manual to set up trial plantings to determine the viability of the plant materials under assorted urban conditions.

I highly recommend this useful and informative booklet to urban specialists, transportation planners, citizens groups and gardeners throughout the country, and I am convinced that this "one of a kind" publication will have a lasting impact on the urban environment to the benefit of millions of city-dwellers in the United States.

OWING YOUR SOUL TO THE COMPANY STORE

Mr. METCALF. Mr. President, so much attention has understandably been focused recently on how corporations influence national politics, but very little attention has ever been paid to how corporations affect those local communities in which they reside. To many a corporation is just an abstraction without real impact on their lives, other than perhaps the products that they buy in the marketplace. But giant corporations can shape and dominate the habits of locales, as Ralph Nader and Mark Green have pointed out in an enlightening article in the November 29 issue of the New York Review of Books. I ask unanimous consent to have the article printed in the RECORD, and hope that economists, lawyers, and political scientists follow up their analysis with close and scholarly examinations of the ways that we are "in the corporate pocket."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OWING YOUR SOUL TO THE COMPANY STORE

(By Ralph Nader and Mark Green)

Economists, preoccupied with theories of the corporation and the national economy, rarely ask what happens when a corporation monopolizes not only a product but the local work force, when a town is obliged to "consume" a company's pollution, when one business controls a city by political intimidation. While such questions are largely ignored, local families and local owners increasingly become appendages of the absentee-owners, usually of national and multinational conglomerates. "He who was a leader in the village becomes dependent on outsiders for his action and policy," Justice William O. Douglas said of this condition. "Clerks responsible to a superior in a distant place take the place of resident proprietors beholden to no one."[1]

Large local corporations utterly dominate many towns simply by using their economic and political power, as Anaconda and Montana Power control the state of Montana, as seven paper companies own more than a third of Maine, and as hundreds of smaller corporations continue to control the company towns created by the expansion of new industries at the turn of the century. In mining, lumber, and textile regions, we still find many unhealthy, hazardous, grim and grimy company towns where citizens depend on one firm for their work, their homes, and often their daily shopping. "Saint Peter don't you call me 'cause I can't go, I owe my soul to the company store."

POLITICAL DOMINATION

Pullman, Illinois, was built in the 1880s as a model town by George M. Pullman of the Pullman Palace Car Company. He invested $8 million in apartment buildings, parks, playgrounds, churches, theaters, arcades, casinos; the town won awards for its designs at international expositions. But Pullman in fact was tense with fear and suspicion, as company spies probed for tips on "union infiltration" or "dangerous" and "disloyal" employees. When the 1893 depression came, the company laid off workers, cut wages 25 percent, but did not reduce rents. After investigating Pullman in the 1930s, the economist Richard T. Ely concluded that "the idea of Pullman is un-American. It is a benevolent, well-wishing feudalism, which desires the happiness of the people but in such a way as shall please the authorities."

Economists today apparently assume that towns like Pullman have largely disappeared. In fact some five million Americans now live in company towns—paper pulp towns in Maine, mining towns in the West, textile and papermill towns in the South. We frequently hear how one crop economies in poor countries can lead to political authoritarianism and economic instability, but American analysts often fail to comprehend that similar things can happen in parts of their own country.

Footnotes at end of article.

Consider the town of Saint Marys, Georgia, nearly all of whose 1,800 wage earners are employed by the Gilman Paper Company and its business allies. Gilman interests control the city council, the town's only real estate company, bank, and insurance firm, as well as all its lawyers. A populist insurgent, Dr. Carl Drury, recently challenged and defeated a Gilman-backed candidate in a countywide election for state representative, An assistant personnel manager at the Gilman mill reported that his boss "told me to go down to the bag plant, spend all the time and money I needed, and fine out who was going to vote for Drury. All of the Drury supporters would be terminated." The personnel manager refused, and was told, "Either you get that damned list or that's it." He quit. "It would have been suicide to stay after that," he said. Another mill worker, however, wouldn't anger his employer. "I have a wife, three children, and a mortgage. I am not going to jeopardize them just to give the mill a kick in the ass. The mill knows it and I know it." After the election some people were fired or suffered business losses because they supported Drury.

Corporate domination, moreover, can occur in entire states as well. Everyone knows that DuPont is powerful in Delaware but few realize how powerful. The firm employs 11 percent of the state work force and manufactures 20 percent of the state's gross product.[2] The DuPont family controls the DuPont company through the DuPonts on the board of directors and through the family's holding company, the Christiana Securities corporation, which also owns the company that publishes the state's two biggest newspapers, the *Morning News* and the *Evening Journal*.

In Wilmington you find DuPont everywhere, not just in the DuPont Building, the company's huge office complex. The Playhouse, Wilmington's only legitimate theater, is owned by DuPont, and the Wilmington Trust Company, Delaware's largest bank, is controlled by it. The recent county executive was a former DuPont lawyer, the father of Wilmington's past mayor was a prominent DuPont executive. The state's one congressman is Pierre S. du Pont IV; its attorney general is married to a DuPont and is the son of a DuPont executive; the recent governor, Russell Peterson, was a former DuPont research director. People connected with the firm or the family comprise a fourth of the state legislature, a third of its committee heads, the president pro tempore of the Senate, and the majority leader of the Delaware House.

One result is that the state legislature has failed to reform the tax system, which favors the DuPont firm and family by virtue of its extremely low property tax assessments and the lack of any tax on personal property owned either by individuals or business. In fact, a 1970 state law abolished one of the few progressive features of the Delaware tax system—the treatment of capital gains as ordinary taxable income. When Wilmington Medical Center, controlled by the DuPonts, recently wanted to move, the family made sure that a new center was built in the rich suburbs, not in Wilmington proper where poor people badly needed additional medical services. Five of the seven members of the county council, who helped make the site available, were either DuPont employees or members of the family.

CIVIC WELFARE

As a result of the wave of conglomerate mergers in the late 1960s, many local enterprises have become branch offices of financial centers in places like New York City and Chicago. The acquiring corporation has national if not international interests, producing or selling goods in Birmingham, Alabama, or Providence, Rhode Island, but not wanting to become enmeshed in such places.[3] For most of the branch managers who run the plants, the town is a temporary station on the way to success in New York or Los Angeles. "IBM is famous for never allowing anyone to take up roots . . . they're constantly moving people around the country," says New York Congressman Hamilton Fish, who has IBM facilities in his district.

The sociologist Robert Schulze, in a study of the managers of a big corporation, found that "their community roots were the most shallow if indeed it could be said that they had any community roots at all. The data led us to suspect that perhaps Cibola . . . was of no great importance to their lives."[4] Or as one corporate official told his local manager in Worcester, Massachusetts, "We couldn't care less what happens in Worcester." This indifference can have an effect on the life of the town, which often looks to the larger local firms to aid in local development. Their lack of interest can amount to a veto of new schools, housing, libraries, parks, hospitals.

When absentee-run firms do take part in civic affairs, they often mount rearguard actions to protect their own economic interests, threatening to leave the town or city, exercising a veto over proposals they dislike. Or they support local puppets who act in their behalf to keep down taxes—a kind of local imperialism which both paralyzes the civic will and engenders a hostility not unlike that which Chile must have felt toward ITT.

An early study documenting this pattern was conducted for a congressional committee in 1946 by Professor C. Wright Mills.[5] Noting that by 1944 2 percent of all manufacturing concerns had employed 60 percent of our industrial workers, Mills asked, "How does this concentration of economic power affect the general welfare of our cities and their inhabitants?" To find the answer he studied three pairs of cities. In each pair was a "big-business city," where a few big absentee-owned firms provided most of the industrial employment, and a "small-business city," where many smaller, locally-owned firms comprised the community's economic life. Here are some of his conclusions:

"Big-business cities" witnessed sudden and explosive jumps in population, leading to real estate booms, speculation and unplanned suburban sprawl radiating around center city slums; the operating cost of municipal services was quite high. Growth in the "small-business cities" was more evolutionary and planned. Homes were better built, the city was better laid out, and municipal costs were lower.

A quarter of those employed in the "small-business city" were proprietors or officials of corporations; only 3 percent were self-employed in the "big-business city." Plant shutdowns in bad times were obviously more catastrophic in a big-business city, since the local economy was so much more dependent on a few major firms.

Income was more equitably distributed in "small-business cities," as an average of more than twice as many people earned over $10,000. Thus, while the "independent middle class thrives" in the small-business cities, it does not in the big.

From this evidence, as well as his study of such factors as death rates, the number of libraries, museums, recreational facilities and parks, per capita expenditures for schools and teachers, and frequency of homeownership, Mills concluded that "big business tends to depress while small business tends to raise the level of civic welfare." Since Mills' research there has been no comparable study of the relation between big business and urban life, while absentee ownership and the amount of aggregate economic concentration have increased along with the decay of American cities. In view of this, as well as the vast sums spent on the study of "urban affairs" in the universities, it is dismaying that Mills' work on the local effects of corporate power has not been continued.

INDUSTRIAL POLLUTION

There is little incentive to stop polluting when you control the local authorities who supposedly monitor you. Savannah, Georgia, and its mighty Savannah River, for example, have become garbage dumps for local industry. American Cyanamid, which produces among other materials the pigment to write the m's on M&M's, pours six million gallons of waste water into the Savannah every day, including over 600,000 pounds of sulphuric acid. The Union Camp Corporation, producing paper bags, dumps 37 million gallons of waste water daily. Union Camp has so fouled the air with its kraft pulp emulsions, according to two scientists at a local pollution conference, that the long-range community effects include:

1. the town is a much less desirable place to live in;
2. it offers less attraction to other new industries and commercial enterprises;
3. property values and rentals in summertime areas have declined;
4. reduced visibility causes hazards and inconvenience to travelers.

Union Camp's response to such criticism shows the arrogance of a corporation that knows that it is in political control. The firm refused to divulge the extent of air pollution it emits per day. The state's Air Quality Control Board is responsible for obtaining just this type of information, but is discouraged from doing so by Union Camp. In fact, Georgia's air pollution law itself was drafted by Glen Kimble, the firm's director of air and water pollution, who proposed it on "behalf of all Georgia industry."

When John Lientz, Union Camp manager, was asked about the likelihood that heavy industrial pumping might dry up the Savannah area's underground water supplies, he answered, "I don't know. I won't be here." A study of Savannah, directed by James Fallows and sponsored by the Center for Study of Responsive Law,[6] asked a Union Camp executive vice president whether there were *any* limitations on their use of ground water. "I had my lawyers in Virginia research that," he said, "and they told us that we could suck the state of Virginia out through a hole in the ground, and there was nothing anyone could do about it."

Essentially, the city is hostage to the corporation. Union Camp came to Savannah during the depression in 1935, for which the firm has obtained *quid pro quos* ever since (e.g., Savannah agreed in 1935 to pay part of Union Camp's legal expenses for pollution cases). The city is being slowly poisoned by its corporate benefactor, while new industry hesitates to enter Union Camp's satrapy since the environment is already polluted, the water supply dwindling, and the local labor market pre-empted. Yet Savannah is still intimidated by threats that Union Camp will move to another city if local restrictions become too severe. But Savannah, of course, cannot run away from Union Camp.

Another example of the corporate "donor" poisoning its municipal donee is the Johns-Manville plant in Manville, New Jersey. The plant employs 40 percent of Manville's employees; its payroll accounts for 60 percent of the town's total income. It pays more than half the taxes and has made gifts to hospitals, schools, and recreational facilities. But as Philip Greer wrote in the *Washington Post*, "People are dying in Manville of diseases virtually unknown elsewhere" and at rates several times the national norms. They are dying, medical experts agree, because they

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Footnotes at end of article.

work in the biggest asbestos processing plant in the world. Johns-Manville claims it is doing all it can to reduce the dust levels which lead to disease. Any more costly improvements, the firm warns critics, could lead to plant shutdowns instead.

There are less obvious cases of such Faustian situations, where a town depends on a firm to revive its economy only to find that unexpected side effects are ruining it. Orlando, Florida, was delighted a few years back when Walt Disney World announced it would build a vast amusement complex there. But today Orlando is glutted with people and cars; it has too few rooms for too many tourists, inflated real estate, high rises mushrooming everywhere, schools that are overcrowded, and garbage and sewage services that are inadequate. The new World Trade Center in New York not only invigorates Wall Street, but also intereferes with the television reception of thousands of New Yorkers, creates traffic jams, and pours tons of raw sewage into the Hudson. High rise construction in San Francisco is ruining the city's architectural standards and costing eleven dollars in services for every ten dollars the high rises contribute in taxes. Butte, Montana, created by Anaconda Company, is now literally being consumed by it since Anaconda is shoveling away more and more of the city in order to get at rich ore deposits.

LOCAL TAXES

Throughout the country powerful local corporations evade their fair share of local taxes. Before they settle in a town they demand, and often get, a subsidy in the form of preferential tax rates. As a previous article showed,[7] higher taxes for small businessmen and home-owners are the result. The extent of such privilege has recently been documented by Senator Muskie and his committee on intergovernmental relations. Some of the unsavory methods used to secure these privileges, including corruption and bribery, have been exposed by George Crile, a reporter who investigated the tax situation in Indiana.[8]

For example, corporate property taxes are often underassessed or they contrive to be classified in special low tax "zones," thereby imposing higher tax burdens on private citizens. In 1950, Union Camp slipped a law through the state legislature creating special "industrial zones"—i.e., permanent tax shelters which could never be annexed to the city of Savannah. As a result, Union Camp underpays Chatham County $3–4 million yearly, or a third of the county's $11 million budget. The firm's huge plant is assessed at some $90 million for local property tax purposes, while local experts estimate it should be assessed at $300–500 million. It now pays $1.4 million in property taxes; assessed at $300 million it would pay taxes of $5.1 million.

Similarly, in Chicago, US Steel has illegally escaped payment of millions of dollars of property taxes every year. A study by a respected citizens group there, Citizens Against Pollution (CAP), estimated that US Steel avoided $16.4 million in taxes in 1970; the combined undertaxation of three other steel companies amounted to $11 million more. Chicago's share of lost taxes alone could triple the city's budget for environmental control. Largely because of CAP's campaigns, US Steel's assessment of $45.7 million in 1970 rose to $84.5 million in 1971, still well below the estimated value of $195.2 million.

CORPORATE PHILANTHROPY

When criticized, corporations insist that they are charitable, and of course they are. In 1968–1969 they gave $255 million to higher education, or 15 percent voluntary support to schools. Total corporate gifts in 1968 totaled $912 million, or some 6 percent of all philanthropy in the country. These gifts, however, amount to only about 1 percent of pretax profits, well below both the Internal Revenue Code's permissible charitable deduction of 5 percent and the average individual taxpayer's contribution of 2.5 percent of adjusted gross income. Still, as the basic text on corporation law points out, "The concentration of a large proportion of the wealth of [the] community in the hands of business corporations has made corporate gifts essential if charities are to be privately financed."[9]

For example, in Delaware the DuPont family's thirty-six foundations have assets of more than $400 million and give away over $12 million a year. This is almost as much as the city of Wilmington and the county of New Castle each spent for local government functions. Clearly, there are benefits to the donors as well as to the towns from such contributions: gifts can reduce federal, state, and local estate taxes, thereby limiting public revenue; the donor may retain control over the spreading of their funds; the firm reaps invaluable publicity and can use its gifts to promote corporate policies.[10]

In fact corporate giving usually is done at a price, and the more dominant the firm, the more dependent the community. "Dependency on DuPont foundations takes two major forms." assert James Phelan and Robert Pozen, authors of *The Company State.*

Some private groups change their programs to suit the needs of a DuPont family member and some governmental bodies come to rely on foundations to perform public functions.

Private groups become supplicants, trying to get someone from the DuPonts on their board of directors, currying favor with foundations executives, fearing that programs will be axed if they become "controversial." Donations are made by small privileged groups subject to no standards or checks. Such philanthropic monopoly can discourage citizens from taking initiatives and limit the diversion of projects that might have otherwise existed.

At the same time communities can suffer when corporate donations they have come to rely on suddenly dry up, as is often the case when a local operation is acquired by an outsider. "Every time a company changes hands, we worry," says Robert F. Cahill, campaign director of the Golden Rule Fund of Worcester, Massachusetts. "Experience has taught us that it wouldn't be surprising if we were to suffer a sharp cut in the company's corporate gift, even if employee giving is not affected." A study of Rochester, New York, showed a drop in corporate contributions after mergers took place: "It was clear that these absentee-owned firms lagged behind the locally-owned firms in response to rising community needs."[11] Civic fund raisers throughout the country have by and large learned to expect less from chain supermarkets than from local supermarkets.

LOCAL INVESTMENT

Control of local banks by powerful corporate cliques can also frustrate community development. The small inventor, the maverick entrepreneur, the politically unpopular investor would all benefit from a greater diversity of sources for financing. But with centralized power comes fiscal conservatism, for dominant banks would rather take care of their big corporate clients than back risky ventures. Wilmington Trust, a DuPont-dominated bank, invests heavily in corporate and government bonds rather than in local loans. The value of these securities amounted to 60 percent of the loans outstanding for Wilmington Trust in 1969. By contrast the corresponding figure was 42 percent for the US Trust Company of New York, 23 percent for the Philadelphia National Bank, and 26 percent for the Girard Trust Company of Philadelphia.

Absentee-controlled firms have equally dismal effects on local investment. The Rochester study of mergers concluded that merged companies no longer banked as much locally; big city banks prospered at their expense. The Gulf & Western conglomerate insists that all the local firms it acquires transfer their banking business from local banks to the Chase Manhattan Bank in New York City. When Teledyne acquired the Monarch Rubber Company of Hartsville, Ohio, it insisted that the company's local deposits be shifted to the National City Bank of New York. "Banking practices," as David Leinsdorf wrote in *Citibank,* "operate like a regressive tax funneling the money of communities with declining economies to those with brighter economic prospects."

So communities can be harmed either when absentee-owned corporations ignore community interests *or* when local corporations dominate community affairs. Corporate domination of a community is bad whether it is exercised or not. If you sleep with an elephant, every thrash, grunt, or snore can be a disaster.

To say that giant corporations should not have such economic and social power is more a plea than a proposal. So long as corporations have this power, they must be forced to realize they also have special obligations and must not abuse it in order to exploit and to discourage self-rule. Even within the market system, it should not be impossible to have accountable corporate citizens; the issue is ultimately one of recognizing moral obligation.[12]

But towns need not continue to act as corporate supplicants. First, if victimized, they can sue. This is just what El Paso, Texas, did in 1972 when it joined with the Texas Air Quality Board to sue the American Smelting and Refining Company for its failure to meet air quality standards and its consequent lead poisoning of some El Paso residents. In May, 1972, ASARCO agreed to pay fines of $80,500 for eighty-eight specific pollution violations, to post $30,000 with the court for any future violations, to install $750,000 worth of additional emission control equipment, and—a remedy tailored to fit the offense—it also agreed to pay all the medical expenses for at least thirty months for 134 children being treated for lead poisoning.

Second, if antitrust enforcement were more vigorous against conglomerate mergers the extent of absentee-control over communities would decline. The Nixon Administration settled its anticonglomerate cases before the Supreme Court could set precedents on these mergers. Rather than wait for some future administration to take the plunge, new legislation should forbid any firm with over $250 million in assets from acquiring any other firm unless it spins off an equal amount of assets. This would arrest the trend toward increasing absentee-ownership, while permitting mergers for reasons of efficiency rather than for stock market manipulation or managerial empire-building.

Finally, if corporations are to act more responsibly, the community should be made more a part of the corporation, either by law or (less likely) by voluntary measures. But how? Citizen committees could be organized that would have a part in making policy in the local plants of the dominant firm. This, after all, is where many decisions are made affecting the local labor market, zoning laws, pollution levels, political structure, etc. Going further, a mechanism could be created to elect public directors for the firm's board of directors from among the local citizens' groups that have gained some power in the various plants of a nationwide conglomerate. But national public directors so elected will be impotent unless they have their own staff.

Or a two-tier system of shareholders could be created. Economic stock would be held from voting and investment purposes, looking toward the traditional rewards of stock appreciation of dividends; political stock would confer only voting rights and would be based on status, not wealth—the status of employees, community residents, and consumers who are clearly and immediately affected by a corporation but who lack any say over its action. How might this stock be apportioned among citizens and among communities? One formula would be a law requiring that whenever a firm accounts for x percent of a community's tax base, it must allow y percent of all its stock to be political stock, up to some ceiling of stock, say 10 percent.

These suggestions are merely starting points. To carry them out would require a degree of concern and local organization—a desire to claim power and an ability to get new laws enacted—that is far from evident today. But as such possibilities become real, they could suggest answers to one of the great questions facing the U.S. today: how can corporate power be checked without a parallel growth in bureaucratic government?

Solutions for community problems should best be sought in the community. For years corporate leaders have been saying that their firms serve many diverse constituencies—shareholders, consumers, workers, dealers, and citizens generally. In 1969, for example, Henry Ford II told a Harvard Business School audience that—

> "The terms of the contract between industry and society are changing. . . . Now we are being asked to serve a wider range of human values and to accept an obligation to members of the public with whom we have no commercial transactions."

For this sentiment to be more than mere rhetoric, the political process must convert this "contract" into workable laws, so that companies will be obliged to attend to their victims before they reward their investors.

FOOTNOTES

[1] *Standard Oil Company of California et. al* v. *United States*, 337 US 293, 319 (1948).

[2] For an elaboration of DuPont's control in Delaware, see P. Phelan and R. Pozen, *The Company State* (Grossman, 1973).

[3] Absentee-ownership flourishes in areas with weak unions, low-paying jobs, and lax environmental standards. For some states, this condition is becoming chronic. In Vermont nineteen of the twenty-two largest plants (by employees) are owned by outsiders; in New Hampshire, outsiders own sixteen of twenty. Fifty-five of the top ninety-nine firms in Maine are absentee-owned; and in seven southern West Virginia counties, twenty-eight big landowners own about one half of the land, with nineteen of the twenty-eight being out-of-state corporations. Nor is absentee ownership limited to domestic firms. American Association, Ltd. is a British multinational firm which owns 65,000 acres of land in eastern Tennessee. Insulated by distance and indifferent to adverse national publicity, it is even less accountable to the region it exploits.

[4] Schulze, "The Bifurcation of Power in a Satellite City," in M. Janowitz, ed., *Community Political Systems* (Free Press, 1961). One study asked community leaders in three cities whether they thought branch managers were more or less interested in the community than were local businessmen; 95 percent, 79 percent, and 57 percent, respectively, said "less." Cited in K. David and R. L. Blomstrom, *Business, Society and Environment: Social Power and Social Response* (McGraw-Hill, 1971).

[5] *Small Business and Civic Welfare*, Report of the Smaller War Plants Corporation to the Special Committee to Study Problems of American Small Business US Senate, 79th Congress, 2nd Session, Doc. No. 135 (1946). See also a study that same year finding similar correlations between large scale corporate farming and farming communities, *Small Business and the Community—a Study in Central Valley of California on Effects of Scale of Farm Operations*, Report of the Special Committee to Study Problems of American Small Business, US Senate, 79th Congress, 2nd Session, Comm. Print No. 13 (1946).

[6] For a moving account of Union Camp in Savannah, see J. Fallows, *The Water Lords* (Bantam, 1971).

[7] Ralph Nader, "A Citizen's Guide to the Economy," *New York Review*, September 2, 1971.

[8] *On the Impact and Administration of the Property Tax*, hearings before the Senate Subcommittee on Intergovernmental Relations of the Committee on Government Operations, 92nd Congress, 2nd Session (May 4, 9, June 26, August 22, 1972). George Crile, "A Tax Assessor Has Many Friends," *Harpar's*, November 1972.

[9] R. Baker and W. Cary, *Cases and Materials on Corporations* (3rd. ed., 1959).

[10] In 1967 the Michigan Bell Telephone Company announced that it would "adopt" a local high school, "enriching" it by its investment of equipment and instructors. Why this contribution? William M. Day, the firm's president, said it would "help prepare the [potential] shareholders for the business world. We think we can make a real difference in pupil attitudes." *Caveat receptor.*

[11] "Report of a Committee of the Rochester Chamber of Commerce on the Out of Town Acquisition of Rochester Companies," 1959, cited in E. Kefauver and I. Till, *In a Few Hands: Monopoly in America* (1965). Corporate contributions are not all that is lost due to a merger. A study of 1963–1967 acquisitions of local Wisconsin firms by outside interests found that the premerger growth rate of the acquired firms was 6.02 percent while the postmerger growth rate was 0.48 percent; employee payrolls premerger had increased 15.6 percent but only 2.1 percent in a comparable period postmerger. And many of the acquired firms shifted away from local lawyers and accountants and toward the services of the parent firm. J. G. Udell, *Social and Economic Consequences of the Merger Movement in Wisconsin* (University of Wisconsin, 1969).

[12] Even some judicial decisions are coming to recognize that certain corporations have obligations beyond maximizing profits. In *Herald Co.* v. *The Denver Post*, handed down by the Tenth Circuit Court of Appeals on December 29, 1972, the court permitted what was in effect a subsidy to the Denver *Post's* employees stock ownership plan because the firm had an obligation to its employees as well as to its shareholders. Rowen, "Court Case Says Corporate Duties Go Beyond Profit," *Washington Post*, April 8, 1973.

MOBILE HOME CONSTRUCTION AND SAFETY STANDARDS ACT

Mr. BROCK. Mr. President, I wish to commend the chairman, Mr. SPARKMAN, and the members of the Committee on Banking, Housing and Urban Affairs for taking favorable action last week on the National Mobile Home Construction and Safety Standards Act of 1973.

The need for national safety standards for mobile homes was again brought home to me last month when tornados struck northern Mississippi and west Tennessee. Reports I have received from the Tennessee Department of Civil Defense indicate that when a tornado struck Fayette County, Tenn., although it remained approximately 50 to 75 feet above ground level, it took with it mobile homes that were not secured with proper tiedowns. During the same period a tornado struck two heavily populated mobile home parks in north Mississippi. The National Weather Service office in Memphis reported that mobile homes which were properly secured with over-the-top tiedowns were not damaged or suffered light damage, while those mobile homes not properly secured were heavily damaged or destroyed.

Although over-the-top tiedowns will not eliminate completely the danger of mobile homes being destroyed during a tornado, they will certainly minimize the damage incurred by straight winds and fringe winds that exist during a tornado or a severe thunderstorm.

The conclusion reached by the west Tennessee Civil Defense coordinator is that unless mandatory legislation is passed and enforced to assure adequate over-the-top tiedowns of mobile homes used as permanent dwellings throughout the country, we are setting the stage for a major catastrophe. Should a tornado strike a densely populated mobile home park in the middle of the night when the majority of residents are at home, the chances of survival would be slim. The passage and implementation of the National Mobile Home Construction and Safety Standards Act could avert such future tragedies.

The Senate's consideration of mobile home safety legislation started in the 92d Congress on May 15, 1972, when I introduced S. 3604, the National Mobile Home Safety Standard Act of 1972. The Honorable LOUIS FREY, JR., Representative in Congress from the State of Florida, had earlier introduced legislation on the House side. Both bills followed the same pattern that would give us uniform Federal standards with State enforcement. Joining me in the reintroduction of mobile home safety legislation (S. 1348) in the 93d Congress were my distinguished colleagues on the Committee on Banking, Housing and Urban Development, Senators BENNETT, HATHAWAY, SPARKMAN, TAFT, and TOWER.

The distinguished chairman of the Subcommittee on Housing and Urban Affairs, Mr. SPARKMAN, promptly held hearings on the bill, S. 1348, at which time both industry and consumer groups testified as to the need for national mobile safety regulations. After the hearings, the Senator from Ohio (Mr. TAFT), a sponsor of the bill, introduced a major amendment which would give the purchaser of a mobile home additional protection by requiring the manufacturer and dealer to give a warranty that the mobile home meets all safety standards. The Senator from Wisconsin (Mr. PROXMIRE) on October 4, 1973, introduced S. 2538 which would extend the mobile homes legislation to include construction standards. In addition, S. 2538 contained additional consumer protection provisions called for by consumer groups. Representatives of industry, consumers, and State code officials met with the professional staff of the committee to work out details of the legislation. Those issues which were not resolved in this cooperative effort were determined by the full Committee on Banking, Housing and Urban Affairs. The final legislation which was approved by the committee is a reasonable and balanced approach to national standards for mobile home safety and consumer protection.

The legislation would require the Secretary of Housing and Urban Development to establish Federal mobile home construction and safety standards. These standards shall meet the need for mobile home safety, durability, and quality, and shall meet the highest standards of protection, taking into account existing State and local laws.

Enforcement of the standards would be delegated to the States which develop State enforcement programs that assure adequate enforcement to protect the public.

A National Mobile Home Advisory Council would be established composed of consumer groups, together with representatives of industry and Government.

A public information section would require public hearings and disclosure of information utilized in promulgating the Federal standards.

The Secretary would be authorized to conduct research and testing for the purpose of assuring mobile home safety.

Every manufacturer would be required to furnish the mobile home owner a notification of defects and make any corrections that are necessary.

Every manufacturer and dealer would be required to furnish the purchaser a 1-year warrantly that each new mobile home meets all applicable standards.

Appropriate civil and criminal penalties are provided for the enforcement of legislation.

Therefore, it is imperative that the Congress act quickly on this measure, before injuries, deaths, and damage that can be prevented, occur.

CRISIS AVOIDANCE

Mr. CLARK. Mr. President, the energy emergency that confronts this country today is only the latest example of what can happen when no one takes the time to plan ahead. All the signs of a fuel shortage were there—10 or 20 years ago—had anyone wanted to heed them. But we did not, and the result has been government by reaction, crisis response instead of crisis avoidance.

It does not have to be that way. While we never will be able to predict the future or totally prepare for it, we can and should improve our present performance, because it is possible to develop a clearer sense of national purpose and an agenda that will help us meet those goals.

My Representative in the House, Congressman John Culver, has given a great deal of time and thought to the need for national planning, the need for "crisis avoidance," as he puts it. He was the first to propose a Futures Conference for Iowa, and he has constantly spoken out on the need to give government at every level a direction that will enable us to deal with future problems before they become future catastrophes.

In a recent speech to the Women's National Democratic Club, Congressman Culver spoke on the theme of "crisis avoidance." I ask unanimous consent that his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Crisis Avoidance

We Americans would not change our free democratic system, with all its imperfections, for any other brand of government on the market.

Yet when we get together to blow off steam—in the family kitchen, a businessmen's group or a fence row colloquy with the neighbors, the first object of our wrath is generally our government.

Part of this is a normal, healthy reaction of independent people to any kind of authority or regimentation.

But part of it is a justified, gut resentment on the part of people that government today is so incredibly accident prone. It simply seems incapable of operating in any other way except to lurch from crisis to crisis.

And the American people are justifiably tired of being subjected to crises that could plainly have been avoided by a modicum of advance planning and foresight. What we have today in Washington is "crisis mismanagement" in place of proper government leadership.

We had a Russian grain deal that was hastily put through and hailed as the greatest thing since the invention of the wheel for its benefit to detente and world trade.

No one in national leadership seemed to foresee what its other effects would be—ruinous inflation; a chaotic transportation glut; a shortage of vital commodities here at home; the breaking of solemn export contracts to traditional friendly foreign customers; an almost immediate increase in the price of bread on supermarket shelves.

Now we are face to face with an alarming nationwide energy shortage—another crisis that might have been avoided if there had been adequate national planning over the past few years.

The poet said: "Of all sad words of tongue or pen, the saddest are these: 'it might have been.' "

Perhaps the saddest thing that can be said about chronic crisis in government is that "it might have been . . . avoided." I believe it is fair to say that this Administration could not see a crisis coming if it was wearing a "cowbell."

Today, I should like to say a few words about *crisis avoidance*, a subject very much on the minds of all of us even if we do not always articulate it as such. I have been struck by the way that many people in Washington appear to enjoy dealing with crises. It sharpens the political climate in which they operate, and gives them a bracing air of self-importance.

Certainly we have enough crisis headlines to keep all of them fully occupied: an urban crisis, a rural crisis, a dollar crisis, an energy crisis, an environmental crisis, and a food and fertilizer crisis all in the bargain.

But I can report that our voters do not find these crises stimulating. They are genuinely upset by the many disruptions to their way of life, and puzzled by the bureaucracy of controls that has sprung up to deal with them. Indeed I believe this distress has contributed importantly to citizen disaffection with the whole political process, which we in public life must recognize and deal with.

For generations our people have been accustomed to an economy of abundance, in which America's fertile resources produced all the goods we could use at inexpensive prices. Now all of a sudden, and without any apparent warning, we have shortages at every hand with accompanying high prices and a maze of bewildering controls. People naturally wonder what has happened to the secure and comfortable world they know and who is responsible for its abrupt transformation.

There are no quick or obvious answers at hand. The economic problems we face are complex and closely inter-related. They are not readily reducible, in that fine and self-confident American phrase, to "manageable size." This makes for pessimism about the future, which itself endangers our ability to devise solutions.

I believe our answers must begin with honest recognition of the genuine and quite novel nature of some of the problems presented by a rapidly changing world. And we must acknowledge the past failures of responsible leadership to perceive these changes and to set the choices they present before the American people honestly and courageously. Once we do that, we will be a long way towards correcting our past mistakes and avoiding future crises.

The American people are puzzled but not defeated. In many respects they are as usual way ahead of the politicians. They remain as always, resourceful and energetic. Told the full truth about our larger problems, they will know how to deal with them. As Thomas Jefferson said: "Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at the dawn of day." I believe that is as true now as when it was stated.

So we must begin by recognizing that we have entered into a new economic era, which will be characterized by periods of relative scarcity. Food and fuel are no longer in excess supply, and it is unlikely they will ever return to excess supply. Our resources are finite and not infinite. The ever-increasing consumption curves we have seen in the past, based on cheap and apparently inexhaustible resources, will have to be moderated in the future. Our own productive capacities, as we should always have known, are not limitless. And the growing wealth of other nations, which we ourselves have fostered, has allowed them to begin competing for available world supplies including even those within the United States.

These trends have been visible for some time, as I have said. But our policy planning has not kept pace with them. We have allowed ourselves quite literally to be overwhelmed by change. The resulting turbulence is compounded by the accelerating rate of change we are experiencing today, the interconnection of so many issues, the unprecedented interdependence of the world, and the absence of the "cushion" of time or space that allowed us to adjust to change as well as error in earlier and simpler times.

What this implies first of all is that we must accustom ourselves to allocation of priorities. Our nation hasn't had to do that in the past. When not enough of the economic pie was going to any particular sector, we simply expanded the pie. And we must look forward to uncomfortable issues we now see on the horizon, such as the insufficiency of our water resources to urban concentrations and the ground rules for increased foreign investment in the U.S. in the years ahead.

These are not comfortable or familiar problems. Change is unsettling, and accelerating change is even more so. The American people for historic reasons do not like government planning. We prefer to bump along and hope for the best, trusting in our collective energies to see us through. And we equate the word planning, when applied to government, as socialism or worse.

But today we do not really have that choice. The economy of scarcity is with us and will stay with us. If the people and the government do not become more responsibly involved in devising solutions and planning intelligently for the future, we are going to continue having crises and we are going to continue coping with them unsuccessfully through a distant and technocratic elite. This is exactly what people object to now.

There is of course a difference between planning and management, just as there is a difference between incentives and controls. Government management and controls are imposed when a crisis erupts upon us and we have no time for anything else. Planning and incentives are ways of avoiding crises before they occur, and of avoiding the growth in bureaucracy and government spending that such crises bring with them.

Crisis avoidance must begin with a lifting of our sights. We must get ourselves into the habit of looking 20 or 30 years ahead at the likely impact of our policies, not just 3 to 5 years ahead as at present.

We in Congress are now hopefully making an effort to organize ourselves in a way to better permit such perspectives. Through the Select Committee on Committees, on which I serve, we are examining how to revise the committee structure so as to deal in an integrated fashion with the major clusters of problems anticipated in the last quarter of the 20th century. It is my view that we will need standing committees dealing with such subjects as population movements, the environment, economic conversion, energy resources and other major problem areas with a rational comprehensive focus. No such committees exist at the present time. We may want to propose incorporation of a "future impact statement" in committee reports on legislation, or the creation of a broad-ranging, forward-looking committee on national goals, or both. Whatever we do, I believe it is essential for Congress to take its full share of responsibility for anticipating and avoiding crises. Just as we must strengthen the Congressional capacity to look back and review and monitor through Congressional oversight the programs of the past, we must equally develop the practice of looking ahead to better anticipate and address the problems of the future.

In structuring ourselves for crisis avoidance, we must keep centrally in mind the nature of man as it is expressed in our founding documents. It is vital that we strive to keep at a maximum the opportunities for free choice. To do that requires presenting hard choices early, while they still exist. For there is no such thing as "no choice." If the people are not given an opportunity to decide in advance, then the government will have to impose restrictions more or less by fiat. And the result will be to estrange government ever more from the consent of the governed.

In Iowa we have made an important start. The Iowa Future Conference which I originally proposed begins in January. This conference can help us get ahead of the onrush of change and shape the future to our own objectives, and not just have the worst future because we do nothing to influence and determine its design.

I believe it would be useful to attempt to have a national Congress' and People's Conference, perhaps as part of our bi-centennial program, on our country's goals, priorities and national purpose.

Considering the primacy of the issue of our priorities—what do the people really want for our country in the years ahead, and what are they willing to support for our national goals, and what must we do now to achieve them tomorrow? I think it is high time that we should devote a major national effort to determining such an agenda and action program.

At this time of national introspection and soul-searching which is resulting from the political scandals that have stunned the nation, I believe it is especially important to get a serious national dialogue going on this basic subject. What is our vision for America's future?

In a free society, no small group within that society, however benignly-intentioned, should be permitted to select and implement our national goals.

This, beyond any doubt, is the people's prerogative. Otherwise we have forfeited perhaps our most basic right as a people—the right to choose the kind of country we want America to be.

CHOOSING A VICE PRESIDENT

Mr. BROCK. Mr. President, we have just seen the swearing in of a new Vice President of the United States, the first to be sworn in under the 25th amendment to the Constitution. The line of succession is again complete. When tragedy struck in Texas in 1963, the Congress acted wisely, and quickly within bounds of necessary debate and question, and approved the constitutional amendment, which, of course, was later approved by the necessary two-thirds of the States. Now, we must turn our thoughts to the lessons we have learned from the events of the past 15 months in regard to the actual selection of Vice Presidential candidates at our conventions. These should be sobering decisions, ones which must be made with care and much thought, but at the same time, they must be made quickly to protect all of the people of this Nation. Marquis Childs, writing in the Washington Post, made some very interesting observations about history, and the lesson that it has taught us. I ask unanimous consent that Mr. Childs' article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record. as follows:

Nation Needs a Better Way To Choose Vice Presidents

(By Marquis Childs)

One good thing that can come out of all this grisly business is some hard thinking about how we choose our Vice Presidents. This has been a form of political Russian roulette with luck more often than not against the first party pulling the trigger.

"Now if you were to become President. . ." That is the preamble to many of the questions asked of Rep. Gerald R. Ford (R-Mich.) during his confirmation hearing before the Senate Rules Committee.

You can't help wondering if that type of question was put to Spiro Agnew when, to the surprise of practically everyone, Richard Nixon pulled his name out of his hat. The investigation into Agnew's background, to say nothing of his qualifications, must surely have been perfunctory to have missed so much that was developed during the criminal investigation that ended with his departure.

Last year was a bad vintage year for vice presidential candidates. Sen. George McGovern began by picking Sen. Thomas F. Eagleton of Missouri to run with him on the Democratic ticket. The choice seems to have been cinched in a telephone call with Eagleton answering in the negative when asked whether he had any skeletons in his closet. After first declaring he was for him 1000 percent when rumors circulated of Eagleton's mental illness, McGovern dropped him from the ticket. The second choice was Sargent Shriver, a loyal Democrat who happened to be the last man out of the hall.

The selection of Harry Truman to run with Franklin Roosevelt on the fourth term ticket in 1944 could not have been more casual or more politically dictated. Roosevelt had made himself into Mr.-Win-The-War and he didn't bother to come to the Democratic convention in Chicago, although he was in touch with his political lieutenant, Robert E. Hannegan of St. Louis, the Democratic chairman, by telephone. Hannegan was the master manipulator on the spot. Supposedly the President had given the chairman a list of three or four potential Vice Presidents. Included was the name of Supreme Court Justice William O. Douglas. But no one ever saw the list and under Hannegan's management the convention stampeded for Truman, overwhelming the third-term Vice President, Henry A. Wallace, whose followers had put on a massive demonstration.

Nine months later Roosevelt was dead and Truman was President of the United States. Derided as an accidental President and the Kansas Ctiy haberdasher who couldn't even run a clothing store, Truman's approval rating sank to an all time low of 23. But doggedly he stuck to the job, trusting foreign policy to his Secretary of State, Dean Acheson, and he began to come back with the realization that he was a better President than we were entitled to, given the grab bag of his selection. Against the smug prophecies of all of us, he won re-election in 1948, defeating Thomas E. Dewey of New York.

The hope must be that if Representative Ford should become President he will be another Truman. That certainly will be the buildup—the strong, modest man from Grand Rapids ready to measure up to the terrible responsibility of the most demanding office in the world.

It should be noted, however, that there are significant differences. Truman had served during World War II as the strong chairman of the Senate war investigating committee. That committee, by pounding on government bureaucrats and war contractors, saved hundreds of millions of dollars. If only because the Congresses he has served in have, with one exception, been controlled by the Democrats, Ford has no such achievement in his record.

Eight times in our history Vice Presidents have inherited the office of President. In two instances, with the assassination of Abraham Lincoln as the Civil War was ending and with the death of Roosevelt when the massive problems growing out of World War II called for experience and wisdom, this came at moments of grave crisis.

Surely never again can a weary political convention allow the presidential candidate to pick an unknown, or a comparative unknown, out of the hat. The chilling thought that at any point during the past four-and-a-half years Spiro Agnew with his corruption-stained history might have been the ninth Vice President to inherit the presidency must never be forgotten.

PALO ALTO SEEKS ACCESSIBILITY

Mr. PERCY. Mr. President, it has recently been brought to my attention that the city of Palo Alto, Calif., is taking action to allow greater mobility for handicapped people in their community. The city's plans include removing existing architectural barriers from streets and buildings and encouraging local builders and architects to produce new facilities that are initially free of such barriers.

I understand that S. 1105, a bill that I sponsored, that is cosponsored by my distinguished colleague from Kansas (Mr. Dole) who has demonstrated his concern on many occasions, to provide tax incentives for the removal of architectural and transportational barriers to the handicapped and elderly, has helped stimulate the city of Palo Alto to undertake its current endeavors for accessibility. I am pleased to know that even though S. 1105 has not yet received congressional action, it has already helped make people aware of the many environmental barriers that daily prevent our handicapped and elderly citizens from enjoying the freedom of movement they deserve.

I wish to commend the citizens and city government of Palo Alto, Calif., for their enlightened attitude. I hope other communities in every State will embark on similar programs to allow the handicapped and elderly their rightful access to the mainstream of our society.

I ask unanimous consent that a recent article in the Palo Alto Times describing the city's new efforts to become accessible be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Wheelchair Tour Shows Palo Alto Officials Need for Modifying Buildings To Help Handicapped

(By Dave Fuller)

Alec Andrus, a robust city staffer in his 20s, inched his wheelchair up to a four-inch curb in front of the Community Cultural Center in Palo Alto and strained to his physical limit to move the chair up the curb.

A few seconds after, Andrus and his wheelchair were lying in a heap in the street.

The mishap was minor for Andrus because he was only experimenting with the use of the wheelchair as one of 20 key city officials who are involved in eliminating architectural barriers which make public buildings inaccessible to the handicapped.

But for someone who is confined to a wheelchair, as Andrus is not, the accident at the Cultural Center could have been serious, indeed.

Andrus was able to pick himself up, dust off his clothes and easily sit back down in the wheelchair. A permanently or even temporarily disabled person would have had to wait for others to help him.

Andrus believes his accident dramatically dramatizes the plight of many handicapped persons who often are forgotten by architects, builders and city officials who are now charged by law with ensuring accessibility by the handicapped to public buildings.

"That curb was like a wall to me. I couldn't get past it and all my efforts to move forward only ended up in a repulsion backward," Andrus said.

But, like the other officials taking part in Saturday's wheelchair tour of public buildings, Andrus is determined to move ahead with a four-phase plan for allowing handicapped persons greater mobility in Palo Alto.

The first phase has been several months of study by a city-appointed group including members of the city staff and representatives of organizations for the handicapped.

The study culminated Saturday in a tour by wheelchair of the Community Cultural Center on Newell Road and City Hall in downtown Palo Alto.

One of those taking part was Mayor Kirke Comstock. "You never realize until you're in the wheelchair what planning and physical exertion it takes to make even the simplest trip," Comstock commented.

"It takes muscle-power, timing and coordination to use most buildings," he said.

Comstock thinks that architectural barriers have come about because "a lot of people are indifferent to the problem. It's mostly because of a lack of information, not maliciousness," he said.

"Once people become aware of these barriers, the normal human sensitivities take over and there is no resistance to getting rid of the problems," he said.

Specifically, some of the most serious problems are:

Curbs in the pathways of wheelchairs.

Doors too narrow for wheelchairs or too heavy for someone using crutches.

Steep steps on long flights of steps.

Buildings where escalators, instead of elevators, are the main means of linking stories.

Bathrooms where toilet stalls are too narrow to maneuver a wheelchair or where fixtures are too high to reach from the chair.

Parking spaces too narrow for a paraplegic driver to unfold his wheelchair.

Telephone booths which have not been built with the handicapped in mind.

The second phase of the city's architectural barrier program is to begin in two or three weeks when approximately $11,000 in contracts will be let for giving at least minimal accessibility to the Cultural Center, City Hall, libraries and other city buildings.

Ramps will be built to entrances. Telephones will be lowered. Bathrooms will be modified. Where accessibility to the handicapped has been provided, a sign with a logo representing a man in a wheelchair will be placed.

The third phase of the program will be hundreds of curb cuts at crosswalks which will make it possible for persons in wheelchairs to get around the downtown area and elsewhere more easily.

The fourth phase is to be an "outreach" in which city officials will contact building trades people, shopping center managers, restaurant owners and others to enlist their cooperation in modifying their buildings.

"For considerably less than 1% of construction cost, architectural barriers can be erased on the drafting board," according to a National League of Cities study quoted in the city's new brochure "designing for the physically disabled."

The brochure will be distributed to architects and others. It outlines state laws on accessibility and offers suggestions for eliminating barriers.

Palo Alto planners believe nearly all builders will cooperate, but if they don't, the city is prepared to put its full efforts into a building inspection program aimed at forcing compliance.

Many of the officials in the Saturday wheelchair tour were the building inspectors who will be enforcing the barrier elimination laws.

One of them, Glen Sund, said the day had been "a real eye opener. I never realized that a little bump could make such a big difference. But one thing's for sure—I'll do a lot more observing to see that these things are taken care of from now on."

THE ARABIAN FANTASY

Mr. ABOUREZK. Mr. President, in an article entitled "The Arabian Fantasy," which appears in the January issue of Harpers magazine, Christopher Rand presents an incisive and scholarly analysis of the dealings of the major oil companies in the Middle East.

Mr. Rand points out that there is no international shortage of crude oil, and that while the October war in the Middle East—

> Has created a few problems with the logistics of oil supply . . . these have aggravated the American public more than they have inconvenienced the American oil companies.

The article answers many questions about the real nature of the present fuel shortage, and leaves no doubt that the major oil companies are not sharing the burden of the "energy crisis" to any substantial degree.

I ask unanimous consent that "The Arabian Fantasy" by Christopher Rand be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Arabian Fantasy: A Dissenting View of the Oil Crisis

(By Christopher T. Rand)

Christopher T. Rand is a Middle East specialist who has worked for Standard Oil of California and Occidental Petroleum. He has translated Arabic and Persian materials for the U.S. Department of Commerce, and is now writing a book entitled Oil and the Moslem East.

The present calamity of the oil or energy crisis has become widely accepted as an article of the popular faith. Everybody talks about the crisis as if it were the implacable nemesis from which no man can escape, and if everybody says so (not only the major oil companies, but also the environmentalists, the U.S. government, and the citizen unable to heat his house), then it must be true. What other misfortune could possibly explain the higher prices for gasoline and the sudden shortage of winter fuel? Does not the United States possess vast natural resources and an incomparable genius for capital formation and technological invention? If so, how else could it have been ensnared in the present crisis unless through the machinations of sly and resentful Arabs?

For the past few years, the major oil companies have spent considerable sums of money advertising a vision of the apocalypse. The October war between some Arabs and all Israelis seemed to testify to the truth of this vision. The embargoes placed on Arab oil shipments to the United States and the Netherlands, together with unilateral price raises and threats of reduced production, provoked a further outpouring of oil industry bulletins announcing the approach of an energy crisis akin to the millennial scourge of Huns from the Asiatic steppes. The bulletins have been confirmed by the proper authorities in Washington, and they have been amplified in the hollow echo chamber of the national press.

The official broadcasts resolve into variations of what might be called the Arabian fantasy. The editorial writers—unchallenged but not encouraged by company spokesmen—explain that the Arab states (principally Saudi Arabia, Kuwait, Libya, Iraq, and Iran)[1], control the bulk of the world's proven oil reserves, and that they have become rich beyond all reason or understanding. The demagogues among them entertain radical and dangerous political ideas about the sanctity of Western economic interests, and they refuse to recover their oil in ways convenient to the major international oil companies. In their more ominous moments they threaten to shut down the flow of oil unless the Western nations accede to their demands against Israel. The Western nations must prepare for the worst, and the worst undoubtedly will be expensive. Thus, the need for rationing and higher costs to the consumer.

WHAT ENERGY CRISIS?

Although sufficient to its melodramatic purpose, the prevailing rhetoric fails to answer a number of awkward questions, especially now that the October war has come and gone. Few people point out that in the past year the major oil companies have reported enormous profits, or that they have enjoyed a policy of generous forbearance on the part of the Nixon Administration,[2] or that they appear to get along quite successfully with even the most radical of Arab governments. Worse, virtually nobody explains that the energy crisis is a crisis taking place in time future rather than time present.

Even October's war was not the vengeful uprising against the West that the American

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Footnotes at end of article.

information media represented it to be. When the war broke out, the Arabs stopped virtually all criticism of American action or policy. Arab officials did not claim that American troops or pilots participated in the war; Beirut newspapers, even while publishing photographs of bombed-out buildings in Damascus, quoted the Lebanese premier to the effect that America had informed him that it would make the necessary efforts to ensure Lebanese security against Israel. King Faisal of Saudi Arabia had already upped Aramco's production by a million barrels a day during the hot months of July and August, thus allowing him to reduce production when the war began and still retain normal supply levels for the year. The war has created a few problems with the logistics of oil supply, but these have aggravated the American public more than they have inconvenienced American oil companies. For the time being, the world's supply of oil far exceeds the world's demand, and so the crisis must be discerned in a network of theoretical lines converging at imaginary points in time future. The oil companies therefore project a rate of increasing demand for oil, and then they project a rate of declining supply.[3] When these two lines intersect, presumably in the early 1980s, the actual crisis (as opposed to the abstract or hypothetical crisis) will be unloosed upon an innocent and law-abiding world.

This is what the oil companies tell the public, not what they themselves know to be the case. In the Middle East they play the part of middlemen rather than principals, and in their various dealings, both with the Arabs and with each other, they display the devious cunning that characterizes the dealings of middlemen in any trade. The instability of Arab politics once frightened them (so much money invested in such unsafe places, etc.), but after the Arab-Israeli war of 1967 and the closing of the Suez Canal they began to understand this instability as a chronic condition much less harmful than it seemed. They found that they could bear the cost of shipping oil around Africa instead of through the Suez Canal; and the construction of supertankers, as well as the hurried discovery of new reserves in the North Sea and Prudhoe Bay, Alaska, obliged them to become more independent of the Arabs. As a result of their efforts, the inventory of the world's available fuel has been increasing rather than diminishing, even when measured against the annual rise in the rate of the world's consumption. The inventory has become so extensive that it has become a luxury, or at best a waste of time, for most people to worry about it.[4]

The oil companies obviously worry about it, but their worries have to do not so much with the supply of oil as with the cost at which they can trade it. It is the disparity between these two concerns that gives rise to the convenient misperception of the oil crisis. Anybody who hopes to make sense of the present confusion must bear in mind three primary facts:

(1) There is a tremendous volume of oil in the world. (The oil companies publish deceptively conservative figures on this subject; as an example, British Petroleum in 1971 estimated the proven world reserves at about 641 billion barrels; figuring on an annual consumption rate of 18 billion barrels, this leaves enough for at least thirty years.)

(2) There is a tremendous difference between the cost of producing oil and the price at which it sells.

(3) The inhibitions against vengeful political acts on the part of the suppliers depend not so much on fear of military reprisals as they do on the implications of facts 1 and 2.

The fact of volume is the easiest to establish. The largest reservoirs of oil in the world are those in Saudi Arabia (at least 160 billion barrels) and those in Iran (at least 100 billion barrels). Between them these two nations possess the bulk of the oil in the Middle East, and dominate the entire subject of Middle Eastern oil. They lie opposite one another across about half the length of the Persian Gulf, but they have little in common except a mutual distrust. The majority of people in Iran speak Persian or Turkish; they know Arabic only as a sacred language, and they have virtually no relations of any kind with the Arab world. The oil reserves in both countries have been developed and exploited by two combinations of Western oil companies, the combination in Iran being known as "the Consortium," and the one in Saudi Arabia as "Aramco." The seven major oil companies (British Petroleum, Royal Dutch Shell, Texaco, Mobil, Exxon, Standard Oil of California, and Gulf) take part in both combinations, and it's because of these partnerships that they dominate the international oil trade.[5]

Although both Saudi Arabia and Iran contribute a huge volume of oil to the market, the oil companies choose to give much more publicity to the reserves in Saudi Arabia. They imply that if only they could be assured of access to the Saudi Arabian fields, then they would feel far more secure about the reserves elsewhere in the world. As a measure of the quantity of Saudi Arabian oil, consider, for example, the Ghawar field; roughly 155 miles long and in some places 22 miles wide, this field still contains as much oil as has ever been consumed in the United States.

The Iranian fields contain comparable amounts of oil, but the oil companies prefer to underestimate their volume. The various spokesmen usually explain that Iranian production has been declining, that it has passed its maturity, that it never will exceed 8 million barrels a day. This may be true of the smaller fields that have been onstream since the 1930s, but there are other fields yet to achieve full production and a number of enormous fields, discovered in the past decade or so, that have yet to be tapped. The largest mature fields are those of Agha Jari and Gach Saran, which, although immense, have no more than about forty-five wells, spaced much farther apart than wells in American fields; many of these wells have the capacity to produce 100,000 barrels a day. Other enormous fields recently have been brought onstream at Marun, Ahvaz, Binak, Karanj, and Bibi Hakimeh—each one of them as large as any field in the United States. Equally large fields remain "on hold" at Mansuri, Kilur Karim, Golkhari, Ab Teymur, and Susangerd.

The waters of the Persian Gulf also conceal at least one immense accumulation of oil, in what is known as the Fereydoon-Marjan field. The Iranians and the Saudis share the field, but potential production in only the Iranian half of it, at Fereydoon, has been estimated at 1 million barrels a day.[6] A number of people in the oil business assess the reserves of the entire field at about 30 billion barrels.

The oil companies do not like talk about increasing production in Iran because it is more expensive than increasing production in Saudi Arabia. Before the Tehran and Tripoli price agreements in late 1970 and early 1971, the companies figured the per barrel profit on Saudi Arabian oil at between 50 and 53 cents a barrel; in Iran the comparable figure was between 43 and 45 cents a barrel for crude oil of the same specific gravity. The oil pumped out of the ground in Saudi Arabia is the cheapest in the world for its volume. It costs 4.6 cents a barrel, or one-tenth of a cent a gallon, to load into a tanker. Although Iranian wells individually produce twice as much oil a day, it costs roughly 12 cents a barrel to load into a tanker. The Iranian wells are more distant from water than those in Saudi Arabia; the pipelines cross mountain ranges rather than flat sand, and the "drive" provided by the water latent under the oil reservoirs is generally not as great in Iran as it is in Saudi Arabia.

Which probably explains why the oil companies prefer to turn the conversation to the wonders of Saudi Arabia. They say that only in Saudi Arabia can production be raised to 20 million barrels a day, and then they go on to develop the terrible fantasy about King Faisal suddenly deciding to quit the business if he doesn't find his customers congenial.

But Faisal continues to raise production whenever he can do so, and the fantasy omits a simple calculation in arithmetic. If, for instance, the oil companies hold their offtake in Iran to 8 million barrels a day and at the same time increase their offtake in Saudi Arabia to 20 million barrels a day, they will save about 8 cents a barrel on every barrel produced in Saudi Arabia instead of in Iran. Divided by two for tax purposes, and multiplied by 12 million barrels a day by 365 days in the year, the oil companies achieve an annual saving of $165 million. This is precisely what they are in business to do.

A QUESTION OF PROFITS

It is this kind of calculation that illuminates the difference between the oil-company definition of a crisis and the connotations ordinarily attributed to the same word by people who buy gas or heating fuel. The companies define crisis not in terms of available resources but, rather, in terms of when those resources can be delivered, in what quantities, and at what cost. The illusion of crisis helps them to exact further concessions from alarmed politicians in Washington. If the crisis can be presented as a national emergency, then how can the patriotic Senator refuse to grant hurried permits for drilling off the Atlantic coast, for alleviating pollution controls, for whatever might hasten the delivery of energy to a suffering electorate?

By the early 1950s, the oil companies and the oil-producing nations had established a protected market that has now begun to collapse. Twenty-five years ago the oil companies clearly understood that their dealings with the volatile rulers of the Middle East (or, indeed, with the rulers of any oil-producing state, such as Mexico or Venezuela) could easily deteriorate into bitter disputes. They accepted the Middle East's traditional aversion to the West, and they assumed with whom to bargain; they further assumed that Arabs could be extremely difficult people with whom to bargain; they further assumed that this unpleasantness sooner or later was bound to make itself manifest, no matter what the pretext. The companies, therefore, hoped to limit all negotiations to matters having nothing to do with politics. They chose to wall themselves off from the communities in which they operated, and they kept themselves aloof from the social or political concerns that threatened to provoke unseemly incidents. With this strategy in mind, the oil companies confined their discussions to relatively small fiscal points within a narrowly legalistic context. Oil negotiation in the Middle East over the past twenty years thus became a continuous debate over such points as royalty expensing, acceleration of tax payments, gravity allowances, rates of depreciation, port and customs duties, marketing allowances, and allowances for the devaluation of foreign currencies. An entire chapter of the recent history could be written on the question as to whether forty-degree Zakum oil should be taxed at the same rate as thirty-seven-degree Umm Shaif oil. These questions often involved millions of dollars, but they rarely touched on social or political events taking place beyond the compounds of the oil installations.

Footnotes at end of article.

In return for this convenience, the Middle Eastern governments received munificent royalties, also known as "economic rents," computed on the basis of the difference between the cost of producing oil and the price at which it could be sold. The companies could afford to pay these rents because, by paying large sums of money to Middle Eastern governments, they could run their operations in Europe and the United States at a low rate of profit, or even at an apparent loss. They could also avoid paying taxes to the United States government. The companies insisted on only one condition: that the Middle Eastern countries refer to these payments as "taxes" rather than as "royalties." Before World War II, and in most places until about 1950 or 1951, the Middle Eastern governments earned a royalty of from 12 to 18 cents a barrel. The rulers were content with this arrangement until they discovered that their oil sold for at least six times that price on the world market. By the middle 1950s, various political figures in the Arab world began to understand that oil-company executives were easily frightened, and so they began talking, or, preferably, screaming about the shabby terms of their concessions. They raised public and impassioned complaints whenever possible, and by so doing they threatened to wreck the industry policy of nonengagement. Their harangues gradually induced the companies to pay higher rates of royalty, and they became the beneficiaries of one of the weirdest practices in the annals of international commerce.

This practice accounts for the inflated and fictitious price at which Middle Eastern oil sells on the world market. The fictitious price has been in effect since before World War II, when the center of gravity in the petroleum export trade was to be found in the Gulf of Mexico rather than in the Persian Gulf. The trade shifted eastward in the late 1940s with the first development of prolific fields in Kuwait, Saudi Arabia, and southern Iraq. In those days, the major exporting companies controlled even more of the trade than they do now, and they sold almost exclusively to themselves and to each other, in both Europe and the United States. They could set the price largely as they pleased, but for reasons of convenience they agreed to set it on the basis of the old rates that had prevailed in the Gulf of Mexico. This was done even though the new and abundant oil in the Persian Gulf cost far less than the fixed price at which the companies agreed to trade it to each other. The barrel of oil shipped from Saudi Arabia might cost 4.6 cents to load into a tanker at Ras Tanura, but it would be priced in Europe as if it were the most expensive barrel of the same kind of oil delivered from Texas. Other "costs" (depletion, depreciation, and amortization) would be added to the company's actual expenses of 4.6 cents to provide further tax deductions.

The posted price was considered extravagant in 1950, but by 1960 it had become so remote from market conditions that the companies with interests in the Persian Gulf tried to lower it. This decision proved calamitous. By trying to bring the price of oil into line with what it would bring from a customer willing to buy it (an American fuel-oil dealer, for instance, or the government of Ceylon, or an Italian petrochemical firm), the oil companies set off the enraged outcries of their necessary partners in the Middle East. The Arabs and the Iranians had been receiving revenue calculated on the basis of the posted price, and they refused to let it drop. In their rage and anxiety they formed the Organization of Petroleum Exporting Countries, and this combination has since become the bane of the oil companies. The first agreements within OPEC stopped the downward trend in prices and thereby introduced a principle that has yet to be publicly questioned by any of the major oil companies: the tax-reference price on Persian Gulf oil (or on any other oil produced by the members of OPEC) can never drop. The corollary to that principle states that revenues paid to the governments in the Middle East can only rise.

It was the weakness of the oil companies that brought about the organization of OPEC. First the companies tried to lower the old price; then they couldn't agree on a line of bargaining with the Arabs. And yet it is precisely these people who attribute an almost godlike omnipotence to OPEC. The oil companies at least share similar political interests, and they have far more in common with one another than do the several factions within OPEC. The assignment of magical force to OPEC also presents a major contradiction within the structure of the Arabian fantasy so widely proclaimed in the American press. The emotional aspect of that fantasy portrays the Arabs as childish, petulant, and treacherous, but the analytical aspect of the fantasy shows them as idealistic, fearless, and beyond corruption. The historical evidence suggests that OPEC will collapse for the same reason that the oil-company front collapsed.

The system of fictitious prices worked so well for twenty years that it gave the Middle Eastern governments great, and constantly increasing, sums of money. Contrary to popular misconception, much of this money found its way into the local economy, and wherever it has been present (most notably in Saudi Arabia and Iran) it has strengthened the society. The exorbitant sums of money presented few difficulties as long as the system remained intact, as long as there remained an oligopoly of oil supply.

It was not just an oligopoly of companies but also of system. The companies had no more freedom within the system than did the oil-producing states. They did not dare allow a drop in the posted price (or, to use the preferred euphemism, the tax rate) because they knew that if they did so the Arab states would promptly seize their holdings. The supposedly dreadful consequences of such a doom terrified a generation of oil executives. But now this doom has come to pass, and, lo and behold, it isn't as dreadful as everybody had foretold. The companies have given up larger and larger shares of their concessions, but these proved to be nothing more than pieces of paper assigning them the right to produce the oil that they now can buy from the same producing states under nearly the same conditions as before. The Middle Eastern states have realized the old dream of controlling their own production. In Iran this is called "nationalization"; other countries refer to it as "participation," but, even though the politicians have been satisfied, the oil still must be sold to somebody. The oil companies themselves don't much care where the oil comes from, or who owns it, or at what point along the stream it changes nationality.[7]

The apostles of crisis predict that the Arabs will ignore the laws of free enterprise and choose to sell their oil to nobody. Presumably they will do so because they already have all the money they require, and in the desert countries (Libya, Kuwait, Saudi Arabia) the small population makes no loud demands for social improvements. Thus the rulers can afford to leave the oil in the ground, waiting for a desperate industrialized world to comply with their political demands or to bid the price of oil to the bankrupting levels of $8 a barrel. The rulers then will take advantage of the inflated prices, and in a few years they will destroy the international monetary system and bring about the devaluation of everybody else's currency.

The trouble with this argument, as with most theoretical arguments dependent on imaginary lines converging in abstraction, is that it takes little account of the moderate behavior shown by the Arabs in the aftermath of war. It assumes that the West will do nothing to protect its own interests, that everybody will stand around placidly watching the projections become political realities. Which is, of course, nonsense. Either the oil companies will arrive at a profitable détente with the Middle East (less profitable than in the old days, perhaps, but still satisfactory), or they will suddenly discover that alternate sources of oil and energy were far more accessible than heretofore had been imagined.

The October war reinforces this observation. It does not seem as though the war violated legitimate American aims in the Middle East at all; in fact, it has probably contributed to a détente. An American official sympathetic to the Arab cause but aware of the political power of the Zionist cause in the U.S. might shrewdly have confided as follows to a friendly Arab diplomat: if the Arabs threaten Europe with an oil embargo—and thus threaten NATO and American strategic interests—the American government would have no choice but to go before its public and demand a more evenhanded American policy toward the Arabs. American strategic interest would of course be even more jeopardized by Soviet adventurism in the Middle East. The threat of embargo would, at the very least, force the American government to aid in the restitution of Arab lands occupied by the Israelis in 1967. Americans might also feel constrained to do something about the Palestinian diaspora. All in exchange for an Arab-Israeli peace treaty, to be sure. The Zionists would not like it, but they would have little choice but to accept it. After all, they seem to have as few friends left as Taiwan, and the Arabs are getting stronger. The Arab leaders would not like to make peace with Israel, but they could afford to do so if they could show that they had forced America to shift its policy somewhat in their favor; no Arab who might oppose them could say that they had done more than these moderate leaders had done to restore lost Arab honor. And the conservative oil states would brandish the oil weapon just a bit to gain immunity from radical anti-Western Arab opinion.

NEW MYTHS FOR OLD

The careful wielding of the oil weapon—specifically, the process of "nationalization"—has gradually shifted the politics of oil negotiation in the Middle East. If the producing nations no longer possess the great threat of expropriation (do what we say, or we will seize your holdings), then they will have lost their most effective advantage. As they become wholesale dealers instead of privileged concessionaires, they will find themselves forced to compete in what will begin to resemble a free market. The oil companies still will own 75 percent of the refineries in the non-Communist markets, as well as most of the port facilities, and so they will continue, albeit less directly, to determine price and regulate production in the international oil trade.

The Middle Eastern countries will also find themselves more concerned about the stability of Western economies. Earlier this year, for instance, Saudi Arabia agreed to buy 25 percent of Aramco for a price of about $1 billion. By so doing, it becomes a major partner in the combination of Western oil companies, and to some extent it will come to share similar interests. As the Middle Eastern governments acquire larger percentages in Western companies, they probably will invest their assets in Western banks and multinational corporations—not because they want to do so, but because they will lack sensible options.

All this will take time to come to pass, but as it does the specter of an oil crisis will gradually diminish and fade. The specter will then be replaced by that of the refinery crisis. Suddenly no one will be talking about the lack of crude oil or the vindictive politics of the Arabs; instead, everybody will be saying that oil is plentiful but means nothing unless it can be refined into useful products, and that the environmental demands placed on these products (low sulphur content, etc.) require a new generation of refineries that will be extremely expensive to construct. This, in turn, will lead to the elaboration of another myth.

The major American oil companies have neglected to build refineries over the past few years because there hasn't as yet been enough profit in the enterprise. In order to justify the expense of building a refinery, the oil companies require the long-term assurance of crude oil supplied at low prices. Refinery construction is expensive: a fair-size plant might cost about $100 million. The big companies have this kind of money. The Standard Oil of California, for instance, added $120 million to its cash reserves in 1972, but it allocated none of this money to constructing new refineries in the United States. Until the Nixon Administration relaxed the quotas last spring, the long-term importing of crude oil was restricted, and so the companies had little crude as collateral with which to secure new refinery construction financing. At this moment, it costs well over $2 a barrel to bring Saudi oil into an American port (as opposed to a net production cost of 75 cents for a barrel of American oil), and so the energy crisis continues to be thought of as low crude-oil supplies rather than high oil cost.

When the tax-paid cost of Middle Eastern crude drops, the rush to build refineries in America will be on. As soon as that occurs, the last vestiges of popular illusions about the energy crisis will have disappeared. All the participants in the drama will remain as they were, but in a clearer light.

The independent oil man, the marginal, will be even more threatened and insecure than he has always been and may vanish altogether. The consumer will continue to pay more and more for the services it has always been very much worth the companies' while to provide him with anyway. The consumer had better get busy learning about prices and wondering why the oil companies sell gasoline wholesale at 21 cents a gallon when it costs them only 4 cents a gallon on the average to provide it. He had better start investigating pipeline and production costs, too, and had better find out what it costs the companies to get oil into the top end of the trans-Alaska pipeline and how much they will sell it for at the bottom end when it is finally built. The latest gasoline price hikes are an ominous harbinger of things to come.

The American government will continue to make the same mistake as the consumer: our Congressmen and Senators will continue to worry about supply and ignore cost. And the companies? They are not deeply concerned about Saudi Arabia, Iran, or the Middle East. They know the limitations of the Arab oil weapon, and are profoundly concerned about protecting their immense assets and safeguarding the accessibility of these assets. If money in the Middle East no longer comes easily to the oil companies, they will be happy to keep looking for it elsewhere. They recognize that it is good enough to have ridden the Arab carousel for more than a generation.

FOOTNOTES

[1] Although Iran is not properly an Arab country, on the reasonable ground that Iranians don't understand Arabic and show little interest in anything Arabian, the producers of the Arabian fantasy find it convenient to refer to the Middle East as a geographical and political unity.

[2] The Nixon Administration in 1973 had eased the restrictions on the importation of foreign oil, consented to increases in domestic prices of gasoline and heating fuels, encouraged the clearing away of legal obstacles to the building of the Alaska pipeline, and argued for the deregulation of natural gas traded in interstate commerce.

[3] The two most often quoted authorities on either side of the prophecy are Professor M. A. Adelman of MIT and Walter J. Levy, an economist often employed by the major oil companies. Professor Adelman foresees a vast surplus, and Mr. Levy foresees an equally vast emptiness.

[4] The discoveries of new reserves had been exceeding the rate of consumption even before the Nixon Administration's generous grants to the oil and gas industry last spring. Aside from the discoveries in Alaska and the North Sea, the oil companies also have found satisfying quantities of oil off the shores of Indonesia, in Ecuador and Australia, in Nigeria, Brunei, Cabinda, and Gabon. Production has been expanding offshore Louisiana and offshore California; onshore California, the 5 billion barrels at Elk Hills remain virtually intact.

[5] Each of the five American companies owned a 7 percent share in Iran's Consortium. Although Iran "nationalized" its oil production in 1973, the same companies draw the same volume of oil from the same fields. With the exception of Gulf, the same companies also own the major shares of Aramco, currently producing about 7.5 million barrels of oil a day. As a consolation of sorts, Gulf owns three-eighths of the Kuwait Oil Company.

[6] The concession to Fereydoon does not belong to the Consortium. It is shared by the Iranian government and an "independent," Standard Oil Company of Indiana. To wonder why Standard of Indiana and Aramco, on the other side of the gulf, have chosen not to draw oil from the field is to raise the possibility of a deal. It is conceivable that the Aramco partners could be supplying Standard of Indiana with crude oil at cut-rate prices in return for Standard's willingness to forestall operations in Iran.

[7] This is an important aspect of the oil trade, and it explains the reluctance of Standard of Indiana to develop the field at Fereydoon. The lack of owned crude oil may not be a serious liability for a major oil company. Mobil, for instance, has been buying maybe 150,000 barrels a day from Standard of California, one of its partners in Aramco, at what is called "eight-way price," i.e., a price one-eighth of the way between the tax-paid cost of the oil and its posted price. This represents a markup of perhaps 8 or 9 cents a barrel. Why should Standard of Indiana go to the trouble and expense of developing a field like Fereydoon if it can arrange a comparable deal with a partner in Aramco or the Consortium?

THE SIGNIFICANCE OF DECEMBER 3, 1773

Mr. THURMOND. Mr. President, during the first weekend of December of this year, the State of South Carolina officially began its celebration of our Nation's 200th birthday. As part of the official ceremonies, a Governor's banquet was held in Charleston, S.C., on Sunday, December 2. The keynote speaker at this banquet was a noted South Carolina historian, Dr. George C. Rogers, Jr., of the Department of History at the University of South Carolina.

Dr. Rogers' address, entitled "The Significance of December 3, 1773," was a very interesting and enlightening account of South Carolina's role in the birth of our great Nation. I believe this account should be shared with all interested Americans as our country begins its bicentennial celebration.

Accordingly, Mr. President, on behalf of myself and the junior Senator from South Carolina (Mr. HOLLINGS), I ask unanimous consent that Dr. Rogers' speech be printed in the RECORD at the conclusion of my remarks, and I commend it to the attention of all my colleagues in the Congress.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE SIGNIFICANCE OF DECEMBER 3, 1773

(By George C. Rogers, Jr.)

Growth and revolution have been the chief characteristics of South Carolina society during the past decade. We have had to adjust our political institutions so that the voices of the new generation coming off the campuses and out of the streets can be heard. Thus the struggles over reapportionment.

Growth and revolution were also the dominant characteristics of South Carolina society in the decade before the American Revolution. Amidst a turbulent people a search was begun for institutions that would be "an accurate mirror of the people, sensitively reflecting their desires and feelings." Consent was discovered to be "a continuous, everyday process." Discarded was the idea, as John Locke would have had it, that consent was given only once, at some climactic moment when government was overthrown by the people and then frozen in written documents forever. The new view was "that the only reason why a free and independent man was bound by human laws was this—that he bound himself." The search to discover the voice of the people and the channels through which it might be continuously heard reached an important milestone—perhaps even a starting point—on December 3, 1773.

Between 1748 and 1775 a man could get rich more quickly in South Carolina than at any other time in her history. Indigo, which had been granted a Parliamentary bounty in 1748, was a crop worth £250,000 sterling by 1775. When Parliament removed the English import duty on rice in 1767, the price of that staple almost doubled by the summer of 1772. These were also the years of greatest importation of slaves from Africa, an obvious sign that planters were prospering. During the 1760's the backcountry was filling up with men who grew provisions for the slave-run plantations of the lowcountry. When Henry Laurens, a great merchant who became an equally successful planter, withdrew to England in 1771 to educate his sons, he had an income of £2,500 sterling per annum, an income surpassed only by the incomes of the great lords of England.

Outward and visible signs of this Carolina wealth were the completion in 1756 of the first State House which was erected on the northwest corner of Broad and Meeting Streets and the opening of St. Michael's Church in 1761 on the southeast corner.

On September 3, 1768, Peter Timothy, the printer of the *South-Carolina Gazette*, wrote to Benjamin Franklin: "I do not suppose there is a Colony on this Continent in so flourishing and promising a Situation as So. Carolina at present. Private and public Works are every where carrying on with Spirit." Broad Street was being transformed into the most elegant thoroughfare in the Empire. At the eastern end, the Exchange was already under way; it would be completed by the fall of 1771. It was the formal entrance for those arriving by sea, who upon passing through the open arcade under the Great Hall would emerge upon a perspective as compelling as any designed by Palladio. A new Watch House was being built on the southwest corner of Broad and Meeting. On the northeast corner already stood the Beef Market.

At the crossroads the statue of William Pitt, executed by Joseph Wilton, was placed in 1770, a civic ornament dedicated to the man most responsible for the repeal of the hated Stamp Act.

To complete the prospect from the Exchange, a canal was ordered to be cut in 1768 from the upper end of Broad Street through the marsh to the Ashley River. Among the commissioners named to carry out this improvement were Henry and Arthur Middleton, William Henry Drayton, Edward Fenwick, and Rawlins Lowndes, who thus made this the planters' entrance to the city from their Ashley and Stono River plantations.

The first suburbs—Ansonborough, Harleston Village, and White Point—were linked to the town. In 1767 a stone bridge was built over the creek at the north end of Bay Street near Craven's Bastion, while Meeting Street was continued northward to George Street. The northern limit of Ansonborough was fixed in 1769 by the laying out of Boundary Street.

In 1770 Harleston Village was surveyed on Coming's Point with the north-south streets named after the patriots Gadsden, Lynch, and Rutledge, and the east-west streets named for royal officials—Bull, Montagu, Wentworth, and Beaufain.

The private improvements were no less noteworthy than the public. Peter Timothy described Christopher Gadsden's wharf as the most "stupendous work" of all. On May 23, 1774, Gadsden explained to Samuel Adams, the Boston patriot, that he had undertaken to build "a large Wharf, or rather, quay, the largest in America" in order "to relieve my Mind for the almost insupportable Loss of my eldest Son. . . ." "I have been above seven Years at hard Labour and the utmost Risk of my Constitution about one of the most extensive Quays in America during which Time no negroe in any of our swamps has been more exposed, at which thirty of the largest Ships that can come over our Bar can be Loading at the Same time and all afloat at low water with their whole loads in. . . ."

This building where we meet tonight rests on land which Gadsden developed as the suburb of Middlesex just behind his great wharf which stretched along Cooper River. The streets of this development he named in honor of John Wilkes, the defender of English liberties, and of Pasquale Paoli, the defender of Corsican liberties.

Gadsden has usually been labeled a merchant, but he expressly stated in 1769 that he was no longer a merchant, but a factor—generally known as a Country Factor. The distinction is important for understanding Gadsden's role in the Revolution. A merchant was a man with English connections, who drew his capital from London, who wanted therefore to buy the country produce cheap in order to load the vessels consigned to him by his English friends to the best advantage. The Charleston factor was the man who marshalled the produce from the country on his wharf and had the same interest as the planter—to sell at high prices.

Peter Timothy, who observed the urban bustle from his printing office on the Bay near the Exchange, pointed out in 1774 that Gadsden's wharf was not the only new one. John Gaillard had constructed one on the north side of the new Fish Market which stood at the foot of Queen Street; Samuel Prioleau, Jr. a wharf on the south side. More noteworthy were the wharves being built for the first time into the Ashley River westward of White Point. Here the most-extensive construction was that of the factor William Gibbes. Timothy boasted: "All *White-Point,* which for many Years was almost a desolate Spot, is lately almost covered with Houses, many of them very elegant." Among these houses were those of Miles Brewton, William Gibbes, and Thomas Savage, all of which still stand. This incessant building created a new class, the artisans, who were ready to challenge the dominance of the planters and the merchants.

It is only with a knowledge of these public and private improvements that one can understand both Governor Montagu's attempt to move the capital from Charleston to Beaufort in October 1772, and the deep resentment of that move felt by the propertied men of Charleston. Montagu's action was as great an attack upon Charleston property as Lord North's Boston Port Bill would be upon Boston property.

It was the tax on tea, however, that symbolized the most fundamental threat to the property of these aspiring men. The Stamp Act had been repealed. All of the Townshend duties had been repealed, except that on tea. The tax on tea had been retained as proof that Parliament had the right to tax the colonists; the colonists must therefore never consent to pay for it, for to do so would be an admission that the power of taxation rested in Parliament, a body in which they themselves were not represented.

In October 1773 seven ships with tea set sail for America. The ship *London,* Alexander Curling, master, was destined for Charleston with 257 chests of tea on board consigned to the agents of the East India Company in Charleston. The ship *London* arrived off Charleston bar on December 1; she came to anchor in the harbor on December 2.

The names of Carolina vessels had long been a faithful index to her fortunes. As she struggled to get rich, her vessels were called Adventure, Delight, Endeavour, Enterprize, Experiment, Friendship, Good Intent, Hope, Industry, Speedwell, Success. After 1764, however, nine vessels built in Carolina were christened *Liberty.* Others were launched as the *Fair American* and *Heart of Oak.* In 1770 Henry Laurens selected the name of *Magna Charta* for the ship he intended to sail up the Thames. The arrival of the *London,* therefore, in Charleston harbor might seem ominous indeed.

How was the landing of the tea and the collection of the duty to be opposed?

On December 2 handbills were circulated "inviting all the inhabitants, without exception, particularly the landholders, to assemble in the Great Hall over the Exchange at 3 o'clock on Friday afternoon."

On the 3rd the assembled group called Col. George Gabriel Powell to the chair, a place he occupied at each of the General Meetings held during the ensuing seven months.

Powell was selected to preside over these meetings of the people not because he was a strenuous votary to liberty, as Henry Laurens later depicted him, nor because he could propagate his ideas "with zeal," as Lieutenant Governor William Bull once wrote, but because he was one of the most respected leaders in the backcountry. Of Welsh descent, his fiefdom was the Welsh Tract. He had acquired extensive lands along the Pee Dee River. As a justice of the peace and a colonel in the Craven County militia, he had upheld authority during the Regulation yet retained his popularity for he was the overwhelming choice in 1769 of the people of St. David's parish to represent them in the assembly.

Perhaps because he was something of an outsider he could moderate the clashing interests of the planters, merchants, and mechanics. After all, he had been an assistant judge until April 23, 1772, when he was removed to make way for a placeman.

At this meeting the agents of the East India Company—Roger Smith, Peter Leger, and William Greenwood—were called in and by "threats and flatterys" convinced that they should decline to receive the tea.

At the meeting it was resolved: "We the underwritten, do hereby agree, not to import, either directly or indirectly, any teas that will pay the present duty, laid by an act of the British Parliament for the purpose of raising a revenue in America." A committee was appointed to secure signatures to the resolution. Some merchants who were present signed. But others according to Bull "were cool, and . . . differed in the reasonableness and utility thereof."

The committee, although composed of Capt. Christopher Gadsden, Col. Charles Pinckney, Thomas Ferguson, Charles Cotesworth Pinckney, and Daniel Cannon, was not to have an easy job as the following letter written by James Laurens to his brother Henry on December 4 indicates: "Our Liberty folks met Yesterday at the Exchange & came to a Resolution to prevent the Tea sent out by the India Company from being Landed here & Capt. Curling will be obliged to carry every chest of it back to London.

"This day a Select Committee, Mr. Gadsden & co., are going about to demand a Subscription from the Merchants to Import no more of that Article until the Duty shall be taken off. How that will Succeed I don't know but I hear many are offended at some severe reflections that Mr. G. Let drop against that Body in the Wrath of declamation yesterday."

The five men who made up the committee represented the two principal groups attending the meeting—the planters and the mechanics.

Charles Pinckney, his first cousin Charles Cotesworth Pinckney, and Thomas Ferguson were planters who had long been members of the Commons House of Assembly. Charles Pinckney, who was colonel of the Charles Town Regiment of Foot, had sat in every assembly since 1754, first for Christ Church parish, then for St. Michael's, and finally for St. Philip's. Charles Cotesworth Pinckney, the son of the famous Eliza Lucas, had only recently returned from studying abroad when he was elected in 1769 to represent St. John's Colleton.

Thomas Ferguson was described by Henry Laurens in 1768 as "a knowing wealthy Gentleman Planter." He was master of several plantations in Colleton County and owned the rights to Ferguson's Ferry over the Edisto River where he had established several country stores. He sat for St. Paul's Colleton.

These three men were accustomed to govern through the assembly.

Jack Greene, in his book *The Quest for Power,* has described the way in which the local elites in the four southern colonies had gained power through increasing their control over the colonies' finances. In South Carolina, however, because of a dispute over the Wilkes Fund, a gift of £1,500 sterling made by the assembly to John Wilkes in 1769, the assembly had ceased to function, for the crown would approve of no legislation until the commons house made amends for this gift.

This was why they could not act through the assembly and had to join forces with another group which had been working out of doors—the Sons of Liberty. Christopher Gadsden and Daniel Cannon represented this other tradition. Gadsden, although he had been a member of every assembly since 1757, was the darling of the mechanics. His constituency was St. Philip's, which was as close to a democratic one as could be found in colonial South Carolina. It was Gadsden who had read the Association at the Liberty Tree on July 22, 1769, which put into operation the non-importation agreement.

Daniel Cannon had never sat in the assembly. He was a carpenter by trade, but we would have to call him a building contractor, for he amassed a great deal of property, including by 1770 all that extent of land known as Cannonsboro. His great popularity in the community is attested by the fact that in the spring of 1774 he was elected a vestryman of St. Philip's church, a firemaster, president of the St. George's Society, and senior warden of the South Carolina Society.

Pauline Maier in a very perceptive article entitled "The Charleston Mob and the Evolution of Popular Politics in Revolutionary South Carolina" has found the seeds of self-government in these revolutionary mobs. There was a progression, she says, from the mobs at the time of the Stamp Act crisis to the more self-disciplined meetings of the Sons of Liberty at the Liberty Tree. By the time of the crisis over tea these had become the General Meetings of the Inhabitants—a kind of New England town meeting.

Thus on December 3, 1773, we have a merger of Greene's traditions which had been charted through the duly constituted bodies, with Maier's traditions which had been gathering out of doors. Therein lies the supreme importance of the day we celebrate.

Missing were the Charleston merchants. The mercantile community was the most conservative group in the city and in the light of the events they decided to organize. At "a General Meeting of the Gentlemen in Trade" held on December 9 at Mrs. Swallow's Tavern on Broad Street they organized the Charles Town Chamber of Commerce, in order to "adjust Disputes relative to Trade and Navigation." The first president was John Savage, a Jew from Bermuda who had amassed one of the largest Charleston fortunes while trading jointly with Gabriel Manigault. Miles Brewton, the most successful importer of slaves, was vice president, David Deas, a Lowland Scotsman, treasurer, and John Hopton, a former clerk of Henry Laurens, secretary.

Since the "great Stumbling Block" was that some merchants had not desisted from importing teas privately and might still want to sell what they had on hand, a general meeting was called for the 17th of December. At that General Meeting held from 10 to 3 "under the Exchange" it was resolved that the tea on Captain Curling's vessel should not be landed.

From a letter that Lt. Gov. William Bull wrote on December 24 to the Earl of Dartmouth, the King's Secretary of State for American Affairs, we know what ensued. "Tho' the Merchants of the Town had generally disagreed to this Measure of prohibiting the Landing the Tea, yet some warm bold Spirits took the dangerous method of sending anonymous Letters to Captain Curling and some of his Friends & the Gentleman who owned the wharf where the ship lay," threatening dire consequences unless the vessel was moved into mid-stream.

Bull had thereupon called together the royal council on December 21 to ask their advice. Captain Curling, who appeared before the council, said that he feared no personal violence. Collector of the Customs Robert Haliday stated that he would have to seize the tea if the duties were not paid within 21 days after the arrival of the vessel. That was the law. Since some disturbance was likely, the council agreed with Bull that the sheriff and his officers should provide protection for the collector. On the 22nd the collector seized, landed, and stored the tea in the cellar of the Exchange without, as Bull wrote, "one Person appearing to oppose him." Peter Timothy's comment was that "there never was an Instance here, of so great a Number of Packages, being taken out of any Vessel, and thus disposed of, in so short a Time."

The Earl of Dartmouth replied to Bull on the 5th of February, to give the King's reaction to the Charleston tea party. "What passed at Charles Town in consequence of the arrival of Capt. Curling, Altho' not equal in criminality to the Proceedings in other Colonies, can yet be considered in no other light than that of a most unwarrantable Insult to the authority of this Kingdom. The steps you took . . . are very much approved by the King . . . it is the King's firm resolution upon the unanimous advice of his confidential servants, to pursue such measures as shall be effectual for securing the Dependence of the Colonies upon this Kingdom."

Undoubtedly Charleston had responded in a less criminal manner than Boston where the tea had been destroyed by dumping it into the harbor and New York and Philadelphia where the tea ships were simply turned back.

When the news of these northern tea parties reached Charleston in January, the local firebrands were chagrined that they had been somewhat backward in the united cause. When Peter Timothy's *Gazette*, which Bull described as "the conduit Pipe of Political matters on one side," resumed publication on January 17, Timothy noted that the consignments of East India tea had not been landed any where in America but *"here."* To Timothy that seemed to be to Charleston's shame.

This point was driven home by a letter from the New York Sons of Liberty, printed in Crouch's *Country Journal* on February 1, in which letter the New Yorkers stated that they were disappointed to learn that the Collector had seized and landed the tea in Charleston. "This we are informed, is owing to an unhappy Difference between the Planters and the Trade. It was an Evil Hour for America." South Carolina's receiving the tea would "Delay the Repeal of the Revenue Act." This "Manifests a disunion among the Colonies. . . ."

Goaded by the opposition of the Chamber of Commerce and the criticisms from their friends in the North, the Sons of Liberty redoubled their efforts. A call went out for a General Meeting of "Every Inhabitant of the Town or Country" to be held on March 3 at 9 a.m. at the Liberty Tree. Because of continuing bad weather, this meeting had to be postponed several times until the decision was finally made to meet on March 16 at Pike's Long Room. A clash was expected at that time between the merchants and the mechanics.

Timothy wrote in his *Gazette* on February 28: "The late Institution of a Chamber of Commerce in this town, it is said, has given Rise to an Idea of forming a Chamber (or House) of Counterpoise." A handbill was soon circulating, calling for a meeting of the mechanics on March 15, the day before the General Meeting: "The Mechanicks in Charles-Town, are requested to meet, In the Lodge-Room in Lodge-Alley, at Seven o'Clock this Evening, Upon Matters of Importance: For, upon *their* present Conduct depends, whether they shall in future be taxed by any other than Representatives of their own Choice—and whether this hitherto respectable Province shall preserve its Reputation, or sink into Disgrace and Contempt."

At the General Meeting on the 16th there was established a "standing General Committee"—to act as an interim executive, to sound the alarm at the next crisis.

The next contest was a by-election to be held on April 5 and 6 to select a replacement for Henry Laurens, who had declined his seat in the assembly for St. Michael's parish, as he had not yet returned from England. At this election Thomas Lynch, Jr., was pitted against David Deas. Lynch was the son of Thomas Lynch of Stamp Act fame. Deas was a merchant and a member of the Chamber of Commerce. Deas was also a Scotsman. A writer to the *Gazette* on April 4 warned: "You are soon, my Countrymen, to have a *Scot* Governor: If you have a *Scot* Assembly, with the present hopeful Council, the Lord have Mercy upon you!" But David Deas won by six votes.

That which turned the tide in the radical direction was the news of the passage by Parliament of the Boston Port Bill. Timothy issued an Extra with large black borders and printed the entire bill. The General Committee met on June 13 and sent out a call for "the Inhabitants of this Colony" to meet on Wednesday, July 6, at the Exchange so that they can prove that they are in *union* with the other colonies.

The General Meeting that was held on July 6, 7, 8, 1774, at the Exchange was the most important of all. It was the first time that backcountrymen participated directly in Charleston politics. The letters of Christopher Gadsden to Samuel Adams intimate that the backcountry may have been called in to redress the balance against the Chamber of Commerce.

Gadsden wrote Samuel Adams on May 23: "You must not always judge of the Sentiments of the People of Carolina by their Public Meetings in Town where (I don't know how it is with you, but so it is with us) all the Ministerial men in the Province almost to a man are collect'd and are artful and strenuous in their Opposition. The Country Gentlemen are hearty and spirited but supine and I am sorry to say that few of them will give themselves the Trouble purposely to come down to attend the publick Meetings; however I am in hopes that this affair relating to your government will effectually rouse them."

It did.

At this July meeting there was a contest between two slates of candidates for delegates to the First Continental Congress. Henry Middleton and John Rutledge were on both tickets. But Gadsden, Thomas Lynch, and Edward Rutledge defeated the nominees of the Chamber of Commerce—Charles Pinckney, Rawlins Lowndes, and Miles Brewton. To appease the merchants, there was a compromise on instructions.

This three-day meeting early in July was far more significant than the one we celebrate today. If one pauses to think in terms of political philosophy—here were the people of South Carolina in a state of nature.

Timothy, sensing criticism, parried it by asserting for Lord North's benefit that this was not "the Meeting of a Rabble, and the Election of a Mob," by printing a list of those who were then members of the Commons House of Assembly and showing that all who had attended had approved.

To seal the new-found unity, a Committee of 99 was established to handle executive matters between future meetings of all the Inhabitants. Col. Charles Pinckney, a defeated candidate for delegate to Congress, was made chairman. Chosen as members were 15 merchants, 15 mechanics, and 69 planters.

This Committee in order to place the Revolutionary movement on a broader base called for elections throughout the province for representatives to attend a General Meeting to be held in Charleston in January 1775. When this General Meeting convened on January 11, a true representation was present from the backcountry. The General Meeting immediately transformed itself into the First Provincial Congress. Symbolic of the change was the fact that the General Meeting adjourned from the Long Room in Pike's Tavern to the Assembly's Room in the State House. As the General Meeting became the Provincial Congress, the General Committee gave way to a Council of Safety.

Thus when the lowcountry had to face the might of Britain on June 28, 1776, the province was united behind the new state government, which had been established under South Carolina's first state constitution, drawn up by the Second Provincial Congress and signed on March 26, 1776.

As Henry Laurens listened to the reading of the Declaration of Independence in Charleston on August 5, 1776, he realized that the logic of revolution must include the slaves. Although he had been a very reluctant rebel, he was now willing to stake his entire fortune on the outcome. But he could only make the commitment to Revolution on the highest level. He was ready to free his slaves. Indeed, he even said that he would give up his own children to save his country. On August 14 he wrote to his son John "I am now by the Will of God brought into a new World & God only knows what sort of a World it will be."

It was Chief Justice John Marshall who carried the idea of one people a step further—from the state to the national sphere—in his thunderous decisions of McCulloch v. Maryland and Cohens v. Virginia.

Ironically it was George McDuffie in July 1821—at that time like Calhoun still a nationalist—who caught the spirit of Marshall's decisions in letters to a Charleston newspaper which he signed "One of the People."

What is the security of our government? "It is the responsibility of the general government, not to the state authorities, but to themselves, THE PEOPLE. This, and this alone, is the great conservative principle, which lies at the foundation of all our political institutions, and sustains the great and glorious fabric of our liberty. This great truth ought to be kept in constant and lively remembrance by every American. It is the very life and soul of republican freedom; and no statesman is worthy to minister at her sacred altar, who does not distinctly perceive, and deeply feel it. The state governments, too, are the absolute creatures of the people. . . ."

In 1861 Abraham Lincoln appealed to the "mystic chords of memory" stretching from the Revolution, to "swell the chorus of the Union."

Woodrow Wilson, in delivering an address on Robert E. Lee, spoke of his own and of Lee's love of a particular plot of ground. "You can love a country if you begin by loving a community, but you cannot love a country if you do not have the true rootages of intimate affection which are the real sources of all that is strongest in human life." Upon a sense of place one could build a better world.

Our bicentennial celebrations should nurture what began at the Exchange on December 3, 1773—a sense of place, the mystic chords of union, the achievement of *one people*.

CARL MARCY—ABLE PUBLIC SERVANT

Mr. SYMINGTON. Mr. President, a number of my colleagues have spoken about the announced retirement on January 1 of Carl Marcy as chief of staff of the Senate Committee on Foreign Relations.

Today I would add my voice to those who have already noted the extraordinary contributions Mr. Marcy has made to the committee, to the Senate as a whole, and to our country.

For some years, I have had the pleasure of being associated with Carl Marcy on the Foreign Relations Committee. At no time have I been unaware thát Carl had 17 or more bosses and that I could only ask for a fair share of his staff's time and attention. But somehow he has always made me feel that my concerns and my requests were being treated in unique fashion.

I do not know how Mr. Marcy accomplished this magical feat; but I do know that he accomplished it with remarkable ease, combining into one activity the talents of a diplomat and a scholar. He is a true expert on matters of foreign policy.

In 1963 Carl Marcy was one of the five members of the Federal Government to receive the Rockefeller Public Service Award; in itself a remarkable achievement which tells us a great deal about this worthy recipient. When a man is so honored, it is difficult to embroider on the theme or embellish the truth.

As a friend, I would assure Carl that another service he is doing is not to make abrupt his break with his Senate duties. He is giving us some 6 months to accustom ourselves to the fact that we shall not be able to turn to him for his invariably wise advice and counsel, as well as his unfailing courtesy.

His successor, Pat Holt, has the experience and judgment we have come to expect from the chief of staff of the Foreign Relations Committee; and the Senate owes each of these outstanding public servants a deep debt of gratitude for nearly a quarter of a century of devoted and selfless assistance.

I am sure all of us wish this outstanding public servant and his gracious and lovely wife the best of everything in the years ahead.

PRESENTATION OF WRIGHT BROTHERS MEMORIAL TROPHY TO SENATOR BARRY GOLDWATER

Mr. THURMOND. Mr. President, on Friday evening, December 14, it was my pleasure to attend the annual dinner of the Aero Club of Washington at which time the coveted Wright Brothers Memorial Trophy was presented to our distinguished colleague, Senator BARRY M. GOLDWATER of Arizona.

A large number of aviation and Government leaders were present to join in honoring Senator GOLDWATER as the 1973 recipient of this award. This award is given annually by the National Aeronautic Association to the individual who has contributed most to all elements of aviation, military and civilian. No Member of Congress deserved this recognition more than Senator GOLDWATER. He has distinguished himself in many ways in the world of business, aviation, and politics.

His leadership in the Congress, and especially as a member of the Senate Armed Services Committee, has been instrumental in enabling this Nation to maintain a strong Air Force, as well as a strong defense establishment.

A distinguished pilot, whose experience as an aviator dates back to 1929, he has given of his time unselfishly in maintaining his contacts and knowledge of military, industry, and aerospace developments. A determined and outspoken advocate of all phases of aviation, his contributions will influence this critical area of our national life for many years to come.

In his extemporaneous response, Senator GOLDWATER made remarks which should hearten every American citizen. He pledged again his determination to assure our Nation a national defense second to none. His words are especially meaningful in this period of détente, as we must continue to recognize there are still dictators who will grab land and power whenever given the opportunity.

Mr. President, in recognition of these achievements by Senator GOLDWATER, I ask unanimous consent that, at the conclusion of my remarks, the following items be printed in the RECORD: A copy of the program for the 26th Annual Wright Memorial Dinner; a copy of the presentation remarks delivered by Mr. J. B. Montgomery, president of the National Aeronautic Association; a copy of the remarks given by Vice President GERALD R. FORD; an article entitled "Aviation's Man of the Year, BARRY M. GOLDWATER" which appeared in the December issue of the Airline Pilot's magazine, and an article entitled "GOLDWATER—Winged Maverick" which appeared in the January–March 1974 issue of the National Aeronautics magazine.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROGRAM

Presiding: Mr. J. C. Owen, President, Aero Club of Washington.

Invocation: Chaplain Henry Guikema, United States Air Force.

Presentation of Colors and National Anthem: Color Guards of the United States Army, Navy, Air Force, Marine Corps and Coast Guard; the Langley High School Wind Ensemble, conducted by Mr. George J. Horan.

Musical Presentation: The United States Air Force Singing Sergeants, directed by Captain Robert Kuzminski, USAF.

Master of Ceremonies: The Honorable Secor D. Browne.

REMARKS

Mr. Jerome Fanciulli representing the United States of America.

Count Giovanni Caproni di Taliedo representing Italy.

Mr. Charles Cristofini representing France.

Professor Willy Messerschmitt representing the Federal Republic of Germany.

Sir Archibald Russell representing Great Britain.

Presentation of Wright Brothers Memorial Trophy: Mr. J. B. Montgomery, President, National Aeronautic Association.

Response: The Honorable BARRY GOLDWATER, United States Senate.

Dancing: Fred Perry and his Orchestra and the Dixieland Stompers.

WRIGHT BROTHERS MEMORIAL TROPHY

The Wright Brothers Memorial Trophy, administered by the National Aeronautic Association, is traditionally presented at the annual Wright Memorial Dinner sponsored by the Aero Club of Washington. President Nixon recently described the award as "aviation's most coveted tribute to the courage, ingenuity and determination of Orville and Wilbur Wright."

This handsome silver trophy, a scale model of the original Wright airplane, is awarded for "significant public service of enduring value to aviation in the United States." Although the first presentation occurred December 17, 1948, the trophy's sponsor, Godfrey Lowell Cabot of Boston, a former NAA president, made it possible by a trust fund established in 1936.

PAST RECIPIENTS—WRIGHT BROTHERS MEMORIAL TROPHY

1948	Dr. William F. Durand.
1949	Charles A. Lindbergh.
1950	Grover C. Loening.
1951	Dr. Jerome Hunsaker.
1952	Lt. Gen. James H. Doolittle, USAF (Ret.)
1953	Hon. Carl Hinshaw.

1954	Dr. Theodore Von Karman.
1955	Dr. Hugh L. Dryden.
1956	Dr. Edward P. Warner.
1957	Sen. Stuart Symington.
1958	Dr. John F. Victory.
1959	William P. MacCracken, Jr.
1960	Frederick C. Crawford.
1961	Sen. A. S. Mike Monroney.
1962	John Stack.
1963	Donald W. Douglas, Sr.
1964	Harry F. Guggenheim.
1965	Jerome Lederer.
1966	Juan Terry Trippe.
1967	Dr. Igor I. Sikorsky.
1968	Sen. Warren G. Magnuson.
1969	William M. Allen.
1970	Hon. C. R. Smith.
1971	Sen. Howard W. Cannon.
1972	Hon. John H. Shaffer.

Senator Barry M. Goldwater

For his leadership and inspiration to all elements of aviation in the United States, both military and civilian, and for serving as an articulate spokesman for American aviation and space in the Congress and throughout the world, Senator Barry M. Goldwater is the 1973 recipient of aviation's highest award—The Wright Brothers Memorial Trophy.

An active pilot since 1929, Senator Goldwater has logged over 10,000 flying hours in more than 90 different types of civil and military aircraft. During World War II he served as an Army Air Corps gunnery instructor, a ferry pilot who led the first flight of P-47 fighters across the North Atlantic, and a wing commander with the Air Transport Command in the China and India theater.

Following the war Barry Goldwater organized the Arizona Air National Guard, serving as its chief of staff until his election to the United States Senate in 1952. He retired from the Air Force Reserve as a major general in 1967 after 37 years of distinguished service.

Senator Goldwater resigned his Senate seat in 1964 to become the Republican nominee for President. He was again elected to the U.S. Senate in 1968 and assigned to the Armed Services and the Aeronautical and Space Sciences committees. As a member of these two prestigious Senate committees, he has enthusiastically sponsored every research and development effort needed to maintain this country's position of leadership in aerospace.

Long a strong and outspoken advocate of American predominance in all phases of aviation, Barry Goldwater has frequently and eloquently warned the Congress that without new technology, the United States might very well become a second class military and economic power.

Senator Goldwater's lifelong interest and dedication to the advancement of aeronautics and astronautics is known the world over. His tireless support of the U.S. aerospace industry is second to none among the members of Congress. Twice he served as the President's personal representative to the biennial Paris International Air Show.

Born in Phoenix, Barry Goldwater attended the Staunton Military Academy in Virginia and the University of Arizona. His name becomes the 26th inscribed as an honored recipient of aviation's most coveted award, The Wright Brothers Memorial Trophy.

Head Table Guests

Mr. William M. Allen, Wright Brothers Memorial Trophy Recipient 1969.

General Earl E. Anderson, USMC, Assistant Commandant, United States Marine Corps.

The Honorable John W. Barnum, Under Secretary of Transportation.

The Honorable Secor D. Browne, Professor, Massachusetts Institute of Technology.

The Honorable Alexander P. Butterfield, Administrator, Federal Aviation Administration.

The Honorable Howard W. Cannon, Wright Brothers Memorial Trophy Recipient 1971.

Count Giovanni Caproni Di Taliedo, President, Caproni Vizzola-Construzioni Aeronautiche S.p.A.

Mr. Charles Cristofini, Director General, Societe Nationale Industrielle Aerospatiale.

Mr. Andre Dumas, President, Federation Aeronatique Internationale.

General Richard H. Ellis, USAF, Vice Chief of Staff, United States Air Force.

Mr. Jerome Fanciulli, Founding Member, Aero Club of Washington.

The Honorable James C. Fletcher, Administrator, National Aeronautics and Space Administration.

The Honorable Barry Goldwater, United States Senate.

Chaplain Henry Guikema, United States Air Force.

Mr. Jerome F. Lederer, Wright Brothers Memorial Trophy Recipient 1965.

Mr. Grover C. Loening, Wright Brothers Memorial Trophy Recipient 1950.

The Honorable John L. McLucas, Secretary of the Air Force.

Professor Dr. Ing. Willy Messerschmitt, Chairman, Board of Directors, Messerschmitt-Boelbow-Blohm GMBH.

The Honorable A. S. Mike Monroney, Wright Brothers Memorial Trophy Recipient 1961.

Mr. J. B. Montgomery, President, National Aeronautics Association.

The Honorable Frank E. Moss, United States Senate.

Mr. J. C. Owen, President, Aero Club of Washington.

Sir Archibald Russell, C.B.E., F.R.S.

Vice Admiral Thomas R. Sargent, III, U.S.C.G. Vice Commandant, United States Coast Guard.

The Honorable John H. Shaffer, Wright Brothers Memorial Trophy Recipient 1972.

Mr. Joe L. Shosid, President, Air Force Association.

The Honorable C. R. Smith, Wright Brothers Memorial Trophy Recipient, 1970.

The Honorable Herman R. Staudt, Under Secretary of the Army.

The Honorable Stuart Symington, Wright Brothers Memorial Trophy Recipient 1957.

The Honorable Olin E. Teague, United States House of Representatives.

The Honorable Robert D. Timm, Chairman, Civil Aeronautics Board.

Mr. Juan T. Trippe, Wright Brothers Memorial Trophy Recipient 1966.

General Fred C. Weyand, USA, Vice Chief of Staff, United States Army.

Captain Alexander W. Wuerker, USCG (Ret.), President, National Aviation Club.

Aero Club of Washington

Three score and ten years ago man's age-old dream of flying became a reality. Wilbur and Orville Wright, on December 17, 1903, successfully emulated the birds; they were the first men to fly in a power-driven vehicle heavier than air.

Today the far corners of the world are just hours away. We have reached the moon; a space station circles the earth. And we are poised on the threshold of manned flight to the planets, and eventually the stars.

It is especially fitting that the flags of other nations are so admirably represented here tonight as we commemorate the 70th anniversary of man's first mechanically controlled, sustained flight in an airplane; for the Wrights' great influence on aeronautical development abroad as well as at home is now recorded history.

The dominant theme of tonight's program is international progress. It salutes the dramatic technical accomplishment between two memorable aviation milestones—the success of the fragile *Wright Flyer* of 1903 and the emergence of the marvelously advanced supersonic *Concorde* airliner which will soon enter commercial service.

One of the oldest aviation clubs in America, the Aero Club of Washington has as a fundamental purpose the promotion and recognition of significant aviation achievement. It sponsors numerous wide-ranging programs and forums aimed at preserving and projecting this country's heritage in the air.

Founder Jerome Fanciulli, still an active member, first proposed the club at a meeting attended by Orville Wright and other pioneer airmen on August 22, 1908. It subsequently received its charter in 1909, the year a number of Wright "aeroplanes" were built under license in France, England and Germany. (Wilbur Wright also flew in Italy that year.)

ACW is the Washington chapter of the National Aeronautic Association, successor to the old Aero Club of America which organized in 1905. NAA is the official U.S. representative of the Federation Aeronautique Internationale, the world body governing aviation competitions and records.

Among its interests, ACW supports National Aerospace Education Association activities in more than 120,000 elementary and secondary schools in the United States. It also assists the Smithsonian Institution's National Air and Space Museum and serves as a platform for the free discussion of timely issues affecting all fields of aerospace.

Indeed, the triumphant events at Kitty Hawk transformed our lives and brought a new dimension to man's relentless pursuit of global mobility. And as long as dedicated men of understanding work together toward common goals, the future of the "flying machine" appears unlimited.

Aero Club of Washington 1973

OFFICERS

President, Mr. J. C. Owen.

First Vice President, Mr. James P. Bass.

Second Vice President, Mr. J. Donald Reilly.

Third Vice President, Col. Jack Reiter, USAF (ret.).

Secretary, Mr. George U. Carneal.

Treasurer, Col. James M. McGarry, Jr., USAF (ret.).

Historian, Mr. E. W. Robischon.

TRUSTEES

Mr. Donald R. Jackson.
Mr. Edward M. Lightfoot.
Mr. Robert C. Smith.
Mr. Brian S. Tennant.
Mr. Harry J. Zink.

COMMITTEE CHAIRMEN

Aviation Education, Mr. Michael J. Nisos.

Awards, Mr. Edward M. Lightfoot.

Membership, Mr. R. Dan Mahaney.

Programs, Mr. John R. Alison.

Publicity, Mr. James R. Greenwood.

WRIGHT BROTHERS MEMORIAL TROPHY COMMITTEE

Mr. J. B. Montgomery, President, National Aeronautic Association.

Dr. James C. Fletcher, Administrator, National Aeronautic and Space Administration.

Mr. Paul R. Ignatius, President, Air Transport Association of America.

Mr. Karl G. Harr, Jr., President, Aerospace Industries Association of America, Inc.

Dr. Holt Ashley, President, American Institute of Aeronautics and Astronautics, Inc.

Mr. J. C. Owen, President, Aero Club of Washington.

Mr. Robert I. Stanfield, President, Aviation/Space Writers Association.

WRIGHT MEMORIAL DINNER COMMITTEE

Mr. Thomas Turner, Chairman.
Mr. Norman J. Snow, Vice Chairman.
Mr. James R. Greenwood.
Mr. Donald R. Jackson.

Mr. Frank W. McAbee, Jr.
Miss Dianne Sherwood.

Proposed Remarks for I. B. Montgomery in Presenting the Wright Brothers Memorial Trophy to Senator Barry Goldwater, December 14, 1973

Mr. Chairman, honored guests, ladies and gentlemen, tonight I have the very great privilege in joining with you in honoring an individual whose lifelong dedication and contributions to air progress as a national legislative leader is unsurpassed. No man in government today has been more intimately associated with the growth and development of aviation in both its civilian and military applications than Senator Barry Goldwater.

Tonight we also commemorate that historic first flight of Orville and Wilbur Wright at Kitty Hawk which established without interruption for 70 years the preeminence of the U.S. in the field of aviation, a role which I fervently hope our country will never relinquish. In honoring Barry Goldwater, we continue a 25-year tradition of awarding to an American citizen the Wright Brothers Memorial Trophy for significant public service of enduring value to aviation in the United States. This award is entrusted to the National Aeronautic Association which combines within itself and its many divisions and affiliates practically the entire spectrum of U.S. aviation.

Time does not permit me to detail and do justice to Senator Goldwater's illustrious, unprecedented and colorful career. For this reason we've provided you with a copy of National Aeronautics Magazine which contains an in depth profile of this outstanding archiect of the air age.

An active pilot most of his adult life, logging more than 10,000 hours in 96 different types of civilian and military aircraft, an Air Force Wing Commander in World War II—Organizer of the Arizona National Guard—and as a member of the Senate Armed Services and Aeronautical and Space Science Committees, he has been a strong, eloquent and outspoken supporter of United States predominance in all phases of aviation.

Especially cognizant of the role which aviation has played in the history of America since The First Flight, Barry has been at the forefront of Congressional efforts to construct a National Air and Space Museum to appropriately house The Wright's original Flyer in a setting deserving of its importance to our country's aviation heritage.

Like the Wrights, Barry has fought an uphill battle against public, governmental and press indifference and apathy to aviation and aerospace progress.

When 70 years ago The Wrights unlocked the secret which enabled man to conquer time and space and became the first who ever experienced the thrill of powered flight they immediately realized that what they accomplished on the sand dunes of Kitty Hawk could conceivably change the course of history.

Excitedly Orville sent the following telegram to his Sister Katherine in Dayton, Ohio:

"Success—Four Flights Thursday morning—all against 21 mile wind—started from level with engine power alone—average speed through air 31 miles—longest 57 seconds—inform press—home Christmas."

Katherine raced with the message to the local newspaper and held the telegram out to the editor, offering him the greatest scoop of the century. The story has it the veteran newsman read the telegram and commented pleasantly, "How nice, The boys will be home for Christmas."

Barry can well attest to the similar frustrations he. has experienced in his fight to keep America first in air and space.

Aviation has been so much a part of Barry Goldwater's life that I can not think of another man who is more deserving of the recognition he is being accorded tonight.

The Citation accompanying the 1973 Wright Memorial Trophy needs no further amplification.

"For his leadership and inspiration to all elements of aviation in the United States, both military and civilian, and for serving as an articulate spokesman for American aviation and space in the Congress and throughout the world."

It is my very great honor on behalf of the National Aeronautic Association to request the Vice President of the United States to present the 1973 Wright Brothers Memorial Trophy to Senator Barry M. Goldwater.

Remarks by Vice President Gerald R. Ford at the Wright Memorial Dinner of the Aero Club of Washington, Washington Hilton Hotel, Washington, D.C., Friday Evening, December 14, 1973

President Owen, Chairman Browne, distinguished members and guests of the Aero Club:

It is a pleasure for me to join with so distinguished a company this evening, especially to pay tribute to this year's recipient of the Wright Brothers Memorial Trophy—my old friend Barry Goldwater.

Looking over the list of this evening's speakers and the honor roll of past recipients of this award is somewhat like reading a concise history of aviation. Each name summons up some great accomplishment or memorable moment in the history of flight.

As we think of these accomplishments, we think not only of technological triumphs, but we also think of great triumphs of the human spirit.

All of us here this evening can remember, for example, the great airlift that kept the city of West Berlin alive and free during the darkest days of the Cold War. And similarly, just a few weeks ago, another record-breaking American airlift provided the tiny state of Israel with the means to sustain its independence.

Hardly a week passes that does not see an aerial rescue mission to the victims of some natural disaster—a flood, a drought or a famine. It all adds up to an impressive record of courage, humanity, and resourcefulness on the part of those who build and fly our aircraft in war and in peace, in and out of uniform.

The spirit I have just described is well represented here tonight, among the distinguished speakers from several different countries, each of which has made a distinctive contribution to this legacy of light.

In twenty-five years in the House of Representatives, there were times when I thought of myself as a flyer, too. Sometimes walking back alone to my office after a particularly bad vote, I identified with the famous World War I fighter ace, Snoopy. There were even days when I was convinced I had been shot down behind enemy lines.

But most of the time, it was the flyer's sense of exhilaration and adventure which characterized my experiences in the House. And in addition, there was that strong sense of comradeship, of partnership, that links those who share in great undertakings—aviators and legislators alike.

No one I can think of from my days on the Hill—and I look forward to spending many more of them there executing my duties as President of the Senate—better reflects that spirit of honorable partnership than our guest of honor this evening, Barry Goldwater.

As a legislator, as an individual of courage, character and integrity, and as a darned good pilot in war and peace, Barry Goldwater is truly a unique man.

One of the past recipients of this award, that great American Colonel Charles A. Lindbergh, once remarked that flying started out as an art and ended up as a science. I believe it is both. Like politics, it represents an intricate blend of human feelings and technical principles.

Over a long career, great politicians, like great pilots, are bound to fly some pretty rough missions under tough conditions. But it is those tough conditions that bring out the best in a person, be he a pilot or a politician.

One thing is certain. As long as aviation and politics can produce men like the one we honor here this evening, both fields are in pretty good shape. And difficult as the prevailing weather may be at times, we can count with confidence on a safe, happy landing.

Barry M. Goldwater—Aviation's Man of the Year

(By Marty Martinez)

An old adage says "curiosity killed the cat." But in the case of Senator Barry M. Goldwater (R-Ariz.), curiosity kicked off the aviation interest that ultimately led to his selection as the 1973 Wright Brothers' Memorial Trophy recipient as aviation's man-of-the-year.

Unlike most pilots, the Arizona senator didn't begin flying because he yearned to "touch the face of God" though reverence of flight would come later. Rather, it was his hobby of amateur radio and a curiosity about the lack of air-to-ground communications that in 1929 introduced him to aviation.

"I wondered why we didn't have air-to-ground radio, so I started going out to the airport," he remembers.

The trainer he flew then not only did not have a radio, "it didn't have an air speed indicator or even brakes; it just had winds, that was it," he says with a smile that reveals more than his words.

But it was enough: It was the beginning of an aviation interest that took on the look of a fulltime aviation career, which it almost became.

He was 19 when his curiosity pushed him onto his first airfield. A year later he earned his first ticket, number 18352, by soloing in a Great Lakes Trainer. Since then he has flown 159 different aircraft and logged more than 10,000 flight hours.

In his fledgling aviator years, Goldwater flew all of the early airplanes, but "never anything with an OX-5. I've never been able to join that outfit (the OX-5 Club)," he says with a tone of regret. He attempted to get into the military aviation program in 1932, but was unable to pass the eye examination. By then, he held a second lieutenant's commission in the U.S. Army Infantry Reserve, and was deeply involved in the family department store business.

About that time he nearly became involved in an airline operation.

"The pilot who gave me my first instruction was interested in starting what later became Arizona Airways or Grand Canyon Airways; he asked me to join him," said the senator. "I remember flying over to look at an old wooden tri-motor Bach. They wanted $3,500 for it and I had about $500. I just couldn't see it, so I passed it up. My friend did go into the airline business and eventually was bought out by Trans World."

In 1941, when it became obvious there was going to be a war, Goldwater volunteered for service as an infantry reserve officer. By then, he also held his commercial pilot license. Although he didn't have an Air Corps pilot rating, he was assigned fighter gunnery training duties at Luke Field, near Phoenix.

Through a bit of conniving, he got his first taste of military flying.

"I made a deal with pilots there," he recalls. "They wanted pictures of themselves with their aircraft and I had the camera; so I said, 'I'll take your pictures and make them for you, but I want a little time at the stick.' It didn't take me long to get a couple hundred hours in the AT–6."

When the Air Corps originated the Service Pilot rating, Goldwater became one of the first to receive the "S" embellished wings. That began a military aviation association that continued until he retired from the Air Force Reserve in 1967 as a major general, after 37 years' total military service.

Following the war he organized and served as chief of staff of the Arizona Air National Guard, until he was elected to the United States Senate in 1952. At that point he had to relinquish his National Guard affiliation, so he switched to the Air Force Reserve.

In 25 years of piloting military aircraft, the senator has flown everything from the AT–6 to the supersonic SR–71. The supersonic flight reached a speed of Mach 3.1 and an altitude of 83,000 feet.

"While in the Air Force I tried to fly everything they had, that I could get my hands on," says the senator. And he has. Aviation manufacturers know of his avid aviation interst; consequently, he has been invited to fly practically every new airplane built, either at the primary controls or with an instructor pilot.

Goldwater, the aviator, has built up an interest in all aspects of flying. He holds ratings for jet, multiengine (land and water), helicopter and glider operations. He has flown off aircraft carriers and engaged in mock combat.

When it comes to flying, "there is very little I haven't done," he says matter of factly.

During World War Two his duties included services as chief pilot of Air Transport Command's Crescent Airline and Fireball Airline. Crescent Airline's main mission was resupply of B–29 operations. Its C–54s flew across the North Atlantic to India. Fireball Airline used C–47s and flew from Miami, across the South Atlantic, through Karachi and terminated at Chebwa.

He recalls flying the C–54s across the lower Hump to see if it was a practical route, "but it never was," he says. "Above 15,000 feet that airplane just didn't fly too good."

Eventually he returned to the kind of flying he enjoyed best—fighter planes. Lamentingly, he says, "I kept trying to get into combat, but never could do it . . . I was too old, they said. Guess I was a little bit too early; they're flying them past that age now."

Despite all the modern aircraft the senator has flown, he goes back to the war years for his favorite.

"It's a toss up between the P–40 and the P–51. The P–40 because it was the first inline high-powered fighter that I flew, and the P–51 because it was highly maneuverable and exciting to fly: If I'm really pinned down, I'd say the P–51 has the edge."

Why did he pick a fighter over a transport? "I've always liked single-engined planes," he says. "In them you are the boss and you have to do your own work."

That statement marks him as his own man, a fact that is obvious from the position he takes in his political life on many national issues. Long experience and a deep belief in aviation cause him to champion a strong military aerospace force, against stiff political opposition. Similarly, he defends the American aviation industry against those who, in his words, wage "what amounts to a senseless war on science and technology, which is threatening to reduce America to a second-class military power and a second- or third-class economic power."

His vigorous support of the SST was spurred on by his belief that the supersonic transport represented the next step in the development of aviation, and that without the development program, this country stood the chance of losing its pre-eminent position in the field of civil aviation.

The senator hasn't changed his mind, as is evidenced in his report on the 1973 Paris Air Show. He served as President Nixon's representative there, and viewed both the Russian Tu-144 and the British-French Concorde, both supersonic transports.

In his report to the President, he once again expressed his conviction that much must be done if the United States desires to retain its position of superiority in aviation. He wrote: "We in America have to wake up to the fact that the Europeans intend, not only to catch up, but to replace us as the world leader in aeronautics and everything associated with the field."

These examples of his efforts to move aviation ahead just scratch the surface of the many contributions he has made over his lifetime. The selection committee that named him Wright Trophy recipient summed it all up in the citation that accompanies the award. It reads: "For his leadership and inspiration to all elements of aviation in the United States, both military and civilian, and for serving as an articulate spokesman for American aviation and space in the Congress and throughout the world."

Airline pilots are generally aware of Senator Goldwater's support of the American aviation industry. Many, too, know he is an accomplished airman. Few, however, know that he participated in one of military aviation's "moments of history."

Air Line Pilot has obtained a diary penned by then Captain Goldwater who flew on that mission. It reveals that he, too, has been touched by the mysterious, seldom understood relationship that exists between a pilot, his airplane and the environs of space.

Here is his account, condensed for space considerations.

JULY 15, 1943

Capt. "Hap" Croswell, commanding officer of the 27th Ferrying squadron, which makes him my C.O., casually turned to me and informed me that I was one of the first 10 pilots selected to ferry the P–47s across the North Atlantic. I wasn't a whole lot surprised because pursuit ships are what I fly, and those kinds of pilots are sort of scarce around here. Well, if I wasn't surprised, I surely felt highly flattered; for this trip is going to be the first time in history that a single-engine military plane is going to be ferried across anybody's ocean and here I am going along.

The idea behind this flight is to eliminate a long ocean voyage via boat to Europe. Let's step aside and suppose for a moment. Suppose one of those boats would hold 50 airplanes—now suppose a submarine sank one—that's 50 airplanes on the bottom of the drink and they don't fly worth a damn with sea weed flopping behind and a shark for a pilot. Now suppose we start off and fly 50 across—then suppose the law of accidents gets real out of line and we lose say 5, which is 10%, which is far greater than the ATC loss expectancy. That's a hell of a lot better than losing the 50 and those 45 will kill a lot more Germans than the 50 Old Davey Jones has on his field. All that is my idea of why fly a fighter across. Any similarity to the facts is purely accidental.

JULY 16

First airplane and flight assignments are made—I have P–47 8550, #3 in the 1st flight. I am naming her Peggy-G after you know who. She (Peggy) has led me through the best part of my life; so I figured I might as well follow her across the Atlantic.

There are two flights of five P–47s each, and each one will be led by a B–24. In front of the entire project will be a C–87 (cargo version of the B–24) acting as flight leader. It was decided to hold all intercom on 6000 mgs and all transmitters have been set for this frequency. That is on our #2 band and on #1 is the Army 4495. For homing (radio compass) we are using 1200 mgs. This is used only if a 47 gets lost from the main flight. This radio compass is a wonderful thing.

Wing tanks double the gas load of this ship and allow 10 hours cruising at 185 indicated air speed. It also adds 1,800 pounds to the ship, which will then total over 15,000 pounds. All this weight and its distribution presents problems in takeoffs and landings and trim in actual flight.

JULY 17

About everything has been hashed out now and we are getting eager. Captain Turner (Pappy) is the leader. He is very good and extremely careful and I feel secure in his decisions and plans. If there's a man who can do it, he can. Well, Old Peggy is still laid up so I didn't take her up today—Tomorrow tho!!

JULY 18

Well, the Old Gal finally got her instrument fixed. She and I had an all day session in the blue, testing all radio equipment and getting accustomed to the Bendix radio compass. That darned thing is a honey—points right to where you should go and by God the first thing you know you're there.

My parachute weighs 75 pounds. The cockpit seat is a rubber boat all folded up with a bottle of carbon dioxide to blow it up. That boat is kind of hard and this thing at the end of my spine is kind of soft so tonite the tail end of me is sore, like riding a horse for the first time.

Things are popping now. There's a mass flight for 1,000 miles nonstop tomorrow that will take 5 hours.

JULY 19

This morning a non-stop cross-country was agreed on as a fuel consumption test. Peggy G rose into the air without a murmur after a run of about 3,500 feet, coaxed on by 2,300 horsepower.

After three hours my rear was a mass of dead beef and I squirmed first one way then another. One doesn't squirm far in a pursuit ship . . . frankly a virgin horse ride offers far more comfort. After six hours plus we landed back at NCAAB. Old Peggy went like a top all the way—lowest manifold pressure—lowest fuel consumption and coolest engine of the lot. She's a honey, and I mean from the word "clear" to "switches off."

JULY 23

This afternoon what we have all been waiting for started. At 4:45 we took off from Republic Field at Farmingdale and headed North and East . . . across Long Island Sound to the Coast of New England then over New Haven and the Yale Bowl—Harvard and Boston—then along the rocky coast of Maine. The day was beautifully clear and everywhere one looked there were green forests and silvery lakes.

We landed a few miles south of the Canadian border. Peggy ran like a million—her 2,000 horses just purred along ungrumbling hour after hour, drinking up her 70 gals of gas each 60 minutes. This field is Presque Isle. It is the jump-off place for North Atlantic crossings. Ground speed 185 MPH, average alt. 3,000 feet—weather clear—air smooth.

JULY 24

This morning we were issued North Atlantic manuals, charts and marked maps . . . briefed for 2½ hours on the terrain and geographic features we would encounter from here clear across.

JULY 26

Left Presque Isle this morning at 1000. The carpet that stayed under us was the same lake studded one of Maine and it remained so until we entered Quebec at the head of the Baie de Chaleur. Landed at Goose Bay Air Base in Labrador. Distance today 576 miles. Time 3:30, speed 185, altitude 5,-

000 feet, weather—thundershowers—rough air.

JULY 28

It looks like we will be here for a long time. Our orders are to make each leg of this flight CFR (Contact Flight Rules) and that means at least a 1,500-foot ceiling clear across. Weather here tells us there has been only one such a day all year; so God knows when we will leave.

AUGUST 1

Ye Gods, another month gone by—soon it will be another year. We have been here just a day short of a week and still no weather for us to clear . . . either we go on with lessened weather minimums or we return to the States and call it off. I hope it isn't the latter, but I'm beginning to think that is what will happen.

There are many, many combat crews in here on their way across. They, too, are held by the weather, but should be getting out soon.

AUGUST 7

General Giles flew up and told us that by God it didn't make any difference where an engine quit. That as far as he was concerned if it had to quit he wanted lots of air between him and the drink and for us to get on our way. That was like setting off dynamite, 'cause all of us had been waiting too long to hear it. There was a lot to do—top off tanks, check oxygen, check oil, deicer fluid, radios, air in tires, control surfaces, etc.

Weather briefing told us we would find ice at 5,000; so we decided to fly at 7,500, above all clouds and moisture. At 1445 EST the ships took the air. I used turbo and drew about 48 inches on takeoff holding the ship with brakes until I reached 40 inches. Then, with a slow thrust forward, Old Peggy G started down the smoothest runway I've ever seen. She was airborne by 4,000 feet and 120 miles an hour.

We climbed to 7,500 topping a thick layer of stratus. For 140 miles we were above the clouds, which told us we were still over land. Ahead the clouds suddenly stopped and beyond that was the deep rich blue of the Davis Straits of the North Atlantic.

I got a might squeemish. This was my first solo flight over an ocean and with only one engine. Well, I said the Lord's Prayer and asked Him to do right by all of us—then looked at all my instruments—felt of my already tired rear and settled down to my job. Miles before Cape Harrison we could see gigantic ice bergs floating in the sea. Even from 7,000 feet they were massive and cold looking as they floated lazily in the current.

One hour—two hours—three hours then land ahead—way, way ahead, but land. Believe me land looks darned good to a man who's used to seeing it every place he looks.

As we passed a line roughly lying between Cape Desolation on the north and Cape Egede on the south the clouds suddenly stopped, and there below, I saw a sight that if I live a hundred years I will never forget. A rich blue quiet sea flashed by a very rough rocky coastline and jutting into this coastline for miles many deep-cut fjords. These fjords usually ended at the foot of a glacier and they would be literally covered with thousands of large and small icebergs that had broken from the glacier. They looked like salt on a dark cloth. Then fjords, void of glaciers, would be a deep blue. The glaciers run like long rivers of lather to the ice cap. Black granite peaks stick through this icy topping like candles on a cake.

Landed at Bluwie West I—Steel mesh landing strip: Distance flown—776 miles—4 hours 15 minutes, ground speed 181—weather good—air smooth, 295 gals.

AUGUST 8

Up early. After a short weather briefing we went to our ships for takeoff. Peggy ran like a million and took on the first try in spite of freezing weather the nite before. We went to 11,500 feet and levelled off above Greenland's ice cap. Now nothing I can say about this will give you any idea of the way it hits you. You will have to imagine an area over 400 miles long and some 200 miles wide as white or whiter than the most brilliant snow you have ever seen. Only in a few places do black snow thatched peaks stick through. This is solid ice reaching measured thickness of over 8,000 feet. This cap sort of leaks down into the fjords. All along it are tremendous crevices or cracks many hundreds of feet deep. These glaciers run to the water and there, slowly break off into icebergs.

Over the blue North Atlantic again. Outside air temperature was right at freezing all the way, and occasionally I could see the right outboard engine of Lead 1 clearing its carburetor of ice. At the end of 3+20 hours the snowcapped volcanic mountains of Iceland came into view. We went into echelon 10 minutes out from Meeks Field and after 4+20 hours Peggy's wheels set down on another foreign soil. We are but 2° or 120 miles south of the Arctic Circle and the temperature doesn't let us forget that. Distance 746—alt. 7,000—weather good—ground speed 191.

AUGUST 11

Schedule called for a 1045 weather briefing and a 1300 takeoff. Our weather brief and charts showed a 2,000-foot ceiling with showers and tops at 12,000, so we decided on the top.

Takeoff at 1230. Peggy G as usual checked perfectly. I have not had even an indication of anything but perfection thus far. I love to take her off with all her 2,000 horses running so smoothly and the big turbo behind me roaring out its boost to power. She seems to float off, in spite of her 15,300-pound weight.

It was bitter cold at altitude—the thermometer going to 10° below 0°C. However the cockpits of these ships are always warm, so we didn't mind. We were flying above the clouds—up there in the beauty that sometimes is all that holds a man to flying. Soft, fleecy clouds underneath surrounded by tall cumulus reaching thousands of feet above us—these clouds are the reward for a hard day's work.

Today they estimated Starnaway at 2+50 hours, and on the dot I looked through a hole in the clouds. There on the shimmering Atlantic was the northern shore of Scotland. In just a short hour and a few minutes we were over the field at Prestwick after passing near Ben Lomond and Loch Lomond. Peggy's wheels touched just 4+20 after takeoff having covered 904 miles in that time.

I hate to say goodbye to her as she is a wonder, but I have admonished whoever gets her by an entry in the Form 1 to "Fly her like an angel and fight her like a devil."

Mission completed: Aug. 11, 1943. Miles flown, 3,750. Time, 19:40. Average speed, 190 MPH.

Reflecting on the flight, the senator says: "We obviously didn't prove what we were trying to, that we didn't have to ship fighter planes aboard a ship. That one flight was the last. Now they fly jets over both oceans without any problems."

Through the years, the flying senator has maintained his ham radio interest and just recently retired as president of the Quarter Century Wireless Association. He admits that "the avionics part of flying has always been my major interest. I like instrument flying. I think it's a real challenge. I have watched the development of avionics with great interest and I think we're just beginning to knock on the door."

The senator expects to see the day when he can put a computerized flight plan into an autopilot and "as soon as departure control clears me, hit a button and fly to anyplace I bought a ticket for. Not only will it take me there, but it will get me into a landing sequence and let me land."

Still averaging about 200 flight hours per year, he gets the chance to "fly all the new avionics that come out," and says that "each little piece makes it a little easier and a little safer." He agrees, however, that automation causes more of a workload from a fatigue standpoint. He says it "creates a mental fatigue which is worse than a physical one . . . particularly on a long flight when you begin to have avionics problems that have a direct bearing on where you are going or on your ability to get there."

He feels, however, there will be less avionics failures in the future because they are "becoming more and more dependable."

Total automation may be the thing of the future, and he "welcomes any improvements." But, he says, "it's not that simple. You still have to have a pilot up there who has to command an airplane filled with up to 500 people; and he has to be good, for he is the ultimate back-up."

With so many aviation accomplishments already recorded on his slate of life, it is difficult to imagine there are any others left for him to pursue. He sees it differently.

"The only rating I don't have is that of an airline pilot," he says, "and I've made up my mind I'm going to get it when I'm not so tied down with politics. It would mean going back to school. I don't worry about the flying, but when you get older, learning the rules and taking a written examination could be a dog."

It is the type of goal one would expect of aviation's man of the year.

Goldwater—Winged Maverick

An eight-pound stone has been hewn from the memorial granite boulder placed by the National Aeronautic Association at Kitty Hawk, North Carolina, to mark man's first flight in heavier-than-aircraft. Mounted on the stone is a silver scale replica of the original flying machine of Wilbur and Orville Wright, builders of the first successful airplane.

That replica atop the symbolic granite is the Wright Memorial Trophy, aviation's highest tribute to the courage, ingenuity and determination of the Wright brothers. For 1973, NAA's president J. B. Montgomery presents this most coveted award to Senator Barry Morris Goldwater on December 14 at the Annual Wright Brothers Memorial Dinner in Washington, D.C.— hosted by The Aero Club of Washington, one of the oldest aviation clubs in America.

The Wright Award is made annually by the NAA for significant public service of enduring value to aviation in the United States. The official citation to Senator Goldwater reads: "For his leadership and inspiration to all elements of aviation in the United States, both military and civilian, and for serving as an articulate spokesman for American aviation and space in the Congress and throughout the world."

But the Senator from Arizona knows that in the spirit of flight there is something more than just the words of a citation. Like the 25 recipients before him, Barry Goldwater has been touched by the winds that blow across that open field on Kill Devils Hill. They are the winds that capture some men's minds and vision in such a manner that compels them to dedicate their lives to furthering man's conquest of air and space.

A strong and outspoken supporter of United States predominance in all phases of aviation, Goldwater has enthusiastically sponsored every space and aviation research and development effort needed to keep the nation in a position of leadership. The Senator has been equally tireless in his support of the U.S. aerospace industry, frequently and eloquently warning that without congressional support for new technology, America may very well become a second-class military and economic power.

Barry Goldwater could probably qualify for the Wright Award solely on his continued efforts in the support of the building of a new Air and Space Museum which, indirectly, may be responsible for the fact that the Wright's original "Flyer" is still in the hands of the Smithsonian Institution where it remains a part of the great American heritage.

After 23 years of frustration at the lack of progress on a new National Air and Space Museum, the Wright Estate was on the verge of concluding that the original agreement by which the Flyer was returned from England to the United States was being violated. They appeared ready to withdraw the Flyer but learned of Goldwater's efforts in getting the new museum constructed. By prodding the Smithsonian, cajoling the President and needling Congressional Appropriations Committees, Goldwater was successful and P.L. 92–369 was signed August 10, 1972. Congress appropriated $40 million for constructing the new building, which will be opened July 4, 1976.

Expressing the appreciation of the Wright Estate, its co-executor Harold Miller, wrote Goldwater, "The Wright plane was returned from its long exile of honor in England to its present place in the Smithsonian only in the confident expectation that there would be a second-to-none U.S. Air Museum in which the plane would be the premier exhibit, displayed in a setting appropriate to its unique character and merit like the crown jewels.

"We hope you continue your interest in promoting the building of the museum and that we will live long enough to see the Kitty Hawk plane displayed in a setting deserving of its importance."

At the same time, Goldwater might well merit the award on his flying achievements alone. As an aviator, he is something of an enigma. While a young man, he tried twice unsuccessfully to become a "Flying Cadet" in the United States Army Air Corps. His problem—he couldn't pass the eye examination. Yet, the young man who couldn't make the grade as a Flying Cadet was ultimately to become a Command Pilot in the United States Air Force, acquire single-, twin- and four-engine propeller ratings, and qualify in the Lockheed P–80, the Air Force's first jet fighter.

Along his flying career, Goldwater has amassed over 10,000 flying hours in 159 different types of fixed-wing aircraft and helicopters, including the British/French Concorde (SST), the European A–300 Airbus and the world's most sophisticated aircraft, the Lockheed SR–71 of the Strategic Air Command. Earlier this year he won his "Lee Badge" as a sailplane pilot and is actively pursuing this new experience of flight in the silent skies.

Barry Goldwater is also the type of man who would give up the rank of Lt. Colonel to become a captain in the Air National Guard and then go on to retire from the Air Force Reserve as a Major General with 37 years of service.

Just six years following the Wrights' first flight, Barry Morris Goldwater was born on New Year's Day, 1909 at Phoenix in the then Arizona Territory. It was there in his high desert country that he developed the love for aviation which was to influence his thinking throughout his life and career.

He attended Staunton Military Academy and the University of Arizona. In 1929, he was commissioned a Second Lieutenant in the infantry, worked his way into flight training, and first soloed in a Great Lakes Trainer in 1930. Also receiving his private and commercial licenses in 1930, he continued flying and returned to his business enterprises in Arizona where he was the first person to introduce aviation to the Inians of the Navajo Reservation.

In August 1941, with World War II barely over the horizon. Goldwater, for the second time, attempted to break into the Flying Cadets only to be again turned away on eyesight. Fortunately, a new aeronautical status had come into being—that of the "Service Pilot." Utilizing his previous flying experience, the young flyer came in through the "back door" as a captain, ironically, soon taking command of pilot training at Luke Army Air Field, Ariz.

He was later assigned to the flight Test and Evaluation Center at Muroc where he had the job of adapting rocket flares to the P–38 Lighting. By then a major, he oversaw the engineering and flew the flight tests, developing tactics that were later used throughout the Army Air Forces.

In 1943 he led the first and unprecedented flight of P–47 Thunderbolts cross the North Atlantic to Europe. Moving on to the Asiatic theater and India with the Transport Command he served with honor and was discharged in 1945 as a Lt. Colonel and Command Pilot.

1948—Following the death of Orville Wright early that year the first Wright Memorial Dinner was held on December 17, 1948 and the first recipient was Dr. William F. Durand, professor emeritus of Standford University, a pioneer in propeller research and, in 1915, the principal organizer of the National Advisory Committee for Aeronautics (now NASA).

That same year, the governor of the State of Arizona came to Barry Goldwater, soliciting his services in organizing the Arizona Air National Guard. Since, at that time, the highest rank authorized by the War Department for an Air National Guard officer was captain, Lt. Colonel Goldwater turned in his silver leaves for two silver bars. Four years later, after having served as Chief of Staff of the Arizona Air National Guard, he left wearing the silver eagles of a full colonel.

1952—Long-time flyer Lt. General James H. Doolittle, following such notables as Charles A. Lindbergh, Grover Loening and Dr. Jerome C. Hunsaker, accepted the fourth Memorial Trophy. It was awarded for his service in a civilian capacity which contributed to the progress of American aviation, dating back to 1924, and for development of fog-flying equipment, making the first successful flight, including take-off and landing while in a completely covered cockpit.

In 1952 Barry Goldwater was first elected to the United States Senate where he would become a member of both the Armed Services Committee and the Committee on Aeronautical and Space Sciences. Throughout the years, his contributions to the Air Force mission and its personnel have been without parallel. Certainly, the excellence of U.S. aerospace forces can be attributed in great measure to his urgings in the Senate and to military and civic groups that a strong and continuing national defense development program must be supported.

However, the Senator's efforts have not been confined exclusively to the support of military aviation. To the contrary, he has been equally fervid in his support of the American civil aviation industry. He has consistently championed the cause of the industry against those who, in his words, wage "what amounts to a senseless war on science and technology which is threatening to reduce America to a second-class military power and a second- or third-class economic power."

1964—For almost half a century of devotion to advancing the science and practice of flight. The Wright Award was presented to Harry F. Guggenheim. As administrator of the Daniel Guggenheim Fund, he had sponsored schools of aeronautics at New York University, Massachusetts Institute of Technology, California Institute of Technology and others. Guggenheim was also the sole financial supporter of Professor Robert H. Goddard, father of modern rocketry.

In the intervening years since 1952, the trophy had been won by other outstanding individuals: Rep. Carl Hinshaw for his work in the growth of aviation, not as an implement of war but as an important carrier of people and a tool in the world of commerce; Dr. Theodore Von Karman for providing many of the foundation stones leading to the development of supersonic aircraft and guided missiles; and Dr. Hugh L. Dryden for his studies of turbulence in wind tunnels and the mechanics of air flow within the boundary layer. In 1956, Dr. Edward P. Warner was cited for continuous achievements over a broad range of aviation, followed by Senator Stuart Symington; NACA organizer Dr. John Frederick Victory; William P. MacCracken, Jr. for his legal vision in the development of civil and commercial aviation; Frederick C. Crawford and A. S. Mike Monroney. Aeronautical engineer John Stack was honored in 1962 and aircraft manufacturer Donald W. Douglas Sr. in 1963.

It was the Guggenheim year of 1964 that Barry Goldwater resigned his seat as Senator to accept the Republican nomination for President of the United States. Defeated, he returned to private life and later was again elected to the U.S. Senate. Back in the nation's capital, he continued his support of aviation and space. Senator Goldwater's speeches on the floor of the Senate in support of the supersonic transport R&D program add up to an unparalleled example of logical and balanced thinking in terms of our country's real interests.

His support for the Space Program is second to none among the members of Congress. He has visited most all of the NASA facilities, flown the LEM (lunar module) simulator and defended the U.S. space activities against the toughest of odds in committee.

1971—Another senator, Howard W. Cannon, received the Wright Memorial Trophy that year for his energetic advocacy and contributions to aviation as a viable national transportation system and essential element in maintaining a strong military posture. Other names stood out in the years following the Guggenheim award to precede Cannon: flight safety expert Jerome Lederer; Pan American Airlines' Juan Terry Trippe; aircraft designer Dr. Igor I. Sikorsky; Senator Warren G. Magnuson; the Boeing Company's William M. Allen; and American Airlines' C. R. Smith.

In 1971, it was a fitting tribute to Senator Goldwater's staunch support of aviation that the President of the United States chose him to be his official representative at the Paris Air Show, an honor again bestowed upon him in 1973, flanking the 1972 Wright Trophy winner, Federal Aviation Administrator John Shaffer. On both occasions of his return and report to the President, he expressed his conviction that much must be done if the United States desired to retain the position of superiority in aviation which has been held for the last 35 to 40 years. He warned, "We in America must wake up to the fact that the Europeans intend, not to just catch up, but replace us as the world leader in aeronautics and everything associated with the field."

So there is Barry Goldwater, businessman, statesman, aviator.

On numerous occasions in recent years he was asked by the Chiefs of the Services to fly the latest aircraft built by the military, including the F–111, F–14, and F–15. He has also flown the latest French fighter, the Mirage III. No one can question the man's prowess in the cockpit of an airplane. In the 1930's, after losing the engine, he dropped a WACO biplane into a golf course and walked away.

In 1948, he flew the Air Force's first operational jet fighter, the P–80. During 1950, he participated in one of the first air-rescue missions into the western Indian countries to push out food and hay to the snowbound Indians and their livestock.

Over the years, Goldwater has landed in ever state of the Union, flown over both poles and around the world in both directions. More recently, as a crew member, he has flown the advanced SR–71 at Mach 3.1, over 83,000 feet above the earth.

But a man does not have to be an aviator to qualify for the Wright Memorial Trophy. Many have not been flyers at all. They have been aeronautical engineers, builders of airframes. Some have been specialists in propellers and aerodynamic flight. There have been missilemen, wind-tunnel experts, aircraft manufacturers, academicians, airline operators, Federal agency administrators, and legislators such as Goldwater himself.

Yet, all have one thing in common, the "spirit" and "vision" of the two bicycle repairmen from Dayton, Ohio—for that is why the Wright Memorial Trophy is awarded.

Senator Goldwater is a product of the Arizona southwest, where a man's stature is measured by the manner in which he speaks the courage of his convictions. Goldwater does precisely that—sometimes to his own detriment, his friends say. All too often he couches his terms in the vernacular of the western cowboy. When this writer asked his reaction to his first catapult launch from the aircraft carrier "Enterprise," he answered man-to-man, descriptively, but not quite appropriately for print.

Today he still speaks out most directly, but with his traditional vision, concerning his "great itch" to build an advanced U.S. supersonic transport (SST). He believes strongly in the future of the SST and advocates it both in public and in the inner sanctums of congressional committee rooms.

The Senator has grave concerns about the United States losing its technological leadership, particularly as he sees the nation being overtaken in its capabilities in building airframes. When the original contractor of the U.S. SST, the Boeing Company, estimates it would cost four times its corporate worth to build such an aircraft and studies indicate that 30 percent of the passengers across the North Atlantic would pay the extra cost for supersonic transport, he is convinced that the government must help support such a project. "Already," he says, "American and other nations' airlines are taking a serious look at the U.S.S.R.'s Tu-144.

"We should build an SST," he says, "even if it never flew commercially, just for the technological spin-offs. For instance, the hyper-critical wing itself would allow much lower-powered aircraft to increase their speeds from 50 to 60 knots."

The Arizona desert has long been noted for the "maverick" mustangs, which are inclined to take the bit and turn as they see fit, regardless of the pressures of the reins restraining them. Goldwater long ago earned the title "maverick." In fact, during the 1964 presidential campaign he was even more stringently labeled because he called the shots as he saw them.

Yet as events in the world arena have unfolded since those days, he seems not so much a "radical" since all too many of his pragmatic predictions have been validated.

Recently, CBS commentator Walter Cronkite broadcasted, "If Goldwater now sounds like the voice of moderation and reason, in this current crisis, it's because he seems to be one of the few outspoken individuals who belong to no faction. Whether or not you agree with him on specifics, he seems to plead no special cause, right now, except frankness and honesty. No wonder he seems like such a loner in Washington these days.

"Once, his many critics told us Goldwater's approach to government was overly simplistic. He was ridiculed as an anachronism. But now, without fundamental change, he seems to strike a responsive chord in wider circles than just those right-wing groups which venerated his name."

As newsman Cronkite summed, "Is Goldwater catching up to the changing times? Or, asked more properly, are the times catching up to Barry Goldwater?"

THE ENERGY CRISIS: A VIEW FROM 1970

Mr. ABOUREZK. Mr. President, many Americans are asking why they were not forewarned of the dimensions of the energy crisis which we face today. Without comment, I ask unanimous consent to print in the Record the text of an address by my colleague, the Senator from South Dakota (Mr. McGovern), to the Mid-West Electric Consumers Association in Denver, Colo., 3 years ago this week.

There being no objection, the address was ordered to be printed in the Record, as follows:

Power and Public Responsibility

Events of this past summer should leave no one unconvinced that this country is facing an energy crisis of drastic proportions.

The most obvious evidence was supplied by more than 50 major blackouts in which electricity was cut off from consumers, and by hundreds of brownouts in which voltage was cut back.

But those troublesome events properly focused new attention on the entire energy industry and on its capacity to meet the exploding power needs of the American people.

We found that major private electric utilities have reserve generating capacity of 10 percent and less, instead of the desired 20 percent.

We found that there is a shortage, either genuine or manufactured by the industry, in deliveries of natural gas to customers.

We found that oil for fuel is available in sharply reduced quantities, and at ridiculously increased prices.

We found that more coal is being consumed than is being extracted from mines, and that prices are escalating sharply.

We found that electric utilities appear unable to provide added generating facilities to meet consumer demands without intolerable additions to environmental pollution.

The United States has a trillion dollar economy. Our technology is unparalleled. We have huge reserves of coal and lignite and enormous untapped reservoirs of oil and gas. We have, despite its imperfections, attained the best energy distribution system any place on the globe.

But we have nevertheless blundered into a power and fuel emergency which threatens to damage each American citizen.

The consumer has accepted blackouts with good humor, and brownouts with surprising good grace. He will be less patient when the freeze-outs begin. Yet they and other painful consequences are on their way unless government and industry supply inspired leadership to efforts to meet the power needs of both today and decades hence.

The crisis is recognized almost universally. There are apparently still some dimmed eyes, else how explain this summer's fifth straight House vote against the Dickey-Lincoln School Project for the Northeast, on the same day that Capitol corridors were darkened because of power shorages all along the Eastern seaboard. But most responsible observers now see the difficulty.

There is, however, no unanimity in explanations why the crisis has developed.

II

With the physical comfort and well-being of all of its citizens at stake; with the health of the entire economy dependent upon reliable supplies of energy at reasonable cost, it is almost impossible to believe that there isn't a Federal agency that can provide a logical and credible explanation for the development of the present emergency. Nonetheless, that appears to be the case.

You will recall that this past summer the Secretary of the Interior appointed an Industry Advisory Committee to provide him with information on the national energy situation—after an expected 18 months of study. Not even the White House saw that as a reassuring answer to a national emergency, so a Cabinet level team was appointed.

Meanwhile, private industry spokesmen have developed their own rationales, largely self-serving.

The electric utilities blame the conservationists, the manufacturers, organized labor, and the various regulatory agencies.

The coal companies place the principal blame upon the electric utilities for ordering nuclear fuel generating plants. They fault the railroads for shortages of hopper-bottom cars, and they fault the Congress for what they regard as excessively restrictive mine health and safety legislation and pollution controls.

Natural gas suppliers, with remarkable unanimity, place the responsibility on the Federal Power Commission. Natural gas would be available for everyone, they suggest, if only rates were higher.

The oil companies attribute the shortage of residual fuel oils to political disturbances in the Middle East, to tanker shortages, and to higher than anticipated demand. They are particularly fond of noting the interruption of the Trans-Arabian pipeline in Syria.

These pleadings may have mixed merit. It is at least as instructive to look elsewhere for more disinterested analysis.

It is intriguing to note, for example, that the acute energy emergency has developed just at the time when oil and gas companies have been acquiring coal companies, thus depleting interfuel competition from that source. Only two of the ten largest coal companies are now independently owned, and the other eight produce 42 percent of the industry's present production. Simultaneously, oil companies have acquired vast uranium holdings, producing 14 percent of the domestic uranium in 1969 and controlling 45 percent of the known reserves on January first of this year.

Where natural gas is concerned, we have evidence of seriously questionable tactics by producers.

The major oil companies, which control most of the natural gas supplies in the U.S., have made it clear that they are not interested in increasing gas production until it becomes more profiable than other investments they can make, but that could mean a 60 percent increase in present ceiling prices that producers can charge for natural gas.

In short, the shortage of gas is a holdout for higher prices.

Certainly any analysis of the roots of today's grim picture must include some attention to the fragmented and confused voice of government, particularly as it has influenced the growth of new energy sources.

In 1963 Jersey Central Power and Light released the economic analysis which led to that company's decision to go atomic at Oyster Creek. Spokesmen for the Atomic Energy Commission had, for years, been offering confident projections that coal would lose the electric power market to nuclear generation in just a few years. Without a similar public voice speaking for and promoting fossil fuels, investments in new coal mines and coal transport equipment were sharply curtailed.

Now, with the breeder-reactor still acting as the most successful moving target in human experience—staying twenty years away regardless of the passage of time—we find that we have ignored fossil fuels at our peril.

Research priorities reflect a similar pattern. Except for the civilian power reactor program which is primarily Federally financed, the electric utilities, the manufacturers and government agencies have all been niggardly in the financial support devoted to discovery of new concepts and techniques.

Joseph Swidler, former chairman of the Federal Power Commission and now head of New York's Public Service Commission, testified before a Senate Subcommittee recently that,

The amounts that the utilities spend on research are negligible, and this is understandable because of the nature of the industry. It is broken up into 3,000, over 3,000, separate institutions or entities in four different segments. They do not have laboratories or research facilities of their own.

The manufacturers are interested primarily in research with an early commercial payout, and the government thus far has stinted in its research in the energy field. Research, as you know, is one of the first things to be cut in any budget crunch.

Senator Lee Metcalf, who is rightfully regarded as the leading Congressional expert in the utility field, drew this explicit picture last January:

The 212 major electric utilities account for one-eighth of all the investment in this country. They took in $19.4 billion in 1968. They netted 15.4 cents on the dollar, after paying all expenses, including taxes and interest. Yet, almost one-fourth—51 companies to be exact—did not, according to their own reports, spend a cent on research and development in 1968, either within the company or through support of research and development by others.

Senator Metcalf reported further than on the average, investor-owned utilities spent just slightly more than 2 mills per revenue dollar on research and development in 1968. They spent eight times as much on advertising and other sales expenses.

That is the private utilities. During the 1970 fiscal year the Federal government spent roughly $367 million dollars on research in the energy field. But 84 percent of the total went for atomic energy, leaving just a tiny balance for research on the fuels which will continue to be the prime energy source for at least the next two decades and beyond.

III

It is not my purpose here to attempt a complete tabulation of the reasons for the current crisis. I do submit, however, that our first order of business in the short term must be to ascertain all the facts and to make certain the inconveniences, discomforts and economic penalties suffered by the American consumer are held to a minimum. We must be especially determined to see that the consumer is not forced to pay the bill for management's mistakes, and to assure that we are not flim-flammed into changing the rules of the game by unjustified producers' strikes.

We need to know much more, for example, about the maneuverings and negotiations between the Administration and the oil companies, which led to the decision to continue the oil quota system during and in spite of this emergency and in spite of the recommendations of the Cabinet level group. That single decision, according to Senator Phil Hart, will cost the American consumer some 7 billion dollars a year.

If the President has entertained illusions that the big energy companies are going to deal fairly, equitably and responsibly with the consuming public during the current period of shortages, he ought to read the "Inflation Alerts" prepared by his own Council of Economic Advisors. Fuel oil prices increased at an annual rate of 48 percent during the first half of 1970, and bituminous coal prices went up 56 percent during the same period. Now the second report tells us that the price of residual fuel oil has risen 25 percent more in three months. Bituminous coal rose 10 percent in a single 30 day period.

Normal market pressures have not been allowed to prevail, says the Council, because of "direct actions to curtail production." Meanwhile we read news reports every day about public and private agencies that cannot secure fuels for purposes that are vital to the public health and safety.

Hopefully it is still possible for firm and prompt Presidential action to minimize the short term adverse effects of a crisis that should have received executive attention and action long before the problem became so desperate.

While we deal with the present crisis on an emergency basis, however, we should devote equal attention to programs that will safeguard the nation's energy supply in the longer term, and that will do so in ways which are consistent with our interest in keeping an attractive and wholesome environment.

IV

It is an enormous undertaking.

Since 1965, overall energy consumption in the United States has grown at a rate of five percent each year. Electric power consumption is up to a 9 percent growth rate nationwide. Output must be doubled every ten years. Right now we simply do not know how that goal can be accomplished in the foreseeable future, at least not without rendering many parts of this country virtually uninhabitable.

The most prudent and responsible first step would be the adoption of Senator Jennings Randolph's important bill, S. 4092, to establish a Commission on Fuels and Energy. I have been impressed by this organization's testimony on behalf of that legislation. I agree with you that the Commission represents a splendid opportuntiy to identify, in the words of the bill,

"Those programs and policies which are most likely to insure, through maximum use of indigenous resources, that the nation's rapidly expanding requirements for low-cost energy will be met, and in a manner consistent with the need to safeguard and improve the quality of our environment."

I would hope and expect that such a Commission would address itself to the complicated and critical questions of energy and environment with a full willingness to question old institutions and to explore new and potentially better techniques.

V

Along with the Commission, there are a number of specific policy decisions which deserve the earliest,possible attention.

It is a travesty that this nation has no national grid system to interlink power-short areas with potential sources of surplus supply elsewhere. The issue was highlighted last summer when Basin Electric Power Cooperative in North Dakota offered power to Consolidated Edison, which did not have enough power to meet consumer demands in New York. Con Ed had to reject the offer because the interconnections were too small to handle the load. The same thing happened during the 1965 New York blackout, when a sizeable block of power offered by the Tennessee Valley Authority could not get through.

References to the national grid were dropped in Administration circles shortly after Secretary Hickel endorsed it last summer. With his departure, we are left with no commitment at all. We need to get moving now on this essential project.

VI

As I have suggested earlier, we also need desperately to expand research on means to employ fossil fuels more cleanly and efficiently. At this moment, for example, we should be placing especially high priority on MHD, or Magneto-Hydrodynamics. MHD can use lower grade coals than are feasible in conventional thermal plants. It is a means of using fossil fuels much more efficiently. It uses less water and pollutes less. Considering its promise, the $400,000 requested by the President for MHD research was grossly inadequate. So is the $600,000 supplied by the Congress. We need to support this work at the highest level at which funds can be effectively used.

Similarly, we should be doing more about fuel cells, super conductors, underground transmission, and the conversion of lignite and coal to gas and petroleum products.

And we should be both supporting elsewhere and demanding from the industry maximum research efforts to develop the best possible techniques for pollution abatement and control. If the American people are someday forced to choose between adequate energy supplies and a healthy environment, it will not be because the two cannot coexist. They will have been let down by government and held up by industry.

I have no way to judge whether the dollar amounts we have devoted to research on atomic power generation are too high or too low. I do know, however, that the present five to one advantage it has over fossil fuel research is unconscionable. It should be remedied in short order.

VII

Where the availability and costs of fuels are concerned we should be moving on at least three fronts.

First, the Justice Department's Antitrust and Monopoly Division should have the trend toward concentration of fuels ownership under constant and intensive scrutiny. There are few areas where monopoly control has greater potential for damaging the public interest. I welcome the current investigations by the Federal Trade Commission.

Second, while the country struggles with a claimed gas shortage, huge deposits on Federal lands and submerged lands under Federal control await exploration and development.

Initially, the Department of Interior's leasing policy should be reviewed and revised. Certainly gas bearing land should be leased on a schedule based on the Nation's energy needs, and not on the Treasury's demands for cash to fill budgetary objectives. And we should make certain those policies make participation by smaller companies both feasible and attractive.

I believe we have reached the time, and we surely have accumulated the reasons, to plan for Federal exploration of those deposits, both to increase supplies and to test the companies' contention that prices are too low. The yardstick of public ownership and control has been immensely valuable in the electric utility field. We need a yardstick in the natural gas industry as well.

Third, any discussion of future energy supplies, particularly for the western half of the country, must heed the tremendous concentrations of lignite and sub-bituminous coal concentrated in the High Plains States.

Almost a third of the nation's coal reserves are located in Montana and Wyoming. With the extensive lignite reserves of the two Dakotas, nearly two-thirds of our reserves of low sulphur coal are found in the western states.

In January of this year, former Interior Assistant Secretary Ken Holum, a citizen of my state, released his study concluding that electric power produced at mine-mouth generating stations on those coal fields could be economically attractive in Chicago, St. Louis, Dallas, Seattle and Portland. A report released more recently by the Missouri Basin Systems Group comes to essentially the same conclusion.

While they have been acquiring coal companies, the major oil companies and their coal subsidiaries have begun an aggressive campaign of coal land leasing in Montana and Wyoming. It is coupled with an equally aggressive effort to acquire water rights on or near the coal fields.

Senator Metcalf, after questioning Assistant Interior Secretary James Smith, learned this summer that all of the available water from Big Horn reservoir has been placed under contract. Secretary Smith justified that and other commitments in the following terms:

"The size of such investment, which only a few large companies are capable of underwriting, may precipitate charges that those interests are monopolizing the water. However, in view of the several energy companies already holding option contracts and in the light of the potential water supplies that can be developed in the Upper Missouri Basin, we believe that this is not likely. Rather, the problem is more apt to be one of *capital accumulation essential to full utilization of the latent coal resources in your state.*" (Emphasis added.)

Secretary Smith is correct up to a point. Development of those resources will require large amounts of capital.

But he is dead wrong in concluding so quickly that this alone justifies delivery of these resources into the hands of wealthy and powerful private energy companies. Since 1902 and the creation of the Bureau of Reclamation, this country has operated under the premise that water is a public resource to be developed with public funds for the benefit of the consuming public. The worsening energy crisis should reinforce that philosophy, not retard it. The consuming public deserves more from Federal executives than the almost automatic commitment of public resources—coal and water under public lands under Federal control—to private companies, mainly because those companies are already so rich and powerful that they can generate large amounts of capital.

If the challenge is capital accumulation, we should be considering the potential advantages of separating generation and transmission from distribution and establishing generation as a public task. TVA has served its area well. Do we need a similar organization to develop these coal fields in a manner that will satisfy the national needs for electric power, gas and liquid petroleum products? Are there alternatives that might serve the public interest as well? Secretary Smith's letter suggests that the Nixon Administration hasn't even recognized that the opportunity exists.

VIII

Finally, it is time we took a hard look at the basic organization of our entire power supply system.

Years ago, Leland Olds, a distinguished former Chairman of the Federal Power Commission, advanced what he came to call the "giant power concept."

Olds correctly identified the rapid emergence of "economies of scale." He was committed, as well, to what we call the "pluralistic electric system."

The essence of his proposal was that generation and transmission should be separated from distribution in the electric power industry. Under his concept, separate generation and transmission organizations would provide bulk electric power to local utilities that would continue to be responsible for distribution and marketing.

The idea has never received thorough and objective evaluation. Private electric utility management has rejected it out of hand, as they seem to reject all new ideas.

But today it is more attractive than ever before.

The National Power Survey included among its findings a conclusion that we can expect great savings from integrated planning, construction and operation of generation and transmission facilities on a regional basis. Subsequent experience, however, has suggested that there is little hope that such arrangements can be made under existing patterns of ownership and control. It could be accomplished, almost by definition, through the giant power concept.

These economies of scale also apply to pollution control techniques. Again by definition, a number of small plants will create more total pollution than a few large ones, at any given level of anti-pollution technology. And larger enterprise can incorporate the latest technology at the lowest cost per unit of power.

The giant power concept would be a decisive step toward the national power grid which we need so badly. By definition here, too, it would establish regional grids covering the entire country. From that point it would be a short step to interconnection of regions, allowing transmission of surplus power to any part of the country which might experience temporary shortages.

Further, the concept would facilitate meaningful regulation and control in the public interest. It would place generation and transmission under Federal regulation, while leaving distribution largely under the jurisdiction of the several states.

Since atomic power is efficient only in large plants, it would advance in a practical way our interest in using that alternative source of energy as our reserves of fossil fuels go down.

For all of these reasons, I believe the pioneering and farsighted concept of Leland Olds should be well on its way toward incorporation into national power policy.

We have some encouraging signs that it is. A recent report for the New England Regional Commission, which includes the governors of Maine, New Hampshire, Vermont, Massachusetts, Connecticut and Rhode Island and a Federal appointee, the best hope of meeting the region's power needs for the next twenty years would be creation of a single bulk power supply agency with full responsibility for power development—including the sole authority to construct all area generating and transmission facilities and the right to acquire all existing plants and lines. George Cabot Lodge of the Harvard School of Business, has reached a similar conclusion for the Northeast, identifying a new regional power agency as the potential answer to that area's bulk power supply problems.

In the early Thirties, when existing institutions had failed, a new application of cooperative principles, initiated by an imaginative and concerned national administration, led to the electrification of rural America. The rural electric program is one of the country's great success stories. Significantly, where REA cooperatives have been permitted to develop their own sources of supply, bulk power supplies are adequate.

Existing institutions—primarily the investor-owned utilities upon whom we must depend for 85 percent of this nation's power supply—are failing again. They are failing not only to offer the opportunities that abundant, low-cost energy can bring; they are failing as well to meet even the minimum requirements that are essential to public health, safety and convenience.

It is time we asserted the same kind of leadership we saw in the 1930's, this time for consumers in all parts of the country.

I recognize that such proposals can be expected to bring screams of outrage from private energy companies. While they have been less than dependable in supplying power, they can always be counted upon to protest loudly against proposals which might interfere with their conception of "free enterprise."

In response, let me quote briefly from a speech by the late Dr. Paul J. Raver, then superintendent of Seattle's Department of Lighting, before the 1960 conference of the American Public Power Association. He pointed out that the electric business:

"Is public business—because the power industry itself is public business, whether it is owned and operated by a public agency or a private agency."

Why is this so?

It is so because electricity is essential to public health, life and economic survival and because this commodity is sold under monopoly conditions. When these two factors, necessity and monopoly, are predominant, we have a "business affected with a public interest" and the business itself is public and not private.

At bottom, I suspect that a goodly portion of energy predicament today has grown out of our inability to recognize that basic fact, and out of the failure of public policy to reflect it.

Henceforth we need a new definition of values in the energy field.

We may well determine that it is in the public interest to retain the involvement of private capital, private management, and the profit motive in our energy system.

But whatever our conclusion on that score, we must never permit it to overrule the purposes of this immensely important "public business" to make energy available to the American people in the amounts they need, at the lowest possible cost, in the cleanest possible way, and with the greatest possible assurances of reliable service.

From now on we can afford to let no secondary interest deter from those transcendent goals.

FRENCH NUCLEAR TESTING

Mr. HARTKE. Mr. President, the world is striving for the elusive concept of peace now more than at any time in the history of international relations. Not only are countries coming together for discussions of their relations with each other, but for discussions of their relations within blocks of countries possessing certain understandings and similarities.

An additional avenue leading toward world order is through world justice, and when countries relinquish certain jurisdictional powers to the international institutions which will safeguard the integrity of human rights, we will have advanced the cause of peace one giant step for mankind.

On August 2, 1973, I introduced Senate Resolution 155, calling upon the President to inform the Government of France of this country's strong disapproval of France's continued detonation of nuclear devices in the Pacific Ocean in blatant disregard of the wishes and rights of the countries and peoples of that area.

Mr. President, I have received a letter from the Ambassador of Indonesia, the Honorable Sjarif Thajeb, which enclosed a copy of resolution 2934 (XXVII) of the United Nations General Assembly calling for the urgent need for suspension of nuclear and thermonuclear tests in the atmosphere.

I ask unanimous consent that the letter and the resolution be printed in the RECORD.

There being no objection, the letter

and resolution were ordered to be printed in the RECORD, as follows:

EMBASSY OF INDONESIA,
Washington, D.C., November 30, 1973.
Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE, in response to your letter of October 18, 1973, I have the pleasure of sending resolution 2934 (XXVII) of the U.N. General Assembly on Urgent Need for Suspension of Nuclear and Thermonuclear Tests. which was cosponsored by Indonesia.

I hope we can continue exchanging views on this important subject of nuclear test ban.

With best wishes, I remain
Yours sincerely,
SJARIF THAJEB,
Ambassador.

2934 (XXVII). URGENT NEED FOR SUSPENSION OF NUCLEAR AND THERMONUCLEAR TESTS

A

The General Assembly,

Recognizing the urgent need for the cessation of nuclear and thermonuclear weapon tests.

Recalling its resolution 2602 E (XXIV) of 16 December 1969, by which it declared the decade of the 1970s as a Disarmament Decade, and its resolution 2734 (XXV) of 16 December 1970, which contains the Declaration on the Strengthening of International Security.

Recalling also its resolution 914 (X) of 16 December 1955, 1762 (XVII) of 6 November 1962, 1910 (XVIII) of 27 November 1963, 2023 (XX) of 3 December 1965, 2163 (XXI) of 5 December 1966, 2343 (XXII) of 19 December 1967, 2455 (XXIII) of 20 December 1968, 2604 (XXIV) of 16 December 1969, 2663 (XXV) of 7 December 1970 and 2828 (XXVI) of 16 December 1971.

I

Noting with regret that all States have not yet adhered to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water, signed in Moscow on 5 August 1963.[1]

Expressing serious concern that testing of nuclear weapons in the atmosphere has continued in some parts of the world, including the Pacific area, in disregard of the spirit of that Treaty and of world opinion,

Noting in this connexion the statements made by the Governments of various countries in and around the Pacific area, expressing strong opposition to those tests and urging that they be halted,

1. *Stresses anew* the urgency of bringing to a halt all atmospheric testing of nuclear weapons in the Pacific or anywhere else in the world;

2. *Urges* all States that have not yet done so to adhere without further delay to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water and, meanwhile, to refrain from testing in the environments covered by that Treaty;

II

Noting that no less than nine years have elapsed since the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water came into force,

Taking into account the determination expressed by the parties to that Treaty to continue negotiations to conclude a treaty resulting in the permanent banning of all nuclear weapon test explosions,

1. *Declares* that a treaty banning all nuclear weapon tests is an important element in the consolidation of the progress towards disarmament and arms control made thus far and that it would greatly facilitate future progress in these fields;

2. *Calls upon* all nuclear-weapon States to suspend nuclear weapon tests in all environments;

3. *Calls upon* the Conference of the Committee on Disarmament to give urgent consideration to the question of a treaty banning all nuclear weapon tests, taking into account the views already expressed in the Conference, the opinions stated at the current session of the General Assembly and, above all, the pressing need for the early conclusion of such a treaty.

2093rd plenary meeting, 29 November 1972.

B

The General Assembly,

Conscious of the dangers to mankind presented by a continuation of the nuclear arms race,

Believing that a cessation of all nuclear and thermonuclear weapon tests, including those carried out underground, would contribute to a deceleration of the nuclear arms race, to the promotion of further arms control and disarmament measures, and to a reduction in world tension,

Believing further that a cessation of all nuclear weapon testing would inhibit the wider dissemination of nuclear weapons,

Noting with regret that not all States have yet adhered to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water, signed in Moscow on 5 August 1693,[2]

Nothing with regret that, despite the determination expressed by parties to that Treaty to achieve the discontinuance of all test explosions of nuclear weapons for all time, parties to the Treaty continue to test nuclear weapons underground and that no specific proposals for an underground test ban agreement are under negotiation,

Recalling that the General Assembly has repeatedly expressed its concern regarding the continuation of nuclear and thermonuclear weapon testing, in particular in its resolutions 914 (X) of 16 December 1955, 1762 (XVII) of 6 November 1962, 1910 (XVIII) of 27 November 1963, 2032 (XX) of 3 December 1965, 2163 (XXI) of 5 December 1966, 2343 (XXII) of 19 December 1967, 2455 (XXIII) of 20 December 1968, 2604 (XXIV) of 16 December 1969, 2663 (XXV) of 7 December 1970 and 2828 (XXVI) of 16 December 1971,

Having considered the report submitted on 26 September 1972 by the Conference of the Committee on Disarmament,[3] and in particular the sections thereof concerned with achieving a comprehensive test ban,

Noting with satisfaction the completion of a first set of bilateral agreements on the limitation of strategic arms and expressing the hope that the progress so far achieved will lead to further agreed limitations on nuclear arms and be conducive to the negotiation of a ban on underground nuclear weapon testing,

1. *Stresses again* the urgency of halting all nuclear weapon testing in all environments by all States;

2. *Urges* all States that have not yet done so to adhere without further delay to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water and, meanwhile, to refrain from testing in the environments covered by that Treaty;

3. *Calls upon* all Governments conducting underground nuclear weapon tests, particularly those parties to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water, immediately to undertake unilateral or negotiated measures that would suspend or reduce such testing, pending the early entry into force of a ban on all nuclear weapon tests in all environments;

4. *Urges* Governments that have been carrying out nuclear weapon tests to take an active and constructive part in presenting and developing in the Conference of the Committee on Disarmament, or in any other appropriate body, specific proposals for a comprehensive test ban;

5. *Request* the Conference of the Committee on Disarmament to give first priority to its deliberations on a treaty banning underground nuclear weapon tests, taking full account of views of experts and of technical developments bearing on the verification of such a treaty, and further requests the Conference to submit a special report to the General Assembly at its twenty-eighth session on the results of its deliberations on this matter.

6. *Urges* Governments to take all appropriate measures further to develop existing capabilities for detection and identification of underground nuclear tests through seismological and other technical means, and to increase international co-operation in the elaboration of relevant techniques and evaluation of seismographic data, in order to facilitate an underground nuclear weapon test ban;

7. *Calls upon* Governments to seek as a matter of urgency a halt to all nuclear weapon testing, and to endeavour to achieve at the earliest possible date a comprehensive test ban and to obtain universal adherence to such a ban.

2093rd plenary meeting, 29 November 1972.

C

The General Assembly, Reaffirming its deep apprehension concerning the harmful consequences of nuclear weapon tests for the acceleration of the arms race and for the health of present and future generations of mankind.

Deploring that the General Assembly has not yet succeeded in its aim of achieving a comprehensive test ban, despite twenty-one successive resolutions on the subject,

Deploring further that the determination expressed by the original parties to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water, signed in Moscow on 5 August 1963,[4] to pursue negotiations to achieve the discontinuance of all test explosions of nuclear weapons for all time has not so far produced the desired results,

Recalling its resolutions 1762 A (XVII) of 6 November 1962 and 2828 A (XXVI) of 16 December 1971, whereby all nuclear weapon tests, without exception, were condemned,

1. *Reiterates once again with the utmost vigour* its condemnation of all nuclear weapon tests;

2. *Reaffirms its conviction* that, whatever may be the differences on the question of verification, there is no valid reason for delaying the conclusion of a comprehensive test ban of the nature contemplated in the preamble to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and under Water;

3. *Urges once more* the Governments of nuclear-weapon States to bring to a halt all nuclear weapon tests at the earliest possible date, and in any case not later than 5 August 1973, either through a permanent agreement or through unilateral or agreed moratoria;

4. *Requests* the Secretary-General to transmit the present resolution to the nuclear-weapon States and to inform the General Assembly at its twenty-eighth session of any measures they have taken to implement it.

2093rd plenary meeting, 29 November 1972.

ABA COMMISSION RECOMMENDS JUDGES RETIRE AT 70

Mr. ROTH. Mr. President, the American Bar Association Commission on

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[1] United Nations, *Treaty Series*, vol. 480, No. 6964, p. 43.

[2] *Ibid.*

[3] Official Records of the Disarmament Commission, Supplement for 1972, document DC/235.

[4] United Nations, *Treaty Series*, vol. 480, No. 6964, p. 43.

Standards of Judicial Administration, chaired by U.S. Court of Appeals (D.C.) Judge Carl McGowan, recently formulated and submitted for public scrutiny their proposed standards relating to court organization. One of these standards suggests that all Federal judges be subject to compulsory retirement at 70.

As the Commission has noted,

> It is now generally recognized that there should be an age for compulsory retirement for judges, as there is for most officials and professionals in government, business, and nonprofit organizations.

I concur with the Commission in this observation and I commend the Commission's members for their recommendation.

Together with the junior Senator from Maine (Mr. HATHAWAY), I have introduced Senate Joint Resolution 100, proposing a constitutional amendment to establish a mandatory retirement age for all Federal judges and Members of Congress. This measure would prohibit the appointment of anyone to the Federal bench who is 70 years of age. It requires those already on the Federal bench to retire 30 days after reaching that age. Finally, the proposal grants immunity from its impact to certain members of the Federal judiciary. Those judges who have not served the minimum number of years required by law to become eligible for their pension benefits will be allowed to remain on the bench until that minimum time has been served.

I ask unanimous consent that the Commission's Standard 1.24, entitled "Retirement of Judges" be printed in the RECORD at the conclusion of my remarks.

There being no objection, the standard was ordered to be printed in the RECORD, as follows:

AMERICAN BAR ASSOCIATION STANDARDS RELATING TO COURT ORGANIZATION

1.24 Retirement of Judges. Judges should have pension benefits upon retirement as recommended in Section 1.23 and should be required to retire at age 70. A judge who is retired, whether voluntarily or upon reaching the age of compulsory retirement and who is fully able to perform the duties of an active judge should be eligible for call, with his consent, for active service in such assignment as the chief justice may specify. The term of such an appointment shall be not more than six months, but may be renewed. While in active service, a retired judge should be paid the same salary as regular judges of the court in which he is called to sit.

COMMENTARY

It is now generally recognized that there should be an age for compulsory retirement for judges, as there is for most officials and professionals in government, business, and non-profit private organizations. A compulsory retirement system makes possible the orderly termination of service of people who, on the average, have reached an age when their physical and mental powers do not permit them to carry a full workload. Compulsory retirement inevitably works arbitrarily in many cases, unless the age of compulsory retirement is fixed so high as to defeat its purpose. The consequences of not having compulsory retirement, however, are unfortunate and sometimes unpleasant, both for the court system and for the judge himself. No spectacle is more tragic than that of the judge who hangs on in office beyond the point of his disability, wishing to believe he is still doing his job, but suffering the doubts of others and of himself that he is.

A retired judge should be regarded as a public official with responsibilities and modest prerequisites as such. The provision for recalling retired judges to active service has proved an effective way of extending the careers of judges who are still vigorous at the age of mandatory retirement, while minimizing the difficult or invidious distinctions made between people of advancing age. A retired judge recalled to active duty should be compensated the same as the regular judges of the court in which he serves.

ON PEACE IN THE MIDDLE EAST

Mr. WILLIAMS. Mr. President, on Monday, December 17, the American Jewish Committee paid tribute to a great American labor leader, Mr. George Meany, for his years of outstanding service to this Nation and his continuing contributions to the cause of freedom and justice which have benefited not only Americans but millions of people throughout the world.

In a major policy statement on the Middle East for the American Jewish Committee dinner in New York honoring the president of the AFL–CIO, my distinguished colleague, the junior Senator from Washington, praised in particular the solidarity of American labor, under Mr. Meany's leadership, with the Jewish struggle for survival against Nazi persecution, Soviet oppression and Arab aggression. I am proud of the early and consistent support of the greatest free labor movement in the world for our sister democracy in the Middle East—labor's strong stand, which Mr. Meany so forcefully presents, is of course especially vital at this critical time.

Mr. President, I would like to call the attention of my colleagues to Senator JACKSON's remarks congratulating our mutual friend, George Meany, and to the Senator from Washington's important analysis and recommendations with respect to the current Middle East situation. As a strong and consistent supporter of American labor and of the State of Israel, his remarks are especially noteworthy.

I ask unanimous consent that this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ON PEACE IN THE MIDDLE EAST

(Address by Senator HENRY M. JACKSON)

A TRIBUTE TO GEORGE MEANY

What a pleasure it is to be here tonight to join with you in honoring George Meany: a cherished friend, a courageous leader, a good and decent man whose spirit and independence and vision have advanced the cause of justice at home, and freedom abroad, for more than half a century.

No one in this century has fought as long or as hard or as effectively to assure that America's great abundance, the fruit of our working men and women, is shared by those too poor or too sick, too old or too powerless, to provide for themselves. And no one has seen more clearly or consistently, whether his allies were many or few, that the struggle for freedom and justice cannot, and must not, stop at the water's edge.

One day in 1935—George would remember the exact time and place—David Dubinsky and Matthew Woll went to a meeting in this city called to protest Nazi persecution. The secretary-treasurer of the AFL, an Irishman who had got his start as an apprentice plumber, went along with them; and on that day George Meany knew—and he has known it ever since—that free men cannot rest while their fellows are oppressed.

The rest belongs to history; and it is a history worth repeating. The conventions of the AFL in the 1930's sounded the alarm again and again as convention after convention called for a boycott of Nazi Germany. Together with the Jewish Labor Committee, it was the AFL that approached Roosevelt seeking visas for the victims of Nazi persecution. And, if I may depart from the chronology for a moment, it was the AFL–CIO, under George Meany's leadership, that helped assure the overwhelming victory of the Jackson Amendment in the House of Representatives last week.

At the end of World War II, during the euphoria that swept Europe, during the detente with Russia and the demobilization of the American army, at a time when Americans were urged to turn inward once again, men like William Green, David Dubinsky, Matthew Woll and George Meany were determined that Stalin must not be allowed to pick up the pieces of Europe that had been struck from Hitler's hands. As the tide of internationalist concern was receding around them, these few men, to whom so many owe their freedom, continued the struggle for individual liberty in Europe through the Free Trade Union Committee that they had organized in 1944. On the waterfront at Marseilles, in the factories of Rome, among apprentices in Athens, the Free Trade Union Committee, working with European Social Democrats, frustrated the attempt of the Communist parties of Europe to dominate the trade unions and gain a stranglehold on the economies shattered by World War II. This brave and visionary effort, in my judgment, laid the foundation for the Marshall Plan and for the eventual reconstruction of democracy in Europe.

At home, as my friend Bayard Rustin has so often pointed out, none of the great legislative victories in the field of civil rights could have been achieved without the support of the AFL–CIO. And the AFL–CIO has truly been the leading edge of social justice in America. Go down the list: education, housing, employment, poverty, tax reform, minimum wage, voting rights, the environment, national health insurance—George Meany and the American labor movement have fought and won the crucial battles in the war for social justice that they continue to wage even now.

Following a history of support for, and alliance with, the Histadrut that is as old as Israel itself, the American labor movement was the first non-Jewish institution in the United States that gave full support to Israel during the Yom Kippur War—support that continues in the current political crisis. I am speaking of the entire labor movement—industrial and craft unions, maritime and public employee unions, black and white workers alike.

Tonight we honor a man who, in his support for Israel, is standing with a friend in need, resisting blackmail in the name of solidarity, swimming against the isolationist tide in the defense of freedom—standing strong as he has always stood.

On the eve of the Geneva negotiations, I join with all of you in hoping that the tragic conflict that has four times engulfed the Middle East in catastrophic war, will now be resolved in peace. My hope is for a genuine peace, a lasting peace, a peace not only of the fathers but of the sons as well, a stable peace that can be defended by an Israel whose recognized borders are defensible, whose children can grow up amongst their Arab neighbors across open bridges, and whose future does not depend on the ephemeral guarantees or the military forces of outside powers.

RECENT HISTORY OF THE MIDDLE EAST CONFLICT

Having followed closely the history of the Middle East, especially its recent history, I can summon hope as the parties assemble in Geneva, but I cannot summon much optimism.

The outbreak of the October 6 war—the Arab war of aggression against Israel—and let us call it what it was and is, even if the Secretary of State will not, was the culmination of a series of events going back at least to August of 1970. The unfolding of those events is so instructive that I wish to review some of them with you now.

On August 7, 1970 the United States, the Soviet Union, Egypt and Israel entered into a standstill cease-fire agreement that had been hastily arranged by Secretary of State Rogers. The August cease-fire provided that neither side would introduce or construct any new military installations in a zone extending 30 miles on either side of the Suez Canal. No sooner did the cease-fire with its standstill provision start than the first Soviet-Egyptian violations occurred—that very night of August 7. The extent of the illegal movement of surface-to-air missiles in the cease-fire zone removed any doubt that the violations might have been unauthorized or spontaneous. It was a calculated effort to take advantage of Israeli compliance. The Russians were deeply involved in the planning and execution of the violations.

At the time, on August 11, I advised Dr. Kissinger, who was then the President's National Security Adviser, as follows: "In my judgment, we should insist that the illegally emplaced surface-to-air missiles be removed . . . We cannot legitimize these violations by proceeding—and asking the Israelis to proceed—as though they had not occurred. Whatever we may choose to say publicly, our private communications with the Soviets must be clear on this point."

I further advised Dr. Kissinger: ". . . a failure to stand firm now may well invite further violations. The illegal activity subsequent to August 7 is an early and alarming indication of what we must expect. While no single violation will, in and of itself, give sufficient cause for terminating the cease-fire, the accumulated result could do irreparable harm to Israel's security."

Referring to the SAM missiles moved illegally into the cease-fire zone, I said this in a December 1970 report to the Senate Committee on Armed Services:

"The position of some elements of this air defense network is such that they are effective against aircraft operating several miles on the Israeli side of the Canal. The net effect is to imperil the effectiveness of the Israeli Air Force as a means of preventing both cross-canal fire and an actual crossing of the Canal itself.

"If the present uneasy cease-fire deteriorates and hostilities resume, the Israeli Air Force would pay a high price in lives and aircraft in attempting to destroy the SAM defense system.

"Any way one looks at it . . . resumption of the earlier level of hostilities along the Canal would claim a higher number of Israeli casualties, both on the ground and in the air, than was the case prior to August 7, 1970."

This is one of those cases where I wish I had been wrong—but unhappily I was right. And the tragic fact is that young Israeli soldiers and airmen paid with their lives for the failure to insist that Egypt and the Soviet Union adhere to the agreement that we arranged and that they joined.

THE SOVIET ARMING OF EGYPT AND SYRIA

In the more than three years that followed, the Soviet Union engaged in one of the largest military build-ups in their history, supplying guns, tanks, aircraft and missiles to Egypt and Syria in huge quantities and under the cover of the cease-fire. We, for our part, limited the Israelis to piecemeal supplies of aircraft and armor—despite the fact that the Congress, in 1970, adopted, and the President signed, my amendment to the Defense Procurement Act authorizing the President to transfer to Israel by credit sale whatever was needed in aircraft and other equipment to offset equipment furnished to the Arab armies.

In recent months the flow of Soviet arms into Syria reached flood-like proportions. More than half of the jet aircraft in the Syrian Air Force and nearly all of the surface-to-air missiles that claimed the lives of so many Israeli pilots were delivered by the Soviet Union to Syria after the beginning of this year. We now know that a substantial fraction of the Syrian force of SA–6 missiles that were used with deadly effect against Israel's Phantoms were delivered in the weeks just preceding the outbreak of war.

My point is simple: we stood by and watched while the Soviet Union supplied the means by which this bloody war was initiated and fought, and we continued to stand by for a week after October 6 before deciding to resupply Israel with essential weapons in adequate numbers.

Without Soviet support and material encouragement, without Soviet training and equipment, without Soviet political and diplomatic backing, without the prospect of unlimited resupply of Arab forces, the Yom Kippur war would not have been started.

Soviet irresponsibility did not stop on October 6 with the outbreak of war. Secretary Brezhnev, violating the letter as well as the spirit of agreements reached at the Washington summit, did his best to urge other Arab states to join the attack against Israel. Then the Soviets undertook a massive airlift of weapons into Syria and Egypt which, combined with massive sea shipments, have now restored the Arab armies to the levels of armament they possessed on October 6.

THE SUMMIT AGREEMENT OF JUNE 22

Just six months ago, on June 22 of this year, Secretary Brezhnev and President Nixon signed an "agreement on prevention of nuclear war." In Article II of this document the Soviet Union agreed to "refrain from the threat or use of force against the other Party, against the allies of the other Party and against other countries, in circumstances which may endanger international peace and security." In explaining the agreement of June 22 at a press conference following the signing, Dr. Kissinger emphasized that it was part of an effort to "calm the atmosphere and replace purely military measures by a new attitude of a cooperative international system." He called it ". . . a milestone in the achievement of self-restraint by the major countries, a self-restraint which is, by definition, the essence of peace and which we intend to observe, which we expect the Soviet Union to observe." He described the agreement as "a formal obligation that the two nuclear superpowers have taken towards each other, and equally importantly, towards all other countries, to practice restraint in their diplomacy, to build a peace that is permanent, to pursue a policy whose dedication to stability and peace will become"—and here Dr. Kissinger quoted Secretary Brezhnev—"irreversible."

I leave it to you to decide whether the alerting of seven fully mobilized divisions of Soviet airborne troops along with a brutal and threatening note from Secretary Brezhnev that was delivered the night of October 24 is in keeping with the agreement as Dr. Kissinger described it. I don't know whether the agreement to pursue peace and stability is irreversible, but on the night of October 24 it became, like so much else in Washington these days, inoperative.

The agreement of June 22, like the euphoric description of it by the Secretary of State—indeed, like much of the as yet unfulfilled promise of detente—has turned out to be mere words: well said, perhaps, but mere words—nonetheless. If you will forgive me for quoting King Henry—Henry the VIII, that is, from Shakespeare: " 'Tis a kind of good deed to say well; and yet words are no deeds."

THE REQUIREMENTS FOR PEACE

If there is to be hope for a peaceful settlement at the Geneva talks, we must have deeds as well as words, performance as well as promise, substance as well as atmosphere.

It is all very well for the Arabs to say that they are prepared to make peace with Israel. Those words have been a long time coming, and I welcome them.

But peace must be more than a word, more than a mere document that can be torn up when it suits the convenience of aggressive governments to go to war again. It must be something concrete. It must exist in the daily lives of men, for only then can it eventually come to exist in men's minds as well; and only then—finally—can it be secure. It is naive to imagine that the enmities of decades will vanish with the stroke of a pen. But for a peace treaty to be more than just a scrap of paper, it must do more than simply move the walls that separate Arabs from Israelis to a new location. It must permit Arabs and Israelis to work together, to trade with one another, to talk with one another, to see for themselves the truth about their neighbors.

One of the most hopeful developments of the last six years in the Middle East, in my opinion, has been the progress that has been made in relations between Israelis and Arabs on the West Bank and in the Gaza Strip. Thousands of Arabs work and travel in Israel—in spite of the efforts of grenade-throwing terrorists to stop this by attacking Arab civilians waiting for buses to take them to work in Israel. Thousands of Israeli citizens now visit Arab towns which for almost twenty years they were permitted to see only across barbed wire fences. This progress has been truly remarkable. It has been made under the inevitably imperfect conditions of a state of war. It will continue unless we create artificial political entities that deliver the Palestinian Arabs into the hands of the hijackers who claim so falsely to represent them. It must continue if there is to be a true peace.

I am afraid that the Russians know very little—and want even less—of this kind of peace. Peace for them is not an opportunity for people to know one another better and communicate with one another. The only peace they are interested in is a peace which leads to more Russian influence in the Middle East, to more sales of Soviet arms for Arab hard currency, and to more use of the Arab oil weapon against countries of the West. That is no peace but merely a stopping place on the road to another war.

KEEPING THE GREAT POWERS OUT OF THE MIDDLE EAST

I am astonished to hear it said that the best way to bring stability to the Middle East is to set up a peace-keeping force that would involve the sending of Russian and American troops into that volatile region. This seems to me a formula that carries with it the very great danger of dragging the superpowers into a military confrontation. I do not want to see American troops, I do not want Russian troops, stationed in the Middle East. The military forces of the superpowers cannot and should not substitute for a secure peace based upon defensible borders for Israel.

No peace that requires the presence of Russian forces to police it will be worth the paper it is printed on. Russian participation in any peace-keeping force can be nothing but a consistently one-sided, partisan affair. This is the long and dismal record that the Soviet Union and its satellite governments have established in every international body in which they have participated in the last 25 years, whether it has been the United Nations Security Council, the Allied Control Commission in Berlin or the several truce supervision commissions in Indochina. It is the same record that we heard played in the Security Council just eight weeks ago. The Russians were interested in a cease-fire only when their side was losing.

A real peace in the Middle East should lead, not to more Russian involvement, but less. Design a peace that does not rely on tissue-paper outside guarantees, a peace that goes beyond the word itself to embrace a climate of Arab-Israeli cooperation, a peace in which Israel has borders that Israel can defend—that is what we should be seeking at Geneva.

PEACE AND INTERNATIONAL GUARANTEES

One hears a great deal these days, from people whose vision is shorter even than their memories, about the wisdom of international guarantees as a means of assuring Israel's security. I can't imagine a more misdirected policy than to ask Israel, which has been the model of the self-reliant ally, to transform itself into an American dependency. There are few situations in the world that are more volatile than the Middle East, few places so endowed with an abundance of mischievous elements and unbridled passions. For the United States to pour itself into that cauldron of instability, along with the Russians and assorted other forces, is to invite a multitude of mischief makers to try their hand at stirring the pot.

Much of the history of international guarantees is the history of countries who have lost their territory, their freedom and even their sons and daughters. It is the history of nations drawn into conflicts that would have been better contained. It is a history that the Israelis, for their reasons, and we, for ours, ought to do everything possible to avoid.

Give the Israelis the tools they need to provide for their own defense and I am confident that, with defensible borders, they will provide for their own security. Give them guarantees instead and we will inevitably end up joining them in a quagmire of instability.

DEFENSIBLE BORDERS FOR ISRAEL

If there is to be a stable and lasting peace in the Middle East it must be a peace that Israel can defend along borders that are defensible.

I hear a great deal of talk these days about the "pre-1967 borders." Those borders are nothing more than the cease-fire lines of a preceding war. But let me remind you of some of the implications of those borders for Israeli security. Before the 1967 war virtually all of populated Israel, with the exception of the city of Haifa, was within range of Arab artillery. Armored thrusts of just ten or twenty miles could cut the country in two in any of several critical places. The Gaza Strip provided a salient in which the Egyptian Army was able to deploy just 30 miles, along a flat and sandy coast, away from the city of Tel Aviv. From the Golan Heights the Syrian Army rained artillery shells at will, from virtually impregnable positions, on Israeli settlements in the valley below. And, in some ways worst of all, Egyptian bombers could be over Tel Aviv after a mere twelve-minute flight from their bases in the Sinai Desert.

Has any of this changed in the six intervening years? Certainly geography has remained the same. But now, in addition to Arab artillery, the Israelis must worry also about Russian-manned surface-to-surface missiles and about Russian-built SAM's extending their deadly umbrella across Israeli air space over population centers. Now the Arab tanks are new, improved Soviet models, supported by a lethal array of Soviet anti-tank missiles. Now, those short flights from the Sinai to Tel Aviv may be made not only by Arab but by North Korean or even Russian pilots. Very little has changed in six years, except that Soviet equipment has gotten better and their willingness to supply it to the Arabs is virtually unlimited.

Three years ago I made a trip to the Middle East where I examined what some of the ingredients of a more stable settlement might be. Everything that has happened since that time leads me to reaffirm that "for Israel to abandon the security of her present borders in exchange for ephemeral concessions from the other side would endanger not only Israel's survival, but the peace of the world as well."

Now, as then, I believe that a stable settlement cannot be achieved if it simply moves the borders back so that the Arab armies with their Soviet weapons and advisers can move closer to Israeli population centers. Israel cannot tolerate living in the shadow of Syrian guns or along borders arrayed with Egyptian armor and air forces, and an agreement that attempted to force such a result would be properly rejected by any Israeli government that I can imagine.

THE POLITICAL FOUNDATION FOR PEACE

Above all, however, a Middle East settlement must rest on more than firm security arrangements. It must have a firm political basis as well. A secure peace must involve a clear recognition by the Arabs that the existence of Israel is no longer at issue. It must not be possible for a peace settlement to be regarded as merely a tactical step on the road to eventual liquidation of the State of Israel.

There are twenty-five years of deeds in the Middle East that cannot be undone by a few weeks of words. There have been Israeli prisoners of war murdered and mutilated in ways too horrible to describe—and the Syrian government which is responsible for all of this, and which still refuses to release even the names of the Israeli prisoners it holds, is so unreliable and unstable as to raise the most profound doubts about the wisdom as well as the potential, for any meaningful settlement. There has been the mindless slaughter of innocent and wholly uninvolved civilians at Munich and at Lod Airport and airports and cities too numerous to mention—and the Soviet Union and some Arab governments are proclaiming that the men responsible for these atrocities, and not the government of Jordan, are the sole representatives of the Palestinian people. There were almost twenty years in which not a single Israeli was able to visit Jewish holy places in Jerusalem—and yet King Faisal and Sheik Yamani say that Jerusalem must be under Arab control.

This long history of deeds cannot be undone by mere words. It can only be undone by a gradual accumulation of deeds, in the course of measured and deliberate negotiations and a free and open peace—deeds like the open access to holy places that has prevailed under six years of Israeli control of Jerusalem; deeds like the moderation with which Israel has treated even captured Arab terrorists.

THE MEANING OF U.N. RESOLUTION 242

All of the parties that will be represented at Geneva have given public approval to U.N. Resolution 242, a pronouncement of the Security Council adopted on November 22, 1967. The Arabs, encouraged by the Soviet Union, have deliberately chosen to describe that resolution in a manner that is flatly inconsistent with its language, its history and its purpose. To claim, as they do, that it requires Israeli withdrawal from *all* of the territory occupied as a consequence of the Six Day War is a flat distortion of the text and a misrepresentation of the purpose of the Security Council. If 242 called for withdrawal from *all* the territory it would have said so. It does not.

The Soviet Union and the Arab states would have preferred a Security Council resolution calling for total withdrawal of Israeli forces; but they tried and failed to get such a resolution. By seeking to change the rules after the game has been played they not only violate our sense of fair play, they encourage the deep suspicions that can only diminish the chance for peace.

I am particularly disappointed that the Soviet Union, even following the meetings in Moscow at which the present cease-fire was arranged, refuses to adhere to the actual text of U.N. Resolution 242. But no matter how much they try to obfuscate, the Soviet interpretation of 242 is a lie, an uncomfortable lie that exploits the complexity of the issue, but a lie nevertheless.

It would clearly advance the cause of a peaceful settlement if the Soviets could be persuaded to quit lying about the meaning of 242. But the very least that we can do is to reject the Soviet version—clearly and unambiguously. That won't be easy for an Administration so accustomed to protecting itself with ambiguities.

THE MIDDLE EAST AND THE ENERGY CRISIS

Let me say a word about the Middle East and the energy crisis. It is time for the Administration to speak some plain truths to the American people: our energy crisis does not result from the Arab-Israeli dispute and it did not arise out of the Yom Kippur war. Without the dispute, without the war, indeed, even without the existence of the State of Israel, we would have faced an energy crisis this year and for several years to come. Saying this will not solve the shortages we face, but it will help the American people to understand that the oil weapon is a pea shooter and not a howitzer.

The essential fact of the energy crisis is that it arises out of the economics of oil production in a world of many consumers and growing demand and few suppliers who can control production and prices. Saudi Arabia, for example, is producing 2 million barrels a day less oil now than in September yet it is deriving greater revenues and profits on the 6 million barrels a day they now produce than they did on the 8 million barrels a day produced in September. No oil-producing state, Arab or non-Arab, is going to sell a lot of oil for a little money when it can sell a little oil for a lot of money. For economic reasons alone we must look forward to severe limits on Arab oil production: the oil they possess is simply worth more to them in the ground than the dollars for which they sell it are worth in the bank—where those dollars are eroded by inflation and subject to devaluation.

Nothing that we can do in the Middle East will change this fundamental fact of economics. In 1972 Saudi Arabia earned approximately $3 billion from the sale of oil of which it was able to spend only $1.8 billion. The capacity of the sparsely populated oil-rich Arab states to absorb capital is severely limited and no one knows that better than Sheik Yamani's economic advisers. The vast accumulations of capital that would result from greatly increased Arab oil production would be gobbled up by their have-not neighbors, by Egypt, Syria, and the Palestinians, and no one knows that better than King Faisal's political advisers. In today's market, a prudent investor would be well advised to take dollars in the bank and invest them in oil in the ground; yet our diplomats nurture the baseless hope that we will persuade Arab investors to take oil from the ground and invest it in dollars in the bank. That is simply not going to happen no matter what we do in the Middle

East. The oil weapon is a paper tiger, and there is no way that you are going to be able to put that tiger in your tank.

We would be wrong to yield to blackmail even if doing so would turn the tap on a pipeline of cheap and plentiful oil from the Middle East. To submit to blackmail in the expectation of illusory benefits would be the height of folly. When I say that we will not yield to blackmail I am confident that I am speaking for the American people.

And I know equally that I am speaking for all Americans in urging that, in our efforts to achieve a settlement, we seek a genuine and lasting peace—a peace negotiated by the parties to the conflict—that they themselves can nurture and defend.

PRENTISS M. BROWN

Mr. HART. Mr. President, it is my unhappy task to inform the Senate of the death of Prentiss Marsh Brown, U.S. Senator from Michigan, in the years 1936 to 1943. Senator Brown died this morning in St. Ignace, Mich.

Senator Brown's public service spanned 60 years, a lengthy career indeed, but his contributions to Michigan and the Nation will endure for many more decades. His career began as prosecuting attorney of Mackinac County in 1914 and continued until his death when he was still an active member of the Mackinac Bridge Authority.

As a banker as well as lawyer, he brought his knowledge of banking to bear in his years of public service. Elected to the House of Representatives in 1932, he was named to the House Banking and Currency Committee and was instrumental in drafting the legislation for the Federal Deposit Insurance Corporation.

After his service in Congress, Senator Brown was the second administrator of the Office of Price Administration by appointment of President Franklin Roosevelt. He later returned to State government to serve on Gov. G. Mennen Williams' advisory committee on developing a transportation link between Michigan's upper and lower peninsulas. The committee determined that a bridge would be the most feasible link. Prentiss Brown then led the drafting of legislation to construct the bridge, was influential in its passage and was instrumental in the sale of bonds to finance the project.

To sense the impact of this contribution alone, one must be a Michigan resident or at least have a sense of the geography and climate of the State.

The Mackinac Bridge is nearly 5 miles long. It spans the Straits of Mackinac, linking Michigan's two peninsulas. Construction, begun in 1954, was completed 3 years later, at a cost of $99 million. It was a massive, historic public works undertaking which provides the vital link between the two separate parts of the State. The continued importance of that bridge will be a magnificent memorial to Prentiss Brown.

Few men of any generation more clearly have shown by selfless public service their love for their State and devotion to their country. And over those many years never was there question of his integrity. Decency and honesty and civility marked every word and act of Prentiss Brown. In all of this he was supported by a warm, wonderful family. To them, for all of my family, I speak our love and sympathy.

PRESIDENTIAL RESPONSIBILITY

Mr. MOSS. Mr. President, few times in our history has the cry for political and moral leadership been greater. Yet, unfortunately, there is no indication that this cry for leadership is being heard at the White House. Rather, only frustration, rhetoric, and actions calculated to mislead are apparent. It is little wonder that most Americans are confused, angry, and just plain fed up with Government and government officials.

Mr. President, I do not believe that Americans are so hardened that certain mistakes, honestly made, would go unforgiven. But Americans want to be provided with the truth. And, once given the truth, Americans are mature enough to handle most adversities which may confront them.

However, the truth has not been given, except in grudging piecemeal fashion, by this administration on Watergate and everything for which Watergate stands. Nothing has been done by this administration to prevent innuendo, misunderstanding, and mistrust of Government. As a result, confidence in Government has reached an unacceptable low. Americans are bewildered over the disparity between the words and actions of President Nixon. The President says he accepts responsibility for Watergate, but his excuses and denials negate his words. In essence, he blames others for "mistakes of judgment." But real responsibility can be placed on no other individual. And Americans realize this.

On December 15, 1973, the Washington Post carried an editorial by Alfred Friendly entitled "Watergate: Rhetoric Versus Responsibility." Because of the thought-provoking nature of this editorial, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WATERGATE: RHETORIC VERSUS RESPONSIBILITY

(By Alfred Friendly)

President Nixon has assured us in almost every public statement since the unhappy event that although he is blameless for any of the Watergate sins, he nevertheless assumes responsibility for them. That is surely the manly, not to say noble, thing to do, and in the best moral tradition. It touches the fine feelings of all of us who honor the forthright acknowledgment of the varsity captain after a losing game. What is more conducive to our forgiveness than the humble bow of the leader who has been traduced?

But nagging questions remain: Just how does Mr. Nixon discharge the responsibility he has so selflessly and sturdily assumed? Does he pay the fines of the corporations which illegally contributed to his campaign? Is he going to serve the jail sentences of those "overzealous" subordinates—for whom he says he is responsible—who, in an excess of loyalty, had momentary memory lapses about what the law was? Does the idea cross his mind that the head of an organization the summary of whose offenses against the law filled six frugally written columns in The Washington Post the other day might shoulder just enough responsibility to get the hell out?

Certainly not. After all, whatever unfortunate things were done were, in his words, just "mistakes." As far as I am able to research the matter, the characterization of them as crimes or felonies has never crossed his lips. And his two first lieutenants, who presumably presided over the organization if he himself did not, remain in his mind the finest public servants he has ever known. (But, if so, was it not sinful of him and a disservice to the public, to let them resign?)

No, it is sufficient for Mr. Nixon simply to *say* he bears the responsibility. Nothing much else is needed. It is given to us to have salvation by incantation, to achieve the state of grace by rhetoric. It is enough to utter the routine words that render deeds a superfluity. To be sure, the weight of earlier theological thinking is to the contrary, but no matter: We now live in the Age of Billy Graham, when mouthing substitutes for doing.

But does anyone really believe that the President, if himself guiltless of any of the several dozen episodes that go under the rubric of Watergate, has in fact accepted any responsibility whatever in any operative sense of the word? There has not been one word from him of culpability for gathering about him the set of men who made the over-zealous mistakes, men whom, as someone has said before me, it would be flattery to term mediocre.

It can be argued that all Presidents have done exactly as Mr. Nixon, professing to accept accountability for errors made by men of their administrations but themselves undergoing no penalty. But that is not quite true. Many Presidents have pleaded guilty when they were, confessing their own role in mal-, mis- or non-feasance, and bearing some part of the penalty (Not FDR: the only mistake he ever admitted having made was moving Thanksgiving to the third Thursday in November one year at the behest of retail merchants. But transparent cynicism is less offensive than sanctimoniousness).

The Bay of Pigs is a case in point. Kennedy took the blame on his own shoulders for a piece of tragically bad judgment *by him* and faced up to the personal humiliation, including having to authorize ransom for the captives. The evidence is overwhelming that when he said the fault had been his he meant it and felt it, and the people realized that he did. In short, he came clean. Mr. Nixon has not, and it would seem that the people realize that too.

One can sympathize with the plaint made by E. Howard Hunt, high school-primitive though it was. He thought he had orders from above and was entitled to expect that the man who now says he accepts responsibility for Watergate would also be subject to retribution. But Mr. Nixon is in the White House (when not otherwhere) and the fellow in the pokey is Mr. Hunt.

U.S. CONTRIBUTIONS TO WORLD FOOD PROGRAM REDUCED

Mr. HUMPHREY. Mr. President, one one of the most serious effects of the far-reaching food and energy crisis is on food assistance programs throughout the world. Increased world demand for commodities, together with rapidly rising prices, has limited the amount of food available for such programs.

The United States has traditionally participated in food assistance programs, both on a bilateral basis and multilaterally through the World Food Program of the United Nations. In recent years, particularly during 1973, the availability of food and financing for

U.S. food assistance activities has diminished greatly. Successive reductions by the administration of funding for the Public Law 480 Food for Peace Program over the past 3 years, together with a diminishing quantity of food made available for Public Law 480, have severely curtailed these essential development and humanitarian programs.

The effects of these limitations on the World Food Program—which the United States supports through Public Law 480—have been particularly severe. This multilateral food assistance activity, which the United States helped to organize nearly 11 years ago, has experienced a 40-percent reduction in its operations. A recent edition of the World Food Programme News describes this problem in detail and notes that the program has had to completely reevaluate its priorities.

Mr. President, I consider the World Food Program to be one of the better multilateral activities in which the United States participates. During the past 10 years the program has improved its management and developed new and essential project activities. Further, its success has encouraged a greater participation by a number of countries other than the United States. As a result, the percentage of U.S. contributions to the World Food Program compared to total contributions from all countries has dropped considerably. We cannot now allow this program, which we were so instrumental in establishing, and which is now meeting essential development and humanitarian needs throughout the world, to fall by the wayside as a result of the complexities of the world food supply situation.

I believe that the article from the World Food Programme News clearly highlights this critical problem, and I request unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CEREALS SHORTAGE AND INFLATION REDUCE PROGRAMME'S RESOURCES

The World Food Programme is undergoing its most serious crisis since it became operational nearly 11 years ago.

A combination of inflation and rocketing of cereal prices—particularly wheat—has so reduced the purchasing power of donors' pledges that an anticipated 1.2 million tons of food aid which the Programme expected to distribute in the biennium ending 31 December 1974 have shrunk by more than 40 percent.

Current estimates are that even if all donors are in a position to fulfill their pledges and some 75,000 tons of expensive wheat are substituted by maize, sorghum and other less costly products, little more than 650,000 tons of commodities will be available.

The first steps to meet the situation were taken in the week beginning 20 August when Resident Representatives of the United Nations Development Programme (UNDP) were advised by cable not to sign any new agreements for WFP projects or plans of operations. At the same time all new shipping instructions, with the exception of those for emergency supplies, were stopped. These temporary measures allowed the Executive Director, Dr. Francisco Aquino, and his staff time to survey the Programme's needs and probable emergency commitments and to review each of its projects throughout the world.

"We have now drawn up a number of alternative ways of rationing the Programme's resources and established priorities for the remainder of the biennium," said Dr. Aquino. "These criteria were presented to the 25th Session of the Intergovernmental Committee, which approved them."

The reason for the wheat shortage and the almost 150 percent increase in prices in the last year is that world carryover stocks, which were between 50 and 63 million tons in the years of plenty, are now down to 27 million tons. The failure of its 1971/72 crop caused the U.S.S.R. to buy 19 million tons of wheat from North America last year in addition to 9 million tons of coarse grains. Other recent factors which have reduced grain supplies include the revised downward estimates of United States wheat, maize and soybean crops, and disastrous floods in Pakistan which inundated between 3 and 4 million hectares and destroyed some 285,000 hectares of cropland.

Assessments by FAO and estimates by the International Wheat Council both forecast import requirements of wheat for 1973/74 at 66 million tons against export availabilities of only 57 million tons—a shortfall of 9 million tons.

In a cable inviting major wheat exporting countries to a meeting to discuss the world cereals supply situation, the FAO Director-General, Dr. Addeke H. Boerma, has appealed to them to make every effort to continue food aid programmes "at not less than last year's level in terms of physical quantities."

Dr. Aquino, in an explanatory letter to UNDP Resident Representatives following his cabled instructions, says that while the outlook for the next few months is bleak, he is confident that the current crisis will have been largely overcome by the end of 1974.

"I consider it of the greatest importance that, meanwhile, the Programme demonstrate its capacity, with the cooperation and assistance of donor and recipient countries, to successfully negotiate these current difficulties, minimizing as far as possible any human distress and dislocation of government programming," he added.

THE LEGISLATIVE BUDGET PROCESS—THE ROAD TO A BUDGET DEFICIT

Mr. PERCY. Mr. President, the Federal Government is now 6 months into its fiscal year with the two largest appropriation bills, plus a fiscal 1974 supplemental bill, yet to be enacted into law.

Without taking into account spending bills which have passed one or the other House but have yet to be enacted, Congress is now spending at a rate $620 million in excess of projected revenues for this fiscal year. Backdoor appropriations and mandatory legislative spending bills now pending could easily add another $2 to $3 billion to this overrun before the end of the fiscal year. This situation could not present a stronger case for the vital need for congressional budget reform.

CURRENT BUDGET PROJECTIONS

Revenues for fiscal 1974 are now estimated at $270 billion. The increase in expected revenues since January has allowed the President to revise his unified budget projection down from a deficit of $12.7 billion to a deficit of $0.9 billion. In order to fully balance its budget requests, the administration has indicated that it will see $0.9 billion in Government assets. Such a sale would also balance Congress' current but not projected spending rate.

At this time, unenacted appropriation bills include: Department of Defense, with a Senate-passed spending appropriation of $2.27 billion under the budget request; foreign assistance, with Senate-passed outlays of over $130 million under the President's request; and the first fiscal year 1974 supplemental with Senate-passed spending of approximately $100 million over the President's request.

Chairman MAHON of the House Appropriations Committee has estimated that congressional action on appropriations bills will, in total, match the President's requests. Based on Senate action to date, I predict a smaller enacted outlay on requested appropriations bills than that requested by the President.

My main concern, one which I know is shared by many of my colleagues, is the unbudgeted spending which arises through backdoor appropriations and mandatory spending authorizations. To date, Senate action on such measures calls for spending $4 billion in excess of the $270 billion in expected revenues. Mandatory spending authorizations account for all of the $620 million deficit already enacted and will lead to more than all of the projected spending deficit of $2 to $3 billion.

In my view, and that of the respected economists with whom I have consulted, recent economic indicators call for a balanced spending policy for the remainder of this fiscal year.

Obviously the effectiveness of the administration's fuel allocation program will have a primary bearing on the unemployment rate and economic growth in the months ahead. However, whatever fiscal policy proves to be wisest, Government spending should remain available as an employable economic tool. If we run up a large spending deficit without regard to existing and predicted economic conditions, we lose fiscal policy as a potential stabilizer.

CONGRESS LACK OF EFFECTIVE BUDGET CONTROL

If Congress busts the budget, it will, most likely, be through the backdoor and mandatory route, on measures over which the Appropriations Committees have no control and through a haphazard procedure which allows neither relating nor weighing the desirability or the urgency of one program against others.

A look at the previous fiscal years for which figures are available shows that Congress has consistently voted to cut Presidential appropriation requests and just as consistently has voted to increase Federal spending through the backdoor and mandatory authorization route. Although this haphazard budget process has led to spending surpluses in some years, only in fiscal year 1969 was the congressionally enacted surplus sufficient to bring Presidentially requested spending in line with Federal revenues.

I ask unanimous consent that a table including these figures for fiscal years 1969 through 1973 be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[Figures in millions]

Fiscal year	Congressional action on President's budget outlay requests			Resulting unified deficit or surplus (Presidential requests plus congressional action)
	Appropriations	Backdoor and mandatory	Total [1]	
1969	−4,550	+201	−4,274	+3,236
1970	−2,869	+1,475	−6	−2,845
1971	−657	+4,164	+3,287	−23,033
1972	−1,059	+3,714	−678	−23,227
1973	−1,626	+7,860	+6,127	−14,301

[1] Total includes increased or decreased outlays due to inaction on Presidential requests.

Mr. PERCY. At this time, Congress has effective control over only about 29 percent of budget outlays estimated for fiscal 1974. Backdoor spending authorizations such as the Federal-aid highway program, and mandatory spending authorizations, such as social security and veterans' assistance programs, account for the other 70 percent.

Only the Appropriations Committees make an effort to maintain an overview of the entire budget, and they effectively control only 29 percent of it. While other congressional committees and subcommittees study budget policy and trends, these studies are not integrated into a coherent decisionmaking process. Congress has no means to relate its spending or revenue actions to national needs, and it cedes the formulation of fiscal policy to the President.

Shortly after proposing congressional budget reform legislation early this year, I established my own "in-House" budget to guide my votes and proposals for spending during fiscal year 1974 and pledged to support a balanced fiscal year 1974 budget, thus formalizing a procedure that I have informally adhered to since coming to the Senate. The fiscal year 1974 plan included both additions to and deletions from the President's appropriations requests. It also included new authorizations I believed necessary and intended to support or propose. Unexpected national needs, changing economic conditions, and increased revenue projections have of course called for continuing revisions of those spending policies originally budgeted.

Having compared my own spending votes to date with Congress total, and taking into account the inability to precisely pinpoint the outlay cost of all proposed programs, I find that I have supported "spending" at the rate of approximately $270.5 billion during fiscal 1974. This figure is $1.3 billion under the record of the Senate as a whole, but $500 million over expected revenues. As soon as a House-passed tax bill is made the pending business of the Senate, I will offer a revenue raising amendment to balance my budget, an amendment that is cosponsored by the distinguished chairman of the Finance Committee, Senator LONG.

CONGRESS INABILITY TO SET AND REORDER NATIONAL PRIORITIES

Congress deficit rate of spending has resulted almost totally from our inability to set and reorder national priorities in a budget-conscious manner. It is the fault of no individual Member; we as a whole have failed to institute a coherent system.

Congressional options in the face of unexpected changes in the economy during the past year provide a perfect example of how our nonsystem fails us and the Nation.

The President's January budget estimates called for an actual spending deficit of $12.7 billion. At that time, the administration asserted that a still high rate of unemployment and seemingly controlled inflation justified this rate of deficit spending. However, by August, the cost-of-living index had risen by 10 percent and the price of food has skyrocketed by nearly 28 percent.

Faced with this situation, the Congress could not ignore the plight of those who depend on Federal assistance for the basic necessities of living.

The 92d Congress had scheduled a social security cost-of-living benefit increase for January of 1975, but I, along with most of the Senate, believed that it would be unconscionable not to provide an interim benefit increase to this fixed-income group. Increases in the cost of food had also made it nearly impossible for many school districts to continue their lunch programs without increased Federal support, and a poor family's allotment of food stamps was no longer sufficient to provide even a minimum of its nutritional needs.

The total fiscal 1974 cost of Senate spending increases in these three programs was over $2.4 billion.

I believed these additional funds were absolutely necessary to place a floor on the pit of human disaster. At the same time, responsible fiscal policy called for a balancing of Federal expenditures and revenues. However, because Congress does not have a budget reordering system, spending on these unbudgeted needs, without the ability to cut back previously enacted spending, will translate directly into a budget deficit.

CONGRESSIONAL BUDGET REFORM

As I have stated on countless occasions, the only answer to Congress budgetary dilemma is comprehensive reform of our budgetary system such as is proposed in S. 1541. This legislation, on which Senator ERVIN, I, and other members of the Senate Government Operations Committee have worked for many months, has been referred to the Senate Rules Committee and will be ready for full Senate action by February 1, 1974.

Passage of this legislation is one of the most important contributions the 93d Congress can make to the American people, and will be the most significant congressional reform of this century. It will allow for the first time a coherent congressional approach to all Federal spending. It will provide a means to meet unforeseen needs without upsetting Federal fiscal policy. It will allow Congress to become an equal partner with the Executive in setting fiscal policy and spending priorities.

If S. 1541 were in effect at this time, the House and Senate appropriations committees would have control over virtually all Federal spending. They would be able to recommend spending cuts to offset unforeseen spending needs in a total budget context. If the full Senate or House were unable to agree on their recommendations, the new standing Committee on the Budget, backed by the expertise of the Congressional Office of the Budget, would be required to recommend appropriate revenue and debt measures to maintain proper fiscal policy.

RECAPTURING THE FISCAL 1974 BUDGET

Congress has few options for recapturing control of the Federal budget this fiscal year. I do, however, believe we should carefully examine those options that are available to us and make the effort. Although I have kept my own pledge to support a balanced Federal fiscal year 1974 budget, it would be irresponsible for me not to take cognizance of the fact that new immediate spending needs may arise within the next 6 months.

First, I believe a reexamination by the Appropriation and Legislative Committees of the Congress and spending legislation enacted to date would reveal items of lesser priority that could be cut or reprogramed for next year. Several revenue raising measures that have already been recommended could be put into effect in calendar 1974.

Because no one committee has jurisdiction over all Federal spending, this would be a difficult task. However, if each committee would act on its own motion, the full Senate could attempt to join these several recommendations into a coherent spending adjustment package.

The second, and in my view least desirable, option open to Congress this year is an across-the-board spending rescission.

A 4 percent pro rata cut in spending on those items in the fiscal 1974 budget over which Congress has effective control would save approximately $3 billion. A reduction in spending of this magnitude will be necessary if Congress continues on its present course.

This procedure has the undesirable effect of falling only on the small controllable portion of the budget and makes no differentiation between marginally and fully funded programs. Under the provisions of S. 1541, this procedure is provided for only as a last resort. However, if Congress cannot balance the budget in some other manner, pro rata cuts are our only remaining recourse.

If we do not act, Congress will once again have abdicated budget control to the executive branch and will be hard-pressed to decry subsequent impoundment of congressionally appropriated funds.

THE ENERGY CRISIS AND FOOD PRODUCTION

Mr. FULBRIGHT. Mr. President, I have received a very interesting letter, dated December 6, 1973, from Mr. Roswell Garst of Garst & Thomas Hybrid Corn Co., Coon Rapids, Iowa. Mr. Garst's comments are very relevant to this country's most pressing problem, and are worthy, I believe, of the attention of my colleagues. Mr. President, I ask unanimous consent, that Mr. Garst's letter be printed in the RECORD.

There being no objection, the letter

was ordered to be printed in the Record, as follows:

Garst & Thomas Hybrid Corn Co.,
Coon Rapids, Iowa, December 6, 1973.
Senator J. W. Fulbright,
U.S. Senate,
Washington, D.C.

Dear Senator Fulbright: The "Energy Crisis" worries me more than almost anyone because I know more about food production than all but a very few.

All of the publicity about the energy crisis has been about the shortage of automobile and truck fuel or about the fuel to keep both houses or factories and schools or hospitals warm, or our railroads running or our oil fueled electric plants operating.

There has been almost no mention of the *additional fuel*—the extra fuel needed to farm the extra 50 million acres that the U.S. Department of Agriculture is putting back into production because of the world food shortage.

It is true that there have been broad statements that "Of course, the needs of agriculture will be taken care of." But, I have seen no figures on how much additional tractor fuel it will take in 1974 over 1972 to plow, disc, plant, cultivate, harvest and in the case of corn dry the extra production.

Nor have I seen any figures about how much more fertilizer will be needed to maintain our present high yields.

Neither the U.S. Department of Agriculture nor the State Department have spelled out the fact that fertilizers, insecticides and herbicides are responsible for about 40% of our present production of agricultural production.

A shortage of fertilizer for our 1974 agricultural production is now certain. In spite of which the U.S.D.A. has set goals of almost maximum yields per acre. Which borders on the ridiculous!

Because you are Chairman of the Foreign Relations Committee of the U.S. Senate—and because the world has the smallest reserves of grain since 1952—and because the world population is growing at a rate of about 80 million people per year, food is now the greatest problem of the future. And, the problem which seems to be getting the least attention!

It seems to me that Secretary of State Kissinger has need to know that the world has almost no reserves of food—that bad weather in any of the principal grain producing areas of the world could create widespread hunger to the point of starvation.

There are three principal plant food ingredients—nitrogen, phosphorus and potash. Phosphate and potash are obtained from concentrated deposits in various parts of the world and can be produced in larger quantities rather rapidly.

But, nitrogen is made from the air and water and gas. Air is unlimited, of course, and water almost unlimited. Gas is scarce—and becoming more scarce and more expensive every day.

And the nitrogen in fertilizer is the ingredient that gives the greatest increases in yield. The phosphorus and potash are needed to balance the nitrogen but the nitrogen is measurable.

When supplemented with phosphate and potash, two pounds of nitrogen will produce a bushel of corn or wheat. One pound of nitrogen will produce a bushel of oats. In short, a pound of nitrogen will produce about 30 pounds of grain. Furthermore, a pound of nitrogen will produce about 20 pounds of dry matter in the form of pasture, which will produce a pound of beef.

Present predictions are that we will have about one million tons less nitrogen in 1974 then we had available in 1972. (We ran short in the spring of 1973—and because of price ceilings we exported some in the past summer.)

The shortage will affect not only grain crops but cotton and fruits and vegetables—and pastures.

What can be done about the shortage of nitrogen fertilizers?

There are three options on the expansion of nitrogen fertilizers.

First, the oil companies who produce oil in the Arab countries of the Mid-East have always "flared" all of the gas. They just burn it into the air. It is a crime against humanity. I think the U.S. State Department might induce the oil companies to make nitrogen fertilizer out of it and market it around the World—and pay the countries a reasonable price for the gas. It may well be that the Arab countries could even contribute cash to the building of the nitrogen fixation units—which would make them less interested in seizing them.

Second, nitrogen can be made out of coal. Bake the coal and you have gas and coke. Make nitrogen out of the gas—and electricity out of the coke. We have half of the world's coal reserves and it would let us control our own supplies of fertilizer.

Third, the Soviet Union has one-seventh of the world's land area. They probably have about that proportion of petroleum reserves. They have a stable government. They have, however, less land than they need which has adequate rainfall and a long enough season. So, they need grain. It might be possible to make a trade with them. We could trade several million tons of wheat, corn, grain sorghum or soybeans per year for a similar number of tons of urea.

Actually, if they were to enjoy "Most Favored Nation" trade such as the United States has granted to Yugoslavia and I believe Romania, among the communist nations I believe no year after year deal would be necessary.

They need the grain! We need the urea!

(The reason I have suggested urea is that it is a dry fertilizer—so the same boats that carried our grain to the Soviet Union could bring their urea back and thereby save freight.)

A decision on which of the three options should be made not a year from now—or two years from now—but at the earliest possible time, someone knowledgeable should be working on this problem for either the Senate Agricultural Committee or the Foreign Relation Committee—as well as in the State Department and in the U.S. Department of Agriculture Department.

It will probably take two years after a decision is made before the first ton of nitrogen fertilizer is available or even three years.

It seems to me that it might be best to use all three methods. Because most of the world's best agricultural lands are now being used—and within the next three years world population will have grown by more people than now live in the U.S.A.

And, that takes a great deal of food—the extra 240 million people we will have by 1977.

I am sending you six copies of this letter hoping you will send Secretary Kissinger and Secretary Butz each a copy and give one to Senator Talmadge who Chairs the Senate Agricultural Committee.

Your own reaction to this letter will interest me.

Most sincerely,
Roswell Garst.

A Bit of History

My brother, Jonathan, was always alert about new things in agriculture. He graduated in agriculture from the University of Wisconsin in 1915. He farmed the farm where Elizabeth and I lived in 1916 and until June of 1917 when he went off to the army to World War I. I graduated from high school in 1916—was at the University of Wisconsin in 1917—and came home to run the farm for him while he was in the army.

When the war ended on November 11, 1918, every soldier wanted to come home at the earliest possible moment. In order to keep soldiers content with not getting home, the United States would let any soldier go to school in Europe for a year or so at army expense. Jonathan took advantage of that offer—and went to the University of Edinburg in Scotland. He enjoyed it thoroughly. He returned to the U.S.A. in 1919—farmed in Canada for a couple of years, spent a couple of years in California in the garden seed business—but returned to the University of Edinburg where he earned a Ph.D. in geography and geology in 1930. He spent the next three years as director of the McCaully Institute of Soil Science on the Isle of Lewis, off the west coast of Scotland. He returned to the U.S.A. in 1933 to "see the depression". He spent most of the rest of his active career with the U. S. Department of Agriculture.

In the winter of 1940–41, he wrote me from California that the Consolidated Mining and Smelting Company of Trail, British Columbia was producing both ammonium nitrate and ammonium phosphate—and sending them into California. He urged me to get a couple of carloads of each shipped to Coon Rapids which I did in the spring of 1941.

Pearl Harbor was December 7, 1941.

In 1942 every bit of emphasis was on raising and equipping an army. The bombs which we used in 1943–44–45 were made of TNT. So *all* nitrogen was used for bombs.

But, it was ruled that nitrogen from Trail, British Columbia could still be imported for use on "essential crops"—and the production of hybrid seed corn was recognized as an "essential" crop.

So in 1941–42–43–44–45, I obtained two carloads of ammonium nitrate and two cars of 16–20-ammonium phosphate.

In those years—and for 100 years before those days—every land grant college had taught—and rightfully taught—that rotations that included legumes were the way to maintain satisfactory yields. "Corn, corn, oats and clover" was the basic recommendation but three year rotations were even better—"Corn, oats and clover".

The "clover" could be red clover or alfalfa or sweet clover. The soil had to have lime to correct acidity—and the clover was far more vigorous if acid phosphate and potash were also used. The clover year probably with a 4-year rotation—every three years averaged putting 50# of N every four years with a 3-year rotation.) Which would be 12# of N per year on the four-year rotation and 16# on the three-year rotation.

Prior to the end of World War II no agricultural university advocated the use of nitrogen fertilizer!

Henry A. Wallace was Secretary of Agriculture from 1932 to 1940. Then he was Vice President from 1940 to 1944. Then he was Secretary of Commerce from 1944 until he resigned in 1947 to run for president.

As Secretary of Commerce one of his assignments was to dispose of the nitrogen fixation plants that had been built to make the bombs that were dropped on Germany to win the war. He first considered dismantling them and selling them abroad.

However, he knew that I had been using nitrogen fertilizer with great success and sent some people out from Washington to see the results. They were almost unbelievably good. So, he had Jonathan Garst join the Department of Commerce staff and the factories were sold to the companies who had managed them while the nitrogen for the bombs were being made for use as nitrogen fertilizer plants.

In 1963, my brother, Jonathan, wrote a book, "No Need For Hunger", which basically is a story about how food production has been improved by the use of nitrogen for fertilizer for our crops and by the use of urea as the protein of our ruminants.

One of the recommendations for the book printed on the cover follows:

"The nation and the world owe a great deal to Roswell and Jonathan Garst. More than anyone else they showed what nitrogen expansion could do to grain yields. They were entirely right and did a terrific job. No Need For Hunger is a splendid book and its essential message is sound."—Henry A. Wallace

In January of 1951, a farm neighbor of ours, Jake Bell, and I decided that our wives needed a Florida vacation. So we drove to Washington, D.C. and on down to Florida. While our wives were doing some shopping and looking over Washington, Jake and I went over to the U.S. Department of Agriculture. Charles Brannan was Secretary of Agriculture at the time and I had known him for several years. So, we called on him! I introduced Jake—and then asked about as follows: "How are things?"

His answer was about as follows: "Terrible! We are short of grain. We are short of cattle—short of hogs. We are at war in Korea—and there is a possibility that we may be at war with the Soviet Union or China. How can we produce more food?"

I told him I knew the answer. The answer I suggested was that we do for agriculture what we did for the manufacturers of airplanes, tanks, guns and every kind of war equipment. We gave them a "certificate of necessity" which permitted them to depreciate out their factories in a short period of say four or five years—instead of over a 20-year period.

The United States had what was known as a "War Production Board". The "War Production Board" issued the "certificates of necessity" which gave the holder a priority for the purchase of the steel or other scarce commodities—and a fast depreciation schedule.

I pointed out that every Soils Department of every agricultural university had proven between 1946 and 1950 that two pounds of nitrogen would produce a bushel of corn—that, therefore, 2,000 pounds of nitrogen would produce 1,000 bushels of corn—that a million tons of nitrogen would produce a billion bushels of corn! And, that was the only way I knew he could do what he wanted.

He said, "Who would you get to manage it?"

I told him that Jonathan had helped Henry Wallace sell the nitrogen plants built in the war years. And, that he knew about nitrogen. And, that he was retired—in good health and available. So, within a week, Jonathan was back in Washington as "Assistant to the Secretary of Agriculture for Fertilizer Facilities Expansion for Mobilization".

In his book No Need For Hunger written in 1963 Jonathan quotes in full a letter he wrote Secretary Brannan May 23, 1951. I quote it here as follows:

"Department of Agriculture,
Washington 25, D.C., May 23, 1951.

To: The Secretary of Agriculture.

From: Jonathan Garst, Assistant to the Secretary for Fertilizer Facilities Expansion for Mobilization.

"Here is a simplified review of the need for fertilizer in the United States which has been checked throughout the Department of Agriculture.

"This year we are short of meat. We are short of cotton. We are not going to produce enough wheat. Even with a normal crop we will not harvest enough feed grains and it looks now as though we will be lucky to harvest a normal crop. The population of the United States has finally caught up with the farming. We not only have to build up our farm production to satisfy present demand, but we have to provide for an increase in population of two million people per year.

"In the decade of the 1950's we will increase 20 million people and it may run to 24 million people (it actually went up 27 million), which is by comparison two-thirds of the total population in the United States in 1860. In 1860 an increase in population gave no concern because we had much more land to bring under cultivation. In 1951 we are not only short of farm production for our present population, but increases should bring concern because we have, practically speaking, no more land to bring under cultivation.

"It is estimated we will this year exhaust our reserves of grain to the danger point. We are therefore faced with an emergency situation to provide more grain in 1952 just to keep up our present rate of consumption.

"We can calculate our present and future needs as would have been done in 1860; that is, in terms of more land instead of more fertilizer. To produce the grain that we are drawing from reserve this year we would need another 7 million acres of land. If we produced enough feed to equal the demand for all foods it would take 20 million acres. To meet our increase in population, we need to add 1½ acres of good land per person. We would have to add 3 million acres per year or in this decade we would have to find 30 million acres. In other words, *we would have to discover another state like Iowa.*

"It is a relief to turn to the alternative. One ton of nitrogen in fertilizer equals 14 acres of good farmland. We are not using nearly as much nitrogen as could be applied to increase crop yields. We use an average of 7 pounds per cultivated acre. In Holland the average application is 50 pounds. We get the nitrogen from fuel and air. We will have to balance it with phosphate and potash, but we have these in our mines. For simplicity we will speak in terms of nitrogen. So—to get our emergency need of 7 million more acres for grains we just produce 500,000 more tons of nitrogen; to keep up with the population gains, we simply add 200,000 tons capacity per year."

Because of the fact that Jonathan could issue "certificates of necessity" which carried with them not only a high priority for the acquisition of steel and other necessities for building the nitrogen fixation plants but also carried the accelerated depreciation schedules—he was able to issue fixation units for the production of more than a million tons of nitrogen in the years 1951 and 1952. And, more certificates of necessity were issued when the Republican administration took over under Eisenhower and Secretary of Agriculture Benson.

Corn and sorghum yields zoomed upward starting in 1955—as more and more farmers discovered what a great increase could come from generous fertilizer applications. It took from 1951 and 1952 until 1955 and 1956 to get the plants built and the nitrogen available. Just look at the corn history enclosed.

Before 1955, corn yields only went from 21.9 bushels to 38.5 bushels, a gain of only 16.6 bushels in 25 years, a gain mostly due to changing from no use of hybrid seed to complete use of hybrid seed.

In the 18 years since fertilizer became available, the yield has increased from 38.5 bushels per acre to 85 bushels per acre.

Every farmer who plants corn now knows that 40% or thereabout of his yields are due to generous applications of balanced fertilizer containing N—P_2O_5 and K_2O—and to herbicides and insecticides and to other top management practices such as the use of well-adapted hybrid seed corn—and irrigation where rainfall is short and irrigation water is available.

The world population is shown below:

First billion people	1830
Second billion people	1930
Third billion people	1960
Fourth billion people	1975

Present world population growth is estimated to be 80 million per year. By 1977 we will have added 240 million people to the world population—which is more people than now live in the United States.

We must not only have more fertilizer in the U.S.A.—but much more all over the world.

Roswell Garst.

CORN HISTORY—JAN. 19, 1973

Year	Acres harvested for grain (in 1,000 acres)	Per acre yield 5-year average	Per acre yield (bushels)	Percentage lost due to poorer yields	Total bushels for grain (in 1,000 bushels)	Total harvested bushels 5-year averages
1930	101,465		20.5	17.7	1,757,297	
1931	106,866		24.1		2,229,903	
1932	110,577	21.9	26.5		2,578,685	2,023,906
1933	105,918		22.6		2,104,725	
1934	92,193		15.7	32.6	1,448,920	
1935	95,974		24.0		2,001,367	
1936	93,154		16.0	38.6	1,258,673	
1937	93,930	25.0	28.1		2,349,425	2,050,232
1938	93,160		27.7		2,300,095	
1939	88,279		29.2		2,341,602	
1940	86,738		28.4		2,212,367	
1941	86,186		31.0		2,435,307	
1942	89,021	31.9	35.2		2,849,340	2,604,631
1943	94,455		32.1		2,724,530	
1944	94,014		32.8		2,801,612	
1945	87,625		32.7		2,577,449	
1946	87,585		36.7		2,916,089	
1947	82,888	35.6	28.4	28.3	2,108,320	2,771,638
1948	84,778		42.5		3,307,038	
1949	85,602		37.8		2,949,293	
1950	81,817		37.4		2,760,374	
1951	80,736		35.9		2,617,319	
1952	81,099	38.5	40.4		2,977,243	2,787,849
1953	80,608		39.6		2,876,394	
1954	68,668		39.4		2,707,913	
1955	68,462		42.0		2,872,959	
1956	64,877		47.4		3,075,336	
1957	63,065	48.7	48.3		3,045,355	3,234,891
1958	63,549		52.8		3,356,205	
1959	72,091		53.1		3,824,598	
1960	71,422		54.7		3,906,949	
1961	57,634		62.4		3,597,803	
1962	55,726	62.5	64.7		3,606,311	3,722,910
1963	59,227		67.9		4,019,238	
1964	55,369		62.9	11.2	3,484,253	
1965	55,332		73.8		4,084,342	
1966	56,933		72.3		4,117,355	
1967	60,557	77.4	78.6		4,760,076	4,387,516
1968	55,880		78.6		4,393,273	
1969	54,598		83.9		4,582,534	
1970	57,359		71.7	17.2	4,109,792	
1971	63,819	85.3	88.4		5,641,112	5,074,877
1972	57,141		95.8		5,473,727	

GRAIN SORGHUM HISTORY

Year	Acres harvested for grain (in 1,000 acres)	Acres 5-year average	Per acre yield	5-year average	Total bushels for grain (in 1,000 bushels)	5-year average
1930	3,477		10.2		37,561	
1931	4,443		16.2		71,914	
1932	4,400	3,814	15.0	12.4	66,097	49,833
1933	4,354		12.5		54,386	
1934	2,396		8.0		19,209	
1935	4,597		12.5		57,610	
1936	2,793		10.8		30,270	
1937	4,915	4,353	14.2	12.6	69,948	55,664
1938	4,699		14.3		67,210	
1939	4,760		11.2		53,280	
1940	6,374		13.5		85,824	
1941	6,015		18.9		113,543	
1942	5,991	6,931	18.3	17.3	109,653	120,707
1943	6,889		15.9		109,536	
1944	9,386		19.7		184,978	
1945	6,324		15.2		96,063	
1946	6,669		15.9		106,025	
1947	5,480	6,478	17.0	17.7	93,217	115,037
1948	7,314		18.0		131,384	
1949	6,602		22.5		148,494	
1950	10,346		22.6		233,536	
1951	8,544		19.1		162,863	
1952	5,326	8,446	17.0	19.4	90,741	167,687
1953	6,295		18.4		115,719	
1954	11,718		20.1		235,575	
1955	12,891		18.8		242,638	
1956	9,209		22.2		204,881	
1957	19,682	14,742	28.8	28.2	567,506	430,296
1958	16,524		35.2		581,012	
1959	15,406		36.1		555,441	
1960	15,601		39.7		619,954	
1961	10,985		43.7		480,208	
1962	11,571	12,645	44.1	42.6	510,284	537,127
1963	13,326		43.9		585,394	
1964	11,742		41.7		489,796	
1965	13,029		51.6		672,698	
1966	12,813		55.8		714,992	
1967	14,999	13,672	50.4	53.2	755,936	726,120
1968	13,995		52.9		739,695	
1969	13,525		55.3		747,280	
1970	13,751		50.7		697,050	
1971	16,601	14,776	53.9	54.6	895,349	806,334
1972	13,975		59.1		826,604	

PROHIBITION ON THE IMPORTATION OF RHODESIAN CHROME

Mr. McGEE. Mr. President, throughout the course of debate on S. 1868, opponents of the measure launched a concerted attack on the United Nations. It was obvious to me that the real issue involved in S. 1868 on the part of these Senators was not sanctions against Rhodesia, but the United Nations itself.

As a long-time and pragmatic supporter of the U.N., I was very disturbed by this assault. I believe the arguments to be very shortsighted and potentially dangerous to our participation in an institution which is vital to our national interests and foreign policy conduct. I was deeply relieved and gratified by the Senate action yesterday which resulted in passage of S. 1868.

Therefore, I would like to note a column written by Anthony Astrachan which appeared in the December 16 edition of the Washington Post. Mr. Astrachan very effectively lays out the case for why there is a need for a United Nations.

As Mr. Astrachan noted:

> The October war in the Middle East proved once again that the United Nations cannot make peace on its own but is indispensable when its members want peace.

He added:

> Had there been no United Nations, there would be no new talks in Geneva.

However, the most appropriate observation offered by Mr. Astrachan was the following:

> It is indispensable because it provides the forum in which the combatants and the great powers can give public form to the positions they work out in private, and because it provides the machinery by which they institutionalize their decisions.

This cuts to the heart of the issue. We live in a very complex international community in which many complex problems abound. We cannot attempt to rationalize this reality in simple terms and simple solutions, because the international community is not marked by simplicity. We have to recognize the realities and come to grips with these realities in the most effective manner possible. It does not mean retreating from responsibility, but exercising responsibility.

In this morning's edition of The Washington Post, Mr. Astrachan also had an analytical piece on the 28th General Assembly:

> This has been a good year for the United Nations, diplomats agree—primarily because the Security Council proved able to play what U.S. Secretary of State Henry A. Kissinger called "a very useful role" in ending the Middle East War.

Here again, Mr. Astrachan offers some very poignant observations when he noted:

> The council's (Security Council) actions drew praise from Kissinger last month. He called the U.N. an effective sounding board, a rapid means of communication among the parties to the war, the most effective way to reach a cease-fire and a buffer preventing confrontation.

This is the essence of why the United States must remain in the United Nations and why the United Nations must continue to exist. We solve nothing if attempts diminish our participation in the institution. On the other hand, by upgrading our participation in the United Nations. we stand to gain much from the international stability arising out of such a participation.

Mr. President, I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 19, 1973]

A GOOD YEAR FOR U.N. ENDS WITH UPBEAT NOTE

(By Anthony Astrachan)

UNITED NATIONS, Dec. 18.—This has been a good year for the United Nations, diplomats agree—primarily because the Security Council proved able to play what U.S. Secretary of State Henry A. Kissinger called "a very useful role" in ending the Middle East war.

The achievements of the 28th General Assembly, which ended today, were much more tenuous, although both the Soviets and the Americans praised it for their own purposes.

The council's actions drew praise from Kissinger last month. He called the U.N. an effective sounding board, a rapid means of communication among the parties to the war, the most effective way to reach a cease-fire and a buffer preventing confrontation.

Some diplomats here doubt that the council will be as effective next year, when Byelorussia, a Soviet state, and Iraq, an Arab militant, take non-permanent seats. They will replace Yugoslavia and India, two non-aligned states which played important roles in the council's peacekeeping efforts this year.

The only real reason for optimism is that the council showed this year that it can deal with a specific crisis, when the parties and their great-power patrons allow, even though it still has not reached the long-sought agreement on the general philosophy of peace-keeping.

U.S. Ambassador W. Tapley Bennett Jr. called the assembly "a constructive force for international cooperation on the broadest scale."

The comment astonished U.N. observers. Bennett explained, "The assembly wisely chose to agree where agreement was possible, and, in most instances, to avoid fruitless confrontation where it was not."

That made the assembly's most important achievement its decision to defer votes on the U.N. presence in Korea and the question of who should represent Cambodia.

Bennett also praised the assembly decision to hold a world food conference in Rome next year. He attributed it to a suggestion Kissinger made here in September and called it an example of speedy U.N. action, but the conference had actually been in the works of the Food and Agriculture Organization well before that.

Soviet Ambassador Yakov Malik gave his highest praise to the assembly's endorsement of the Soviet proposal to ask the five permanent members of the Security Council to cut their military budgets by 10 per cent and use 1 per cent of the total budget to aid developing countries.

The vote was 83 to 2, with China and Albania voting against, and 38 abstentions, among them Britain, France and the United States. The proposal has no chance of being put into effect.

[From the Washington Post, Dec. 16, 1973]

U.N. CONTRIBUTION LIMITED, INDISPENSABLE

(By Anthony Astrachan)

UNITED NATIONS.—The October war in the Middle East proved once again that the United Nations cannot make peace on its own but is indispensable when its members want peace.

Now diplomats here are wondering what they can do for an encore. Kurt Waldheim's presence at the new talks in Geneva is merely symbolic—a reminder to the Arabs, the

Israelis and the great powers that they cannot ignore the world as they try to end the perennial crisis in the region. The United Nations is no more likely to make a major contribution to the new efforts to build a "just and durable peace" than it did in the six years between the last two wars, when Gunnar Jarring, the special U.N. representative, seemed always to end by talking to himself.

Still, had there been no United Nations, there would be no new talks in Geneva. That's considerable comfort to U.N. diplomats who fumed during the first week of the war while the Security Council met four times and did nothing. Neither the Arabs nor the Israelis were ready to stop fighting, and their great-power patrons were unable or unwilling to pull them apart—the effort might have reduced the influence that Moscow and Washington try to exert in the Middle East, or brought them into serious confrontation with each other. The limits of U.N. "power" were never clearer.

But by the third week of fighting, the United States and the Soviet Union shared a fear that the war effort would injure their detente more than a peace effort. Egypt and the Soviet Union shared a desire to forestall Israeli military gains and to create an opportunity for Arab diplomatic gains. Europe and Japan feared that a longer war would mean a worse oil crisis.

So Egypt, the Soviet Union and the United States went to the United Nations for a cease-fire that would be politically acceptable to everyone. Diplomacy in Cairo, Jerusalem, Moscow and Washington produced agreement to link the cease-fire to "immediate and concurrent" negotiations for a durable peace, but the agreement came to life only when it was embodied in a Security Council resolution. It was a classic illustration of the indispensability of the United Nations.

It is indispensable because it provides the forum in which the combatants and the great powers can give public form to the positions they work out in private, and because it provides the machinery by which they institutionalize their decisions.

The United Nations has never forced a sovereign country to stop fighting, but it formalized cease-fires in the Middle East in 1949, 1956, 1967 and 1973.

The United Nations has never constructed a solid peace, but it made peace in the Middle East a possibility with two resolutions: Security Council Resolution 242 of November, 1967, which is still the basis of negotiations, and Resolution 338 of last October, which gave the negotiations new life in Geneva.

The fact that the Geneva talks grew out of a U.N. resolution reassures diplomats who are disturbed that the talks may become a way of institutionalizing diplomacy outside the United Nations. Waldheim's presence is intended to provide further reassurances.

It may be only symbolic, but the importance of the symbolism was demonstrated by the long consultations among Security Council members last week over the way the council would endorse the idea that Waldheim should preside, at least at the ceremonial opening sessions in Geneva. Even the diplomats who wish he would play a bigger role admit that peace never could be constructed in a council debate.

Waldheim may also remind the world that the United Nations does two other important things that neither the great powers nor the combatants can do in the Middle East: It gives other nations a voice in shaping peace, and it does most of the dirty work involved in preventing war from breaking out by accident.

Those functions were closely linked in the Security Council's October session. The eight non-aligned nations in the council, disturbed at the threat of U.S.-Soviet "condominium" over Middle East diplomacy, suggested the establishment of a U.N. Emergency Force to keep the cease-fire alive. The United States, anxious to keep Soviet troops out of the area, decided to support them if permanent members of the council were barred from the force, and the Soviets had to follow suit.

The force created by those "other nations" is now keeping the Egyptians and Israelis in place, supplying the civilians in Suez City, and generally maintaining the cease-fire. Its commander, Gen. Ensio Siilasvuo of Finland, keeps trying to find ways in which his troops can make greater contributions to the transition from cease-fire to peace, like offering to place them between the Egyptians and Israelis if the two sides are ready to try disengagement before Geneva.

Some of the small nations, remembering the real contribution they made by creating UNEF, demanded and got another Security Council meeting before Geneva, so they could maintain their claim to a voice on the Middle East by giving Waldheim "instructions." This was intended to be no more than an endorsement of what Egypt, Israel and the great powers had agreed on, but the council met before Henry Kissinger achieved final agreement on details, and Moscow and Washington obstained on the instructions to Waldheim. If the road leads straight from Geneva to a durable peace, the small nations' efforts may quickly be forgotten. In the much more likely event that it does not, their emergency force will be remembered, and they may get yet another chance to show that the United Nations, despite its limitations, is indispensable to peace.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

Mr. TAFT. Mr. President, I urge my colleagues to support the conference report on the Comprehensive Employment and Training Act of 1973, S. 1559. This legislation is a culmination of excellent initiatives from the administration and extensive work by the House Education and Labor Committee, and the Senate Labor and Public Welfare Committee. Special praise in the Senate should go to the chairman of the Employment, Poverty and Migratory Labor Subcommittee, Senator NELSON, for his leadership on this legislation. My colleagues, Senators CRANSTON, JAVITS, and SCHWEIKER also deserve praise for their continuing interest and work on this legislation.

When hearings began earlier this year in the Employment Subcommittee there was a great deal of skepticism in the minds of many regarding a special revenue-sharing approach for manpower training. These concerns I believe have been adequately resolved without destroying the merits of a specialized revenue-sharing approach, as the legislation provides State and local governments with flexability and financial assistance to assume responsibilities for job training and public service employment. As ranking minority member of the subcommittee, I had an opportunity not only to review testimony in Washington, but also to consider firsthand in my own State of Ohio the views of city and county officials, program administrators, business community leaders, labor organization officials and program participants with respect to the merits of job training. I firmly believe from my experience in considering this legislation that job training is an essential key to alleviating the unemployment problems which periodically surface in the economy. This legislation is especially pertinent today as our economy faces the possibility of substantial unemployment resulting from the energy shortage in that it not only provides job training opportunities, but also authorizes for public service employment programs for areas that have unemployment of 6.5 percent or more.

The bill would consolidate and decentralize programs to create jobs and train the unemployed. Any unit of local government having a population of 100,000 or more would be eligible to receive funding as prime sponsors for job training programs. Additionally, a provision is provided to permit units of local government with populations between 50,000 to 100,000 to apply as program agents for the implementation of public service employment programs.

Vietnam era veterans would be given a preference for public service jobs and, hopefully, the unemployment rate among this most deserving group of Americans can be reduced.

Protections are also contained in the legislation to provide strong considerations for the continuation of existing manpower training programs of demonstrated effectiveness. Part of these programs could include skilled training centers, which I might add can receive additional assistance through State allocated money earmarked for vocational education, SER, operation mainstream, and summer neighborhood youth employment programs. Opportunities industrialization centers—OIC—also are included in the legislation as a community based manpower training activity that should be considered for future funding. I am especially pleased to see this reference to OIC, as I believe this program is one of the best ways to bring meaningful jobs to individuals in the inner city.

Providing training programs to individuals so they can help themselves is one of the most important ways by which government can help its citizens. The legislation before the Senate is consistent with this objective. I urge my colleagues to approve it.

RUSSELL LONG'S BUNCH OF ACTIVISTS

Mr. RIBICOFF. Mr. President, on December 18, 1973, I had the pleasure to read an article in the Wall Street Journal which describes the work of the Senate Finance Committee and its distinguished chairman, RUSSELL LONG of Louisiana.

I have been a member of the Senate Finance Committee for 10 years and have had an opportunity to watch it evolve as well as to participate in its deliberations.

The committee handles some of the most important issues in America—social security, medicare, health insurance, taxes, unemployment insurance, and international trade.

As the article points out the Finance Committee is more and more an activist committee—taking the lead in increasing social security benefits, improving medicare, and a host of other programs. Its staff is made up of top-notch professionals.

The members of the committee reflect

differring philosophies. But more often than not we can find mutually agreeable paths to achieve beneficial legislative results.

A recent example is the Long-Ribicoff health insurance bill. It has the support of moderates, conservatives, and liberals of both parties and is a major step forward in protecting all Americans against large health bills.

As the article correctly points out our legislative achievements in the committee are due in large part to Senator LONG's skill and patience in reconciling conflicting views on an issue.

I ask unanimous consent that the Wall Street Journal article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSELL LONG'S BUNCH OF ACTIVISTS

(By Albert R. Hunt)

WASHINGTON.—Russell Long insists he's a strict constructionist. "I firmly believe in what the Constitution says about the House originating revenue measures," avers the Senator from Louisiana.

Then comes the clinker. "But I haven't been able to find where the Constitution says anything about 'germaneness.' "

With these words, the chairman of the Senate Finance Committee is laying down a direct challenge to the power and the authority of the once-almighty House Ways and Means Committee. For what he's really saying is that he intends to go right on doing something he and his committee have done a lot of lately—taking minor House-passed bills and tacking sweeping pieces of unrelated legislation into them.

This tactic has enabled the previously less important Senate committee to frustrate its House counterpart and dominate one legislative issue after another for a whole year now. While Ways and Means has been mired in internal disputes and the lengthy consideration of very few issues, the Senate Finance Committee has leaped into the vacuum and, with much abandon, initiated far-reaching legislation in such key areas as Social Security, welfare, health benefits and campaign financing.

Some of this legislation has been flatly rejected by offended House members. But in a number of other instances, the Senate committee has prevailed. Clearly it has its opposite numbers in the House on the defensive.

"Every time we turn around we're responding to the latest whim of Russell Long," complains one House member. "The Constitution says the House is supposed to initiate revenue legislation, but recently you'd never know it," echoes Rep. Bill Archer (R., Texas), a freshman member of Ways and Means.

A CHANGE OF ACTION

In years past, the Senate panel served primarily as an appellate court for Ways and Means decisions, usually only making modest changes. Even when major alterations were adopted in the Senate, more often than not they were topped out when the two groups went to conference to resolve differences.

No longer. This year the Senate committee was the driving force behind Social Security benefit boosts, a sweeping overhaul of the private pension system, increases in federal welfare payments to the aged, blind and disabled, new regulations governing social service payments to the states for welfare recipients and refinements in the taxpayer checkoff plan to finance future presidential elections.

All of which suggests that considerable changes will now be necessary when it comes to calculating what Congress will do in the expansive legislative territory these two committees hold.

Further, the Finance Committee itself is changing. It's no longer a citadel of conservatism. Three or four assertive and intelligent liberal Democrats have been named to the panel and a resurgent Russell Long now seems more attuned to the liberal tendencies of the Senate in some areas. The committee remains more conservative and small state-oriented than the Senate as a whole, but the trend clearly is leftward.

All of which means, according to some Senate insiders, that the Finance Committee will continue to strike out on its own whether the House likes it or not. At the same time it will be more likely to sharply alter bills it receives from the House.

Specifically, this probably will produce more social welfare schemes, including attempts to channel more funds and inducements to the working poor, such as the recent Senate-approved plan to give a tax credit to working poor families.

In the crucial area of health care, which Congress may take up next year, the committee is attracted by a middle ground already advanced by Chairman Long and Sen. Abraham Ribicoff (D., Conn.), an influential liberal on the panel. This $9-billion-a-year plan would have the federal government pick up "catastrophic" medical costs for all income levels and provide more direct aid to low income families.

Regarding trade, few expect the Finance Committee to rubber-stamp the House-approved bill it will take up next year. Early estimates are that some more restrictive trade provisions could be written into the legislation, with the President's unprecedented new authority modified somewhat and perhaps some curbs slapped on the activities of multinational corporations.

To be sure, in the key area of taxation, the Finance Committee may continue to take a back seat to Ways and Means. Few serious new tax proposals are floated from the Senate tax-writers and they retain an image of frequent caterers to special interests.

Technically, the finance panel never does actually initiate legislation. But what it does do is tack key proposals onto minor measures sent over from the House. The major pension legislation, for example, was added on an unimportant bill making some insignificant technical tax changes.

House members complain that such additions are often done hurriedly and carelessly. Practically every member of the Ways and Means Committee for example, says the pension bill is full of sloppy legislative mistakes. This is why the Senate shouldn't use such a "loophole," they say, to infringe on the House's constitutional duties.

But Sen. Long, a 25-year-Senate veteran, shows no signs of bowing to House pressures here. "I went on the Finance Committee not because I wanted to keep things from happening but because I wanted something to happen," he recalls.

It's this activist streak, whether it be for liberal or conservative causes, that distinguishes Russell Long from many earlier finance panel chairmen. When he took over the committee in 1966, he inherited a skeleton staff with no real experts. Today, there are about a dozen first-class staffers including specialists in taxes, welfare, Social Security, health care and trade. (The panel also uses the staff of the prestigious Joint Congressional Committee on Internal Revenue Taxation.)

Recently, Chairman Long also has become more sensitive to spreading power around his committee a little. This year, for example, he bowed to pressure and set up six subcommittees, marking the first time in memory the committee has had such subgroups. (The Ways and Means Committee still has no subcommittees.)

Further, Sen. Long seems to have concluded reluctantly that the committee's composition will have to continue to move closer to the liberally-inclined Senate. This year, he raised no fuss when liberal Sen. Walter Mondale (D., Minn.) was added to the committee, although he had fought the idea previously. He acknowledges that more Northern liberals of the Mondale stripe probably will fill any upcoming vacancies.

Sen. Mondale, along with more veteran members Abe Ribicoff and Sen. Gaylord Nelson (D., Wis.)—and on some issues, freshman Sen. Lloyd Bentsen (D., Texas)—provide an intellectual force that liberals lacked before. "Russell knows that on almost any issue he just can't ignore these terribly bright liberals or he may get taken on the floor," says another Senator.

Sen. Long has a close personal and professional relationship with Gaylord Nelson and often works with Sen. Ribicoff. "This committee is becoming more broad-gauged," notes the Connecticut Democrat. "And the fact is that Russell himself is often a very broad-gauged man."

Meanwhile, the seven Republicans on the 16-man committee have their problems. The ranking minority member, Utah's Wallace Bennett, is a highly respected, very knowledgeable conservative: Chairman Long tries to work closely with him on major legislation even though they sometimes disagree sharply.

But Sen. Bennett is retiring next year. The next two Republicans—Nebraska's Carl Curtis and Arizona's Paul Fannin—share his conservatism, but, according to insiders, lack his expertise and the respect he generates. "These guys are pettifoggers," says an uncharitable committee Democrat. Some GOP strategists feel GOP leadership on some issues may be provided by two able Republicans with the least seniority on the panel, moderate Bob Packwood of Oregon and conservative William Roth of Delaware.

All of which means that Russell Long usually will be able to move the committee at least in the general direction he desires. "Russell doesn't have much trouble forming either a moderate-conservative or a liberal-conservative coalition," says one member.

NOT EASY TO CATEGORIZE

And the colorful bayou battler is anything but easy to conventionally categorize. He's the son of the most famous Southern populist, the late Huey (Kingfish) Long, and also is the darling of the oil and gas lobby. Few Senators are more generous in voting aid for the elderly or disabled, yet none are more eager to crack down on alleged welfare abuses. He's equally efficient arguing for special tax breaks to aid major industries or for public financing of campaigns to curb the political influence of fat cat industrialists.

Elected to the Senate when he was only 30, Sen. Long became chairman of the Finance Committee at the relatively youthful age of 48. Back then, in the mid-1960s, he also was the Senate Whip and clearly the rising power in the Senate.

But, beset by personal problems, he infuriated colleagues by waging several abrasive fights, began drinking heavily and gradually saw his influence erode. He began receiving frequent setbacks on the floor on Finance Committee legislation, was dominated by Wilbur Mills in conference committees and lost his Whip's job to Ted Kennedy in early 1969.

Several years ago, however, the downhill slide stopped—something close associates date from his remarriage in late 1969. He curbed the drinking and renewed his attention to legislative responsibilities. He changed personal style as well, becoming less contentious and more senatorially courteous to colleagues. (Even so, he remains one of the truly colorful performers left in the Senate. Watching Russell Long recently, arms flailing, his voice cracking, and his mind usually racing far ahead of his speech, one colleague noted: "You'd never miss it—that's Huey Long's son.")

Whatever the case, Sen. Long's influence as Finance Committee chairman probably is at its zenith now. If the ailing Wilbur Mills retires, "I think Russell sees a chance to project himself as the congressional leader on great issues in the 1970s, and I think he'll do it," ventures Sen. Ribicoff.

To achieve this, however, the Finance Committee chairman probably will have to shed his reputation as an ardent foe of any tax revision and demonstrate some of the vaunted flexibility that has marked Mr. Mills' career. "Russell Long has championed special tax breaks for many vested interests, not just the oil industry," complains Bob Brandon, head of Ralph Nader's tax group.

The Senator still receives handsome royalties from his interest in oil-producing properties, but his views probably owe more to Louisiana's dependence on oil. "The oil industry employs 74,000 people in Louisiana and I'm going to continue to look after my state's interest," he proclaims. (This isn't the only area where Sen. Long puts Louisiana interests first. Last year his finance panel rewrote the House-passed revenue sharing formula, which resulted in the Bayou State getting about 50% more federal funds.)

Yet, even in the tax area, Chairman Long isn't totally predictable. For example, he favors a fairly stiff tightening of the minimum income tax, even though this could hit some of the oil barons.

A FORMIDABLE FORCE

Whatever policy the Louisiana Democrat pushes, he's usually a formidable force, practically everyone concurs. "We don't always agree with Russell Long, but when he's with you there's nobody better to have on your side," says Fred Wertheimer, lobbyist for the citizens group, Common Cause. Common Cause recently worked with the Senator in the unsuccessful effort to get public financing of presidential elections through Congress.

And it's usually perilous to predict which way Russell Long will turn. Despite his reverence for his late father, Sen. Long says he doesn't quite buy Huey Long's famous "Share the Wealth" program. "I think you can raise poor people's income without taking it all from the rich," he says. Then, with a twinkle in his eye, Huey Long's son quickly adds: "Of course, if it took my vote to pass it [share the wealth] in the Senate, I'd probably vote for it."

NINETIETH BIRTHDAY OF FORMER CONGRESSMAN CARL E. VINSON

Mr. NUNN. Mr. President, on November 18, 1973, a celebration was held in Macon, Ga., to honor the 90th birthday of former Congressman Carl E. Vinson, and to mark the 100th anniversary of the Walter F. George School of Law at Mercer University.

Hundreds of Mr. Vinson's friends, from virtually every corner of this Nation, gathered in the small Willingham Chapel at Mercer University to honor the man who served longer in the U.S. House of Representatives than any other person in this Nation's history. Among those present to pay tribute were: President Richard M. Nixon, Senator Herman E. Talmadge, Congressman Phil M. Landrum, and Georgia Gov. Jimmy Carter.

I am certain that there are many Members of the U.S. Congress who recall with great affection and respect the life and career of this great American. With the knowledge that many Americans would be interested in reading the comments of those who participated in the celebration, including Mr. Vinson's response, I ask unanimous consent for the printing of these comments in the Record, in the order in which they appeared on the program.

There being no objection, the material was ordered to be printed in the Record, as follows:

Carl Vinson Day

Whereas: The Honorable Carl Vinson has dedicated his life to serving his country and fellow citizens in an outstanding manner; and

Whereas: Entering Congress as its youngest member in 1914, Carl Vinson quickly established himself as a great leader in this body, bringing immense strength and integrity to our government; and

Whereas: For thirty years Congressman Vinson was Chairman of the House Armed Services Committee and its predecessor, the Naval Affairs Committee, becoming a symbol of our national defense; and

Whereas: When he retired after a half century in Congress, Carl Vinson had served longer than any other member in the U.S. House of Representatives; and

Whereas: Carl Vinson has served his country with distinction—his leadership in the free world, his country and his state unprecedented and unequaled; and

Whereas: November 18, 1973, marks the 90th birthday anniversary of Carl Vinson, at which time many of our citizens will pay tribute to this great man in Macon, Georgia; now

Therefore: I, Jimmy Carter, Governor of the State of Georgia, do hereby proclaim the day of Sunday, November 18, 1973, as "CARL VINSON DAY" in Georgia, and urge all our citizens to join together in recognition and appreciation of the wisdom and dedication of this great and good man.

Remarks of U.S. Senator Herman E. Talmadge

We honor a man today of many distinctions—a man who has become a veritable legend in his own time. Carl Vinson not only is a great statesman. He is unique. He is the first person in the history of our Republic to serve 50 years in the United States House of Representatives.

He is the only member of the House of Representatives in history to be honored by a Resolution of the House for his, and I quote from that Resolution: "incomparable record as a legislator, his manifold contributions to the strength of our country, his constant and unimpeachable devotion to the public interest."

Carl Vinson, more than any other individual in history, influenced and guided our nation's defense that saw us victoriously through two World Wars.

As Chairman of the House Armed Services Committee for 14 years, and as Chairman of the old Naval Affairs Committee for 16 years before that Carl Vinson compiled a record of 30 years as Chairman of a standing Committee of Congress. He played a major part in developing a defense system that made America the world's supreme super power, for which generations of freedom-loving Americans and generations yet unborn are in his debt.

Carl Vinson came to the House of Representatives in the 63rd Congress in 1914, 30 Congresses ago. Woodrow Wilson was in the White House, and after him, Congressman Vinson served under 8 other Presidents. He was confidant and advisor to them all. During the time that Chairman Vinson presided over his Committees, Presidents of the United States, Cabinet members, Joint Chiefs of Staff, high ranking generals and admirals came and went.

But, Carl Vinson was always there, steadfast in his devotion to his country and dedicated to the principle that the United States should have a defense establishment second to none in the world. Carl Vinson came to Congress when the Springfield rifle was our nation's principal weapon. Under his leadership, the country's defense establishment evolved from horse and buggy days to the modern era of the Polaris submarine and intercontinental ballistic missile.

Carl Vinson had never seen a battleship until he achieved prominence in the Congress. Yet, he was a founding parent of the two-ocean Navy, which became vital to our nation's survival during World War II.

He did not like to fly in airplanes. Yet, he was a forceful and persuasive advocate of an expanded United States Air Force, when it became apparent to him, in his characteristic wisdom and foresight, that command of the skies in the modern world was just as important as command of the seas a generation ago.

Chairman Vinson was an astute student of world affairs and military matters. Yet, only once in his entire lifetime did he set foot outside of the United States, and that was when he went on an inspection trip of the Panama Canal Zone in the early 1920's.

Mr. Vinson used to say that his responsibilities in the House of Representatives kept him too busy to go travelling all over the world. And, when he was not busy in Washington, his next responsibility was to get back to Georgia among his friends and family, on the first available train.

He was then and is now Milledgeville's and Baldwin County's favorite son. For all of his importance in Washington—he talked with Presidents and dismissed admirals like cabin boys—Mr. Vinson never lost touch with the people of his District of Georgia who sent him to Congress 25 times. He believed in staying close to these people and the beloved soil of Georgia.

Mr. Vinson was known by the military establishment as "the Admiral"—because of his early affection for the United States Navy. By his colleagues in the House, some of them his adversaries from time to time, he was known as the "Swamp Fox"—because of his masterful grasp of parliamentary procedure and virtual unerring strategy in getting important legislation through Congress.

It is interesting to note that Chairman Vinson lost very few legislative battles. One time he lost was when he urged fortification of the Island of Guam not too long before the Japanese attacked Pearl Harbor. As it turned out, his foes on that bill didn't relish their victory very long.

Just as Chairman Vinson was an eager and brilliant student of world affairs and military matters, he was a hard-driving headmaster and teacher. They had over on the House side what was called the "Vinson College." Students in the college included of course all the members of the House Armed Services Committee—as well as some other very important people . . . such as Lyndon Baines Johnson, who served as a freshman congressman under Chairman Vinson on the Naval Affairs Committee . . . such as Franklin Delano Roosevelt, who "studied" under Chairman Vinson when he was Secretary of the Navy . . . as did Dwight David Eisenhower, when he was Supreme Commander of Allied Forces in Europe.

Someone once said, and very correctly, that Chairman Vinson possessed more foresight, more wisdom, more understanding of military matters than one could encounter from wandering through the Pentagon for a year.

The people of Georgia, of course, and especially in this part of the state, know Mr. Vinson as far more than just an expert on military matters and parliamentary strategist. Mr. Vinson is known and loved in Georgia as "Uncle Carl."

He has brought credit to our state—as a Congressional leader, an American statesman, and as a legendary institution—that the keepers of history have not yet fully measured.

Carl Vinson embarked upon his career before most of us here were even born. He set out with one primary goal—to serve his state and nation.

He achieved this goal to a larger degree than has any other man in the history of the United States.

Uncle Carl, we salute you on your 90th birthday today, and we hope you will continue to give us the benefit of your wise counsel.

Introduction of Carl Vinson by Congressman Phil M. Landrum

Ladies and gentlemen, I have the happy privilege and very high honor to present the composer and the conductor of a legislative symphony—more sensitive, more beautiful, and more comprehensive than any in our history—a simply magnificent American.

Response by Hon. Carl E. Vinson

Mr. President—Dr. Harris—Distinguished Guests—Ladies and Gentlemen:

Five years ago, on the 18th day of November 1968, when my span of life had reached its 85th year, President and Mrs. Johnson invited a group of friends to the White House.

Many of my colleagues with whom I had served throughout the years in Congress, the Armed Services Committee and its brilliant staff, military personnel, heads of departments of government, my friends and neighbors who lived on the same block where I lived for 40 years, and life-long friends from Georgia were there. It was a most delightful affair.

After my namesake, Carl Snead, had blown out the candles and the festivities had begun to subside, President Johnson said to his guests, "I invite each and every one of you to join Mrs. Johnson and me at the LBJ Ranch when Carl Vinson reaches his 90th year."

Time rolled by—months became years—years piled upon each other, and now and then I would receive a communication from some good friend saying, "I will see you at the LBJ Ranch on November 18, 1973."

But fate decreed otherwise—the uncertainty of life broke the chain of events—for on January 22nd of this year President Lyndon Baines Johnson, that great and distinguished man, journeyed to "that bourne from which no traveler ere returns," and passed into history as one of the Nation's most outstanding Presidents.

A few months thereafter, unknown to me, some of my good friends in Washington and here at home picked up the broken chain of events.

Dr. Harris appointed a group of distinguished men to formulate plans to have a joint affair entwined with a far more memorable event—the 100th anniversary of the Mercer School of Law.

I am grateful to the committee which has devoted so much time and effort in organizing this celebration.

I can think of no more sincere words to express my appreciation than to say to each member of the committee, "thank you from the bottom of my heart."

It is impossible for me to express in words my gratitude for the honor you pay me today. No event in my life, and no event in my future can ever equal this day.

When I look upon the faces of those who are here today, I see some of my good friends who were at the White House five years ago. I know that some have traveled a long distance and I want to thank all of you for being here.

A man is wealthy beyond his greatest dreams when he has friends such as you.

I am highly honored to have been presented to you by my good friend, one of the Nation's leaders in Congress, The Honorable Phil Landrum. I thank him for his most kind, complimentary, and laudatory remarks with reference to my public service, and his best wishes to me for many happy returns of the day.

And finally, no tribute could be more touching to me than.that which is paid by the presence today of our distinguished and revered President, Richard Nixon. Since the time he and I were colleagues in the Congress a quarter of a century ago, I have admired this man's ability, his courage, and his patriotism. I have set a high value on his friendship ever since. So it is a special privilege for me today to be able to say thank you, Mr. President, for redeeming Lyndon Johnson's promise made 5 years ago—that of giving an old friend a Presidential sendoff into the tenth decade of his life.

So here today in the eventide of my life, in this mellowed old chapel hall at Mercer University which rekindles old and wonderful memories, I greet you my friends with deep humility.

When one reaches his 90th year he can truly, on bended knees, thank Divine Providence.

I was fortunate to have parents who were strong in mind and body, and who enjoyed ripe ages of mid-80's and the thresh-hold of the 90's.

Someone once said, "To know how to grow old is the master work of wisdom, and one of the most difficult chapters in the great art of living."

But I cannot give you the secret of longevity, for I do not know what produces it, except perhaps, to suggest that maintaining a vigorous pace in all my mental and physical activities has played a very important part.

However, if I had to select one factor that may have played a dominant role to reach my years, I would name the challenge of Public Service.

When one serves a busy, progressive, intelligent, and God-fearing Georgia constituency such as I did for 60 consecutive years, in various State and Federal offices, he has so many other people's needs and problems on his mind that he does not have the time to worry about his own physical well-being or even to count his own advancing years. A lifetime spent in such work furnishes proof of the wise men's saying—that "the harvest of old age is the recollection and abundance of blessings previously secured."

Among these blessings which will linger with me through my life is the hand of friendship that all of you have extended to me throughout the years.

A memorable event brings us together today to celebrate the 100th anniversary of the Law School at Mercer University that was established in 1873, which is one of the oldest and most distinguished law schools in the South and which is now so appropriately named the Walter F. George School of Law, after that great and outstanding Georgia Senator.

I can recall that as a young man my one great ambition was to become a lawyer, and one of the most important decisions I have ever made in my life was to attend Mercer School of Law.

Perhaps it was the admonition of one of the greatest patriots in the history of our Nation, Benjamin Franklin, which sent me in that direction of the Mercer School of Law. Franklin's wise counsel to the youth of America was this: "If a man empties his purse in his head no man can take it away from him, an investment of knowledge always pays the best interest."

I can truly say whatever success I have attained in life can be attributed in large measure to the sound foundation in law which I received in this school of law at Mercer University.

This school's beneficial influence upon the judicial and political life of the South and the entire Nation has been profound and far-reaching.

My mind's eye today ranges over the procession of the distinguished Georgians who have served the State and Nation in the legislative halls and judiciary who have passed through the portals of this great law school.

These alumni have left their footprints in every place where they have resided. They were, and are, leaders in their communities and their judicial labors and legislative foresight have contributed much to the present greatness of the State and Nation.

In quantity of enrollment, Mercer is by no means as large as some other schools of law in the South; nevertheless it has become renowned as a school whose quality of teaching is unsurpassed.

Here is some evidence of that quality:

Two Justices of the Fifth U.S. Court of Appeals.
Five Federal District Judges.
Seven Georgia Supreme Court Justices.
Five Georgia Court of Appeals Justices.
Twenty-six Georgia Superior Court Judges.
Six Governors of Georgia.
Two Governors of Alabama.
One Governor of Texas.
One Governor General of Puerto Rico.
Four U.S. Senators.
Eleven Congressmen.

In all, there are more than 1,500 alumni. Almost to a man, those alumni are men of vision who look forward—fine Americans, whose love of country and whose patriotism run deep.

Among their ranks are distinguished lawyers whose forensic oratory rings daily down the corridors of the temples of justice; distinguished judges whose daily decrees temper justice with mercy; distinguished public servants whose voices are heard in the legislative halls of the land and in chancelleries around the world.

How well do I recall when there were five alumni of this school serving in Congress at the same time.

The Great Statesman, Walter F. George
That incomparable Eugene Cox, my classmate
That learned lawyer, Malcolm Tarver
That brilliant Jurist, Carton Mobley, who today is Chief Justice of the Georgia Supreme Court,
and myself

Mercer University was established by the Georgia Baptist Convention in 1833. It is a private institution and from its founding has always had a high academic standing.

It was moved from Penfield to Macon in 1871 and became an integral part of the history, tradition, future life, economy, cultural and moral stability, not only of the Macon area but also of all Middle Georgia.

Mercer is no longer a local institution. It has a national reputation for educating young men and women in the best of Christian tradition.

There are here today students from 27 different states and several foreign countries.

For the fall term of 1973, the Walter F. George School of Law received approximately 1,000 applications from new students, of which one-half were from out of state. Present classroom facilities and competitive standards permitted the enrollment of only 87 of this number making a total law school enrollment of approximately 247.

I am pleased to note that the Law School is number one on the priority list to expand its classroom facilities to admit more of these deserving applicants, under the University's 5-year, $42,000,000 fund-raising campaign aptly labeled "an investment in human resources."

Mercer's dynamic expansion in plant facilities and enrollment is due to the leadership of Dr. Rufus Harris who is in my opinion one of the most distinguished educators in America.

But all of our advances in education, all of the learned men who have graduated from this law school and other colleges and universities throughout the land, all of the other blessings we seek, will avail Americans nothing—if we allow ourselves to become a second-class Nation insofar as our national security is concerned.

Maintaining a strong defense is the most vital challenge that faces this generation.

We hear the complaints of an increasing vocal minority which does not like spending defense dollars. We even hear some who are foolish enough to think national defense is unnecessary. But with all due respect, I believe that those who feel this way ignore history and gamble with our Nation's very survival.

In two thousand three hundred years of recorded history there have been only two hundred and seventy years of peace. The lesson is plain: We must always be prepared for war, for only in this way can we avoid war.

It has been my good fortune in life to play a role in developing the defense structure of this Nation. I believe we are today the strongest nation in the world, but I also believe that we are in danger of losing that superiority. I have lived a full life in a free nation—and for this I'm very grateful.

Our President, who honors us all with his presence at this ceremony today, has done as much as any man alive over the past several years to educate all Americans in the paramount necessity of keeping this country second to none in our national defense.

He had also provided strong leadership in opening a new era of negotiation and a new hope for lasting peace among the great powers.

He had the vision it took to visit Peking and Moscow, and the stature it took to look those Communist leaders square in the eye when he got there.

He had the backbone it took to lead America out of the Vietnam war not with disgrace but with honor, and to bring our prisoners of war safely home.

At the same time, he is a President who knows that peace does not mean weakness.

He has stood firm against the pressures to cut our strategic weapons or our troop strength overseas without mutually negotiated cuts on the other side.

He has insisted that Congress must never send any President to the conference table as head of the second strongest power in the world.

So my friends, on my 90th birthday and the 100th anniversary of this Law School, I leave you with a prayer in the words of Shakespeare: "Oh Lord, who lends me life, lend me a heart replete with thankfulness."

I thank you.

REMARKS OF THE PRESIDENT

Dr. Harris and all of the distinguished guests who are present here today on this historic occasion, I am honored to be here for the two reasons that have been mentioned so well and so eloquently by all of the speakers who have preceded me: First, because it is the 100th Anniversary of a great educational institution, the Law School of Mercer University, now the Walter George Law School; and second, because it is the 90th birthday of a man who has served longer in the House of Representatives, in the Congress, than any man in our history, and one who is a legendary figure for those who did know him, and one who is a loved figure for those like myself who had the privilege to know him.

Now, in view of the fact that those two events are being celebrated simultaneously, I expected that we would probably have a very good crowd today, and the chapel, of course, is full. However, I also know that this is Atlanta Falcon territory, and so when I was at the airport, I asked one of the people there—and there was quite a big crowd—how come they were out; why weren't they watching the football game? And they said, "They are going to play tomorrow night."

Well, as you know, I am somewhat of a football buff, probably because I never made the team, even at Whittier, but I followed the Falcons, and I guess you would call them the comeback team of 1972. They lost their first three and they have won their last six. I have been thinking, I ought to have a talk with Norm Van Brocklin and find out how they did it.

With regard to this law school, when I was speaking to Dr. Harris earlier, he said it was a small law school, and I was thinking of my own law school at Duke when I was there in the middle of the depression, and when my roommate was a boy from Macon, Georgia, Bill Perdue, who was first in our class, the highest record that was ever made by anybody who went to the Duke Law School, and there were only 105 in the Duke Law School total in the years '34 to '37. So in my view, the size of the law school is not what is important; it is its quality.

Mr. Vinson has, of course, recounted what this law school produced in terms of four Senators and 11 Congressmen and 10 Governors, six of them Governors of the State of Georgia, and 45 judges of various courts, and that is a great record for any law school, large or small.

But a law school means more, simply, than whether it produces public figures of quality. A law school means the character of the young men and the young women who go through those three years and then go out into public life and what they contribute, and I think Mercer, by the very fact that it has produced the public figures of such quality that I have mentioned, also over its 100 years produces that great character that affects every community, whether that lawyer is a very big man in the community or—and just as important—just a lawyer handling people's cases, rich or poor, each of them deserves the honor and any law school that produces them deserves honor.

I think it is very appropriate it is named the Walter George School of Law. As Carl Vinson was speaking, I was thinking of my first days in the House of Representatives back in 1947, and I remember that usually there wasn't much attention paid to speakers, and Phil Landrum says it is the same today; they don't pay much attention. But I always remembered there were two men who, when they spoke, the chamber filled. One was Jim Wadsworth. They always came to hear him, from New York. And the other was Carl Vinson.

The reason they came was not because these two men always agreed, although they always did agree on matters of national defense, but because they were the giants of the House in those days. There were others that were giants, but these two seem to loom above all the rest.

And in the Senate, the law school that bears the name of Walter George also has that same distinction, because I recall in the days that I served in the United States Senate, and later presided over it, that the Senate chamber was usually empty, and for good reason. The speeches really weren't worth listening to. They were worth reading, but not worth listening to. But there were two men who filled that chamber in those days almost inevitably. One was Robert Taft and the other was Walter George, and whenever those men rose to their feet, the word would go around in the cloakrooms and through the offices, and the chamber would fill. They didn't always agree, and they were very different in their approach, Taft with his pithy, terse, sometimes people thought, even rather brittle speech, but yet going to the heart of every question, and Walter George, with that magnificent background which comes from centuries of being taught eloquence of the great Southern statesmen.

So if I were in the Mercer Law School, or on its faculty, I would be proud to be here not only because it is a fine law school, but because it bears the name of such a very great man who served the State of Georgia and served his Nation so well.

And now comes the part of my remarks that have to do with Carl Vinson. Actually, I had a very—not very long, but I thought appropriately long speech, and as the various speakers went along I began to scratch it out because everything I wanted to say about Mr. Vinson had already been said more eloquently than I could possibly say it.

But there is one thing that was not said. A great deal of attention has been paid to the fact that Carl Vinson was a man who stood for strong national defense. He was Mr. Armed Services, he was Mr. Navy, he was Mr. American, he was Mr. Congressman.

He was all of those things, but the emphasis on his life was primarily that of strength, military strength. He must not be just remembered and thought of that way because Carl Vinson was a broad-gauged man.

There are men in the House and the Senate who think solely in terms of strength by itself is enough; if America is strong enough, we don't have to worry about our diplomacy and we don't have to worry about what we have in the way of national character; it is that military strength that we need that will keep the peace and perhaps win the wars.

But a young Congressman came to the House of Representatives as the youngest Member of the Congress when he came, 30 years of age, Carl Vinson of Georgia.

In his first speech, listen to what he said: "I devoutly hope that the casting of every gun and the building of every ship will be done with a prayer for the peace of America. I have at heart no sectional nor political interest but only the Republic's safety."

In those words we capture the life of a very great man. "I have," he says, "at heart no sectional nor political interest." He served eight Presidents, four of them Republicans, four of them Democrats. He had the confidence of every one of them and he served each one of them as loyally whether they were of his party or the other, and it is that kind of service which puts America above party that he represents and that America can always use today.

And then, "the building of every ship, the casting of every gun will be done with a prayer for the peace of America." I thought as he was speaking that we could be thankful for a lot of things today; thankful for the fact that our young men, for the first time in 25 years, are not being drafted for the Armed Services. They can make the choice, and we hope many will, to serve their country in peacetime as volunteers.

We can be thankful that for the first time in 12 years America is at peace with every nation in the world; that for the first time in eight years all of our prisoners of war are home, and that we are beginning to make progress, we believe, toward building a structure of peace that is not just limited to Southeast Asia and Vietnam, an important, but not critical part of the world; not just the Mideast, which is a very important and possibly a more critical part of the world than Vietnam, and not just Europe, which is important and potentially an area where confrontation would lead to the disaster that all of us are trying to avoid, but to build the kind of a peace in the world which will cover all of the world.

I have always felt that it was wrong to be Asia first, or Europe first. I have always thought it wrong to think just of our own nation, except as it relates to our living in the whole world.

The world has become very small in those years that Carl Vinson has served in the Congress of the United States. The world has become much smaller in the years when he first advocated the two-ocean navy. Today, whether it is half way around the world to the People's Republic of China in Peking, or a third of the way around the world in the Kremlin in Moscow, or wherever we go, we must realize that there cannot be real peace in the world unless there is developed a structure of peace which covers not only the small nations, but particularly the great powers that have the key to peace or to war in their hands and that is what strength is all about.

I know that many think that when the President of the United States or Herman Talmadge, on this platform, or Eddie Hebert out there in this audience, or Phil Landrum, or Carl Vinson, any of us, talk about a strong America, and let's not be number two, there is the thought that that is jingoism.

Who cares whether we are number one in arms? I will tell you who care: People in every small and weak nation in the world, because without America and its strength, no small nation would have a chance to survive today. That is what it is all about.

I am not suggesting that America should be the world's policeman.

I am not suggesting that whenever there is a problem, as there was in Korea and then in Vietnam, that America is the nation that must go to the rescue of these small nations. I am only saying this: that in a world where there is nuclear power, and in a world where there are superpowers, two in existence and one coming along very fast, the People's Republic of China, we must not leave the position of leadership to other nations without having the balance that is needed, so that they will see that their interest will be served by not using that enormous power that they have, either for the purpose of conquest without war, or even with war itself.

I am not suggesting here that Mr. Brezhnev wants war, or that Mr. Mao Tse-tung or Mr. Chou En-lai wants war. I am only saying this: that reading the pages of history when a vacuum is left and when there is a great power with no other power to balance it, then a very dangerous situation develops in terms of a threat to the peace of the world.

And looking at the United States and all of the criticism we have taken for our role in Korea and then in Vietnam, and even in other times, we can be thankful for this: Our young men have gone abroad in four wars. They have fought bravely. They have died. But we have never gone in terms of conquest. We have never gone to seek territory. We have never gone to break the peace. We have always gone to keep the peace. We have never gone to destroy freedom. We have always gone to defend freedom.

Mistakes, yes, we have made; perhaps in the conduct of the wars, perhaps in the conduct of foreign policy before they ever came about. But we can be proud that the United States in this century is a nation that is dedicated to peace, and that the world needs, as a strong, powerful nation, because we do stand for peace and will work for peace whenever the case ever arises.

Looking ahead to the year 2000, and it is very difficult to look much beyond that but I think there is a better chance than there has been since World War II that because the relationships which Carl Vinson has spoken to that we have established with countries with whom we have nothing in common as far as ideology is concerned—in fact, we differ completely with, Chou En-lai, Mao Tse-tung, Mr. Brezhnev, Podgorny and their colleagues—but because of the initiatives we have taken, we may be establishing the pattern which will mean that the great powers will recognize that the risk of war is too great for them to engage in adventurism in any part of the world, and that the benefits of peace, on the other side, are so much greater that we should use our strength for peace rather than for war.

Let me say just one personal note. I am known as an anti-Communist, and I earned that, and I suppose most of the people in this audience would say, well, I am against the Communists. But let me say, I know the Russian people.

They are strong. They are vigorous. They are fine people. I know the Chinese people, and whether they are on Mainland China or Taiwan or in Bangkok, where there are a couple million of them, or in Manila where there are a million. They are sophisticated, with layer on layer of history behind them, and also with an ability to give much to the world, and I want a world—I want a world for these young people that we have heard outside a few moments ago in which not only they won't have to be drafted, not only they won't have to go to war, but a world in which they can work with their young colleagues in Russia, in China, in Latin America, in Africa, to find the answer to such critical questions as how do we avoid cancer; to find the answer to such critical questions that we are faced with in the field of energy and all of that; the answer to how we can work together to make the world's environment better.

I am not suggesting that it is going to be easy and I am not suggesting that because we settled the Mideast conflict, momentarily at least, that we can expect that people who have hated each other for thousands of years are now going to start to love each other. But I do know this:

With the kind of power that we have, with the kind of power that exists in other nations across this globe, and can exist in others, it is essential, if civilization survives, that America remain strong enough that our voice will be respected so that we can play a peacekeeping role because a war is unthinkable in the present context in which we presently live.

And that brings me now to Carl Vinson again. He was for strength always in his life, and America can be thankful that because of what he stood for we were strong enough to have handled World War I, World War II, Korea, Vietnam, with military strength that was necessary; to have handled the recent airlift which avoided what could have been a very difficult situation in the Mideast and helped to avoid an American involvement in the Middle East. All of these things he contributed to.

And a monument must be built to this man, must be left to him. We built part of it today with this ceremony when we honor him and the great law school, the Walter George Law School.

He would not want a monument built for himself to be there in Washington. I don't know, I have never seen him on a horse, I don't know how he would look on that kind of a monument. (Laughter)

But next to his country, and next to his State of Georgia, Carl Vinson loved the Navy most, and so I have an announcement to make today. I have discussed with Chairman John Stennis of the Armed Services Committee of the Senate, and Congressman Ed Hébert, the Congressman from Louisiana, the Chairman of the Armed Services Committee of the House, and their counterparts, a proposal, and they have given me permission, because we must do this thing jointly, to make this announcement today.

As you know, we have just begun to develop nuclear carriers. The first one was named the Eisenhower, the second one was named the Nimitz, the great Naval Commander of World War II. The third is just beginning, and it will be named the Carl M. Vinson.

THE ARAB-ISRAELI WAR

Mr. MONDALE. Mr. President, I would like to call to the attention of my colleagues a moving and thoughtful letter written by a 25-year-old Israeli soldier after he arrived home from the most recent Arab-Israeli war.

In poignant, personal terms he is able to describe the terrible tragedy of war. He writes:

> It is difficult for me to believe that I have passed through four wars since my birth, 24 years ago. Four wars in 25 years—isn't it too much for a young man?

Four wars is indeed too much and I hope that the Geneva negotiations will result in a lasting peace settlement achieved by the Israelis and Arabs themselves.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 5, 1973.

Senator WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: Shalom! How are you and your family? I was planning to answer your letter a long time ago. But, all of a sudden a war broke out in my country . . . I was called to the Army and unable to write during those "hard days". Today is the first time I have come home for a few hours since the war started. Although I am very tired I feel like I must write to you.

First of all I want to thank you for the warm letter you sent me on the occasion of my wedding. My wife and I appreciated it very much and we were very sorry you left Israel a few days before our wedding.

The second and more important thing which brings me to write is my desire to express my deep appreciation and thanks to your country. We will never forget all that your people have done for us during one of the most dangerous periods in the history of our nation! I want you also to know that your personal initiative and support for helping Israel and for saving the Jews in Russia, were widely reported and welcomed by the Israeli newspapers—and especially by my paper—"Maariv". They added the fact that you were in Israel a few weeks before the war broke out.

I am sure that now, after you have visited our country, met our leaders and seen our society, you understand us more deeply than before. I remember you telling me (on the way to your hotel) that you have found here a true desire for peace, and a will for negotiations with our neighbours. Therefore, I am sure you know we did not want that war, and we did not start it. The war came to us like thunder on a clear day—and we paid a very heavy price for it. It is terrible; relatives and friends whom I knew for a long time and enjoyed being with, were suddenly gone. They will not be with us any more. Mothers were bereaved of their only sons. Young wives were left alone with no husbands. Thousands of people are crippled for the rest of their lives.

So sad—so painful.

Why?

Why—we are all asking.

It is difficult for me to believe that I have passed through four wars since my birth, 25 years ago. Four wars in 25 years—isn't it too much for a young man?

I was born during the Independence War, so I don't remember it. But I do remember the 1956 War and, of course, the 2 wars I took part in. The Six Day War and the October 1973 War. There is no doubt, and I felt it, that during this last war we were fighting for the existence of our small nation. For the integrity of our country. We all want to see this war as the last one.

"Enough", "No more", "We have suffered so much"—people say everywhere in Israel . . . and on the other hand, the Arabs are threatening a new war, and you can never know . . .

That's the way it is! Maybe it is our destiny to live with a situation such as this, but I believe we shall overcome. I personally hope that it won't be far away for Isaiah's prediction to come true—as he said in Chapter II, 4: "Nation shall not lift up sword against nation, neither shall they learn war any more."

I am looking forward to seeing you soon in Israel in more peaceful days. They will come. They must come! It's time now!

Best wishes and peace.

Sincerely,

RAZI GUTERMAN.

ENDANGERED SPECIES ACT

Mr. MOSS. Mr. President, as a member of the conference committee on endangered species, I am happy to support S. 1983, the Endangered Species Act of 1973. This is a vital piece of legislation that must be accepted if additional endangered or threatened species of wildlife are not to be destroyed and eventually become extinct.

The goal of this legislation is to use conservation procedures as are necessary to protect any endangered or threatened species. These procedures can include scientific resource management which means research, census law enforcement, habitat acquisition and maintenance, propagation, live trapping, and transplantation techniques. Regulated taking of certain endangered animals is possible where absolutely necessary.

The Secretary of the Interior lists some 109 species as endangered in the United States. Over 300 species are on the foreign list. Because it is impossible to restore a species following extinction it is absolutely necessary that proper methods be established now to prevent the possibility of additional species becoming extinct.

This legislation provides a means to such prevention. It allows an adequate time for each State to implement necessary machinery to carry out the provisions of this act. However, where States fail to protect its endangered or threatened species, the Federal Government has the necessary authority under this act to do so.

S. 1983 gives added impetus to the authority which the Secretary of Commerce and the Secretary of Interior have under the Reorganization Plan No. 4 of 1970 to determine endangered species or threatened species.

Adequate penalties are levied by this legislation against those who knowingly or for commercial purposes destroy endangered or threatened species. However, an exemption is provided for the Alaskan Natives who may utilize certain threatened species for subsistence reasons. Such an exemption is legitimate.

This legislation authorizes $22 million for the Department of the Interior over a 3-year period and $5.5 million for the Department of Commerce to carry out the provisions of this act. This is an acceptable amount to implement the provisions of the act.

Mr. President, the conferees have worked hard on this legislation. Several differences existed between the House and Senate versions of this legislation. Amicable relations between House and Senate conferees made this legislation possible. I wish to commend those who have been conferees with me for their work.

I ask that my colleagues in the Senate support S. 1983 as it has come from the conference. Legislation in this area is long overdue. This legislation provides means by which our endangered and threatened species can be given necessary protection for future generations to enjoy.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

DISTRICT OF COLUMBIA SELF-GOVERNMENT ACT—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the conference report on S. 1435, which the clerk will please state by title.

The second assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1435) to provide an elected Mayor and City Council for the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 6, 1973, at pp. 39900–39913.)

The ACTING PRESIDENT pro tempore. The time for debate on the report is limited to 1 hour, to be equally divided between the manager of the conference report, the distinguished Senator from Missouri (Mr. EAGLETON), and the distinguished Senator from Maryland (Mr. MATHIAS).

Who yields time?

Mr. EAGLETON. Mr. President, I yield myself such time as I may consume.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

Mr. EAGLETON. Mr. President, the Senate passed the home rule bill on July 10, 1973, by a vote of 69 to 17. That bill would have delegated to the District government power over all legislation including appropriations and over court appointments. The home rule bill which passed the House gave the District control over all legislation except for appropriations, which continued to be vested in the Congress. In addition, the House bill continued the present system of appointment for judges and provided for nonpartisan elections. Both bills contained specific restrictions on the powers of the Council, such as the imposition of any tax on the property of the United States, enactment of any law which concerned the function of property of the United States, or the imposition of a commuter tax.

The conference report provides for an elected Mayor and a 13-member City Council, of which 5 shall be elected at large and 8 from wards, with guaranteed minority party representation of 2 at-large members of that Council. The Mayor will possess all the usual executive functions of a mayor; the Council will possess all of the usual legislative functions except for the power to appropriate funds. That power, as is presently true, will rest in Congress, and the District of Columbia budget will be submitted to the Congress by the President through the Office of Management and Budget.

All acts of the Council must lie before the Congress for 30 days for review before they go into effect and if both Houses by concurrent resolution agree that such legislation shall not go into effect it is vetoed. Furthermore, the home rule charter itself may be amended only by act of Council followed by a referendum of the citizens of the District of Columbia, and if they approve the change, it then must be affirmatively approved by both Houses of Congress before it will take effect. Finally, any changes enacted by the Council in the criminal laws would not go into effect if either House disapproves such change.

Judges will be appointed in accordance with the Missouri plan. The President, with the advice and consent of the Senate, will pick a nominee from a list of three names submitted for each appointment by a Judicial Nominating Commission. The 15-year term of judges is continued. However, if the Commission on Judicial Disabilities and Tenure finds a judge to be well qualified or exceptionally well qualified he will receive automatic reappointment to a new term, subject only to the retirement age of 70.

I think that this short summary is sufficient to give the Members a fair idea of what the bill contains. I am very pleased that we have been able to reach agreement with the House on this step forward after the Senate has tried so many times to obtain such legislation, and I commend the House conferees and especially Chairman DIGGS on their efforts to reach an accommodation of views.

This bill does not give the District of Columbia what I would call true home rule. The citizens do not have the power of the purse. However, I do view it as an important step forward; it is one of a series of steps which we have taken in the past few years. We began with the 22d amendment which allowed the citizens of the District for the first time to vote in Presidential elections. Then we passed legislation allowing the election of a nonvoting Delegate in the House of Representatives from the District. And now we have before us a bill which would for the first time in over 100 years allow the citizens of the District to elect a Mayor and Council which would be both responsible and responsive to them in the first instance.

I am confident that the new powers which Congress is delegating to the citizens of the District will be used wisely; that the review procedures which have been set up will be unnecessary, and that another step will take place in the future which will allow the District to finally achieve true home rule.

Any change usually generates a certain amount of apprehension that certain adverse actions will result from such change. This bill conferring home rule on the District of Columbia is no exception.

Some concern has been expressed from several sources to the effect that the amendments in the conference report restructuring the Redevelopment Land Agency, in some manner, might be construed as authority to enable the Agency to unilaterally take action which would nullify valid agreements and understandings entered into or arrived at prior to the effective date of the conference report in connection with certain redevelopment plans or projects.

I am not aware of any provision of this conference report which would give the District government, Redevelopment Land Agency—or any successor agency—or any other agency the power to take any unilateral action, by the adoption of a law, regulation, reorganization or otherwise, which would in any way impair or abrogate such contractual arrangements, safeguards, and procedures for modification of redevelopment plans or urban renewal plans.

In short, it is not the intention of Congress to deprive any party, the Government or the private investor, from any legal right it had at the time it invested its capital.

Mr. President, I am prepared at this time to yield such time as the Senator from Maryland may desire on my time, so that he in turn may yield his half hour to Members of the Senate who wish to speak in opposition to the conference report.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

The Senator from Maryland.

Mr. MATHIAS. Mr. President, I thank the distinguished chairman of the committee for yielding me this time. I have spoken so often and at such length on the subject of home rule for the District of Columbia over a period of a number of years that I do not intend to repeat all the arguments I have given before.

Nearly 6 months ago, when this body considered S. 1435 with more hope than confidence, I observed we had reason to be optimistic that home rule would come to the District of Columbia this year. Today we find that this body, this U.S. Senate, which has gone on record eight times in eight separate Congresses as favoring home rule, will have the privilege of taking the final congressional step to restore to the citizens of the District of Columbia some measure of self-government.

I feel that the chairman of the committee, the distinguished Senator from Missouri (Mr. EAGLETON), deserves a tremendous debt of gratitude from the citizens of the District for the leadership that he has given; and I would also pay particular tribute to the staffs of both the majority and the minority of the District of Columbia Committee, Mr. Colby King, who is the head of the minority staff, Mr. Robert Harris, who is the head of the majority staff, and Mr. Robert Lothian, of the Senate Legislative Counsel's Office, who have done an outstanding job in providing the committee with the backup in the complex difficult progression of events which finally led to the conference report which I hope the Senate will adopt today.

In attempting to describe the bill before us today, I am reminded of a line from "Romeo and Juliet" which goes as follows:

> No, 'tis not so deep as a well, nor so wide as a church door; but 'tis enough, 'twill serve.

S. 1435, as reported by the conference committee, probably fits this description. This bill will create a representative local government for the District of Columbia. It will relieve the Congress of the responsibility for the day-to-day government of this city. Yet, it will retain the historic constitutional responsibility of the Congress to oversee the government of the Nation's Capital.

Mr. President, when I came to the Congress some years ago as a freshman Congressman, I received an assignment to the House District Committee. While my views on home rule were not as developed then as they are today, I soon became convinced that there had to be a better way to conduct the affairs of the District of Columbia. What I found then is what we observe today: A situation in which we are trapped—Congress, the White House, the city government, and most of all, the people of the District. As I have observed before, we are trapped in a system which hardly deserves to be called a system. It is an obsolete and cumbersome and arbitrary system of arrangements that have been made at various times through which authority is diffused and power is fragmented and decisionmaking is delayed. The Mayor does not have the power, Congress does not have the time, and the people of the District do not have the vote.

As a Senator from Maryland, I have found this problem to be even more acute. Let me repeat what I have said before: If there is a problem affecting the District of Columbia and another problem which arises at the same time affecting the State of Maryland and I am asked to choose where I will devote my time and attention, I must say that it is going to be on the affairs of the State of Maryland and not on the affairs of the District of Columbia. But that has been the problem for the District all along. The members of both committees of both Houses have had their own National and State or district responsibilities to look after and so the District of Columbia has always had to get by on what time is left over. And that time has never been enough. Home rule for the District of Columbia is simply an idea whose time has come.

Mr. President, as the Senate knows, the home rule bill passed by the Senate in July differed conceptually from the House-passed version. When the distinguished chairman and I got together 3 years ago and drafted our bill, we intentionally produced a bill which would provide a substantial delegation of administrative and legislative authority to the elected Mayor and Council, including, I might add, fiscal autonomy, while at the same time reserving a substantial degree of veto power to the Congress. The underlying assumption in our bill was that the local officials would act responsibly with the substantial powers we were delegating to them and that the Congress would not act irresponsibly with its veto powers.

We assumed, therefore, that a spirit of good will would continue to exist between the Congress and the elected Mayor and City Council. It was our view in the Senate that the heart of the entire home rule proposal was the Federal-District fiscal relationship which envisioned the Mayor and the Council as the focal point for determining the general allocation of resources to meet the various needs of the District. The House conferees made it quite clear, however, that their body wanted fiscal control to remain in the Congress. And so, having reached this unprecedented stage in the quest for home rule, it was the judgment of your Senate conferees that we should not place in jeopardy a bill which had finally managed to clear the House. In this respect, every supporter of self-government for the District of Columbia should pay tribute to the chairman and ranking minority member of the House Committee on the District of Columbia and the members of his committee who supported this bill on final passage yesterday in the House.

It is noteworthy, in my judgment, to point out that the conference report received the support of Chairman DIGGS and ranking minority member of the House Committee, Representative ANCHER NELSEN of Minnesota. This, I believe, is ample evidence that the home rule measure before us today is a product which can be supported by all sides.

For those who might be concerned that the constitutional power of the Congress over the affairs of the District is lessened, let me point out that under the terms of this bill, the Congress retains full residual, ultimate, and exclusive jurisdiction of the District. The Congress still has the power to repeal, amend, initiate local legislation, and to nullify individual acts of the Council. Moreover, among other limitations on the Council, it does not have the power to impose a so-called commuter or reciprocal income tax; and the Council cannot enact any legislation which concerns the functions or property of the United States or which is not restricted in its application exclusively in or to the District.

But on the positive side, the feature about this bill which most strongly commends its support is that it makes possible a progression from the total denial of the rights of citizenship to the opportunity to choose municipal government, not one appointed by the President and confirmed by the Senate, but one selected by the people and responsible to the people.

I had hoped that the final product would go further toward relieving the Congress of some of the burdens of having to pass on every detail of the District's affairs. With the retention of control over the city's budget, I now find that I shall continue to have responsibility for reviewing and passing judgment on just about every penny which the local government may wish to spend. This, of course, is due to my position as the ranking Republican on the Senate District of Columbia Committee which authorizes local programs, and my position as the ranking Republican on the District of Columbia Subcommittee of the Senate Appropriations Committee. It is my fervent wish and expectation that future congressional-city relationships will be as harmonious and fruitful as those we have enjoyed up to now.

The legislation we shall adopt today has been needed for exactly 99 years. There is no better way for the Congress to meet its own obligations to provide for the government of the Nation's Capital, and no better way to show the Nation and the world that the Declaration of Independence does not stop at the District line, than to adopt this conference report on home rule today.

Mr. EAGLETON. Mr. President, I thank the Senator from Maryland for his customary eloquent remarks. And I echo his fine remarks for the excellent work done by the staff at all levels.

I pay tribute to the Senator from Maryland for his active role in this bill.

No piece of legislation that comes to the floor is ever the product of just one Senator. This bill was truly a bipartisan effort, participated in by all seven members of the District of Columbia Committee.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged against my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator yield me 5 minutes?

Mr. EAGLETON. Mr. President, I yield 5 minutes to the Senator from Montana.

CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 610, 611, and 612.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GRATUITY TO ANNE M. HUSTED

The resolution (S. Res. 218) to pay a gratuity to Anne M. Husted was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate, to Anne M. Husted, widow of Arthur W. Husted, an employee of the Senate at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO MARCELLE S. MOUNTFORD

The resolution (S. Res. 219) to pay a gratuity to Marcelle S. Mountford was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Marcelle S. Mountford, widow of John A. Mountford, an employee of the Senate at the time of his death, a sum equal to six and one-half months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO GEORGE E. ARTHEN

The resolution (S. Res. 220) to pay a gratuity to George E. Arthen was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to George E. Arthen, father of Gordon E. Arthen, an employee of the Senate at the time of his death, a sum equal to two months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the rest of the calendar, beginning with Calendar Order No. 616, House Concurrent Resolution 278, be considered at this time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SOVIET ECONOMIC PROSPECTS FOR THE SEVENTIES

The concurrent resolution (H. Con. Res. 278) authorizing the printing of additional copies of the joint committee print "Soviet Economic Prospects for the Seventies" was considered and agreed to.

NATIONAL WORKERS' COMPENSATION STANDARDS ACT OF 1973

The resolution (S. Res. 212) authorizing the printing of additional copies of the committee print entitled "National Workers' Compensation Standards Act of 1973" was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Labor and Public Welfare two thousand five hundred additional copies of its committee print of the current Congress entitled "National Workers' Compensation Standards Act of 1973 (S. 2008)".

DISCLOSURE OF CORPORATE OWNERSHIP

The concurrent resolution (S. Con. Res. 59) authorizing the printing of compilation entitled "Disclosure of Corporate Ownership" as a Senate document was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the compilation entitled "Disclosure of Corporate Ownership", prepared by the Subcommittees on Intergovernmental Relations and Budgeting, Management and Expenditures, of the Senate Committee on Government Operations, be printed with illustrations as a Senate document; and that there be printed five thousand additional copies of such document for the use of that committee.

CHILD ABUSE PREVENTION ACT

The concurrent resolution (S. Con. Res. 56) authorizing the printing of additional copies of Senate hearings on the Child Abuse Prevention Act, 1973, was considered and agreed to, as follows:

S. Con. Res. 56

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Labor and Public Welfare one thousand additional copies of the hearings before its Subcommittee on Children and Youth during the present session on the Child Abuse Prevention Act, 1973.

MEASURES PASSED OVER

The bill (S. Res. 214), a resolution authorizing supplemental expenditures by the Committee on Aging for inquiries and investigations was announced as next in order.

Mr. MANSFIELD. Mr. President, over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H.R. 11088), an act to provide emergency security assistance authorizations for Israel and Cambodia was announced as next in order.

Mr. MANSFIELD. Mr. President, over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

"IMPEACHMENT, SELECTED MATERIALS"

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 369) to print as a House document committee print on "Impeachment, Selected Materials" which had been reported from the Committee on Rules and Administration with an amendment on page 1, beginning with line 9, insert:

Sec. 2. There shall be printed two thousand thirty additional copies of the document authorized by section 1 of this concurrent resolution, of which one thousand copies shall be for the use of the Senate Document Room and one thousand thirty copies shall be for the use of the Senate.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

THE SUPREME COURT OF THE UNITED STATES

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 375) providing for the printing as a House document of the booklet entitled "The Supreme Court of the United States" which had been reported from the Committee on Rules and Administration with an amendment on page 1, beginning with line 9, insert:

Sec. 2. There shall be printed for the use of the Senate ten thousand three hundred additional copies of the document authorized by section 1 of this concurrent resolution.

The amendment was agreed to.

The concurrent resolution, as amended was agreed to.

AUTHORIZATION FOR CERTAIN PRINTING FOR COMMITTEE ON VETERANS' AFFAIRS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 88) authorizing certain printing for the Committee on Veterans' Affairs which had been reported from the Committee on Rules and Administration with an amendment on page 1, beginning with line 10, insert:

Sec. 2. After the conclusion of the first session of the Ninety-third Congress there shall be printed for the use of the Committee on Veterans' Affairs of the United States Senate twenty thousand copies of a publication similar to that authorized by the first section of this concurrent resolution, but with emphasis upon matters relating to veterans' affairs considered by the Senate or by the Committee on Veterans' Affairs of the Senate.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

The title was amended so as to read:

Concurrent resolution authorizing the printing of summaries of veterans legislation reported in the House and Senate during the Ninety-third Congress, first session.

CONTINUATION OF GI BENEFITS DURING THE ENERGY CRISIS

The Senate proceeded to consider the bill (S. 2794) to amend chapter 36 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to continue making educational assistance and subsistence allowance payments to eligible veterans and eligible persons during periods that the educational institutions in which they are enrolled are temporarily closed pursuant to a policy proclaimed by the President or because of emergency conditions (Rept. No. 93–648), which had been reported from the Committee on Veterans' Affairs with an amendment to strike out all after the enacting clause and insert:

That section 1780(a) of title 38, United States Code, is amended by adding at the end thereof the following new sentence: "Notwithstanding the foregoing, the Administrator may, subject to such regulations as he shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2).".

Mr. HARTKE. Mr. President, I rise to urge my colleagues to support and promptly pass an emergency measure to protect thousands of veterans from the hardships occasioned by the energy crisis. This bill will insure that GI Bill benefits will continue to be paid to eligible veterans, wives, widows, and children during periods when educational institutions are temporarily closed to conserve energy or are closed due to emergency conditions. As many of you are aware it has become evident in recent weeks that the fuel shortage and the resultant energy crisis is having serious consequences for many educational institutions. Many residential colleges and other schools, particularly those in New England and the North Central States have announced or have under active consideration, plans to extend normal Christmas vacations or to delay the start of the spring semester or quarter. Recent articles in the Washington Post and the U.S. News & World Report illustrate some of the problems which are facing these schools and I ask unanimous consent that the articles be inserted in the Record at this point.

There being no objection, the articles were ordered printed as follows:

[From the Washington Post, Dec. 8, 1973]

Oil Shortage Forcing College Rescheduling

(By Bart Barnes)

Thousands of college students in the nation's northern states are facing extended Christmas leaves this year as a shortage of heating fuel forces prolonged shutdowns of many institutions of higher learning.

Scores of institutions have already announced winter closings ranging from three days to six weeks in an effort to conserve heating fuel. Hundreds of others in the northern states, particularly New England, are developing contingency plans to close down in the event heating fuel runs out, according to college spokesmen.

At Maine's Bowdoin College, for example, a scheduled Dec. 14 to Jan. 7 winter break has been changed to run from Dec. 22 through Jan. 30, Provost Olin Robison said. Semester examinations, originally set to follow a two-week period of reading and term paper writing in January, have been rescheduled for this month.

The January assignments for reading and term papers still stand, Robison said, but students will be expected to do the work at home and mail term papers to their professors.

Princeton students, many of them beginning their Christmas holiday this weekend, leave with no date set for the resumption of classes after New Year's. They were originally set to resume Jan. 7, but since then Princeton has announced it is not sure it can meet that schedule. Toll-free numbers have been set up for students to call after the holidays to find out when classes are to begin again.

Vermont's four state colleges will begin their Christmas recess Dec. 20 and students will be away from school until Feb. 11, when classes begin for the next semester—a three-week extension of the winter break, Provost Robert S. Babcock said. Lost time, he said, will be made up by eliminating most of the Easter vacation and extending the academic year further into June.

For the most part, the pending shutdowns are concentrated in the New England states, particularly among the large number of private colleges in that region. New England is expected to be especially hard hit by the fuel shortage this winter.

But colleges planning shutdowns extend into the Midwest, and the institutions range from Harvard to the University of Maine to Grinnel College in Iowa.

"There is absolutely no way to generalize about what institutions might or might not do," said John F. Morse, director of governmental relations for the American Council on Education. "Some have a backup of coal and they're in good shape."

Among the difficulties, Morse said, is that under current monthly quotas of fuel allocation, colleges have no assurance that they could get in February any of the fuel they would save by closing in January. He said the council has asked that this regulation be changed.

In the meantime, HEW Secretary Casper W. Weinberger is weighing whether or not to recommend special priority for fuel allocation for the nation's elementary and secondary schools.

Weinberger yesterday recommended to the White House energy office that elementary and high schools be required to lower temperatures six degrees from last year's heating levels instead of the previously proposed 10 degrees.

Weinberger's energy adviser, Don Wortman, said the recommendation would put schools on the same basis as residential dwellings. But it would not make schools a high priority fuel customer as requested by the National Education Association.

Colleges were not covered in Weinberger's recommendation.

Weinberger also recommended that school buses using diesel fuel—about 10 per cent of the fuel used for all transportation—be allowed to remain on last year's fuel consumption levels. Wortman noted that any reduction in school busing would create an increased demand for family gasoline.

At Harvard, where the Christmas break has already been extended by one week until Jan. 13, students have been warned that the situation will have to be reevaluated at the beginning of the spring semester Feb. 6.

"This plan goes only to Feb. 6," said the dean of the faculty or arts and sciences, Henry Rosovsky. "I think it is really fruitless to speculate about the future because we just don't know. We'll try and stay open. We'll try and have as little disruption as possible. We'll try and meet our educational responsibilities. But we're just like the rest of the American people, wondering what the hell is going to happen to us."

Like many of the nation's older universities, Harvard is plagued by a number of buildings with antiquated heating systems that have no thermostats and are not subject to temperature controls as a means of saving fuel.

"All you can do," a university spokesman said, "is turn them on or turn them off."

Spots checks of the major state university systems of the Midwest and Far West indicated that most have enough fuel reserves to remain open on their regular schedules. But a number of smaller private colleges, St. Olaf's, Macalester and Augsburg in Minnesota, for example, are shutting down for periods up to two weeks.

[From the U.S. News & World Report, Dec. 17, 1973]

Sixty-Three Million in the Schools Brace for the Fuel Pinch

Winter and the energy crisis are aiming a one-two punch at U.S. classrooms. Result: Educators everywhere are putting emergency measures into effect.

Nowhere is the foreboding over fuel shortages sharper than among the people who run America's schools and colleges.

Already it is becoming clear that for most of the country's 60 million students and 3 million teachers, winter will be a season of disrupted education, discomforts and discontent.

Worries are most acute in Northern States, where curtailment of classroom schedules already has been ordered in some instances.

Keeping classrooms warm, however, is only part of the problem foreseen by school and college officials. Even in Southern States, the gasoline shortage is thought likely to reduce busing and student driving drastically.

EFFORTS TO STAY OPEN

Staff members of "U.S. News & World Report," checking with educators at all levels, put together this picture of their concern, and how they are trying to stay in operation:

Many public and private colleges in New

England are extending winter vacation periods by anywhere from one week to a month or more.

Class days are being shortened by schools in some places. Nighttime and week-end activities are being cut back or abandoned.

Busing is being curtailed and in a few cases eliminated. Nobody seems to know whether there will be enough gasoline available to continue massive busing programs ordered by the courts to achieve racial integration.

Using computers, some colleges are organizing hundreds of car pools for the large number of students who use automobiles to get to and from campuses.

Maryland and some other States have asked high-school students to leave their cars at home and use buses. If they don't do so voluntarily, they may be required to by law.

Many athletic contests and cultural events that take students out of town are being canceled. So are field trips.

Lighting is being reduced and temperatures lowered. Use of electrical appliances is being limited, while outdoor lighting displays have been banned almost universally.

WORRY OVER RISING COSTS

School officials everywhere are worrying not only about how to get fuel but how to pay for it. Rising costs of oil, natural gas and gasoline are straining operating budgets already cut to the bone.

"Normally, heating is our fifth-largest budget item," said Frank Graham, superintendent of the Viola public schools in Arkansas. "Now it is third, only behind transportation and teacher salaries."

In Georgia, some schools have been forced to buy gasoline at service stations. Commented one official: "This is murder for school systems that have been getting gas at wholesale prices."

Education is a major consumer of fuel The Columbus campus of Ohio State University, for example, used 1.36 billion kilowatt hours of energy last year. Purdue University's vehicle fleet burned 310,000 gallons of gasoline in the same period. In recent years, the electric bill at American University in Washington, D.C., has topped 1 million dollars.

Now, there are widespread complaints that the Government in Washington is keeping schools in the dark about what they can expect in the way of fuel supplies this winter.

"What we need is some direction from Washington," said Stanley Raub, associate commissioner of education in New York State. "We're just spinning our wheels."

HIGHER PRIORITIES SOUGHT

Proposed federal regulations for fuel oil would classify classrooms, libraries and other nonresidential facilities as "commercial," entitled to 75 per cent of last year's fuel allocations.

School authorities want a higher priority than that. Declared Robert R. Spillane, superintendent of schools in New Rochelle, N.Y.:

"Schools have taken on a lot of social problems and issues in the past, and I don't think they should bear the brunt of the energy crisis. I strongly object to the school leading the way in the crisis by shutting down."

To avoid long shutdowns, legislatures in Illinois, Indiana, Wisconsin and Georgia, among other States, are considering relaxation of rules that require a specific number of school days each year. This would permit school districts to shorten their calendars as weather and fuel conditions warrant. Maryland has declared three extra days of Christmas vacation for public schools as a conservation measure.

In Nebraska, however, schools have been told they will have to make up all lost days by extending classes into June or holding Saturday sessions.

Many schools in South Dakota already are drawing on contingency supplies of heating oil and propane gas, with no sure replacements in sight. Some have put antifreeze solutions into their pipes in anticipation of closing.

"HAND-TO-MOUTH"

The situation in Georgia was described as "almost hand-to-mouth." An official reported that some schools have enough fuel to carry them to March, but others are apprehensive about January.

In an effort to reduce energy consumption by 15 per cent, Governor Dolph Briscoe of Texas has asked schools to end all classes by 2:30 p.m. during January, February and March.

Houston is thinking about a four-day school week and elimination of summer school to save on air-conditioning.

Suggestions for a long December recess have been turned down in Michigan, California and Oregon. In the latter State, the idea was strongly opposed by working mothers.

John W. Porter, Michigan's superintendent of public instruction, reported that 136 of the State's 536 school districts are having difficulty getting fuel, and "it's possible that these districts will have to curtail school hours, extra-curricular activities, or both." He added:

"My biggest concern is that we don't know what to expect. Every day out of Washington we get a different set of guidelines."

The fuel squeeze was especially felt by private elementary and secondary schools, many of which have boarders and extensive busing services. Officials of these independent institutions agreed they would probably have to fend for themselves, since the Government's chief concern will probably be the public schools.

"We are getting ready to roll with the punches," said William Cohen, headmaster of Town & Country School in Silver Spring, Md.

BUSING PROBLEM

Some authorities suggested gasoline might turn out to be a bigger problem than fuel oil in the lean days ahead. Noting that most school districts rely on bus transportation of students, Harry Benedetto, head of the energy task force for the Pennsylvania department of education, said:

"If you can't get them there, heating fuels won't help."

At Spring, a Houston suburb, busing service has been eliminated for 1,300 students who live close enough to schools to walk.

WHERE SCARCITY IS ACUTE

Hardest hit by the energy crisis appears to be the Northeastern U.S., where there is a combination of cold weather and tight fuel supplies. In this area—

All eight branches of the University of Maine have been advised to add a week to winter vacations. Longer mid-term shutdowns are scheduled for State colleges in Vermont and for the University of New Hampshire. The latter will be closed for six weeks.

Tufts University in Medford, Mass., Bowdoin in Brunswick, Me., and other private schools in New England are making similar plans. Lost time is to be made up by shortening examination periods, eliminating spring vacations and working into the summer.

At some of these institutions, fears are being expressed that, unless conditions improve, they will begin losing students to colleges and universities in warmer climates.

Even closing down doesn't always solve fuel problems.

Connecticut school authorities have been told that, if they shut down to conserve fuel, their allocations for the shutdown period will be given to other customers. An oil official said the only way colleges and other large institutions could accumulate fuel saved by shutdowns would be to put their reserves in storage tanks—as Lawrence College, in Appleton, Wis., already is doing to augment its gas heating system. However, few of these institutions have big reserve capacities.

On the Pacific Coast, Oregon State University has ordered major reductions in heating. Most buildings will be heated for only four hours in the morning and two in the evening. In some others, all heat will be turned off. At the beginning of December, Oregon State had less than a week's supply of fuel oil—and no idea where it could get more.

COMEBACK FOR COAL

Whenever possible, institutions of higher education are going back to coal for heating. Ohio University in Athens has always used coal, and anticipates no problems this year, since it lies in the middle of a coal belt.

Lignite, or brown coal, is reported to be the most plentiful fuel in North Dakota—so that is what the University of North Dakota will use for heat.

For most other schools and colleges, the onset of winter offers a far less warming prospect.

Mr. HARTKE. Mr. President, these extended vacations or delayed openings could mean reductions or terminations in the educational assistance payments to some of the 1.2 million veterans, widows, wives, and children currently receiving GI bill benefits unless we pass the measure before you today. Recent regulations issued by the Administrator of Veterans' Affairs have taken care of part but not all of the problem. In order to provide equitable treatment of those attending schools not leading to a standard college degree as well as to clearly establish the authority of the Administrator to continue payments in situations where educational institutions may be temporarily closed due to the energy crisis or other emergency conditions, I introduced S. 2794 on December 11. Yesterday, the Committee on Veterans' Affairs, which I am privileged to chair, met in executive session and unanimously ordered S. 2794 with technical perfecting language favorably reported. The problem of school closings due to the energy crisis has been far reaching and is of considerable dimension. The Veterans' Administration has conducted a preliminary field survey and found the school located in Connecticut, New Hampshire, Maine, Vermont, Iowa, Kentucky, Texas, and Washington will be affected by the energy crisis and will have or are actively considering extended leave policies. Other States may be affected as well.

Mr. President, my good friend, the distinguished Senator from Minnesota (Mr. HUMPHREY) recently wrote me expressing his concern for veterans attending trade and technical schools in his State who would be affected if remedial action were not taken. In his letter to me, Senator HUMPHREY noted:

> Due to the fuel shortage such schools may find it necessary to shorten instructional weeks or close for short periods. Due to restrictions under current law authorized absences for veterans attending these schools, these veterans could face a reduction of full pay benefits due to school closings.

Mr. President, I have also received a letter of support for this measure from James M. Mayer, president of the National Association of Concerned Veterans, an organization representing over 300,000 Vietnam era veterans which has over 200 affiliated campuses and vocational technical school veterans' clubs. I ask unanimous consent that his letter be included in the Record at this point.

There being no objection, the letter was ordered printed as follows:

National Association of
Concerned Veterans,
December 15, 1973.

Hon. Vance Hartke,
Chairman, Committee on Veterans' Affairs, U.S. Senate Washington, D.C.

Dear Mr. Chairman: I appreciate very much your introducing S. 2794, which concerns itself with "The Energy Crisis And GI Bill Payments For Veterans."

America's energy shortage has already necessitated many changes in our citizens' planning and habits. For example, many schools and universities are considering extended Christmas vacations to conserve energy usage. These extended vacations would save precious fuel but could also spell decreases or terminations for veterans' GI Bill allowances, under current Veterans' Administration regulations.

If enacted, S. 2794 would protect GI Bill students from such losses in their allowances. Therefore, the National Association of Concerned Veterans (NACV), with 200 affiliated campus and vocational-technical school veterans' clubs, fully supports S. 2794. NACV hopes that S. 2794 receives expeditious Committee approval and unanimous Senate passage.

Thank you, Mr. Chairman, for authorizing such a timely and effective measure such as S. 2794.

Respectfully yours,
James M. Mayer, *President.*

Mr. HARTKE. I also ask unanimous consent that appropriate excerpts from the committee's report to S. 2794 be inserted in the Record at this point.

There being no objection, the material was ordered printed as follows:

Introduction and Summary of S. 2794, as Reported

S. 2794 was introduced on December 11, 1973 in response to increasing reports of anticipated extended closings of educational institutions due to the energy crisis. Following receipt of the report of the Veterans' Administration to S. 2794, the full committee met in executive session on Tuesday, December 18th and after adoption of a perfecting technical amendment it unanimously ordered the bill, as amended, favorably reported. The bill, as reported, would amend subsection 1780(a) of title 38, United States Code, to authorize the Administrator to continue to pay educational benefits to eligible veterans, wives, widows, and children during periods when educational institutions are temporarily closed pursuant to an established policy proclaimed by the President, such as closings to conserve energy, or are closed due to emergency conditions.

BACKGROUND AND DISCUSSION

During the past 4 weeks, it has become evident that fuel shortages and the resultant energy crisis could have serious consequences for educational institutions. Many school heating plants are older and inefficient units which use larger amounts of fuel and are not readily adaptable to fuel conservation measures. Consequently, many residential, educational institutions, particularly those in New England and the North Central States have announced or have under active consideration, plans to extend normal Christmas vacations or to delay the start of the spring semester or quarter.

The Veterans' Administration, in a preliminary field survey conducted by telephone from various regional offices on November 27 and 28, 1973, found that a substantial number of schools are going to close or are actively considering closing in January. These schools are located in Connecticut, New Hampshire, Maine, Vermont, Iowa, Minnesota, Kentucky, Texas, and Washington. Additional, more detailed information is needed and the committee strongly believes it appropriate that a more thorough survey be conducted promptly by the Veterans' Administration which would cover all educational institutions (including those not leading to a standard college degree). This survey should reveal in greater detail the exact dimensions of the problem which the committee suspects may be even larger than that indicated by current available estimates.

The extended vacation or delayed opening of new schools terms is of particular concern to the committee because such closings could mean reductions or terminations in educational assistance payments to some of the 1.2 million veterans, widows, wives, and children currently receiving GI bill benefits. Under current law in section 1780 of chapter 36, title 38, United States Code, and regulations issued thereunder, veterans and eligible persons attending institutions of higher learning receive monthly assistance payments only during an "ordinary school year" which is generally 9 months. Regulations further provide that college enrolled veterans will not have their monthly assistance payments reduced during the school year for school holidays and short intermissions between semesters or periods of instruction. More extended closings, which are a result of the energy crisis, presented problems that were not covered by existing regulations, however. Consequently, the committee was quite concerned that many veterans or other eligible persons would have their monthly benefit payments reduced or even terminated. In response to these concerns the Administrator of the Veterans' Administration issued new regulations on December 4, 1973 effective immediately, which state in part that:

"At the discretion of the Administrator, payment may be made for breaks including intervals between terms, within a certified period of enrollment during which the school is closed under an established policy upon an order of the President or due to an emergency situation. Leave will not be charged for such breaks."

While such regulations presumably resolve problems for veterans or eligible wives, widows, and children attending colleges, it does not so provide for those attending vocational, technical or trade schools not leading to a standard college degree. Clause 2 of subsection 1780 (a) restricts students enrolled in courses not leading to a standard college degree to no more than 30 days of absence in a 12-month period (not counting as absences weekends or legal holidays established by Federal or State law).

Thus, in order to provide equitable treatment for those attending schools not leading to a standard college degree as well as to clearly establish the authority of the Administrator to continue payments in all situations where educational institutions may be closed by reason of the energy crisis or for other emergency reasons, S. 2794 was introduced on December 11, 1973. The Veterans' Administration reported favorably as to the intent of S. 2794 in its report of December 13, 1973 with suggestions for technical perfecting language which have been generally incorporated into the bill as reported.

S. 2794, as reported, would allow continued educational assistance payments for veterans under chapter 34, and eligible wives, widows, and children under chapter 35 (and continued subsistence allowance payments to veterans enrolled in chapter 31 vocational rehabilitation programs) where an educational institution is temporarily closed under established policy based upon an Executive order of the President or due to an emergency situation. Schools which close due to the current energy crisis would obviously present a situation where the Administrator would permit continued educational assistance payments. It is also the committee's intention in permitting payments in an "emergency situation" to expand the Administrator's authority to continue payments to other situations where schools close due to certain natural calamities such as (1) earthquakes, floods, hurricanes, and severe snow storms; (2) breakdowns of facilities such as boilers and heating systems; and (3) other emergency situations where there is an expectation that the closing will be for a temporary period of time. It is not contemplated by the committee that this authority would be extended to include situations such as the closing of individual schools due to financial problems.

In order to effectively monitor the operation of this discretionary authority, it is expected that the House and Senate Committees on Veterans' Affairs will be notified by the Administrator of the exercise of such authority in any case within 30 days of its implementation.

The committee believes that enactment of this bill is thoroughly and immediately warranted. Veterans, particularly those with dependents must rely upon their educational assistance checks not only for educational costs but for subsistence expenses as well. School closings occasioned by the energy crisis generally will not present realistic opportunities for veterans to find new employment during these periods, and they will depend on their GI assistance for continued living expenses. At the same time, the committee wishes to emphasize that veterans and eligible persons may conserve their entitlement in these cases by electing not to receive payment for the period in which the school is closed. The committee expects the Veterans' Administration to notify veterans in an appropriate manner of their option either to continue receiving payments or to conserve their entitlement.

COST ESTIMATES

In accordance with section 272(a), of the Legislative Reorganization Act of 1970 (Public Law 92–510), the committee requested the Veterans' Administration to estimate any costs occasioned by this bill for the first 5 fiscal years in its report to S. 2794. The report of the Veterans' Administration to S. 2794 (cleared with the Office of Management and Budget) does not provide any estimate of cost and the committee understands from staff conferences that the Veterans' Administration is of the opinion that enactment of this bill would have "no significant cost impact."

Accordingly, the committee, based upon such information as is available from the Veterans' Administration, estimates that enactment of this bill might have some slight but no significant cost impact on the educational assistance program. Should additional costs in fact be incurred in the future, the committee expects to be promptly informed by the Veterans' Administration as soon as such information becomes available.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes cast in person or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report S. 2794, with an amendment, favorably to the Senate:

Yeas—9

Vance Hartke
Herman E. Talmadge
Jennings Randolph
Harold E. Hughes
Alan Cranston
Clifford P. Hansen
Strom Thurmond
Robert T. Stafford
James A. McClure

Nays—0

Mr. HARTKE. Mr. President, finally, I want my colleagues to know that I have been in contact with the distinguished chairman of the House Committee on Veterans' Affairs, Mr. Dorn, who is equally concerned about this problem and who introduced similar legislation this past week. It is my understanding that the House is prepared to act expeditiously on this measure should we pass it today so that it could be sent on to the President prior to our adjournment.

I would like to express my appreciation to all members of the Committee on Veterans' Affairs, for their cooperation and efforts to get this bill promptly reported. In particular, I would like to express my appreciation to the distinguished ranking minority member of the committee, Mr. Hansen, and to the distinguished ranking minority member of the Subcommittee on Readjustment, Education and Employment, Mr. Stafford, for their support and assistance in speeding committee consideration of this measure. I urge my colleagues to support S. 2794 and ensure that the veterans on the GI bill will not have their assistance payments cut needlessly because of the energy crisis.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, that completes the call of the calendar.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, it is anticipated that sometime this afternoon, the Senate will seek to proceed to the consideration of Calendar No. 609, Senate Joint Resolution 176, a joint resolution to authorize the production of petroleum from Naval Petroleum Reserve No. 1.

I ask unanimous consent that when that bill is called up, there be a time limitation of 20 minutes attached thereto, with the time to be equally divided between the distinguished Senator from Nevada (Mr. Cannon) and the distinguished Republican leader, the Senator from Pennsylvania (Mr. Hugh Scott), under the usual rule.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. I thank the distinguished chairman of the committee.

DISTRICT OF COLUMBIA SELF-GOVERNMENT ACT—CONFERENCE REPORT

The Senate continued with the consideration of the conference report on S. 1435, a bill to provide an elected Mayor and City Council for the District of Columbia, and for other purposes.

The ACTING PRESIDENT pro tempore. Who yields time?

ORDER OF BUSINESS

Mr. EAGLETON. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to the Senator from Maryland.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays on the pending business.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. EAGLETON. Mr. President, I suggest the absence of a quorum, with the time to be charged to the Senator from Missouri.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Clark). Without objection, it is so ordered.

ORDER FOR YEAS AND NAYS ON A CUSTOMS CONVENTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, as in executive session, that it be in order at any time to order the yeas and nays on order No. 24, Executive P, 93d Congress, first session, the Customs Convention on the International Transit of Goods.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays, as in executive session, on order No. 24, Executive P, 93d Congress, first session, the Customs Convention on the International Transit of Goods.

The yeas and nays were ordered.

DISTRICT OF COLUMBIA SELF-GOVERNMENT ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1435) to provide an elected Mayor and City Council for the District of Columbia, and for other purposes.

Mr. MATHIAS. Mr. President, it has been brought to my attention that there may be some uncertainty as to whether the vast number of Government employees residing in the District of Columbia will be able to participate in the local elections established in the home rule bill.

Mr. EAGLETON. Do I understand that the concern is whether the Hatch Act might prohibit Government employees from undertaking political activity in local partisan elections?

Mr. MATHIAS. Yes. As you know, the Hatch Act prohibits political activity by employees of the executive branch and the District of Columbia government in partisan political activities. Does this bill alter that?

Mr. EAGLETON. Section 740 provides that the fact that someone is employed in the competitive or excepted service of the United States shall not disqualify him from being a candidate in the partisan campaigns for the position of mayor or council member.

Mr. MATHIAS. The home rule bill refers to candidacy for offices and says nothing about whether Government employees may actively campaign for candidates or otherwise actively participate in the partisan local elections.

Mr. EAGLETON. That is correct.

Mr. MATHIAS. Does that mean, then, that all the Dsitrict of Columbia residents who are Government employees are covered by the Hatch Act and will be prohibited from participating in the partisan elections we are authorizing in this home rule bill?

Mr. EAGLETON. The Hatch Act does cover Government employees residing in the District, and as a rule the Hatch Act prohibits Government employees from participating in partisan campaigns and elections. However, the Hatch Act also contains an exemption provision. According to this provision, Maryland and Virginia communities in the immediate vicinity of the District of Columbia, or communities in which a majority of the voters are employed by the Government of the United States, may apply to the U.S. Civil Service Commission for an exemption from restrictions of the Hatch Act.

If a community applies for and is granted an exemption from the Hatch Act, the Government employees residing in that community may participate actively in local partisan political campaigns and elections as an independent candidate, or on behalf of, or in opposition to, an independent candidate.

Mr. MATHIAS. But the District of Columbia has not obtained such an exemption.

Mr. EAGLETON. No. Until now, there have been few elections—partisan or nonpartisan—in the District. Thus, there has not been the pressing need to free individuals for political activity that exists now that the mayor and council members are to be elected in partisan races?

Mr. MATHIAS. Can the District of Columbia qualify for an exemption?

Mr. EAGLETON. As I read the Hatch Act, the District of Columbia could apply and qualify for an exemption since it meets the statutory criterion of being a municipality in which the majority of voters are employed by the Government of the United States. Clearly, with the passage of the home rule bill, the other criterion set forth in the statute will exist; namely, the existence of "special or unusual circumstances" so that "it is in the domestic interest of the employees and individuals to permit that political participation.

Mr. MATHIAS. Is there anything in the Hatch Act which precludes the District of Columbia from eligibility for an exemption?

Mr. EAGLETON. No. The exemption is available to permit political activity and management by employees and individuals to whom the Hatch Act provisions apply, and the Hatch Act applies to "an employee in an executive agency or an individual employed by the government of the District of Columbia." Thus the District of Columbia is eligible to apply for exemption.

Mr. MATHIAS. I take it that the District must demonstrate to the Civil Service Commission that a majority of its voters are employed by the Government of the United States.

Mr. EAGLETON. That is correct.

Mr. MATHIAS. We should understand who is included in the count of employees of the Government of the United States, are military personnel included?

Mr. EAGLETON. Uniformed military personnel are not counted. Civilian military personnel are counted and, if it would make a difference to the outcome, their family members are counted.

Mr. MATHIAS. Are employees of all branches of Government included?

Mr. EAGLETON. Yes. Employees of the executive, legislative, and judicial branches, and of independent regulatory agencies, commissions, et cetera.

Mr. MATHIAS. The status of District of Columbia government employees should be defined.

Mr. EAGLETON. District of Columbia government employees should be counted as employees of the Government of the United States. When the Hatch Act provision relating to the District of Columbia was added to the act in 1940, District of Columbia government employees were considered part of the executive branch of the Federal Government. Specific reference was made to employees of the District of Columbia, in the words of Senator Hatch, "to make the matter clear" that "they are employees of the Federal Government." In fact, the language of the Hatch Act as amended in 1940 read:

> SEC. 14. For the purposes of this act, persons employed in the government of the District of Columbia shall be deemed to be employed in the executive branch of the Government of the United States . . .

This section was never amended but the precise language disappeared when the Hatch Act and related laws were revised and reenacted into title 5 of the United States Code. The revisions in 1966 did not make any substantive changes in the law.

Mr. MATHIAS. As I understand then, the legislative history is clear on the fact that District of Columbia government employees should be considered U.S. Government employees for purposes of the Hatch Act and thus for purposes of qualifying for the exemption from the Hatch Act.

Mr. EAGLETON. Yes.

Mr. MATHIAS. How is the application for the exemption made?

Mr. EAGLETON. A letter must be submitted to the Civil Service Commission by residents of the community. A group or individual makes the request by sending a letter to the Office of the General Counsel, U.S. Civil Service Commission, containing the following information:

> (a) The name of the area with date and authority of its incorporation and designation;
>
> (b) The number of registered voters and number of government employees registered as voters (estimates from the local registration clerk or other knowledgeable source will suffice if exact figures are not available);
>
> (c) A list of local municipal offices involved;
>
> (d) A statement showing how nominations are made and the manner in which elections are conducted;
>
> (e) The name of the principal government agencies in which the government employees to be affected are employed; and
>
> (f) A concise statement showing in what way the employees and the local municipality will be benefited if the request is granted, and in what way there would be a detriment to their domestic interests if it is denied.

Mr. MATHIAS. Assume for a minute that the District of Columbia applies for and is granted an exemption. The affected employees will now be able to participate in the partisan elections as independent candidates, on behalf of, or in opposition to, independent candidates.

Mr. EAGLETON. Yes.

Mr. MATHIAS. And employees of the District of Columbia Department of Motor Vehicles will be able to participate to the same degree as employees of the U.S. Department of Labor? That is correct?

Mr. EAGLETON. That is correct.

Mr. MATHIAS. Mr. President, I yield 2 minutes to the Senator from New Mexico (Mr. DOMENICI).

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Maryland.

First, I want to compliment both the ranking member and the chairman of the committee, and the staff, for the diligence they have exhibited in getting us to this historic day. I am sure that we are going to pass the home rule bill. I am equally certain that, over the years, there will be improvements on it. I am proud and pleased to be a small part of seeing the desires of so many people, including leading legislators and citizens of this area, finally reaching fruition today.

I have only one concern, which is not sufficient to cause me to vote against the bill, but it is sort of a red flag, in that I predict we will have some problems because we decided to have partisan elections.

As some Senators know, I was a mayor before I came to the Senate. I served a community that did not have partisan elections. It was a community that had many Federal employees in its environs, perhaps as many as 12 to 15 percent. We went through a charter revision. As we looked at all the facts, we determined that if we turned our elections into partisan elections, there were certain advantages, indeed, the advantages inherent in the two-party system, but there would be disadvantages, too, because we would be saying to many leading citizens and activists who wanted to participate, "You cannot participate because of the Hatch Act."

In this instance, the alternative was to have nonpartisan elections and all residents of the community who otherwise qualified could participate because the Hatch Act would not preclude their activity.

By going partisan here in the District of Columbia, we run into very serious problems with the Hatch Act. I voice this concern, because in the District of Columbia, of the approximate 305,000 registered voters, 135,141 or 40 percent would be subject to the Hatch Act and thus unable to actively participate in the election process. Chairman EAGLETON has attempted to remedy this situation in a separate amendment by excluding the present Mayor and all bona fide City Council candidates from Hatch Act provisions. It would seem, however, that this will only reach a small percentage of this 40 percent and thus will eliminate by law the active participation of many others in the election process of this new form of government.

I sincerely believe that by adopting a partisan election process you will inherently exclude many from the right of self-government. I voice this objection, because this bill comes very close to offering the needed provisions for self-government, but this one provision will deny such a large percentage of their right to participate in a complete home rule.

I think we should have faced up to the issue and asked whether Congress wanted people participating in partisan elections removed from the Hatch Act; and, if not, we should have decided to make this a nonpartisan city election. Participation would not have been minimized. I can cite numerous cities in this country that have nonpartisan elections, with tremendous participation and no problem with the Hatch Act, among them Houston, Dallas, and Albuquerque, N. Mex. Most California communities have nonpartisan elections.

So we would have had activity and participation, and we would not have had the problem of basically eliminating, in this instance, about 40 percent of the electorate of the District which cannot participate actively because they are "hatched," so to speak.

I do not want to change the Hatch Act to let them participate, unless we are willing to do this for all citizens across this land, in all cities, and I do not favor that.

So I indicate my concern and predict a rather serious problem, when the citizens find out that they are indeed given participation with the left hand and that it is taken away with the right hand of the Hatch Act. I hope it does not prove to be too onerous a burden. I hope that participation is maximum and that all citizens who are interested will work toward making home rule actually function on a day-to-day basis in this community. I hope that what I have predicted will not come true.

I thank the distinguished ranking member of the committee for yielding to me.

Mr. KENNEDY. Mr. President, I am pleased to have this opportunity to offer my support for approval of the conference report on legislation to provide elected city officials in Washington, D.C., the right to self-government is enjoyed by Americans in every city in every State of this Union. But here in the Capital City of the Nation, self-determination and local control have been denied the city's residents for over a century. Every reasonable Member of this Senate will surely agree that Washingtonians, like other Americans, deserve to select those who administer their local government. None of us will deny that the uniqueness of this city, due to the presence of the Federal Government and the national legislature, grants certain perquisites to the Federal Establishment. Yet, I have been dismayed over the continuing obstinacy that has prevented Washington's citizens from exercising the right to self-government.

Throughout the time I have served in the Senate, my efforts have been devoted to the enactment of legislation that would assure the fundamental rights of self-determination to the taxpayers of the Capital City. Election of city government officials is an important step in that direction. And, after this bill, S. 1435, is enacted, it will be fitting to approve other pending legislation to provide full congressional representation for the District of Columbia. For, the people of this city need parity of representation in the Congress, as well as in city hall.

Many of the dedicated, hardworking citizens who have been struggling throughout the years for suffrage in this town are said to be skeptical and apprehensive over the pending legislation. The distinguished chairman of the Senate District of Columbia Committee, who is largely responsible for the success of this bill, succinctly established the facts of life in this regard, when he noted, "That the Lord giveth, and the Lord can taketh away," and so it is with the home rule bill. Congress authorized home rule for the District of Columbia, and Congress can take it away. Writing in the editorial page of the Washington Post on December 17, Robert Asher asserts that the proposed turnover of authority to local control has one big catch to it:

> If some act of the elected city council displeased Congress, it could be repealed on Capitol Hill: similarly, if Congress wished to enact certain restrictions of its own on the city government, it would always be free to do so. Above all, if this whole experiment in modified self-government doesn't work out to the satisfaction of Congress, the entire charter could be pulled out from under the community.

Washingtonians feel apprehensive about this measure, because they know that no other jurisdiction within these United States is subject to such capriciousness regarding the right to vote.

I fully understand the concern of these citizens and I believe I can appreciate their reasons for being doubtful.

But, I also believe this is an opportunity to continue pressing for the full guarantees of self-determination in every respect. Such guarantees rightfully belong to Washingtonians as they do for Bostonians, Chicagoans, New Yorkers, Arlingtonians, and to every citizen of this great Republic. It is not necessary for Washingtonians to prove they deserve the right to representative government. That right is granted by the Constitution.

It is not necessary for Washingtonians to forswear allegiance to any Member of Congress, hoping for a minimum of meddling in local affairs. Authority over local affairs will be extended upon enactment of this measure.

It is only necessary, that we in the Congress, and the American people outside of Washington, commit our energies and attention to the passage of legislation, Constitutional amendments, and other lawful procedures that can deliver the exercise of this basic right to our fellow Americans in our Capital city.

I see the passage of S. 1435 as simply another episode in the campaign for citizens' rights. Passage of this bill is one more clear demonstration that the barriers to self-determination for the District of Columbia are crumbling.

In 1960, Washingtonians voted for the first time in a national Presidential election. The first elected school board members were chosen in 1968. Washington sent its first Delegate to the Congress in 1971.

Next year, 1974, will bring the city its first elected local government.

During these 14 years we have seen more strides toward self-determination than in the 160 years since 1800 when the city became the seat of government.

Full representation by the people and for the people of the District of Columbia is inevitable. And I believe we shall reach that goal before this decade is ended.

Let us, therefore, commemorate what we are doing here today as another advance toward suffrage.

Senator THOMAS EAGLETON, the distinguished chairman of the Senate District of Columbia Committee, rates the highest praise for his work in focusing the attention of the Senate on this very important legislation. He deserves the highest commendation for devoting so much of his time and energy to the completion of this measure.

At the same time, Congressman CHARLES DIGGS, chairman of the House District of Columbia Committee, rightfully deserves the plaudits of us all for his skill in guiding a home rule bill through the House of Representatives. It is not incidental that Chairman DIGGS is the first chairman since 1947 to successfully report a home rule bill to the full House. His personal diligence, his knowledge, his legislative skills, and his deep commitment to the principles of citizens' rights have served to make this measure more than a dream.

It is my hope that this bill will signal the rush to finish the job of ensuring suffrage for the District of Columbia.

Washingtonians have waited long enough. Self-determination is the birthright of every other American. Our failure to implement procedures to install fully representative government for residents of the Capital City is inexcusable. And it is understandable that some observers label that inaction as unconstitutional.

This is a call for the Congress to guarantee that S. 1435 is indeed another blow for freedom and justice.

Mr. BARTLETT. Mr. President, although I have some reservations about the bill we will pass today, it is good that the Congress is finally granting the residents of the District of Columbia a measure of autonomy.

The bill will accomplish the goal of allowing the citizens of the District to participate in their government while retaining in Congress an oversight authority through the power of the purse.

I am disappointed that the bill provides for partisan rather than nonpartisan election of the mayor and members of the District council. While there is provision for some minority party representatives on the District council, it is obvious it will be dominated and run by the majority party. I am concerned about a government which does not have the cleansing effect of the two-party system.

Also the partisan elections will, in effect, deny to Federal employees the opportunity to run for office in the District.

In spite of these objections, I do support the bill. Now will be a time of testing, as well as an opportunity for the people of the District of Columbia. I sincerely hope it is a successful venture, and wish them well.

Mr. MATHIAS. Mr. President, I yield back the remainder of my time.

Mr. EAGLETON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator South Carolina (Mr. HOLLINGS), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), and the Senator from California (Mr. TUNNEY) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from Massachusetts (Mr. BROOKE) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Virginia (Mr. WILLIAM L. SCOTT) is detained on official business.

The result was announced—yeas 77, nays 13, as follows:

[No. 597 Leg.]

YEAS—77

Abourezk
Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Fong
Fulbright
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood

Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Weicker
Williams
Young

NAYS—13

Allen
Byrd,
  Harry F., Jr.
Fannin
Goldwater
Hansen
Helms
Long
McClellan
McClure
Saxbe
Stennis
Thurmond
Tower

NOT VOTING—10

Bennett
Brooke
Church
Cotton
Eastland
Ervin
Gravel
Hollings
Scott,
  William L.
Tunney

So the conference report was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MATHIAS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR SECRETARY OF THE SENATE TO MAKE CORRECTIONS IN THE ENROLLMENT OF S. 1435

Mr. EAGLETON. Mr. President, I move that the Senate proceed to the consideration of House Concurrent Resolution 402, directing the Secretary of the Senate to make corrections in the enrollment of S. 1435.

The PRESIDING OFFICER (Mr. CLARK). The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 402) directing the Secretary of the Senate to make corrections in the enrollment of S. 1435.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 420) was agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (S. 1435), to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia, subject to acceptance by a majority of registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, and for other purposes, the Secretary of the Senate shall make the following corrections:

(1) In the parenthetical phrase in section 602(a)(5) of the bill, strike out "the Act of July 16, 1974" and insert in lieu thereof "title I of the District of Columbia Income and Franchise Tax Act of 1947".

(2) At the end of section 738 of the bill, insert the following subsection:

"(h) The foregoing provisions of this section shall take effect only if agreed to in accordance with the provisions of section 703(a) of this Act."

(3) In the first sentence of section 712 of the bill, strike out '711" and insert in lieu thereof "404(a)".

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. ALLEN) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate resumed the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of S. 2776, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Minnesota (Mr. MONDALE).

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Are we under controlled time at this time?

The PRESIDING OFFICER. No, there is no control of time.

Mr. MONDALE. Mr. President, I ask unanimous consent that Mr. Phil McGance and Richard Grundi be permitted the privilege of the floor during the consideration of the pending measure and amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, I ask unanimous consent that the Senator from Iowa (Mr. CLARK) be added as a cosponsor of amendment No. 923, as modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, I yield myself 1 minute on the pending bill.

The PRESIDING OFFICER. There is no time limit on the bill.

ANNOUNCEMENT OF THE PRESIDENT'S INTENTION TO SIGN CERTAIN BILLS

Mr. HUGH SCOTT. Mr. President, I rise simply for the purpose of stating that I am informed the President will sign the District of Columbia home-rule bill when it reaches his desk. I am also informed that he intends to sign, on the assumption these bills are in the same condition they are now, the manpower bill and the health maintenance organization bill when they reach his desk.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate continued with the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

Mr. BUCKLEY. Mr. President, I call up my amendment to the Mondale amendment, identified as No. 928.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read amendment No. 928 as follows:

In subsection (d), after the phrase "includes crude petroleum or any refined petroleum derivative thereof," add the words "and coal and any derivative thereof";

In subsection (e)(1), after the words "crude petroleum" in the first line of said subsection, add the words "and coal";

In subsection (e)(2), after the words "refined petroleum products" in the first line of said subsection, add the words "and derivatives of coal";

The PRESIDING OFFICER. On this amendment there is a 30-minute time limit, to be equally divided.

Who yields time?

Mr. BUCKLEY. Mr. President, I yield myself such time as I shall utilize.

First of all, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BUCKLEY. Mr. President, it will not take more than a minute or two to describe the purpose of this amendment. Whereas I fundamentally disagree with the amendment of the distinguished Senator from Minnesota, I do believe that, if it is destined to be adopted, it ought at least to be as effective as possible and not counterproductive.

The Senator from Minnesota is concerned over the rise in prices for crude oil and petroleum products that we have recently experienced, and would, therefore, authorize the Administrator of the new Energy Administration to set prices.

We have learned from the experience we have had with the effect of price controls on natural gas what effect that has on all other forms of energy that can be substituted for it. For example, one effect of having artificially low prices for natural gas has been to close down some coal mines, while industries and utilities turned to the cheaper fuel on a British thermal unit basis.

I believe, therefore, that if we are to have vested in one agency an overview of pricing in this country, that agency, that administrator, must necessarily be able to have an overview over all of the competing fuels we have in this country. Otherwise we will see distortions in the marketplace.

Second, this Congress has mandated the conversion of industries and utilities from natural gas to other fuels. This will create an enormous surge in demand for coal—and this I welcome; I believe we do want to move in that direction—but it raises the specter of the distortion which concerns the Senator from Minnesota.

I would, frankly, like to see no controls over petroleum products or over coal, but my amendment will bring consistency. It will make sure that what is done with respect to one fuel will not have unexpected and counterproductive effects with respect to another.

I therefore urge my colleagues to adopt the amendment.

I am willing to surrender the remainder of my time if the Senator from Minnesota is willing to surrender his time after his preliminary remarks.

Mr. MONDALE. Mr. President, I yield myself 2 minutes.

I would like to comment briefly on the amendment which the Senator from New York (Mr. BUCKLEY) has offered to my amendment. The Senator would seek to add coal to the scope of my amendment, ostensibly as an "improvement." However, those in this body knowledgeable in the coal industry have uniformly told me that this would be unwise, and that it would be treating two very different industries in an unfortunate manner.

Our first concern at this time must be to protect the American consumer from rising prices and exorbitant oil company profits. Heating oil for homes and gasoline for cars have far more direct impact on the American consumer than does coal, which is primarily used as boiler fuel in industrial operations. True, the Administrator of the Federal Energy Administration does have power over coal. But my amendment merely attempts to set standards for him to use in one area—the key area of pricing crude oil and petroleum products. He has the authority over coal, and the Congress should explore whether we should enact similar types of standards to govern the Administrator in his handling of coal pricing. But we should not attempt to do both tasks in one amendment.

I am certainly willing to reduce the amount of time needed to act on this amendment. Before I do so, when the distinguished Senator from West Virginia (Mr. RANDOLPH) is prepared. I will be glad to yield to him such time as he desires on this amendment.

Finally, I would simply refer my colleagues to page 42195 of yesterday's CONGRESSIONAL RECORD, in which the distinguished Senator from Washington (Mr. JACKSON) makes it very clear that he opposes the pending amendment offered by the Senator from New York, for the reasons stated, but particularly because the oil and coal industries are different and should not be treated as comparable industries for the purpose of the subject matter before us. He said: "It would seem to me that it would make more sense to handle it as a separate matter," and that it would be manifestly unfair to attempt to put coal in the same category as oil.

This statement comes from the Senator who has done more than any other Member of this body to study and seek reforms and help the public in the midst of this energy crisis. I think that is a very strong statement that should be persuasive to the Senate.

I now yield to the Senator from West Virginia 10 minutes.

SENATOR RANDOLPH OPPOSES AMENDMENT WHICH WOULD HAMPER COAL PRODUCTION

Mr. RANDOLPH. Mr. President, I speak in opposition to the amendment offered by the able Senator from New York (Mr. BUCKLEY). His amendment would include coal, so that it would appear in all the sections, as I understand it, of the amendment of the diligent Senator from Minnesota (Mr. MONDALE).

I began by saying to my colleagues in the Senate that only this morning on the "Today Show," originating live from New York City, I heard Frank McGee interview Carl Bagge, the president of the National Coal Association. I recall that he asked Mr. Bagge: "Is it not true that the coal industry is owned by petroleum companies." That was the essence of his question. I recall distinctly that Mr. Bagge replied, "Well, that is not correct. There are approximately 4,000 separate entities, coal companies, operating in the United States of America, and less than 20 percent of the total of production comes from an affiliation of a subsidiary coal company as a part of a petroleum enterprise."

I give this as a beginning of my remarks because of the discussion on a television interview which I am sure has wide distribution and a very large listening audience.

The time is here when coal is being called on to assume a greater role in the U.S. energy supply system. In fact, I heard the Senator from New York say that in the close of his remarks just a few minutes ago. And so that need is recognized.

I think it is important that the Congress realize we cannot afford to take actions in this Chamber that will restrict the ability of this vital form of energy—a growing form of energy that we know can and will be used—as it attempts to raise the capital required to open new mines.

New mines do not open in 2 or 3 months. New mines, both deep mines and surface mines, require a period of approximately 2 years before they can be opened. The costs are very, very large in connection with the opening of these mines.

It is essential that the coal companies and the miners of this country be provided with the support necessary to meet the challenge of increased coal production.

By the suggestion that only actual costs associated with increased coal production can be passed on to the marketplace, we are also calling for reduced rates of return for coal.

Mr. President, if our objective in this legislation is to increase energy supplies, then we should be moving to insure the financial solvency of our energy supply industries. The inclusion of coal, as proposed in this amendment, would have a reverse effect. The coal industry is in financial difficulty compared to the other energy industries and other segments of our economy.

Standard & Poor has compared 425 industrial companies against the coal industry. The rate of return during 1972 on the book value for the coal industry is 2 percent less than for the 425 industries I have mentioned under the Standard & Poor survey.

Mr. President, this situation, according to the First National City Bank has existed for several years. In four out of five years between 1967 and 1971, the rate of return for the coal industry has been below that of all manufacturers in the United States.

Pointing to individual companies—a medium-sized coal company, and we have many of these coal companies in our State of West Virginia—I mention the Valley Camp Coal Co. This company in 1972—and I wish there were more Members on the floor of the Chamber to hear these figures—had total assets of $52,300,000. However, the return to that company on investments was only $1,661,000.

That represents a rate of return on total assets of between 2 and 3 percent. And I do not feel that the Senator from New York would believe that to be a fair rate of return.

Another example is the Coal Division of the Eastern Gas and Fuel which has operations throughout Appalachia. Between 1971 and 1972, this company had an increase in revenues from $149.9 million to $157.4 million. However, the disturbing fact—and it is a fact—is that the pretax income of this company actually decreased from $10,200,000 down to $5,300,000 during this same period.

This has resulted in less than a 5-percent rate of return on total assets of this company.

A third example is the Westmoreland Coal Co. which had a 4 percent rate of return on its total asset.

I think the point that we must seriously consider, Mr. President, is that our domestic coal industry is not financially secure. Yet they are being called on to increase the supplies of coal, at the same time this amendment by the Senator from New York (Mr. BUCKLEY) is pending.

I believe we must realize that if it becomes law, it would have the effect of decreasing the modest profit margins that I have mentioned.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Who yields time?

Mr. MONDALE. Mr. President, I promised that I would at this time yield 2 minutes to the junior Senator from Kentucky.

The PRESIDING OFFICER. The junior Senator from Kentucky is recognized for 2 minutes.

Mr. HUDDLESTON. Mr. President, I thank the distinguished Senator from Minnesota for yielding to me.

Mr. President, I have just a very brief comment. I oppose the amendment to the amendment as offered by the Senator from New York.

The differences between the petroleum and coal industries have been detailed by the distinguished senior Senator from West Virginia and the Senator from Washington.

I would like to address myself to another aspect of the amendment offered by the Senator from Minnesota.

This amendment is designed to prohibit the undue exportation of commodities in short supply which would result in undue price increases.

We must consider the difference between coal products and petroleum products. In this regard, the nature of the marketing of coal is not such that large numbers of customers are waiting in lines leading up to the coal tipples to buy the product. However, that is the case with gasoline today.

Mr. President, most increases in coal sales are to power companies—companies that are already under State and Federal price control. So the impact on the average consumer is already mitigated to a great degree.

The PRESIDING OFFICER. The 2 minutes of the Senator has expired.

Mr. HUDDLESTON. This simply does not lend itself to price gouging or undue price increases of the nature attendant in the petroleum situation.

Coal and petroleum are vastly different at the marketing level, in the structure of the companies in the respective industries, and in their entire operations, from production to sales.

I believe that the amendment of the Senator from Minnesota, without the addition of coal, is the appropriate step forward at this time.

Mr. RANDOLPH. Mr. President, I would like to add this comment to that of my colleague from Kentucky, an important coal-producing State.

It is a fact that there is a certain uniqueness to the coal production program which is not embraced in other segments of the energy production activities.

The Senator from Kentucky will recall that Congress addressed itself in 1969 to the Coal Mine Health and Safety Act. We did that even before coming to grips with the across-the-board Occupational Health and Safety law, one year later.

The 1969 act requirements have resulted in substantial investments of capital to insure the protection of our miners—and those requirements must not and will not be relaxed. The health and safety of our miners must be the highest priority.

The PRESIDING OFFICER. All time of the Senator from Minnesota has expired. The Senator from New York has 12 minutes remaining.

Mr. BUCKLEY. Mr. President, I would like to say that I have rarely heard as eloquent a speech upon why the amendment should not be adopted as the one made by my respected friend from the State of West Virginia.

I think that if we want to get rid of shortages, whether in the field of coal or in the field of oil, we need to assure that there is the potential for profit that will stimulate the very large investments required, huge investments in each field.

We ought to understand that the two industries are not comparable, the principal difference, of course, being the very much higher risk associated with the exploration for oil and gas.

I would say, however, that whereas I hope that the Senator from West Virginia will join me in voting against adoption of the Mondale amendment, if we are going to go along the path of that philosophy, we need to have an even-handed treatment of the price in all sectors of the energy market because of the way they interact one with the other.

Now, I very much appreciate the wisdom and soundness of the statement by my friend from West Virginia to the effect that without the prospect of profits we cannot see investment, and that when we talk about profit we mean as a percentage return on investment, and that is why I am encouraged that the Mondale amendment specificially provides that the administrator may waive the restrictions on pass-throughs of cost, where that is necessary to increase investment in new domestic exploration and production.

Mr. RANDOLPH. Mr. President, I do not want to break the continuity of the remarks of my friend from New York, and I hope in perhaps a minute's time he can yield to me.

Mr. BUCKLEY. Mr. President, if the Chair will alert me when I have 5 minutes remaining, then I will be glad to yield to the Senator from West Virginia.

Mr. President, the Senator from West Virginia cited the fact that there are 4,000 independent coal producers, and that therefore the coal industry cannot be placed under the umbrella of the oil industry merely because the oil industry controls some coal fields.

I thoroughly agree, just as we cannot attribute to pipeline companies a domination over gas production, given the fact that over 5,700 independent gas producers are currently subject to FPC regulations.

The Senator from West Virginia quoted some figures from the First National City Bank of New York showing that the rate of return on coal mining is significantly lower than that for manufacturing corporations as a whole, just as the same source confirms that in 1972 the petroleum industry's return on net worth was 10.8 percent, compared to an all-manufacturing average of 12.2 percent.

I suggest, in short, that the areas of comparability far outweigh the areas of difference, and that that approach to our energy needs that is appropriate to one segment of the energy industry is appropriate to other segments of the energy industry.

We have been talking about the danger or fear of excess profit. That means profit in excess of a fair return—profit in excess of that which will assure continuing investment in the enormous expansion of all sources of energy which we require if we are to satisfy our national needs.

It is for this reason that I believe that consistency and the ability to make the machinery envisaged in the Mondale amendment work requires that we cover the entire energy front. But better still, I believe we should not invoke the measure at all.

Mr. President, I reserve the remainder of my time, and I am glad to yield 2 minutes to my friend from West Virginia.

Mr. RANDOLPH. I thank the Senator from New York.

I return now to my comments I addressed earlier to the Senator from Kentucky. I spoke of the 1969 Coal Mine Health and Safety Act. We enacted the Coal Mine Health and Safety Act because of the unique danger involved in the coal industry operation, the hazards and death and injury to coal miners. When we placed that measure in law, we added a tremendous sum to the cost of operations of coal mines in America and I know my colleague is familiar with that situation; will he not agree?

Mr. HUDDLESTON. There is no question about that, plus the imposition of a severance tax on coal in several States. In my own State of Kentucky, we have a substantial severance tax. And beyond that, I think it should be pointed out that this bill itself provides authority for the Administrator to exercise control over the coal industry as well as all energy-producing industries with regard to prices, to cost of production, and to stimulating production.

Mr. RANDOLPH. Mr. President, we know that the conference on the National Energy Emergency Act has been going on, in fact all day yesterday, and we participated until 11:30 last night, and now we are in session again.

I think it is very important for us to realize that we are thinking in terms of major energy shortages and how we can meet them. I suggest that to be a symptom also of a much deeper problem for our American society. I feel the only solution for the basic problem is increased supplies, and I sense that the Senator from New York and I are in agreement on that, at least as a basic statement.

This will require vast new amounts of capital for coal production as well as oil and gas production, as he has indicated. These moneys should be raised in the private sector, but this will require the strongest financial support.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. RANDOLPH. I reemphasize the strongest financial support for all the energy industries will be necessary if we are to solve the energy shortages.

We must be careful, in any action that we take, to minimize inflation or restrict profits, if these would have the effect of handicapping energy industries so that our Nation would be unable to raise necessary funds for adequate energy production in the years ahead.

The PRESIDING OFFICER. The Senator from New York has 3 minutes remaining.

Mr. BUCKLEY. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague.

I would like to indicate once again my support for the Mondale amendment as modified by the Kennedy amendment. I think it is an excellent amendment. But I also support the modification of the amendment now pending by our distinguished colleague from New York.

It would seem odd that coal fields would run from Illinois right into Kentucky, and we all certainly have many of the same problems, as acknowledged by our friend from West Virginia, and yet we come up with different conclusions on this problem. I think it is possibly due to the interpretation the Senator from Illinois places on the amendment.

As I read the amendment, it is permissive, and not mandatory.

Also, it extends the Economic Stabilization Act's authority over energy prices for the period of this act, which would carry that authority under the FEAA administration up through June of 1975, so that the consumer can feel somewhat comforted. But it also provides this authority for the administrator: If he feels that higher costs can be justified and will stimulate increased supplies which eventually will bring down costs, then the administrator is able to authorize the increases.

It is for that reason, to give the administrator, the so-called energy "czar," that increased leeway to use the pricing mechanism as a stimulus specifically to increase production and eventually, therefore, not only meet the energy problem but also bring the cost down through price increases that would increase supplies, that I support the amendment of the Senator from New York.

The PRESIDING OFFICER. The Senator from New York has 1 minute remaining.

Mr. BUCKLEY. Mr. President, I am prepared to yield back that 1 minute, unless the Senator from Oklahoma wishes to speak, in which case I reserve the remainder of my time.

Mr. BARTLETT. Mr. President, if the Senator from West Virginia will yield, I felt that his argument was very compelling about the plight of the owners of the small coal companies, and I know he is very familiar with the independent gas producers and oil producers in West Virginia. Are not the arguments he made for coal substantially identical to the arguments we can make to substantiate the fact that this amendment of the Senator from Minnesota is not in the interest of the oil and gas producers of West Virginia as well as the coal producers?

Mr. RANDOLPH. In response, I share the concern of the Senator from Oklahoma especially as it affects the small independent producers of natural gas, petroleum, or coal.

Mr. BARTLETT. I thank the distinguished Senator from West Virginia.

The PRESIDING OFFICER (Mr. CLARK). All time has now expired on this amendment.

The question is on agreeing to the Buckley amendment to the Mondale amendment.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from Massachusetts (Mr. BROOKE) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Maryland (Mr. MATHIAS) and the Senator from Ohio (Mr. SAXBE) are detained on official business.

The result was announced—yeas 30, nays 60, as follows:

[No. 598 Leg.]

YEAS—30

Aiken
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Burdick
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hruska
McClure
Packwood
Pearson
Percy
Roth
Stafford
Stevens
Taft
Thurmond
Tower
Weicker

NAYS—60

Abourezk
Allen
Baker
Bayh
Bible
Biden
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Eagleton
Ervin
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stevenson
Symington
Talmadge
Tunney
Williams
Young

NOT VOTING—10

Bennett
Brooke
Church
Cotton
Eastland
Gravel
Hollings
Mathias
Saxbe
Stennis

So the Buckley amendment to the Mondale amendment was rejected.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. President, I ask unanimous consent that at this time, out of order, I may call up my amendment which is at the desk.

The PRESIDING OFFICER. Is there objection?

Mr. JACKSON. I will explain what it is about. It is a noncontroversial amendment. It relates to an investigation we have underway in the Permanent Subcommittee on Investigations. We ran into a case in which oil was exported out of the United States and we have also received reports of petroleum products being exported, laundered oversea and brought back at a higher price.

It appears that we are not permitted, by reason of a statute that was enacted several years ago, to receive information on other such instances from the Department of Commerce, nor can that Department make public this data.

The floor leader of the bill will accept the amendment, and the ranking minority member on the Investigations Subcommittee is joining in the amendment. All the amendment would do would be to repeal the prohibition on making such export information available to the Congress and other governmental agencies, except where the President makes a finding that national security is involved.

I may say that what has gone on here is a real scandal, and we in Congress need to know about the export of all petroleum products during this period of shortage.

It will only take 3 minutes, if the Senator will defer.

Mr. MONDALE. With the understanding that we return to the pending amendment.

Mr. BUCKLEY. Mr. President——

The PRESIDING OFFICER. The Senator from New York.

Mr. BUCKLEY. I do not object.

Mr. JACKSON. It will take me about 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

At an appropriate point in the bill, insert a new section to read as follows:

SEC. —. (a) Notwithstanding any other provision of law, the Secretary of Commerce is authorized and directed to establish and maintain the file which shall contain information concerning every transaction, sale, exchange or shipment involving the export from the United States to a foreign nation of coal, crude oil, residual oil or any refined petroleum product. Information to be included in the file shall be current and shall include, but shall not be limited to, the name of the exporter (including the name or names of the holders of any beneficial interests), the volume and type of product involved in the export transaction, the manner of shipment and identification of the vessel or carrier, the destination, the name of the purchaser if a sale, exchange or other transaction is involved, and a statement of reasons justifying the export.

"(b) Upon request of any Committee or Subcommittee of the United States Senate and House of Representatives or the head of any Federal agency, the Secretary shall promptly provide any information maintained in the file and a report thereon to such Committee, Subcommittee, or agency head, except where the President finds such disclosure to be detrimental to national security."

Mr. JACKSON. Mr. President, the amendment I offer is cosponsored by the Senator from Connecticut (Mr. RIBICOFF) and the Senator from Illinois (Mr. PERCY).

This amendment would correct a situation in which the Department of Commerce jealously guards information received from exporters, from the public, other Government agencies, and from the Congress, causing impediments in performing its legislative responsibilities.

This rigid approach brings ludicrous results.

Consider the current controversy surrounding the export of petroleum products while the country faces an energy crisis.

To exercise its monitoring responsibilities and determine who is exporting distillate fuel oils, the Department of the Interior had to request the Secretary of Commerce to make a determination that it would be in the "national interest" for Interior to receive such figures. So even the Interior Department could not get the information. Luckily, the Secretary of Commerce saw fit to grant such a waiver. But I can see no need for such a requirement since withholding information from other Government agencies which is necessary for them to carry out their jobs cannot serve the national interest.

When I directed the staff of Permanent Subcommittee on Investigations, which I chair, to investigate exports of petroleum products during this crisis period, they were blocked from obtaining the information necessary to examine this matter. We had to go to the ridiculous extreme of serving a subpena on a company in Texas, thought to have made such exports, when definite and precise information was available right here in Washington.

Except for the most critical national security reasons, there should be no restriction on the disclosure of information pertaining to exports by individual companies. The amendment I introduce today, however, only lifts those restrictions—found in the Export Administration Act of 1969—as they relate to exports of energy supplies.

My amendment would require intergovernmental disclosure of such information needed to carry out governmental duties and functions.

Furthermore, it would require disclosure of such information to the Congress so that it might properly perform its responsibilities.

Finally, my amendment does provide protection for the national security interests.

The amendment contains a proviso which allows the Secretary of Commerce to refuse disclosure to the Federal agency and the Congress upon a finding by the President that disclosure would be detrimental to the national security.

In summary, my amendment would insure the proper disclosure of information critically important to executive branch officials and the Congress in dealing with the energy crisis.

Mr. RIBICOFF. Mr. President, I accept the amendment.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. AIKEN. I have one question. Assuming shipments of oil are made from a country which embargoed shipments to the United States, if these are made to a third country which is on supposedly friendly terms, and then if shipped to the United States, do we have any record of such imports?

Mr. JACKSON. I assume that the Customs would have a record of imports.

Mr. AIKEN. Are they available?

Mr. JACKSON. I know of no statute that prohibits the public disclosure of that information on importing.

Mr. AIKEN. That prohibits it.

Mr. JACKSON. They are available. But what we cannot get——

Mr. AIKEN. I know, I am for the Senator's amendment as far as it goes, but I was thinking of a report.

Mr. JACKSON. I understand that the information relating to Customs records are public documents which can be obtained.

Mr. AIKEN. But it is difficult to sort it out, I suppose.

Mr. JACKSON. Yes.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. FANNIN. Do I understand this would be public information? Is that the desire of the Senator?

Mr. JACKSON. Yes, as it relates only to the energy situation and if it is deemed appropriate by the congressional committee or subcommittee. The expectation would be that it would not be made public—since Congress could not be able to obtain such information—where the President certifies it does affect the national security of the country.

Mr. FANNIN. Would the Senator think it would interfere with shipments coming to this Nation at this time?

Mr. JACKSON. Shipments out. It has nothing to do with imports. It only relates to exports. The public is up in arms. We have these rumors floating around about the export of oil. We cannot get information necessary to properly investigate these cases.

Not only that, but the Department of Commerce cannot give it to other departments of the Government, including departments directly related to the Energy Administration.

Mr. McCLURE. Mr. President, will the Senator yield for a question.

Mr. JACKSON. I yield.

Mr. McCLURE. This amendment provides that the Secretary of Commerce shall maintain files and provide information. Other statutes provide that the Secretray of Commerce has certain responsibilities with respect to the Bureau of the Census and to Census records. Statutes that govern that information provide that that information shall not be made public.

Could this amendment be read to indicate that the Secretary of Commerce shall by implication find that other laws relating to confidentiality shall not be governed by this language, so that the census records will no longer be confidential?

Mr. JACKSON. Let me make it clear. In order to export it is necessary to have an export license. This is handled by the Department of Commerce. The Bureau of the Census is within the Department of Commerce and has absolutely nothing to do with this. Laws pertaining to the Bureau of the Census relate to personal confidentiality. That is required by the Bureau of the Census within the United States. My amendment runs only to the export information relating to energy. It does not include other items not related to energy and data within the Bureau of the Census.

Mr. McCLURE. I appreciate the answer of the Senator from Washington, because I am certain that it is not his intention to repeal earlier statutes relating to confidentiality of information. I am not certain that the language of the amendment makes that clear. I hope that the language relating to the proposed law will protect the confidentiality which is so essential to privacy and the right to privacy of all our citizens.

Mr. JACKSON. I assure the Senator from Idaho that the amendment is restricted to the export area, and I emphasize that it applies only to energy products. It does not include the Bureau of the Census or anything other than what I have referred to in my statement.

Mr. McCLURE. So anyone looking at the language or interpreting it later must do so in the light of the Senator's explanation.

Mr. JACKSON. When the legislative record we have made here is read, the intent is made clear. The area to be covered is a narrow one. It deals specifically with such energy items as coal, crude oil, residual oil, or any refined petroleum product.

Mr. McCLURE. I thank the Senator for his interpretation, because I think it could be terribly important in an interpretation of the language at a later point.

Mr. HANSEN. Mr. President, will the distinguished Senator from Washington yield for a question?

Mr. JACKSON. I yield.

Mr. HANSEN. I can fully appreciate the inflammatory nature of an action that would withhold information in an area as important as this one. I share the Senator's concern in trying to take all such steps as will make public whatever information can be made public, subject, of course, to the caveat of which he spoke, that would be involved by the President if national security were an issue.

I would hope that we would not make a practice of bypassing the appropriate committees on the Senate side. It would seem to me that it might be indicated, not to refer the bill to the Committee on the Judiciary, but I would hope we might get an expression from the chairman of that committee as to the implications he might see in the amendment, in the hope we could consider the meaning of the language.

Mr. JACKSON. May I say the administration itself was flabbergasted to realize that other agencies within the executive branch cannot even get the data. We are to blame. Congress passed this law.

Mr. HANSEN. It is an old law, I understand.

Mr. JACKSON. It is in the law.

Mr. HANSEN. I say, it is an old law. Is that right?

Mr. JACKSON. Yes; one that has not been passed recently, but may I say this amendment, of course, is being offered because of the situation we ran into in the Permanent Investigations Subcommittee, which is a subcommittee of the Committee on Government Operations. I think this is an appropriate place for it. I know of no opposition on the part of the administration. I cannot conceive of anyone here objecting to it. It is a case where firms have sent petroleum products out of the United States, in this period of hardship, when we are asking all Americans to undertake added burdens. It seems to me we have a duty to act immediately to collect necessary information and I know of no opposition to this amendment.

Mr. HANSEN. Mr. President, if the chairman will yield, I will just make this one additional point of information. It is my understanding, and I would defer to my good friend from Connecticut for verification, that normally legislation dealing with international trade would be subject to purview by the Finance Committee. Am I correct?

Mr. RIBICOFF. I do not believe it is international trade. My feeling is that this would be under the jurisdiction of the Banking, Housing and Urban Affairs Committee.

Mr. HANSEN. I see.

Mr. RIBICOFF. But I do believe that the point raised by the distinguished Senator from Washington is proper at this time. We are dealing with the basic energy problem. The Permanent Investigations Subcommittee of the Committee on Government Operations is investigating the question of energy. At a time of shortages, we are trying to remedy a situation of a substantial amount of exports going out of this country in many mysterious ways, and of petrochemicals and oil going out in order to encourage a black market to bring higher prices by this circuitous trip, and depriving the American people of a necessary supply of petrochemicals and petroleum-related products.

Mr. HANSEN. Perhaps I misunderstood the Senator from Washington, but I thought the information he had prompted him to make the allegation that an American company, or at least a company based in this country——

Mr. JACKSON. Oh, it is an American company.

Mr. HANSEN. Exported the oil and, having laundered it abroad, brought it back in, at a profit. So I do not think he was making the point of a diminution of supply but, rather, that the American public was being gouged by this procedure.

Mr. JACKSON. That is correct.

Mr. HANSEN. I would say this——

Mr. JACKSON. We had to send a man all the way down to Texas to get the information in one case. We can always get it. But why should we not be able to get it right here? I think it is outrageous that this information would be treated as confidential and withheld.

Mr. HANSEN. I do not disagree with that at all, but I would hope we would keep a few things in perspective.

Number one, insofar as the Senator from Washington is concerned, he has not made an allegation that by virtue of this example there has been any diminution in supply. At least I understood him to say there had not been.

Secondly——

Mr. JACKSON. Not in this case, but I want to say to the Senator I want to look through those files and through the staff papers and find out who all is exporting abroad because they can get higher prices then if they send it back. We cannot even get those files.

What are we coming to in this country if the Congress of the United States cannot get the files? And may I say the other agencies of Government cannot get the files on exports, including Mr. Simon.

Mr. HANSEN. I do not disagree with the Senator from Washington——

Mr. JACKSON. What is the problem?

Mr. HANSEN. I am saying that there is some danger——

Mr. JACKSON. What danger? What is the danger?

Mr. HANSEN. I will be happy to say what it is if the Senator will bear with me just one moment.

Mr. JACKSON. All right.

Mr. HANSEN. I think there is some danger in coming to this body with an issue that is as inflammatory as energy is and saying we have to do something right now, because it may be that tomorrow we would have some other proposal.

My only concern is that we do not, in our haste and our enthusiasm to see to our vital needs, bypass the normal techniques that time has proven to be extremely valuable.

The PRESIDING OFFICER. The 15 minutes of the Senator have expired.

Mr. PERCY. Mr. President, may I be recognized?

The PRESIDING OFFICER. The Senator from Illinois.

Mr. PERCY. Mr. President, I should like to respond to our distinguished colleague from Wyoming. I think the concern that has been expressed is a very real one. I think there is basic merit to our regular procedures, but I am a cosponsor of this amendment and I share the frustration of the distinguished Senator from Washington in not being able to get the information——

Mr. JACKSON. Our staffs have been working on this.

Mr. PERCY. Yes.

Mr. JACKSON. The Senator from Illinois can corroborate what I have said.

Mr. PERCY. First of all, we may be able to answer a few questions by talking about trade secrets.

As I understand it, this amendment will in no way void or alter any existing law that protects industry trade secrets. Is that correct?

Mr. JACKSON. That is right. It applies only to disclosure of the information regarding the exports of the petroleum items that I have referred to—basically, coal, fuel oil, residual oil, or any refined petroleum product.

Mr. PERCY. Secondly, because it is an amendment on the FEAA bill and the authority of that bill expires on June 30, 1975, this authority, therefore, would expire on that date. So this is a temporary extension of authority, during which period we can see whether it has merit or not. Is that correct?

Mr. JACKSON. That is correct.

Mr. PERCY. May I ask a final question of the Senator? The Senator from Illinois is not familiar with whether export licenses are required for coal today. Are they necessary for coal and is that information readily determinable for coal just as it is for petroleum products?

Mr. JACKSON. It is my understanding that export licenses are required for coal.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HANSEN. Did not the Senator earlier make the statement that in order to export anything one had to have an export license?

Mr. JACKSON. I think that is true in general.

Mr. HANSEN. Was that the Senator's statement?

Mr. JACKSON. Yes, that was my statement. I may have to modify it, because there may be some exceptions.

Mr. HANSEN. I often have to modify my statements.

Mr. JACKSON. I want to find out whether the Senator is for my amendment.

Mr. HANSEN. Yes, I am for it.

Mr. JACKSON. Mr. President, I yield to the Senator from Maine.

Mr. MUSKIE. Mr. President, I do not want to get into detailed discussion on the amendment, because it has been adequately done.

I support the amendment. I do so in the context of our need to get more information. My Governor complains constantly that he finds it is impossible to get basic information as to the availability of oil, without which he cannot tell constituents what they must plan on and what programs they are to support.

I am constantly asked those questions, and I ask unanimous consent to include them in the Record at this point.

There being no objection, the questions were ordered to be printed in the Record, as follows:

Questions for the Administration From Governor Curtis of Maine

1. What information does the Federal Government now have regarding the following:

A. Product inventories held domestically by all major oil companies.

B. Crude inventories held domestically by all major oil companies.

C. The volumes of untapped crude reserve in the United States.

D. Foreign product holdings of domestically owned international oil companies.

E. Foreign crude holdings.

2. If this information is available, on what basis are companies now allocating products at certain percentage levels? May we assume that each company calculated its December allocation so as to leave enough in reserve to maintain that allocation fraction throughout the season? If it is not, what does the Administration intend to do to accumulate such data?

3. To what extent will import dependent regions of the country be more adversely affected by shortages than those portions which have been traditionally supported with domestic products? How has this been determined and what steps are planned to make sure this burden is spread evenly across the country? By what criteria were these measures priced?

4. In attempting to encourage domestic oil refiners to produce more middle distillates than gasoline, was any consideration given to direct subsidies from the Federal Government in lieu of presently contemplated compensation through price adjustments.

5. Will the procedures outlined in the proposed modifications of the middle distillate program be adopted as a model for residual oil and gasoline allocations?

6. Prior to suggesting the creation of Local Boards for the implementation of the middle distillate program, did the Administration make any effort to determine the ability of State and local governments to undertake

> such an effort in terms of financing and personnel? If so (or if not) on what bases was it determined that this delegation of responsibility was a reasonable manner in which to effectuate an allocation program?
>
> Did the Administration intend that Federal financial support would be available in this effort as is suggested in the Energy Emergency Act now before the House? If so, has any budget estimate been prepared?
>
> 7. Why has the decision regarding gasoline rationing been so long forestalled? Is it the case that each State governor has in his vault gasoline rationing plates which could be immediately used to print coupons on decentralized bases?
>
> 8. In devising priorities for the allocation of scarce fuels, what consideration was given to peculiar conditions existing in various states, particularly those where home heating is major consuming sector in various product lines (in Maine, for example, 80% of the kerosene is used to heat homes and an allocation to priority users as proposed would certainly mean some homes would not receive enough oil to remain habitable. Incidentally, those homes using kerosene are trailer homes usually occupied by the people least equipped financially to cope with this problem).

Mr. MUSKIE. Mr. President, this is a list of questions the Governor might find helpful in getting answers to in undertaking to discharge his responsibilities not only under the State programs he has initiated but under the Federal programs. Without information, this program will not work.

When I get back to my State one question I get from my constituents is: "Senator, is this shortage real or is it contrived?" I would like to get information in order to respond.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. JACKSON. Would the Senator agree there has really been a tremendous controversy in this country in the last few weeks particularly brought about by the allegation of the export of petroleum products at a time when this country is in short supply?

Would the Senator agree that it is important that Congress be able to investigate these exports, and that the only way in which we can really find out is first to check with the Department of Commerce and get a record of all exports in this area. And we cannot get it now.

Mr. MUSKIE. The story that triggered it all was a story about a month ago that reported that the exports had increased this year by 240 percent.

Everywhere that I went, in Maine and elsewhere in the country, I was asked, "Why are we exporting so much oil when we need it at home?" That may be justified, but we do not know that.

Mr. JACKSON. But how can we determine the merits and demerits of it if the Congress is prohibited from getting the basic information by an act of Congress? This does not make any sense. This is what I am trying to do here.

Mr. MUSKIE. Mr. President, I compliment the Senator from Washington on his amendment, and I support his amendment.

I hope that the Senate not only passes the legislation sponsored by the Senator from Washington and other Senators, but also secures an energy response on this appeal for information.

Mr. BARTLETT. Mr. President, will the Senator yield me 2 minutes?

Mr. RIBICOFF. Mr. President, I yield 2 minutes to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I thank the Senator from Connecticut for yielding to me. Would the distinguished Senator from Washington yield for a question?

I am in 100 percent agreement on what the Senator is saying. I do not see that this amendment requires a collection of any information. It authorizes a file. However, it does not require those exporters of petroleum products, coal, crude oil, and so forth, to provide the Secretary of Commerce with this information to go in the file.

Mr. JACKSON. Mr. President, I point out to my good friend, the Senator from Oklahoma, that the law requires companies that are exporting petroleum products to get an export license, and they have to submit all of the basic information in the application and license.

That is what we want. We cannot get any information.

Mr. BARTLETT. This pertains to a file. It does not pertain to the file.

Mr. JACKSON. Mr. President, let me read the amendment. It reads as follows:

> Notwithstanding any other provision of law, the Secretary of Commerce is authorized and directed to establish and maintain a file which shall contain information concerning every transaction, sale, exchange or shipment involving the export from the United States to a foreign nation of coal, crude oil, residual oil or any refined petroleum product. Information to be included in the file shall be current and shall include, but shall not be limited to, the name of the exporter (including the name or names of the holders of any beneficial interests), the volume and type of product involved in the export transaction, the manner of shipment and identification of the vesel or carrier, the destination, the name of the purchaser if a sale, exchange or other transaction is involved, and a statement of reasons justifying the export.

I think that we have included everything that we need to have.

Mr. McCLURE. Mr. President, would the Senator yield to me?

Mr. PERCY. Mr. President, I would be happy to yield to the Senator.

Mr. McCLURE. Mr. President, I thank the Senator for yielding.

I think that there has been some implication here and in the press with the published statements of various people that ought to be put in proper context with respect to this amendment.

Certainly everyone in our country is entitled to know that the laws and the intent of the laws are being complied with. They need to know that everyone in this country is interested in this problem today and that we are all going to work together to get around the problem.

It is not a matter of whether truckers want preference or whether the airline pilots threaten to strike, because they feel that they have been dealt with unfairly.

We cannot expect that any business should profiteer from this situation at the present time. However, we cannot fall victim to the very easy charges that have been made that somehow we are losing large amounts of energy supplies through exports. Any kind of a careful analysis of the exports that have taken place will indicate a very valid reason for some of the exports. Some of the exports are waxes and things which are in surplus in our country and we are finding markets for them.

We have exchanges that take place across the border with Canada and Mexico that are necessary to benefit us in the net balances on the exchange of products.

We have light distillate oils exported so that they can be mixed with heavier surphur fuels and can be imported and burned in this country. It is a net addition to our energy supply. In our ardor to adopt the amendment, I do not think that we should go farther than the necessity of the situation dictates and imply that every one of these exports that have been made are evil exports.

I do not charge anyone with having done that. However, some people read the statements or hear the discussions in the Senate and will assume that all of the charges are true. The truth of the matter is that there are some small amounts of energy supplies perhaps being exported in violation of the spirit of the time that we have a right to know about.

I support the spirit of this amendment. However, I think it is very loosely drawn. I think it is dangerous in its implications. This does not say that the Secretary of Commerce will get information. It just says that he shall maintain a file.

I would assume from that that some people might assume that the Secretary of Commerce is required by the language of this amendment to use any information he has in the Department of Commerce, including the Bureau of the Census, to maintain the file in compliance with this amendment.

I am grateful that the Senator from Washington has indicated that that is not the purpose of the amendment. I do think there is danger in its language, the danger of a violation of the very careful protections that have been written into dozens of statutes in the past, but which might be swept away in our enthusiasm to try to plug a very minor, but unacceptable, loophole.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, would the Senator yield to me?

Mr. PERCY. Mr. President, I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I see that my good friend, the Senator from Washington, is on the floor. I would like to ask a few questions at this time in order to get the record straight.

I think the intent of the amendment is good. I think that all of us who are faced with the questions of constituents as we go home when they ask, "Is this for real, or is it staged and put on by the oil companies or somebody else," would benefit greatly if we had some places to get the information. For the life of me I cannot get two answers in a row that agree.

At this point in our legislation when we have spent quite a bit of time on the energy situation, it is difficult for me to remember anything we have done that would produce more energy. I know that we have done some things.

I would like to ask the Senator from Washington, who is a leader in this matter to enumerate, if he would, some of the positive steps we have taken that might result in more energy, and not in just more regulations.

For example, in my State of Arizona, we produce 52 percent of the copper produced in this country. And we use natural gas for smelting purposes. Have we deregulated the price of new natural gas, for example?

Mr. JACKSON. Mr. President, I must say to the distinguished Senator from Arizona that in the Committee on Interior and Insular Affairs we are in the process of completing a report in which we will make recommendations to the Commerce Committee on the piping of natural gas.

I am opposed to the existing regulation of natural gas. We are in favor of a system by which we can bring about necessary price adjustments that will more clearly reflect the market price of natural gas, I believe, with relation to competing fuel. That is my position. Yet, we make a mess of it. It has resulted in a situation in which natural gas is being improperly used today.

Over half of the gas is being burned under boilers to support utility operations and large industrial users, to the exclusion of other areas of our economy.

Mr. GOLDWATER. I thank the Senator for that. Now, what I am trying to do here——

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. GOLDWATER. Can the Senator yield some time on the bill?

Mr. JACKSON. Mr. President, I ask unanimous consent that the Senator from Arizona may proceed for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. GOLDWATER. One minute is not going to do me any good.

Mr. JACKSON. I will be glad to come back later, but I am right in the middle of a conference on energy.

Mr. HANSEN. They stopped for lunch.

Mr. JACKSON. They stopped for lunch? Why?

Mr. HANSEN. They are hungry. [Laughter.]

Mr. JACKSON. Go ahead. I ask unanimous consent that the Senator from Arizona may proceed for 1 minute. I wish the Senator from Wyoming had not brought that up.

Mr. GOLDWATER. If I can only proceed for 1 minute——

Mr. JACKSON. Two minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GOLDWATER. For any Member of the Senate to spend 2 minutes on gas is insufficient.

Mr. JACKSON. Well, we will not run out of gas. Go ahead.

Mr. GOLDWATER. I will just ask these questions, and if the Senator can supply the answers, he may do so later. I am going home in a few days, and I want to have some answers.

What have we done in this body to find new oil and gas? Have we liberalized leasing policies on all Government-controlled lands, including the Outer Continental Shelf, the Santa Barbara Channel, and the Gulf of Mexico?

The Senator can read these questions and put the answers in the Record, inasmuch as I only have a few minutes.

Mr. JACKSON. I hope I have a good staff around here.

Mr. GOLDWATER. The Senator can read it in the Record.

How much have we modified environmental stipulations that impede exploration, production, transportation, and refining?

What priorities have we established favoring petroleum producers and drillers in the allocation of equipment and fuel?

And my final question: Have we actually made it attractive for people interested in drilling and exploring to go out and do it again?

Those are the questions I would like to have answered. I do not want to have to go home and say, "Yes, we have been busy for a month on energy, and we have passed a lot of rules and regulations, but I do not see any more gas and oil coming."

Mr. JACKSON. May I say, Mr. President, that I will have the information supplied for the Record, and I will give the Senator personally additional information on what we have done at this Congress to meet the energy crisis.

I would say to him that the most significant development has been the approval of the trans-Alaska pipeline legislation. We are doing a lot of other things, but I would make that particular observation at this time.

Mr. GOLDWATER. That is 3½ years away.

The PRESIDING OFFICER. The additional 2 minutes have expired.

Mr. JACKSON. Mr. President, earlier today the junior Senator from Arizona asked a number of questions concerning congressional action on a number of energy policy issues related to increasing energy supply. I would like at this time to respond to the Senator's questions.

First. The first question relates to leasing policy on the Outer Continental Shelf.

In connection with the Senate's adoption of S. 2589, the National Energy Emergency Act of 1973, the Senate did adopt provisions which directed the President to accelerate the leasing of public lands for oil and gas purposes, including lands on the Outer Continental Shelf.

Second. The second question relates to modifications that have been made in environmental laws governing exploration, production, transportation, and refining.

S. 2589 also has provisions providing for a variance procedure to the provisions of the Clean Air Act. These variances may be granted to permit the burning of high sulphur oil during the energy emergency and requiring the conversion of stationary electric power plant from oil to coal. In addition, S. 2589 permits waivers pursuant to specific guidelines to the provisions of the National Environmental Policy Act, which require the advance preparation of an environmental impact statement. These waiver provisions apply only to emergency actions.

Third. The third question raised by the Senator from Arizona concerns what priority has been given under the Petroleum Allocation Act to persons engaged in the production, transportation, and distribution of energy.

The Senate bill, S. 2589, granted both a priority for fuel allocation and, subject to certain guidelines, a priority allocation for other essential material products and equipment needed for the production, transportation, and distribution of energy.

Fourth. The fourth question is whether the Congress has made it attractive for persons interested in oil and gas drilling and exploration to accelerate their activities.

S. 2589 did not have a specific provision which could be cited in response to the Senator's question. The bill does, however, mandate a number of studies by the Department of the Treasury and the Cost of Living Council to determine how adjustments in the Cost of Living Council guidelines could be designed to encourage increased investment in oil and gas exploration and, therefore, elicit new supplies.

Mr. President, all four of the provisions to which I have referred were tentatively agreed to yesterday and earlier today by the members of the conference committee meeting on S. 2589, the Senate-passed bill, and the amendment of the House to S. 2589. It is my hope that this conference committee will conclude action on the conference report sometime later today and permit final action by both Houses of the Congress before Friday of this week.

Finally, Mr. President, in response to the fourth question of the Senator from Arizona, I should note that the conferees today adopted a provision to prohibit windfall profits in the energy industry. One feature of this provision is to require that the energy industries plow back or reinvest any excess profits in increased production of oil and gas and other forms of energy. This provision will, I am sure, at a time of record-high profits, result in increased investment in and development of new domestic sources of energy.

Mr. CANNON. Mr. President, will the Senator yield me 1 minute on the bill?

The PRESIDING OFFICER. He may do so only by unanimous consent.

Mr. CANNON. I ask unanimous consent that I be permitted to proceed.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. I ask unanimous consent that the pending business be put aside for 1 minute, to dispose of two noncontroversial matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills and joint resolution in which it requests the concurrence of the Senate:

H.R. 2634. An act for the relief of Kevin Patrick Saunders;

H.R. 7730. An act to authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip;

H.R. 10044. An act to increase the amount authorized to be expended to provide facilities along the border for the enforcement of the customs and immigration laws;

H.R. 11763. An act to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal, and for other purposes;

H.R. 11273. An act to provide for the regulation of the movement in foreign commerce of noxious weeds and potential carriers thereof; and

H.J. Res. 858. A joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac.

The message also announced that the House had passed the following bills, each with an amendment in which it requests the concurrence of the Senate:

S. 2166. An act to authorize the disposal of opium from the national stockpile; and

S. 2316. An act to authorize the disposal of copper from the national stockpile and the supplemental stockpile.

The message further announced that the House had passed the following bill with amendments in which it requests the concurrence of the Senate:

S. 2812. An act to authorize a formula for the allocation of funds authorized for fiscal year 1975 for sewage treatment construction grants, and for other purposes.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H.R. 2634. An act for the relief of Kevin Patrick Saunders; to the Committee on the Judiciary.

H.R. 7730. An act to authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip; to the Committee on Interior and Insular Affairs.

H.R. 10044. An act to increase the amount authorized to be expended to provide facilities along the border for the enforcement of the customs and immigration laws; and

H.R. 11763. An act to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal, and for other purposes; to the Committee on Public Works.

H.R. 11273. An act to provide for the regulation of the movement in foreign commerce of noxious weeds and potential carriers thereof; to the Committee on Agriculture and Forestry.

H.J. Res. 858. A joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac; to the Committee on Rules and Administration.

DISPOSAL OF OPIUM FROM NATIONAL STOCKPILE—MESSAGE FROM THE HOUSE

Mr. CANNON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2166.

The PRESIDING OFFICER (Mr. JOHNSTON) laid before the Senate the amendment of the House of Representatives to the bill (S. 2166) to authorize the disposal of opium from the national stockpile, which was on page 1, line 5, strike out "one hundred and forty-one thousand six hundred," and insert: "sixty-five thousand seven hundred".

Mr. CANNON. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

DISPOSAL OF COPPER FROM THE NATIONAL STOCKPILE—MESSAGE FROM THE HOUSE

Mr. CANNON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2316.

The PRESIDING OFFICER (Mr. JOHNSTON) laid before the Senate the amendment of the House of Representatives to the bill (S. 2316) to authorize the disposal of copper from the national stockpile and the supplemental stockpile, which was on page 1, line 5, strike out "fifty," and insert: "fifty-one".

Mr. CANNON. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate continued with the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

The PRESIDING OFFICER (Mr. JOHNSTON). The question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from Massachusetts (Mr. BROOKE) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Arizona (Mr. FANNIN), the Senator from Maryland (Mr. MATHIAS), the Senator from Ohio (Mr. SAXBE), and the Senator from Alaska (Mr. STEVENS) are detained on official business.

The result was announced—yeas 85, nays 3, as follows:

[No. 599 Leg.]

YEAS—85

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fong
Fulbright
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—3

Goldwater
Taft
Tower

NOT VOTING—12

Bennett
Brooke
Church
Cotton
Eastland
Fannin
Gravel
Hollings
Mathias
Saxbe
Stennis
Stevens

So Mr. JACKSON's amendment was agreed to.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONDALE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending question is the amendment by the Senator from Minnesota.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 10 minutes, the time to be divided between the ranking Republican member of the committee, the Senator from Illinois (Mr. PERCY), and the sponsor of the amendment, the Senator from Minnesota (Mr. MONDALE).

Mr. LONG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LONG. I do not want to agree to a time limitation on the amendment.

Mr. MANSFIELD. I withdraw my request.

The PRESIDING OFFICER. The request is withdrawn.

Mr. MONDALE. Mr. President, I do not plan to use much time—no more than 5 minutes.

May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MONDALE. Mr. President, over the next 18 months no problem confronting this Nation will be of more importance than the fight against inflation. No problem hits more directly at the average working family, and has more to do with determining the ability of working families to live decent, productive lives.

And within the inflation problem, no area is of more concern than the astronomical rises which have already occurred and may soon accelerate in the prices of oil and oil products. Oil to heat our homes and gasoline to run our cars are vital, essential commodities. They are basic to our society. Now, we will all have to conserve these valuable resources. But we should not be forced to conserve simply through "rationing by price," a strategy which the administration seems eager to adopt.

The amendment which I have offered will tell this administration that we do not want rationing by price. For I believe that the Congress—and the American people—will not stand for a pricing system which places the entire burden of sacrifice on the American consumer, at a time when oil company profits are up 47 percent so far this year.

Already, prices of fuel are rising sharply. In November, fuel prices rose by 19.3 percent, for a 232 percent adjusted annual rate. And many of the leading economic spokesmen for this administration have told us that we had better get used to these types of increases, since they are the only way to limit demand.

The amendment which I have offered rejects this thesis. It offers the beleaguered American consumer some hope that fuel price rises over the next 18 months will be kept within moderate bounds. In some instances, prices may have to go up, and my amendment allows exceptions to the general cost passthrough rule for the specific purpose of encouraging increased investment in domestic exploration and production.

Its basic thrust, however, is to set congressional standards for the new Administrator of the Federal Energy Administration, Mr. William Simon. It is a flexible approach, but one which seeks to restrain the Administrator by building in a variety of checks on his discretion. The General Accounting Office, under my amendment, will undertake a continuous monitoring of the Administrator's fuel pricing decisions. If he departs from the standards in the amendment, a public hearing with adequate notice must be held, and he must publicly justify in writing his reasoning for the exceptions.

We are not trying to tie the hands of the Administrator, but rather to give him standards within which to work, and to force him to justify—to the GAO, to the Congress, and to the American public—any departures from these standards.

I believe that the amendment which I have offered is vital over the months ahead. Without it, we may well witness the most blatant gouging of the American consumer in our history. And at a time of record oil company profits and sharply higher prices, we simply cannot allow this to happen. The amendment under consideration would go a long way toward moderating price increases for oil and gasoline, and would thereby aid tens of millions of Americans whose budgets are already under siege.

Mr. PERCY. Is it the intention of the Senator from Minnesota to state the congressional intent that, in general, cost passthroughs are permissible and that, in general, price increases above cost can be justified if specifically necessary to increase supply? Is this the main thrust and intention of the amendment of the distinguished Senator from Minnesota?

Mr. MONDALE. That is the purpose of this amendment—to direct that price increases for crude oil may not exceed a passthrough of cost actually incurred, except where price increases in excess of that, in the opinion of the Administrator, would effectively encourage increased domestic exploration and production of oil. In other words, where, in his judgment, it is necessary to have price increases in excess of cost passthroughs for the purpose of domestic expansion, he may do so, provided that the reasoning for this is explained in detail.

Mr. PERCY. It would be in his sole discretion, and he could make the decision based on the facts.

I thank the Senator from Minnesota. On that basis, I support the amendment.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. LONG. With regard to wells that are already producing oil—not new oil; I am talking about the wells we have now—would this permit the price of the oil to go up, or would it say that it could not go up?

Mr. MONDALE. The costs with respect to an existing well could pass through. In addition, if that well increased production, prices could be increased to include cost increases plus what the Administrator determined to be necessary to encourage the expanded production on an existing well.

Mr. LONG. Specifically, if a well is producing 20 barrels of oil a day and the well continues to produce 20 barrels of oil a day, is the price to be permitted to increase, or is the price to be frozen where it is, under the Senator's amendment?

Mr. MONDALE. If the Administrator finds that price increases in addition to just cost passthroughs are necessary in this well to increase investment in domestic exploration and production—in this case, production in that well—he could.

Mr. LONG. In that well.

Mr. MONDALE. Yes. The trigger would be the likelihood of increased investment to increase production in that well.

Mr. LONG. Suppose they should find it necessary, as I suppose the case to be generally throughout this country, that a producer needs a price increase in order to find the money to go out and drill more wells. Is that in the language?

Mr. MONDALE. He could increase prospectively the price of the new supply that would be brought about through the increased investment, and could increase the price on that prospective production more than by just a passthrough of costs, including increased profits he thought essential to bring forth increased production.

Mr. LONG. I am talking about the production that can be anticipated from the existing well. Under the Senator's amendment will the producer be entitled to a price increase on the oil one could expect to produce from that well in order that he might have enough profits to drill additional wells?

Mr. MONDALE. If he has to sink new money in that well in order to increase production, the Administrator is permitted with respect to that well to increase the price on the increased production in excess of cost in order to encourage increased production. And he retains additional flexibility under subsection (f)—subject to the procedures in that section for public input—to order additional incentives.

Mr. LONG. As I understand the Senator, he is saying if it is necessary to increase production from well A, there could be an increase in the price of a production in order to rework well A. Suppose he wants to drill well B. Under the Senator's amendment would be permitted to have a price increase in well A to go on and drill oil well B?

Mr. MONDALE. The amendment is generally limited to increasing the price of new supply, subject to the provisions of subsection (f). In other words, if a well is producing 20 barrels a day and you do not intend to increase the production in that well, the price of the oil produced in that well could not be increased by more than actual cost passthroughs. If you increase the production of that well from, say, 20 to 30 barrels a day, the Administrator could authorize a price on that new production which was greater than simply a cost passthrough for the purpose of encouraging expanded production.

If you drill an additional well, new Well B, he could authorize an increase in the price of the new production out of well B which is greater than he would be permitted in theory, on well A, in order to encourage expanded production.

Mr. LONG. That is what I wanted to know.

Mr. President, in my opinion, this is an amendment to continue the shortage of oil that we have, because anyone who has studied this industry from the point of view of those who do not want to nationalize and those who believe that free enterprise can do the job if permitted to operate, will pretty much agree with what the Chase Manhattan Bank has to say about the subject. Basically it goes like this:

> In order to provide the free world with its requirements of energy between now and 1985 will require about an investment of $1.350 trillion. That is a great deal of money—$1.350 trillion of investment.

Now, it is my impression that the part which they believe would be invested in this country to provide our requirements would be about $500 billion. That is an enormous amount of money. It exceeds our national debt. That is the amount of money that would be needed between now and 1985 in this country.

Furthermore, as I understand it, and from a banker's point of view, the banks are willing to lend their share of money to do that job, and other lenders, insurance companies and others are willing to lend their share, on the condition the industry is sufficiently profitable that it would be a good loan. But no banker or lender worthy of the name is going to make a bad loan. They are not going to loan money to drill wells if the oil industry is not making enough money to pay off the loan.

I understand they would expect to loan about one-half of the money, or about $250 billion for wells in this country provided the industry had the prospect of earning the other $250 billion in profits.

Based on the performance of this industry up to this point, it is the estimate of those who have studied it that the industry is only making one-half of the profits after taxes that this industry would have to make in order to put up its $250 billion, which, in turn, would justify the lenders putting up the other $250 billion to provide our requirements of fuel in this country.

Where is the industry going to make the money to earn the profits to drill the new wells, from the point of view of the industry? That money would have to come out of existing production of oil and gas.

The Federal Power Commission has the kind of power the Senator provides in his amendment, and they are now at long last advocating a deregulation of gas. They finally have come to realize that when you hold gas far below what it is worth in a competitive market, you are not going to get the gas production needed. So they recommend, if you take them away from utility-type pricing for that gas, producers can compete with petroleum and coal for the market and increase the supply of gas.

The Senator from Minnesota wants to put the industry under the same type regulation that the people doing it now, the Federal Power Commission, would recommend we get away from. You limit the price you get for the oil and thereby deny the industry the opportunity to earn the profits to drill new wells.

I have heard a lot of talk about the profits that have been made by the oil and gas industry. There may be a lot of profits on oil produced in Saudi Arabia. I am sure there are. The last figures I saw it cost them 13 cents a barrel to produce oil over there in Saudi Arabia. They will drill a well over there and get a thousand barrels a day—and 10,000 barrels a day is not unusual. If we get 100 barrels, or 1 percent of what they would get over there we think we have a great well in the United States. So the big profits on oil have been in foreign oil.

The studies have indicated that for the last 20 years in the production of oil and gas in this country, and this is after taxes, taking the depletion and everything else, in the profits of producing oil domestically in this country are far below the average of all manufacturing industries. That is the reason that last year only half as many wells were drilled as 20 years ago.

The year before that, we had about half the number of wells drilled as we had 20 years ago. So it was the year before that. It just was not sufficiently profitable.

Mr. President, if we are going to have self-sufficiency here, we are going to have to drill just a great many more oil and gas wells. It is true that additional production of fuel can be found from coal. We can find some in oil shale. We can find some in geothermal energy, but those people who have studied the industry and the problems as they exist now in the energy field all seem to agree that in the short run, between now and 1985, the overwhelming increase in the production of fuel will necessarily have to be in oil and in gas.

So here is an amendment to say that they cannot make the money that it would take to drill these tens of thousands of new wells. This would mean they cannot make enough profits to justify the lending of money by bankers and others who would advance them the money to drill.

It is an amendment, in effect, which limits unreasonably the ability of the industry to meet the needs of the people and, in the long run, it is saying that the industry should be nationalized.

Although the Senator has not suggested that in his speech, more and more Members of this body are suggesting, in the cloakrooms and other places around the Senate, that we are certainly going to have to nationalize the oil and gas industry. Mr. President, wherever that has been tried, it has been a dismal flop, but when you fix the industry in such shape that it cannot make enough profits to justify drilling the wells or make enough profits to justify banks and other lenders lending the money in order to drill, you are setting the stage for a nationalized industry.

Here is an industry that can compete with anybody in the North Sea, in Saudi Arabia, compete with anybody on earth, and pay great taxes, which some are suggesting be liquidated by unwise administration and unwise laws, even though we have the agency administering the industry, the Federal Power Commission, saying it makes no sense and we should stop it. Now we have a proposal to extend to oil, which is in short supply, the same kind of approach, and put them under the same kind of regulation where they cannot make profits that are necessary in order to drill more wells or to borrow money to do it.

It would be a very foolish thing to do.

The sponsor of this amendment is not on the committee which recommended the bill, although some of the cosponsors of the amendment are. Here is a proposal that was not recommended by the committee. It just came out of the blue, and I might say, somewhat like that tax amendment that was not looked at by any committee that had anything to do with taxes, on which there were no hearings.

I do not know how much oil is produced in Minnesota—I am sure it is very little—but I am sure the Senator is not familiar with this problem except as he goes to the gas pump and pays higher prices for gasoline, as we all do.

But the public is going to realize that it is better to pay more for energy than not be able to get it. It is going to realize that it is better to pay more for fuel than not be able to get it.

In New England they are finding it necessary to pay more to get fuel oil that is being derived from the foreign market, because the prices of foreign oil being imported into this country are not subject to controls, and oil sells far above prices that domestic producers are permitted to charge. They are paying the higher price because they know it is better to pay the higher prices than to do without.

In my judgment, to agree to this amendment or anything of that sort would be folly.

If there are going to be some kind of price controls on the oil industry—and they are limited in the price they can charge at the pump as well as in the price of crude oil to about $4.50 per barrel—that limitation should be put on by someone who knows something about the oil and gas industry, somebody who has studied its problems.

What credentials do these gentlemen have? Mr. MONDALE, Mr. MUSKIE, Mr. PASTORE, Mr. STAFFORD, Mr. KENNEDY, Mr. MCINTYRE, Mr. HART, Mr. PROXMIRE, Mr. JAVITS. We produce in 64 parishes in Louisiana more oil than the States represented by those Senators put together. Even so, I would not feel that I have the credentials to make such a judgment without the benefit of extensive studies and hearings on the subject. No one in the entire Congress has that sort of expertise.

But be sure, beyond that, they know something about the oil industry.

Just the other day I read that the Senator from Illinois (Mr. STEVENSON) was being quoted by the Governor of Georgia—and Georgia does not produce any oil either—about the fact that there are 1,000 wells—imagine this: 1,000 wells—in the Gulf of Mexico not producing any oil. They are shut down. How horrible. The oil producers are in a conspiracy. That was on the Today program. They are in a conspiracy to create a shortage, so that they can charge more for oil. I am sure this statement was made innocently and with every good intention, but it did create a gross misconception of the facts.

Mr. President, there are 11,000 wells in the Gulf of Mexico—11,000, of which about 3,000 are gas wells. There are all kinds of problems in producing wells in the Gulf of Mexico. There are storms and almost any other kind of difficulty in producing oil.

The wells sand up; and when there is sand in the pipe, it is necessary to pull the pipe up and start over again. The paraffin must be cleaned. If they pull on the well, to try to meet the energy crisis, the structure below is filled to the top with an inexhaustible supply of salt water. So the salt water is sucked up and may even kill the well forever. If the producer is lucky and lets the well sit for a year or so, the oil may eventually displace the salt water.

So about 10 percent of the wells are shut down because water has displaced the oil, or because it is necessary to clean out the sand, or because paraffin is clogging the wells, or because storms have damaged the platforms, or for a thousand other reasons that somebody in the gas industry can understand. Unfortunately, the statement was made by the Senator from Illinois (Mr. STEVENSON), who had not been informed of the varied reasons why wells are occasionally closed down.

The case is similar to that of a man who owns a thousand trucks, a hundred of them being in the shop for repairs. So it was suggested by the Senator that those thousand wells are deliberately being kept shut down, while we are trying to make progress in the gas supply situation. Nothing could be further from the truth.

The Governor of Georgia—God bless him—in complete sincerity went on the "Today" program and said that a thousand wells are shut down in the Gulf of Mexico.

I ask that an information sheet from the American Petroleum Institute on the question of "Shut-in Production" in the gulf be printed in the RECORD in further explanation of the facts and figures in question. As I understand it, the figures used are primarily from a recent study conducted by the U.S. Geological Survey.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SHUT-IN PRODUCTION

1. Allegations have been made that the petroleum industry is restricting production of oil and gas by shutting-in wells on offshore leases, thereby contriving to create or intensify shortages. These assertions are unfounded; they divert attention from the true causes of the shortage; and they delay the formulation and implementation of effective energy policies. Here are the facts:

2. Some 11,000 wells in the Gulf of Mexico are producing oil and gas. Marine wells, most of which are located in the Gulf of Mexico, are now producing more than 17 percent of domestic crude oil and about 15 percent of the Nation's natural gas.

3. In a recent study, the U.S. Geological Survey refuted charges that producers are withholding gas from production in the Gulf of Mexico. According to the USGS report, in August 1973 there were 2,977 gas completions in the Gulf. Of this total, 2,034 were producing gas and 943 were shut-in.

4. The reasons for the shut-in gas completions, as listed by the USGS, are as follows:

Water problems	325
Temporarily abandoned	218
Sanded up	120
Low pressure	111
Mechanical difficulties	55
Suspended operations	45
Awaiting facilities	36
Platform maintenance or repair	33
Total	943

5. Some of the completions have been listed by the operators as shut-in since the 1950's. This is because an operator is not required to remove a well completion from the shut-in list unless it is to be abandoned permanently.

6. The USGS is charged with assuring that well completions capable of commercial production are in fact produced or requiring that the lease be relinquished. From the producer's standpoint, the large economic losses of failing to produce from commercially feasible wells rule out any gain from withholding of production.

Mr. LONG. I submit that this amendment ought to be studied. It ought to be the subject of hearings. People ought to have a chance to explain their point of view. I submit that no one who has the responsibility of recommending this would risk it.

This amendment is the work of a Senator who is, in good faith, concerned about the price of gasoline at the pump. But I submit that if Senators are worried about the supplier, they should not put something like this on the back of the gas and oil industry.

Mr. BURDICK. Mr. President, will the Senator from Minnesota yield?

Mr. MONDALE. I yield.

Mr. BURDICK. I was interested in the hypothetical question that the Senator from Louisiana put to the Senator from Minnesota. I would like to have the attention of the Senator from Minnesota. In that hypothetical question, the producer of well A, producing 20 barrels a day, could not increase the price of that oil. But if he drilled another well, then he could increase the price of that oil. Is that correct?

Mr. MONDALE. With respect to the hypothetical question, with respect to the 20-barrels-a-day well, there could be an increase, limited to the passthrough of costs. For new, additional production, the Administrator would be authorized to increase prices by greater than a cost passthrough—provided that such increases can be expected to increase the investment in new production. So in that sense, the new production would have a different status.

Mr. BURDICK. That is what I understood the Senator to say. Suppose that well B is a dry hole. Who pays for those costs?

Mr. LONG. Of course, the man who draws a dry hole is stuck with it. He is out his money. He does not get it. That is the size of it.

Mr. BURDICK. There still cannot be an increase in the price of oil in well A.

Mr. LONG. Not under this amendment.

Mr. MONDALE. Mr. President, the answer to that, if the Senator will yield, is that if the Administrator finds that in implementing these pricing policies, it is necessary to permit increases greater than we have discussed, he still may do it under subsection (f), provided he follows the procedures in that subsection for a public hearing and a public justification of his decision. There is flexibility for the Administrator, even in increasing the price on the oil in wells in existing production, provided the correct procedures are followed.

Mr. BURDICK. But there is no production in a dry well.

Mr. MONDALE. I do not know what to do with a dry well. I suppose that one could charge it off. I do not know how one would do it.

Mr. BURDICK. Mr. President, I believe that the Senator from Louisiana told me that he believes the ratio is about eight dry holes to one successful hole.

Mr. LONG. It is more than that. Actually, the last figures I heard indicate that if it is new oil the Senator is talking about, a wildcat well, the ratio of dry holes to successful wells is more than 8 to 1. However, there is a difference between finding an oil well and finding a well that will make one a lot of money. So, we have at least eight dry holes for every good one. When we get to where we will have to find a well in the future on the Continental Shelf in the Atlantic, the figures that I hear are that they estimate the odds to be about 30 to 1.

A well will cost $5 million perhaps to put down the platform and drill. Then the odds would be 30 to 1 that a man would not find enough oil to justify the cost of the platform and the drilling for the oil that is produced.

So, by the time they have put down the platform and done the drilling, the amount may be about $150 million on the average for a successful wildcat well. Of course, one can drill offsets once he finds a wildcat well. However, to find more oil now, one cannot find it.

Drilling just from the surface down to 5,000 feet, 25 years ago, when I came to the Senate, would often produce oil. At this time sufficient oil is not found in that manner.

If one drills 10,000 feet down, it costs 4 or 5 times the cost of drilling 5,000 down. If one hopes to find oil, he will often have to go down 15,000 or maybe 20,000 feet. That may cost today 10 times as much as the Senator's amendment would permit for a new well to make enough money to pay for the well.

Where will we find the money to pay for 9 out of 10 wells that are dry holes? We have a simple answer. We can do what has been done in Louisiana. Half of the producers in Louisiana have gone out of business.

Where can people get enough money to find an oil well that will make enough money to pay for what it produces?

The Senator has indicated that 9 out of 10 times there would be a dry hole, and even in that event only 1 out of 3 that would make a substantial amount of money. The other times they will be marginal wells.

Mr. BURDICK. Where will the money come from to pay for the dry wells?

Mr. LONG. It will come from hot air, just like in this Chamber. It will come out of the atmosphere. That is where the money would have to come from to drill the new wells. The Senator's amendment would not let it come out of the production. It costs four times as much money to drill for oil now than it used to cost. So without the money from the wells, I do not know where people will get the money. The banks are not going to lend the money to them because there is not enough production now to provide an adequate profit to justify the loan.

Anyone who knows the oil and gas business knows that a bank will not lend money for a well that one hopes to find. A man has to pledge the well that is producing in order to get the money to drill a well that one hopes to get some oil from. They will not lend money on a well that one hopes to find oil in.

If one wants to justify a loan for a new well, he will have to give up his oil well that is in production, and that is the one on which the Senator would not allow an increase in price.

Mr. BURDICK. Would it be fair to say that the Senator from Louisiana thinks that the Mondale amendment would impede the discovery of oil and the industry?

Mr. LONG. Yes. It would also nationalize all of the industry. But that matter would be self-serving, too.

Mr. BURDICK. Mr. President, I thank both Senators.

Mr. MONDALE. Mr. President, I have been utterly charmed by the argument of my friend, the Senator from Louisiana (Mr. LONG) who apparently describes an oil company as some kind of new version of the Salvation Army, an unselfish, self-effacing industry which is in an economic posture of short supply against a backdrop of an Arab boycott, which the economists tell them will permit them to double or more the price of oil products in this country.

So, all American consumers may soon be paying $1 a gallon for gasoline.

We are told the oil companies would never raise prices to the American consumers merely to increase their profits, because we are told they are a different kind of people who do not respond to the predicament in which this Nation now finds itself and about which virtually every economist has been warning.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. MONDALE. In just a moment.

Let us take a look at this industry and how it has done recently.

In the third quarter of 1973, Amerada-Hess limited itself to only a 295-percent increase in profits. That is all they wanted. They were willing to live with that.

Exxon limited itself to a measly 81-percent increase in profits, in the national interest.

Mr. Getty, who was having trouble paying for his three meals each day, limited himself to a measly 71 percent in profits. And on it goes down the line.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONDALE. I will yield later. Mr. President, for the third quarter the profits of the oil industry were greater than the combined profits of the following industries, all of them put together: Airlines, autos, beverages, containers, food, machine tool, steel, textile, tire, rubber, and trucks.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONDALE. I will yield when I am through. We are now told that things are different. We are now told that the only reason that oil companies are raising their profits, so that the economists are predicting $1 a gallon for gasoline, is so that they can generate money for production.

I think the American people have a right to protect themselves in this situation against exorbitant prices and unbelievable, astronomical, unpredicted profits.

That is what my amendment does. I would say to my good friend, the Senator from North Dakota (Mr. BURDICK), that if he reads the amendment very closely, it calls upon the Administrator to recognize the necessary and reasonable costs of exploration and development and permits, a passthrough of these costs.

We do not fail to recognize that exploration for oil is a costly and expensive business. We tell the Administrator that those costs are permitted to be passed through. They will show up in higher prices.

We say further that in the development of increased exploration and production, the Administrator is permitted to increase prices greater than a passthrough of costs in order to encourage this expanded production.

The other day one of the Nation's top economists, Dr. Arthur Okun, told me that if we take the advice of the oil industry and permit oil prices and oil product prices to rise to the extent that the free market would demand in this short supply-boycott situation, it could well increase the cost to the American consumer totally by $50 billion—let me repeat that: $50 billion—and that the average family's cost of living could rise by $20 to $25 a week.

That is what we are talking about. We are talking about the most fantastic increase in the cost of living that this country has ever seen.

We want to encourage new exploration. We are not asking for a rollback in profits. We are permitting price increases through a cost passthrough. We are even permitting profit increases where they will bring about new domestic exploration and production.

In my opinion, this is a very reasonable amendment. It permits wide latitude to the Administrator, but it says that we are not going to live with the Administration's philosophy of "rationing by price," because that is the policy of this Administration. Mr. Stein, the Chairman of the Council of Economic Advisers, the other day warned that fuel costs might rise by as much as 50 percent in the month ahead, and Mr. William Simon, who will be the Administrator of the Federal Energy Administration, has recently indicated his preference for allowing fuel prices to rise to help control demand.

This is the last chance that Congress has to act. We are right on the verge of this astronomical increase in prices, some of which we have already seen. It will be too late to influence Government policy unless we act on this bill.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. MONDALE. Yes, in just one moment. This is a necessary measure, in my opinion, to protect American consumers from the most extraordinary price increases we have ever seen in American history.

I am glad to yield to the Senator from Louisiana.

Mr. JOHNSTON. I am interested in how we would fix starting prices, because this amendment speaks only in terms of price increases and passthrough of costs.

How do you fix the beginning price? Can you fix the starting price based on the price structure which the Senator suggests has resulted in astronomical profit to the oil industry, or do you lower that price to the point where the oil companies will not make that astronomical profit?

Mr. MONDALE. This amendment, as I say, starts with the existing price structure, and that is why it is a very modest amendment. It does not anticipate price rollbacks. As a matter of fact, it anticipates some price increases, where necessary to achieve certain objectives.

Mr. JOHNSTON. Is that based on the world market, where we have crude selling for $16.80 in Iran and Nigeria?

Mr. MONDALE. The existing situation in the United States, or wherever we can buy oil, would be determinative. It includes legitimate cost passthroughs from wherever we can get oil.

Mr. JOHNSTON. Based on what starting point, though? Is it based on cost of production, or on whatever the price structure is now? If it is based on whatever the price structure is now, I would suggest to the Senator that there is a wide divergence in price structures right now, and, indeed, with stripper wells, for example, we have exempted them from price controls under the mandatory allocation bill.

Mr. MONDALE. It may be that the stripper well is a different situation. I have had the Senator from Oklahoma (Mr. BARTLETT) talk to me about that. We may modify the amendment to deal with that special problem.

Mr. JOHNSTON. Do I understand, then, that the starting price is based on present U.S. prices for crude, except for stripper wells?

Mr. MONDALE. The U.S. price, or whatever other source we have for oil, and whatever the particular price blend is.

In other words, it is very reasonable. It permits the companies in this industry to passthrough increases in prices which reflect actual increased costs of domestic or foreign operations.

Mr. JOHNSTON. I am not talking about at the distribution level.

Mr. MONDALE. At the crude oil level, correct.

Mr. JOHNSTON. Because there have been prices, believe it or not, of $16.80 for crude in Nigeria, and equal prices in Iran.

Mr. MONDALE. Yes. But what I might point out here is that domestically—I think the Senator is talking about the latest bid price in Iran——

Mr. JOHNSTON. Right.

Mr. MONDALE. Domestically, where most of our oil comes from, the price is now between $4.50 and $5. I do not know the price today, but it is substantially below the foreign price today.

In any event, let me read the language of the amendment, as to what increases may be allowed:

> For crude petroleum, no more than a passthrough of cost increases actually incurred in domestic or foreign operations, except that the Administrator may implement exceptions to such rules for the sole purpose of providing increases in the price of new supply to encourage increased domestic exploration and production of crude petroleum.

In other words, it anticipates legitimate cost passthroughs from both domestic and foreign operations.

Mr. JOHNSTON. I understand that it allows the cost passthroughs for increased costs, but I am talking about where is the starting point? If the Senator could suggest, because of the language——

Mr. MONDALE. The cost at the day of enactment. There is no rollback intended.

Mr. JOHNSTON. No rollback intended?

Mr. MONDALE. No; it is the cost at the day of enactment.

Mr. JOHNSTON. All right. I suppose that does not, then, contemplate a national price for crude; it is whatever one is charging on the day the law is enacted?

Mr. MONDALE. That is correct.

Mr. JOHNSTON. All right. Suppose you are an independent, and you want to start a new company, and you have never discovered oil before. Where do you begin your first price?

Mr. MONDALE. As indicated on page 3 of my amendment, line 7, the Administrator has broad authority for pricing policies. That would deal with the whole range of problems of the kind the Senator refers to. Under subsection (g), he would establish rules and regulations to implement fuel pricing policies, and that would be something within the discretion of the Administrator.

Mr. JOHNSTON. I would suggest to the Senator that there is no language in the amendment relative to beginning prices. There is only language about increases in prices. If there is language relative to beginning prices, I would like to know what kind of direction we are giving to the Administrator to set those initial prices.

Mr. MONDALE. He has broad authority. If the Senator will read this amendment, he will see that he has very broad authority to deal with problems of that kind, and in addition to that, under this underlying bill before us, there is additional authority that the Administrator has to deal with problems of that kind.

Mr. JOHNSTON. What is the direction and the intent of Congress as to where he should set the initial price?

Mr. MONDALE. It would be at his discretion. He would have to hold hearings to deal with classes of problems which might deal with new competitors of that kind. It would be well within his discretion.

We are not laying out rigid ground rules, but rather broad standards. It would undoubtedly be heavily influenced by the nature of the market at the time.

Mr. JOHNSTON. Is his discretion limited, and if so, by what?

Mr. MONDALE. No.

Mr. JOHNSTON. Could he, for example, pick the price of Nigerian crude, at $16.80 a barrel and even higher? And how much lower would his discretion range?

Mr. MONDALE. Well, if he tried to establish prices at that level, he would have to justify that in the course of his hearings, on the basis of the market and on the basis of what is realistic.

It is impossible, may I say to my friend from Louisiana (Mr. JOHNSTON) to shape an amendment which anticipates with particularity every possible vagary of the market. We do not intend to do that. This is not a straitjacket amendment, but a realistic one that tries to deal with the increases of prices that can be passed on to the consumer as the result of true cost increases, or increased profits that may be necessary specifically in order to encourage increased domestic production. In addition to that, under subsection (f), to which I have made reference, the Administrator has broad authority to deal with problems of the kind the Senator is discussing.

Mr. JOHNSTON. I understand the Senator's words but I still think the key—the crucial and the critical question relative to the price of crude to someone who wants to put together a venture and then go out and drill—is that there is virtually no direction in the bill, no limit on the discretion as to where the starting price will be, so that a driller will have no idea what he can get for his crude if he finds it. I would suggest that there are ways to define what that starting price should be and we could start it based on cost, or the fair market value——

Mr. MONDALE. If the Senator would defer in his questions, we have some suggested language that we should like to discuss with him.

Mr. JOHNSTON. If I may ask a few more questions on another subject, one is allowed to get greater profits for new production. Would the Senator define what is "new production" or "new supply"? Would it be a new well in an old field, or——

Mr. MONDALE. The Senator is trying—perhaps understandably so—but trying to spell out with great particularity precisely the questions the Administrator will deal with following the enactment of this legislation, following the hearings, and following the establishment of the rules and regulations. This is a very standard practice by Congress, to deal by way of general principles, and then to anticipate that the Administrator will implement them. It is clear that by this legislation we mean by "new supply," the results of increased domestic exploration and production of crude petroleum.

I do not think it is an unwarranted delegation of authority to ask the Administrator to determine how that line should be drawn with respect to existing wells, new wells, and so forth.

Mr. JOHNSTON. I share with the Senator from Minnesota a certain mistrust of some of the policies followed relative to energy. I would like to constrict and confine the discretion of the Administrator to the greatest extent possible.

I appreciate the answers of the Senator from Minnesota and would like to follow this line of questioning to a greater extent later on, particularly when we get to that language.

I thank the Senator.

Mr. MONDALE. I thank the Senator from Louisiana (Mr. JOHNSTON) very much.

Mr. LONG. Mr. President, I would point out that under the laws that exist already, the price of oil is being controlled. It can be controlled more closely if those in charge of the cost of living wish to control it more closely.

Today, any price for oil is permitted on the world markets. Some foreign oil is being purchased at $17 a barrel on the spot market and is being brought into this country. We hear of $7 a barrel, $10, $14 a barrel, which is par for the course for the foreign oil that is being sold nowadays. So the foreign oil is commanding a price twice what domestic oil is being permitted now.

As I say, in the law now, without the Mondale amendment, there is the power to control the price of domestic oil if those in charge deem it desirable. In existing law there is the power to control the price of oil.

The Senator from Minnesota leaves all sorts of things out of his calculations. He talks about the profits the oil companies are making. I can understand that anyone making 75 percent or 100 percent on foreign oil is making big profits because that is not controlled by American price controls anyway. If they can get as much as they do for the foreign oil, that is simply beyond our control. Everyone agrees it is beyond the power of this Government to control that foreign oil and that we cannot do the first thing about it. All we can do is punish the guy who is trying to provide us with our needs by trying to develop our domestic supplies. That is not what we should be doing.

The Senator from Minnesota said that great profits are being made, but he did not distinguish between the oil in Saudia Arabia, which is boycotting us and refusing to ship us any oil—along with Nigeria and all the other countries—where his amendment would not apply at all, where they are permitted two or three times the price the American oil producer is permitted to get.

Another point that is not taken into account is the distinction between money which is made by drilling for oil and that being made in shipping costs, transporting it around the world, money being made setting it at the pump, or money made by oil companies in office buildings, in real estate developments, and things of that sort. Those people have found in many instances that it is is more profitable to put their money into real estate than into oil.

For those reasons, I do not believe the amendment of the Senator from Minnesota should be agreed to. It certainly should be given more study, in view of the fact that the law permits the control of the price of oil now. It should not be added to, certainly not by those who have had no chance to conduct hearing, to obtain specific technical information and to bring the Senate facts that would support our respective arguments other than what we pick up out of newspapers and magazines.

Accordingly, Mr. President, I believe that the amendment should be tabled, and I move that the Mondale amendment be laid on the table.

Mr. MONDALE. Mr. President, the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. TOWER). The question is on agreeing to the motion to table the Mondale amendment.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), and the Senator from South Carolina (Mr. Hollings) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), and the Senator from Massachusetts (Mr. Brooke) are necessarily absent.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Maryland (Mr. Mathias), and the Senator from Ohio (Mr. Saxbe) are necessarily absent.

The result was announced—yeas 47, nays 44, as follows:

[No. 600 Leg.]

YEAS—47

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Chiles
Cook
Curtis
Dole
Domenici
Dominick
Ervin
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Johnston
Long
McClellan
McClure
McGee
Montoya
Nunn
Randolph
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Symington
Taft
Talmadge
Thurmond
Tower
Young

NAYS—44

Abourezk
Aiken
Bayh
Bible
Biden
Cannon
Case
Clark
Cranston
Eagleton
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Schweiker
Stafford
Stevenson
Tunney
Weicker
Williams

NOT VOTING—9

Bennett
Brooke
Church
Cotton
Eastland
Gravel
Hollings
Mathias
Saxbe

So Mr. Long's motion to table Mr. Mondale's amendment was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that on December 17, 1973, the President had approved and signed the enrolled bill (S. 1443) to amend the Foreign Assistance Act of 1961, and for other purposes; and that the bill (S. 2641) to confer jurisdiction upon the district court of the United States of certain civil actions brought by the Senate Select Committee on Presidential Campaign Activities, and for other purposes, became law without the signature by the President, the 10th day of consideration by the President under the Constitution having been December 17, 1973.

OUTDOOR RECREATION—A LEGACY FOR AMERICA—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, with an accompanying outdoor recreation plan, which was referred to the Committee on Interior and Insular Affairs. The message is as follows:

To the Congress of the United States:

It is with pleasure that I transmit the Nationwide Outdoor Recreation Plan, *Outdoor Recreation—A Legacy For America*. This Plan has been developed in response to Public Law 88–29.

The Plan is designed to set forth a framework for guiding the programs of the Federal Government, State and local governments, and the private sector in providing outdoor recreation opportunities in America.

Richard Nixon.

The White House, *December 19, 1973.*

ENROLLED BILL SIGNED

The enrolled bill (H.R. 10717) to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians, and for other purposes, was signed today by the Vice President.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 2413. An act to authorize the disposal of aluminum from the national stockpile and the supplemental stockpile, and for other purposes;

S. 2498. An act to authorize the disposal of zinc from the national stockpile and the supplemental stockpile; and

S. 2551. An act to authorize the disposal of molybdenum from the national stockpile and from the supplemental stockpile, and for other purposes.

The enrolled bills were subsequently signed by the Vice President.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate continued with the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

The PRESIDING OFFICER (Mr. Curtis). The bill is open to further amendment.

Mr. BUCKLEY. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The Senator will suspend. May we have order in the Senate? Senators will please take their seats or retire from the Chamber. The Senator may proceed.

Mr. BUCKLEY. Mr. President, I call up my amendment No. 912 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

At the end of the bill insert the following:

TITLE III—AMENDMENTS TO NATURAL GAS ACT

Sec. 301. This title may be cited as the "Natural Gas Act Amendments of 1973".

Sec. 302. Section 1(b) of the Natural Gas Act is amended by inserting before the period at the end thereof the following: "or to the sale of natural gas delivered for the first time in interstate commerce or sold in interstate commerce upon the expiration of an existing contract on or after the effective date of the Natural Gas Act Amendments of 1973, or produced from wells commenced on or after such date".

Sec. 303. Section 2 of the Natural Gas Act is amended by adding at the end thereof the following:

"(10) 'affiliate' or another person means any person directly or indirectly controlling, controlled by, or under common control with such other person.".

Sec. 304. Section 5 of the Natural Gas Act is amended by inserting at the end thereof the following:

"(c) In any case where a natural gas company purchases natural gas from an affiliate the Commission may disallow any portion of a rate or charge by such company which is based on the amount paid for such purchase in excess of current prices paid for comparable gas to nonaffiliates.

"(d) The Commission shall not authorize any increased rate or charge for natural gas on the basis of the renegotiation of any contract for the sale of natural gas, being carried out before the effective date of the Natural Gas Amendments of 1973, prior to the date on which performance is completed under such contract in accordance with its terms; provided that the Commission may approve such renegotiation where adjustment in contract terms is required to assure optimum production from producing reservoirs.".

The PRESIDING OFFICER. Will the Senator from New York inform us whether or not this is the amendment on which there is to be a time limitation of 2 hours on debate?

Mr. BUCKLEY. It is.

Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the amendment: Senator Dominick, Senator Thurmond, and Senator Bentsen.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, the purpose of the amendment is simple. It is to remove FPC controls over new natural gas, by which I mean gas not currently flowing into interstate pipelines under contract. The amendment has provisions, which I shall explain in due course, to protect the consumer.

Mr. President, I point out that the bill to which I am offering the amendment is described as emergency legislation of short duration. It establishes the administrative machinery to attempt to cope with the energy crisis. We deceive ourselves if we feel we can achieve this objective without at the same time adopting measures that will certainly result in increasing domestic prices of energy, thereby offering the American people some hope of working themselves out of the current shortages.

The evidence presented in many months of testimony before the Committee on Interior and Insular Affairs, and other committees in Congress, leads overwhelmingly to the conclusion that the most effective single step Congress can take at this time to build up supplies is by deregulating the supply of new natural gas in the interstate market; that is, to remove FPC jurisdiction over new gas. The impact on supply would be substantial.

One-third of our total energy consumption is natural gas, and yet a major proportion of all of the natural gas found in continental United States in recent years, has been sold within the State in which it was produced. The reason for this is simple. The Federal Power Commission has required that gas sold to interstate pipelines be priced at artificially low prices. On the other hand, because the price of natural gas is not controlled on sales within the State in which it is produced, there has been active exploration where adequate intrastate markets exist. Thus intrastate customers in States like Louisiana and Oklahoma have natural gas in abundance while interstate customers are plagued with growing shortages as old reservoirs are depleted.

Deregulation of natural gas would immediately enable a consumer in New York, California, Illinois, or Massachusetts to compete with a consumer in Texas, Louisiana, and Oklahoma for uncommitted supplies; something which FPC regulations now make impossible. Thus, gas currently finding its way into intrastate sales could be diverted to the interstate market.

Of equal importance, the restoration of price incentives would result in a significant increase in exploratory drilling and in a significant expansion of proven gas reserves. This conclusion is fully supported by testimony presented last week before the Interior Committee by Prof. Paul MacAvoy of MIT.

Finally, allowing the price of natural gas to reach its proper level will assure a better allocation of our energy resources. Utilities which have been encouraged to use natural gas rather than coal because of the artificially low price on natural gas would return to using coal to fire their boilers, thus freeing additional natural gas supplies for individual consumers.

My amendment is designed to increase deliveries of natural gas to interstate pipelines in the most effective way possible. It will do this by restoring normal marketplace incentives for the discovery and development of new reserves by removing the Federal Power Commission's existing authority to regulate the wellhead or field price of new gas.

It will not permit "windfall" profits. It specifically prohibits the renegotiation of existing contracts for flowing gas.

My amendment protects the consumer against artificially high prices that could result from non-arm's-length sales between a pipeline and an affiliated producer. It does so by specifically authorizing the FPC to refuse to allow a pipeline to pass through to consumers any portion of a price paid for natural gas to an affiliated producer that cannot be justified as reflecting the competitive market price for that gas.

It should be noted that the domestic gas producing industry is, in fact, competitive. The interstate sales of more than 3,750 producers are currently regulated by the FPC. Of these, only 47 represent producers with direct pipeline and distributor affiliates. At the present time there are thousands of independent producers selling gas at unregulated prices to intrastate customers in such States as Oklahoma, Louisiana, and Texas. A free and competitive market in natural gas in fact exists.

The elimination of price regulation on new gas will not result in a sharp increase in cost to the ultimate consumer. According to a study cited in a recent Interior Committee staff memorandum—

> Even if wellhead prices reached sixty-five cents per Mcf for new gas [approximately three times current regulated prices], the *average* field price would increase only gradually (to 51.45 cents per Mcf by 1980). Under this assumption, consumer prices would rise 6.4 percent the first year, 3.8 percent the second year, 3.0 percent, 2.8 percent and 3.7 percent in succeeding years. At the 65¢ field market price, the initial effect would be an increase in the yearly gas bill of $8.30; the total projected increase by 1980 would be $33.06.

The alternative to a rapid development of new domestic reserves of natural gas are far more costly to the consumer. To quote again from the staff memorandum—

> Supplemental gas sources are already two to three times as high as conventional natural gas at the city gate. Synthetic natural gas (SNG), made from coal or made from imported liquid hydrocarbons, and imported liquefied natural gas (LNG) are priced generally at $1.00 to $1.80 and up, per Mcf.

To this must be added the cost of distributing that gas, a cost that currently accounts for well over half the price to the consumer.

The evidence to support the need for this amendment is becoming increasingly visible as the shortfall in our energy supply becomes more conspicuous. In their introduction to a recent Harvard Law Review article of April 1973, entitled "The Natural Gas Shortage and the Regulation of Natural Gas Producers," Stephen Breyer and Paul W. MacAvoy, econmists at the Brookings Institution, stated:

> Natural gas now supplies more than a third of America's energy needs and exists in the ground in sufficient quantities to forestall any danger in the foreseeable future of its extinction as a natural resource. Nevertheless, there is now, in the early 1970's, no lack of evidence that the United States is in the throes of a serious natural gas shortage. This article will show that shortage is a direct result of FPC regulation of producers' prices and that the shortage has been disproportionately borne by home consumers. Moreover, the article will show that the losses arising from the shortage have been so great that they cannot rationally be worth the pursuit of whatever valid purposes might be served by lower user prices.

My amendment provides for adequate safeguards against price increases that do not reflect ordinary supply and demand conditions in the market while providing the incentive to increase the supply to interstate consumers and a disincentive to inefficient use by many commercial, industrial, and utility users who should be using other forms of fuel.

I firmly believe that adoption of this amendment will do more to help us work our way out of our current energy shortage than any legislation thus far adopted by this Congress.

I would like to quote from a letter dated December 14, 1973, signed by the Chairman of the Federal Power Commission, Mr. John Nassikas. Among other things, Mr. Nassikas says:

> It is the Commission's view (Commissioner Smith not participating) that the Buckley amendment definition of "new" gas is entirely proper, and that it is consistent with the demarcation between "new" and "old" gas now utilized by the Commission in its regulation of producer rates. Under Commission opinions and orders now in force, we recognize as "new" gas, for rate purposes, that gas which is (a) sold for the first time to interstate pipelines, (b) sold under a new contract which is negotiated after the termination of the original contract, and (c) produced from wells commenced after the date of inception of the applicable ratemaking proceeding. The Buckley amendment follows the same definitional pattern; it is clear, therefore, that the amendment would not interfere with, nor substantially change producer rate regulation of "old" gas as presently administered by the Commission.

The letter concludes with the following paragraph:

> The Buckley amendment will enable market forces to more effectively allocate our natural resources and should encourage the development of additional domestic gas supplies consistent with the objective of optimum self-sufficient to alleviate a deepening national energy emergency.

Mr. President, contrary to what the Senator from Washington (Mr. JACKSON) suggested in a colloquy a few weeks ago, my amendment will not open the door to windfall profits. It will effectively and specifically prohibit the renegotiation of existing contracts.

Again I would like to quote from Chairman Nassikas' letter:

> The Buckley amendment will not trigger any price escalation of "old" or "flowing" gas through operation of such a "deregulation" clause, nor will the Buckley amendment permit the use of such a clause to deregulate "old" or "flowing" gas. The "deregulation clause"—despite its inclusion in many contracts—is prohibited under Sec. 154.93 of the Commission's Regulations because it is an indefinite pricing provision. As such, these clauses are in no way binding upon the Commission, nor may they be used to circumvent Commission regulation of gas sold under contracts containing such clauses. The Commission's power to prohibit the use of indefinite pricing clauses, and indeed the express language of Sec. 154.93, were expressly upheld by the Supreme Court in *F.P.C.* v. *Texaco,* 377 U.S. 33 (1964).

The Chairman goes on to cite court cases confirming the fact that these attempts to move outside the FPC's jurisdiction have no validity.

My amendment protects the consumer against artificially high prices—sharp increase in cost to the ultimate consumer.

The reason for this, Mr. President, is twofold:

First of all, in the case of New York State, for example, 85 percent of the cost to the household for natural gas is represented by pipeline transportation and distribution costs. In other words, no part of the price paid to the producer of natural gas is reflected in 85 percent of present cost.

Second, because only new gas would be deregulated, there is a fold-in of the price of the new gas into the price structure of the great preponderance of the gas that is already committed under contract.

It has been estimated that if new gas were sold at 65 cents per thousand cubic feet, or about three times what the FPC currently permits, the initial effect for the consumer of this country would be an increase in the yearly gas bill of $8.30 and that the total projected increase by 1980 would be $30.86.

It is apparent that even if the initial price were sold at significantly higher than the 65 cents at the wellhead, there would not be an increase to the average householder that would be unacceptable, especially if the alternative is not to have any gas.

I would also like to point out to this Chamber the fact that we are beginning to run out of gas. In fact, we have shortfalls that have risen in just 1 year's time—curtailments of committed delivery—that have risen from 821 million cubic feet for the year ending March 1973 to an FPC estimate of 1.250 billion cubic feet for the year ending this coming March—in other words, a 50-percent increase in curtailments in the course of just 1 year—and that curve can only go up unless either we find more domestic gas under the stimulus of the price mechanism or we fill that gap by importing gas in the form of LNG—liquid natural gas—or manufactured synthetic gas.

The city of Boston, in order to meet the shortfall of committed delivery of gas, paid $1.58 per 1,000 clubic feet of LNG imported versus 69 cents it is currently paying at the city gates for gas produced in the United States.

For all these reasons, and others that are contained in my full statement—which I ask unanimous consent to have printed in the RECORD——

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. For all these reasons I urge my colleagues to adopt my amendment. The hours and hours of testimony submitted before the Interior and Insular Affairs and other committees of this Congress leave no doubt that there is no single action that can be taken by the Congress in this session that will do more to bring us out of the present energy crisis and bring us toward that day when we are no longer dependent on foreign powers for our source of energy.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. BURDICK. Will the Senator outline to me the mechanics or the machinery embraced in his proposition to separate the new gas and the old gas? Who makes the determination?

Mr. BUCKLEY. The FPC, in the last analysis, claims jurisdiction of gas if conceived of as "old" gas; and as I indicated in the letter I quoted from Chairman Nassikas, it is the position of the FPC that my definition and their definition of what constitutes "new" and "old" gas concur, so we would have a continuation of the policy and jurisdiction of FPC over old gas as the FPC defines it.

Mr. BURDICK. If there is a question whether it is old gas or new gas, the tribunal to make the decision would be the FPC?

Mr. BUCKLEY. I would accept that as an appropriate interpretation.

Mr. BURDICK. It has been said by some that this would permit a company, perhaps, to renegotiate old contracts and bring the old contracts within the realm of the new gas concept.

Mr. BUCKLEY. Mr. President, my amendment specifically prohibits a renegotiation of old contracts except under one set of circumstances, and that is when, with the full approval of the FPC, it becomes necessary to make adjustments in the contract in order to enable an existing reservoir to produce at optimum efficiency.

As the Senator is aware, as one starts depleting a reservoir, problems develop. They need a repressurization or perhaps they need sand fracing and other techniques which require new capital investment, which will unleash a new price on gas that would not be produced under ordinary conditions. Quite obviously, unless that cost can be recovered, that investment will not be made.

So except for that very exception, which, can only be invoked with the full approval of the consenting FPC, my amendment does not permit renegotiation.

This was confirmed by Mr. Nassikas in the letter from which I have already quoted. He makes it clear that despite the fact that existing contracts attempt to anticipate the probable deregulation of gas and thereby provide a basis for an immediate jump to some new schedule, the chairman points out that it would not be applicable in the case of my amendment because old gas is not deregulated; and the attempt to do so is specifically unlawful under existing FPC regulations, regulations which have been found in the courts to be fully valid.

Mr. BURDICK. Except for the exception referred to, the old contracts cannot be renegotiated.

Mr. BUCKLEY. Exactly.

Mr. BURDICK. And the FPC retains jurisdiction not only over those areas, but also over new gas.

Mr. BUCKLEY. The Senator is correct.

Mr. BENTSEN. Mr. President, I ask the Senator from New York if he would be agreeable to listing my name as a cosponsor of the amendment?

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the name of the Senator from Texas (Mr. BENTSEN) be listed as a cosponsor.

The PRESIDING OFFICER (Mr. CURTIS). Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I wish to say a few words in behalf of the amendment offered by the Senator from New York to provide for a phased deregulation of the price which interstate pipelines are allowed to pay domestic producers of natural gas.

I am in favor of removing Federal regulation from natural gas producers for the same reasons that the Washington Post and Dr. Paul MacAvoy of the Massachusetts Institute of Technology have advocated such a policy—because it would reduce the wasteful use of natural gas and increase its supply.

Mr. MacAvoy of MIT has conducted an extensive study of the natural gas industry and has concluded that the present regulation of producer prices has resulted in shortages and that consumers would be far better off if the marketplace were allowed to price natural gas.

Of these particular resources and fuels, natural gas is the only one that is regulated. We do not see the same type of regulation of oil or coal.

As the Washington Post stated in an editorial a year ago:

> Gas is in short supply because we hold the price artificially below the prices of competing fuels.

The Post went on to say:

> It illustrates the crucial importance of pricing to the future national energy policy. Deregulation is part of any reasonable attempt to match supply with a soaring demand.

It really does not make any sense to say that we will pay a price of $1.26 Mcf for Nigerian gas that is landed on our shores and say to our own domestic producers that we will pay them something on the order of 25 cents Mcf but that we will pay 4 or 5 times as much to a foreign producer. It would make just as much sense to say that in this country we would limit our own manufacturers of shoes to $10 a pair, while paying $40 a pair for shoes from Spain. Surely there is no equity in that; and obviously, in this instance, it would be a great waste of this particular fuel.

Congress has acted upon a number of energy-related measures in the last several months, but none of these measures is directed at increasing the supply of fuels within the next several years.

I was pleased to be a cosponsor of Senator Jackson's bill to increase the funding of energy research for gasification of coal, for solar energy, and for geothermal plants. However, we also need to act on solutions which will produce results within the next 3 to 5 years. I believe that removing the artificially low price ceilings which interstate pipelines are allowed to pay domestic natural gas producers will have a favorable impact within that 3- to 5-year period and beyond. I believe we would be able to get new areas drilled and keep marginal wells producing.

The Federal Power Commission has experimented with the deregulation of small producers, and the results were most favorable.

In the Texas Panhandle, the number of wells drilled has been declining from a peak of over 1,400 in 1957 to only 202 in 1971. The year after the small-producer exemption was approved by the

Federal Power Commission, there was a 50 percent increase in the wells drilled in that area. The number of natural gas wells completed jumped from 68 in 1971 to 114 in 1972. I believe this was a fairly good test of what deregulation could mean.

The Texas Panhandle is a major gas-producing area and is explored principally by independents who could take advantage of the small producers exemption. Now, as a result of the court decision holding that the Federal Power Commission exceeded its authority in granting the small producer exemption, most of the plans for new deep wells and some of the medium-depth wells have had to be cancelled due to the unavailability of outside drilling funds. Most independent producers not only expend their own funds on exploration, but they also must use a great deal of outside capital. Higher natural gas prices increase the availability of these outside funds for exploration. The court decision required a return to the lower regulated prices, and many potential investors found other places to put their money.

Mr. President, this amendment is similar to a bill I introduced earlier this year. The amendment would remove Federal Power Commission price jurisdiction over sales of new gas—natural gas not already committed under contract. This would mean that gas presently flowing under contract would be deregulated only at the end of its contract term. Since almost all flowing gas is under contract, the price impact to gas consumers would be very gradual. The Commerce Committee has been provided with a study conducted by Foster Associates which indicates that, if the current prices allowed by the Federal Power Commission tripled, the year-to-year increase for the average homeowner would be less than $9 a year. If those estimates are even close to correct, phased deregulation is a real bargain compared to the increases we have seen in the price of energy from foreign sources.

Mr. President, at a time when the unreliability of foreign energy sources has been clearly demonstrated, it makes no sense to cling to a regulatory system that allows natural gas from Algeria to be priced at six times what we allow domestic producers.

If we ever hope to achieve self-sufficiency, we must adopt policies that conform with today's needs. The present regulatory system is not only unfair to domestic producers, it is contrary to our national interest.

I urge the adoption of the pending amendment.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. BUCKLEY. Does the Senator from Texas desire additional time?

Mr. BENTSEN. No; I thank the Senator from New York very much. I congratulate him upon the job he is doing. I think he understands the need for funding at the marketplace.

Mr. BUCKLEY. I assure the distinguished Senator from Texas that I have numerous constituents who are in urgent need of gas. One hundred and fifty companies in my State have found it necessary to cut back the production of their products. People are out of work.

Mr. President, I reserve the remainder of my time. For the information of the Senate, it is my present intention to yield back the remainder of my time. I know that many Senators are anxious to move to a vote.

Mr. RIBICOFF. Mr. President, I have received letters from the chairman of the Committee on Commerce and the chairman of the Committee on Insular Affairs, who claim that this is an attempt to short circuit the orderly legislative process. With permission of the Senate, I will read the letters into the RECORD. The first is from the Senator from Washington (Mr. JACKSON):

> I understand that an amendment will be proposed to S. 2776, the Federal Energy Emergency Administration Act, which would modify the existing Federal policies regarding the regulation of prices of natural gas.
>
> This is to advise you that the Senate Committee on Interior and Insular Affairs is concluding its study of natural gas pricing policy and will be meeting to vote upon its recommendations on December 19th. I strongly oppose any action by the Senate on this matter prior to the completion of the Interior Committee's discussions and the recommendations of the Senate Commerce Committee on legislation which is presently pending before the latter Committee.

Mr. BUCKLEY. Mr. President, will the Senator yield?

Mr. RIBICOFF. I am glad to yield.

Mr. BUCKLEY. I happen to be a member of the Committee on Interior and Insular Affairs, and this happens to be December 19. The Interior Committee has not met on this matter.

Mr. RIBICOFF. I can understand that, with the Senator from New York on the floor and the Senator from Washington (Mr. JACKSON) in conference. But I assume it is the intention of Senator JACKSON to convene the committee as soon as he can, to go into this matter.

Mr. BUCKLEY. Early in the next year.

Mr. RIBICOFF. The other letter is from the chairman of the Committee on Commerce, the Senator from Washington (Mr. MAGNUSON). It reads:

> Once again the Senate confronts an ill-advised and unjustified effort to short circuit the orderly legislative process. I am referring to Senator Buckley's amendment to graft on to the Energy Organization bill natural gas deregulation amendment.
>
> As you already know the Commerce Committee has already completed seven days of hearings on the complex and enormously significant issues involved in the reform of our natural gas regulation system.

I skip a few paragraphs, and continue:

> It is our intention to proceed to executive consideration of gas regulation as first priority of the Commerce Committee in the new session. My expectation is that legislation will be reported to the floor early in the session.

I am assuming he means the next session.

> I am confident that through the careful refining process of Committee deliberation we will be able to report to the Senate legislation which will provide ample stimulation for the exploration and development of untapped natural gas reserves, without imposing reckless and unconscionable economic burdens upon the American people.

It has become very apparent to me, Mr. President, that on this very complex matter it behooves us to have the benefit of the decisions and the wisdom of the respective Committees on Commerce and Interior and Insular Affairs, and consequently I am opposed to the amendment, and will move to table the matter after all those who wish to speak have had an opportunity to do so, within the time limitation accorded to both of us.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield 10 minutes to the distinguished Senator from Illinois.

Mr. STEVENSON. I thank the Senator from Connecticut.

Mr. President, the Senate has now defeated the Mondale amendment, which was intended to maintain price controls in the oil and gas industry and impose some restraints on profits in that industry. Now it is proposed that the profits of the oil and gas industry be increased by as much as $8 billion—thereby adding that amount to the prices which already burdened consumers must pay.

There have been hearings held on this subject, not in the Committee on Interior and Insular Affairs, but in the Commerce Committee. I have chaired 9 days of hearings on this complicated and important matter. I have heard more testimony on this subject than any other Member of this body.

The Senator from Texas mentioned Professor MavAvoy of MIT. He has also been referred to by the Senator from New York. He testified before the Commerce Comitee during these hearings, and he did not support deregulation of natural gas prices. He supported reform of the regulatory structure, which is what I support.

It has been stated that there is ample gas in intrastate commerce. That simply is not the fact. The fact is that the curtailments of gas in intrastate commerce are running at twice the rate of the curtailments in interstate commerce even though the intrastate prices are higher. The prices of gas in intrastate commerce are now as high as 90 cents per mcf, and rising.

This amendment, Mr. President, would not increase the supply of natural gas in the country for at least 3 years. Its most ardent supporters in the Commerce Committee hearings, including the Secretary of the Interior, all admitted that it would take at least 3 to 5 years before it would have any effect whatsoever on the natural gas supply.

As far as the emergency is concerned, the Chairman of the Federal Power Commission indicated that to any extent to which deregulation might increase current supplies, the FPC already had the power to deregulate the price.

All we can be certain of is that deregulation of the price of natural gas at the wellhead would increase the revenues of the producers by as much as $8 billion, and increase the prices to overburdened consumers by a like amount. We cannot even be assured that after 3 or 5 years the supply of natural gas in the country would be increased. After all, the oil segment of this industry is unregulated, and we face greater shortages of oil in the country than we do of natural gas.

It has been suggested that the price of natural gas should be permitted to rise to the cost of alternative sources of fuel. The Senator from Texas indicated that it was wrong to pay the producers more in north Africa for natural gas than we pay American producers. There may be something right about that, too. But if the suggestion is sound, the prices should and would rise to the prices of alternative fuels, including the prices of fuels produced abroad, as in the case of Algeria, where natural gas is produced. Then the question becomes one of who will regulate: Will it be the Government of Algeria or the Government of the United States that will regulate the price of natural gas to the American consumer? The prices of fuel, both oil and gas, in the producing countries outside the United States, are regulated. They are regulated by the governments of those countries. They are regulated also by trading companies.

Mr. President, it would be very nice if we could rely on a free market to determine a reasonable price and to allocate natural gas responsibly. But that is not one of the options available to us. There is no free market in the oil and gas industry. The large oil and gas companies, which control most of the Nation's uncommitted natural gas reserves, are heavily concentrated and vertically integrated. Their operations are characterized by joint ventures, interlocking directories, exchange agreements and, of course, they operate in a climate of short supply. Their product is vital. It is vital to every home, company, and firm in the country. In these times of short supply, that industry can charge almost any price; the desperate consumer will have to pay it.

Mr. President, the regulatory structure should change. I have little doubt that prices should rise. It may be that the independent producers who do most of the exploring, wildcatting, and discovering of oil and gas reserves should be deregulated.

In fact, that is what I have proposed. They are competitive. They do the exploratory work. They deserve the incentives. It is a complex subject. It is not a subject which should be legislated in this way without the benefit of careful study and recommendation by one of the committees of the Senate.

Even if this amendment were to be approved now, it probably would not and could not become law before the Commerce Committee has the opportunity to report a bill and the Senate an opportunity to pass it. That committee, as I have mentioned, has already held 9 days of hearings on the subject.

It is our intention to mark up and report a bill some time in February. At that point, the Senate could, with the benefit of very serious and careful study, and the advice of one of its committees, act sensibly on an extremely difficult and extremely important subject.

Mr. President, if it was right for the Senate to defeat the Mondale amendment, it would be right for the Senate to defeat this amendment. It should be tabled. If it is not tabled, I will have some further amendments to offer, including one to impose excess profits taxation on the oil and gas industry.

Mr. PERCY. Mr. President, I certainly agree with the overall objective of the amendment of the Senator from New York, in attempting to stimulate increased production. That really is the best way, ultimately, to bring down prices and provide an adequate supply. But in view of the fact that hearings are now being held by the Commerce Committee, in view of the study being given this matter intensively by the Committee on Interior and Insular Affairs, and in further view of the fact that reports are not now available from the committees on this matter, I would consider it the better part of judgment to withhold action on this particular amendment until such time as the Senate has available to it the benefit of those reports.

So, although I may concur with the objective, I do feel it would be best to wait until such time as we have this information. I, therefore, intend to vote for the motion to table the amendment.

Mr. BUCKLEY. Mr. President, first, I ask unanimous consent to have printed in the Record the letter written to me from the Chairman of the Federal Power Commission under date of December 14, 1973, from which I have quoted several times.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Federal Power Commission,
Washington, D.C., December 14, 1973.

Hon. James L. Buckley,
U.S. Senate,
Washington, D.C.

Dear Senator Buckley: You have requested the views of the Federal Power Commission on two aspects of Amendment No. 767, sponsored by you and others, to S. 1283, which amendment reads:

"Sec. 301. This title may be cited as the 'Natural Gas Act Amendments of 1973'.

"Sec. 302. Section 1(b) of the Natural Gas Act is amended by inserting before the period at the end thereof the following: 'or to the sale of natural gas delivered for the first time in interstate commerce or sold in interstate commerce upon the expiration of an existing contract on or after the effective date of the Natural Gas Act Amendments of 1973, or produced from wells commenced on or after such date.'.

"Sec. 303. Section 2 of the Natural Gas Act is amended by adding at the end thereof the following:

"(10) 'affiliate' of another person means any person directly or indirectly controlling, controlled by, or under common control with, such other person.

"Sec. 304. Section 5 of the Natural Gas Act is amended by inserting at the end thereof the following:

"(c) In any case where a natural gas company purchases natural gas from an affiliate the Commission may disallow any portion of a rate or charge by such company which is based on the amount paid for such purchase in excess of current prices paid for comparable gas to nonaffiliates.

"(d) The Commission shall not authorize any increased rate or charge for natural gas on the basis of the renegotiation of any contract for the sale of natural gas, being carried out before the effective date of the Natural Gas Act Amendments of 1973, prior to the date on which performance is completed under such contract in accordance with its terms: *Provided*, That the Commission may approve such renegotiation where adjustment in contract terms is required to assure optimum production from producing reservoirs."

In particular you have inquired as to whether the amendment reaches only "new" gas, or whether it would also apply, to "old" gas, and the effect of the amendment upon existing contracts which contain so-called "deregulation" clauses.

1. It is the Commission's view (Commissioner Smith not participating) that the Buckley amendment definition of "new" gas is entirely proper, and that it is consistent with the demarcation between "new" and "old" gas now utilized by the Commission in its regulation of producer rates. Under Commission opinions and orders now in force, we recognize as "new" gas, for rate purposes, that gas which is (a) sold for the first time to interstate pipelines, (b) sold under a new contract which is negotiated after the termination of the original contract, and (c) produced from wells commenced after the date of inception of the applicable ratemaking proceeding. The Buckley amendment follows the same definitional pattern; it is clear, therefore, that the amendment would not interfere with, nor substantially change producer rate regulation of "old" gas as presently administered by the Commission.

I will not burden this response with a statement of the reasons why the Commission moved to the definitional base described above, for these are matters of public record stated in our various opinions and orders dealing with this subject. It might be of assistance, however, for you to review my recent Congressional testimony (Commissioner Springer concurring), and that of Vice Chairman Moody and Commissioner Brooke, which touched upon these matters, and accordingly I enclose copies of such testimony, offered to the Senate Commerce Committee in connection with S. 2408 and related legislation.

2. The so-called "deregulation clause" about which you inquired is found in about 50–75 percent of the new long-term contracts filed with the Commission in recent months. The following language is typical:

"(d) If at any time during the term of this agreement the Federal Power Commission (or any successor agency having jurisdiction over the rates charged for gas sold hereunder) ceases to have jurisdiction over such matters or ceases to exercise price control over this agreement, the price to be charged after the cessation date shall be redetermined and the redetermined price shall be the average of the three (3) highest prices then being paid for gas or substantially the same quality and quantity under comparable terms and conditions produced and sold in interstate commerce within the South Louisiana and offshore area. Furthermore, the price shall be redetermined on the same basis each four (4) years from and after the aforesaid cessation date. However, in no event shall the price to be charged for any period be lower than the higher of the applicable step-scale price or the price in effect prior to the time the price was redetermined."

The Buckley amendment will not trigger any price escalation of "old" or "flowing" gas through operation of such a "deregulation" clause, nor will the Buckley amendment permit the use of such a clause to deregulate "old" or "flowing" gas. The "deregulation clause"—despite its inclusion in many contracts—is prohibited under Sec. 154.93 of the Commission's Regulations because it is an indefinite pricing provision. As such, these clauses are in no way binding upon the Commission, nor may they be used to circumvent Commission regulation of gas sold under contracts containing such clauses. The Commission's power to prohibit the use of indefinite pricing clauses, and indeed the express language of Sec. 154.93, were expressly upheld by the Supreme Court in *F.P.C.* v. *Texaco*, 377 U.S. 33 (1964). Sec. 154.93 reads, in pertinent part:

"*Provided,* That in contracts executed on or after April 3, 1961, for the sale or transportation of natural gas subject to the jurisdiction of the Commission any provision for a change of price other than the following provisions shall be inoperative and of no effect at law; the permissible provisions for a change in price are:

(a) Provisions that change a price in order to reimburse the seller for all or any part of the changes in production, severance, or gathering taxes levied upon the seller;

(b) Provisions that change a price to a specific amount at a definite date;

(b–1) Provisions that permit a change in price to the applicable just and reasonable area ceiling rate which has been, or which may be, prescribed by the Commission for the quality of the gas involved; and

(c) Provisions that, once in five-year contract periods during which there is no provision for a change in price to a specific amount (paragraph (b) of this section), change a price at a definite date by a price-redetermination based upon and not higher than a producer rate or producer rates which are subject to the jurisdiction of the Commission, are not in issue in suspension or certificate proceedings, and, are in the area of the price in question: *Provided further,* That any contract executed on or after April 2, 1962, containing price-changing provisions other than the permissible provisions set forth in the proviso next above shall be rejected."

Entirely aside from the fact that "deregulation" clauses are "inoperative and of no effect at law", it also seems clear that the clause, by its own terms, is in no manner actuated by the Buckley amendment. You will note that the clause speaks to a price redetermination "if . . . the Federal Power Commission . . . ceases to have jurisdiction over . . . or ceases to exercise price control over *this agreement*". The Buckley amendment obviously does not oust Commission jurisdiction over flowing gas contracts, and accordingly we fail to perceive how the express conditions precedent of the deregulation clause are ever fulfilled.

I trust that your specific questions have been fully answered, but if we may be of further assistance, we stand ready to make such further response as might be helpful.

The Buckley amendment will enable market forces to more effectively allocate our natural resources and should encourage the development of additional domestic gas supplies consistent with the objective of optimum self-sufficiency to alleviate a deepening national energy emergency.

Sincerely,

JOHN N. NASSIKAS,
Chairman.

Mr. BUCKLEY. Mr. President, I would just like to comment on some of the points raised by the Senator from Connecticut and the Senator from Illinois. I am fully cognizant of the fact that hearings have and are continuing to be conducted before the Commerce Committee. But if we are to match hour for hour, that would be a useless exercise, as I would guess that over a period of the past year or more there have been more hours of testimony touching on all phases of what is required to stimulate the production of more gas and the discovery of more reserves, more testimony on whether the industry is competitive, more testimony on whether regulation impedes or helps the consumer, or impedes or helps exploration, that I would venture to guess there is at least a ratio of 2 to 1 in favor of the Interior Committee.

I really do not believe that this issue is so complicated when reduced to the essential question of whether the FPC price regulation has impeded the discovery of natural gas and the development of reserves, and whether the lifting of that authority over the pricing of new gas will stimulate the kind of vast expansion of exploration efforts required to help the country move to a position of energy independence.

The Senator from Illinois has pointed out that it is the Middle Eastern sheiks who are establishing the world price of oil. I suggest that this is not an argument in favor of continuing bankrupt policies at home in establishing the pricing of natural gas but, rather, it should be the argument to liberate ourselves from this kind of dependence on monopolistic foreign supplies by developing as soon as possible and as effectively as possible the huge remaining reserves of gas and oil which all competent geologists agree remain to be found in this country, provided the potential return justifies the very large investment.

I know that there are procedures in this Congress and I, for one, have urged they be followed more meticulously than they have been routinely in this body, especially when we are dealing with unwritten amendments.

There is no surprise about this amendment. It has been submitted in one form or another several times in recent months. I dare say there are more people in this body today acquainted with the pros and cons of my amendment than is normally the case in the situation of 90 percent of the votes we cast in this body.

I do believe that we are in an emergency, and we are dealing with emergency energy legislation. We have rushed through all kinds of bills, and in some cases, I believe, without the necessary safeguards over arbitrary administrative regulation and intervention. But we have done so because we recognize that we have to start now, we have to start today, to build that base of supply that will free us from dependence on foreign supplies.

So far in this Congress we have done nothing except approve the Alaska pipeline, which will not increase by one barrel or 1,000 cubic feet the amount of energy resources that will be made available to the American public.

The Senator from Illinois stated that his committee will be continuing hearings after we reconvene in the latter part of January, that in due course there will be a report to Congress, and that in due course there will be action. We may or may not have an equivalent feeling of urgency on the side of the House, and perhaps in June, July, or August, we will have law. He stated that the bill now under debate could not possibly become law prior to the time that the Committee on Commerce issues its report. I respectfully decline to agree.

I believe it is our objective here, in the last hours of this session, to rush this bill to completion, so that before we return home for our Christmas holidays, legislation will be on the President's desk which will provide the machinery for the administration of our emergency energy proposals; and I hope that that bill will contain one ingredient that will do something to increase the supply.

Mr. President, I am willing to relinquish the balance of my time whenever the opposition is willing to do so.

DEREGULATION OF NATURAL GAS

Mr. DOLE. Mr. President, the emergence of shortages of all forms of energy in the United States presents to the Congress and the American people issues of singular importance. Acknowledgment of the price of manageable controls and effective incentives is essential, particularly as we look to the near future to insure an adequate and dependable supply of energy.

EXPANDED DOMESTIC EXPLORATION

While simplistic solutions for an instant cure to the energy crisis do not exist, steps can be taken to prevent energy shortages from critically affecting our economy and our way of life. In legislating new actions effecting natural gas, it is necessary to accept the reality of declining volumes of flowing gas. Reestablishment of incentives to get domestic exploration moving has to be done by Congress.

Deregulation provides the best, quickest, and surest answer to the stimulation of exploration and development. If we can agree that exploration is a function of product price, tax incentives, and general economic incentives, then the removal of the Federal Power Commission's authority to regulate the wellhead or field price of new gas should be welcomed.

FACING THE FUTURE

All available indicators and projections show the growing need for natural gas. Shortages of natural gas affect not only gas users, but contribute to supply dislocations throughout the energy market. Deregulation will assure more effective utilization of gas supplies. Competitive prices will be an effective means of allocating gas to its most beneficial uses, while promoting conservation through the practice of efficient end use. Increased supplies and efficient use will help to reduce air pollution and should diminish national dependence on less secure foreign supplies while lightening the burden on the balance of international payments caused by excessive imports of oil and natural gas.

VALUE OF ENERGY

Decontrol of the wellhead gas price is the best solution to stimulating aggressive drilling. Domestic resources are available and their exploration is both technologically and environmentally within reach. Given the resources available for production maximum efficiency of allocations is a far better process than mandatory allocation in increasing the availability of heating fuel or propane gas. Having reserves of natural energy is clearly not the same as being able to deliver them to market needs. Clearly we can meet the challenge and accept the scale justified by the value of energy to our way of life.

CONSUMER EFFECTS OF DEREGULATION

A shortage of domestically produced natural gas now exists and decontrol of wellhead prices is a compromise which offers quick exploration and perhaps a return to freedom to the producer. But deregulation of natural gas has become a difficult task for Congress, due to the public suspicion of the oil and gas industry. Yet, it would best serve the consumers interest to end governmental regulation of prices at the wellhead.

Increased field prices for domestic gas would not drastically affect costs to the consumer as the field price of domestic gas represents less than 20 percent of the gas bill paid by the homeowner, with the remaining 80 percent of the gas bill for moving the gas by pipeline to homes and businesses. Given present governmental controls, consumers are not benefited by a scarcity at low prices. Consumers are best served by an adequate supply at reasonable prices. Certainly, there will be an effect on the consumer's gas bill that may be substantial, but it will not be a drastic one as suggested by some. The economy will readjust to an increase in real energy costs over a period of time without massive disruptions.

For some time there will be no room for complacency, and appropriate efforts to ease the adjustment are welcomed. Conservation will help redress the imbalance of demand and supply and these alternatives are now being given the noteworthy consideration they deserve. The possibilities of trimming the use of energy through improved insulation, improved heating and cooling systems, the renovation of the railroads, mass transportation and efficient industrial use will all offer substantial savings to our Nations energy consumption.

NATURAL GAS IN KANSAS

The energy industry is vitally important to Kansas. And Kansas energy production has likewise been important to the rest of the Nation for many years. Coal, crude oil, and natural gas have all been produced in abundance in Kansas and have contributed substantially to the State's growth and development and to that of the entire Nation as well.

Natural gas is currently an extremely important element of the Kansas energy picture as its unique properties have become so widely recognized and highly prized.

Unfortunately, the increased demand for this Kansas product has not been met by the supply-producing response which could be expected were natural gas subject to the traditional free market influences. While the wellhead price has been held at 20 cents per thousand cubic feet, the price of other, dirtier, and less secure sources of energy have steadily risen to several times that of the thermal equivalants of natural gas. Gas has become a ridiculous bargain in the energy showcase, so it has been put to many uses that simply make no sense in our energy-scarce world. The effects have been disastrous.

Nearly 8,700 gas and condensate-producing wells are operating in Kansas. In 1972 the wellhead value of this production was $127.8 million with the vast majority of it moving in interstate pipelines under regulated prices, so there was little opportunity for the unregulated market for intrastate gas to spur exploration. It is not surprising that in the same year only 26 wildcat gas wells were drilled, and the State suffered a net loss of reserves of 596 million cubic feet.

But 1972 was not an atypical year. In fact it was an improvement over 1971 when reserves declined by 789 million cubic feet. The entire trend—as the squeeze of wellhead price regulation has grown tighter and demand skyrocketed—has been exactly opposite of what our Nation required. Exploration has declined, reserves have shrunk, and the demand grows.

If this trend continues, within 3 years the State of Kansas will become a net importer of natural gas.

Of course it is impossible to stand here in the Senate and say that if gas is deregulated x amount of new reserves will be found. There is no way to tell what will be discovered through the risk-laden exploration process. But this is precisely the point. At today's prices the risk capital required to underwrite expanded exploration is not available.

Thus the impact of the deregulation amendment offered by the Senator from New York (Mr. BUCKLEY) which I am pleased to join as a cosponsor, would have a very strong effect in Kansas where almost all the gas that is produced moves in interstate commerce and is under wellhead price regulation.

With gas prices able to seek their own level in the free market, exploration activities—particularly those of the independent operators who account for the majority of new finds in Kansas and throughout the country—will be stimulated significantly and for sound business reasons.

Historically, in Kansas dry holes have accounted for 36.6 percent of all 167,000 oil and gas wells drilled. But these figures are misleading, for as initial fields have been developed and charted the percentage of dry holes has increased enormously to the point today where the risk of failure is so high that it is surprising that even 25 rotary drilling rigs were operating in Kansas in 1972.

Only 1 out of every 9 wells drilled in America today brings in any production; only 1 in 50 is considered to produce in commercial quantities; and only 1 in 1,000 is a major discovery. No wonder there is little risk capital available.

It is most unfortunate that natural gas has been caught between shortsighted regulators and the rumble of those who periodically seek to inflame the public over the real and imagined sins of the oil and gas industry. But it is getting well past the point when we can afford to tolerate the effects of these forces, and we must move to assure the public interest of having adequate quantities of the proper fuels available when needed.

Therefore, I am pleased to support this amendment in the belief that its passage will contribute significantly to the goal of energy self-sufficiency for America.

Mr. FANNIN. Mr. President, with the first snow of the winter Washingtonians are even more aware of the fact that we do have an energy shortage, and of its implications. The Senate now has the final opportunity of this session to take forceful action to increase supplies of energy available to the American consumer. I cannot urge more strongly the adoption of the amendment offered by my colleague, the Senator from New York.

Despite critics' charges to the contrary, the energy shortage was not contrived. But it could have been. Here, for example, is how a recent article by the Boston Consulting Group, an independent consulting organization specializing in corporate strategy, suggests it could have been done:

> 1. Set a ceiling on natural gas and keep the price down in spite of inflation. This will discourage exploration and increase use.
>
> 2. Ban the use of coal with sulfur content. Sharply restrict strip mining for environmental reasons. Then suddenly impose drastic safety rules which will substantially cut production from existing mines. Freeze prices so no one can offset cost increase from reduced output or justify further investment.
>
> 3. Delay initial nuclear construction by uncertainty about licensing requirements. Delay operation at full power after construction. Then delay start of new construction by environmentalist suits.
>
> 4. With natural gas, coal and nuclear power all severely restricted, that leaves only petroleum. First, grossly increase automotive consumption of gasoline by requiring drastic reductions in efficiency of already oversized engines because of pollution related modifications. Then ban the use of crude oil containing sulfur. Put into effect pollution objectives that make refineries far more expensive. At the same time, introduce great uncertainty into the requirements that must be met. Eliminate practically all new refinery sites by legal delaying tactics. Further curtail refinery investment by making supplies of crude oil very uncertain. Block the use of Alaskan North Slope oil by arguments on environmental effects in uninhabited regions. Slow all offshore operations and delay development of oil shale reserves for environmental reasons.
>
> As a clincher, make sure that the public is in the dark about what is actually happening by bringing suit against the major oil companies, charging them with being non-competitive and thereby causing the energy shortage.
>
> Actually, every action described in this scenario already has occurred, either through legal suits, public demand or acts of environmentalists. All had laudable objectives. In aggregate, they promise to be very punishing to the nation for years to come.

A major contributor to the national energy crisis has been the dramatic shortfall of natural gas supply. Oil, largely imported oil, has been called upon to fill the gap caused by the shortage of natural gas. The Arab cutoff of oil has limited the possibility of oil continuing to fill the gas gap. The question then becomes one of finding the best means to rapidly increase the supply of natural gas so as to reduce or eliminate the present gap.

In order to find such a means one must ask, what caused the natural gas shortage? The experts—including academic economists, the Federal Power Commission, and the natural gas industry—are in near unanimous agreement that the principal cause of the gas shortage has been the wellhead price regulation of natural gas producers selling to interstate pipelines, instituted by the FPC in the early 1960's pursuant to the U.S.

Supreme Court decision in the Phillips case. Such regulation resulted in expanded consumer demand for "bargain rate" natural gas while dramatically dampening producers' efforts to find new gas supplies.

The following statistical information illustrates the results of wellhead price regulation of natural gas producers.

EXPLORATION EFFORTS TO FIND NEW GAS

The table below shows the decline of exploratory geophysical crew months worked; acres leased; and wildcat wells drilled. As can be seen, the 8,923 crew months worked in 1952 dropped to 2,760 in the succeeding 20 years. The 16,207 wildcat—exploratory—wells drilled in 1956 dropped to 7,587 by 1971.

EXPLORATION (GEOPHYSICAL CREW ACTIVITY, ACREAGE UNDER LEASE, WILDCAT WELLS DRILLED)

Year	Crew months worked	Total acres leased Jan. 1 (thousands)	Wildcat wells		
			Total	Dry	Percent dry
1952	3,923	273,067	12,425	10,090	81.2
1953	3,675	(1)	13,313	10,633	79.9
1954	7,969	315,568	13,100	10,389	79.3
1955	8,240	(1)	14,942	11,832	79.2
1956	7,857	383,863	16,207	13,118	80.9
1957	7,242	(1)	14,714	11,904	80.9
1958	5,751	371,146	13,199	10,632	80.5
1959	5,096	382,807	13,191	10,577	80.2
1960	5,207	424,251	11,704	9,515	81.3
1961	5,024	416,871	10,392	9,022	82.1
1962	4,231	408,870	10,797	8,815	81.6
1963	4,174	387,457	10,664	8,686	81.5
1964	4,406	372,468	10,747	8,951	83.3
1965	4,471	375,506	3,466	8,005	84.6
1966	3,835	350,895	10,313	8,705	81.4
1967	3,496	333,858	8,878	7,860	81.9
1968	3,390	325,106	8,806	7,489	81.5
1969	3,259	332,005	9,701	8,001	82.5
1970	2,521	343,213	7,893	6,422	83.5
1971	2,780	332,647	6,922	5,834	84.3
1972	(1)	350,725	7,587	6,293	32.9

[1] Not available.

The result of the declining search for new gas is illustrated by the fact that in 1966 24.3 trillion cubic feet of new gas reserves were discovered while in 1969 the new discoveries dropped to 8.5 trillion cubic feet.

CONSUMPTION OF NATURAL GAS RELATIVE TO RESERVES

Following the Phillips decision the relationship of reserves to production—consumption—changed noticeably for the worse and has been getting worse nearly every year since then. In 1953 23.1 times as much gas reserves existed as was produced and consumed. In 1972, for example, natural gas reserves to production ratio had dropped to 11.5.

By analogy, we are drawing gas out of our bank account at a much faster rate than we are adding to it.

The table below illustrates this trend.

PROVED RESERVES (LIQUID HYDROCARBONS AND NATURAL GAS)

Jan. 1	Liquid hydrocarbons (million barrels)			Natural gas (trillion cubic feet)	Reserve/production ratio		
	Crude oil	Gas liquids	Total liquids		Crude oil	Total liquid	Natural gas
1953	27,961	4,997	32,958	198.6	12.4	13.1	23.1
1954	28,945	5,438	34,383	210.3	12.5	13.2	22.9
1955	29,561	5,244	34,805	210.6	13.1	13.6	22.5
1956	30,012	5,439	35,451	222.5	12.4	12.8	22.1
1957	30,435	5,902	36,337	236.5	11.9	12.5	21.8
1958	30,300	5,687	35,987	245.2	11.8	12.4	21.4
1959	30,536	6,204	36,740	252.8	12.9	13.5	22.1
1960	31,719	6,522	38,241	261.2	12.8	13.3	21.1
1961	31,613	6,816	38,429	262.3	12.8	13.2	20.1
1962	31,726	7,049	38,835	266.8	12.6	13.0	19.9
1963	31,389	7,312	38,701	272.3	12.3	12.8	20.0
1964	30,970	7,674	38,644	276.2	11.9	12.4	19.0
1965	30,991	7,747	38,738	281.3	11.7	12.2	18.3
1966	31,352	8,024	39,376	286.5	11.7	12.1	17.6
1967	31,452	8,329	39,781	289.3	11.0	11.5	16.5
1968	31,377	8,614	39,991	292.9	10.3	10.9	15.9
1969	30,707	8,598	39,305	287.4	9.8	10.3	14.8
1970	29,632	8,143	37,775	275.1	9.3	9.6	13.3
1971 [1]	29,401	7,703	37,104	264.7	8.8	9.1	12.1
1972 [1]	28,463	7,304	35,767	252.8	8.7	8.9	11.5

[1] Excludes 9,600,000,000 barrels of crude oil and 26,000,000,000,000 cubic feet of natural gas added for Alaskan North Slope.

The Federal Power Commission conducted a study which projects the natural gas shortfall if present trends continue. The FPC's demand-and-supply projections indicate that such shortages will increase in volume and become more widespread. The FPC's Bureau of Natural Gas projects that demand for gas will exceed supply by 3.6 Tcf in 1973, 9.5, 13.7, and 17.1 Tcf in 1980, 1985, and 1990, respectively, despite the addition of gas supplements (22 Tcf is presently consumed nationwide). The FPC's projections are based on more moderate growth rates than were experienced in previous years.

To close this gap, an annual "finding rate"—annual additions to reserves—of approximately 37 Tcf would be required starting in 1973. This level of development represents a sustained level of annual new additions to reserves equal to that attained in 1970 when 26 Tcf of Alaskan gas were added to the reserve inventory. Put another way, the annual finding rate would have to equal one and one-half times the alltime record for annual U.S.-non-Alaskan-reserve additions that was reached in 1956 of 24.7 Tcf, at the same time that supplemental sources are developed.

A graphic representation of this analysis follows:

TABLE 1.—U.S. GAS SUPPLY DEMAND BALANCE ACTUAL 1966–70; PROJECTED 1971–90

[All volumes in trillions of cubic feet at 14.73 lb/in² and 60° Fahenheit]

Year	Annual demand [1]	Net pipeline imports	LNG imports	Gas from coal	Gas from Alaska	Gas from liquid hydrocarbons	Domestic production	Annual consumption	Unsatisfied demand	Reserve	Year-end reserves	R/P ratio
1966	17.9	0.4					17.5	17.9	0	19.2	286.4	16.4
1967	18.8	.5					18.4	18.3	0	21.1	289.3	15.8
1968	19.9	.6	(2)				19.3	19.9	0	12.0	282.1	14.6
1969	21.3	.7	(2)				20.6	21.3	0	3.3	269.9	13.1
1970	22.6	.8	(2)				21.8	22.6	0	11.1	259.6	11.9
1971	24.6	.9	(2)				22.8	23.7	.9	12.0	248.8	10.4
1972	26.1	1.0	(2)				23.8	24.8	.3	13.6	233.0	10.0
1973	27.7	1.1	(2)			(3)	24.7	26.3	1.9	24.6	223.3	9.2
1974	28.3	1.1	(2)			(3)	24.8	25.9	2.9	15.6	219.6	8.3
1970	29.8	1.2	0.3			(3)	24.7	26.2	3.6	16.0	303.7	8.4
1980	34.5	1.6	2.0	0.3	0.7	(3)	20.4	26.0	9.5	17.0	186.1	9.1
1985	39.3	1.9	3.0	1.4	1.3	(3)	18.5	26.1	13.7	17.0	175.4	9.6
1990	46.4	1.0	4.0	3.3	2.3	(3)	17.6	29.3	17.1	17.0	170.4	9.6
1971 to 1990 total	7 7.6	31.1	38.0	17.3	20.6	(3)	414.2	526.2	186.4	325.0		

[1] Consignees 48 States.
[2] Very small volume.
[3] Insufficient data for quantitative projection. Unsatisfied demand will be reduced by the amount of gas produced.

The "unsatisfied demand" has been filled largely by oil. Inasmuch as domestic oil production has leveled out at approximately 11 million barrels a day and total U.S. consumption is in excess of 17 million barrels a day, the difference has been made up by imports. The imports have been used to satisfy normal increases in demand for oil as well as increases in demand attributable to filling the unsatisfied demand in natural gas. The committee staff paper, prepared by Miss Starratt, contains estimates that unsatisfied natural gas demand by 1975 in oil equivalent will range from 2.3 to 5.5 million barrels a day.

U.S. oil imports in 1970 of crude and product averaged 3.4 million barrels a day. By the first quarter of 1973 oil imports had nearly doubled to 6.2 million barrels a day of crude and product, or 35 percent of total U.S. oil supply.

The Arab oil cutoff of crude and product, according to a November 15 National Petroleum Council report, amounts to 2 million barrels a day of crude and product, and the cutoff will be increased to 3 million barrels a day. The report states that—

> On a conservative basis, the effect of a 2-million-barrel-per-day cutoff has been estimated to cause an annual loss of 48 billion dollars to the U.S. economy as measured by the Gross National Product. This slowdown in the economy would cause unemployment to increase from the current 4.5 to 5.0 percent level to over 6 percent. The projected 3-million-barrel-per-day cutoff would have an even greater impact and could push unemployment up to the 7.5 to 8.0 range.

IMPLICATIONS FOR NATURAL GAS SUPPLY

The upshot of the above detailed developments is that efforts must be made as soon as possible to encourage the development of domestic supplies of energy, particularly natural gas.

Thus, the question is what is the best means to rapidly increase the supply of natural gas.

Only deregulation of new gas only, is unsusceptible to reasonable criticisms.

It is also the option which is most favored by qualified academic economists who have no personal financial stake in its implementation.

It is the option preferred by Federal agencies responsible for energy policy.

It is the option which has precedent which has succeeded.

It is the only option which would eliminate uncertainty and regulatory delays.

It is an option likely to achieve a balance of supply and demand.

It is an option which can—based upon actual precedent—guarantee a significant increase of supply while affecting residential and commercial consumers with only gradual increases in gas bills.

It is an option which can promote an effective and workable industrial switch to other fuels than gas.

In conclusion, let me repeat that this amendment providing for the deregulation of new natural gas supplies constitutes the last opportunity of this session to induce significant increases in the supply of energy for the near term. It is the best alternative the Congress has to relieve the shortages Americans now face. I urge my colleagues to give this amendment their favorable consideration. The consequences of their decisions will be major indeed.

Mr. RIBICOFF. Mr. President, if no one else wishes to speak, I yield back the remainder of my time; and I move that the Buckley amendment now pending be tabled.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut (putting the question).

Mr. BUCKLEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. BUCKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), and the Senator from South Dakota (Mr. McGovern) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), and the Senator from Ohio (Mr. Taft) are necessarily absent.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Maryland (Mr. Mathias) and the Senator from Ohio (Mr. Saxbe) are detained on official business.

If present and voting, the Senator from New Hampshire (Mr. Cotton) and the Senator from Ohio (Mr. Taft) would each vote "nay."

The result was announced—yeas 45, nays 43, as follows:

[No. 601 Leg.]

YEAS—45

Abourezk
Aiken
Bayh
Bible
Biden
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Eagleton
Ervin
Hart
Hartke
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
McIntyre
Mondale
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Ribicoff
Schweiker
Sparkman
Stafford
Stevenson
Symington
Talmadge
Tunney
Williams

NAYS—43

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Buckley
Burdick
Byrd, Harry F., Jr.
Cook
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hruska
Johnston
Long
McClellan
McClure
McGee
Metcalf
Montoya
Packwood
Pearson
Randolph
Roth
Scott, Hugh
Scott, William L.
Stennis
Stevens
Thurmond
Tower
Weicker
Young

NOT VOTING—12

Bennett
Brock
Brooke
Church
Cotton
Eastland
Gravel
Hollings
Mathias
McGovern
Saxbe
Taft

So the motion to table Mr. Buckley's amendment was agreed to.

Mr. STEVENSON. Mr. President, I move to reconsider the vote by which the motion to lay on the table the Buckley amendment was agreed to.

The PRESIDING OFFICER. Is there a motion to table?

Mr. MANSFIELD. Mr. President, no motion.

Mr. BUCKLEY and several other Senators requested the yeas and nays.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion to lay on the table the motion to reconsider.

Mr. HANSEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), and the Senator from Montana (Mr. Metcalf) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), and the Senator from Ohio (Mr. Taft) are necessarily absent.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Maryland (Mr. Mathias) and the Senator from Ohio (Mr. Saxbe) are detained on official business.

If present and voting, the Senator from New Hampshire (Mr. Cotton) and the Senator from Ohio (Mr. Taft) would each vote "nay."

The result was announced—yeas 47, nays 41, as follows:

[No. 602 Leg.]

YEAS—47

Abourezk
Aiken
Bayh
Bible
Biden
Byrd, Robert C.

Cannon
Case
Chiles
Clark
Cranston
Eagleton
Ervin
Hart
Hartke
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
McGovern
McIntyre
Mondale
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Ribicoff
Schweiker
Sparkman
Stafford
Stevenson
Symington
Talmadge
Tunney
Williams

NAYS—41

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Buckley
Burdick
Byrd, Harry F., Jr.
Cook
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hruska
Johnston
McClellan
McClure
McGee
Montoya
Packwood
Pearson
Randolph
Roth
Scott, Hugh
Scott, William L.
Stennis
Stevens
Thurmond
Tower
Weicker
Young

NOT VOTING—12

Bennett
Brock
Brooke
Church
Cotton
Eastland
Gravel
Hollings
Mathias
Metcalf
Saxbe
Taft

So Mr. MANSFIELD's motion to lay on the table Mr. STEVENSON's motion to reconsider was agreed to.

Mr. DOMENICI. Mr. President, this bill represents one of the truly significant steps in this Nation's movement toward energy independence. It establishes a focal point in the Federal Government for all the Federal Government's operational activities required to insure that adequate provision is made to meet the energy needs of the Nation for the foreseeable future. Specifically, it provides that the agency it creates, the Federal Energy Administration, will plan, direct, and conduct programs related to the production, conservation, use, control, distribution, and allocation of all forms of energy.

For those purposes, the bill provides for the transfer of many important energy related functions now charged to various Federal agencies. While some may feel that this is an excessive concentration of power and authority, I am of the opinion that any less comprehensive approach would be insufficient to meet the commitment required.

We must have the capacity, which this bill would provide, for the machinery of the Federal Government in its totality to be devoted to the goal of energy independence we have set for ourselves, a goal we have established only after the frightening consequences of our previous haphazard course had been so vividly revealed to us by the Arab oil embargo. Perhaps, as many of my constituents point out in correspondence with me, that embargo will turn out to be a blessing in disguise, being as it was the catalyst that has galvanized us into action with a new purpose, with an identifiable goal.

So, Mr. President, I intend to support this bill as I have other emergency measures passed by this body and still pending before it. It provides that focus of leadership and emphasis so necessary to any difficult undertaking and without which our initial efforts are likely to fail. I will support legislation which will make this arrangement of government capacity more permanent and more adaptable to longer term situations.

Mr. President, in addition to the focal point for Federal energy activity this bill provides, I find other points I endorse. One of these is a provision which addresses a subject to which I have devoted much time and attention. In consideration of all energy conservation measures, I have consistently stressed the need for flexibility—that is, the recognition that there will surely exist unique or unusual circumstances and conditions justifying different approaches than might be implemented otherwise. As difficult as it is to achieve, I am convinced that the principles of fairness and equity, which must be the basis of all government action, require flexibility in our conservation programs.

The flexibility I have referred to thus far, Mr. President, is in the conception and implementation of energy conservation programs, while the provision of this bill which I feel maintains that theme of fairness and equity is section 121, the section creating the Office of Private Grievances and Redress.

This office would serve the extremely desirable purpose of providing a separate and identifiable place within the administration to which any person could apply for relief or redress. This is necessary, even with the flexibility in conception and implementation I mentioned earlier, because there is no way, in a society as complex as ours, to determine in advance just how each new measure may affect each and every segment of the economy. It is essential that a means be provided in advance by which private grievances may be heard and dealt with according to their merits and in order to avoid a disproportionate burden on any individual or group.

Mr. President, I am a firm believer in the American people and their unselfish willingness to endure hardships and discomforts in the national interest. I am convinced that if the American people know that there is flexibility in the design of national programs and relief in the event of undue hardship, they will support the Government's efforts to conserve energy while we find more, all toward the objective we can all support—true energy independence.

Mr. President, I commend the Committee on Government Operations and urge my colleagues to support this bill and make known its unique provision for redress of private grievances.

Mr. MUSKIE. Mr. President, I am pleased to rise in support of S. 2776, the urgently needed legislation to establish a new Federal Energy Emergency Administration.

This legislation was given careful and expeditious handling by the Committee on Government Operations during the past 10 days. I wish particularly to commend the distinguished chairman of the Committee on Government Operations (Mr. ERVIN) and the distinguished senior Senator from Connecticut (Mr. RIBICOFF) for their outstanding leadership in the development of this legislation.

Mr. President, like all Americans, I welcome the administration's effort to bring some order out of the administrative chaos which presently pervades the Federal Government's efforts to deal with the energy crisis. But as a Senator representing a State whose residents may be cruelly affected by fuel shortages this winter, I also recognize that no mode of organization, or reorganization, will alone solve so complex a problem.

As we learned during the energy-scarce years of World War II, programs of this kind worked only with full public support. And for the people to support efforts to combat the energy crisis, they must be told the whole truth about the nature of that crisis. They must be assured that the Government in its effort to deal with the crisis, will treat everyone equally.

Mr. President, in its consideration of S. 2776, the Committee on Government Operations approved several safeguards to assure that the impact of the energy crisis and Government efforts to combat it will be better known and more fair. Supplied by the administration with a reorganization bill which would have granted considerable powers beyond those necessary to deal with the energy emergency to a new Federal Energy Administration, the committee undertook to tailor this legislation to meet the crisis that is at hand.

First, the committee rewrote this legislation to create a Federal Energy Emergency Administration—A Federal agency to deal specifically with the energy emergency during the next 18 months.

Second, the committee took specific steps to prohibit the President from transferring to the new FEEA programs now operated by other Federal agencies unless both Houses of Congress approve. As originally proposed by the administration, this legislation would have granted the President unprecedented authority to transfer existing programs to the FEEA. The committee's action to curb that power represents an important step in the reassertion of congressional prerogative to determine national energy policy.

Third, the committee gave the Administrator of the FEEA subpena powers if necessary to obtain full and complete information as he deems it necessary from the oil companies. And it further provided for public disclosure of significant information that does not involve the trade secrets of the oil companies. There is nothing more essential to our efforts to combat the energy crisis than the power to obtain from the oil companies information about the severity of the emergency—information those companies have thus far refused to supply. The information and disclosure amendments added by the committee are an important step toward obtaining that vital information and provide an important safeguard to assure that the public will be well informed about the state of the crisis and efforts to deal with it.

Fourth, the committee added amendments to insure that State and local governments, which bear major responsibility in implementing emergency energy policies—are involved in a decisionmaking process from which those policies emanate. The committee also added provisions to assure that the FEEA supplies the States and localities with relevant information it possesses and to afford technical assistance to State and local governments in need of help to combat emergency energy problems.

Fifth, the committee required the Administrator of the FEEA to make regular reports about the economic impact of the decisions he makes.

Sixth, the committee granted the chairman and Director of the Cost of Living Council a veto over policies promulgated by the Administrator of the FEEA which would cause a rise in the cost of energy.

All of these amendments added by the Committee on Government Operations provide important public protections in the process by which the Federal Government combats the energy emergency. To be sure, in some areas, we need even further safeguards to protect the American people from emergency energy policies that would benefit the few at the expense of the many. That is why I have joined Senator MONDALE in an amendment to place price controls on petroleum products.

Mr. President, S. 2776, as reported by the Committee on Government Operations, is a well-thought-out and necessary measure. It will allow, for the first time, the Administration to concentrate its resources on combating the energy emergency, but, at the same time, it includes necessary safeguards to protect the American people from unwise or secret government actions. It deserves prompt and favorable consideration by the Senate.

Mr. METCALF. Mr. President, the Government Operations Committee has acted responsibly and promptly in bringing this legislation to the floor, with the unanimous support of all of its members, 2 weeks after the administration requested legislation.

The committee has made several significant changes in the bill which reflect, I believe, the attitude of a strong, bipartisan majority in the Congress.

First, we have clearly limited authority under the act so that the Administrator of this new emergency agency cannot assume statutory authority which resides in other officials. For example, the Administrator will not be able to take over the coal leasing and Outer Continental Shelf leasing programs over which the Secretary of the Interior has statutory authority.

Second, we provided for a veto, by the head of the Cost of Living Council, of energy price increases proposed by the Administrator. The administration has so far been too much inclined to let energy prices skyrocket, on the highly questionable grounds that those price increases lead to larger supplies. Our constituents need to have the Cost of Living Council in there with veto power for price protection.

Third, the bill will help open up some of the committees which provide high-level information and policy guidance for the Government. Six companies now each have membership on more than 20 such advisory and action committees. These producer representatives, under this bill, will be joined by user representatives, and representatives of State and local governments.

Fourth, the bill will place responsibility for any exemption from conflict-of-interest statutes in a specified official at the top of the agency. Furthermore, every exemption from the conflict-of-interest statute must be a matter of public record, including detailed reasons and justifications for each exemption.

During World War II, when Ed Falck was brought in from Consolidated Edison to run the Office of War Utilities, he had to resign from Con Ed, and go on the Government payroll.

Similarly, all top policy determining jobs were held by Government employees on Government payroll.

No dollar-a-year man could make any important policy decision.

Today we have to be especially on guard to prevent industry takeover of energy administration.

We have several hundred "executive reservists" from big oil companies—the emergency petroleum and gas administration shadow government—already partially mobilized.

Eight of the big oil companies dominate this executive reserve, each having from 10 to 24 officials in this organization.

We have this revolving door syndrome down in the Interior Department—especially in the Office of Oil and Gas which under this bill is being transferred to FEA.

The Director of Interior's Office of Oil and Gas went to Lone Star Gas Co. He was succeeded by a Conoco man.

An attorney for Pennzoil replaced the Assistant Secretary of Interior for Mineral Resources, who retired to an Atlantic Richfield affiliate.

The intent of S. 2776 is to limit and publicize any such potential conflicts of interest within this program.

Fifth, this bill gives both the Administrator and the Congress power to obtain information which it needs from energy industries. As my colleague from Montana (Mr. MANSFIELD) has pointed out, the Government and the people have a right to see the books of oil companies. This legislation provides that authority and more. It prohibits the Office of Management and Budget from impeding the Administrator's requests for company data. The General Accounting Office will have full access to energy information. And the Administrator is obligated to publicize and tabulate energy company information and data so it is of maximum value to other Federal agencies and the public.

Mr. President, I want to provide Members with information about some of the important energy committees which have been operating outside the law, and which would be required to operate in a lawful manner under S. 2776.

The Subcommittee on Budgeting, Management, and Expenditures has been closely monitoring the activities of the National Petroleum Council, its committees, and subcommittees. It has collected a great deal of information on the NPC, some of which was included in the advisory committee record compiled by the Government Operations Subcommittees on Intergovernmental Relations and Budgeting, Management, and Expenditures.

On December 17, 1973, the National Petroleum Council's Committee on Emergency Preparedness met in the Treasury Department. The National Petroleum Council, according to the President's first annual report on advisory committees, is an advisory committee. The Emergency Preparedness Committee is a committee of the National Petroleum Council, which prepares recommendations for both the full council and the Government. I ask unanimous consent that a copy of the preparedness committee membership list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD as follows:

EXHIBIT A

NATIONAL PETROLEUM COUNCIL COMMITTEE ON EMERGENCY PREPAREDNESS

Chairman: Carroll M. Bennett, Chairman of the Board, Texas Pacific Oil Company, Inc., 1700 One Main Place, Dallas, Texas 75250.

Vice Chairman: M. A. Wright, Chairman and Chief Executive Officer, Exxon Company, U.S.A., Post Office Box 2180, Houston, Texas 77001.

Ex officio: H. R. True, Jr., Chairman, National Petroleum Council, c/o True Oil Company, Post Office Drawer 2360, Casper, Wyoming 82601.

Cochairman: Hon. Stephen A. Wakefield, Assistant Secretary for Energy and Minerals, U.S. Department of the Interior, Washington, D.C. 20240.

Secretary: Vincent M. Brown, Executive Director, National Petroleum Council, 1625 K Street, NW., Washington, D.C. 20006.

Ex officio: Robert G. Dunlop, Vice Chairman, National Petroleum Council, c/o Sun Oil Company, 240 Radnor-Chester Road, St. Davids, Pennsylvania 19087.

Special assistant to the chairman: Harry Green, General Manager, Administrative Services, Texas Pacific Oil Company, Inc., 1700 One Main Place, Dallas, Texas 75250.

Orin E. Atkins, Chairman and Chief Executive Officer, Ashland Oil, Inc., Post Office Box 391, Ashland, Kentucky 41101.

H. Bridges, President, Shell Oil Company, One Shell Plaza, Houston, Texas 77002.

B. R. Dorsey, Chairman of the Board, Gulf Oil Corporation, Gulf Building, Pittsburgh, Pennsylvania 15230.

Richard J. Gonzalez, 48 Tiel Way, Houston, Texas 77019.

B. D. Goodrich, Chairman of the Board, Texas Eastern Transmission Corp., Post Office Box 2521, Houston, Texas 77001.

Maurice F. Granville, Chairman of the Board, Texaco Inc., 135 East 42nd Street, New York, New York 10017.

Jake L. Hamon, Oil and Gas Producer, Post Office Box 663, Dallas, Texas 75221.

John A. Kaneb, President, Northeast Petroleum Industries, Inc., 295 Eastern Avenue, Chelsea, Massachusetts 02150.

W. F. Martin, President, Phillips Petroleum Company, Phillips Building, Bartlesville, Oklahoma 74003.

William A. Lockwood, Senior Vice President, First National City Bank of New York, 399 Park Avenue, New York, New York 10022.

Harold M. McClure, Jr., President, McClure Oil Company, Post Office Box 147, Alma, Michigan 48801.

C. B. McCoy, Chairman of the Board, E. I. duPont de Nemours & Company, Inc., Wilmington, Delaware 19898.

D. A. McGee, Chairman, Kerr-McGee Corporation, Kerr-McGee Center, Oklahoma City, Oklahoma 73102.

E. Clyde McGraw, Chairman of the Board,

Transcontinental Gas Pipe Line Corp., Post Office Box 1396, Houston, Texas 77001.

Tom B. Medders, Jr., Immediate Past President, Independent Petroleum Association of America, c/o Medders Petroleum Corporation, 414 City National Building, Wichita Falls, Texas 76301.

O. N. Miller, Chairman of the Board, Standard Oil Company of California, 225 Bush Street, San Francisco, California 94104.

Robert V. Sellers, Chairman of the Board, Cities Service Company, 60 Wall Tower, New York, New York 10005.

John E. Swearingen, Chairman of the Board, Standard Oil Company (Indiana), 200 East Randolph Drive, Chicago, Illinois 60601.

Rawleigh Warner, Jr., Chairman of the Board, Mobil Oil Corporation, 150 East 42nd Street, New York, New York 10017.

Mr. METCALF. Mr. President, the National Petroleum Council's stated purpose is to advise the Secretary of the Interior and/or the Director of Interior's Office of Oil and Gas—which is being transferred to FEEA under S. 2776—on any matter relating to petroleum or the petroleum industry. On December 11, 1973, Mr. Vincent M. Brown, executive director of the National Petroleum Council, wrote to Stephen Wakefield, Assistant Secretary of the Department of Interior for Energy and Minerals. In his letter, Mr. Brown requested approval for a meeting of the NPC's Committee on Emergency Preparedness, to be scheduled for Monday, December 17, 1973. The location was not agreed upon at that time. The letter (exhibit B) also indicated a tentative agenda. I ask unanimous consent that the letter appear at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

National Petroleum Council,
December 11, 1973.

Hon. Stephen A. Wakefield,
Assistant Secretary for Energy and Minerals, U.S. Department of the Interior, Washington, D.C.

Dear Mr. Wakefield: Mr. Carrol M. Bennett, Chairman of the NPC Committee on Emergency Preparedness, wishes to hold a meeting of his group on Monday, December 17, 1973 in Washington, D.C., starting at 1:00 p.m. The exact location has yet to be agreed upon between members of the staffs of the National Petroleum Council and the Office of Oil and Gas.

Pursuant to Article 14 of the Articles of Organization of the Council, your approval is requested for the holding of this meeting, as well as for the following agenda for this session:

1. Opening Remarks—Carrol M. Bennett, Chairman.
2. Remarks by William E. Simon, Administrator, Federal Energy Office.
3. Review and Discuss November 30, 1973 Letter from Secretary Rogers C. B. Morton.
4. Discuss Timetable for Completion of Committee's Assignment.
5. Discuss Any Other Matters Pertinent to the Overall Assignment of the Committee.

Sincerely,

Vincent M. Brown.

Mr. METCALF. Mr. President, the Subcommittee on Budgeting, Management, and Expenditures has collected a great deal of information on the Council and its activities, pursuant to its oversight responsibility for advisory committees. The letter was one of the items made available to the subcommittee on Friday, December 14.

That Friday, a call to the NPC revealed that the meeting place had been agreed upon—room 4426 Main Treasury. A staff member of the NPC was informed that a professional staff member of the subcommittee would attend. No problem was anticipated in having the committee staff member attend.

On Monday, December 17, the Federal Register carried a notice of the meeting. (Exhibit C) It was signed on Thursday, December 13, submitted to the Federal Register on December 14, and published on December 17, the day of the meeting. I ask unanimous consent that the notice appear at this point in the Record.

There being no objection, the notice was ordered to be printed in the Record, as follows:

Exhibit C

Committee on Emergency Preparedness, National Petroleum Council

NOTICE OF MEETING

Pursuant to Executive Order 11686, notice is hereby given of the following meeting:

The Committee on Emergency Preparedness of the National Petroleum Council will meet at 1:00 p.m. on Monday, December 17, 1973. The exact location of this meeting has not yet been determined but inquiries may be directed to the Director of Information, the National Petroleum Council, Washington, D.C., telephone 393–6100. The proposed agenda includes remarks by the Chairman of the Committee, the Honorable William E. Simon, Administrator, Federal Energy Office, discussion of a work schedule to carry out the study requested by the Secretary of Interior on November 30, 1973, and other pertinent matters.

The purpose of the National Petroleum Council is solely to advise, inform and make recommendations to the Secretary of the Interior on any matter relating to petroleum or the petroleum industry. The meeting is open to the public to the extent that the determined facilities will permit.

Ben Tafoya,
Industrial Specialist.

December 13, 1973.

[FR Doc. 73–26716 Filed 12–14–73, 8:45 am]

Mr. METCALF. Mr. President, the notice itself, when viewed against an ideal notice under the Federal Advisory Committee Act, has several deficiencies:

First, the notice is issued pursuant to Executive Order 11686. This Executive order, designed to delegate responsibilities of the President under the Federal Advisory Committee Act, does not have any provision for such notice. On the other hand, section 10(a)(2) of the Federal Advisory Committee Act does have a notice requirement.

Second, the OMB guidelines require that, except in certain rare instances, a minimum of 7 days notice in the Federal Register should be given. Certainly, a notice in the Register on the same day of the meeting does not meet the requirements.

Third, the Federal Register notice is signed by "Ben Tafoya, Industrial Specialist." Mr. Tafoya is with the Office of Oil and Gas, and serves as secretary to several of the Office of Oil and Gas advisory committees.

Fourth, although the agenda is included in the notice, it appears that William Simon is chairman of the committee. This is erroneous. The cochairmen are Carrol M. Bennett, board chairman of Texas Pacific Oil Co., and Assistant Secretary of the Interior, Stephen A. Wakefield.

THE MEETING

Chairman Carrol Bennett called the meeting to order. After some opening remarks, item 2—remarks by Mr. Simon—was delayed.

Agenda item No. 3 was listed as a review and discussion of a November 30, 1973, letter from Secretary Morton to NPC Chairman H. A. True.

Although no copy of the letter was available, after discussion with the NPC staff, Mr. Chvotkin of my subcommittee staff found that the letter requested the NPC to establish a new subcommittee, entitled the Emergency Industry/Government Cooperation Subcommittee, to help Interior plan, organize, and staff the Office of Petroleum Allocation. Under S. 2776, OPA will be transferred to the FEEA.

An unidentified industry speaker, discussing the Morton letter, indicated that the number and types of positions had already been decided. Additionally, each position had a job description which was "sufficiently flexible" to allow latitude on behalf of the Government. These industry people could then participate in the Office of Petroleum Allocation, providing the Office of Oil and Gas could get the legal clearance. Once this clearance was obtained, the NPC could be used to assign these slots to the various companies.

Assistant Secretary of the Interior Stephen Wakefield indicated that the various antitrust and conflict of interest provisions currently in the various energy bills before the Congress were not acceptable for bringing these individuals into the Government.

Vince Brown, of NPC, indicated that the original structure of the Office of Petroleum Allocation was devised by Admiral Reich. It was a type of national, regional, and State organization that could be used if the energy crisis reached the allocation stage. In that case, if drafting of industry people was found desirable, NPC could be "helpful in filling positions" by recommending key personnel, but again reiterated the need for protection from conflicts of interest. There was unanimous agreement from the committee on this point.

After some discussion, Mr. Brown said that it took approximately 4 years for the NPC to develop the structural model of the Emergency Petroleum and Gas Administration (EPGA), and only a little was needed to bring that model into line with the current needs. My comments about EPGA and its domination by large oil companies appear in the November 27 Congressional Record beginning on page 38142

After some brief remarks from Chairman Bennett, Administrator Simon joined the meeting. After a few introductory words, he proceeded to questions. Some of his brief remarks bear noting.

He expressed his frustration and disgust at the current status of energy bills in the Congress, and indicated that if any one of approximately 20 amendments appeared in the final legislation, he would recommend a Presidential veto.

He felt he had sufficient power to

operate now without legislation, with cooperation from industry and the American people.

After a question, Mr. Simon indicated that conflict-of-interest provisions were not in any of the legislation.

He indicated that if he tried to bring in 250 oil people, labor would "go through the roof." He recognized that such a draft of industry people would not "fly politically." He would have to see if he could devise another way to utilize the oil industry, including advisory committees.

A question was raised about the NPC. "The NPC is in a state of confusion," the unidentified individual stated. The NPC bylaws provide that the NPC advise the Secretary of the Interior and the Director of the Office of Oil and Gas. "What is the NPC position now?" he asked. Mr. Simon replied that when the Office of Oil and Gas moves to FEEA, NPC will go too. In the meantime, Secretary Morton would designate the National Petroleum Council to coordinate with Simon. Legally, Simon saw no problem with the reassignment.

After additional conversation, including remarks about the legislation, Mr. Simon left. Some additional points were discussed with Bill Johnson, head of the Policy Analysis section of the Federal Energy Office.

After some questions were asked by committee members, the meeting was adjourned at 2:35 p.m.

Mr. President, the details regarding the meeting this week of the National Petroleum Council Subcommittee, and the list of the members of that committee—all from industry—may help show why the Committee on Government Operations, in approving S. 2776, has required that these committees diversify their membership and operate openly, and why the committee wants exemptions from conflict-of-interest statutes justified publicly.

Other important energy committees have been meeting lately in closed sessions with high administration officials. I refer to the Emergency Petroleum Supply Committee and its subcommittees. One met on short notice in Exxon headquarters in New York. These committees—like the National Petroleum Council and its subcommittees and coordinating committees—are also exclusively composed of officials of large oil companies.

These are typical of the kind of committees which the Government Operations Committee said, in approving S. 2776, that it wants broadened out and opened up.

Mr. President, I ask unanimous consent to insert at this point in the RECORD the membership, as of this month, of the Emergency Petroleum Supply Committee and its subcommittees.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EMERGENCY PETROLEUM SUPPLY COMMITTEE MEMBERSHIP LIST OF COMPANY MEMBER, REPRESENTATIVE, AND ALTERNATE

American Independent, 50 Rockefeller Plaza, New York, New York; J. B. Sunderland; Howard L. Clark.

Arabian American Oil Co., 1345 Avenue of the Americas, New York, New York; J. J. Johnston; Samuel C. Harper.

Ashland Oil, Inc., P.O. Box 391, Ashland, Kentucky; Robert E. Yancey; William E. Perrine.

Atlantic Richfield Company, 515 South Flower St., Los Angeles, California; B. E. Milner; Norton M. Smirlock.

Caltex Oil Products Company, 380 Madison Avenue, New York, New York; J. M. Voss; W. E. Tucker.

Cities Service Company, Inc., 60 Wall Tower, New York, New York; John E. Meyer; R. H. Chitwood, Cities Service Oil Co., Box 300, Tulsa, Okla.

Continental Oil Company, High Ridge Park, Stamford, Conn.; John L. Kelly, Continental Oil Co., Western Hemisphere Pet., Box 2197, Houston, Texas; C. S. Nicandros.

Exxon Corporation, 1251 Avenue of the Americas, New York, New York; D. M. Cox; Charles O. Peyton.

Getty Oil Company, 3810 Wilshire Boulevard, Los Angeles, California; B. E. Williams; W. C. Godfrey.

Crown Central Petroleum Corp., Henry A. Rosenberg, Jr., A. J. Morris.[1]

Gulf Oil Corporation, Gulf Building, Pittsburgh, Pa.; Zane Q. Johnson; J. N. McGarvey.

Marathon Oil Company, 539 South Main Street, Findlay, Ohio; R. M. Churchwell; A. D. Lodge.

Mobil Oil Corporation, 150 East 42nd Street, New York, New York; Herman J. Schmidt; Walter A. Bork.

Murphy Oil Corporation, 200 Jefferson Avenue, El Dorado, Arkansas; Charles E. Cowger; Paul C. Bilger.

Phillips Petroleum Company, 344 Phillips Building, Annex, Bartlesville, Oklahoma; John E. Harris, Jr.; C. M. McCormick.

Signal Oil and Gas Co., Golden Gate Center, 2800 North Loop West, Houston, Texas; Walter R. Ballard; W. H. Thompson, Jr.

Standard Oil Co. of California, 225 Bush Street, San Francisco, Calif.; George T. Ballou; W. Jones McQuinn.

Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Illinois; George V. Myers; W. A. Kirkpatrick.

Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio; Frank E. Mosier; S. S. Myer.

Shell Oil Co., Stan G. Stiles; Charles L. Blackburn*.

Sun Oil Company, 1608 Walnut Street, Philadelphia, Pa.; Warren E. Burch; J. Van Dyck Fear.

Texaco, Inc., 135 East 42nd Street, New York, New York; R. Howard Wilson; L. W. Folmar.

Union Oil Co. of Calif., Union Oil Center, Los Angeles, Calif.; M. S. Thomson; Howard K. Said.

Total Participating Companies—23.

OBSERVER COMPANY, REPRESENTATIVE, ALTERNATE

Asiatic Petroleum Corp., One Rockefeller Plaza, New York, New York; J. D. Ritchie, President; M. J. Paulli, One Rockefeller Plaza, New York, N.Y.

BP North America, Inc., 620 Fifth Avenue, New York, New York; P. G. Cazalet; Michael J. Bowers.

INDUSTRY COUNSEL

Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue, N.W., Washington, D.C.; Robert Krause, Fowler Hamilton, John K. Mallory, Jr., Michael Duncan, William Fenwick, New York, all representatives.

GOVERNMENT CHAIRMAN

Duke R. Ligon and Vice Chairman, Robert L. Presley, Office of Oil and Gas, U.S. Department of the Interior, Washington, D.C.

SECRETARY

Ben Tafoya, Office of Oil and Gas, U.S. Department of the Interior, Washington, D.C.

MEMBERSHIP LIST OF SUPPLY AND DISTRIBUTION SUBCOMMITTEE OF EMERGENCY PETROLEUM SUPPLY COMMITTEE

COMPANY MEMBER, REPRESENTATIVE, AND ALTERNATE

Atlantic Richfield Co., 515 South Flower St., Los Angeles, Calif.; R. M. Burton; N. M. Smirlock.

Caltex Oil Products Co., 380 Madison Ave., New York, New York; Seymour S. Miller, Chairman; Ernest F. Krug, Jr.

Continental Oil Co.,[1] High Ridge Park, Stamford, Conn.; H. Kent Bowden[1]; W. S. Fenton.[1]

Exxon Corporation, 1251 Avenue of the Americas, New York, New York; R. E. Wilhelm; R. J. Seastream.

Gulf Oil Corporation, Gulf Building, Pittsburgh, Pa.; B. C. Barnes; J. N. Deakin.

Marathon Oil Company, 539 South Main Street, Findlay, Ohio; R. T. Coates; A. D. Lodge.

Mobil Oil Corporation; 150 East 42d Street, New York, New York; T. C. Cory; E. P. Traiteler.

Phillips Petroleum Company, Phillips Building, Bartlesville, Oklahoma; Charles M. McCormick; Walter I. Weed.

Standard Oil Co. of Calif., 225 Bush Street, San Francisco, Calif.; Houston M. Kimbrough; L. L. Knudsen.

Standard Oil Company[1] (Ohio), William P. Mahar.

Sun Oil Company, 1608 Walnut Street, Philadelphia, Pa.; J. Van Dyck Fear; John C. S. Wood.

Texaco Inc., 135 East 42d Street, New York, New York; H. C. Tenny; A. G. Hubert.

Union Oil Co. of Calif., Union Oil Center, Los Angeles, Calif.; H. K. Said; L. R. Williams, Union Oil Company, 200 East Golf Road, Palatine, Ill.

GOVERNMENT COCHAIRMAN

David R. Oliver, Office of Oil and Gas, U.S. Department of the Interior, Washington, D.C.

COMPANY OBSERVER, REPRESENTATIVE, ALTERNATE

Asiatic Petroleum Corp.; One Rockefeller Plaza, New York, New York; J. D. Ritchie, President; M. J. Paulli, One Rockefeller Plaza, New York, N.Y.

BP North America, Inc., 620 Fifth Avenue, New York, New York; P. G. Gazalet, President; Michael J. Bowers.

MEMBERSHIP LIST OF TRANSPORTATION SUBCOMMITTEE OF THE EMERGENCY PETROLEUM SUPPLY COMMITTEE

COMPANY MEMBER, REPRESENTATIVE, ALTERNATE

Arabian American Oil Co., 1345 Avenue of the Americas, New York, New York; Thomas J. Laney; William F. Todd.

Atlantic Richfield Company, Box 2679, T. A., Los Angeles, California; C. M. Lynch; R. B. Hastie, ARCO Pipe Line Co., ARCO Building, Independence, Kansas.

Exxon Corporation, 1251 Avenue of the Americas, New York, New York; C. J. Carven (Chairman); R. C. Baker.

Getty Oil Company, Getty-Union Bank Bldg. 3810 Wilshire Boulevard, Los Angeles, Calif.; W. W. Mitchell; S. P. Carney.

Gulf Oil Corporation, Gulf Building, Pittsburgh, Pa.; James N. Brown; R. F. Cooke.

Marathon Oil Company, 539 South Main Street, Findlay, Ohio; J. E. Pellaton; L. C. Mihaly.

Mobil Oil Corporation, 150 East 42nd Street, New York, New York; H. A. Steyn, Jr.; G. D. Treichler.

Phillips Petroleum Company, Phillips Buiding Annex, Bartlesville, Oklhoma; Walter I. Weed, Forrest F. Okerman.

Standard Oil Co. of California, 225 Bush Street, San Francisco, Cal.; T. S. Wyman, Chevron Shipping Co., 555 Market Street, San Francisco, Cal.; A. G. Parker, Chevron Intl. Oil Co., 30 Rockefeller Plaza, Suite 3131, New York, N.Y.

Standard Oil Co. (Indiana), 910 South

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[1] In process.

Michigan Avenue, Chicago, Illinois; Capt. C. D. Phillips, Amoco Internat'l Oil Co., 200 East Randolph Street, Chicago, Ill.; Joseph C. Weaver, Jr., Amoco Internat'l Oil Co., 200 East Randolph Street, Chicago, Ill.

Sun Oil Company, 1608 Walnut Street, Philadelphia, Pa.; Jack A. Collins; Malcolm J. Prevot.

Texaco, Inc., 135 East 42nd Street, New York, N.Y.; M. D. Annetta, J. J. Bartell.[1]

Total participating companies—12.

GOVERNMENT CO-CHAIRMAN

Earl G. Ellerbrake, Office of Oil and Gas, U.S. Department of the Interior, Washington, D.C.

OBSERVER COMPANY, REPRESENTATIVE, ALTERNATE

Asiatic Petroleum Corp., One Rockefeller Plaza, New York, N.Y.; J. D. Ritchie (President); G. H. Bye, One Rockefeller Plaza, New York, N.Y.

BP North America, Inc., 620 Fifth Avenue, New York, N.Y.; P. G. Gazalet (President).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H.J. Res. 736) to provide for a feasibility study and to accept a gift from the United States Capitol Historical Society.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5874) to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 3153) to amend the Social Security Act to make certain technical and conforming changes; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Ullman, Mr. Burke of Massachusetts, Mrs. Griffiths, Mr. Rostenkowski, Mr. Schneebeli, Mr. Collier, and Mr. Broyhill of Virginia were appointed managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 655. An act to provide for the naming of the lake to be created by the Buchanan Dam, Chowchilla River, Calif.; and

S. 1945. An act to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion.

The enrolled bills were subsequently signed by the Vice President.

NEW RECORDHOLDER IN ATTENDANCE AT SUCCESSFUL ROLLCALL VOTES

Mr. ROBERT C. BYRD. Mr. President, it has long been an accepted maxim in the world of athletics that records are made to be broken, and while athletes are at a premium in this Chamber, we have one distinguished Member who has today broken the record, indeed, some days ago he broke the then existing record, and he has now reached an enviable plateau.

It is most fitting that the senior Senator from Wisconsin should be the recordbreaker as his distinction as a Senator is almost equalled by his reputation as an athlete.

Despite the fact that his training routine has on more than one occasion been interrupted by extraneous influences, he has broken the record several days ago which our former colleague, former Senator Margaret Chase Smith of Maine, held in answering 2,941 successive rollcall votes.

Several days ago, as I say, Senator Proxmire exceeded that record. Today Senator Proxmire answered his 3,002d successive rollcall vote and he is the new alltime recordholder.

It would be surprising if this figure is not substantially increased in the years to come, as Senator Proxmire's outstanding capabilities are matched only by his robust good health.

Today, as all Senators may see, Senator Proxmire carries the scars of this battle.

I offer my congratulations to the distinguished vice chairman of the Joint Economic Committee, and I express the hope that he will long continue his excellent example of conscientiousness, industriousness, and high skill.

A quote from the Confucian Analects seems to fit Senator Proxmire:

> The superior man is modest in his speech, but exceeds in his actions.

While it may be said, in jest, that the senior Senator from Wisconsin is not always modest in his speech, he most surely always exceeds in his actions.

I ask unanimous consent that the Senate now stand in recess for 2 minutes so that Senators may shake the left hand of Senator Proxmire. [Laughter.]

The PRESIDING OFFICER (Mr. Stafford). Without objection, it is so ordered.

Thereupon, at 3:46 p.m., the Senate took a recess for 2 minutes.

The Senate reassembled at 3:48 p.m., when called to order by the Presiding Officer (Mr. Stafford).

Mr. NELSON. Mr. President, if I may be permitted to make a brief statement, I join in the remarks made by the distinguished majority whip, the Senator from West Virginia (Mr. Robert C. Byrd).

Mr. President, I had not been following the count as closely as Senator Byrd of West Virginia. I just realized that as of now my distinguished senior colleague has exceeded the record formerly held by former Senator Margaret Chase Smith.

I want to say for the record that I, too, have a remarkably good attendance record which would receive much more notice if it were not for the record of my distinguished senior colleague.

I, too, have a distinguished record as an athlete which would also receive much more attention if it were not for the reputation of my distinguished senior colleague.

I join in the congratulations and promise that I will make no effort to exceed the record established by my senior colleague from Wisconsin.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate continued with the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

ORDER FOR TIME LIMITATION ON AMENDMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a limitation of a half-hour on all amendments remaining, the time to be equally divided between the sponsors and the managers of the bill; and 1 hour on the Weicker amendment, the same time allocation to be made, and that the unanimous consent agreement be in the usual form.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that Jeff Baker of my staff be accorded the privilege of the floor during the remainder of the debate on the energy bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I send to the desk an amendment cosponsored by Mr. Mondale and Mr. Proxmire and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. NELSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with, and I will explain it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 33, immediately after line 24, insert the following new paragraph:

"(e) Notwithstanding any other provision of this Act, the Administrator shall formulate and implement such regulatory and other actions in a manner which does not unduly discriminate against any industry or any region of the United States; and further that, notwithstanding any other provision of this Act, the Administrator shall formulate and implement such regulatory and other actions in a manner designed to insure that, to the greatest extent possible, the costs and burdens of meeting the en-

> ergy crisis shall be borne equally by every sector and segment of the country."

Mr. NELSON. Mr. President, I shall not take more than 3 minutes on the amendment. I understand that the manager of the bill is prepared to accept it.

This amendment reads as follows:

> Notwithstanding any other provision of this Act, the Administrator shall formulate and implement such regulatory and other actions in a manner which does not unduly discriminate against any industry or any region of the United States; and further that, notwithstanding any other provision of this Act, the Administrator shall formulate and implement such regulatory and other actions in a manner designed to insure that, to the greatest extent possible, the costs and burdens of meeting the energy crisis shall be borne equally by every sector and segment of the country.

Mr. President, my specific reason for introducing the amendment at this time is that a story in Newsweek magazine on the energy crisis stated:

> Furthermore, Simon and other energy authorities are considering a ban on the use of snowmobiles and pleasure boats.

Mr. President, I am sure everyone agrees that there are various activities that have a special priority in terms of their critical necessity, and I think everyone would agree that those activities requiring fuel for the production of food would rank in the highest priority, and those activities for the heating of homes, for example, would rank in the very highest priority.

However, there are many, many other activities in this country which rate a high priority, even though they rank below those activities of producing food and heating homes. I think it ought to be well understood that recreation is a fundamental activity, and should be fairly treated, with other activities of that ranking and priority of importance.

I would point out very briefly that tourism is one of the largest industries in America. A congressional study by the National Tourism Resources Review Commission stated that recreation is a $61 billion a year industry, which employs over 4 million people.

The sole purpose of this amendment is to insure that such activities as recreation not be unduly discriminated against.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Kay McKrogh may have the privilege of the floor during the further consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, on behalf of the distinguished Senator from Illinois (Mr. PERCY) and myself, we will gladly accept the amendment of the distinguished Senator from Wisconsin (Mr. NELSON).

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

TRIBUTE TO MEMBERS OF ARMED FORCES MISSING IN ACTION IN INDOCHINA

Mr. BARTLETT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from the further consideration of Senate Resolution 217 and that the Senate proceed to its immediate consideration.

The ranking Republican member of the committee is in the Chamber, and the chairman, I understand, is on his way to the Chamber. They have no objection to the consideration of the resolution.

The PRESIDING OFFICER. Will the Senator from Oklahoma please repeat his request?

Mr. BARTLETT. The request is that the Committee on Foreign Relations be discharged from the further consideration of Senate Resolution 217 and that the Senate proceed to the immediate consideration of the resolution.

The PRESIDING OFFICER. The resolution will be stated by title.

The second assistant legislative clerk read the title as follows:

> To pay tribute to members of the Armed Forces missing in Indochina.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the resolution.

Mr. FULBRIGHT. Mr. President, I have consulted with the distinguished Senator from Oklahoma about the resolution. As I understand, the distinguished senior Senator from Vermont (Mr. AIKEN) is about to explain its purpose. I think this is proper procedure, and the committee is glad to go along with the request of the Senator from Oklahoma. The committee will not have time to hold another meeting, since only 1 or 2 days of the session remain.

Mr. AIKEN. Mr. President, the failure to account for all of the men missing in action during the years the U.S. forces were in Indochina is a source of great distress in this country.

I think the least we can do now is to adopt the resolution which the Senator from Oklahoma (Mr. BARTLETT) offers. I have discussed the proposal with our chairman and with other members of the committee. We have no objection to the adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

> Whereas the United States recognizes its responsibility as well as its gratitude to the one thousand one hundred and sixty-three members of the Armed Forces who are currently listed as missing in action in Indochina; and
>
> Whereas the families of these missing men are entitled to an accounting of their fate; and
>
> Whereas the North Vietnamese have disregarded the Paris Peace Agreement which provides in section 8b:
>
> "The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate exhumation and repatriation of the remains, and to take any other such measures as may be required to get information about these still considered missing in action."
>
> Whereas it is in the interest of basic humanity and justice for North Vietnam to allow the United States, or a neutral nation or third party such as the Red Cross to search for the location of missing in action throughout Indochina: Now, therefore, be it
>
> *Resolved,* That the United States Senate urge the President to continue to use every diplomatic avenue, including North Vietnam's allies and the United Nations to assist in obtaining the necessary cooperation and information concerning our missing men; and
>
> That, during this Christmas season, the grateful people of our Nation give a special remembrance through our thoughts and our prayers for those brave men and their loyal families who have given so much for each of us.

FORTHCOMING RETIREMENT OF SENATOR ERVIN

Mr. HELMS. Mr. President, the news that my distinguished senior colleague (Mr. ERVIN) has today advised the Senate that he will not seek reelection next year is bound to sadden all Members of this body, past, and present, who have had the privilege of serving with this great North Carolinian, and American.

Mr. President, my own friendship with Senator ERVIN dates back at least a quarter of a century. I have observed him and supported him in his vigorous battles through the years to hold back a flood of unwise pieces of legislation which, despite Senator ERVIN's warnings, were enacted, and which have since frustrated the lives of literally millions of Americans.

He endured caustic criticism aimed at him by some of the Nation's major news media. He did so unflinchingly and courageously and, in the process, easily won reelection to the Senate time after time as a recognized conservative. During that period, he grew steadily in the favor and affection of the people of North Carolina.

It is, of course, one of the ironies of our time that some of the same major news media that once so harshly mocked and ridiculed Senator ERVIN, today look with favor upon him. Whereas he was virtually denied coverage in those days—except for criticism and ridicule—when he pleaded against the enactment of unwise "social legislation" which he contended was unconstitutional, he now is praised and revered by the major news media of the country.

Senator ERVIN will leave the Senate, Mr. President, with the best personal wishes of his colleagues. He has become a legend in his own time, and he has chosen to retire at a time when he is recognized throughout the land as a man who has made his mark on history.

Senator ERVIN is my friend. I am his. Though we no longer belong to the same political party, I shall always remember and be grateful for his valiant battles of years gone by. I shared his principles then; I cling to those principles now; and like the majority of my fellow North Carolinians, I am grateful that he was willing to stand up and be counted.

To him and his dear wife, Mrs. Helms and I reiterate our respect and affection. We wish "Senator SAM" and Mrs. Ervin every happiness and joy.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate continued with the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

Mr. HARTKE. Mr. President, I have at the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 32, after line 5, insert the following new section and redesignate succeeding sections accordingly:

STOCKPILING PROHIBITED

SEC. 112. The Administrator shall prepare and submit to the Senate and the House of Representatives within 60 days of enactment of this bill, a report which shall include but not be limited to the following:

(A) Assessing the degree to which any person, partnership, corporation, or other organization is stockpiling in addition to ordinary and necessary requirements more fuels, of all types, than he requires to meet his reasonable needs;

(B) Specifying what actions the Administrator has taken to prevent the undue stockpiling of fuels;

(C) Setting forth all rules, regulations, and policies governing stockpiling adopted by the Administration; and

(D) Detailing any additional statutory authority needed by the Administrator to control and prevent the stockpiling in addition of fuels to ordinary and necessary requirements by producers, wholesalers, distributors, and consumers.

Mr. HARTKE. Mr. President, this amendment is in the nature of a substitute for my amendment No. 919.

My amendment to the Federal Energy Emergency Administration Act would force the Administrator of this new energy agency to initiate a task force study of the stockpiling and hoarding of fuels. He would have to submit his report to the Congress within 60 days of the effective date of this act.

The President has called on the American people to conserve energy by asking millions to suffer inconvenience and possible economic distress in order to conserve fuel resources. Our thermostats are turned down, our cars must be driven at 50 miles per hour, and our schools and factories may be forced to operate shorter hours.

These conservation methods and programs have resulted in energy savings but the worst shortages are yet to come. Some regions of the Nation face the prospect of up to 40 percent energy shortages if weather turns severe and alternative supplies are not found. Already consumers are suffering serious hardships as a result of shortages, price increases, and restrictions on the availability of petroleum fuels. Shortages and hardships will be made much more severe if individuals and corporations stockpile energy supplies and hoard them to the detriment of other consumers.

The information I am asking the Administrator to ferret out and disclose to the American public is vital. Sources close to the oil industry tell us some suppliers are holding back fuel until prices go up. We have all heard the charge that the oil industry has used the crisis to prevent independents from obtaining sufficient supplies to stay in business.

This study is necessary. I think the facts have to be made known. After ascertaining this information, we will be able to properly determine whether or not there is a real oil shortage crisis. We all know that we cannot get enough fuel and that the price has increased on gasoline and heating oil, but we do not know if this is a legitimate crisis. This study should answer this question.

This amendment deals with the same situation I had last night. I have discussed this matter with the manager of the bill and the ranking member. We have cleared up all the difficulties. It calls for a report on unnecessary stockpiling and hoarding.

Mr. RIBICOFF. On behalf of the Senator from Illinois and myself, we are pleased to accept the amendment.

Mr. HARTKE. I thank my distinguished colleagues from Connecticut and Illinois.

Mr. PERCY. Mr. President, I want to indicate my complete concurrence with the amendment and to commend the Senator from Indiana (Mr. HARTKE) for his foresight in preparing it.

Mr. HARTKE. Mr. President, I yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. GOLDWATER). All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Indiana (Mr. HARTKE).

The amendment was agreed to.

Mr. STEVENSON. Mr. President, I have an amendment at the desk which I ask be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

S. 2776

On page 53, line 2, insert "(a)" after "SEC. 204." and before "There".

On page 53, between lines 18 and 19, insert the following:

"(b) The Administrator of the interim Federal Energy Emergency Administration established by Title I of this Act, may, if appointed to the Council pursuant to (a) and if designated by the President, serve as Chairman of the Council in order to coordinate the functions of that Administration with those of the Council and to assure necessary continuity subsequent to the termination of Title I as provided by Section 125 of this Act."

Mr. STEVENSON. Mr. President, I have discussed this amendment with the manager of the bill. I believe it is acceptable to him. I have also mentioned it to my distinguished colleague, Mr. PERCY.

The amendment would permit the President to appoint a Federal Energy Emergency Administration administrator to the chairmanship of the Council on Energy Policy. At present, the law provides that the Council shall be chaired by a fulltime chairman, which could have the effect of disqualifying the Federal Energy Administrator, Mr. Simon. This would make it possible for the President to appoint Mr. Simon to both offices.

Mr. RIBICOFF. Mr. President, this is a good amendment and I accept it.

Mr. PERCY. Mr. President, the reason I have strongly objected to title II—the three-member Council on Energy Policy—is that we would have had an administrator with operational responsibilities who would have been separated from the policy coordination function created in the White House by title II. This amendment enables the President to tie together policy and the administration of the ongoing program, if he so chooses, by appointing the Administrator as Chairman of the Council. It is a good amendment and provides some measure of needed flexibility. I accept the amendment.

Mr. STEVENSON. Mr. President, I yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Illinois (Mr. STEVENSON).

The amendment was agreed to.

Mr. HART. Mr. President, I have an amendment at the desk which I ask be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

S. 2776

On page 48, line 15, insert the following: in Section 124 (a) (5), delete the word "technology." and insert instead the following:

"Technology; *Provided*, That the Comptroller General, pursuant to Section 118 of this Title, shall monitor and review said analysis and provide his comments to the Congress and the Administrator."

Mr. HART. Mr. President, this amendment is offered to insure that the Comptroller General will have the duty to oversee the development of the independent analysis of oil and gas reserves. The figures on the amount and location of these reserves are among the most closely guarded secrets of the industry. Yet, public access to these figures is absolutely essential for the development of any fair national energy policy.

All reports required from the Federal Energy Emergency Administration would be subject to review by the Comptroller General under the provisions of this bill. The amendment simply makes clear that the one report which may prove most controversial also will receive the objective and forthright analysis of a group of experts directly responsible to Congress. It is my hope that the Comptroller General, in performing this function, will consult widely with other agencies within the Government and draw on all sources of expertise to make sure that our energy policy is based on strong, verified information.

Mr. President, I would hope that the manager of the bill and the ranking member would agree to this amendment.

Mr. RIBICOFF. Mr. President, on behalf of the committee I accept the amendment offered by the distinguished Senator from Michigan.

Mr. PERCY. Mr. President, I should like to ask, for purposes of clarification, as I have not had the necessary time to study the amendment, what new authority does this give to the GAO?

Mr. HART. It makes it explicit, if I could respond, that the charge to the Comptroller General be that he review the report called for—I think it is the seventh subsection of this section of the bill—as some would hold that even without this language the Comptroller General could play a role in the analysis of the reserves. Even if this is true, at least we put him on notice of our interest and desire that he in fact participate in this specific report and review.

I must confess that earlier in the day I had hoped very much that we could have that independent review assigned to the Federal Trade Commission. I realize, after speaking with a number of those directly concerned with the bill, that this effort would have been a failure. The votes were not there. So this is a fallback position.

Mr. PERCY. With that explanation, I fully accept the amendment.

Mr. HART. Mr. President, I yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Michigan (Mr. HART).

The amendment was agreed to.

Mr. HATHAWAY. Mr. President, I have an amendment at the desk which I ask be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> On page 39, after line 26, insert the following:
>
> "*Provided that*, notwithstanding any other part of this subsection, the Administrator shall disclose upon identifiable request, and at reasonable cost, any information or data of the type which could not be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a single product, unless such information or data concerns or relates to the trade secrets, processes, operations, style of work, or apparatus of a business enterprise."

Mr. HATHAWAY. Mr. President, this amendment applies to section 116(b), concerning public disclosure of information. My amendment applies a standard established by the Congress in Public Law 93-28, Economic Stabilization Act Amendments of 1973, for public disclosure of financial information, as supplied in that case to the Cost of Living Council. The amendment employs the language of section 205(b)(3) of that act, modified to conform to the provisions of S. 2776.

This amendment clarifies the fact that the public disclosure provisions of the Economic Stabilization Act, as amended, continue to apply to information currently collected by the Cost of Living Council in its Energy Division which will, upon the enactment of this legislation, be collected by the Federal Energy Emergency Administration, under the transfer of authority provided in section 105.

Furthermore, the amendment extends the standard employed in the Economic Stabilization Act for public disclosure of financial information to information or data collected under other provisions of S. 2776.

Mr. President, I have discussed this amendment with the Senator from Connecticut and I understand there is no objection to it.

Mr. RIBICOFF. Mr. President, I accept the amendment and the Senator from Illinois also accepts it.

Mr. HATHAWAY. Mr. President, I yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Maine (Mr. HATHAWAY).

The amendment was agreed to.

Mr. RIBICOFF. Mr. President, there are two more amendments, I understand. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

AMENDMENT NO. 929

Mr. WEICKER. Mr. President, I call up my amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> On page 48, beginning in line 21, strike out "This title shall terminate June 30, 1975." and insert in lieu thereof "This title shall terminate June 30, 1974.".
>
> On page 49, beginning in line 1, strike out "1974, and $200,000,000 annually for each of the fiscal years 1975 and 1976 to carry out the purposes of this title." and insert in lieu thereof "1974.".
>
> On page 49, beginning in line 5, strike out "and $75,000,000 annually for each of the fiscal years 1975 and 1976".

Mr. WEICKER. Mr. President, first, let me compliment the distinguished senior Senator from Connecticut (Mr. RIBICOFF) and the distinguished Senator from Illinois (Mr. PERCY) on the work they have done with respect to this act which would establish the Federal Energy Emergency Administration. I have great confidence in their work product, and my amendment in no wise indicates anything but the fullest confidence in them and the work of the Committee on Government Operations.

However, I think it is necessary to point out that we are once again engaged in an unprecedented turning over of congressional power into the hands of the Executive, and it is being done in a time of "emergency." Congress does not go ahead and give up its power in normal times. This happens always under emergency conditions, and I think we all agree that an energy crisis is upon us. But I think it is also necessary to retain, in some way, congressional authority to review the policies of this Nation.

Under this act, for a year and a half there would be no effective check on the policymaking power of the energy czar and/or his staff. I agree that in the bill are sections which require reports to Congress. There is a section which requires the President, in June of 1974, to make his recommendations as to a permanent organizational structure for Federal emergency energy policymaking. But there is nothing in the way of teeth, whereby this body can act should it ef- Administrator or those around him under fectively review the actions taken by the the powers granted under this bill.

It is interesting to note that, obviously, change is contemplated; because if we turn to section 123 of the bill, it sets forth the following:

> The President shall submit to the Congress not later than June 30, 1974, a report setting forth his recommendations for a permanent Federal organizational arrangement for the management and development of policy for energy and natural resources.

That is proper. I think we should have those recommendations. But what about our recommendations? What about any flaws we might discover? Where is our chance to enter the scene and correct any wrongs? Every decision this man makes is going to be a tough decision. The subject matter of this legislation—excuse the pun—is exceedingly volatile. There will be many times when many people will react against FEEA policies. I think we ought to stand in there with the FEEA Administrator, taking responsibility for policymaking and the policies themselves, since they will affect all Americans.

But it is also possible, as we have seen in other instances, that the granting of such sweeping powers can come back to haunt us. This is basically what crossed my mind as I looked over the proposed legislation and tried to find some way—without interfering with the day-to-day operation of the agency—by which we could exert some sort of congressional check.

Certainly, I do not want the FEEA Administrator coming to Congress or to the committees every day on every decision he has to make. That, for all practical intents and purposes, would completely dismember the authority and the decisionmaking power he should have in this emergency situation.

Do I think it unreasonable to have this act expire on June 30, 1974, so that it has to be reauthorized by Congress? No, I do not. That is a fair check. That date is clearly recognized as a time when review is in order—recognized in respect to the President and the powers he is given under the bill, whereby he is to make his recommendations on improving the legislation by June 30, 1974.

Mr. President, as far as the energy emergency legislation that has been approved in conference, I saw this morning where the emphasis is on how Congress has given up its power to the President in the area of gas rationing. The RECORD will show I voted for gas rationing. I am perfectly willing to take the responsibility for the tough decisions on my shoulders, as do others. But again, the emphasis in the public mind is on how we have given up our authority in emergency conditions rather than having the guts to hang in there and share the responsibility as well as the credit for actions taken.

Once this act is passed there is no way that we can say that we share part of the responsibility for the decisions that are made by the energy czar. This body has given to that individual the power enjoyed by each one of us as a Senator. In essence, we are saying, "Do what you want to do and come back to us in a year and a half." Some will say, "Fine; go ahead; the decisions are all his."

No, I say, not in this day and age when the public has been alerted on the whole issue of the abdication of power by Congress to the President.

It is only his responsibility when we have given him our power. That is the clearcut issue before the Senate. It was the issue we mulled over as to how we could provide some sort of check so that we could not be accused of ducking our responsibility.

I understand the position of the administration is that they have to recruit people for a long period of time and that they could not get them without long-term employment prospects. I think the energy crisis will be with us for more than a month, more than a year, and much longer. If it is not, fine; let us fold up the act. I think we will renew this legislation come June of 1974, but I want to retain that power in this body. I do not want to say a year from now or a year and a quarter from now, "My gosh, what have we done?" and start pointing the finger at the executive branch. We will be stuck with our decisions, good or bad. All the reports can be written, but there is no substitute for the power to legislate, and for the power we have to pass upon the policies of this Nation.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. WEICKER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RIBICOFF. Mr. President, there is no Member of this body for whom I have higher respect than I do for my colleague from the State of Connecticut. I well understand how his experience has led him to be concerned over excessive power in the executive branch.

The committee itself has been concerned with this problem and we have made many substantial changes in the administration bill to avoiding granting the Administrator excessive power. Added to that, I believe the conference committee on the emergency energy bill shares the same concern. While it has not completed its conference, it has agreed on the following safeguards with regard to the powers vested in the President by the emergency energy bill:

Any conservation measure proposed by the Administrator between now and March 1 may go into effect, but either the House or the Senate may veto it by majority vote within 15 days. Here we have a definite check by Congress on the actions of the Administrator.

Furthermore, there is a provision that any conservation measure proposed between March 1 and June 30 will not take effect for 15 days so Congress can study it. Either the House or the Senate could veto it by majority vote.

There is a third agreement that after June 30, any conservation measure will require affirmative congressional approval just like any other bill.

The fourth agreement between the conferees provides that any fees or taxes which are part of a fuel rationing program must be approved by Congress.

The Senator is correct that the conferees have given the President authority to put into effect a rationing program without congressional approval.

Now, it has been our experience that it will require about 60 days to set up an agency like the Federal Emergency Energy Administration and to get it running. If the bill were to become law before January 1, the act would give the administration just 4 months of life before it expired. It seems to us that this is too short a time to give the agency a fair trial. The bill gives the FEEA a life of 18 months instead of the 2 years requested by the administration. This is the minimum time allowable to give Mr. Simon's leadership and the administration a fair trial.

Also it is possible that the House may not act on this bill before the Christmas recess. In that case the chance for the bill becoming law before February 1 is slim. Under the Senator's amendment this would only give the agency some 3 months in which to operate.

The bill is tightly drafted to limit the authority of the Administrator. It gives him authority over only four units from the Interior Department, as well as the Energy Division of the Cost of Living Council. Any other transfers must be affirmatively approved by Congress.

The numerous detailed reporting requirements and oversight provisions assure that there will be constant congressional monitoring of the Administrator's actions.

Let me list a few:

Every 30 days an economic impact report.

A comprehensive energy plan 120 days after enactment.

Every 6 months a comprehensive report to Congress. A grant of authority to GAO to monitor the administration's actions.

Furthermore, at the suggestion of the distinguished Senator from Delaware (Mr. ROTH), an ombudsman provision was put into the bill, setting up an office of private grievances and redress authorizing persons throughout the United States, such as individual end-users or small businessmen to go to the office of private grievances with a complaint and ask for relief.

So we have included a series of procedural safeguards. With all these safeguards, we feel that Mr. Simon must have more than 3 or 4 months to do a job.

I recognize that no man in the job of administrator will win any popularity contest. It is a tough job. No matter what he does, toes are going to be stepped upon. But I do feel the administrator chosen by the President is a man of outstanding ability, courage, and capacity. The only way the Administration is going to do an effective job is if such a man is leading it.

While I have the highest respect for my colleague, I cannot conceive how an agency can be set up, staffed, and operated for a period of only 4 months. Consequently, I oppose the amendment of my colleague from the State of Connecticut.

I am pleased to yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I share the very strong feelings of my distinguished colleague from Connecticut about his colleague from Connecticut, and in this question of granting excessive power I know that the distinguished Senator from Connecticut knows how strongly I spoke against the power granted in the energy emergency powers bill. In fact, I spoke on the floor of the Senate against it, objected seriously to those kinds of power being granted, and felt that we might rue the day that we created and delegated that much power.

But I would respectfully point out to my colleague that I do not feel that strongly about the powers being granted in the FEEA bill under consideration now. This bill is, essentially, not a grant of power bill, but an organization bill. The power has already been, or will likely be, granted in the energy emergency bill.

My second reason for evidencing concern includes some of the reasons mentioned by the able floor manager of the bill (Mr. RIBICOFF). It would clearly be administratively and extremely difficult to set up an energy administration for only 6 months. It would be extremely difficult to hire people. It might imply a sort of swinging-door approach to Government organization. It might even imply the emergency period is only for a period of 6 months. I cannot imagine the kind of talent we would want to attract—impartial, objective, experienced—would want to come into this administration for such a short period of time.

I can imagine industry lending people for that short period of time, but the very thing we have been trying to get away from, having it dominated by any one particular industry, would probably be frustrated by providing the FEEA such a short life.

Furthermore, I should point out that the administration did ask for a 2-year authority, and very much in line with the principle expressed by the distinguished Senator from Connecticut (Mr.

WEICKER), we felt that was too long a period of time and we cut it down to 18 months. So, in a sense, we shared a common desire not to have an emergency agency for too long. On the other hand, we felt it to be unrealistic to look on it as an emergency with a shorter duration than an 18-month period.

Many safeguards have been built into the bill, as the Senator from Connecticut (Mr. RIBICOFF) has mentioned.

Mr. President, rather than take the time of the Senate, I ask unanimous consent that a memorandum on this subject be printed at this point in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

I oppose the amendment for the following reasons:

1. Administratively unworkable.—It would be highly undesirable from an administrative standpoint to establish a statutory agency, transfer major energy functions to it from other agencies, hire a staff of about 2000, set up field offices, and then shut down the whole structure after only 6 months. This swinging-door approach to Government organization would be chaotic and would make it impossible to run an efficient agency. Perhaps more importantly, for only a 6-month stay the agency would be unable to attract the high-powered talent necessary to run an effective energy emergency program.

2. Safeguards in the bill.—The Committee has already written into S. 2776 a large number of safeguards against abuse of the authority of the Administrator, and has already limited the FEEA's life to 18 months from the 2 years requested by the Administration. Moreover, the Committee bill requires the President to submit to Congress his recommendations for a permanent Federal energy and natural resources organization by June 30, 1974. (sec. 123)

Some of the safeguards built into the bill are as follows:

Functions of the Administrator are strictly limited to those transferred to him or delegated to him pursuant to law (sec. 104).

Administrator must submit a comprehensive energy plan within 4 months (sec. 122).

Administrator must carefully analyze the impact of his actions on the economy (sec. 112).

Mathias amendment adopted last night strengthens administrative procedures to protect the public.

Adminstrator must coordinate all programs and policies with State and local governments (sec. 114).

Administrator must keep the public fully and currently informed of the energy emergency situation and actions being taken to minimize its impacts (sec. 116).

The Roth amendment wisely established an Office of Private Grievances and Redress within the FEEA to grant relief in hardship cases (sec. 121).

Numerous periodic reports to Congress are required (sec. 124, passim.).

Mr. PERCY. The memorandum sets out the reasons why we feel the bill puts necessary restraints on the Administrator and that we did not delegate to him excessive powers under this bill. Nevertheless, I share the concern of my distinguished colleague from Connecticut if he refers to the excessive powers granted in the energy emergency bill S. 2589, which has already passed the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, I yield myself such time as I may need.

Let us understand one thing—that the energy emergency bill which is referred to may be coming out of conference, but it has not been signed by the President. As a matter of fact, the rumor has been floating around that he may very well veto it. So there is no point in referring to this piece of legislation that is not yet law. It may very well be that this is the only act we will end up with, especially if the veto comes about and that veto is sustained.

One thing I want to say: I find it very awkward to argue on this point against the distinguished senior Senator from Connecticut and the distinguished senior Senator from Illinois, because I know their own feelings on the general principle, and there is no argument among us.

The fact is that we are stuck with any action which he takes. And I have found something. It has nothing to do with the administration downtown, but any administration. When it comes to the executive and the legislative branches, you can talk all you want to, but if you do not have the votes, that is exactly what you are going to end up doing—talking. Having the votes, I mean, provides us with the teeth to enforce our wishes. It is very clear that in this legislation we do not have the teeth to do anything for a year and a half.

My comments do not reflect on Bill Simon, whom I find to be a very, very able man—highly able—but the fact is that executive branches of Government are notoriously slow with reports and with responding to congressional prodding unless the congressional prodding is accompanied by some form of congressional power.

So I have noticed that, no matter all the intentions set down here, they all add up to talk, and I am sure the executive branch will allow us here to keep on talking and talking and talking. That does not mean they are going to listen. They are going to listen only if we still have the power to back it up.

This amendment will in no way interfere with this act one iota. It provides that the FEEA be established upon enactment of this bill. But what it does say is that, come June 30, Congress should review FEEA. If there are modifications to be made, so be it.

I am saying that we ought to have an opportunity to go ahead and make any necessary changes. However, we do not have that power under this bill. Under the emergency bill, if it became law, we would have more teeth in that measure, yes. But we have no guarantee of that. I do not have any guarantee of that. And in fact the rumor is to the contrary. The rumor may be wrong. However, what I have heard on the Hill today is that there is a possibility of a Presidential veto.

If that happens, we are stuck with this piece of legislation, and the actions of this administrator become our actions.

That is the point that I am trying to make. As far as improvement is concerned, believe me, I believe that the crisis is going to be with us for a long time. And any man with good sense knows that this agency will go here for a good, long time. However, once congressional power goes, it is gone insofar as we are concerned. We can wait and see how they listen. And I repeat I do not intend this to be in any way a personal criticism of Bill Simon or of this administration. God knows, history should teach us what happens when we give our power to the executive branch of the Government. It is extremely difficult to get back. However, it is not impossible.

Mr. President, every Senator on this floor fully understands that this amendment will not interfere with the day-by-day operations of the energy czar. And it enables us to stand up to the American people and say, "We have not ignored our emergency." If we try to solve the problem by dumping it into the laps of the executive branch, I think the American people will be unsympathetic if things go wrong and we try to use the argument, "We gave the power to the President." We are definitely involved in his decisions and the decisions of his czar. Nobody has gained anything so far as our helping the American people or our election chances are concerned.

I cannot see any delay whatsoever as we approach the June 30, 1974, deadline. I think this legislation will just rollover. However, at least we have a talking point to the American people which we do not have at the present time.

What we are retaining is the power to talk, and whether it is at the convention or on the floor of the United States Senate, I would much prefer to have the votes rather than the ability to go ahead and talk.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I shall be very brief, indeed, and I believe that we can then yield back the remainder of our time.

We have been very concerned about the powers granted under this act.

I wish to assure my colleague that all he has said about the bill that was sent over to the Senate would have been very broad, indeed, and subject to great interpretation.

The purpose of the Government Operations Committee in working on the hearings was to be specific about this.

On page 18 of the bill, we are very limited as to what powers are granted in this particular act.

I am not talking about the emergency act.

But, Mr. President, in this case, we simply transfer to the Administrator and give him the powers that are transferred or vested in him pursuant to the following title. And those are the powers that already exist in the executive branch of the Government.

Then, such powers as are delegated to him by the President within the authority vested in the President by other law—and again there is no additional power or authority—and third, otherwise vested in the Administrator by the Congress.

So again there is no power not granted by the Congress of the United States.

I feel that in the oversight of this situation, the concerns of the Senator from Connecticut will be watched very carefully. Having talked with Mr. Simon, I share the high respect which the Senator has for him. He is a man that knows how to use responsibility and will assume such responsibility as the Congress gives to him and the President, and will act with great restraint in the matter of taxation and other matters.

Mr. RIBICOFF. Mr. President, I would like to point out to my colleague from Connecticut that on page 45, section 122, we specifically require the administrator within 120 days to develop and report to the Congress, for referral to the Committees on Government Operations and Interior and Insular Affairs of the Senate and House of Representatives, a comprehensive plan designed to alleviate the energy shortage. It is specified that this plan must give the Congress all the facts and analyze them. It must include estimates on the energy savings produced by everything he has done, the estimates of any windfall gains experienced by corporations, estimates of the effect of the Administrator's actions on individual citizens grouped by socioeconomic class, estimates of the impact on the supply and consumption of energy forms of price changes. Finally, the report must include a description of possible alternative actions and a discussion of the desirability of adopting such alternative actions.

In other words, what we require the Administrator to do 2 months before June 30, 1974, is to present to both committees, the Government Operations Committee and the Interior and Insular Affairs Committee of both Houses, a comprehensive report describing and analyzing the complete energy program adopted by FEEA. This would give us an opportunity to have committee hearings and to come up with alternative proposals or even legislation to eliminate the FEEA, such a measure could be brought to the floor long before June 30, 1974, if the FEEA was doing a bad job or the plan was not working.

I do believe that the committee was deeply concerned with the problems that may arise as the agency begins to function. We hope to be able to exercise our oversight functions, and even better than that, to come up with amendments and alternate suggestions.

The Senator is correct. This administration is going to be in existence long beyond June 30, 1975. But creation of FEEA is only an interim step. We are going to have to have a Department of Energy and Natural Resources. We will have to fold at least some of these different functions the administration will exercise under this bill into such a new department, for the energy problems will be with us for the next two or three decades.

I would hope that the President and each of the administrations we are creating to deal with the energy problem will get about their business, and start to deal with the problems of the world in the field of energy.

I am deeply concerned about trying to establish an agency and expecting it to work effectively in a period of 6 months. It just will not work. And any of us who have been involved with any part of government—State, local, or Federal—realize that we cannot create an agency with the power that this agency will have with a budget eventually of $200 million, and have it operate for only 6 months. It just will not work.

While I am sympathetic with the approach and the concerns of my colleague, I cannot see how he can propose making this agency an effective one if he gives it a life of just 6-months' duration.

Mr. WEICKER. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. WEICKER. I ask the Senator, why do you think that you have heard of the potential of a Presidential veto on the Energy Emergency Act? Why? I know why. Because there are checks in there, congressional checks on Presidential action. That is why the legislation is susceptible to veto.

I am not, thank heaven, a tactician in the White House on these matters. But I suspect that there might be the idea that they would go ahead and veto the Energy Emergency Act, and just allow this act to stand as the energy legislation on the books.

If that happens, then there are no effective congressional checks. The powers which my distinguished colleague from Connecticut read to me as being transmitted or turned over to the administrator are sweeping. Those powers that the President has under the various laws of the land can be turned over to the administrator, and believe me, knowing the way power is interpreted down there, that means almost anything.

So I cannot agree. I think we are on notice.

We are on notice, as far as I am concerned, that what sticks in the craw downtown is the potential of a congressional check on this agency. We are on notice, and if we choose to ignore it, then, as I said, we are stuck with the results.

There is all the great language in the world here, and the Energy Administrator has to come and report to the various committees as to what is going on, but there is nothing to say he is going to relinquish one bit of the power we give him today, in the event this bill is approved.

Mr. RIBICOFF. Mr. President, let me note that in the event of a veto of the President's energy bill, then the FEEA bill we are now considering clearly confines the authority of the administrator. He will have only the authority which we give him in this bill, and that will be merely to exercise the functions bestowed by the other acts on four units of Interior, plus the Energy Division of the Cost of Living Council. So the administrator will not have a blank check. He will really acquire authority only if Congress passes the conference report on the emergency bill and the President signs the bill.

My staff informs me, after calling the House of Representatives, that a similar bill in the House has been reported out of committee, with 3 days given to file additional or minority views, which will take it to Friday. Then it has to go to the Rules Committee, as I understand it, and it has to lay over 3 days, and any Member of that body can object; and consequently we may find ourselves without an emergency bill or an FEEA bill. I hope neither event takes place, because the country has problems; we are in the middle of a crisis, and I would like to see some action. But that action is going to require the cooperation of Congress and the President of the United States.

Mr. WEICKER. Mr. President, I yield myself such time as I may require.

I think one thing should be made very clear: That if my amendment were adopted, it would in no wise slow down the passage of this legislation through Congress. The House has not acted; it is perfectly possible to go ahead and amend it on the floor of the House.

But I want to point out again, that the section which gives to the Administrator his power transfers to or vests in him by or pursuant to this title. Of course, we have limited it, but the provision for authority "delegated to him by the President of the authority vested in the President by other law"—that to me is a wide open and extraordinary invitation to any conceivable action or policy on the part of FEEA.

I have to take issue with my esteemed colleague on this point. The President could very well veto the Emergency Energy Act, and we would end up with this measure on the books, and have a far more breachable system, because it does not subject itself to any sort of congressional check, as the conference report does. It is as simple as that.

And let me say this also: If the principle of enticing able people for Washington requires me to give up powers vested in me by the people of Connecticut, they will have to do something else to entice people down here. This is not a 6-month deal. We are well aware that this agency will be around here for a long time to come. But I think it especially important at the outset that we make it subject to some sort of congressional review, and there will be no effective review with this act alone. Whatever review is required will come through the Energy Emergency Act.

So, before I yield back the remainder of my time, I would point out that I am trying to warn of the difficulties before they occur, and that nobody is going to be able to hide behind the fact that that is the President's business. It is not the President's business, it is our business, except that we have given up any power to affect the result, and I do not think that will be received in very kindly fashion by the American people if things go wrong.

So, having issued the warning, there seems to be nothing else that I think I can add to the debate, and I yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I yield 3 minutes to the Senator from Nebraska.

VIETNAM VETERANS DAY

Mr. HRUSKA. Mr. President, I rise for the purpose of making a unanimous consent request in regard to House Joint

Resolution 865, a joint resolution authorizing and directing the President to issue a proclamation designating March 29, 1974, as "Vietnam Veterans Day."

Before I make that request, I want to say that the matter has been cleared with the leadership on both sides of the aisle, with the chairman and the ranking minority member of the Veterans Affairs Committee, and with the chairman of the Judiciary Committee, the Senator from Mississippi (Mr. EASTLAND).

The request is this: I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the joint resolution, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER (Mr. GOLDWATER). The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (House Joint Resolution 865) authorizing the President to proclaim March 29, 1974, as "Vietnam Veterans Day."

The PRESIDING OFFICER. Is there objection to the requests of the Senator from Indiana. The Chair hears none, and it is so ordered.

Accordingly, the joint resolution was considered, ordered to a third reading, was read the third time, and passed.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate continued with the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I yield back the remainder of my time.

Mr. WEICKER. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. GOLDWATER). All remaining time having been yielded back, the question is on agreeing to the amendment (No. 929) of the Senator from Connecticult (Mr. WEICKER). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), and the Senator from South Carolina (Mr. HOLLINGS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Idaho (Mr. MCCLURE), the Senator from Ohio (Mr. SAXBE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

If present and voting, the Senator from Texas (Mr. TOWER) would vote "nay."

The result was announced—yeas 11, nays 77, as follows:

[No. 603 Leg.]

YEAS—11

Baker
Beall
Bellmon
Biden
Buckley
Cook
Goldwater
Griffin
Helms
Packwood
Weicker

NAYS—77

Abourezk
Aiken
Allen
Bartlett
Bayh
Bentsen
Bible
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fong
Fulbright
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NOT VOTING—12

Bennett
Brock
Brooke
Church
Cotton
Eastland
Gravel
Hollings
McClure
Saxbe
Taft
Tower

So Mr. WEICKER's amendment was rejected.

FEDERAL FINANCING BANK

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on H.R. 5874, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HUDDLESTON). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5874) to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective House this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 5, 1973, at pp. 39740–39741.)

Mr. SPARKMAN. Mr. President, on December 4, 1973, the House and Senate conferees met and agreed to what I believe is a good version of H.R. 5874, a bill to establish a Federal Financing Bank.

The Senate version of the bill required prior approval by the Secretary of the Treasury of financing plans for obligations issued, sold, or guaranteed by any Federal agency. The House version required Treasury approval for obligations issued or sold by any Federal agency but did not require prior approval for obligations guaranteed by any Federal agency. The conference committee adopted the House version.

The Senate version of the bill exempted from the prior approval requirement the obligations of the Farmers Home Administration. The House version did not contain this provision. The conference committee adopted the Senate version.

The House version of the bill provided that the Secretary of the Treasury shall not withhold approval of Federal agency financing plans for more than 120 days unless within that period he submits to Congress a detailed explanation of his reasons for so doing. The Senate version provided that the Secretary may withhold approval for only 60 days without submitting to Congress a detailed explanation of the reasons for so doing and also that in any case the Secretary may not withhold approval for more than 120 days. The conference committee adopted the Senate version.

The conference committee also adopted a Senate provision not in the House version which provides that to the maximum extent practicable withholdings of approval are to be made in a manner which is not disproportionately detrimental to the functioning of any particular type of Federal program.

The House version of the bill contained a provision that nothing in the bill was to be construed as authorizing an increase in the amount of obligations issued sold or guaranteed by any Federal agency which issues, sells, or guarantees obligations purchased by the bank. The Senate version did not contain this provision. The conference committee adopted the House language.

The Senate version of the bill contained a provision declaring it to be the sense of the Congress that the United States should take the necessary measures to enable it to sell gold from its gold stocks to licensed domestic users. The House version did not contain this language. The conference committee agreed not to include this language in the conference version.

Mr. President, I urge the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

The Senate continued with the consideration of the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

Mr. HANSEN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At page 48, after line 17, insert a new subsection (c) to read as follows:

"(c) The Administrator shall within 30 days of the date of this Act, review the provisions of section 206 of the National Energy Emergency Act regarding expedited procedures for compliance with the National Environmental Policy Act of 1969 (83 Stat.

856) and shall recommend to the Congress such additional actions under the Administrator's authority which may require similar procedures."

Mr. HANSEN. Mr. President, I ask the distinguished floor manager of the bill and his counterpart if they would be willing to accept this amendment.

Mr. RIBICOFF. Mr. President, I accept the amendment of the Senator from Wyoming.

Mr. PERCY. Mr. President, I accept with pleasure the amendment of the Senator from Wyoming.

Mr. HANSEN. I thank my colleagues. I yield back the remainder of my time.

Mr. RIBICOFF. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 32, after Sec. 112(a) (6) insert the following new paragraph and number other paragraphs accordingly:

"(7) on low and middle income families as defined by the Bureau of Labor Statistics."

Mr. JAVITS. Mr. President, I submit this amendment for myself, Senator KENNEDY, and Senator PERCY. This is Senator KENNEDY's amendment. I am in sympathy with it and support it, and I urge it upon the Senate. Senator PERCY has joined me in this.

All the amendment would do would be to insert, as one of the criteria for considering the economic impact of regulatory and other actions on the American economy, the consideration of the effect on low- and middle-income families as defined by the Bureau of Labor Statistics. I hope the amendment will be accepted.

Mr. RIBICOFF. Mr. President, on behalf of the committee, I accept the amendment.

Mr. PERCY. I accept the amendment.

Mr. JAVITS. I yield back the remainder of my time.

Mr. RIBICOFF. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, the bill before the Senate requires that the actions contemplated by the new Federal Energy Emergency Administration be analyzed in terms of their impact on a variety of groups and organizations.

I have no argument with the list contained within section 112(a).

However, I would urge that this amendment be adopted to provide one additional item covering low- and middle-income families.

My concern is that in the mounting shortage and in the spiraling prices affecting home heating oil, gasoline and other products, the consumers, particularly the poor and the workers, does not now appear to be of more than passing concern.

The impact on their ability to economically survive, for example, appears to be lacking in the pressure now on for a "sky's-the-limit" price policy for all forms of energy.

I do not think that we should forget that our first concern is with people and with the impact of our policies on people.

In that regard, I would hope that any proposal that promotes the use of high prices as a means of damping down consumer demand for energy really means placing the heaviest burden of the current shortage on the backs of the poor and on the backs of working men and women.

I, therefore, suggest this amendment as an appropriate addition to the list now contained within the bill and urge its adoption.

Mr. DOLE. Mr. President, the Federal Energy Emergency Administration Act is a highly significant item in the catalog of legislation designed to meet and solve the energy crisis.

It differs, however, in a basic respect from the other bills we have dealt with recently. These other measures—the Emergency Energy Act, the mandatory allocation bill, research and development, and daylight saving time, for example—were concerned with specific plans and programs to attack our energy problems and lead to solutions.

DIRECTED TOWARD MANAGEMENT

The bill before us today, however, does not deal with specific programs; rather, it is directed toward establishing the means to manage our energy crisis policies and programs with the utmost degree of efficiency and effectiveness.

This aspect is no less important than the individual programs, and indeed it is essential to their success. For without a sound organizational approach to managing these many complex, controversial, and powerful programs, we could expect only hopeless confusion, growing frustration and ultimate failure in the drive to weather our present emergency and reach the goal of energy self-sufficiency for America.

One of the great difficulties with Government in recent years has been the fragmentation of policy leadership and dispersion of administrative authority throughout the many levels and divisions of the executive branch. In part this factor has contributed to today's energy difficulties. No one agency or department has had the authority, information, staffing, or mandate to deal with the entire range of energy issues, and elimination of this obstacle is a primary objective behind the proposed establishment of a cabinet-level Department of Energy and Natural Resources. For a number of reasons, this proposal has not been implemented, but with growing public awareness of energy issues, perhaps it will receive additional attention in the coming months.

In any event the Federal Energy Emergency Act takes a major step toward consolidating at least the crisis aspects of our energy policy in one place. And I believe this is a basic requirement for today's situation and a good first step toward establishing a better national energy policy mechanism for the future.

POWERFUL ADMINISTRATOR

Turning to the specifics of the bill, I believe there should be clear recognition that the post of FEEA Administrator will be one of the most powerful in the Government. The bill's language specifically transfers the current broad energy policy authority of the Secretary of the Interior and the Chairman of the Cost of Living Council to the Administrator. It also authorizes the President, subject to congressional approval, to bestow upon the Administrator any other authority of the executive branch of Government which would further the purposes of this act.

When this language is viewed in light of the extremely strong provisions of recent energy legislation—particularly the rationing and conservation features of the Emergency Energy Act—it is obvious that we are creating a position of power without precedent in our recent history. This Administrator will be empowered to touch the life of every American and can be fully expected to do so in the exercise of these wideranging powers with an initial estimated staff of 3,000 and an annual budget of at least $200 million.

BASIC FEATURES

So with that point in mind, we can view the other provisions of the bill with greater clarity and appreciation for their importance.

Organizationally, the bill pulls together a number of existing Federal offices from the Interior Department and the Cost of Living Council under the FEEA's roof. It sets up the administrative structure and sets down the basic rules for bureaucratic housekeeping which apply to any Federal instrumentality. The Administrator will have a deputy, a general counsel, six assistant administrators, and so on down the list.

In carrying out its functions the FEEA will be subject to a number of requirements to enhance the openness and fairness of its operations. These include disclosure requirements for information related to its actions; requirements that advisory committees assure affected sectors of the economy and private citizens an input as the decisionmaking process unfolds; and establishment of a special mechanism—the office of private grievances and redress—to see that the little guy—the private citizen and the small businessman—is not squeezed between major policies directed toward giant elements of the economy. Emphasis is also given to the importance of involving State and local governments is these programs and providing them with ample support for coordination and technical assistance.

CONFIDENCE REQUIRED

While all of these provisions are important, I believe particular mention should be given to the requirement that regular disclosure of pertinent information be made and that advisory committees broadly represent those whose concerns will be affected by the outcome of particular policy deliberations.

To be fully effective our emergency energy programs must have the confidence of the country. Not only must Government officials have confidence in their decisions and the mandate under which they operate, but the business community, industry, labor organizations, and the average citizen must be confident that our energy emergency policies are being pursued with the utmost fairness to everyone concerned. There is no question that sacrifices will be required to deal with our energy problems. Inconvenience will be unavoidable; economic loss is likely. The process of solving these difficulties will not be easy or pleasant, but it must be done. And if we can maintain the confidence and trust of this country as we go down this difficult road, much of the battle will be won. So installing every possible safeguard and strengthening every available mechanism to create an open and fair-on-its-face operation will be well worth the effort and will pay substantial dividends as we move ahead.

No segment of any industry—particularly the energy industries—should be put in the position of feeling that another segment is being favored, having its voice heeded to the exclusion of others or dominating a particular forum. In this regard I would note my amendment to the Senate's Emergency Energy Act which requires that independent segments of the petroleum industry be represented on the National Energy Emergency Advisory Committee. The independent sectors of the energy industry—producers, refiners, transporters, and wholesale and retail marketers are highly important—to the future of our country. Admittedly, these segments have different points of view from the major integrated oil companies which receive the majority of public attention in discussion of energy issues. Thus it was recognized that assurance should be provided that the independent of the energy industry would be represented on the National Energy Emergency Advisory Committee.

This same principle applies to other industries, other interests, and other advisory committees, and I am pleased to see it receive such clear recognition and general application in this bill. I believe it represents a unique attempt to construct the administration of a program in such a way as to head off a crisis in confidence before it develops and to see that the program actually works to increase that vital element of public response.

A GOOD START

In conclusion let me say that all signs to date point to this energy policy management agency being launched on the right foot and on a positive note.

The President has established the foundation for the FEEA by creation of a Federal Energy Office in the White House. He has named Deputy Treasury Secretary William Simon to be its Director and has announced that Mr. Simon will be his nominee for the post of FEEA Administrator. Mr. Simon, during his relatively brief tenure at Treasury and involvement in energy matters as head of the Oil Policy Committee, has won wide respect in and out of Government as a most competent and effective individual. He is already at work on the problems of the energy crisis and the policies which will soon be his responsibility under the bill we are considering.

The Congress has responded to the administration's request for legislative establishment of the FEEA with unusual dispatch and, I might add, with some constructive additions and improvements on the bill as originally outlined.

Therefore, I believe full congressional approval of the bill to establish the FEEA will launch this unique and powerful agency in an appropriate atmosphere of cooperation and joint recognition that solutions to energy crisis require the utmost in coordinated, constructive efforts by every American.

The PRESIDING OFFICER. The bill is open to further amendment.

The question is on agreeing to the committee amendments in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. GOLDWATER. Mr. President, will the Senator from Illinois yield me 1 minute?

Mr. PERCY. I yield.

Mr. GOLDWATER. Mr. President, I have not yet determined whether I will vote for this measure. My lack of determination is based solely on the fact that we have spent almost a month debating and arguing about energy; and with the exception of the Alaska pipeline, I cannot remember a single thing we have done to give the American people more fuel.

We have passed a lot of regulations; we have made penalties; we have done this and have done that; but I think it is time we got down to the business of drilling some holes in the ground and finding oil and gas, finding something to help the American people, other than penalties to say what is going to happen to them if they violate this or that.

I am very disappointed in what we failed to achieve so far. While I do not know how I am going to vote I have a hunch I am going to vote against the bill.

Mr. HELMS. Mr. President, I desire to associate myself with the remarks of the distinguished Senator from Arizona (Mr. Goldwater). Like his, my vote against this measure will be a vote of protest—a protest against the failure of this Congress to recognize the only—the only, Mr. President—real solution to our energy crisis. And that solution, Mr. President, must be an increase in production.

Nothing else is going to bring relief to the people, Mr. President, and until we face up to that truth, we are kidding ourselves and deceiving the people.

Therefore, Mr. President, I shall vote against this measure.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Dr. Caper may have permission to be on the floor during the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), and the Senator from South Carolina (Mr. Hollings) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Idaho (Mr. McClure), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

If present and voting, the Senator from Ohio (Mr. Taft) and the Senator from Texas (Mr. Tower) would each vote "yea."

The result was announced—yeas 87, nays 2, as follows:

[No. 604 Leg.]

YEAS—87

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—2

Goldwater
Helms

NOT VOTING—11

Bennett
Brock
Brooke
Church
Cotton
Eastland
Gravel
Hollings
McClure
Taft
Tower

So the bill (S. 2776) was passed, as follows:

S. 2776

An act to provide for the effective and efficient management of the Nation's energy policies and programs for the duration of the existing energy emergency, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

SEC. 101. This title may be cited as the "Federal Energy Administration Act".

CONGRESSIONAL FINDINGS AND STATEMENT OF PURPOSE

SEC. 102. (a) The Congress hereby finds that—

(1) shortages of crude oil, residual fuel oil, and refined petroleum products, as well as shortages of other forms of energy, have resulted in severe economic dislocations and hardships, curtailment of vital public services, interruptions in the normal flow of interstate and foreign commerce, and threatens the public health, safety, welfare, and security;

(2) the shortages in the supply of available forms of energy have created an energy emergency which requires emergency measures to reduce energy consumption, increase domestic production of energy resources, and provide for the equitable distribution of available supplies to all Americans;

(3) such emergency measures can be most effective in averting or minimizing shortages or dislocations if they are implemented promptly by the executive branch of Government; and

(4) in order for the Government to deal as effectively and efficiently as possible with the energy emergency specific portions of the executive branch must be reorganized on an interim basis to assure that there exists the organization, the personnel, and the other resources needed to implement the functions relating to the energy emergency vested in the executive branch by this and by other laws.

(b) The sole purpose of this title is to create an administration in the executive branch, called the Federal Energy Emergency Administration, to invest the Administration with certain functions as specified in the title, and to transfer, or to permit the transfer to such Administration, of certain functions vested in the executive branch by other laws where such transfer is necessary to deal on an interim basis with the energy emergency.

ESTABLISHMENT OF FEDERAL ENERGY EMERGENCY ADMINISTRATION

SEC. 103. (a) There is hereby established an independent executive agency to be known as the Federal Energy Emergency Administration (hereinafter referred to as the "Administration"). The Administration shall be headed by an Administrator and Deputy Administrator each of whom shall be appointed by the President by and with the advice and consent of the Senate.

(b) (1) The functions and powers of the Administration shall be vested in and exercised by the Administrator.

(2) The Administrator may from time to time, and to the extent permitted by law, consistent with the purposes of this title, delegate such of his functions as he deems appropriate.

(c) The Administration is authorized to have six Assistant Administrators, each of whom shall be appointed by the President by and with the advice and consent of the Senate.

(d) The Administration shall have a General Counsel appointed by the President, by and with the advice and consent of the Senate. The General Counsel shall be the chief legal officer of the Administration.

(e) The Assistant Administrators and the General Counsel shall perform such functions and duties as the Administrator may prescribe.

(f) The Administrator shall designate the order in which the Deputy Administrator and other officials shall act for and perform the functions of the Administrator during his absence or disability or in the event of a vacancy in his office.

FUNCTIONS AND PURPOSES OF THE FEDERAL ENERGY EMERGENCY ADMINISTRATION

SEC. 104. Subject to the provisions and procedures set forth in this title, the Administrator shall be responsible for such actions as are taken to assure that adequate provision is made to meet the emergency energy needs of the Nation. To that end, he shall make such plans and direct and conduct such programs related to the production, conservation, use, control, distribution, rationing, and allocation of all forms of energy as are appropriate under those authorities—

(1) transferred to or vested in him by or pursuant to this title;

(2) delegated to him by the President within the authority vested in the President by other law; and

(3) otherwise vested in the Administrator by the Congress.

TRANSFERS

SEC. 105. (a) There are hereby transferred to and vested in the Administrator all functions of the Secretary of the Interior, the Department of the Interior, and officers and components of that Department—

(1) as relate to or are utilized by the Office of Petroleum Allocation;

(2) as relate to or are utilized by the Office of Energy Conservation;

(3) as relate to or are utilized by the Office of Energy Data and Analysis; and

(4) as relate to or are utilized by the Office of Oil and Gas.

(b) There are hereby transferred to and vested in the Administrator all functions of the Chairman of the Cost of Living Council, the Executive Director of the Cost of Living Council, and the Cost of Living Council, and officers and components thereof as relate to or are utilized by the Energy Division of the Cost of Living Council.

(c) (1) Notwithstanding any other provision of law, the President may, subject to the provisions of this subsection, transfer to the Administrator any function of any other executive agency (as defined in section 105 of title 5, United States Code) if he determines that such transfer would further the accomplishment of the intent and purposes of this title.

(2) The President shall notify the Senate and the House of Representatives, by special message, of each transfer proposed to be made under paragraph (1). The President may transfer a function proposed in a special message upon the adoption by the Senate and the House of Representatives of a concurrent resolution approving such transfer.

(3) No function may be transferred under this subsection which would have an effect inconsistent with the provisions of section 905(a) of title 5, United States Code.

(4) The provisions of sections 910 through 913 of title 5, United States Code, shall apply to the procedure to be followed in the Senate and the House of Representatives in the exercise of their respective responsibilities with respect to special messages under paragraph (2) of this subsection in the same manner and to the same extent as such provisions apply to the procedure followed in the case of reorganization plans, except that references in such provisions to a "resolution with respect to a reorganization plan" shall be deemed for purposes of this subsection to refer to a concurrent resolution of approval under paragraph (2) of this subsection.

(d) Each function that is transferred to the Administration pursuant to the provisions of this title shall revert to the executive agency from which it was transferred upon the expiration of this title or upon such earlier date as the President may prescribe pursuant to the procedures prescribed by subsection (c) of this section.

ADMINISTRATIVE PROVISIONS

SEC. 106. (a) The Administrator of the Federal Energy Emergency Administration may—

(1) appoint, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him, and prescribe their authority and duties. In addition to the number of positions which may be placed in GS–16, 17 and 18, under section 5108 of title 5, United States Code, not to exceed one hundred positions may be placed in GS–16, 17, and 18, to carry out the functions under this title, and that of such one hundred officers and employees, twenty-five may, under this provision, be appointed without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service; however, the authority under this subsection shall be subject to the procedures prescribed under section 5103 of title 5, United States Code, and shall continue only for the duration of the exercise of functions under this Act;

(2) employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5 of the United States Code, and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of title 5 of the United States Code for persons in Government service employed intermittently;

(3) promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him: *Provided*, That:

(A) The Administrator shall, before promulgating proposed rules, regulations, or policies relating to the cost or price of energy, provide a period of not less than five days from receipt of the proposed action during which the Chairman and the Executive Director of the Cost of Living Council shall approve or disapprove such rules, regulations, or policies, and if the Chairman or the Executive Director of the Cost of Living Council disapproves such rules, regulations, or policies they shall not go into effect. The Chairman and the Executive Director of the Cost of Living Council shall have not less than five days in which to act, otherwise approval shall be automatic.

(B) The Administrator shall, before promulgating rules, regulations, or policies affecting the quality of the environment, provide a period of not less than five days from receipt of the proposed action during which the Administrator of the Environmental Protection Agency may provide written comments concerning the impact of such rules, regulations, or policies on the quality of the environment.

Such comments shall be published along with the proposed action. The review required by section 106(a) (3) (A) and (B) may be waived for a period of fourteen days if there is an emergency situation which, in the judgment of the Administrator, requires immediate action;

(4) utilize, with their consent, the services, personnel, equipment, and facilities of Federal, State, regional, and local instrumentalities, with or without reimbursement therefor, and transfer funds made available pursuant to this title to Federal, State, regional, and local instrumentalities as reimbursement for utilization of such services, personnel, equipment, and facilities;

(5) adopt an official seal, which shall be judicially noticed, and the provisions of section 709 of title 18 of the United States Code shall apply to the use of the seal, after its adoption and publication in the Federal Register, except as provided by regulations prescribed by the Administrator;

(6) accept unconditional gifts or donations of money or property, real, personal, or mixed, tangible or intangible;

(7) subject to appropriation acts, enter

into and perform contracts, leases, cooperative agreements, or other transactions with any public agency or instrumentality or with any person, firm, association, corporation, or institution; and

(8) perform such other activities as may be necessary for the effective fulfillment of his administrative duties and functions.

(b) Any determination pursuant to subsection (b) of section 208 of title 18 of the United States Code that an exemption shall be granted to any employee shall be a nondelegable responsibility of the Administrator, Deputy Administrator, or General Counsel and in all instances shall be made a matter of public record, setting forth the detailed reasons and justifications for such exemption.

COMPENSATION

SEC. 107. (a) Without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service—

(1) the Administrator shall receive compensation at the rate now or hereafter prescribed for positions at level II of the Executive Schedule (5 U.S.C. 5313);

(2) the Deputy Administrator shall receive compensation at the rate now or hereafter prescribed at level III of the Executive Schedule (5 U.S.C. 5314);

(3) each Assistant Administrator and the General Counsel of the Administration shall receive compensation at the rate now or hereafter prescribed for positions at level IV of the Executive Schedule (5 U.S.C. 5315); and

(4) there shall be in the Administration not more than nine additional officers appointed by the Administrator who shall receive compensation at the rate now or hereafter prescribed for positions at level V of the Executive Schedule (5 U.S.C. 5316).

(b) Any person (other than the Administrator, Deputy Administrator, or Assistant Administrators) directly responsible for or in direct charge of any bureau, office, division, or other organization which administers any of the specific programs set forth in subsection (c) hereof shall be compensated at the rate provided for, and occupy one of the positions provided for in subsection (a)(4) of this section. Any officer acting pursuant to the provisions of this subsection may act not longer than sixty days prior to the date upon which his appointment is submitted by the President to the United States Senate for its advice and consent.

(c) The specific programs to which subsection (b) shall apply are as follows:

(1) Allocation of petroleum products;

(2) Rationing of petroleum products;

(3) Analysis of the impact of emergency programs on sectors of the economy, employment, and regional and local economic viability;

(4) Coordination of Federal, State, and local conservation programs; and

(5) Pricing of petroleum products.

TRANSITIONAL AND SAVING PROVISIONS

SEC. 108. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this title, and

(2) which are in effect at the time this title takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) The provisions of this title shall not affect any proceeding pending, at the time this section takes effect, before any department or agency (or component thereof) regarding functions which are transferred by this title; but such proceedings, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued if this title had not been enacted.

(c) Except as provided in subsection (e)—

(1) the provisions of this title shall not affect suits commenced prior to the date this title takes effect, and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this title had not been enacted.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this title, shall abate by reason of the enactment of this title. No cause of action by or against any department or agency, functions of which are transferred by this title, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this title. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter any order which will give effect to the provisions of this section.

(e) If, before the date on which this title takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this title any function of such department, agency, or officer is transferred to the Administrator, or any other official, then such suit shall be continued as if this title had not been enacted, with the Administrator, or other official as the case may be, substituted.

(f) Final orders and actions of any official or component in the performance of functions transferred by this title shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by the officer, department, agency, or instrumentality in the performance of such functions immediately preceding the effective date of this title. Any statutory requirements relating to notices, hearings, action upon the record, or administrative review that apply to any function transferred or delegated by this title shall apply to the performance of those functions by the Administrator, or any officer or component.

(g) With respect to any function transferred by this title and performed after the effective date of this title, reference in any other law to any department or agency, or any officer or office, the functions of which are so transferred, shall be deemed to refer to the Administrator or other officials in which this title vests such functions.

(h) Nothing contained in this title shall be construed to limit, curtail, abolish, or terminate any function of the President which he had immediately before the effective date of this title; or to limit, curtail, abolish, or terminate his authority to perform such function; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegations of functions.

(i) The Administrator shall exercise only the functions which the President or other Government officials lawfully exercised immediately before the effective date of this title, or which shall herein or hereafter be specifically conferred by law upon the President or the Administrator.

(j) Any reference in this title to any provision of law shall be deemed to include, as appropriate, references thereto as now or hereafter amended or supplemented.

(k) The provisions of this section shall apply to functions transferred to the Administration pursuant to section 105(c) of this title, except that reference in this section to the effective date of this title shall be deemed to be references to the date of the transfer of the functions involved.

INCIDENTAL TRANSFERS

SEC. 109. The Director of the Office of Management and Budget is authorized and directed to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be made available in connection with functions transferred by this title, as the Director deems necessary and appropriate to accomplish the intent and purpose of this title.

DEFINITIONS

SEC. 110. As used in this title—

(1) any reference to "function" or "functions" shall be deemed to include references to duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and

(2) any reference to "perform" or "performance", when used in relation to functions, shall be deemed to include the exercise of power, authority, rights, and privileges.

INTERIM APPOINTMENT

SEC. 111. (a) Any of the officers provided for in sections 103 and 106 of this title shall be nominated and appointed, as provided for in those sections. Funds available to any department or agency (or any official or component thereof), and lawfully authorized for any of the specific functions, which are transferred to the Administrator by this title, may, with the approval of the President, be used to pay the compensation and expenses of any officer appointed pursuant to this subsection until such time as funds for that purpose are otherwise available.

(b) In the event that any officer required by this title to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this title, the President may designate any officer, whose appointment was required to be made by and with the advice and consent of the Senate and who was such an officer immediately prior to the effective date of this title, or any officer who was performing essentially the same functions immediately prior to the effective date of this title, to act in such office until the office is filled as provided in this title: *Provided*, That any officer acting pursuant to the provisions of this subsection may act no longer than sixty days prior to the date upon which his appointment is submitted to the Senate for its advice and consent.

(c) Transfer of nontemporary personnel pursuant to this title shall not cause any such employee to be separated or reduced in grade or compensation for one year after such transfer.

(d) Any person who, on the effective date of this title, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5 of the United States Code, and who, without a break in service, is appointed in the Administration to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position.

STOCKPILING PROHIBITED

SEC. 112. The Administrator shall prepare and submit to the Senate and the House of Representatives within sixty days of enactment of this title, a report which shall include but not be limited to the following:

(A) Assessing the degree to which any person, partnership, corporation, or other organization is stockpiling in addition to ordinary and necessary requirements, more fuels of all types, than he requires to meet his reasonable needs;

(B) Specifying what actions the Administrator has taken to prevent the undue stockpiling of fuels;

(C) Setting forth all rules, regulations, and policies governing stockpiling adopted by the Administration; and

(D) Detailing any additional statutory authority needed by the Administrator to control and prevent the stockpiling in addition to ordinary and necessary requirements of fuels by producers, wholesalers, distributors and consumers.

ECONOMIC ANALYSIS OF PROPOSED ACTIONS

SEC. 113. (a) In carrying out the provisions of this title, the Administrator shall, to the greatest extent practicable, insure that the potential economic impacts of proposed regulatory and other actions are evaluated and considered including but not limited to an analysis of the effect of such actions on—

(1) the fiscal integrity of State and local government;

(2) vital industrial sectors of the economy;

(3) employment, by industrial and trade sector, as well as on a national, regional, State, and local basis;

(4) the economic vitality of regional, State, and local areas;

(5) the availability and price of consumer goods and services;

(6) the gross national product;

(7) low and middle income families as defined by the Bureau of Labor Statistics;

(8) competition in all sectors of industry; and

(9) small business.

(b) The Administrator shall develop analyses of the economic impact of various conservation measures on States or significant sectors thereof, considering the impact on both energy for fuel and energy as feed stock for industry.

(c) Such analysis shall, wherever possible, be made explicit and to the extent possible other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analysis, and all Federal agencies are authorized and directed to cooperate with the Administrator in preparing such analyses: *Provided*, That the Administrator's actions pursuant to this section shall not create any right of review or cause of action except as would otherwise exist under other provisions of law.

(d) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with separate reports every thirty days on the impact of the energy shortage and such emergency actions on employment and the economy. Such reports shall contain recommendations as to whether additional Federal programs of employment and economic assistance should be put into effect to minimize the impact of the energy shortage and any emergency actions taken.

(e) Notwithstanding any other provision of this Act, the Administrator shall formulate and implement such regulatory and other actions in a manner which does not unduly discriminate against any industry or any region of the United States; and further that, notwithstanding any other provision of this Act, the Administrator shall formulate and implement such regulatory and other actions in a manner designed to insure that, to the greatest extent possible, the costs and burdens of meeting the energy crisis shall be borne equally by every sector and segment of the country.

MANAGEMENT OVERSIGHT REVIEW

SEC. 114. The Administrator may, for a period not to exceed thirty days in any one calendar year, provide for the exercise or performance of a management oversight review with respect to the conduct of any Federal or State (with consent of the Governor) energy emergency program. Such review may be conducted by contract or by any Federal department or agency. A written report shall be submitted to the Administrator concerning the findings of the review.

COORDINATION WITH AND TECHNICAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

SEC. 115. (a) The Administrator shall—

(1) coordinate Federal energy emergency programs and policies with such programs and policies of State and local governments—

(A) Within fifteen days of the enactment of this title, the Administrator shall provide the Congress and State and local governments with a report on the manner in which he has organized the Administration based upon the functions delegated by the President or assigned to the Administrator by this title or under the authority of other Acts.

(B) Within thirty days of the date of enactment of this title, the Administrator shall provide the public, State, and local governments, and all Members of the Congress with a report in laymen's language which—

(1) describes the functions performed by the Administration;

(2) sets forth in detail the organization of the Administration, the location of its offices (including regional, State, and local offices), the names and phone numbers of Administration officials, and other appropriate information concerning the operation of the Administration;

(3) delineates the role that State, local, and Federal governments will or may perform in achieving the purposes of this title; and

(4) provides the public with a clear understanding of their duties and obligations, rights, and responsibilities under any of the energy emergency programs or functions assigned to the Administrator.

(2) before promulgating any rules, regulations, or policies, and before establishing any programs under the authority granted him in this title, provide, where practicable, a reasonable period in which State and local governments may provide written comments if such rules, regulations, policies, or programs substantially affect the authority or responsibility of such State or local governments;

(3) provide, in accordance with the provisions of this title, upon request, to State and local governments all relevant information he possesses concerning the status and impact of energy shortages, the extent and location of available supplies and shortages of crude oil, petroleum products, natural gas, and coal, within the distribution area serving that particular State or local government; and

(4) provide for a central clearinghouse for Federal, State, and local governments seeking energy information and assistance from the Federal Government.

(b) Pursuant to his responsibility under this section, the Administrator shall—

(1) provide technical assistance—including advice and consultation relating to State and local programs, and, where necessary, the use of task forces of public officials and private persons assigned to work with State and local governments—to assist State and local governments in dealing with energy problems and shortages and their impact and in the development of plans, programs, and policies to meet the problems and shortages so identified;

(2) convene conferences of State, local, and Federal officials, and such other persons as the Administrator designates, to promote the purposes of this title, and the Administrator is authorized to pay reasonable expenses incurred in the participation of individuals in such conferences;

(3) draft and make available to State and local governments model legislation with respect to State and local energy programs and policies; and

(4) promote the promulgation of uniform criteria, procedures, and forms for grant or contract applications for energy proposals submitted by State and local governments.

INFORMATION GATHERING

SEC. 116. (a) Any person, partnership, corporation, or other organization made subject to any order, rule, or regulation of the Administrator shall maintain and make available to the Administrator such periodic reports, records, documents, and other information relating to the purposes of this title as the Administrator may prescribe by regulation or order as necessary or appropriate for the proper exercise of the functions granted the Administrator by section 104 or by any provision of this title.

(b) The Administrator may require, by general or special orders, any person, partnership, corporation, or other organization made subject to any order, rule, or regulation of the Administrator to file with the Administrator in such form as he may prescribe, reports or answers in writing to specific questions, furnishing such information as may be necessary to enable the Administrator to carry out the functions granted him by section 104 or by any other provision of this title. Such reports and answers shall be made under oath, or otherwise, as the Administrator may prescribe, and shall be filed with the Administrator within such reasonable period as he may prescribe.

(c) The Administrator shall have the authority, when he determines it is necessary in order to carry out his responsibilities under section 104 or any other provision of this title, to make any investigation, and in connection therewith he may, at reasonable times, enter places of business and inspect such records and accounts and question such persons as he may deem necessary to enable him to determine the facts relative thereto.

(d) (1) The Administrator, or any of his duly authorized agent or agents, shall have the power to require by subpena the production of all information, documents, papers, and other data pursuant to subsection (a) of this section; all reports and answers required pursuant to subsection (b) of this section; all records, accounts, and other documentary evidence in connection with an investigation pursuant to subsection (c) of this section; and the attendance and testimony of witnesses in connection therewith.

(2) Any appropriate United States district court may, in the case of contumacy or refusal to obey a subpena issued pursuant to this section, issue an order requiring the party to whom such subpena is directed to appear before the Administration and to give testimony touching on the matter in question, or to produce any such information, documents, papers, data, records, reports, accounts, or other documentary evidence, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(e) The Administrator shall conduct a comprehensive review of foreign ownership of, influence on, and control of domestic energy sources and supplies. Such review shall draw upon existing information, where available, and any independent investigation necessary by the Administration. The Administrator shall, on or before the expiration of the one hundred and eighty day period following the effective date of this title, report to the Congress in sufficient detail so as to apprise the Congress as to the extent and forms of such foreign ownership of, influence on and control of domestic energy sources and supplies, and shall thereafter continue to monitor such ownership, influence and control.

PUBLIC DISCLOSURE OF INFORMATION

SEC. 117. (a) The Administrator shall make public, on a continuing basis, any statistical and economic analysis, data, information, and whatever reports and summaries necessary to keep the public fully and currently informed as to the nature, extent, and projected duration of shortages of energy supplies, the impact of such shortages, and the steps being taken to minimize such impacts.

(b) Copies of any books, documents, papers, statistics, data, information, records, and reports received by the Administrator pursuant to this title shall be made available to the public upon identifiable request, and at reasonable cost, except that the Administrator may not disclose to the public any information obtained under the provisions of this title which could not be disclosed to the public under section 552 of title 5 of the United States Code, commonly referred to as the Freedom of Information Act: *Provided*, That notwithstanding any other part of this subsection, the Administrator shall disclose, upon identifiable request, and at reasonable cost, any information or data of the type which could not be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a single product, unless such information or data concerns or relates to the trade secrets, processes, operations, style of work, or apparatus of a business enterprise.

ADVISORY COMMITTEES

SEC. 118. (a) Whenever the Administrator shall establish or utilize any board, task force, commission, committee, or similar group, not composed entirely of full-time Government employees, to advise with respect to, or to formulate or carry out, any agreement or plan of action affecting any industry or segment thereof, the Administrator shall insure that each such group is reasonably representative of the various points of view and functions of the industry and users affected, including those of residential, commercial, and industrial consumers, and shall include representation from both State and local governments, and from representatives of State regulatory utility commissions, selected after consultation with the respective national associations.

(b) Each meeting of such board, task force, commission, committee, or similar group, shall be open to the public, and interested persons shall be permitted to attend, appear before, and file statements with such group, except that the Administrator may determine that such meeting shall be closed in the interest of national security. Such determination shall be in writing, shall contain a detailed explanation of reasons in justification of the determination, and shall be made available to the public.

(c) All records, reports, transcripts, memoranda, and other documents, which were prepared for or by such group, shall be available for public inspection and copying at a single location in the offices of the Administration.

(d) Advisory committees established or utilized pursuant to this title shall be governed in full by the provisions of the Federal Advisory Committee Act (Public Law 92-463, 86 Stat. 770), except as inconsistent with this section.

MONITORING OF ENERGY STATISTICS AND ANALYSIS

SEC. 119. (a) The Comptroller General of the United States shall continuously monitor and evaluate the operations of the Administration including its reporting requirements. Upon his own initiative or upon the request of a committee of the Congress or, to the extent personnel are available, upon the request of a Member of the Congress, the Comptroller General shall (1) conduct studies of existing statutes and regulations governing the Administration's programs; (2) review the policies and practices of the Administration; (3) review and evaluate the procedures followed by the Administrator in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, supplies, demand, industry structure, and environmental impacts; and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data from any public or private source whatever, notwithstanding the provisions of any other law, as is necessary to carry out his responsibilities under this title and shall report to the Congress at such times as he deems appropriate with respect to the Administration's programs, including his recommendations for modifications in existing laws, regulations, procedures, and practices.

(b) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section shall have access to any books, documents, papers, statistics, data, information, and records of any private organization relating to the management and conservation of energy, including but not limited to energy costs, demand, supply, industry structure, and environmental impacts. The Comptroller General may require any private organization to submit in writing such energy data as he may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as he may direct.

(c) To assist in carrying out his responsibilities, the Comptroller General may sign and issue subpenas requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (b) of this section.

(d) In case of disobedience to a subpena issued under subsection (c) of this section, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (b) of this section. Any district court of the United States within the jurisdiction in which the private organization is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Comptroller General, issue an order requiring the private organization to produce the statistics, data, or information; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

(e) Reports submitted by the Comptroller General to the Congress shall be available to the public at reasonable cost and upon identifiable request, except that the Comptroller General may not disclose to the public any information which could not be disclosed to the public under other provisions of Federal law.

FEDERAL REPORTS ACT

SEC. 120. The Administration, in connection with the exercise of the authority granted pursuant to section 104 or by any other provision of this title, shall be considered an independent Federal regulatory agency as provided for in sections 3502 and 3512 of title 44 of the United States Code, as amended.

ADMINISTRATIVE PROCEDURE IN ORDER TO INSURE ACCOUNTABILITY AND DUE PROCESS

SEC. 121. (a) The functions transferred to the Administrator pursuant to section 105 (a)(1) and section 105(b) of this title and exercised by him pursuant to this title are excluded from the operation of subchapter 2 of chapter 5, and chapter 7 of title V, United States Code, except as to the requirements of sections 552, 555 (c) and (e), and 702 and except as to the requirements of section 553 as modified by subsection (b) of this section.

(b) All rules, regulations, or orders promulgated pursuant to the exercise of such functions shall be subject to the provisions of section 553 of title V of the United States Code except that all such rules, regulations, or orders so promulgated must provide for the following:

(1) Notice and opportunity to comment which shall be achieved by publication of all such proposed general rules, regulations, or orders so issued pursuant to the exercise of such functions in the Federal Register. In each case, a minimum of five days following such publication shall be provided for opportunity to comment.

(2) The Administrator, in issuing such rules, regulations, or orders shall hold public hearings on those rules, regulations, or orders which the Administrator determines in his discretion are likely to have a substantial impact upon the Nation's economy or large numbers of individuals or businesses. To the maximum extent practicable, such hearing shall be held prior to the implementation of such rule, regulation, or order, but in all cases, such public hearings shall be held no later than sixty days after the implementation of any such rule, regulation, or order, which would have a substantial effect upon the Nation's economy or on large numbers of individuals or businesses.

The Administrator, with respect to such rules, regulations, or orders, may not waive any of the requirements set forth in this subsection except that the requirements set forth in subsection (b)(1) as to time of notice and opportunity to comment may be waived where strict compliance is found to cause grievous injury to the operation of the program and such finds are set out in detail in the rules, regulations, or orders.

(c)(1) In addition to the requirements of section 552 of title V of the United States Code, the Administrator, in issuing such rules, regulations, or orders, shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any such rule, regulation, or order with such modifications as are necessary to insure confidentiality protected under the provisions of section 552 of title 5 of the United States Code, commonly referred to as the Freedom of Information Act. The Administrator shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from such rules, regulations, or orders furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request and with such modifications as are necessary to insure confidentiality of information protected under the provisions of section 552 of title 5 of the United States Code, commonly referred to as the Freedom of Information Act.

(2) The Administrator, in issuing such rules, regulations, or orders under this title shall provide for the making of such adjustments, consistent with the other purposes of this title, as may be necessary to prevent special hardships, inequity, or an unfair distribution of burdens and shall, in regulations prescribed by the Administrator,

establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or recision of, or an exception to or exemption from, such rules, regulations, and orders. If such person is aggrieved by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the Administrator. The Administrator shall, in regulations prescribed by him establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this section.

JUDICIAL REVIEW

SEC. 122. (a) Judicial review of administrative rulemaking of general and national applicability relating to functions transferred to the Administrator pursuant to section 105 (a)(1) and section 105(b) of this title may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule or regulation, and judicial review of administrative rulemaking of general, but less than national, applicability relating to such functions may be obtained only by filing a petition for review in the United States court of appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule or regulation, the appropriate circuity being defined as the circuit which contains the area or the greater part of the area within which the rule or regulation is to have effect.

(b) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases of controversies arising out of the exercise of such functions or under regulations or orders issued pursuant thereto, except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by the Administrator in connection with the exercise of such functions). If in any such proceeding an issue by way of defense is raised based on the constitutionality of this title or the validity of any such action, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code.

REVIEW OF ADMINISTRATIVE PROCEDURES

SEC. 123. Within sixty days of the date of enactment of this title, the Attorney General shall transmit to the Congress a report on the administrative law procedures which will apply to the various functions of the Administrator together with the Attorney General's recommendations regarding the desirability of the enactment of a comprehensive or different administrative law procedure applicable to said functions.

OFFICE OF PRIVATE GRIEVANCES AND REDRESS

SEC. 124. (a) There is established within the Administration an Office of Private Grievances and Redress, which shall be headed by a Director. The Administrator shall appoint and fix the compensation of the Director.

(b) Any person adversely affected by any order, rule, or regulation issued by the Administrator in carrying out the functions assigned to him under this title may petition the Office of Private Grievances and Redress for special redress, relief, or other extraordinary assistance.

(c) The Director of the Office of Private Grievances and Redress shall grant such petitions for special relief, redress, or other extraordinary assistance under such conditions and in such manner as the Administrator may in his discretion provide.

(d) The Director may, from time to time, make recommendations to the Administrator with respect to short-term and long-term measures (involving administrative or legislative action) which might be taken to provide assistance to persons who are adversely affected by the energy emergency and measures and other actions taken to combat such emergency.

(e) The Director shall, on a monthly basis, report to the Congress concerning his activities under this section. Each such report shall contain, among other matters, the number and nature of grievances which have been filed pursuant to this section during the period not covered by any such prior report, including action taken and relief provided pursuant thereto.

(f) The Director shall, from time to time, report to the Congress his views and recommendations, including recommendations for administrative or legislative action, with respect to actions which might be taken to provide for a more equitable distribution of burdens resulting from measures or other actions adopted or taken by the Administrator and for the relief of persons adversely affected by such measures or actions.

COMPREHENSIVE ENERGY PLAN

SEC. 125. (a) Pursuant and subject to the provisions and procedures set forth in this title, the Administrator shall, within one hundred and twenty days following the date of the enactment of this title, develop and report to the Congress (for referral to the Committees on Government Operations and Interior and Insular Affairs of the Senate and House of Representatives) a comprehensive plan designed to alleviate the energy shortage, for the time period covered by this title, and satisfying the objectives and priorities stated in section 127(a). Such plan shall be accompanied by full analytical justification for the actions proposed therein. Such analysis shall include, but not be limited to—

(1) estimates of the energy savings of each action and of the program as a whole;

(2) estimates of any windfall losses and gains to be experienced by corporations, industries, and citizens grouped by socioeconomic class;

(3) estimates of the impact on supplies and consumption of energy forms consequent to such price changes as are or may be proposed; and

(4) a description of alternative actions together with a rationale in explanation of the rejection of any such alternatives in preference to the measures actually proposed.

(b) The Administrator may, from time to time, modify or otherwise alter any such plan, except that, upon request of an appropriate committee of the Congress, the Administrator shall supply analytical justifications for any such alterations.

(c) The Administrator shall be responsible for monitoring any such plans as are implemented with respect to their effectiveness in achieving the anticipated benefits.

ENERGY AND NATURAL RESOURCE ORGANIZATIONAL REPORT

SEC. 126. The President shall submit to the Congress not later than June 30, 1974, a report setting forth his recommendations for a permanent Federal organizational arrangement for the management and development of policy for energy and natural resources.

REPORTS TO CONGRESS

SEC. 127. (a) The Administrator shall prepare and submit directly to the Congress and the President every six months after date of enactment of this title a report which shall include—

(1) a review and analysis of the major actions taken by the Administrator;

(2) an analysis of the impact these actions have had on the Nation's civilian requirements for energy supplies for materials and commodities;

(3) a projection of the energy supply for the mid-term and long term for each of the major types of fuel and the potential size and impact of any anticipated shortages, including recommendations for measures to—

(A) minimize the deficiency of energy in relation to needs;

(B) maintain the health and safety of citizens;

(C) maintain production and employment at the highest feasible level;

(D) equitably share the burden of shortages among individuals and business firms; and

(E) minimize any distortion of voluntary choices of individuals and firms.

(4) a summary listing of all recipients of funds and the amount thereof within the preceding period; and

(5) a completely independent analysis of domestic oil and gas reserves and the extent to which productive capacity could be increased each year for the next ten years with the full development of such reserves and ascertainable oil and gas resources using available and foreseeable technology: *Provided,* That the Comptroller General, pursuant to section 118 of this title, shall monitor and review said analysis and provide his comments to the Congress and the Administrator.

(b) The Administrator shall provide interim reports to Congress when requested by committees of Congress.

(c) (1) The Federal Energy Emergency Administration, in consultation with the Internal Revenue Service and the Joint Committee on Internal Revenue Taxation of the Congress, is authorized and directed to undertake and complete a thorough review and analysis of all Federal and State tax law provisions relating to exploration, development, production, refining, distribution, and marketing of domestically produced energy resources. Such review shall include, but not be limited to, a review and analysis of the impact on domestic production of energy resources of Federal tax law provisions relating to international operations of domestic energy producing companies.

(2) The Federal Energy Emergency Administration shall submit a preliminary report of its findings and analysis no later than June 30, 1974, to the President and to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives. The final report in fulfillment of the requirement set forth in paragraph (1) shall be submitted no later than December 31, 1974, and shall include, in addition to its findings and analysis, such recommendations for changes in the Federal tax laws as the Federal Energy Emergency Administration deems necessary to contribute to the goal set forth in this Act of establishing internal self-sufficiency in energy resources in this Nation by 1980.

(3) The Federal Energy Emergency Administration is hereby authorized to contract with any firm or individual outside the Federal government to undertake such portions of the study required in this subsection as the Administrator deems necessary.

(d) The Administrator shall, within thirty days of the date of this Act, review the provisions of section 206 of the National Energy Emergency Act regarding expedited procedures for compliance with the National Environmental Policy Act of 1969 (83 Stat. 856) and shall recommend to the Congress such additional actions under the Administrator's authority which may require similar procedures.

PETROCHEMICAL REPORT

SEC. 128. (a) Within thirty days after he has entered upon the office of Administrator or has been designated by the President to act in such office, the Administrator, or acting Administrator, as the case may be, with the assistance of the Department of Commerce, the Cost-of-Living Council, and the United States Tariff Commission shall, by written report, inform the Congress as to the—

(1) effect of current Cost-of-Living Council petrochemical price ceilings upon the current level of petrochemical exports, and export levels expected for 1974;

(2) effect of current and expected 1974 petrochemical export levels upon domestic petrochemical raw materials and products available to petrochemical producers, converters, and fabricators currently and in 1974;

(3) current contribution of petrochemical imports to domestic supplies and the expected contribution in 1974;

(4) anticipated economic effects of current and expected 1974 levels of domestic supplies of petrochemicals upon domestic producers, converters, and fabricators of petrochemical raw materials and products; and

(5) exact nature, extent, and sources of data and other information available to the Federal government regarding the matters set forth in subparagraphs (1) through (4) of this subsection, including the exact nature, extent, and sources of such data and information utilized in connection with the report required by this subsection.

(b) As used in this section, the term "petrochemical" includes organic chemicals, cyclic intermediates, plastics and resins, synthetic fibers, elastomers, organic dyes, organic pigments, detergents, surface active agents, carbon black and ammonia.

HYDROELECTRIC GENERATING FACILITIES

Sec. 129. Within sixty days of the date of enactment of this Act, the Administrator of the Federal Energy Administration, in consultation with the Secretary of the Interior, and the Secretary of the Army, shall—

(a) transmit to the Congress:

(1) a list of hydroelectric generating facilities and electric power transmission facilities which have been authorized for construction by the Congress and which are not yet completed, and

(2) a list of opportunities to increase the capacity of existing hydroelectric generating facilities.

(b) provide, for each such facility which is listed:

(1) a construction schedule and cost estimates for an expedited construction program which would make the facility available for service at the earliest practicable date, and

(2) a statement of the accomplishments which could be provided by the expedited completion of each facility and a statement of any funds which have been appropriated but not yet obligated.

INFORMATION CONCERNING TRANSACTION, SALE, EXCHANGE OR SHIPMENT INVOLVING THE EXPORT FROM THE UNITED STATES TO A FOREIGN NATION OF COAL AND ANY REFINED PETROLEUM PRODUCT

SEC. 130. (a) Notwithstanding any other provision of law, the Secretary of Commerce is authorized and directed to establish and maintain a file which shall contain information concerning every transaction, sale, exchange or shipment involving the export from the United States to a foreign nation of coal, crude oil, residual oil or any refined petroleum product. Information to be included in the file shall be current and shall include, but shall not be limited to, the name of the exporter (including the name or names of the holders of any beneficial interests), the volume and type of product involved in the export transaction, the manner of shipment and identification of the vessel or carrier, the destination, the name of the purchaser if a sale, exchange or other transaction is involved, and a statement of reasons justifying the export.

(b) Upon request of any committee or subcommittee of the United States Senate and House of Representatives or the head of any Federal agency, the Secretary shall promptly provide any information maintained in the file and a report thereon to such committee, subcommittee, or agency head, except where the President finds such disclosure to be detrimental to national security.

EFFECTIVE DATE

SEC. 131. This title shall become effective sixty days after the date of enactment or sooner if the President publishes notice in the Federal Register. This title shall terminate June 30, 1975.

APPROPRIATIONS

SEC. 132. (a) There are hereby authorized to remain available until expended, $75,000,000 for fiscal year 1974, and $200,000,000 annually for each of fiscal years 1975 and 1976 to carry out the purposes of this title.

(b) There are hereby authorized to be appropriated an additional $40,000,000 for fiscal year 1974, and $75,000,000 annually for each of fiscal years 1975 and 1976 to carry out the purposes of this title in the event that the President adopts a program of rationing for gasoline or other petroleum products.

(c) All sums appropriated by the Congress to the Administrator under this title shall be apportioned for the purposes specified therein during the fiscal year for which appropriated, except to the extent otherwise authorized by section 665 of title 31, United States Code.

SEPARABILITY

SEC. 133. If any provision of his Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality and effectiveness of the remainder of this Act and the applicability thereof to any persons and circumstances shall not be affected thereby.

TITLE II—COUNCIL ON ENERGY POLICY

SEC. 201. This title may be cited as the "Energy Policy Act of 1973".

FINDINGS AND PURPOSES

SEC. 202. (a) The Congress finds and declares that—

(1) there are many Federal agencies, created at different times and for different purposes to handle specialized problems, all directly or indirectly involved in the establishment of energy policy;

(2) there is no comprehensive national energy policy but instead Federal energy activities consist of a myriad of laws, regulations, actions and inactions resulting in narrow, short-range, and often conflicting decisionmaking by individual agencies without adequate consideration of the impact on the overall energy policy nor future national energy needs; and

(3) as a consequence of not having a comprehensive national energy policy, the Nation faces mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices.

(b) Therefore, it is declared to be the purpose of the Congress to protect and promote the interest of the people of the United States as energy users by establishing a Council on Energy Policy to serve as a focal point for—

(1) the collection, analysis, and interpretation of energy statistics and data necessary to formulate policies for wise energy management and conservation and to anticipate social, environmental, and economic problems associated with existing and emerging energy technologies;

(2) the coordination of all energy activities of the Federal Government, and provision of leadership to State and local governments and other persons involved in energy activities; and

(3) the preparation, after consultation with other interested organizations and agencies, of a long-range comprehensive plan (hereinafter referred to as the "Energy Plan") for energy development, utilization and conservation to foster improvement in the efficiency of energy production and utilization, reduction of the adverse environmental impacts of energy production and utilization, conservation of energy resources for the use of future generations, reduction of excessive energy demands, and development of new technologies to produce clean energy.

DUTIES OF FEDERAL AGENCIES

SEC. 203. (a) The policies, regulations, and public laws of the United States shall be interpreted and administered to the fullest extent possible in accordance with the policies set forth in this section; and

(b) All agencies of the Federal Government shall to the fullest extent possible—

(1) utilize a systematic, interdisciplinary approach which will insure the integrated use of both physical and social sciences in producing, conserving, and utilizing the Nation's energy resources;

(2) submit, prior to the review process established pursuant to the Budget and Accounting Act of 1972, as amended, to the Council on Energy Policy established by this section for comment all legislative recommendations and reports deal with or have a bearing on energy matters;

(3) gather data and information pursuant to guidelines promulgated by the Council on Energy Policy; develop analytical techniques for the management, conservation, use, and development of energy resources, and make such data available to the Council on Energy Policy; and

(4) recognize the worldwide and long-range character of energy concerns and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to foster international cooperation in anticipating and resolving energy-related problems.

ESTABLISHMENT OF A COUNCIL

SEC. 204. (a) There shall be established in the Executive Office of the President a Council on Energy Policy (hereinafter referred to as the Council). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure by and with the advice and consent of the Senate. The President shall at the time of nomination designate one of the members of the Council to serve as Chairman. Each member shall be a person, who as a result of his training, experience, and attainment, is well qualified to analyze and interpret energy trends and information of all kinds; to appraise programs and activities of the Federal Government in light of the energy needs of the Nation; to be conscious of and responsive to the environmental, social, cultural, economic, scientific, and esthetic needs and interests of the Nation; and to formulate an Energy Plan and recommend national policies with respect to wise energy management.

(b) The Administrator of the interim Federal Energy Emergency Administration established by title I of this Act may, if appointed to the Council pursuant to (a) and if designated by the President, serve as Chairman of the Council in order to coordinate the functions of that Administration with those of the Council and to assure necessary continuity subsequent to the termination of title I as provided by section 125 of this Act.

DUTIES OF COUNCIL

SEC. 205. (a) The Council shall serve as the principal adviser to the President on energy policy and shall exercise leadership in the formulation of Government policy concerning domestic and international issues relating to energy.

(b) The Council shall make recommendations to the President and the Congress for resolving conflicts between the policies relating to energy of different Federal agencies.

(c) The Council shall develop within eighteen months after the date of enactment of this title and thereafter shall annually update an Energy Plan for energy development, utilization, and conservation in the United States to carry out the purposes as stated in subsection (b) of this section. Copies of such Energy Plan shall be distributed on January 1 of each year to the President, to the Congress, and to all Federal and State agencies concerned with energy, and upon request to local agencies and nongovernmental entities.

(d) the Council shall promptly review all legislative recommendations and reports sent to Congress, to the extent that such recommendations and reports have a bearing on energy matters, and it shall send to the President and the involved Federal agency a statement in writing of its position and the reasons therefor. This subsection shall not apply to title I of this Act.

(e) The Council shall keep Congress fully and currently informed of all of its activities. Neither the Council nor its employees may refuse to testify before or submit information to Congress or any duly authorized committee thereof.

(f) The Council shall conduct annual public hearings on the Energy Plan and may hold public hearings when there is substantial public interest in other pending matters.

(g) In carrying out its collection, analysis, and interpreation of energy statistics function, the Council shall, as quickly as possible and after appropriate study, promulgate guidelines for the collection and initial analysis of energy data by other Federal agencies, after published notice in the Federal Register and opportunity for comment. Such guidelines shall be designed to make such data compatible, useful, and comprehensive. Where relevant data is not now available or reliable and is beyond the authority of other agencies to collect, then the Council shall recommend to the Congress the enactment of appropriate legislation. Pending congressional consideration, the Council may gather such data directly. The Council shall have the power to require by special or general orders any person to submit in writing such energy data as the Council may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as the Council may direct.

ADMINISTRATIVE PROVISIONS

SEC. 206. (a) In exercising its powers, functions, and duties, the Council shall—

(1) consult with representatives of science, industry, agriculture, labor, conservation organizations, State and local governments, and other groups, as it deems advisable; and

(2) employ a competent, independent staff which shall utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, to avoid duplication of effort and expense, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by other agencies.

(b) Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

(c) The Council may employ such officers and employees as may be necessary to carry out its functions. The Council may also employ and fix the compensation of such experts, consultants, or contractors to conduct detailed studies as may be necessary for the carrying out of its functions to the same extent as is authorized under section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

ENERGY REPORT

SEC. 207. The Council shall prepare and submit to the President and the Congress on or before January 1, 1974, and annually thereafter, an energy report to to accompany the Energy Plan. This report shall include—

(a) an estimate of energy needs of the United States for the ensuing ten-year period to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation;

(b) an estimate of the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economic manner with due regard for the protection of the environment, the conservation of natural resources, and the implentation of foreign policy objectives;

(c) current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effects of those trends on the social, environmental, economic, and other requirements of the Nation;

(d) a catalog of research and development efforts funded by the Federal Government to develop new technologies, to forestall energy shortages, to reduce waste, to foster recycling, and to encourage conservation practices; and recommendations for developing technology capable of increasing efficiency and protecting employee health and safety in energy industries;

(e) recommendations for improving the energy data and information available to the Federal agencies by improving monitoring systems, standardizing data, and securing additional needed information;

(f) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices), employed by Federal, State, and local governments and nongovernmental entities to achieve the purposes of this section; and

(g) recommendations concerning the level of funding for the development and application of new technologies, as well as new procedures and practices which the Council may determine to be required to achieve the purposes of this section and improve energy management and conservation together with recommendations for additional legislation.

PUBLIC ACCESS TO INFORMATION

SEC. 208. (a) Copies of any communications, documents, reports, or information received or sent by any members of the Council shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicly released under the terms of paragraph (2) of this subsection.

(b) The Council or any officer or employee of the Council shall not disclose information obtained under this section which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies, and officials for official use upon request;

(2) to committees of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to whom the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety).

In no event shall the names or other means of identification of injured persons be made public without their express written consent. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552, title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

MONITORING OF ENERGY STATISTICS AND ANALYSIS

SEC. 209. (a) The Comptroller General of the United States shall continuously monitor and evaluate the operations of the Council including its reporting requirements. Upon his own initiative or upon the request of a committee of the Congress or, to the extent personnel are available, upon the request of a Member of the Congress, the Comptroller General shall (1) conduct studies of existing statutes and regulations governing Federal energy programs, (2) review the policies and practices of Federal agencies administering such programs, (3) review and evaluate the procedures followed by such agencies, in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, demand, industry structure, environmental impacts and research and development, and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data from any public or private source whatever, notwithstanding the provisions of any other law, as is necessary to carry out his responsibilities under this section and shall report to the Congress at such times as he deems appropriate with respect to Federal energy programs, including his recommendations for such modifications in existing laws, regulations, procedures, and practices as will, in his judgment, best serve the Congress in the formulation of a national energy policy.

(b) In carrying out his responsibilities as provided in paragraph (1) of this subsection, the Comptroller General shall give particular attention to the need for improved coordination of the work of the Federal Government related to energy policies and programs and the attendant need for a central source of energy statistics and information.

(c) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section shall have access to any books, documents, papers, statistics, data, information, and records of any private organization relating to the management and conservation of energy, including but not limited to energy costs, demand, supply, reserves, industry structure, environmental impacts, and research and development. The Comptroller General may require any private organization to submit in writing such energy data as he may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as he may direct.

(d) To assist in carrying out his responsibilities, the Comptroller General may sign and issue subpenas requiring the production of books, documents, papers, statistics, data, information, and records referred to in paragraph (c) of this subsection.

(e) In case of contumacy, or refusal to obey a subpena of the Comptroller General issued under this section, by any person who resides, is found or transacts business within the jurisdiction of any district court of the United States, such district court shall, upon the request of the Comptroller General, have jurisdiction to issue to such person an order requiring such person to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

(f) Reports submitted by the Comptroller General to the Congress shall be available to the public at reasonable cost and upon identifiable request, except that the Comptroller General may not disclose to the public any information which could not be disclosed to the public by the Council under the provisions of this title if the information were held by the Council.

AUTHORIZATION OF APPROPRIATIONS

SEC. 210. (a) There are authorized to be appropriated to carry out the provisions of this title not to exceed $1,000,000 for fiscal year ending June 30, 1974, $2,000,000 for fiscal year ending June 3, 1975, and $4,000,000 for each fiscal year thereafter.

(b) All sums appropriated pursuant to this section shall remain available for obligation or expenditure in the fiscal year next following.

The title was amended so as to read: "A bill to provide for the effective and efficient management of the Nation's energy policies and programs for the duration of the existing energy emergency, and for other purposes."

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY and Mr. PERCY moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. ERVIN. Mr. President, as chairman of the Senate Committee on Government Operations, I am exceedingly proud of the dispatch with which this particular piece of legislation was perfected, processed, and reported to the Senate. As chairman of the committee, I asked the Senator from Connecticut (Mr. RIBICOFF) to act as floor manager of the bill because he was better versed in its contents than any other member of the Government Operations Committee.

I would like to pay him tribute by saying I think the work he did in perfecting this bill and in presenting it to the Senate is as fine and as intelligent and as statesmanlike a job as I have ever seen performed here by any Senator during the time I have been privileged to serve in this body.

I would also like to commend the distinguished ranking member of the subcommittee (Mr. PERCY) for the many fine contributions which he has made to this bill, and to commend other Senators such as Senator JACKSON, Senator MUSKIE, Senator ROTH, Senator HUDDLESTON, who is now presiding, Senator CHILES, and Senator NUNN, for the fine contributions they made.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. RIBICOFF. May I express my appreciation to the distinguished chairman for his gracious comments. The leadership of our chairman was so important in moving this bill ahead and bringing it to the floor for passage. The chairman and the chief of staff, Mr. Robert Smith, were completely cooperative, and all the members and their staffs worked together nights and weekends to draft the committee amendments and prepare the report to the Senate.

Our success is due to the leadership of our chairman and also to the ranking minority member, Senator PERCY, Senator JAVITS, Senator JACKSON, Senator MUSKIE, Senator METCALF, and every member of the committee made valuable contributions.

I also want to state my gratitude to the members of the committee and members' staff. They did a great job.

Mr. President, I want to single out for special praise and recognition, Mr. Robert J. Wager, staff director and general counsel of the Subcommittee on Reorganization, Research, and International Organizations, which I chair. He organized and directed the extraordinary staff effort which went into this bill. His vast knowledge of reorganization procedure was an essential ingredient of the transfer and authority provisions of the act. Without his able assistance it would not have been possible to hold hearings, draft amendments, report the bill, write the committee report and achieve final passage of as fine an act as we have produced today—all within the space of 15 days. This is an outstanding achievement, and I express my thanks to Mr. Wager on behalf of the Senate and the Nation at this time of energy emergency.

Mr. ERVIN. Mr. President, I would like to pay special commendation to Senator METCALF for his work.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. PERCY. Very briefly, let me say that when anyone says the Senate is not capable of acting swiftly and thoroughly, we can point with pride to this bill, which is an outstanding example of speedy yet deliberate action. From the day we received the bill, on December 4, until it passed the Senate today, took only 15 days. The bill was the subject of a tremendous amount of modification and a good deal of creative work on both sides of the aisle.

I joint my colleague, Senator RIBICOFF, in commending our chairman, Senator ERVIN, but I think we all would say that we are indebted to the Senator from Connecticut (Mr. RIBICOFF) for the leadership he has shown in this matter. Every single member of the committee was cooperative.

So also was Mr. Simon. If this is an example of the working relationship we are going to have with him, I think it is very fine.

We also relied very heavily on the expertise of the Senator from Washington (Mr. JACKSON), and admirably expert staff.

As always, we relied heavily on the learned, perceptive contributions of the senior Senator from New York (Mr. JAVITS). Senator GURNEY, Senator ROTH, and Senator BROCK all made their distinctive contributions.

The staff work has been thorough and outstanding. Mr. Robert Smith, chief counsel of the committee, and Mr. Robert Wager, chief counsel of the Executive Reorganization Subcommittee deserve special credit, Bob Wager particularly for his skill in working with other members in modifying their amendments so that the managers of the bill could accept them. I would like to express my own appreciation, on behalf of the minority, for the able assistance and contributions of our counsel, Mr. Robert Vastine, Mr. John Pearson, and Mr. Brian Conboy.

Mr. JACKSON. Mr. President, will the Senator yield for 30 seconds?

Mr. MANSFIELD. I yield.

Mr. JACKSON. Mr. President, I would like to associate myself with the remarks that have been made here about the distinguished chairman of the Subcommittee on Reorganization, Research, and International Organizations, the able Senator from Connecticut (Mr. RIBICOFF). This has been a very difficult assignment, and he has handled the situation, I think, in a masterful way. This bill is extremely important insofar as the energy program is concerned. I want to express my gratitude to him and my appreciation to the ranking minority member of the committee, the Senator from Illinois (Mr. PERCY), for the bipartisan effort that has been made in pushing this legislation through. They have been a great team, and I am most appreciative for the high quality of leadership.

ORDER OF BUSINESS

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, December 19, 1973, he presented to the President of the United States the following enrolled bills:

S. 2413. An act to authorize the disposal of aluminum from the national stockpile and the supplemental stockpile, and for other purposes;

S. 2498. An act to authorize the disposal of zinc from the national stockpile and the supplemental stockpile; and

S. 2551. An act to authorize the disposal of molybdenum from the national stockpile and from the supplemental stockpile, and for other purposes.

HEALTH MAINTENANCE ORGANIZATION ACT OF 1973—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on S. 14, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The Legislative Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes having met, after full and free conference, have agreed to recommend and do

recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 12, 1973 at pp. 41089–41096.)

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of not to exceed 10 minutes on the pending conference report; that the time be divided, under the usual regulation, between the Senator from Massachusetts (Mr. KENNEDY) and the Senator from New York (Mr. JAVITS), or whomever they may designate.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the end of that time there be a yea and nay vote.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered, and the yeas and nays are ordered.

Mr. MANSFIELD. And that the rollcall run for approximately 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. And that following the disposal of that, we then turn to the consideration of Calendar No. 609, House Joint Resolution 176, a joint resolution to authorize the production of petroleum from Naval Reserve No. 1.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I would like to call the conference report accompanying S. 14, the Health Maintenance Organization Act of 1973, to the attention of the Senate.

Almost 2 years ago, I, together with a number of cosponsors, introduced the Health Maintenance Organization and Resources Development Act into the Senate. Through hundreds of hours of hearings, executive sessions, and floor action, I have strongly advocated passage of legislation to assist the development of health maintenance organizations as a viable and competitive alternative to fee-for-service practice. I am pleased to call the Senate's attention, at long last, to the result of that work.

Although the bill to emerge from the conference committee does not do as much as I believe should be done, particularly in the area of dollar authorizations, in stimulating the development of alternative forms of health care delivery, it is, I believe, a sound if limited beginning to the solution of some of the problems which exist today in the health care industry.

This bill represents the first initiative by the Federal Government which attempts to come to grips directly with the problems of fragmentation and disorganization in the health care industry.

Although this program authorizes the expenditure of only $375 million over a 5-year period, to finance changes in a health care industry with an annual cash flow in excess of $80 billion, it contains a number of other forms of assistance which I believe will stimulate the development of HMO's across the country.

First of all, it contains a provision which would override restrictive State laws, the enforcement of which would impede the development of HMO's. These laws, many of them placed on the books years ago by insurance carriers or medical societies, are in many cases archaic.

To the extent they would impede the development of HMO's meeting the careful definitional and organizational criteria set forth in this legislation, provisions in the bill would override them.

Second, the Senate accepted a House provision which I believe will go a long way toward offering HMO's an equal chance at the health care market with traditional health insurance plans. This bill would require each employer employing in excess of 25 employees to offer an HMO option if he offers his employees health benefits of other types, and if an HMO meeting the requirements of the legislation is operating in his area. The employer is not required to make contributions to his employees health plan in excess of what he is already making, but does require that he offer them the choice between traditional health insurance benefits and benefits in the form of HMO membership.

These two provisions would apply to HMO's whether or not they receive financial assistance in the form of grants, contracts, or loans, under the authority provided in this legislation. It is important to point out, however, that any HMO, in order to qualify for the "preemption" or "mandated multiple choice" provisions of the bill, must meet the rather extensive definitional and organizatonal requirements detailed in the legislation. The conference committee believes that these requirements, together with authority granted in the committee report to the Secretary to continue to regulate HMO's assisted by this legislation, will provide adequate safeguards against the assistance of poor quality or nonviable HMO's by the programs authorized by S. 14.

In addition, this legislation calls for an extensive, carefully defined study of all mechanisms, public and private, currently operating in the United States to assure the quality of health care. The study is to be conducted by a nongovernmental entity, such as the Institute of Medicine of the National Academy of Sciences. A report to the Congress by a date certain is required.

Far from being a national effort to make HMO's the dominant pattern of care in the United States, the bill resulting from the work of the conference committee will, I believe, introduce a modest degree of pluralism into what is otherwise a monolithic fee-for-service health care system, if fully implemented.

I strongly believe that the introduction of diversity and pluralism into our current health care system is desirable. The existence of HMO's, where they have been successful, stimulated healthy innovation and competition in the rest of the health care industry in the area. I believe in competition in the health care industry, and I believe HMO's are one proven form of health care which can be competitive with the existing system.

I have never considered HMO's to be a panacea or the answer to all the problems of our current health care system. Of equal importance are the problems of financing health services, the appropriate production of health manpower, and the equitable distribution of health care facilities, equipment and personnel throughout the country.

I look forward to taking an active role in the enactment of legislation which will adequately deal with those problems.

However, I believe that the HMO is one proven alternative to existing fee-for-service health care practices, and must be given a fair chance to provide health services in a proven, but alternative way, to the existing system. HMO's have been proven to work in urban and rural areas. The San Joaquin Foundation for Medical Care—a rural HMO—and the Harvard Community Health Plan—an urban HMO—have both successfully enrolled low income groups, provided adequate purchasing powers available to them, in groups.

HMO's throughout the years have been highly successful in containing the costs in health care services. Ample evidence exists to confirm this fact. Kaiser Permanente, hospitalizes its enrollees about half as often as the national average. The Harvard Community Health Plan of Boston hospitalizes patients even less. The costs savings are substantial: nobody accuses these plans of providing poor quality medical care.

Because I believe that the HMO is the best idea put forth so far for containing costs and improving the organization and the delivery of health care services, I can assure my colleagues in the Senate that the Health Subcommittee will vigorously exercise its oversight responsibilities with respect to the effective implementation of this program. Although the conference committee report authorizes a self-contained program, I can assure the Members of the Senate that my subcommittee will continue to evaluate the spirit and effectiveness with which the legislation is implemented. There will be no hesitancy on my part to offer legislative proposals to correct problems which may develop in the implementation of this program and which threaten to impede its effectiveness.

Mr. President, I feel privileged to have had a part in the development of this legislation, which I feel is an early, important, and constructive step in the improvement of health services for the American people. I know the Senate will approve the conference report, and look forward to its enactment into law.

Mr. LONG. Mr. President, I understand that members of the Health Subcommittee of the Labor and Public Welfare Committee are interested in how the medicare and medicaid programs might relate to the Health Maintenance Organization quality assurance program established by this bill.

It is my understanding that the office of the Assistant Secretary for Health will be responsible for assuring and monitoring the compliance of HMO grantees with the quality and capability standards for HMO grantees established under the bill.

The question has arisen as to whether the medicare and medicaid programs should continue their present set of quality standards for HMO's receiving incentive reimbursement or whether these programs might utilize the quality and capability standards in this bill and accept the decisions of the new HMO quality unit on compliance with these standards.

Both the ranking minority member on the Finance Committee, Senator BENNETT, and I understand that these quality and capability standards are reasonably comparable in scope and objective to what is in existing law for medicare and medicaid, and it would seem reasonable to us to avoid duplicative evaluation by accepting certification of quality capability by applying the standards in this bill in lieu of separate medicare and medicaid standards. Thus, the Government would not be in the position of having two separate sets of standards.

Similarly, we see no problem with the Social Security Administration delegating responsibility for judging compliance with the HMO quality and capability standards to the new HMO quality unit in the Assistant Secretary's office. This would avoid the existence of two separate bureaucracies to monitor HMO compliance with quality and capability standards. Social security would, of course, continue to be responsible for the balance of the decisions with respect to eligibility for incentive reimbursement.

Of course, with respect to judging whether any HMO meets the quality and capability standards for incentive reimbursement under medicare and medicaid, the HMO quality assurance unit would have to conduct on-site evaluations to assure that compliance with quality and capability standards exists in actual practice as well as on paper.

Additionally, if an otherwise approved HMO meeting all applicable quality and capability standards has less than 5,000 enrollees, social security would not approve incentive reimbursement under medicare and medicaid unless it was satisfied that appropriate and necessary actuarial calculations necessary for arriving at a valid payment rate and otherwise required under the law can be made.

I can assure the floor manager that I will recommend to the Finance Committee an amendment along the lines I have outlined at the first appropriate opportunity.

Mr. KENNEDY. I greatly appreciate recognition on the part of the chairman of the Senate Finance Committee of the work done by the health subcommittee in the area of HMO's. I believe that your suggestion that the Social Security Act be amended to carry on to the definitial and organizational requirements in S. 14 for purposes of eligibility for reimbursement as an HMO under SSA programs makes a great deal of sense, and I commend the Chairman for his statesmanlike approach.

For my part, I would like to recognize the leadership in the field of quality of health care exhibited by Senators LONG, BENNETT and the other members of the Finance Committee.

I believe the chairman's recognition of the work of our committee in the health area sets an important precedent. I look forward to working with the chairman and members of the Finance Committee in other areas of mutual interest in the future.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

Mr. President, I urge my colleagues to adopt the Health Maintenance Organization Act of 1973 conference report. The conference substitute does not go as far as the Senate-passed bill, but its provisions are a reasonable compromise. It represents an important contribution in getting action on the indispensable problem of supplying to all Americans health services in an efficient and rational manner. This is an essential element of any national health insurance scheme, on which I have introduced appropriate legislation, as have other Senators, and the administration has expressed its intention to act.

I believe the conference substitute we are considering today will effectively carry out the President's recommendations for a Federal program to assist in demonstrating the feasibility of health maintenance organizations as part of our pluralistic health-care delivery system.

SUMMARY OF CONFERENCE SUBSTITUTE

First. Authorizes $375 million over a 5-year period—rather than the Senate passed bill authorization of $805 million over a 3-year period.

Second. Requires a comprehensive set of basic health services to be provided by all HMO's including, in addition to curative medicine, preventive health services as well as outpatient evaluative and crisis intervention mental health services, and acute care and referral services for alcoholism and drug addiction. Also HMO's are authorized to provide additional supplemental health services.

Third. Preempts restrictive State laws for HMO's who qualify for assistance under this bill.

Fourth. Requires employers to offer their employees the choice of joining an HMO under any health benefit plan.

Fifth. Requires regulation of HMO's by the Secretary of HEW and for the Secretary and the Comptroller General to evaluate the ongoing HMO program.

Sixth. Requires 20 percent of appropriated funds to be spent in nonmetropolitan areas.

Seventh. Requires HEW research on quality assurance and also an independent study by a qualified entity, such as the Institute of Medicine of the National Academy of Sciences.

PREEMPTION OF RESTRICTIVE STATE LAWS

One of the major issues before the conference was the question of preemption of restrictive State laws. The Senate bill required that eligible HMO's be allowed to provide health care services in a State regardless of any enumerated restrictive provisions in State laws. There was no comparable provision in the House bill.

I believe State legal restrictions seriously impede and restrict the development of HMO's and am proud to have taken a leadership role in the fashioning of the provision in the conference substitute which permits any HMO for which a grant, contract, loan, or loan guarantee was provided under title XIII or which is a qualified health maintenance organization for purposes of section 1310—employees' health benefits plans—to operate in a State regardless of certain restrictive provisions in a State's laws.

My deep concern on the issue and the letter from Secretary Weinberger to each of the conferees which stated HEW is "opposed to the provision in the Senate version superseding State laws which interfere with the development of prepaid health care delivery systems"—and for which no substantive explanation was provided—prompted me to write to the Honorable Melvin R. Laird, Counselor to the President for Domestic Affairs, and to all the conferees urging support for the inclusion of a preemption of restrictive State laws provision. I ask unanimous consent that the full text of these letters and their enclosures be reprinted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Mr. President, a recently completed HEW-sponsored health services research project, which examined State legal factors related to HMO's indicated the need for such a provision. It shows that the State legal barriers to HMO formation are associated with an absence of HMO's in those States which have such barriers. The most powerful legal barriers relate to required physician control and the requirement that participation in any one HMO in a State be open to every physician in that State. This latter requirement, of course, removes the ability of the HMO to exercise the necessary discipline over excess utilization of services. In the States where barriers do not exist, the HMO movement has definitely shown substantial growth. In those States where legal barriers to HMO's are most stringent, HMO's have not formed, and 20 States do not have a single HMO.

The need to preempt State legal barriers is further reinforced by that analysis, which shows that the States that have recently passed HMO enabling legislation have varied so much in their approach that they are in effect creating a new set of legal barriers, particularly to multistate or regional HMO's.

I did not understand how HEW reasonably could support a position directly contrary to its own cited study conclusion. The HEW position was further challenged by recent newspaper stories charging that the reversal of prior support for preemption of State laws is in great measure due to AMA lobbying, past and present.

According to then Secretary of HEW Richardson's testimony, and I quote:

> State laws often hamper HMO development.
>
> Many States impose legal restrictions on HMO development which will have to be overcome, such as licensure of health professionals and sponsorship of HMO's. Twenty-one States have even more restrictive laws, in some instances, requiring HMO's to operate under rules applicable to Blue Shield plans or insurance companies. Since HMO's operate in a different fashion from either of these, such laws make it difficult for HMO's to organize.

The preemption of restrictive State laws was clearly our responsibility and the conference substitute provides:

> "RESTRICTIVE STATE LAWS AND PRACTICES
>
> "SEC. 1311. (a) In the case of any entity—
>
> "(1) which cannot do business as a health maintenance organization in a State in which it proposes to furnish basic and supplemental health services because that State by law, regulation, or otherwise—
>
> "(A) requires as a condition to doing business in that State that a medical society approve the furnishing of services by the entity,
>
> "(B) requires that physicians constitute all or a percentage of its governing body,
>
> "(C) requires that all physicians or a percentage of physicians in the locale participate or be permitted to participate in the provision of services for the entity, or
>
> "(D) requires that the entity meet requirements for insurers of health care services doing business in that State respecting initial capitalization and establishment of financial reserves against insolvency, and
>
> "(2) for which a grant, contract, loan, or loan guarantee was made under this title or which is a qualified health maintenance organization for purposes of section 1310 (relating to employees' health benefits plans), such requirements shall not apply to that entity so as to prevent it from operating as a health maintenance organization in accordance with section 1301.
>
> "(b) No State may establish or enforce any law which presents a health maintenance organization for which a grant, contract, loan, or loan guarantee was made under this title or which is a qualified health maintenance organization for purposes of section 1310 (relating to employees' health benefits plans), from soliciting members through advertising its services, charges, or other nonprofessional aspects of its operation. This subsection does not authorize any advertising which identifies, refers to, or makes any qualitative judgment concerning, any health professional who provides services for a health maintenance organization."

Mr. President, there are numerous excellent provisions in the conference substitute, and another one of which I am particularly proud is the conferee's decision to line item among the basic health services a mental health benefit.

The Senate passed bill required the provision of mental health services for an HMO to qualify for Federal assistance. The House bill only required mental health services as a supplemental health service. The conference substitute adopted the House concept of an HMO providing at a minimum basic, and if desired, supplemental, health services to its enrollees but mandated: "short-term—not to exceed 20 visits—outpatient evaluative and crisis intervention mental health services" as a basic health service.

I believe this is an essential first step if we are to break down the inappropriate distinction between physical and mental health; they are both equally important to the American peoples' health care.

I am not doctrinaire regarding HMO's. This new approach can have a variety of forms and names and sponsors, for example, when I introduced my national health insurance bill in the 91st Congress, a separate title authorized the establishment of local comprehensive health service systems, now commonly termed "HMO's."

The conference substitute adopts the term applied to all of these units by the President, HMO's—health maintenance organizations.

Whether these organizations be called HMO's, local comprehensive health services systems, medical care foundations, or prepaid group health practices this concept has two essential attributes. It brings together a comprehensive range of medical services in a single organization so that a patient is assured of convenient access to all of them. And it provides needed services for a fixed contract fee, which is paid in advance by all subscribers.

I believe—as I stated when I introduced the administration's bill this year—if we are to achieve the desired objective—to rationalize our health care system to benefit all Americans—the bill enacted into law must more strictly define the criteria for HMO establishment and operation; be strengthened to assure a more meaningful role for consumers in HMO operation; and, respond more effectively to the problem of individual State prohibitions against the formulation of HMO's. These essential ingredients are all embodied in the conference substitute.

I urge its adoption to stimulate an innovative medical care delivery system.

I hope that the Senate will approve the conference report, and I yield 3 minutes to the Senator from Colorado.

EXHIBIT 1

COMMITTEE ON
LABOR AND PUBLIC WELFARE.
Washington, D.C., October 9, 1973.

DEAR MEL: Enclosed is a copy of my recent self explanatory letter to the Editor of *The Wall Street Journal* expressing my support and appreciation for their encouragement of the preemption of state law provisions as to HMO's in federal legislation. The letter appeared in the October 2 issue of *The Wall Street Journal.*

Further support of the need to retain preemption of state law provisions, as set forth in the Senate passed HMO bill (S. 14), is provided by a recently completed HEW sponsored Health Services Research Project. That project shows that the state legal barriers to HMO formation are associated with an absence of HMO's in those states which have such barriers. The most powerful legal barriers relate to required physician control and the requirement that participation in any one HMO in a state be open to every physician in that state. This latter requirement, of course, removes the ability of the HMO to exercise the necessary discipline over excess utilization of services. In the states where barriers do not exist, the HMO movement has definitely shown substantial growth. In those states where legal barriers to HMO's are most stringent, HMO's have not formed, and twenty states do not have a single HMO.

The need to preempt state legal barriers is further reinforced by the enclosed analysis entitled "New State HMO Laws" which shows that the ten states that have recently passed HMO enabling legislation have varied so much in their approach that they are in effect creating a new set of legal barriers, particularly to multi-state or regional HMO's.

As you may know, the first meeting of the Conferees on Federal HMO legislation will take place on Tuesday, October 9. I believe it would be most helpful to have the White House thinking on the issue of the preemption of state law provisions, and look forward to your early reply.

With best wishes,
Sincerely,

JACOB K. JAVITS.

COMMITTEE ON
LABOR AND PUBLIC WELFARE,
Washington, D.C., October 9, 1973.

DEAR COLLEAGUE: We call your attention to a letter received today by each conferee from Secretary Weinberger expressing the opposition of the Department of Health, Education and Welfare to the preemption of state law provisions as to HMO's as set forth in the Senate passed HMO bill (S. 14).

Support of the need to retain preemption of state law provisions, as set forth in the Senate passed HMO bill (S. 14), is provided by a recently completed HEW sponsored Health Services Research Project. That project shows that the state legal barriers to HMO formation are associated with an absence of HMO's in those states which have such barriers. The most powerful legal barriers relate to required physician control and the requirement that participation in any one HMO in a state be open to every physician in that state. This latter requirement, of course, removes the ability of the HMO to exercise the necessary discipline over excess utilization of services. In the states where barriers do not exist, the HMO movement has definitely shown substantial growth. In those states where legal barriers to HMO's are most stringent, HMO's have not formed, and twenty states do not have a single HMO.

The need to preempt state legal barriers is further reinforced by the enclosed analysis entitled "New State HMO laws" which shows that the ten states that have recently passed HMO enabling legislation have varied so much in their approach that they are in effect creating a new set of legal barriers, particularly to multi-state or regional HMO's.

We do not understand how HEW can reasonably support a position directly contrary to its own most recent and definitive HEW study conclusions. The HEW position is further challenged by recent newspaper stories charging that the reversal of prior support for preemption of state laws is in great measure due to AMA lobbying, past and present. A copy of a recent article in the Cleveland Plain Dealer in that regard is also enclosed.

We find this particularly distressing and would urge the conferees to reject this position.

With best wishes,

EDWARD M. KENNEDY.
JACOB K. JAVITS.

NEW STATE HMO LAWS

States	Restrictive State laws preempted	For profit—nonprofit	State regulatory department(s)	Quality of care monitoring mandated	Enrollee grievance machinery mandated	Enrollee policymaking participation mandated	(Nonreporting) Financial solvency requirements
Arizona	Solicitation	Both permitted	Insurance	No	No	No	$50,000 bond, plus $100,000 reserve.
Colorado	Insurance; hospital and medical service; solicitation; corporate medical practice.	do	Insurance and health	Yes	Yes	Yes	Bond or deposit (amount unspecified).
Iowa	do	do	Insurance and public health.	Yes	Yes	Yes	Do.
Minnesota	do	Nonprofit only	Health and insurance	Yes	Yes	Yes—40 percent enrollees on governing board after 1st year.	Variety of standards to guide regulator (amounts unspecified).
Nevada	Insurance; solicitation; corporate medical practice.	Both permitted	Insurance and health	Yes	Yes	Yes	Variety of standards to guide regulator (amounts unspecified) bond or deposit (amount unspecified).
New Jersey	Insurance; hospital and medical service; solicitation; corporate medical practice.	do	do	Yes	Yes	Yes	Variety of standards to guide regulator (amounts unspecified) cash or deposit (amount unspecified).
Utah	Insurance; solicitation; corporate medical practice (partially).	do	do	Yes	Yes	Yes	None specified.
Florida (1972)	Insurance; hospital and medical service; solicitation.	do	Insurance and health—rehabilitative services.	Yes	No	No	Adequate working capital.
Pennsylvania (1972)	Insurance; hospital and medical service.	Nonprofit (and nonhospital) corporations only.	Insurance and health.	Yes—But only by implication.	No	Yes—Majority of subscribers on board of directors.	Reserves (amount unspecified).
Tennessee (1971)	None specified	Both permitted	Insurance—Banking and public health.	Yes, but not specifically.	No	No	None specified.

AMA BLOCKS PROGRESS IN HEALTH CARE

(By Robert J. Havel)

WASHINGTON.—In a little noted battle between the HMO and the AMA, the latter, the American Medical Association, appears to be the victor.

The losers are likely to be millions of Americans who could be provided better health care at costs they could afford through HMOs—health maintenance organizations.

HMOs are a source of heated debate within the medical community. The AMA sees federal support of this group practice of medicine as a step down the road to socialized medicine. Supporters sees HMOs as the medical profession's last chance at self-regulation.

In the course of the wrangle over HMOs in the U.S. House, advocates bent to the will of the AMA. So did President Nixon. Two and a half years ago, he was hellbent for building HMOs all over the country. Today, he views them merely as "promising innovations" worthy only of cautious federal experiment.

During that time the AMA's political arm has contributed millions to the re-election of Nixon and to the campaigns of sitting senators and House members.

True, the House has passed a bill in support of HMOs that was hailed as "landmark." It was hardly that, although it is the only health legislation of any importance that will likely emerge from Congress this year.

What it was was a bill to provide meager one-shot federal assistance to the establishment of health maintenance organizations (HMOs). Even now it faces an uncertain fate. It was a far cry from a similar measure passed by the Senate, which itself was a retreat from the $5-billion proposal approved overwhelmingly by that body a year ago.

The House bill also backtracked from the Commerce Committee's original proposal, so much so that the American Medical Association (AMA) dropped its ferocious and longstanding opposition in the House to HMO legislation.

Health maintenance organizations are prepaid group medical practices in which an enrollee, for a fixed sum, is provided comprehensive care. Ideally, an HMO is one-stop medical care, sort of a medical supermarket that can be operated non-profit or for profit.

It would eliminate a patient's having to go to one end of town for a bellyache.

Group practices have operated successfully in the United States for 40 years. An example is the Kaiser program in Cleveland. About 7 million are enrolled in about 80 such operations.

The staff doctors are paid either a salary or a traditional fee-for-service basis.

HMO proponents, who seem to encompass just about everybody but the AMA, cite many advantages to both doctor and patient. Through better organization of health care delivery, soaring medical costs could be held down, they contend. Those costs amounted to some $80 billion last year or about $365 for every man, woman and child in the nation.

For the doctor, HMOs relieve him of the business end of medical practice. They afford regular hours, give him set vacations. They can encourage doctors to go into rural or urban areas they normally would shun, because they would be guaranteed an income. They would have an incentive for efficiency, because the more efficient they are the more money they can make and the more extensive the care they can give enrollees.

The enrollee is relieved of the worry of unforeseen medical costs. Most medical costs are covered completely by the prepayment, usually with the exception of such things as eyeglasses and routine dental care, which are offered as optional services.

"Group practice prepayment plans by their very nature enable many physicians to use the same expensive equipment," Jerry Voorhis, head of Group Health Association of America, said in a recent speech. "They have no economic incentive to perform needless operations, and they can organize all resources, human and physical, in an efficient manner . . .

"(They) have as their main objective to keep people ambulatory and out of the hospital."

(Voorhis, incidentally, was the first politician to fall before Richard M. Nixon. He was a California congressman when Nixon beat him in 1946.)

AMA opposes federal assistance to HMOs because it fears they are a step toward socialized medicine. Sen. William B. Saxbe, R-O., who is an ardent booster of HMOs, sees them as the exact opposite.

"The opposition of most doctors to HMO's is discouraging," Saxbe said. "HMOs are the greatest protection they have against socialized * * * the tremendous advantage of HMOs. They permit doctors to control their own practices and incomes. They can bite off as much as they want in HMOs. In socialized medicine it's just the opposite. The state sets the hours and wages."

An AMA spokesman said his organization is "on the side of the House bill."

"We believe in pluralistic medicine," he said. "One way is the HMO. It's all right to experiment with this baby to see if it will work. But we don't want to have a massive infusion of federal money into HMOs."

In today's terms, the $805-million authorized over three years for "this baby" is hardly a massive infusion—unless it is compared with the $240-million for planning and start-up in the four-year House bill.

During House discussion, not a bad thing was said about HMOs. Why then did the House take such a timid step?

"Why the timidity? Because a lot of guys get money from the AMA," said Rep. William R. Roy, D-Kan., principal author of the House bill. Roy is an obstetrician turned politician who has been ostracized by the AMA.

Nevertheless, Roy defends the House bill as "landmark" because it is "the first federal commitment to bettter organization of the health-care delivery system."

"It's not great," he admitted, "but it is a commitment."

He believes that HMOs will provide competition for the traditional method of medical practice, "and then everybody else will do things better."

HMOs get their biggest boost from Nixon himself in 1971, when he oversold them somewhat as the saviour of the medical system. Even the most enthusiastic supporters of the concept say Nixon was not realistic in setting as a goal to have HMOs available to 90% of the population by 1980.

The 7 million now enrolled in group practices constitute about 3% of the population. Sen. Edward M. Kennedy, D-Mass., author of the Senate bill, says his measure might double the enrollment, and Dr. Philip Caper, a Kennedy aide, estimates that at the maximum only 20% will ever be members of HMOs.

To realize Nixon's goal, Roy said, would have cost as much as $12 billion. Nixon's commitment to HMOs has faded along with his rhetoric in praise of them. Now he supports the House bill, and the AMA openly takes credit for his change of heart. In his 1971 health message, Nixon hailed HMOs and outlined a broad plan of assistance and a determination to have HMO contracts preempt "archaic" state laws in 22 states that prohibit or limit group practice of medicine. His enthusiasm was undiminished in his 1972 message, when he called the HMO concept a "central feature of my national health strategy."

The AMA admittedly went to work on Nixon and the House Commerce Committee, nine members of which received AMA campaign contributions last year.

The administration's change of position was dramatic. In 1972, the administration planned to have HMOs available to 90% of the population in 1980. In his State of the Union message to Congress last March 1, what he himself proposed last year, was too costly and beyond what was needed. From its lofty position as a cornerstone on his national health strategy, the HMO had tumbled to a "promising innovation."

Meanwhile, every provision that the AMA found distasteful was stricken from the House bill. The main differences in the House bill from the Senate version are a smaller required benefits package to qualify for federal funds as an HMO, no grants to HMOs for care of the poor or persons with high medical insurance risks, no preemption of state laws, which, in effect, give medical societies veto power over HMOs, and no quality control commission.

Dr. Caper described the House bill as "fairly innocuous."

"The AMA succeeded in getting a bill it could live with," he said, "it's nonsense that we need another demonstration program. The House bill is 150% stall as far as I'm concerned."

Like Roy, Caper does not find it desirable to have HMOs the "only option," but he believes, also, that "competition will improve all health care."

Saxbe said the House bill is not sufficient to give HMOs a chance to prove what they can do. He supports grants for the poor and for high medical risks because he believes HMOs should be available "not just to those who can plunk their money down." He also supports preemption of state laws, "because it's necessary to have the program applicable nationwide."

"What makes a state law so sacred?" he asked, citing the Occupational Safety and Health Act, which permits federal standards to override state law." If they can come in and tell a guy what kind of ladder he can climb on, they can tell the states what kind of health care can be permitted."

Nobody wants to make HMO the only method of health-care delivery. But if HMOs are so good why can't they go it on their own?

Justin McCarthy of Group Health Association of America thinks HMOs ought to stand on their own feet but they need initial seed money. Restrictive state laws have inhibited the growth of HMOs, he said, while granting the medical profession, under Blue Cross-Blue Shield legislation, "provider monopolies."

McCarthy concedes that state restrictions are not without reason, "because if HMOs are not set up right it's easy to rip people off."

"Without controls, a couple of doctors can get together, get an X-ray machine, set up an HMO and start charging people $50 a month," he said.

"HMOs are designed to meet the needs of the middle-income group of America," McCarthy said. "The poor and the rich get taken care of now."

But they are expensive to start up. McCarthy estimates the cost of a community-wide plan to be as much as $5 million.

"New community group-practice plans must provide new facilities, recruit professional staff and weld them into smoothly working teams, win general public support, achieve rapid enrollment of subscribers and in all probability incur operating losses in their early years," Voorhis said. "If the growth of plans assuming full responsibility for the health of large numbers of people is to take place at the rate hoped for, substantial funding from the federal government would appear to be a necessity."

If anything emerges from the House-Senate conference, it is likely to be a measure closely resembling the House bill.

"I have a strong feeling we will reach agreement rather quickly," Roy said. "And it will be something Nixon will sign."

"There's not enough money in the House bill to give HMOs a fair test," McCarthy said. "And the mechanics for a truly objective evaluation are not there.

Mr. DOMINICK. Mr. President, I thank the Senator from New York.

I congratulate him and the Senator from Massachusetts for bringing out this conference report. I led quite a fight on the Senate floor before. I think that the Senator from Massachusetts and the Senator from New York have arrived at a compromise here which indicates good flexibility on their part.

I am pleased to support the conference report on S. 14, the Health Maintenance Organization Act of 1973, and hope the President will sign it.

My colleagues will recall that I voted against S. 14 when it was before the Senate. Let me just take a moment to explain briefly why I am able to support it now.

From the beginning I have favored Federal assistance for the development of health maintenance organizations in order to provide alternative methods of health care delivery. I did not support S. 14 as it was reported by the Committee on Labor and Public Welfare this year for three basic reasons: First, I thought the authorization levels—$1.5 billion over a 3-year period—were unrealistically high.

Second, the bill violated a principle which I consider to be of critical importance—that HMO's developed with Federal assistance be economically viable after they become operational. By imposing unrealistic requirements such as an overly broad mandatory benefit package, the bill in fact assured that no HMO receiving Federal assistance could ever be competitive with other forms of health care delivery unless it continued to receive massive Federal subsidies. The bill conceded this fact by authorizing $567 million to subsidize the operating costs of HMO's during the first 3 years.

Third, by reserving most of the authorized funds for HMO's meeting a restrictive definition—closed panel, prepaid group practice—I thought the bill would hinder, rather than stimulate innovation in the development of better methods of health care delivery.

I wrote minority views outlining my concerns when the bill was reported out of committee, and later offered floor amendments which were addressed to these issues. One of those amendments was a substitute containing no long-term operating subsidies, and with a total 3-year authorization of $385 million.

Although the authorization level in the bill was scaled down from $1.5 billion to $805 million before it passed the Senate, it still contained the basic defects I had outlined. Accordingly, I voted against it.

Prior to the vote, I made the following statement:

> I am not against HMO's. I think that they have considerable promise for improving health care delivery in this country, and they are entitled to Federal assistance. But this bill is not really designed to do that. A little over half of its authorizations, as amended, goes for development of HMO's. The rest goes for a number of things which are essentially irrelevant to development of HMO's. In short, this bill is unrealistic both in terms of cost and scope. I intend to vote against it, and hope that a realistic bill which I can support will emerge from the House-Senate Conference on the two bills after the House acts.

Fortunately, the conference report on S. 14 is more realistic. Its total authorization over 5 years is $375 million; it contains no operating subsidies; and it contains a more realistic benefit package. Although this conference report is a great improvement over the Senate-passed bill, and I hope the President will sign it, I have some reservation as to whether HMO's developed with this assistance will be competitive. The range of services which each HMO must provide is narrower than under the Senate-passed bill. But many health providers—notably Kaiser-Permanente, the prototype for HMO's, and the one with the most experience in this field—believes the benefit package remains too inflexible, and may cause HMO's to be dependent on continuing Federal subsidies.

I hope this will not be the case. Hopefully, the Secretary of HEW will be able to avoid that possibility by implementing this legislation with maximum emphasis on the need for HMO's developed under this legislation to be able to stand on their own after they become operational.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield 1 minute to the Senator from Washington (Mr. MAGNUSON).

Mr. MAGNUSON. Mr. President, I think this is a fine bill. It was a fine conference. It now gets down to another matter. I would like to get at least some indication as to how much we have in here for authorization.

Mr. KENNEDY. $375 million for 5 years.

Mr. MAGNUSON. They are different programs?

Mr. KENNEDY. The Senator is correct. The administration requested $60 million for the current year. That rate would project to $300 million over 5 years. In the case of this program, I would hope it would be one of the few programs where the full authorization is appropriated.

Mr. MAGNUSON. There are authorizations for different functions under the bill, and we will be able to expand. However, I thought the record ought to show what we may have to consider.

Mr. JAVITS. The $300 million is not only within the ball park, but the extra $75 million is a loan feature.

Mr. MAGNUSON. The loan feature is a part of the measure?

Mr. KENNEDY. The Senator is correct.

Mr. CRANSTON. Mr. President, the conference report before us today is a major legislative step toward encouraging the development of systems capable of providing comprehensive health care of high quality in an efficient and economical manner.

INTRODUCTION

During the last 2 years the appropriate health subcommittees of each House have held extensive hearings on the need for health maintenance organizations and on the effects of the establishment of such systems on existing medical resources and the community's ability to respond to the individual patient's needs. Considerable testimony was heard and evidence presented to the committees which has been taken into acount in the development of this legislation.

The members of the two committees have been meeting in conference since October. There were substantial differences in the bills passed by each House of Congress, and I believe it is due to the outstanding abilities of the chairman of the Senate conferees. Mr. KENNEDY, and of the House Conferees, Mr. STAGGERS, ably assisted by Mr. ROGERS, that the conferees were able to reach an agreement that represents fairly the concepts underlying each bill.

I believe we have succeeded in coming up with a workable proposal to offer support at a realistic level to medical groups needing initial assistance in developing programs which can offer a full range of comprehensive health services to enrollees on a prepaid basis. The experience of prepaid group medical practices in the past in providing care has shown that these programs have been able to provide full health care to enrollees at substantial savings, due to the efficiencies in utilization of staff and facilities, and an emphasis on primary care provided on an ambulatory basis, tendencies which are encouraged by prepaid group practices.

Included in the conference report, I am particularly gratified to note, are several amendments I had offered in committee to the legislation when it was under consideration in the last Congress as S. 3327. These amendments were part of S. 14 as passed by the Senate last May.

These suggestions, Mr. President, were to:

First, expand the consumer and other health disciplines role in quality care assurances systems;

Second, expand the consumer role in the health maintenance organization;

Third, increase emphasis on the participation of all health disciplines in the management of the system and in the provision of health services;

Fourth, include greater specificity as to services included in preventive health services;

Fifth, utilize the skills of clinical pharmacists to the greatest possible extent; and

Sixth, an amendment I cosponsored with Senator KENNEDY, to authorize the Secretary to contract with health maintenance organizations to provide health services to native American Indians and to domestic migrant and seasonal farmworkers.

EXPANSION OF THE CONSUMER ROLE AND GREATER PARTICIPATION OF ALL HEALTH DISCIPLINES IN QUALITY ASSURANCE REVIEW SYSTEMS

I have felt that the consumer and all the health disciplines have an important contribution to make in the quality review procedures adopted by an HMO.

Mr. President, this concept is clearly recognized in the conference report provisions by which each HMO must have organizational arrangements for ongoing quality assurance programs providing review by physicians as well as other health professionals of the process followed in the provision of health services.

Of particular value, I think, is a provision in the conference report that the Secretary will submit an annual report on the quality of health care in the United States, the operation of quality assurance programs, and advances made concerning the effectiveness, administration, and enforcement of quality assurance programs. I believe the annual submission of such reports will act as a strong incentive to improving the quality of care and broadening the perspective in which such quality assurance programs are viewed to include the interests of the consumer as well as the concerns of all health care providers and professionals.

I am particularly pleased with language included in the conference report and reinforced in the Joint Explanatory Statement that in the independent study related to quality health assurance to be contracted for by the Secretary is specified to include, among the charges, the study of means for assessing the responsiveness of such care to the needs and perceptions of the consumers of such care, and the study of methods for assessing the quality of health services from the point of view of consumers of such services.

Mr. President, I strongly feel that there is a need for the quality assurance system to direct its inquiries to the overall provision of health care and not to limit such inquiries to the quality of medical techniques or procedures utilized. The provision of comprehensive health care at a level acceptable to the patient must also take into consideration nonmedical factors such as location, ambience, and accessibility of service, among others.

These factors frequently are foremost in determining the patient's utilization of services and will bear a direct relationship to his full utilization of comprehensive preventive services.

In these specific areas, Mr. President, the consumer as well as other health care personnel such as the nurse and the social worker, for instance, can make substantial contributions to evaluation of the responsiveness of the organization to the patient's needs.

INCREASED EMPHASIS OF THE PARTICIPATION OF CONSUMERS AND ALL HEALTH DISCIPLINES IN MANAGEMENT OF HMO'S

It is my very strongly held view that we should establish a clear Federal recognition of the fact that providing health care is not the monopoly of the medical profession, and that other health care providers as well as the consumer of services should have a voice in decisionmaking.

Mr. President, I am grateful the conferees recognized that consumers must have a meaningful role in the formulation and implementation of policy concerning the manner in which health care services are delivered, and that the conference report does require that consumers have a substantial role in the HMO policymaking body, as I and other members of the Senate committee had urged. The conference report also requires each HMO to have meaningful procedures for resolving grievances between the HMO and its members

The conferees fully recognized that all health disciplines have a significant role to play in the provision of health care and in the decisions made on how such care should be provided.

The conference report provides, as the Senate bill had provided as a result of changes I had suggested in Committee, that a medical group is defined as a partnership or association of health professionals and other licensed health professionals—including dentists, optometrists, and podiatrists. In the early version of this legislation, a medical group had consisted only of physicians, and I believe adoption of the language included in the conference report signifies an important step forward in recognizing that the practice of medicine is carried out by a partnership of various disciplines.

During conference, the Senate accepted House language which permitted an HMO to provide a physician service included as a basic health service through a dentist, optometrist, or podiatrist—as the case may be—licensed to provide such service, if permissible under applicable State law. I fully support this clarification of intent since I believe much of the doctor shortage and geographic maldistribution can be met through greater utilization of highly trained specialized health professionals, leaving the physician more time to provide the services which he alone is trained to provide. I was very pleased that the conferees accepted clarifying language I suggested in the Statement of Managers that the services of a psychologist may be used by HMOs, in providing mental health services, in accordance with the applicable licensing laws of the respective States.

I am also delighted with the emphasis placed in the conference report on the need for the development of new types of professionals such as the nurse practitioner specialists, and new types of paraprofessionals such as the physician's assistant and dental therapist, and feel that the provisions encouraging the use of team training in all education programs, including continuing education programs, will substantially hasten this development. I was pleased to participate in drafting these provisions when the legislation was first under consideration in the Senate.

GREATER SPECIFICITY AS TO PREVENTIVE HEALTH SERVICES

Mr. President, when legislation to support HMO's was first introduced, as a cosponsor I mentioned that I would seek to amend the term preventive health services to clarify that voluntary family planning services, counseling, and infertility services as well as nutrition counseling and education are included as basic preventive health services. The Senate bill as reported and the accompanying committee report reflect this view. I am delighted that many of these concepts are retained in the conference report.

FULL UTILIZATION OF THE CLINICAL PHARMACIST IN THE HMO

Mr. President, the effect of adverse drug reactions on the recovery of the patient, and the possibility of long-term injury or disability, are extremely serious considerations in the provision of health care. Recent surveys have indicated that the incidence of adverse drug reactions is substantial. It is estimated by initial studies that from 3 to 6 percent of hospital admissions are due to adverse drug reactions, and that a minimum of 15 to 18 percent of patients, hospital-wide, suffer an adverse reaction subsequent to their admission. On the assumption that these adverse reactions on the average double the patient's hospital stay, the costs involved are overwhelming.

In 1970, there were 478 million hospital days recorded in the United States; one-seventh of this amounts to approximately 70 million patient days, and assuming a room charge of $85 per day, works out to around $6 billion in direct cost. About 80 percent of adverse drug reactions are preventable. Thus 80 percent of this estimated cost—or $4.8 billion—could have been saved, had a system been in operation for insuring a rational drug therapy for each of the patients.

Hopefully, Mr. President, these incidents can be reduced in HMO's by provisions which I proposed and which were included in the conference report authorizing HMO's, as part of the basic benefit package in connection with prescription of drugs, and as part of the supplemental benefit package in connection with the provision of drugs, to maintain, review, and evaluate a drug-use profile of each HMO member receiving such services, to evaluate patterns of drug utilization to assure optimum drug therapy, and provide for the instruction of HMO members and of health professionals in the use of prescription and nonprescription drugs.

The joint explanatory statement accompanying the conference report urged that, in carrying out such programs, clinical pharmacists should be used to the maximum feasible extent.

Mr. President, I ask unanimous consent that the appropriate excerpt from the statement with respect to this provision be included at this point in my statement:

> The conferees agreed that to achieve the prime goal of an HMO—to provide high quality care most efficiently with the greatest cost effectiveness—the high incidence of adverse drug reactions and interactions encountered in the practice of medicine should be avoided. Experience has shown that utilization of a clinical pharmacist—to establish patterns of patient drug utilization, to maintain such patterns under surveillance, and to provide evaluation and review as well as maintain a drug-use profile for individual patients—has proven highly effective in reducing the incidence of such adverse reactions and interactions. The conferees did not wish to dictate the staffing patterns of each HMO and for that reason deleted language in the Senate bill which would have required the utilization of a clinical pharmacist as part of the basic benefits package. The conferees, however, are cognizant of the important role the clinical pharmacist can play in encouraging the development of rational drug therapy programs for HMO's, and for educating patients and professionals in drug use and abuse, and urge that such professionals should be used to the maximum feasible extent.

Mr. President, like so much of modern technology today's therapeutic agents are two-edged swords. The possibility of drug-drug interactions, drug hypersensitivity, and patient noncompliance with prescribed regimens, makes it mandatory that every effort be made to assure optimum drug usage in HMO's.

In order to optimize the probability that the appropriate and most efficacious prescription drug be used in each individual case, a patient drug record should be kept for each recipient.

I am advised, Mr. President, that the patient drug record should include, but not be limited to—

First, patients name, age, sex, and weight;

Second, physicians' name or names;

Third, documented and suspected allergies—both food and drug;

Fourth, drug intolerances;

Fifth, medication history—including over-the-counter drugs insofar as possible;

Sixth, history of exposure to toxic chemicals;

Seventh, renal and hepatic status;

Eighth, diagnosis and medical problems;

Ninth, an ongoing record of prescribed medication, including name of drug, strength, dosage interval, the amount prescribed, the dates filled and refilled, and the intended purpose; and

Tenth, notation on laboratory test performed.

Although much of this information is available in scattered form, Mr. President, in other patient documents, having it in a concise patient drug record will be of great assistance for retrospective review and prospective prescribing of drug therapy, which would permit continuous surveillance, evaluation, and review of patient drug utilization.

Mr. President, with the increasing number of new medications and their growing complexity, potential drug use side effects and interactions have become a matter of substantial concern to the medical and patient communities. Making available to the staff of the HMO the services of a clinical pharmacist, specially trained in all the nuances of drug use should assist in minimizing medication errors and preventable adverse drug reactions and interactions.

In addition, Mr. President, the clinical pharmacist can play a major role in the dissemination of important drug use and abuse information, both to the HMO staff and to the enrollees, and play an active role in the health education programs of the HMC. Certainly, the clinical pharmacist in each HMO should oversee and control the quality of drug products utilized by enrollees of the HMO and participate in comparative studies of use and abuse records with other HMO's and other health care facilities.

COMPREHENSIVE HEALTH SERVICES FOR INDIANS AND MIGRANT WORKERS

I am pleased also that the conference report includes provision for the Secretary of Health, Education, and Welfare to contract with health maintenance organizations for comprehensive health services for native Americans and for domestic migrant and seasonal farmworkers.

I believe it is only equitable, Mr. President, that these two population groups for whom the Nation has a statutory responsibility to provide health care should have the opportunity to participate in the most up to date and effective means of providing care. In many cases, individuals from these severely disadvantaged groups do not reside in areas accessible to the federally funded special programs such as the hospitals of the Indian Health Service or the migrant health clinics.

Several Indian tribes have sought to provide contract care, but because specific statutory authority does not now exist, the Indian Health Service has not been able to offer this option to its beneficiaries.

Mr. President, migrant health clinics also may wish to offer this option and this provision would insure it could be exercised. S. 740, currently before the Senate Labor and Public Welfare Committee extending and amending the Migrant Health Act, also includes a provision authorizing the Secretary to pay premiums for a prepaid health care plan eligible for Federal assistance where the clinics or special projects request, and a similar provision was adopted by the Senate last year when S. 3762 was passed and sent on to the House. Unfortunately, no final action was taken on this legislation in the last Congress.

CONCLUSION

Mr. President, S. 14 as reported from conference is a product of much study by the members of the committees. The bill we developed is an excellent one and one which I believe can lead to a vast improvement in the ability of the Nation's medical communities to respond to the needs of its citizens.

I would like at this time to express my admiration for the very effective staff work provided the members of the committee by Phil Caper, Jay Cutler, Lee Hyde, Steve Lawton, and Bert Levine, ably assisted by the House and Senate legislative counsels. They devoted a great deal of time and effort to carrying out the views expressed by the conferees.

I urge the full support of the Senate for the bill as reported from conference.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the conference reports. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), and the Senator from South Carolina (Mr. HOLLINGS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Idaho (Mr. MCCLURE), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

Also, the Senator from Oklahoma (Mr. BELLMON), the Senator from Nebraska (Mr. CURTIS), and the Senator from Arizona (Mr. GOLDWATER) are necessarily absent.

If present and voting, the Senator from Ohio (Mr. TAFT) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 83, nays 1, as follows:

[No. 605 Leg.]

YEAS—83

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Biden
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Weicker
Williams
Young

NAYS—1

Talmadge

NOT VOTING—16

Bellmon
Bennett
Brock
Brooke
Church
Cotton
Curtis
Eastland
Fulbright
Goldwater
Gravel
Hollings
McClure
Saxbe
Taft
Tower

So the conference report was agreed to.

Mr. KENNEDY. Mr. President, I would like to recognize the hard work expended by my colleagues in the Senate and in the House Interstate and Foreign Commerce Committee resulting in the passage of this conference report.

In addition, the staff of the Senate Labor and House Commerce Committees has worked long and hard, and deserve great credit for the quality of this legislation. On the Senate side, Dr. Philip Caper and Mr. Jay Cutler were particularly helpful. Mr. Lee Goldman, Mr. John Hunnicutt, Mr. John Steinberg, Ms. Louise Ringwalt, Mr. Angus King, Mr. Chuck Woodruff, and Mr. Dan Murray deserve great credit.

Ms. Janet Kline of the Library of Congress also contributed greatly.

On the House side, I know Drs. Lee Hyde and Brian Biles, and Mr. Steve Lawton, Mr. Spence Johnson, and Mr. Bert Levine also deserve credit.

Mr. David Meade of the House legislative counsel's office did his usual fine job.

PRODUCTION OF PETROLEUM FROM NAVAL PETROLEUM RESERVE NO. 1 (ELK HILLS)

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Under the previous order, the Chair lays before the Senate, Senate Joint Resolution 176, which the clerk will state.

The second assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 176) to authorize the production of petroleum from Naval Petroleum Reserve Numbered 1.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The Senate proceeded to consider the joint resolution, which had been reported from the Committee on Armed Services with an amendment to strike out the preamble and all after the resolving clause and insert:

That this joint resolution may be cited as the "Naval Petroleum Reserves Defense Production Authorization Act of 1973".

FINDINGS

SEC. 2. The Congress hereby determines that—

(1) nationwide shortages of crude oil, residual fuel oil, and refined petroleum products caused by inadequate domestic production and the unavailability of imports sufficient to satisfy domestic demand, now exist;

(2) disruptions in the availability of imported energy supplies, particularly crude oil and petroleum products, pose a serious risk to national security, economic well-being, and health and welfare of the American people;

(3) the result of domestic petroleum shortages and the reduced availability of petroleum to the Armed Forces of the United States from sources outside of the United States has been to deny to the Armed Forces petroleum essential to the national defense;

(4) the Secretary of the Navy has found that the production of Naval Petroleum Reserve Numbered 1 is needed for national defense and this finding has been approved by the President of the United States;

(5) the state of development of Naval Petroleum Reserve Numbered 1 is not adequate for the production of petroleum in the volume required for national defense; and

(6) Naval Petroleum Reserves Numbered 1 and 4 have the potential to contribute significantly to national defense petroleum requirements, but due to inadequate exploration the full extent of that potential is undetermined.

PURPOSES

SEC. 3. The purpose of this joint resolution is to:

(1) concur in the finding of the Secretary of the Navy that the production of Naval Petroleum Reserve Numbered 1 is needed for national defense;

(2) grant the authorization of the Congress for the production and development of Naval Petroleum Reserve Numbered 1 as is required by chapter 641 of title 10, United States Code, and direct that production be commenced as provided for in this joint resolution; and

(3) authorize and direct the exploration of Naval Petroleum Reserves Numbered 1 and 4.

AUTHORITY FOR PRODUCTION

SEC. 4. The production of petroleum from Naval Petroleum Reserve Numbered 1 is hereby authorized and directed in order to insure that the needs of national defense are met. Production from such reserve shall not exceed one hundred and sixty thousand barrels of crude oil per day and shall be conducted in accordance with sound engineering and economic principles. Such production (to the extent in excess of that otherwise authorized by chapter 641 of title 10, United States Code) is to commence, if practicable, within forty-five days after the date of enactment of this joint resolution, and to continue for a period of not more than one year after the date on which production commences.

DISPOSITION OF PRODUCTION

SEC. 5. Any disposition of the United States share of production authorized by this joint resolution shall be in accord with chapter 641 of title 10, United States Code, and shall be conducted in a manner so as to insure that an amount of petroleum equal in value to the crude oil supplied from Naval Petroleum Reserve Numbered 1 shall be made available to the Armed Forces of the United States for defense purposes. Any disposition shall be effected by competitive bid, and shall be so arranged as to give full and equal opportunity for acquisition of the petroleum by all interested companies, including major and independent oil refineries alike.

DISPOSITION OF RECEIPTS

SEC. 6. There is hereby established in the Department of the Treasury a Naval Petroleum Reserve Account. During the period of increased production authorized by this joint resolution or as may be hereafter authorized, there shall be transferred or credited to such account (1) any or all proceeds realized under chapter 641 of title 10, United States Code, from the disposition of the United States share of petroleum or refined products, oil and gas products produced, including royalty products, and the net proceeds, if any, realized from exchanges within the Department of Defense of refined products accruing to the benefit of any of the military departments of the Department of Defense as the result of such exchanges, and (2) such funds as may be appropriated by the Congress for the Naval Petroleum Reserve Account, to remain available until expended. Funds transferred, credited, or appropriated to such fund shall be available for expenditure only to the extent provided from time to time in appropriation Acts.

EXPLORATION

SEC. 7. The Secretary of the Navy shall conduct programs of exploration for oil and gas on Naval Petroleum Reserves Numbered 1 and 4 in order to determine the extent of oil and gas resources therein. These programs shall be completed—

(1) within five years from the date of enactment of this joint resolution in the case of Naval Petroleum Reserve Numbered 1, and

(2) within ten years from the date of enactment of this joint resolution in the case of Naval Petroleum Reserve Numbered 4.

The Secretary of the Navy shall make annual reports to the Committees on Armed Services of the Senate and the House of Representatives regarding the progress, results, and findings of these exploration programs, and shall include in such reports such recommendations as he deems appropriate regarding development, production, sale, exchange, transportation, or storage of oil and/or natural gas found to exist on the naval petroleum reserves.

APPROPRIATIONS

SEC. 8. (a) For the exploration of Naval Petroleum Reserve Numbered 1, as required by this joint resolution, there is hereby authorized to be appropriated to the Secretary of the Navy the sum of $4,000,000 for the fiscal year ending June 30, 1974, to remain available until expended.

(b) For the exploration of Naval Petroleum Reserve Numbered 4, as required by this joint resolution, there is authorized to be appropriated to the Secretary of the Navy the sum of $7,500,000 for the fiscal year ending June 30, 1974, to remain available until expended.

(c) For the production of Naval Petroleum Reserve Numbered 1, as required by this joint resolution, there is hereby authorized to be appropriated to the Secretary of the Navy the sum of $47,500,000 for the fiscal year ending June 30, 1974, for necessary development of the reserve, and the sum of $13,000,000 for operating expenses incurred in producing from the reserve. Funds appropriated under this subsection shall remain available until expended.

(d) For the exploration of Naval Petroleum Reserve Numbered 1, as required by this joint resolution, there is authorized to be appropriated to the Secretary of the Navy from the Naval Petroleum Reserve Account established by this joint resolution such additional sums as are necessary to achieve the purposes of this joint resolution for the fiscal year ending June 30, 1975, and for the three succeeding fiscal years.

(e) For the exploration of Naval Petroleum Reserve Numbered 4, as required by this joint resolution, there are authorized to be appropriated to the Secretary of the Navy from the Naval Petroleum Reserve Account established by this joint resolution such additional sums as are necessary to achieve the purposes of this joint resolution for the fiscal year ending June 30, 1975, and for the nine succeeding fiscal years.

REPORT OF THE ATTORNEY GENERAL

SEC. 9. Notwithstanding any other provision of this joint resolution, no funds appropriated pursuant to section 8(c) may be expended and no authority contained in sections 4 and 5 may be exercised until (1) the Attorney General has prepared and submitted to the Committees on Armed Services of the Senate and the House of Representatives a report describing the rights, duties, and obligations of the United States and any other party or parties having any contractual or other interests in Naval Petroleum Reserve Numbered 1, and (2) fourteen days have elapsed after the submission of such report to such committees.

DEFINITION

SEC. 10. As used in this joint resolution the term "petroleum" means petroleum, crude oil, and associated gas and other hydrocarbons.

SEPARABILITY

SEC. 11. If any provision of this joint resolution or the applicability thereof is held invalid, the remainder of this joint resolution shall not be affected thereby.

Mr. CANNON. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Nevada will state it.

Mr. CANNON. What is the time situation?

The PRESIDING OFFICER. The Chair is advised that it is 20 minutes, to be equally divided.

Mr. CANNON. I thank the Chair. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 5 minutes.

Mr. CANNON. Mr. President, the Senate Joint Resolution No. 176, now before the Senate for consideration, would authorize and direct the production of, and the development of, Naval Petroleum Reserve No. 1, which is better known as the Elk Hills Naval Petroleum Reserve, located in Kern County, Calif. It would also provide for the exploration of Naval Petroleum Reserve No. 4, which is located on the Arctic North Slope of Alaska.

As a matter of background, the Elk Hills reserve was established on September 2, 1912, by Executive order issued by President Taft. The limits of the reserve were enlarged to include the balance of the then known geological structure of the Elk Hills Field by Executive order signed by President Roosevelt on October 15, 1942.

The Standard Oil Company of California—Socal—is the only remaining owner of lands inside the reserve. As a result of this ownership, they are partners with the United States in the reserve, and are entitled to approximately 22 percent of the production at this time.

Following the enlargement of the reserve in 1942, a unit plan contract was entered into by the Navy and Socal for the cooperative exploration, development, and operation of all lands in the reserve. Socal, under separate contract with the Navy, operates the reserve at the present time.

This relationship has given rise to two allegations, which I will address later.

By law, the operation and use of the naval petroleum reserve is limited to: First, the production, conservation, maintenance, and testing of these reserves; and second, the production of petroleum whenever, and to the extent that the Secretary of the Navy, with the approval of the President of the United States, finds that it is needed for national defense, and the production is authorized by a joint resolution of Congress.

It is under this latter provision that this resolution is before the Senate today for consideration.

The Secretary of the Navy has made a determination that the Armed Services of the United States are unable to procure on the open market necessary petroleum products to maintain the desired readiness posture, and the production of Naval Petroleum Reserve No. 1 is needed for national defense.

The need for this is quite simple. The requirements of the Department of Defense, at an austere sustaining level, approximates 625,000 barrels of petroleum per day. About half of these needs, or around 300,000 barrels per day, prior to the sanctions by the Arab countries, come from overseas sources. Approximately 80 percent of this procurement came either directly, or indirectly, from Arab sources. This off-shore procurement must now come from domestic sources. This, of course, reduced domestic supplies accordingly. The production from the Elk Hills reserve is no panacea, but will materially aid in satisfying the needs of national defense.

The joint resolution proposed by the administration, which was introduced in the Senate on December 4, 1973, after close scrutiny by the committee, left several things to be desired. Accordingly, the committee, after careful review of the matter, proposes an amendment in the nature of a substitute. The committee amendment accomplishes all the original proposal would accomplish, but incorporates certain safeguards that seem to be essential. Moreover, it will authorize the funds for, and directs the immediate development of, and the production, of reserve No. 1, and the exploration of reserves No. 1 and No. 4.

Before briefly pointing out the salient features of the committee amendment, I wish to emphasize that it has the approval of the administration, has been approved by the Department of Justice insofar as the legal aspects are concerned, and is agreeable to the Standard Oil Co. of California, which, as I have indicated, has a vested interest in the reserve.

Now, as to the differences between the administration proposal and the amendment offered by the committee, the original proposal would authorize production from reserve No. 1 at the maximum efficient rate, for the period of 1 year.

This means the highest rate of production that can be sustained over a long period of time, without reservoir damage. This is a dubious term in relation to the total potential of this reserve. The productive capacity can conceivably be greatly increased by further exploration. Accordingly, the committee amendment will limit production to 160,000 barrels per day for a 1 year period. It will further provide the funds to reach this sustained production within 60 days after the approval of the resolution.

The original proposal provides for a closed cycle funding arrangement by the establishment of the Naval Petroleum Reserve Account on the books of the Treasury. Into such an account would go the receipts from the sale of production, and such other funds as may be made available to the Navy for further development of the reserves. The fund would be administered by the Secretary of the Navy. This, of course, would free the reserve from having to compete for appropriations with other Defense programs, but would limit funding for the reserve primarily to receipts generated from the sale of the production therefrom. The proposal, however, contained no appropriation authorization for exploration, development, or production, other than the fund. This not only could result in a delay in the commencement of operations, but also effectively relinquishes Congressional control of the appropriation process.

Mr. President, the committee amendment corrects these obvious defects. It sets a time schedule for exploration of Reserves 1 and 4, and authorizes the appropriation of $72 million to expedite the implementation of this resolution. The use of these funds is clearly delineated in section 8 of the resolution, and has the approval of the Office of Management and Budget. Furthermore, the supplemental appropriation bill was amended in the Senate to include these funds, contingent upon the approval of this resolution. However, the conferees agreed only to provide $7.5 million for the exploration of Reserve No. 4 at this time. I understand, however, that the House of Representatives this afternoon rejected the conferees report on the Supplemental Appropriation bill and instructed the House conferees to accept the Senate amendment of $72 million.

It is the responsibility of the Congress to protect the public interest, as well as to provide for the national defense. It is the Navy's responsibility to protect the naval petroleum reserves and oil shale reserves, from unnecessary depletion. The resolution now before the Senate has been drafted to reflect and fulfill these responsibilities.

Earlier, Mr. President, I mentioned that the contractual relationship between Standard Oil of California, and the Navy, has given rise to certain allegations. First, it has been alleged that if production of the reserve No. 1 is undertaken, Standard Oil will possibly receive a windfall profit. The committee inquired into this quite thoroughly and found no way that this could happen. As part owner of the reserve, they can receive only their legitimate proportion of the production—oil they now rightfully own—which, as I have indicated, is around 22 percent of the production. Second, the question arose as to whether Standard Oil would consider production under the resolution a violation of the unit plan contract, under which the lands in the reserve are now operated. A spokesman of Standard Oil testified to the contrary. Furthermore, they have so indicated in writing, and this letter has been made a part of the committee report.

I may say that the Department of Justice concurs in that finding, that this would not violate the terms of the agreement.

Now, finally, Mr. President, I want to say a few words about the conservation practices of the Department of Defense. The committee wanted to assure itself that the Department was taking an aggressive and productive approach to the conservation problem.

Although Defense requirements for petroleum are relatively small in comparison to the total requirements of the United States, being about 3.7 percent, it is, nonetheless, highly visible. This is particularly true when it became necessary last November to invoke the provisions of the Defense Production Act to provide for these requirements.

I am pleased to report that the Department of Defense has initiated a vigorous conservation program, which appears to be paying substantial returns. According to data made available, a reduction of approximately 28 percent has been made in the petroleum consumption of aircraft, ships, and mobile ground equipment operations, during the first quarter of fiscal year 1974. Their weighted reduction in the use of all types of energy approximates 22 percent. A Defense energy task group has been established to recommend actions it might take, both short and long range, to conserve energy. I can assure you, Mr. President, that the Committee on Armed Services intends to follow closely, and will receive periodic reports, upon the conservation efforts of the Department of Defense.

Mr. President, this completes my statement, and I shall be glad to answer any questions.

First, I would say, in order to correct an inadvertent error in Senate Joint Resolution 176, I move that the resolving clause of the resolution be restored as follows:

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled.

The motion was agreed to.

Mr. GRIFFIN. Mr. President, is the time on the other side under the control of the minority leader?

The PRESIDING OFFICER. That is correct.

Mr. GRIFFIN. Mr. President, on his behalf, I ask unanimous consent that the time be under the control of the Senator from Virginia (Mr. WILLIAM L. SCOTT).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I shall take very little time.

I commend the chairman of the subcommittee for the work he has done. Hearings were held on this matter and we went into it fairly deeply. It has restrictions in it as to the volume of oil that can be used from this reserve of 160,000 barrels of crude oil a day.

The act is limited to 1 year. This is a matter the Senate should adopt. It is a vital matter and has the recommendation of the administration.

I urge that the resolution be approved.

Mr. CRANSTON. Mr. President, I rise in support of Senate Joint Resolution 176, a resolution to authorize production from Elk Hills Naval Petroleum Reserve in California. I want to commend the distinguished chairman of the Naval Petroleum Reserves Subcommittee, Mr. CANNON, and the chairman of the Armed Services Committee, Mr. STENNIS, and all members of the committee for the expedited consideration that was given to this resolution.

Senate Joint Resolution 176 was introduced in the Senate by request on December 4. A public hearing was held on December 10, and the bill was reported out of the Armed Services Committee and placed on the Senate calendar on December 17.

Mr. President, there is unfounded fear that increased pumping at Elk Hills could deplete oil reserves that might be needed in some future military emergency.

There is absolutely no justifiable cause for such concern. A 1-year production rate of 160,000 barrels a day would use up only about 5 percent of the one billion barrels of oil known to be at Elk Hills.

In addition, some $72 million in proceeds from the sale of Elk Hills oil plus other appropriated funds will be used for further exploratory drilling both there and in Alaska.

So we may very well increase—rather than decrease—oil reserves for military needs.

On the other hand, if we do not promptly relieve fuel shortages in southern California, many industries vital to our national defense will be seriously crippled.

Decreasing military demand on civilian fuel supplies could forestall the drastic job layoffs and rotating blackouts that Los Angeles is now preparing for.

We must reduce the military drain that is taking precious civilian oil away from southern California cities—the hub of our defense-related industries.

Some 19.7 million barrels of oil from civilian stocks have been allocated to the Armed Forces for November and December alone.

It is plainly bad planning for the military to be given first priority in the allocation of scarce fuels while oil reserves set aside for national defense lie unused. We are leaving our cities and our industrial base that supports our national defense short of lifeline supplies of fuel.

By opening Elk Hills and producing 160,000 barrels per day, much of the military demand for civilian oil supplies will be eased. Presently, the military is taking some 300,000 barrels per day of oil from civilian supplies. Opening Elk Hills will provide at least half of that demand and will be of significant help to oil-starved cities like Los Angeles.

In addition, Mr. President, Los Angeles is suffering from the worst air pollution problem in the Nation and it should be permitted to exchange some of its high sulfur fuel for the low sulfur fuel the Navy would be getting from Elk Hills.

The Los Angeles area faces a critical challenge in the immediate days ahead. It has taken decisive steps to conserve fuel and electricity while trying to keep the wheels of industry turning.

But it must now deal with the extremely serious problem of either finding new sources of low sulfur oil or securing legal authority to burn high sulfur oil that will raise smog levels here to possiby dangerous proportions.

If Los Angeles utilities are forced to burn high sulfur fuel oils to produce electricity, the health and the lives of thousands of people may be threatened. Every effort by every branch of government and industry must be mobilized to avoid this.

The resolution reported out by the Armed Services Committee is a good one. It answers, in my opinion, many of the questions and concerns that have been raised and which were not adequately answered by the original joint resolution.

The committee has strengthened substantially the language of the resolution concerning the contractual relationship between the Navy and Standard Oil of California, the only remaining private landowner within the reserve. Since 1944, Socal and the Navy have operated the reserve under a unit plan contract which grants to the Navy the complete control over the development and production of the reserve and fixing a basis for division of any oil produced.

The resolution provides for disposition of the Navy's share of the oil through competitive bidding. The procedures for this must be capable of assuring fairness and equal opportunity for all companies, including major and independent oil refineries. And as is the case under current law (section 7431 of title 10, United States Code), contract awards will be subject to approval by the Justice Department and congressional committees, thus assuring protection of the public interest.

Mr. President, when the Armed Services Committee held its hearings on Senate Joint Resolution 176, I testified before the committee about the critical need for fuel which now plagues southern California and particularly the city of Los Angeles. I ask unanimous consent that my testimony before the Armed Services Committee on December 10 be printed in the Record at this point, along with a letter I wrote on December 18 to William F. Simon, Administrator of the Federal Energy Office, on a matter related to present military use of domestic civilian oil supplies.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of U.S. Senator Alan Cranston

Mr. Chairman, I am grateful to have this opportunity to comment on the question of authorizing production from Naval Petroleum Reserve Numbered One—commonly referred to as "Elk Hills".

The Committee, in receiving testimony on Senate Joint Resolution 176, is tackling an issue which has strong sentiment on both sides and which has broad ramifications. Questions vital to our national defense, our economic well-being and the essential needs of our citizens are involved.

I believe that Elk Hills oil should be produced at the rate of at least 100,000 barrels per day (but not more than 160,000 barrels per day) for a period of one year in order to provide for emergency, short-term petroleum needs which are vital to our economy and to our defense capabilities. Should additional oil prove necessary, or if one year is not sufficient, Congress would have to enact additional legislation. I wish to make clear, however, that my support for producing from the Elk Hills Reserve is conditioned upon a resolution in the public interest that is satisfactory to the Armed Services Committee of the contractual and legal questions involving Standard Oil Company of California.

The Elk Hills Reserve was established by Executive Order in September, 1912, for "the exclusive use or benefit of the United States Navy." Three additional Navy Reserves were established by executive order between 1912 and 1923. Because these reserves were established by executive order, however, there was no effect on titles to lands within the boundaries of the reserves which had already been reduced to private ownership. As a result, about one-third of the lands within the Elk Hills Reserve was privately owned. Since 1912, all of the lands within the reserve have come into the ownership of either the United States, which owns approximately 80 percent of the total, or of Standard Oil Company of California which owns the balance.

In 1938, legislation was enacted to consolidate and protect the Elk Hills Reserve. It authorized the Secretary of the Navy to enter into contracts and to acquire lands for the protection and conservation of the oil reserves.

In 1944, a unit plan contract negotiated between the Navy and Standard was approved, giving the Navy complete control over the development and production of the reserve and fixing a basis for division of any oil produced. Also in 1944, Congress authorized production at Elk Hills in order to satisfy wartime petroleum deficiencies of the armed services. Production was limited to 65,000 barrels per day for 18 months. Immediately after termination of hostilities in the Pacific in September, 1945, Congress revoked authority for production at Elk Hills. Today production has stabilized at the rate of 3,000 barrels per day.

Presently, there are more than 1100 wells in the Elk Hills Reserve. It has been estimated that the reserve is capable of producing a maximum of 100,000 barrels per day within 60 days, but that limited pipeline capacity would be able to transport only 90,000 barrels per day to the boundaries of the reserve and only 12,000 barrels per day beyond.

According to the Office of Naval Petroleum and Oil Shale Reserves, the maximum efficient rate of production at Elk Hills with existing wells would approximate 267,400 barrels per day.

To attain that level, however, additional facilities costing some $69 million would be required. The total proven reserves at Elk Hills is approximately 1 billion barrels.

Mr. Chairman, on November 6, 1973, the Acting Secretary of the Navy transmitted a finding that production from Elk Hills at a rate "not to exceed the maximum efficient rate" was necessary to help insure that the petroleum needs of national defense are met. Simultaneously, he transmitted a proposed joint resolution to the Congress, which you have before you today—S.J. Res. 176. Shortly after this, the Secretary of the Interior ordered that first priority in allocating scarce fuels would go to the military. And in November and December, estimates are that some 19.7 million barrels of oil from civilian stocks have been allocated for use by the military.

Mr. Chairman, I believe it is plain bad planning for the military to be given first priority in the allocation of scarce fuels while the oil reserves set aside for national defense sit unused. It amounts to robbing Peter to pay Paul and it is leaving our cities and our industrial base short of lifeline supplies of fuel.

To illustrate my point, I would like to take a moment to describe just how serious the fuel shortages are in Southern California, which is the hub of our defense-related industries.

In the Los Angeles area four of our cities are facing real and immediate shortages. Action is required within a few weeks or these cities will be in very deep trouble.

These are the cities of Los Angeles, with 3 million residents, and the suburban cities adjoining Los Angeles of Burbank, Glendale and Pasadena. All four of these cities operate their own power departments. Other cities in Southern California are served by investor-owned public utilities, which are facing shortages too, but which are not faced with immediate shortages as is Los Angeles.

Burbank, Pasadena and Glendale are in the deepest trouble.

Pasadena has announced it must cut back power before Christmas and rotating, neighborhood by neighborhood blackouts would come next month.

Burbank already has passed an ordinance requiring curtailment of business and industry and has warned that power will be cut off completely for those who fail to comply. Glendale also has a very limited supply of oil, especially low-sulfur oil, and will be forced to make mandatory cutbacks in electricity early next year, unless a variance is granted by the local air pollution control district or additional supplies of low-sulfur oil are found and made available.

The problem in the city of Los Angeles, while not immediately acute, is so huge, because of the large population and the concentration of industry, it is perhaps more dramatic. Let me discuss it in more detail.

The Los Angeles Department of Water and Power is almost totally dependent on fuel oil for generating electricity. About five percent of its electricity comes on transmission lines from the Pacific Northwest during periods of excess supply in that area. And there haven't been any surpluses there in months.

Until last summer the department used a combination of oil for fuel during the winter months and natural gas during the summer when the Los Angeles smog problem intensifies. But this summer, the natural gas shortage led to supplies being cut off and the system must now operate almost entirely with fuel oil.

Because of the California air pollution control standards, the oil Los Angeles burns must have a sulfur content of one-half of one percent (0.5) or less.

This type of oil is not generally available from domestic sources. It must be imported from the Middle East or North Africa, Indonesia, or Venezuela. The L.A. power system does not operate extensive storage facilities as many investor-owned utilities do. It has been buying its oil and its gas as it needed and stores only for a few months.

And, until recently, supplies have been adequate. A year ago, for example, it asked for bids on 4.5 million barrels. It received offers of 32 million barrels. By last April the situation had completely changed. With only a 60-day oil supply on hand, the Department of Water and Power asked for bids for fuel oil and not a single oil company made an offer to supply the city.

The Department has been scrambling for supplies ever since and was forced to enter the world market and deal directly with overseas suppliers. It was successful in contracting with both Indonesia and North African Arab states for oil supplies.

Recently it learned that 11 million barrels contracted for in North Africa had been placed under the Arab embargo. The city will not get that oil. This oil is nearly half of the 23-million barrels it needs to supply the city of Los Angeles and its 3 million citizens and all of the major industries which are not served by the private utilities.

As a result of the loss of Arab oil the department has announced 5-phase conservation plan for the city which could, if fully implemented, have a disastrous impact on the entire Los Angeles area.

This plan must be implemented within three or four months if the city is to survive at all.

Phases 1 and 2 of the plan call for conservation measures and voluntary curtailment of power use. These steps have already been taken.

Phase 3 is for mandatory curtailment of power use.

Phase 4 calls for burning high sulfur oil under a variance from the local Air Pollution Control District's Hearing Board. The application for this variance has been filed.

Phase 5 would require so-called "rolling blackouts"—the complete shut-off of all power, neighborhood-by-neighborhood, on a rotating basis.

City ordinances already are being drawn up to put the plan into effect and we are already close to the need for Phase 2—mandatory curtailment. This would be effected by, among other things, limiting business and industrial operations to 50 hours a week. This move alone could throw 100,000 to 200,000 men and women out of work immediately! The ripple effect of such massive layoffs could create social and economic chaos with many thousands more unemployed, and incredible hardships for workers, families and businesses.

The Phase 5 blackouts would be implemented if the Phase 4 curtailments did not achieve the necessary fuel savings. These blackouts, a complete shutting off of electrical power, would be rotated through the city for periods of two, three, or four hours. Homes, business, hospitals, traffic lights, police stations—all would be cut off equally.

The outcome of these extreme measures is hard to imagine but they could be serious indeed for the people of the Los Angeles area. And on top of everything else, Los Angeles is suffering from the worst air pollution problem in the nation. If now we must burn high sulfur oil—some 25 to 30 million barrels—the increase in smog could threaten the health and even the lives of thousands of persons, especially the elderly and those already suffering from lung and bronchial disorders.

Mr. Chairman, opening up production at Elk Hills at the rate of 100,000 to 160,000 barrels per day would not solve these serious fuel shortages. But by decreasing military demand on other fuel supplies, it might forestall the drastic job layoffs and rotating blackouts that Los Angeles is now forced to prepare for. I suggest that if these measures are implemented, many Southern California industries vital to our national defense will be crippled.

Moreover, producing at the rates of 100,000 to 160,000 barrels per day for one year would deplete Elk Hills of less than five percent of its total of 1 billion barrels. That is not a very substantial impact, in my opinion.

An added benefit is that the oil at Elk Hills is considered to be low-sulfur, a consideration which is quite significant for Los Angeles, as I have indicated. I suggest that if this Committee decides to authorize production from Elk Hills for national defense purposes, some arrangement should be sought that would allow a city like Los Angeles to trade its high sulfur fuel for the low-sulfur fuel at Elk Hills.

In closing, Mr. Chairman, I wish to say that I am aware of the possible "windfall" which may accrue to Standard Oil Company if Elk Hills is opened for production. Every effort must be made to avoid any possibility that Standard could charge that the government violated its agreement, thereby freeing them to go into full production on their share of the reserve. This would only serve to deplete the reserve through massive offset production on the part of the Navy.

These are publicly-owned reserves. The public's interest in them must be protected, and windfall profits made at the public's expense cannot be tolerated.

The contractual and legal relationship between the Navy and Standard at Elk Hills is extremely complicated. I would hope that this Committee will make every effort to resolve these issues so that limited, but essential production can commence at Elk Hills. This outcome is essential to the continued economic well-being of the citizens of the Los Angeles area.

U.S. SENATE,
Washington, D.C., December 18, 1973.

Mr. WILLIAM E. SIMON,
Administrator, Federal Energy Office,
Washington, D.C.

DEAR BILL: It is my understanding that the Office of Petroleum Allocations issued a directive on December 12, 1973, ordering Union Oil Company of California to provide at least 500,000 barrels of crude oil to Guam by December 31. As a result of this order, Union Oil Company redirected its tanker, San Sizena, loaded with 505,000 barrels of Indonesian crude oil, from its original Southern California destination to the U.S. Territory of Guam.

As you know, Southern California is critically short of fuel. I would therefore appreciate your providing me with a full report on why this directive was issued and for what purpose the oil will be used in Guam. Specifically, I would like to know under what authority and by whom the directive was issued, what timetable and procedures were used, whether the crude oil will be refined for use by American military installations in Guam, and whether any portion will be used for non-defense purposes.

Finally, I would appreciate your advising me of the criteria and procedures used to determine how to re-allocate crude oil and other petroleum products to meet critical fuel shortages in one area or region. In this case, it appears that fuel-short Guam robbed fuel-short Southern California of a tanker load of Indonesian crude oil. What efforts were made to find other sources of crude oil for Guam before the San Sizena was diverted? Also, was consideration given to the fact that the San Sizena was loaded with 505,000 barrels of low-sulfur crude oil, a critical consideration in meeting Southern California's air pollution requirements? If these considerations were not taken into account in this instance, I would urge that they should be in any future reallocation decisions.

Your comments and answers to these questions will be much appreciated.

Very sincerely,

ALAN CRANSTON.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Win Farin and John Steinberg of my staff have the privilege of the floor during the consideration of this and ensuing measures that come before the Senate.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, will the Senator from Nevada yield for a few questions?

Mr. CANNON. I yield for questions.

Mr. STEVENSON. Mr. President, I chaired the hearings most of this morning in the Commerce Committee on the general subject of management of petroleum reserves. Among other things, this resolution was discussed, as was the management of all the petroleum reserves.

A number of questions have been raised about the measure in the past, and the intentions of the Defense Department in the future. I have not had a chance to study the report of the legislation. As a matter of fact, this is the first chance I have had to see the report. I would still hope that consideration of the bill might be put over until Members have had a chance to study it. In the meantime, I might ask a few questions to point out some of the areas of my concern.

The distinguished chairman of the Committee on Rules and Administration mentions that SoCal would receive only a legitimate portion of the production under the utilization agreement.

I assume that is the case. I assume, beyond that, that it means that SoCal will not contest the validity of that agreement as a result of the Government's production of more oil than is now required for defense requirements. But I wonder whether the chairman can tell me at what price and to whom the Government's portion of the oil will be sold.

Mr. CANNON. The Government's portion of the oil will be sold to the highest bidder on an auction basis.

Mr. STEVENSON. Will the Senator tell me who in that area can bid?

Mr. CANNON. Anyone who desires to bid on the oil is eligible. The last time it went out for bids, a number of companies proposed bids. The contract, once the bid is awarded, must be approved by the Department of Justice and must be submitted to the Armed Services Committee of the House for approval.

Mr. STEVENSON. Is it not true that there is only one pipeline in the area and that the last time three bids were submitted, one by Pima Refinery, which is an independent. Its bid was discarded for the ostensible reason, at least, that it did not have the capacity to transport the oil. Two other bids were submitted—one by Shell and the other, I believe, by SoCal—which, by some coincidence, were identical bids. The award of the contract was made to Shell at that time, by drawing lots, and Shell at that very time was under investigation, as I understand it, in the California Legislature for rigging bidding on California leases.

I ask the chairman, in view of that history of bidding or auctioning in this area, what basis we have for being confident, with only one pipeline in the area, that there can be any real bidding.

As I understand it, further, the oil is produced at a cost of about 25 cents a barrel. SoCal has been producing oil at that cost and is now selling it to the public at a price——

Mr. CANNON. My time is about out. I am not sure which question the Senator has asked, but I can address myself generally to the proposition. I do not have more than about 2 minutes remaining.

I would simply say that the Senator's statement that there is only one pipeline is in error. That is not a fact.

Second, it is not necessary to sell only to someone who uses pipelines, because it is possible to take delivery through tank delivery.

Third, when the bid to which the Senator referred was turned down the last time, it was turned down because that company had no apparent way of taking delivery. They were asked to make a proposal as to how they would take delivery, and they did not make it.

I am aware of the matters to which the Senator has referred, and I am sorry that he has not seen the answer of the Department of Justice to those allegations, as well as the answer of the Assistant Secretary of the Navy, Jack L. Bowers, for Installation and Logistics, who responds specifically to all these general types of complaints.

The **PRESIDING OFFICER.** All time of the Senator from Nevada has expired.

Mr. STEVENSON. Mr. President, I ask unanimous consent that 10 additional minutes be granted each side.

Mr. MANSFIELD. Mr. President, I object.

The **PRESIDING OFFICER.** The Senator from Virginia has 7 minutes remaining.

Mr. STEVENSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** Does the Senator from Virginia yield time?

Mr. TUNNEY. Mr. President, will the Senator from Virginia yield me 1 minute?

Mr. WILLIAM L. SCOTT. I yield.

Mr. TUNNEY. Mr. President, I compliment the committee on bringing this measure forward.

Those of us who live in California are well aware that this naval reserve at Elk Hills contains a substantial amount of oil that is desperately needed not only on the west coast but throughout the United States as well.

It is very clear at the present time that the Defense Establishment is drawing upon commercial sources for petroleum to maintain the Defense Establishment. Inasmuch as this reserve is there to help in times of national emergency, we now have a national emergency, and there is no reason why this oil should not be produced for the purpose of maintaining our defense.

I think the committee has done an excellent job in considering all aspects of the proposed legislation and in bringing it forward in expeditious fashion, so that Congress can act on it, so that we can get this oil in production, so that the Military Establishment will not have to draw upon very short commercial reserves for the purpose of maintaining itself.

I thank the distinguished Senator from Virginia for yielding to me.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator's comment.

Let me add, in support of the measure, that during the hearings before the subcommittee, we had a panel of the leadership of the Department of Defense, both military and civilian leaders and secretaries. I posed a question to them as to whether the Department of Defense, both civilian and military, did support the bill in its entirety. We received an affirmative answer that they did wholeheartedly support the military leadership.

Mr. President, I yield 3 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, the Elk Hills Oil Reserve in Kern County, Calif., was established by Executive order in September 1912 for "the exclusive use or benefit of the U.S. Navy." In 1938, legislation was enacted to consolidate and protect the Elk Hills Reserve and to require congressional approval before any production, in addition to that necessary for testing, and so forth, could be undertaken.

During World War II Congress authorized production from Elk Hills at 65,000 barrels per day. At the end of the war, production authority was revoked, and there has been no production since. Today the generally accepted reserves at Elk Hills are estimated at 1 billion barrels.

The Subcommittee on National Stockpile and Naval Petroleum Reserves, presided over by Senator Cannon, held hearings on Senate Joint Resolution 176 on December 10 and 11. Under Senate Joint Resolution 176, the Navy would be authorized to commence oil production from the Elk Hills Reserve within 45 days after the effective date of the resolution and to continue for a period of not more than 1 year after production commences. Witnesses from the Department of Defense, Standard Oil of California, as well as Senators Cranston, Tunney, and Gravel, testified. With one exception, all were in favor of Senate Joint Resolution 176.

Navy and Standard Oil officials agree that a 160,000 barrel per day production is reasonable and would not damage the field. The maximum efficient rate of production at Elk Hills with existing wells is estimated by the Office of Naval Petroleum and Oil Shale Reserves at 267,400 barrels per day. Therefore, it seems there is no problem with a daily rate of 160,000 barrels. The joint resolution authorizes $72 million for production and further research and development of the reserve.

The Department of Defense recently used the authority of the Defense Production Act—DPA—in ordering some 300,000 barrels of fuel per day which it could not get in the free market. Currently, total Defense needs per day, under an austere sustaining level, are approximately 625,000 barrels per day. While there is not a 1-for-1 ratio between a barrel of crude oil and a refined barrel of petroleum product, witnesses felt that a 160,000 barrel per day production rate from Elk Hills could reduce DOD's demand on the domestic economy by about 150,000 barrels per day.

Mr. President, I believe adoption of Senate Joint Resolution 176 is in the national interest, and I urge its passage.

The PRESIDING OFFICER. The Senator from Virginia (Mr. William L. Scott) has 1 minute remaining.

Mr. WILLIAM L. SCOTT. I yield that 1 minute to the distinguished Senator from Nevada.

Mr. CANNON. Mr. President, in light of the questions that have been raised, I ask unanimous consent that a letter dated October 18, 1973, from Representative John E. Moss to the President be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

House of Representatives,
Washington, D.C., October 18, 1973.

The President,
The White House,
Washington, D.C.

Dear Mr. President: I noted with interest your proposal to open up the Elk Hills Naval Petroleum Reserve in California because of the "energy shortage." Sharing your concern over oil shortfalls and wishing to ensure that neither our Navy's needs nor the taxpayer's interest should come to harm, I have delved into the Elk Hills situation, discovering factors worthy of your attention.

The question of naval oil reserves is fraught with danger to any government, particularly in light of the Teapot Dome Scandal and questions which would inevitably arise concerning opening up and exploitation of such resources. A recent report by the General Accounting Office entitled, "Capability of the Naval Petroleum & Oil Shale Reserves To Meet Emerngecy Oil Needs," estimates value of proven recoverable resources owned by the Navy in this reserve at a minimum of $2.6 million.

It is publicly proposed to open up Elk Hills to production of at least 160,000 barrels of oil daily. Shell Oil Company, largely foreign-owned, possesses a five year contract to purchase all current and projected production from that Reserve at a price based on average current posted prices, largely throughout California by Shell and Standard Oil of California. Under such a contract, which I have a copy of, if massive production is instituted, will Shell not benefit in the form of windfall profits? Unless any new production is let out for bids to independents under open bidding, what is to prevent Shell from claiming all new production? Further, who could or would compete with Shell in such a situation? There are no storage facilities at Elk Hills, so any production must be sold and moved immediately. What is to prevent an Alaska North Slope situation from developing, when a consortium of major oil companies joined together to offer bids? Suppose their bid is far below market prices?

This oil must be marketed upon extraction. Only a pipeline assures this. It is my understanding that the only pipeline leading out of Elk Hills and from the reserve to market are owned entirely by two major oil companies: Standard Oil of California and Atlantic Richfield. There is a strong possibility that Shell could take title to Elk Hills production, immediately transferring it to the majors owning existing pipelines, in exchange for a portion of their profits to be derived from its sale. Additionally, Shell could receive other payment in form of substantial, equal allocations of oil from any other majors involved, at Shell refineries in other locations. Such tradeoffs are common between major oil companies and have been consistently termed practices in restraint of trade.

When the Shell contract was advertised and the invitation for bid was put out, bidders were required to provide prior certification of assured transportability. The sole method of transport available at the time was through the Standard Oil of California or other private carrier lines. Was the Navy aware then there was a strong possibility of prior arrangement between Shell and Socal for use of the line? Could this not be termed collusion, especially because both Shell and Socal emerged as the prime bidders?

Use of a private carrier line means sale of oil to the carrier when it enters the pipeline. If Elk Hills is opened, Shell will be able to transfer the major share of Navy oil produced in any crisis to Socal. Socal will be able to sell it for what the market will bear, or to another private carrier yielding a substantial profit. Is this in the taxpayers interest?

Involvement of private carrier lines in such a context means a possibility of price arrangement between the majors in question. One small bidder, Pima Refining Co., was, I have discovered, rejected in bidding because of lack of transportation facilities. Certainly examination of the invitation for bid and the transcript of proceedings on bid-letting is in order. In light of the fact that the Justice Department was supposed to review such proceeding thoroughly, was there any concern with investigation of possible collusion and antitrust action? Inexplicably, no action has been taken. Now both companies are in line to profit immeasurably from a national emergency at taxpayer expense.

After Teapot Dome, a requirement was put through under President Roosevelt that all contracts respecting any Navy oil reserves must be reviewed by Justice before presentation to the President or Armed Services Committees of each House of Congress. Existing contracts and government concessions to industry have drastically altered the viability of several of the reserves, allowing private oil interests to drain away oil from the outside, while in some cases draining it from within a reserve. Why has Justice done nothing about what seems to be an obvious situation?

Pricing discrimination and artificially low prices for state-owned crude oil involving both these companies and their posted pricing are presently under investigation in California by the Joint Committee on Public Domain of the State Assembly, headed by J. Kenneth Corey (D.-Garden Grove). Dominance by Socal and Shell, plus questions surrounding such pricing make their position vis-a-vis Elk Hills more suspect. Compounding this compromising situation is the fact that companies involved in this investigation have largely refused to cooperate. Instead, they are attempting to enjoin the state legislature's investigation of their pricing procedures, refusing to surrender requested information.

Once any oil comes into possession of majors, another windfall profit could accrue through manipulation of posted prices. A bid price is based on prices posted in vicinity of an oil field. Nothing can prevent majors involved from merely posting prices far in excess of what is charged today. The ongoing California State Assembly investigation has discovered that free market prices established by open bidding were found to differ by $1.25 per barrel from what was being paid the state under a posted contract much like that Shell enjoys on Elk Hills, showing they have had experience in manipulation defrauding the state, which can now be applied to a massive defrauding of the Federal Government. To prevent unacceptable profits at public expense, the Federal Government should impose limitations in form of an excess profits tax on Elk Hills oil, as was done in World War II to prevent profiteering in an emergency. Another alternative open to government is to declare private carrier pipeline systems leading to Elk Hills directly to be common carriers all the way to final delivery points for the purpose of carrying Elk Hills oil during any emergency. I stand ready to sponsor any legislation you might seek to implement these objections.

Another windfall profit could be in order for Socal if Elk Hills is opened up for any other reason than national defense. A unit plan contract is presently in force between the Navy and Socal. Socal is both unit and nonunit operator of this field. At given intervals, Socal has been permitted to remove significant quantities of oil from Elk Hills under agreement with government. Through June 30, 1973, Socal owes the Navy and taxpayers approximately $24,000,000 in deferred payments for removals in production and cost balances related to maintenance and development of both Navy and Socal wells. These monies are owed under terms of an existing contract. Socal has been allowed to remove approximately 25 million barrels of oil from the field as payment for entering into the contract with the Navy. Socal may be able to claim the entire contract is ended if Elk Hills is opened up for any purpose other than military emergency. This would not only forgive the $24,000,000 and the obligation concerning the 25 million barrels, but would leave Socal free to drain U.S. Government oil from the reserve through adjoining wells at will.

Alternatively, even if the contract remains in existence, and should production be opened up, Socal, under the existing contract, would receive somewhere in the neighborhood of 22% of all production. Any capital expenditures by the company in that case would be deferred in terms of payments to the government at a later date. If production is set at 160,000 barrels daily, as has been publicly suggested and projected and the price per barrel is $3.60 based on today's going prices, the gross would come to $576,000 daily. At least $115,000 per day would go to Socal. This comes out to a minimum of some $42,000,000 in one year; hardly a pittance.

Another point concerning the Elk Hills Reserve revolves around curious actions of the Bureau of Land Management of the Interior Department. Federal regulations prohibit issuance of oil and gas leases by BLM within a mile of a petroleum reserve boundary, unless the land is being drained by private operators already or it is determined after consultation with the Navy that the Reserve could not be adversely affected. In the cases of Teapot Dome and Elk Hills, the BLM issued such leases. At Teapot Dome, BLM allowed an oil company to drill to within 50 feet of reserve boundaries, despite protests by the Navy and in violation of regulations. This policy, I am informed, began in the fifties, when BLM allowed the first encroachments. In the case of Elk Hills, the BLM has allowed such drillings by Socal up to ½ mile of the reserve boundary, where the company has made major oil strikes, draining off Navy oil through the law of capture, and significantly injuring the Reserve. In self-defense, as was the case in the Teapot Dome situation, Navy has been forced to undertake offset drilling, extracting large quantities of oil. Such extractions have made more oil available to Shell under its contract. Presumably, Shell must have marketed such oil through the Socal pipeline, the major artery leading to market from that reserve.

The other day, testimony by R. G. Rothwell, Deputy Director of the Logistics & Communications Division of the General Accounting Office confirmed what I had established by independent investigations; questionable and illegal granting of permission to drill for oil to private companies has damaged and depleted two of four Navy oil reserves. In the face of Navy protests in one case and Navy inertia and inaction in the other, the Bureau of Land Management has allowed Elk Hills and Teapot Dome to be harmed. It seems that Teapot Dome has been significantly affected, both in terms of being a naval oil reserve and for purposes of relieving any emergency situation involving a domestic energy crisis.

The far richer Elk Hills field is in the process of being drained by such illegal production, in this case carried out by Socal, which would directly benefit as a result of opening of the reserve. In this case, the Bureau of Land Management is also the major culpable party. The Navy, in fact, is currently drilling two new wells at Elk Hills to offset recently initiated additional private production next to the reserve.

A major investigation of the Teapot Dome Reserve's status is in order. It is my understanding that wells there are not capable at this point of major production. If the reserve has been harmed, we have a second Teapot Dome scandal of serious proportions. An intense investigation should be made of illegal drilling presently being carried on in the buffer zone around Elk Hills by Standard Oil of California under BLM auspices. We can no longer ignore what the General Accounting Office revealed about this state of affairs last year.

Before Elk Hills is opened to exploitation and drainings, BLM, oil company activities surrounding the reserve and the Teapot Dome situation should and must be carefully investigated and the results be made publicly known. If windfall profits have already accrued to major oil companies and more such are in the offing, we should know before further steps are taken. I assure you, sir, of my willingness to cooperate with you in protecting the public interest.

Sincerely,

John E. Moss,
Member of Congress.

Mr. CANNON. Mr. President, I ask unanimous consent that the response to Mr. Moss' letter to the President, dated November 6, 1973, from Jack L. Bowers, Assistant Secretary of the Navy for Installations and Logistics, be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of the Navy,
Washington, D.C., November 6, 1973.

Hon. John E. Moss,
House of Representatives,
Washington, D.C.

Dear Mr. Moss: The President has asked that I reply to your letter of October 15, 1973, in which you state your concern about energy shortages.

You may be assured that everyone having any responsibility for the Naval Petroleum Reserves is aware of the necessity to prevent any repetition of problems such as gave rise to "Teapot Dome." That experience, however, should not be allowed to inhibit necessary, proper, and legitimate transactions relating to the Naval Petroleum and Oil Shale Reserves.

You have outlined many areas which, without remedies or careful surveillance would be matters of serious concern. We would like to outline some of the provisions of the statute under which the Reserves are operated and the existing contracts which have and will provide protection.

Much of your concern involves the contract currently held by Shell. This contract, for purchase of production from Elk Hills, would not provide any windfall to Shell in the event of production authorized by new action of the Congress. Section 1(d) of the Shell contract provides that such newly authorized production will be available for other disposition independent of Shell's right to purchase, upon ten days' notice.

Transportation of production from Elk Hills does present a problem. However, in addition to the two existing pipelines owned by SOCAL and Atlantic Richfield, Getty, Shell, Texaco, and Union do have pipeline facilities in the area which probably can be extended to the Elk Hills field in a short time and at moderate expense. Representations have also recently been made by certain independent refineries of their confidence in being able to take large quantity delivery by truck. In addition, however, the Navy will take other measures to ensure that equal opportunity is presented to all potential buyers regardless of their outright ownership of delivery facilities and terms of sales will be reviewed by the Justice Department.

In the routine sales of relatively minor test production from Elk Hills, assurance of the ability of any purchaser to take delivery has, in the past, been a conditional factor. The bid that you mentioned, involving Pima Refinery Company, was found nonresponsive because of failure and, in fact, refusal of that bidder to specify what arrangements, such as exchange arrangements, would be made for transportation as required by the invitation for bids. The Shell bid and that of Mohawk, another successful bidder for a portion of the production, were reviewed by the Navy Judge Advocate General, the Department of Justice, both the House and Senate Armed Services Committees, and were approved and signed by the President of the United States. No phase of the transaction was deemed to be collusive or to offer any suggestion of antitrust violations.

Certainly, sale of Naval Petroleum Reserves production at the highest price obtainable benefits the taxpayer. On the other hand, manipulation of prices by the oil companies could not be condoned. While this matter is still under investigation by the Department of Justice, no evidence of such manipulation has yet come to light.

The unique position of Standard Oil Company of California as owner of the fee of part of the lands in Elk Hills Reserve needs to be kept in proper perspective. While the existing agreement was formed in June 19, 1944, rather than incur the huge expense of condemnation of Standard's holdings as is authorized, if necessary, by statute, the Navy persuaded Standard to commit its land to a Unit giving control of the rate and amount of production to Navy. The oil which Standard has been permitted to remove from the reserve is a small fraction of its own oil. Under the terms of the Unit Plan Contract, in the event of production for national defense under joint resolution of the Congress, the Unit Plan Contract will remain in effect. Standard would receive a part of the increased production to which, again, it is entitled as owner. With respect to the deferred costs which Standard currently owes Navy, the balancing provision of the contract will come into play so that Standard will receive much less than its normal share until its sharing of costs with the Navy comes into balance with production it has received.

We believe that production from Elk Hills is required in the interest of National Defense since the Armed Services are currently unable to purchase required amounts of petroleum products. If it were ruled that national defense did not require this production, a new contract would be negotiated with Standard. As mentioned above, the existing statute provides the alternative of condemnation of the Standard Oil Lands.

The wells currently being drilled by Navy on the North Flank of Elk Hills are not for offset but for the purpose of gaining necessary information as to whether production by Standard on its own land adjoining the reserves, not leased public lands, threatens the reserve from drainage. If the indications prove negative, Standard's production will be determined as unrelated to the reserve. If the facts do indicate a threat of drainage, Navy has the contractual right to enter into negotiation and bring these lands into the Unit.

Buffer zones around the Naval Petroleum Reserves established by the Department of Interior pertain to public lands otherwise available for leasing. They offer no control over private lands owned in fee. The administration of such buffer zones around both Elk Hills and Teapot Dome has presented complex problems from time to time in balancing the public interest in protection of the reserves with the equally valid public interest in placing public lands not connected with reserves in production under lease to private enterprise. The net result of these problems and their solutions have not in fact resulted in damage to the Reserves. The Teapot Dome Reserve is intact and fully protected and has a present production capacity of 2,200 B/D utilizing existing facilities. With further development, the reserve would be capable of delivering 15,000 B/D within a two year period.

Should Congress approve the recommendation of the President and authorize oil production from Elk Hills, the Shell contract will be put aside and the oil sold by competitive bid giving fair opportunity to all. We will seek ways for interested companies to have available means of delivery. The awards will be reviewed by the Navy, Justice, and the Armed Services Committees. Standard Oil will be allowed to take delivery of their fair share of oil in proportion to their ownership. The reserve is and has been protected by statute and resulting contracts and if, as in the case of the current new well drilled by Standard Oil, we should determine there is connection with reserve oil, remedies are available. It is imperative that in the current energy crisis we consider the use of all assets and we believe Elk Hills can help. Thank you for reviewing with us the potential problems. We assure you that due regard is being given to each. We appreciate your willingness to cooperate in the public interest.

Sincerely,

Jack L. Bowers,
Assistant Secretary of the Navy, Installations and Logistics.

Mr. CANNON. Mr. President, I ask unanimous consent to have printed in the Record a letter from Standard Oil of California to the Honorable Charles M. Teague, dated November 3, 1973, responding to a number of issues that have been raised.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Standard Oil Co. of California,
San Francisco, Calif., November 3, 1973.
Hon. Charles M. Teague,
House of Representatives,
Washington, D.C.

Dear Mr. Teague: You have requested the comments of my company, Standard Oil Company of California, as to the letter of October 18, 1973, from Representative Moss of California to the President with regard to his proposal for a limited open-up of Naval Petroleum Reserve No. 1 (Elk Hills) for a limited period, and Representative Moss' remarks to the House when he had a copy of his letter inserted in the Congressional Record on October 24, 1973.

We are happy to oblige.

I shall discuss first my company's participation in the development and operation of Elk Hills, and secondly the current disposition of oil therefrom including the contract with Shell Oil Company which Representative Moss mentioned.

We are not involved in the Teapot Dome Reserve, also mentioned in Representative Moss' letter.

I shall not discuss Representative Moss' general and inflammatory remarks about the oil industry, except to say that we disagree with them in every particular, and that they are irrelevant to the President's proposal with regard to Elk Hills.

CREATION OF THE RESERVE

As you may know, Naval Petroleum Reserve No. 1 was established in 1912 and is located in the Elk Hills in Kern County, California. At the turn of the century, government lands in the West were rapidly being turned over to private ownership. At the same time there was a growing realization of the importance of oil for the Navy, which was then changing from coal to oil burning ships. Accordingly, President Taft withdrew large tracts of potentially oil-bearing public lands in California and Wyoming from eligibility for private ownership, and in 1912 set aside Naval Petroleum Reserve No. 1 by Executive order.

A good many sections of the lands covered by this Executive order had, however, already passed into private ownership, in accordance with the government's policy of the time. While the Executive order establishing the reserve governed the further use and disposition of the government lands included in the reserve, it had no effect on the privately-owned lands so included, and the owners of those lands remained free to use them or dispose of them as they saw fit.

In 1944 there were approximately 44,000 acres of land within the reserve. Of these approximately one-fifth were privately owned in fee by my company, Standard Oil Company of California, and the remainder, or approximately four-fifths, were owned by the United States and administered by the Navy. The Standard lands were and are not all in one block, but are checkerboarded throughout the reserve.

Also, by 1944 three geologic "zones" underlying the reserve known to be commercially productive of oil and/or gas had been discovered. These are the Dry Gas Zone, the Shallow Oil Zone, and the Stevens Zone.

Within the Shallow Oil and Stevens Zones are several separate oil pools or reservoirs. These underlie both Navy and Standard lands within the reserve, and production from the lands of one could reduce the amount of oil underlying the lands of the other, with the result that the government's policy of conserving its oil in the ground until needed in time of emergency could not be effectively implemented if Standard were to produce from its own lands as it had the right to do. For this reason, in the years prior to World War II, Standard did not develop its lands within the reserve to the extent that it would otherwise unquestionably have done.

On the threshold of World War II, and with the threat of the condemnation of Standard's underdeveloped lands, active negotiations begin either for an exchange, purchase or condemnation of Standard's lands within the reserve, or for their operation as a unit with Navy's lands. A purchase or exchange would have required a substantial expenditure by the government. As an alternative arrangement, Navy and Standard agreed to operate all of the lands within the reserve as a unit, and on June 19, 1944, entered into a Unit Plan contract for the reserve.

THE UNIT PLAN CONTRACT

A Unit Agreement is an arrangement, common in the petroleum industry, under which the owners of two or more separate parcels of land in a common pool or field agree to operate all the lands overlying the pool or field as a single unit, and to share production and costs in agreed-upon proportions. Such an arrangement is usually for the life of the field and the parties have the same objective, i.e., to produce currently at minimum expense and at maximum rates, consistent with good engineering practice.

The Unit Plan contract here involved, however, is unusual because its long-range purpose (after certain emergency production during World War II) is not to produce currently but to conserve in the ground as much of the oil in the field—both Navy's and Standard's—as is feasible, until needed for a future emergency. This required Standard to agree to the curtailing of its production from its lands, along with that of Navy from its lands, once World War II was over, for which Standard was entitled to compensation. Accordingly, the parties agreed that in consideration for Standard giving up control over the development and operation of its lands, Standard would be allowed to take certain quantities of Shallow Oil Zone oil, most of which were produced during World War II, until Standard had received 25 million barrels of oil, or an amount equal to ⅓ (one-third) of its share of the estimated recoverable oil in the Shallow Oil Zone, whichever was less—all of which production was charged to Standard's share of the oil in the Shallow Oil Zone. The period during which Standard received this oil is referred to in the Unit Plan contract as the "primary period." After the primary period, production was to stop, except to the extent necessary to cover Standard's out of pocket expenses in connection with the operation of the reserve, and except for production for the purpose of protecting, conserving, maintaining and testing the reserve.

Provision was also made for exploration and development, and for the drilling, equipping and maintenance of wells in the reserve so that it could be produced upon short notice in the event of a national emergency. It is a truism, of course, that once oil wells are drilled they must be inspected and tested periodically to make sure that they still retain their capacity to produce.

Incidentally, the Unit Plan contract for Elk Hills was submitted to and approved by both the House and Senate Armed Services Committees, was specifically authorized by an Act of Congress adopted in 1944, and after execution by the Secretary of the

Navy was approved by President Franklin D. Roosevelt.

THE AMENDATORY AND SUPPLEMENTAL AGREEMENT

After the Unit Plan contract was entered into, exploration within the reserve showed that part of a Stevens Zone pool extended outside the reserve. There was no mechanism provided in the Unit Plan contract for drilling outside the reserve, however, to determine how far. Accordingly, in December 1948 Navy and Standard entered into an amendatory and supplemental agreement which provided in Part II for exploration jointly by the parties of lands of both Navy and Standard in a "proposed extended area" outside the northwest boundaries of the reserve, and for the inclusion under unit operation (down to and including the Stevens Zone) of any lands found to be commercially productive of oil from any pool or pools then productive within the then existing boundaries of the reserve. Under this amendatory and supplemental agreement certain additional Navy and Standard lands were included within the Unit, and Standard received an extension of the "primary period" as consideration for the inclusion of its lands.

Again, the 1948 amendatory and supplemental agreement was submitted to and approved by the House and Senate Armed Services Committees, and was approved by the President of the United States.

PRODUCTION TAKEN BY STANDARD

In other words, 25 to 30 years ago, as a consideration for giving up its control over its own privately owned and proven oil lands at Elk Hills, which Standard had a clear right to develop and produce, Standard was permitted to take a certain quantity of oil from the reserve, most of which would in all probability have been produced anyway in the World War II emergency, and all of which was charged solely to Standard's overall share of oil in the Shallow Oil Zone, thus depleting Standard's share in that zone while leaving Navy's share of the oil untouched and intact in the ground.

Since that time, the only oil which Standard has received from Elk Hills has been in strict compliance with the Unit Plan contract and has been produced at the direction of Navy for the purpose of protecting, conserving, maintaining or testing the reserve—including oil produced to test the readiness wells referred to above—or to reimburse Standard for its out-of-pocket costs in the reserve—the latter on the theory that it would be grossly unfair to require Standard not only to forego the development and operation of its own proved oil lands at Elk Hills, but to suffer a net out-of-pocket monetary loss in so doing.

Representative Moss' statement that "at given intervals, Socal has been permitted to remove significant quantities of oil from Elk Hills under agreement with government" must therefore be read in the light of the above.

Further, I cannot agree with Representative Moss' statement that "another windfall profit could be in order for Socal if Elk Hills is opened up . . .," whether for national defense or otherwise. So far as I know, no one has seriously suggested that Standard received an undue or unfair consideration for giving up control over its fee lands at Elk Hills when it was permitted 25 to 30 years ago to take a quantity of oil which was going to be produced anyway all of which was charged solely to Standard's agreed share of the oil in the field and not in any way to Navy's share. Since then Standard has adhered to its agreement with the government regarding Elk Hills and its oil as well as Navy's oil has been kept shut up in the ground with the exception of the relatively minor quantities noted above. To say that Standard would receive a "windfall" because Standard would now be able to produce and take an additional quantity of its own oil, if the government concludes that the national interests require that Elk Hills be opened up, strikes me as grossly unfair and prejudicial to my Company.

NO POSSIBILITY OF STANDARD CANCELING THE UNIT PLAN CONTRACT

Incidentally, there is no danger of the existing Unit Plan contract for the governance of Elk Hills being unilaterally terminated by Standard because of an open-up by the government which otherwise follows the provisions of the Unit Plan contract, no matter what the purpose of the open-up may be, and we are prepared to give the government any needed assurances on this point.

THE OPERATION OF THE RESERVE

Subject to the provisions of the Unit Plan contract, Navy was given exclusive control over the exploration, prospecting, development and operation of the reserve. Navy was also given the right at its discretion to operate the reserve directly with its own personnel or to contract for such operation. Navy entered into a contract with Standard for Standard to operate the reserve, and since that time has entered into two subsequent operating agreements with Standard.

Each of these operating agreements has also been approved by the House and Senate Armed Services Committees, and by the President of the United States.

THE WORKING OF THE UNIT PLAN CONTRACT

Under the Unit Plan contract all exploration, prospecting, development and producing operations on the reserve were placed under the supervision and direction of an operating committee comprised of two petroleum engineers, one to be appointed by and represent Standard and one to be appointed by and represent Navy. In order to provide technical advice and to make certain specified determinations based upon petroleum engineering data, an engineering committee was also established, consisting of the members of the operating committee ex officio and four other petroleum engineers or geologists, two to be appointed by and represent Navy, and two to be appointed by and represent Standard.

The "percentage participations" of the parties in each productive zone within the Elk Hills Unit were fixed as of November 20, 1942, and are to be revised retroactively from time to time in the light of new knowledge gained. Generally, as to each zone, production is to be shared by the parties currently in accord with their then existing participating percentages, and costs are to be paid currently in accord with receipts of production. Because of the special provisions of the Unit Plan contract, however—e.g., the provision that Standard was to be permitted to take World War II production, up to 15,000 barrels per day, (to be charged to its share of the Shallow Oil Zone oil) during the "primary period"—it was inevitable that the parties from time to time would become "out of balance" with their participating percentages both in oil received and costs paid. In addition, any retroactive revision of the participating percentages of the parties in a given zone will automatically place the parties "out of balance" in that zone. Accordingly, the parties provided for certain "catch-up" mechanisms and provided that at the end of the life of each zone there should be an appropriate cash adjustment to effect an ultimate balancing of production and costs with final participating percentages.

It is because of these special provisions that Standard is at the moment behind in costs and ahead in oil to the extent of approximately $24,000,000, as Representative Moss notes. However, Standard does not "owe" this amount to Navy, as Representative Moss says, or indeed any amount. On an open-up, Standard would be required to reduce its take of production to ⅓ of its participating percentage share (which would work out to be about 12 percent to 14 percent) until oil balance occurs, and then to increase its share of current cost payments until cost balance occurs. You can see, therefore, that in overall operation the Unit Plan contract is a fair one, and does not favor Standard at the expense of Navy or the United States.

DRILLING AROUND PERIPHERY OF RESERVE

Lastly, I should like to comment on Representative Moss' statements with regard to drilling by my Company around the periphery of the reserve.

In his remarks to the House, Representative Moss said "federal regulations prohibit issuance of oil and gas leases by BLM within a mile of a naval petroleum reserve boundary. Over Navy protests and in violation of such a rule, the BLM issued such leases around and adjacent to the Elk Hills reserve to—by sheer coincidence—Standard Oil of California, which proceeded to drill a well within 1 mile of the reserve boundary and, by luck and accident, I am sure, hit major oil strikes." Representative Moss adds that "this has resulted in significant drainage of oil pools under the Elk Hills reserve," and refers to "Socal's illegal drilling near the Elk Hills boundary." Essentially the same statements are repeated in Representative Moss' letter to the President.

Representative Moss has been misinformed. The BLM has not issued any leases adjacent to or within 1 mile of the reserve to Standard Oil Company of California, over the protests of Navy or otherwise. Standard does hold two government leases on the South Flank of Reserve No. 1 issued to another company in 1920, which company was acquired by Standard in 1943. Both leases are in the Buena Vista Hills field within Reserve No. 2, however, which field has been produced commercially by numerous owners and lessees ever since its discovery and development around 1910. Further, in 1955 the BLM issued a government lease outside the northwest corner of the Reserve No. 1 to American Marc, Inc. In 1965 and 1966 Standard acquired this lease by assignment. Later it drilled several wells thereon, the closest of which was over ¾ of a mile from the Elk Hills Unit. Some of these wells were and are productive from a zone not known to be productive within the Unit. Three wells penetrated a zone (not a pool) which is known to be productive within the Unit, and were shut in. By agreement between Navy and Standard, a well was then drilled to this zone approximately half way between Standard's wells and the boundary of the Elk Hills Unit, and proved to be not commercially productive. Clearly, then, none of these wells of Standard's can be said to be draining or injuring the Unit.

Standard does own outright a substantial amount of land around the periphery of the reserve. As part of our stepped-up exploration program undertaken to help alleviate the growing shortage of petroleum and petroleum products in California, we drilled an exploratory well earlier this year on a section of our own fee land just outside the northern boundary of the reserve. Since the well was drilled on our own fee land, outside the reserve, it cannot possibly be characterized as "illegal." The well was successful, and discovered a new and productive pool of oil. Present indications are that the pool does not extend within the reserve. We have given all the information on our well to the government, however, and if it should turn out that the pool does extend within the reserve, the government has ample authority to protect it, and we would fully expect it to do so.

DISPOSITION OF GOVERNMENT OIL FROM ELK HILLS

Representative Moss' fear that Shell Oil Company will reap "windfall profits" if Elk Hills is opened up as the President has proposed seems to me to be unjustified. While it is true that Shell has a contract executed in May 1970, to purchase Navy's unit production at Elk Hills for a period of five years, under Article IX thereof the contract is terminable at will by either party on six months' notice to the other. Shell is therefore not in a position to "claim all new production," as Representative Moss fears.

As to how and to whom the new production going to Navy might be sold, the Director of Naval Petroleum Reserves can, of course, give you the facts better than we can, but I do know that in past years Navy's production from the Elk Hills area, both within and outside the Unit operation, has been sold at various times to Wilshire, Douglas, Mohawk, Rothschild and Edgington. In each case, Navy has offered the oil for bidding on the open market, and companies desiring to purchase the oil may add a bonus over and above the posted prices for comparable oil produced from other fields in the vicinity. And in each case, the purchaser has had no difficulty in getting the oil out of the field, and disposing of it or utilizing it as he saw fit.

Incidentally, Navy's non-unit production in the Elk Hills area is presently going to the Mohawk Petroleum Company, I understand.

CONCLUSION

In view of the developing energy shortage in this country, it seems to me undeniably in the national interest that the President's proposals for dealing with that shortage receive a fair and objective hearing by all concerned. Accordingly, we very much appreciate your interest in the facts with regard to Elk Hills, and hope that the above will assist you in your inquiry.

Respectfully,

L. T. VICE.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be an additional 10 minutes for the purpose of allowing the Senator from New Hampshire and the Senator from Illinois to ask questions within that period, and at the end of that time the yeas and nays be called.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McINTYRE. Mr. President, I would like to ask the Senator from Nevada: Of the 160,000 barrels a day will 78 percent of that go to the defense forces of this country?

Mr. CANNON. The Senator is correct. Twenty-two percent of that production of 160,000 barrels—when it reaches that volume and that will take a period of time—will go to Standard Oil under the unit plan agreement. However, there is a credit in behalf of the United States. The unit plan contract calls for a pay back to the Government before SoCal draws the 22 percent. Until this payback is fulfilled SoCal will receive about 7 percent of production. But the 78 percent will go to the U.S. Government and it will not make up the deficit now being proposed under the Defense Production Act on the civilian economy, which is 300,000 barrels a day.

Mr. McINTYRE. What the Senator from Nevada is talking about and what the Senator from California is talking about with respect to the 22 percent comes from a prior agreement with SoCal.

Mr. CANNON. Standard Oil of California owned lands in this reserve when it was established and this plan was worked out so that they agreed not to pump for the Government's benefit. They have the right to 22 percent of the oil pumped, and the Government the remaining 78 percent. It is estimated that for 1 year it will not use up more than 6 percent of the estimated known reserves in Elk Hills. The most conservative estimate we have received in testimony was that that reserve would have 17 to 18 years remaining after that 1 year of use.

Mr. McINTYRE. I thank the manager of the bill.

Mr. STEVENSON. Mr. President, will the Senator from Virginia yield?

Mr. WILLIAM L. SCOTT. I yield.

Mr. CRANSTON. Mr. President, will the Senator yield first for a unanimous-consent request?

Mr. STEVENSON. I yield.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Ann Ray, of my staff, may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I have to speak as strenuously as I can against the consideration of this bill at this time. We have not had a chance to debate this matter on the floor. I have not had a chance to read the report of the Committee on Rules and Administration. There are many questions. We cannot answer them all or debate them under this time agreement.

I do not know that all Members of the Senate know that at this moment SoCal is being sued by the U.S. Government for drilling this reserve, and under this agreement it would become the operator of the reserve. I do not know what happens to funds placed in escrow. They are apparently for Reserve No. 4. I think we do realize that Mr. Clements, the Deputy Secretary of Defense, has plans for private exploration and development of Petroleum Reserve No. 4. That means that funds from the balance of the oil can be used for the benefit of major oil companies, which may end up developing Petroleum Reserve No. 4. A conservative estimate is that 33 billion barrels are involved. Captain Trunds says there may be as much oil in Petroleum Reserve No. 4 as has been proven in the Mideast.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield.

Mr. WILLIAM L. SCOTT. The distinguished Senator from Nevada is chairman of the Committee on Rules and Administration. While he is here today in his capacity as chairman of the subcommittee of the Committee on Armed Services, the Subcommittee on National Stockpiles and Petroleum Reserves is the subcommittee that considered the legislation now before us, and the full Committee on Armed Services.

Mr. STEVENSON. I thank the Senator for that inadvertence on my part.

Mr. President, I shall conclude where I began. My point is that the Senate is in no position to seriously consider this bill. We have had no debate. Most of us have had little or no opportunity to read the report. Many questions have not been considered and were not fully considered in the Committee on Armed Services. That is what I am told. Many questions were raised this morning in the Committee on Commerce. As a member of that committee I have not had a chance to review this matter.

What is the urgency? What difference does it make if the matter is approved tonight or tomorrow morning? We would be better off if we had a chance to study this bill. On the basis of the hearings this morning I see a similar pattern developing as developed in connection with Teapot Dome, Elks Hill, and it will go on to Alaska. It would be prudent to defer consideration of this matter and I hope the leadership will reconsider its unanimous-consent request.

Mr. CANNON. Mr. President, I simply point out to my distinguished colleague that his charge about the suit of Standard Oil is completely misrepresented. This is a private action to determine the rights of whether or not a well drilled outside of the reserve by Standard on their own land should be included within this reserve. There is a provision for inclusion of lands within the reserve. That is the sole determination. At the present time we do not know whether it is such that it should be included. It would be included if it is draining the reserve. That matter is covered in the hearings.

I would point out that it is the subcommittee of the Committee on Armed Services that has jurisdiction over the stockpile, and we are the committee that considered this matter. We considered all these charges that have been made by the various people. We made a good record.

It would be very difficult to explain to the people of this country why we did not use for defense purposes naval petroleum reserves and left them in the ground when we had the opportunity to use them and alleviate part of the shortage the country will face shortly. When people find themselves unable to heat their homes or drive their cars I am sure they will not appreciate Congress saying, "Let us keep those petroleum reserves in the ground and sit on them and not develop them, and take an orderly procedure to develop them."

We do not know the extent of Petroleum Reserve No. 1, but by all estimates it is over 1 billion barrels, and further exploration conservatively speaking, may produce another 400 million barrels. There is still more development work to do. We feel it is incumbent upon Congress to act responsibly.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. CANNON. The hearings address themselves to the questions raised. The answers are given by the respective witnesses, and the official position of the company that is in partnership with the Government to the extent of 22 percent. Had the unit plan not been reached by the Navy and SoCal, the Navy had two alternatives; they could have let Standard pump and drill that reserve as they saw fit, or they could have, used the condemnation process, and been willing to pay for Standard Oil's 22 percent of the then known 1 billion barrels of oil at a great cost.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. CANNON. Mr. President, I yield the remainder of my time to the Senator from California.

Mr. CRANSTON. Mr. President, I merely want to say that I have been aware of these charges. I have explored them to the best of my ability, and so has my staff. I know the committee has looked into them thoroughly. They had numerous witnesses and asked each witness these questions. The committee is satisfied that the charges are without merit.

I would like to point out that the measure has an escape clause on page 10, line 11, in which it is stated:

> No authority contained in sections 4 and 5—

Which are the key authorizing provisions—

> may be exercised until (1)—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CRANSTON. May I have half a minute?

The PRESIDING OFFICER. Is there objection to the extension of time? Without objection, it is so ordered.

Mr. CRANSTON. I continue to read—"the Attorney General has prepared and submitted to the Committees on Armed Services of the Senate and the House of Representatives a report describing the rights, duties, and obligations of the United States and any other party or parties having any contractual or other interests in Naval Petroleum Reserve Numbered 1, and (2) fourteen days have elapsed after the submission of such report to such committee."

If there is any merit to any of these charges or any new allegations are raised, this provision provides time for the Armed Services Committees to investigate before any production can commence.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

[The Vice President assumed the Chair as Presiding Officer.]

Mr. ROBERT C. BYRD. I announce that the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Idaho (Mr. McCLURE), and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

If present and voting, the Senator from Ohio (Mr. TAFT) and the Senator from Texas (Mr. TOWER) would each vote "yea."

Also, the Senator from Vermont (Mr. AIKEN), the Senator from Oklahoma (Mr. BELLMON), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The result was announced—yeas 67, nays 10, as follows:

[No. 606 Leg.]

YEAS—67

Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Fannin
Fong
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Helms
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
Metcalf
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—10

Abourezk
Allen
Biden
Clark
Hart
Hathaway
McGovern
McIntyre
Mondale
Stevenson

NOT VOTING—23

Aiken
Bellmon
Bennett
Brock
Brooke
Burdick
Church
Cotton
Curtis
Eastland
Ervin
Fulbright
Goldwater
Gravel
Hollings
Javits
Kennedy
McClure
Pearson
Percy
Saxbe
Taft
Tower

So the joint resolution (S.J. Res. 176) was passed.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. COOK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended, so as to read: "Joint resolution to authorize and direct the development of and the production of petroleum from Naval Petroleum Reserve No. 1, and to direct the exploration of Naval Petroleum Reserves Nos. 1 and 4, and for other purposes."

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 620) to establish within the Department of the Interior an additional Assistant Secretary of the Interior for Indian Affairs, and for other purposes.

AMENDMENT OF SMALL BUSINESS ACT

Mr. CRANSTON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2482.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2482) to amend the Small Business Act which was to strike out all after the enacting clause, and insert:

AUTHORIZATION

SECTION 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$4,875,000,000,";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "556,250,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$525,250,000";

(4) by striking out "$350,000,000" and inserting in lieu thereof "$381,250,000".

Any additional amounts authorized by this Act which are not obligated by June 30, 1974, shall no longer be available after that date.

LOAN TO MEET REGULATORY STANDARDS

SEC. 2. (a) Section 7(b)(5) of the Small Business Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in affecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized, Federal, State, regional, or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided*, That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and"

(b)(1) Section 7(b)(6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesigned as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91-596) is amended by striking out "7(b)(6)" and inserting in lieu thereof "7(b)(5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

SEC. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act

Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(b)" each place it appears in paragraphs (1)(B), (2), and (4) and inserting in lieu thereof "7(h)".

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

Sec. 4. Notwithstanding the provisions of Public Law 93–24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occurred after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92–385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

Sec. 5. Section 7(b)(4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": Provided, That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease".

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

Sec. 6. Section 7(b) of the Small Business Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reetablishing its business, in purchasing a new business, or in establishing a new business if the Adminitration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation.".

ANNUAL REPORT ON STATE OF SMALL BUSINESS

Sec. 7. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTIDISCRIMINATORY AMENDMENT

Sec. 8. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration including its lending and guaranteeing functions, the Administrator shall not discriminate on the basis of sex or marital status against any person or small business concern applying for or receiving assistance from the Small Business Administration, and the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents.".

INFLUENCING OF SBA DECISIONS

Sec. 9. The Small Business Act is amended by inserting at the end thereof the following new section:

"Sec. 22. (a) No Member of Congress or officer or employee of the United States may attempt to improperly influence the official conduct of any officer or employee of the Administration with respect to the entering into by the Administration of any loan, loan guarantee, or other agreement.

"(b) For purposes of subsection (a), the term 'Member of Congress' means a United States Senator, a Representative in Congress, a Delegate to Congress, or the Resident Commissioner from Puerto Rico.

"(c) Any person who violates subsection (a) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

"(d) Any official decision of any officer or employee of the Small Business Administration with respect to which any violation of subsection (a) occurs is null and void."

Sec. 10. (a) Section 3 of Public Law 93–24 is amended by striking therefrom: ", and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time", and insert in lieu thereof the following: "Such loans shall be made without regard to whether the required financial assistance is otherwise available from private, cooperative, or other responsible sources".

(b) The provisions of subsection (a) of this section shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after April 20, 1973.

(c) With regard to all disasters occurring on or after December 27, 1972, the Secretary of Agriculture shall extend for ninety days after the date of enactment of this section the deadline for seeking assistance under section 321 of the Consolidated Farm and Rural Development Act as amended by this section.

(d) Section 321(a) of Public Law 87–128, as amended, is hereby amended by striking "which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under subtitles A and B of this title or any other Act of Congress), at reasonable rates and riods of time". The provisions of this subterms for loans for similar purposes and pesection shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after December 27, 1972.

Mr. CRANSTON. Mr. President, there are two minor differences between the House language and the Senate-passed bill. The first is acceptable, in my view. It provides sufficient increases—in SBA's loan ceilings to permit the agency to operate for another 6 months. The Senate measure would have provided a 2-year extension. There is a second difference in which I feel I cannot concur. So on behalf of the Senator from Texas (Mr. Tower), the ranking minority member of the Banking Committee and myself, move that the Senate concur with the House amendment with an amendment which I send to the desk.

The VICE PRESIDENT. The clerk will report the amendment.

The second assistant legislative clerk read as follows:

Strike Section 9, beginning on page 6 and ending on page 7.

Mr. CRANSTON. Mr. President, I have discussed this amendment at considerable length with the Senator from Texas and I join with him, as a cosponsor. The amendment has also been discussed with all of the concerned parties on this side, both sides of the aisle—including Senators Sparkman, Weicker, Packwood, and Bible, all of whom concur in the recommendation made by Senator Tower and myself—and I am convinced it is a necessary amendment at this point. I believe that the House will be willing and able to agree to the bill with this amendment and send this emergency legislation to the President for signature.

The amendment of the Senator from Texas would strike from the House amendment section 9, which is a provision which was added on the House side without any discussion at hearings or in subcommittee in that body and which, of course, was not considered at the hearings or markup in either subcommittee or full committee on this side. There is no House committee report on the matter to spell out the purposes of the amendment and deal with its ambiguities.

The House provision would make it a criminal offense punishable by imprisonment of not more than 1 year or a $10,000 fine, or both, for any Member of Congress or officer or employee of the United States to, and I now quote, "attempt to improperly influence the conduct of any officer or employee of the [Small Business] Administration with respect to the entering into by the administration of any loan, loan guarantee, or other agreement."

This amendment has a most laudatory purpose—a purpose in which I fully concur—to restore integrity to the operations of the SBA which have come under such a dark cloud recently. However, as the Senator from Texas has indicated in our discussions, the House amendment has many, many difficulties.

Its language is extremely vague, and the debate in the other body was both hazy and incomplete as to the intended scope of this criminal provision. This problem of vagueness is seriously exacerbated when it is connected to a criminal prohibition. Thus, we are advised that the language of the House provision is of dubious constitutionality under the due process clause.

As a part of the vagueness of the language, there appears to be a distinct possibility that this provision could be interpreted as eliminating any effective congressional oversight of the SBA's operations. The Small Business Subcommittee, which I chair, is engaged at this very moment in very intensive oversight of SBA activities, and I cannot believe that it would be in any way in the public interest for such congressional scrutiny to be barred.

I do not see how we can take such a

risk, since the result would obviously be totally contrary to the stated intention of the House provision.

The House provision also would retroactively invalidate any loan or loan guarantee or other agreement entered into in connection with activities found to violate the House prohibition. Such a retroactive invalidation provision adds more complications to the difficulties already expressed in terms of vagueness, by imposing a threat of invalidation over SBA actions. Such a threat could cause great hardship to legitimate SBA loan recipients who would be unable to predict with any certainty whether a particular loan or loan guarantee might turn out to be found violative of the criminal prohibition.

There has been no opportunity for us to secure a legal opinion as to the scope, impact, and implications of the House provision either from the American Law Division of the Congressional Research Service or from the Department of Justice, or, indeed, to test the language of the House provision with criminal law or constitutional law experts.

If indeed the policy seemingly set forth in the House provision is a desirable one—as it seems to be—there seems to be no justification for applying it only to the operations of the SBA. Certainly, numerous other Federal agencies engage in a dollar volume of contracts, grants, loans, and loan guarantees, far in excess of the SBA's. If such a provision is desirable and can be clearly drafted so as to withstand constitutional scrutiny, is there any reason why it should not be applied across the board to all Federal loans, loan guarantees, grants and contracts?

We have an emergency measure here. The authority for the SBA's operations is running out, and I do not see how we can risk the well-being and livelihood of the thousands of small businessmen who will depend upon this program next year, by trying to perfect and make acceptable the language of the House provision in the very short time left in this session.

The only reasonable course of action, therefore, seems to be to delete this particular House language and, to proceed to examine its efficacy, resolve the questions raised, and consider appropriate revisions in an atmosphere removed from the present emergency situation.

Mr. BIBLE. Mr. President, I rise to comment upon the Small Business Amendments Act, S. 2482. This bill passed the House on Monday, December 17. Sections 2 through 8 are identical with the bill passed by the Senate earlier this year.

Section 1, however, has been modified by the House so that the increases in ceilings for various Small Business Administration loan categories will be sufficient for only 6 months, rather than the 2 years provided by the Senate-passed bill. The reason for this change is that in the interim an intensive investigation by the House Banking Committee uncovered reports of possible mismanagement and misconduct in some of SBA's field offices.

The House committee apparently felt that there should be a complete investigation of these charges before Congress is asked to approve increases in authority for the remainder of the 2-year period. I believe that the judgment of the committee and the House in this respect are fully supportable, and that these matters should be fully looked into before action is taken for 2 years into the future.

I wish particularly to comment on section 2 of the bill which contains authority for so-called compliance loans. This section will consolidate and extend SBA's authority to make emergency—disaster—loans to businesses seeking to comply with more stringent Federal or federally derived standards in the pollution, environmental, health, and sanitary fields.

It has been gratifying to work on this measure with the distinguished chairman of the House Banking Committee, Mr. PATMAN, who introduced the House companion bill resulting in identical versions of section 2 in the House and Senate-passed bills. Representative PATMAN's wisdom has improved this measure at several points over the years; for instance, in limiting the amount of the permissible loans to the level prevailing under other subsections of the applicable 7(b) of the Small Business Act.

Commendation is also due to the Senator from New Hampshire (Mr. MCINTYRE), who held hearings on this proposal in 1970 and 1971; and also the Senator from California (Mr. CRANSTON), who gave a sympathetic hearing to the present bill and guided it to final passage.

Small businessmen around the country, and the Nation as a whole, are well served by these distinguished legislators, who have taken their time to keep the foundations of our economy in good repair.

This area of small business difficulty has been caused by our entry into what has been called the consumer-environmental era. One of the series of laws signaling the arrival of this new era was the Wholesome Meat Act of 1968, which threatened to put many small business meatpackers out of business under its upgraded standards and 2-year deadline. In May of that year, I introduced a resolution calling upon the Small Business Administration to study the impact of that bill on approximately 14,000 small processors in this basic industry.

When the study was completed, it showed that only about half the funds needed to finance the improvements needed to effect compliance would be available from private commercial sources. I believe that we should recognize the efforts of SBA in completing this very useful survey, which served as a model for other impact studies of this kind elsewhere in the Government.

Consideration of this kind led to my introducing S. 1750 in April of 1969 in order to provide general authority for SBA to make compliance loans so that small businesses could become partners in progress rather than its victims. During the intervening years, the language of S. 1750 was applied to and enacted as to six specific areas: coal mine safety; occupational safety and health; wholesome meat, poultry and eggs; and water pollution. SBA has been gradually implementing this authority, and I believe that more than 200 businesses have been saved from closing their doors by loans of this kind.

However, other areas such as air pollution were not covered. Also, in many cases small firms have multiple compliance problems, so it will do them little good to expend their capital solving one problem if another would put them out of business.

Now, at the end of 1973 the general loan provision will become law in almost the form in which it was first proposed. I thank the Senate and the House for their attention to this matter and hope that these loans may benefit many small firms and employees and their communities in every State, so that in the words of the Small Business Act, we may "strengthen the overall economy of the Nation."

The VICE PRESIDENT. Without objection, the motion is agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. COOK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. What is the will of the Senate?

PETROLEUM RESERVES

Mr. STEVENSON. Mr. President, the petroleum reserves should be developed, and developed expeditiously, for the benefit of the public. But that is not the question. The question is whether they will be developed and employed for the benefit of the public or for the benefit of the major oil companies.

That is not a question that we were able to discuss tonight. I regret it; I think it is a matter of such importance that it warranted and deserved the full consideration of the Senate.

To better explain the issue, since I did not have that opportunity tonight, I ask unanimous consent that the testimony of Representative JOHN E. MOSS of California before the Senate Committee on Commerce this morning be printed in the RECORD at this point.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF REPRESENTATIVE JOHN E. MOSS, OF CALIFORNIA BEFORE THE SENATE COMMERCE COMMITTEE, DECEMBER 19, 1973

It is a pleasure to appear before this Committee today to testify on a situation I believe must be brought to public attention before it is too late to prevent the largest, most successful attempt by the oil industry to utilize public resources for private gain. What is worse, as the outcry mounts over energy shortages, this effort stands an ever-increasing chance of suceeding, largely because few are reading the fine print.

Many well meaning groups and individuals, ranging from mayors, utilities and owners of industry to labor unions, private plane owners and heads of families are asking that Navy Oil Reserves, especially Elk Hills, California, be opened up in the name of alleviating shortages.

I do not oppose such a step, if it can be proven that these reserves will make a difference, and in time to make life easier for consumers. What I oppose is opening them up in a panic situation, and by so doing allow a private industry, already accused of causing many shortages, to profit vastly at virtually no risk or cost to itself. That is the situation surrounding Elk Hills, as I perceive it now.

Elk Hills contains, according to an October 5, 1972 study by the General Accounting Office, a minimum of 1.3 billion barrels of low-sulfur, easily extracted oil. Its 72 square miles are located 16 miles southwest of Bakersfield, containing some 1,050 wells, producing approximately 2200 barrels daily for test and maintenance.

There are three other Navy oil reserves. Buena Vista Hills, drained steadily over the years, is not a meaningful element in our considerations. Teapot Dome, Wyoming, and Pet Four, on Alaska's North Slope, do figure in them; the first because it sets the stage for an attempt to grab off Elk Hills and the latter because it is the main course in a meal of lush profits the oil industry hopes to cook for itself at taxpayer expense.

In World War II, Elk Hills produced up to 65,000 barrels daily. Teapot, of scandalous memory, has been a low level producer over the years. Pet Four, large as Indiana, is not even fully explored and mapped. Standard Oil of California, referred to as SOCAL, owns approximately 20% of Elk Hills, having retained ownership because government did not take its land when the reserve was created. In the 1940's, when Navy moved to acquire land in the reserve, a bitter struggle developed, ending as government imposed a settlement on industry. Instead of taking over private holdings, Navy entered into a "unitized" agreement with SOCAL, covering their Elk Hills holdings. All the property is operated as a unit, tying Navy and company together for that sole purpose.

In theory, these reserves are to be opened only in case of armed conflict. Any exploitation must be approved by resolution of both Houses of Congress. Numerous efforts have been mounted over the years to open these reserves. In each case, the Armed Services Committees have proved effective roadblocks. While the public virtually forgot these energy safety deposit boxes, SOCAL had them very much in mind, even maintaining a special Elk Hills group within the company, on which highest ranking officials served.

Private interests required an ally within government, finding it in the Department of the Interior, which today virtually operates as an adjunct of the oil industry insofar as these reserves are concerned. For years, that agency, steadily and consistently, has sought to encroach on these reserves; sometimes by allowing private interests to lease and drill on Federal lands, including buffer zones around two of them. Two agencies within Interior, Bureau of Land Management and Geological Survey, have consistently allowed private interests to nibble at the edges of these increasingly valuable reservoirs.

Both Elk Hills and Teapot Dome have been damaged because of this policy. The Justice Department has also, by both action and inaction, aided and abetted this state of affairs. Two long-standing Federal regulations are designed to prevent encroachment on these reserves, specifically prohibiting leasing of and drilling on Federal lands within a one-mile buffer zone extending outwards from any reserve boundary. Title 43, Code of Federal Regulations, 3101.1(a)(6), *Lands within one mile of Naval Petroleum Reserves,* governs leasing, and is administered by the Bureau of Land Management. The second, under Title 30, Part 221.20, erects a 200-foot prohibition on drilling operations, and is administered by the Survey.

Two documents, which I submit for the permanent hearing record, were first clues to the cumulative effort to erode viability of the reserves. The first, an October 5, 1972 GAO report, titled: "Capability of Naval Petroleum and Oil Shale Reserves to Meet Emergency Energy Needs," delineated how private oil interests have been allowed to drain oil from around boundaries of Teapot Dome and Elk Hills. At Teapot, it shows the situation has prevailed since 1954, growing progressively worse despite Navy protests.

The second document, dated October 1, 1973, was issued by Navy's Office of Petroleum Reserves, and restates and reinforces the GAO report. Here is an excerpt:

"In the fall of 1954, operators on the eastern boundary of the Reserve obtained commercial oil production from the Shallow Shannon Sand by use of the then new oil production technique called "sand fracturing." This again opened the question of drainage. Operations of adjacent operators were placed under surveillance and data were assembled in order to permit an engineering study of the problem. Both Geological Survey and Navy's engineering consultants concluded drainage from the Reserve was probably occurring.

"All information obtained indicated production was necessary to prevent drainage of oil from the reserve. To date 104 Shannon wells have been drilled to protect 4½ miles of common boundary.

"Private operators on the northwest boundary of the reserve initiated a secondary recovery project on October, 1965 by injecting water into portions of the Second Wall Creek formation. Offset production by the Navy became necessary after efforts to persuade private operators to change their flood pattern failed. With concurrence of another government agency (Geological Survey), private operators drilled water injection wells 50 feet from the reserve boundary which compelled Navy to commence a costly offset drilling and producing program in order to protect the reserve from most of the damaging effects of invading waters."

Here we have a pattern which later emerged at Elk Hills. Because of peripheral drilling and drainage over Navy protests, Navy was forced to drill wells it did not want to drill within the Reserve, extracting oil it preferred to leave in the ground. Oil taken out by private operators was sold at a profit. Oil extracted by Navy was sold to private interests, because Navy had no immediate use for it.

At October 17 and 18 hearings before the House Armed Services Investigating Subcommittee, this information was fully developed. I offer this report for inclusion in the record. Testimony by GAO's R. G. Rothwell bore out all findings, stating:

"Offset production is carried out at Elk Hills and Teapot Dome to counteract threats of drainage, reduced pressures or flooding caused by production of oil on lands adjacent to the reserve."

I also obtained correspondence between former Navy Secretary BeLieu and both Justice and Interior Departments, calling attention to the situation and protesting inaction allowing this state of affairs to worsen. I offer this material for the record. In a June 4, 1965, letter to the Attorney General, for example, BeLieu states in his opening paragraph:

"I consider it advisable that I inform you that operations now being conducted by private oil companies holding leases on public domain lands adjacent to Naval Petroleum Reserve No. 3 (Teapot Dome) pose a threat of possible irreparable damage to a portion of that Reserve."

Thereupon, I wrote a letter, afterwards made public on the floor of the House, to the President, with copies to the Attorney General, Secretary of Interior, Secretary of Defense and Secretary of Navy, delineating the situation at both reserves, and asking for a complete investigation. That letter, sent October 18, has elicited a reply only from an Assistant Secretary of Navy, denying all accusations, denigrating facts and assuring me all would be well. I include that communication in the record.

One humorous footnote emerged, however, in the form of an outraged letter from Governor Hathaway of Wyoming, who assured me no such events were transpiring. Unfortunately for the Governor, he was kind enough to enclose a letter from his State Oil & Gas Supervisor, one Donald Basko, seeking to disprove these facts. Basko generously included a complete listing of all drainage operations by private companies, their production for a recent month and compared them to Navy's for August of this year. I include this correspondence, plus my reply, which included the following comments:

"The Shannon Case involved MKM Co. The Shannon Case involved Amax, a subsidiary of American Metal Climax. Amax received an exception from Geological Survey, allowing it to violate the Federal regulation over Navy protests, and to drill within 200 feet of the Teapot boundary. In the Shannon Sand Case, from December, 1958 to January, 1973, 2½ million barrels of oil have been taken out by Navy through offset wells and disposed of through Western Crude Refining Co.; oil the Navy would rather not produce. In the case of the Second Wall Creek Sand, Navy has had to produce 1.1 million barrels from September, 1965 to January, 1973. This makes a total of 3.6 million barrels of oil reserved for national defense purposes produced and sold because of Survey's actions. It is known that private operators have produced 1.8 million barrels of oil up to January, 1973. This comes to a grand total of 5.4 million barrels of oil taken out, by private operators and the Navy, from Teapot and its environs, largely in violation of Federal regulations. Activities by private operators have caused water from the process used to invade Teapot, damaging its wells and eroding their produceability. To get oil out, Navy must drill more wells and extract water. All such damaging activities have been going on with the full knowledge of the Bureau of Land Management of the Interior Department."

I have yet to hear from the Governor, even though he is reputed to have called for an investigation. To my knowledge, no inquiry of any kind, beside hearings such as this one and those of the House Armed Services Committee, have been held into this situation.

All this is but a prelude to the Elk Hills effort, commencing with the President's November 7 Energy Emergency Address, in which he called for opening Elk Hills for production of 160,000 barrels daily for one year. Simultaneously, Mr. Ketchum, my colleague from California in whose district Elk Hills is located, introduced a measure to open the Reserve. A mounting public outcry was also heard, calling for opening of Elk Hills. Yet few are aware of profits this could entail for big oil, which swiftly realized how useful public apprehension could be. It has acted accordingly.

As emergency energy legislation cascaded into legislative hoppers of both Houses, carefully imbedded in several such measures were provisions calling for opening up Elk Hills. I do not believe any legislator or staff person know what was entailed in such a move.

I requested further documentation from the Pentagon on Elk Hills, coming into possession of contracts between Navy and private oil companies dealing with that reserve. Two major oil companies now enter the drama; Shell and Standard Oil Company of California (SOCAL). Both companies are dominant in the California energy market, and are among seven major oil giants which control the non-Communist energy equation. Shell is foreign controlled. SOCAL figures in price-fixing accusations in the State of California. Its chairman, Otto Miller, was revealed by Common Cause's lawsuit to have been a $50,000 contributor to the Committee for the Reelection of the President before the April deadline. David Packard, once No. 2 man in the Pentagon, is reported to have contributed an even larger sum, and also is a member of SOCAL's board.

These two companies possess a total of three agreements with Navy on Elk Hills. Shell's was a five-year contract, arrived at in 1970. Under its terms, passed by Justice and signed by the President, Shell would be sole purchaser of Navy's share of any Elk Hills production from the unitized area. Under questioning, Navy indicated the Shell contract was intended to dispose of routine, relatively minor (2200 bbls daily) test and maintenance production. However, that agreedement is so worded as to accommodate deliveries of production at vastly increased rates, such as would be the case under the President's requests. Translated, this means Shell could have claimed, with perfect legal right under its Navy contract, any and all increased production from the Reserve.

When I made these revelations in the same October 18 letter referred to earlier, Navy responded on November 6, claiming no such intention had been in mind, and that this contract would be set aside if the field was opened. This gives rise to the question as to why such a contract was awarded in the first place. At this point, I offer the Shell contract and Navy's response for inclusion in the record. No other formal answer has been forthcoming to me since October 18 from any other involved agency.

Upon further investigation, still more intriguing tidbits emerged. When bidding for this contract was held, the smallest bidder, Pima Refining, was excluded at the start because it could not guarantee transportability of oil. Two serious bidders were left; Shell and SOCAL, who proceeded to submit exactly identical bids. Navy, as the letter I have submitted indicates, thought this mere coincidence, although it admitted it considered a possibility of collusion. After dismissing this possibility, Navy awarded the contract to Shell by lot.

Had the Navy and the Justice Department, which also approved the contract, conducted even the most cursory investigation, they might have discovered further strange factors at work. Kenneth Cory, chairman of the California State Legislature's Joint Committee on Public Domain, could have enlightened them. Cory's investigation has resulted in a court case revolving around an accusation that Shell and SOCAL have conspired to deprive California of royalties from oil produced on state-owned lands. A difference in royalties of $1.27 per barrel appears to be involved. It is alleged that major oil companies, through market domination, are able to rig bidding. Requests to the two companies for appropriate information have thus far met with vigorous resistance.

Nonetheless, Navy approved the Shell contract, passed it to Justice, which also approved, and it was then signed by the President.

On November 3, 1971, Navy entered into another contract with SOCAL for actual operation on Elk Hills. SOCAL, it should be noted here, had 1972 sales of $5,829,000,000, with net profit after taxes of $547 million. As of the third quarter of 1973, its profits already came to $561 million.

This company already owned 20% of the land within the Reserve, had fought creation of the Reserve, had submitted an identical bid with Shell and is accused of depriving California of oil royalties. Yet Navy again handed over operation of this $10 billion reserve to that same company. I submit that contract for the record.

A third contract exists, which I also offer here. It is also between Navy and SOCAL, and is known as the unit plan contract, governing production on the Reserve. When Elk Hills was created, SOCAL owned 8,000 of 45,000 acres in the Reserve. SOCAL-owned land overlying 30% of oil producible from the older, more easily reached Shallow Zone, and overlies 16.5% of known oil in the untouched Stevens Zone. In light of today's situation, SOCAL emerges as a contented silent partner, about to reap fruits of patience and government laxity.

Unit agreements are common to the oil industry. This one contemplates that each party will eventually receive an amount of Elk Hills oil equal to the amount of oil underying its land holdings, irrespective of well location. Each party is expected to pay its pro rata share of costs necessary to get the oil.

Navy, however, took a generous view of such SOCAL obligations, ostensibly because unlike commercial fields, the Reserve is not to be produced except upon an uncertain contingency: war. Navy took the position it would be unfair to ask SOCAL to pay its share because there was no guarantee of immediate return.

Accordingly, Navy agreed to pay all such costs "currently", and to defer SOCAL's obligation to pay its share until it actually received oil. So the contract allows SOCAL to build up a deficit in costs, requiring it to wipe out any deficit by paying more than its share of costs when it actually starts to receive production. Today that deficit amounts to $10.5 million. SOCAL starts getting its share when such a "production balance" is achieved.

"Production balancing" was made necessary because the contract allows SOCAL to receive oil ahead of schedule, as a deviation from the general rule that each party should share in oil as it comes from the ground according to its percentage ownership of oil in the field.

When the Unit Plan contract began, SOCAL received all Elk Hills production until it had received some 25 million barrels, as consideration for its agreement to give Navy control over production. To relieve SOCAL from being "out of pocket" during periods when the field is shut in, the contract allows it to receive enough oil to cover its share of current expenses and local taxes on its Elk Hills land. These provisions have the effect of putting SOCAL ahead of Navy in receipt of production to date. As of today, Navy admits, SOCAL has actually received a percentage of oil withdrawn from the Reserve to date greater than its percentage of ownership of total oil in the field. SOCAL's production balance owed the taxpayers now stands at $13.5 million, for a grand debt total of $24 million. Should Elk Hills be opened up in the name of emergency other than a war, SOCAL could probably go to court, argue Navy has unilaterally breached the contract, and seek forgiveness of the debt. Testifying before the House Armed Services Investigations Subcommittee on October 17, Assistant Secretary of the Navy Bowers stated:

"Thus, production might arguably be in breach of the Unit Plan contract if it were not construed to be for 'national defense.'"

I have both his testimony and a copy of the report emerging from those hearings, which I offer to the committee.

SOCAL could argue that production would not be taking place under the contract, that obligation to come into production and cost balance would not be triggered, and that SOCAL would have returned to it rights it had before any contract existed. This would in turn allow the company to enter its lands within the Reserve to produce its share without restriction, effectively draining much of the Reserve, ruining it as such. SOCAL, I understand, has already indicated to Navy that it would drill and extract oil not from the Shallow Zone, which would be Navy's preference, but from the Stevens Zone, a virgin reservoir. Once tapped, such a pool could not have its production turned on or off like a spigot. An oil field produces on a curve, rising and falling gradually. Once production begins, geological forces called hydrodynamic imbalances are created. If production is not maintained, much oil is irretrievably lost. Today, for example, maintenance production continues at Elk Hills because of World War II tapping. Therefore, extraction must be kept up; in the case at Elk Hills, large and continuing production. Navy wishes to avoid this. SOCAL may be counting on it.

What would happen to the huge Navy share of 80% of all production foisted upon a reluctant service if we approve a hasty opening? Navy said, in the earlier submitted letter, it would be, "sold by competitive bid giving fair opportunity to all." Would it? I think not.

Major oil companies have a stranglehold on all significant markets. This was once again illustrated by a recently released two-year FTC study on monopoly practices in that industry. The history of these reserves alone offers further proof, especially the Shell contract. How many independents would thrust forward in competition for Navy's share against the giants? Pima Refining's fate is obvious to all. Would they, for example, even if able to bid successfully, be able to obtain pipeline capacity?

The only pipelines connecting with Elk Hills proper are owned by SOCAL and Atlantic-Richfield. No common carrier pipe is to be found there, guaranteeing monopoly of control to private interests, no matter who buyers may be.

Yet even this was not enough. Upon even more careful scrutiny of the Navy and GAO documents, a pattern of oil drainage along the boundaries of Elk Hills emerged similar to that reported at Teapot Dome. The Navy report contains the following lines, alluding to the boundary at Elk Hills:

"Because of production by the adjoining private operators, the Navy has been forced to produce competitively from Asphalto to protect against loss of hydrocarbons due to drainage."

Teapot? No. Elk Hills. The GAO report yielded confirmation, as follows:

"Commercial operators on leased Federal and privately owned lands contiguous to the southwestern portion of the reserve are producing oil from the same geologic zone and structure as lands within the boundary of the reserve. In this area, known as the Asphalto Field, the Navy has had to produce oil from a 160-acre parcel of land within the Reserve to prevent it from draining into the commercial wells on the leased land just outside the Reserve's boundary.

"The BLM leased land in this area to commercial producers in 1962. Federal regulations prohibit issuance of oil and gas leases by BLM within a mile of Reserve boundary, unless the land is being drained by private operators or it is determined after consultation with Navy officials that the Reserve would not be adversely affected. In December of 1962 and January of 1963, ONPR officials expressed concern over issuance of the leases within the one mile buffer zone and the subsequent drilling activity. BLM officials informed them that in August, 1955, the Director of ONPR had given blanket permission for new leases or renewal of leases previously approved by Navy. Although Navy cancelled the 1955 waiver in January, 1963, it was unable to provide sufficient grounds to BLM for cancelling the lease."

The October 17–18 hearings produced that letter, appearing on page 32. It states in part:

"The House be advised that leases or renewal of leases to lands previously approved for leasing by the Dept. of the Navy may be made without reference to this office."

The person signing was S. Miller, Captain, U.S. Navy, Director, Naval Petroleum Reserves. As a result of the letter and how Interior chose to interpret it, exceptions to

Federal regulations on oil and gas leasing around boundaries of Reserves under discussion were allowed by Interior, over continued Navy protests. Today, Stan Miller is no longer in the Navy. And today Interior admits to Navy it misconstrued his letter to allow buffer zone leasing. Interior is still where it was. Miller, however, is an executive for the "American Committee for Flags of Necessity;" an organization representing, among others, fleets of tankers controlled by major oil companies.

GAO's 1972 report continues:

"In December, 1972, oil was also discovered on land within the Asphalto Field adjacent to Elk Hills, which is owned in fee by a private oil company (SOCAL). The term "in fee" indicates that the company owns both the land and the subsurface minerals. Two wells were drilled in February, 1964, by the oil company on its fee land.

"The Unit Plan contract allows Navy to bring additional lands owned by the oil company into the plan, if it can show that the lands are on the same geological structure as an oil field in Elk Hills. According to Navy, it attempted to implement this provision of the contract with respect to the Asphalto Field but these attempts were resisted by the oil company. Claiming that drainage was occurring from the unit area into the company's fee land in this area, Navy initiated a suit against the company in 1967 to include portions of this fee land in the Unit Plan. On May 18, 1972, the U.S. District Court for the Northeast District of California decided the case in favor of the oil company."

Here we encounter unique legal acrobatics on the part of Justice Department. Navy sees boundary invasions at Elk Hills exactly similar to those at Teapot. BLM is involved in both situations. Yet it took Navy from the early sixties until September 29, 1967 to get the Justice Department to file its first legal complaint. SOCAL was given till August 30, 1968 to answer, and trial was not held until June of 1971. District Court judgment was entered in late May of last year. Notice of appeal was filed by Navy in July of last year. The U.S. filed its brief in March, 1973, and the appeal is still pending before the U.S. Court of Appeals of the 9th Circuit.

SOCAL asked and received from Justice twelve consecutive continuations. All the while Elk Hills was being damaged, because Navy had meanwhile been forced into the same policy it had adopted at Teapot; offset drilling within the Reserve, and extraction of oil it preferred to leave in the ground. As GAO said:

"The Navy drilled its first offset well in the Asphalto Field in April, 1963. By December, 1970, it had taken out about 84% of its share of the recoverable resources in the field. Navy also drilled water injection wells between Asphalto and the main oil field in Elk Hills to prevent movement of oil from that pool into the Asphalto Field."

Each well costs hundreds of thousands of dollars to drill at taxpayer expense. Also, whatever oil Navy extracted presumably was sold through private industry. SOCAL later proceeded to do exactly the same thing on other fee land around Elk Hills, this time at an area known as Railroad Gap. Here again we had a pattern of drainage, Navy protest, Navy offset production and loss to the Reserve, as the GAO report indicates.

Meanwhile, Justice was engaged in pursuing justice, but at a very leisurely pace. In a meeting with my staff, Justice representatives admitted a recommendation had been made in 1970 for action on Elk Hills by their Los Angeles office. No action was ever taken. Yet this was the same department professing lack of surprise over identical bids which approved all contracts in question. At the meeting these officials admitted knowledge of identical bids, offering no explanation of why the Navy's appeal was not being pressed.

Which brings us to the latest boundary zone raid by SOCAL at Elk Hills. Just north of the Reserve, SOCAL opened up a new field, known as Tule Elk. After a vigorous effort, virtue being its own reward, SOCAL brought in a lush new oil field, as the Oil & Gas Journal in September of this year noted. At least five drilling rigs are involved and a minimum of three wells have been completed, all of which are now heavy producers. Some 30,000 barrels daily are being taken by SOCAL out of the Tule Elk Field, and are being marketed for about $6 per barrel. According to a well spread chart shown Navy by the company, the nearest planned well is 330 feet from the Elk Hills boundary on Standard land.

Navy had a gentleman's agreement with SOCAL to the effect that no drilling would be performed by SOCAL on that land. When SOCAL kindly informed Navy they were bringing in a field just over the next hill, Navy was, to put it mildly, aghast.

Navy has now been forced into an expensive offset drilling program within the Reserve, because it believes there is a strong connection between the oil pool being tapped by SOCAL at Tule Elk and Elk Hills. As in the past, Navy drilling is being provided through SOCAL. Wells, of which four have been drilled, are costing the taxpayer some $450,000 each. Thus far, $1,800,000 in taxpayer funds have been laid out by Navy, and I am informed a connection has been established between the two fields by an oil show at Navy's fourth well. SOCAL's goals can be ascertained by presence of a 50,000 barrel-per-day gathering unit emplaced at Tule Elk. To quote strained Navy language from a recent internal document:

"The seriousness of the potential drainage from this area may be seen from the fact that during the week of November 17, 1973, Standard had three producing wells with daily production averaging in excess of 10,000 barrels of oil daily, a fourth well ready to be brought on production, and five more drilling wells in various stages of completion. Despite several letters from the Director of Naval Petroleum & Oil Shale Reserves expressing Navy opposition to its plans, Standard has moved ahead at great speed, suggesting in its correspondence that no contractual restraints exist based on its interpretation and further that no physical connections exist."

Neither Navy nor Justice has made any effort to obtain an injunction against SOCAL at Tule Elk, at least until Navy completes its drilling program. Nor, to my knowledge, has any effort been made to press the previous appeal.

Meanwhile, legislation to open the Reserve hastens along. I have advocated that if we open the Reserve, permission should be granted after protection of the public interest is guaranteed by an excess profits tax on Elk Hills oil. Also, that any pipelines carrying Elk Hills Oil should be declared common carriers while doing so, to prevent profiteering by pipeline owners, who are the oil companies themselves. We must not allow those contributing to the energy problem to profit excessively from a situation harming us all.

H.J. Res. 832, introduced for the Administration by request, has been defended as closing loopholes allowing windfall profits to oil companies. I respectfully take issue with such a stand. No fair and open bidding will be possible in light of the lock the majors have on our oil market. No mention is made of boundary drilling. Millions of barrels of government oil will come on the market through the majors, with obvious gains for them.

160,000 barrels daily, as the President suggested, would gross $960,000 at today's prices. Twenty percent of that would go to SOCAL, coming to $192,000 daily. That amounts to about $70 million in a year to one oil company for its 20% interest. Plus Navy's 80 percent, which would fall into their hands as well.

It means the taxpayer will foot at least 80 percent of the bill for a massive extraction, gathering and distribution system at the Reserve, costing at least $30 million.

Today at least nine Federal oil leases are operating within the buffer zone at Elk Hills. Many have been granted by the BLM without Navy permission, under the letter BLM now admits it misconstrued. I have a list with me and include them at this point.

Sacramento lease No.	Lessee	Acres	Location
051077	SOCAL	160	Sec. 10, T30S, R22E.
041855	Sun Oil	160	Sec. 22, T30S, R22E.
064410	General Crude	240	Sec. 22, T30S, R22E.
071813	Ferguson	360	Sec. 26, T30S, R22E.
019311 A&B	Sunset Oil	400	Sec. 6, T31S, R23E.
019378–A	Texaco	160	Sec. 24, T31S, R23E.
019378–B	Mobil Oil	480	Sec. 24, T31S, R23E.
019284A	Union Oil	160	Sec. 20, T31S, R24E.
019284B	do	480	Sec. 20, T31S, R24E.

Leases in Section 20, T31S, R24E and Section 24, T31S, R23E around Elk Hills were apparently in existence prior to establishment of the buffer zone in 1937. However, in the Federal Register of 1937, when the buffer zone was established, there is reference to buffer zone usage since 1924.

There is one other facet of the oil reserve situation, concerning Pet Four, the vast, Indiana-sized Navy oil reserve on Alaska's North Slope, 50 miles away from the Prudhoe Bay oil strike and pipeline being built by major oil companies. I have a 10 page memo from Deputy Defense Secretary Clements, for insertion in the record.

Formerly chairman of the Board of Southeastern Drilling Company, or SEDCO, he owns about $100 million in its stock, which he has refused to place in blind trust. His son is chairman of the board, and SEDCO had as clients all major oil companies involved on the North Slope and around Elk Hills. In fact, Shell is supposed to be its largest client. SEDCO has indicated in its annual report it hopes to participate in construction of the Alaska pipeline. Standard and Poor indicates it has financial capacity to do so.

In his November 17 memo, Clements declared: "I hereby approve the creation of a Defense Energy Policy Council reporting directly to me for the purpose of approving major policies related to energy matters."

On the same day, according to his memo, he approved a Pentagon plan to allow production and exploitation of Navy oil reserves by private industry. The memo says:

"If necessary funding and staffing to support full contractual exploration and development of the reserves cannot be obtained through normal budget processes, the Secretary of the Navy should pursue the development of a procurement strategy that will permit industry participation, on a cost benefit basis to the government, in the exploration, development and production of the Reserves. . . . commit the Congress, upon completion of full exploration of the Naval Petroleum Reserves, to authorize development and production of any oil and gas reserves developed in the reserves which are in excess of defense requirements, as defined by DOD. Any such production would necessarily provide for a fair rate of return to be agreed upon by the government and participating contractors"

It is well known in the Navy and oil business that for years DOD and OMB have prevented Navy from obtaining adequate appropriations to explore and develop Reserves into that state of readiness envisioned when Reserves were created. As far as appropriations are concerned, the Reserves are orphans. Under terms of the memo, if ever implemented, there is virtual guarantee of these Reserves being opened to development with industry participation.

Hydrostatic imbalances come into play again. If production is ever begun on vast structures and reservoirs at Pet Four, the Navy will be awash in oil in excess of defense needs. Yet production, once commenced, will have to continue or else much oil will be irretrievably lost. What will Navy do in such a situation? There are all those oil companies on the North Slope, 50 miles away at Prudhoe Bay, already commencing their massive pipeline.

At best this is clearly questionable behavior by a person of Mr. Clements' rank and status. At worst it is a conflict of interest we can no longer tolerate, particularly after what has already been revealed during the past year. Mr. Schlesinger's recent announcement that Mr. Clements will no longer be allowed to participate in oil decisions by DOD is belated recognition of how serious this situation is. Mr. Clements, for the good of the Defense Department, should offer his resignation forthwith.

This brings me to my final point. The Naval Oil Reserves are a vast resource. Captain Trunz, head of the Navy's Reserve Office, in a recent speech, indicated the minimum figure of 33 billion barrels of oil in Pet Four is conservative. Pet Four alone may double our existing known reserves. Elk Hills is a $10 billion property.

The oil industry lusts for these riches, and will find a way to get them. In no way can we depend upon the Interior Department to safeguard the public interest, for it has shown itself to be an adjunct of industry in such a manner as to constitute a public disgrace. The Navy is too intimidated to act aggressively against encroachers. The Justice Department is at best today a bulldog with rubber teeth, frightening only to those with an infinite capacity to rationalize.

The solution is to allow Navy to retain control of Reserves, with adequate funding to fully explore and map them, reporting annually to Congress on what these reserves contain. In no way should the Interior Department be allowed to approach or have any say in management of the Reserves.

Finally, the national Oil and Gas Corporation, on the lines of TVA, should be set up to work in tandem with Navy, to administer and prepare Reserves for whatever eventual, inevitable exploitation the nation may desire. In this manner, a yardstick can be created against which to measure behavior and performance of the private oil industry, which I believe today requires more careful control and scrutiny than any other area of American business. Its recklessness, drive for profit, greed, readiness to subvert and ignore the public interest and willingness to bend law for its interests match and surpass any excesses of the Gilded Age. This industry must be brought under control. Perhaps massive Federal intervention may be the only answer eventually. For now, however, the Federal Oil & Gas Corporation is a vital piece of national business which should, I hope, receive a thrust forward as a result of these hearings.

Thank you.

ENDANGERED SPECIES ACT OF 1973—CONFERENCE REPORT

Mr. TUNNEY. Mr. President, I submit a report of the committee of conference on S. 1983, and ask for its immediate consideration.

The VICE PRESIDENT. The report will be stated by title.

The second assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1983) to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The VICE PRESIDENT. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1983), to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Endangered Species Act of 1973".

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FINDINGS, PURPOSES, AND POLICY

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) various species of fish, wildlife, and plants in the United States have been rendered extinct as a consequence of economic growth and development untempered by adequate concern and conservation;

(2) other species of fish, wildlife, and plants have been so depleted in numbers that they are in danger of or threatened with extinction;

(3) these species of fish, wildlife, and plants are of esthetic, ecological, educational, historical, recreational, and scientific value to the Nation and its people;

(4) the United States has pledged itself as a sovereign state in the international community to conserve to the extent practicable the various species of fish or wildlife and plants facing extinction, pursuant to—

(A) migratory bird treaties with Canada and Mexico;

(B) the Migratory and Endangered Bird Treaty with Japan;

(C) the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere;

(D) the International Convention for the Northwest Atlantic Fisheries;

(E) the International Convention for the High Seas Fisheries of the North Pacific Ocean;

(F) the Convention on International Trade in Endangered Species of Wild Fauna and Flora; and

(G) other international agreements.

(5) encouraging the States and other interested parties, through Federal financial assistance and a system of incentives, to develop and maintain conservation programs which meet national and international standards is a key to meeting the Nation's international commitments and to better safeguarding, for the benefit of all citizens, the Nation's heritage in fish and wildlife.

(b) PURPOSES.—The purposes of this Act are to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved, to provide a program for the conservation of such endangered species and threatened species, and to take such steps as may be appropriate to achieve the purposes of the treaties and conventions set forth in subsection (a) of this section.

(c) POLICY.—It is further declared to be the policy of Congress that all Federal departments and agencies shall seek to conserve endangered species and threatened species and shall utilize their authorities in furtherance of the purposes of this Act.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "commercial activity" means all activities of industy and trade, including, but not limited to, the buying or selling of commodities and activities conducted for the purpose of facilitating such buying and selling.

(2) The terms "conserve", "conserving", and "conservation" means to use and the use of all methods and procedures which are necessary to bring any endangered species or threatened species to the point at which the measures provided pursuant to this Act are no longer necessary. Such methods and procedures include, but are not limited to, all activities associated with scientific resources management such as research, census, law enforcement, habitat acquisition and maintenance, propagation, live trapping, and transplantation, and, in the extraordinary case where population pressures within a given ecosystem cannot be otherwise relieved, may include regulated taking.

(3) The term "Convention" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed on March 3, 1973, and the appendices thereto.

(4) The term "endangered species" means any species which is in danger of extinction throughout all or a significant portion of its range other than a species of the Class Insecta determined by the Secretary to constitute a pest whose protection under the provisions of this Act would present an overwhelming and overriding risk to man.

(5) The term "fish or wildlife" means any member of the animal kingdom, including without limitation any mammal, fish, bird (including any migratory, nonmigratory, or endangered bird for which protection is also afforded by treaty or other international agreement), amphibian, reptile, mollusk, crustacean, arthropod or other invertebrate, and includes any part, product, egg, or offspring thereof, or the dead body or parts thereof.

(6) The term "foreign commerce" includes, among other things, any transaction—

(A) between persons within one foreign country;

(B) between persons in two or more foreign countries;

(C) between a person within the United States and a person in a foreign country; or

(D) between persons within the United States, where the fish and wildlife in question are moving in any country or countries outside the United States.

(7) The term "import" means to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into, any

place subject to the jurisdiction of the United States, whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(8) The term "person" means an individual, corporation, partnership, trust, association, or any other private entity, or any officer, employee, agent, department, or instrumentality of the Federal Government, of any State or political subdivision thereof, or of any foreign government.

(9) The term "plant" means any member of the plant kingdom, including seeds, roots and other parts thereof.

(10) The term "Secretary" means, except as otherwise herein provided, the Secretary of the Interior or the Secretary of Commerce as program responsibilities are vested pursuant to the provisions of Reorganization Plan Numbered 4 of 1970; except that with respect to the enforcement of the provisions of this Act and the Convention which pertain to the importation or exportation of terrestrial plants, the term means the Secretary of Agriculture.

(11) The term "species" includes any subspecies of fish or wildlife or plants and any other group of fish or wildlife of the same species or smaller taxa in common spatial arrangement that interbreed when mature.

(12) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands.

(13) The term "State agency" means the State agency, department, board, commission, or other governmental entity which is responsible for the management and conservation of fish or wildlife resources within a State.

(14) The term "take" means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct.

(15) The term "threatened species" means any species which is likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range.

(16) The term "United States", when used in a geographical context, includes all States.

DETERMINATION OF ENDANGERED SPECIES AND THREATENED SPECIES

Sec. 4. (a) General.—(1) The Secretary shall by regulation determine whether any species is an endangered species or a threatened species because of any of the following factors:

(1) the present or threatened destruction, modification, or curtailment of its habitat or range;

(2) overutilization for commercial, sporting, scientific, or educational purposes;

(3) disease or predation;

(4) the inadequacy of existing regulatory mechanisms; or

(5) other natural or manmade factors affecting its continued existence.

(2) With respect to any species over which program responsibilites have been vested in the Secretary of Commerce pursuant to Reorganization Plan Numbered 4 of 1970—

(A) in any case in which the Secretary of Commerce determines that such species should—

(i) be listed as an endangered species or a threatened species, or

(ii) be changed in status from a threatened species to an endangered species,

he shall so inform the Secretary of the Interior, who shall list such species in accordance with this section;

(B) in any case in which the Secretary of Commerce determines that such species should—

(i) be removed from any list published pursuant to subsection (c) of this section, or

(ii) be changed in status from an endangered species to a threatened species,

he shall recommend such action to the Secretary of the Interior, and the Secretary of the Interior, if he concurs in the recommendation, shall implement such action; and

(C) the Secretary of the Interior may not list or remove from any list any such species, and may not change the status of any such species which are listed, without a prior favorable determination made pursuant to this section by the Secretary of Commerce.

(b) Basis for Determinations.—(1) The Secretary shall make determinations required by subsection (a) of this section on the basis of the best scientific and commercial data available to him and after consultation, as appropriate, with the affected States, interested persons and organizations, other interested Federal agencies, and, in cooperation with the Secretary of State, with the country or countries in which the species concerned is normally found or whose citizens harvest such species on the high seas; except that in any case in which such determinations involve resident species of fish or wildlife, the Secretary of the Interior may not add such species to, or remove such species from, any list published pursuant to subsection (c) of this section, unless the Secretary has first—

(A) published notice in the Federal Register and notified the Governor of each State within which such species is then known to occur that such action is contemplated;

(B) allowed each such State 90 days after notification to submit its comments and recommendations, except to the extent that such period may be shortened by agreement between the Secretary and the Governor or Governors concerned; and

(C) published in the Federal Register a summary of all comments and recommendations received by him which relate to such proposed action.

(2) In determining whether or not any species is an endangered species or a threatened species, the Secretary shall take into consideration those efforts, if any, being made by any nation or any political subdivision of any nation to protect such species, whether by predator control, protection of habitat and food supply, or other conservation practices, within any area under the jurisdiction of any such nation or political subdivision, or on the high seas.

(3) Species which have been designated as requiring protection from unrestricted commerce by any foreign country, or pursuant to any international agreement, shall receive full consideration by the Secretary to determine whether each is an endangered species or a threatened species.

(c) Lists.—(1) The Secretary of the Interior shall publish in the Federal Register, and from time to time he may by regulation revise, a list of all species determined by him or the Secretary of Commerce to be endangered species and a list of all species determined by him or the Secretary of Commerce to be threatened species. Each list shall refer to the species contained therein by scientific and common name or names, if any, and shall specify with respect to each such species over what portion of its range it is endangered or threatened.

(2) The Secretary shall, upon the petition of an interested person under subsection 553(e) of title 5, United States Code, conduct a review of any listed or unlisted species proposed to be removed from or added to either of the lists published pursuant to paragraph (1) of this subsection, but only if he makes and publishes a finding that such person has presented substantial evidence which in his judgment warrants such a review.

(3) Any list in effect on the day before the date of the enactment of this Act of species of fish or wildlife determined by the Secretary of the Interior, pursuant to the Endangered Species Conservation Act of 1969, to be threatened with extinction shall be republished to conform to the classification for endangered species or threatened species, as the case may be, provided for in this Act, but until such republication, any such species so listed shall be deemed an endangered species within the meaning of this Act. The republication of any species pursuant to this paragraph shall not require public hearing or comment under section 553 of title 5, United States Code.

(d) Protective Regulations.—Whenever any species is listed as a threatened species pursuant to subsection (c) of this section, the Secretary shall issue such regulations as he deems necessary and advisable to provide for the conservation of such species. The Secretary may by regulation prohibit with respect to any threatened species any act prohibited under section 9(a)(1), in the case of fish or wildlife, or section 9(a)(2), in the case of plants, with respect to endangered species; except that with respect to the taking of resident species of fish or wildlife, such regulations shall apply in any State which has entered into a cooperative agreement pursuant to section 6(a) of this Act only to the extent that such regulations have also been adopted by such State.

(e) Similarity of Appearance Cases.—The Secretary may, by regulation, and to the extent he deems advisable, treat any species as an endangered species or threatened species even though it is not listed pursuant to section 4 of this Act if he finds that—

(A) such species so closely resembles in appearance, at the point in question, a species which has been listed pursuant to such section that enforcement personnel would have substantial difficulty in attempting to differentiate between the listed and unlisted species;

(B) the effect of this substantial difficulty is an additional threat to an endangered or threatened species; and

(C) such treatment of an unlisted species will substantially facilitate the enforcement and further the policy of this Act.

(f) Regulations.—(1) Except as provided in paragraphs (2) and (3) of this subsection and subsection (b) of this section, the provisions of section 553 of title 5, United States Code (relating to rulemaking procedures), shall apply to any regulation promulgated to carry out the purposes of this Act.

(2)(A) in the case of any regulation proposed by the Secretary to carry out the purposes of this Act—

(i) the Secretary shall publish general notice of the proposed regulation (including the complete text of the regulation) in the Federal Register not less than 60 days before the effective date of the regulation; and

(ii) of any person who feels that he may be adversely affected by the proposed regulation files (within 45 days after the date of publication of general notice) objections thereto and requests a public hearing thereon, the Secretary may grant such request, but shall, if he denies such request, publish his reasons therefor in the Federal Register.

(B) Neither subparagraph (A) of this paragraph nor section 553 of title 5, United States Code, shall apply in the case of any of the following regulations and any such regulation shall, at the discretion of the Secretary, take effect immediately upon publication of the regulation in the Federal Register:

(i) Any regulation appropriate to carry out the purposes of this Act which was originally promulgated to carry out the Endangered Special Conservation Act of 1969.

(ii) Any regulation (including any regulation implementing section 6(g)(2)(B)(ii) of this Act) issued by the Secretary in regard to any emergency posing a significant risk to the well-being of any species of fish or wildlife, but only if (I) at the time of publication of the regulation in the Federal Register the Secretary publishes therein detailed reasons why such regulation is necessary, and (II) in the case such regulation applies to resident species of fish and wildlife, the requirements of subsection (b)(A), (B), and (C) of this section have been complied with. Any regulation promulgated under the authority of this clause (ii) shall cease to have force and effect at the close of the 120-day period following the date of publication unless, during such 120-day period, the rulemaking procedures which would apply to such regulation without regard to this subparagraph are complied with.

(3) The publication in the Federal Register of any proposed or final regulation which is necessary or appropriate to carry out the purposes of this Act shall include a statement by the Secretary of the facts on which such regulation is based and the relationship of such facts to such regulation.

LAND ACQUISITION

SEC. 5. (a) PROGRAM.—The Secretary of the Interior shall establish and implement a program to conserve (A) fish or wildlife which are listed as endangered species or threatened species pursuant to section 4 of this Act; or (B) plants which are included in Appendices to the Convention. To carry out such program, he—

(1) shall utilize the land acquisition and other authority under the Fish and Wildlife Act of 1956, as amended, the Fish and Wildlife Coordination Act, as amended, and the Migratory Bird Conservative Act, as appropriate; and

(2) is authorized to acquire by purchase, donation, or otherwise, lands, waters, or interest therein, and such authority shall be in addition to any other land acquisition authority vested in him.

(b) ACQUISITIONS.—Funds made available pursuant to the Land and Water Conservation Fund Act of 1965, as amended, may be used for the purpose of acquiring lands, waters, or interests therein under subsection (a) of this section.

COOPERATION WITH THE STATES

SEC. 6. (a) GENERAL.—In carrying out the program authorized by this Act, the Secretary shall cooperate to the maximum extent practicable with the States. Such cooperation shall include consultation with the States concerned before acquiring any land or water, or interest therein, for the purpose of conserving any endangered species or threatened species.

(b) MANAGEMENT AGREEMENTS.—The Secretary may enter into agreements with any State for the administration and management of any area established for the conservation of endangered species or threatened species. Any revenues derived from the administration of such areas under these agreements shall be subject to the provisions of section 401 of the Act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s).

(c) COOPERATIVE AGREEMENTS.—In furtherance of the purposes of this Act, the Secretary is authorized to enter into a cooperative agreement in accordance with this section with any State which establishes and maintains an adequate and active program for the conservation of endangered species and threatened species. Within one hundred and twenty days after the Secretary receives a certified copy of such a proposed State program, he shall make a determination whether such program is in accordance with this Act. Unless he determines, pursuant to this subsection, that the State program is not in accordance with this Act, he shall enter into a cooperative agreement with the State for the purpose of assisting in implementation of the State program. In order for a State program to be deemed an adequate and active program for the conservation of endangered species and threatened species, the Secretary must find, and annually thereafter reconfirm such finding, that under the State program—

(1) authority resides in the State agency to conserve resident species of fish or wildlife determined by the State agency or the Secretary to be endangered or threatened;

(2) the State agency has established acceptable conservation programs, consistent with the purposes and policies of this Act, for all resident species of fish or wildlife in the State which are deemed by the Secretary to be endangered or threatened, and has furnished a copy of such plan and program together with all pertinent details, information, and data requested to the Secretary;

(3) the State agency is authorized to conduct investigations to determine the status and requirements for survival of resident species of fish and wildlife;

(4) the State agency is authorized to establish programs, including the acquisition of land or aquatic habitat or interests therein, for the conservation of resident endangered species or threatened species; and

(5) provision is made for public participation in designating resident species of fish or wildlife as endangered or threatened.

(d) ALLOCATION OF FUNDS.—(1) The Secretary is authorized to provide financial assistance to any State, through its respective State agency, which has entered into a cooperative agreement pursuant to subsection (c) of this section to assist in development of programs for the conservation of endangered and threatened species. The Secretary shall make an allocation of appropriated funds to such States based on consideration of—

(A) the international commitments of the United States to protect endangered species or threatened species;

(B) the readiness of a State to proceed with a conservation program consistent with the objectives and purposes of this Act;

(C) the number of endangered species and threatened species within a State;

(D) the potential for restoring endangered species and threatened species within a State; and

(E) the relative urgency to initiate a program to restore and protect an endangered species or threatened species in terms of survival of the species.

So much of any appropriated funds allocated for obligation to any State for any fiscal year as remains unobligated at the close thereof is authorized to be made available to that State until the close of the succeeding fiscal year. Any amount allocated to any State which is unobligated at the end of the period during which is available for expenditure is authorized to be made available for expenditure by the Secretary in conducting programs under this section.

(2) Such cooperative agreements shall provide for (A) the actions to be taken by the Secretary and the States; (B) the benefits that are expected to be derived in connection with the conservation of endangered or threatened species; (C) the estimated cost of these actions; and (D) the share of such costs to be borne by the Federal Government and by the States; except that—

(i) the Federal share of such program costs shall not exceed 66⅔ per centum of the estimated program costs stated in the agreement; and

(ii) the Federal share may be increased to 75 per centum whenever two or more States having a common interest in one or more endangered or threatened species, the conservation of which may be enhanced by cooperation of such States, enter jointly into an agreement with the Secretary.

The Secretary may, in his discretion, and under such rules and regulations as he may prescribe, advance funds to the State for financing the United States pro rata share agreed upon in the cooperative agreement. For the purposes of this section, the non-Federal share may, in the discretion of the Secretary, be in the form of money or real property, the value of which will be determined by the Secretary, whose decision shall be final.

(e) REVIEW OF STATE PROGRAMS.—Any action taken by the Secretary under this section shall be subject to his periodic review at no greater than annual intervals.

(f) CONFLICTS BETWEEN FEDERAL AND STATE LAWS.—Any State law or regulation which applies with respect to the importation or exportation of, or interstate or foreign commerce in, endangered species or threatened species is void to the extent that it may effectively (1) permit what is prohibited by this Act or by any regulation which implements this Act, or (2) prohibit what is authorized pursuant to an exemption or permit provided for in this Act or in any regulation which implements this Act. This Act shall not otherwise be construed to void any State law or regulation which is intended to conserve migratory, resident, or introduced fish or wildlife, or to permit or prohibit sale of such fish or wildlife. Any State law or regulation respecting the taking of an endangered species or threatened species may be more restrictive than the exemptions or permits provided for in this Act or in any regulation which implements this Act but not less restrictive than the prohibitions so defined.

(g) TRANSITION.—(1) For purposes of this subsection, the term "establishment period" means, with respect to any State, the period beginning on the date of enactment of this Act and ending on whichever of the following dates first occurs: (A) the date of the close of the 120-day period following the adjournment of the first regular session of the legislature of such State which commences after such date of enactment, or (B) the date of the close of the 15-month period following such date of enactment.

(2) The prohibitions set forth in or authorized pursuant to sections 4(d) and 9(a)(1)(B) of this Act shall not apply with respect to the taking of any resident endangered species or threatened species (other than species listed in Appendix I to the Convention or otherwise specifically covered by any other treaty or Federal law) within any State—

(A) which is then a party to a cooperative agreement with the Secretary pursuant to section 6(c) of this Act (except to the extent that the taking of any such species is contrary to the law of such State); or

(B) except for any time within the establishment period when—

(i) the Secretary applies such prohibition to such species at the request of the State, or

(ii) the Secretary applies such prohibition after he finds, and publishes his finding, that an emergency exists posing a significant risk to the well-being of such species and that the prohibition must be applied to protect such species. The Secretary's finding and publication may be made without regard to the public hearing or comment provisions of section 553 of title 5, United States Code, or any other provision of this Act; by such prohibition shall expire 90 days after the date of its imposition unless the Secretary further extends such prohibition by publishing notice and a statement of justification of such extension.

(h) REGULATIONS.—The Secretary is authorized to promulgate such regulations as may be appropriate to carry out the provisions of this section relating to financial assistance to States.

(i) APPROPRIATIONS.—For the purposes of this section, there is authorized to be appropriated through the fiscal year ending June 30, 1977, not to exceed $10,000,000.

INTERAGENCY COOPERATION

SEC. 7. The Secretary shall review other programs administered by him and utilize such programs in furtherance of the purposes of this Act. All other Federal departments and agencies shall, in consultation with and with the assistance of the Secretary, utilize their authorities in furtherance of the purposes of this Act by carrying out programs for the conservation of endangered species and threatened species listed pursuant to section 4 of this Act and by taking such action necessary to insure that actions authorized, funded, or carried out by them do not jeopardize the continued existence of such endangered species and threatened species or result in the destruction or modification of habitat of such species which is determined by the Secretary, after consultation as appropriate with the affected States, to be critical.

INTERNATIONAL ASSISTANCE

SEC. 8. (a) FINANCIAL ASSISTANCE.—As a demonstration of the commitment of the United States to the worldwide protection of endangered species and threatened species, the President may, subject to the provisions of section 1415 of the Supplemental Appropriation Act, 1953 (31 U.S.C. 724), use foreign currencies accruing to the United States Government under the Agricultural Trade Development and Assistance Act of 1954 or any other law to provide to any foreign country (with its consent) assistance in the development and management of programs in that country which the Secretary determines to be necessary or useful for the conservation of any endangered species or threatened species listed by the Secretary pursuant to section 4 of this Act. The President shall provide assistance (which includes, but is not limited to, the acquisition, by lease or otherwise, of lands, waters, or interests therein) to foreign countries under this section under such terms and conditions as he deems appropriate. Whenever foreign currencies are available for the provision of assistance under this section, such currencies shall be used in preference to funds appropriated under the authority of section 15 of this Act.

(b) ENCOURAGEMENT OF FOREIGN PROGRAMS.—In order to carry out further the provisions of this Act, the Secretary, through the Secretary of State, shall encourage—

(1) foreign countries to provide for the conservation of fish or wildlife including endangered species and threatened species listed pursuant to section 4 of this Act;

(2) the entering into of bilateral or multilateral agreements with foreign countries to provide for such conservation; and

(3) foreign persons who directly or indirectly take fish or wildlife in foreign countries or on the high seas for importation into the United States for commercial or other purposes to develop and carry out with such assistance as he may provide, conservation practices designed to enhance such fish or wildlife and their habitat.

(c) PERSONNEL.—After consultation with the Secretary of State, the Secretary may—

(1) assign or otherwise make available any officer or employee of his department for the purpose of cooperating with foreign countries and international organizations in developing personnel resources and programs which promote the conservation of fish or wildlife; and

(2) conduct or provide financial assistance for the educational training of foreign personnel, in this country or abroad, in fish, wildlife, or plant management, research and law enforcement and to render professional assistance abroad in such matters.

(d) INVESTIGATIONS.—After consultation with the Secretary of State and the Secretary of the Treasury, as appropriate, the Secretary may conduct or cause to be conducted such law enforcement investigations and research abroad as he deems necessary to carry out the purposes of this Act.

(e) CONVENTION IMPLEMENTATION.—The President is authorized and directed to designate appropriate agencies to act as the Management Authority or Authorities and the Scientific Authority or Authorities pursuant to the Convention. The agencies so designated shall thereafter be authorized to do all things assigned to them under the Convention, including the issuance of permits and certificates. The agency designated by the President to communicate with other parties to the Convention and with the Secretariat shall also be empowered, where appropriate, in consultation with the State Department, to act on behalf of and represent the United States in all regards as required by the Convention. The President shall also designate those agencies which shall act on behalf of and represent the United States in all regards as required by the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere.

PROHIBITED ACTS

SEC. 9. (a) GENERAL.—(1) Except as provided in sections 6(g) (2) and 10 of this Act, with respect to any endangered species of fish or wildlife listed pursuant to section 4 of this Act it is unlawful for any person subject to the jurisdiction of the United States to—

(A) import any such species into, or export any such species from the United States;

(B) take any such species within the United States or the territorial sea of the United States;

(C) take any such species upon the high seas;

(D) possess, sell, deliver, carry, transport, or ship, by any means whatsoever, any such species taken in violation of subparagraphs (B) and (C);

(E) deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever and in the course of a commercial activity, any such species;

(F) sell or offer for sale in interstate or foreign commerce any such species; or

(G) violate any regulation pertaining to such species or to any threatened species of fish or wildlife listed pursuant to section 4 of this Act and promulgated by the Secretary pursuant to authority provided by this Act.

(2) Except as provided in sections 6(g) (2) and 10 of this Act, with respect to any endangered species of plants listed pursuant to section 4 of this Act, it is unlawful for any person subject to the jurisdiction of the United States to—

(A) import any such species into, or export any such species from, the United States;

(B) deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever and in the course of a commercial activity, any such species;

(C) sell or offer for sale in interstate or foreign commerce any such species; or

(D) violate any regulation pertaining to such species or to any threatened species of plants listed pursuant to section 4 of this Act and promulgated by the Secretary pursuant to authority provided by this Act.

(b) SPECIES HELD IN CAPTIVITY OR CONTROLLED ENVIRONMENT.—The provisions of this section shall not apply to any fish or wildlife held in captivity or in a controlled environment on the effective date of this Act if the purposes of such holding are not contrary to the purposes of this Act; except that this subsection shall not apply in the case of any fish or wildlife held in the course of a commercial activity. With respect to any act prohibited by this section which occurs after a period of 180 days from the effective date of this Act, there shall be a rebuttable presumption that the fish or wildlife involved in such act was not held in captivity or in a controlled environment on such effective data.

(c) VIOLATION OF CONVENTION.—(1) It is unlawful for any person subject to the jurisdiction of the United States to engage in any trade in any specimens contrary to the provisions of the Convention, or to possess any specimens traded contrary to the provisions of the Convention, including the definitions of terms in article I thereof.

(2) Any importation into the United States of fish or wildlife shall, if—

(A) such fish or wildlife is not an endangered species listed pursuant to section 4 of this Act but is listed in Appendix II to the Convention,

(B) the taking and exportation of such fish or wildlife is not contrary to the provisions of the Convention and all other applicable requirements of the Convention have been satisfied,

(C) the applicable requirements of subsections (d), (e), and (f) of this section have been satisfied, and

(D) such importation is not made in the course of a commercial activity,

be presumed to be an importation not in violation of any provision of this Act or any regulation issued pursuant to this Act.

(d) IMPORTS AND EXPORTS.—(1) It is unlawful for any person to engage in business as an importer or exporter of fish or wildlife (other than shellfish and fishery products which (A) are not listed pursuant to section 4 of this Act as endangered species or threatened species, and (B) are imported for purposes of human or animal consumption or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants without first having obtained permission from the Secretary.

(2) Any person required to obtain permission under paragraph (1) of this subsection shall—

(A) keep such records as will fully and correctly disclose each importation or exportation of fish, wildlife, or plants made by him and the subsequent disposition made by him with respect to such fish, wildlife, or plants;

(B) at all reasonable times upon notice by a duly authorized representative of the Secretary, afford such representative access to his places of business, an opportunity to examine his inventory of imported fish, wildlife, or plants and the records required to be kept under subparagraph (A) of this paragraph, and to copy such records; and

(C) file such reports as the Secretary may require.

(3) The Secretary shall prescribe such regulations as are necessary and appropriate to carry out the purposes of this subsection.

(e) REPORTS.—It is unlawful for any person importing or exporting fish or wildlife (other than shellfish and fishery products which (1) are not listed pursuant to section 4 of this Act as endangered or threatened species, and (2) are imported for purposes of human or animal consumption or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants to fail to file any declaration or report as the Secretary deems necessary to facilitate enforcement of this Act or to meet the obligations of the Convention.

(f) DESIGNATION OF PORTS.—(1) It is unlawful for any person subject to the jurisdiction of the United States to import into or export from the United States any fish or wildlife (other than shellfish and fishery products which (A) are not listed pursuant to section 4 of this Act as endangered species or threatened species, and (B) are imported for purposes of human or animal consumption or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants, except at a port or ports designated by the Secretary of the Interior. For the purpose of facilitating enforcement of this Act and reducing the costs thereof, the Secretary of the Interior, with approval of the Secretary of the Treasury and after notice and opportunity for public hearing, may, by regulation, designate ports and change such designations. The Secretary of the Interior, under such terms and conditions as he may prescribe, may permit the importation or exportation at nondesignated ports in the interest of the health or safety of the fish or wildlife or plants, or for other reasons if, in his discretion, he deems it appropriate and consistent with the purpose of this subsection.

(2) Any port designated by the Secretary of the Interior under the authority of section 4(d) of the Act of December 5, 1969 (16 U.S.C. 666cc–4(d)), shall, if such designation is in effect on the day before the date of the enactment of this Act, be deemed to be a port designated by the Secretary under paragraph (1) of this subsection until such time as the Secretary otherwise provides.

(g) VIOLATIONS.—It is unlawful for any person subject to the jurisdiction of the United States to attempt to commit, solicit another to commit, or cause to be committed, any offense defined in this section.

EXCEPTIONS

SEC. 10. (a) PERMITS.—The Secretary may permit, under such terms and conditions as he may prescribe, any act otherwise prohibited by section 9 of this Act for scientific purposes or to enhance the propagation or survival of the affected species.

(b) HARDSHIP EXEMPTIONS.—(1) If any person enters into a contract with respect to a species of fish or wildlife or plant before the date of the publication in the Federal Register of notice of consideration of that species as an endangered species and the subsequent listing of that species as an endangered species pursuant to section 4 of this Act will cause undue economic hardship to such person under the contract, the Secretary, in order to minimize such hardship, may exempt such person from the application of section 9(a) of this Act to the extent the Secretary deems appropriate if such person applies to him for such exemption and includes with such application such information as the Secretary may require to prove such hardship; except that (A) no such exemption shall be for a duration of more than one year from the date of publication in the Federal Register of notice of consideration of the species concerned, or shall apply to a quantity or fish or wildlife or plants in excess of that specified by the Secretary; (B) the one-year period for those species of fish or wildlife listed by the Secretary as endangered prior to the effective date of this Act shall expire in accordance with the terms of section 3 of the Act of December 5, 1969 (83 Stat. 275); and (C) no such exemption may be granted for the importation or exportation of a specimen listed in Appendix I of the Convention which is to be used in a commercial activity.

(2) As used in this subsection, the term "undue economic hardship" shall include, but not be limited to:

(A) substantial economic loss resulting from inability caused by this Act to perform contracts with respect to species of fish and wildlife entered into prior to the date of publication in the Federal Register of a notice of consideration of such species as an endangered species;

(B) substantial economic loss to persons who, for the year prior to the notice of consideration of such species as an endangered species, derived a substantial portion of their income from the lawful taking of any listed species, which taking would be made unlawful under this Act; or

(C) curtailment of subsistence taking made unlawful under this Act by persons (i) not reasonably able to secure other sources of subsistence; and (ii) dependent to a substantial extent upon hunting and fishing for subsistence; and (iii) who must engage in such curtailed taking for subsistence purposes.

(3) The Secretary may make further requirements for a showing of undue economic hardship as he deems fit. Exceptions granted under this section may be limited by the Secretary in his discretion as to time, area, or other factor of applicability.

(c) NOTICE AND REVIEW.—The Secretary shall publish notice in the Federal Register of each application for an exemption or permit which is made under this subsection. Each notice shall invite the submission from interested parties, within thirty days after the date of the notice, written data, views, or arguments with respect to the application. Information received by the Secretary as a part of any application shall be available to the public as a matter of public record at every stage of the proceeding.

(d) PERMIT AND EXEMPTION POLICY.—The Secretary may grant exceptions under subsections (a) and (b) of this section only if he finds and publishes his finding in the Federal Register that (1) such exceptions were applied for in good faith, (2) if granted and exercised will not operate to the disadvantage of such endangered species, and (3) will be consistent with the purposes and policy set forth in section 2 of this Act.

(e) ALASKA NATIVES.—(1) Except as provided in paragraph (4) of this subsection the provisions of this Act shall not apply with respect to the taking of any endangered species or threatened species, or the importation of any such species taken pursuant to this section, by—

(A) any Indian, Aleut, or Eskimo who is an Alaskan Native who resides in Alaska; or

(B) any non-native permanent resident of an Alaskan native village;

if such taking is primarily for subsistence purposes. Non-edible byproducts of species taken pursuant to this section may be sold in interstate commerce when made into authentic native articles of handicrafts and clothing; except that the provisions of this subsection shall not apply to any non-native resident of an Alaskan native village found by the Secretary to be not primarily dependent upon the taking of fish and wildlife for consumption or for the creation and sale of authentic native articles of handicrafts and clothing.

(2) Any taking under this subsection may not be accomplished in a wasteful manner.

(3) As used in this subsection—

(i) The term "subsistence" includes selling any edible portion of fish or wildlife in native villages and towns in Alaska for native consumption within native villages or towns; and

(ii) The term "authentic native articles of handicrafts and clothing" means items composed wholly or in some significant respect of natural materials, and which are produced, decorated, or fashioned in the exercise of traditional native handicrafts without the use of pantographs, multiple carvers, or other mass copying devices. Traditional native handicrafts include, but are not limited to, weaving, carving, stitching, sewing, lacking, beading, drawing, and painting.

(4) Notwithstanding the provisions of paragraph (1) of this subsection, whenever the Secretary determines that any species of fish or wildlife which is subject to taking under the provisions of this subsection is an endangered species or threatened species, and that such taking materially and negatively affects the threatened or endangered species, he may prescribe regulations upon the taking of such species by any such Indian, Aleut, Eskimo, or non-Native Alaskan resident of an Alaskan native village. Such regulations may be established with reference to species, geographical description of the area included, the season for taking, or any other factors related to the reason for establishing such regulations and consistent with the policy of this Act. Such regulations shall be prescribed after a notice and hearings in the affected judicial districts of Alaska and as otherwise required by section 103 of the Marine Mammal Protection Act of 1972, and shall be removed as soon as the Secretary determines that the need for their impositions has disappeared.

PENALTIES AND ENFORCEMENT

SEC. 11. (a) CIVIL PENALTIES.—(1) Any person who knowingly violates, or who knowingly commits an act in the course of a commercial activity which violates, any provision of this Act, or any provision of any permit or certificate issued hereunder, or of any regulation issued in order to implement subsection (a) (1) (A), (B), (C), (D), (E), or (F), (a) (2) (A), (B), or (C), (c), (d) (other than a regulation relating to recordkeeping or filing of reports), (f) or (g) of section 9 of this Act, may be assesed a civil penalty by the Secretary of not more than $10,000 for each violation. Any person who knowingly violates, or who knowingly commits an act in the course of a commercial activity which violates, any provision of any other regulation issued under this Act may be assessed a civil penalty by the Secretary of not more than $5,000 for each such violation. Any person who otherwise violates any provision of this Act, or any regulation, permit, or certificate issued hereunder, may be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation. No penalty may be assessed under this subsection unless such person is given notice and opportunity for a hearing with respect to such violation. Each violation shall be a separate offense. Any such civil penalty may be remitted or mitigated by the Secretary. Upon any failure to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. The court shall hear such action on the record made before the Secretary and shall sustain his action if it is supported by substantial evidence on the record considered as a whole.

(2) Hearings held during proceedings for the assessment of civil penalties authorized by paragraph (1) of this subsection shall be conducted in accordance with section 554 of title 5, United States Code. The Secretary may issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpena served upon any person pursuant to this paragraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) CRIMINAL VIOLATIONS.—(1) Any person who willfully commits an act which violates any provision of this Act, of any permit or certificate issued hereunder, or of any regulation issued in order to implement subsection (a) (1) (A), (B), (C), (D), (E), or (F); (a) (2) (A), (B), or (C) (c), (d) (other than a regulation relating to recordkeeping or filing of reports, (f) or (g) of section 9 of this Act shall, upon conviction, be fined not more than $20,000 or imprisoned for not more than one year, or both. Any person who willfully commits an act which violates any provision of any other regulation issued under this Act shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than six months, or both.

(2) The head of any Federal agency which has issued a lease, license, permit, or other agreement authorizing the use of Federal lands, including grazing of domestic livestock, to any person who is convicted of a criminal violation of this Act or any regulation, permit, or certificate issued hereunder may immediately modify, suspend, or revoke each lease, license, permit, or other agreement. The Secretary shall also suspend for a period of up to one year, or cancel, any Federal hunting or fishing permits or stamps issued to any person who is convicted of a criminal violation of any provision of this Act or any regulation, permit, or certificate issued hereunder. The United States shall not be liable for the payments of any compensation, reimbursement, or damages in connection with the modification, suspension, or revocation of any leases, licenses, permits, stamps, or other agreements pursuant to this section.

(c) District Court Jurisdiction.—The several district courts of the United States, including the courts enumerated in section 460 of title 28, United States Code, shall have jurisdiction over any actions arising under this Act. For the purpose of this Act, American Samoa shall be included within the judicial district of the District Court of the United States for the District of Hawaii.

(d) Rewards.—Upon the recommendation of the Secretary, the Secretary of the Treasury is authorized to pay an amount equal to one-half of the civil penalty or fine paid, but not to exceed $2,500, to any person who furnishes information which leads to a finding of civil violation or a conviction of a criminal violation of any provision of this Act or any regulation or permit issued thereunder. Any officer or employee of the United States or of any State or local government who furnishes information or renders service in the performance of his official duties shall not be eligible for payment under this section.

(e) Enforcement.—(1) The provisions of this Act and any regulations or permits issued pursuant thereto shall be enforced by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, or all such Secretaries. Each such Secretary may utilize by agreement, with or without reimbursement, the personnel, services, and facilities of any other Federal agency or any State agency for purposes of enforcing this Act.

(2) The judges of the district courts of the United States and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process as may be required for enforcement of this Act and any regulation issued thereunder.

(3) Any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, to enforce this Act may detain for inspection and inspect any package, crate, or other container, including its contents, and all accompanying documents, upon importation or exportation. Such person may execute and serve any arrest warrant, search warrant, or other warrant or civil or criminal process issued by any officer or court of competent jurisdiction for enforcement of this Act. Such person so authorized may search and seize, with or without a warrant, as authorized by law. Any fish, wildlife, property or item so seized shall be held by any person authorized by the Secretary, the Secreary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating pending disposition of civil or criminal proceedings, or the institution of any action in rem for forfeiture of such fish, wildlife, property, or item pursuant to paragraph (4) of this subsection; except that the Secretary may, in lieu of holding such fish, wildlife, property, or item, permit the owner or consignee to post a bond or other surety satisfactory to the Secretary.

(4) (A) All fish or wildlife or plants taken, possessed, sold, purchased, offered for sale or purchase, transported, delivered, received, carried, shipped, exported or imported contrary to the provisions of this Act, any regulation made pursuant thereto, or any permit or certificate issued hereunder shall be subject to forfeiture to the United States.

(B) All guns, traps, nets, and other equipment, vessels, vehicles, aircraft, and other means of transportation used to aid the taking, possessing, selling, purchasing, offering for sale or purchase, transporting, delivering, receiving, carrying, shipping, exporting, or importing of any fish or wildlife or plants in violation of this Act, any regulation made pursuant thereto, or any permit or certificate issued thereunder shall be subject to forfeiture to the United States upon conviction of a criminal violation pursuant to section 11 (b) (1) of this Act.

(5) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeiture, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act; except that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Treasury Department shall, for the purposes of this Act, be exercised or performed by the Secretary or by such persons as he may designate.

(f) Regulations.—The Secretary, the Secretary of the Treasury, and the Secretary of the Department in which the Coast Guard is operating, are authorized to promulgate such regulations as may be appropriate to enforce this Act, and charge reasonable fees for expenses to the Government connected with permits or certificates authorized by this Act including processing applications and reasonable inspections, and with the transfer, board, handling, or storage of fish or wildlife or plants and evidentiary items seized and forfeited under this Act. All such fees collected pursuant to this subsection shall be deposited in the Treasury to the credit of the appropriation which is current and chargeable for the cost of furnishing the services. Appropriated funds may be expended pending reimbursement from parties in interest.

(g) Citizen Suits.—(1) Except as provided in paragraph (2) of this subsection any person may commence a civil suit on his own behalf—

(A) to enjoin any person, including the United States and any other governmental instrumentality or agency (to the extent permitted by the eleventh amendment to the Constitution), who is alleged to be in violation of any provision of this Act or regulation issued under the authority thereof; or

(b) to compel the Secretary to apply, pursuant to section 6(g) (2) (B) (ii) of this Act, the prohibitions set forth in or authorized pursuant to section 4(d) or section 9(a) (1) (B) of this Act with respect to the taking of any resident endangered species or threatened species within any State.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce any such provision or regulation, as the case may be. In any civil suit, commenced under subparagraph (B) the district court shall compel the Secretary to apply the prohibition sought if the court finds that the allegation that an emergency exists is supported by substantial evidence.

(2) (A) No action may be commenced under subparagraph (1) (A) of this section—

(i) prior to sixty days after written notice of the violation has been given to the Secretary, and to any alleged violator of any such provision or regulation;

(ii) if the Secretary has commenced action to impose a penalty pursuant to subsection (a) of this section; or

(iii) if the United States has commenced and is diligently prosecuting a criminal action in a court of the United States or a State to redress a violation of any such provision or regulation.

(B) No action may be commenced under subparagraph (1) (B) of this section—

(i) prior to sixty days after written notice has been given to the Secretary setting forth the reasons why an emergency is thought to exist with respect to an endangered species or a threatened species in the State concerned; or

(ii) if the Secretary has commenced and is diligently prosecuting action under section 6(g) (2) (B) (ii) of this Act to determine whether any such emergency exists.

(3) (A) Any suit under this subsection may be brought in the judicial district in which the violation occurs.

(B) In any such suit under this subsection in which the United States is not a party, the Attorney General, at the request of the Secretary, may intervene on behalf of the United States as a matter of right.

(4) The court, in issuing any final order in any suit brought pursuant to paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(5) The injunctive relief provided by this subsection shall not restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or limitation or to seek any other relief (including relief against the Secretary or a State agency.)

(h) Coordination With Other Laws.—The Secretary of Agriculture and the Secretary shall provide for appropriate coordination of the administration of this Act with the administration of the animal quarantine laws (21 U.S.C. 101–105, 111–135b, and 612–614) and section 306 of the Tariff Act of 1930 (19 U.S.C. 1306). Nothing in this Act or any amendment made by this Act shall be construed as superseding or limiting in any manner the functions of the Secretary of Agriculture under any other law relating to prohibited or restricted importations or possession of animals and other articles and no proceeding or determination under this Act shall preclude any proceeding or be considered determinative of any issue of fact or law in any proceeding under any Act administered by the Secretary of Agriculture. Nothing in this Act shall be construed as superseding or limiting in any manner the functions and responsibilities of the Secretary of the Treasury under the Tariff Act of 1930, including, without limitation, section 527 of that Act (19 U.S.C. 1527), relating to the importation of wildlife taken, killed, possessed, or exported to the United States in violation of the laws or regulations of a foreign country.

ENDANGERED PLANTS

Sec. 12. The Secretary of the Smithsonian Institution, in conjunction with other affected agencies, is authorized and directed to review (1) species of plants which are now or may become endangered or threatened and (2) methods of adequately conserving such species, and to report to Congress, within one year after the date of the enactment of this Act, the results of such review including recommendations for new legislation or the amendment of existing legislation.

CONFORMING AMENDMENTS

Sec. 13. (a) Subsection 4(c) of the Act of October 15, 1966 (80 Stat. 928, 16 U.S.C. 668dd(e)), is further amended by revising the second sentence thereof to read as follows: "With the exception of endangered species and threatened species listed by the Secretary pursuant to section 4 of the Endangered Species Act of 1973 in States wherein a cooperative agreement does not exist pursuant to section 6(c) of that Act, nothing in this Act shall be construed to authorize the Secretary to control or regulate hunting or fishing of resident fish and wildlife on lands not within the system."

(b) Subsection 10(a) of the Migratory Bird Conservation Act (45 Stat. 1224, 16 U.S.C. 715i(a)) and subsection 401(a) of the Act of June 15, 1935 (49 Stat. 383, 16 U.S.C. 715s(a)), are each amended by striking out "threatened with extinction," and inserting in lieu thereof the following: "listed pursuant to section 4 of the Endangered Species Act of 1973 as endangered species or threatened species,".

(c) Section 7(a)(1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l—9(a)(1)) is amended by striking out:

"Threatened Species.—For any national area which may be authorized for the preservation of species of fish or wildlife that are threatened with extinction."

and inserting in lieu thereof the following:

"Endangered Species and Threatened Species.—For lands, waters, or interests therein, the acquisition of which is authorized under section 5(a) of the Endangered Species Act of 1973, needed for the purpose of conserving endangered or threatened species of fish or wildlife or plants."

(d) The first sentence of section 2 of the Act of September 28, 1962, as amended (76 Stat. 653, 16 U.S.C. 460k–1), is amended to read as follows:

"The Secretary is authorized to acquire areas of land, or interests therein, which are suitable for—

"(1) incidental fish and wildlife-oriented recreational development,

"(2) the protection of natural resources,

"(3) the conservation of endangered species or threatened species listed by the Secretary pursuant to section 4 of the Endangered Species Act of 1973, or

"(4) carrying out two or more of the purposes set forth in paragraphs (1) through (3) of this section, and are adjacent to, or within, the said conservation areas, except that the acquisition of any land or interest therein pursuant to this section shall be accomplished only with such funds as may be appropriated therefor by the Congress or donated for such purposes, but such property shall not be acquired with funds obtained from the sale of Federal migratory bird hunting stamps."

(e) The Marine Mammal Protection Act of 1972 (16 U.S.C. 1361–1407) is amended—

(1) by striking out "Endangered Species Conservation Act of 1969" in section 3(1)(B) thereof and inserting in lieu thereof the following: "Endangered Species Act of 1973";

(2) by striking out "pursuant to the Endangered Species Conservation Act of 1969" in section 101(a)(3)(B) thereof and inserting in lieu thereof the following: "or threatened species pursuant to the Endangered Species Act of 1973";

(3) by striking out "endangered under the Endangered Species Conservation Act of 1969" in section 102(b)(3) thereof and inserting in lieu thereof the following: "an endangered species or threatened species pursuant to the Endangered Species Act of 1973"; and

(4) by striking out "of the Interior such revisions of the Endangered Species List, authorized by the Endangered Species Conservation Act of 1969," in section 202(a)(6) thereof and inserting in lieu thereof the following: "such revisions of the endangered species list and threatened species list published pursuant to section 4(c)(1) of the Endangered Species Act of 1973".

(f) Section 2(l) of the Federal Environmental Pesticide Control Act of 1972 (Public Law 92–516) is amended by striking out the words "by the Secretary of the Interior under Public Law 91–135" and inserting in lieu thereof the words "or threatened by the Secretary pursuant to the Endangered Species Act of 1973".

REPEALER

Sec. 14. The Endangered Species Conservation Act of 1969 (sections 1 through 3 of the Act of October 15, 1966, and sections 1 through 6 of the Act of December 5, 1969; 16 U.S.C. 668aa—668cc–6), is repealed.

AUTHORIZATION OF APPROPRIATIONS

Sec. 15. Except as authorized in section 6 of this Act, there are authorized to be appropriated—

(A) not to exceed $4,000,000 for fiscal year 1974, not to exceed $8,000,000 for fiscal year 1975 and not to exceed $10,000,000 for fiscal year 1976, to enable the Department of the Interior to carry out such functions and responsibilities as it may have been given under this Act; and

(B) not to exceed $2,000,000 for fiscal year 1974, $1,500,000 for fiscal year 1975 and not to exceed $2,000,000 for fiscal year 1976, to enable the Department of Commerce to carry out such functions and responsibilities as it may have been given under this Act.

EFFECTIVE DATE

Sec. 16. This Act shall take effect on the date of its enactment.

MARINE MAMMAL PROTECTION ACT OF 1972

Sec. 17. Except as otherwise provided in this Act, no provision of this Act shall take precedence over any more restrictive conflicting provision of the Marine Mammal Protection Act of 1972.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to provide for the conservation of endangered and threatened species of fish, wildlife, and plants, and for other purposes."

And the House agree to the same.

Philip A. Hart,
John V. Tunney,
Ted Stevens,
Frank E. Moss,
Marlow W. Cook,
Managers on the Part of the Senate.

Leonor K. Sullivan,
John D. Dingell,
George A. Goodling,
Managers on the Part of the House.

Mr. TUNNEY. Mr. President, I ask unanimous consent that Paul Cunningham and Earl Costello, of the staff of the Committee on Commerce, be permitted to be present on the Senate floor during the consideration of this conference report.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, today, the Senate will complete action on the Endangered Species Act of 1973. Hopefully, the measure will soon clear the House and be sent to the President.

As floor manager of the bill last July, and as a Senate conferee, I know how much time and effort has gone into this bill. I believe the staff members of the Senate Commerce Committee and the House Merchant Marine and Fisheries Committee should be commended for their efforts. There were difficult problems to resolve because the legislation was technically and geographically complex. But I believe that the final product will greatly improve our ability to protect species of fish and wildlife which are in imminent danger.

The conferees recognized the fact that the Federal Government simply does not have the resources to implement the act immediately, and thus set up a system of grants-in-aid to the States which will have the initial responsibility for management of resident species.

An important provision of the bill delegates listing of endangered species to the managing agencies—the National Oceanographic and Atmospheric Administration and the Interior Department. The Commerce Department may list species, but is prohibited from delisting without NOAA and Interior concurrence.

The bill established provides stiff penalties for violations.

This bill has been long in coming and is urgent in nature. In this country alone, there are over 100 species listed as endangered. Each provides a service to the environment and represents a part of an immensely complicated ecological system.

Passage of this act means that the Congress has responded positively to the magnitude of the problem and has voiced its concern for the species which we have placed near extinction. The Endangered Species Act responds to our duty to restore and propagate what we have—through carelessness and lack of understanding—nearly destroyed forever.

Mr. STEVENS. Mr. President, I support this conference report.

In conference with the House, agreement was reached on S. 1983 which we recommend to the Senate as a means of providing for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife and plants.

I wish to briefly outline the main provisions of the conference report before us.

First, the bill will define the term "conservation" to include all methods and procedures necessary to bring a threatened or endangered species to a point where the measures provided in this are no longer necessary.

There is an exception allowing exclusion from protection by the act where an otherwise endangered or threatened species of insect presents a serious risk to man. A new definition of "commercial activity" delineates types of activities, including trades and exchanges of animals or animal products involving profit, which are to be treated under the act.

The conference committee discussed at length the proper area of responsibility for the Departments of Interior and Commerce. Consequently, the act specifies that the Departments have responsibilities, in determining and changing the status of the species as endangered or threatened, along the lines of Reorganization Act No. 4 of 1970. The physical act of maintaining the list will remain, as it is now, with the Department of the Interior. The conferees ask that every effort be taken to avoid duplication of effort by the two agencies.

Considerable concern was demonstrated in conference over the necessity for effective Federal consultation with all affected parties in determining a species to be endangered or threatened. The Senate bill required a special advisory committee with heavy State representation, for this purpose. The House did not. The conferees agreed that the Advisory Committee be eliminated from the bill but that consultation be strenghened to include special notification of the Governors of the affected States, along with public notification, and that the State be given a minimum of 90 days to comment.

The conferees strengthened the procedures for public participation by requiring an extended period of public notice of proposed regulation, not less than 60 days, providing for discretionary hearings, and establishing procedures for emergency action.

Recognizing that effective programs for the conservation of endangered species requires the acquisition of habitat crucial to the species, both bills provided such authority. The Senate bill limited that authority to habitat for fish and wildlife alone. The conferees adopted the House version, which extends the authority to include plant habitat. Authority is extended to the Secretary of the Interior, but it is anticipated that he will consult with the Secretary of Commerce in cases involving marine species over which Commerce has sole jurisdiction under Reorganization Plan No. 4. Furthermore, nothing prevents the Secretary of Commerce from seeking specific legislative authority to acquire land needed for NOAA's programs.

Initially, the House bill placed basic responsibility for establishing and administering the endangered species program in the Federal Government, and provided for the development of cooperative programs with concerned agencies.

The Senate accepted this and added a new section 16 onto the bill to shift basic responsibility back to the States. The conferees approved a section giving the States the fundamental roles regarding resident species for up to 15 months, or 120 days after the relevant State legislature has adjourned. This, it is hoped, will encourage the States to develop their own strong programs.

Both bills provided grant programs for the States, but the Senate authorized $10 million over a 3½ year period while the House provision was open-ended. The Senate version was accepted by the conferees.

The House and Senate bills each authorized international endangered species programs, but the Senate restricted the programs to countries where counterpart funds are available. The conferees adopted the House version which stipulates that where counterpart funds are available they will be used in preference to appropriated funds.

The conferees rewrote the section providing exceptions for certain Alaska natives generally following the lines of the Senate bill, which provides similar exceptions for certain non-native residents of native communities. The House receded to the Senate in allowing the State of Alaska to restrict native and non-native taken as part of a State operated endangered species program. Although the native exemption is not intended to supercede the Marine Mammal Protection Act of 1973 it does allow the taking of marine mammals under certain circumstances.

The conferees developed new language in the penalties and enforcement section, mainly to strengthen the delineation of penalties for knowing or commercial violation as opposed to erroneous casual purchase of items by tourists.

House language was adopted providing for agents of the Secretary of the Interior to inspect packages and crates upon importation or exportation, similar to the authority now exercised by customs agents. The Conferees stressed that they are prepared to reexamine this section in the near future, to ensure that the authority is not being abused.

The conferees accepted a House version of the bill assigning the Smithsonian Institution to study any problems in interstate commerce in endangered species of plants.

Mr. President, I ask this Senate to support this conference approved Endangered Species Act of 1973. There should be no further delay in extending protection for those animals which cannot fend for themselves against the destructive actions of mankind.

Mr. COOK. Mr. President, in order that I might make an immediate review of the conference report, would the President of the Senate mind if we had a short quorum call, so that I might see that the report contains the proper language?

The VICE PRESIDENT. Does the Senator suggest the absence of a quorum?

Mr. COOK. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. COOK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. COOK. Mr. President, the Senator from Kentucky secured an amendment on this bill, as the Senator from California well knows, having been manager of the bill during that time. I would like to read into the RECORD certain language from page 18 of the report of the managers, which reads as follows:

> The Senate bill contained a section added on the Floor by Senator Cook which would have had the effect of prohibiting the construction of a public road through the Pioneer Weapons Hunting Area in the Daniel Boone National Forest. Opponents of the road fear that its construction will do irreparable damage to the area and urge the construction of a more expensive road to go around the Hunting Area.

By the way, I might say for the benefit of the record that the increased expense, as far as I know, would be in the neighborhood of $65,000, out of a contract totaling approximately $1,990,000.

> Proponents of the road respond that it will not destroy the character of the area and will be desirable. The House recently adopted an amendment to the Water Resources Development Act, which, if enacted, would allow construction of the road after public review of the final NEPA environmental impact statement.
>
> In light of the considerable controversy on the subject, the conferees felt that this issue ought not to be resolved by inclusion of this section in the bill, but that it would be more appropriate for full hearings to be held or the question by the proper Committees of Congress. Accordingly the section was stricken from the bill with the understanding and hope that such hearings might be expeditiously completed.

Mr. President, I am totally and completely in accord with the language of the conference report. I merely wished to read this statement into the RECORD for the purpose of reaffirming this Senator's position in regard to this project and its impact.

I thank the Senator from California that, during the course of the conference, we were able to work this arrangement out, and I have no objection to the immediate consideration of the conference report and its immediate passage.

Mr. TUNNEY. Mr. President, I would like to say, as the floor manager of the bill and one of the conferees, that I support hearings on the matter that was raised by the distinguished Senator from Kentucky at the earliest possible date next year. I do not see any reason why we could not do it in either January or February of next year, and then take that bill up in an expeditious fashion after hearings have been held. I know I am not only speaking for myself, but also for the other Senators on the majority side of our committee.

I am convinced that as a result of the understanding of the problem of the conference committee by the Senator from Kentucky, we were able to conclude that conference, and conclude it in a way that I think has justified not only the position of the Senator from Kentucky on the matter that he has related, but also the fact that the Senate and the Congress wanted to have this endangered species bill passed as quickly as possible, before the end of this year.

Mr. COOK. Mr. President, I thank the Senator from California, and I appreciate the indulgence of the President of the Senate.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

QUORUM CALL

The VICE PRESIDENT. What is the will of the Senate?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WILLIAMS). Without objection, it is so **ordered.**

ORDER FOR RECOGNITION OF SENATORS HATFIELD, MATHIAS, GRIFFIN, AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, on tomorrow, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated:

Senators HATFIELD, MATHIAS, GRIFFIN, and ROBERT C. BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the orders for the recognition of Senators tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL SECOND ASSISTANT SECRETARY OF THE INTERIOR FOR INDIAN AFFAIRS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 620.

The PRESIDING OFFICER laid before the Senate the following message:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 620) entitled "An Act to establish within the Department of the Interior an additional Assistant Secretary of the Interior for Indian Affairs, and for other purposes."

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate insist on its amendment to H.R. 620 and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Senators JACKSON, METCALF, ABOUREZK, BARTLETT, and STEVENS conferees on the part of the Senate.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and, at 7:07 p.m., the Senate adjourned until tomorrow, Thursday, December 20, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate December 19, 1973:

IN THE ARMY

The following-named persons for reappointment in the active list of the Regular Army of the United States, from temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be colonel, Regular Army and colonel, Army of the United States

Duke, Russell A., [redacted]
Humphrey, James B., [redacted]

To be captain, Regular Army and captain, Army of the United States

Crane, Matthew J., [redacted]

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

To be major

Bugay, Glenn L., [redacted]
Quatannens, Louis S., [redacted]

To be captain

Bode, Donald D., Jr., [redacted]
Eckert, Richard E., [redacted]
Shegog, James H., [redacted]
Traylor, John A., [redacted]
Young, Timothy R., [redacted]

To be first lieutenant

Blakeslee, Don B., [redacted]
Blaney, Thomas D., [redacted]
Copley, John B., [redacted]
Curl, Walton W., [redacted]
Gandy, Charles E., III, [redacted]
Guinn, John W., III, [redacted]
Hansen, Mark F., [redacted]
Hayes, Brian E., [redacted]
Horne, Daniel W., III, [redacted]
Jones, Robert P., [redacted]
Mason, Richard M., [redacted]
Mooney, Darrel L., [redacted]
Moser, Richard P., Jr., [redacted]
Omeara, Thomas F., [redacted]
Pryor, James E., [redacted]
Roberts, Herbert R., [redacted]
Rollow, John A., IV, [redacted]
Rucker, Tinsley W., [redacted]
Ryan, John B., [redacted]
Schroeder, David E., [redacted]
Smith, David S., [redacted]
Warncke, Ronald M., [redacted]
Wheeler, Bruce R., [redacted]
Williams, Robert K., [redacted]

To be second lieutenant

Moore, John W. M., [redacted]
Roden, William C., [redacted]

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be captain

Albee, Donna J., [redacted]
Alderson, Gerald L., [redacted]
Antonini, Charles J., [redacted]
Arnold, Joseph V., [redacted]
Badger, Gary R., [redacted]
Bailey, Mary A., [redacted]
Baker, Kim J., [redacted]
Beauchamp, Roy E., [redacted]
Brillant, Eugene G., [redacted]
Brockschmidt, Fredric R., [redacted]
Cavaness, George R., [redacted]
Coats, Jacqueline W., [redacted]
Cuddy, John J., [redacted]
Divalentin, Anthony, III, [redacted]
Duckworth, James H., [redacted]
Furukawa, Theodore P., [redacted]
Gabriel, Donald E., [redacted]
Gensler, Ivonna, [redacted]
Hamilton, Robert A., Jr., [redacted]
Heacock, Edgar J., [redacted]
Houston, Brice E., [redacted]
Johnson, Ralph G., III, [redacted]
Johnson, Sandrah W., [redacted]
Lewis, John C., [redacted]
McGarry, Ann D., [redacted]
McManus, Michael D., [redacted]
McQuade, Michael J., [redacted]
Metcalf, Franklin L., [redacted]
Moore, Earnest R., [redacted]
Moses, Morris E., [redacted]
Pohlmann, Bernard H., [redacted]
Pope, Joe T., [redacted]
Rankin, Andrew W., [redacted]
Robertson, David H., [redacted]
Schmidt, William J., Jr., [redacted]
Staley, David H., Jr., [redacted]
Stankewitz, Charles G., [redacted]
Taylor, William S., [redacted]
Wehner, Robert J., [redacted]
Werner, Joan D., [redacted]
White, John R., [redacted]

To be first lieutenant

Anna, David J., [redacted]
Barrows, Paul L., [redacted]
Bednar, Carolyn S., [redacted]
Bell, Deborah A., [redacted]
Berry, George E., [redacted]
Birdsell, Carol J., [redacted]
Bories, Robert F., Jr., [redacted]
Buchheit, Joseph D., [redacted]
Bush, James D., [redacted]
Byrum, James W., [redacted]
Callan, Thomas E., [redacted]
Carr, Lawrence R., [redacted]
Dickerson, Michael D., [redacted]
Dismukes, Julian M., III, [redacted]
Dixon, Ernestine, [redacted]
Ellis, Ida R., [redacted]
Foster, Jean A., [redacted]
Franz, David R., [redacted]
Gaskill, Galynn E., [redacted]
Goethals, Gerald B., [redacted]
Graski, Susan L., [redacted]
Griffith, Harold L., [redacted]
Guttman, Linda, [redacted]
Haas, Larry D., [redacted]
Hamparian, Phyllis B., [redacted]
Herget, Craig N., [redacted]
Irons, Margaret J., [redacted]
Iungerich, Larry R., [redacted]
Jeglijewski, Judith M., [redacted]
Kehrer, James E., [redacted]
Kobasa, Daniel W., [redacted]
Kucera, Raymond P., [redacted]
Lambert, Alan E., [redacted]
Lewis, Jane L., [redacted]
Mader, Roy M., [redacted]
Maloney, John J., [redacted]
Meade, Francis J., [redacted]
Melson, James R., [redacted]
Muldoon, Terrance A., [redacted]
Mullins, Maureen, [redacted]
Muschewske, Robert C., [redacted]
Muskovin, Marie L., [redacted]
Newton, William G., [redacted]
Norris, Jimmy A., [redacted]
Norvell, Charles D., [redacted]
O'Neal, Georgia W., [redacted]
Padden, Terrance J., [redacted]
Puett, Leonard R., Jr., [redacted]
Puhlman, Richard J., [redacted]
Robbins, James H., [redacted]
Ross, Patricia W., [redacted]
Russell, Gladys H., [redacted]
Shoener, Linda M., [redacted]
Smith, Ben E., [redacted]
Smith, Pamela A., [redacted]
Specht, James, [redacted]
Stewart, Patricia L., [redacted]
Story, Dennis C., [redacted]

Strzelecki, Lorna R., [redacted].
Sweeney, Jane K., [redacted].
Swinger, Gary L., [redacted].
Trammell, Alan R., [redacted].
Tudor, William A., [redacted].
Tutt, James T., [redacted].
Vaught, Richard D., [redacted].
Wall, Evelyn L., [redacted].
Weaver, George, [redacted].
Webb, Joseph G., Jr., [redacted].
Wier, Carolyn R., [redacted].
Wika, Judith C., [redacted].
Wong, Elena Y. H., [redacted].

To be second lieutenant

Anderson, Timothy D., [redacted].
Boggess, George H., [redacted].
Corbin, Kathleen C., [redacted].
Daigle, Wade W., [redacted].
Edgecomb, Barbara L., [redacted].
Frank, Robert L., [redacted].
Gallaway, Barbara S., [redacted].
Maltas, Judy L., [redacted].
Menard, Edward J., [redacted].
Prucha, James F., [redacted].
Sadler, Freida J., [redacted].
Skaggs, Terree L., [redacted].
Sparks, Glenn E., Jr., [redacted].
Sullivan, Candice J., [redacted].
Taddiken, Patricia F., [redacted].
Walsh, Darleen F., [redacted].
Whitehead, David E., [redacted].

IN THE ARMY

The following-named officers for promotion in the Army of the United States under the provisions of Public Law 92-129.

MEDICAL CORPS

To be colonel

Ansbacher, Rudi, [redacted].
Arneson, Leslie A., [redacted].
Aton, James K., Jr., [redacted].
Bannister, Gary L., [redacted].
Bartelloni, Peter J., [redacted].
Benincaso, Frank V., [redacted].
Bezreh, Anthony A., [redacted].
Brott, Walter H., [redacted].
Bruckman, Joseph A., [redacted].
Cass, Kenneth A., [redacted].
Chamlian, Dikran L., [redacted].
Corby, Donald G., [redacted].
Diazball, Fernando, [redacted].
Dycaico, Armin G., [redacted].
Fagarason, Lawrence, [redacted].
Fearnow, Ronald G., [redacted].
Feltis, James M., Jr., [redacted].
Gimesh, John S., [redacted].
Greely, Robert L., [redacted].
Haas, John M., [redacted].
Hardee, Erasmus B., [redacted].
Hawes, William J., [redacted].
Hazlett, David R., [redacted].
Heydorn, William H., [redacted].
Hill, Paul S., [redacted].
Holtzapple, Kenneth, [redacted].
Hutton, John E., Jr., [redacted].
Isom, Lawrence E., [redacted].
Kopp, Albert A., [redacted].
Larsen, Lowell D., [redacted].
Lennox, Kenneth W., [redacted].
Lindefjeld, Ole A., [redacted].
Mansfield, John O., [redacted].
Mayfield, Gerald W., [redacted].
Mays, Edward E., [redacted].
McCarty, Richard J., [redacted].
Moore, William J., Jr., [redacted].
Park, Richard, [redacted].
Patterson, Joseph R., [redacted].
Pauling, Fred W. III, [redacted].
Reister, Henry C., [redacted].
Sakakini, Joseph, Jr., [redacted].
Scavarda, Angelo, [redacted].
Schamber, Dean T., [redacted].
Soriano, Franklin M., [redacted].
Stansifer, Philip D., [redacted].
Strader, Lorenzo D., [redacted].
Stuart, Richard B., [redacted].
Szymonski, Zdzislaw, [redacted].
Top, Franklin H., Jr., [redacted].
Ulisnik, Wayne R., [redacted].
Vilabalzac, Gilber, [redacted].
Virtue, Clarence M., [redacted].
Williamson, Harold, [redacted].
Winter, Philip E., [redacted].
Yhap, Edgar O., [redacted].
Zbylski, Joseph R., [redacted].

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298:

ARMY PROMOTION LIST

To be first lieutenant

Adams, Mitchell K., [redacted].
King, Richard C., Jr., [redacted].
Runge, Charles D., Jr., [redacted].

CONFIRMATIONS

Executive nominations confirmed by the Senate December 19, 1973:

DEPARTMENT OF TRANSPORTATION

Rodney Eugene Eyster, of Illinois, to be General Counsel of the Department of Transportation.

DEPARTMENT OF JUSTICE

Donald E. Walter, of Louisiana, to be U.S. attorney for the western district of Louisiana for the term of 4 years.

Denny L. Sampson, of Nevada, to be U.S. marshal for the District of Nevada for the term of 4 years.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Thomas D. Davies, of Ohio, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency.

DEPARTMENT OF STATE

Walter J. Stoessel, Jr., of California, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Helmut Sonnenfeldt, of Maryland, a Foreign Service officer of class 1, to be Counselor of the Department of State.

Robert J. McCloskey, of Maryland, a Foreign Service officer of class 1, to be an Ambassador at Large.

Arthur A. Hartman, of New Jersey, a Foreign Service officer of class 1, to be an Assistant Secretary of State.

Robert C. Hill, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

Lloyd I. Miller, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Trinidad and Tobago.

(The above nominations were approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

THE JUDICIARY

Herbert J. Stern, of New Jersey, to be U.S. district judge for the district of New Jersey.

HOUSE OF REPRESENTATIVES—*Wednesday, December 19, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*Blessed be the Lord God of Israel, for He has visited and redeemed His people * * * to give light to them that sit in darkness and * * * to guide our feet into the way of peace.*—Luke 1: 68, 79.

Eternal God, our Father, come Thou to new life within us as we worship Thee in spirit and in truth. Illumine our darkened lives with the light of Thy presence and prepare our minds with wisdom for the decisions we must make and the actions we must take. Purify our thoughts, strengthen our spirits, kindle anew within us the attitude of good will, and by Thy spirit fit us for Thy service as we serve our country in this forum of freedom and democracy.

Bless our country with Thy presence as together we seek to find our way through the crisis now upon us. May the oil of integrity and good will lubricate all our relationships and make our life as a nation more smoothly onward toward greater things.

Let Thy spirit rule among the nations that peace may be firmly established for the good of all by the goodness of all. So shall Christmas be a reality in our day.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On November 29, 1973:

H.R. 5777. An act to require that reproductions and imitations of coins and political items be marked as copies or with the date of manufacture;

H.R. 7582. An act to amend title 10, United States Code, to entitle the Delegates in Congress from Guam and the Virgin Islands to make appointments to the service academies;

H.R. 8187. An act to amend section 2031 (b)(1) of title 10, United States Code, to remove the requirement that a Junior Reserve Officer Training Corps unit at any institution must have a minimum number of physically fit male students;

H.R. 10366. An act to amend title 10, United States Code, to remove the 4-year limitation on additional active duty that a nonregular officer of the Army or Air Force may be required to perform on completion of training at an educational institution;

H.R. 10369. An act to amend title 37, United States Code, to provide entitlement to round trip transportation to the home port for a member of the uniformed services on permanent duty aboard a ship being inactivated away from home port whose dependents are residing at the home port; and

H.J. Res. 735. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy two citizens and subjects of the Empire of Iran.

On November 30, 1973:

H.R. 10937. An act to extend the life of the June 5, 1972, grand jury of the U.S. District Court for the District of Columbia.

On December 3, 1973:

H.R. 11104. An act to provide for a temporary increase of $10,700,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974.

On December 5, 1973:

H.R. 1353. An act for the relief of Toy Louie Lin Heong;

H.R. 1356. An act for the relief of Ann E. Shepherd;

H.R. 1367. An act for the relief of Bertha Alicia Sierra;

H.R. 1463. An act for the relief of Emilia Majowicz;

H.R. 1696. An act for the relief of Sun Hwa Koo Kim;

H.R. 1955. An act for the relief of Rosa Ines D'Elia;

H.R. 2513. An act for the relief of Jose Carlos Recalde Martorella;

H.R. 2628. An act for the relief of Anka Kosanovic;

H.R. 3207. An act for the relief of Mrs. Enid R. Pope;

H.R. 3754. An act for the relief of Mrs. Bruna Turni, Graziella Turni, and Antonello Turni;

H.R. 6334. An act to provide for the uniform application of the position classification and general schedule pay rate provisions of title 5, United States Code, to certain employees of the Selective Service System;

H.R. 6828. An act for the relief of Edith E. Carrera;

H.R. 6829. An act for the relief of Mr. Jose Antonio Trias;

H.R. 9575. An act to provide for the enlistment and commissioning of women in the Coast Guard Reserve, and for other purposes; and

H.R. 10840. An act to amend the act of August 4, 1950 (64 Stat. 411), to provide salary increases for members of the police force of the Library of Congress.

On December 6, 1973:

H.R. 9474. An act to amend title 38, United States Code, to increase the monthly rates of disability and death pensions and dependency and indemnity compensation, and for other purposes.

On December 8, 1973:

H.R. 1943. An act for the relief of Edgar P. Faulkner and Ray H. New;

H.R. 1949. An act for the relief of Hazel W. Lawson and Lloyd C. Johnson;

H.R. 2207. An act for the relief of Joseph C. Leeba;

H.R. 2213. An act for the relief of Cornelius S. Ball, Victor F. Mann, Jr., George J. Posner, Dominick A. Sgammato, and James R. Walsh;

H.R. 3044. An act for the relief of James Evans, publisher of the Colfax County Press, and Morris Odvarka;

H.R. 3530. An act for the relief of Eugenia C. Lyttle; and

H.R. 9276. An act for the relief of Luther V. Winstead.

On December 10, 1973:

H.R. 11710. An act to insure that the compensation and other emoluments attached to the Office of Attorney General are those which were in effect on January 1, 1969.

On December 11, 1973:

H.R. 4448. An act for the relief of 1st Lt. John P. Dunn, Army of the United States, retired; and

H.R. 7446. An act to establish the American Revolution Bicentennial Administration, and for other purposes.

On December 12, 1973:

H.R. 1328. An act for the relief of M. Sgt. Eugene J. Mikulenka, U.S. Army, retired;

H.R. 3751. An act for the relief of James E. Fry, Jr., and Margaret E. Fry;

H.R. 4175. An act for the relief of Manuel H. Silva; and

H.R. 8406. An act for the relief of William M. Starrs.

On December 13, 1973:

H.R. 7210. An act for the relief of George Downer and Victor L. Jones.

On December 14, 1973:

H.R. 1284. An act to amend title 5, United States Code, to improve the administration of the leave system for Federal employees.

On December 15, 1973:

H.R. 974. A act designating the Texarkana Dam and Reservoir on the Sulphur River as the "Wright Patman Dam and Lake";

H.R. 1694. An act for the relief of Ossie Emmons and others;

H.R. 3436. An act to provide for the conveyance of certain mineral rights in and under lands in Onslow County, N.C.;

H.R. 5379. An act for the relief of John B. Clayton;

H.R. 6007. An act for the relief of Swiff-Train Co.;

H.R. 6768. An act to provide for participation by the United States in the United Nations environment program;

H.R. 8528. An act to provide for increasing the amount of interest paid on the permanent fund of the U.S. Soldiers' and Airman's Home; and

H.R. 11324. An act to provide for daylight saving time on a year-round basis for a 2-year period, and to require the Federal Communications Commission to permit certain daytime broadcast stations to operate before local sunrise.

On December 18, 1973:

H.R. 3180. An act to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill and concurrent resolutions of the House of the following titles:

H.R. 11441. An act to postpone the implementation of the Headstart fee schedule;

H. Con. Res. 278. Concurrent resolution authorizing the printing of additional copies of the joint committee print "Soviet Economic Prospects for the Seventies";

H. Con. Res. 386. Concurrent resolution expressing the concurrence of the Congress in naming the nuclear-powered aircraft carrier CVN-70 as the U.S. ship *Carl Vinson;* and

H. Con. Res. 402. Concurrent resolution directing the Secretary of the Senate to make corrections in the enrollment of S. 1435.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 8449. An act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; and

H.R. 8529. An act to implement the shrimp fishing agreement with Brazil.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1435) entitled "An act to provide an elected Mayor and City Council for the District of Columbia, and for other purposes".

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1529. An act to authorize the Secretary of the Interior to enter into agreements with non-Federal agencies for the replacement of the existing American Falls Dam, Minidoka project, Idaho, and for other purposes;

S. 2166. An act to authorize the disposal of opium from the national stockpile; and

S. 2316. An act to authorize the disposal of copper from the national stockpile and the supplemental stockpile.

The message also announced that the Senate had receded from its amendment to the bill of the House of the following title:

H.R. 7352. An act to amend section 4082(c) of title 18, United States Code, to extend the limits of confinements of Federal prisoners.

The message also announced that the Senate had passed bills, joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 1868. An act to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome;

S. 2432. An act to establish a procedure assuring Congress the full and prompt production of information requested from Federal officers and employees.

S. 2794. An act to amend chapter 36 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to continue making educational assistance and subsistence allowance payments to eligible veterans and eligible persons during periods that the educational institutions in which they are enrolled are temporarily closed pursuant to a policy proclaimed by the President or because of emergency conditions;

S.J. Res. 182. Joint resolution extending the dates for the transmission of the 1974 Economic Report and the report of the Joint Economic Committee;

S. Con. Res. 30. Concurrent resolution to establish a procedure assuring Congress the full and prompt production of information requested from Federal officers and employees.

The message also announced that Mr. CASE was appointed as a conferee on the bill (H.R. 11771) entitled "An act making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes" in lieu of Mr. BROOKE, excused.

PERMISSION TO FILE CONFERENCE REPORT ON DEPARTMENT OF DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 11575, a bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-741)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11575) "making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 14, 25, 72, 73, 76, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 104, 105, 106, 107, and 113.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 5, 8, 16, 17, 18, 21, 22, 24, 29, 30, 31, 32, 33, 37, 38, 41, 46, 47, 48, 53, 54, 59, 60, 64, 65, 66, 69, 80, 82, and 108, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,109,950,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$98,482,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,649,394,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,087,131,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$327,879,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$340,837,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,033,250,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$445,810,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$563,266,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$219,233,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,504,294,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$514,250,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$800,700,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$461,690,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,722,700,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$800,700,000"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,204,200,000"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,393,300,000"; and the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,912,100,000"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,042,000,000"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

SEC. 735. During the current fiscal year upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $625,000,000 of the appropriations of funds available to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided,* That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated, and in no case where the item for which funds are requested has been denied by Congress: *Provided further,* That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

And the Senate agree to the same.

Amendment numbered 109: That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows: In lieu of the number stricken and inserted by said amendment insert "742"; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment, as follows: In lieu of the number stricken and inserted by said amendment insert "743"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment, as follows: In lieu of the number stricken and inserted by said amendment insert "744"; and the Senate agree to the same.

Amendment numbered 112: That the House recede from its disagreement to the amendment of the Senate numbered 112, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 745. No part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for the reprograming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprograming is requested has been denied by the Congress.

And the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

SEC. 746. None of the funds contained in this Act shall be used to furnish petroleum fuels produced in the continental United States to Southeast Asia for use by non-United States nationals.

And the Senate agree to the same.

Amendment numbered 115: That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment, as folows: In lieu of the matter proposed by said amendment insert:

TITLE VIII

DEFENSE MANPOWER COMMISSION

There is hereby appropriated the sum of $400,000 to the Defense Manpower Commission for use in carrying out the provisions of title VII of the Department of Defense Appropriation Authorization Act, 1974.

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 9, 13, 15, 23, 26, 27, 28, 34, 35, 36, 39, 44, 45, 49, 50, 51, 52, 55, 56, 58, 62, 71, 75, 78, and 79.

George Mahon,
Robert L. F. Sikes,
Daniel J. Flood,
Joseph P. Addabbo,
John J. McFall
(except as to amendment 77),
John J. Flynt, Jr.
(except as to amendment 77),
Robert N. Giaimo,
Jamie L. Whitten,
William E. Minshall,
Glenn R. Davis,
Louis C. Wyman,
Jack Edwards,
E. A. Cederberg
Managers on the Part of the House.

JOHN L. MCCLELLAN,
JOHN C. STENNIS,
JOHN O. PASTORE,
WARREN G. MAGNUSON,
STUART SYMINGTON,
MILTON R. YOUNG,
ROMAN L. HRUSKA,
NORRIS COTTON,
CLIFFORD P. CASE
(except as to amendment No. 1),
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11575), making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—MILITARY PERSONNEL

Military personnel, Army

Amendment No. 1.—Appropriates $7,109,950,000 instead of $7,131,437,000 as proposed by the House and $7,098,050,000 as proposed by the Senate.

The conferees are in agreement that a portion of the total reduction of $101,450,000 is to be allocated to specific items as contained in the House Report. The remaining portion of the reduction is to be allocated by the Army. The specific reductions are as follows: Armed Forces Entrance and Examining Station, $900,000; Graduate training, $6,739,000; Support of automatic data processing, $1,200,000; Air Defense Operations, $2,000,000; Parachute jump pay, $1,900,000; Race relations counselors, $750,000; and Career counselors, $1,182,000. Implementation of the parachute jump pay reduction can be deferred from February 1 to April 1, 1974 if the Army desires to do so.

The House has receded with respect to the Elimination of marginal performers, Project Transition, Cost of living allowance, and Permanent change of station travel. However, the conferees are in agreement that Project Transition shall be terminated prior to the end of fiscal year 1974, but no specific dollar limitation is applied during fiscal year 1974. The remaining specific House reductions are agreed to by the Senate.

The Senate agreed to restore $11,900,000 of the $17,000,000 deleted from the bill for Military Assistance to South Vietnam and Laos, making a total of $42,400,000 available for this purpose in this appropriation.

With respect to items of difference as contained in the reports but not reflected by dollar changes or amendments to the bill, the conferees are in agreement that the House report with respect to the following items shall be in effect: Promotion to the grade of captain (O–3), Discontinuation of pre-medical training for Academy cadets, Proficiency pay for shortage skills, Accounting and budgeting for permanent change of station moves, Application and use of the combat arms enlistment bonus, the consolidation of Race relations schools, and Medical training for active duty officers. The House receded with respect to the consolidation of chaplain schools and has also agreed that the Movement of household goods and automobiles to and from Alaska, Hawaii, and U.S. Possessions and Territories shall be conducted in a manner which provides the same privileges and benefits to military personnel moving to and from these locations as is provided to military personnel moving between any other locations in the United States. The House will request the General Accounting Office to conduct a review and study on the feasibility and cost of consolidating the individual service Chaplain schools.

Military personnel, Navy

Amendment No. 2.—Appropriates $5,271,350,000 as proposed by the Senate instead of $5,281,995,000 as proposed by the House.

The conferees are in agreement that a portion of the $84,250,000 reduction is to be allocated to specific items as contained in the House report. The remaining portion of the reduction is to be allocated by the Navy. The specific reductions are as follows: Career counselors, $930,000; Race relations counselors, $250,000; Intercultural relations counselors, $145,000; Graduate training, $5,578,000; Enlisted degree training, $6,800,000; Southeast Asia strength, $2,475,000; and Support to other Nations, $1,064,000.

The House has receded with respect to the Elimination of marginal performers, Cost of living allowance, Strategic Programs manning and the Numbers of dentists to be employed by the Navy. The remaining specific House reductions were agreed to by the Senate.

With respect to items of difference as contained in the reports but not reflected by dollar changes or amendments to the bill, the conferees are in agreement that the House Report with respect to the following items shall be in effect: Promotion to the grade of lieutenant (O–3), Discontinuation of pre-medical training for Midshipmen, Shortage specialty proficiency pay, Budgeting and accounting for permanent change of station moves, and the Consolidation of race relations schools. The conferees are in agreement that the Consolidation of chaplain schools should not be affected until further study has been conducted. The movement of household goods and automobiles to and from Alaska, Hawaii, and U.S. Territories and Possessions shall be conducted in a manner which provides the same privileges and benefits to military personnel moving to and from these locations as is provided to military personnel moving between any other location in the United States.

Amendment No. 3.—Reported in technical disagreement. The managers on the part of the House will offer a motion to agree to the Senate amendment which provides that "not to exceed $9,900,000 shall be available for transfer to appropriate accounts under this head for the fiscal years 1969, 1971, and 1972, but only in such amounts as necessary for payments to the Internal Revenue Service for unpaid withholding taxes, and the accounts in such fiscal years shall be adjusted accordingly." This language is necessary to enable the Navy to pay the Internal Revenue Service for withholding taxes withheld from the pay of military personnel but never paid to the Internal Revenue Service during fiscal years 1969, 1971 and 1972 because the appropriation for these years was reported in deficiency under Revised Statutes 3679 (31 U.S.C. 665).

Military personnel, Marine Corps

Amendment No. 4.—Appropriates $1,547,000,000 proposed by the Senate instead of $1,549,452,000 as proposed by the House.

The conferees are in agreement that a portion of the $8,800,000 reduction is to be allocated to specific items as contained in the House Report. The remaining portion of the reduction is to be allocated by the Marine Corps. The specific reductions are as follows: Career counselors, $585,000; and Graduate training, $852,000.

The House has receded with respect to the Elimination of marginal performers, Project Transition, Marine Corps personnel assigned outside the Department of Defense, and Cost of living allowance. However, the conferees are in agreement that Project Transition shall be terminated prior to the end of fiscal year 1974, but no specific dollar limitation is applied during fiscal year 1974. The remaining specific House reductions were agreed to by the Senate.

With respect to items of difference as contained in the reports but not reflected by dollar changes or amendments to the bill, the conferees are in agreement that the House report with respect to the following items shall be in effect: Promotion to the grade of captain (0–3), Shortage specialty proficiency pay, Accounting and budgeting for permanent change of station moves, Application and use of the combat arms enlistment bonus, and the Consolidation of race relations schools. The conferees are in agreement that the Movement of household goods and automobiles to and from Alaska, Hawaii, and U.S. Territories and Possessions shall be conducted in a manner which provides the same privileges and benefits to military personnel moving to and from these locations as is provided to military personnel moving between any other locations in the United States.

Military personnel, Air Force

Amendment No. 5.—Appropriates $6,863,350,000 as proposed by the Senate instead of $6,886,411,000 as proposed by the House.

The conferees are in agreement that a portion of the $69,150,000 reduction is to be allocated to specific items as contained in the House report. The remaining portion of the reduction is to be allocated by the Air Force. The specific reductions are as follows: Military personnel assigned outside the Department of Defense, $970,000; Race relations counselors, $250,000; Graduate training, $6,980,000; and Southeast Asia strength levels, $5,300,000.

The House has receded with respect to the Elimination of marginal performers, Project Transition, and Cost of living allowance. However, the conferees are in agreement that Project Transition shall be terminated prior to the end of fiscal year 1974, but no specific dollar limitation is applied during fiscal year 1974. The remaining specific House reductions were agreed to by the Senate.

With respect to items of difference as contained in the reports but not reflected by dollar changes or amendments to the bill, the conferees are in agreement that the House report with respect to the following items shall be in effect: Promotion to the grade of captain (0–3), Discontinuation of pre-medical training for academy cadets, Shortage special proficiency pay, Accounting and budgeting for permanent change of station moves, Consolidation of race relations schools, and Medical training for active duty officers. The House has receded with respect to the Consolidation of chaplain schools and has also agreed that the Movement of household goods and automobiles to and from Alaska, Hawaii, and U.S. Possessions and Territories shall be conducted in a manner which provides the same privileges and benefits to military personnel moving to and from these locations as is provided to military personnel moving between any other locations in the United States.

Reserve personnel, Army

The conferees are in agreement that the House portion with respect to the establishment of Junior Reserve Officers Reserve training programs (High School ROTC). The House had directed that no new programs be established until the units not meeting current enrollment criteria meet enrollment standards or are disestablished.

Reserve personnel, Navy

The conferees are in agreement that the portion of the reduction of $2,697,000 not previously allocated is to be allocated at the discretion of the Navy. House instructions with respect to establishment of new Junior ROTC units was agreed to. The conferees are in agreement that Phased Force Component Companies and Systems Analysis Divisions may be continued if adequate funds are available. While the House direction to phase out these units was not agreed to, the Navy is not precluded from phasing them out.

Reserve personnel, Air Force

The conferees are in agreement that the portion of the reduction of $12,338,000 not previously allocated is to be allocated at the discretion of the Air Force. House instructions with respect to establishment of new Junior ROTC units was agreed to.

TITLE III—OPERATION AND MAINTENANCE

Operation and maintenance, Army

Amendment No. 6.—Appropriates $98,482,000 instead of $93,382,000 as proposed by the House, and $104,582,000 as proposed by the Senate.

The conferees agreed that the House reduction of $3,000,000 applicable to air defense units should be sustained and that the immediate deactivation of these units should begin. The conferees also agreed that this position is applicable to the air defense units operated by the Army National Guard.

The conferees agreed that $3.1 million of the House reduction of $6.2 million for the Logistics Support System of the Army's Safeguard System should be restored. The conferees agreed that the restored funds can be used for contractual support of the Army's Safeguard Logistics and maintenance operations.

Amendment No. 7.—Appropriates $1,649,394,000 instead of $1,619,465,000 as proposed by the House, and $1,652,644,000 as proposed by the Senate. The House had deleted $6,500,000 for the revitalization of the Army's reenlistment program. The Senate restored these funds. The conferees agreed to restore $3,250,000.

Amendment No. 8.—Appropriates $310,178,000 as proposed by the Senate instead of $309,678,000 as proposed by the House.

Amendment No. 9.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $1,802,832,000 instead of $1,808,832,000 as proposed by the House, and $1,807,832,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to the House reduction of $10,000,000 for space-available travel and its position on this matter. The Senate had restored $5,000,000 of the House reduction.

Amendment No. 10.—Appropriates $1,087,131,000 instead of $968,531,000 as proposed by the House, and $1,087,831,000 as proposed by the Senate. The conferees agreed to the House reduction of $700,000 for degree-seeking training.

Amendment No. 11.—Appropriates $327,879,000 instead of $321,658,000 as proposed by the House, and $330,379,000 as proposed by the Senate. The House had reduced the Army request for reimbursement to the Post Office Department by $5,000,000. The Senate restored these funds. The conferees agreed that an additional $2.5 million would be sufficient.

Amendment No. 12.—Appropriates $340,837,000 instead of $414,237,000 as proposed by the House, and $262,337,000 as proposed by the Senate. The conferees agreed to restore $78,500,000 of the Senate reduction for MASF.

Amendment No. 13.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $6,214,697,000 instead of $6,133,747,000 as proposed by the House, and $6,153,747,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees concurred in the following changes recommended by the Senate and included in the various subdivisions of this appropriation:

Project Transition	+$1,200,000
Overseas dependent education	+127,500,000
Camouflage screens	+6,000,000
ADP leases	+800,000
Classified projects	−500,000
Energy conservation	−28,000,000
Executive development program	−1,500,000

In addition to the items in conference discussed under this appropriation, the Senate bill reflects a redistribution of House reductions among the various subdivisions of the appropriation. The adjustments are accommodated within the total appropriation.

Amendment No. 14.—The conferees agreed to delete language making the Secretary of the Army's determination final and conclusive upon the accounting officers of the Government.

Amendments Nos. 15, 28, 34, 45, and 52.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment permitting the transfer of three percent of the amount of any subdivision of this appropriation, but no subdivision may be increased by more than five percent.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Operation and maintenance, Navy

Amendment No. 16.—Appropriates $334,236,000 as proposed by the Senate, instead of the $335,566,000 as proposed by the House.

Amendment No. 17.—Appropriates $2,334,618,000 as proposed by the Senate, instead of the $2,371,731,000 as proposed by the House.

Amendment No. 18.—Appropriates $303,225,000 as proposed by the Senate, instead of the $304,935,000 as proposed by the House.

Amendment No. 19.—Appropriates $2,033,250,000 instead of $2,032,246,000 as proposed by the House, and $2,036,000,000 as proposed by the Senate. The conferees agreed to the House reduction of $5,500,000 for space-available travel.

Amendment No. 20.—Appropriates $445,810,000 instead of $423,822,000 as proposed by the House, and $451,793,000 as proposed by the Senate. The conferees agreed to the House reduction of $2,233,000 for degree-seeking training. The House reduced pilot training by $10,000,000 and the Senate restored $7,500,000. The conferees agreed that $3,750,000 for pilot training should be restored.

Amendment No. 21.—Appropriates $354,645,000 as proposed by the Senate, instead of $354,666,000 as proposed by the House.

Amendment No. 22.—Appropriates $177,285,000 as proposed by the Senate, instead of $178,353,000 as proposed by the House.

Amendment No. 23.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $6,004,950,000 instead of $6,023,200,000 as proposed by the House, and $6,013,683,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees concurred in the following changes recommended by the Senate and included in the various subdivisions of this appropriation.

Item	*Amount*
Project Transition	+$300,000
Overseas dependent education	+20,100,000
Sonobuoy support	+5,300,000
Classified projects	−2,100,000
Energy conservation	−43,800,000
Civilian financial management training	−1,800,000

In addition to the items in conference discussed under this appropriation, the Senate bill reflects a redistribution of House reductions among the various subdivisions of the appropriation. The adjustments are accommodated within the total appropriation.

Amendment No. 24.—The Senate inserted the citation of legislative authority of the Navy with regard to emergencies and extraordinary expenses. The House bill did not include this language. The House agreed to the Senate amendment.

Amendment No. 25.—The conferees agreed to include in the bill authority that the Secretary of the Navy may make payments from funds provided for emergencies and extraordinary expenses upon his certification that they are for confidential military purposes. The conferees further agreed to delete the language making the Secretary of the Navy's determination final and conclusive upon accounting officers of the government.

Amendments Nos. 26 and 27.—Reported in technical disagreement. The managers on the part of the House will offer motions to recede and concur in the Senate amendments.

The House bill included a provision that not more than $851,672,000 of the funds provided for the alteration, overhaul, and repair of naval vessels shall be available for performance of such work in Navy shipyards. The Senate amended the House language to provide that no less than the above amount would be available for such work in Navy shipyards and not less than $359,919,000 would be available for such work in private shipyards.

The conferees agreed that of the amounts contained in the Senate bill, $39,242,000 is included in the Operation and Maintenance, Navy Reserve appropriation.

Operation and maintenance, Marine Corps

Amendment No. 29.—Appropriates $212,374,000 as proposed by the Senate instead of $213,552,000 as proposed by the House.

Amendment No. 30.—Appropriates $101,254,000 as proposed by the Senate instead of $101,629,000 as proposed by the House.

Amendment No. 31.—Appropriates $66,486,000 as proposed by the Senate instead of $66,527,000 as proposed by the House.

Amendment No. 32.—Appropriates $29,642,000 as proposed by the Senate instead of $29,048,000 as proposed by the House.

Amendment No. 33.—Appropriates $410,645,000 as proposed by the Senate instead of $411,645,000 as proposed by the House.

The Marine Corps requested $750,000 for civilian pilot training in light aircraft during fiscal year 1974. The House reduced this request by $550,000 and directed the program be discontinued. The Senate concurred with the House reduction but recommended the program be continued using available funds within the appropriation. The conferees agreed with the House position that the program be discontinued. The conferees also concurred in the $1,000,000 Senate reduction for energy conservation.

In addition to the items in conference discussed under this appropriation, the Senate bill reflects a redistribution of House reductions among the various subdivisions of the appropriation. The adjustments are accommodated within the total appropriation.

Operation and maintenance, Air Force

Amendment No. 35.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $1,108,442,000 instead of $1,124,154,000 as proposed by the House and $1,117,192,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 36.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $1,006,832,000 instead of $1,014,091,000 as proposed by the House and $1,014,082,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 37.—Appropriates $530,843,000 as proposed by the Senate instead of $532,343,000 as proposed by the House.

Amendment No. 38.—Appropriates $177,530,000 as proposed by the Senate instead of $179,240,000 as proposed by the House.

Amendment No. 39.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $2,304,868,000 instead of $2,318,938,000 as proposed by the House and $2,311,568,000 as proposed by the Senate.

The Managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 40.—Appropriates $563,266,000 instead of $517,736,000 as proposed by the House and $563,713,000 as proposed by the Senate. The conferees agreed to the House reduction of $447,000 from the degree-seeking graduate training program.

Amendment No. 41.—Appropriates $215,882,000 as proposed by the Senate instead of $211,467,000 as proposed by the House.

Amendment No. 42.—Appropriates $219,233,000 instead of $256,733,000 as proposed by the House, and $150,033,000 as proposed by the Senate.

Amendment No. 43.—Appropriates $6,504,294,000 instead of $6,532,100,000 as proposed by the House, and $6,458,241,000 as proposed by the Senate.

The House reduced the Air Force request for civilian personnel strength by $9,020,000. The Senate restored $5,000,000 of this reduction. The conferees agreed that the amount to be restored should be $2,500,000. The reduction was applied equally to the strategic forces and the general purpose forces subdivisions.

The House reduced the Air Force request for space-available travel by $10,000,000. The Senate restored $5,000,000. The conferees agreed with the House position on this matter and applied the $10,000,000 reduction to the central supply and maintenance subdivision.

The House deleted the budget request of $3,400,000 for modification of B–52D aircraft. The Senate restored these funds. The conferees agreed that the amount to be restored should be $1,700,000. This reduction has been applied to the central supply and maintenance subdivision.

The House deleted the Air Force request of $3,500,000 for improvements to Command Data Buffer software, which is part of the Minuteman force modernization program. The Senate restored these funds. The conferees agreed to restore $2,000,000. The reduction of $1,500,000 was applied to the strategic forces subdivision.

The House reduced the Air Force's request for the flying hour program by $12,000,000. The Senate restored these funds. The conferees agreed that this reduction should be sustained and the Senate receded. The reduction was applied equally to the strategic forces and general purpose forces subdivisions.

The House reduced the Air Force request for the MASF program by $30,000,000. The Senate made a further reduction of $99,600,000. The conferees agreed to the restoration of $69,200,000. These funds are included in the support of other nations subdivision.

The conferees concurred in the following changes recommended by the Senate and included in the various subdivisions of this appropriation.

Item	*Amount*
Project transition	$484,000
Overseas dependent education	44,900,000
Energy conservation	—49,000,000

In addition to the items in conference discussed under this appropriation, the Senate bill reflects a redistribution of House reductions among the various subdivisions of the appropriation. The adjustments are accommodated within the total appropriation.

Amendment No. 44.—Reported in technical disagreement. The Senate bill included language that funds provided for emergencies and extraordinary expenses can be expended on the approval of the Secretary of the Air Force, and that payments may be made on his certificate that they are for confidential military purposes, and that his determination is final and conclusive upon the accounting officers of the Government.

The conferees agreed to delete the language making the Secretary of the Air Force determination final and conclusive upon the accounting officers of the Government.

Therefore, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment striking the prohibitive language.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Operations and maintenance, Defense agencies

Amendment No. 46.—Appropriates $49,749,000 as proposed by the Senate instead of $243,885,000 as proposed by the House. The conferees agreed that funds for overseas dependents education should be included in the appropriations of the Military Services as proposed by the Senate. The Department of Defense has agreed that funds for overseas dependents education will be included in the budget request for the Secretary of Defense activities in fiscal year 1975.

The Office of the Assistant Secretary of Defense for Intelligence had requested an increase of 30 new civilian employees in fiscal year 1974. The House allowed an increase of 15 employees. The Senate denied additional funds but stated the requested increase in staff for the Assistant Secretary for Intelligence was reasonable; and, in effect, restored the positions denied by the House. The conferees agreed to the House position which limited the increase to 15 civilian positions.

The Senate recommended that $750,000 of the funds provided for Secretary of Defense activities be used to establish the Defense Manpower Commission which was included in the fiscal year 1974 Defense Authorization Act. The conferees agreed to delete this language as Title VIII of the bill provides $400,000 for the Defense Manpower Commission.

Amendment No. 47.—Appropriates $20,320,000 as proposed by the Senate instead of $20,194,000 as proposed by the House.

Amendment No. 48.—Appropriates $148,149,000 as proposed by the Senate instead of $145,649,000 as proposed by the House.

Amendment No. 49.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $446,859,000 instead of $450,859,000 as proposed by the House, and $448,159,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House reduced the request of the Defense Intelligence Agency by $1,500,000 for contract studies to be made for the Assistant Secretary of Defense for Intelligence. The Senate restored these funds but reduced classified intelligence projects by $200,000 for a net increase of $1,300,000 in this budget activity.

The conferees agreed with the House reduction for intelligence contract studies and the Senate reduction for classified intelligence projects.

Amendment No. 50.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $1,454,898,000 instead of $1,650,408,000 as proposed by the House, and $1,456,198,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees concurred in the discontinuation of the United States Armed Forces Institute (USAFI) by May 31, 1974.

The conferees concurred in the following changes recommended by the Senate and included in the various subdivisions of this appropriation.

Item	*Amount*
Building maintenance	+$64,000
DIS-ADP capability expansion	+126,000
DMA-General reduction	+2,500,000
NSA-Employee and program reductions	−2,500,000

Amendment No. 51.—Reported in technical disagreement. The Senate reinserted language in the bill that funds provided for emergencies and extraordinary expense can be expended on the approval of the Secretary of Defense, and that payments may be made on his certificate that they are for confidential military purposes, and that his determination is final and conclusive upon the accounting officers of the Government. The conferees agreed to delete the language making the Secretary of Defense's determination final and conclusive upon the accounting officers of the government.

Therefore, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment striking such prohibitive language.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Operation and maintenance, Army Reserve

Amendment No. 53.—Appropriates $253,900,000 as proposed by the Senate instead of $255,000,000 as proposed by the House. The conferees agreed to an additional Senate reduction of $1,100,000 relating to energy conservation measures.

Operation and maintenance, Navy Reserve

Amendment No. 54.—Appropriates $170,750,000 as proposed by the Senate instead of $172,000,000 as proposed by the House. The conferees agreed to an additional Senate reduction of $1,250,000 relating to energy conservation measures.

Operation and maintenance, Air Force Reserve

Amendment No. 55.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $221,900,000 instead of $223,000,000 as proposed in the House, and $222,800,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Air Force Reserve requested an increase of 543 technicians for fiscal year 1974. The House reduced this request by 200 technicians and $2,400,000. The Senate restored 150 of these positions and $1,800,000. The confereees agreed to restore 75 positions and $900,000.

The House agreed to the Senate reduction of $2,000,000 for energy conservation in the Air Force Reserve operations.

Operation and maintenance, Army National Guard

Amendment No. 56.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating $524,400,000 instead of $524,000,000 as proposed by the House, and $523,839,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

As previously discussed, the conferees agreed to the House position relative to the deactivation of air defense units. The House reduced the National Guard, Army request for support of their air defense units by $3,000,000. The Senate restored these funds. The conferees agreed that $1,500,000 should be restored.

The Senate reduced funds for commercial bus transportation between home station and weekend training sites by $2,061,000. The conferees agreed to the restoration of these funds.

The House agreed to the Senate reduction of $1,100,000 for energy conservation.

Operation and maintenance, Air National Guard

Amendment No. 57.—Appropriates $514,250,000 instead of $510,500,000 as proposed by the Senate and $518,000,000 as proposed by the House.

The House reduced Guard technicians by $2,500,000 and 200 positions. The conferees agreed to restore $1,250,000 and 100 Guard technician positions.

The House provided $52,100,000 for POL products, a reduction of $3,800,000. The Senate provided $42,100,000 for an additional energy conservation reduction of $10,000,000. The conferees agreed to restore $5,000,000 of the Senate reduction and provide $47,100,000 for POL products.

Contingencies, Defense

Amendment No. 58.—Reported in technical disagreement. The House deleted $5,000,000 requested for contingencies. The Senate restored the House reduction and included language in the bill requiring a quarterly report to Congress of disbursements made under this appropriation.

The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment deleting the language requiring the submission of quarterly reports to Congress.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE IV—PROCUREMENT

Aircraft procurement, Army

Amendment No. 59.—Appropriates $138,400,000 as proposed by the Senate instead of $139,400,000 as proposed by the House.

The conferees agreed to a reduction of $1,000,000 in aircraft spares and repair parts as proposed by the Senate. The Senate had provided $13,200,000 for aircraft spares and repair parts while the House had provided $14,200,000.

With respect to the fiscal year 1973 procurement of U–X utility aircraft by the Army and CX–X utility aircraft by the Air Force, the conferees agreed that the funds already appropriated be held in abeyance until this program is rejustified to Congress.

Missile procurement, Army

Amendment No. 60.—Appropriates $525,100,000 as proposed by the Senate instead of $514,600,000 as proposed by the House.

The conferees agreed to provide $10,500,000 for the AN/TSQ–73 Air Defense Command and Control System. The House had deleted all funds for this system.

Procurement of ammunition, Army

Amendment No. 61.—Appropriates $784,300,000 instead of $676,100,000 as proposed by the Senate and $931,300,000 as proposed by the House.

The conferees agreed to restore the $29,800,000 reduction by the House for the 4.2-inch mortar proximity fuze.

The Senate proposed a $159,000,000 general reduction in ammunition. The conferees agreed to restore $90,000,000 of the Senate reduction, for a general reduction of $69,000,000 below the House version.

The House had provided $73,000,000 in ammunition for the Military Assistance Service Funded program, and the Senate reduced this amount by $26,000,000. The conferees agreed to restore $18,200,000 of the Senate reduction.

The conferees also agreed to a general reduction of $100,000,000, as proposed by the Senate, to be offset by the transfer of $100,000,000 from the Army Stock Fund.

Amendment No. 62. Reported in technical disagreement. The Managers on the part of the House will offer a motion to agree to the Senate amendment to the language in the bill transferring $100,000,000 from the Army Stock Fund.

Other procurement, Army

Amendment No. 63. Appropriates $461,690,000 instead of $460,590,000 as proposed by the Senate and $502,290,000 as proposed by the House.

The conferees agreed to Senate reductions of $1,000,000 in system maintenance training equipment, of $1,400,000 in operation equipment, a general reduction of $25,000,000, as well as an additional reduction of $12,500,000 based on the transfer of funds from a prior year account.

The Senate had reduced the Military Assistance Service Funded program by $1,800,000. The conferees agreed to restore $1,100,000 of the Senate reduction.

Amendment No. 64. The conferees agreed to the Senate deletion of the language in the bill providing $200,000 for reimbursement to the Military Assistance Program.

Amendment Nos. 65 and 66. The conferees agreed to the Senate language in the bill providing an additional $39,500,000, of which $20,500,000 shall be derived by transfer from the "Other Procurement, Army, 1972/1974" account. The House had provided an additional $27,000,000, of which $8,000,000 was to be derived from that account.

Aircraft procurement, Navy

Amendment No. 67. Appropriates $2,722,700,000 instead of $2,646,700,000 as proposed by the Senate and $2,785,200,000 as proposed by the House.

The conferees agreed to the Senate reduction of $10,500,000 in the A–4M Skyhawk aircraft program. The House had provided $64,100,000 for 24 such aircraft while the Senate provided $53,600,000 for 20 aircraft.

The conferees agreed to the Senate reduction of $11,000,000 in the A–6E Intruder aircraft program. The House had provided $127,200,000 for 15 such aircraft and the Senate $116,200,000 for 13 aircraft.

The conferees agreed to the Senate reduction of $22,000,000 in the A–7E Corsair II aircraft program. The House had provided $152,100,000 for 42 aircraft and the Senate $130,100,000 for 30 aircraft.

The conferees agreed to provide $401,400,000 for 45 S–3A Viking aircraft as proposed by the House. The Senate had proposed a reduction of 9 aircraft and $66,000,000 in the program.

The conferees agreed to provide $29,000,000 for T–2C Buckeye trainer aircraft. The House had provided $32,100,000 for 24 such aircraft and the Senate had provided $24,000,000 for 12 aircraft.

The conferees agreed to the Senate deletion of $4,900,000 for the medium transport aircraft.

The conferees agreed to restore the $5,000,000 Senate reduction in A–6 aircraft modifications. The funds thus restored are for pods for the Condor missile modification to the A–6 aircraft.

The conferees also agreed to the Senate reduction of $11,000,000 in aircraft spares and repair parts.

Weapons procurement, Navy

Amendment No. 68. Appropriates $800,700,000 instead of $834,700,000 as proposed by the Senate and $790,700,000 as proposed by the House.

The Senate had restored the House reduction of $14,100,000 in advance procurement funding for the Harpoon missile. The conferees agreed to restore the $14,100,000 in the Research, Development, Test, and Evaluation, Navy appropriation.

The conferees agreed to the House denial of $12,400,000 for the AGM–83A Bulldog missile. This was an unbudgeted item and the House report language prevails with respect to this missile program.

The House had provided $26,600,000 for the Fleet Satellite Communications System, while the Senate provided $44,100,000 for that program. The conferees agreed to provide $36,600,000 for this communications system.

Shipbuilding and conversion, Navy

Amendment No. 69. Appropriates $3,468,100,000 as proposed by the Senate instead of $3,453,800,000 as proposed by the House.

The conferees agreed to provide $29,300,000 in advance procurement funding for the Sea Control Ship as proposed by the Senate. The House had deleted all funds for this ship. The conferees further agreed that no funds are to be obligated for this program pending a study by the Surveys and Investigations Staff of the House Appropriations Committee, and until specific approval in writing has been granted by both the House and Senate Appropriations Committees.

The conferees also agreed to a Senate reduction of $15,000,000 in auxiliaries and craft.

Other procurement, Navy

Amendment No. 70. Appropriates $1,204,200,000 instead of $1,202,300,000 as proposed by the Senate and $1,261,000,000 as proposed by the House.

The conferees agreed to Senate reductions of $4,600,000 in the AN/BQQ–5 sonar; $600,000 in AN/BQS–13 improvements; $400,000 in communications and electronics items under $500,000; $500,000 in expendable bathythermograph systems; $1,900,000 in AN/WLR–6 (E to N) kits; $4,300,000 in All-Digital Attack Center; $1,200,000 in AN/SSQ–53 (DIFAR) sonobuoys; $2,000,000 in AN/SSQ–47 sonobuoys; and $500,000 in Personnel and Command Support items under $500,000.

The Senate had reduced the $7,500,000 requested for the Military Assistance Service Funded program by $2,700,000. The conferees agreed to restore $1,900,000 of the Senate reduction.

The conferees also agreed to the general reduction of $40,000,000 as proposed by the Senate.

Aircraft procurement, Air Force

Amendment No. 71. Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate

$2,720,400,000 instead of $2,470,900,000 as proposed by the Senate and $2,693,800,000 as proposed by the House. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide $70,100,000 for 24 A–7D Corsair II aircraft as proposed by the Senate, and $151,600,000 for 12 F–111F aircraft as proposed by the House.

The House had provided $764,000,000 for 68 F–15 aircraft, while the Senate had provided $714,000,000 for 60 such aircraft. The conferees agreed to provide $736,000,000 for 62 F–15 aircraft.

The conferees agreed to provide $69,300,000 for reimbursement to the Military Assistance Program—$28,300,000 from new budget authority and $41,000,000 derived from prior year funds transferred forward to fiscal year 1974.

The conferees agreed to provide $7,600,000 for the E–3A AWACS aircraft program. The Senate had provided the $11,700,000 requested, while the House had deleted all the funds.

The conferees agreed to provide $32,300,000 for a fourth E–4A Advanced Airborne National Command Post aircraft as proposed by the Senate. The House had deleted the funds requested. The conferees are in agreement that no further 747 aircraft are to be budgeted for this program until the command-control-communications electronics package has completed development and has been thoroughly tested, along with the required electromagnetic pulse tests, utilizing the test bed aircraft funded by Congress in fiscal year 1973.

The conferees agreed to provide $38,100,000 for B–52D structural modifications. The Senate had provided $46,400,000 and the House had provided $29,800,000 for this modification effort.

The conferees agreed to provide $535,700,000 for aircraft spares and repair parts as proposed by the Senate instead of $573,700,000 as proposed by the House.

The House had provided $240,700,000 for the Military Assistance Service Funded program, and the Senate had reduced this amount by $85,700,000. The conferees agreed to restore $60,000,000 of the Senate reduction.

None of the agreed to reduction of $25,700,000 in the Military Assistance Service Funded program is to be applied against the reimbursement to the Military Assistance Program involving the transfer of F–5A aircraft to South Vietnam or against the F–5E aircraft program.

Amendments Nos. 72 and 73. Under Amendment No. 72, the conferees agreed to the House language in the bill making available $28,300,000 for reimbursement to the appropriation "Military Assistance." Under Amendment No. 73, the conferees agreed to the House language in the bill making available $41,000,000 of the funds transferred for reimbursement to the appropriation "Military Assistance."

Missile procurement, Air Force

Amendment No. 74. Appropriates $1,393,300,000 instead of $1,395,800,000 as proposed by the Senate and $1,371,500,000 as proposed by the House.

With respect to the AQM–34 drone modification program, the conferees agreed to provide $6,600,000 in this appropriation and to provide $2,500,000 in the Research, Development, Test and Evaluation, Air Force appropriation. The conferees further agreed that none of the $6,600,000 is to be obligated until the prototype has successfully completed its test program.

The conferees agreed to the Senate reduction of $5,000,000 in missile spares and repair parts. The Senate had provided $39,100,000 and the House had provided $44,100,000.

The conferees agreed to provide $30,100,000 for the Satellite Data System as proposed by the Senate instead of $13,100,000 as proposed by the House.

With respect to the Air Force Satellite Communications System, the conferees agreed to provide $3,200,000 as proposed by the Senate. The House had deleted the $4,300,000 requested for this communications system.

Other procurement, Air Force

Amendment No. 75. Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $1,542,700,000 instead of $1,589,300,000 as proposed by the Senate and $1,605,600,000 as proposed by the House. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to delete the $11,800,000 requested for laser bomb kits as proposed by the House. The Senate had provided the funds requested.

The conferees agreed to Senate reductions of $11,300,000 for CBU–52 cluster bombs; $7,000,000 for CBU–58 cluster bombs; $3,000,000 for relocatable classrooms; $10,000,000 for special support projects; $1,500,000 for special projects/processing techniques; $2,900,000 for the Air Force Technical Application Center; and $5,000,000 for replenishment spares.

The conferees agreed to delete the $26,200,000 requested for the SLBM phased array radar and the $3,800,000 requested for the Continental Operations Range as proposed by the House. Both programs are under study by the Surveys and Investigations Staff of the House Appropriations Committee.

The conferees agreed to a general reduction of $18,100,000.

The House had provided $38,500,000 for the Military Assistance Service Funded program, and the Senate reduced this amount by $13,700,000. The conferees agreed to restore $9,600,000 of the Senate reduction.

Procurement, Defense agencies

Amendment No. 76. Appropriates $66,000,000 as proposed by the House instead of $66,280,000 as proposed by the Senate.

The House had deleted $1,200,000 for the purchase of commercial passenger vehicles and the Senate had restored $280,000 of the House reduction. The conferees agreed to delete all funds for these vehicles.

Military assistance service funded program

House Report No. 93–662, page 150, directed that the Military Assistance Service Funded Program be returned to the Military Assistance Program budget beginning in fiscal year 1975.

Senate Report No. 93–617, pages 25 and 26, agreed that military assistance to Laos and South Vietnam should revert to the Military Assistance Program as soon as practicable. However, the Senate report directed that only Laos be transferred to the Military Assistance Program effective with the fiscal year 1975 budget.

The conferees agreed that military assistance to South Vietnam revert to the Military Assistance budget beginning in fiscal year 1976. This applies to all appropriations.

TITLE V—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Research, development, test, and evaluation, Army

Amendment No. 77—Appropriates $1,912,100,000 instead of $1,866,458,000 as proposed by the House and $1,915,908,000 as proposed by the Senate.

The managers are in agreement on reductions as proposed by the Senate of $250,000 in In-house laboratory independent research, of $2,000,000 in Defense research sciences, of $1,000,000 in General medical investigations, of $1,200,000 in General chemical investigations, of $500,000 in Combat development investigations, and of $1,000,000 in Missile technology.

The conference agreement provides $110,000,000 for continued development of the Site Defense antiballistic missile system instead of $135,000,000 proposed by the Senate. The managers are in agreement on the provision of $23,900,000 for Exploratory ballistic missile defense as proposed by the Senate and $37,700,000 for Advanced ballistic missile defense as proposed by the Senate.

The managers are in agreement on the appropriation of $410,000 as proposed by the Senate instead of $2,210,000 as proposed by the House for the AN/TSQ–73 Air Defense Command and Control System.

The conference agreement provides $193,829,000, the full amount budgeted, for continued development of the SAM–D antiaircraft missile system as proposed by the House.

The conference agreement provides an additional $3,000,000 for the High Energy Laser program of the Army as proposed by the Senate. The House had proposed a reduction of this amount.

The House managers receded from the position of the House in providing $10,000,000 in the RDT&E appropriation for Mortar proximity fuse. This fuse is funded in the Procurement appropriation.

The Senate managers receded on the Senate increase of $900,000 for Cryptologic Activities.

The conference agreement provides $3,490,000 for development of Remotely piloted vehicles and drones instead of $3,990,000 as proposed by the Senate and $2,990,000 as proposed by the House.

The Managers agreed on the restoration of the $1,000,000 reduction proposed by the House in the Irradiated food program.

The Managers agreed on the reduction of $1,000,000 as proposed by the Senate in Petroleum, oil, and lubricants utilized in support of programs funded in this account.

Amendment No. 78.—Reported in technical disagreement. The Managers on the part of the House will offer a motion to provide $3,500,000 to be derived by transfer as proposed by the Senate.

Research, development, test, and evaluation, Navy

Amendment No. 79.—Reported in technical disagreement. The Managers on the part of the House will offer a motion to appropriate $2,651,805,000 for the research, development, test, and evaluation program of the Navy instead of $2,616,065,000 as proposed by the House and $2,647,945,000 as proposed by the Senate. The Managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The increase above the House and Senate figures is a result of an agreement to fund $14,100,000 requested for the Harpoon missile program in the RDT&E appropriation rather than in the Procurement appropriation where it was requested.

With regard to the Center for Naval Analyses, the managers are in agreement on the provision of $700,000 for Marine Corps studies instead of the $1,000,000 proposed by the Senate and on the provision of $6,500,000 for Navy studies instead of $5,500,000 as proposed by the House and $7,140,000 as proposed by the Senate.

The conference agreement provides for a $2,000,000 reduction in Acoustic search sensors as proposed by the Senate.

The conference agreement provides $8,300,000 for the continuation of the Project Sanguine submarine communications program. The funds provided are to be available for continuation of effort at the Wisconsin test facility and none of the funds are to be applied to any full scale development efforts.

The Senate recedes on reductions of $1,-

500,000 each in the Gryphon communication system and the Hydrus communication system.

The Managers are in agreement on the provision of $4,700,000 for the Phalanx program as proposed by the House instead of the $3,700,000 proposed by the Senate.

The conference agreement provides $523,000,000 for the development of the Trident missile system instead of $517,000,000 as proposed by the House and $529,000,000 as proposed by the Senate. The managers insist on the greatest degree possible of break-out and competition on the various components of this system.

The House Managers agreed on the reduction of $700,000 in the AN/SQS–26 sonar program as proposed by the Senate.

The conference agreement includes the reduction of $1,000,000 proposed in the Cryptologic Activities program as proposed by the House.

The House managers agreed to the restoration of $2,000,000 in Special Activities as proposed by the Senate making a total of $127,700,000 available.

The conference agreement includes Senate reductions of $2,000,000 in Marine gas turbines, $2,720,000 in Advance submarines, $1,000,000 in Ship development, and $2,500,000 in Acoustic communications.

The Managers agreed on a reduction of $2,300,000 in Undersea Surveillance instead of the $4,300,000 reduction proposed by the Senate. Thus, $36,300,000 is provided instead of $38,600,000 as proposed by the House and $34,300,000 as proposed by the Senate.

The Managers are in agreement on the reduction of $3,000,000 proposed by the Senate in Support technology.

The conference agreement includes $2,500,000 for Manpower effectiveness as proposed by the Senate and $7,450,000 for Environmental protection as proposed by the Senate.

The conference agreement includes $43,400,000 for Special Processes, an increase of $28,600,000 as proposed by the Senate.

The Managers are in agreement on a reduction of $8,600,000 for ASW surveillance as proposed by the Senate making $23,000,000 available for this program in fiscal year 1974.

The Managers are in agreement on the reduction of $1,400,000 in Petroleum, oil and lubricants utilized in this appropriation as proposed by the Senate.

The Managers are in agreement that none of the funds provided in this act shall be available for efforts to contract out the operation of the Pacific Missile Range. The Managers are in agreement with the House position that the Navy shall continue to operate the Pacific Missile Range with government, military and civilian personnel.

The Managers are in agreement with the direction in the House Report that $23,200,000 of fiscal year 1973 funds for the Phalanx program be funded by transfers through the reprogramming process.

Amendment No. 80.—The Managers are in agreement on the inclusion of the language as proposed by the Senate prohibiting the use of funds in this appropriation for full scale development of Project Sanguine.

Research, development, test, and evaluation, Air Force

Amendment No. 81.—Appropriates $3,042,000,000 instead of $2,998,000,000 as proposed by the House and $3,057,000,000 as proposed by the Senate.

The Managers are in agreement on an increase of $14,400,000 for Intelligence Satellite efforts. This amount had been deleted by the House. A corresponding reduction is made in the "Other Procurement, Air Force" appropriation.

The Managers are in agreement on a reduction of $1,000,000 in the Materials program as proposed by the Senate.

The conference agreement provides $11,000,000 for the Subsonic Cruise Armed Decoy program as proposed by the Senate instead of $5,000,000 as proposed by the House.

The managers have agreed on the appropriation of $25,000,000 for the Advanced Medium STOL Transport development program instead of $65,200,000 as proposed by the Senate. The House deleted all funds for this program.

The conference agreement provides $6,500,000 for aircraft equipment development as proposed by the Senate instead of $8,000,000 as proposed by the House, a reduction of $1,500,000.

The conference agreement includes $107,400,000 as proposed by the House for the A–10 aircraft development program instead of $97,400,000 as proposed by the Senate.

The managers are in agreement on a reduction of $1,000,000 in funding for the Western Test Range as proposed by the Senate.

The conference agreement includes $10,700,000 for the Satellite System for Precise Navigation as proposed by the Senate instead of $3,500,000 as proposed by the House. This agreement is based on assurances given by the Department of Defense that the navigation satellite programs of the Department of Defense in all services are to be closely coordinated and that other duplicative systems will be eliminated.

The Senate managers receded on the deletion of $2,500,000 for the AQM–34 tactical drone program proposed by the Senate.

The conference agreement includes $27,300,000 for the Advanced Airborne Command Post program as proposed by the Senate instead of $33,100,000 as proposed by the House.

The Managers are in agreement on the appropriation of $6,700,000 for Drones and remotely piloted vehicles instead of $5,000,000 as proposed by the House and $8,400,000 as proposed by the Senate.

The managers agreed to the deletion of $1,000,000 in Petroleum, oil and lubricants as proposed by the Senate.

Research, development, test, and evaluation, Defense agencies

Amendment No. 82.—Appropriates $457,900,000 as proposed by the Senate instead of $461,400,000 as proposed by the House. The managers are in agreement on all specific reductions made by the House and by the Senate. The unspecified reductions are to be applied to the various Defense Agencies as determined by the Secretary of Defense.

TITLE VI—SPECIAL FOREIGN CURRENCY PROGRAM

Amendment No. 83.—Makes the $2,600,000 appropriated for the Special Foreign Currency program available until June 30, 1975 as proposed by the House instead of June 30, 1976 as proposed by the Senate.

TITLE VII—GENERAL PROVISIONS

Amendment No. 84.—Section 718.—The conferees agreed to House language placing a limitation on the numbers of non-high school graduates and mental category IV enlistees who can be accepted for military service during fiscal year 1974.

Amendments Nos. 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, and 100.—Change section numbers.

Amendment No. 101.—Section 735.—Provides general transfer authority of $625,000,000 instead of $500,000,000 as proposed by the House and $750,000,000 as proposed by the Senate.

The managers agreed to House language placing restrictions on the use of this transfer authority.

Amendments Nos. 102, 103, 104, 105, 106, and 107.—Change section numbers.

Amendment No. 108.—Section 742.—The conferees agreed to delete the provision proposed by the House with respect to the imposition of strength limitations for officer personnel (0–4 through 0–10). The conferees agree that the reductions proposed by the House are reasonable in view of the overall mandated strength reduction imposed by the fiscal year 1974 authorizing legislation (P.L. 93–155) and this bill. The conferees direct the strength reduction for officers imposed in the House version be complied with by the military services during fiscal year 1974 pending enactment of revised officer personnel management legislation. The managers agreed to not include the provision in the law pending the enactment of similar legislation through the legislative committees.

Amendments Nos. 109, 110, and 111.—Change section numbers.

Amendment No. 112.—Section 745.—Changes section number and includes language proposed by the House which prohibits the reprogramming of funds for items which have been denied by Congress or the reprogramming of funds from higher priority items to lower priority items.

Amendment No. 113.—The conferees agreed to delete the provision proposed by the Senate with respect to the provision of special education training and therapy for handicapped children.

Amendment No. 114.—Section 746.—Changes section number and inserts language proposed by the Senate, with amendment to prohibit the furnishing of petroleum fuels produced in the United States to Southeast Asia except for United States Nationals in Southeast Asia.

TITLE VIII—DEFENSE MANPOWER COMMISSION

Amendment No. 115.—Senate provided new title making additional appropriations of $750,000 for the Defense Manpower Commission. The conferees agreed to the new title but reduced the proposed appropriation to $400,000.

GEORGE MAHON,
ROBERT L. F. SIKES,
DANIEL J. FLOOD,
JOSEPH P. ADDABBO,
JOHN J. MCFALL
(except as to amendment No. 77),
JOHN J. FLYNT, Jr.
(except as to amendment No. 77),
ROBERT N. GIAIMO,
JAMIE L. WHITTEN,
WILLIAM E. MINSHALL,
GLENN R. DAVIS,
LOUIS C. WYMAN,
JACK EDWARDS,
E. A. CEDERBERG,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
JOHN C. STENNIS,
JOHN O. PASTORE,
WARREN G. MAGNUSON,
STUART SYMINGTON,
MILTON R. YOUNG,
ROMAN L. HRUSKA,
NORRIS COTTON,
CLIFFORD P. CASE
(except as to amendment No. 1),
Managers on the Part of the Senate.

PERMISSION TO CONSIDER CONFERENCE REPORT IN DEPARTMENT OF DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on tomorrow or any day thereafter to consider the conference report on H.R. 11575, a bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON FOREIGN ASSISTANCE ACT APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 11771, a bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Conference Report (H. Rept. No. 93–742)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11771) "making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 12, 14, 19, 20, 40, 42, 43, 46, 47, 50, and 52.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 7, 9, 11, 16, 17, 22, 25, 29, 32, 33, 34, 35, 39, 45, and 49, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$284,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$135,000,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "*Provided further*, That not more than $112,500,000 appropriated or made available under this Act shall be used for the purposes of section 291 during the current fiscal year.".

And the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$89,000,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$40,500,000"; and the Senate agree to the same.

Amendment numbered 10; That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$36,500,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$125,000,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$7,500,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum named by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

"Contingency fund: For necessary expenses, $15,000,000, to be used for the purposes set forth in section 451."; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$40,000,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$450,000,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$450,000,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$112,500,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

"OVERSEAS PRIVATE INVESTMENT CORPORATION

"The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $10,000 for entertainment allowances), and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the program set forth in the budget for the current fiscal year.

"Overseas Private Investment Corporation, reserves: For expenses authorized by section 235(f), $25,000,000, to remain available until expended."; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$50,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 15, 36, 37, 38, 44, 48, 51, 53, and 54.

Otto E. Passman,
John J. Rooney,
Clarence D. Long,
Edward R. Roybal,
Sidney R. Yates,
Bill Chappell,
John J. McFall,
George Mahon,
Garner E. Shriver,
Silvio O. Conte,
Lawrence Coughlin,
E. A. Cederberg,
Managers on the Part of the House.

Daniel K. Inouye,
William Proxmire,
Gale McGee,
Lawton Chiles,
Mark O. Hatfield,
Charles McC. Mathias, Jr.,
Clifford P. Case
(except as to amendments
44, 46 and 47),
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11771) making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—FOREIGN ASSISTANCE ACT ACTIVITIES

FUNDS APPROPRIATED TO THE PRESIDENT

Economic Assistance

Amendment No. 1: Food and nutrition, Development Assistance: Appropriates $284,000,000 instead of $277,000,000 as proposed by the House and $291,000,000 as proposed by the Senate.

Amendment No. 2: Deletes language proposed by the House which would have provided that no grants made available to carry out the purposes of this paragraph should have been used to initiate any project or activity which had not been justified to the Congress.

Amendment No. 3: Population planning and health, Development Assistance: Appropriates $135,000,000 instead of $125,000,000 as proposed by the House and $145,000,000 as proposed by the Senate.

Amendment No. 4: Deletes language proposed by the House which would have provided that no grants made available to carry out the purposes of this paragraph should have been used to initiate any project or activity, except those under title X, which had not been justified to the Congress.

Amendment No. 5: Restores language proposed by the House amended to place a $112,500,000 ceiling on the funds for population programs for the current fiscal year instead of $100,000,000 as proposed by the House. The managers agree that this provision eliminates any requirement to restrict the use of any other funds this fiscal year or to carry over unprogrammed funds from one fiscal year into the next for the purpose of funding the population program in compliance with certain existing legislation.

Amendment No. 6: Education and human resources development, Development Assistance: Appropriates $89,000,000 instead of $88,000,000 as proposed by the House and $90,000,000 as proposed by the Senate.

Amendment No. 7: Deletes language proposed by the House which would have provided that no grants made available to carry out the purposes of this paragraph should have been used to initiate any project or activity which had not been justified to the Congress.

Amendment No. 8: Selected development problems, Development Assistance: Appropriates $40,500,000 instead of $52,000,000 as proposed by the House and $29,000,000 as proposed by the Senate.

Amendment No. 9: Deletes language proposed by the House which would have provided that no grants made available to carry out the purposes of this paragraph should have been used to initiate any project or activity which had not been justified to the Congress.

Amendment No. 10: Selected countries and organizations, Development Assistance: Appropriates $36,500,000 instead of $38,000,000 as proposed by the House and $35,000,000 as proposed by the Senate.

Amendment No. 11: Deletes language proposed by the House which would have provided that no grants made available to carry out the purposes of this paragraph should have been used to initiate any project or activity which had not been justified to the Congress.

Amendment No. 12: Limitation on grants, Development Assistance: Places a limitation on grants of $300,000,000 as proposed by the House instead of $340,000,000 as proposed by the Senate.

Amendment No. 13: International organizations and programs: Appropriates $125,000,000 instead of $105,000,000 as proposed by the House and $127,822,000 as proposed by the Senate.

Amendment No. 14: Earmarks $15,000,000 for the United Nations Children's Fund as proposed by the House instead of $18,000,000 as proposed by the Senate.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter proposed by the Senate, insert the following:

"and of which $14,300,000 shall be available only for the United Nations Relief and Works Agency"

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Managers wish to make it perfectly clear that the reduction of this item in no way reflects a lack of support of the United Nations Relief and Works Agency by the conference committee. The amount earmarked in the Act is $14,300,000 which is the budget request for this Agency and unless this earmarking was reduced to the budget request from $36,500,000 proposed by the Senate, serious reductions would have to have been made in the other United Nations' programs covered under this paragraph.

The Managers acknowledge the United Nations Relief and Works Agency's current deficit which was brought about because of increased operating costs, dollar devaluation and especially recent hostilities in the area.

Although the United States contribution amounts to almost 50 percent of UNRWA's entire resource budget, the Managers agree that the respective committees will give most careful and sympathetic consideration to any future budget requests that may be made to adequately provide for this most deserving and strongly supported program.

It should be noted that an additional $2,000,000 is made available through a separate appropriation for the vocational training of Arab refugees.

Amendment No. 16: Deletes language proposed by the House which would have provided that no part of the appropriation should have been used to initiate any project or activity which had not been justified to the Congress.

Amendment No. 17: Deletes language proposed by the House which would have provided that none of the funds appropriated or made available pursuant to this Act should have been used to supplement the funds provided to the United Nations Development Program in fiscal year 1973.

Amendment No. 18: United Nations Environment Fund: Appropriates $7,500,000 instead of $5,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

Amendment No. 19: American schools and hospitals abroad: Appropriates $19,000,000 as proposed by the House instead of $10,000,000 as proposed by the Senate.

Amendment No. 20: Deletes language proposed by the Senate which would have provided that the amount appropriated under this paragraph should not have been used to furnish assistance to more than four institutions in the same country.

The managers agree that only projects which have been previously approved or are now on-going projects should be funded from this account. The managers also agree that not more than six new projects which have been previously approved should be started during this fiscal year and not more than two of these new starts should be located in any one country.

Amendment No. 21: National Association of the Partners of the Americas, Inc.: Appropriates $750,000 instead of $934,000 as proposed by the Senate.

In agreeing upon the separate $750,000 appropriation for the Partners of the Americas, the managers on the part of the Senate and the House of Representatives concur that this program should, as was originally agreed, be funded solely from non-government sources after fiscal year 1976.

Amendment No. 22: Albert Schweitzer Hospital: Appropriates $1,000,000 as proposed by the Senate.

Amendment No. 23: Contingency fund: Appropriates $15,000,000 instead of $30,000,000 as proposed by the House and restores the appropriation language. The Senate deleted this item.

The managers agree that the contingency fund should be used to provide assistance *primarily* for disaster relief purposes as indicated in the authorizing legislation. The managers believe funds have been too liberally allocated from this fund and should be better controlled.

Amendment No. 24: Administrative expenses: Appropriates $40,000,000 instead of $45,000,000 as proposed by the House and $24,000,000 as proposed by the Senate.

In approving $40,000,000 for AID Administrative Expenses, the managers on behalf of the Senate and House are agreed that there shall be no transfers from any other AID account to fund activities, programs, projects or other operations heretofore funded from the Administrative Expenses appropriation or any transfer of activities, programs, projects, personnel or other operations heretofore funded from the Administrative Expenses appropriation to funding from any other account.

Amendment No. 25: Administrative and other expenses: Appropriates $4,800,000 as proposed by the Senate instead of $5,432,000 as proposed by the House.

Military Assistance

Amendment No. 26: Appropriates $450,000,000 instead of $500,000,000 as proposed by the House and $300,000,000 as proposed by the Senate.

Indochina Postwar Reconstruction Assistance

Amendment No. 27: Appropriates $450,000,000 instead of $500,000,000 as proposed by the House and $400,000,000 as proposed by the Senate.

Security Supporting Assistance

Amendment No. 28: Appropriates $112,500,000 instead of $125,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

Amendment No. 29: Deletes language proposed by the House which would have provided that no part of the appropriation should have been used to initiate any project or activity which had not been justified to the Congress.

Overseas Private Investment Corporation

Amendment No. 30: Appropriates $25,000,000 instead of $50,000,000 as proposed by the House and restores the appropriation language. The Senate denied this item.

Inter-American Foundation

Amendment No. 31: Places a limitation on obligations of $10,000,000 instead of $7,500,000 as proposed by the House and $12,500,000 as proposed by the Senate.

GENERAL PROVISIONS

Amendment No. 32—Section 108: Deletes the word "amendment" and substitutes the word "section" as proposed by the Senate.

Amendment No. 33—Section 111: Deletes language proposed by the House which would have provided that no part of any appropriations contained in this Act would have been used to provide assistance to Ecuador unless the President determined that the furnishing of such assistance was important to the national interest of the United States.

Amendment No. 34—Section 112: Deletes language proposed by the House which would have provided that the funds appropriated or made available pursuant to this Act should have been available notwithstanding the provisions of section 10 of Public Law 91–672 and notwithstanding the provisions of section 655(c) of the Foreign Assistance Act of 1961, as amended.

Amendment No. 35—Section 111: Conforms section number.

Amendment No. 36—Section 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which is as follows:

"SEC. 112. None of the funds appropriated or made available pursuant to this Act, and no local currencies generated as a result of assistance furnished under this Act, may be used for the support of police, or prison construction and administration within South Vietnam, for training, including computer training, of South Vietnamese with respect to police, criminal, or prison matters, or for computers, or computer parts for use for South Vietnam with respect to police, criminal, or prison matters."

Amendment No. 37—Section 113: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which is as follows:

"SEC. 113. It is the sense of the Congress that excess foreign currencies on deposit with the United States Treasury, having been acquired without the payment of dollars, should be used to underwrite local costs of United States foreign assistance programs to the extent to which they are available. Therefore, none of the funds appropriated by this title shall be used to acquire, directly or indirectly, currencies or credits of a foreign country from non-United States Treasury sources when there is on deposit in the United States Treasury excess currencies of that country having been acquired without payment of dollars."

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by the Senate insert the following:

Sec. 114. None of the funds made available under this Act for "Food and Nutrition, Development Assistance," "Population Planning and Health, Development Assistance," "Education and Human Resources Development, Development Assistance," "Selected Development Problems, Development Assistance," "Selected Countries and Organizations, Development Assistance," "International Organizations and Programs," "American Schools and Hospitals Abroad," "International Narcotics Control," "Indochina postwar reconstruction assistance," "Security supporting assistance," "Military assistance," or "Migration and refugee assistance" shall be available for obligation for activities, programs, projects, countries, or other operations unless the Committees on Appropriations of the Senate and House of Representatives are previously notified five days in advance.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE III—FOREIGN ASSISTANCE (OTHER)

DEPARTMENT OF STATE

Migration and Refugee Assistance

Amendment No. 39: Appropriates $9,504,000 as proposed by the Senate instead of $9,100,000 as proposed by the House.

Assistance to Refugees From the Soviet Union

Amendment No. 40: Retains the House language.

Funds Appropriated to the President

International Financial Institutions

Investment in Asian Development Bank

Amendment No. 41: Appropriates $50,000,000 instead of $25,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

The conference managers are aware that the Administration's $100 million request for the Asian Bank is part of a broader program to replenish the Bank's soft loan resources, for which additional authorizing legislation is being sought. In reducing the request figure to $50 million, the conference managers understand that such a step would not be detrimental to the broader program designed to obtain substantial additional contributions from other nations, provided those other nations can feel reasonably sure the remaining $50 million will be forthcoming. The conference managers wish to note in this regard that they have no intention of denying a fiscal year 1975 request for the balance of $50 million when presented by the Administration. The conference managers support the favorable burden-sharing arrangements embodied in the proposal of which this $100 million is a part.

Investment in Inter-American Development Bank

Amendments Nos. 42 and 43: Delete earmarking language proposed by the Senate which would have allocated the funds to the three accounts of the Bank in the Act.

The managers agree that the funds appropriated under this paragraph should be allocated as follows: $25,000,000 for paid-in ordinary capital, $163,380,000 for callable ordinary capital, and $225,000,000 for the Fund for Special Operations.

It is the desire of the managers that the Committees be informed at all times of changes in U.S. policy toward the U.S. funding of international financial institutions. While it recognizes that projected funding levels are often reached only after negotiations with other member nations, it should now be clearly understood that the Congress is not committed to any given funding level until that figure is actually appropriated. It is the responsibility of the appropriate officials of the Department of the Treasury to keep the respective Committees on Appropriations of the Senate and House fully appraised as to the current and the projected future United States policy toward each international financial institution. In addition, target funding levels of each institution should be finalized only after full consultation with the Committees.

TITLE IV—EMERGENCY SECURITY ASSISTANCE AND DISASTER RELIEF ASSISTANCE

Emergency Security Assistance for Israel

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which makes the availability of funds contingent upon the enactment of authorizing legislation.

Amendment No. 45: Places a limitation on grants of $1,500,000,000 as proposed by the Senate instead of $1,000,000,000 as proposed by the House.

Emergency Military Assistance for Cambodia

Amendment No. 46: Appropriates $150,000,000 as proposed by the House instead of $100,000,000 as proposed by the Senate.

Amendment No. 47: Deletes language proposed by the Senate which would have provided that the President should not exercise his special authority during fiscal year 1974 under section 506 of the Foreign Assistance Act of 1961.

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would make the availability of funds contingent upon the enactment of authorizing legislation.

Disaster Relief Assistance

Amendment No. 49: Appropriates $150,000,000 as proposed by the Senate instead of $100,000,000 as proposed by the House.

Amendment No. 50: Deletes earmarking language proposed by the Senate which would have allocated the funds to the three regions covered under this item in the Act. The managers recommend the following allocation: $85,000,000 for Pakistan, $50,000,000 for the Sahel region of Africa and $15,000,000 for Nicaragua.

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would make the availability of funds contingent upon the enactment of authorizing legislation.

TITLE VI—GENERAL PROVISIONS

Amendment No. 52—Section 604: Deletes language proposed by the Senate which would have provided that none of the funds made available under this Act for "Military Assistance", "Security Supporting Assistance", and "Foreign Military Credit Sales" could have been used to provide assistance to Chile.

Amendment No. 53—Section 605: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter proposed by the Senate, insert the following:

Sec. 604. None of the funds contained in this Act shall be used to furnish petroleum fuels produced in the continental United States to Southeast Asia for use by non-United States nationals.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE VII—REGIONAL RAIL REORGANIZATION ACT OF 1973

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which will provide by transfer $35,000,000 for interim operating assistance, $3,000,000 for Office of the Secretary, salaries and expenses, and $6,000,000 for United States Railway Association, administrative expenses. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Although the conferees agree that it is an undesirable procedure to fund new programs without detailed hearings by both the House and Senate Appropriations Committees, it is felt that the Northeast and Midwest rail situation is of such urgency that action is essential before the next session of Congress. In providing that the funds be derived by transfer, it is not the intention of the conferees to reduce any essential programs of the Department. If restoration to those appropriations from which funds are transferred is required, the Department should request restoration and the conferees agree that they will consider such a request next session.

The conferees feel that the funds provided should be adequate for these programs until such time as hearings can be conducted by both the House and Senate Appropriations Committees. The conferees are advised that approximately $19,000,000 of loan guarantee authority is available under the Emergency Rail Services Act of 1970. In reducing the funds for interim operating assistance, the conferees suggest that this currently available loan guarantee authority be used prior to any new funds provided in the accompanying bill.

Conference total—with comparison

The total new budget (obligational authority for the fiscal year 1974 recommended by the committee of conference, with comparisons to the budget estimate total, and the House and Senate bills follows:

Budget estimates	$6,992,917,000
House bill	5,833,912,000
Senate bill	5,593,440,000
Conference agreement	5,780,434,000

Conference agreement compared with:

Budget estimates	−1,212,483,000
House bill	−53,478,000
Senate bill	+186,994,000

Otto E. Passman,
John J. Rooney,
Clarence D. Long,
Edward R. Roybal,
Sidney R. Yates,
Bill Chappell,
John J. McFall,
George Mahon,
Garner E. Shriver,
Silvio O. Conte,
Lawrence Coughlin,
E. A. Cederberg,
Managers on the Part of the House.

Daniel K. Inouye,
Gale W. McGee,
Lawton Chiles,
Charles McC. Mathias, Jr.,
Clifford P. Case
(except as to amendments 46 and 47),
Managers on the Part of the Senate.

PERMISSION TO CONSIDER CONFERENCE REPORT ON FOREIGN ASSISTANCE ACT APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on tomorrow or any day thereafter to consider the conference report on H.R. 11771, a bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, will we have any kind of a printed copy of the conference report to accompany the foreign aid and defense bills?

Mr. MAHON. On defense we completed the conference about 7 o'clock last night. There were over 100 amendments and there were many major and minor items within some of the amendments to deal with. Because of the complexities involved in conference, it was not possible to file the report by midnight last night. It will be filed today, and it will be available tomorrow in the RECORD. The details of it, of course, can be made available as soon as it is checked and filed.

Mr. GROSS. Then the gentleman is saying that there will be a printed conference report available tomorrow either by way of the RECORD or otherwise in printed form?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, the gentleman from Iowa is correct. That would also apply to the foreign assistance bill if we are able to reach agreement today.

Mr. GROSS. Mr. Speaker, I thank the gentleman, and withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR ADDITIONAL ASSISTANT SECRETARY OF THE INTERIOR FOR INDIAN AFFAIRS

Mr. HALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 620) to establish within the Department of the Interior an additional Assistant Secretary of the Interior for Indian Affairs, and for other purposes, with a Senate amendment thereto, and disagree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That there shall be in the Department of the Interior, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of the Interior for Indian Affairs, who shall be appointed by the President by and with the advice and consent of the Senate, who shall be responsible for such duties as the Secretary of the Interior shall prescribe with respect to the conduct of Indian Affairs, and who shall receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of the Interior.

SEC. 2. Section 5315 of title 5 of the United States Code is amended by striking out "(6)" at the end of item (18) and by inserting in lieu thereof "(7)".

SEC. 3. Section 462, Revised Statutes, as amended and supplemented (25 U.S.C. 1), and paragraph (45) of section 5316 of title 5 of the United States Code, are repealed; Provided, That this section shall not take effect until an Assistant Secretary of the Interior for Indian Affairs has been confirmed and takes the oath of office.

SEC. 4. Subsection 7(c) of the Alaska Native Claims Settlement Act (85 Stat. 688) is hereby amended by deleting that subsection in its entirety and inserting in lieu thereof a new subsection as follows:

"(c) The Secretary shall establish a thirteenth region for the benefit of Natives who are nonresidents of Alaska who elected to be enrolled therein, and they may establish a regional corporation pursuant to this Act."

SEC. 5. The Alaska Native Claims Settlement Act (85 Stat. 688) is hereby further amended by inserting at the end thereof a new section 28 as follows:

"SEC. 2. (a) A Native who elected to be enrolled in a thirteenth region, pursuant to subsection 5(c) shall be so enrolled, notwithstanding the fact that a majority of the Natives eligible to elect enrollment in that region may not have so elected.

"(b) Notwithstanding any provision of subsection 5(a) to the contrary, the Secretary shall, on or before December 31, 1973, or pursuant to subsection (f) of this section, if applicable, certify a temporary roll of all Natives eligible for benefits under this Act, which temporary roll shall be used as a basis for initial distribution of funds pursuant to subsection 6(c). Such initial distribution shall be made immediately upon certification of the temporary roll, anything to the contrary in subsection 6(c) or any other provision of this Act notwithstanding. When the final roll is certified, the Secretary shall take such steps as may be necessary to make appropriate adjustments in the distribution of funds pursuant to this Act. The final roll shall incorporate changes in enrollment pursuant to this subsection as well as other changes made by the Secretary in accordance with this Act.

"Any Native who, on or before December 1, 1973, had filed with the Secretary or his delegate any application to amend his enrollment application regarding his election whether or not to be enrolled in the thirteenth region shall, within not less than sixty nor more than ninety days of the enactment of this section, inform the Secretary whether or not he wishes to be enrolled in the thirteenth region. Any Native who so informs the Secretary shall be enrolled according to his preference as indicated in the information so submitted to the Secretary. Any Native who fails so to inform the Secretary shall be enrolled according to the information provided in that Native's original enrollment application. The Secretary shall take such action as he may deem necessary to insure that every Native affected by this section is aware of his option to change his enrollment decision. Within one hundred and twenty days of the enactment of this section the Secretary shall prepare and certify a final roll which when certified shall supersede the temporary roll authorized by this subsection.

"(c) Within thirty days of the certification of the final roll pursuant to this section, any bona fide organization representing nonresident Natives shall submit to the Secretary the names of not more than five Natives who have elected to be enrolled in the thirteenth region as nominees for the positions of the five incorporators of the thirteenth regional corporation. Not less than thirty days nor more than sixty days after such certification, the Secretary shall mail to all eligible voters ballots containing the names of all nominees and their associational affiliations for the purposes of an election by mail of the five incorporators who shall serve as the initial directors of the thirteenth regional corporation. Eligible voters in the election shall be only Natives eighteen years of age or older on the date of election of incorporators pursuant to this subsection who are enrolled in the thirteenth region. Valid ballots shall be only those ballots mailed to the Secretary or his designee not later than ninety days after such certification. The five nominees for whom the most votes are cast shall be elected incorporators of the thirteenth regional corporation and shall promptly take all steps authorized by this Act for such incorporators. All rules, regulations, and information relating to the election shall be transmitted directly to all known organizations representing nonresident Natives, the twelve regional corporations representing resident Natives, and all eligible voters.

"No moneys distributed or to be distributed pursuant to this Act may be expended or obligated by any Native, Native corporation, Native organization, representative thereof, or adviser thereto, to assist in, communicate on, or otherwise influence the election.

"(d) The articles of incorporation of the thirteenth regional corporation shall be submitted to the Secretary for approval in accordance with subsection 7(c) within eighteen months of the enactment of this section.

"(e) Except as specifically provided herein, nothing in this section shall be construed to alter or amend any of the provisions of this Act.

"(f) In the event the Secretary, prior to the enactment of this section, has certified a roll pursuant to subsection 5(a) of this Act, such certification shall be rescinded and a new temporary roll certified within ten days of the enactment of this section. Any distribution of funds pursuant to subsection 6(c) of this Act made by the Secretary or his delegate on the basis of the rescinded roll shall not be affected by this subsection.

"The Secretary shall make any necessary adjustments in future distributions of funds pursuant to subsection 6(c) to accommodate changes in the temporary roll reflected in the final roll in order to insure a final distribution of such funds in accordance with the final roll. The Secretary is authorized to make payments from the Alaska Native Fund to the thirteenth regional corporation, once established, during the period prior to the next regularly scheduled distribution from the fund pursuant to this Act. Such payments shall be in the form of advances on such corporation's adjusted share of such regularly scheduled distribution."

SEC. 6. The Alaska Native Claims Settlement Act (85 Stat. 688) is further amended by adding a new section 29 to read as follows:

"SEC. 29. Any corporation organized pursuant to this Act shall through December 31, 1976, be exempt from the provisions of the Investment Company Act of 1940 (54 Stat. 789), as amended. Nothing in this section shall, however, be construed to mean that any such corporation shall or shall not after such date be subject to the provisions of the Investment Company Act of 1940."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was disagreed to.

A motion to reconsider was laid on the table.

CONFEREES ADOPT VIEWPOINT OF SENATE IN EMERGENCY ENERGY BILL

(Mr. ECKHARDT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ECKHARDT. Mr. Speaker, it is my understanding that the House conferees on the emergency energy bill have completely surrendered to the Senate viewpoint.

The main difference between the House and Senate versions is that the Senate version would give the President or more precisely his appointee, authority to make plans which would have the effect of law, the violation of which would constitute criminal offenses, whereas the House would not permit such plans to go into effect except by the ordinary processes of legislation by Congress.

Under the so-called compromise, the conferees would go further than the Senate in delegating to the Executive, authority to legislate. Originally the Senate version would have required the plan to remain in the hands of Congress for 15 days, after which, if Congress did not act, the plan would become law. Under the conference proposal, until March 1, 1974, the plans promulgated by the Administrator have immediate effect. This is not a legislative veto—it is legislative authority absolutely vested in the Executive with the power reserved in each House ultimately to override by specific action.

But, more fundamentally, it is the first delegation of legislative authority that I know of by which the Executive is permitted to legislate in a field, so long as he finds that such legislation accomplishes a very generally stated purpose. He must only find that the action is "necessary to reduce energy consumption." Then, his action has immediate effect, and a violation of its mandate is punishable by criminal sanctions without any intervening legislative action whatsoever.

If we would adopt this conference report tomorrow, we would reverse 1,500 years of struggle by English-speaking people to take legislative power away from the King and place it in Parliament.

It was a long struggle in which many men bled and died. At first the only power that could effectively challenge the King emanated from the clergy. Men like Bishop Latimer said in 1555 from the stake as the faggots were lit:

> Be of good comfort, Master Ridley. Play the man. We shall this day light such a candle, by God's grace, in England as I trust shall never be put out.

Seventy-two years later the Parliament forced upon the King the rule that no tax, loan or benevolence ought to be levied by the King or his Ministers without common consent by act of Parliament; and for many years thereafter, for defending the right of Parliament to be the exclusive legislator of the realm, many men suffered torture, forfeiture of estate, prison, and death.

In the late 18th century the battle against kingly forces was carried to these shores, because colonials, unlike Englishmen at home, were still the subjects of royal prerogatives, sanctions, and oppression.

It has been said that we should act now so that people would not go cold this winter, but we have already given the President authority to prevent that by the Emergency Petroleum Allocation Act which authorizes the President to—

> Promulgate a regulation providing for the mandatory allocation of . . . refined petroleum products(s), in amounts . . . and at prices specified in . . . such regulation [so that there will be] . . . equitable distribution of . . . refined petroleum products at equitable prices . . . and among all users; . . .

Thus, the people will not freeze, but we should stay here until hell freezes over before we should turn to naught 1,500 years of courage and sacrifice and martyrdom which is the foundation upon which the dignity and authority of this Congress stands.

SOCIAL SECURITY LEGISLATION SHOULD BE PASSED BEFORE CONGRESS ADJOURNS

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, I take this opportunity to inform the House that the social security legislation passed by this House and passed by the Senate is now lying undone. If this Congress adjourns sine die this year and fails to act on the social security increase, it is entirely possible that this increase will not be able to be passed along to the elderly until well after August, September, or October of next year. To allow this thing to happen would be unconscionable, in my opinion.

Congress can do no less than pass this social security legislation before we adjourn sine die. I hope that the leaders on both sides of the aisle will move, because the leadership on both sides are going to be held responsible for this act, and every Member of Congress, when they go back to their people next week, will be asked why this social security bill was not passed.

I hope that legislative gimmickry is not going to be the cause of holding up this much-needed social security increase.

VOTING FOR CONFERENCE REPORT ON ENERGY BILL WILL RAISE QUESTIONS

(Mr. HAYS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. HAYS. Mr. Speaker, in line with the remarks of the gentleman from Texas (Mr. ECKHARDT) let me say that George III must be whirling around in his grave, because the Congress, or at least the conference committee, has voted in this so-called energy bill to give the President of the United States powers that George III tried for more than 30 years to get and could not; in other words, absolute dictatorial powers to make laws, with criminal sanctions, without so much as by-your-leave of the Congress of the United States.

I still think that anyone who votes for that conference report will have a lot of questions to answer from his constituency. In that regard may I say that I got a call this morning from Cincinnati, which is not in my district, from a gentleman in whose word I have some confidence, who said that the biggest oil company of them all had more than 100 barges full of gasoline tied up on the Ohio River, but that they were limiting the independents that they had supplied for years to a pittance of gasoline per week in order to put the independent stations out of business.

The Members also might like to know that the five largest oil companies sell two barrels of products outside the United States for every barrel they sell in the United States, so that we are a minor customer and what happens here, although they are American-based conglomerates, does not get them too upset.

STATEMENT OF REPRESENTATIVE BARBER B. CONABLE OF NEW YORK CONCERNING A SOCIAL SECURITY INCREASE

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, I want to express the hope that before we go home there will be movement toward a conference on the social security increases for which the Members of this House have voted. As you know, once again we are embroiled with the other body over the issue of nongermane amendments. These nongermane amendments involve major efforts at welfare reform, medicare revision and further changes in the social security system which have not been explored by this House. While the other body feels these amendments are worthy, they constitute for us a subversion of the legislative process and the impediment to prompt action on the social security increase should by now be apparent to the other body. Already, we have had some slippage in the timetable within which it is administratively possible to get the benefit increase into the hands of those who are expecting it. Whatever the merits of the legislative riders added by the other body, there can be little doubt of the disappointment and further congressional loss of credibility resulting from avoidable delays beyond April. We know real issues are involved here, but from outside the Congress this sort of maneuver looks like procedural, therefore insubstantial, congressional indifference. I support the House position as the easiest and most likely resolution of the impasse, but I hope all conferees concerned will keep in mind the misunderstanding and disappointment which will result from our failure somehow to remove this legislative roadblock during the remaining hours of this session .

LABOR-HEW APPROPRIATION BILL SIGNED; IMPOUNDMENT ANNOUNCEMENT WILL BE MADE TODAY

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I am happy to advise the Members that the President last night signed the regular 1974 fiscal year Labor-HEW appropriation bill into law, and in the true Christmas spirit I suspect that later in the day there will be a significant announcement with respect to the $900 million of so-called impounded funds in the health and education fields. It is my understanding that most if not all of these funds held in reserve by OMB for a variety of programs will be released and that will be good news for many.

BLAME FOR FAILURE TO PASS SOCIAL SECURITY BILL

(Mr. COLLIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLIER. Mr. Speaker, I had not intended to take the floor but in the light of the remarks made by my good friend and colleague on the Ways and Means Committee (Mr. BURKE) with respect to the social security bill and likewise the remarks just made by my colleague, the gentleman from New York (Mr. CONABLE), I should remind the House that we did face up to our responsibility last June. Almost unanimously we passed the social security increase bill and we sent it over to the other body. That bill provided for an increase effective July 1.

So, Mr. Speaker, if there is any blame to be laid if this session ends without social security legislation, it falls solely upon the shoulders of the other body and not the House of Representatives

SHORTAGES OF MATERIALS AND NATURAL RESOURCES IN THE UNITED STATES

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, yesterday I introduced legislation calling for a select committee to study shortages of materials and natural resources affecting the United States.

In recent weeks we have witnessed serious shortages in addition to the well-publicized shortages in energy. There have been shortages of aluminum, chemicals, and fertilizers. Fellow Members have spoken of shortages in timber, chlorine, scrap metals, and other basic commodities.

The National Commission on Materials Policy has projected demand on certain raw materials over the next 30 years and compared it with U.S. production. The conclusion of the Commission's report is that:

> For all materials, U.S. requirements are expected to exceed domestic production in the year 2000.

Despite the increasing demands for minerals, there has been a general reduction in domestic mineral exploration activities during the past year. The U.S. Geological Survey, after the first overall assessment of the Nation's mineral resources in 18 years, has concluded that our known deposits of mineral raw materials are seriously depleted. Reserves for some minerals such as asbestos, chromium, fluorine, and mercury, are scant.

Now is the time to investigate and to take action to prevent very serious shortages in the future. I urge this Congress to take the necessary steps to avert a crisis which could make the current energy crisis seem small in comparison.

MISHANDLING OF TAPES AND SUBPENAED MATERIAL

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I was outraged this morning to learn that a young Washington lawyer for consumer activist Ralph Nader had played a portion of a subpenaed White House tape at a December 17 Georgetown cocktail party.

Lawyer William Dobrovir's conduct can only be termed unethical and irresponsible. It demeans the entire legal process and abridges the very processes such lawyers have been shouting about for so long.

Certainly, too, I would urge the Special Prosecutor and the House Judiciary Committee, of which I am a member, to take special precautions in dealing with subpenaed materials and tapes to see that such mishandling does not occur.

As the Judiciary Committee proceeds with its investigation of impending impeachment resolutions, due process must be meticulously observed.

CALL OF THE HOUSE

Mr. KEATING. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 703]

Alexander
Anderson, Ill.
Archer
Armstrong
Ashbrook
Aspin
Badillo
Bolling
Buchanan
Burke, Calif.
Burton
Carey, N.Y.
Clark
Clay
Conyers
Delaney
Dent
Evins, Tenn.
Flowers
Ford, William D.
Fraser
Frelinghuysen
Fulton
Griffiths
Gubser
Hanna
Hansen, Wash.
Harvey
Hébert
Jarman
Jones, Ala.
Landrum
Mailliard
Martin, Nebr.
Mills, Ark.
Murphy, N.Y.
Pepper
Pettis
Powell, Ohio
Preyer
Price, Tex.
Rarick
Reid
Roncalio, Wyo.
Rooney, N.Y.
Roush
Ryan
Satterfield
Scherle
Sisk
Taylor, Mo.
Teague, Tex.
Van Deerlin
Veysey
Walsh
Wiggins
Wyatt

The SPEAKER. On this rollcall 375 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR FEASIBILITY STUDY AND TO ACCEPT GIFTS FROM U.S. CAPITOL HISTORICAL SOCIETY

Mr. GRAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 736) to provide for a feasibility study and to accept a gift from the U.S. Capitol Historical Society, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment as follows:

> Strike out all after the resolving clause and insert:
>
> That, notwithstanding any other provision of law, the United States Capitol Historical Society is authorized, under direction of the Architect of the Capitol, to prepare a feasibility study to determine the desirability of installing within the United States Capitol Grounds, at the east front of the United States Capitol, all items of equipment and other facilities required for a sound and light performance, consisting of an interplay of light, music, narrative, and sound effects (without the use of live actors), which when projected onto the imposing facade of the east front of the United States Capitol, will re-create the evolution of American history, based on a foundation of thorough historical research, subject to the following conditions:
>
> (1) Such study and all expenditures connected therewith will be borne by the United States Capitol Historical Society.
>
> (2) Upon completion of such study, the United States Capitol Historical Society, at its expense, will furnish the Architect of the Capitol a report detailing the results of such study, installations, and programs proposed, and estimates of cost required to implement such project without expense to the United States, including maintenance and operating expenses.
>
> (3) The project may not be implemented, beyond the report stage, except as provided in section 2 hereof.
>
> SEC. 2. The Architect of the Capitol shall review such report and submit the same, with his recommendations, to the Speaker and majority and minority leaders of the House of Representatives and to the United States Senate Commission on Art and Antiquities.
>
> If the project, as presented, with or without modifications, meets with the approval of such House and Senate officials, the Architect of the Capitol, notwithstanding any other provision of law, is authorized after such approval—
>
> (1) To accept in the name of the United States from the United States Capitol Historical Society, as a gift, such sum or sums as may be required to further implement such project, and such sum or sums when received, shall be credited as an addition to the appropriation account "Capitol Buildings, Architect of the Capitol".
>
> (2) Subject to section 3 hereof, to expend such sum or sums for all items of equipment and other facilities required for the sound and light performance, and for any other items in connection therewith.
>
> SEC. 3. The Architect of the Capitol, under the direction of the House and Senate officials designated in section 2 hereof, is authorized to enter into contracts and to incur such other obligations and make such expenditures as may be necessary to carry out the provisions of said section 2.
>
> SEC. 4. Sums received under this joint resolution, when credited as an addition to the appropriation account "Capitol Buildings, Architect of the Capitol", shall be available for expenditure and shall remain available until expended. Following completion of the installation, such sums may thereafter be used by the Architect of the Capitol, in whole or part, to defray any expenses which he may incur for maintenance and operation.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. GROSS. Mr. Speaker, reserving

the right to object, I think we ought to have a few words of explanation as to what is being attempted here.

Mr. GRAY. Will the gentleman yield?

Mr. GROSS. I am delighted to yield to the gentleman.

Mr. GRAY. I thank the gentleman for yielding.

Mr. Speaker, this is the resolution that deals with a feasibility study for a light and sound program for the east front of the Capitol. The only change by the other body—and I would say it is not a substantive one—was that after the feasibility study has been completed the leadership of the House and Senate would have been, under the House resolution, required to approve the plan. Instead the other body made one change by striking out the majority and minority leaders of the Senate and substituting the words U.S. Senate Commission on Arts and Antiquities as the approving body acting on behalf of the Senate.

There are no Federal funds authorized in the resolution.

As the gentleman knows, his former distinguished colleague from Iowa, Mr. Schwengel, and the U.S. Capitol Historical Society will provide all of the funds necessary, if it is found feasible to put in a light and sound system at the Capitol, but as far as this resolution is concerned there are no changes from the House joint resolution except the words I mentioned which would provide that the Commission on Arts and Antiquities approval would be substituted for the majority and minority leaders of the Senate.

Mr. GROSS. This would have nothing to do with controlling the sound in the House itself, of which we have great volumes but not enough light?

Mr. GRAY. My distinguished friend is absolutely correct. This will all be on the outside and a very exciting plan.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TAXABILITY OF DIVIDENDS RECEIVED BY A CORPORATION FROM INSURANCE COMPANIES, BANKS, AND OTHER SAVINGS INSTITUTIONS IN THE DISTRICT OF COLUMBIA

Mr. DIGGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions, with Senate amendments thereto, concur in Senate amendments Nos. 1 and 2, and consider Senate amendment No. 3.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, strike out "article" and insert "subchapter".

Page 2, line 7, strike out "article" and insert "subchapter".

Page 3, after line 3, insert:

Sec. 3. (a) Section 7324(d)(4) of title 5, United States Code, is amended to read as follows:

"(4) the Mayor of the District of Columbia, the members of the Council of the District of Columbia, or the Chairman of the Council of the District of Columbia, as established by the District of Columbia Self Government and Governmental Reorganization Act; or"

(b) Notwithstanding any other provision of law, the provisions of section 7324(a)(2) of title 5, United States Code, shall not be applicable to the Commissioner of the District of Columbia or the members of the District of Columbia Council (including the Chairman and Vice Chairman), as established by Reorganization Plan Numbered 3 of 1967.

The SPEAKER. Is there objection to the request of the gentleman from Michigan (Mr. Diggs)?

Mr. DELLUMS. Mr. Speaker, reserving the right to object, I would like to ask our distinguished Chairman of the Committee on the District of Columbia as to whether a nongermane Senate amendment is on this bill that would exempt the Mayor and the City Council from the Hatch Act provisions as contained in the District of Columbia home rule bill that both bodies have just passed.

Mr. DIGGS. Mr. Speaker, if the gentleman will yield, I welcome this opportunity to respond to the gentleman so as to explain the Nelsen amendment. And I will ask the gentleman from California (Mr. Dellums) to yield also to the ranking minority member on the committee so that he may further elaborate on this matter.

As the Members know, Mr. Speaker, in the home rule bill, because of the provisions therein, the Mayor and the City Council and, for that matter, city and Federal employees are "Hatched." And as we indicated in the debate the other day, the gentleman from Minnesota (Mr. Nelsen), and I were to work out a solution to this matter, and this represents that product.

The accommodation that the gentleman from Minnesota (Mr. Nelsen) and I have reached will prevent an hiatus in the District of Columbia government because it will grant an exemption for the currently appointed Mayor and the City Council members, some 10 people, to allow them to be a candidate in this first election for Mayor and Chairman and members of the Council so that, therefore, none of the current officials will have to resign in order to run for office.

Second, in order to encourage the widest range of public candidates, this accommodation of the Nelsen amendment exempts any person employed by the Federal Government or by the District of Columbia from the proscription of the Hatch Act insofar as such person may become a candidate for office, and may be involved in and take an active part in such candidacy.

In other words, this would only exempt them if they were candidates.

All of the other provisions and protections of the Hatch Act apply.

In addition to all of that, this exemption is temporary. It will terminate as of January 2, 1975.

And I would now ask the distinguished gentleman from California (Mr. Dellums), if he would yield to the gentleman from Minnesota (Mr. Nelsen), the author of the amendment, for whatever further explanation the gentleman may have?

Mr. DELLUMS. I am happy to yield to the gentleman from Minnesota (Mr. Nelsen).

Mr. NELSEN. Mr. Speaker, I thank the gentleman from California for yielding to me.

Mr. Speaker, I would like to point out that there is quite a little history on this point, up to this time, leading to the situation we are in.

No. 1, it was my wish in dealing with the "home rule" legislation that elections would be held on a nonpartisan basis. That is what the House approved and passed upon on October 10, 1973, but the minute that item got to conference a change was made providing for partisan elections. The conferees then tacked on to the Senate provision providing for partisan elections a House provision—which was meaningless when it appeared in the House-passed version of S. 1435, the home rule bill, because the House provided for nonpartisan elections—that would exempt Federal employees from the Hatch Act so that they could run for office in the District government. The exemption for Federal employees applies into the future for all time and was passed by the House the other day (Monday) when it approved the conference report No. 93–703. The question then arose what about those in the local District government who might wish to run for elective office next year—including the Mayor and members of the City Council. Of course, it would mean that they would have to resign in order to run.

What the Senate amendment does in my view is to specifically amend title 5, section 5324, of the United States Code, the Hatch Act, so as to provide that the Mayor and Members of the Council of the District of Columbia only be permitted to run in the first election. This amendment which I offer would broaden that so as to permit all city employees to run in this first election only, but it would terminate that authority on January 2, 1975, at which time the newly elected officials would take office.

However, the same amendment goes further. It would amend the Hatch Act, title 5, section 7324, so as to provide that the elected Mayor, Chairman, and members of the Council would be exempted from the Hatch Act in the future, just as section 741 of the conference report provides that Federal employees are exempt from the Hatch Act.

I feel this latter provision is particularly vulnerable to a test in the courts as to its constitutionality as it is discriminatory in the extreme and has perspective effect for all time.

The amendment I offer that applies

only for this first election and not to those officials who would be elected in the future. By inserting language with a termination date of January 2, 1975, we are forcing the Congress to look at it in the near future and hold those hearings upon which you place such great importance and emphasis. Accordingly, I do not see that we differ that much in our approach other than the fact that my amendment addresses an issue which is of immediate importance, in that the President is going to have the home rule bill on his desk this week for signature, and the chairman and I in open debate in this body discussed and agreed upon the contents of the enactment.

I stand ready with the Members of this body to effect this temporary correction of a problem that confronts the District of Columbia as they enter upon their first election for their local government officials.

I consider that in doing this, that is in offering my amendment, I have compromised myself much further than I would have liked to, but under the circumstances I must be realistic; and as I said in my amendment to provide continuity in the government of the District of Columbia during the transition period from the appointive government to the elected government.

I do not endorse the idea that the Hatch Act should be repealed or changed, but I do feel that the circumstances we are now in, having gone to this point with home rule legislation, require that we ought to have some kind of exemption for this election.

For this reason, I hope you will agree that this amendment of mine will provide a reasonable correction as the President considers the home rule legislation.

So we are not tampering on a long-range basis at all with our civil service system or Hatch Act in the country. In fact, my amendment to H.R. 6186 by striking section 741 of the home rule bill as contained in the conference report limits the effect of the exemption contained therein, for Federal employees, to the date of January 2, 1975, rather than for all time.

I hope my colleague, the gentleman from California, will go along with this amendment. I think it is the only thing we can do.

Mr. DELLUMS. Mr. Speaker, I should like to ask the distinguished gentleman from Michigan, why is it that the District of Columbia Committee was not given adequate opportunity to legislate in this area, since the elections will not take place until the fall of next year? We certainly have more than ample time for all of the members of the District of Columbia Committee to go through the usual process of referring this matter to a subcommittee with appropriate hearings, and then having the full committee work its will and come out with a rule and bring it to the floor.

We can do that in late January, early February, and March in plenty of time for these elections. Why are we trying to do it at the 11th hour right after a conference report that brought back a matter that the gentleman was not particularly in agreement with? I may personally agree with the proposal that the gentleman made. What I am suggesting is that this is no way to legislate, and that the committee ought to have the responsibility of coming to grips with this matter.

We may report the same proposal out.

Will the gentleman respond why the Committee on the District of Columbia was not given adequate opportunity to discuss this matter or even entertain it legislatively?

Mr. NELSEN. If the gentleman will yield, of course, our bill was on the nonpartisan elections. We dealt with a totally different approach on the House side, and this amendment is being proposed from the other side of the Capitol. I should like to have the gentleman from California yield to the chairman on this point, because he has the time.

I will be glad to supplement his statement.

Mr. DELLUMS. I do not mind the gentleman's answer. I would just like to know why our committee has not given responsibility in this matter.

Mr. NELSEN. If the gentleman will yield further, the gentleman understands that I am not in control of the committee. I am not in charge of what the committee does. I found that out the hard way.

Mr. DELLUMS. The gentleman worked out this proposal and submitted it; am I not correct?

Mr. NELSEN. This corrects the conference report. If the chairman of the committee wished to bring it back to the committee, that would have been his option, not mine. I am a member of the committee, but I am not in charge of the committee. But in any case this matter was discussed in some detail by the chairman and myself in some detail on Monday during consideration of the conference report on the home rule legislation.

Mr. DIGGS. Mr. Speaker, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Michigan.

Mr. DIGGS. I thank the gentleman for yielding.

In response, the gentleman from Minnesota (Mr. NELSEN) designated this matter partisan versus nonpartisan. It went through several stages, and the amendment before us is the product of the results of these various stages that it has gone through by both sides, and the agreement that was worked out in conference. This is the most expeditious way of handling the matter. If it is postponed until next year, I do not think it would accomplish any useful purpose, and it further might become politicized as we move into what is fast approaching campaign time here in the District for those who are interested in becoming candidates.

Mr. DELLUMS. May I ask my distinguished chairman a question? If this amendment could have been worked out between the time the conference ended and today, could we not hold hearings right after the 21st of January for a couple of days and discuss this matter? We may even bring a proposal to the floor, but it would be a full committee proposal and not part of the committee's proposal.

I am a member of that committee. I should like to talk about that matter. I may end up in the same position as my distinguished ranking minority member of the committee, but at this point I feel that I have not had my right as a member of the committee to be involved in a legislative process dealing with what may be a very political matter.

Mr. DIGGS. I can merely repeat to the gentleman that this is a temporary solution that has been worked out in consideration of all the reservations that he may entertain at this particular point and there will be full allowance within the context of this amendment to really go into this matter and to examine it and hold full hearings so that at the next election time there will be an adjudicated, more permanent solution to it. It is for that reason that we hope the gentleman will go along with our present arrangement.

Mr. NELSEN. Mr. Speaker, if the gentleman will yield further, I am in total agreement with my colleague, the gentleman from California (Mr. DELLUMS) that when we are dealing with a subject as important as the civil service system and the Hatch Act and making a change here, it can well be opening the door for a nationwide trend which could be disastrous, but the circumstances we are in are that we passed the conference report on the home rule bill and we now find that what we have done by the acceptance of the language of the Senate bill on partisan elections into the conference report together with section 741 of the House bill is that we put the Mayor of this city and the City Council and other key city employees in a situation where they will have to resign in order to run for elective office. I do not want to be a party to legislation that would deny other people in this city the opportunity of running under the same circumstances as the Mayor and the City Council members or other Federal employees—who are already exempt under the terms of the conference report—and yet that is what the conference report and the Senate amendment to H.R. 6186 would provide.

Mr. DELLUMS. Mr. Speaker, I would like to ask the gentleman a further question.

Mr. NELSEN. I will try to answer the gentleman.

Mr. DELLUMS. Mr. Speaker, if this matter is so important, then could we not put this matter on the District of Columbia agenda right after the 21st and expeditiously report a piece of legislation to the floor in plenty of time before any candidate announces, before we make a very serious step that I frankly think may be prejudicial to the election process.

Mr. NELSEN. Mr. Speaker, if the gentleman will yield further, I would point out in the original bill, H.R. 9682 reported out by the committee, a Hatch Act exemption was included. So the record is not entirely devoid of hearings on the issue. The gentleman was on the committee and sat in the markup on that bill. This amendment will do what the gentleman wants to do, which is to terminate this procedure on January 2, 1975. If the gentleman judges it to be a mistake, at least we have time in the future to stop it at the time the new government is installed and I think then or in the meantime our committee should review this and go back to nonpartisan elections, which I strongly urge, and then all the problems we are encountering in this area of the Hatch Act can be avoided and dispensed with once and for all.

Mr. DELLUMS. Does the gentleman from California (Mr. BELL) desire me to yield?

Mr. BELL. Mr. Speaker, I do think the gentleman from California recognizes the sense of our nonpartisan elections in California and I myself would be very much in favor of acting very strongly for altering the District home rule bill to provide for nonpartisan elections. If this comes back in January, I for one will guarantee I will fight very hard to return to nonpartisan elections. I think this will serve to avoid all this trouble for ourselves merely because the Senate desired to have a partisan election. I think that is ridiculous.

Mr. DELLUMS. I do not think that is at issue at this moment. I think what is at issue is that a proposal is being made that will exempt the incumbent appointed City Council from the Hatch Act. I think that has great political and legal ramifications. We might decide we would come back with the very same proposal as my colleague, the distinguished gentleman has, but we should not open the door without having hearings and discussing it among ourselves, and I do not think we ought to work out arrangements among two or three of us when we have committees charged with those responsibilities. I am tired of being ignored as are member nonsenior Members of this House, and weary of having the committees passed over and of having the situation where we as Members do not have an opportunity to fully function and have to come to the floor and use the floor to get our rights.

Mr. NELSEN. The gentleman might be tired and I am weary also and I sit on the committee and I am a minority voice and had my advice been followed on providing for nonpartisan elections we would not have had this problem right now.

But I am broadminded enough to realize once the Congress has spoken, once the House made a decision to adopt the conference report, then what do we do? We try to accommodate the situation, at the same time writing legislation with the idea of perhaps what the gentleman wants to do and what I certainly want to do and that is to bring about a change where we go to a nonpartisan election, where no citizen is denied his activities, where the restrictions of the Hatch Act are not going to hamper the activities of citizens toward participation in city government. No matter what we do, when we have a civil service system and have as many people in the Federal employ as we have here, if we have partisan elections we are putting people in full participation in their local government. Therefore, the problem we are faced with now is unfortunate, certainly not of my making, but I do feel a responsibility to effect a temporary solution.

I want to add further, that the gentleman indicated that the Mayor and the Council under this amendment, that everybody will have a chance to be a candidate and run for office and it will terminate after they have been installed, so we have a clean slate to start with.

I hope the gentleman will remove his objection and go along with this.

Mr. DELLUMS. Mr. Speaker, I have listened very carefully to the debate. I did not come here with a fixed mind. This is a very important matter. I do not want to infringe upon the stature and prerogatives of the chairman of the committee, who has worked very hard; but I think this matter can be disposed of by legislative process. I am not necessarily opposed to the concept, but I am opposed to the process and for those reasons, Mr. Speaker, I would object.

The SPEAKER. Objection is heard.

CONFERENCE REPORT ON H.R. 11576, MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1974

Mr. MAHON. Mr. Speaker, pursuant to the order of the House of yesterday, I call up the conference report on the bill (H.R. 11576) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 17, 1973.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I shall make a rather brief statement in order that Members may know generally what is included in the conference agreement on the supplemental appropriations bill. It is a $1.6 billion supplemental appropriations bill. Last year, the supplemental bill in October totaled about $5 billion. So this bill is not unreasonable from the standpoint of those who share my views that we need to hold expenditures down to a reasonable level.

Mr. Speaker, we bring back to the House today the conference report on the final supplemental appropriations bill of this session. The bill has 12 chapters and includes 110 amendments—110 differences between the House and Senate versions. The conference report has been printed in the RECORD and is available otherwise to Members.

Mr. Speaker, the conference agreement provides approximately $1.64 billion in new obligational authority. The House bill totaled $1.43 billion compared with a Senate bill of $1.88 billion. The Senate, however, considered some $105 million in supplemental estimates which were not before the House.

The conference agreement before us is $104 million above the budget. It is $205 million above the House bill and about $250 million below the Senate.

The major increases in the bill as passed by the Senate occurred principally in four areas; Labor-HEW, Defense, Interior, and State-Justice-Commerce.

In the Labor-HEW chapter the Senate added $163 million over the House bill. The House conferees were able to reduce that figure by $104 milion. The principal add-ons over the House bill were for older Americans, emergency health services, and vocational rehabilitation.

In the Defense chapter, the Senate added $72 milion. The House conferees held that figure to $7.5 million.

In the Interior chapter, the Senate added $75 million. We bring back an increase of $32 million in this area. The largest single add-on is related to the energy crisis.

In the State-Justice-Commerce chapter the Senate added $97 million. The conference report contains $52 million additional, the great majority of which is for economic development activities and the U.N. peacekeeping force in the Mid-East.

Other Senate add-ons include $22 million for Senate items which the conferees agreed to and another $10 million for claims and judgments which have been rendered against the Government and which are mandatory.

As I indicated earlier, the conference agreement we bring back today is $205 million over the House bill but about $250 million under the Senate bill. The Senate, of course, considered some $104 million in budget requests from the President which were not considered in the House.

Mr. Speaker, I ask unanimous consent to place in the RECORD at this point tabular information which summarizes the conference report and which identifies major items in conference and their disposition.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SUMMARY OF CONFERENCE ACTION ON SUPPLEMENTAL APPROPRIATION BILL, 1974, H.R. 11576

Chapter No.		Budget estimates	House bill	Senate bill	Conference	Conference compared with— Budget estimates	Conference compared with— House bill	Conference compared with— Senate bill
I	Agriculture—Environmental and Consumer Protection	$12,128,000	$11,500,000	$12,628,000	$11,800,000	−$328,000	−$300,000	−$828,000
II	Defense			72,000,000	7,500,000	+7,500,000	+7,500,000	−64,500,000
III	Housing and Urban Development, Space, Science, and Veterans	8,200,000	7,800,000	7,800,000	7,800,000	−400,000		
IV	Interior and Related Agencies:							
	New budget (obligational) authority	98,878,000	88,131,000	163,923,000	121,025,000	+22,147,000	+32,894,000	−42,898,000
	Appropriation to liquidate contract authority	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)			
V	Labor, and Health, Education, and Welfare:							
	New budget (obligational) authority	751,451,000	763,357,000	926,615,000	822,025,000	+70,574,000	+58,668,000	−104,590,000
	By transfer	(840,000)	(2,800,000)	(9,800,000)	(12,800,000)	(+11,960,000)	(+10,000,000)	(+3,000,000)
VI	Legislative:							
	New budget (obligational) authority	33,913,585	8,719,550	30,809,085	30,809,085	−3,104,500	+22,089,535	
	Fiscal year 1974	(33,038,585)	(8,719,550)	(29,934,085)	(29,934,085)	(−3,104,500)	(+21,214,535)	
	Fiscal year 1973	(875,000)		(875,000)	(875,000)		(+875,000)	
VII	Public Works—AEC:							
	New budget (obligational) authority	150,550,000	161,850,000	179,850,000	174,650,000	+24,100,000	+12,800,000	−5,200,000
	By transfer	(16,500,000)				(−16,500,000)		
VIII	State, Justice, Commerce, and Judiciary	68,962,000	32,587,000	129,895,000	84,526,000	+15,564,000	+51,939,000	−45,369,000
IX	Transportation	39,063,000	30,570,000	31,585,000	30,335,000	−8,728,000	−235,000	−1,250,000
X	Treasury, Postal Service, and General Government	313,686,000	281,510,000	275,968,000	290,803,000	−22,883,000	+9,293,000	+14,835,000
XI	Claims and judgments	57,352,301	47,011,168	57,352,301	57,352,301		+10,341,133	
	Total:							
	New budget (obligational) authority	1,534,183,886	1,433,035,718	1,888,425,386	1,638,625,386	+104,441,500	+205,589,668	−249,800,000
	Fiscal year 1974	(1,533,308,886)	(1,443,035,718)	(1,887,550,386)	(1,637,750,386)	(+104,441,500)	(+204,714,668)	(−249,800,000)
	Fiscal year 1973	(875,000)		(875,000)	(875,000)		(+875,000)	
	By transfer	(17,340,000)	(2,800,000)	(9,800,000)	(12,800,000)	(−4,540,000)	(+10,000,000)	(+3,000,000)
	Appropriation to liquidate contract authority	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)			

MAJOR ITEMS IN CONFERENCE AND THEIR DISPOSITION: H.R. 11576—SUPPLEMENTAL, 1974

	Senate over (+) or under (−) House	Conference over (+) or under (−) House
Chapter II: Operation and Maintenance, Navy (Oil reserves) (Amendment No. 5)	+$72,000,000	+$7,500,000
Chapter IV:		
Office of Oil and Gas—Fuel Allocation and Contingency Fund (Amendment No. 21)	+54,431,000	+12,400,000
American Revolution Bicentennial Commission (Amendment No. 32)	+7,100,000	+7,100,000
Chapter V:		
Community Service Employment for Older Americans (Amendment No. 34)	+40,000,000	+10,000,000
Emergency Medical Services (Amendment No. 35)	+20,000,000	+17,000,000
Maternal and Child Health programs (Amendment No. 37)	+30,105,000	+7,000,000
Emergency School Assistance (Amendment No. 39)	+12,447,000	
Vocational Rehabilitation (Amendment No. 40)	+45,130,000	+18,130,000
Multidisciplinary Centers of Gerontology—Older Americans Act (Amendment No. 44)	+7,500 000	
Chapter VI: Legislative Branch—Senate Items (Amendment Nos. 52, 53, 55, 57, and 58)	+22,089,535	+22,089,535
Chapter VII:		
AEC—Weapons Systems (Amendment No. 60)	+$11,000,000	+$5,800,000
Corps of Engineers—Flood Control (Amendment No. 61)	+7,000,000	+7,000,000
Chapter VIII:		
U.N. Peacekeeping Force (Amendment No. 64)	+17,337,000	+17,337,000
Economic Development Administration (Amendments Nos. 67, 68, and 69)	+75,000,000	+30,000,000
Chapter X:		
Postal Service (Amendment No. 89)	−10,000,000	−5,000,000
Economic Stabilization Activities (Amendment No. 92)	−10,700,000	−3,700,000
Federal Energy Office (Amendment No. 95)	+9,360,000	+9,360,000
Public Building Service (Amendment No. 97)	+8,600,000	+8,000,000
Chapter XI: Claims and Judgments (Amendment No. 107)	+10,341,133	+10,341,133
Other	+26,649,000	+25,232,000
Total	+455,389,668	+205,589,668

Mr. MAHON. Mr. Speaker, there are also two items in the Labor-HEW chapter which deserve comment. Amendment No. 47 provides funds necessary for full obligation of fiscal year 1973 appropriations where the courts have found these funds to be illegally impounded.

Amendment No. 48 provides continuing appropriations for manpower training programs of the Departmnt of Labor and for activities of the Cabinet Committee on Opportunities for Spanish-Speaking People. This authority will continue appropriations at about the $1.5 billion annual level. This continuing authority is provided because authorizing legislation has not been enacted and we are, therefore, not in a position to come forward with the appropriations.

Mr. Speaker, although this report is above the budget, I believe the conferees have brought back the best possible compromise. And now, unless there are questions, Mr. Speaker, I will not discuss this conference report further. As I indicated earlier, the report is here and available to Members, and I will now yield for questions.

Mr. DOMINICK V. DANIELS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Mr. Speaker, with regard to amendment No. 48 providing continuing appropriations for Spanish-speaking people and the manpower training program, the gentleman mentioned that this supplemental provides $1,500 million for fiscal 1974. I realize that the authorization has not been approved, but we propose to bring to the floor of the House tomorrow the conference report on the comprehensive manpower bill which includes a set-aside of reserve of $250 million for public service employment.

Mr. Speaker, my question is, Will there be another supplemental report providing the $250 million for public service employees?

Mr. MAHON. Mr. Speaker, that would have to be considered later in the fiscal year but not this session. This is the final supplemental bill for this session. It would not be in order to appropriate funds for this program because it has not been enacted into law. It seems to me that the provision in amendment 48, which will continue appropriation availability for manpower training and for the Cabinet Committee on Opportunities for Spanish-Speaking People, is the best we could do under the circumstances.

Next year, if the manpower bill is enacted into law, we will be in a position then to consider a supplemental estimate for what might be necessary.

Mr. BRADEMAS. Mr. Speaker, will the gentleman from Texas yield?

Mr. MAHON. I am glad to yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I appreciate very much the willingness of the distinguished chairman of the Committee on Appropriations to yield.

Mr. Speaker, I wonder if the chairman of the committee would allow me to put a question to the distinguished chairman of the Subcommittee on Labor-HEW appropriations.

Mr. MAHON. The gentleman may ask the question.

Mr. BRADEMAS. Fine. Mr. Speaker, I will direct the atention of the chairman of the committee to the debate in the House on the supplemental appropriations bill on November 30, 1973, when the gentleman from Texas (Mr. GONZALEZ) offered an amendment to increase from $615 million to $650 million the amount of money for the basic State vocational rehabilitation program.

In response to the gentleman from Texas (Mr. GONZALEZ) the gentleman from Pennsylvania (Mr. FLOOD) indicated his opposition to the amendment on grounds, to quote the gentleman from Pennsylvania (Mr. Flood), that "Some States are not able to come up with the necessary matching funds."

Then the gentleman from Pennsylvania (Mr. Flood) went ahead to cite testimony of HEW witnesses to the effect that there was no problem about the amounts of money for basic grants under the new law. Again, to quote Mr. Flood from the House debate of November 30, "we clearly had the impression that the amount requested is all that is required to make allotments on the basis of the authorized amounts."

Then the gentleman from Pennsylvania (Mr. Flood) went ahead to advise the House as follows: "If later estimates from the States at any time show that matching funds are available so that the full amount of the authorization can be used, we expect that the administration will request a supplemental appropriation later in the year."

The gentleman from Kansas (Mr. Shriver) on the minority side of the subcommittee, echoed the same point of view as Mr. Flood's with respect to a subsequent request for supplemental funds if they prove necessary.

Said Mr. Shriver, who like Mr. Flood, cited testimony of HEW witnesses before the appropriations subcommittee:

> We clearly had the impression that the amount requested, the amount allowed in the bill is all that is required to make allotments on the basis of the $650 million authorized in the authorizing bill.
>
> I would emphasize further that if later estimates from the States of matching funds are available and the full amount of authorization can be used, the committee would expect a supplemental budget request.

Mr. Speaker, on the 10th of December, in the authorizing subcommittee which I chair, in putting questions to the Acting Commissioner of Rehabilitation Services, Mr. Corbett Reedy, I asked him a question with respect to the amount of money necessary to be appropriated to match available State funds for fiscal year 1974 under the basic program, and Mr. Reedy responded: "$644 million."

I then asked Mr. Reedy and Mr. Dwight, who is the head of the Social Rehabilitation Service, if they had made that information available to the gentleman from Pennsylvania (Mr. Flood). I pointed out that would have been the honorable thing to have done.

Neither Mr. Dwight nor Mr. Reedy was able to assure our subcommittee that in fact they had made available such information to the gentleman from Pennsylvania (Mr. Flood). Expressions of concern with respect to this entire matter were also voiced on the minority side of the committee by the gentleman from Minnesota (Mr. Quie) and the gentleman from Idaho (Mr. Hansen).

Therefore, Mr. Speaker, I want to ask the chairman of the committee, if, in light of this information developed subsequently, that is, subsequent to the hearings of the Subcommittee on Appropriations and subsequent to the vote in the House on the amendment offered by the gentleman from Texas (Mr. Gonzalez) the committee would, in light of these assurances from Mr. Flood and Mr. Shriver, expect that the subcommittee would entertain favorably a supplemental appropriations request in order to make available adequate Federal moneys to match the available State moneys for the basic State vocational programs?

Mr. MAHON. Mr. Speaker, I will respond briefly to the gentleman's statement, and then I will ask the gentleman from Pennsylvania (Mr. Flood) to respond.

The Committee on Appropriations has taken another hard look at the requirements for appropriations for vocational rehabilitation. Of course, these appropriations are virtually mandatory to the extent that the States qualify for matching funds under the law and regulations, and since we got later information just prior to the conference that an additional amount would probably be required, we did provide additional funds in this conference report.

I believe the amount available now will be about $630 million rather than the $615 million which was provided in the House bill.

So there is no disposition on the part of the Committee on Appropriations to deny the necessary funds that can be spent.

As my friend knows, these funds have to be matched, and some States are not able to match their full allotment, and for that reason the total amount of the $650 million is not required at this time.

Of course, if it should be required later, and it could be established, then I am sure the Committee on Appropriations would look very favorably upon providing the necessary funds.

Mr. Speaker, I would like to yield at this moment to the gentleman from Pennsylvania (Mr. Flood), the chairman of the Subcommittee on Appropriations for Labor and Health, Education, and Welfare, for a statement in regard to this matter.

Mr. FLOOD. Thank you very much, Mr. Chairman.

There is very little I can add to what the distinguished chairman of the full committee has said. I recall very well the gentleman's discussion with me on the floor when the supplemental appropriation bill was before the House, and what he said is quite so. However, I was not aware of the discussions in the Committee on Education and Labor that you had with the people from downtown. But having been around here for awhile, after the bill passed the House, and before the conference with the Senate I did write to the Secretary, Mr. Weinberger, and, Mr. Speaker, I ask unanimous consent to insert at this point in the Record a copy of the letter I sent him raising this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The copy of the letter is as follows:

December 13, 1973.

Hon. Caspar W. Weinberger,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

Dear Mr. Secretary: During the recent subcommittee hearings on the 1974 supplemental appropriation bill, I asked Mr. Dwight a series of questions about the budget request for basic State grants for vocational rehabilitation. Upon reexamining the printed hearing record, I find that the dialogue is not entirely clear on the question of the relationship of the appropriation request to the amount authorized for allotment.

As you know, the House approved the Committee's recommendation of $615,870,000 for basic State grants. This is the amount requested in the budget. During the hearings, the Committee was informed that State allotments for fiscal year 1974 will be computed on the basis of the authorized level of $650,000,000. Historically, there have always been some States which did not have sufficient funds available to match their full allotment. The Committee was led to believe that the reason the amount requested in the budget is below the authorized allotment level is because State matching funds are not available, and that the $615,870,000 would be sufficient to meet Federal matching requirements under the allotment base of $650,000,000.

When the supplemental appropriation bill was considered by the House, an amendment was offered to increase the appropriation for the basic grant program to $650,000,000. The amendment was narrowly defeated, but the related discussion did raise some question in my mind about the adequacy of the budget.

Since the Senate has included the full $650,000,000 in the supplemental appropriation bill, I would appreciate some clarification from you about the allotment level vis-a-vis the appropriation request. Specifically, I would like to know whether the amount requested is sufficient to match the amounts which the States are prepared to spend in fiscal year 1974 under the allotment of $650,000,000. If not, what additional amount is required, and do you plan to seek a supplemental appropriation to provide the necessary Federal funds?

The Committee may need this information very quickly so I would appreciate a prompt reply.

Sincerely,

Daniel J. Flood,
Chairman, Labor-HEW Subcommittee.

Mr. FLOOD. I will not read the whole letter, but I might read this:

> When the supplemental appropriation bill was considered by the House, an amendment was offered to increase the appropriation for the basic grant program to $650,000,000. The amendment was narrowly defeated, but the related discussion did raise some question in my mind about the adequacy of the budget.
>
> Since the Senate has included the full $650,000,000 in the supplemental appropriation bill, I would appreciate some clarification from you about the allotment level vis-a-vis the appropriation request. Specifically, I would like to know whether the amount requested is sufficient to match the amounts which the States are prepared to spend in fiscal year 1974 under the allotment of $650,000,000. If not, what additional amount is required, and do you plan to seek a supplemental appropriation to provide the necessary Federal funds?

I received a reply, and I suppose quite properly so, to that letter from Mr. Carlucci, the Under Secretary of Health, Education, and Welfare.

I ask unanimous consent, Mr. Speaker, to insert at this point in the Record a copy of that letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The copy of the letter is as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., December 14, 1973.
Hon. DANIEL J. FLOOD,
Chairman, Subcommittee on Labor and Health, Education, and Welfare, Committee on Appropriations, Washington, D.C.

DEAR MR. FLOOD: This is in response to your letter of December 13 concerning the relationship of the appropriation request for basic State grants for vocational rehabilitation to the amount authorized for allotment for fiscal year 1974. The Department submitted a revised budget request for $615,870,000. The level authorized for allotment in the Rehabilitation Act of 1973 is $650,000,000.

When we discussed our fiscal year 1974 appropriation with you on November 6, 1973 at the hearing on our request for supplemental appropriations for Rehabilitation Services, we assumed that State requests for funds for Section 110 of the Rehabilitation Act would be met by the revised budget request of $615,870,000, which includes an increase of $26 million above the fiscal year 1973 level. It is important to bear in mind that our regular appropriations bill, on which Congress has completed action, also contains other substantial increases for State rehabilitation programs. The Supplemental Security Income Program will provide State Rehabilitation Agencies with an additional $26 million to purchase rehabilitation services for disabled SSI recipients. Another $24 million increase will be available to the State Rehabilitation Agencies from the Disability Insurance Trust Fund. Thus, the total increase in Federal funds for these programs in 1974 will be about $76 million.

However, with respect to our pending request for funds under the basic State grant program, there are indications that the States may have funds available under the $650 million allotment to match up to $637 million in basic State grant funds for vocational rehabilitation. The State estimates are tentative and we have not yet determined that the States can use funds above the level of the current Department request for appropriations. As soon after the first of the calendar year as these estimates can be more precisely evaluated, we will take another look at our budget request. If these State estimates prove not to be overestimated, we will at that time consider the need for a further supplemental.

Given the uncertainty of actual State requirements plus the large increases already requested, we would urge you to support the level contained in the House-passed supplemental bill.

I continue to feel that the total increase in fiscal year 1974 funds for vocational rehabilitation reflects a continuing Department commitment to substantial growth in these effective and deserving programs. I trust this information responds to your request.

Sincerely,

FRANK CARLUCCI,
Under Secretary.

Mr. FLOOD. What he says is:

> However, with respect to our pending request for funds under the basic State grant program, there are indications that the States may have funds available under the $650 million allotment to match up to $637 million in basic State grant funds for vocational rehabilitation. The State estimates are tentative and we have not yet determined that the States can use funds above the level of the current Department request for appropriations. As soon after the first of the calendar year as these estimates can be more precisely evaluated, we will take another look at our budget request. If these State estimates prove not to be overestimated, we will at that time consider the need for a further supplemental.

My position is just as it was when I talked to the gentleman before. There is no doubt in my mind from what you have just told the House here as to what the facts are. I apparently did not have as much information as you have, and I would certainly feel—and I cannot imagine, those being the facts, that I would feel any different—that with the 1975 budget itself would come a request for a 1974 supplemental appropriation the very same day assuming the facts that the gentleman set forth.

Mr. BRADEMAS. Mr. Speaker, I thank the distinguished gentleman from Pennsylvania for his response, and I also thank the distinguished chairman of the committee for his response. I am grateful for their assurances that the Committee on Appropriations, to quote its distinguished chairman, "would look very favorably upon providing the necessary funds" to match available State moneys for the basic State vocational rehabilitation program if such additional funds should be required to match.

I ask unanimous consent to revise and extend my remarks and include as a part thereof certain passages from the transcript of the committee hearings to which I already alluded.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRADEMAS. I believe it important to note, Mr. Speaker, that the amount of money for the basic State program for fiscal 1974 in the authorizing bill signed by the President in September 1973 was $650 million. Nonetheless, the administration budget request—the revised request—for this program was $615,870,000.

Yet it is clear from the response of December 10, 1973, of the man who was actually running the program, the Acting Commissioner of Rehabilitation Services, Mr. Corbett Reedy, that the amount of money necessary to be appropriated to match available State moneys for fiscal 1974 is $644 million, actually, "slightly higher," to quote him, than $644 million.

Now Mr. Carlucci, in his letter to Mr. FLOOD, uses a figure of $637 million.

Mr. Speaker, it must be clear from these different responses that Members of the House are receiving from officials of the Department of Health, Education, and Welfare that all of us, and especially those on the authorizing and appropriations subcommittees that deal with the vocational rehabilitation program, must look with a very skeptical eye at the information we are receiving.

This is a most important matter because, obviously, members of the appropriations committee must depend on accurate data from HEW in order to make recommendations to the House for appropriations on a program vital to the lives of so many handicapped Americans and their families.

So in order that Members of the House have a clearer picture of the concern which I have been expressing, I here insert part of the transcript of the hearings December 10, 1973, of the Select Education Subcommittee of the Committee on Education and Labor on the future directions of the Rehabilitation Services Administration. The hearings involved testimony by James S. Dwight, Jr., Administrator, Social and Rehabilitation Service, and Corbett Reedy, Acting Commissioner, Rehabilitation Services Administration.

The material to which I have referred follows:

Mr. BRADEMAS. This question follows one of our earlier conversations, Mr. Dwight, in respect of the basic State Grant Program authorized by Title I of the Rehabilitation Act of 1973. The Administration's 1974 request for this program was $609 million, approximately a $20 million increase over the 1973 estimate and, then, an additional amount was added to cover the grandfather clause with the result that the revised budget request was a total of $615 million to carry out Title I of the basic State program. Why was such a small increase requested?

Mr. DWIGHT. I think there are perhaps two other provisions which at least bear on my consideration and I am not sure I can recall the exact figures but your recollection is correct on the basic grants. The other two are the new program which stemmed from the commencement of the SSI program for adults and then, the continuing program dealing with SSI backing their trust fund activities which added about another $50 million increase into rehabilitation activities at the State level.

As you look at that, even with the significant reduction in training activities coming along, that we discussed a week ago Friday, we, I think find somewhere in the order of magnitude of a little over a 12 percent increase in actual rehabilitation dollars available which seems to me to be a fairly healthy increase if your objective is sustained orderly growth in the program which, as I indicated earlier, I think is a sound objective.

Mr. BRADEMAS. Mr. Dwight, let me make this comment on your response, because I think it is important that as we discuss the basic program this morning, we understand how it works. As you know, the rehabilitation legislature has been unique in that the state allotments are based not on appropriations but rather on the funds authorized to be appropriated and, in effect, this feature amounts to an entitlement for rehabilitation purposes, provided that the individual States appropriate the necessary matching funds.

What this means, in effect, is that we have given the States an enormous incentive to appropriate the matching funds, and this is one of the reasons I think most of us are agreed, as I believe you are and I am, that the rehabilitation program has proved to be one of the most successful State-Federal programs.

But, Mr. Dwight, because this Administration has not been requesting enough Federal money necessary to meet the States matching funds, we now find ourselves in the astonishing position whereby the Federal Government has not appropriated enough money to match the funds that have been raised by the States.

I understand that last year fully 43 States had funds for which the necessary matching Federal monies were not available, and that the year before that, fiscal 1972, 25 States appropriated more money than the Federal Government could match. So we are in the curious situation here where the States seem to be doing their job in respect of providing monies for vocational rehabilitation but the Federal Government is not doing its job.

Finally, I would observe that although we have been, as you suggest, expanding these programs in the past years, and although more handicapped persons are being rehabilitated every year, you know as well as I, that the number of handicapped persons in the

United States is increasing rather than decreasing, so the result has been that the percentage of handicapped persons who are being served is going down.

Realizing the budgetary measures to which you made reference, I recall that Mr. Reedy, in his testimony before the Labor-HEW Appropriations Subcommitte in the House body, said that at least 4 million handicapped persons in the United States are not receiving service.

I don't want to misrepresent these several issues, but if I am mistaken in what I have said, Mr. Dwight, I hope you will straighten me out here.

Mr. DWIGHT. I believe that your information is largely accurate. That is what I was alluding to earlier in this hearing. As far as I know myself, and Corbett would like to amplify this himself, I don't think you can reach the conclusion that 4 million persons are not being served for several reasons.

Some disabled persons cannot benefit from rehabilitation. I don't know what that conclusion might be.

Secondly, this program is not the only way in which people can be rehabilitated. By that, I mean there are other, private sources and some people go through a process of rehabilitation without any assistance from anybody else. The outward bounds of disabled persons, i.e., the estimated 5 million, is at best an imprecise measure but perhaps you are trying to make the point that if more funds were available, then, more people could be served.

My view is that Governmental programs do not work well when they take large quantum jumps and it would seem to me a 12 percent increase is about as much as a program can rationally handle if it is on a sustained-growth pattern.

Mr. BRADEMAS. Sometime—not this morning—sometime I would like to get into a colloquy with you on generalizations such as "Government programs don't work very well when they make quantum jumps and 12 percent is about a rational increase." I am just hardheaded enough to want to know what the rationale is for generalizations of that kind. Mr. Reedy?

Mr. REEDY. Mr. Chairman, the estimates to which you referred that we presented at the appropriations hearings of the House subcommittee were derived from our long-range planning last fall in which we used 1970 census figures showing that there were 11,900,000 disabled persons in the age group between 16 and 64 that had significant disabilities.

We reasoned through pure estimating process, that half of those are engaged in suitable work or have made their vocational adjustment, leaving roughly six million disabled persons not in institutions who would be potential candidates for rehabilitation service.

Taking two-thirds of that number which would be four million, we think these could be solid candidates for which a successful rehabilitation outcome could be expected. So, in view of the fact that our program in 1973 fiscal year was able to enroll for the first time, one million people for the entire year and actually provide hard service for around 650,000 of that million, rehabilitating 380,000, then, we have established a broad gap between the most conservative estimate derived from the sources I cited and the level of the program at the present time.

We do point out that the census figures did not include disabled persons in institutions and we have developed a substantial rehabilitation effort in institutions serving the chronically ill and disabled and, therefore, I would add those to the four million previously cited bringing it roughly to the five million gross estimate.

Mr. BRADEMAS. Of those five million, how many would you estimate could be served by non-Governmental or privately supported vocational rehabilitation service?

Mr. REEDY. That is extremely hard to give you a good impression but I would doubt that the private sector in terms of comprehensive rehabilitation service as we attempt them under the public program, would be reaching more than 200,000 to 250,000 a year.

Mr. BRADEMAS. That is a rather small fraction, then, of the overall universe of need.

Mr. REEDY. There is today a close relationship between the private sector and the public program which has been deliberately developed in recent years in which they actually team up very frequently to serve a common client in which part of the service is given by the private facility or under private financing and services are supplemented through the public program and through the other program financing.

Mr. BRADEMAS. Mr. Dwight, to continue my line of questioning with respect to the Title 1 basic program, you will recall that our colleague, Congressman Gonzalez of Texas, moved a few days ago to amend the supplemental appropriations bill to increase the appropriation for carrying out the State program from $615,870,000 to $650 million which is the amount authorized in law—and I am sure you are aware that that move was defeated by only four votes.

It is very difficult to get the House to accept amendments to an appropriations bill so when you come within four votes, that is very significant. One of the reasons, however, Mr. Dwight, that that Amendment did not carry was the fact that the distinguished Chairman of the subcommittee, Mr. Flood, indicated that he was under the impression that the committee was recommending all the appropriations that were necessary to meet and match available State monies and here is what Mr. Flood said, and I quote him from the debate on the Gonzalez Amendment: "Some States are not able to come up with the necessary matching funds. Where this is the case, it would not be necessary to appropriate the full authorization. Do not members know that we know this? In the hearings, we spent a great deal of time on that specific subject for just this purpose. We thought there might be a problem in the amounts for basic grants under the new law."

Mr. Flood continued: "The HEW witnesses saw no problem and they planned to compute and made the allotments on the basis of the authorization and the amount that was requested. We clearly had the impression that the amount requested is all that is required to make allotments on the basis of the authorized amount."

Mr. Flood went on:

"Now let me say, Mr. Chairman, and let me tell the members of the committee and my friends, we know whereof we speak, believe me. If later estimates from the States at any time show that matching funds are available so that the full amount of the authorization can be used, we expect that the Administration will request a supplemental appropriation later in the year."

Mr. Dwight, what is the amount of money necessary to be appropriated to match available State monies for fiscal 1974?

Mr. DWIGHT. I am under the impression that that, if our estimates are correct, would be somewhere in the order of magnitude of $640 million or thereabouts.

Mr. BRADEMAS. Mr. Reedy, what is your answer to that question?

Mr. READY. It is the same. We receive from the States each spring a document called, "Program and Financial Plan", one item of which is an estimate of State funds available for matching and when we added those estimates from State financial program and financial plans projected for fiscal 1974, the amount was $644 million.

Mr. BRADEMAS. $644 million. Was this information made available, Mr. Dwight, to Mr. Flood?

Mr. DWIGHT. I am not sure whether that came up in the course of conversation or not. We have to check the transcript. My best recollection is that it did but I cannot say.

Mr. BRADEMAS. Mr. Reedy.

Mr. REEDY. I do not recall this specific point having been raised in the hearing. We will have to check further to verify this.

Mr. BRADEMAS. I would suggest most respectfully, Mr. Dwight, that in view of the unique feature of the vocational rehabilitation legislation, which unique feature I remarked upon earlier, namely, that States look to the authorizing figures, not the appropriations figures, in order to make judgments on how much money they are going to have to appropriate for matching, you have a responsibility to give accurate information to the committees of Congress on that matter. And I wonder if you feel you misled Mr. Flood in any way on this matter? It is quite clear you are not in agreement here among yourselves on what the figures are.

Mr. DWIGHT. I think the figure Mr. Reedy quoted is the accurate figure. I can only speak from experience in one State and the only thing that we ever paid any attention to was the amount which was appropriated or the amounts under consideration in the appropriations process in governing the programs in the State of which I was a part.

I understand that it is quite commonplace that the authorization levels are extremely in excess of the amounts that are actually appropriated by the Congress. In fact, I am reminded of a story that I have heard Secretary Richardson indicate on several occasions and that is that if the programs in the Department of Health, Education and Welfare were fully funded, that the annual Federal cost of those programs would be somewhere near $250 billion, which is an amount approximately equivalent to the entire budget of the U.S.

Mr. BRADEMAS. Mr. Dwight, how long have you been in your job?

Mr. DWIGHT. Six months, approximately.

Mr. BRADEMAS. I have tried to be very restrained here this morning but I am rather embarrassed to hear you say what you have just said. I am embarrassed for you, because if you listened to what I said earlier, there is a unique feature to this legislation.

I pointed out earlier—I will just quote what I said—"As you know, rehabilitation legislation has been unique and the State allotments are based not on appropriations but on the funds authorized to be appropriated."

If you don't have that straight in your mind yet, you really are going to be in deep trouble in even understanding the program for which you have administrative responsibility. So you see, if you really believe what you said a minute ago about the relationship between authorized and appropriated amount, as a characteristic of the program which we have been discussing in these several hearings, then, it is small wonder to me that you have had such a difficult time in appreciating the thrust of some of my questions.

Do you understand what I am saying or are you not clear yet? I just want to be sure you understand what we are talking about here. Otherwise, I am going to have a hard time making my questions understandable.

Mr. DWIGHT. I understand up until the year we are in, 1974, that it was necessary in the appropriations planning to use a figure which was different than the amount appropriated, was different than the amount appropriated, which was to be used as a basis for alloting funds among the States and the law which was passed and signed in September providing that basis in law rather than requiring it to be placed in the appropriation language is a new feature in this program. I assume that is what you are talking about.

Mr. Brademas. That is not responsive to the point I am trying to make, Mr. Dwight, but I am not going to take more time on this particular matter now.

Mr. Quie. Will the gentleman yield?

That leaves me befuddled because I thought we left the law exactly the way it had been before. Now, it is true before the authorizing figure was so much higher than that which was recommended to be appropriated and that the Appropriations Committee actually appropriated as well, that they brought the authorization figure down in the appropriation bill in order that it could operate properly but it is my understanding the law is the same.

It is just that the authorization figure was not so far out of line from what was appropriated that now it was not necessary for the Appropriations Committee to set a lower authorization figure.

Mr. Dwight. That is correct.

Mr. Brademas. There is a statement, I understand, that Senator Cranston has put in the Congressional Record within the last month that goes into this admittedly complicated arrangement in respect of this legislation.

Mr. Dwight, I note that on Friday last, the Senate Appropriations Subcommittee approved an increase in the basic program of approximately $35 million bringing the total basic program to the full authorization of $650 million.

Does the Administration intend, in light of our discussions here, to endorse this increase?

Mr. Dwight. I would think not, Mr. Chairman. The proposal of the Administration stands as we made it approximately three weeks ago for this $650 million. The question which was put in the Congressional Record by Senator Cranston which in essence was a legal opinion that the funds authorized in the statutes created an entitlement on the part of the States and thus would bypass the appropriations process for this particular program—that is in essence what Senator Cranston is talking about.

Mr. Brademas. Let me go back to what Mr. Flood said because Mr. Flood clearly, in his statement on the Floor last week in opposition to the Gonzalez Amendment, remarked that the HEW witnesses saw no problem on this particular matter.

Mr. Dwight. That is correct.

Mr. Brademas. And said, here again, I am quoting Mr. Flood, "We clearly had the impression"—he is alluding to the HEW witnesses—"That the amount requested is all that is required to make allotments on the basis of the authorized amount."

Then, he went ahead to say, and again I am quoting Mr. Flood as I did earlier, "Let me say, Mr. Chairman, and let me tell the members of the committee"—here he is referring to the committee of the whole House—"and my friends, we know whereof we speak, believe me. If later estimates from the State at any time show that matching funds are available so that the full amount of the authorization can be used, we expect that the administration will request a supplemental appropriation later in the year."

Mr. Flood, who is an important man in these matters, is standing out before the House of Representatives obviously relying on what he has been told by the Department of HEW, and he said and I quote again, "We clearly had the impression that the amount requested"—that means the amount requested by you, Mr. Dwight—"the amount allowed in the Bill is all that is required to make allotments on the basis of the $650 million authorized in the authorizing Bill.

Said Mr. Flood, "If later estimates from the States at anytime show that matching funds are available so that the full amount of the authorization can be used," the committee would expect a supplemental budget request.

Mr. Dwight, What I want to know is, are you going to ask for a second supplemental if Congress does not appropriate the full $650 million necessary to meet the Federal obligation to match the funds made available by the States?

Mr. Dwight. Mr. Chairman, I cannot make a judgement as to whether we will or won't. In the past we have requested supplementals. Obviously the plans of the various States would be an important consideration in our determination of whether we should initiate a request for a supplemental but that is a judgment that I am going to have to decide, the Commissioner is going to have to decide, the Secretary is going to have to decide and the people who are involved in that kind of consideration before it goes to Congress and how much the Congress would have to consider if we requested a supplemental.

Mr. Brademas. Clearly Mr. Flood is operating on the assumption that you have been giving him the truth and I think he is going to be very upset because he opposed the Gonzalez amendment, as I have reiterated here.

I will stop now and yield to the gentleman from Minnesota for such questions as he may wish to put.

Mr. Quie. On that subject, was Mr. Flood speaking for HEW or was he just giving his expectation?

Mr. Dwight. Congressman Quie, I had no discussions with Congressman Flood so I cannot speak from my own personal knowledge. The statements that he made, I think, are largely consistent with the testimony that we presented to his subcommittee. We did say that the amounts being requested were adequate to meet the program needs, in our judgement.

I am sure we said that because otherwise, we would have had a little trouble supporting what we were recommending. I have no recollection of any discussions with the Appriations Subcommittee of whether or not there would be supplementals. Do you, Corbett?

Mr. Reedy. Not that I recall.

Mr. Brademas. If the gentleman would yield, I would just observe that Mr. Flood is a very busy man, too, and that he has to rely on you to give him the information necessary for his subcommittee to make their judgments, and I should have thought that it would have been the right course of action for you to have supplied to Mr. Flood accurate, up-to-date information on the amount of State matching monies available. That would have been the honorable thing to have done.

Mr. Dwight. Mr. Chairman, I do not perceive the role in this program or any other program to be merely appropriating funds necessary to match what the States may or may not appropriate themselves.

Mr. Quie. The question leaves me in doubt. I notice Mr. Shriver also spoke of discussions in the hearings with HEW and he said, "We clearly had the impression, the amount requested, the amount allowed in the Bill is all that is required to make allotments on the basis of the $650 million authorized in the authorizing Bill."

Mr. FLOOD. The conferees agreed to $630,000,000 for vocational rehabilitation basic grants. The House bill included $615,870,000 and the Senate bill included $650,000,000, so the amount agreed to by the conferees is a fair compromise.

As I said before when this bill was before the House, I know that the authorization for basic grants is $650,000,000 and that allotments to States are computed on the basis of the authorization. You know, and I know, that States must come up with sufficient local funds to match the Federal allotment. Believe me, if all States could match the full amount I would be the first one to recommend it. But the committee has been told by HEW that all States cannot match their full allotment.

At this point, we do not know how much the States can use this fiscal year. HEW tells us that it may be $637,000,000. It may be more, or it may be less. The conferees agreed to $630,000,000 as being within the rule of reason. If it is not sufficient, we would expect a supplemental budget request later in the fiscal year.

Mr. MAHON. Mr. Speaker, I yield to the gentlewoman from Oregon (Mrs. Green).

Mrs. GREEN of Oregon. Mr. Speaker, I thank the chairman very much for yielding.

I would like to direct a question to either the distinguished chairman or the gentleman from Wisconsin (Mr. Davis).

The people in my area were very much upset about a provision which appeared in the Senate bill but which did not appear in the House bill regarding the lifting of the moratorium on building of dredges by the Corps of Army Engineers. It is my understanding that this is in regard to both pipeline dredges and hopper dredges. Will either the distinguished chairman or the gentleman from Wisconsin tell me what was agreed upon in the conference report, because as I say, it is of vital concern to industries which have maintained dredges and who have had absolutely no idea that the Senate would add a provision so that this moratorium be lifted.

Mr. MAHON. Let me say at the conference the matter of dredges was discussed, and certain action was taken.

The gentleman from Wisconsin (Mr. Davis) is quite familiar with the situation, and I would yield to the gentleman from Wisconsin for a response.

Mr. DAVIS of Wisconsin. Mr. Speaker, I thank the gentleman for yielding, and I will be happy to respond to my colleague, the gentlewoman from Oregon (Mrs. Green). I am sure that the gentlewoman from Oregon has shared a similar interest in this with many of the members of the subcommittee. This matter goes back a couple of years ago when it was recommended that a study be made with respect to the pipeline dredging capacity, with respect to the Corps of Engineers capacity vis-a-vis the capacity of private dredging industries.

Realizing, as the gentlewoman from Oregon has pinpointed, that the Corps of Engineers does have a policy where they use all of their in-house capacity to a very high percentage before they do put these things out for bid to the private contractors. There was the problem of their using hopper dredges for their so-called outside work for which they only need about 50 percent of the capacity and then bring those dredges in for the so-called inside work in competition with the capability of the private owners of the pipeline dredges. There are no private owners of hopper dredges, so far as I know.

Based upon that, the committee in last

year's appropriation bill declared a moratorium with respect to the updating or the procurement or the renovation of the Corps of Engineers dredges, both hopper and pipeline. That was continued in this year's bill.

That continuation of the moratorium goes on until that study, which is now under way, has been completed, except on one single dredge that was exempted from it.

When we got over to the Senate on this bill there did exist the provision instigated by the Senator from the gentlewoman from Oregon's State which would have provided for going ahead with the renovation of the hopper dredges.

The language which resolved this matter is found on page 15 of the conference report, and it does permit them to go ahead with plans in connection with the modification and rehabilitation of the hopper dredges, but it directs that these plans are to be submitted to the Committees on Appropriation of the House and Senate for approval, otherwise—and this is the important language from the standpoint of the gentlewoman from Oregon and myself—otherwise the moratorium shall continue.

So this does permit them to go ahead with planning, and this is a relatively long lead item on the hopper dredges only, but the moratorium continues in all other respects, and they must bring in their plans for approval of our committee and the corresponding committee over in the other body before they will be permitted to go ahead with any renovation.

Mrs. GREEN of Oregon. Mr. Speaker, if the gentleman will yield further; I thank the distinguished chairman of the full committee, and the gentleman from Wisconsin (Mr. DAVIS). I am delighted with the way they resolved this in the conference. Those in private industry, if given the opportunity, can compete very successfully in terms of economy and efficiency with Government dredges.

They should be given that chance. If private industry had some assurance of contracts over a 10-year period—or more—they might also build hopper dredges and do the work more economically. Perhaps the authorized study, when it is completed, will address itself to this point also.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I have used, I believe, 20 minutes of the 30 minutes assigned to this side, and I would prefer that the gentleman from Michigan (Mr. CEDERBERG) would yield.

The SPEAKER. The Chair will state that the gentleman from Texas has 9 minutes remaining, and the gentleman from Michigan (Mr. CEDERBERG) has 30 minutes remaining.

Mr. CEDERBERG. Mr. Speaker, I do not intend to take very much time. I believe the chairman of the committee has already adequately explained the bill. We did the best that we could in reaching these compromises with the Senate. I think it is fair to reemphasize that there are several items in this legislation which were not considered by the House because we did not have budget estimates at the time.

I would like to refer to one thing that does concern me some, and the gentleman from Massachusetts (Mr. CONTE) will probably go into it in more detail, and that is the fact that I do not believe we paid adequate attention to the oil reserves known as Elks Hill. We did, however, put in $7.5 million to go ahead with the exploration of the Alaskan petroleum reserves. I believe that this is a matter of urgent attention, considering that the energy crisis is so important.

Mr. PARRIS. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Virginia.

Mr. PARRIS. I thank the gentleman for yielding.

Mr. Speaker, on page 8 of the conference report, particularly referring to amendment No. 4, as I understand it, the House language as previously approved has been restored by the conference, which would have the net effect of prohibiting the Environmental Protection Agency from using funds in this bill to administer any parking tax, or regulation.

Mr. CEDERBERG. That is correct. The Senate had deleted the House language, and the language reads:

> No part of any funds appropriated under this act may be used by the Environmental Protection Agency to administer any program to tax, limit, or otherwise regulate parking facilities.

This is an area wherein I think the Environmental Protection Agency has gone far afield from any jursidiction that they have at all.

I see that some of the gentlemen from California are having a rather dramatic experience with this problem. I understand that the District of Columbia is probably going to be involved, as a matter of fact, probably most of the country. I certainly think that the Environmental Protection Agency has no business setting any taxes or limits, or anything else, on parking facilities. I think we should be sure that they understand this. That is my understanding, that this should limit and prohibit them from doing that.

They may try to get out of that to a degree because it says "under this act," but it certainly is congressional intent, I believe. We have a vote in the House to emphasize that.

Mr. PARRIS. If the gentleman will yield further, I should like to extend my congratulations to him and to his conferees on their understanding of the ludicrous nature of this without alternative means of transportation.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

The money before us in this bill was limited, but the action of the conferees and of the Congress came because as you know various acts have directed the EPA to do certain things by a certain date, even though money for such purposes was not included in those acts.

The EPA had never justified any money before my appropriations subcommittee to implement whatever authority they may claim in this area. They have, however, been going ahead and using money appropriated for other purposes. So in this instance, and only because the rules of Congress limited what we could do, we said that no money in this act could be used. By making this expression, we also mean to say that no money we have already appropriated for other purposes shall be used for purposes other than for which we approved in the appropriations process as justified, and that should reach the overall problem.

Mr. CEDERBERG. That is important legislative history, especially coming from the chairman of the committee that handles programs for the entire Environmental Protection Agency. I am glad to have that as a part of the record.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. LEGGETT. I thank the gentleman for yielding.

I want to commend the committee for retaining this amendment in conference. As I understand the gentleman's statement, this would cover permits over and above just taxes and surcharges, so the net effect would be, as I understand it, that the amendment would be a little bit more extensive than was included in the House. I would hope that because of that, the EPA, regardless of what action is taken on the energy bill currently in conference, would summarily nullify some of their existing regulations, in spite of the fact that perhaps the coverage of this bill does not precisely get at the money that we are currently spending to do the job we are objecting to.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I too want to join in complimenting the Appropriations Committee on their action with respect to Senate amendment No. 4. I just recently held a meeting in my own district in California and I appreciate having the legislative history which indicates the intent of Congress.

It seems to me we will have to look at this next year through the authorizing committee, or if it is going to be dealing with taxes, that seems to be within the purview of the Ways and Means Committee, rather than having something which would utterly destroy the marketing and supply area. Would the gentleman agree?

Mr. CEDERBERG. I agree with the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Iowa.

Mr. GROSS. In view of the serious if not critical financial situation of this Government it is becoming almost impossible for me to accept even the fact of the supplemental appropriation bill.

Here we have a bill providing $1,638 million above and beyond the regular appropriations, and this bill is $205 million above the supplement appropriation bill as it left the House floor.

Mr. CEDERBERG. No, not that much.

Mr. GROSS. It is not $205 million?

Mr. CEDERBERG. Mr. Speaker, I thought the gentleman said $2 billion.

Mr. GROSS. If I did I am glad to be corrected.

Somehow or other we have got to stop the supplemental appropriations except in terms of funding national disasters and things of that type because we are simply adding on here to the regular appropriation bills and we are getting nowhere fast in the business of balancing the budget and stopping inflation. I hope that in the next year we will have no supplemental appropriations except in the event of a national emergency.

Mr. CEDERBERG. I cannot disagree with my colleague, the gentleman from Iowa. As a matter of fact I think both the chairman and I would like to do away with supplementals if it were at all possible. However, we have got into this over a period of years, to the point where we have the first supplemental, and the second supplemental, and then the final supplemental, but much of this is the result of the legislation that we approve in this body. As a matter of fact, 55 percent of the funds augmented in this bill are for programs which were previously deferred because of lack of legislative authority. The place to stop some of this is in the authorization of these programs and new programs, so there is not much we can do in many of these areas. I certainly share the gentleman's concern.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I have also been very aware of and concerned about the problem the gentleman has stated, but for instance we provide here for the community services for older Americans, which have been expanded. In the other body $40 million was added to the bill for that purpose. We opposed the $40 million. Finally we reduced it to $10 million, but that was the best we could do and reach an accommodation.

There were other issues. We provided $10 million for pending energy legislation out of $52 million added by the other body. This is contingent upon enactment of the legislation. Congress is going out of session this week and this will give them a cushion to operate on. So those are just some of the problems. I share the views of the gentleman from Iowa that we should undertake to reduce to the lowest possible number and amount these supplemental appropriations.

This year the Office of Management and Budget submitted fewer requests than last year. Last year the supplemental amounted to some $5 billion; this year it is $1.6 billion, so things are at least improving.

Mr. CEDERBERG. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, may I say just a word with respect to the remarks of the gentleman from Iowa. There were several times during the course of the conference when your House conferees had to admonish Members of the other body that what we wanted to deny them in this supplemental were funds that were denied in the regular bill.

There has been a growing practice in the other body that what gets denied in the regular bill is put back in the supplemental.

Members of the House, with the exception of amendment No. 5 relative to the Elk Hills Naval Reserve, I believe the conferees have reached a reasonable compromise on the items of disagreement in this supplemental.

I think we made a mistake in not giving along with the Senate proposal on Elk Hills. That $60 million item would be worth more than anything else in this bill for it represents an additional 160,000 barrels of oil a day within 60 days.

In chapter V, dealing with the Departments of Labor, HEW, and related agencies, the conferees agreed to include $10 million for a new program of community service employment for older Americans.

We provided $27 million for programs under the newly enacted Emergency Medical Services Act; $10 million of this is to come from transfer of funds previously appropriated for emergency medical services activities.

We agreed to an additional $7 million for maternal and child health grants, for which nearly $218 million is already included in the regular Labor-HEW bill.

Five million dollars was added to financial distress grants for schools of the health professions.

We added nearly $15 million for basic State grants for vocational rehabilitation, and $4 million for facilities construction.

We provided an additional $1.5 million for the developmental programs of the ACTION agency.

I believe this is a satisfactory resolution of the differences between the two bodies with the exception of amendment No. 5, the Elk Hills matter which I mentioned earlier.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. In the action of the conference on the ACTION Agency, there is added approximately $1.5 million. By the statement of the gentleman from Illinois, am I clear in my understanding that that additional money is available to the ACTION Agency for developmental programs and represents a total sum of some $4.5 million for that purpose, instead of the $3 million in the House-passed supplemental?

Mr. MICHEL. The gentleman is correct. We cut that item of $6.76 million, in the budget to $3 million and we decided in the conference on a split. That would mean in the demonstration areas there would be roughly $4.5 million.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's clarification on that.

I might say that I am disappointed that the full sum of $6 million was not made available to the Agency, but I am grateful to the conferees for at least agreeing to a split on the item. I think the full $6 million is needed. It is an important part of the Agency's program.

Mr. MICHEL. I will say that Dr. Balzano made a convincing and outstanding case of what could be done in this whole field of volunteerism.

It would be my personal preference to give him every dime requested in the budget; but knowing the conditions as they were, this was the best we could get in the conference.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Iowa.

Mr. GROSS. I merely want to say that I did not mean to take anything away from the House conferees on this particular supplemental bill for they did succeed in beating the Senate down by $250 million, which is most helpful, but I emphasize that Congress ought to end this practice of three or four supplemental appropriations bills during each fiscal year, and all of which add to the regular appropriation measures.

I thank my friend from Illinois for yielding to me.

Mr. MICHEL. Mr. Speaker, it gets to be ridiculous. The gentleman just heard a few minutes ago a Member inquiring whether or not less than a week from adjournment, if there is to be another supplemental between now and Friday or Saturday?

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I am obliged to voice my strongest objections to amendment No. 5 of this conference report, which deletes a total of $64.5 million for the development of the productive capacity of the energy which is languishing at the Elk Hills Naval Petroleum Reserve. For that reason, I am making a motion to recommit this supplemental appropriations bill with instructions to provide funds for developing and operating the Elk Hills Naval Petroleum Reserve.

With almost three-quarters of our people in New England depending on fuel oil to heat their homes during the winter; with independent marketers being squeezed by their domestic suppliers due to lack of supply; with oil stock levels in the Nation 8 percent below 1971; with all this shocking and well-documented news, which has been reported over and over again, we cannot have the absence of mind to deny to the American people the fruits of an energy reserve within our very borders.

The Elk Hills Reserve was created to provide our military forces with an emergency source of petroleum. Such an emergency now exists.

Last month, the Defense Department was authorized to siphon off an additional 300,000 barrels of oil a day from our civilian economy to fuel our military installations and ships overseas. That is about 10 percent of our national supply shortage. Because of the Arab oil boycott, we are being forced to ship our fuel overseas to make up for the supplies that even some of our NATO allies are refusing to sell us.

Releasing the Elk Hills Reserves would provide 180,000 barrels of oil a day within a matter of weeks. This would replace 60 percent of the fuel that domestic refiners were recently ordered to ship to our military forces overseas.

What can be the reasoning behind the exclusion of Elk Hills from our plans? It comes to mind immediately that the Military Establishment seeks to keep enough fuel in both of its hip pockets, to provide for the possibility of a long-range, protracted war. In the meantime, our economy is suffering. The plight of Great Britain—with its 3-day work-weeks and energy shutdowns—reminds us of the exacting price this energy crisis can levy upon the Nation's economic health. Must we wait for that to happen?

With the certainty of unemployment, and other sacrifices staring us in the face right now, it seems empty to talk about "possibilities," especially when they are based on, what is at best, a World War II strategy.

It is time for us to mature our thinking on this matter. The time is ripe for us to do so with the inclusion of the Elk Hills reserve in this supplemental.

I urge my colleagues to recommit this bill with the simple instruction to restore the funds needed for the immediate development and operation of the Elk Hills naval petroleum reserve.

Thank you.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Mr. Speaker, I yield to my good friend from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding to me. I want him to know that I totally concur with his comments.

Mr. Speaker, I would like to ask him one question: Can he give me the rationale or the reason why the House backed off and took this amendment?

Mr. CONTE. By all means, and I am glad the gentleman asked that question. The opponents will take the floor here today and say the same thing, that the authorizing committee has not had an opportunity to hold hearings on this. The Chairman of that committee has adjourned sine die. Unless we do this, we will not have it until perhaps next April or May when it is too late.

Mr. KETCHUM. Mr. Speaker, if the gentleman will yield further to me, I would appreciate it because I think the House should know that we have on the Elk Hills resolution over 104 cosponsors in this House. The resolution has already passed out of the Senate Armed Services Committee and will be on the floor of the Senate, hopefully, this week.

Mr. CONTE. Mr. Speaker, let me tell the gentleman one other thing. They will also use the argument that this is going to delay adjournment sine die if this recommittal motion is accepted. We can walk over there in 5 minutes and be back here in 10 minutes and have it all over with. All Chairman MAHON has to do is abide by the will of the House.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I compliment the gentleman for bringing this to the attention of the House. These potential supplies of petroleum from Elk Hills go primarily to the military, and therefore they would not have to buy from the private markets and deny us all the fuel that is so desperately needed for the domestic market.

I congratulate the gentleman for bringing this important issue to the floor of the House, and I support it.

The SPEAKER. The time of the gentleman from Massachusetts (Mr. CONTE) has expired.

Mr. CEDERBERG. Mr. Speaker, I yield 3 additional minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to my friend, the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, I notice that the Senate has appropriated the amount of $72 million for the development of this program, whereas the House has $7 million for the same purpose.

Does the gentleman believe that we could begin to do as much with $7 million as can be done with the higher figure?

Mr. CONTE. No, but if we had the entire $11,500,000 which we originally had in there, we could explore the rest of Elk Hills, which is not being explored right now. That is Field No. 1.

Mr. RUPPE. Mr. Speaker, yesterday we provided for the sale of a quarter million tons of copper, and the proponents of the legislation said it was done profitably for the United States.

It seems to me that we could take that profit and spend the money wisely and expeditiously for this purpose and alleviate the greatest energy shortage in the history of the United States.

Mr. McDADE. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Speaker, I thank the gentleman from Massachusetts for yielding, and I wish to associate myself with his remarks.

The difficult facts are that there is only one place in the United States of America where substantial oil exists that can be brought onstream now, not 5 years from now, not 3 years from now, not 2 years from now.

The Navy indicates that within 6 months they can have as much as 50,000 barrels of oil a day flowing from Elk Hills.

I believe we should use that particular resource, and I believe it can be worked out judiciously.

Mr. Speaker, we need the oil from Elk Hills. It is not disputed that we have an immediate oil shortage—whether you accept the calculations of the administration or the Petroleum Industry Research Foundation—we have a shortage of over a million barrels per day. And that figure assumes a successful savings from the entire gamut of energy saving measures from thermostat reduction, fewer lights used, the automobile slowdown, flights reduced, and daylight saving time.

Elk Hills, Naval Petroleum Reserve No. 1, is presently producing 3,000 barrels per day and could increase that production many fold to 160,000 barrels per day in short order. It has 1,043 producing wells right now, yet half of the area has been explored. We should initiate production and explore the remaining area.

In addition the potential reserve in Alaska from Naval Petroleum Reserve No. 4 is estimated as great as 30 billion barrels by Dr. McKelvey, Director of the U.S. Geological Survey. The area is as large as Indiana, and unfortunately no exploration has been undertaken to date, nor any petroleum recovery begun. We are obviously behind and ought to initiate action now.

An important criteria prior to taping a naval petroleum reserve should be the military's opinion. We have that opinion and it endorses the idea. My colleague from California—and from the Elk Hills area—Mr. KETCHUM, received a letter endorsing production from Elk Hills from the Joint Chiefs of Staff. Because I think the Joint Chiefs' endorsement is important, I want to quote a small part of the letter:

> The JCS continued to review the need for Elk Hills production . . . and agreed that the impact of the continued embargo of petroleum from the Middle East, together with other critical aspects of the national and international petroleum situation, has now reached a level which warrants emergency measures, as contemplated in H.J. Res. 832." (That is the authorizing legislation pending in the Armed Service Committee). "However, the JCS recommended that the proposed legislation should ensure that the funds generated are used expeditiously to explore and develop Naval Petroleum Reserve No. 4 (Alaska). Further the legislation should specify that this limited one-time authorization to produce from Elk Hills does not constitute precedent for using the reserves for other than national defense requirements.

The action contemplated by myself and Mr. CONTE and others on the Appropriations Committee is in line with the Joint Chiefs of Staff's recommendations. We should take this step.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I want to associate myself with the remarks of Mr. CONTE, of Massachusetts, as the place, emphasis, and focus of attention of the potential 1 billion barrels of oil in the Elk Hills reserve area in California.

With the energy crisis prevalent in the country, we, in California and the West, are understandably looking for any immediate relief attainable for our people.

As Mr. McDADE has stated, this is a resource that can be brought into our distribution systems within 60 days. This could prove to be very beneficial to the President's efforts and all of us who have been trying to point out the urgency of the energy crisis and the need to obtain early results.

The Elk Hills oilfields will provide an

oil supply that will permit the military to buy from another source other than the starved and very limited domestic supply. This is crucial as an interim program until such time as we reestablish and reinventory other potential reserve areas.

I will yield to no one when it comes to protecting our strategic reserves for our defense requirements but new reserve areas can and will be located and established. I hope the House will recommit the conference report and instruct the conferees to accept Mr. CONTE's suggestion.

Mr. BELL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from California.

Mr. BELL. Mr. Speaker, I wish to commend the gentleman for his statement, and I certainly concur with him.

I was wondering if we do not have as a potential long-range source some more fuel resources not yet developed such as oil from Alaska and from coal?

If this is so, I think those could be included in our long-range plans, not Elk Hills. In the meantime we should use Elk Hills for our short-term needs.

Does the gentleman know whether or not the present Elk Hills field is being drained by other operators in the immediate area?

Mr. CONTE. Mr. Speaker, that I do not know.

Mr. CEDERBERG. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. RAILSBACK. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to clarify a question on the subject of the Rehabilitation Services Administration program for public offenders which was included in the HEW supplemental appropriations request, H.R. 11576.

As noted on the floor November 30, 1973, in a colloquy between Mr. Shriver and myself, the report of the Committee on Education and Labor—Report No. 93–244—on the Rehabilitation Act of 1973, emphasized at page 10 that it:

> Does not expect the Rehabilitation Services in any area where it is now providing services.

Since the House is considering H.R. 11576, a bill making supplemental appropriations for fiscal 1974 for HEW and the Rehabilitation Services Administration, I would like to ask if the gentleman from Illinois' understanding is that RSA's program for rehabilitation of public offenders should not only be continued at the same budgetary level as last year and without any curtailment or reduction of funds.

Mr. MICHEL. Yes, that is my understanding.

Mr. Speaker, I will say in answer to the gentleman that the hearing record is not as clear as it ought to be on that particular subject, but it would be my own personal feeling, and as shared by the subcommittee, that where States have gone ahead with these programs, money in this bill should permit them to continue with those programs.

Mr. HUBER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Minnesota.

Mr. HUBER. Mr. Speaker, I rise today in strong support of the efforts of the gentleman from Massachusetts in his efforts to require the opening up to production of the Elk Hills naval petroluem reserve as a part of the supplemental appropriations bill for fiscal year 1974. This is one very logical and positive step we can take in the energy crisis here and now.

As has been mentioned on previous occasions, the expected rate of pumping oil from these fields—180,000 barrels per day, could replace almost one-half the needs of Navy for fuel oil, which used to be purchased from Middle Eastern countries. This in turn would free some 180,000 barrels per day for the sorely pressed civilian sector of our economy.

The day and the hour bespeak an emergency if I ever saw one and urgent matters such as this one should be acted upon by a responsible Congress. This oil was originally set aside for a wartime emergency, but I feel energy shortage surely qualifies as being almost of equivalent magnitude. Legislation of which I am a cosponsor opens up these fields for a year, and this would certainly go a long way to tide us over the crisis. And, as has been pointed out, the U.S. Government could obtain revenues from selling this oil, which in turn could be used to further develop other Navy reserves in Alaska. Therefore, the motion to open up this domestic source of oil to our citizens should be adopted today on an urgent basis.

Mr. BELL. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. BELL. Mr. Speaker, I would like to ask the distinguished gentleman from Florida (Mr. BENNETT) from the Committee on Armed Services, a question tion similar to the one I propounded to the gentleman from Massachusetts.

I will ask the gentleman if in the Elk Hills field, if it were not being produced, would not some of the oil and gas be drained by some other operators on adjoining properties in the field of Elk Hills which are producing there? I wondered if this being the case if there is not a natural case of drainage that should be investigated? I wonder if the gentleman really knows the answer to that question. Maybe we do not have as big a field there as we think we do.

Mr. BENNETT. Mr. Speaker, I believe I can answer that question.

We have established controlled drawdowns of reserves so that the reserves will not be affected by competitors in the environs of this field.

When you have an oil reserve and people are producing oil on the outskirts of this reserve you can have the oil reserves depleted in that fashion. The Navy has an ongoing program to withdraw and sell part of the oil in the reserves to protect against just this thing occurring. It is a reasonably successful technique.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I hope I may have the attention of the Members in view of the subject which has just been brought up on the Elk Hills reserve.

When I first came to the Congress in World War II we also faced a shortage, and we had earlier rushed into a contract without proper investigation and study, as some of my colleagues would have us do here today, prior to studying the subject fully. In a hearing before the naval appropriations subcommittee, of which I was a member the Navy submitted a request for a payment of $1 million to Standard Oil of California to consummate a contract involving Elk Hills. I asked about the contract and received an evasive answer.

I raised some questions as to what was involved. They were hesitant to answer. Our subcommittee then continued the hearings until we considered the regular bill. For the next few months many persons whom I knew who had an association with the Standard Oil Co. and the Department of the Navy came to me and told me I was wrong in raising any questions about this contract which I had not really done. I simply asked what it was all about.

Following that we had a study made, and it developed, under the pressure of circumstances similar to those under which we now are working, that the Government had entered into a contract with Standard Oil Co. of California to develop Elk Hills.

Those of you who know the area know that this is a checkerboarded area. The lands deeded to the railroads in order to expedite their construction had been sold years before and now belonged to the private oil companies and other blocks of the land belonged to the Government as the Elk Hills Oil Preserve Land holdings are interspaced.

The contract that was entered into in a hurry provided that the Standard Oil Co. of California had a contract in perpetuity to handle and produce all of the oil that the Navy or the Government had in its reserve. Not only that, but under the contract Standard Oil of California got all of the oil including Navy oil for a period of 5 years. It is true that under the contract the company was to repay the Government for the Navy's share of the oil, but at a rate less than the interest on the Government's oil which Standard Oil got. Not only that, but Standard Oil got a far greater percentage of the oil than they had of the land.

I raised these questions, and was told by the then Secretary of the Navy, that I did not know what I was talking about. We carried the matter to the Department of Justice, and the contract was held to be illegal on the grounds I raised. As a result of that action, it has been estimated that we saved 650 million barrels of oil, and more than a billion dollars.

Mr. Speaker, all I am saying to you is we are rushing into an area where part of the land is owned by the Standard Oil Co. of California and part is owned by the Government. We need a thorough study and an authorization. What I have told you here is a matter of history and which you will find thoroughly documented in the Congressional Record.

Under the stress of the moment we entered into a contract in perpetuity which the Government just could not and cannot do. A contract held to be illegal later.

Considering that history I do not think my friend from Massachusetts wants to send us into such a situation again without the appropriate committee making a thorough study in order to make sure we are protecting the Government from the contractors who would like to rush in and make such a contract just as they did before. We need such an authorization.

Mr. CONTE. The gentleman is absolutely right, but what he is speaking about is something that happened 35 years ago in World War II.

Mr. WHITTEN. But the principle remains the same and the oil reserve remains the same. We then had entered into a contract in a hurry without thinking it through and without proper authorization.

Mr. CONTE. It does not remain the same, because you are talking about Secretary Knox, who is dead and gone. We are in a crisis today, and we need the oil.

Mr. WHITTEN. And what do you think we had in World War II?

Mr. MAHON. Mr. Speaker, I was under the impression that the Members of the House wanted to clear the legislative calendar and go home for Christmas. That is certainly my hope. Tomorrow we expect to have on the House floor the conference report on the $74 billion defense appropriation bill and the conference report on the highly controversial Foreign Operations appropriations bill. If the Members want to send this bill back to the conference in the midst of the other conferences that are going on right now, it looks very probable that we cannot adjourn as scheduled, certainly not tomorrow. It seems to me to be inappropriate to try to settle this highly complex Elk Hills problem here in a motion to recommit. The conferees have considered the matter and make a compromise agreement which is adequate for the present.

Mr. Speaker, the Senate added in this supplemental appropriation bill the sum of $72 million for the naval petroleum reserves. Of this amount some $60.5 million was for increased production at the Elk Hills Reserve in California and the remaining $11.5 million was for additional exploration work at Elk Hills and at Reserve No. 4 in Alaska.

In conference it was agreed that the $7,500,000 needed for additional exploration work in Alaska would be provided and all the funds included in the Senate amendment relating to either increased production or exploration at Elk Hills would not be provided.

Mr. Speaker, in the regular Defense appropriation bill, on which the conference report, as I stated, will be considered here tomorrow, there is included over $8 million for the naval petroleum reserves. This is an increase of about $3 million over the amount provided last year. The increase is also for additional exploration and development work at the reserve in Alaska. So between the amount in the regular Defense bill and the amount included in this supplemental there will be about $16 million available for the exploration and development at the Naval Petroleum Reserves, of which about $11 million is for work in Alaska.

Mr. Speaker, Congress has not authorized the further production of oil at Elk Hills, and there is no budget estimate for the $72 million which was added in the Senate.

The matter of authorization of the expansion of oil production at Elk Hills is now being considered by the House Committee on Armed Services, and I believe the matter has been before the Armed Services of the Senate. Therefore it was agreed in conference that we would not get into the matter of Elk Hills at this time.

Most of the $72 million provided in the motion to recommit could not be utilized unless or until Congress has enacted authorizing legislation. We have provided in the bill all the Navy can use now. After the authorizing legislation has been considered and if such legislation is enacted, there will be time enough to provide the necessary funds for Elk Hills, and I am sure that Congress would not be opposed to providing whatever funds will be required.

Mr. Speaker, the motion to recommit is premature. It should not be adopted. Congress should use restraint and caution and not approve $72 million, knowing full well that there is no authority for the expenditure of about $60 million included in the motion.

Mr. Speaker, I see that the gentleman from Illinois (Mr. Price) a member of the Committee on Armed Services, is on the floor, and I would now yield to the gentleman.

Mr. PRICE of Illinois. Mr. Speaker, I think it would be a very serious mistake if we did not support our House conferees in this position. The House Committee on Armed Services for years has made studies, and has investigated the naval petroleum reserves. It has jurisdiction over these reserves. And in the present instance the investigative subcommittee of the House Committee on Armed Services, headed by the gentleman from Louisiana (Mr. Hébert) the chairman of the full Committee on Armed Services, has this very matter under study. I think we should await the results of the study of the investigative committee of the House Committee on Armed Services. For this reason I support fully the position of the House conferees.

Mr. MAHON. Mr. Speaker, I would hope that the House will not recommit this conference report, and throw us into a snarl when we are already so overloaded for tomorrow, and possibly for the next day. Next year, after we reconvene, the matter of authorization and subsequent appropriations can be taken into consideration.

Mr. SMITH of Iowa. Mr. Speaker, since 1970, I have been warning of an energy crisis and urging action and planning to meet such a crisis. That planning has not been done and thus the proposed motion to recommit appears to me to be a dangerous one.

Guidelines have not been established for letting contracts and establishing divisions of products between the Government and neighboring oil companies. As I see it, a yes vote on the motion to recommit would be a vote to hand a blank check to the Administration to enter into any contract they want to with Standard Oil and others. In view of the bad experience we had during World War II, when the Government ended up with very bad agreements, and the tendency for the big oil companies to outdeal Government employees who are acting under no restrictions, this may very well be described as a vote to authorize these employees to enter into sweetheart contracts with Standard Oil and others. Congress should first set up guidelines and limits on the contracts.

I urge a no vote on the motion to recommit.

Mr. WHITTEN. Mr. Speaker, under leave to extend my remarks I wish to list a number of actions taken in our conference of vital interest to all and particularly to my area.

FORESTRY INCENTIVES PROGRAM

Pending hearings on the next regular appropriation, the incentives for tree planting for the remainder of the current fiscal year shall be financed under the cooperative tree-planting program of REAP, where up to 80 percent of the cost has been paid by the United States and more than 5.5 billion seedlings have been set out.

CORPS OF ENGINEERS—CIVIL: GENERAL INVESTIGATIONS

The managers are in agreement that the amounts for the studies provided for in the Senate report are to be allocated within available funds.

CONSTRUCTION, GENERAL

The managers are agreed that the language included in the House and Senate reports relating to the Tennessee-Tombigbee Waterway is not intended and shall not operate to slow down in any way the construction of this project.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

Amendment No. 61: Appropriates $14,600,000 as proposed by the Senate instead of $7,600,000 as proposed by the House.

PLANNING, TECHNICAL ASSISTANCE, AND RESEARCH

Amendment No. 69: Appropriates $6,500,000 as proposed by the House.

Amendment No. 70: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Which shall be available for extension of grants to existing Economic Development Districts and planning organizations, including administrative expenses. and to fund new districts which meet the requirements of 42 U.S.C. 3171, as amended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that no restrictions be imposed in the authorization, designation, and funding of new economic development districts which meet the requirements of 42 U.S.C. 3171, as amended.

Mr. MAHON. Mr. Speaker, I have no further requests for time.

Mr. CEDERBERG. Mr. Speaker, I have no further requests for time.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CONTE. I sure am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONTE moves to recommit the conference report on the bill (H.R. 11576) to the committee on conference with the following instructions to the managers on the part of the House: To agree to Senate amendment No. 5.

POINT OF ORDER

Mr. MAHON. Mr. Speaker, I make a point of order against the motion to recommit on the ground that it is legislative, it is not authorized in law. Under the precedents of the House a motion to instruct conferees or to recommit a bill to conference under instructions may not include instructions directing the House conferees to do that which would be inadmissable if offered as an amendment in the House, Cannon's Precedents, volume 8, section 3235.

The SPEAKER. The point of order is not in order at this time.

Under clause 2 of rule XX, a motion to recommit a conference report with instructions to House conferees to agree to a Senate amendment which violates clause 2, rule XXI is in order. The motion to recommit offered by the gentleman from Massachusetts does not instruct the conferees to add additional legislation or an additional unauthorized item, but merely to concur in Senate amendment 5.

Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 216, nays 180, not voting 36, as follows:

[Roll No. 704]

YEAS—216

Abdnor
Abzug
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Badillo
Bafalis
Baker
Bauman
Bergland
Biester
Bingham
Boland
Brademas
Brasco
Breaux
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Burgener
Burke, Fla.
Burke, Mass.
Camp
Carey, N.Y.
Cederberg
Chamberlain
Chisholm
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collier
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Davis, S.C.
Dellenback
Dellums
Devine
Dickinson
Donohue
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Esch
Eshleman
Findley
Fish
Foley
Forsythe
Frenzel
Frey
Froehlich
Giaimo
Gilman
Goodling
Grasso
Green, Oreg.
Green, Pa.
Grover
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hinshaw
Hogan
Holtzman
Horton
Huber
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Karth
Kastenmeier
Keating
Kemp
Ketchum
Koch
Kuykendall
Kyros
Latta
Leggett
Lent
Long, La.
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McKinney
McSpadden
Macdonald
Madigan
Mallary
Maraziti
Martin, N.C.
Mathias, Calif.
Mayne
Meeds
Melcher
Metcalfe
Michel
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Moorhead, Calif.
Moorhead, Pa.
Mosher
Nelsen
Obey
O'Hara
Parris
Peyser
Preyer
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
St Germain
Sandman
Sarasin
Schneebeli
Sebelius
Shoup
Shuster
Skubitz
Snyder
Stanton, J. William
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Studds
Sullivan
Symms
Talcott
Teague, Calif.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Waldie
Ware
Whalen
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, S.C.
Zablocki
Zion

NAYS—180

Adams
Addabbo
Annunzio
Arends
Ashley
Barrett
Beard
Bell
Bennett
Bevill
Biaggi
Blackburn
Blatnik
Boggs
Bowen
Bray
Breckinridge
Brooks
Brown, Mich.
Broyhill, N.C.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Chappell
Clark
Cochran
Collins, Ill.
Collins, Tex.
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Denholm
Dennis
Derwinski
Diggs
Dingell
Dorn
Downing
Eilberg
Erlenborn
Evans, Colo.
Fascell
Fisher
Flood
Flynt
Ford, William D.
Fountain
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Ginn
Gonzalez
Gray
Gross
Gunter
Haley
Hawkins
Hays
Henderson
Hicks
Hillis
Holifield
Holt
Hosmer
Howard
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
King
Kluczynski
Landgrebe
Lehman
Litton
Long, Md.
Lott
McCormack
McFall
McKay
Madden
Mahon
Mann
Mathis, Ga.
Matsunaga
Mazzoli
Mezvinsky
Milford
Mollohan
Montgomery
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Brien
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Pickle
Pike
Poage
Podell
Powell, Ohio
Price, Ill.
Price, Tex.
Quillen
Randall
Rhodes
Roberts
Robinson, Va.
Roncalio, Wyo.
Rooney, Pa.
Runnels
Sarbanes
Satterfield
Schroeder
Seiberling
Shipley
Shriver
Sikes
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, James V.
Steed
Stephens
Stratton
Stubblefield
Stuckey
Symington
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Treen
Vander Jagt
Vanik
Vigorito
Waggonner
Wampler
White
Whitehurst
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyman
Yates
Yatron
Young, Ga.
Young, Ill.
Young, Tex.
Zwach

NOT VOTING—36

Alexander
Anderson, Ill.
Ashbrook
Aspin
Bolling
Buchanan
Burke, Calif.
Burton
Clancy
Delaney
Dent
Evins, Tenn.
Flowers
Fraser
Frelinghuysen
Goldwater
Griffiths
Gubser
Hanna
Hansen, Wash.
Harvey
Hébert
Landrum
Mailliard
Martin, Nebr.
Mills, Ark.
Pettis
Rarick
Rooney, N.Y.
Ryan
Scherle
Sisk
Taylor, Mo.
Van Deerlin
Veysey
Walsh

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Frelinghuysen for, with Mr. Hébert against.

Mr. Pettis for, with Mr. Taylor of Missouri against.

Mr. Anderson of Illinois for, with Mr. Rarick against.

Mr. Goldwater for, with Mr. Landrum against.

Mr. Scherle for, with Mr. Dent against.

Mr. Clancy for, with Mr. Rooney of New York against.

Until further notice:

Mrs. Griffiths with Mr. Aspin.

Mr. Alexander with Mr. Burton.

Mrs. Burke of California with Mr. Fraser.

Mr. Evins of Tennessee with Mr. Mills of Arkansas.

Mr. Delaney with Mr. Gubser.

Mr. Ryan with Mr. Buchanan.

Mr. Sisk with Mr. Martin of Nebraska.

Mr. Van Deerlin with Mr. Ashbrook.

Mr. Hanna with Mr. Walsh.

Mrs. Hansen of Washington with Mr. Mailliard.

Mr. Flowers with Mr. Harvey.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert appropriate extraneous material in connection with the conference report which has just been recommitted.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONWIDE OUTDOOR RECREATION PLAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interior and Insular Affairs:

To the Congress of the United States:

It is with pleasure that I transmit the Nationwide Outdoor Recreation Plan, *Outdoor Recreation—A Legacy For America*. This Plan has been developed in response to Public Law 88–29.

The Plan is designed to set forth a framework for guiding the programs of the Federal Government, State and local governments, and the private sector in providing outdoor recreation opportunities in America.

RICHARD NIXON.

THE WHITE HOUSE, *December 19, 1973.*

APPOINTMENT OF CONFEREES ON H.R. 3153, AMENDING SOCIAL SECURITY ACT

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3153) to amend the Social Security Act to make certain technical and conforming changes, with the Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oregon? The Chair hears none, and appoints the following conferees: Messrs. ULLMAN, BURKE of Massachusetts, Mrs. GRIFFITHS, Messrs. ROSTENKOWSKI, SCHNEEBELI, COLLIER and BROYHILL of Virginia.

CONFERENCE REPORT ON H.R. 5874, FEDERAL FINANCING BANK ACT OF 1973

Mr. ULLMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 5874) to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 5, 1973.)

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement of the managers be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I call up the conference report on the bill, H.R. 5874. This bill establishes a Federal Financing Bank designed to centralize the marketing of Federal, and federally assisted, borrowing. In addition, the bill requires most Federal agencies to submit the financing plans for securities they issue or sell, for advance approval by the Secretary of the Treasury, who is to be the Chairman of the Federal Financing Bank's Board of Directors.

There were five points of difference in the House and Senate versions of the bill. In the conference, the House conferees prevailed on three of the provisions, but receded to the Senate on the other two.

The first provision in disagreement was the issue of whether advance approval of financing plans by the Secretary of the Treasury would be necessary for debt issues guaranteed by the U.S. Government. The House bill provides for advance approval for obligations issued or sold by any Federal agency, but it does not require prior approval for obligations guaranteed by any Federal agency. The Senate, on the other hand, provided that the Secretary's advance approval would be necessary for guaranteed issues except for certain obligations guaranteed in connection with programs involving large numbers of individual obligations. The House took the position that at this time guaranteed issues should not require advance approval because of the possible effect on the substantive provisions of an agency's program if the financing was held up or changes were required before approval was granted.

In addition, it is believed that another administrative level could cause delays which could be detrimental to the guaranteed programs. Finally, there was concern about the possible adverse effects on established securities markets for guaranteed issues if financing were required to be carried out through the Federal Financing Bank. We believed that it would be better to exclude guaranteed issues at this time, with the understanding that this decision could be reconsidered at a later time when we have more experience with the operation of advance approval procedures and the Federal Financing Bank generally. The Senate conferees agreed and receded from their position on this issue.

The second provision in conference related to the treatment of obligations issued or sold by the Farmers Home Administration; that is, whether they should be exempt from the prior approval requirement. This exemption was added by the Senate because it was concerned that delays in issuing the securities might hold up funding for rural housing. In view of the fact that this agency already coordinates its activities with the Secretary of the Treasury, and since the House conferees understand that the agency intends to continue doing so, even though this exemption does not require it to receive advance approval, we agreed to the Senate provision.

A third issue before the conferees was the question of whether to place a limit on the time allowed the Secretary of Treasury for giving advance approval. Under the House bill, the Secretary may not withhold approval of the financing plans for obligations to be issued or sold by Federal agencies for a period of more than 120 days, unless he submits to Congress a detailed explanation of his reasons for doing so. The Senate did not permit the Secretary to withhold his approval longer than 60 days without submitting his reasons to Congress, and in no case could the Secretary withhold approval of an issue longer than 120 days. In addition, the Senate amendment provides that, to the maximum extent practicable, withholdings of approval are to be made in a manner which is not disproportionately detrimental to the functioning of any particular type of Federal program.

The House conferees concluded that the Senate requirement of a report to Congress by the Secretary in explanation of delaying approval longer than 60 days would not be a heavy burden and that such a delay should be based upon substantial grounds. Moreover, in practice, there probably is little meaningful difference between the House position and the Senate position, which does not permit the Secretary to withhold his approval longer than 120 days. This is because the role of the Secretary of the Treasury under the bill is to smooth the flow of Federal agency securities to the markets by reviewing the timing and basic terms and conditions of each issue. Ordinarily, this involves selecting alternative dates for going to the market and sometimes consolidating issues. These requirements can be met by the Secretary of the Treasury within the time limits in the Senate bill. Furthermore, the bill is not designed to enable the Secretary to refuse completely to allow a program to be financed. As a result, since the House conferees believe that the Senate's version is consistent with the intent of the House bill, we agreed with the Senate provisions.

With respect to the fourth issue, the House, but not the Senate, provided that nothing in the act may be construed as providing additional authority to Federal agencies to borrow or to guarantee debt. This provision gives assurance that additions to present borrowing authority must be obtained from Congress. The Senate agreed with us on this provision.

The fifth, and last, issue before the conferees was a Senate amendment which would state as the sense of Congress that the United States take appropriate measures to enable it to sell gold from its gold stocks to licensed domestic users as soon as is desirable in view of domestic and foreign considerations with respect to gold markets and the balance of payments. Since the provision is not germane to this bill and, in any event, would have little effect since it only expresses the sense of Congress, the House conferees prevailed and the Senate conferees receded from its position on this provision.

The conferees recommend that the House accept the conference report on H.R. 5874.

I now yield to the ranking minority member, the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Speaker, I rise in support of the conference report on the Federal Financing Bank Act of 1973. This legislation, which was recommended by the administration both in this as well as the last Congress, is necessary to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public. The bill agreed to by the conferees will allow the Government to do this and, at the same time, should cut the costs associated with Government borrowing.

The legislation previously approved by both bodies provides for the establishment of a Federal Financing Bank in the Department of the Treasury which would be the focal point for the marketing of Federal borrowing activities. It calls for the advanced submission by Federal agencies of financing plans to the Secretary of the Treasury and for Treasury approval of the method and source of the financing, timing, rates of interest, maturities, and all other financing terms and conditions associated with the financing of Federal obligations.

There were several main points of disagreement between the House and Senate versions of this legislation, which I want to briefly describe.

While both bills required prior approval by the Secretary of the Treasury of the financing plans for most Federal obligations, the House bill limits the prior approval requirement to obligations issued or sold by any Federal agency but exempts obligations guaranteed by the Federal agencies. The Senate bill included these guaranteed obligations, and the conference accepted the House provision.

In addition, the Senate bill exempts from the mandatory requirements of the bill, the Farmers Home Administration. It should be noted that nothing in the Senate version prohibits the FHA from voluntarily submitting to the authority of the Federal Financing Bank, and the conferees were advised that the FHA plans to do so. The conferees agreed on the Senate provision.

Also, the conferees accepted an exemption for obligations issued or sold pursuant to an act of Congress which expressly prohibits any guarantee of such obligations of the United States. This exemption applies to obligations issued or sold by the Tennessee Valley Authority.

Under the House version, the Secretary of the Treasury could not withhold his approval for agency financing of obligations for more than 120 days unless he has submitted a detailed explanation to Congress for so doing. Under the Senate version, that period is reduced to 60 days with the added requirement that in no event could he deny approval for more than 120 days. The House receded on this point.

The Senate version contained a provision stating that to the maximum extent possible withholding of approval may not be made in a way which will be disproportionately detrimental to any particular type of Federal program. The House conferees felt this provision was sound and accordingly agreed to accept it. Similarly, the Senate conferees agreed to accept a provision in the House bill that states that nothing in the bill is to be construed as authorizing an increase in existing borrowing authority of any Federal agency.

Finally, the Senate bill contained a provision declaring it to be the sense of Congress that the United States take necessary steps to provide for the sale of U.S. gold to domestic users. The House conferees insisted on the deletion of this provision primarily on the grounds that legislation relating to the sale of gold is under the jurisdiction of the House Banking and Currency Committee and that that committee had not acted on the subject. The Senate receded on this provision.

Mr. Speaker, this legislation is necessary for more effective and efficient management of Federal financial obligations. The provisions in the version of this legislation agreed to by the conferees are sound and should be supported. I urge approval of this conference report.

Mr. ULLMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

ENERGY REORGANIZATION ACT OF 1973

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 745, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 745

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11510) to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Government Operations now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be read for amendment by titles instead of by sections, and all points of order against sections 104, 105, 106, 108, 302, and 311 of said substitute for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 745 provides for an open rule with 2 hours of general debate on H.R. 11510, a bill to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission.

House Resolution 745 provides it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Government Operations now printed in the bill as an original bill for the purpose of amendment. House Resolution 745 also provides that the substitute shall be read for amendment by titles instead of by sections and points of order against sections 104, 105, 106, 108, 302, and 311 of the substitute for failure to comply with the provisions of clause 4, Rule XXI of the Rules of the House of Representatives (prohibiting appropriations in a legislative bill).

The new Energy Research and Development Administration created by the bill will be headed by an Administrator who will be appointed by the President with the advice and consent of the Senate. Serving under the Administrator will be five Assistant Administrators, who, respectively, will head the following five major areas of ERDA: First, fossil energy development; second, nuclear energy development; third, research and advanced energy systems; fourth, environment, safety and conservation; and fifth, national security.

Mr. Speaker, I urge adoption of House Resolution 745 in order that we may discuss and debate H.R. 11510.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 745 provides for the consideration of H.R. 11510, the Energy Reorganization Act of 1973, under an open rule with 2 hours of general debate. In addition, the rule makes the committee substitute in order as an original bill for the purpose of amendment, provides that the substitute be read for amendment by titles instead of by sections, and waives all points of order against sections 104, 105, 106, 108, 302, and 311 of the substitute for failure to comply with clause 4 of rule XXI, which deals with transfer of funds.

The bill provides for the creation of an independent Energy Research and Development Administration—ERDA—which will include nonregulatory functions of the Atomic Energy Commission, plus energy research and development programs from other agencies.

The bill also provides that the Atomic Energy Commission be renamed the Nuclear Energy Commission, and continue as a smaller organization to administer nuclear licensing and related functions.

This bill is relatively narrow in scope. It is directed toward research and development. Other reorganization legislation will be necessary. For example, the President has proposed creation of a Federal Energy Administration, which is the subject of separate legislation. This research and development bill is directed more at long-range problems, while the bill to set up a Federal Energy Administration will be directed more toward short-range problems.

The agency set up in this bill, ERDA, will be headed by a single Administrator who, along with the Deputy Administrator, will be appointed by the President with the approval of the Senate.

Under the Administrator, there will be five Assistant Administrators, who will head the following five major missions of ERDA: One, fossil energy development; two, nuclear energy development; three, research and advanced energy systems; four, environment, safety and conservation; and five, national security.

The cost of this bill is estimated to be $4 million per year.

Mr. Speaker, I have no requests for time, but I reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I am going to follow this debate very carefully on this bill. I have several concerns. First of all, I am concerned why all of the thrust for our energy research should start off under the aegis of the Atomic Energy Administration.

I certainly hope that during the course of the debate on this bill this issue might be cleared up so that when we discuss the problem of energy, we think about it as a broad-based problem and deal with it equally as to petroleum, coal, solar energy, geothermal and other energy forces. I think it would be a mistake if we should start off concentrating all of our energy research with a biased base in nuclear research. I think energy research should cover the whole spectrum of energy, and I shall look forward to some clarification of this issue during the course of the debate.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HOLIFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11510) to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11510, with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. HOLIFIELD) will be recognized for 1 hour, and the gentleman from New York (Mr. HORTON) will be recognized for 1 hour.

The Chair recognizes the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in the 30 years I have been privileged to serve in the House of Representatives, I have brought before this body many legislative measures of importance to our national well-being. It is my sincere belief, however, that none was more urgently needed than the bill now under consideration. It deals with the energy crisis and the Nation's energy needs for years and generations to come.

I have been long concerned and have spoken out many times about the problem of assuring an adequate supply of clean energy for the decades ahead. Now, finally, the crunch of energy shortages has forced the spotlight of full attention on this, our most urgent and national dilemma. The hour is late. The people want action. Large sums of money will be needed, but money alone cannot solve our problems.

We need an organizational framework for energy policies and programs, the policies and programs that will bring this Nation to self-sufficiency in energy supplies. We need a central agency to develop these policies and foster these programs.

H.R. 11510 has been carefully designed to achieve these purposes.

This bill was unanimously adopted by the Legislation and Military Operations Subcommittee of the Committee on Government Operations, which I have the honor to chair. It was reported out by the Committee on Government Operations without a single dissenting vote. All members were present but one.

The legislation it embodies is carefully distilled essence from a number of legislative proposals during the past 3 years and considerable testimony by representatives of the Government, industry, national laboratories, electric energy organizations, and other interested groups. The committee and its staff spent many hours refining the features and provisions of this bill, in consultation with expert staff from the General Accounting Office, the Office of Management and Budget, the Atomic Energy Commission, the Department of the Interior, and the Department of Justice.

I will briefly summarize the salient aspects of H.R. 11510. The proposed statute, titled the "Energy Reorganization Act of 1973," will reorganize major energy-related research and development functions in the Federal Government. Functions pertaining to energy R. & D. would be transferred to a newly created independent Federal agency, called the Energy Research and Development Administration—ERDA. The new agency will exercise central responsibility for planning, managing, supporting, and conducting R. & D. programs and projects involving all energy sources and energy utilization techniques. Its range of program initiatives will be broad. It will encompass, but not be limited to, solar, tidal, wind, hydrogen, fossil fuel, synthetic fuel, nuclear, and geothermal sources and processes. It will seek to exploit all promising energy potentials based on present knowledge and to take new directions pointed to by future research results.

ERDA's responsibilities in connection with energy sources and utilization technologies will include R. & D. efforts in areas such as fuel resource extraction—on land and undersea—conversion technology, energy storage, transmission of electric energy, and energy utilization techniques. To gain long-range solutions to our energy problem, we will need to achieve significant advances in all these areas.

The report accompanying the bill expresses the committee's view that attainment of national self-sufficiency in energy at the earliest practicable date clearly demands a sharp upsurge in coal R. & D. Coal is our most abundant fossil fuel reserve. We appear to have about half the world's supply. When suitably converted to gaseous, liquid, and other environmentally acceptable forms, coal will materially help us reach a level of energy independence at the earliest possible date.

All present indications are that until the end of this century, we will need to use all available, environmentally acceptable forms of energy—fossil, synthetic, nuclear, and others—that we can develop.

ERDA's overall responsibilities also will include the encouragement and conduct of R. & D. for the conservation of energy, for increasing the efficiency and reliability of energy sources and energy-utilizing devices, and for safeguarding the quality of our environment.

The ERDA organization is specially designed to enable the new Agency to carry out its missions most effectively. ERDA will be headed by a single Administrator, who, along with a Deputy Administrator, will be appointed by the President by and with the advice and consent of the Senate. The Administrator and the deputy will be principally concerned with setting R. & D. policy and with the overall direction and management of the Agency.

Under the Administrator, there will be five Assistant Administrators, who will, respectively, head five major mission areas: First, fossil energy development; second, nuclear energy development; third, research and advanced energy systems; fourth, environment, safety, and conservation, and fifth, national security. These five Assistant Administrators also will be appointed by the President by and with the advice and consent of the Senate. The high rank and equality of station of each of these Assistant Administrators will emphasize the intent of this bill that full attention and appropriate emphasis be given to all promising energy sources, as well as to safety, to conservation, to environmental considerations, and to all of the other responsibilities of ERDA.

At the next level in ERDA will be additional officers, not exceeding seven in number, and a General Counsel, to be appointed by the Administrator.

The report accompanying this bill expresses the committee's expectation that in selecting the Administrator, the Deputy Administrator, and the five Assistant Administrators, the President will give consideration to the views and recommendations of public interest groups and individuals from scientific, consumer, environmental, conservation, and energy communities. Additionally, the report strongly recommends that these top officials be carefully chosen on the basis of outstanding ability, integrity, and dedication generally acknowledged by their peers. The committee further expects that all the other officers and personnel of ERDA will be selected on a best-qualified basis.

ERDA will be able to get underway rapidly because it will start with a considerable array of our Nation's best R. & D. talent and facilities, principally derived from the following transferred assets:

First. From the AEC, a unique network of national laboratories and facilities valued at about $9 billion, a diversified scientific and technical expertise, and vast experience in managing large, complex technological projects.

Second. From the Office of Coal Research and the Bureau of Mines, experts in fossil fuel development, six laboratories and a synthane plant.

Third. From the National Science Foundation, expert knowledge respecting developments in solar heating and cooling and in geothermal power.

Fourth. From the Environmental Protection Agency, expert knowledge concerning the development and demonstration of alternative automotive power systems, and concerning combustion-related technologies to control emissions of pollutants from stationary sources using fossil fuels.

These national assets, in terms of personnel talents, expert knowledge, and billions of dollars worth of facilities, many of them unique, will be a solid foundation for ERDA's swift expansion into all worthy energy source avenues.

ERDA will also acquire all of the Atomic Energy Commission's development, production, and operational functions—actually, all of the Commission's nonregulatory functions. These would be split off and formally separated from the remaining licensing and related regulatory functions of the AEC. Thus, the AEC, under a new name, the Nuclear Energy Commission—NEC—will be converted into an independent regulatory body, and will continue to conduct its licensing and related regulatory activities under pertinent provisions of the Atomic Energy Act of 1954, as amended. The report accompanying this bill spells out the applicability of the provisions of the Atomic Energy Act to NEC and to the AEC functions transferred to ERDA.

The bill provides for annual authorization of appropriations, and for an annual comprehensive report by the Administrator to the President for submission to the Congress. The bill requires that the Administrator keep the appropriate congressional committees fully and currently informed with respect to all of ERDA's activities.

Mr. Chairman, we are all well aware that the growth and progress of our country, our high standard of living, our national security and well-being, have been made possible by abundant low-cost energy. We all know that our consumption of energy, however prudently managed and conserved, will continue to increase more rapidly than our present ability to supply it in environmentally acceptable forms. And we must be mindful not only of the foreseeable needs of our present population but of the Nation's long-range needs, when our children, and our children's children, will be living their lives. Do we want to deprive them of adequate sources of energy or a wholesome environment?

In our great quest for abundant clean energy for the decades ahead, we will have to mount the most comprehensive, coordinated, and intelligent program we are capable of organizing on the national level. This bill is a very good beginning of that total effort. It will provide the necessary organizational framework and a solid basis for getting rapidly underway.

I remind you that the good Lord, who could have created and populated our world by a single miraculous occurrence, deemed it appropriate to carry out His objective by not one but six discrete events—the first one being the creation of light and its separation from darkness. In the context of our own objective, I am satisfied that the bill before us will separate light from darkness and constitute a good beginning—one that must be made without further delay.

In the accompanying report, which I urge everyone to read, the committee recommends that, in the first year of operation, the Administrator develop a 10-year program to chart ERDA's course in energy R. & D. fields. Annual authorizations and appropriations will insure proper congressional participation. Annual reports, updating the program from year to year, will indicate the progress made in relation to the planned program. Thus, the strategy for achieving national independence in sources of energy will be openly avowed and in the forefront of public attention. It will convey the clarity of purpose Paul the Apostle espoused in his remark in the first epistle to the Corinthians:

> For if the trumpet give an uncertain sound, who shall prepare himself to the battle?

Two final points: This is a reorganization bill. It does not authorize any particular sums or levels of appropriations for any of ERDA's functions. The functions transferred into ERDA are already funded for fiscal year 1974. Authorizations and appropriations for the next fiscal year would, under this bill, eventuate in due course and in the usual manner.

Also, this bill does not alter or affect committee jurisdictions. It may be that, during the coming year, the House will receive recommendations for a more coordinated and comprehensive congressional approach to energy affairs. In the meantime, this bill proposes to reorganize energy functions in the executive branch, not in the Congress.

I urge the Members on both sides of the aisle to support this nonpartisan measure that—finally—will focus our national will and talents on solving our energy problems without impairing our environment.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Pennsylvania.

Mr. McDADE. The gentleman mentioned that six laboratories from the Bureau of Mines would be transferred into ERDA. Would the gentleman be kind enough to inform me which six laboratories he is referring to?

Mr. HOLIFIELD. In atomic energy I am talking about Los Alamos, the Livermore Laboratory, the Oak Ridge Laboratory——

Mr. McDADE. Will the gentleman yield further?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. McDADE. I was referring to the Bureau of Mines Laboratories.

Mr. HOLIFIELD. Oh, the Bureau of Mines. Six of the laboratories that have been dealing in energy-related projects and a synthane plant for coal gasification, now under construction.

Mr. McDADE. Mr. Chairman, would the gentleman elaborate specifically on which labs it is intended to transfer?

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Let me answer my friend from Pennsylvania. The Director of the Bureau of Mines from the Interior Department listed the projects that ultimately will be transferred for further development in ERDA and he is ready to go with him on the processing of coal from the surface.

Mr. HOLIFIELD. I might say further, if the gentleman will yield, that the Assistant Secretary of the Interior came before our committee and testified in favor of this, and so did Mr. Carl Bagge, who is head of the National Coal Association. They both testified this would be a good move in their opinion.

Mr. McDADE. I thank the gentleman for that information. Would he yield further?

Mr. HOLIFIELD. I yeild to the gentleman

Mr. McDADE. I understood the gentleman's response in reference to the Office of Coal Research. What I am seeking to determine is which six laboratories that the distinguished gentleman from California mentioned are contemplated would be transferred out of the Bureau of Mines?

Mr. RONCALIO of Wyoming. Mr. Chairman, I will get the names for the gentleman. I will have them for him.

Mr. HOLIFIELD. Page 31 of the committee report, I will say to my friend, contains the information. The six research centers included in this transfer are located in Bartlesville, Okla.; Grand Forks, N. Dak.; Laramie, Wyo.; Morgantown, W. Va.; Pittsburgh, Pa.; and San Francisco, Calif.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Mr. Chairman, I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, I want to compliment the gentleman in the well for this contribution he is making. I want to make an inquiry about a project he is very familiar with, and I am sure he will recall, and it is the fast breeder reactor research project in Arkansas called Seafor.

Mr. HOLIFIELD. Mr. Chairman, I happened to be in on authorizing that.

Mr. HAMMERSCHMIDT. Mr. Chairman, I was certainly going to recognize the fact that the gentleman knows more about it than anyone on this committee or in the House because he was very much involved.

Now, that has been deactivated, and it was intended to be deactivated after the research was accomplished. I understand it was a very highly successful project and went to reactor safety. I am wondering, with this new commitment to the self-sufficiency of our Nation in nuclear generation, if the AEC or this new commission might not be well advised to take another look at that $25 million installation to see if it will have further use in this new program.

Mr. HOLIFIELD. Mr. Chairman, I will be happy to take another look at that. However, the decision to close that plant was based on the fact that it had achieved the goals of research—and it was very important research, by the way—the type of research that goes into the fast breeder reactor. That was originally $11 million and finally went to $16 million, and the funds were contributed by a group of German companies, a group of electric utilities, General Electric, the Atomic Energy Commission. I would doubt very much if that would fit in for further work. However, I would be very happy to explore that.

Mr. HAMMERSCHMIDT. Mr. Chairman, I appreciate the gentleman's response.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Mr. Chairman, I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I want to commend the chairman of the committee as well as the ranking Member on our side, Mr. HORTON, of New York, for their effort in bringing this bill before the House. In particular, I would like to commend the gentleman for his comments not only to the potential of coal as a midterm source of energy, but the tremendous potential it has.

Our efforts in coal liquefaction and gasification are practically on the line, and the Navy says that now they have been able to operate ships at a cost of less, when finally it is in full production, less than what it would be if they operated them on petroleum.

In particular the gentleman mentioned extraction. Is it not the intent of the chairman that the extraction of coal from the ground will be as much an effort of this research and development agency on helping develop the ready means of safely bringing the coal out of the ground?

Mr. HOLIFIELD. Mr. Chairman, the research and development agency will continue to do research into the improvement of the techniques of extraction. However, the actual operation of these facilities will be left in the Department of the Interior. They will take these devices, some of which, as the gentleman knows, have already been developed, and they will operate them in the mines.

This research and development agency will not do anything in the way of operating these devices, but they will have people looking at them all the time and trying to improve the methods of extraction and recommend improvements to the Department of the Interior. It will be the operational department in the building of the extraction machines.

I think the mining technology and extraction machinery is a very important thing. I want to emphasize the fact that we must use every ounce of coal that we can mine and dig and change into any kind of acceptable combustible form, whether solid, liquid or gas, because this country is going to be short of energy even if it does that, and we must at least double and maybe triple production of coal in the next 15 years if we are going to come anywhere near meeting the challenge we have to meet.

I am talking now about substantial contributions; I am not talking about token contribution.

There is only one way to do that, and that is to utilize coal to the fullest extent possible.

Mr. Chairman, I would like to say that I have the greatest confidence in these great scientific minds in the AEC. We put them to work on many things, such as the hydrogen bomb and the nuclear submarine, and they work in teams. They have accomplished many great things as multidisciplined scientists.

At the present time, when we burn a ton of coal, we throw 300 pounds of polluting contaminants into the air, particularly sulfur dioxide and ash and other tangible physical substances. The same amount of average grade oil throws 75 pounds into the air, and the same amount, in terms of cubic feet, of gas throws about 10 pounds into the air. So the coal, which is our greatest source of potential energy, is also the most polluting material.

This is the No. 1 project, in my opinion, that we should go into for immediate solution of our problems, and for immediate access to this vitally needed energy fuel which we must have to supplant the Middle East oil.

Mr. STUBBLEFIELD. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I will be happy to yield to the gentleman from Kentucky.

Mr. STUBBLEFIELD. Mr. Chairman, I would like to add my complimentary comments to the distinguished Chairman of the Committee.

I think that this research program is long overdue, particularly as the Chairman of the Committee has related it to coal.

As the gentleman knows, I sit on a great big pile of high sulfur coal, and this program would certainly be most beneficial. I represent the largest coal producing county in the world, and the Governor of my State is very much interested in this program here.

We certainly want to offer our appreciation to the gentleman for bringing this bill up.

I would like to ask the gentleman this question: As far as the research plants that are now in existence are concerned, this program would not be confined just to those plants, would it?

Mr. HOLIFIELD. Mr. Chairman, I hope that it will not be. The President has allocated a much larger sum of money to coal than has ever been allocated before. There is about $2 billion a year proposed to be spent in this total energy research and development program.

Of that amount about $1 billion is for ongoing research and development projects, including work in the Bureau of Mines and the Office of Coal Research, as well as the Atomic Energy Commission and several other agencies. Of the amount of $10 billion proposed over a 5-year period, about $1 billion a year will be new money, if the Congress authorizes it and appropriates it. I think it will be appropriated, in view of this urgency.

Mr. Chairman, I believe a substantial amount of that money should go into coal research immediately, because of the facts I have already given. Certainly coal is our most plentiful supply of fuel for energy, and it is immediately available. We do not have any "pie in the sky" to offer or anything like that, but we know that we can get energy out of coal. The problem we must solve is getting the coal out of the ground and burning it in such a manner that it is environmentally acceptable.

Mr. Chairman, I want to point out on the chart here that the Assistant Administrator for Fossil Energy Development is put on the same level of organizational authority as the Administrator for Nuclear Energy Development; for Environment, Safety and Conservation; for Research of Advance Systems; and for National Security.

So this Office is organizationally on the same level with the others.

Mr. STUBBLEFIELD. Mr. Chairman, will the gentleman yield further?

Mr. HOLIFIELD. I yield to the gentleman from Kentucky.

Mr. STUBBLEFIELD. Mr. Chairman, our Governor was up there recently. We met with the Governor on this matter, and he envisioned that the State and private enterprise and the Federal Government could work together on these projects.

Does the chairman of the committee envision such program to be practical?

Mr. HOLIFIELD. Yes, I do. I think that private industry must continue to cooperate and must do even more than it has been doing in the field. It is going to take the combined efforts of private industry and the Government to do this job. It is a big job, and it can be done. It is within the realm of possibility.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Yes, I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, the gentleman mentioned coal, and I wish to compliment the gentleman for the very outstanding job he has done, and with such good results, within the committee itself.

Is it true that with coal, as you say, being one of our largest assets—is it true we have a lower sulfur content type of coal located in the Montana-Wyoming area in the Western States than some of the eastern seaboard coal?

Mr. HOLIFIELD. I understand there are some lower sulfur content coalbeds out there.

Mr. BELL. I wonder, because I understand there has been an attempt to block the development of those beds in the Western areas.

Mr. HOLIFIELD. As the gentleman knows, there are attempts to block coalbed development, and attempts to block powerplant development of all kinds, both coal and oil, all over the United States by these people who, in my opinion, have gone to the extreme end on the environmental binge. We have a real world to live in, and we have to get the energy so that our people can get work in order to feed themselves and their families. We burned coal for 200 years in this country, and we will continue to do so. However, we have to learn to do this in a better way, because we are burning more of it. We have to learn to do it so it does not contaminate the atmosphere. That is what this Agency is all about.

Mr. BELL. I thank the gentleman.

I think it is very important to try to develop coal with a lower sulfur content in the Western States.

Mr. HOLIFIELD. I am sure it will have the attention of the Administrator. It will be his job to try to find out where we can get the energy we need.

Mr. NELSEN. Will the gentleman yield?

Mr. HOLIFIELD. I am happy to yield to the gentleman.

Mr. NELSEN. Recently I have been getting a lot of communications from the REA systems throughout the country. The gentleman in the well is very familiar with this, having been a long friend of the program. For example, in North Dakota we have a coalbed where the REA people are trying to get permission to build a powerplant right in that bed so that they can have good quality coal and not do damage to the air quality. They will then transmit the power to the Twin Cities area and distribute it. It would be a good way to have coal delivered in effect by an electric wire rather than having smokestacks in large cities, but we are having trouble getting it done.

Mr. HOLIFIELD. What kind of trouble have you had?

Mr. NELSEN. To get the clearance to proceed with it.

Mr. HOLIFIELD. By whom?

Mr. NELSEN. By the environmental enthusiasts.

Mr. HOLIFIELD. That is what I want to bring out.

Mr. NELSEN. The point I want to make in defense of those who have been championing the cause of better environment—with which we do not quarrel—the point I want to make is there comes a time when you have to make a decision on this. I was listening to Mr. Simon the other night, and he said that if you do not make use of coal, then we are heading for a disastrous situation in the United States. We had better learn how to get the fuel supplies we need, such as coal and oil, harnessed in the correct way. Then we can survive. Otherwise we are in real trouble.

Mr. HOLIFIELD. The gentleman said that better than I can. I agree with him 100 percent. We have to use all of the coal we can use that would be environmentally acceptable.

Mr. NELSEN. I thank the gentleman.

Mr. HAYS. Will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. HAYS. I am a little surprised at the gentleman's statement about not being able to build powerplants. I have a situation in my district which consistently has the dirtiest air in America. It is said that if you just breathe the air there, you are inhaling the equivalent of two packs of cigarettes. It has three powerplants on the outskirts of the city, two on the south and one on the north. They gave permission to build a 1 million kilowatt plant to the REA. Now, I am a friend of the REA, also, but I want to point out they are no REAs any more; they are commercial power producers out to make a buck. The one they are building in my district will wheel power to Cincinnati. Sending coal by wire is the most inefficient way on God's green earth to use coal.

I am all for research. There is a process called magnetohydrodynamics, MHD, which will produce 60 percent more power from every ton of coal. But can you get that power company to experiment with it? You try sometime. They do not want to clean up the air. They want to make a buck and they do not care how they do it.

Would it not be better to have the supply of coal extended by 60 percent? I think it would.

I lived right in the midst of the coal fields. Ohio is the fourth largest producer of coal. We produce in my district 90 percent of that coal. But it is not all on the side of the REA and the power companies, and do not blame the EPA for everything. They are just trying to get these people to spend a little money to make it possible for human beings to breathe. And if I had the choice between breathing and an electric toothbrush, you know I would prefer breathing.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I would be delighted to yield to the gentleman from Ohio (Mr. VANIK), but first let me say to the gentleman that I heard him speak on the rule, and I would like to call to the gentleman's attention the fact that we have placed in this organizational structure one division for fossil fuel, one division for nuclear energy, and divisions for other purposes. But fossil fuel is on the same organizational level as all the rest, and it will have the same attention. It will be up to the Congress to give them the money to do the job. That is where the gentleman from Ohio can be helpful in getting the kind of support financially that we need for the country. And I am sure that with the statement of the President that he wants to put a great deal more money into coal that we can get this bill through and signed.

Mr. VANIK. Mr. Chairman, if the gentleman will yield, let me say that I very much appreciate the response of the gentleman.

I want to say this, that what concerns me is the makeup of this organization, and that in the nature in which it is being used today, under this legislation, whether it might have an overwhelming amount of control by people who are part of the Atomic Energy Commission. It is under that auspices.

Mr. HOLIFIELD. In the first place, the Administrator, the Deputy Administrator, and these five Assistant Administrators are all to be appointed by the President and confirmed by the Senate, and the gentleman from Ohio will find in reading the report, that we are insisting that these be qualified people, not merely theorists but experienced, qualified people, that they will be selected for this purpose, and we are urging that. And I am sure the other body, when it comes time for the confirmation of these men, will keep this in mind in questioning them. And I am hopeful, in fact, I have been told that a very experienced man in fossil fuels will be put at the head of this fossil fuel research and development division.

Mr. VANIK. Mr. Chairman, if the gentleman will yield further, under fossil fuels we are combining both oil and coal, is that correct?

Mr. HOLIFIELD. Yes, oil, coal, and gas.

Mr. VANIK. But today when we measure how much energy we use in this country, a tremendous part of it is from oil and coal.

Mr. HOLIFIELD. That is right.

Mr. VANIK. It would seem to me that that downgrades or has a tendency to downgrade sources for energy today which predominate, and downgrades them to the advantage of other sources.

Mr. HOLIFIELD. No. The situation as it exists at this time is that these oil, coal, and gas resources are our principal ingredients, hydroelectric and nuclear and other forms are not as high in the scale of present production as are the three fossil fuels, and they are not downgraded at all.

Mr. VANIK. I thank the gentleman.

I have another question, if the gentleman will yield further. Under this plan of organization is it contemplated that the permit requests powers that were discussed earlier would be transferred to this new Agency?

Mr. HOLIFIELD. I am sorry, I did not quite catch the statement the gentleman made.

Mr. VANIK. The authority for the transmission and the authority for construction of the facilities that is required.

Mr. HOLIFIELD. The programs that are now in existence in the Bureau of Mines and the Office of Coal Research and the personnel and their records, and their appropriations, will be transferred over. And we are hopeful that this new money that will come in will enlarge their activities.

Mr. VANIK. Mr. Chairman, will the gentleman tell me whether or not it is contemplated that this new money would be coming in through general taxes or through a trust fund concept?

Mr. HOLIFIELD. It is not a trust fund concept.

Mr. VANIK. Mr. Chairman, I am one of those Members of this body who believes very strongly in the trust fund concept. I feel that the problem is of such a tremendous dimension and is going to require such tremendous resources to really make the country energy-free, as the President has suggested.

Mr. HOLIFIELD. Of course, I will not argue with the gentleman on that point. That point will be decided by the committee of jurisdiction who will bring in the authorizations. This does not change the present authorizations of the committees that now have coal, oil, and other fuel potentials in their jurisdictional areas. This does not change the jurisdiction of any committee of Congress, and it will be up to those committees that are responsible for these various programs to come forward with the suggestions and recommendations for authorization—and, of course, gain the administration's acquiescence in it—to get this on the road.

Everyone I have talked to, both the people at Interior and other people in the administration, are very much in favor of getting into coal and fossil fuels as fast as they can.

Mr. VANIK. Mr. Chairman, will the gentleman yield for just one further question?

Mr. HOLIFIELD. I will yield to the gentleman. I have taken more time than I should. I have other speakers to whom I must yield.

Mr. VANIK. If I understand the gentleman correctly, the funding could come from either source, as far as his plan is concerned?

Mr. HOLIFIELD. Absolutely.

Mr. VANIK. Either through direct funding or a trust fund?

Mr. HOLIFIELD. Yes. This is an organization bill; it is not a funding and authorization bill. All of the work that will be done on this in the next year has already been funded and authorized by committees, including the supplemental that the President has sent up.

Mr. STUBBLEFIELD. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Kentucky.

Mr. STUBBLEFIELD. I thank the gentleman.

In answer to the question of the gentleman from Ohio about Atomic Energy running this show, does the Chairman know of any organization that has any more expertise to run such an organization than the Atomic Energy people?

Mr. HOLIFIELD. The Atomic Energy Commission at this time has as in-house and under contract some 25,000 scientists and engineers of every discipline. There are no facilities in the world like these facilities. They have every kind of device imaginable. They have men of every discipline in science, and all they have to do is assign these teams of scientists to attack this on a team basis as they have in the other great accomplishments they have made.

Mr. ANDREWS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from North Carolina.

Mr. ANDREWS of North Carolina. I thank the gentleman for yielding.

Mr. Chairman, I understand that the Atomic Energy Commission presently has certain authority with respect to military usage of weapons of an unusual destructive capacity, such as nuclear or atomic warheads. I believe I know the answer to this question, but I should like to have the chairman explain, where does this authority now go?

Mr. HOLIFIELD. This authority goes into ERDA, and it is in this division right now, under the Assistant Administrator for National Security. It remains exactly the same as it is now. We do not want to change this function that has been successful. We have created the greatest national security resource of any country in the world.

We have created the nuclear submarine, the *Enterprise* carrier, and other nuclear-powered surface ships. It has been done and done well. It would be folly for us to disturb this arrangement at this time in the world's affairs. We are leaving it right where it is.

There is a great interplay between these scientists that have worked on the national security aspect and the civilian aspect. They have helped to bring about 1,500 civilian applications of atomic energy.

Mr. ANDREWS of North Carolina. Mr. Chairman, I should like to commend the chairman and the committee for this decision rather than placing that authority with the Department of Defense or otherwise. I think that is good.

Mr. HOLIFIELD. I am glad the gentleman brought that up. We fought that bill out in 1946, and I was one of the leaders to give the civilians the control of nuclear energy at that time, and it was only for weapons, and we did not want to trust it in the hands of the military.

I say that those people who want to send it over there to the Department of Defense and let it take its place along with the other projects that are in the Department of Defense are making a grievous mistake against the whole philosophy of civilian control of atomic energy.

Mr. ANDREWS of North Carolina. Mr. Chairman, again I certainly congratulate the gentleman.

May I ask one other question. The State of North Carolina, I understand, along with other States, has gone a long way in recent years with respect to the natural economic resources within their States. In our particular State the agency bears that name. They have done a great job of inventorying the resources, including the potential energy resources within that State, as well as, I am sure, numerous others.

Is there not some way that the services to be performed by this agency or this department can utilize that information and cooperate with the States in this what seems to me to be a really huge development?

Mr. HOLIFIELD. I can assure the gentleman there will be cooperation with the States, and every talent and service that can be applied toward solving this tremendous challenge must be used, and I think it will be used.

Mr. ANDREWS of North Carolina. Was any consideration given to having the States share a part of this total administration specifically to relate the total to the States and vice versa?

Mr. HOLIFIELD. The administrative components all have a part in working cooperatively, and we have in the bill a provision that they can go to any agency of Government or any State to get the information they need, and I am sure it will be coordinated.

Mr. Chairman, I reserve the balance of my time.

Mr. HORTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we have heard a great deal about the energy crisis and what needs to be done. The Congress has responded well. By the time this House adjourns, I think we will have a strong record of accomplishment in the energy area.

The bill before us now is a well-thought-out reorganization of our energy R. & D. programs. To be sure, it is timely and urgently needed, but I want to stress this is not a quickly patched together bill.

The need for this legislation can be simply stated. This Nation is about to launch a major effort to expand production of existing energy sources, find new energy sources, and improve the efficiency of energy generation and utilization processes. These tasks were not properly performed in the past, and in large part, this is why we face this current crisis. Certainly we need new programs and more money for energy R. & D.; also necessary is this new organization to administer these programs.

By establishing an independent energy R. & D. agency, we create a high-visibility effort able to attract the necessary funding and scientific talent befitting its single goal of helping this Nation achieve self-sufficiency in clean energy. By consolidating Federal programs, we create an organizational structure able to deal comprehensively with all energy R. & D. yet containing within itself a focal point of responsibility and accountability for each of main energy R. & D. areas; namely, fossil fuel programs, nuclear programs, advanced systems—such as solar, geothermal—programs, and environmental, safety and conservation programs.

Let me make clear at this point that this is an organization bill—it does not establish new energy priorities or increase funding for energy R. & D. The new policies and money will have to come in legislation from the various committees with authority for energy R. & D. and the Appropriations Committee. And nothing in this bill would change the jurisdiction of any of these committees for energy programs. This bill provides the organization to better administer whatever new programs are approved by the Congress as recommended by the committees now responsible.

The chairman of my committee has very ably explained what this bill contains. I would like to emphasize several points about the proposed organization.

First, as the chairman has so strongly emphasized, this Agency will not be dominated by any interest group, nuclear or otherwise. The Administrator and Deputy Administrator of ERDA will have responsibility for all energy research and development. As the language of this report states:

> (T)hese two officials should have broad background and experience in R. & D. programs and not be preoccupied with a single energy technology.

Each of the major energy sources will have an assistant administrator who is also confirmed by the Senate, responsible for their own energy programs. These assistant administrators, for sure, will strongly promote development within their own areas of responsibility. The committee report also requires the Administrator to submit a 10-year program charting his proposed course for energy research and development. By reviewing his proposed program, the Congress will be able to comprehensively consider the needs of individual programs, balancing one against the other. An important measure of our success in creating a balanced organization is that we have the support of the major energy industries for this bill.

Second, this bill includes strong requirements on reports to the Congress so that the policies developed can be carefully reviewed by the appropriate committees. In addition to the annual report requirement, we have included language requiring the Administrator to keep appropriate congressional committees fully and currently informed. The bill also requires that appropriations be authorized annually except as may be provided otherwise by law. Taken together, these provisions will provide the strongest statutory base possible for congressional oversight.

Third, the goal of this agency is to give us self-sufficiency in clean energy; in my opinion, the only way we can achieve this goal of clean energy is through a greatly expanded research and development effort. For that reason, we have not only created an assistant director who will be principally responsible for the environment, we have also suggested that each of the other assistant directors build into their programs their own environmental programs. I concur in the statement of EPA Administrator Russell Train when he said:

> (W)e believe there is no reason why energy technological development should compete with environmental protection because, if properly pursued, both goals are complementary.

Fourth, the same general comments can be made about safety concerns. We create an assistant administrator who will have principal responsibility for safety of all energy programs and also exhort each assistant administrator to develop a safety program within his area of responsibility. We also provide that the Advisory Committee on Reactor Safeguards, which is an independent board of outside experts, will be available to the ERDA Administrator to conduct reviews of any ERDA activity he so desires.

Finally, I would like to note that the functions transferred from the AEC include the weapons program. We became aware during our consideration of the bill that some very knowledgeable people felt this program ought to be transferred to the Department of Defense. As the committee report indicates, this is a complicated area which will require considerable review in the executive branch in order to determine the desirability of the transfer. Accordingly, the bill requires a detailed report which will serve as the basis of congressional reconsideration of this issue next year.

Of course, the other aspect of this bill is that we create an independent regulatory agency built upon the AEC to handle nuclear licensing and regulatory functions. In the past, the AEC had the mission not only of developing nuclear energy, but also of regulating it.

The reason for this was that there was not sufficient expertise to handle both development and licensing separately. But now the time has come when we can make the separation. The new Nuclear Energy Commission, with its independent regulatory status, should help dispel many of the concerns that have been expressed about the objectivity of the AEC.

One point relating to the NEC which I think bears special emphasis is that the agency will be able to conduct research on its own. Of course, much of the work that the NEC will need done in order to determine appropriate regulations can be done under contract by ERDA and others. The significant fact, though, is that the NEC can, when it feels necessary, undertake research on its own. While I would hope that we will not have costly duplications of facilities, I would expect the authorizing and appropriating committees to provide whatever funds are required to assure that the independence of the regulatory function is properly preserved.

Mr. Chairman, this bill, as I said before, is a well thought-out piece of legislation. The chairman of the committee and myself have spent countless hours with the agencies involved, as well as the staffs of several committees here in the Congress, developing this bill. We have talked with numerous interest groups and have taken their suggestions into account. The bill before the House today meets with the approval of all of the agencies involved and the major interest groups in the energy area. The administration considers this bill to be of the highest priority because of the need to begin planning and managing a greatly expanded energy research and development effort. This bill was approved by the subcommittee unanimously and by the full committee unanimously. H.R. 11510 deserves the support of all Members of the House. I hope my colleagues will vote for this bill.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. ROSENTHAL. Mr. Chairman, first let me congratulate the gentleman for the very significant contribution which he has made, together with our distinguished Chairman, in bringing this bill to the floor.

Mr. Chairman, I have a number of questions to put to the gentleman from New York.

Mr. HORTON. Mr. Chairman, I shall be glad to respond.

Mr. ROSENTHAL. The bill we are debating provides for a transfer of the Military Applications or nuclear weapons functions from the Atomic Energy Commission to the Energy Research and Development Administration. There are those who argue that these weapons-related functions belong in a civilian-related research agency because of the technological spinoffs and such. On the other hand there are those who believe that there are overriding reasons for putting the weapons research programs into the Defense Department.

Indeed, H.R. 11510 does require a report to Congress from the administrator and Secretary of Defense which will thoroughly review the desirability and feasibility of transferring to DOD all military applications functions. I would like to inquire of the gentleman from New York whether it is not the purpose of this provision that there be a thorough independent and objective evaluation of the various arguments on both sides of this issue and that it is not the intention of this legislation to prejudge in any way the merits of the arguments on either side of the issue.

Mr. HORTON. The gentleman is correct.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HORTON. Mr. Chairman, I yield myself 2 additional minutes.

Mr. ROSENTHAL. Some of the environmental groups have expressed concern that the legislation we are discussing overemphasizes nuclear and fossil fuel research and development and downgrades solar and geothermal energy and conservation of resources. I would like to know whether the gentleman from New York shares my understanding that it is the purpose and mission of ERDA to maintain a balance among all the forms of energy research and development. Is that not correct?

Mr. HORTON. The gentleman is correct.

Mr. ROSENTHAL. I would like to ask my distinguished colleague from New York (Mr. HORTON) whether it is not a correct interpretation of this legislation that the proposed Nuclear Energy Commission which will continue to have licensing authority over nuclear energy systems will have authority to engage in or contract for nuclear safety research irrespective of whether the Energy Research and Development Administration or any other Federal agency can make its resources available to NEC.

Mr. HORTON. The gentlemen is correct. We would hope to avoid costly duplication in facilities and it is our intention that ERDA and every other Federal agency will cooperate fully with the NEC with respect to nuclear safety research.

Mr. THONE. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Nebraska, a member of the committee (Mr. THONE).

Mr. THONE. Mr. Chairman, as a member of the Committee on Government Operations, I strongly support H.R. 11510. It reorganizes and consolidates functions of the Federal Government to promote more efficiency in the most critical energy area. Now is the time to provide its organizational base for a well-managed, centrally-directed attack on energy problems in order to make this Nation self-sufficient in clean energy for the decades ahead.

I am proud to be a sponsor of H.R. 11733, which is also this Energy Reorganization Act of 1973. It is in the public interest that this legislation be passed and signed into law as soon as possible. I urge strong support for this bill.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to my colleague, the gentleman from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. Chairman, I rise in support of this bill to establish an agency to direct Government research in the area of energy. This bill would combine portions of the Atomic Energy Commission, the National Science Foundation, the Environmental Protection Agency, and the entire Office of Coal Research of the Department of the Interior into one overall body to research ways to provide Americans with the energy we need in the coming years. The personnel of these offices will become the backbone of the new agency.

This country needs one organization to handle energy research and development and to provide a solution to our long-term energy problems. We cannot afford to muddle along from one crisis in the summer to another one in the winter. This bill will draw together the presently uncoordinated Federal energy efforts into one united effort to serve the broad interest of providing our country the needed energy for the decades ahead.

In my own district great scientific minds have been working for years at the Oak Ridge, Tenn., complex on ways to provide our country with adequate supplies of energy. I know that now the research capabilities of these scientists can be a great help to this energy effort.

Mr. Chairman, the Atomic Energy Commission assumed responsibility for the Nation's nuclear energy program in January 1947 after the passage of the Atomic Energy Act of 1946 by the Congress. This launched the United States on a program to develop the full potential of this new source of energy, and its associated materials such as radioactive substances for peaceful use. From the start the AEC recognized that a key element in the achievement of its objectives would be the availability of talented men and women with the requisite level of education and training in the variety of specialties of this new science.

Our investment in the Oak Ridge operation is about $3½ billion. This facility has one of the highest concentrations of scientifically trained minds in the world. It would be unthinkable to fail to use to the fullest extent these resources which have been provided by the taxpayers of this country for just such a time as this.

Mr. Chairman, I support the bill. I support the mission which it purports to accomplish. I support the Atomic Energy Commission as the principal research arm of this new agency to accomplish this mission of providing sources of energy for all Americans. I urge my colleagues to support this bill. This country must move ahead in the area of energy research.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HORTON. Mr. Chairman, before I yield to the gentleman from California (Mr. HOSMER) I would like to say to the gentleman that we should acknowledge the fact that he is a cosponsor of this bill and he worked along with the chairman of the committee (Mr. HOLIFIELD) and another cosponsor, the gentleman from Illinois (Mr. PRICE) to put together this bill. It meant a great deal of work and many long hours and they went over the bill word by word and line by line. I want to acknowledge appreciation to the gentleman from California for his efforts in the construction of this bill and for his support. I yield now to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I thank the gentleman from New York very much for his kind remarks.

Mr. Chairman, the distinguished gentleman from California, the chairman of the Government Operations Committee and former chairman of the Joint Committee on Atomic Energy, has fathered a large number of outstanding legislative progeny in his time.

His latest offspring, ERDA, promises, in its turn, to be exceptionally prolific. It can start producing soon after we christen it in the Congress, because it will be born endowed with mature functions.

Cross-fertilization, symbiosis, and just plain doing what comes naturally to the well-organized, should produce a cornucopia of R. & D. fruits—assuming, of course, funds are liberally sprinkled about.

This bill which I am pleased to cosponsor will realine the components of our national strength in energy R. & D. so that they can be readily applied with maximum leverage and effect. What can be more natural or appealing in the face of our grim long-range energy challenge?

My estimable colleague and neighbor from California, whose perspicacity is not exceeded by his characteristic eloquence, has identified this milestone bill as a good beginning. It is—at least—surely that. But it is bound to be the start of something new—as in the case of the first event in Genesis, to which he alluded.

More must, and can, follow. For example, the regulatory arm of the Atomic Energy Commission—which would be renamed the Nuclear Energy Commission (NEC), or possibly the Nuclear Safety Commission must be an even better name, will be able to concentrate fully and exclusively on its licensing and regulatory responsibilities—with, I hope, a good deal more efficient results. I wonder how many people realize that an American-built nuclear powerplant in Japan can be designed, constructed, and brought on the line for operation within 4 years after the plant is ordered—whereas in our country it takes at least twice as long to do the same thing. Let me cite a few dismal facts drawn from specific cases.

The Long Island Lighting Co. applied to AEC for a "construction permit" in May 1968, to permit the company to start building a commercial central station electric current generation type of nuclear powerplant, the Shoreham Nuclear Power Station. Five long, costly, years later the permit finally was granted and construction could at last begin. In March of 1969, the Wisconsin Electric Power Co. applied for an operating license for its Point Beach Nuclear Power Plant, Unit 2. Two years later the AEC announced its intention to issue the operating license. Another 5 years went by before electricity finally could be generated. These are not untypical occurrences.

As we begin to christen ERDA today so that we can intelligently cope with our long-range energy problem, let us be equally prepared to remedy our shorter-range deficiencies—without, in any way, relaxing our high standards and requirements for assuring health and safety and without impairing our environment.

Mr. Chairman, we are all indebted to my dear friend, the preeminent sage of California, not only for his wisdom and judgment, but for the arduous labor that produced this bill. He personifies an abundance of useful energy skillfully employed for the common good.

We are also and equally indebted to the gentleman from New York (Mr. HORTON) for his perceptive wisdom which has been so ably applied to fashion here an effective vehicle for expediting the creation of an imaginative structure for forwarding the Nation's necessary energy R. & D. functions. The gentleman serves this Nation well as the ranking minority member of the Government Operations Committee and I am grateful.

Mr. Chairman, I yield 3 minutes to the gentleman from Idaho (Mr. HANSEN).

Mr. HANSEN of Idaho. Mr. Chairman, first of all, I urge passage of this excellent and needed legislation, which I am happy to cosponsor. I join with other Members in congratulating the members of the Committee on Government Operations for the long hours and painstaking efforts they have devoted to the legislation that is before us to establish a new Energy Research and Development Administration.

Primarily, however, Mr. Chairman, I would like to take this opportunity to pay special tribute to the gentleman from California (Mr. HOLIFIELD) for his contributions, not only to the development of this legislation, but in the entire energy field during his long and distinguished service in the Congress.

I am sure that most of my colleagues are aware that the gentleman from California (Mr. HOLIFIELD) was one of the original members of the Joint Committee on Atomic Energy which was created by the Atomic Energy Act of 1946. His voice was among the first that was clearly heard, calling the attention of the Congress and the Nation to the inevitability of the energy crisis that we now confront.

CHET HOLIFIELD combines legislative skills, technical and scientific knowledge and an ability to view the long range and overall needs of the Nation that are not matched by any other Member of Congress. These exceptional talents have been put to good use in the shaping of this landmark legislation.

Among all of his contributions in the energy and other fields over more than a quarter of a century there is probably none that will have a more lasting and positive impact on the future of our country than the bill that is before us today.

I would also, Mr. Chairman, acknowledge our indebtedness to the gentleman from New York (Mr. HORTON), the ranking minority Member, for his outstanding leadership and for the long hours that he has devoted to the shaping of this very important bill.

I want to stress one point, Mr. Chairman. The bill before us today does not offer much hope for relief in the short run from the effect of the energy shortage we will face.

It will provide some help in the near term, to be sure, but the major payoff will came in the mid to long term, that is, the post-1985 period.

The foundations we are laying here today can yield important and enormous benefits to our country in the closing decades of this century and the early part of the next century.

Mr. Chairman, it was nearly 6 months ago that the President submitted his energy reorganization proposal to Congress. I supported the proposed reorganization at that time. In the intervening period, the need for one agency to coordinate and direct the various research and development efforts in the energy field has become even more urgent. It has become increasingly clear in the last few weeks that this Nation will require conscientious development of all its energy resources if we are to meet our energy needs. This includes fossil, nuclear, hydro, solar, geothermal, and possibly others.

We should be thankful that this country, compared with some less fortunate nations, has such an abundance of natural resources. Our supplies of natural gas and oil may be showing signs of depletion, but our scientists and engineers are telling us that with a coordinated research effort, significant quantities of petroleum can be obtained from existing fields by enhanced recovery methods. In the past, oil companies have been able to pump out only about 30 percent of the oil in place. New techniques, not yet perfected, may permit recovery of another 30 or 40 percent of oil from old fields.

The same philosophy needs to be applied to ways of drilling oil and gas wells faster, say in 2 months instead of 9. We will need further research and development in bringing maximum amounts of oil from Alaska and offshore fields. Much work also needs to be done to find the best and most environmentally suitable methods of recovering oil from the vast resources of oil shale in Colorado, Utah, and Wyoming.

There are even greater reserves of coal which can be extracted with improved mining and reclamation techniques and used with new pollution abatement methods to make it environmentally acceptable.

In certain areas of the West, including my own State of Idaho, we have several different types of geothermal resources which can be developed if the technology and financial backing are available. And there is no shortage of sunshine in most of our States, but this great source of energy needs to be developed further, not just for heating and cooling of buildings, but for producing electricity. We are lacking the technology to do that on a meaningful scale.

Obviously, we are not lacking in natural resources, but the technology is not yet advanced to the point where there can be efficient and timely exploitation of these resources. The Energy Research and Development Administration would provide the organizational vehicle for the rapid, balanced, and coordinated development of necessary technologies.

There is no doubt that the scientific, technical and management capability is available. ERDA would use the personnel base that presently exists in the Atomic Energy Commission as well as certain technical expertise which would be incorporated from the Office of Coal Research and other agencies.

AEC currently has a huge complex of laboratories and facilities which are operated by contractors. Some 90,000 employees work at AEC and its various installations, including 25,000 scientists and engineers. The capital investment is about $9.7 billion. Included are seven multiprogram laboratories and 25 engineering and specialized physical, biomedical and environmental research facilities.

Work carried out in these facilities over the years has provided the nuclear basis for our national defense, including the nuclear ship propulsion program; that research work provided the basis for the Nation's nuclear electric power program; it provided isotopic power for such wide-ranging uses as space satellites and cardiac pacemakers, as well as radioisotopes for many other medical applications; and it also made possible various scientific discoveries in the physical and life sciences, and significant advances in controlled fusion research.

All the research and development carried out in AEC installations has not been devoted exclusively to atomic energy. AEC laboratories, for example, have served as major research centers for the Nation's high energy physics program. And for some years certain nonnuclear work of other Government agencies has been conducted at the multiprogram national laboratories. This was the case even before the Congress in 1971 authorized the AEC to conduct nonnuclear work related to energy. Most of AEC's nonnuclear effort has dealt with energy storage batteries and superconducting transmission cables, but preliminary work also has been carried out in conection with geothermal and solar energy, and in coal gasification and liquefaction.

The AEC national laboratories are not a misnomer; they are located in all regions of the United States and have carried out research for various national programs. It will be particularly appropriate when ERDA is formed and the national labs can provide some of their vast resources for a coordinated attack on the national energy problem.

Some people have voiced concern that ERDA will be over-balanced in favor of nuclear research and development. I do not expect that to be the case. AEC Chairman Dixy Lee Ray has on numerous occasions stated that there should be balanced development of all applicable energy sources. Her recommendations for the $10 billion energy R. & D. program for the next 5 years were spread over the broad spectrum of energy sources.

It is true that the AEC has under way two major energy development programs which are expected to take considerable funding. These are the liquid metal fast breeder reactor and the various experiments to harness the fusion process. Both of these programs have tremendous potential and the eventual payoff is expected to be worth the necessary expenditures for timely development. The fast breeder is expected to be commercially available in the mid-1980s and the fusion reactor toward the end of this century.

Much of the other research and development in ERDA will be directed to the near-term needs of the next 10-12 years, which are most crucial. To be included are methods to conserve energy, to improve efficiency in production and use of energy, to improve sulfur removal techniques and pollution control devices, to increase the production of gas and oil, and to accelerate the use of coal as a substitute for gas or oil through gasification or liquefaction.

All of these R. & D. matters should be coordinated and directed in one agency. ERDA is needed to integrate the efforts of diverse research groups which are presently competing for skilled people, funds, and facilities. If those resources are to be used in the best possible way, there must be central planning and coordination of all energy research and development efforts. The creating of ERDA will help to focus responsibility for the Government's diverse activities in this field.

While ERDA would concentrate its attention on energy research and development, the responsibility for regulating nuclear energy would be held by a Nuclear Energy Commission, which is proposed in title II of the Energy Reorganization Act. This final separation of the nuclear development functions and regulatory functions of the Atomic Energy Commission should help alleviate the concern felt in some quarters that there has been an inherent conflict involved in such a dual responsibility. The rapid growth of the nuclear power industry in recent years has placed increased demands on the regulatory program. The time has now come when the scope and magnitude of the regulatory functions require the undivided attention of one agency. The proposal to provide for a separate Nuclear Energy Commission is a logical step in the evolution of the Government's role in controlling nuclear development and use.

Mr. Chairman, through the passage of this bill, we are taking a giant step toward the realization of our goal of providing the Nation with an abundant supply of safe and clean energy.

Mr. HORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. GUDE).

Mr. GUDE. Mr. Chairman, I rise in strong support of H.R. 11510 the Energy Reorganization Act of 1973. If we are strong support of H.R. 11510, the Energy an all-out effort on the Federal level aimed at developing alternate sources of energy to petroleum, we must undertake an immediate effort aimed at implementing a major research and development effort. Present Federal R. & D. in this area is fragmented. It is split among numerous of the departments and agencies. Lest we fall into the trap of our right hand not knowing what our left hand is doing, we must have a coordinated approach to our research.

It is just a coordinated approach which this legislation will bring about. This measure starts out by creating two new bodies, the Nuclear Energy Commission and the Energy Research and Development Administration. The NEC will take over all licensing and regulatory functions of the present Atomic Energy Commission. As many of you know such an effort has long been advocated as the way to avoid the longstanding conflict of interest inherent in the present makeup of the AEC.

The Energy Research and Development Administration, ERDA, will take over the task of operating all Federal energy R. & D. It will be made up of the personnel presently employed by the various agencies and departments and working in the energy R. & D. areas and it will bring in new technological talent. The ERDA Administrator is intended to be a person whose broad background in energy R. & D. is such that he or she will be able to objectively assess each potential technology without a heavy bias in favor of a single approach. Indeed, our committee has included specifically in its report the intent of the committee and the Congress in this regard.

Some reservations were raised in our full committee meeting as to the effect of the administrative structure of ERDA on the emphasis and direction of the new R. & D. effort which will be carried out under this bill. I joined in those concerns, and am pleased that they have been spoken to in the committee report.

Under the measure, there would be created five assistant administrators, each responsible for different aspects of ERDA's work.

The concern centers upon the fact that, while both nuclear energy and fossil energy was each given a separate administrator, all other forms of nonfossil energy, including solar, geothermal, tides, winds, and so on, were lumped together.

It was not my intention, nor was it the intention of the committee, that the administrative makeup of the ERDA was to be construed in any way as meaning that little emphasis should be given to the more advanced nonfossil fuel sources. Indeed, quite to the contrary, it is the intention of this legislation that each potential energy form be given full attention.

As a result, it has been spelled out in the committee report that no one form is to be given preferential treatment. It will be incumbent upon us in the Congress during the authorization and appropriations process for ERDA to assure that all forms of energy are explored with support commensurate with their potential.

But I believe we can add emphasis and strength if we provide two additional administrative positions, one whose sole responsibility would be for solar energy and another responsible for geothermal energy.

These two are the most promising of all the possibilities of advanced systems and this would be an extra guarantee that ERDA will perform in the most objective manner possible. Let us remember that the results of its work will be felt, one can safely say for hundreds of years to come. For this reason I also believe that one assistant administrator should be solely responsible for the environmental and safety aspects of each technology under exploration and that we have a separate administrator for the conservation of energy resources.

The critical importance of conservation at this point as America searches for every possible source of energy cannot be overemphasized when we remember that 33 percent of the energy expended in this country is completely wasted—an absurd situation which deserves the full time and attention of one assistant administrator.

Mr. Chairman, I urge my colleagues to support this legislation as well as the two amendments which would strengthen it in its critical work. To take an important step toward energy self-sufficiency, I strongly urge that support.

Mr. HORTON. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico (Mr. LUJAN).

Mr. LUJAN. Mr. Chairman, I want to congratulate the committee on this legislation. All through the legislation I listened to the arguments, and I really believe this is probably the most important piece of legislation we have had before the Congress this year and, as a matter of fact, in a long, long time.

Last week we debated for 3 days a bill which was very, very controversial and, in the final analysis, is not going to add one iota to the needs we have in this country. However, this bill and the administration it creates will certainly be the answer to the problem we have and will lead us to the day when we can tell those who would shut off the valve to take their oil and do whatever they want to do with it.

Certainly, if it were not for this legislation, we would not ever be in a position to do so.

So really and sincerely I want to congratulate the committee, the chairman, the ranking member, and all those who worked so hard on it.

Mr. HOLIFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Chairman, I want to commend the chairman of the committee for the very significant effort and accomplishments he made in bringing this bill to the floor.

There is one thing I want to advise the members of the committee, Mr. Chairman. We must never forget when we establish new developments and agencies that these organizations make policies. While it is absolutely true the authorizing committees and the appropriating committees will have a more significant hand in developing programs and appropriating funds, the organizational structure we establish today or at any time we authorize a new agency, has an enormous input into the policy overtones flowing from that agency. The way the charts are established today will make a significant contribution to the policy that follows.

At the appropriate time, Mr. Chairman, I will offer two amendments both of which I think will substantially and significantly improve this legislation.

The first of them is consponsored with the gentleman from Maryland (Mr. GUDE) which he has already referred to and which authorizes a separate administrator for energy conservation. Under the organizational chart what they would do is have an administrator for environment, safety, and conservation, an assistant administrator for environment and safety and additionally a separate assistant administrator for energy conservation.

I do this because, as the gentleman from Maryland (Mr. GUDE) has already suggested, energy conservation is an enormously important field, and it has been significantly neglected, and this is one area that we can make a very meaningful contribution to today.

The second amendment that we will offer is to create two new assistant administrators, one for geothermal research, and one for solar research. We believe the fact that there will be such an assistant administrator for each of these areas is essential, and will have a significant impact not only on appropriations and authorizations, but an impact on the input and policies that flow from this administration. So I would urge that my colleagues support both of these amendments, which will be offered at the appropriate time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. **HOLIFIELD**. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Wyoming (Mr. RONCALIO).

Mr. **RONCALIO** of Wyoming. Mr. Chairman and colleagues, I feel somewhat like being in the presence of the mighty men of the past today, as we consider the scope of what we are about to do. I envision Enrico Fermi is standing with us as we look at the gentleman from California, Mr. CHET HOLIFIELD. I believe that he will go down with the mighty men of history—Admiral Rickover, Milt Shaw, James Ramey—as one who has made possible great contributions toward energy gains and nuclear reactor power in the history of our Nation.

Mr. Chairman, it has been my honor to serve on the Joint Committee on Atomic Energy with the gentleman from California (Mr. HOLIFIELD), the distinguished gentleman from New Mexico (Mr. LUJAN), the gentleman from Idaho (Mr. HANSEN), and with that great admiral and gentleman from California, CRAIG HOSMER, and Chairman MEL PRICE, of Illinois.

We have considered the complex problems of uranium enrichment. And the gentleman from California (Mr. HOLIFIELD), the chairman, has led us steadfastly in our endeavor on the Joint Committee on Atomic Energy. We have put in many, many hours on long, difficult, and tremendously complicated matters in our hearings, matters affecting the future of power generation in America today.

We have noted with pride the accomplishments of our Navy, particularly in what nuclear power has done for the Navy in displacing fuel oil, particularly on our carriers, and every one of our submarines all of which are now nuclear powered.

We are hopeful that this legislation will relieve us from our dependence on oil nationwide, just as we have been relieved from our dependence on oil in powering our carriers and submarines in our Navy.

So I honor the gentleman from California (Mr. HOLIFIELD) today. I am proud to be associated with the gentleman.

But I have reservations on the funding on our actions here today in the rush to meet the energy situation our Nation is experiencing. There are those who are lined up solid for this bill and those who would prefer the bill passed by the other body. Each provides in its own way for a governmental reorganization to deal more effectively with midterm and long range energy supply and energy source availability. I have no doubt that whichever of these measures came before the House first would pass. It would not be politically healthy at this time to vote against a measure intended to help ease energy shortages.

Many of us have looked with dismay at the actions "downtown" in dealing with the energy situation and counted the energy czars as they come and go, each time hoping that effective organization and action would move us more toward alleviating the crisis pressure.

Now in Congress, we are seeing similar power plays and moves to rush through legislation which will have an impact on the very organization and committee arrangements, the seats of power, in this body. The particular concern I have with the bill before us comes from the legislative history being compiled behind it. On page 23 of the committee report, 93–707, I call your attention to the following:

> The Administrator will take note, of course, of the report to the President submitted by Dr. Dixy Lee Ray, Chairman of the Atomic Energy Commission, on December 1, 1973. This report, entitled "The Nation's Energy Future," was prepared at the President's request and is pointed "toward the attainment of a capacity for energy self-sufficiency by 1980." The Administrator, of course, will use his own best judgment, illumined by the best intelligence and advice he can obtain, to determine whether, or in what manner, the aforementioned report should be modified to accord with available resources, emerging opportunities, and responsibilities under the charter given by this bill.

I wonder how many Members have had the opportunity to study that report, the report which will to a large extent serve as a basis for action under ERDA? Do we not need time for all of the Members to digest these proposals?

Dr. Ray has my highest respect and I am second to none in my praise of her talents. However, there is one small part to her report to the President which I totally oppose because it would be wasteful and destructive if pursued.

The plan sent to the President calls for an expenditure through the year 1979 of a total of $107.6 million for nuclear stimulation of natural gas and oil shale. Dr. Ed Teller would include deep coal deposits in such experiments.

Nuclear stimulation of gas in tight rock formations has been tried. Three wells have been stimulated to date without the sale of 1 cubic foot of natural gas.

Nuclear stimulation of oil shale is in a much earlier stage, but I do not believe it is an alternative worthy of consideration. The AEC has looked into this possibility, but has done little work on it since 1967 until only recently.

Just this week members of the Interior Committee heard a highly informative presentation by representatives of Occidental Petroleum describing their nonnuclear, conventional techniques of extracting oil from oil shale by the in-situ process. The representatives said that this technology is ready to go with only minor technical improvements.

The people of Wyoming and Colorado who have been closest to nuclear stimulation of natural gas are now confronted with nuclear stimulation of oil shale. We recognize that our abundant natural resources have to be developed in the national interest and we are prepared to do this, but not—with the double threat of nuclear stimulation of gas and shale—to do so at the cost of the quality of life there for wasteful, unproven, scientific erotica.

The Atomic Energy Commission estimated as late as April of this year that 5,680 wells would be stimulated by nuclear devices in order to free 300 trillion cubic feet of gas. Each well would have from four to six 100-kiloton nuclear devices. That puts the firing power up to 142,000 Hiroshima bombs over an 80-year period.

Project Rio Blanco, the last nuclear stimulation test, has shown disappointing results for the AEC.

After 6 days of test flaring, the well pressure dropped dramatically. Some 12,000 barrels of well mud and water were dumped down the well hole and it is now thought that the three 30-kiloton explosions did not create one chimney as planned, but rather three unconnected cavities, another disappointment in the trail of unfilled promises.

Hydrofracturing has now been shown to be able to free the gas located in these tight formations. More wells may have to be drilled, but there would be no major disruption of life, there would not be repeated nuclear underground detonations, there would not be the production and distribution of radioactive gas containing carbon 14 with a half life of 5,730 years, there would not be an underground disposal of an estimated 100,000 barrels of tritiated water per well and there would not be a diversion of precious uranium from our reactor program. On this basis, hydrofracturing is a far more beneficial technology to pursue.

Information on nuclear stimulation of oil shale for in situ recovery is limited. However, there is no doubt in my mind—and I would like to be enlightened if this is not the case—that petroleum produced by this method would contain radioactivity as does the gas produced by nuclear stimulation.

Mr. Chairman, at this time of national energy shortages, pessimistic outlooks on energy in the immediate future and the rush to enact remedial legislation, we cannot act in haste, however politic such speed may be. If we rush this bill through to law, we will be committing to legislative history, and possibly to later authorizations and appropriations, a program which will put nuclear stimulation, with its economic and environmental waste, on a priority basis at the expense of the safer and more long-term technologies of hydrofracturing, solar, and geothermal energy development. We will be jeopardizing the breeder reactor program by misuse of the uranium atom. The nuclear world has enough troubles without creating resistance in wasteful stimulation activity.

Mr. **FOUNTAIN**. Mr. Chairman, will the gentleman yield?

Mr. **RONCALIO** of Wyoming. I am happy to yield to the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. **FOUNTAIN**. Mr. Chairman, I am honored to have been one of the cosponsors of a bill H.R. 11731, identical in subject matter and purpose to H.R. 11510 which was introduced by the distinguished and able chairman of the House Government Operations Committee, Mr. HOLIFIELD, of California and the ranking minority member thereof, Mr. HORTON, of New York.

I would like to commend both Mr. HOLIFIELD and Mr. HORTON for their dedication and cooperation in bringing this historic legislation to the floor of the House for consideration at this time. Every member of the Holifield reorganization subcommittee is entitled to the gratitude of this body.

I would also like to take this opportunity to pay my personal respect and tribute to Mr. HOLIFIELD for his leadership here in the House, not just in connection with this legislation, but also in connection with so many other very important pieces of legislation which have been enacted into law by the Congress during his long tenure of service in this body.

During all of my years of service in the House and on the House Government Operations Committee, I don't believe I have observed any Member of this body more tireless in his labors, and efforts. None of us have always agreed with every position he has taken—that is democracy in action—but I believe all who have been associated with him or who have observed him, will agree that he is truly one of the "work horses" of this body. Few Members put in as many hours of work. My office is just around the corner from his. I know of the many many times he has worked well into the night. Few members much younger can keep up with him.

But what I admire most about CHET HOLIFIELD is his sincerity and dedication in whatever he undertakes.

The bill before the House today, H.R. 11510, identical as I have said to H.R. 11731, which I had the pleasure of cosponsoring, appropriately responds, I believe, to the energy needs of the future by reorganizing energy research and development in a coordinated and logical way. It will bring together the expertise and proven competence of the Atomic Energy Commission's laboratories with the vast potential of fossil fuel within the Office of Coal Research and the Bureau of Mines from the Interior Department. It would also add the ongoing programs of the National Science Foundation in the fields of solar and geothermal research and the technological, automotive R. & D. from the Environmental Protection Agency.

This is a bill which has been considered carefully after extensive hearings last July, when ERDA was a portion of a comprehensive administration reorganization proposal, and again last month, on this bill.

During the hearings the committee heard witnesses from the administration, the industrial sectors involved and interested private groups and individuals. Following those hearings several technical and minor substantive amendments were made to accommodate the problems brought out in the hearings. This bill was then reported unanimously with 40 members concurring. It is important to recognize, that while this bill is a response to the energy crisis we face, it is an effort to find long-term solutions for the problem. As such, it should not be confused with administration proposals for a second administrative agency to handle the emergency legislation passed last week by the Congress. That agency, the Federal Energy Administration, has been set up by the President's Executive order and he has announced it will be headed by William Simon. Early next year if not this week, we will give thoughtful consideration to enacting into law the Federal Energy Administration bill to handle allocation, rationing, and other programs to respond to the present emergency.

Today, however, the business before the House is the passage of H.R. 11510, which will start the Federal Government along the road to energy self-sufficiency by creating the Energy Research and Development Administration. Having waited too long to begin, we can delay no longer our commitment to solving the energy problem. Not just to weather the current storm, but to change the climate for generations to come. At long last this bill will organize and coordinate the research efforts of the greatest technological nation in the world for a scientific attack on the surmountable problems of our age.

If we could put a man on the moon in a decade of accomplishment, we can make the planet on which we live a mobile and productive one.

I shall not repeat what others have already said about this legislation, its background; administrative organization and missions, the functions transferred to ERDA, ERDA's authority, and so forth.

I just want to add a few more comments about the longstanding need for legislation of this kind. It is not a perfect reorganization of the agencies and functions involved, but it is an independent agency. Any imperfections hereafter discovered can in due time be corrected, but the dire need for such legislation has existed for some years.

An organizational base for a well managed, centrally directed attack on energy problems is provided in this bill. This Nation just must become self-sufficient in clean energy for the decades that are ahead of us. And all necessary steps must be taken toward that end.

The present energy crisis demands concerted and coordinated action on many fronts. This legislation is not intended as a substitute or alternative to legislation in specific fields, such as nuclear site selections, use of petroleum reserves, construction of deepwater ports, or emergency conservation. It is basically a reorganization measure directed toward the research and development part of our total national effort to overcome existing and long-term energy shortages.

The House Government Operations Committee on which I am honored to serve pointed out in its extremely informative Report No. 93-707, the scope of possible energy sources and utilization technology which this new organizational structure—ERDA—may explore will be virtually limitless. It will include, though not be limited to, solar, tidal, wind, hydrogen, geothermal—using natural steam, hot dry rock, water injection and other techniques—and nuclear fusion. Many new directions can be taken. The vigorous pursuit of all promising energy sources and technologies will and must be a major mission of ERDA.

Achievement of national self-sufficiency in energy at the earliest practicable date is a must—if we are to be prepared in the future for such frightening actions as the Arab oil embargo, and energy shortages in other parts of the world.

Attainment of an initial plateau of energy independence will not be the full answer to our energy problems. Consequently our committee has made an effort in this bill to make ERDA's essential long-range responsibility the determined pursuit of the virtually inexhaustible supply of energy which can be widely utilized for the common good without a harmful environmental impact.

However, the passage of this legislation and the subsequent adoption of the organizational setup envisioned in it will not per se improve our energy sources. That accomplishment will take a lot of human energy and human dedication and use a lot of money to do the job that needs to be done.

Personally, I feel that we have a great energy potential in our possession of about one-half of the world's supply of coal—our most abundant fossil fuel reserve. We already know it can be converted into gaseous, liquid, and other environmentally acceptable forms.

In our search for the pot of gold in energy resources I hope we will pursue with full speed ahead what we already know about one of God's great creations—the Sun above us. Considerable technology is already available in solar energy utilization for heating purposes.

In fact, self-sufficiency compatible with a clean environment is visible on the horizon, if we have the necessary will and determination to attain it. In any event, let us get on with the job.

Mr. RONCALIO of Wyoming. Mr. Chairman, I thank the gentleman from North Carolina.

Mr. Chairman, I have one question. I have noticed, and perhaps we can touch on this in the debate, that the organizational chart ends, or begins, with the Administrator on the top. Last week in our Interior hearings we were told that there would be at the top of this Mr. Simon, who is making a tremendous contribution to solving our problems, and that there would be above the Administrator the Director, reporting directly to the President.

So, as I say, I hope that before the debate is terminated today we will know precisely where the responsibility rests between the President of the United States and ERDA.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentleman from New York.

Mr. HORTON. Mr. Chairman, this is an independent agency, and it will not go through the Federal Energy Administrator. It is a new independent agency, and as such will report directly to the President.

Mr. RONCALIO of Wyoming. I am grateful to the gentleman from New York (Mr. HORTON) for making that point clear here and now.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, may I say that I concur in that statement.

Mr. RONCALIO of Wyoming. Mr. Chairman, I am happy to have that concurrence.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield still further, I would like to thank the distinguished gentleman from Wyoming for his kind remarks, and the contributions that the gentleman has made to the work of the committee on behalf of this subject.

Mr. RONCALIO of Wyoming. I appreciate that.

Let me in conclusion quote from various editorials around the country in the last several months:

> Expansion of fossil fuel supplies, and more efficient use of them, would get the second highest priority in dollars. A good case can be made for this insofar as it hastens safer, environmentally acceptable access to the nation's enormous coal reserves.

Mr. Chairman, I come from a State that will lead all others in the Nation in the contribution of millions of tons per year of readily minable strip coal of low-sulphur content, with 30 times more such coal in deep veins than we have at the surface—all in one State alone.

I see the gentleman from West Virginia (Mr. HECHLER) scowling at me. Yes, strip mining is irrevocable in Wyoming, and good reclamation laws now become our responsibility.

Another editorial:

> The most promising long-range sources, such as fusion, solar and perhaps geothermal energy, have no inherent constituency or basis of support of their own. As the government finally puts together a national energy policy, the lack of which largely has induced the current crisis, these relatively safe and permanent energy sources deserve the government's own primary priority.

Solar and geothermal energy will need crash development. I submit again that a very substantial amount—40 percent or so of all of the electricity in San Francisco is from geothermal energy.

In conclusion, let me again hope that our appropriations colleagues will not waste money when it comes to continued scientific boondogging as in the gas stimulation program as distinguished from what is a vital contribution.

I cite to my colleagues a book called "The Energy Crisis" just out, by Lawrence Rocks and Richard P. Runyon. In a chapter devoted to "Project Gas-Buggy," stimulation of gas fields for the next 10 years, as under the program of Rulison and Rio Blanco, would require 19 atomic energy explosions every day of our lives.

> It is a woefully inadequate return for the waste of technical manpower and uranium resources.

To go on with the experiment of nuclear stimulation, we do nothing in making a contribution to solving the energy crisis. Even if every cubic foot of natural gas we are going after were not contaminated and could be recovered and could be used, we still have made virtually no contribution to solving the energy crisis.

I hope that each program is funded on its merits, accelerated when it succeeds and terminated when it fails after a reasonable amount of effort.

Nuclear stimulation, of tight gas fields has failed after a reasonable amount of effort, it should be terminated forthwith.

Mr. HORTON. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. ROBISON).

Mr. ROBISON of New York. Mr. Chairman, I will support H.R. 11510, because it promises to effectively channel that one bountiful national resource, which remains available to us Americans in this time of growing scarcity. Through the Energy Reorganization Act of 1973, this country will have the organizational and the managerial base required for tapping that still expansive reservoir of technological expertise we have in the United States and devoting it to the goal of finding alternative forms of energy supply, thus balancing our too long-held dependence on petroleum fuels.

By concentrating these talents on well-defined needs, we will have come part of the way toward setting out that national energy policy and that complementing national fuels policy that this country, in point of sad fact, has lacked for so long. It has been my self-appointed mission, throughout years of Appropriations subcommittee hearings to ask the Department of Interior, and the Federal Power Commission, and the Atomic Energy Commission, and now defunct Office of Emergency Preparedness—and, sometimes, to demand of them—some preliminary sketch of any developing national energy policy.

The answers were never very satisfactory to my mind, but, then again, I must also number myself among those who will fit Will Rogers description of complainers about the weather. I believe it was he who said:

> Everyone talks about it, but nobody does anything about it.

In any number of ways I have recently asked: "How in the world did we get into this mess?" and even, "Who do we blame?" As to the blame, the Lord knows that there is more than enough to go around—all the way around, in fact, if one starts pointing fingers of blame at the oil companies, for instance, or at the electric utilities, who then, in their turn, point at those individuals and groups who, for lack of a better pejorative, are loosely tagged as "environmentalists." And so on until the accusatory fingers eventually find enough scapegoats to come around full circle when, finally, one of those fingers is tapping on the chest of the person who first did the pointing.

Besides the comedy which comes with the hindsight of such an exercise, there is something pertinent to be gleaned; for it is probably true that in our respective fashions each and every one of us is, in some way, "to blame" for the energy crisis. Therein also lies the solution, since all of us can participate in improving the situation.

The consumers of energy have already been asked to help and, in numbers that a cynic would never have predicted, they have responded by reducing their use of heat and speed. The President gave us two early and important energy messages which set the tone and design for the legislative action we will undertake during the coming days; and, now, Congress must contribute its further necessary participation in the solution by enacting mid- and long-range research and development energy goals.

We are doing nothing less with this bill. By combining now-scattered research and development programs into a new Energy Research and Development Administration, we are settling in for the long haul. Some might see the Energy Reorganization Act of 1973 as the easy way out, since there may exist the implication that, simply by creating the organization, we have just about solved the problem. However, the message in this bill is quite to the contrary. What it does say is that we can no longer afford the disintegrated, overlapping and duplicating research and development programs which have sprung up in so many Federal agencies. Instead, we must fit the means to the times and build upon what is unquestionably a superbly managed and organized research agency, the Atomic Energy Commission.

Part of our good fortune, which springs from the vast technical expertise in this country, is that it is not necessary to build a new agency from the ground up. If we are successful in our legislative surgery, we will graft a few new programs to a very vital research organization. With careful oversight, and the judicious appropriation of funds, we stand a very good chance of contributing to the momentum already achieved by the Atomic Energy Commission and, thereby, stimulating the most capable and most productive energy research program in the world.

While there is every chance that the new Energy Research and Development Administration can solve the fuel supply equation for future decades, there is also every probability that there will be disappointments and setbacks. As a case in point, I have considerable confidence in the prospects for a successful demonstration of the scientific feasibility of nuclear fusion, but I will not be surprised to learn that optimistic predictions of such achievement are not met, or that once scientific feasibility is proven, nuclear fusion may have to take another long step before it becomes economically practical.

There are mind-boggling imponderables, as well, over the future of solar power, such that no one ought to venture now that energy from the Sun will provide the answer to all our energy needs. It can help, certainly, and should be used because of its abundance. Yet, even in the fact of what we know will be a lengthy and possibly frustrating search for energy self-sufficiency, we can take on a tone of certitude in stating that the answers will eventually be found and, in all probability, that the answers will be found by the research organization proposed by H.R. 11510.

Saying that, we have said a lot about the sometimes nettlesome, sometimes maddening diplomatic fallout of the energy crisis. It is true that the new technology waits to be developed, but there has been sufficient progress to know that in one form or another it will be found. When that day comes, I do not expect this country to hoard resources which are vital to the welfare of so many other energy-scarce nations. Nor do I expect that the day will ever come when the United States uses the technology of energy supply as a "birch-rod" for punishing those nations which do not meet the letter of our international policy objectives. The United States will, of course, share the benefits of its technology, just as it has done for so many years; so that no nation must live with the threat that its citizens will be unprotected from winter, or that its industry will be deprived of the fuels which feed that nation's economy.

The energy crisis we are experiencing is a serious one—far ranging in its impact, and worldwide in its proportions. It is a dismaying experience, yet it will not be a defeating one. For it is neither our—nor the world's—first energy crisis. That probably occurred about a century or so ago when we and the world ran out of whales which then provided the oil "for the lamps of China" and all other people. That was a dismaying experience, too, but the human element intruded then, as it always has in the course of history; technology proved to be no more frozen then than it is now, and rather than attempting to develop "breeding farms" for whales, man went on to discover petroleum and the uses he could make of its energy-producing products and, shortly as well, Edison discovered electricity—although of course it was there all along. So, Mr. Chairman, shall it be, again, as we face up to this most recent crisis.

As the noted historian, Barbara Tuchman, has put it:

> The doom factor sooner or later generates a coping mechanism.

To those doomsayers who view our current problem in the gloomiest of moods, this bill says our society will again put an increasing premium on human ingenuity and innovation so as to provide an adequacy of energy supply in such ways as to contribute to the developing concept of a better life for all Americans, and the people of one world, as well.

Mr. Chairman, I strongly urge that my colleagues vote favorably for this bill.

Mr. HORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. REGULA), and I take this opportunity to commend the gentleman for his cosponsorship of this bill.

Mr. REGULA. Mr. Chairman, I am a strong supporter as one of the sponsors of the Energy Reorganization Act which we are debating. We need legislative direction for long-term research and development and this bill provides it, with a central organization, with a nucleus of trained scientists and laboratories, and a congressional anchor, the authorization-appropriation process.

While I do not intend to offer an amendment to this bill, it seems to me that the legislation overlooks the availability of a reservoir of talent and energy.

As you know, over the last 2 or 3 years, the NASA budget has been cut causing the loss of equipment and the release of numerous well trained and capable staff. I think that these facilities and this staff can be well used by the National Energy Research and Development Administration.

Accordingly, I have written to the Director of the Office of Management and Budget, Roy Ash, asking whether it would be possible and desirable to transfer some of the NASA personnel and laboratories to the Energy Research and Development Administration. Mr. Ash has responded to my letter and I quote from his letter:

> I wish to thank you for this excellent suggestion, particularly because I have been concerned for some time about the possible loss from Government service of these valuable skills and resources, a loss that seemed unavoidable because of NASA's Post-Apollo scaling down.
>
> Let us assure you that immediately upon the establishment of ERDA, OMB will urge the ERDA Administrator to undertake on a priority basis and in consultation with the NASA Administrator a thorough review of all NASA personnel and facilities that might otherwise be released or closed down. At the same time, I do not wish to raise false hopes for the talented people involved. As you can appreciate, such a review should be made in the context of meeting ERDA's scientific and technical requirements and decisions relating to any transfers must be made by ERDA and worked out with NASA. My personal view, however, is that the review will prove fruitful and worthwhile.

Mr. Chairman, I include the full text of my letter and the reply of the Honorable Roy Ash:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 10, 1973.

Hon. ROY L. ASH,
Director, Office of Management and Budget, Executive Office Building, Washington, D.C.

DEAR MR. ASH: As you know, over the last two or three years the NASA budget has been cut, forcing the closing of well-equipped laboratories and the release of numerous well-trained and very capable staff. These personnel and facilities constitute a great national resource which should not be lost if at all possible.

As I am sure you are aware, my Committee on Government Operations recently reported a bill to create an Energy Research and Development Administration. This new organization will need personnel and facilities very similar to those phased out of NASA.

I would like to know if it would be possible and desirable to transfer some of these NASA personnel and laboratories to the Energy Research and Development Administration. I would appreciate it very much if you could let me know as soon as possible whether or not you would be willing to review the possibility of such a transfer so that I could discuss this possibility during the floor debate on the ERDA bill, which I expect will come up this Wednesday, December 12.

Thank you for your interest and attention to this matter.

Sincerely yours,
RALPH S. REGULA,
Member of Congress.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., December 12, 1973

Hon. RALPH S. REGULA,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. REGULA: This is in response to your letter of December 10, 1973, in which you noted that some of NASA's facilities were being closed and that well-trained and very capable staff were being released. You asked whether, in establishing the proposed Energy Research and Development Administration it would be possible or desirable to transfer some of these NASA personnel and facilities to ERDA in order to avoid losing these skills and resources.

I wish to thank you for this excellent suggestion, particularly because I have been concerned for some time about the possible loss from government service of these valuable skills and resources, a loss that seemed unavoidable because of NASA's post-Apollo scaling down.

Let us assure you that immediately upon the establishment of ERDA, OMB will urge the ERDA Administrator to undertake on a priority basis and in consultation with the NASA Administrator a thorough review of all NASA personnel and facilities that might otherwise be released or closed down. At the same time, I do not wish to raise false hopes for the talented people involved. As you can appreciate, such a review should be made in the context of meeting ERDA's scientific and technical requirements and decisions relating to any transfers must be made by ERDA and worked out with NASA. My personal view, however, is that the review will prove fruitful and worthwhile.

Again, thank you for this suggestion and let me express my earnest hope that the House will act favorably and without delay on H.R. 11510 so that we may get on with the urgent business of advancing the state of energy R&D technology to meet the Nation's energy needs.

Sincerely,
ROY L. ASH,
Director.

Mr. HORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I rise in support of this legislation.

I should like at the outset to thank the gentleman from New York, the ranking minority member, Mr. HORTON, for having yielded this time from his allotment, and to congratulate both him and the distinguished chairman of our committee, the gentleman from California (Mr. HOLIFIELD) for having brought before the House at this particular moment an unusually timely piece of legislation.

This legislation can be extremely useful in that it draws together from scattered locations throughout the Federal executive establishment for consolidation into one central administrative vehicle all those activities relating to research and development in a variety of endeavors aimed at replacing our current profound reliance upon our Nation's finite supplies of petroleum.

This bill, of course, does not create or expand any such effort. It merely creates the executive machinery to administer such programs as we have heretofore ordained and must in the very near future greatly enlarge.

The merit of this legislation, I believe, is that it proceeds from the recognition that the energy crisis is not a short-term problem, but rather a long-term problem which will grow inexorably worse, more economically binding and more socially restricting, until we do find some alternate sources to replace our reliance upon the petroleum resources which at our present rapidly accelerating rate of consumption will be exhausted within 14 or 15 years.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I commend the gentleman from Texas for his very fine and thoughtful additional views, which I commend to all our colleagues, which are included in the committee's report.

I would gather from the gentleman's statement in the report that he would disagree with the President's statement that the energy crisis may be over in a year's time, and feels that our problem is indeed very serious and far-reaching and will not be solved until we bring in some new reserves and some new energy sources to compensate for our lack of petroleum.

Mr. WRIGHT. Most emphatically I agree with the gentleman from Ohio. This is a long-run problem that will not be solved by simply curtailing wasteful uses of energy, although that is a necessary part of its immediate alleviation. The long-range solution must be founded upon new discoveries and developments, and these, if they are to be efficacious, must be funded adequately. We can only signal our intention today to make an earnest beginning toward that solution by enactment of this legislation. This will not be the solution itself. We are merely creating a means by which the solutions can be worked out.

Mr. VANIK. If the gentleman will yield further, he referred to the energy trust fund, the energy research and development trust fund. I share the gentleman's interest in this approach. Several of us have introduced legislation which calls for $6 billion a year and for developing a reservoir of funds for this purpose. The President is advocating spending $10 billion over the next 5 years, but most of this seems to be in areas we are already engaged in and does not encompass stretching very far into the real areas of research and development. Does the gentleman really feel we can solve this Nation's energy crisis with $10 billion spent over the next 5 years?

Mr. WRIGHT. In response to the gentleman, I would have to say there is no way in which we could expect to make truly substantial or adequate progress with only $10 billion over the next 5 years. That would be only $2 billion a year. We need at least $2 billion alone to pursue the types of inquiry that are anticipated in this very legislation, such things as coal research, thermal research, solar research, research into the possible use of fusion; at least $2 billion annually for a much longer period than 5 years must be devoted expressly to those things if we are to reach our goal of self-sufficiency before the oil plays out.

It seems to me we would be guilty of the biggest possible mistake if we think too small, if we are too myopic, too timid in our approach to the problem, because it is an enormous problem that has been coming upon us for a long time. For a concerted assault upon the various facets of this multipronged problem, we shall predictably need at least $6 billion a year.

I enthusiastically embrace the idea expressed by the gentleman from Ohio that the only way we can assure ourselves of the long-range solution to the problem, ultimate domestic self-sufficiency, is by a dedicated trust fund with sufficient assured income and the concomitant commitment over a long period of time to solve the problem through not only research, but also a variety of other means, such as converting Americans from our almost singular reliance upon the private automobile to such viable alternatives as mass transportation in cities where this can be done.

Mr. VANIK. Mr. Chairman, if the gentleman will yield further, in my earlier colloquy with the gentleman——

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from New York has 32 minutes remaining.

The gentleman from California has 12 minutes remaining.

Mr. HORTON. Mr. Chairman, I yield the gentleman an additional 3 minutes.

Mr. WRIGHT. I thank the gentleman for this consideration.

Mr. VANIK. Mr. Chairman, I would like to ask the gentleman a further question, if he will yield.

Mr. WRIGHT. I yield to the gentleman.

Mr. VANIK. One of the questions I asked the distinguished gentleman from California a minute ago was whether this program is contemplated to fund this effort through the Treasury, through the general revenue, or whether it is contemplated to fund it through a trust program? He indicated it could be funded either way, but he suggested it ought to come from the general revenue. I trust I am correctly stating what I believe to be the import of his response.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield, my statement was that this bill has nothing to do with authorization of funding of future programs. That has to be taken care of by the committees of jurisdiction.

I have no prejudice against trust funding or against general revenue, but this is a reorganization bill. We have no authority to decree in this bill that we shall do these programs by trust funding or by general funds. That is in the power of other committees.

Mr. VANIK. Mr. Chairman, I would like to ask the gentleman from Texas if we then would be subject to the restrictions of impoundment, which could be exercised with respect to funds out of the General Treasury? Does the gentleman feel that might imperil these energy programs or affect the course of their direction, contrary to the intention of the Congress in support of the argument for the trust fund?

Mr. WRIGHT. I agree with the point of view expressed by the gentleman from Ohio. As he understands and as the chairman has explained, this particular legislation could not be the vehicle for funding these programs. It does not attempt to be, and for us to attempt so to amend it would be contrary to the germaneness rule.

I do agree emphatically with the gentleman from Ohio that we owe to the American Nation a firm assurance from the Congress that we are entirely serious about the long-range implications of this problem and that we fully intend to commit sufficient resources over a protracted period to solve the problem.

In my view, the best way to do this is by means of a trust fund, as the gentleman from Ohio has suggested and, in fact, has embodied in a bill which he introduced. I joined with him in that bill and expect to introduce additional legislation along that same line.

I believe this energy problem is too important for temporizing. It is probably the single most significant domestic problem that is likely to face the Nation in the next decade. For us to rely entirely upon the whims and vagaries of the process of annual Presidential recommendations and annual congressional appropriations is not properly serving the American people. And those are my basic arguments for supporting a trust fund concept.

Mr. VANIK. Mr. Chairman, it is obvious that we are faced with a massive problem—one that will be with us for some time, one that will require a major National commitment to overcome. What is needed today is the type of commitment which enabled this Nation to place astronauts on the Moon in less than a decade. What is needed is the type of concentrated commitment which made the Manhattan project—the development of nuclear energy—possible.

Where is the money going to come from? Nobody at this stage seems to know. A Federal commitment of this magnitude will certainly place a tremendous burden on general revenues. If there is an economic slowdown due to the energy crunch, tax receipts will fall off, and fall off drastically. At the same time, the demand for Federal funds will go up—more money for food supplies, for welfare, for emergency employment would be required—where will the new funds for energy research come from?

The only responsible alternative for the regular flow of necessary funds is the establishment of a trust fund. The trust fund approach has many advantages. It establishes an independent source of funding for a vitally needed national project. It would isolate energy research from the pressures of budgetary politics. It would provide insurance against arbitrary decisions by the Executive to withhold funding.

We have taken this step before. In the past when our national goals have demanded a large commitment of funds over a long period of time, we have turned to the idea of a trust fund. Social security and the highway trust fund are the most notable examples. Our effort in energy research and development fits closely in this well-established pattern.

A small tax on energy consumption—gasoline, natural gas, electricity, and petroleum products—would raise a tremendous amount of revenue. For example, a 4-cents-per-gallon tax on gasoline could raise $4 billion in additional revenue. In addition to the small tax on gasoline, I would propose three other sources of trust fund revenue. In each case I believe that a tax exemption or refund should be provided to the person who uses relatively little energy—the small homeowner and retailer. The financing of the trust fund should be as progressive as possible and be drawn from the larger and usually more inefficient energy users.

First, a tax on natural gas of 10 cents per thousand cubic feet would raise some $1.4 billion. Second, a tax on electricity of one-tenth-cent per kilowatt could be directed to the trust fund and would raise some $1 billion. Finally, a tax on the various types of fuel oil of half a penny per gallon would raise as much as half a billion dollars.

A total trust fund of about $6 billion would probably be adequate, certainly at this time. The money would be used not only for research but for the development, the actual bringing into production or use of new energy supplies. Among the types of energy that could be developed by such a fund are:

Solar energy for electricity and heating and cooling;
Oil Shale;
Coal gasification and liquefaction;
Geothermal energy;
Fusion research;
Wind power and the utilization of tidal currents;
Improved transmission of electrical energy;
Improved generation of electricity—MHD;
New forms of conservation devices;
Alternatives to petroleum as a fuel, such as hydrogen; and,
Utilization of ocean thermal gradients.

To avoid a regressive impact, I would hope that the tax could be geared to the largest and most inefficient users of energy, as I have done in my own legislation, H.R. 6194.

In conclusion, Mr. Chairman, I just want to say that I do not believe that an ordinary reorganization bill will be enough. The bill before the House today lacks a means of financing—and without regular, substantial financing, our efforts to solve the energy crisis cannot succeed.

I hope that in the very near future, the Congress can provide for a system of trust fund financing of our Nation's needed energy research.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, I thank the gentleman from New York for yielding me this time, and I congratulate him, the chairman, and the committee for bringing forth this legislation. However, there are a number of improvements in the structure, substance and philosophy of this legislation which deserve considerable remedial work.

Coal is at last coming into its own in various measures which the Nation is now taking which should have been taken long ago. As a result of poor planning, coal research was starved with pennies while nuclear research received all the Federal emphasis and vast preponderance of the billions of dollars allocated.

I am pleased that coal is getting at least some attention in the various pieces of legislation which the Congress is considering. We have enough coal to power our society for hundreds of years. It is essential that we concentrate the energies of the Nation on the development of these coal resources and reserves, and hasten the perfection of the technology to utilize these vast coal deposits without damaging the health of our people or the soil and streams.

Representing the largest coal-producing State in the Nation, I would add that it is essential with thousands of additional miners who will be employed to mine this coal, that we place the highest priority on the value of a human life. The preamble to the Federal Coal Mine Health and Safety Act of 1969 clearly states:

> Congress declares that the first priority and concern of all in the coal mining industry must be the health and safety of its most precious resource—the miner.

In our rush to set up energy agencies and administrative superstructures to meet the "energy crisis," we are forgetting and overlooking the human element—how these measures will affect the coal miner, the consumer, and the average working man and woman throughout our Nation.

Mr. Chairman, I noted in the committee report at page 16 that "some of the mining technology research activities" will remain in the Bureau of Mines, while the Office of Coal Research and several related activities are being transferred to ERDA. The theory expressed in the bill and report is that this mining technology research is necessary to support mine health and safety in the same agency.

I would simply state that although the Committee on Education and Labor has primary jurisdiction over coal mine health and safety, I think it is essential through this Congress to face up to the fact that the Bureau of Mines and its successor in the field of mine safety—the Mining Enforcement and Safety Administration in the Department of the Interior—have simply failed in their mission to protect the health and safety of the average coal miner in this Nation.

Mr. Chairman, I have introduced legislation ever since 1969 and Senator HARRISON WILLIAMS has in the Senate, to transfer jurisdiction of mine health and safety out of the Department of the Interior to the Department of Labor. The past and present enforcement of mine safety is in the hands of a production-oriented agency, and it should be administered by an employee-oriented agency; namely, the Department of Labor. Mr. Chairman, I hope some consideration and support can be given to this transfer, in addition to transferring the remaining mining technology research activities from the Bureau of Mines to an agency like ERDA.

Finally, I would like to ask the gentleman from California a question which many of us have been concerned about; whether or not the central core staff of the Atomic Energy Commission is going to comprise ERDA, and whether this would give the proper emphasis to coal?

Mr. HOLIFIELD. Mr. Chairman, I did not get the first part of the gentleman's question.

Mr. HECHLER of West Virginia. Mr. Chairman, many of the Members of the House are deeply concerned by the wholesale transfer of many administrative and executive personnel from the Atomic Energy Commission to ERDA. Will this result in an overemphasis of the nuclear side of ERDA's activity? I would express the hope and ask the question whether it is the thought of the gentleman from California that sufficient emphasis will be placed on the development of fossil fuels, and in particular coal, in the administration of ERDA? We must move forward boldly and aggressively to develop the full potential of coal. We must not submerge coal in an agency which continues to exert a nuclear energy bias.

Mr. HOLIFIELD. Mr. Chairman, the gentleman speaking cannot make a commitment on any kind of authorization or appropriation. That has to go into the committee of statutory jurisdiction. However, we do have in the program that has been submitted to the President December 1, by Dr. Dixy Lee Ray, Chairman of the AEC, the table here which shows practically an equal amount of money would be spent by private and Federal agencies for the use of coal. For instance, in the private sector, it is expected that $3 billion will be furnished by private sources.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield 2 additional minutes to the gentleman from West Virginia (Mr. HECHLER).

The Federal recommendation is $2,175,000,000. If we put those together, we have the practical equivalent of the amount that is recommened for nuclear energy. Now, as to whether those amounts will be authorized by the legislative committees and appropriated by the Appropriations Committee, this speaker cannot say.

But I would say this much: that I want to assure the gentleman that I realize very deeply the importance of coal, and anything I can do at any time will be done.

As far back as 1961, I was coming out for coal. In fact, I put $5 million into the Atomic Energy Commission back in 1961, I believe it was, for coal research, and it was knocked out on a point of order.

Mr. HECHLER of West Virginia. Mr. Chairman, does the gentleman from California recall that, in 1961, that I broke with other coal State representatives and supported the Hanford project?

Mr. HOLIFIELD. Yes. I do remember that.

Mr. HECHLER of West Virginia. It was at political risk to myself that I supported a nuclear project strongly advocated by the gentleman from California, and now I hope that the gentleman from California will reciprocate.

Mr. HOLIFIELD. Yes. The gentleman showed great courage at that time. He deserves a page or perhaps a chapter in "Profiles in Courage" for his action, because I know that he did it at some political hazard.

Mr. Chairman, I will say to the gentleman that as far as I am concerned, I believe the near-term supplies of energy must come from coal, in addition to oil and gas, which we have, but particularly coal, because coal will be here long after the oil and gas have been depleted.

If we can just learn to use coal and mine it so that it is environmentally acceptable, and if we can learn to burn it and to transport it so that it is environmentally acceptable, I think it will take us a long way toward solution of our near-term energy problems.

Mr. HECHLER of West Virginia. Mr. Chairman, I thank the gentleman. I certainly hope that we can emphasize the extraction of deep-minable coal, of which we have seven times as much of the low-sulfur variety as we do of strippable reserves which can be mined economically with present technology.

Mr. HORTON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would like to point out to the Members that we are getting amendments by the bucketful. Many Members are bringing in amendments to this bill.

This bill has been carefully worked on by the subcommittee and by the full committee, and I want to emphasize that this is an organizational bill. This establishes an organization. We are not changing any authority that any of the agencies which are to be transferred now have; we are not changing any of the jurisdictions of the committees involved in the Congress; we are not changing any of the laws that are involved.

What we are trying to do is to establish an organization for energy research and development, and I hope that the sponsors of these amendments, since many of the amendments have policy questions involved in them, will understand that we will have to oppose them.

We are not trying to establish or set policy in this bill.

Mr. HOLIFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. Price).

Mr. PRICE of Illinois. Mr. Chairman, I rise in support of H.R. 11510 and to express my complete association with the explanatory remarks of my distinguished colleague, Congressman Holifield. This bill will set up a separate agency to be called the Energy Research and Development Administration, or ERDA, to carry out a coordinated effort on all forms of energy research and development. This bill also establishes a separate organization for the licensing and regulation of nuclear powerplants.

I cosponsored the legislation here under consideration. The hearings on this bill which I followed with interest, only served to reinforce my judgment that H.R. 11510 is indispensable to the national posture that must be assumed without delay in the face of our energy dilemma.

Mr. Holifield and I are the sole remaining charter members of the Joint Committee on Atomic Energy. He served alternately as chairman and vice chairman of the Joint Committee for 10 years, and when he yielded the chairmanship in 1971 to devote more time to the chairmanship of the Committee on Government Operations, I was privileged to assume his high position on the Joint Committee.

From our long association, I know that Chet Holifield understands the dimensions of our national energy problem and has the rare wisdom to convert that knowledge to realistic legislative perspective and remedial action.

Understanding the true nature of the energy challenge facing this country is not an easy task. This summer, at my request, the staff of the Joint Committee on Atomic Energy prepared a compilation of information and an analysis which I highly recommend for a basic understanding of the energy problem. It is in a print captioned "Understanding the National Energy Dilemma." This report covers all existing and potential energy sources. The committee has always taken into consideration all energy sources in light of the interrelationship of most forms of energy.

More and more people are beginning to realize that energy is the very lifeblood of our material existence on earth. Our affluence, relatively speaking, our jobs, industry, health, security, and general welfare, are directly attributable to the fact that we have had more energy at our command—a major portion of which is in the form of electricity—than any other country in the world. The average American uses as much energy in just a few years as half the population of the entire world consumes, on an individual basis, in a full year.

But we have seriously neglected to face up to the growth rate in our consumption of energy, and to our trusteeship to assure that future generations can enjoy a healthy environment and an abundance of energy.

Under this bill, ERDA will see to it that all potential energy sources are utilized and that we attain energy independence at the earliest possible time. Our posterity will thank us for our long-range concern and R. & D. efforts.

This bill will further facilitate the broader use of one of our greatest national assets—the national laboratories of the AEC. These laboratories are already doing research work in areas other than nuclear energy. The Congress long realized the importance of these national laboratories. For example, in 1970 and in 1971, in recognition of the preeminence of the facilities and the talents of those who work in them, the Congress broadened the charter of the AEC to include responsibilities for nonnuclear energy R. & D. in the charter for these laboratories. These laboratories have already made significant progress in areas such as battery development, electric transmission, improving thermal power cycles and reducing environmental effects of power generators. The legislation before us combines all of the major energy development facilities in the Nation in order that a coordinated attack can be made on the problem of obtaining additional energy sources which are environmentally acceptable.

ERDA will continue to conduct many important programs, most of them energy-related, which the AEC has heretofore been carrying out with much success. One of these, for example, is the Naval Nuclear Propulsion Program, a joint program of the AEC and the Department of the Navy. The bill provides that the Division of Naval Reactors, which is responsible for the AEC portion of this program, will be transferred to ERDA.

As noted in the committee report, the Naval Reactors Division has made, and is making, major contributions to civilian nuclear power as well as to naval nuclear propulsion. The report expresses the committee's conviction that if the functions of the Naval Reactors Division had not been under the jurisdiction of the AEC, most of its accomplishments in both the peaceful uses of nuclear energy and in the area of nuclear propulsion of warships probably would not have materialized.

How well I recall that we found it necessary to buy the nuclear propulsion plants for the first two nuclear submarines, the *Nautilus* and *Seawolf,* with AEC funds because the Navy and the DOD were reluctant to embark on the development of nuclear propulsion. I speak from first-hand experience, gained from a long and close association with the Naval Reactors Program, when I say that it is the best interest of the Nation for the functions of the Naval Reactors Division to remain under the jurisdiction of ERDA.

I commend Mr. Holifield, his committee and staff, for their outstanding work on this major legislative measure.

Mr. HORTON. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. Fish).

Mr. FISH. Mr. Chairman, I strongly support the primary intent of H.R. 11510—the Energy Reorganization Act of 1973—which is to centralize Federal energy research and development efforts. The creation of the Energy Research and Development Administration is a logical step in this period of pressing energy shortages. It should be applauded and supported by the House.

The scope of ERDA's research and potential utilization techniques is broad and open-ended. Among the potential energy sources that will be explored are: Solar, tidal, wind, hydrogen, geothermal, and to some extent, nuclear. It is most important that ERDA avoid bias in favor of any one energy technique and I expect that Congress will assure that it does. Hopefully, the creation of ERDA means that the serious fragmentation of Federal energy research programs is at an end and that we will be able to maximize our energy potential in the shortest possible time span.

But, I would be less than candid, if I did not also express deep reservations about the contents of title II in this same bill. Title II renames the Atomic Energy Commission the "Nuclear Energy Commission." The renamed NEC would retain all the licensing and regulatory authority now placed in the AEC. But title II is more than mere "housekeeping" legislation. Section 203(a) assures that the NEC would retain the authority to engage in or contract for research which it deems necessary for its licensing and regulatory functions. So, while ERDA will be allowed to conduct research regarding nuclear fusion for example, the NEC would still have direct control over any nuclear safety research.

It is my view that these nuclear safety research functions would be more properly placed elsewhere, perhaps in ERDA itself. Serious questions have been raised about the adequacy of the AEC's safety standards and criteria. No Federal agency should be the sole judge of the validity or appropriateness of its actions. Certainly, the severe unthinkable tragedy that would result from a nuclear accident, makes this even more imperative with respect to the activities of the AEC.

Earlier in this session, I introduced legislation—H.R. 11079—which would authorize an independent study of AEC safety standards and regulations. The comprehensive study would be conducted under the auspices of the National Academy of Sciences. My bill is not an antienergy bill. Right now nuclear energy represents approximately 1 percent of our total energy resource production. Such a review of AEC safety criteria is essential before the very real energy crisis commits this Nation to an irrevocable policy regarding nuclear power.

So, while I am gratified at the creation of the Energy Research and Development Administration, I still feel that certain elements of this measure warrant concern. Hopefully, the Congress will see fit in the future to insure that nuclear power activities and research will be reviewed in the proper manner.

Mr. HOLIFIELD. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, it is very true, as my colleague on the committee, the gentleman from New York (Mr. HORTON) has said, that this is a bill which provides for a very needed structure for research and development to meet the needs of our crucial energy problem.

I believe that the concerns that have been expressed by our colleagues in the amendments they seek to bring before us are concerns that members of the committee also have, as have been expressed by the gentleman from Maryland (Mr. GUDE), the gentleman from New York (Mr. ROSENTHAL), and others. The committee, in its wisdom, did not seek to favor one form of energy over another.

We, on the committee, must see to it that, in the development of this very much needed organizational structure, the structure itself does not encourage an imbalance in its emphasis. The question of the proper balance between research in the fields of nuclear and fossil energy as opposed to other forms of energy, such as solar and geothermal, is something which we must also consider.

We do have a responsibility this afternoon, in working with this bill, to see to it that we deal with these questions and safeguard against an emphasis in one form of energy as against another. Most particularly, we have to make certain that the structures lend themselves not only to looking for potential energy sources, but also to encouraging more efficient use of our existing energy sources.

We must assure ourselves that the structure permits an opportunity to develop renewable forms of energy which, for the future, can solve our energy needs more effectively than nonrenewable forms, such as fossil or nuclear energy.

If the structure does not lend itself to these factors sufficiently, we should be open to amendments which will improve the structure of the new Energy Research and Development Administration. Only then will we be able to deal with the very weighty problem we are charged with in developing the research so needed for the critical energy problem we confront today.

Mr. UDALL. Mr. Chairman, we are faced today with an issue critical to the Nation's future. There is general agreement, I think, that the United States must achieve a balanced energy budget as quickly as possible. To do so, we must develop a wide variety of new energy sources which have been ignored in the past, improve the efficiency of existing methods of energy supply, and substantially reduce our profligate rate of growth in energy consumption.

The question before the Congress is how best to achieve the first of these goals. The bill before us today is one solution. I rise to express my belief that there is another—and better—solution.

The administration's reorganization plan, the creation of ERDA, a new Energy Research and Development Administration, has several serious flaws, both procedural and substantive. Among these are: The inevitable delays caused by a large bureaucratic reshuffling, the absence of congressionally defined objectives in the bill, the omission of some extremely important areas of research from the Agency's jurisdiction, and the heavy nuclear bias built into this plan.

First, I submit to you that ERDA is only half a job. There is no doubt that we need a complete, fully thought out reorganization, encompassing both energy production and energy conservation. ERDA unfortunately does not accomplish this. It is an incomplete reorganization which will only add to our problems a year or two from now when we attempt to fashion the final, complete reorganization. Then we will have to dissolve or at least redesign this large new agency which will only just be getting off the ground.

ERDA's supporters have touted this as a simple, uncomplicated bill, but it is not. The creation of a new agency employing about 100,000 people who will have to be redirected, retrained, reassigned, or transferred can never be a simple undertaking.

Even a simple reorganization causes bureaucratic tangles and inevitable delays. In this case, whole offices and departments will have to be fitted into a new institution, thousands of scientists will get new bosses, and laboratories new administrators. This means that it is going to be a very long time before any research actually gets done, and this is precisely the situation we are trying to correct with this reorganization. I suspect that the real research progress will just be beginning about the time that Congress adopts its full reorganization plan.

ERDA has been under study for many months now, but the final bill bears the signs of a too-hasty consideration. Many extremely important areas of research—including basic materials research, the critical underpinning on which all future advances are based, areas of oil and gas research, important areas of solar research, fuel cells, areas of advanced automotive research—all these, and others, are left unmentioned.

Far more serious is the absence of congressional guidance in setting the directions in which ERDA is to travel. Congress should not now neglect its authority to provide guidelines, establishing research and development priorities, and set funding levels. The Congress must be unequivocal in stating its conviction that what we need in the long run in order to extricate ourselves from this energy crisis is a determined, vigorous, and generously funded effort to develop nonnuclear and in particular, nonpolluting, sources of energy.

Since the Atomic Energy Act was passed in 1954, the Atomic Energy Commission has spent $3.9 billion on the development of nuclear energy for power. Today, after nearly 20 years of intense and dedicated effort, nuclear energy provides only nine-tenths of 1 percent of our total energy needs, about the same contribution as firewood.

It should be clear, I think, that what we need now is a major shift in emphasis: a new, firm, commitment of administrative effort, money, and scientific expertise to the badly neglected area of nonnuclear energy sources.

And yet, the proposed ERDA will take, by Chairman Ray's own description, about 90,000 AEC employees and combine them with a few thousand transferred from other agencies or newly hired. In other words, nearly 90 percent of this proposed administration's scientists, technicians, and administrators will be men and women whose professional careers have been spent in the development of nuclear energy. I fail to see how such an arrangement can possibly provide the right background for the kind of redirected effort that we so clearly need.

To make matters worse, the development and production of nuclear materials for military uses will be included in ERDA. These efforts now consume nearly $900 million a year. Such a vast sum will weigh heavily in further increasing the imbalance in ERDA's efforts in favor of nuclear energy.

Weaponry has, of course, nothing whatever to do with the research and development of new energy sources. The reorganization bill itself recognizes this, by providing that ERDA's Administrator shall submit a report within 1 year after he takes office, analyzing the conditions for a possible transfer of these military functions to the Department of Defense. Thus, these divisions may be transferred twice—with hardly a chance to get settled in ERDA before picking up and moving on. I do not think this is a sensible, or even a practical, plan.

To get a more precise idea of the extent of the hidden nuclear bias in the administration's plan, one need only look at the recently released report, "The Nation's Energy Future," prepared at the President's request by AEC Chairman, Dr. Dixy Lee Ray.

The report contains recommendations for spending $10 billion over the next 5 years on energy research and development. The administration has publicized it as a major effort, involving new supplemental funding. In actual fact, only about $3½ billion of the total is new spending, the rest has already been committed. But this is not the full extent of the misleading information arising from this report.

The report, as well as some of ERDA's most prominent supporters, maintains that more than 76 percent of the new money is allocated for nonnuclear research and development. Of this 76 percent, 23 percent is allocated to coal research, 22 percent to increased oil and gas production, 22 percent to energy conservation and the remaining 9 percent to the use of renewable resources—including energy from solar, geothermal, hydroelectric, wind, oceanic, fusion, and waste material sources.

These numbers are not just misleading, they are wrong. Of the proposed $10 billion to be spent by the Federal Government, $4.09 billion, or 40 percent—not 24 percent—will be spent on nuclear, and only $1.44 billion or 14 percent—not 22 percent—will be spent on conservation.

The former set of figures, allocating 24 percent rather than 40 percent to nuclear energy, was arrived at in the following manner. Table 2-1 of the report lists a recommended national program for energy R. & D. which includes $12.5 billion of estimated private spending which might "be forthcoming in response to vigorous and imaginative Federal leadership." When this amount is combined with the smaller Federal figures, one arrives at the publicized figures. Although I have no wish to stir up unneeded controversy in this matter, I can only characterize the presentation of these figures in the report, and the public testimony of ERDA's leading supporters in this matter as seriously misleading.

A close look at the details provided in the statistical supplement to the report reveals more inaccuracies—all aimed at hiding the extent of the nuclear bias in this report. For example, of the $460 million allocated to increasing oil and gas production, $147.7 million, or a staggering 32 percent, is actually proposed for nuclear applications. Even in the conservation area we find the same pattern—of the $28.5 million proposed for improvements in shipping, $12.5 million or 44 percent goes to nuclear.

I am convinced that adoption of the ERDA plan will give us an energy research and development program heavily weighted toward continuation of the status quo—with the emphasis still on nuclear energy—rather than the new, redirected program we so badly need. As I see it, ERDA combines all the problems of a complex reorganization with few of the potential virtues.

Why then should we undertake this elaborate yet incomplete reorganization when there is before us a simpler and more effective alternative? The approach to which I am referring was passed by the Senate last week by a unanimous vote—80 to 20. As presented in a similar House bill, H.R. 11857, the alternative involves the creation of a three-man council headed by a powerful chairman. The council—or management project, as the Senate version is called—would be a single, identifiable body, responsible for planning and administering the Federal Government's research and development program. All departmental jurisdictions—and, I might add, all congressional committee jurisdictions—would be left untouched. The council would simply be superimposed on the existing structure and could immediately begin its job of planning, coordinating, and administering a vigorous new program of nonnuclear energy research and development.

Both the Senate and House versions contain congressionally defined research priorities and funding levels, as well as a variety of arrangements for stimulating joint Federal-industry endeavors. This approach will not affect committee jurisdictions and will therefore avoid preempting the important ongoing work of the House Committee on Committees.

Positive House action on H.R. 11857 would result in prompt final action in Congress, for there would be no difficult drawn-out conference with the other body. There would be immediate implementation of the research program for there would be no delay as we wait for bureaucracy to extricate itself from the tangles of reorganization. And, finally, there would be no unnecessary problems a year or two from now when we reach agreement on the complete energy reorganization plan. I urge the House to give serious consideration to the alternative I have described before reaching its final decision on the future of energy research and development.

Mr. ANNUNZIO. Mr. Chairman, I rise in support of H.R. 11510, a bill to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission.

In the past month, this Nation has had to face its most severe energy supply crisis since World War II. The Arab oil embargo, combined with other supply problems, has painted a very dim energy picture for most Americans. Last summer, we suffered through a gasoline shortage and we must now work our way through both a fuel oil and gasoline shortage this winter.

The response of the Congress to these problems has been encouraging. The administration was slow to recognize the severity of the present crisis, but the Congress was not. Within hours of the announced Arab oil embargo, this body passed legislation, which I sponsored, to require the allocation of crude oil and petroleum products. In addition, legislation was promptly introduced to deal with the embargo, even before the President made his address to the Nation on the subject.

Since that time, the Congress has moved forward with impressive speed to deal with a wide range of energy emergency issues; including year-round daylight saving time, nationwide speed-limit reduction, research and development legislation, and H.R. 11450, the national energy emergency legislation which passed the House of Representatives last week and which I supported.

H.R. 11450 seeks to provide a short-term answer to the energy crisis, and included among its provisions are authorization for a Federal Energy Administration, extension of the mandatory allocation program from February 28, 1975 to May 15, 1975, authorization for conservation and transportation controls, requirement of an impact statement from the President on unemployment as a result of energy shortages so that the Congress can take any further action indicated, promotion of carpools, and other related short-term energy-saving measures.

The Emergency Energy Act does not give to the Chief Executive any powers greater than the Chief Executive has had in the past during other national emergencies. It does, however, get us started on the road to energy self-sufficiency which is essential to the well-being of the American people, and the continued strength and prosperity of our Nation.

On the other hand, the legislation which we have before us now, H.R. 11510, the Energy Reorganization Act, seeks to achieve a long-term solution to the energy crisis by ultimately making our Nation completely and totally independent of foreign energy sources. Some months ago I introduced legislation, H.R. 9974 and H.R. 9695, which embody the concepts included in H.R. 11510, and therefore, I am especially pleased that the House is moving forward positively today to take action on a bill that I am firmly convinced holds the key to our future independence as far as energy sources are concerned.

The Energy Reorganization Act will reorganize and consolidate major energy research and development—R. & D. functions in the Federal Government. The bill provides for two major changes. First, it creates an independent Energy Research and Development Administration, ERDA, which will encompass all the nonregulatory functions of the Atomic Commission and energy R. & D. functions from other agencies. Second, it renames the AEC the Nuclear Energy Commission—NEC—which will administer powerplant licensing and related regulatory functions.

Mr. Chairman, H.R. 11510 is not a

simple measure. It is a highly complex piece of legislation which irons out many difficulties. Reorganizing the Federal Government to better respond to energy problems is a difficult task. The Committee on Government Operations is to be complimented for their thorough and competent handling of this task. The legislation they have reported was carefully drafted to deal with every aspect of the problem and to provide an improved response to the Federal Government in this area.

It is my strong feeling that H.R. 11510 should be enacted by this body. I have reached this conclusion for the following reasons. First, H.R. 11510 is building on an already existing scientific and technical base. The Atomic Energy Commission and other research units in the Department of the Interior have a long history of success in energy R. & D. and H.R. 11510 wisely utilizes this knowledge.

Second, the establishment of an efficient organizational framework for energy R. & D. is essential if we are to achieve energy independence. The present Arab oil embargo has brought home to every American the need to develop energy self-sufficiency. To achieve this goal in the shortest possible time, we must have an agency coordinating the energy R. & D. needed to promote development of new energy sources.

Third, this legislation makes good sense from an administrative and cost standpoint. H.R. 11510 will consolidate many diverse energy R. & D. functions and bring coordination to a field that is presently closer to chaos. The bill will rid the Federal Government of duplicative research and result in more effective research. It will provide a balanced and sensible approach to energy R. & D.

Fourth, this bill will allow this Nation to move forward in a coordinated manner to achieve its goal of energy self-sufficiency. Most energy experts agree that we will have to rely on imported energy sources over the short run. However, we can break this reliance on foreign sources, if we begin now to find new sources of energy. In particular, we need to demonstrate commercial feasibility for coal gasification, geothermal energy, solar power, shale oil and advanced power cycles. H.R. 11510 takes a bold step in this direction.

Fifth, this legislation sets the proper priorities for emphasizing energy R. & D. Because energy R. & D. plays a crucial role in shaping future energy policy, it is essential that the priorities we shape today will solve the problems of tomorrow. H.R. 11510 does an excellent job of outlining these priorities. Specifically, the legislation gives the new energy Research and Development Administration the missions of R. & D. on: first, on all forms of energy; second, energy conservation; third, energy efficiency and reliability; fourth, environmental research; fifth, nuclear production, enrichment, and distribution activities; and, sixth, fusion research.

Mr. Chairman, H.R. 11510 is an important measure which I strongly urge be enacted. It should be pointed out, however, that the road to energy self-sufficiency does not stop with this bill. I am proud to be the cosponsor of several other measures now being considered which should also receive action. These bills include:

H.R. 9658—Geothermal Energy Development Corporation Act.

H.R. 9691—Coal Gasification Development Corporation Act.

H.R. 9692—Advanced Power Cycle Development Corporation Act.

H.R. 9693—Shale Oil Development Corporation Act.

H.R. 9694—Coal Liquefaction Corporation Act.

H.R. 11179—Solar Heating and Cooling Demonstration Act of 1973.

Mr. Chairman, speedy enactment of H.R. 11510 and careful consideration of these other energy research and development measures will hasten the arrival of energy self-sufficiency in the United States. Achieving this goal will be difficult and costly, but I have every faith we will reach our goal.

I urge my colleagues to join me in meeting this challenge and resolving it with the greatest possible dispatch.

Mr. PICKLE. Mr. Chairman, the bill now before us—ERDA—recognizes that our energy problems are so great as to require the full spectrum of American technical capability in developing alternative power sources.

Under the Energy Research and Development Administration, public and private institutions are given an important role in the massive effort to renew our energy capabilities. Overall, practical reorganization is called for in all of our research and development programs. This can strengthen our R. & D. programs, and clears up many of the jurisdictional conflicts.

Wide ranging participation by private businesses, universities, and other research institutions is appropriate and well advised, for we are all aware of the contributions these bodies have made in previous scientific endeavors.

With respect to developing new energy systems, private business and our universities are vitally important because of the wide range of energy research and developing programs currently being conducted in these legislations.

Research and development projects funded by the National Science Foundation, the National Aeronautics and Space Administration, the Office of Coal Research and other Federal agencies have already brought non-Federal expertise to bear on our energy problems.

As an example, I will point out that the University of Texas in my own congressional district is deeply involved in most aspects of the drive for new energy sources.

The university's Tokamak particle accelerator is one of less than a half dozen such facilities necessary for fusion energy research.

Under the new Federal energy organization, provisions are made for continuing the work of private business and universities in energy research, and I believe these provisions exhibit a great deal of foresight.

Section 108a of the bill now before us provides ample authority for a wide series of grants, loans and contractual agreements to include all parts of the American economy, in the expanding energy research effort.

Experience has clearly shown us that our universities and private businesses are rich breeding grounds for scientific and technological innovation.

I believe we are wise to include these institutions in America's new and revitalized energy organization. By doing so, we bolster our basic economic structures while accelerating the energy research effort which will one day make our country self-sufficient in its energy needs.

Mr. FRENZEL. Mr. Chairman, I believe that H.R. 11510, the bill creating a new Energy Research and Development Administration may be the most important energy bill we will pass during the 93d Congress. Nothing is more needed right now than coordination and consolidation of energy development. We can only be successful in developing new technologies if we coordinate our efforts.

The committee has taken a good administration proposal and improved it greatly. Not only do we get through it a concentration of resources and efforts, we get in addition a separation of nuclear safety regulations and licensing from nuclear development.

We shall surely need to fund this administration on a basis proportionate to its importance. As soon as House and Senate agree on the organization and operations of ERDA, we must raise our sights and provide the heavy funding needed to achieve the capability of energy self-sufficiency.

The cost of funding has been estimated at figures ranging from $10 billion over 5 years to much higher figures. I hope this House, or at least those Members who support this bill, is willing to make a financial commitment of that magnitude. It simply has to be done.

I am pleased also that the bill includes development of most energy sources anyone has ever heard of, and that the bill does not exclude research and development of sources unlisted, or even unknown, at this time.

I think its a great bill. I hope it passes.

Mr. OBEY. Mr. Chairman, the bill now on the floor of the House establishes an Energy Research and Development Administration which will have administrators in five areas: fossil energy development; nuclear energy development; environment, safety and conservation; research and advanced energy systems and national security.

The bill transfers to this new agency energy research from the Department of Interior, primarily on coal research, with a 1974 budget of $106 million; solar and geothermal energy research from the National Science Foundation, with a 1974 budget of just over $24 million; and air pollution and other energy research from the Environmental Protection Agency with a 1974 budget of another $24 million. In addition, the ERDA will contain all nonregulatory functions of the Atomic Energy Commission. Overall, the Agency will allocate about $3 billion in funds.

As those figures indicate, Mr. Chairman, at least initially the overwhelming majority of funds this new agency will spend will be targeted for nuclear-related research and development now falling within the realm of the Atomic Energy Commission.

That is hardly surprising since our research and development efforts to date have largely been concentrated in the nuclear area. If that is to be faulted, the blame lies with a Congress which has not funded wide-ranging and imaginative energy research programs in the past at anywhere near adequate levels, and with a President who has impounded some of the funds which the Congress has provided. My concern over this bill, which is after all just a reorganization measure, is that it not be viewed as a signal that the Congress intends to put the lion's share of our future energy development resources in the nuclear basket.

Atomic power has had its dedicated advocates since the dawn of the nuclear age 30 years ago, and in terms of funding, nuclear research is receiving top priority by our Government. Unfortunately, almost all of this money has gone toward research on the liquid metal fast breeder reactor and other fission reactors which produce a great deal of waste—in the form of heat and radioactive products which must be permanently stored. Very little is being spent on fusion research, which promises to produce cleaner and safer energy with far less waste than those produced by nuclear fission.

Now, I am sure that some people would and could go on for sometime giving us reasons for that, and the Atomic Energy Commission is not entirely at fault. But after 30 years of research, our energy output today from nuclear sources about equals that from firewood. Given that record, I do think it would be shortsighted at best to rely heavily on nuclear power, and especially fission, to meet our future energy needs.

The fact is that while we have been told time and again that nuclear power is safe, and that no major accidents affecting the public health and safety have occurred, a number of scientists have raised serious questions about the safety of nuclear powerplants, and I know from experience in my own district that a great many people are tremendously leery of them.

Look at what has happened in the past month. A newly installed evaporator spewed 7,000 gallons of radioactive waste onto the ground at the AEC nuclear facility in Richland, Wash. A supersecret device for making uranium for weapons and power was destroyed in an experimental run at Oak Ridge, Tenn. Scientists have discovered an earthquake fault just 2 miles from a half finished nuclear powerplant in California.

Mr. Chairman, I do not pretend to be expert enough to say that nuclear power is safe or that it is unsafe. But I do know that our first concern must be public safety, that the stakes involved are exceedingly high, and that if we make a mistake the disaster could be almost beyond comprehension.

What it all boils down to is that we would be shortsighted and stupid to neglect to significantly increase our research budgets for nonnuclear forms of energy such as solar, geothermal, tidal, and wind. So, Mr. Chairman, while I am voting for this bill, I do so with the hope that the research and development efforts of the ERDA will be balanced between nuclear and other types of research, and that nuclear technology will not dominate the time, and the energy and the financial resources of this agency.

We have to realize, too, that a reorganization of government to more efficiently and logically deal with our energy research efforts—as badly needed as that is—will not get us through what is a long-run energy crisis if we have an "off-again-on-again" administration downtown.

It is bad enough that the past year we have had four different energy "czars" supposedly leading whatever policymaking there has been in the energy field. What is even worse is that after every assertion by technical experts that the situation is bad and belt tightening is in order, some higher up—like the Chairman of the Council of Economic Advisers or even the President himself—holds a press conferece and cheerily guesses that things are not so bad after all.

That pattern is disconcertingly familiar. For 2 years we have been told that the economy is getting better, when, of course, it has been getting worse. Shades of Herbert Hoover—he felt prosperity was just around the corner too!

What are they running at the other end of Pennsylvania Avenue, a government or an optimist club?

The American people simply do not believe predictions that inflation is being licked and that the economy is improving. We have had too many rosy predictions, such as the President's speech to the longshoremen, that the energy crisis might only last a year or two.

That is pure 100-percent unadulterated baloney. How can the public be expected to do what the Nation's welfare demands, if its leaders do not level with them. The simple truth is that the energy crisis is real, and that it is not going to go away in a year or two. It will be with us for a decade. It is going to be inconvenient for everyone and darned painful for some. People have a right to know that, before it hits—not after.

There is one group around which would like to convince us all that we could solve this crisis by eliminating our environmental protection laws. That may sound easy, and I think most of us agree, for example, that a 1-year extension may be necessary for car makers to comply with auto emission standards. But a wholesale repeal of our recently enacted environmental laws will not significantly help us alleviate the shortages facing us—not when we have been energy gluttons for years.

Some people point to the present crisis and would like to blame the whole thing on the oil companies. I am certainly not going to excuse them. They have consistently refused to give the Government almost every type of information—from their major stockholders to information which would allow us to determine the degree of competition in the industry—which may have helped us predict and deal with this situation.

But it was the President who kept plentiful foreign oil—which was then cheap—out of the country under the assumption that it was somehow better to "drain America first." That policy encouraged the draining of our domestic resources and it discouraged oil companies from investing in oil refineries at home and we are paying dearly for that today. But the Congress did nothing to reverse it. Neither did the Congress nor the President do anything to eliminate our Government's reliance on oil companies for statistics on oil and gas reserves.

Mr. Chairman, finding scapegoats at this point is not going to help us at all. We are going to see higher prices, and quite possible higher taxes, for gas, and shortages are going to get a lot worse before they get any better. But this does not mean that Government has to stand by while gas prices go through the roof or oil company profits triple.

If prices, taxes, profits, or unemployment goes up, our citizens deserve an accounting for it. And to do that we are going to need far more information about all aspects of the energy crunch than Government has available today.

We also owe people some guarantees, that higher prices will not mean price gouging and that higher profits will not mean windfall profits. People should be guaranteed that shortages will not be used by the oil companies to drive their competition out of business; that increased taxes will be used not for allocating fuel to the rich, but to give government additional funds for energy research and development; and that rationing, when we finally do have it, will not assure adequate fuel only to those ingenious enough to cheat "the system."

Above all, our people must be guaranteed that the oil industry, which did a great deal to get us into this mess, will not be entrusted to get us out of it.

Thirty years ago, Mr. Chairman, when speaking about the depression, Will Rogers said that kids did not believe that politicians could get the country out of the mess it was in. Rogers disagreed. He remarked:

> If ignorance got us in, why can't it get us out?

That pretty much seems to be the attitude of those in Government who want to rely on oil company judgments to get us out of the energy crunch.

It seems that the energy crisis has created a situation where industry-dominated advisory committees may be making, quite possibly in secret, Government decisions which guide our actions in dealing with energy shortages. That may make sense if you could expect oil company executives to distribute their oil solely on the basis of what was good for the country. But, alas, what is good for the country is sometimes not what is good for Standard Oil. Because business executives will feel great pressure to make decisions which will maximize profits and maximize returns to stockholders, they cannot be allowed to determine what Government policy will be.

It is for this reason that I intend and urge my colleagues to support an amendment by my colleague, Mr. SEIBERLING, to limit membership in advisory committees created under this bill so that no more than one-third of the total will be composed of representatives of industries which produce, develop or research energy sources.

Mr. Chairman, in my judgment conservation of fuel is the only assurance we have that we can ride out our shortages in the short run, and research and development of a wide-ranging host of energy resources is really the only answer in the long run. Unfortunately, I am not convinced that this House has the commitment to put our energy research resources where they belong. Only passage of a bill similar to that introduced by Senator JACKSON and passed recently by the Senate—committing us to a $20 billion and 10-year effort in energy research and development—will prove that. This reorganization bill, as needed as it is, will not solve much unless it is accompanied by that kind of commitment.

Mr. EDWARDS of California. Mr. Chairman, I welcome the enactment of the Energy Research and Development Act. The present energy crisis has pointed up all too clearly the need for a well-managed, centrally directed attack on our energy problems. Only through careful, coordinated and appropriate planning can we bring the United States as close to energy self-sufficiency as possible in the years ahead.

I am also pleased to note that this bill includes an office of Research and Advanced Energy Systems, to be headed by an Assistant Administrator, with the responsibility for exploring new areas of energy potential: solar, geothermal, tides and wind. In developing these new energy resources, ingenuity will be of the greatest importance. We can no longer rely on traditional energy plans involving fossil fuels, programs which have led to the inevitable depletion of limited resources. Our attention must turn toward new, clean, abundant and largely untapped forms of energy.

The United States has always prided itself on our technological know-how and expertise, our ability to solve mechanistic problems, and our ingenuity and creativity. The San Francisco Bay area, of which I have the privilege of representing part, is particularly known for its wealth of talent and expertise in sophisticated technological areas. A number of the Nation's leading universities, research institutes, and aerospace industries located around San Francisco Bay have recently experienced job cutbacks, but now have the opportunity to focus their attention and skills on energy problems. Congressional interest is evident in this legislation and we will soon be appropriating moneys to finance research grants in this critical area.

While I am certainly not qualified to judge the feasibility of any particular energy system, one concept has caught my attention and stirred my imagination—harnessing the wind. Wind power is not only clean, but also abundant, and limitless. In some areas like the San Francisco Bay, winds are consistent, constant and prevailing. Statistics from the U.S. Department of Commerce, National Oceanic and Atmospheric Administration, on wind velocity at the San Francisco Bay Airport for 1972 show that the mean speed of the wind there is 10.5 miles per hour, with a mean low of 6.8 miles per hour in December and a mean high of 14 miles per hour in June, indicating remarkable consistency. On the Great Plains of the Western United States, the potential is even greater.

While much of the research and experimentation in this area sounds like Gulliver's Travels or Alice in Wonderland, the January 1973 issue of Environment has a fascinating article on windmills, citing significant developments in the last 50 years, particularly the work of Professor Heronemus of the University of Massachusetts. A number of other sources indicate that the potential for developing wind power is far-reaching. Although there are obvious drawbacks in each unexplored field—harnessing the wind may require the erection of aesthetically displeasing wind-catching structures, for example—I would hope that we can remain as openminded as possible, entertaining a variety of new and innovative concepts for energy research and development. The use of wind power is certainly only one example of what we might do.

Therefore, I urge my colleagues not merely to join me in supporting the passage of this important legislation, but in encouraging their constituents, universities and research institutes, and private businesses to use this legislation and their own creative powers as the starting point for innovative and successful solutions to the challenge of the energy crisis.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I rise in support of H.R. 11510, a most important piece of legislation, designed to manage our nationwide technical/scientific capabilities for the achievement of that degree of energy self-sufficiency so obviously needed today.

Our subcommittee and the full committee, led by the gentleman from California (Mr. HOLIFIELD) worked diligently on this crucial bill and I want to congratulate my friend for his guidance.

It is essential that we establish, in this country, an organization to assure the future availability of enough energy at a reasonable cost to our economy and to our environment. It is clear to all who attended the recent hearings on this bill, that there is a consensus throughout this country in favor of the creation of the Energy Research and Development Administration—ERDA. I can see at least three valid and independent reasons for the creation of ERDA now: First, to organize an efficient and directed national effort in energy research; second, to set limits on energy cost and thus reestablish price elasticity; and third, to assure our continued independence as a sovereign nation.

The increasing dependence of the Western World on foreign sources of crude oil has recently become a political weapon of some oil-rich nations. The American people cannot and will not submit to such blackmail. In contrast to the unfortunate situation of other industrialized nations of the West, this attack on our independence finds us ready and able to face the challenge. The energy crisis was not an unexpected event. Its symptoms have been known to us for years, and had nothing to do with our foreign policy. But it took the recent embargo by some Arab nations, to galvanize our determination, and to quickly reach a consensus on what otherwise would have taken years to accomplish.

The public should not be mislead to believe that the establishment of ERDA can solve our energy shortage overnight. There is no doubt that the remainder of this decade will entail a certain degree of hardship for all of us. But ERDA allows us to look forward to the 1980s and beyond with a new hope for an abundant supply of energy, a clean and healthful environment, and a better quality of life.

The sooner we start on this great endeavor the better the chance to minimize the discomfort and economic dislocation; the better chance for early success.

The good Lord has blessed this Nation with resources in oil, gas, coal and uranium whose total energy potential is more than 20 times that of all the Middle Eastern oil fields. More importantly, the United States is blessed with enormous industrial, technological and scientific capabilities. ERDA will marshal these capabilities into a coordinated whole. The United States can point with pride to a history of precedents of such national efforts: the Manhattan Project during the dark days of World War II, and more recently our national effort to place a man on the Moon. There should be no doubt, that this Nation, once motivated as we now are, can reach the technological, managerial and institutional greatness that Congress and the administration expect. The mission is clear, the plans are ready; let us not delay.

It is well to point out that western Pennsylvania, including my home district, occupies a very special position in energy research and development of energy resources. Western Pennsylvania is the cradle of the coal industry, the oil industry and the nuclear power industry. In addition, this region has led the Nation in pollution control since the pioneering days of the now famous Pittsburgh Renaissance. With such a history, and, furthermore, with the second largest concentration of universities and research laboratories in this country, the Pittsburgh region should play a highly significant part in the planning and implementation of ERDA.

Because of our deep interest in both fossil as well as nuclear energy and because of our historical position in resource development of both kinds, fossil as well as nuclear, we can present a fair and impartial position on the question of development priorities.

There is a real concern over the lack of adequate funding and achievement in the search for safe and clean utilization of fossil fuel. Let us no longer place coal, our most abundant domestic fuel in a poor second place.

Unfortunately, current expertise is not sufficient to cope with the need to use much greater quantities of coal than we have been using and to burn that coal in a clean almost-pollution free way.

In this regard, I was heartened by the testimony of Roy Ash, Director of the Office of Management and Budget.

During our hearings, I asked him about the disproportionate funding, in the past, of coal research to nuclear energy research.

I explained to him that my hope in supporting the ERDA bill was that under ERDA, coal research would not be treated as an orphan but with special importance.

Acknowledging the need for greater emphasis on and funds for coal research, Ash said:

> There is plenty to be done and as the Chairman has said, we have been remiss and have not been doing what might have been done. Now is the time to concentrate all of the resources that can be effectively employed to get at the nonnuclear fuel potentials and that this country has.

I am certain that the management of ERDA will recognize the merit of this concern, and promptly initiate an unprecedented expansion of the necessity research and development in coal technology, and follow through with the associated demonstrated plants.

Lastly, I would like to mention the concurrent formation of the Nuclear Energy Commission—NEC—which will henceforth be the regulatory agency for the nuclear industry. I hope that the large effort in standardization, and the streamlining of the licensing process, so well under way, will continue without loss of momentum. The Nation can ill afford to have these expensive and necessary generating capacities sit idle while the call for power is heard throughout the land. Neither can the Nation afford to take chances with the health and safety of the public and the long range quality of the environment. We have confidence that the new NEC will pursue the public interest and the national objective with due consideration to the above concerns.

I urge the immediate passage of H.R. 11510.

Mr. BOLAND. Mr. Chairman, I rise in support of H.R. 11510, a bill to "reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions."

I commend the distinguished chairman and members of the Committee on Government Operations for its fine work in bringing this proposal so expeditiously to the floor.

Mr. Chairman, while the energy crisis is upon us now, it is not new. There have been warnings of its coming for the past 25 years.

A report to the President was made in 1952 by the President's Materials Policy Commission, commonly called the Paley Commission after its chairman, William S. Paley.

Volume 3 of this 5-volume study is devoted to the outlook for energy sources. It looks at energy as a single resource requirement for our Nation, and breaks this down into four studies of oil, natural gas, coal, and electric energy.

It said then:

> A supply of energy sufficient to meet the total demand of the United States can be achieved without prohibitive increases in real costs only if the Nation looks at its energy resources as a whole; only if it exploits fully the shifting interrelationships among various sources of energy; only if it takes the fullest economic and technical advantage of the flexibilities in end-use, in distribution, in drawing on each energy source for its best and most efficient contribution.

The study made clear projections of U.S. energy demands for 1975 that are proving to be exceptionally valid. The situation today is essentially that projected by the Paley Commission almost 25 years ago.

Since then, we have continued our research aggressively in only one area—nuclear energy, but we have devoted insufficient research efforts to other kinds of energy.

By 1962, when Joe Swidler became Chairman of the Federal Power Commission, the growing demands for all kinds of energy were reaching critical proportions and alarms were sounded by the FPC that we had to act aggressively on many fronts in order to meet rising energy demands in timely fashion.

Early in 1967 in a message to the Congress, "Protecting Our Natural Heritage," President Johnson asked the Office of Science and Technology and his science advisor, Dr. Hornig, to make recommendations relating to energy policy analysis and coordination. The President's message stated that:

> The number and complexity of Federal decisions on energy issues have been increasing, as demand grows and competitive situations change. Often decisions in one agency and under one set of laws—whether they be regulatory standards, tax rules or other provisions—have implications for other agencies and other laws, and for the total energy industry. We must better understand our future energy needs and resources. We must make certain our policies are directed towards achieving these needs and developing those resources.

Mr. Johnson went on to say that he was "directing the President's Science Adviser and his Office of Science and Technology to sponsor a thorough study of energy resources and to engage the necessary staff to coordinate energy policy on a Government-wide basis."

Then in 1970, only 3 years ago, President Nixon's blue-ribbon Cabinet-level task force, after considerable study, recommended that oil import quotas be abolished to provide more adequate supplies at lesser prices. But this recommendation was not adopted until the spring of 1973 in the face of strong opposition from the domestic oil industry.

Mr. Chairman, there is no further need for study. There is, however, a need for effective action on energy matters—now. Recriminations and excuses—from any sector of our national society—will not aid us now. What we must do is utilize the recommendations of our distinguished commissions and experts and invest heavily in areas of energy research that offer hope for tomorrow's needs. Today's problems will center on allocating pieces of the shrunken energy pie fairly and equitably—until tomorrow's research can bear fruit. I trust this direction can be achieved by the direction, authorities and funding provided by this bill.

Mr. RHODES. Mr. Chairman, I strongly support the bill under consideration. We need it—and it comes in the nick of time—to enable us to respond to our long-range energy problem with full national focus, effectiveness, and will.

I commend the chairman of the Government Operations Committee, CHET HOLIFIELD, and the able ranking minority member of that committee, FRANK HORTON, for their excellent work on this important measure and for the fine explanatory report accompanying this bill.

I note, for example, on page 20 of the report, the committee's comment that ERDA should be able to use to good advantage the types of cooperative arrangements that the AEC has successfully employed. I am familiar with this category of relatively complex but highly effective agreements that the AEC has pioneered so successfully. An excellent example is the study now underway pursuant to a cooperative agreement by the AEC, the Arizona Atomic Energy Commission, the Water Commission of the State of Arizona, the Arizona Public Service Co., Tucson Gas & Electric Co., and Salt River Project Agricultural Improvement and Power District.

Through an effective pooling of the technical expertise of these agencies detailed geological and seismological investigations of mutual interest are being conducted, at modest, shared cost, in the vicinity of Yuma to ascertain basic data that will contribute to sound determinations respecting long-range solutions to water and power needs of Arizona and the Southwest. The AEC has a particular interest in nuclear desalting, to which the results of this study may relate in some respects, and in a possible coordinative relationship between aspects of planning for the power requirements of Arizona and the discussions between the United States and Mexico regarding potential nuclear desalting projects. I take it that ERDA will continue with this study, which it will inherit as part of the functions transferred from the AEC.

I endorse the validity and soundness of the committee's comments in the report accompanying this major piece of legislation.

Mr. ALEXANDER. Mr. Chairman, first I would like to commend the gentleman from California (Mr. HOLIFIELD) whose leadership is directed toward the establishment of an Energy Research and Development Administration. His important work in this field has caused the Congress to consider this important matter. The current energy shortage presents a short-run crisis and a long-run challenge.

Most citizens cheerfully accept a policy of equal sacrifice when confronted with the energy shortage. And, Americans are at their best when challenged to engage in a grand enterprise. We, as a Nation, must accept the challenge.

One abundant source of energy that is available as a substitute for foreign petroleum for power generation and energy extraction is the ocean.

Major power generating concepts to exploit the ocean's potentials fall in two categories: First, those which employ the advantages of the sea environment, and second, those which derive power from the various forms of abundant energy found in the sea. The first category includes powerplants—conventional and nuclear—installed on the ocean floor, on artificial islands, or possibly on large stable surface or subsurface platforms moored off the coast. This category also would include powerplants built on shore with their cooling water intakes and discharges located seaward to minimize thermal or antiesthetic effects.

The second category encompasses generation of electric power from the energy of ocean tides, waves, currents, thermal gradients, winds, geothermal sources, and other sources. The leading oceans' energy source now and for the foreseeable future, however, is offshore oil and gas.

The following topics are briefly discussed:

1. Offshore Oil and Gas.
2. Offshore Nuclear Powerplants.
3. Tidal Power Projects.
4. Offshore Wind Power Concept.
5. Sea-Based Solar Power System (Thermal Gradient).
6. Wave Energy Converters.
7. Nuclear Fusion Using Deuterium From Sea Water.

1. OFFSHORE OIL AND GAS

Geologists regard the Outer Continental Shelf and slope of the United States and offshore Alaska to be generally favorable prospective areas for oil and gas. Recoverable hydrocarbon resources on our Outer Continental Shelf have been estimated by the U.S. Geological Survey to be upwards of 160 billion barrels of crude oil—four times proven reserves at year-end 1972—and upwards of 800 trillion cubic feet of natural gas—3 times proven reserves at year-end 1972. Comparable amounts are also possible on the Continental Slope. How much will eventually be found or produced from either of these areas will depend on technical, economic, and political factors. Offshore production is already established in Louisiana, Alaska, and California.

Offshore oil and gas drilling and producing operations encounter substantially different environmental conditions from those onshore. In addition the offshore, being in the public domain, supports a complex and varied mix of activities—fishing, shipping, recreation, and defense as well as exploitation of the mineral and petroleum resources beneath the sea.

New technology must be developed to place well heads and production systems on the sea bottom, thus allowing a breakaway from the surface to concentrate on totally submerged operations in an environment unaffected by weather. This technology should cause the curves that show costs rapidly rising with depth to be discarded and replaced by ones that increase only moderately with depth. The near term goal is to have wells economical in 1,000 feet of water. Such systems will be beyond the reach of storms, high seas, and ship traffic—hazards to which fixed production platforms that extend above sea level are now exposed. Subsea systems, of course, have potential hazards of their own, but there seems to be no fundamental reason why they could not be handled.

It should be noted that of the more than 17,000 wells drilled in our offshore only a handful caused problems, and there seems to be little hard evidence of long-term environmental damage from those that did. From experience in oil production in the Gulf it is argued that less contamination of the ocean results from offshore drilling, production, and pipelining to shore than by shipping in a like amount of oil by tankers.

Financing offshore exploration, drilling, and production can and should be done by the petroleum industry. However, since such operations will be done in areas largely under Federal jurisdiction, it will be necessary for Government to establish regulations that will provide protection for the ocean environment and compatibility of petroleum operations with other activities within the coastal zone, while allowing proper incentives for capital funds required to develop these offshore petroleum resources. Also, regulation should not be such as to jeopardize other international positions on offshore questions.(1)

The combination of SPM's and accelerated offshore leasing offers the shortest leadtime for increasing crude oil capacity. It has been recommended that as a quick fix the United States have at least one deepwater single-point mooring terminal operational in the gulf by 1976, and have at least one deepwater single-point mooring terminal operational off the east coast by 1978. Some such facility will eventually be needed on the west coast; but its nature, because of the different alternatives and different conditions, is not as easily determined.(1)

2. OFFSHORE NUCLEAR POWERPLANTS

Siting is a problem for energy-related facilities. Terminals associated with imports or offshore development must be in the coastal zone. While other facilities, such as refineries and powerplants, can be located elsewhere, cooling water availability and reasonable access to the consumer make the coastal zone attractive.

Nuclear generating plants are destined to play an increasingly important role in meeting the Nation's electrical energy needs. Today, there are 34 operable nuclear powerplants in the United States; they provide a capacity of about 19 gigawatts—billions of watts—which is approximately 4 percent of the Nation's electric power capacity. Fifty-seven new nuclear plants are under construction, and 80 more have been ordered. Nuclear plants are expected to proliferate for the balance of the century at a rate approaching 20 percent per year. By the year 2000, installed nuclear capacity is expected to be 1,200 gigawatts and to make up roughly half of our total electrical generating capacity.

One of the unavoidable byproducts of electrical generating systems, whether fueled by nucleon, coal, oil, or gas, is waste heat. In general the conversion of Btu into electrical energy requires the release of 2 Btu's to the environment as discarded or waste energy. The rejected heat is normally transferred to a supply of cooling water taken from and returned to a river, lake, or the ocean, or recycled through a cooling tower or pond where some of the water is consumed by evaporation.

The point is, the waste heat must be dissipated somewhere into the environment or used for purposes other than conversion to electricity. Improved powerplant efficiency can help extend our fuel supplies and also lessen cooling requirements. Since the oceans contain over 97 percent of the world's water, their use as a heat sink should have the least noticeable effect on the environment. Many electrical generating plants should thus be sited to take advantage of the excellent heat absorbing capacity provided by the oceans. The heat capacity of the world oceans is estimated to be 54×10^{21} Btu per degree centigrade.(2) Nine nuclear powerplants in the United States are presently in operation at sites on bays or tidal rivers. The influence of their cooling water discharges into the ocean can be minimized with detailed knowledge of the existing physical and biological factors.

If upward of 1,000 nuclear plants are required by the end of the century, as is anticipated by some projections, some fraction should and will be situated in the coastal zone. To accommodate them, new approaches to coastal siting are being explored with an eye to conserving land. One is the construction of so-called nuclear parks in which a number of nuclear generating stations would be clustered at a single location. Another sites nuclear powerplants offshore on floating "islands" inside protective breakwaters. Other energy generation and energy conversion facilities can be envisioned that would benefit by ocean sitings.

Several advantages of offshore siting of nuclear powerplants can be identified. First, most coastal land could be retained for recreation or for wildlife preserves. Second, adequate cooling water could be obtained without the often severe problems associated with thermal discharges in restricted water. Third, by placing the facilities remote from people and in many cases placing them on the bottom, well below the turbulent environment of the surface, it is possible to design in much improved safety features. In short, progress does not have to mean a degraded environment.(1)

3. TIDAL POWER PROJECTS

The concept of harnessing tides as a commercial source of electrical power has been studied by several countries in close proximity to large tidal channels, specifically in France, Australia, Siberia, Canada, and the United States. One example dramatizing feasibility of such a project is the international Passamaquoddy tidal power project between Maine and New Brunswick.(3) Tidal power has not been as economically successful as hydroelectric power. One reason is that capital costs of tidal plants have been considerably higher. Two full-scale modern tidal powerplants have been built. One, at the estuary of the Rance

River on the coast of Brittany in France, was built in 1966 with a capacity of 200 megawatts. Another is at Kislaya Guba in the Soviet Union.(9)

The total tidal power dissipated by the Earth is estimated at 1.4 billion kilowatts, of which 1.1 billion kilowatts is accounted for by oceanic tidal friction in bays and estuaries around the world and can be captured and converted to electric power. In spite of the huge potential, this energy source is scarcely utilized because practical development is very difficult. However, various possibilities have been and are being studied in geographic areas where the tidal behavior, range, and water displacement are most favorable. (4)

PASSAMAQUODDY POWER PROJECT—UNITED STATES/CANADA

An eminent American engineer, Dexter P. Cooper, proposed a plant in 1919 to harness the high tides in the Passamaquoddy area. Electric power was to be generated by building dams and sluiceways in the openings into the Bay of Fundy and a powerhouse between Passamaquoddy Bay and Cobscook Bay. The proposal lay dormant until 1956 when the International Passamaquoddy Engineering Board was appointed jointly by Canada and the United States. The board determined that a tidal power project could be built and operated in the Passamaquoddy area and that a two-pool arrangement was best suited for the site and water conditions of Passamaquoddy and Cobscook Bays.

In April 1961, the International Joint Commission—IJC—declared that the Passamaquoddy Tidal Power Project was not economically feasible under present conditions. However, the IJC said that the combination of the Passamaquoddy Tidal Power Project with incremental capacity at Rauben Rapids on the Upper St. John appeared feasible. In May 1961, the Secretary of the Interior was requested by the President to review and evaluate the report.

In December 1961, the Passamaquoddy Upper St. John Study Committee of the Department of Interior had a load-and-resources study made in the New Brunswick, Canada-New England areas. Its study clearly indicated that the Passamaquoddy Tidal Power Project would be feasible if developed as a peaking power plant sized for 1,000 megawatts instead of 300 megawatts as studied in the IJC report. This is consistent with current practices in the electric utility industry that tends increasingly to use large thermal conventional nuclear electric generating units to meet the base load and to use conventional and pumped-storage hydroelectric power to meet peak demands. The study concluded that the project was economically feasible—benefit-cost or B/C ratio of 1.27/1.0—and should be initiated.

In order to validate the recommendations, a review of power values used in the Department of the Interior report was made by the Federal Power Commission at the request of the Bureau of the Budget. Due to the then-lower power values published, the benefit-cost—B/C—ratio dropped from 1.27/1 to 0.89/1. As a result, further action of the project was stopped.(3)

The Passamaquoddy project has been carefully investigated and analyzed as long ago as 1922 and again in the early 1960's. However, the latest report, published in 1965, indicated an unfavorable benefit/cost ratio of .86 to 1.

Some of the problems include:

Meshing the output generated during periods of high tide with periods of maximum needs; that is, peaking power requirements.

The average high tide is 18 feet but only 12 feet of this head can be used. Designing turbines to operate cheaply enough at low heads is still a problem.

The dikes necessary to form a high pool are expensive in that they must extend 300 feet through unconsolidated material to hit bedrock.

Political problems arise from the fact that Passamaquoddy would be a Federal development in a non-Federal, that is, private utility area—and also its international location.(4)

In October 1969, the Atlantic Tidal Power Programming Board submitted a report to the Government of Canada and the Provincial governments of New Brunswick and Nova Scotia on the feasibility of tidal power development in the Bay of Fundy. Twenty-three sites were examined and the three sites which appeared to offer the best possibilities for economic power development were studied in detail. It was found that the three sites could be developed to produce in excess of 13 million megawatt-hours of electric energy annually, but that development would not be economically feasible under prevailing circumstances. The board recommended that additional detailed studies of tidal power development in the Bay of Fundy be authorized when: First, the interest rate on money drops sufficiently to suggest the possibility of an economic development; second, a major breakthrough in construction costs or in the cost of generating equipment suggests the possibility of designing an economic tidal power development; third, pollution abatement requirements magnify, substantially, the cost of using alternative sources of power; or, fourth, alternative sources of a more economic power supply become exhausted.(5)

RANCE TIDAL PROJECT—FRANCE

The only actual development for tidal electric power under full-scale construction is the Rance tidal project in France, the largest such project in the world. The capital investment is estimated to be over $100 million.(4) It has an initial power installation of 240 megawatts in 24 turbine sets and could have an ultimate installation of 320 megawatts. It represents the continued effort of French engineers over a 20-year period to harness the tides at San Malo where ideal conditions exist—a narrow estuary with a tidal range of 13½ meters—about 44 feet. The Rance tidal project is operated for peaking capacity or energy. Since the units are reversible, the project is designed to take maximum advantage of the flood and ebb tides to supply power to the French electric system.(3)

4. OFFSHORE WIND POWER CONCEPT

Solar energy sustains the winds. It is calculated that the power potential in the winds over the continental United States, the Aleutian arc, and the Eastern seaboard is about 10^{11} kilowatts electric. Winds are remarkably repeatable and predictable. The momentum in moving air can be extracted by momentum-interchange machines located in suitable places such as plains, valleys, and along the continental coastal shelves.

A desirable windpower system incorporates its own storage and its own peaking capability. It is thus able to span between variable wind to patterned electricity consumer demand. This system could be nearly pollution-free. The electrical energy generated by the aeroturbines located offshore is used to electrolyze water. The hydrogen thus produced is transmitted by pipeline to shore or compressed and stored for use during calm periods. In such a manner hydrogen can be supplied on a continuous basis to fuel cell or thermal electric generating stations. It should be emphasized that the offshore-hydrogen storage approach is only one of several worthy of exploration.

There was a mature technology for wind-power 60 years ago. Steady improvement was made through the 1950's directed toward large-scale applications. In 1915, 100 megawatt of electricity were being generated by windpower in Denmark.

Today electricity brought in by cable from Sweden's hydroelectric plant is less expensive. In the 1940's a 1.25-megawatt machine was built and operated at Grandpa's Knob, Vt., but was shut down by a materials failure of the blade. A conceptual design using aeroturbines to produce 160 billion kilowatt hours of electricity per year has recently been completed for the offshore New England region.(15) This preliminary study shows that the electrical power when used to produce hydrogen which is then piped ashore for consumption in powerplants is cost competitive with conventional methods of producing electric power.

The limiting factors in the large scale application of windpower are a combination of available wind energy and weather modification. The effect of large numbers of closely spaced windmills has not been assessed. There are no known technological limitations to the application of windpower.(10).

MAXIMUM ELECTRICAL ENERGY PRODUCTION FROM WIND POWER

[Kilowatt-hours]

Site	Annual power production	Maximum possible by year—
(1) Offshore, New England	159×10^9	1990
(2) Offshore, New England	318×10^9	2000
(3) Offshore, Eastern Seaboard, along the 100m contour, Ambrose shipping channel south to Charleston, S.C	283×10^9	2000
(4) Along the E-W Axis, Lake Superior (320m)	35×10^9	2000
(5) Along the N-S Axis, Lake Michigan (220m)	29×10^9	2000
(6) Along the N-S Axis, Lake Huron (160m)	23×10^9	2000
(7) Along the W-E Axis, Lake Erie (200m)	23×10^9	2000

MAXIMUM ELECTRICAL ENERGY PRODUCTION FROM WIND POWER

[Kilowatt-hours]

Site	Annual power production	Maximum possible by year—
(8) Along the W-E Axis, Lake Ontario (160m)	23×10^9	2000
(9) Through the Great Plains from Dallas, Tex., north in a path 300 mi wide W-E, and 1,300 mi long S to N. Wind stations to be clustered in groups of 165, at least 60 mi between groups (sparse coverage)	210×10^9	2000
(10) Offshore the Texas Gulf Coast, along a length of 400 mi from the Mexican border, eastward, along the 100 m contour	190×10^9	2000
(11) Along the Aleutian Chain, 1,260 mi, on transects each 35 mi long, spaced at 60-mi intervals, between 100 m contours. Hydrogen is to be liquefied and transported to California by tanker	4021×10^9	2000

Note: Estimated total production possible: $1{,}535\times10^{12}$ kWh by year 2000.

5. SEA-BASED SOLAR POWER SYSTEMS

Between the Tropics of Cancer and Capricorn where the intensity of incoming solar energy reaches its peak, 90 percent of the Earth's surface is water. That surface layer is in thermal equilibrium at a temperature that never drops below 82° Fahrenheit. To the far north and south the intensified summer insulation melts down the previous winter's accumulation of frozen precipitation. That meltdown slides to the depths of the oceans and slowly moves toward the Equator, forming the cold waterways of the oceans. It is thus possible under several hundred million square miles of ocean to find a nearly infinite heat sink at 35° to 38° Fahrenheit, at a level as little as 2,000 feet directly beneath a nearly infinite surface heat reservoir at 82° to 85° Fahrenheit. Both heat reservoir and heat sink are replenished annually by solar energy. A heat engine operating across at 50° Fahrenheit temperature difference in and 85° Fahrenheit heat source would be able, theoretically, to convert to useful work, 9 percent of the heat flowing across it.(10)

A device to extract power from ocean thermal gradients would look like a large submerged pipe, and would take in hot water from the upper end to supply a boiler and cold water from the lower end to cool a condenser. A secondary fluid such as ammonia or freon would circulate between the boiler and condenser to turn a turbine. No plants with a secondary working fluid have been built, but an earlier design called the Claude cycle, in which evaporated seawater is used to turn a turbine, has been successfully tested.(9) In 1929 the Claude cycle was demonstrated in Cuba; 22 kilowatts of useful power were produced in an engine whose actual overall efficiency was less than 1 percent. Two experimental units of 3,500 kilowatts net output, each working in the Claude cycle were installed off the Ivory Coast in 1956 by the French. Due to mechanical failure and other problems the plants were abandoned after a short time. There is a small continuing French R. & D. effort in this field. (10)

Powerplants that utilize the ocean thermal gradients are projected to cost very little more than conventional powerplants, because the sea acts as the medium for both collection of sunlight and storage of energy. Undoubtedly many problems would have to be solved before it would be possible to generate electricity on a massive scale from ocean plants. Just the problem of transmitting energy from a plant at sea to the shore is formidable. However, the potential advantages from the utilization of the sea are great enough that the solar sea power concept, which originated with the French physicist Jacques D'Arsonval in 1881, has recently been rediscovered and at least three groups of U.S. researchers are now actively studying solar sea power.(11)

POWER GENERATION

In 1964 Hilbert and James Anderson suggested the economic viability of a powerplant operated by the ocean thermal gradient. They considered a design with a submerged powerplant that would be neutrally buoyant at a depth of 100 or 200 feet. Because of the small temperature differential provided by the ocean, the maximum possible efficiency would be about 5 percent and the actual efficiency would probably be only 2 or 3 percent. The flow of warm water required would be very great, but comparable to the flow through a hydroelectric plant with the same output. The energy derived from 1 kilogram of water flowing through an ocean gradient powerplant with hot water at 25° centigrade and cold water at 5° centigrade would be the same as the energy produced from a hydroelectric plant with a pressure differential corresponding to 93 feet of elevation.

Anderson and Anderson have estimated that 182×12^{12} kilowatt-hours of electricity, or about 75 times the expected U.S. demand in 1980, could be generated from the thermol gradients of the Gulf Stream, which has a flow of 2,200 kilometers per day and a temperature differential varying from 16° centigrade to 22° centigrade.

At the University of Massachusetts, Amherst, William Heronemus and his associates are preparing preliminary designs for a submerged plant to produce power from the Gulf Stream. In the Straits of Florida, between the coastline and Little Bahama Bank, the Gulf Stream flows very close to the shore, and one proposed site for testing the ocean thermal gradient concept would be at the western edge of the Gulf Stream, about 25 kilometers from Miami. The configuration currently proposed is a modular design with six turbines in each of two hulls, hooked together to look something like a submarine catamaran. Each hull would be 480 feet long and 100 feet in diameter, probably made of reinforced concrete. The axis of the hulls would be at a depth of 250 feet, providing clearance over the top for protection from wave motion and hurricanes.

Towers to the surface would provide ventilation and access to the crews that would man such a power station, but would probably not be visible from the shore. The station would be slightly buoyant and ride up against two or more tethers, which could carry the cold water conduit, and would probably carry the electrical or hydrogen transmission line for connection to the shore. The station would generate approximately 400 megawatts of electricity.(11)

Under a $190,000 grant from the National Science Foundation, Carnegie-Mellon University is now seeking a practical way to harness ocean heat.

Says Clarence Zener, a physicist who is in charge of Carnegie-Mellon's project. (14):

> Our study is designed to determine within 18 months whether solar sea power plants can indeed compete on a strictly economic basis with nuclear power or gasified coal.

POWER DELIVERY

The important technical benefits of sea-basing a solar energy conversion system are these: First, proximity to an excellent thermal sink and source of working mass—viz the ocean, particularly the depths; second, mobility of rotation and translation; third, space availability for large solar collector areas; and fourth, logistical ease in initial construction, servicing, and in the distribution of products from the macro system on a worldwide basis.

Proceeding from the fourth point, the energy form to be produced is required to be both storable and transportable over significant duration and distance by way of delivering the energy to the ultimate consumer. It is proposed that solar energy be used to convert water—purified set water—into cryogenic liquid hydrogen and oxygen. In this form the stored energy of the sun can be readily shipped to points of use on a worldwide basis via "cryotankers." Once unloaded at port, the cryogenic liquids can be stored and eventually transported by rail, over-the-road trailers, or by pipelines. Alternatively, the hydrogen and oxygen can be gasified and piped in the manner of natural gas. The energy form can be finally consumed in the process of heat release or it can be converted into an electrical form by fuel cells or their shaftpower-producing equivalents.

Technology deriving from the aerospace sector over the past several decades, and particularly that from the Apollo effort, has made consideration of the cryogenic form of hydrogen—liquid oxygen development and mass use came much earlier—eminently practicable for large-scale system applications. Liquid hydrogen, despite its extreme physical characteristics—viz 0.07 specific gravity, 21° kilometer boiling point—has been demonstrated to be a tractable, desirable chemical fuel and working fluid.(7)

An economy in which offshore generated electric power is used to electrolyze sea water, and the resulting hydrogen and oxygen gas is then piped inland to fuel the economy, is now known as the "hydrogen economy." In a hydrogen economy the offshore nuclear plants must compete with solar sea powerplants. Such tropically based plants could electrolyze water at depth, thereby producing hydrogen and oxygen at high pressure. These gases would be fed into submerged tankers, which would then be towed underwater to the appropriate coastal areas.(13)

6. WAVE-ENERGY CONVERTERS

Ocean waves, generated mostly by winds, possess tremendous kinetic energy. A 4-foot wave striking the coast every 10 seconds expends more than 35,000 horsepower per mile of coastline, but only an extremely small fraction is usable. In an attempt to harness such energy on the Algerian coast, waves are funneled through a V-shaped concrete structure into a reservoir. Water flowing from the reservoir operated a turbine to generate power.

The best known devices to harness ocean-wave energy on a small scale have been in use for years—bell buoys and whistle buoys, simple mechanisms that convert ocean-wave energy to sound energy. A few other small test projects have been conducted, but no significant technical breakthroughs have been accomplished.(3) Studies indicate little possibility of developing power in commercial quantities from these sources except for ocean buoys to supply signals and light.(4)

7. NUCLEAR FUSION USING DEUTERIUM FROM SEA WATER

The estimated thermal energy content of the deuterium in the world's sea water, which would be released through thermonuclear fusion, is 7.5×10^{27} Btu, an essentially limitless supply.(2) The principle of the fusion process has been demonstrated in thermonuclear weapons. Considerable experimental work has been done in the United States and in the Soviet Union, but controlled fusion has not yet been demonstrated in the laboratory. Fusion is an ultra high temperature process which yields much less radioactive wastes than does nuclear fission.(8)

Despite progress in recent years on both magnetic confinement and on laser fusion research, the probability of commercial fruition of fusion power by the year 2000 is estimated to be very low.(2)

The sources are as follows:

SOURCES

(1) *NACOA Second Annual Report*, 6/29/73.

(2) *U.S. Energy Issues*, R. H. Shatz, Hudson Institute, 10/10/73.

(3) Panel Reports of the Commission on Marine Science, Engineering and Resources, Vol. 2, Part VI, *Industry and Technology*, 2/9/69.

(4) Ibid, Vol. 3, Part VII, *Marine Resources and Legal-Political Arrangements for Development*.

(5) *1970 National Power Survey*, Federal Power Commission.

(6) "The Control of the Water Cycle", J. P. Peixoto and M. Ali Kettani, *Scientific American*, 4/73.

(7) "A Macro System for the Production of Storable, Transportable Energy from the Sun and the Sea", W. J. D. Escher, Escher Technology Associates.

(8) "The Environmental Issues—Constraints on the Production and Use of Energy Resources", Dr. Joseph A. Lieberman, Environmental Protection Agency, Appendix #2, *Energy and Public Policy—1972*, The Conference Board.

(9) *Energy and the Future*, A. L. Hammond, et al., American Association for the Advancement of Science, 1973.

(10) *Solar Energy as a National Energy Resource*, NSF/NASA Solar Energy Panel, University of Maryland, December 1972.

(11) "Ocean Temperature Gradients: Solar Power From the Sea", W. D. Metz, in *Science*, 6/22/73.

(12) "Conceptual Design of a Rankine Cycle Powered by the Ocean Thermal Difference", J. G. McGowan, et. al., University of Massachusetts, 8/13–16/73.

(13) "Solar Sea Power", Clarence Zener, *Physics Today*, 1/73.

(14) "First Was Steam, Then Nuclear, and Now Sea Solar Power", G. J. McManus, *Iron Age*, 7/19/73.

(15) "Power From the Offshore Winds", W. E. Heronemus, Marine Technology Society Conference, 8/72.

Mr. OWENS. Mr. Chairman, I rise in support of the amendment to be offered by Mr. UDALL to create the position of Assistant Administrator of ERDA for Technology Assessment.

I feel that the amendment makes two very significant and valuable contributions to the act.

First, it ensures that there will be a comprehensive assessment of the impact of new technologies and programs on the communities and regions affected. The Assistant Administrator is directed to analyze and evaluate not just environmental impacts, but economic and social impacts as well. Such a broad base of data will enable policymakers to weigh in an informed manner what may be competing considerations in arriving at a decision as to the desirability of a given project. In short, the amendment would greatly aid rational planning.

Second, by requiring such assessments of existing projects, the amendment would help insure that past mistakes be not repeated. Such retrospective analyses would also indicate whether existing projects deserved continued funding. It is well known that Government projects and bureaucracies tend to perpetuate themselves once in existence, regardless of their merits. I see this amendment as offering a counterforce to this kind of waste, and I expect that it will result in substantial savings through the elimination of inefficient or otherwise undesirable programs.

Mr. DONOHUE. Mr. Chairman, as the author of similar legislation and as a member of the House Government Operations Committee which recommended this Energy Reorganization Act of 1973, I most earnestly urge and hope that H.R. 11510, now before us, will be overwhelmingly adopted by the House this afternoon.

As I indicated in expressing my support for the original Emergency Energy Act earlier this month, the logical and absolutely essential compliment to that act is the creation of a special agency with the full power and resources to implement its provisions so that this Government can move forward as speedily as possible toward the effective long-range solution of our energy shortages.

In simple summary, Mr. Chairman, this bill will reorganize and consolidate major energy research and development functions currently performed by the Atomic Energy Commission, the Department of the Interior, the National Science Foundation, and the Environmental Protection Agency through the establishment of a new Energy Research and Development Administration. This Administration would be responsible for conducting and coordinating programs of research and development on all energy resources and utilization processes including fossil fuel, nuclear energy, and advanced energy systems such as solar and geothermal projects. In addition, this new agency will conduct research involving the conversion of coal into other energy forms, oil shale recovery, developing alternative automotive engines, development and production of nuclear weapons, research into physical and biomedical sciences, management of nuclear waste, health and safety research and a variety of related technological programs.

The measure also renames the Atomic Energy Commission the Nuclear Energy Commission and provides that it will continue to perform licensing and related regulator functions to insure the protection of the public and environment against nuclear health and safety risks associated with the use of nuclear materials and facilities. The Commission will be an independent regulatory agency responsible for licensing of civilian use of nuclear power and materials.

Mr. Chairman, our purpose in establishing this new Energy Research and Development Administration is to provide a central agency to get under way with the vitally important task of utilizing all our technologies to produce long-range solutions to the energy shortage crisis now plaguing our Nation and to keep this country forever free and independent of the political pressure whims and threats of our oil supplying sources in the Mideast, or elsewhere. Mr. Chairman, the purposes and objectives I have outlined are unquestionably in the national interest and this bill is designed to accomplish these good objectives. Therefore, I hope the House will register its resounding aproval of H.R. 11510 without extended delay.

Ms. HOLTZMAN. Mr. Chairman, I wholeheartedly support the idea of a national crash program on energy research. This bill, which consolidates the research and development functions of a number of programs of the Federal Government under a new Energy Research and Development Administration, marks an important step in the right direction. Therefore, I will vote for H.R. 11510 on final passage.

I am troubled, however, by a number of aspects of this legislation. This bill places top priority on research into fossil fuels and nuclear fission. It deliberately downgrades research into other sources of energy such as solar energy, geothermal energy. I think this is a mistake. I think it is essential that we make clear our commitment to discovering new ways of meeting the Nation's growing energy requirements.

If we fail to make a real commitment to developing these new and promising technologies we may find ourselves at a real disadvantage very soon. For, there are serious problems with putting all our eggs in the nuclear or fossil fuel basket.

First, as recent studies have shown, nuclear power cannot supply a viable alternative source of energy until late into this century. Also, there are very serious problems of safety hazards that are yet to be solved in nuclear energy generation. And, we still do not have a real answer to safe disposal of nuclear wastes.

Second, we must seriously reevaluate our reliance on fossil fuels for energy. Petroleum products will be an increasingly scarce commodity in the future; some even predict that the world's oil supply will be nearly exhausted by the end of the century. Petroleum is essential for the production of a number of crucial items such as synthetic fibers and fabrics and plastics. The more we use petroleum for energy production—especially if other sources are available—the less we will have for these other essential commodities.

Finally, I think it is very important that the consumers' voice be heard in the membership of the ERDA. I hope this agency will not become the captive of special interests.

Therefore, while I support the Energy Reorganization Act, I think it should be amended to insure a balanced, open-minded approach to the tremendous challenge that confronts us.

Mr. RANDALL. Mr. Chairman, I rise in enthusiastic support of H.R. 11510. I have reached that conclusion not because I happen to be a member of the Committee on Government Operations, but because I recognize that this bill is an effort to consolidate and reorganize the most important functions of the Federal Government in a new Energy Research and Development Administration to promote more efficient management of those functions to truly get us on the road to a status of independence from any other country in the world for our energy needs.

Someone has said that this divided country of ours is united on at least one issue or one objective and that is to try to arrive at a solution for our long-term energy needs.

During all of the preliminary discussions and during the debate on the floor, the bill today has become best known as ERDA, Energy Research and Development Administration. The objective of that Administration is to coordinate nearly all of the energy research and development functions now scattered about in other Federal agencies and also to assign to ERDA the responsibility for the nonregulatory functions of the present Atomic Energy Commission. The AEC would be renamed the Nuclear Energy Commission under the bill and would continue to perform its licensing and related regulatory functions.

Mr. Chairman, the really important as well as the interesting and hopefully productive provisions of this bill are found in title I which provides for the appointment of an Administrator and five assistant administrators. Each of these five administrators is given jurisdiction over a separate field of research including, first, fossil energy; second, nuclear energy; third, environment safety and conversion; fourth, research and advanced energy systems; and fifth, national security.

The Office of Coal Research is taken from the Department of Interior and quite properly put into this new agency. It will be recalled that the purpose of OCR was to conduct research on conversion of coal to cleaner fuel forms. Another function taken from the Bureau of Mines of the Department of Interior is fossil fuel research and development including the very important pilot coal gasification plant now under construction.

Title I also selects those programs now under the Science Foundation and places them in this new agency that have to do with solar heating and cooling of buildings and geothermal research, and finally, in title I is a provision which permits the Environmental Protection Agency its present functions that are working on the development of alternative automotive power systems.

What will we achieve when this bill becomes law? One answer is to make ERDA into a central energy research policy and planning agency empowered to conduct and coordinate research into all forms of energy development and to encourage such research outside of ERDA by private institutions. My chief regret concerning this legislation is that no funding is authorized and that these authorizations will be left to the regular authorizing committees. Certainly the exciting results from ERDA will not come about without cost and certainly not low cost. ERDA is a beautiful lady but it will take money to make her something more than a paper doll.

Mr. Chairman, I suppose the principal reason that I am so enthusiastic about ERDA is that I am convinced the time has come and even past due for a new crash-type program to solve our long-range energy needs. I foresee in ERDA the vehicle to accomplish such an objective.

Oh, there are so many proposals that may very well have merit. Between the sensible and the ridiculous there are many expedients which should be explored—which means researched. One is the burning of industrial wastes including boxing crates, used wrapping paper, broken wooden pallets, et cetera. That will, of course, require some plant conversion. Then we hear such other interesting and thought-provoking proposals as stretching heating oil 10 percent by adding used crankcase oil. It is not beyond the realm of man's imagination that there may be developed something close to the once ridiculed perpetual motion machine in the form of a permanent magnet to produce needed power. It has been suggested that it may be possible to perfect an installation of conversion units enabling motor cars to burn animal wastes and other organic material to produce methane gas fuel.

The field of research that may redeem us all from fuel shortages in the future is the development of solar energy. While this source of energy has been scoffed at in the past it is today considered a feasible and major source of power. The President of the Society of Automotive Engineers in a recent speech said that we should not give up schemes to harness both the winds and tides such as the Passamaquoddy to produce hydroelectric power. Of course, this is no time to let up on research and development of nuclear "breeder" plants.

While I have no idea whether this new research administration can accomplish it or not, one of the most truly grave problems is the efficient storage of energy in order to use intermittent energy sources. What does this mean? There must be developed some yet undiscovered improvement in metallurgy that would permit the efficient storage of energy. We could thus save sunlight that could not be used or consumed at the moment the energy source becomes available. If this could be accomplished—some way to store energy—we might very well have made a giant step toward the ultimate solution of our long-range energy problem.

All of the beautiful talk of what we are doing today will not amount to much unless ERDA can someway be able to bring forth a national energy plan of action and that means an annual commitment to invest some money on the scale of a NASA program that resulted in the Apollo moon landing or of the magnitude of the Manhattan project which resulted in the creation of the atomic bomb.

Money is needed for mass-transit programs, intercity commuter rail and bus systems, and incentives for the production of more buses. In the field of coal research alone well over a billion dollars could be used productively to convert coal as a usable, efficient, and clean replacement for gasoline fuel and other petroleum products. We need funding for better recovery methods of oil shale and some kind of incentives for homeowners and small business people to improve their insulation to provide heating and reduce fuel consumption. We cannot forget the incentives necessary to expand domestic oil and gas exploration.

A lot of funding will be needed for solar, nuclear and thermal energy research. It is my judgment, Mr. Chairman, that the lion's share of this should be spent on solar research and development. This may well be the ultimate answer to our problems. Energy from the sun is abundant and inexhaustible and nonpolluting. Every day enough energy falls on the United States in the form of sunlight to supply our power needs for an entire year. Every day we delay the funding of solar energy as a top priority will prolong the problems that we face.

All of us who support this bill can go home proud that we have done something productive about our grave energy situation. With a present energy research program operating among several agencies, we can point with pride to our vote to consolidate these efforts and direct them toward the goal of energy self-sufficiency for our great country.

Mr. BROYHILL of North Carolina. Mr. Speaker, I rise to support H.R. 11510, the Energy Reorganization Act of 1973, and to urge my colleagues to join with me in voting for the swift passage of this measure.

This legislation will bring together the research and development activities in the field of energy presently conducted by the Department of the Interior, the Atomic Energy Commission, the National Science Foundation, and the Environmental Protection Agency. The activities of these various agencies would be consolidated into one single agency. This consolidation would enable us to provide a direct, intensive, and unified approach to developing new and more effective energy sources.

I am quite sure I do not need to remind you of the critical need for the United States to develop a self-sufficient energy supply. Our present petroleum shortage and the curtailment of oil from the Middle East have made us painstakingly aware that we as a nation have grown too dependent on petroleum as a source of energy and that we must develop our own domestic sources. We can no longer afford to depend on other nations to supply a major part of our energy needs.

The creation of an independent Energy Research and Development Administration would provide a more streamlined and concerted national research effort with regard to our energy needs. Testimony during the hearings on this legislation clearly demonstrated the need for reorganization of energy research and development functions. The establishment of a single agency to coordinate these activities will provide more comprehensive and systematic direction to solving the Nation's energy problems. It will provide a more positive approach to developing long-range solutions to this problem.

The present severity of our energy problems requires that the Nation's technicians combine their talents and explore to the fullest extent a variety of sources of energy. American technology has never let us down and I am convinced that united efforts will again solve the present problem. Through stepped-up research programs, I feel sure we can develop other sources of energy by the better utilization of fossil fuels, solar, geothermal, and atomic energy. At the same time, this research must be directed at developing energy sources that are environmentally safe. Only through this concerted effort can we be assured of an economic and plentiful energy future.

I hope that you will join with me in endorsing H.R. 11510 as a constructive step forward in our Nation's attempt to maximize its existing and potential energy resources.

Mr. JOHNSON of California. Mr. Chairman, I have listened attentively to the debate on H.R. 11510, to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission, in order to promote more efficient management of such functions.

I fully support the objectives of this measure and feel that the creation of a centralized management structure for energy research is a clear step in the right direction. However, it is not the entire answer for results are achieved by dedicated and qualified people operating under imaginative leadership. So, the effectiveness of ERDA will be controlled to a large extent by the quality and competence of those chosen to lead it in the days ahead.

There is one aspect of the ERDA legislation that gives me some cause for concern. Throughout the bill and the House consideration of it I have searched for some recognition, on the part of the administration and on the part of the managers of the legislation, of the absolutely crucial role of water management programs in the attainment of our energy goals. I am sorry to say I do not find this recognition. Perhaps it could be argued that this is merely a reorganization bill and substantive details of research need not be enumerated in it; or that program emphasis should be left to some other bill. I cannot accept this argument in its entirety for the fruits of research, hopefully to flow from the several assistant administrators created by this legislation, will not occur unless there is attention given to related essential programs of which water supply and availability is probably the most significant.

One of my major concerns with the organization proposed to be established by H.R. 11510 is the lack of recognition of a continuing role for hydroelectric power production and management in our overall energy budget of the future.

Now, admittedly, hydroelectric power does not represent a major fraction of our energy-producing capability; and in recent years it has been the practice to downgrade its significance and importance—this, apparently, out of the misguided conception that the water impoundments essential to the functioning of a hydroelectric plant are environmental abominations, not to be tolerated under any circumstances. This is, of course, not completely true as I shall point out later. What is true, however, is that we do not have a large backlog of potential Hoover Dams and Grand Coulee Dams capable of producing power for 2 or 3 mills per kilowatt hour—which seems to be the standard that people use to measure hydro feasibility. In the long-gone days when crude oil was less than $2 per barrel, many of our hydroelectric sites were, indeed, competitively unattractive. In the emerging energy market of today these previously marginal projects become increasingly viable and useful in meeting our energy budget. They should not be totally overlooked in organizing our research management structure—as has apparently been the case.

While I do not seek to amend the language of H.R. 11510 at this stage of its consideration I feel, Mr. Chairman, it is imperative to mandate—insofar as practicable through the floor discussion—some continuing concern for the role of hydroelectric power and other aspects of water management in our energy research structure.

Let us consider, briefly, what we are now doing in the hydroelectric field which represents about 12 to 15 percent of our total installed electric generating capacity. The Bureau of Reclamation and the Corps of Engineers are the two principal agencies of Government involved in the development of hydroelectric power. Between the two of them they are now working at about 10 sites—most of them in the Western United States. The vast majority of the work now underway is in the nature of increasing the installed capacity at existing dams. These types of projects produce no additional kilowatt-hours of electricity but enable the project to produce more power over a shorter period of time. This is the classic and emerging role of hydroelectric power—as short-term peaking power. Since a hydroelectric plant can be turned on or off in a matter of seconds, it is uniquely suited to short-term use. It has no requirement to maintain steam in the boilers such as we find with thermal plants, either fossil or nuclear-fired. As loads grow and patterns of use diversify, peaking power becomes increasingly attractive and man has not yet devised a system as well suited to peaking as is hydroelectric power.

Additionally, hydroelectric power has certain distinct environmental advantages. It is completely pollution-free. It does not heat the water, it does not contaminate the air. It requires no mining and transporting of fuel nor does it require disposal of solid wastes such as ashes or slag. The Federal Power Commission estimated in 1970 that there could be an increase in hydroelectric power by 1990 of 100,000 megawatts—and that our total electrical production at that time could still represent about 12 percent of our national total. This is surely of sufficient consequence to warrant specific research and development attention in the soon-to-be created Energy Research and Development Administration.

I would like to continue, Mr. Chairman, and discuss a related aspect of energy research as it affects the water resources field. Much has been made, lately, of the increased role of coal in our total energy picture. In fact, one of the Assistant Administrators created by this bill will be involved in the coal business in a big way. I assume that the assistant for fossil energy development will be concerned with all of the ways that coal can be used more effectively in balancing our total energy budget. Whether he concentrates on moving coal energy by wire or converting the energy to gaseous or liquid form, he is going to be deeply immersed in water supply considerations. Coal-fired steam plants, oil shale extraction plants, coal liquefaction plants, and coal gasification plants use substantial quantities of either process or cooling water at their present stage of technological development. The preponderance of these fuel resources are found in areas of the United States where water is not only scarce in a physical sense, but is frequently of poor quality and invariably committed by law and tradition to other purposes.

It is no exercise in rhetoric, Mr. Chairman, to state that if the technology we seek 10 years hence through centralized management of energy R. & D. were already available, we would find it of limited applicability simply because our water management systems improvements had not kept pace. In our consideration of H.R. 11510 we cannot hope to do more than to create an awareness on the part of the executive branch persons who will be running ERDA that most of their efforts will come to naught if they ignore the role of water management in their day-to-day activities. When substantive legislation, to authorize specific research programs, comes before the House we must be vigilant to assure that the concomitant programs of water resource research not be overlooked.

Many emerging energy processes find process water quality to be of equal importance to availability. In assuring the capability to provide high quality process water we are fortunate that the Office of Saline Water, in the Department of the Interior, is on the threshold of producing commercially available technology through which large quantities of very high quality water can be produced at a reasonable cost. This program is apparently being allowed to wither away at this point in our history when its role is more crucial than ever. I see no suggestion that its role is recognized, conceptually, in the ERDA legislation and further, I see no suggested coordinating mechanism for assuring that demineralization and other water resource technology keep pace with the pure energy conversion research undertakings.

Much the same can be said for the role of waste water renovation and re-use in meeting the massive water demands implicit in conversion of oil shale and coal to liquid or gaseous forms. I am particularly apprehensive that in our rush from one crisis to another that we lose sight of the fact that one of the products of our concern for water quality, in the environmental sense, now has the capability to save our skins in the energy crisis. Technology emerging for predischarge treatment of municipal and industrial wastes, if not permitted to get lost in the energy dialog, can, indeed, make it possible to realize the more exciting benefits of energy R. & D. by providing reuseable quantities of process and cooling water. I find no inherent awareness of this fact in the skeleton outline set forth in the ERDA bill.

Last but not the least, by any means, is the utilization of geothermal resources. This resource is totally renewable but little or nothing is known about it. Estimates of geothermal energy potential run into the tens of thousands of megawatts—admittedly a small part of our needs but one which should not be overlooked. The administration's attention to this potential has been marked by delay and lack of financial support. For instance, it has taken more than 3 years to develop the rules for leasing public lands for geothermal exploration and research funds have been grossly inadequate. One can only hope that the Assistant Administrator for Advanced Energy Systems will be more inclined to move forward in this area of study than has been the case in the past. I would also encourage him to pay some attention to the use of the water content of geothermal resources. We know, for example, that it is quite highly mineralized and must be treated extensively to permit beneficial use. This is another area where coordination with ongoing programs of other departments and agencies will be of crucial importance.

In closing, Mr. Chairman, I believe ERDA is a step in the right direction. What I have been saying is that it is not and should not be viewed as the be-all and end-all of our energy research effort. The people selected to run ERDA must understand that there are other things that are as important to our overall success as the things that are being specifically transferred to them. If they fail to so understand and the high levels of the administration do not give meaning to this understanding with fiscal support, then the enactment of H.R. 11510 will not achieve our expectations for it.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 11510, the Energy Reorganization Act of 1973, which is designed to reorganize and consolidate certain functions of the Federal Government into a new Energy Research and Development Administration (ERDA) and a Nuclear Energy Commission (NEC). ERDA will be put in charge of all the energy research and development activities of the Federal Government, including those presently managed by the Department of the Interior, the Atomic Energy Commission, the National Science Foundation, and the Environmental Protection Agency. The new NEC will retain control over the regulatory and licensing functions of the Atomic Energy Commission, and will be charged with insuring the protection of the public and the environment against nuclear health and safety risks associated with the use of nuclear materials.

This legislation is primarily a reorganization bill, although it does give the ERDA Administrator broad authority to conduct research and development of existing and experimental energy sources. It meets a real need, in that the present Federal Government organization to meet the energy crisis is characterized by lack of coordination overlap in responsibilities, and confusion. The United States clearly needs a new organizational base for a well-managed, centrally directed attack on developing new sources of clean energy. Only such an organization will allow us to remain strong, independent, and safe from any foreign threat to destroy our economy or subvert our foreign policy by manipulating energy exports. ERDA can provide the structure for bringing to bear the abilities of American science and technology to create new energy sources in the next decades. The development of oil shale, coal gasification, geothermal steam, solar energy, tidal, wind, and nuclear power sources will be within the jurisdiction of this new agency.

Reorganization of the Government is only the barebones of the crash program we need, however. This structure will have to be fleshed out with the specific authorizations for research and development which various committees of the Congress will be recommending in the coming months. For example, I have recently joined with other members of the Subcommittee on Mines and Mining to introduce H.R. 12014, which would authorize a major development of oil shale through a TVA-type public corporation. Other proposals for solar energy development and coal gasification giving specific direction and funding for energy research will also be forthcoming, and will have to be integrated with ERDA. The development of a Federal oil and gas corporation which would undertake exploration and production of oil and gas, perhaps on federally owned lands, is another idea in which I and many other Members of Congress have a continuing interest and which should not be ruled out by passage of this legislation. Further, proposals for new methods of financing the development of new energy resources, such as the creation of an energy trust fund through user charges on oil and gas, are yet to be given the careful attention they deserve. All these proposals underline the point that the creation of this new Federal agency to coordinate energy research and development is only one part of what must be a much broader response to the energy crisis.

Many questions remain to be answered. I share the concern expressed by many in the Congress that ERDA must undertake a balanced approach to the development of new and more efficient sources and uses of energy. We cannot allow this new agency to overemphasize nuclear or fossil fuel research to the detriment of solar energy or geothermal energy, or to better methods of conserving the energy we already have. I offered an amendment to this bill which would have required such a balanced policy, but the House rejected it with the understanding that this is the intention of the committee which reported the bill and that the Congress will insist on such a balanced research program. This is an extremely important matter, as there is a real danger that the experts and the expertise of the Atomic Energy Commission which is being transplanted to this new agency will completely dominate the orientation of its policies.

I must add two other cautionary notes. First, it is increasingly clear that the energy research and development projects which will be undertaken by this new agency will require massive amounts of Federal spending.

The priorities to be followed in spending these funds have yet to be set by the Congress or the executive branch. The House did not accept an amendment I proposed which would have required ERDA to submit its budget requests directly to Congress as well as the President's Office of Management and Budget, so that Congress would be able to evaluate the direction of our energy policies with all the facts available. Those facts should include the agency's requests for funding before they have been sifted through and rearranged by OMB bureaucrats. Without such a provision, the authorizing and appropriations committees of the Congress will have to probe and oversee the budget of ERDA with great care, so that Federal energy dollars are employed in the most effective possible ways.

I must also caution my colleagues and the Nation not to expect too much too soon from this new agency. The development of new sources of clean energy is a lengthy task. We cannot expect American technological genius to bail us out of the energy crisis in the immediate future, if ever. While it is quite possible that major new sources of energy from the sun, the wind, the waves, coal or oil shale can be developed, it is extremely unlikely that such discoveries will supply enough energy to allow this Nation to continue its profligate use of power. Conservation and more efficient uses of energy must become the watchwords of this Nation. With less than a sixth of the world's population, we account for one-third of the world's use of energy, and our use of energy has been climbing at the rate of 5 percent a year for the past decade. Such explosive growth could not continue indefinitely. Hopefully the present crisis will instill a new conservation ethic in the American public, so that whatever new sources of energy ERDA may help develop will be used wisely and efficiently.

Finally, I am pleased that this bill incorporates a proposal I first made on October 27, 1969, to separate the authority to promote and develop nuclear power from the authority to regulate that power. I have long pointed to the inconsistency and conflict created by one agency, the Atomic Energy Commission, being charged with both encouraging the use of nuclear power and at the same time trying to regulate, license, and insure the safe operation of that power. I pointed to a considerable weight of evidence that these contradictory roles led in many cases to less stringent safety standards, for example, than many experts thought wise, for fear that more stringent standards would discourage the development of such things as nuclear power plants. I am gratified that the legislation before us today finally recognizes the merit of my proposal, and separates the development of nuclear power from the promotion of its use.

This is important legislation, and I am confident that it can help reverse the growing dependence of this Nation on foreign sources of energy. I urge the House to approve it.

Mr. BROWN of Ohio. Mr. Chairman, this bill, H.R. 11510, is needed now as part of the response to meet the energy crisis. I do not have to belabor the point that there is a crisis and that the Congress must provide the programs and organization required to respond to that crisis. This bill is part of that response, and a very important part.

The reason is this crisis will not disappear once we resume oil imports. We need to develop new energy sources as well as increase the production of existing energy resources, increase the efficiency of our generation systems, and conserve what energy we can produce. In the short run, we will need the emergency allocation and conservation programs which we approved yesterday in the National Emergency Act. In the longer term, we need to vastly expand our energy research and development and provide a capable organization to develop and coordinate energy R. & D. programs and policies.

The bill before us today is an energy R. & D. reorganization bill. There are other bills being worked on which would provide the additional funding and programs for energy R. & D. This bill gives us the organization without prejudice to policies and programs contained in other legislation.

The advantages of this reorganization are as follows. First, it consolidates existing energy research and development programs into a single independent Energy Research and Development Administration; second, it provides a strong management and policymaking capability to lead this effort; third, it will encourage balance, comprehensive and coordinate programing of energy R. & D. No one energy source will be slighted because each will have a Presidential appointee, who is confirmed by the Senate, responsible for its development.

In addition to the changes being made in the energy research and development area, this bill would split the regulatory responsibility from nuclear energy away from the developmental or advocacy role that in the past have been the joint mission of the AEC. This change should end the charges that the regulators of nuclear energy are inappropriately biased.

I would also like to take note of a study on the best way to organize all energy related regulatory activities which was ordered by the President in his June 29 energy statement. Mr. Ash sent me a letter on August 13 describing how the study was to be undertaken, and I would like to include it in the Record at this point. I think there are opportunities for further improvements in the organization of energy regulatory programs, and I hope this study will be the basis for such changes.

My opinion is that this bill before us today is landmark legislation. I think every Member must agree that the President's goal of self-sufficiency in clean energy for 1980 is worthy of our support. We will need policies and programs to achieve that goal. We also need this organization. I urge my colleagues to support H.R. 11510.

The letter follows:

Executive Office
of the President,
Office of Management and Budget,
Washington, D.C., August 13, 1973.

Hon. Clarence J. Brown,
House of Representatives,
Washington, D.C.

Dear Mr. Brown: I was pleased to learn of your interest in the energy regulatory study described in the President's June 29 energy statement. As you know, the statement requested that "a comprehensive study be undertaken, in full consultation with the Congress, to determine the best way to organize all energy-related regulatory activities of the Government." This letter is to outline the essential elements of our regulatory study plan in fulfillment of the commitment I made during testimony before the House Government Operations Committee on July 24.

ORGANIZATION OF THE STUDY

William O. Doub has been named Chairman of the Energy Regulatory Study Committee. He is eminently qualified to lead this effort. Formerly, Mr. Doub was Chairman of the Maryland Public Service Commission, the People's Counsel of the State of Maryland and a member of the Executive Advisory Committee to the Federal Power Commission.

The Committee will include senior personnel from the Energy Policy Office and key Federal organizations performing energy-related regulatory activities. It will be supported by a full-time study team of personnel from OMB, AEC, FPC, Interior, EPA, and CEQ. This team will draw upon the personnel resources from other agencies such as DOT, Justice, and FTC on an ad-hoc basis when their expertise is required on specific issues.

Mr. Doub will be requesting a number of Members of Congress to identify points of contact with whom the Committee can discuss the direction of the study, generally, as well as the specific issues raised during the conduct of the study.

We also plan to solicit opinions and views from the public during the conduct of the study to ensure that public interests are expressed and given adequate consideration.

METHODOLOGY OF CONDUCTING THE STUDY

The objective of the study is to identify alternatives for organizing Federal energy regulatory activities and to identify the advantages and disadvantages of these alternatives. Each alternative will be evaluated against a framework developed by the Committee that recognizes the economic, environmental, health and safety and other interests as well as objectives of adequate and reliable energy supply. In addition, the Committee will be expected to provide its recommendations as to the best organizational alternative. The product of the study will be a report to Governor Love and me.

The study will deal primarily with organizational alternatives for carrying out existing regulatory authority and objectives. Energy regulatory activities, broadly defined, are now carried on by many agencies as a part of their overall missions. Initially, the study team will survey all Federal agency regulatory activities before decisions are made on the regulatory functions and agencies to be focused upon in detail.

In addition to our plans for frequent Congressional consultation during the study, we plan to provide interested Members of Congress with the opportunity to review and comment on the conclusions and recommendations of the study before developing the Administration's position. Similarly, we plan to obtain public review and comment to the study's conclusions and recommendations.

MAJOR PHASES OF THE STUDY

The following is a preliminary description of the study's major phases and the timetable for completing each. One of the first tasks to be addressed after formation of the study team will be to finalize the schedule and develop the necessary details:

Phase I—Develop detailed descriptions of Federal energy-related regulatory activities being performed by Federal agencies, departments and commissions—(September 1973);

Phase II—Develop general conception of organizational alternatives; refine and establish tentative judgments on the merits of each—(October 1973);

Phase III—Meet with appropriate public groups (industry, State, environmentalist and consumer) to obtain public participation—(December 1973);

Phase IV—Analyze alternatives in consideration of Congressional and public participation to arrive at conclusions and recommendations—(January 1974);

Phase V—Prepare the study report—(February 1974);

Phase VI—Obtain Congressional and public review and comment to the report's conclusions and recommendations—(May 1974);

Phase VII—Formulate Executive Branch Position—(June 1974);

Let me reiterate that I welcome this opportunity to exchange ideas with the Congress on the conduct of the energy regulatory study. I hope that the elements of the regulatory study plan which I have described address your questions. If you have any additional questions about the regulatory study plan, I, as well as Mr. Doub, will be happy to answer them.

Sincerely,

Roy L. Ash,
Director.

Mr. DANIELSON. Mr. Chairman, for the past 10 months, I have strongly advocated a study, by the Department of Transportation, of the relationship between car size and fuel consumption, as well as air pollution, highway safety, and other important factors. For this reason, I am very pleased that the Committee on Interstate and Foreign Commerce has included a provision for such a study in section 209 of H.R. 11450. I note that, in many respects, section 209 closely parallels the legislation I introduced on this subject on February 6 of this year, House Joint Resolution 301, which has 13 cosponsors.

In this time of a fuel shortage, when many car buyers are choosing small cars, and many Members of Congress are advocating a mandatory reduction in car size, it is necessary that we study the potential consequences of a switch to small cars, both good and bad, so that we will have all the information we need to take action on this vital subject.

Section 209 imposes upon the Environmental Protection Agency, the duty of conducting a study to determine whether a mandatory increase of 20 percent in fuel economy for all motor vehicles would be feasible or practical. Certainly, this approach should receive study, but it would be unwise to limit the scope of the study to this one, out of several, options. I question, for example, whether a Chevrolet Vega, or a Ford Pinto, already getting over 20 miles to the gallon, needs any improvement, or whether such cars as Cadillacs or Oldsmobiles need an improvement of only 20 percent, which would raise them from perhaps 8 miles per gallon, to 9.6 miles per gallon. The proposed 20-percent approach would require the least improvement from the worst gas-guzzlers, and the greatest improvement from the most economical cars. This problem is demonstrated by the following table, which is based on miles-per-gallon figures determined by the Environmental Protection Agency:

FUEL ECONOMY IN MILES PER GALLON—REPRESENTATIVE EXAMPLES

Manufacturer and model	Present miles per gallon	20-percent improvement	Projected miles per gallon
5,500-lb. class:			
Oldsmobile: Toronado	6.8	1.36	8.16
Chevrolet: C–20 suburban	7.1	1.42	8.52
Buick: Electra	7.6	1.52	9.12
Ford: Lincoln	7.9	1.58	9.48
Cadillac: El Dorado	8.0	1.6	9.6
5,000-lb. class:			
Chrysler: Dodge FS	7.9	1.58	9.48
Ford: Montego	9.1	1.82	10.92
4,500-lb. class, Oldsmobile: Cutlas S	7.3	1.46	8.76
4,000-lb. class, Ferrari: 365 GTB–4	6.3	1.26	7.56
3,500-lb. class:			
Jaguar: E-type series III	9.7	1.94	11.64
American Motors: Hornet	11.0	2.20	13.2
Ford: Maverick	12.1	1.42	14.52
2,750-lb. class:			
Chevrolet: Vega/Hatchback	24.6	4.92	29.52
Ford: Pinto	22.8	4.56	27.36

Many Members of Congress have advocated another approach to fuel economy, such as a miles-per-gallon standard of efficiency, which would require the most improvement from the worst gas-guzzlers, and no improvement from those cars already getting over 18 or 20 miles per gallon. That approach should be studied as well. Moreover, from the standpoint of economy in government, if the EPA is going to take the time and expense to study automobile fuel economy, then it should study the entire subject, not just part of it.

Mr. Chairman, were there not so many amendments waiting at the Speaker's desk for action by the House, with no opportunity under the rule for full discussion and debate, I would offer an amendment to section 209 to expand the scope of the study, which reads as follows:

In section 209, on page 26, line 22, strike the period and insert in lieu thereof: ", and the energy conservation potential and practicality of developing standards pertaining to weight, engine size, and accessory equipment of new gasoline-powered automobiles so as to achieve an average fuel consumption rate for all automobiles operated in the United States of 18 or more miles per gallon by the model year 1979, and 20 or more miles per gallon by the model year 1984."

This amendment would make it clear that the EPA is not to limit the scope of the study to a single area. However, because of the late hour in the consideration of H.R. 11450, and the absence of opportunity for full debate, I will not offer this amendment.

If section 209 survives final passage of this legislation and any subsequent conference committee action, I am hopeful that the EPA, in conducting this study, will not unnecessarily limit the scope of its research and recommendations. If the EPA concludes that a mandatory fuel efficiency improvement of 20 percent for all cars is not practical, I very much hope they will consider alternative methods of bringing about an improvement in fuel economy, and include in their report some recommendations on those alternatives.

Mr. PRICE of Texas. Mr. Speaker, I strongly oppose the intolerable and unworkable emergency energy bill, primarily because it will work to extend, not shorten, our period of shortage. The House, in an eagerness to prevent producers from reaping what some feel would be excess profits, has used as a base period, years in which little oil was being produced due to an already insufficient profit incentive. That measure remained in the bill through conference.

The result will be that this Nation's 10,000 independent producers, who sink some 80 percent of the exploratory wells in this country, will be disinclined to explore for new oil supplies.

We are in a period of energy shortage. We need to conserve energy, stimulate supply and boost research into new potential energy fields. I must stress here the importance of stimulating energy production. Legislation which works against a legitimate profit incentive for energy production, which this bill now does, will simply extend our period of shortage because producers will have no reason to expand their exploration operations.

I am opposed to this bill. If it is passed, I am hopeful the President will veto it; and in the meantime, I hope that the Members of this body will take a rational look at the real situation of energy production and its problems in this country.

I feel that this legislation does not address the problem. It is discriminatory and completely unworkable administratively; it would cause only more confusion.

Mr. HOLIFIELD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the amendment in the nature of a substitute recommended by the Committee on Government Operations now printed in the bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Energy Reorganization Act of 1973".

DECLARATION OF DEFENSE

SEC. 2. (a) The Congress hereby declares that the general welfare and the common defense and security require effective action to develop, and increase the efficiency and reliability of use of, all energy sources to meet the needs of present and future generations, to increase the productivity of the national economy and strengthen its position in regard to international trade, to make the Nation self-sufficient in energy, to advance the goals of restoring, protecting, and enhancing environmental quality, and to assure public health and safety.

(b) The Congress finds that, to best achieve these objectives, improve Government operations, and assure the coordinated and effective development of all energy sources, it is necessary to establish an Energy Research and Development Administration to bring together and direct Federal activities relating to research and development on the various sources of energy, to increase the efficiency and reliability in the use of energy, and to carry out the performance of other functions, including the Atomic Energy Commission's military and production activities.

(c) The Congress further declares and finds that it is in the public interest that the licensing and related regulatory functions of the Atomic Energy Commission be separated from the performance of the other functions of the Commission transferred pursuant to this Act, and that this separation be effected in an orderly manner assuring adequacy of technical and other resources necessary for the performance of each.

TITLE I—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

ESTABLISHMENT

SEC. 101. There is hereby established an independent executive agency to be known as the Energy Research and Development Administration (hereinafter in this Act referred to as the "Administration").

OFFICERS

SEC. 102. (a) There shall be at the head of the Administration an Administrator of Energy Research and Development (hereinafter in this Act referred to as the "Administrator"), who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate now or hereafter prescribed for offices and positions at level II of the Executive Schedule (5 U.S.C. 5313). The Administration shall be administered under the supervision and direction of the Administrator, who shall be responsible for the efficient and coordinated management of the Administration.

(b) There shall be in the Administration a Deputy Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate now or hereafter prescribed for offices and positions at level III of the Executive Schedule (5 U.S.C. 5314).

(c) There shall be in the Administration five Assistant Administrators, one of whom shall be responsible for fossil energy, another for nuclear energy, another for environment, safety, and conservation, another for research and advanced energy systems, and another for national security. The Assistant Administrators shall be appointed by the President, by and with the advice and consent of the Senate and shall receive compensation at the rate now or hereafter prescribed for offices and positions at level IV of the Executive Schedule (5 U.S.C. 5315).

(d) There shall be in the Administration a General Counsel who shall be appointed by the Administrator and who shall serve at the pleasure of and be removable by the Administrator. The General Counsel shall receive compensation at the rate now or hereafter prescribed for offices and positions at level V of the Executive Schedule (5 U.S.C. 5316).

(e) There shall be in the Administration not more than seven additional officers appointed by the Administrator, who shall receive compensation at the rate now or hereafter prescribed for offices and positions at level V of the Executive Schedule (5 U.S.C. 5316). The positions of such officers shall be considered career positions and be subject to subsection 161d. of the Atomic Energy Act.

(f) The Division of Military Application transfered to and established in the Administration by section 104(a) of this Act shall be under the direction of a Director of Military Application, who shall be appointed by the Administrator and who shall serve at the pleasure of and be removable by the Administrator and shall be an active commissioned officer of the Armed Forces serving in general or flag officer rank or grade. The functions, qualifications, and compensation of the Director of Military Application shall be the same as those provided under the Atomic Energy Act of 1954, as amended, for the Assistant General Manager for Military Application.

(g) Officers appointed pursuant to this section shall perform such functions as the Administrator shall specify from time to time.

(h) The Deputy Administrator (or in the absence or disability of the Deputy Administrator, or in the event of a vacancy in the office of the Deputy Administrator, an Assistant Administrator, the General Counsel or such other official, determined according to such order as the Administrator shall prescribe) shall act for and perform the functions of the Administrator during any absence or disability of the Administrator or in the event of a vacancy in the office of the Administrator.

RESPONSIBILITIES OF THE ADMINISTRATOR

SEC. 103. The responsibilities of the Administrator shall include, but be limited to—

(1) exercising central responsibility for policy planning, coordination, support, and management of research and development programs respecting all energy sources, including assessing the requirements for research and development in regard to various energy sources in relation to near-term and long-range needs, policy planning in regard to meeting those requirements, undertaking programs for the optimal development of the various forms of energy sources, managing such programs, and disseminating information resulting therefrom;

(2) encouraging and conducting research and development to demonstrate the commercial feasibility and practical applications of energy sources and utilization technologies;

(3) undertaking research and development in the extraction, conversion, storage, transmission, and utilization phases related to the development and use of energy from fossil, nuclear, solar, geothermal, and other energy sources;

(4) engaging in and supporting environmental, biomedical, physical, and safety research related to the development of energy sources and utilization technologies;

(5) taking into account the existence, progress, and results of other public and private research and development activities relevant to the Administration's mission in formulating its own research and development programs;

(6) participating in and supporting cooperative research and development projects which may involve contributions by public or private persons or agencies, of financial or other resources to the performance of the work;

(7) developing, collecting, distributing, and making available for distribution, scientific and technical information concerning the manufacture or development of energy and its efficient extraction, conversion, transmission, and utilization; and

(8) encouraging and conducting research and development for the conservation of energy.

TRANSFER OF FUNCTIONS

SEC. 104. (a) There are hereby transferred to and vested in the Administrator all functions of the Atomic Energy Commission, the Chairman and members of the Commission, and the officers and components of the Commission, except as otherwise provided in this Act.

(b) The General Advisory Committee established pursuant to section 26 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2036), the Patent Compensation Board established pursuant to section 157 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2187), and the Divisions of Military Application and Naval Reactors established pursuant to section 25 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2035), are transferred to the Energy Research and Development Administration and the functions of the Commission with respect thereto, and with respect to relations with the Military Liaison Committee established by sectioin 27 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2037), are transferred to the Administrator.

(c) There are hereby transferred to and vested in the Administrator such functions of the Secretary of the Interior, the Department of the Interior, and officers and components of such department—

(1) as relate to or are utilized by the Office of Coal Research established pursuant to the Act of July 1, 1960 (74 Stat. 336; 30 U.S.C. 661–668);

(2) as relate to or are utilized in connection with fossil fuel energy research and development programs and related activities conducted by the Bureau of Mines "energy centers" and synthane plant to provide greater efficiency in the extraction, processing, and utilization of energy resources for the purpose of conserving those resources, developing alternative energy resources such as oil and gas secondary and tertiary recovery, oil shale and synthetic fuels, improving methods of managing energy-related wastes and pollutants, and providing technical guidance needed to establish and administer national energy policies; and

(3) as relate to or are utilized for underground electric power transmission research.

(d) There are hereby transferred to and vested in the Administrator such functions of the National Science Foundation as relate to or are utilized in connection with—

(1) solar heating and cooling development; and

(2) geothermal power development.

(e) There are hereby transferred to and vested in the Administrator such functions of the Environmental Protection Agency and the officers and components thereof as relate to or are utilized in connection with—

(1) the development and demonstration of alternative automotive power systems; and

(2) the development and demonstration of precombustion, combustion, and postcombustion technologies to control emissions of pollutants from stationary sources using fossil fuels.

(f) To the extent necessary or appropriate to perform functions and carry out programs transferred by this Act, the Administrator may exercise, in relation to the functions so transferred, any authority or part thereof available by law, including appropriation Acts, to the official or agency from which such functions were transferred.

TRANSFER OF PERSONNEL AND OTHER MATTERS

SEC. 105. (a) Except as provided in the next sentence, the personnel employed in connection with, and the personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to or to be made available in connection with the functions and programs transferred by this Act, are, subject to section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c), correspondingly transferred for appropriate allocation. Personnel positions expressly created by law, personnel occupying those positions on the effective date of this Act, and personnel authorized to receive compensation at the rate prescribed for offices and positions at levels II, III, IV, or V of the Executive Schedule (5 U.S.C. 5313–5316) on the effective date of this Act shall be subject to the provisions of subsection (c) of this section and section 301 of this Act.

(b) Except as provided in subsection (c), transfer of nontemporary personnel pursuant to this Act shall not cause any such employee to be separated or reduced in grade or compensation for one year after such transfer.

(c) Any person who, on the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5 of the United States Code, and who, without a break in service, is appointed in the Administration to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position.

ADMINISTRATIVE PROVISIONS

SEC. 106. (a) The Administrator is authorized to prescribe such policies, standards, criteria, procedures, rules, and regulations as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him.

(b) The Administrator shall engage in such policy planning, and perform such program evaluation analyses and other studies, as may be necessary to promote the efficient and coordinated administration of the Administration and properly assess progress toward the achievement of its missions.

(c) Except as otherwise expressly provided by law, the Administrator may delegate any of his functions to such officers and employes of the Administration as he may designate, and may authorize such successive redelegations of such functions as he may deem to be necessary or appropriate.

(d) Except as provided in section 102 and in section 104(b), the Administrator may organize the Administration as he may deem to be necessary or appropriate.

(e) The Administrator is authorized to establish, maintain, alter, or discontinue such State, regional, district, local, or other field offices as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him.

(f) The Administrator shall cause a seal of office to be made for the Administration of such device as he shall approve, and judicial notice shall be taken of such seal.

(g) The Administrator is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interests of economy and efficiency. There shall be transferred to the fund the stocks of supplies, equipment, assets other than real property, liabilities, and unpaid obligations relating to the services which he determines will be performed through the fund. Appropriations to the fund, in such amounts as may be necessary to provide additional working capital, are authorized. The working capital fund shall recover, from the appropriations and funds for which services are performed, either in advance or by way of reimbursement, amounts which will approximate the costs incurred, including the accrual of annual leave and the depreciations of equipment. The fund shall also be credited with receipts from the sale or exchange of its property, and receipts in payment for loss or damage to property owned by the fund.

(h) Each department, agency, and instrumentality of the executive branch of the Government is authorized to furnish to the Administrator, upon his request, any information or other data which the Administrator deems necessary to carry out his duties under this title.

PERSONNEL AND SERVICES

Sec. 107. (a) The Administrator is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including attorneys, pursuant to section 161d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2201(d)) as are necessary to perform the functions now or hereafter vested in him and to prescribe their functions.

(b) The Administrator is authorized to obtain services as provided by section 3109 of title 5 of the United States Code.

(c) The Administrator is authorized to provide for participation of military personnel in the performance of his functions. Members of the Army, the Navy, the Air Force, or the Marine Corps may be detailed for service in the Administration by the appropriate military Secretary, pursuant to cooperative agreements with the Secretary, for service in the Administration in positions other than a position the occupant of which must be approved by and with the advice and consent of the Senate.

(d) Appointment, detail, or assignment to, acceptance of, and service in, any appointive or other position in the Administration under this section shall in no way affect the status, office, rank, or grade which such officers or enlisted men may occupy or hold, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade. A member so appointed, detailed, or assigned shall not be subject to direction or control by his armed force, or any officer thereof, directly or indirectly, with respect to the responsibilities exercised in the position to which appointed, detailed, or assigned.

(e) The Administrator is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5 of the United States Code for travel between places of recruitment and duty, and while at places of duty, of persons appointed for emergency, temporary, or seasonal services in the field service of the Administration.

(f) The Administrator is authorized to utilize, on a reimbursable basis, the services of any personnel made available by any department, agency, or instrumentality, including any independent agency, of the Government.

(g) The Administrator is authorized to establish advisory boards, in accordance with the provisions of the Federal Advisory Committee Act (Public Law 92-463), to advise with and make recommendations to the Administrator on legislation, policies, administration, research, and other matters.

(h) The Administrator is authorized to employ persons who are not citizens of the United States in expert, scientific, technical, or professional capacities whenever he deems it in the public interest.

POWERS

Sec. 108. (a) The Administrator is authorized to exercise his powers in such manner as to insure the continued conduct of research and development and related activities in areas or fields deemed by the Administrator to be pertinent to the acquisition of an expanded fund of scientific, technical, and practical knowledge in energy matters. To this end, the Administrator is authorized to make arrangements (including contracts, agreements, and loans) for the conduct of research and development activities with private or public institutions or persons, including participation in joint or cooperative projects of a research, developmental, or experimental nature; to make payments (in lump sum or installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments); and generally to take such steps as he may deem necessary or appropriate to perform functions now or hereafter vested in him. Such functions of the Administrator under this Act as are applicable to the nuclear activities transferred pursuant to this title shall be subject to the provisions of the Atomic Energy Act of 1954, as amended, and to other authority applicable to such nuclear activities. The nonnuclear responsibilities and functions of the Administrator referred to in sections 103 and 104 of this Act shall be carried out pursuant to the provisions of this Act, applicable authority existing immediately before the effective date of this Act, or in accordance with the provisions of chapter 4 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2051–2053).

(b) Except for public buildings as defined in the Public Buildings Act of 1959, as amended, and with respect to leased space subject to the provisions of Reorganization Plan Numbered 18 of 1950, the Administrator is authorized to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain facilities and real property as the Administrator deems to be necessary in and outside of the District of Columbia. Such authority shall apply only to facilities required for the maintenance and operation of laboratories, research and testing sites and facilities, quarters, and related accommodations for employees and dependents of employees of the Administration, and such other special-purpose real property as the Administrator deems to be necessary in and outside the District of Columbia. Title to any property or interest therein, real, personal, or mixed, acquired pursuant to this section, shall be in the United States.

(c) (1) The Administrator is authorized to provide, construct, or maintain, as necessary and when not otherwise available, the following for employees and their dependents stationed at remote locations:

(A) emergency medical services and supplies;

(B) food and other subsistence supplies;

(C) messing facilities;

(D) audiovisual equipment, accessories, and supplies for recreation and training;

(E) reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons;

(F) living and working quarters and facilities; and

(G) transportation for school-age dependents of employees to the nearest appropriate educational facilities.

(2) The furnishing of medical treatment under subparagraph (A) of paragraph (1) and the furnishing of services and supplies under paragraphs (B) and (C) of paragraph (1) shall be at prices reflecting reasonable value as determined by the Administrator.

(3) Proceeds from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Administrator to pay directly the cost of such work or services, to repay or make advances to appropriations or funds which do or will bear all or a part of such cost, or to refund excess sums when necessary; except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing such funds, if the fund is available for use by the Administrator for performing the work or services for which payment is received.

(d) The Administrator is authorized to acquire any of the following described rights if the property acquired thereby is for use in, or is useful to, the performance of functions vested in him:

(1) copyrights, patents, and applications for patents, designs, processes, specifications, and data;

(2) licenses under copyright, patents, and applications for patents; and

(3) releases, before suit is brought, for past infringement of patents or copyrights.

(e) Subject to the provisions of chapter 12 of the Atomic Energy Act (42 U.S.C. 2161–2166), and other applicable law, the Administrator shall disseminate scientific, technical, and practical information acquired pursuant to this title through information programs and other appropriate means, and shall encourage the dissemination of scientific, technical, and practical information relating to energy so as to enlarge the fund of such information and to provide that free interchange of ideas and criticism which is essential to scientific and industrial progress and public understanding.

(f) The Administrator is authorized to accept, hold, administer, and utilize gifts, and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Administration. Gifts and bequests of money and proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury and shall be disbursed upon the order of the Administrator. For the purposes of Federal income, estate, and gift taxes, property accepted under this section shall be considered as a gift or bequest to the United States.

Mr. HOLIFIELD (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Chairman, reserving the right to object, does that apply to the entire bill?

Mr. HOLIFIELD. It applies to the entire bill because it is a clean bill.

Mr. GROSS. Does not the rule provide that the bill be read by title?

The CHAIRMAN. That is right.

Mr. HOLIFIELD. Then I suggest, Mr. Chairman, that I will ask unanimous consent this title be considered as read and open to amendment at any point.

Mr. HORTON. Mr. Chairman, the rule does say—

> It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Government Operations now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. Said substitute shall be read for amendment by titles instead of by sections. . . .

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title I?

Mr. ROSENTHAL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-two Members are present, not a quorum.

The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 705]

Addabbo
Alexander
Anderson, Ill.
Armstrong
Aspin
Biester
Blatnik
Bolling
Breckinridge
Brooks
Buchanan
Burke, Calif.
Burton
Carney, Ohio
Clancy
Clark
Clay
Conyers
Delaney
Dent
Diggs
Esch
Evins, Tenn.
Fisher
Flowers
Frelinghuysen
Fulton
Goldwater
Gray
Griffiths
Gubser
Hanna
Hansen, Wash.
Harsha
Harvey
Hébert
Jarman
Jones, Ala.
Kemp
Landrum
Mailliard
Martin, Nebr.
Mills, Ark.
Murphy, N.Y.
Nedzi
Parris
Passman
Pettis
Powell, Ohio
Quillen
Rangel
Rarick
Reid
Roncallo, N.Y.
Rooney, N.Y.
Ruppe
Ryan
Scherle
Shipley
Shriver
Sisk
Stokes
Stuckey
Taylor, Mo.
Teague, Tex.
Thompson, N.J.
Tiernan
Van Deerlin
Veysey
Walsh
Wilson, Charles H., Calif.
Wilson, Charles, Tex.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11510, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 360 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the Clerk had read through title I ending at page 46, line 14.

Are there any amendments to title I?

AMENDMENT OFFERED BY MR. ROSENTHAL

Mr. ROSENTHAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ROSENTHAL: On page 30, line 21, delete "five" and insert in its place "six." On lines 23 and 24 delete the words "another for environment, safety, and conservation," and insert in their place: "another for environment and safety, another for conservation,".
>
> The section should now read:
>
> "SEC. 102. (c) There shall be in the Administration six Assistant Administrators, one of whom shall be responsible for fossil energy, another for nuclear energy, another for environment and safety, another for conservation, another for research and advanced energy systems, and another for national security."

Mr. ROSENTHAL. Mr. Chairman, I rise in support of this bill and offer this amendment on behalf of Mr. GUDE, of Maryland, and myself.

This bill has a major flaw, which I believe we must correct. As written, it proposes one assistant administrator for environment, safety, and conservation. Structurally this proposal, in my judgment, does not make sense. There is no reason to lump environment and safety research together with research and energy conservation. They are not directly related, even though they are both important areas of research. By joining these two areas under one assistant administrator, both areas will suffer.

Important research must be done in the area of environment and safety research on waste management systems and transportation of nuclear material would come under this area.

This kind of research is becoming increasingly important as we develop more and more nuclear wastes. We must push this research so that we will have a viable disposal solution of these extremely toxic wastes.

Other areas under environment and safety which deserve study are biomedical and environmental research and operational safety research. But energy conservation also deserves an assistant administrator of its own. Because of the energy crisis we have been forced to conserve by lowering thermostats and driving speeds, but these measures are only temporary and cosmetic. They do not strike to the heart of the problem.

We need to undertake massive research into different means of conserving energy. The Ford energy policy project has estimated that we could save 30 percent over our present energy use by the year 2000. Even more than this could be saved by an aggressive energy conservation research program.

Too long has Federal funding concentrated on increasing supply. We now need a Manhattan type project which would finance research designed to curb energy demand and to increase the efficiency of existing technology.

Alcoa Aluminum has recently developed a pollution-free process of making aluminum which could cut the use of electricity by 30 percent or more. We must foster more research of this kind if we want to conserve our dwindling supplies of natural resources.

It is of paramount importance that we give full attention to the tremendous research potential of energy conservation.

Since environment and safety research and energy conservation research are not directly related, there would be little benefit from placing this under the same Assistant Administrator. In fact, joining them would have a negative effect, because it would necessarily diminish the effort of concentration the Assistant Administrator could bring to each one.

This amendment would establish an assistant administrator for each effort. There would be an Assistant Administrator for Environment and Safety; another for Energy Conservation. There is no question but that we must put a massive effort in production, but at the same time we must raise the level of interest and the level of accomplishment on energy conservation.

What this would do, would be to create an Assistant Administrator for Energy Conservation, split the one that is listed in here as Energy Administrator for Environment, Safety, and Energy Conservation. I think this is a very, very useful amendment. It has been supported by large numbers of private groups around the country. It is an area that has been deeply neglected, the question of conservation, and if instead of having these five we add another one to raise the level of interest, we would improve the bill.

Mr. Chairman, I said earlier in general debate was that while this is not the time to authorize or appropriate funds or mandate programs, but it is the time to state, when we establish the structure, we inferentially make policy; when we give titles to each of these areas, we indicate that Congress wants serious work done in each of these areas. If it wants serious work done in the area of energy conservation, it is highly appropriate that we upgrade the energy conservation.

Mr. Chairman, I urge the adoption of this amendment.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we had extensive hearings on this bill, and the chart that is before the Members here in the well shows how we divided the organizational structure and direction of management. We put what we considered were related matters together.

As the gentleman knows, 19 or 20 groups around the country all think their particular interest is paramount. People who have an interest in solar heat think they ought to have a solar agency. People interested in geothermal technology think they ought to have an agency. People interested in environmental safety think they ought to have one; and also the people in conservation.

What we have done, we have placed on the assistant administrator level, with level 4 salary, an assistant administrator for environment, safety and conservation, because we feel that all of those things go together and that they can be handled together. In that box we have, in addition to the others, operational safety and energy conservation. If we move over to nuclear development, we will find environmental safety and conservation. In the fossil fuel component, we have environment safety and conservation.

Why did we do that? In the place of multiplying the divisions in this organization, we put those functions which we thought important where they belong; in research and development in the fossil fuel area we have coal liquefaction, coal gasification, gas and oil technology, mining technology, combustion. All these matters also have to do with environmental safety and conservation. For research in advanced energy systems, we have to be concerned about environment, safety, and conservation.

In other words, in going forward in these five different fields of research and development, we feel environment, safety, and conservation research should be joined with the several component administrations.

We want each one of them to have responsibility in that area, and at the same time we have one of the five administrators who can coordinate in environmental and related concerns in these different fields.

We did put this function additionally in the different fields because we want each one of these administrators to be particularly aware of the fact that the public is interested in environment, safety, interested in safety, and interested in conservation.

We believe that coordination can be effected without the proliferation all over the map of divisions setting up a big bureaucracy. We have grouped the functions in the divisions which are important and where they can be carried out.

We had testimony from the Office of Management and Budget, from the Department of the Interior, and from many private witnesses, including people like the head of the National Coal Association, and they are approved of this organizational setup.

Therefore, I do think that the gentleman should be informed that, while I know he has great interest in this matter, we think that his amendment is unnecessary. It is adequately taken care of in an orderly, organizational manner, and I would ask that the amendment be voted down.

Mr. GUDE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I do not believe that any Member in this House has to be told we have some tough years ahead, and the toughest years are going to be the first ones. These are going to be the years when the type of research that is going to go on in this organization to develop the potential of coal and to develop the potential of solar energy and geothermal energy will not bear fruit for at least 3 to 5 years, and in some cases 20 to 30 or even 50 years.

What we can do immediately in this country, and the only thing we can do in order to have enough energy to go around in the next 1 to 3 years, is to conserve, and I think we need an Assistant Administrator for Conservation on this basis.

Secretary Morton talked to us a few days ago and told us of the tremendous cooperation which he had received from commercial enterprises all across this country who have found that they could effect conservation measures in the running of their businesses of 5 to 20 percent.

With such spontaneous, voluntary support in a very short period of time, it is clear to me we can well justify an Assistant Administrator for Conservation alone in this new organization. As the Chairman of the Committee has well pointed out, approximately one-third of the energy which this country is now consuming is wasted. Under the leadership of one man, with his attention focused only on conservation, we can make great headway in mitigating the shortages which confront us in the immediate future.

I again urge the adoption of this amendment which would establish an Assistant Administrator for Conservation and another for Environment and Safety.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not want to repeat what the chairman of the committee has already said, but I do think it is important for us to establish at the outset of the debate on these amendments that this organizational bill has been very carefully structured.

What we have done is to provide for five Assistant Administrators with certain responsibilities, and now we are hit with an amendment to create another Assistant Administrator for Conservation. The gentleman from New York (Mr. ROSENTHAL) has informed me that he is also going to offer another amendment a little later to provide an Assistant Administrator for Solar Energy and still another amendment to provide an Assistant Administrator for other types of research.

We are at the point where we can go on and on ad infinitum.

Mr. Chairman, let me say that we have very carefully structured this bill so that we can provide the maximum research on an annual basis in each of these areas.

We have also shown concern for the conservation of energy, because we established an Administrator for Environment, for Safety, and for Conservation.

As the chairman of the committee has pointed out, under each one of these Administrators, for fossil energy development, for nuclear energy development, and for research and advance energy systems, there is a responsibility for environment, safety, and conservation.

Conservation of energy should be developed together with the energy resource being developed. Therefore, I oppose an Assistant Administrator for that purpose.

I think that it is very important for us to maintain the organization that we have here and not to open the gates for all these additional administrators. I think it is very important for us to keep the structure of the organization that we have brought before the committee.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HORTON. Yes, I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I think the gentleman is exactly right in what he says. There is a possibility, as we all know, that we can create an Assistant Administrator for night and day and for summer and winter and for Republicans and Democrats, and we could proliferate these things ad infinitum.

However, there is some logic in putting together from a scientific standpoint certain functional activities. What the committee has done is to lump together environment, safety, and conservation under the same assistant administrator. In the scientific modus operandi those three categorical endeavors are approached on a common basis. They logically belong together. It is totally illogical to separate them. There is waste and inefficiency in separating them. There is a diminution of scientific effort in separating them. There is, as I said, total illogic in separating that which is logically together.

As a consequence, this amendment, as well-meaning as it might be, is in its last and final analysis scientific heresy and ought to be voted down rapidly by this body.

Mr. GROSS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, whatever the merit or demerit of this bill—and I seriously question the merit of it—this is real plush in terms of employees and pay in the top layer. It starts out with an Administrator who is paid $42,500 a year, a Deputy Administrator at $40,000 a year, and five assistant administrators at $38,000 a year each.

Now the gentleman from New York want to add another assistant administrator, and I might ask him why he did not just ask for one for every day in the week.

Then there is a General Counsel at $36,000 a year and seven additional officers appointed by the Administrator at $36,000 a year each. Yes; this bureaucracy starts out with a real fancy payroll in the top bracket.

Mr. Chairman, I oppose the amendment. I think it is overloaded now.

Mr. HORTON. Will the gentleman yield?

Mr. GROSS. Yes. I yield.

Mr. HORTON. I want to commend the gentleman because I think he is making a very valid point.

One of the things we were considering when we were structuring the bill was the very point that the gentleman made. We certainly do have a large number of supergrades already in this area, which I think are necessary, but we did pare it down as much as we could. I agree with the gentleman that this is an addition which is not needed.

Mr. HOLIFIELD. Will the gentleman yield?

Mr. GROSS. Yes. I yield to the gentleman.

Mr. HOLIFIELD. I want to say to the gentleman in this ERDA administration here——

Mr. GROSS. What is ERDA? Male or female?

Mr. HOLIFIELD. Well, it can be both. It is the Energy Research Development Administration, which in effect takes over an agency which has more officials in it, and therefore these are not added on to the existing ones but these are officers that in most instances are already in the AEC, that is, the salary level of these officers is already in the AEC. So what the gentleman from Iowa points out is factual; namely, that the Administrator will receive $42,500 and the Deputy Administrator $40,000 and the assistants $38,000 and the five administrative officials will receive high levels, still this follows pretty well the pattern of every large agency, and this will be a large agency. In the large agency now existing they have something like 8,000 employees.

Mr. GROSS. I would like to ask the gentleman how much money he believes this new bureaucracy will save the taxpayers but I am almost afraid to do so.

Mr. HOLIFIELD. I will be very honest with the gentleman, if the gentleman will yield.

Mr. GROSS. I yield.

Mr. HOLIFIELD. We are not going to save the taxpayers $1 by setting this up. We are going to try to solve a problem that will cause the country to have a complete financial collapse unles we solve it, but we have to have the tools to do it with.

Mr. GROSS. That is what I was afraid of. The answer is that it will not save the taxpayers any money.

Let me ask the gentleman from California a question concerning this chart in the report accompanying the bill as compared with the chart here on the House floor.

In the appendix 3–A, it lists an Office of Public Affairs, whereas the chart on the floor lists it as External Affairs. What is the difference between Public Affairs and External Affairs?

Mr. HOLIFIELD. That is a matter of title. There are affairs that are external to the Nation in this administration. For instance, we have quite a number of international agreements in the sharing of nuclear material with the different nations like we do in Europe and other groups such as NATO. We have agreements with NATO that involve some of the material that is being used in this, and it could well come under that, or it could come under, as far as the line organization is concerned, over on the right-hand side there, the Assistant Administrator for National Security, and that has national security affairs.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for one additional minute.)

Mr. GROSS. Then Public Affairs is more confining or restrictive than External Affairs. I take it that is the reason you changed it from Public Affairs to External Affairs.

Now, let me go to the next bracket on the chart here on the floor which is civil rights. In the report on the bill it is designated as equal opportunity. What is the difference between equal opportunity and civil rights?

As the gentleman knows, I like to read and understand the fine print.

Mr. HOLIFIELD. The subject matter of civil rights does include equality of opportunity.

Mr. GROSS. Which is more embracing, civil rights or equal opportunity?

Mr. HOLIFIELD. This Nation is very conscious of the civil rights of our people, and we feel that one individual appointed at that level in the office to look after and to see that the civil rights of this agency are handled correctly is a very modest contribution toward a very desirable goal.

Mr. GROSS. I could only wonder why it was changed, and I still do.

The CHAIRMAN. The time of the gentleman has again expired.

Ms. ABZUG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, what we are trying to do is set up a structure which will realistically deal with our problems in this difficult moment.

In the discussion of the other day on the Emergency Energy Act, it became quite clear that there are very distinct problems in dealing with the energy field relating to the question of environment and safety, and as they relate to the question of energy conservation.

We, in the bill the other day, were dealing with energy conservation. The issues raised concerning the environment and safety were discussed in a way which illustrates the reason this amendment should be supported. Our primary objective in that emergency legislation was to conserve energy. In the process, regrettably, I believe, many important safeguards for the welfare of the environment and safety were abandoned in the energy emergency legislation we adopted.

The discussion of the amendment on the floor also makes clear that we were dealing with two distinct categories. What this amendment does is the same thing. It says, let us be reflective of the reality, that is, that we have two problems. We are dealing with energy conservation and we are dealing with the problem of environment and safety.

In order for us to be able to make valuable short-term and long-term contributions in both of these arenas it is important that we set up a structure which reflects this reality so that there will be no confusion or conflict between them.

The amendment now before us is an attempt to provide structural safeguards to reflect a sane policy which relates to the conservation of energy. Our energy problems are not likely to end in the near future. Even with the development of newer forms of energy supply, or with the exploration and development of fossil and other energy forms, we can no longer afford to be wasteful of energy. If our approach to solving the fuel shortage problem is to be comprehensive, we must begin in our proverbial "own backyard." By developing more energy efficient systems we will go a long way toward saving fuel supplies.

If we are to have a sane energy policy, it must be based upon an aggressive energy conservation program. Therefore, we must have the structure in the new Energy Research and Development Administration to allow massive research into energy conservation. For this reason I urge my colleagues to support this amendment.

By establishing a separate department for the environment and safety matters as they relate to energy, separate from conservation, the confusion between these two areas will be resolved. The environment and safety division would be able to concentrate upon the effects of present and future energy technologies. Key to environment and safety are matters concerning nuclear waste management and nuclear material transportation. These areas are of such importance that they necessitate a great deal of research, requiring a separate division concerned solely with environment and safety.

I believe that if we are to have a sane energy policy, then we have got to have the kind of structure that will allow that policy to operate. If we, therefore, recognize this, we would structure the Energy Research and Development Administration to allow massive research into energy conservation and massive research into the question of the environment and safety, and not allow each of these areas to negate each other or force an administrator or an assistant administrator to concentrate on one as against the other. We saw the other day that both of these areas require very equal and important concentration. Although they relate, they each must answer separate questions.

We will only be successful in developing our policy if the structure reflects that.

Mr. Chairman, I urge very strongly the support of this amendment.

Mr. ERLENBORN. Mr. Chairman, I rise in opposition to this amendment. I think some good reasons to oppose the amendment have already been expressed. But let us look for a moment at what a rational person does. He learns by his mistakes. I think we have made some mistakes in the field of environment and energy conservation in the past because we have viewed them separately. That has been the problem.

There have been those who fought the Alaskan pipeline because of their concern for the environment, and they fought it very successfully in the courts to the point where we finally had to pass special legislation here to see that our concern for energy resources had at least equal billing with concern for the environment. In the field of environmental protection with automobiles, we have passed laws that have required that devices be built on automobiles to reduce emissions, but without any concern about conservation of our energy resources, without any concern about gasoline conservation. Now I see that the other body is contemplating legislation which would mandate that not only shall we reduce emissions, but we shall also increase the mileage of automobiles. We cannot look at these things separately if we want to have a rational policy.

I think our concern with conservation of energy must be balanced with our concern for the environment and our concern for safety. We should not build into this administration competition. We should not build into the administration one arm devoting all of its efforts to getting the safest energy sources but without any idea of conservation of our resources. So let us defeat this amendment. Let us see that we have a rational policy to balance these several concerns.

and that will be done if we have the one administrator responsible for these several different areas.

I think the very opposite of what the gentleman from New York (Mr. Rosenthal) has said is true. He has indicated that there is no connection among these several areas of interest. I think they must be considered a rational whole. I think we must consider them together or else this legislation will be self-defeating.

Mr. FRASER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the last speaker I think put his finger on the problem that we face in this bill. There is a problem with safety with respect to how energy is produced and how it is used. There is a problem with conservation. If we put the two under the same assistant administrator, we are saying that the one person will have to make the reconciliation with the public interest with respect to these competing interests. This is exactly the problem we have been trying to get away from in the Atomic Energy Commission. The Atomic Energy Commission was both the designer and the promoter of atomic energy and also had the responsibility for regulation. Increasingly across this country it was recognized that these functions ought to be split if the public interest is going to be preserved.

We have precisely the same problem here. One of the ways to conserve energy, for example, is to use high voltage transmission lines. It turns out that the higher the voltage, the more efficient the transmission of energy.

But what are the safety factors involved with respect to those kinds of transmission lines? Do the Members want one person to be reconciling these considerations or do they want both considerations to have full voice within the Government? If the Members think both points of view deserve a full hearing, then they will vote for this amendment because it will take these functions and give them to different assistant administrators to represent the competing public interests so they are sure the reconciliation is made at the highest level in the public interest.

Let me make one other point. The most effective way we can increase the effective energy supply in the United States is by increasing the effectiveness of the use of it, under the term conservation, whether it is through improved buildings, more efficient gasoline engines, or whatever.

But let me make the point that the technologies involved here range all over the landscape and unless we concentrate on the development of these technologies we are going to say we are not really going to get to these technologies until the price of energy is so high that we literally force the new technologies through the market system. I think that is an unreasonable burden to put on the American people. We ought to encourage the development of the new technologies as early as possible.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I associate myself with the remarks of the gentleman in the well and congratulate the gentleman from New York for offering this amendment. It will improve the bill not only structurally but this amendment also will underscore the policy of this Congress.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman has made an excellent point in differentiating between conservation that conserves the energies we are presently wasting around the country as opposed to conserving of energy in the new sources we are going to develop. I think that is exactly why we need this amendment.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, although the gentleman may allege the conservation of energy is being neglected and therefore this separate thing should be set up, I think if the gentleman had read this bill carefully and studied the proposed financial set up of the Nation's energy program, he would see we have a $10 billion proposal submitted by Dr. Dixy Lee Ray. It gives 22 percent of the recommended $10 billion to be spent precisely in the energy conservation area.

There is no neglect of it. We do not need an amendment to this structure for the Government's scientific research in order to allay the gentleman's concern. We do not have to change that structure in order to accomplish what the gentleman wants. All the gentleman has to do is come to the floor when it is time to vote the money for the appropriation and see to it that the money he wants is in the appropriation.

Mr. FRASER. The gentleman is making our case, because he is saying one-fifth of the money is to be spent for conservation, and I agree with him on the importance of that objective, but the administrator of that program is lumped in with the safety and so on, and in view of the budget allocated to conservation it deserves, in my judgment, a separate Administrator. We are going to have contentious issues which are going to have to be resolved and they should be resolved at the highest level.

The areas of environment and safety, and conservation techniques are critical to our objective of self-sufficiency in energy. To lump these areas under one Assistant Administrator, as is done in this bill, would not give each the attention it must have.

In the past we have erred in two ways. First, we have in effect equated all energy R. & D. with the supply question. And second, we have given a disproportionate share of Federal funding to the development of nuclear fission power.

This bill, for the first time, gives emphasis to energy supply sources other than nuclear power. But it still gives short shrift to the two enormously important areas of environment and safety, and energy conservation by lumping them under one division.

David Freeman who heads the Ford Foundation's Energy Policy Project has said:

> There's a hell of a lot that can and should be done to curb the amount of energy we use and to increase the efficiency of energy conversion systems.

A few of the areas that could and should be given special encouragement in future R. & D. programs are: more efficient techniques of electricity transmission, more efficient building construction techniques, battery storage of energy, and heat pumps that could increase home-heating efficiency by as much as one-third or one-half.

Also enormously important is the responsibility to make nuclear fission plants safe and environmentally acceptable. And it is essential that we make a massive commitment to develop cleaning technology for existing dirty fuels. Gas stack cleaning technology, for instance, could well have an impact on energy supplies by the early 1980's.

The Washington Post editors remarked with some justice that:

> The House in passing the Energy Emergency Act had included amendments that disingenuously used the energy shortages as pretext for driving holes in present social and environmental legislation.

The past few weeks have resulted in serious inroads in the gains that have been made in protecting and improving the environment. If we agree that these inroads are necessary to get us by the short-term crisis, then we should also agree for the long run to make the necessary commitment to environmental values.

Members have an opportunity today to give a clear directive that as a nation we are committed to research designed to cut energy demands, to increase efficiency of existing techniques, and to improve the quality of air and water and of life in this country. Friends of the Earth, Environmental Action, the Environmental Policy Center, and Ralph Nader's Citizens Action are supporting this amendment.

Energy and economic growth, as we all know, are inextricably linked. What we are doing here today will determine the future course of economic growth as well as the quality of life in this country.

I hope the House will adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Rosenthal).

The question was taken; and on a division (demanded by Mr. Rosenthal) there were—ayes 21, noes 58.

RECORDED VOTE

Mr. FRASER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 112, noes 271, not voting 49, as follows:

[Roll No. 706]

AYES—112

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Badillo
Barrett
Bergland

Bingham
Blatnik
Boggs
Brademas
Brasco
Breckinridge
Brinkley
Brown, Calif.
Carey, N.Y.
Chisholm
Clay
Conyers
Coughlin
Culver
Dellenback
Dellums
Denholm
Diggs
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Fascell
Findley
Fish
Foley
Ford, William D.
Fraser
Gaydos
Gibbons
Gonzalez
Grasso
Green, Pa.
Gude
Hamilton
Harrington
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holtzman
Howard
Hungate
Jordan
Karth
Kastenmeier
Koch
Kyros
Lehman
McDade
Madden
Mazzoli
Meeds
Melcher
Mezvinsky
Miller
Mink
Mitchell, Md.
Moss
Nedzi
Obey
O'Hara
Owens
Patten
Podell
Preyer
Railsback
Randall
Rangel
Rees
Reuss
Riegle
Rinaldo
Roe
Roncalio, Wyo.
Rosenthal
Roush
Roy
Roybal
Sarbanes
Schroeder
Seiberling
Stanton, James V.
Stark
Steele
Studds
Thompson, N.J.
Thone
Tiernan
Udall
Vander Jagt
Vanik
Waldie
Whalen
Wilson, Charles H., Calif.
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Wolff
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Abdnor
Annunzio
Archer
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Armstrong
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Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bevill
Biaggi
Biester
Blackburn
Boland
Bowen
Bray
Breaux
Broomfield
Brotzman
Brown, Mich.
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Broyhill, N.C.
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Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
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Davis, Wis.
de la Garza
Dennis
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
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Edwards, Ala.
Erlenborn
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Fisher
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Green, Oreg.
Gross
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Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hays
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
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Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
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Jones, Ala.
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Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Kuykendall
Landgrebe
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Metcalfe
Michel
Milford
Minish
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Nix
O'Brien
O'Neill
Parris
Passman
Patman
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Powell, Ohio
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Satterfield
Schneebeli
Sebelius
Shipley
Shoup
Shuster
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thornton
Towell, Nev.
Treen
Ullman
Vigorito
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wyatt
Wydler
Wylie
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Young, Alaska
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Zion

NOT VOTING—49

Alexander
Anderson, Ill.
Andrews, N. Dak.
Aspin
Bolling
Brooks
Buchanan
Burke, Calif.
Burton
Chappell
Clancy
Delaney
Dent
Dulski
Evins, Tenn.
Flowers
Frelinghuysen
Goldwater
Gray
Griffiths
Gubser
Hanna
Hansen, Wash.
Harvey
Hébert
Jarman
Landrum
Mailliard
Martin, Nebr.
Mills, Ark.
Minshall, Ohio
Moakley
Pettis
Rarick
Reid
Rooney, N.Y.
Rousselot
Ryan
Scherle
Shriver
Sisk
Steelman
Stokes
Symington
Taylor, Mo.
Van Deerlin
Veysey
Walsh
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ROSENTHAL

Mr. ROSENTHAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Rosenthal: On page 30, line 21, delete "five" and insert in its place "seven." On lines 24 and 25 delete the words "another for research and advanced energy systems," and insert in their place: "another for solar energy research, another for geothermal research, another for research and advanced energy systems."

(Mr. ROSENTHAL asked and was given permission to revise and extend his remarks and to proceed for 5 additional minutes.)

Mr. ROSENTHAL. Mr. Chairman, from the vote that immediately preceded the offering of this amendment one can make some judgments. The judgment is that the Members of the House somewhat feel constrained not to tamper with an organizational chart that has been reported out by a committee and which has been sent up here by the administration.

Also Members such as Mr. Gross of Iowa have a tendency not to increase the number of individuals or personnel or the areas of responsibility. I can understand that, but we are falling into an enormous trap by doing precisely that. Let me tell you what it is.

This bill is a good bill and I support it, but unless it is substantially improved it makes the terrible mistake of being overly traditional. The bill lumps together all the traditional sources of energy and all the traditional opportunities for research and all the traditional ways of establishing these goals.

We are either in a crisis situation, an urgent situation, or a demanding situation, and the public response demands that we meet the challenge. We cannot meet this challenge by falling into the traditional pattern of putting these categories together.

Let me tell you what I mean by my amendment. This bill as presently written provides inadequate emphasis on the promising technologies of solar and geothermal energy. In this bill the technologies are lumped together with all other advanced research like magnetohydrodynamics, winds and tides, transmission and storage research, alternative automotive power systems, and other research.

What do the experts say about this? The National Science Foundation, Mr. Guyford Stever, stated solar energy is an inexhaustible source capable of meeting a significant proportion of the Nation's future needs with a minimum of adverse environmental consequences. He also said: Indications are solar energy is the most promising of the nonconventional energy sources, and it is not going to be explored or allowed or investigated in a traditional conventional fashion."

Yet for fiscal year 1974—and remember organization makes policy—the total amount estimated to be spent on solar and geothermal energy research is $16 million.

One of the most important uses of solar energy is obviously—and even we can understand this—for the heating and cooling of residences and commercial buildings.

Solar heating is already scientifically feasible and is used by many people in the United States today, but most of these people are not traditionalists, they are inventors. Generally they have built these solar units themselves. There are major deterrents to commercial manufacture and sale of solar heating systems. Some of it is due to insufficient design information, high initial capital cost, and uncertainty of a profitable market system. We need in this Nation a vast amount of research and development into system design studies, economic evaluations, components development and improvement, cost reduction studies, and engineering development and marketing studies.

As for solar cooling, no solar cooling residence has yet been operated in the United States, but it is scientifically feasible. Estimates are that if we spend $20 million on research into all facets of solar heating and cooling, we could have wide use of solar units within less than 10 years.

Now, if we develop an economic means for power generation from central station solar units, we will have an environmentally safe means of cheap and abundant energy. Some of this sounds so absurd that many of the Members are not paying very much attention to it, but it is exciting, it is new, it is nontraditional. Most of us do not understand it, but yet it brings a glimmer of hope—that an opportunity can present itself on this planet in the years 1973, 1974, and 1975 to find unconventional means of energy to fuel the Nation's needs. We are not going to find this by conventional and traditional means, as is submitted to us by this committee.

The possibilities are enormous, and that is why we must look to them. We must change our policy of meager support and meager organizational support for solar research and development.

A similar situation exists with respect to geothermal energy. The National Science Foundation estimated that 40 percent of our power needs in 1985 could be provided by geothermal energy.

Right now the geysers at Imperial Valley in California provide more than 40 percent of San Francisco's electric energy. But the potential for geothermal power is enormous. We do not have to be confined to areas of natural geysers. We could use the heat of the earth to generate electricity by experimenting with hot rock geothermal power. But we must provide adequate organizational authority and funding. Unfortunately—and this is the point—unfortunately, this bill does not provide an adequate structure to accomplish these kinds of objectives. These alternatives differ from fossil fuels and nuclear energy, which have vested economic interests pushing for their development. The people who support fossil fuels and nuclear energy resources have a constituency. There are no constituencies pushing for these advanced systems because the constituencies have not been formed yet.

Who is going to speak for these promising alternatives without strong agency or industry support? The answer obviously is that there is a grave chance they will be neglected. And they will be neglected if this amendment is defeated. We need, I believe, an assistant administrator in each of these technologies to give them the opportunity to push them from development to the consumer stage where they then can have a constituency, and to develop it to that point where it will foster support by private industry. Why do you think that nuclear power developed so quickly? Because it had a constituency. Part of the reason has been the existence of a Government agency which single-mindedly pushed for its development.

This amendment will split the Assistant Administrator for Resources and Advanced Energy Systems into an Assistant Administrator for geothermal and an Assistant Administrator for solar and an Assistant Administrator for advanced systems. This is a unique opportunity we have today, the most exciting opportunity that I can recall on the House floor. All the traditional arguments will be made against the amendment. Why have more positions? Why split up the pie? We have enough scientists in one administrator to solve it.

If we just reflect for a moment, if we put them all in one administrator, the fossil fuel crowd and the atomic energy crowd will squeeze out all of the exciting and intellectually gifted scientists who want to work in this other field. They will not be given a fair share of the pie either administratively or financially unless they have their own administrator.

I know that this is a nontraditional approach. It is asking the Members to do what we usually do not do. We do not know how to break up organizations; the administration tells us. They say: "Whatever we send up there, that is what you should vote on."

Now is the time to reject that concept, that tired, old theory. If we want to make this Nation great in the seventies, we should reject that theory.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from California.

Mr. HOSMER. I thank the gentleman.

Despite the gentleman's statement that there is not much support for solar research, according to the criterion for spending money wisely that was put out by Dr. Ray in her $10 billion study, it does state that both solar and geothermal energy have high public support but low probability for anything except a long-range payout.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from California.

Mr. HOSMER. I want to add that despite the fact that solar energy and geothermal energy have high public support in a scientific assessment of how we spend money on research and development wisely, these two particular pets that we are talking about now carry the lowest priorities of any of the endeavors listed for energy research and development. They do so, Mr. Chairman, simply because they are assessed and are the farthest way in terms of leadtime to success. They are, indeed, advanced systems, and they should be categorized as such and treated as such, because the advanced systems are the ones that get the largest proportion of public money in relation to private money.

Mr. HOLIFIELD. The gentleman is right, and what we are dealing with here is an attempt to make two additional divisions in the box to add to the five that we have there, one for solar energy and another for geothermal research.

I know something about geothermal research, and so does the gentleman from California (Mr. HOSMER). He had the bill in on that. We have geothermal production in steam in California. We have been working for years on it out there, both in northern California and in the Yampa Valley, and we have never yet been able to solve the problem of taking the corrosion qualities out of the steam that comes up. We get low-pressure steam from the bottom, and it corrodes the turbines. It is not efficient, and it does not work. It makes a few kilowatts and, therefore, this is relegated to the bottom of the totem pole.

What we are interested in now is the immediate present when we have a real energy crunch on in this country, and we want to put the money where the action is. We had better get action quickly, or this country is going to be in bad shape.

Mr. Chairman, I ask for a "no" vote on the amendment.

Mr. FRASER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, let me just acknowledge first the very fine work that the committee has done, the hard work of the chairman of the committee. In offering and supporting amendments, I do not want in any way to underrate the enormous usefulness of this measure. What we are trying to do here, I think, is make the measure more responsive to the energy crises we have.

The gentleman from California says that the solar energy concept is an advanced system and that it does not rate much support. The Honeywell Corp. in my area has a research contract with the University of Minnesota.

One of the Honeywell officials made the statement that "our enthusiasm for heating and cooling applications"—and he was referring here to solar energy—"is reflected in the belief that commercialization can be accomplished within the current decade." Those who are involved in this do believe it can be moved along, and the emphasis that this amendment will give to it is fully justified in view of the enormous energy problem we will face for some years to come.

The reason we find ourselves in our present predicament is that we did not make the necessary commitment years ago to provide us with alternate sources of energy for the time when we would begin to run out of oil. Although development of possible substitutes for fossil fuels will take years and cannot ease the current shortage, we must not delay getting this effort underway.

It is important that we do not hobble this effort at the start with a research and development framework that will impede development of two highly promising, clean sources of energy—geothermal and solar. To lump these two technologies together with all advanced energy systems would not accord each the attention it merits. This House should make certain that these two sources of energy are given every encouragement.

SOLAR ENERGY

Solar heating has been known in this country since the 1920's. Yet it is still, for all practical purposes, unavailable to us in the present crisis. Two million new housing units are constructed in this country each year. The impact of solar heating on our energy use could be enormous. With sufficient encouragement, solar cooling could also prove feasible in the very near future.

Central station power generation is further down the road; yet this too could be commercially practicable by 1985.

GEOTHERMAL ENERGY

The immediate potential for wide-range development of geothermal energy is with us. In a report for the University of Alaska in 1972, former Secretary of the Interior Walter Hickel expressed confidence that the United States could produce at least 135,000 megawatts in 1985 from its geothermal resources and almost 400,000 megawatts by the year 2000.

Fossil fuels and nuclear fuels, in this bill, have each been placed under an independent assistant administrator. Both geothermal and solar energy warrant the attention of a separate office under the Energy Research and Development Administration we are creating here. Submerging the administration of these research efforts with all advanced systems research in one office could hinder their development and unnecessarily delay the achievement of our goal of independence in energy resources.

I urge Members to adopt this amendment.

Mr. UDALL. Will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I do not know how many administrators we need in this agency and I have an open mind on the amendment, but one of the things that concerns me is putting all our eggs in the nuclear basket. I am a little afraid these people in ERDA are going to have a nuclear bias and what just happened illustrates this. It reminds me of the remark in the debate earlier today, of a friend of mine who said that we ought to get into the research on the erotic uses of energy, and I think he meant to say "exotic." We talk as though solar and geothermal are exotic things decades away.

This year, 30 miles from Mexican-American border I stood in a plant producing electrical energy from geothermal steam. It was built by the Japanese for the Mexican Government. Some think of Mexico as a backward country. Yet here is a functioning electric plant producing about half the electricity they need in this part of Baja California. Here is the Mexican Government and the Japanese 10 or 15 years ahead of us in geothermal energy. Yet the structure of this new organization is going to be in the hands of people who think the geothermal and solar applications are the exotic things we are not ready for.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Florida.

Mr. FUQUA. In the Science and Astronautics Committee this morning it seemed there was still a great deal going on as far as energy research. They reported out a bill for a demonstration project in solar heating and cooling. The National Science Foundation can still do work in solar and geothermal energy, and I hope it stays that way and that we will not put all our eggs in one basket.

Mr. FRASER. We are leaving some basic research in the National Science Foundation, but the R. & D. will come under this new agency. We are lumping all of this into one catchall category without giving the new energy sources the emphasis I think we ought to give them within the administrative structure established by this bill.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I join my colleagues in supporting this amendment. I have the same concern as the gentleman from Arizona (Mr. UDALL) expressed a moment ago. The emphasis under this plan as designed will pretty much put this vital area of R. & D. into the hands of an agency that is pretty well oriented only one way.

Someone asked awhile ago about what other agencies could contribute. I think the Space and NASA and other agencies have a great contribution to make. I certainly think we ought to defer this whole issue until we resolve the question whether or not this country is going to establish a trust fund to solve the energy problem. I think this whole issue is premature until we get to the funding issue because that will spell out what we ought to do much more clearly.

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Chairman, I described the process of nuclear weaponry being used for stimulation of gas fields, as scientific erotica. I should like to suggest if I may, to my friends on the Atomic Energy Joint Committee that we avoid the charge that we are nuclear top-heavy by allowing and accepting this amendment. It would do much to help heal all irritations and bring us together on the question, so I speak in support of the amendment.

Mr. GUDE. Mr. Chairman, I rise in support of the amendment.

It has been pointed out that the fruits of this research into the 21st century sources of energy are a long way down the road; but there is no need to shortchange the energy crunch, that is going to come when our fossil fuel, coal, runs out in 20 or 30 years. Let us look at what is going to happen when these fossil fuels run out. I think we should get these new advanced forms of energy moving with everything we can muster in this legislation, so I urge adoption of this amendment.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

I just want to correct the record here. I think it is misleading to say solar energy is a giant beyond reach and only to be achieved in the next century. In Japan today over 1 million homes are being heated by solar energy and even more people are using it to heat their hot water supply.

Pilot projects have been built by people at the University of Arizona for solar powerplants using existing technology, not something up in space circling around, but right here on the ground.

I think the emphasis on solar energy that is stressed in this amendment is an absolute must and I support the amendment.

Ms. ABZUG. Mr. Chairman, we are dealing with a very intelligent amendment and I support it. We must recognize that fossil and nuclear fuels are rapidly being depleted.

The reason I think this amendment is sound is because it recognizes the need for an emphasis upon renewable energy sources, which by the way have the added benefit of being environmentally acceptable.

I think an emphasis on the development of solar and geothermal energy, provide the only real hope for long-range energy solutions. We cannot assure this unless we establish an administrative assistant who will concentrate in these areas.

It has been stated that the popular use of these forms of energy is a long way off. That argues for the amendment to develop solar and geothermal energy uses much more quickly than the projections that we have at present. We can only do this if we have this kind of administrative separation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ROSENTHAL).

The amendment was rejected.

AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL: Page 33, lines 11–15, strike subsection (3) and insert in lieu thereof a new subsection (3) as follows:

(3) conducting an aggressive and fully funded program of energy research and development, including demonstration projects, in unconventional energy sources and technologies including but not limited to solar energy, geothermal energy, magnetohydrodynamics, fuel cells, low head hydroelectric power, use of agricultural products for energy, tidal power and thermal gradient power, wind power, automated mining methods, in situ conversion of fuels, cryogenic transmission of electric power, electric energy storage methods, alternatives to the internal combustion engine, solvent refined coal, shale oil, coal gasification and liquefaction, utilization of waste products for fuel, hydrogen gas systems, advanced power cycles including gas turbines, and stack gas cleanup;

POINT OF ORDER

Mr. HOSMER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOSMER. Mr. Chairman, I make a point of order against the amendment on the ground it is not germane, and seeks to invade the province of another committee, to wit, the Committee on Appropriations and an authorizing committee, in that it requires that such programs as are listed be fully funded, and full funding is the province of another committee, or partial funding or no funding.

The CHAIRMAN. Does the gentleman from Arizona desire to comment on the point of order?

Mr. UDALL. Mr. Chairman, I think it is clearly germane.

The CHAIRMAN. The Chair will rule the amendment goes to the sources of energy and to the types of research and development that are in the bill and delineates further sources and programs. In view of the broad scope of the legislation, the amendment is germane.

The Chair, therefore, overrules the point of order.

Mr. UDALL. Mr. Chairman, this divided country, I think, is unanimous on at least one point; that is, we simply have to get on immediately with the business of a large-range energy development program. We are all for whatever it is called, Project Independence, or whatever title that may be suggested. But the members of the committee should not delude themselves that the legislation before us today is going to make us independent in terms of energy sources.

Not one new program is authorized. Not one new laboratory is authorized for research and development. This bill, as the chairman of the committee has suggested, is simply an attempt at efficiency by reshuffling of existing agencies and existing programs into something new called ERDA. Perhaps we ought to go this route, and I do not know whether I am going to vote against this bill or not, but we should not kid ourselves here tonight that we are solving the energy crisis or producing one new kilowatt of power or one new barrel of oil.

All we are talking about is organization. All this amendment does is to try to meet the argument of nuclear bias. The whole thrust of the bill before us tonight is that we are going to take the Atomic Energy Commission and turn it into an energy research and development agency. It will bring under the umbrella of the Atomic Energy Commission, with its very large staff and budget, some agencies from Interior and other departments now dealing with the subject.

The basic fear we have all had, or many of us have had, at any rate, is that we are going to put solar and geothermal and coal gasification and all these other programs in the hands of an agency, in the hands of administrators who have spent their lives, their careers—and these are fine and dedicated people—working on nuclear energy.

We made a long range mistake when we put most of our eggs for the 1970's and 1980's in the nuclear basket.

The sad fact is that this year, 1973, as we near the end of the third decade of the nuclear age, nuclear electric energy is providing about 1 percent of the Nation's power requirements, the same percentage of energy that firewood provides for the American people this year.

There are some reasons for this. We have had some necessary delays in nuclear power, but it simply demonstrates the fallacy of trying to load down this research and development agency on a nuclear basis. If we are really serious, if ERDA—formerly the Atomic Energy Commission—is really going to look at all the exotic and new energy sources, if it is really going to give a fair shake to solar and geothermal energy, let us say so, because on page 33, in the middle of the page, all it says is—

> Undertaking research and development in the extraction, conversion, storage, transmission, and utilization phases related to the development and use of energy from fossil, nuclear, solar, geothermal, and other energy sources.

There are about four lines, and that is all they tell us.

An administrator can say, "Well, under this general mandate, we are not really interested in solar; we do not think it is serious until the next century. We are not really interested in MHD."

This spells out every one of the conventional and unconventional techniques and says to the administrator, "Take a look at each of them, go into them deeply; spend some money and time on them."

If the committee which produced this bill really maintains that we are going to have an unbiased research and development agency and look at all the techniques, then let us say so. Some of us want to vote for this bill. I would like to strengthen it. I would hope the ranking minority member and the chairman of the committee could see fit to accept this amendment.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. UDALL. Mr. Chairman, I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I hope the gentleman recognizes that in striking out subsection (3) of section 103 and substituting his language, he absolutely and totally eliminates any responsibility of the administrator for nuclear research. These things that the gentleman has listed may be fine, but if at the same time the administrator is denied the authority to conduct nuclear research, which is another important function, certainly we will have not only an unbalanced national energy program, but we will have a totally self-defeating national energy program and the gentleman will be responsible for it if his amendment carries.

Mr. UDALL. Mr. Chairman, I am for nuclear. I have high hopes for nuclear, but I think we ought to have research in other fields.

Mr. HOSMER. That is the problem, he has left it out entirely.

Mr. UDALL. Nuclear is all through the bill, on every page.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I certainly respect the views of the gentleman from Arizona, but here, in a sense, we are quibbling over language.

The bill, I think, is much broader; that is, the provisions in paragraph (3), on page 33, are a much broader mandate to the ERDA Agency than that which the gentleman from Arizona provides in his amendment. For example, this is what we say in the bill:

> . . . undertaking research and development in the extraction, conversion, storage, transmission, and utilization phases related to the development and use of energy from fossil, nuclear, solar, geothermal, and other energy sources;

And in the report, on page 10, we try to emphasize that by saying as follows:

> The scope of possible energy sources and utilization techniques that ERDA may explore will be virtually unbounded. It will include, but not be limited to, solar, tidal, wind, hydrogen, geothermal (using natural steam, hot dry rock, water injection and other techniques), and nuclear fusion. It will cover new directions as yet unvisualized. The vigorous pursuit of all promising energy sources and technologies will be a major ERDA mission under this bill.

I submit, Mr. Chairman, that the language of the bill is very broad and the language of the gentleman from Arizona, with all due respect to what his position is, is much more limited.

Mr. Chairman, I think we should vote down the amendment.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I am going to vote for the bill, because I believe we need an Energy Research Agency. But if the gentleman is willing to mention these things in the report and if the gentleman is willing to list all of these exotic sources of energy in the report, why does he not say so in the bill?

That is all I am asking. I am asking that we square the language of the bill with the language of the report which the gentleman has read from.

Mr. HORTON. Mr. Chairman, we cannot put the entire report in the bill.

What I am saying is that the bill does not need it. It has been brought out by the colloquy, and we have indicated in the report exactly what we mean, and we are indicating that all the things which the gentleman is talking about will be covered.

The bill itself provides a much broader mandate to ERDA than what the gentleman's language is in his amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, the gentleman has pointed out the provision in paragraph (3) on page 33 of the bill. I would also like to point out the provisions in paragraph (2) on that same page, on page 33, which reads as follows:

> encouraging and conducting research and development to demonstrate the commercial feasibility and practical applications of energy sources and utilization technologies;

Mr. Chairman, the gentleman has pointed out that everything the gentleman from Arizona has covered in his amendment is covered in the language of paragraph (2) and paragraph (3) on page 33 of the bill.

I would like to put to rest just for 1 minute the assertion that this is a nuclear-oriented research and development organization. We have deliberately put on the same level fossil fuel and all these other things, as far as the organizational structure is concerned.

We cannot authorize in this bill and we cannot fully fund, we cannot partially fund, we cannot fund at all any of these exotic sources of energy. Some of them are exotic, such as the wind.

We have had windmills in this country ever since it started.

As far as tidal power is concerned, I have voted for every tidal power legislation that came before us, including the Passamaquoddy operation up in Maine. As far as fuel cells are concerned, we are financing fuel cell research and development in the Atomic Energy Commission.

As far as magnetohydrodynamics is concerned, where have they gotten their money in the past? They have gotten it out of the Atomic Energy Commission, and it came out of the committee that authorized it.

These are the things that have been supported in the past.

Where has the gentleman's committee been in all these years on all these exotic energy sources? Where has the gentleman been?

Why is it that coal has not had an adequate amount of support as it should have had, the support that we are now going to try to give it? We are giving it an organizational status, the same as nuclear energy, and if the gentleman's Committee on Interior and Insular Affairs will fund it and will authorize it, it will be there.

If the committee does not authorize it, who else can?

That is his statutory responsibility, and he has not fulfilled it, and his committee has not fulfilled it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. UDALL).

The amendment was rejected.

AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL: Page 34, lines 9 through 10, strike subsection (8) and insert in lieu thereof a new subsection (8) as follows:

(8) encouraging and conducting research and development in energy conservation, which shall be directed toward the goals of reducing total energy consumption to the maximum extent practicable, and toward maximum possible improvement in the efficiency of energy use. Development of new and improved conservation measures shall be conducted with the goal of the most expeditious possible application of these measures.

Mr. UDALL. Mr. Chairman, the scenario is pretty well written here on this bill.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. UDALL. Yes; of course.

Mr. HOLIFIELD. As I understand it, the gentleman is just trying to use more words to do the same thing we do in section 8. I see nothing wrong in the purpose of this amendment and, as far as I am concerned, I will accept the amendment.

Mr. UDALL. I thank the chairman for that statement.

Mr. HOSMER. Will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. HOSMER. I should add that if the amendment is going to be accepted, for the purposes of the RECORD I would like to state that all it does is add a lot of redundant adjectives to what the section already says and it should be interpreted as doing absolutely nothing further or different than that.

Mr. UDALL. This is an attempt to meet the fears and concerns—and I congratulate the chairman on his flexibility on this—that were expressed by the gentleman from New York (Mr. ROSENTHAL).

For the next few years conservation is going to save us. We have to have conservation of energy. I voted for the amendment for a special assistant administrator; I think we ought to have one. What this amendment does is strengthen the emphasis on energy conservation.

Mr. HOLIFIELD. Will the gentleman yield?

Mr. UDALL. Yes; I yield to the chairman.

Mr. HOLIFIELD. The amendment offered by the gentleman does nothing but add additional verbiage to the very concise language we have in section 8. But if it makes the gentleman from Arizona feel better, I am willing to accept it. However, I do not know about the other side.

Mr. UDALL. I believe in quitting when I am ahead, but it does a lot more than merely make this Member feel good.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL: Page 30, line 21, strike the word "five" and substitute in lieu thereof the word "six".

Page 30, line 25, strike the word "and".

Page 30, line 25, insert between "security" and the period, the following provision: "and another for technology assessment".

Page 34, line 11, insert a new subsection (9) to read as follows:

"(9) through the Assistant Administrator for Technology Assessment, analyzing and evaluating the immediate and long-range direct and indirect social, environmental and economic effects of existing and proposed research and development programs."

Mr. UDALL. Mr. Chairman, I have some doubts about whether we really need special assistant administrators for solar and geothermal energy on the same level as the administrators for nuclear and fossil fuels. I do think we need one other additional administrator, and that is an administrator for technology assessment.

With so many of these new developments in our scientific age we have found we did not look down the road far enough and did not assess the impact of a new invention on society and did not look far enough ahead to see what it was going to do with the total situation and how it would interact with other things.

For example, we simply went down the road with the automobile without looking into this new technology and assessing what it would do to our land, our cities and our lives.

So we are starting down a new, uncharted path here and are trying out all kinds of new energy sources. The amendment says that in addition to the other assistant administrators we will have one assistant administrator for technology assessment, who will be charged with the mission of analyzing and evaluating the long-range direct and indirect impacts and the immediate impacts of the road we are following.

This amendment has very strong support in the scientific community. A number of Members have expressed interest in it. I am offering it on behalf of myself and those Members. I hope the committee will see fit to accept it.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, may I say that I rather disagree with the statement of the gentleman claiming that this has wide support in the scientific community.

What the gentleman wants to do is to set up an assessment of research and development. But, research and development is in and of itself a beginning, it is a time of experimentation, of feeling a way, and it always comes in an ambiguous and amorphous form that cannot be technically assessed and analyzed with any accuracy, it can only be evaluated in a very, very wide and uncertain manner. This kind of an office would simply be a redundancy, and an attempt to do the impossible at a time too early for the forwarding of the purposes that the gentleman from Arizona seeks to accomplish.

Mr. UDALL. The gentleman from California was with me in our committee yesterday when we heard Mr. David Freeman, who had been on the White House sicentific staff, and he has been quite a student of these kinds of program. And the one piece of advice he left with us was to take 1 or 2 percent of our energy research and development budget and have somebody in-house to conduct an ongoing technological assessment.

Mr. HOSMER. If the gentleman will yield further, that might be all right, but not inside this agency that is to be set up here. This is a function that is going to be done anyway or I should say, if at all, by the authorizing and appropriations process.

It has to be done on the outside of the Agency, if it is done or tried to be done at all, to get a feel for whether in general, things are fitting into the Nation's overall need for energy.

Mr. UDALL. I disagree with the gentleman.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield, the gentleman from Arizona is aware that Congress has already set up a congressional agency by the name of Technological Assessment Board, and we gave it $2 million to do exactly what the gentleman from Arizona is talking about. I suggest that we let it do the work in this Technological Assessment Board, and make its recommendations to this Administrator.

Mr. UDALL. I have the honor of serving on the Board of the Office of Technology Assessment, and I hope that that Board will be looking into this. I think we also need this function handled in the Agency itself.

Mr. HOLIFIELD. But when they get around to making some recommendations there is plenty of room in the bill for them to come in and make the recommendation to this Federal Administrator.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. UDALL).

The amendment was rejected.

AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BINGHAM: Amend section 103 on page 34 after line 3 by adding the following new paragraph, and thereafter renumbering subsequent paragraphs accordingly:

"(7) insuring that the responsibilities specified in paragraphs (1) through (6) shall be carried out on a balanced basis, so that no one energy source or utilization technology is given disproportionate priority to the detriment or exclusion of other alternatives;"

Mr. BINGHAM. Mr. Chairman, I am aware that the committee fully intends that the work of ERDA be balanced, and not be disproportionate in any direction. It is so stated in the committee report, and it is entirely clear that that is the intention of the committee. But I think it is valuable to put this idea right into the law.

I think this will reassure people. I think there is going to be some public discussion of the fact that what we are doing here is taking essentially the AEC and giving it larger responsibilities. And people are going to be afraid that this new agency will have a bias towards the development of nuclear energy. I know that is not the intention of the committee. I think that the members of the committee and the chairman have done a fine job on it, and as I say, it is stated in the committee report that they expect these various areas to be fully considered, but I think it is valuable from the point of view of public confidence, if for no other reason, that it be quite clear in the law that this is what the Congress intends.

And if you will look at section 103, in subsections 1 through 6, these are the responsibilities that the Administrator has in the various fields.

Paragraph 3 particularly spells out: extraction, conversion, storage, transmission, and so on, use of energy from fossil, nuclear, solar, geothermal, and energy sources, and so on. These are the various responsibilities that the administrator has in the field of R. & D. What I am suggesting is to add a new paragraph (7) on page 34 which would simply say:

(7) insuring that the responsibilities specified in paragraphs (1) through (6) shall be carried out on a balanced basis, so that no one energy source or utilization technology is given disproportionate priority to the detriment or exclusion of other alternatives;

I am sure that is the committee's intention. It would seem to me that the only objection to the amendment might be that it is unnecessary, but why not put it in the law? If that is what we mean, let us have it right there in the law.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment. We have tried to stress not only during this debate but in the report and in the organizational chart an equal status obtained for each one of these disciplines. The amendment that the gentleman from New York proposes I think would create a problem.

First of all, when he says that they shall be carried out on a balanced basis, I am not sure that I know what that means. Is he talking about equal amounts of appropriations? This is something that will have to come up to the Congress later on. The Congress will have to make that determination at a later date. The question of whether or not certain funds should be authorized or the program should be authorized again would come up in the appropriate committee. That would not be determined here.

I think that this amendment is out of order, and I think it would create confusion. We have tried to demonstrate that we do want a balance insofar as is possible, and the balancing that the gentleman is talking about I think has to come later through the actions of the Congress through its authorizing and appropriating committees.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. HOSMER. I thank the gentleman for yielding.

I ask this question for the purpose of inserting in the RECORD here, where there is either the existing language or the language offered by the gentleman from New York regarding a balanced basis and disproportionate priority, I want to make certain that that kind of language either in the report or in the bill itself does not prevent adequate emphasis on a particular line of R. & D. at a time when that line appears particularly productive, and the added effort in it would promise to bring forth at an early date an accomplishment that would actually provide energy for which the R. & D. is being carried on.

Mr. HORTON. The gentleman is making the very point I make. The language of the bill provides that this determination can be made later by the Congress. The determination will be made on the floor today if this amendment is adopted.

Therefore, I feel that the amendment ought not to be adopted.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman.

Obviously the word "balanced" is not intended to be equal. We use the word "balance" in all kinds of references to mean that we want appropriate attention to the various fields, and let it be like the word "motherhood," if we may. I do not understand why the gentleman objects to putting into the bill the same sentiments that are expressed in the committee report.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have studied this language carefully, and it leaves much to be desired from the standpoint of being specific. It uses phrases such as "balanced basis" and "disproportionate priority to the detriment or exclusion of other alternatives." These are all matters of subjective judgment as to what is priority.

In the report we say as follows:

The development of fossil fuels, for example, will get the same degree of leadership, drive, and direction that will be bestowed on continuing efforts to advance nuclear technology.

Let us stop right there and look at that. We are doing all we can do in the report, unless we want to fund the same amount of money for each energy area in this bill and, of course, we cannot do that. This is a reorganization bill. "At the same time solar, geothermal, and other energy sources and advanced energy systems will be investigated with the required intensity and motivation. Your committee does not expect, of course, that all energy programs will be equally funded."

Would there be any Member of this House who would get up and say today that solar energy should have as much research and development as coal? Maybe it should. But would there be anyone who would take that position? We can not equally fund these things. They have to be looked at and investigated and the reports made to the respective committees of the Congress. They have to go through the budget process and all the other processes of legislation.

We cannot use language in the bill which might be all right in a speech, or even in a report, but I think the wording of the report is judicious. We say:

The budget requests should be based on the best available information and judgment as to the relative merits and possibilities for gaining usable energy within given time frames and within economically and environmentally acceptable bounds.

We know that we can make energy, but some way may cost us 50 times as much as it would cost in another way. We can make energy that is not as acceptable environmentally as other energy. So there is a balance of judgment that has to be made, and on the basis of investigation and study we must determine the funding of these different programs. There will come a time when a committee of the Congress, a committee that is interested in solar energy, will come up with a suggestion of so many millions of dollars for solar energy, and then the Congress will work its will on that. But we cannot write general and imprecise language in the legislation, as the gentleman from New York seeks to do.

The gentleman now speaking believes that the paragraph he has just read on page 8 of the report on the administrative organization of ERDA is very precise and very clear and covers in detail what the gentleman seeks to accomplish, and therefore the amendment offered by the gentleman from New York should be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM).

The amendment was rejected.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 31, after line 5, insert the following and renumber succeeding sections accordingly:

"(d) The Administrator, the Deputy Administrator, and the Assistant Administra-

> tors shall be appointed with due regard to their fitness to perform the duties vested in each such office by this Act. Each such person shall be a citizen of the United States. No such person shall hold office in, have any pecuniary interest in, or own any stock in or bonds of any enterprise which engages in the production or development of, or research in any energy source which is subject to the provisions of this Act, nor shall any such person engage in any other business, vocation, or employment."

Mr. SEIBERLING. Mr. Chairman, this is a very simple amendment and I hope a noncontroversial one. The bill does not contain any standard for the selection of the Administrator and the Deputy Administrator and the assistant administrators. This amendment would merely require that certain basic standards be observed.

Most importantly, it requires that the Administrator and his Deputy and assistants divest themselves of financial interest in any enterprise which engages in the production, development, or research in any energy source subject to the act.

We have had a great many revelations in recent months about conflicts of interest and people appointed to various boards having divided interests. It does seem to me that if we are going to reorganize our whole energy research program in this country we ought to start out by making it absolutely clear that the people in charge of this project are devoted entirely to the public interest and do not have any conflicting interest in connection with the research fields over which they have authority.

That is the purpose and I believe the sole effect of this amendment and I hope it can be accepted by the Committee.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment. I think much of what the gentleman is offering here is covered in the report and in the conflict of interest statutes involved.

I do want to make a point in opposition to the amendment. Part of the amendment the gentleman offers states that each person shall be a citizen of the United States. Such a restriction would have excluded Wernher von Braun from the space program. I do not think we ought to lay down that type of restriction.

For this and other reasons, I believe we should oppose the amendment.

Mr. SEIBERLING. Mr. Chairman, if the gentleman wishes, he may offer an amendment striking that section of my amendment.

Mr. HORTON. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I understand there are already provisions in the law generally relative to conflicts of interest that have application to these appointments, as well as appointments generally to the executive branch. I am not really all that familiar with it, but in our discussions in the committee today we had some reference to, I think, title XVIII, sections 201 and 298, that set down standards relative to conflicts of interest, allowing judgments to be made and, of course, all of these appointments must be confirmed by the Senate where these matters of conflicts of interest are gone into and a judgment is made by the other body as to whether there is such a conflict of interest that would disqualify the person from holding the office.

It seems to me we are setting up a double second standard for these particular offices. If that is true, I think that that really would not be a very good idea at this point.

Mr. HORTON. Mr. Chairman, I think the gentleman is absolutely correct.

Mr. SEIBERLING. Mr. Chairman, would the gentleman yield? The gentleman is correct that there are existing statutes, section 208 of title 18 for one. But they allow exceptions where the individual concerned certifies as to his interest in particular matters and it is deemed insubstantial, or where he certifies he will not participate in deciding a particular matter on which he has a conflict. Unfortunately, this does not solve the problem. We have a perfect example right now in the controversy that is going on over the Assistant Secretary of Defense, Mr. Clements, who says he is not passing on certain matters in which he has a conflict of interest, and yet the allegation has been made, that he is doing so.

So why not nail it down in this statute, that we will start on a basis that there will be no exceptions.

I might just add a point to the gentleman from New York that Dr. Wernher von Braun is a citizen of the United States. He is simply not a native-born citizen.

Mr. HORTON. Mr. Chairman, I think this language is inarticulate and might override statutes basic to this bill. I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The amendment was rejected.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is clear this bill is going to be passed this evening. I want to call attention of the committee to the fact that by tomorrow we will have in the other body the passage of this bill with one kind of research and development act. We have also in the House the bill the Senate passed week before last by a vote of 82 to 0, which is an entirely different energy and research development bill. That bill, S. 2183, is before the House Committee on Interior and Insular Affairs. Sooner or later the Congress will have to work out the conflict. We are all trying to find the best solution for the Nation's most pressing problems.

I had a couple other amendments I was going to offer. I will relieve my colleagues by telling them I will repair. One of them dealt with solar energy, having specific authorization for a solar program. We have in Arizona strong support for electrical power from solar energy. We believe if we put $100 million or so in it and start now, we could have it in a decade or so. The gentleman from Washington (Mr. McCORMACK) in his fine subcommittee has produced a new bill today and we will have it before us shortly, so I will not press this issue.

One final matter I have discussed with the chairman of the Committee on Government Operations. In the reorganization bill, the committees finally decided to leave in ERDA the weapons production functions of the Atomic Energy Commission. Going back to page 1946, for some reasons that were valid and adequate at the time, we wanted civilian control and we put all atomic energy functions in this one civilian agency.

A number of people—I am one of them—think we ought to take these functions out eventually, and the sooner the better, and transfer them into the Defense Department.

Mr. Chairman, I wanted to ask the chairman of the Committee on Government Operations, is it not correct that the bill has a provision for a 1-year study on this question, with the final policy decision reserved until the results of that study were in?

Mr. HOLIFIELD. The gentleman is right. We do not treat the basic question of the military development functions in this bill. We retain them where they are for what we think are good and sufficient reasons. Those good and sufficient reasons are that we have successfully developed weapons, submarine engines, surface ship engines, nuclear engines in an agency which has also developed 1,500 peacetime applications of atomic energy. But, realizing that this was a matter of interest, we say in the bill on page 54, line 17, subsection (b):

> During the first year of operation of the Administration, the Administrator, in collaboration with the Secretary of Defense, shall conduct a thorough review of the desirability and feasibility of transferring to the Department of Defense or other Federal agencies the functions of the Administrator respecting military application and restricted data, and within one year after the Administrator first takes office the Administrator shall make a report to the President, for submission to the Congress, setting forth his comprehensive analysis, the principal alternatives, and the specific recommendations of the Administrator and the Secretary of Defense.

Now, when that comes to the Congress, that will undoubtedly go to the committee of jurisdiction. We cannot in this bill—we cannot nullify existing law which has been long on the statute books and which prescribes, as far as the weapons system is concerned, that the President of the United States decrees how many weapons we should have, what kind of weapons we should have and where they should be located.

Mr. UDALL. Mr. Chairman, I do not want my time to run out, but can the Chairman assure me that when this report comes back, to the extent that he is in charge of the situation, we will have an adequate, fair and open hearing so that the Congress can make a decision on where to permanently place production of nuclear weapons.

Mr. HOLIFIELD. As far as it is within my power, I shall. Of course, asking for the report means that we will seriously consider it and we will look into it.

Mr. UDALL. It raises very basic questions.

Mr. HOLIFIELD. It does, whether we are going to put over in the Department of Defense functions which had heretofore been handled successfully and within budget limits, or whether we should give up the civilian control.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the requisite number of words.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I said that I had an amendment prepared, and I am not going to offer it, on the strength of the study being made and on the strength of the Chairman's assurance that this is going to have a fair, adequate, and open hearing. I recognize that this is a vital policy matter and there are strong feelings on both sides of it, and it is a matter that Congress ought to eventually decide on the basis of adequate investigation.

Mr. HOLIFIELD. Insofar as I am personally able to assure the gentleman, and I do this frankly and honestly, I will certainly do my part to see that there is a fair hearing on this very important question.

Mr. UDALL. Mr. Chairman, for my own part, I hope the final decision would be made to take this weapons function out of what will be essentially a civilian research and development agency. I am willing to await the study.

Mr. HOLIFIELD. It is a scientific problem and it is fraught with matters of security.

It has heretofore been thought desirable to retain it in a limited hand and not throw it out into the public, because of national security questions, and I am sure that all these matters will have to be considered at the time.

Also I participated in 1946 in a very vigorous fight and mobilized the scientists at the universities and people throughout this country to fight for civilian control of atomic energy. I think that civilian control of atomic energy has been wise. I think it has brought us security and I think it has brought to us 1,500 peacetime applications up to date, and I can say to the gentleman that practically 50 percent of the atomic energy budget is now concerned with peacetime research and development and peacetime application.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, the report (No. 93-707, p. 15) states that the matter of continuing the nuclear weapons effort in ERDA will be reviewed in a year to determine if any changes should be made. This is the most rational way to handle this matter.

The professional and technological cross-fertilization between the various scientific disciplines of weapons and nonweapons scientists has made both programs a success; our first reactors were conceived by weapons people; our reactor technology is being adopted by every Nation in the world, even the United Kingdom and France. Techniques developed in weapons programs for fabricating nuclear material, production, reprocessing, et cetera, has also placed us in the forefront concerning these processes in the civilian field. The same feedback has occurred in other fields such as environmental controls, quality controls, in manufacturing and the like.

Also of considerable importance is that between weapons and nonweapons nuclear research there occurs common usage of research and development equipment and facilities, such as computers, accelerators—for analytical and test work—mass spectographs, machine tools, basic research labs in chemistry, physics, biology, and the like. This avoids massive duplication of effort and investments in rare and expensive scientific equipment.

Only two AEC labs have nuclear weapons work in significant degree, the Los Alamos and Livermore Scientific Laboratories, whose efforts are supplemented by the Sandia Co.'s hardware development facilities operated by the Western Electric Co.

These labs have the physical facilities to isolate the classified aspects of the work in such a way that access and work in the civilian sector are not interfered with. For example, the LASL lab conducts many research efforts in nonclassified fields with the participation of foreign nations. Of course, U.S. nationals engage in many peaceful areas of research; for example, reactor design, accelerators, biology, medicine, fusion, geothermal, lasers, coal gasification using reactors.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for yielding.

I wish to congratulate the chairman of the committee, not only for his remarks but for the leadership he has provided over the years and his work in providing for a continual separation between civilian and military control of nuclear weapons.

I want to say that I agree with him. I could not agree with him more, and I wish to offer him the highest compliment and the highest words of praise on this point.

Mr. Chairman, I do want to make one point for the record, and that is this: There is a third option available, in addition to the two which the gentleman has suggested. Rather than putting nuclear weapons under ERDA, on the one hand, or the Department of Defense and under the military on the other, I suggest, that nuclear weapons R. & D. may be placed in the Nuclear Energy Commission as proposd in this bill. Thus weapons control would still be under civilian authority.

I make this point at this time, Mr. Chairman, so that it is not foreclosed in further debate, because I think that further consideration of this matter must also include that possibility.

Mr. HOLIFIELD. Mr. Chairman, of course this would be a very controversial section to put in a regulatory agency, the nuclear energy section.

This will be a nuclear section, including the safety and organizational aspects, and before we consider putting this into a regulatory agency, we will have to debate the advisability of that. It is a possibility, and there are many other possibilities. We will debate that issue at some appropriate time in the future.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, this new plan which is evolving this afternoon is in many respects like to the prototype of a new airplane; it has to be tried and tested.

I was wondering what opportunity there will be to have further discussion to help clear up some of the problems we have raised this afternoon that concern us. Will there be an opportunity as time goes on, during the first year of this new agency?

The first year of this new agency, as I understand it, will terminate on June 30, 1975. Is there a provision to check somewhere along the line to see how it is working out?

The CHAIRMAN. The time of the gentleman from California (Mr. HOLIFIELD) has expired.

(By unanimous consent, Mr. HOLIFIELD was allowed to proceed for 2 additional minutes.)

Mr. HOLIFIELD. Mr. Chairman, the answer to the gentleman's question is "Yes."

On page 54 of the reporting section, we have a long line there of two paragraphs, (a) and (b), which calls upon the Administrator to make reports "to the President for submission to the Congress on the activities of the administration during the preceding fiscal year. Such report shall include a statement of the short-range and long-range goals, priorities, and plans of the administration together with an assessment of the progress made toward the attainment of those objectives and toward the more effective and efficient management of the administration and the coordination of its functions."

We go on then into the part that I read before.

Mr. VANIK. So there will be an opportunity to fine-tune it after the year is out?

Mr. HOLIFIELD. The gentleman is correct.

Mr. ROSENTHAL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from Arizona in the colloquy with the distinguished chairman of the committee, has raised a very deep and profound and basic issue, the question of the nuclear weapons function of the Atomic Energy Commission as transferred to the ERDA Administration.

I want to remind our colleagues that earlier today the following colloquy took place between the gentleman from New York (Mr. HORTON) and myself:

I said as follows:

> I would like to inquire of the gentleman from New York. (Mr. HORTON), whether it is not the purpose of this provision, that is, section 306(b) on page 54, whether it is not the purpose of this provision that there be

> a thorough independent and objective evaluation of the various arguments on both sides of this issue, and that it is not the intention of this legislation to prejudge in any way the merits of the argument on either side of the issue.

Mr. HORTON'S response was:

> The gentleman is correct.

The legislative history of this afternoon and evening, as I understand it, is that the House of Representatives by including section 306(b), which was offered, if I recall correctly, as a compromise between the gentleman from New York (Mr. HORTON), the chairman, and myself, meant—and we all agreed to it in the offering of it—that the administrator would take a fair, unbiased, and objective view of all the concerns that were articulated and expressed by the gentleman from Arizona (Mr. UDALL), and the concerns which many of us share.

By the passage of this legislation and the inclusion of section 306(b) in the bill, no one is to draw any inferences or make any prejudgments on this issue.

When this report comes back to the Congress, the gentleman from California assures the gentleman from Arizona, then we will hold open hearings on this issue.

Mr. HORTON. Will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman.

Mr. HORTON. I want to say again that what the gentleman from New York has just said is absolutely correct. That is the understanding.

Mr. HOLIFIELD. As far as I am concerned, I will concur with the statement of the gentleman from New York (Mr. HORTON). We did discuss it and came to an agreement and made what we thought was a reasonable compromise at this time in view of the mission we had to perform legislatively. We did set that up particularly to get the advantage of the administrator's performing his duties and making his studies which would then be brought back to the Congress. I suppose it will then be referred to our committee. If it is not, however, under our broad jurisdiction in our committee, we can have some hearings on it, anyway.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to offer some critical comments with respect to H.R. 11510. The basis for my comments lies in my conviction that this Nation must have a systems approach to an integrated national energy policy. This is an absolutely essential minimum requirement if we really intend to do anything to help solve the energy crisis; and any research and development agency must be built on this principle if it is to accomplish anything that cannot be done just as well with existing agencies.

A systems approach to an integrated national energy policy must include, along with the administration of all energy research, development and demonstration, all assessment and management of all fuels, an understanding of the supply and demand for each type of energy and fuel for each region of the country, and managerial determination of the conservation potential and economic and environmental feasibility of any energy-related proposal. This is basic to any other action we may desire to take with respect to the energy crisis, and it is essential that we establish within the executive branch a single administrative agency with the authority to implement such an energy policy.

In this crisis situation we face, it is not acceptable to have any energy research and development administration working in some areas of energy R. & D. if other Federal agencies are independently doing the same thing, unless, of course, these efforts are actively coordinated through some single administrator to whom all report.

It does not serve the best interests of our society to attempt to direct any research and development separately from the assessment and management of our fuels. A systems approach would demand that the two be integrated within a single authority. For instance, a research, development, and demonstration program for coal gasification and liquefaction should be related as much as is possible to accurate information concerning available resources of petroleum and natural gas, including the amount available at various prices, the dates available, and the logistics involved. It must also be coordinated with programs that determine with certainty how much coal can be made available at any given point in time in any region of the country. The sulfur content, the noncombustible content, and the coking characteristics of the coal must be known along with the availability of process water and the environmental impact of developing a specific process which would depend upon coal from a specific area.

It does not serve this Nation's best interest to undertake a nuclear development program, including various types of breeder reactors and burners using different types of fuel, without a thorough understanding of our uranium and thorium reserves, their location, the cost of extracting and refining them, as well as the cost and leadtime required to provide adequate enrichment. This is an area wherein the AEC, with oversight from the Joint Committee on Atomic Energy, has done an outstanding job, coordinating research, development, and demonstration with fuels assessment and management. However, this has been limited to nuclear energy. What this Nation needs now is the same integrated management for all energy policy, including research and development.

The same applies to understanding supply and demand. Until we know how much electrical energy and how much fossil fuel will be required in each region of the country, we cannot possibly set out to manage our fuel programs or ultimately to determine policies for research and development.

Nor is this enough. We must understand the conservation potential, and the environmental and economic feasibility of any proposed program for energy conversion, transmission, or consumption. Let me cite an example. A recent study by my staff shows that if this Nation were to develop an economically viable system for the gasification of coal by the mid-1980's, and if we were to undertake to make up with synthetic gas the deficiency that is presently anticipated in our natural gas supply at that time, the anticipated cost for the coal gasification plants alone would amount to approximately $200 billion. This is, of course, a rough figure, but it is a good approximation. It applies only to the gasification plants, ignoring the cost of opening and developing more mines and of transporting coal to the gasification plants. It also completely ignores the availability of process water and the environmental considerations of such an undertaking.

This example can be multiplied many times as one considers such programs as the increase in the number of nuclear reactors, the breeder program, synthetic liquid fuels from coal, solar and geothermal energy development, transmission of electricity, human transportation, desulfurization technology, and the environmental impact of any of these.

The question logically arises: Would the ERDA, as set forth in H.R. 11510, respond to, or fit into the need for a systems approach to an integrated national energy policy?

I respectfully submit that it would respond only in part to the need; and that to make it respond, one must assume that all the major policy decisions concerning energy research would not be made within ERDA at all, but within the new Federal Energy Agency—which, in spite of protestations to the contrary—would—along with the OMB—have to assume this responsibility. So I think it is important to recognize what we are doing here. Fundamentally, we are just shuffling organizational boxes. It does little harm to do this unless we inhale too much of the rhetoric and act as if we actually believe—or tell the folks at home—that we can, with this bill solve the energy crisis any better than we can without the bill. In short, I think the bill should be criticized for what it is not—more than for what it is—for what it would not do more than for what it would.

Mr. Chairman, the second major weakness of H.R. 11510, as I see it, is that nuclear weapons research, development, and demonstration would be transferred from AEC, along with energy research and development, to the ERDA. I believe this to be highly inadvisable, not only because the very large weapons budget would tend to blur the perspective of our energy effort, and not only because of the distorted attention that such a large block in the budget would cause in the mind of management, but also because I believe very strongly that we must, in every way that we can, help the average citizen distinguish between the safe, peaceful, uses of nuclear energy on the one hand, and nuclear weapons on the other.

H.R. 11510 would transfer solar heating and cooling development, and geothermal power development from the National Science Foundation. It would also transfer alternative automobile power systems and emission research from EPA.

While this seems to be a start in the direction of integrating energy R. & D., I fail to perceive the logic in this particular delineation. If some energy R. & D. from NSF is to be included, why not all? Should not other solar related R. & D. be included? What about battery R. & D., and wind energy, and fuel cells? Most important of all is materials research. This is the most important area of all energy research, as our Task Force on Energy pointed out this spring. If some automotive research is to be included, why not that outstanding work being done by NASA? If we include some transportation R. & D. why not all, at least insofar as it is energy related? If solar heating and cooling is included, why not housing design and standards for energy efficiency? These are all important areas of energy research, and I believe that any energy research and development agency must consider them all in an integrated manner.

Finally, Mr. Chairman, I want to emphasize that any energy R. & D. agency must be responsible to Congress, as much as to the administration, for developing and implementing energy policies and R. & D. programs. I have asked myself—could H.R. 11510 be amended to make the ERDA meet the criticism I have offered. My judgment is that we should also consider the concept of an Interagency Energy Council such as was included in S. 1283 by Senator JACKSON, which was passed 82 to 0 by the Senate, and which is now before the Interior committee. This Agency would, as I understand it, be directed by an administrator appointed by the President, and approved by the Senate. The Agency would coordinate the energy research, development and demonstration activities of NASA, NSF, AEC, Department of the Interior, FPC, NBS, and EPA. However, even with such a council, I would include an automatic destruct provision, with a long-range study for the creation of a Cabinet-level agency to determine energy policy and manage all energy programs.

Mr. Chairman, I make these philosophical points at this time simply to establish them for the record, and to get this bill into perspective.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 32, lines 20 through 21, strike out "The responsibilities of the Administrator shall include, but not be limited to—" and insert in lieu thereof "(a) The Administrator shall consider the public interest whenever he exercises his functions and responsibilities under this Act, including, but not limited to—".

Page 34, between lines 10 and 11, insert the following:

"(b) In the exercise and performance of his powers and duties under this section, the Administrator shall consider the following, among other things, as being in the public interest:

(1) The development of a plan for energy research and development that defines the essential energy needs of present and future generations and the probable alternatives for meeting such needs;

(2) The research and development of energy resources to provide adequate, reliable, economical and environmentally acceptable energy systems that support the essential needs of society with minimum loss of scarce resources;

(3) The development of the technology and information base necessary to encourage a wide range of options for future energy policy decisions;

(4) The development of methods for the conservation of energy resources which maximize the efficiency of energy development, transportation, production, conversion and use;

(5) Prevention of adverse environmental, health and safety effects associated with the discovery, production, conversion, transportation and use of energy sources;

(6) Investigation of the capability for energy self-sufficiency for the United States through the development of socially and environmentally acceptable methods of utilizing domestic energy sources;

(7) Priorities for research and development of conventional and unconventional energy systems in which adverse social, economical and environmental impacts are minimized;

(8) Promotion of competition among corporations engaged in the exploration, development and production of energy resources."

Mr. HOLIFIELD. Mr. Chairman, would the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I have been unable to find a copy of the amendment offered by the gentleman from Ohio.

Mr. SEIBERLING. There is a copy at the desk in front there, Mr. Chairman.

Mr. HOLIFIELD. Is the amendment in the CONGRESSIONAL RECORD?

Mr. SEIBERLING. Yes, it is in the CONGRESSIONAL RECORD. It is amendment No. 2.

Mr. HOLIFIELD. In the CONGRESSIONAL RECORD of December 12?

Mr. SEIBERLING. On page 41203.

Mr. HOLIFIELD. I have the amendment.

I thank the gentleman.

Mr. SEIBERLING. Mr. Chairman, I think that the committee report does an excellent job of outlining the basic goals of this proposed new administration, but it is perhaps an indication of the functional approach of the bill that Section 103, while it sets forth in functional terms the responsibilities of the administrator, does not really give any guidelines as to the particular areas that the administrator is to give attention to in terms of fulfilling the public interest. In fact, it does not even say that the administrator is supposed to consider the public interest in discharging his functions under this bill.

My amendment does two basic things: One, it says that in discharging his responsibilities and functions, the administrator shall consider the public interest; and, two, it sets forth certain matters which are to be considered in deciding what is in the public interest.

The Members have heard them read, and I am not going to repeat them, but let me just highlight a few. First of all, it says that in the exercise of the performance of his duties, he shall consider as being in the public interest the development of plan that defines the essential energy needs of present and future generations and the probable alternatives, a plan for research and development that is in the context of our overall needs and capabilities.

It says, among other things, that he shall consider the importance of the prevention of adverse environmental health and safety effects associated with various types of energy research, development, and production. It says—and this is a goal stated by the President himself—that investigation of the capability for energy self-sufficiency is one of the matters he is to consider. Also setting priorities for research and development of energy systems that avoid adverse social, economic, and environmental impacts. Finally, he must be concerned with the promotion of competition among private corporations engaged in the exploration, development, and production of energy. These are elementary matters, and yet if we are going to have a bill that has the proper orientation and convinces the public that we are really setting up an unbiased, objective administration, we ought to set forth such guidelines in the bill. That is the purpose of this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will not take but a few minutes. I do want to point out that we could be here all night if we try to add each Members' language to this bill. The committee worked on this bill very carefully and spent a lot of time, not only the subcommittee, but the full committee, as well as the members of the staff. This language is already covered in the responsibilities section of the bill, and it is covered in the report.

Also the gentleman has indicated there ought to be some sort of statement about what the administrator is going to do. We require specifically in the bill on page 54, which has been read before, that the administrator shall furnish a report to the President for submission to the Congress each year, which will include a statement of his short-range and long-range goals, et cetera.

Mr. Chairman, I am opposed to the amendment. I hope it is defeated.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Kentucky.

Mr. PERKINS. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 11510.

It is wise that the proposed legislation provides for an Assistant Administrator for Fossil Energy Development, and that will receive the same recognition as Nuclear Energy Development.

Coal liquefaction and coal gasification on a commercial scale can become an actual reality within the next 3 or 4 years if we are really serious about this energy problem. It would be my hope that the Congress and the executive branch of the Government are determined to make this country self-sufficient on energy developed within this country, instead of depending upon other countries to meet our energy requirements.

I must say that I am disappointed about the amount of money that has already been appropriated for research in this area, because it is entirely inadequate. We should proceed in the same fashion that we proceeded in the development of such projects as the atomic bomb.

Coal production today is lagging behind the demand, which is at a production rate of 590 million tons annually. We are not even producing the coal necessary to supply the electric utilities that desire to switch from oil to coal. In other words, we are short 10 million tons in fullfilling the demand for coal today, and this is not considering coal for gasification and liquefaction.

Throughout the Appalachian coal fields, we find that in many instances the coal industry is having difficulty in obtaining railway cars to deliver their orders. It has been stated that we only have adequate railway cars to take care of an expanded coal production of 4 percent above our present production.

On the other hand, we know that many of the largest railway car shops in the country have equipment that is idle, and not being utilized at the same time we have unemployment rates as high as 20 percent.

In the district that I am privileged to represent, at Raceland, Greenup County, Ky., we had 2,300 men working in the shop, building railway cars during 1971 and early 1972.

Today, we have very few men working—the number is in the low hundreds if that high—but thankfully the yards will start working on 300 new cars in 1974, and employment will, of course, rise. The figure of 300 more cars, however, is far less than the actual needs of the Nation. We must get the transportation constructed to solve the energy crisis, because without the delivery means we have not solved the problem at all.

I know this legislation is not the appropriate place for an amendment of this type, but somewhere along the line we must create the incentive for the railway companies to get on with this job and conduct several thousand railway cars to alleviate an emergency of the present type. We certainly cannot afford to have idle equipment such as we have at Raceland and Russell, Ky. Several thousand railway cars must be built. Likewise, we have to create the incentive for more deep mining, considering the necessity for coal liquefaction and coal gasification.

It would be my hope that the Government would provide a subsidy—even if we have to stockpile coal—and make loans available on a massive scale to coal miners at a subsidized rate of interest and, if necessary, a subsidized price per ton, to provide the coal necessary for the utilities in the country that have been using oil, and for coal liquefaction and coal gasification.

Mr. Chairman, if we are really serious about having adequate fuel in this country and letting this country become self-sufficient from a fuel standpoint, it is necessary that we make available enough billion dollars in additional money, other than the funds already recommended, for coal liquefaction and coal gasification.

Mr. Chairman, I also hope that some strong attention will be paid to the need for additional technicians, additional mining engineers, additional chemists who know coal, additional training programs for miners, because they will be needed, badly needed, and they are in short supply.

Mr. HOLIFIELD. Mr. Chairman, I oppose the amendment of the gentleman for the ample reasons stated by the gentleman from New York (Mr. HORTON).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The amendment was rejected.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: On page 36, between lines 21 and 22, insert the following new subsection:

"(g) There are hereby transferred to and vested in the Administrator of the Environmental Protection Agency such functions of the Atomic Energy Commission and the officers and components thereof as relate to or are utilized in connection with establishing generally applicable environmental standards for the protection of the general environment from radioactive material. As used herein, the term "radioactive material" includes all material which is subject to the licensing and regulatory functions of the Nuclear Energy Commission. As used herein, the term "standards" means both emission and ambient limits on radiation exposures or levels, or concentrations or quantities of radioactive material, in the general environment outside the boundaries of locations under the control of persons possessing or using radioactive material. In establishing such standards to protect the public health and environment, the Administrator of the Environmental Protection Agency may take into account the cost and the effectiveness of emissions controls and other control systems, and he may set different standards for different classes and sizes of activities and facilities involved."

Mr. SEIBERLING. This is an amendment that has been made necessary by a recent action of the Office of Management and Budget interpreting the existing law with respect to the authority to set radiation standards in the air and water surrounding nuclear plants. In 1970 a reorganization act transferred from the Atomic Energy Commission to the Environmental Protection Agency the authority and responsibility of establishing generally applicable environmental standards for the protection of the general environment from radioactive material.

Recently the Director of OMB made an interpretation in which he ruled that law as giving to EPA only the authority to establish what are called ambient standards, which refer to the general quality of air and water surrounding a particular source of pollutant, and that the authority to set emissions standards, which is the amount of radioactive pollutant that can emanate from a particular source, would be left to AEC. The later authority would undoubtedly end up in the hands of the new nuclear energy agency to be established by this bill.

It seems to me that to leave this authority in the agency that is responsible for licensing nuclear powerplants is to allow a conflict of interest to continue, because the NEC will have as its object promoting nuclear energy whereas the EPA has as its object protecting our health.

Hardly a month passes but what those of us in northeastern Ohio, and I am sure other Congressmen, receive visits from delegations of people who are all upset about the possible siting of an atomic plant in their neighborhood. There is no way we can assure them that the AEC is going to be objective about this situation.

It seems to me one way to give that assurance is to have a separate independent body, whose sole responsibility is protecting our environment, to have this responsibility. And so the purpose of this amendment would be to make it clear that we intend that authority to continue in the Environmental Protection Agency where I believe the Congress thought it was lodging it in 1970.

Someone might argue that this will cause a loss of time in establishing standards. Let me simply say that the EPA has already drawn up such standards and they were about to issue them when this little end run was made on them through the OMB.

Mr. Chairman, I think the regulatory and licensing authority of the NEC must be separated from any environmental standard setting authority.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the distinguished gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, is the gentleman aware that this bill divorces the Commission on Regulation and Licensing from the old Atomic Energy Commission and sets it up in a completely separate independent commission, such as the Federal Power Commission and the Federal Trade Commission, and that they will have charge of those standards.

The standards, by the way, as the gentleman does know, permit from 1 to 2 percent of the Federal allowable standards and they have been that way. There has been no problem in this field. It is working well. Let us leave it where it is at the present time because we have title I which gives us the Energy Research and Development Administration, and title II which will give us the Nuclear Energy Commission, which is what the gentleman has advocated for a long time and we have finally arrived at his goal in setting it up in a separate way. I do not think the gentleman has any worry.

(By unanimous consent, Mr. SEIBERLING was allowed to proceed for 1 additional minute.)

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, we have

service stations in the plan No. 3 reorganization. In the plan No. 3, 1970 estimate, there was a division between EPA and AEC giving EPA broad authority for setting standards for the total amount of radiation in the general atmosphere and giving AEC the responsibility for standards relative to a nuclear control site. This is a logical thing. This is what the plan said.

I believe the gentleman from Ohio may be just quibbling over words.

I urge the defeat of the gentleman's amendment.

Mr. SEIBERLING. Mr. Chairman, the gentleman says this is quibbling. If it were just quibbling why did the AEC run to OMB to get this interpretation made?

I would like to say one further word. I commend the committee and the chairman of the committee for separating the licensing functions of the AEC from the R. & D. functions. I think that was needed. But I also believe that the licensing agency should be separate from the environmental standard setting agency.

Mr. HECHLER of West Virginia. Mr. Chairman, I fail to understand why the committee has recommended that research and development on emission control technology for stationary sources and on alternate automotive power systems should be transferred from EPA to the new ERDA agency. I feel that this research should be kept under the Environmental Protection Agency to insure that EPA can effectively implement the clean air standards and can require the use of particular types of emission control technology based on sound research data.

In the past, EPA's attempts to force compliance of the big automakers with auto emission standards have been hamstrung by the fact that the automakers have controlled much of the technical expertise concerning such devices. This transfer of R. & D. work to ERDA will fragment the clean air effort. Moreover, ERDA is designed with an energy development and production orientation.

The development of emission control technology more properly belongs with an agency whose mission is pollution control. Retaining a "significant technology assessment capability" is simply not enough. The authority of EPA has been eroded considerably by recent emergency energy legislation, and the administration threatens to use the energy crisis to fragment it further. The Congress should not rush in pell-mell against the public interest and fragment authority even further by unnecessary transfer of valuable R. & D. capabilities to ERDA.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The amendment was rejected.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 42, line 2, immediately after "matters," insert "No more than one-third of the total membership of each advisory board shall be composed of representatives of any industries which engage in the production or development of, or research in, energy sources which are subject to the provisions of this Act. For the purposes of this section, any person who has been retained as a consultant or employed by any such industry during the two-year period preceding his appointment to such a board, shall be deemed to be a representative of such industry."

Mr. SEIBERLING. Mr. Chairman, this is a very simple amendment. Again it is an effort to give a thrust to this administration so that it is not captive of any particular industry or any particular segment of our economy. It simply provides that advisory committees shall be composed so that not more than one-third of the total membership will consist of representatives of the industries which engage in the production or development of or research in any energy sources subject to the act.

In other words, the general public and interested groups in the public should also be represented. That is the sole purpose of this amendment.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment. I will not take the 5 minutes.

I would like to point out this would tie the hands of the Administrator. There may be instances in which they want the advisory board to consist of say just coal producers. This is unnecessary. It would be tying the hands of the Administrator.

Mr. OBEY. Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, that is just the point, responding to the gentleman from New York, that we do not want advisory committees advising this organization that are just composed of coal producers. That is one of the troubles with the whole advisory set up. If the public is not to think this is just a big grab bag for the private interests, we should have the public represented. This is the very purpose of the amendment. I am astonished that the gentleman from New York opposes it.

Mr. OBEY. Mr. Chairman, if I can use the remainder of my time, I would like to recall what Will Rogers said during the great depression. He looked around the country and looked at the kids and was disturbed because he said the kids did not leave the politicians to get the country out of the mess they were in. He disagreed with that. He said:

> If ignorance could get us into the mess we are in, it could get us out.

I think Will Rogers' response is being applied today by those people who want to put the industrial producers of the sources of energy in charge of trying to get this country out of our energy crisis.

I do not know how many Members have followed what has been happening with the advisory committees of this city for the last 2 years, but I have. They are fast becoming another branch of Government, an invisible branch of Government. We are in danger of having a multiplicity of advisory committees springing up all over the place. Most of the advice which is being given on the advisory committees—at least a good deal of it—is being given in secret, behind closed doors. I ran a survey in September and checked in the Federal Register. Every advisory committee meeting which was announced there for that week, 47 percent of those committee meetings were held behind closed doors, in toto or in part, in spite of the Freedom of Information Act and in spite of the Advisory Committee Act.

I think that fact makes it all the more important that we pass an amendment along the lines of the amendment offered by the gentleman from Ohio. People have a right to know what kind of policy is being recommended to the Government. I do not know where the arrogance comes from which assumes that the only people in this country who know anything about energy are the people who produce the energy, produce the products in this country. That is just not the fact. There are plenty of engineers, scientists, academics, all around the country who know just as much about energy as the people who serve on corporate boards or in Government offices.

Mr. Chairman, I would submit that we ought to have their advice in Government in full measure, the same as we have the advice of people who stand a chance to make a buck by whatever recommendation they made to the Government.

Mr. Chairman, I would urge the Members to support the amendment. It is a very reasonable amendment, and I would predict that if we do not do something to limit the access of the producers and industrial people to advisory boards, that we are going to have the day come when people are going to say, "Toss them all out because they are nothing but vested interests."

Mr. Chairman, I think they have a role to play, but we are running the danger that they are going to run out of credibility in this country unless we do something about it.

Mr. HOLIFIELD. Mr. Chairman, I regret that I have to oppose this amendment, but on page 41, at line 21, it says:

> (g) The Administrator is authorized to establish advisory boards, in accordance with the provisions of the Federal Advisory Committee Act (Public Law 92-463), to advise with and make recommendations to the Administrator on legislation, policies, administration, research, and other matters.

That act was enacted by the Congress last year to provide specific guidelines, not only as to the operation of advisory committees, but also as to the procedure governing the conduct of committee activities. For example, it requires newspaper publicizing and requires that the public have direct access to committee meetings. The restrictions are carefully spelled out in that act, and if I may say so, in broader and more practical requirements than this amendment would seek to impose.

Therefore, I oppose the amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Mr. Chairman, I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I wonder if the gentleman is aware that some of the advisory committee devices used to get around the Advisory Committee Act are those such as announcing in the Federal Register meetings which are held and open the day after the announcement that they are being held appears; they are being held in the Executive Office Building downtown, where no member of the public can even get in.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, only last week we adopted a bill, the Federal Energy Administration Act, which made very, very widespread changes in the advisory committee law with respect to the antitrust restrictions of the law. So that, when the energy interests want to change the law on advisory committees, they get their way, but when we try to change it so that the public interest is represented, we are met with the argument that we cannot change the law.

Mr. Chairman, I do not think it is true, and I think it is about time we start making these changes.

Mr. HOLIFIELD. Mr. Chairman, I ask the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The question was taken; and on a division (demanded by Mr. SEIBERLING) there were—ayes 19; noes 50.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to title I? If not, the clerk will read.

The clerk read as follows:

TITLE II—NUCLEAR ENERGY COMMISSION

CHANGE IN NAME

SEC. 201. The Atomic Energy Commission is hereby renamed the Nuclear Energy Commission and shall continue to perform the licensing and related regulatory functions of the Chairman and members of the Commission, the general counsel, and other officers and components of the Commission, which functions, officers, components, and personnel are excepted from the transfer to the Administrator by section 104(a) of this Act.

LICENSING AND RELATED REGULATORY FUNCTIONS RESPECTING SELECTED ADMINISTRATION FACILITIES

SEC. 202. Notwithstanding the exclusions provided for in section 110a. or any other provisions of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2140(a)), the Nuclear Energy Commission shall, except as otherwise specifically provided by section 110b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2140(b)), or other law, have licensing and related regulatory authority pursuant to chapters 6, 7, 8, and 10 of the Atomic Energy Act of 1954, as amended, as to the following facilities of the Administration:

(1) demonstration liquid metal fast breeder reactors when operated as part of the power generation facilities of an electric utility system;

(2) other demonstration nuclear reactors when operated as part of the power generation facilities of an electric utility system, except those in existence, under construction or authorized or appropriated for by the Congress on the date this part becomes effective; or

(3) facilities used primarily for the receipt and storage of high-level radioactive wastes resulting from activities licensed under such Act, except those in existence, under construction, or authorized or appropriated for by the Congress, on the date this Act becomes effective.

RESEARCH

SEC. 203. (a) The Nuclear Energy Commission may engage in or contract for research which the Commission deems necessary for the discharge of its licensing and related regulatory functions.

(b) In order to achieve the objectives and carry out the purposes of subsection (a), the Energy Research and Development Administration and every other Federal agency shall—

(1) cooperate with respect to the establishment of priorities for the furnishing of such research services requested by the Nuclear Energy Commission as the Commission deems necessary for the conduct of its functions; and

(2) furnish to the Nuclear Energy Commission, when requested, on a reimbursable basis, through its own facilities or by contract or other arrangement, such research services as the Commission deems necessary for the conduct of its functions.

Mr. HOLIFIELD (during the reading). Mr. Chairman, I ask unanimous consent that title II of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title II of the bill? If not, the Clerk will read title III of the bill.

The Clerk read as follows:

TITLE III—MISCELLANEOUS AND TRANSITIONAL PROVISIONS

TRANSITIONAL PROVISIONS

SEC. 301. (a) Except as otherwise provided in this Act, whenever all of the functions or programs of an agency, or other body, or any component thereof, affected by this Act, have been transferred from that agency, or other body, or any component thereof by title I of this Act, the agency or other body, or component thereof shall lapse. If an agency, or other body, or any component thereof, lapses pursuant to the preceding sentence, each position and office therein which was expressly authorized by law, or the incumbent of which was authorized to receive compensation at the rate prescribed for an office or position at level II, III, IV, or V of the Executive Schedule (5 U.S.C. 5313–5316), shall lapse.

(b) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act, and

(2) which are in effect at the time this Act takes effect.

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(c) The provisions of this Act shall not affect any proceeding pending, at the time this section takes effect, before any department or agency (or component thereof) functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued if this Act had not been enacted.

(d) Except as provided in subsection (f)—

(1) the provisions of this Act shall not affect suits commenced prior to the date this Act takes effect, and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

(e) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter any order which will give effect to the provisions of this section.

(f) If, before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act any function of such department, agency, or officer is transferred to the Administrator, or any other official, then such suit shall be continued as if this Act had not been enacted, with the Administrator, or other official, as the case may be, substituted.

(g) Final orders and actions of any official or component in the performance of functions transferred by this Act shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by the officer, department, agency, or instrumentality in the performance of such functions immediately preceding the effective date of this Act. Any statutory requirements relating to notices, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the performance of those functions by the Administrator, or any officer or component.

(h) With respect to any function transferred by this Act and performed after the effective date of this Act, reference in any other law to any department or agency, or any officer or office, the functions of which are so transferred, shall be deemed to refer to the Administration, the Administrator, or other office or official in which this Act vests such functions.

(i) Nothing contained in this Act shall be construed to limit, curtail, abolish, or terminate any function of the President which he had immediately before the effective date of this Act; or to limit, curtail, abolish, or terminate his authority to perform such function; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegation of functions.

(j) Any reference in this Act to any provision of law shall be deemed to include, as appropriate, references thereto as now or hereafter amended or supplemented.

(k) Except as may be otherwise expressly provided in this Act, all functions expressly conferred by this Act shall be in addition to and not in substitution for functions existing immediately before the effective date of this Act and transferred by this Act.

INCIDENTAL DISPOSITIONS

SEC. 302. The Director of the Office of Management and Budget is authorized to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be made available in connection with functions transferred by this Act, as he may deem necessary or appropriate to accomplish the intent and purpose of this Act.

DEFINITIONS

SEC. 303. As used in this Act—

(1) any reference to "function" or "functions" shall be deemed to include references to duty, obligation, power, authority, responsibility, right, privilege and activity, or the plural thereof, as the case may be; and

(2) any reference to "perform" or "performance", when used in relation to functions, shall be deemed to include the exercise of power, authority, rights, and privileges.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 304. Except as otherwise provided by law, appropriations made under this Act shall be subject to annual authorization.

COMPTROLLER GENERAL AUDIT

SEC. 305. Section 166. "Comptroller General Audit" of the Atomic Energy Act of 1954, as amended, shall be deemed to be applicable, respectively, to the nuclear and nonnuclear activities under title I and to the activities under title II.

REPORTS

SEC. 306. (a) The Administrator shall, as soon as practicable after the end of each fiscal year, make a report to the President for submission to the Congress on the activities of the Administration during the preceding fiscal year. Such report shall include a statement of the short-range and long-range goals, priorities, and plans of the Administration together with an assessment of the progress made toward the attainment of those objectives and toward the more effective and efficient management of the Administration and the coordination of its functions.

(b) During the first year of operation of the Administration, the Administrator, in collaboration with the Secretary of Defense, shall conduct a thorough review of the desirability and feasibility of transferring to the Department of Defense or other Federal agencies the functions of the Administrator respecting military application and restricted data, and within one year after the Administrator first takes office the Administrator shall make a report to the President, for submission to the Congress, setting forth his comprehensive analysis, the principal alternatives, and the specific recommendations of the Administrator and the Secretary of Defense.

INFORMATION TO COMMITTEES

SEC. 307. The Administrator shall keep the appropriate congressional committees fully and currently informed with respect to all of the Administration's activities.

TRANSFER OF FUNDS

SEC. 308. The Administrator, when authorized in an appropriation Act, may, in any fiscal year, transfer funds from one appropriation to another within the Administration: *Provided*, That no appropriation shall be either increased or decreased pursuant to this section by more than 5 per centum of the appropriation for such fiscal year.

CONFORMING AMENDMENTS TO CERTAIN OTHER LAWS

SEC. 309. Subchapter II (relating to Executive Schedule pay rates) of chapter 53 of title 5, United States Code is amended as follows:

(1) Section 5313 is amended by striking out "(8) Chairman, Atomic Energy Commission." and inserting in lieu thereof "(8) Chairman, Nuclear Energy Commission.", and by adding at the end thereof the following:

"(22) Administrator of Energy Research and Development.".

(2) Section 5314 is amended by striking out "(42) Members, Atomic Energy Commission." and inserting in lieu thereof "(42) Members, Nuclear Energy Commission.", and by adding at the end thereof the following:

"60) Deputy Administrator, Energy Research and Development Administration.".

(3) Section 5315 is amended by striking out paragraph (50), and by adding at the end thereof the following:

"(99) Assistant Administrators, Energy Research and Development Administration(5).".

(4) Section 5316 is amended by striking out paragraphs (29), (69), and (102), by striking out "(62) Director of Regulation, Atomic Energy Commission." and inserting in lieu thereof "(62) Executive Director of Operations, Nuclear Energy Commission.", by striking out "(81) General Counsel of the Atomic Energy Commission." and inserting in lieu thereof "(81) General Counsel of the Nuclear Energy Commission.", and by adding at the end thereof the following:

"(133) General Counsel, Energy Research and Development Administration.

"(134) Additional officers, Energy Research and Development Administration (7).".

SEPARABILITY

SEC. 310. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

EFFECTIVE DATE AND INTERIM APPOINTMENT

SEC. 311. (a) The provisions of this act shall take effect one hundred and twenty days after the Administrator first takes office, or on such earlier date as the President may prescribe and publish in the Federal Register; except that any of the officers provided for in title II of this Act may be nominated and appointed, as provided in that title, at any time after the date of enactment of this Act. Funds available to any department or agency (or any official or component thereof), any functions of which are transferred to the Administrator by this Act, may, with the approval of the President, be used to pay the compensation and expenses of any officer appointed pursuant to this subsection until such time as funds for that purpose are otherwise available.

(b) In the event that any officer required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, the President may designate any officer, whose appointment was required to be made by and with the advice and consent of the Senate and who was such an officer immediately prior to the effective date of this Act, to act in such office until the office is filled as provided in this Act. While so acting, such persons shall receive compensation at the rates provided by this Act for the respective offices in which they act.

Mr. HOLIFIELD (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLENBACK: Page 55, line 8, insert a new section 308 to read as follows:

"SEC. 308. (a) The Council on Environmental Quality is authorized and directed to carry out a continuing analysis of the conduct of research and development of energy technologies to evaluate—

"(1) the adequacy of attention to the probable environmental effects of the application of energy technology, and

"(2) the adequacy of attention to environtinued as if this Act had not been enacted, processes.

"(b) The Council on Environmental Quality, in carrying out the provisions of this section, may employ consultants or contractors and may by fund transfer employ the services of other Federal agencies for the conduct of studies and investigations.

"(c) The Council on Environmental Quality shall hold annual public hearings on the conduct of energy research and development and the probable environmental consequences of trends in the application of energy technology, and the transcript of the hearings shall be published and made available to the public.

"(d) The Council on Environmental Quality shall make such reports to the President, the Administrator, and the Congress as it deems appropriate concerning the conduct of energy research and development, and the President as a part of the annual Environmental Policy Report shall set forth the findings of the Council on Environmental Quality concerning the conduct of energy research and development and the probable environmental consequences of trends in the application of energy technology."

Renumber the subsequent sections.

Mr. DELLENBACK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

POINT OF ORDER

Mr. HOSMER. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HOSMER. Mr. Chairman, I make a point of order against the amendment on the ground that it goes beyond the authority of this committee and goes to the authority of other committees.

It seeks to authorize money, and it goes beyond the committee's authority.

I do not have the amendment in front of me, but I was listening to it as the gentleman was reading it. There are a number of things in it relative to the duties of the Council on Environmental Quality, pending the authorization for the funding of the Council on Environmental Quality, the hiring of consultants by the Council on Environmental Quality, as well as others.

It ranges all over the jurisdiction of almost every Member's committee in this Congress besides the one that is handling the bill here, and, therefore, the amendment should be stricken down as nongermane.

Mr. HORTON. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman will be heard on the point of order.

Mr. HORTON. Mr. Chairman, before the Committee on Rules a certain section of the Senate bill S. 1283 was attempted to be offered as an amendment. The Committee on Rules refused to make in order a substitute on the Senate bill S. 1283 or a similar bill with four amendments.

Therefore, I would assume that it is not proper to insert portions of the Senate bill S. 1283 as amendments to this bill.

The CHAIRMAN. Does the gentleman from Oregon (Mr. Dellenback) desire to be heard on the point of order?

Mr. DELLENBACK. I do, Mr. Chairman. I would like to be heard.

As the chairman is aware, the bill which is before us deals expressly with the question of the responsibilities of the Administrator engaging in and supporting environmental and other research related to the development of energy sources and utilization technologies.

I submit to the Chairman that this particular amendment, while it does, of course, on its face deal with the responsibilities of the Council on Environmental Quality, is dealing with this critically important field of environmental research, and it is within the scope of the bill.

This is not submitted as an excerpt from any other bill in the other body or anywhere else. It is submitted to stand on its own feet as an important responsibility.

If we are going to open up the field of environmental research, as this bill does open it up, we should be able to deal with it in this way and insure that that which is done is analyzed, researched, and reported back to the Congress.

The CHAIRMAN (Mr. Rostenkowski). The Chair is prepared to rule.

The Chair feels that the language on page 33 of the bill beginning at line 16, covers this point. It reads:

> (4) engaging in and supporting environmental, biomedical, physical, and safety research related to the development of energy sources and utilization technologies;

The bill thus authorizes the Administrator of ERDA to engage in precisely the type of environmental research which the amendment would confer upon the Council.

The Chair would like to cite from the House Manual, page 445:

> To a proposition to accomplish a certain purpose by one method, an amendment to achieve the same fundamental purpose by another closely related method may be germane. Thus, to a bill proposing to regulate certain activities through the use of a governmental agency, an amendment proposing to regulate such activities by another governmental agency is germane (Dec. 15, 1937, p. 1572–89; June 9, 1941, p. 4905).

The Chair overrules the point of order.

Mr. DELLENBACK. I thank the Chairman.

Mr. Chairman, this amendment would direct the Council of Environmental Quality to carry on a continuing analysis of the conduct of research and development of energy technologies to assure that there is an adequacy of attention to the environmental effects of the processes and technologies developed.

H.R. 11510, as reported out of committee, lists among the responsiblities of the Administrator the engaging in and supporting of environmental research as it relates to the development of energy technologies. These are responsibilities which the Administrator should bear. However, in these important fields it would be highly desirable to have the expert input which the CEQ can provide.

In our rush to overcome the energy shortages which are now occurring we must not put aside environmental considerations. This summer the Alaskan pipeline bill was passed with a provision which overrode the National Environmental Policy Act. Many of us feared then that it was just the start of a trend which might lead to an eventual nullification of all the work that has been done in the past to protect the environment. We must not let that happen .

The shortage of fuel should bring home to us even more the importance of protecting our natural resources from unrestricted use. Not only are our oil, gas and coal reserves limited but so too are our clean air and clean water reserves. We must be sure to take into consideration the environmental effects of energy technologies and processes which we develop.

This amendment would provide the Administrator of Energy Research and Development Administration with this kind of useful information by directing the CEQ to study the environmental ramifications of new energy technologies and to report them to the Administrator as well as to the President and the Congress. A proposal like this is included in the energy research and development bill recently passed by the Senate and is also found in H.R. 11857, which I cosponsored, and which would establish a Federal nonnuclear research and development program.

Part of the reason we are experiencing such fuel shortages today is because of the fragmented and uncoordinated planning that has been done previously. As we make a step toward putting order back into this chaos by establishing ERDA we must not neglect environmental concerns and thereby create chaos in another field. A study such is authorized by my amendment would assure that we take these environmental concerns into consideration.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the last word.

I rise in opposition to the amendment.

This amendment in substance has been lifted from Senate bill 1283, a bill on policies and priorities which passed the Senate on December 7, 1973.

H.R. 11510 is a reorganization bill; it is not a policy and priority bill.

The proper forum for amendments of this nature is before the Committee on Interior and Insular Affairs.

I have no doubt the objective of this amendment is worthy, because we all favor environmental studies, but it refers to the Council on Environmental Quality and purports to authorize duties which they have now under a very broad statute.

Therefore, Mr. Chairman, I urge that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. Dellenback).

The amendment was rejected.

AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Bingham: On page 55 line 4 strike the word "Committees" and in its place add the words "the Congress". On line 5 redesignate section 307 as section 307(a) and at line 8 add the following new paragraph:
>
> "(b) On or before the date the Administrator transmits his estimates or requests for appropriations to the President or Office of Management and Budget, including any requests for increases therein, he shall transmit copies of the same directly to the Senate and House of Representatives. Such estimates and requests shall reflect the sole judgment of the Administrator and shall not be modified in any manner at the direction or request of any other agency of the Government."

Mr. BINGHAM. Mr. Chairman, this amendment would very simply require that the agency at the time it submits its requests to the Office of Management and Budget also send them along to the Congress.

I think in a matter of this importance where we are deeply concerned that sufficient effort and sufficient energy and sufficient funds be expended in trying to solve the energy crisis in this country and in trying to develop new sources of energy the Congress wants to be sure that the agency is fully funded.

We do not want to be short-circuited by the bureaucrats in the OMB. We know they have a job to do, and they are always interested in cutting, and that is their job, and maybe their cuts will be all right. But let the Congress make that determination after they have found out what it was that the new agency was asking for in the first place.

I realize that this is a rather novel concept. It may be said that this is something that should apply to other agencies. I would not quarrel with that. But I think that it is important in an undertaking of this kind that the committees of the Congress that are concerned with the problem should be advised what the requests made by the agency were at the time that those requests were submitted to the OMB.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, does the gentleman from New York feel that the various authorizing and appropriating committees of this Congress are so inadequate and so incompetent and so lacking in resources and capabilities that they are incapable of doing the job that the Constitution imposes upon them in connection with the research and development of the energy resources of this country? I can only conclude from the amendment offered by the gentleman from New York that that is exactly what the gentleman believes.

Mr. BINGHAM. No, not at all. All I am saying is that the committees of this Congress should have before them all the facts, and the facts would include what the requests were from the agency as submitted to the OMB. The Members all know very well that the OMB in the past has had various ways of putting the lid on the agencies so that they are not allowed to tell what the facts are with regard to the requests that they make.

So what I am suggesting is that, not that we are interfering with the functions and the recommendations that the OMB will make to the Congress, the Congress will take those into account, but let us at least know here in the Congress what it was that the agency request of the OMB was in the first place.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is contrary to the Budget and Accounting Act. And as the gentleman from New York has indicated, this is a novel approach. I do not think we ought to start breaking new ground in this area at this time. Therefore, I urge that we defeat the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM).

The amendment was rejected.

AMENDMENT OFFERED BY MR. HOLIFIELD

Mr. HOLIFIELD. Mr. Chairman, I offer a technical amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLIFIELD: On page 57, line 12, change "title II" to "title I".

Mr. HOLIFIELD. Mr. Chairman, I am asking consent to correct a technical error on page 57, line 12, by changing "title II" to "title I." This is purely a technical change, to correct an error in printing, and does not affect the substance of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. HOLIFIELD).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title III? If not, the Clerk will read.

The Clerk read as follows:

TITLE IV—SEX DISCRIMINATION

SEC. 401. No person shall on the ground of sex be excluded from participation in, be denied a license under, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving Federal assistance under any title of this Act. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI or the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee.

Mr. HOLIFIELD (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title IV? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11510) to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions, pursuant to House Resolution 745, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HORTON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 355, noes 25, not voting 52, as follows:

[Roll No. 707]

AYES—355

Abdnor
Abzug
Adams
Addabbo
Andrews, N.C.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dennis
Derwinski
Devine
Dickinson
Diggs
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Mezvinsky
Michel
Milford
Miller
Minish
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schneebeli
Sebelius
Shipley
Shoup
Sikes
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob Calif.
Wilson, Charles H.,
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Zablocki
Zion

NOES—25

Anderson, Calif.
Dellums
Denholm
Dingell
Eckhardt
Flynt
Foley
Gross
Gunter
Hechler, W. Va.
Lehman
McCormack
Melcher
Mink
Moss
Poage
Schroeder
Seiberling
Shuster
Skubitz
Symms
Teague, Tex.
Thompson, N.J.
Udall
Vanik

NOT VOTING—52

Alexander
Anderson, Ill.
Andrews, N. Dak.
Aspin
Bolling
Brooks
Burke, Calif.
Burton
Clancy
Cohen
Conyers
Delaney
Dent
Evins, Tenn.
Flowers
Frelinghuysen
Fulton
Griffiths
Gubser
Hanna
Hansen, Wash.
Harvey
Hébert
Jarman
Jones, Ala.
Keating
Landrum
Mailliard
Martin, Nebr.
Metcalfe
Mills, Ark.
Moakley
Nichols
Pettis
Podell
Railsback
Rarick
Reid
Rooney, N.Y.
Rousselot
Ryan
Scherle
Shriver
Sisk
Stephens
Taylor, Mo.
Van Deerlin
Veysey
Walsh
Wilson, Charles, Tex.
Young, Tex.
Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Charles Wilson of Texas.

Mr. Rooney of New York with Mr. Rarick.

Mrs. Burke of California with Mr. Young of Texas.

Mr. Alexander with Mr. Evins of Tennessee.

Mr. Brooks with Mr. Zwach.

Mr. Dent with Mr. Metcalfe.

Mr. Landrum with Mr. Walsh.

Mrs. Griffiths with Mr. Pettis.

Mr. Ryan with Mr. Taylor of Missouri.

Mr. Hanna with Mr. Railsback.

Mr. Van Deerlin with Mr. Shriver.

Mrs. Hansen of Washington with Mr. Anderson of Illinois.

Mr. Aspin with Mr. Conyers.

Mr. Burton with Mr. Scherle.

Mr. Mills of Arkansas with Mr. Andrews of North Dakota.

Mr. Delaney with Mr. Gubser.

Mr. Jones of Alabama with Mr. Harvey.

Mr. Nichols with Mr. Clancy.

Mr. Podell with Mr. Keating.

Mr. Sisk with Mr. Frelinghuysen.

Mr. Stephens with Mr. Mailliard.

Mr. Moakley with Mr. Cohen.

Mr. Reid with Mr. Rousselot.

Mr. Jarman with Mr. Martin of Nebraska.

Mr. Fulton with Mr. Flowers.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON S. 1983, CONSERVATION, PROTECTION, RESTORATION, AND PROPAGATION OF THREATENED AND ENDANGERED SPECIES OF FISH, WILDLIFE, AND PLANTS

Mrs. SULLIVAN submitted the following conference report and statement on the bill (S. 1983) to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93–740)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1983), to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Endangered Species Act of 1973".

TABLE OF CONTENTS

Sec. 2. Findings, purposes, and policy.
Sec. 3. Definitions.
Sec. 4. Determination of endangered species and threatened species.
Sec. 5. Land acquisition.
Sec. 6. Cooperation with the States.
Sec. 7. Interagency cooperation.
Sec. 8. International cooperation.
Sec. 9. Prohibited acts.
Sec. 10. Exceptions.
Sec. 11. Penalties and enforcement.
Sec. 12. Endangered plants.
Sec. 13. Conforming amendments.
Sec. 14. Repealer.
Sec. 15. Authorization of appropriations.
Sec. 16. Effective date.
Sec. 17. Marine Mammal Protection Act of 1972.

FINDINGS, PURPOSES, AND POLICY

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) various species of fish, wildlife, and plants in the United States have been rendered extinct as a consequence of economic growth and development untempered by adequate concern and conservation;

(2) other species of fish, wildlife, and plants have been so depleted in numbers that they are in danger of or threatened with extinction;

(3) these species of fish, wildlife, and plants are of esthetic, ecological, educational, historical, recreational, and scientific value to the Nation and its people;

(4) the United States has pledged itself as a sovereign state in the international community to conserve to the extent practicable the various species of fish or wildlife and plants facing extinction, pursuant to—

(A) migratory bird treaties with Canada and Mexico;

(B) the Migratory and Endangered Bird Treaty with Japan;

(C) the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere;

(D) the International Convention for the Northwest Atlantic Fisheries;

(E) the International Convention for the High Seas Fisheries of the North Pacific Ocean;

(F) the Convention on International Trade in Endangered Species of Wild Fauna and Flora; and

(G) other international agreements.

(5) encouraging the States and other interested parties, through Federal financial assistance and a system of incentives, to develop and maintain conservation programs which meet national and international standards is a key to meeting the Nation's international commitments and to better safeguarding, for the benefit of all citizens, the Nation's heritage in fish and wildlife.

(b) PURPOSES.—The purposes of this Act are to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved, to provide a program for the conservation of such endangered species and threatened species, and to take such steps as may be appropriate to achieve the purposes of the treaties and conventions set forth in subsection (a) of this section.

(c) POLICY.—It is further declared to be the policy of Congress that all Federal departments and agencies shall seek to conserve endangered species and threatened species and shall utilize their authorities in furtherance of the purposes of this Act.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "commercial activity" means all activities of industry and trade, including, but not limited to, the buying or selling of commodities and activities conducted for the purpose of facilitating such buying and selling.

(2) The terms "conserve", "conserving", and "conservation" mean to use and the use of all methods and procedures which are necessary to bring any endangered species or threatened species to the point at which the measures provided pursuant to this Act are no longer necessary. Such methods and procedures include, but are not limited to, all activities associated with scientific resources management such as research, census, law enforcement, habitat acquisition and maintenance, propagation, live trapping, and transplantation, and, in the extraordinary case where population pressures within a given ecosystem cannot be otherwise relieved, may include regulated taking.

(3) The term "Convention" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed on March 3, 1973, and the appendices thereto.

(4) The term "endangered species" means any species which is in danger of extinction throughout all or a significant portion of its range other than a species of the Class Insecta determined by the Secretary to constitute a pest whose protection under the provisions of this Act would present an overwhelming and overriding risk to man.

(5) The term "fish or wildlife" means any member of the animal kingdom, including without limitation any mammal, fish, bird (including any migratory, nonmigratory, or endangered bird for which protection is also afforded by treaty or other international agreement), amphibian, reptile, molusk, crustacean, arthropod or other invertebrate, and includes any part, product, egg, or offspring thereof, or the dead body or parts thereof.

(6) The term "foreign commerce" includes, among other things, any transaction—

(A) between persons within one foreign country;

(B) between persons in two or more foreign countries;

(C) between a person within the United States and a person in a foreign country; or

(D) between persons within the United States, where the fish and wildlife in question are moving in any country or countries outside the United States.

(7) The term "import" means to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into, any place subject to the jurisdiction of the United States, whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(8) The term "person" means an individual, corporation, partnership, trust, association, or any other private entity, or any officer, employee, agent, department, or instrumentality of the Federal Government, of any State or political subdivision thereof, or of any foreign government.

(9) The term "plant" means any member of the plant kingdom, including seeds, roots and other parts thereof.

(10) The term "Secretary" means, except as otherwise herein provided, the Secretary of the Interior or the Secretary of Commerce as program responsibilities are vested pursuant to the provisions of Reorganization Plan Numbered 4 of 1970; except that with respect to the enforcement of the provisions of this Act and the Convention which pertain to the importation or exportation of terrestrial plants, the term means the Secretary of Agriculture.

(11) The term "species" includes any subspecies of fish or wildlife or plants and any other group of fish or wildlife of the same species or smaller taxa in common spatial arrangement that interbreed when mature.

(12) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands.

(13) The term "State agency" means the State agency, department, board, commission, or other governmental entity which is

responsible for the management and conservation of fish or wildlife resources within a State.

(14) The term "take" means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct.

(15) The term "threatened species" means any species which is likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range.

(16) The term "United States", when used in a geographical context, includes all States.

DETERMINATION OF ENDANGERED SPECIES AND THREATENED SPECIES

Sec. 4. (a) General.—(1) The Secretary shall by regulation determine whether any species is an endangered species or a threatened species because of any of the following factors:

(1) the present or threatened destruction, modification, or curtailment of its habitat or range;

(2) overutilization for commercial, sporting, scientific, or educational purposes;

(3) disease or predation;

(4) the inadequacy of existing regulatory mechanisms; or

(5) other natural or manmade factors affecting its continued existence.

(2) With respect to any species over which program responsibilities have been vested in the Secretary of Commerce pursuant to Reorganization Plan Numbered 4 of 1970—

(A) in any case in which the Secretary of Commerce determines that such species should—

(i) be listed as an endangered species or a threatened species, or

(ii) be changed in status from a threatened species to an endangered species,

he shall so inform the Secretary of the Interior, who shall list such species in accordance with this section;

(B) in any case in which the Secretary of Commerce determines that such species should—

(i) be removed from any list published pursuant to subsection (c) of this section, or

(ii) be changed in status from an endangered species to a threatened species,

he shall recommend such action to the Secretary of the Interior, and the Secretary of the Interior, if he concurs in the recommendation, shall implement such action; and

(C) the Secretary of the Interior may not list or remove from any list any such species, and may not change the status of any such species which are listed, without a prior favorable determination made pursuant to this section by the Secretary of Commerce.

(b) Basis for Determinations.—(1) The Secretary shall make determinations required by subsection (a) of this section on the basis of the best scientific and commercial data available to him and after consultation, as appropriate, with the affected States, interested persons and organizations, other interested Federal agencies, and, in cooperation with the Secretary of State, with the country or countries in which the species concerned is normally found or whose citizens harvest such species on the high seas: except that in any case in which such determinations involve resident species of fish or wildlife, the Secretary of the Interior may not add such species to, or remove such species from, any list published pursuant to subsection (c) of this section, unless the Secretary has first—

(A) published notice in the Federal Register and notified the Governor of each State within which such species is then known to occur that such action is contemplated;

(B) allowed each such State 90 days after notification to submit its comments and recommendations, except to the extent that such period may be shortened by agreement between the Secretary and the Governor or Governors concerned; and

(C) published in the Federal Register a summary of all comments and recommendations received by him which relate to such proposed action.

(2) In determining whether or not any species is an endangered species or a threatened species, the Secretary shall take into consideration those efforts, if any, being made by any nation or any political subdivision of any nation to protect such species, whether by predator control, protection of habitat and food supply, or other conservation practices, within any area under the jurisdiction of any such nation or political subdivision, or on the high seas.

(3) Species which have been designated as requiring protection from unrestricted commerce by any foreign country, or pursuant to any international agreement, shall receive full consideration by the Secretary to determine whether each is an endangered species or a threatened species.

(c) Lists.—(1) The Secretary of the Interior shall publish in the Federal Register, and from time to time he may by regulation revise, a list of all species determined by him or the Secretary of Commerce to be endangered species and a list of all species determined by him or the Secretary of Commerce to be threatened species. Each list shall refer to the species contained therein by scientific and common name or names, if any, and shall specify with respect to each such species over what portion of its range it is endangered or threatened.

(2) The Secretary shall, upon the petition of an interested person under subsection 553(e) of title 5, United States Code, conduct a review of any listed or unlisted species proposed to be removed from or added to either of the lists published pursuant to paragraph (1) of this subsection, but only if he makes and publishes a finding that such person has presented substantial evidence which in his judgment warrants such a review.

(3) Any list in effect on the day before the date of the enactment of this Act of species of fish or wildlife determined by the Secretary of the Interior, pursuant to the Endangered Species Conservation Act of 1969, to be threatened with extinction shall be republished to conform to the classification for endangered species or threatened species, as the case may be, provided for in this Act, but until such republication, any such species so listed shall be deemed an endangered species within the meaning of this Act. The republication of any species pursuant to this paragraph shall not require public hearing or comment under section 553 of title 5, United States Code.

(d) Protective Regulations.—Whenever any species is listed as a threatened species pursuant to subsection (c) of this section, the Secretary shall issue such regulations as he deems necessary and advisable to provide for the conservation of such species. The Secretary may by regulation prohibit with respect to any threatened species any act prohibited under section 9(a) (1), in the case of fish or wildlife, or section 9(a) (2), in the case of plants, with respect to endangered species; except that with respect to the taking of resident species of fish or wildlife, such regulations shall apply in any State which has entered into a cooperative agreement pursuant to section 6(a) of this Act only to the extent that such regulations have also been adopted by such State.

(e) Similarity of Appearance Cases.—The Secretary may, by regulation, and to the extent he deems advisable, treat any species as an endangered species or threatened species even though it is not listed pursuant to section 4 of this Act if he finds that—

(A) such species so closely resembles in appearance, at the point in question, a species which has been listed pursuant to such section that enforcement personnel would have substantial difficulty in attempting to differentiate between the listed and unlisted species;

(B) the effect of this substantial difficulty is an additional threat to an endangered or threatened species; and

(C) such treatment of an unlisted species will substantially facilitate the enforcement and further the policy of this Act.

(f) Regulations.—(1) Except as provided in paragraphs (2) and (3) of this subsection and subsection (b) of this section, the provisions of section 553 of title 5, United States Code (relating to rulemaking procedures), shall apply to any regulation promulgated to carry out the purposes of this Act.

(2) (A) In the case of any regulation proposed by the Secretary to carry out the purposes of this Act—

(i) the Secretary shall publish general notice of the proposed regulation (including the complete text of the regulation) in the Federal Register not less than 60 days before the effective date of the regulation; and

(ii) if any person who feels that he may be adversely affected by the proposed regulation files (within 45 days after the date of publication of general notice) objections thereto and requests a public hearing thereon, the Secretary may grant such request, but shall, if he denies such request, publish his reasons therefor in the Federal Register.

(B) Neither subparagraph (A) of this paragraph nor section 553 of title 5, United States Code, shall apply in the case of any of the following regulations and any such regulation shall, at the discretion of the Secretary, take effect immediately upon publication of the regulation in the Federal Register:

(i) Any regulation appropriate to carry out the purposes of this Act which was originally promulgated to carry out the Endangered Species Conservation Act of 1969.

(ii) Any regulation (including any regulation implementing section 6(g) (2) (B) (ii) of this Act) issued by the Secretary in regard to any emergency posing a significant risk to the well-being of any species of fish or wildlife, but only if (I) at the time of publication of the regulation in the Federal Register the Secretary publishes therein detailed reasons why such regulation is necessary, and (II) in the case such regulation applies to resident species of fish and wildlife, the requirements of subsection (b) (A), (B), and (C) of this section have been complied with. Any regulation promulgated under the authority of this clause (ii) shall cease to have force and effect at the close of the 120-day period following the date of publication unless, during such 120-day period, the rulemaking procedures which would apply to such regulation without regard to this subparagraph are complied with.

(3) The publication in the Federal Register of any proposed or final regulation which is necessary or appropriate to carry out the purposes of this Act shall include a statement by the Secretary of the facts on which such regulation is based and the relationship of such facts to such regulation.

LAND ACQUISITION

Sec. 5. (a) Program.—The Secretary of the Interior shall establish and implement a program to conserve (A) fish or wildlife which are listed as endangered species or threatened species pursuant to section 4 of this Act; or (B) plants which are included in Appendices to the Convention. To carry out such program, he—

(1) shall utilize the land acquisition and other authority under the Fish and Wildlife Act of 1956, as amended, the Fish and Wildlife Coordination Act, as amended, and the Migratory Bird Conservation Act, as appropriate; and

(2) is authorized to acquire by purchase, donation, or otherwise, lands, waters, or interest therein, and such authority shall be

in addition to any other land acquisition authority vested in him.

(b) ACQUISITIONS.—Funds made available pursuant to the Land and Water Conservation Fund Act of 1965, as amended, may be used for the purpose of acquiring lands, waters, or interests therein under subsection (a) of this section.

COOPERATION WITH THE STATES

SEC. 6. (a) GENERAL.—In carrying out the program authorized by this Act, the Secretary shall cooperate to the maximum extent practicable with the States. Such cooperation shall include consultation with the States concerned before acquiring any land or water, or interest therein, for the purpose of conserving any endangered species or threatened species.

(b) MANAGEMENT AGREEMENTS.—The Secretary may enter into agreements with any State for the administration and management of any area established for the conservation of endangered species or threatened species. Any revenues derived from the administration of such areas under these agreements shall be subject to the provisions of section 401 of the Act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s).

(c) COOPERATIVE AGREEMENTS.—In furtherance of the purposes of this Act, the Secretary is authorized to enter into a cooperative agreement in accordance with this section with any State which establishes and maintains an adequate and active program for the conservation of endangered species and threatened species. Within one hundred and twenty days after the Secretary receives a certified copy of such a proposed State program, he shall make a determination whether such program is in accordance with this Act. Unless he determines, pursuant to this subsection, that the State program is not in accordance with this Act, he shall enter into a cooperative agreement with the State for the purpose of assisting in implementation of the State program. In order for a State program to be deemed an adequate and active program for the conservation of endangered species and threatened species, the Secretary must find, and annually thereafter reconfirm such finding, that under the State program—

(1) authority resides in the State agency to conserve resident species of fish or wildlife determined by the State agency or the Secretary to be endangered or threatened;

(2) the State agency has established acceptable conservation programs, consistent with the purposes and policies of this Act, for all resident species of fish or wildlife in the State which are deemed by the Secretary to be endangered or threatened, and has furnished a copy of such plan and program together with all pertinent details, information, and data requested to the Secretary;

(3) the State agency is authorized to conduct investigations to determine the status and requirements for survival of resident species of fish and wildlife;

(4) the State agency is authorized to establish programs, including the acquisition of land or aquatic habitat or interests therein, for the conservation of resident endangered species or threatened species; and

(5) provision is made for public participation in designating resident species of fish or wildlife as endangered or threatened.

(d) ALLOCATION OF FUNDS.—(1) The Secretary is authorized to provide financial assistance to any State, through its respective State agency, which has entered into a cooperative agreement pursuant to subsection (c) of this section to assist in development of programs for the conservation of endangered and threatened species. The Secretary shall make an allocation of appropriated funds to such States based on consideration of—

(A) the international commitments of the United States to protect endangered species or threatened species;

(B) the readiness of a State to proceed with a conservation program consistent with the objectives and purposes of this Act;

(C) the number of endangered species and threatened species within a State;

(D) the potential for restoring endangered species and threatened species within a State; and

(E) the relative urgency to initiate a program to restore and protect an endangered species or threatened species in terms of survival of the species.

So much of any appropriated funds allocated for obligation to any State for any fiscal year as remains unobligated at the close thereof is authorized to be made available to that State until the close of the succeeding fiscal year. Any amount allocated to any State which is unobligated at the end of the period during which it is available for expenditure is authorized to be made available for expenditure by the Secretary in conducting programs under this section.

(2) Such cooperative agreements shall provide for (A) the actions to be taken by the Secretary and the States; (B) the benefits that are expected to be derived in connection with the conservation of endangered or threatened species; (C) the estimated cost of these actions; and (D) the share of such costs to be borne by the Federal Government and by the States; except that—

(i) the Federal share of such program costs shall not exceed 66⅔ per centum of the estimated program costs stated in the agreement; and

(ii) the Federal share may be increased to 75 per centum whenever two or more States having a common interest in one or more endangered or threatened species, the conservation of which may be enhanced by cooperation of such States, enter jointly into an agreement with the Secretary.

The Secretary may, in his discretion, and under such rules and regulations as he may prescribe, advance funds to the State for financing the United States pro rata share agreed upon in the cooperative agreement. For the purposes of this section, the non-Federal share may, in the discretion of the Secretary, be in the form of money or real property, the value of which will be determined by the Secretary, whose decision shall be final.

(e) REVIEW OF STATE PROGRAMS.—Any action taken by the Secretary under this section shall be subject to his periodic review at no greater than annual intervals.

(f) CONFLICTS BETWEEN FEDERAL AND STATE LAWS.—Any State law or regulation which applies with respect to the importation or exportation of, or interstate or foreign commerce in, endangered species or threatened species is void to the extent that it may effectively (1) permit what is prohibited by this Act or by any regulation which implements this Act, or (2) prohibit what is authorized pursuant to an exemption or permit provided for in this Act or in any regulation which implements this Act. This Act shall not otherwise be construed to void any State law or regulation which is intended to conserve migratory, resident, or introduced fish or wildlife, or to permit or prohibit sale of such fish or wildlife. Any State law or regulation respecting the taking of an endangered species or threatened species may be more restrictive than the exemptions or permits provided for in this Act or in any regulation which implements this Act but not less restrictive than the prohibitions so defined.

(g) TRANSITION.—(1) For purposes of this subsection, the term "establishment period" means, with respect to any State, the period beginning on the date of enactment of this Act and ending on whichever of the following dates first occurs: (A) the date of the close of the 120-day period following the adjournment of the first regular session of the legislature of such State which commences after such date of enactment, or (B) the date of the close of the 15-month period following such date of enactment.

(2) The prohibitions set forth in or authorized pursuant to sections 4(d) and 9(a)(1)(B) of this Act shall not apply with respect to the taking of any resident endangered species or threatened species (other than species listed in Appendix I to the convention or otherwise specifically covered by any other treaty or Federal law) within any State—

(A) which is then a party to a cooperative agreement with the Secretary pursuant to section 6(c) of this Act (except to the extent that the taking of any such species is contrary to the law of such State); or

(B) except for any time within the establishment period when—

(i) the Secretary applies such prohibition to such species at the request of the State, or

(ii) the Secretary applies such prohibition after he finds, and publishes his finding, that an emergency exists posing a significant risk to the well-being of such species and that the prohibition must be applied to protect such species. The Secretary's finding and publication may be made without regard to the public hearing or comment provisions of section 553 of title 5, United States Code, or any other provision of this Act; but such prohibition shall expire 90 days after the date of its imposition unless the Secretary further extends such prohibition by publishing notice and a statement of justification of such extension.

(h) REGULATIONS.—The Secretary is authorized to promulgate such regulations as may be appropriate to carry out the provisions of this section relating to financial assistance to States.

(1) APPROPRIATIONS.—For the purposes of this section, there is authorized to be appropriated through the fiscal year ending June 30, 1977, not to exceed $10,000,000.

INTERAGENCY COOPERATION

SEC. 7. The Secretary shall review other programs administered by him and utilize such programs in furtherance of the purposes of this Act. All other Federal departments and agencies shall, in consultation with and with the assistance of the Secretary, utilize their authorities in furtherance of the purposes of this Act by carrying out programs for the conservation of endangered species and threatened species listed pursuant to section 4 of this Act and by taking such action necessary to insure that actions authorized, funded, or carried out by them do not jeopardize the continued existence of such endangered species and threatened species or result in the destruction or modification of habitat of such species which is determined by the Secretary, after consultation as appropriate with the affected States, to be critical.

INTERNATIONAL COOPERATION

SEC. 8. (a) FINANCIAL ASSISTANCE.—As a demonstration of the commitment of the United States to the worldwide protection of endangered species and threatened species, the President may, subject to the provisions of section 1415 of the Supplemental Appropriation Act, 1953 (31 U.S.C. 724), use foreign currencies accruing to the United States Government under the Agricultural Trade Development and Assistance Act of 1954 or any other law to provide to any foreign country (with its consent) assistance in the development and management of programs in that country which the Secretary determines to be necessary or useful for the conservation of any endangered species or threatened species listed by the Secretary pursuant to section 4 of this Act. The President shall provide assistance (which includes, but is not limited to, the acquisition, by lease or otherwise, of lands, waters, or interests therein) to foreign countries under this section under such terms and conditions as he deems appropriate. Whenever foreign currencies are available for the provision of assistance under this section, such currencies shall be used in preference to funds appropriated under the authority of section 15 of this Act.

(b) Encouragement of Foreign Programs.—In order to carry out further the provisions of this Act, the Secretary, through the Secretary of State, shall encourage—

(1) foreign countries to provide for the conservation of fish or wildlife including endangered species and threatened species listed pursuant to section 4 of this Act;

(2) the entering into of bilateral or multilateral agreements with foreign countries to provide for such conservation; and

(3) foreign persons who directly or indirectly take fish or wildlife in foreign countries or on the high seas for importation into the United States for commercial or other purposes to develop and carry out with such assistance as he may provide, conservation practices designed to enhance such fish or wildlife and their habitat.

(c) Personnel.—After consultation with the Secretary of State, the Secretary may—

(1) assign or otherwise make available any officer or employee of his department for the purpose of cooperating with foreign countries and international organizations in developing personnel resources and programs which promote the conservation of fish or wildlife; and

(2) conduct or provide financial assistance for the educational training of foreign personnel, in this country or abroad, in fish, wildlife, or plant management, research and law enforcement and to render professional assistance abroad in such matters.

(d) Investigations.—After consultation with the Secretary of State and the Secretary of the Treasury, as appropriate, the Secretary may conduct or cause to be conducted such law enforcement investigations and research abroad as he deems necessary to carry out the purposes of this Act.

(e) Convention Implementation.—The President is authorized and directed to designate appropriate agencies to act as the Management Authority or Authorities and the Scientific Authority or Authorities pursuant to the Convention. The agencies so designated shall thereafter be authorized to do all things assigned to them under the Convention, including the issuance of permits and certificates. The agency designated by the President to communicate with other parties to the Convention and with the Secretariat shall also be empowered, where appropriate, in consultation with the State Department, to act on behalf of and represent the United States in all regards as required by the Convention. The President shall also designate those agencies which shall act on behalf of and represent the United States in all regards as required by the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere.

PROHIBITED ACTS

Sec. 9. (a) General.—(1) Except as provided in section 6(g)(2) and 10 of this Act, with respect to any endangered species of fish or wildlife listed pursuant to section 4 of this Act it is unlawful for any person subject to the jurisdiction of the United States to—

(A) import any such species into, or export any such species from the United States;

(B) take any such species within the United States or the territorial sea of the United States;

(C) take any such species upon the high seas;

(D) possess, sell, deliver, carry, transport, or ship, by any means whatsoever, any such species taken in violation of subparagraphs (B) and (C);

(E) deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever and in the course of a commercial activity, any such species;

(F) sell or offer for sale in interstate or foreign commerce any such speices; or

(G) violate any regulation pertaining to such species or to any threatened species of fish or wildlife listed pursuant to section 4 of this Act and promulgated by the Secretary pursuant to authority provided by this Act.

(2) Except as provided in sections 6(g)(2) and 10 of this Act, with respect to any endangered species of plants listed pursuant to section 4 of this Act, it is unlawful for any person subject to the jurisdiction of the United States to—

(A) import any such species into, or export any such species from, the United States;

(B) deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever and in the course of a commercial activity, any such species;

(C) sell or offer for sale in interstate or foreign commerce any such species; or

(D) violate any regulation pertaining to such species or to any threatened species of plants listed pursuant to section 4 of this Act and promulgated by the Secretary pursuant to authority provided by this Act.

(b) Species Held in Captivity or Controlled Environment.—The provisions of this section shall not apply to any fish or wildlife held in captivity or in a controlled environment on the effective date of this Act if the purposes of such holding are not contrary to the purposes of this Act; except that this subsection shall not apply in the case of any fish or wildlife held in the course of a commercial activity. With respect to any act prohibited by this section which occurs after a period of 180 days from the effective date of this Act, there shall be a rebuttable presumption that the fish or wildlife involved in such act was not held in captivity or in a controlled environment on such effective date.

(c) Violation of Convention.—(1) It is unlawful for any person subject to the jurisdiction of the United States to engage in any trade in any specimens contrary to the provisions of the Convention, or to possess any specimens traded contrary to the provisions of the Convention, including the definitions of terms in article I thereof.

(2) Any importation into the United States of fish or wildlife shall, if—

(A) such fish or wildlife is not an endangered species listed pursuant to section 4 of this Act but is listed in Appendix II to the Convention.

(B) the taking and exportation of such fish or wildlife is not contrary to the provisions of the Convention and all other applicable requirements of the Convention have been satisfied.

(C) the applicable requirements of subsections (d), (e), and (f) of this section have been satisfied, and

(D) such importation is not made in the course of a commercial activity,

be presumed to be an importation not in violation of any provision of this Act or any regulation issued pursuant to this Act.

(d) Imports and Exports.—(1) It is unlawful for any person to engage in business as an importer or exporter of fish or wildlife (other than shellfish and fishery products which (A) are not listed pursuant to section 4 of this Act as endangered species or threatened species, and (B) are imported for purposes of human or animal consumption or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants without first having obtained permission from the Secretary.

(2) Any person required to obtain permission under paragraph (1) of this subsection shall—

(A) keep such records as will fully and correctly disclose each importation or exportation of fish, wildlife, or plants made by him and the subsequent disposition made by him with respect to such fish, wildlife, or plants;

(B) at all reasonable times upon notice by a duly authorized representative of the Secretary, afford such representative access to his places of business, an opportunity to examine his inventory of imported fish, wildlife, or plants and the records required to be kept under subparagraph (A) of this paragraph, and to copy such records; and

(C) file such reports as the Secretary may require.

(3) The Secretary shall prescribe such regulations as are necessary and appropriate to carry out the purposes of this subsection.

(e) Reports.—It is unlawful for any person importing or exporting fish or wildlife (other than shellfish and fishery products which (1) are not listed pursuant to section 4 of this Act as endangered or threatened species, and (2) are imported for purposes of human or animal consumption or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants to fail to file any declaration or report as the Secretary deems necessary to facilitate enforcement of this Act or to meet the obligations of the Convention.

(f) Designation of Ports.—(1) It is unlawful for any person subject to the jurisdiction of the United States to import into or export from the United States any fish or wildlife other than shellfish and fishery products which (A) are not listed pursuant to section 4 of this Act as endangered species or threatened species, and (B) are imported for purposes of human or animal consumption or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants, except at a port or ports designated by the Secretary of the Interior. For the purpose of facilitating enforcement of this Act and reducing the costs thereof, the Secretary of the Interior, with approval of the Secretary of the Treasury and after notice and opportunity for public hearing, may, by regulation, designate ports and change such designations. The Secretary of the Interior, under such terms and conditions as he may prescribe, may permit the importation or exportation at nondesignated ports in the interest of the health or safety of the fish or wildlife or plants, or for other reasons if, in his discretion, he deems it appropriate and consistent with the purpose of this subsection.

(2) Any port designated by the Secretary of the Interior under the authority of section 4(d) of the Act of December 5, 1969 (16 U.S.C. 666cc–4(d)), shall, if such designation is in effect on the day before the date of the enactment of this Act, be deemed to be a port designated by the Secretary under paragraph (1) of this subsection until such time as the Secretary otherwise provides.

(g) Violations.—It is unlawful for any person subject to the jurisdiction of the United States to attempt to commit, solicit another to commit, or cause to be committed, any offense defined in this section.

EXCEPTIONS

Sec. 10. (a) Permits.—The Secretary may permit, under such terms and conditions as he may prescribe, any act otherwise prohibited by section 9 of this Act for scientific purposes or to enhance the propagation or survival of the affected species.

(b) Hardship Exemptions.—(1) If any person enters into a contract with respect to a species of fish or wildlife or plant before the date of the publication in the Federal Register of notice of consideration of that species as an endangered species and the subsequent listing of that species as an endangered species pursuant to section 4 of this Act will cause undue economic hardship to such person under the contract, the Secretary, in order to minimize such hardship, may exempt such person from the application of section 9(a) of this Act to the extent the Secretary deems appropriate if such person applies to him for such exemption and includes with such application such information as the Secretary may require to prove such hardship; except that (A) no such exemption shall be for a duration of more than one year from the date of publication in the Federal Register of notice of consideration of the species concerned, or shall apply to a quantity of fish or wildlife or plants in excess of that specified by the Secretary; (B) the one-year period for those species of fish or wildlife listed by the Secretary as endangered prior to the effective date of this Act shall expire in accordance with the terms of section 3 of the Act of December 5, 1969 (83 Stat. 275); and (C) no such exemption may be granted for the importation or exportation of a specimen listed in Appendix I of the Convention which is to be used in a commercial activity.

(2) As used in this subsection, the term "undue economic hardship" shall include, but not be limited to:

(A) substantial economic loss resulting from inability caused by this Act to perform contracts with respect to species of fish and wildlife entered into prior to the date of publication in the Federal Register of a notice of consideration of such species as an endangered species;

(B) substantial economic loss to persons who, for the year prior to the notice of consideration of such species as an endangered species, derived a substantial portion of their income from the lawful taking of any listed species, which taking would be made unlawful under this Act; or

(C) curtailment of subsistence taking made unlawful under this Act by persons (i) not reasonably able to secure other sources of subsistence; and (ii) dependent to a substantial extent upon hunting and fishing for subsistence; and (iii) who must engage in such curtailed taking for subsistence purposes.

(3) The Secretary may make further requirements for a showing of undue economic hardship as he deems fit. Exceptions granted under this section may be limited by the Secretary in his discretion as to time, area, or other factor of applicability.

(e) NOTICE AND REVIEW.—The Secretary shall publish notice in the Federal Register of each application for an exemption or permit which is made under this subsection. Each notice shall invite the submission from interested parties, within thirty days after the date of the notice, written data, views, or arguments with respect to the application. Information received by the Secretary as a part of any application shall be available to the public as a matter of public record at every stage of the proceeding.

(d) PERMIT AND EXEMPTION POLICY.—The Secretary may grant exceptions under subsections (a) and (b) of this section only if he finds and publishes his finding in the Federal Register that (1) such exceptions were applied for in good faith, (2) if granted and exercised will not operate to the disadvantage of such endangered species, and (3) will be consistent with the purposes and policy set forth in section 2 of this Act.

(e) ALASKA NATIVES.—(1) Except as provided in paragraph (4) of this subsection the provisions of this Act shall not apply with respect to the taking of any endangered species or threatened species, or the importation of any such species taken pursuant to this section, by—

(A) any Indian, Aleut, or Eskimo who is an Alaskan Native who resides in Alaska; or

(B) any non-native permanent resident of an Alaskan native village;

if such taking is primarily for subsistence purposes. Non-edible by-products of species taken pursuant to this section may be sold in interstate commerce when made into authentic native articles of handicrafts and clothing; except that the provisions of this subsection shall not apply to any non-native resident of an Alaskan native village found by the Secretary to be not primarily dependent upon the taking of fish and wildlife for consumption or for the creation and sale of authentic native articles of handicrafts and clothing.

(2) Any taking under this subsection may not be accomplished in a wasteful manner.

(3) As used in this subsection—

(i) The term "subsistence" includes selling any edible portion of fish or wildlife in native villages and towns in Alaska for native consumption within native villages or towns; and

(ii) The term "authentic native articles of handicrafts and clothing" means items composed wholly or in some significant respect of natural materials, and which are produced, decorated, or fashioned in the exercise of traditional native handicrafts without the use of pantographs, multiple carvers, or other mass copying devices. Traditional native handicrafts include, but are not limited to, weaving, carving, stitching, sewing, lacking, beading, drawing, and painting.

(4) Notwithstanding the provisions of paragraph (1) of this subsection, whenever the Secretary determines that any species of fish or wildlife which is subject to taking under the provisions of this subsection is an endangered species or threatened species, and that such taking materially and negatively affects the threatened or endangered species, he may prescribe regulations upon the taking of such species by any such Indian, Aleut, Eskimo, or non-Native Alaskan resident of an Alaskan native village. Such regulations may be established with reference to species, geographical description of the area included, the season for taking, or any other factors related to the reason for establishing such regulations and consistent with the policy of this Act. Such regulations shall be prescribed after a notice and hearings in the affected judicial districts of Alaska and as otherwise required by section 103 of the Marine Mammal Protection Act of 1972, and shall be removed as soon as the Secretary determines that the need for their impositions has disappeared.

PENALTIES AND ENFORCEMENT

SEC. 11. (a) CIVIL PENALTIES.—(1) Any person who knowingly violates, or who knowingly commits an act in the course of a commercial activity which violates, any provision of this Act, or any provision of any permit or certificate issued hereunder, or of any regulation issued in order to implement subsection (a)(1) (A), (B), (C), (D), (E), or (F), (a)(2) (A), (B), or (C), (c), (d) (other than a regulation relating to recordkeeping or filing of reports), (f) or (g) of section 9 of this Act, may be assessed a civil penalty by the Secretary of not more than $10,000 for each violation. Any person who knowingly violates, or who knowingly commits an act in the course of a commercial activity which violates, any provision of any other regulation issued under this Act may be assessed a civil penalty by the Secretary of not more than $5,000 for each such violation. Any person who otherwise violates any provision of this Act, or any regulation, permit, or certificate issued hereunder, may be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation. No penalty may be assessed under this subsection unless such person is given notice and opportunity for a hearing with respect to such violation. Each violation shall be a separate offense. Any such civil penalty may be remitted or mitigated by the Secretary. Upon any failure to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. The court shall hear such action on the record made before the Secretary and shall sustain his action if it is supported by substantial evidence on the record considered as a whole.

(2) Hearings held during proceedings for the assessment of civil penalties authorized by paragraph (1) of this subsection shall be conducted in accordance with section 554 of title 5, United States Code. The Secretary may issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpena served upon any person pursuant to this paragraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) CRIMINAL VIOLATIONS.—(1) Any person who willfully commits an act which violates any provision of this Act, of any permit or certificate issued hereunder, or of any regulation issued in order to implement subsection (a)(1)(A), (C), (D), (E), or (F); (a)(2)(A), (B), or (C), (c), (d) (other than a regulation relating to recordkeeping or filing of reports, (f), or (g) of section 9 of this Act shall, upon conviction, be fined not more than $20,000 or imprisoned for not more than one year, or both. Any person who willfully commits an act which violates any provision of any other regulation issued under this Act shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than six months, or both.

(2) The head of any Federal agency which has issued a lease, license, permit, or other agreement authorizing the use of Federal lands, including grazing of domestic livestock, to any person who is convicted of a criminal violation of this Act or any regulation, permit, or certificate issued hereunder may immediately modify, suspend, or revoke each lease, license, permit, or other agreement. The Secretary shall also suspend for a period of up to one year, or cancel, any Federal hunting or fishing permits or stamps issued to any person who is convicted of a criminal violation of any provision of this Act or any regulation, permit, or certificate issued hereunder. The United States shall not be liable for the payments of any compensation, reimbursement, or damages in connection with the modification, suspension, or revocation of any leases, licenses, permits, stamps, or other agreements pursuant to this section.

(c) DISTRICT COURT JURISDICTION.—The several district courts of the United States, including the courts enumerated in section 460 of title 28, United States Code, shall have jurisdiction over any actions arising under this Act. For the purpose of this Act, American Samoa shall be included within the judicial district of the District Court of the United States for the District of Hawaii.

(d) REWARDS.—Upon the recommendation of the Secretary, the Secretary of the Treasury is authorized to pay an amount equal to one-half of the civil penalty or fine paid, but not to exceed $2,500, to any person who furnishes information which leads to a finding of civil violation or a conviction of a criminal violation of any provision of this Act or any regulation or permit issued thereunder. Any officer or employee of the United States or of any State or local government who furnishes information or renders service in the performance of his official duties shall not be eligible for payment under this section.

(e) ENFORCEMENT.—(1) The provisions of this Act and any regulations or permits issued pursuant thereto shall be enforced by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, or all such Secretaries. Each such Secretary may utilize by agreement, with or without reimbursement, the personnel, services, and facilities of any other Federal agency, or any State agency for purposes of enforcing this Act.

(2) The judges of the district courts of the United States and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process as may be required for enforcement of this Act and any regulation issued thereunder.

(3) Any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, to enforce this Act may detain for inspection and inspect any package, crate, or other container, including its contents, and all accompanying documents, upon importation or exportation. Such person may execute and serve any arrest warrant, search warrant, or other warrant or civil or criminal process issued by any officer or court of competent jurisdiction for enforcement of this Act. Such person so authorized may search and seize, with or without a warrant, as authorized by law. Any fish, wildlife, property, or item so seized shall be held by any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating pending disposition of civil or criminal proceedings, or the institution of an action in rem for forfeiture of such fish, wildlife, property, or item pursuant to paragraph (4) of this subsection; except that the Secretary may, in lieu of holding such fish, wildlife, property, or item, permit the owner or consignee to post a bond or other surety satisfactory to the Secretary.

(4) (A) All fish or wildlife or plants taken, possessed, sold, purchased, offered for sale or purchase, transported, delivered, received, carried, shipped, exported, or imported contrary to the provisions of this Act, any regulation made pursuant thereto, or any permit or certificate issued hereunder shall be subject to forfeiture to the United States.

(B) All guns, traps, nets, and other equipment, vessels, vehicles, aircraft, and other means of transportation used to aid the taking, possessing, selling, purchasing, offering for sale or purchase, transporting, delivering, receiving, carrying, shipping, exporting, or importing of any fish or wildlife or plants in violation of this Act, any regulation made pursuant thereto, or any permit or certificate issued thereunder shall be subject to forfeiture to the United States upon conviction of a criminal violation pursuant to section 11(b) (1) of this Act.

(5) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeiture, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act; except that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Treasury Department shall, for the purpose of this Act, be exercised or performed by the Secretary or by such persons as he may designate.

(f) REGULATIONS.—The Secretary, the Secretary of the Treasury, and the Secretary of the Department in which the Coast Guard is operating, are authorized to promulgate such regulations as may be appropriate to enforce this Act, and charge reasonable fees for expenses to the Government connected with permits or certificates authorized by this Act including processing applications and reasonable inspections, and with the transfer, board, handling, or storage of fish or wildlife or plants and evidentiary items seized and forfeited under this Act. All such fees collected pursuant to this subsection shall be deposited in the Treasury to the credit of the appropriation which is current and chargeable for the cost of furnishing the services. Appropriated funds may be expended pending reimbursement from parties in interest.

(g) CITIZEN SUITS.—(1) Except as provided in paragraph (2) of this subsection any person may commence a civil suit on his own behalf—

(A) to enjoin any person, including the United States and any other governmental instrumentality or agency (to the extent permitted by the eleventh amendment to the Constitution), who is alleged to be in violation of any provision of this Act or regulation issued under the authority thereof; or

(B) to compel the Secretary to apply, pursuant to section 6(g) (2) (B) (ii) of this Act, the prohibitions set forth in or authorized pursuant to section 4(d) or section 9(a) (1) (B) of this Act with respect to the taking of any resident endangered species or threatened species within any State.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce any such provision or regulation, as the case may be. In any civil suit commenced under subparagraph (B) the district court shall compel the Secretary to apply the prohibition sought if the court finds that the allegation that an emergency exists is supported by substantial evidence.

(2) (A) No action may be commenced under subparagraph (1) (A) of this section—

(i) prior to sixty days after written notice of the violation has been given to the Secretary, and to any alleged violator of any such provision or regulation;

(ii) if the Secretary has commenced action to impose a penalty pursuant to subsection (a) of this section; or

(iii) if the United States has commenced and is diligently prosecuting a criminal action in a court of the United States or a State to redress a violation of any such provision or regulation.

(B) No action may be commenced under subparagraph (1) (B) of this section—

(i) prior to sixty days after written notice has been given to the Secretary setting forth the reasons why an emergency is thought to exist with respect to an endangered species or a threatened species in the State concerned; or

(ii) if the Secretary has commenced and is diligently prosecuting action under section 6(g) (2) (B) (ii) of this Act to determine whether any such emergency exists.

(3) (A) Any suit under this subsection may be brought in the judicial district in which the violation occurs.

(B) In any such suit under this subsection in which the United States is not a party, the Attorney General, at the request of the Secretary, may intervene on behalf of the United States as a matter of right.

(4) The court, in issuing any final order in any suit brought pursuant to paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(5) The injunctive relief provided by this subsection shall not restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or limitation or to seek any other relief (including relief against the Secretary or a State agency.)

(h) COORDINATION WITH OTHER LAWS.—The Secretary of Agriculture and the Secretary shall provide for appropriate coordination of the administration of this Act with the administration of the animal quarantine laws (21 U.S.C. 101–105, 111–135b, and 612–614) and section 306 of the Tariff Act of 1930 (19 U.S.C. 1306). Nothing in this Act or any amendment made by this Act shall be construed as superseding or limiting in any manner the functions of the Secretary of Agriculture under any other law relating to prohibited or restricted importations or possession of animals and other articles and no proceeding or determination under this Act shall preclude any proceeding or be considered determinative of any issue of fact or law in any proceeding under any Act administered by the Secretary of Agriculture. Nothing in this Act shall be construed as superseding or limiting in any manner the functions and responsibilities of the Secretary of the Treasury under the Tariff Act of 1930, including, without limitation, section 527 of that Act (19 U.S.C. 1527), relating to the importation of wildlife taken, killed, possessed, or exported to the United States in violation of the laws or regulations of a foreign country.

ENDANGERED PLANTS

SEC. 12. The Secretary of the Smithsonian Institution, in conjunction with other affected agencies, is authorized and directed to review (1) species of plants which are now or may become endangered or threatened and (2) methods of adequately conserving such species, and to report to Congress, within one year after the date of the enactment of this Act, the results of such review including recommendations for new legislation or the amendment of existing legislation.

CONFORMING AMENDMENTS

SEC. 13. (a) Subsection 4(c) of the Act of October 15, 1966 (80 Stat. 928, 16 U.S.C. 668dd(c)), is further amended by revising the second sentence thereof to read as follows: "With the exception of endangered species and threatened species listed by the Secretary pursuant to section 4 of the Endangered Species Act of 1973 in States wherein a cooperative agreement does not exist pursuant to section 6(c) of that Act, nothing in this Act shall be construed to authorize the Secretary to control or regulate hunting or fishing of resident fish and wildlife on lands not within the system."

(b) Subsection 10(a) of the Migratory Bird Conservation Act (45 Stat. 1224, 16 U.S.C. 715i(a)) and subsection 401(a) of the Act of June 15, 1935 (49 Stat. 383, 16 U.S.C. 715s(a)), are each amended by striking out "threatened with extinction," and inserting in lieu thereof the following: "listed pursuant to section 4 of the Endangered Species Act of 1973 as endangered species or threatened species,".

(c) Section 7(a) (1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601—9(a) (1)) is amended by striking out:

"THREATENED SPECIES.—For any national area which may be authorized for the preservation of species of fish or wildlife that are threatened with extinction."

and inserting in lieu thereof the following:

"ENDANGERED SPECIES AND THREATENED SPECIES.—For lands, waters, or interests therein, the acquisition of which is authorized under section 5(a) of the Endangered Species Act of 1973, needed for the purpose of conserving endangered or threatened species of fish or wildlife or plants."

(d) The first sentence of section 2 of the Act of September 28, 1962, as amended (76 Stat. 653, 16 U.S.C. 460k–1), is amended to read as follows:

"The Secretary is authorized to acquire areas of land, or interests therein, which are suitable for—

"(1) incidental fish and wildlife-oriented recreational development,

"(2) the protection of natural resources,

"(3) the conservation of endangered species or threatened species listed by the Secretary pursuant to section 4 of the Endangered Species Act of 1973, or

"(4) carrying out two or more of the purposes set forth in paragraphs (1) through (3) of this section, and are adjacent to, or within, the said conservation areas, except that the acquisition of any land or interest therein pursuant to this section shall be accomplished only with such funds as may be appropriated therefor by the Congress or donated for such purposes, but such property shall not be acquired with funds obtained from the sale of Federal migratory bird hunting stamps."

(e) The Marine Mammal Protection Act of 1972 (16 U.S.C. 1361–1407) is amended—

(1) by striking out "Endangered Species Conservation Act of 1969" in section 3(1)(B) thereof and inserting in lieu thereof the following: "Endangered Species Act of 1973";

(2) by striking out "pursuant to the Endangered Species Conservation Act of 1969" in section 101(a)(3)(B) thereof and inserting in lieu thereof the following: "or threatened species pursuant to the Endangered Species Act of 1973";

(3) by striking out "endangered under the Endangered Species Conservation Act of 1969" in section 102(b)(3) thereof and inserting in lieu thereof the following: "an endangered species or threatened species pursuant to the Endangered Species Act of 1973"; and

(4) by striking out "of the Interior such revisions of the Endangered Species List, authorized by the Endangered Species Conservation Act of 1969," in section 202(a)(6) thereof and inserting in lieu thereof the following: "such revisions of the endangered species list and threatened species list published pursuant to section 4(c)(1) of the Endangered Species Act of 1973".

(f) Section 2(l) of the Federal Environmental Pesticide Control Act of 1972 (Public Law 92–516) is amended by striking out the words "by the Secretary of the Interior under Public Law 91–135" and inserting in lieu thereof the words "or threatened by the Secretary pursuant to the Endangered Species Act of 1973".

REPEALER

SEC. 14. The Endangered Species Conservation Act of 1969 (sections 1 through 3 of the Act of October 15, 1966, and sections 1 through 6 of the Act of December 5, 1969; 16 U.S.C. 668aa—668cc–6), is repealed.

AUTHORIZATION OF APPROPRIATIONS

SEC. 15. Except as authorized in section 6 of this Act, there are authorized to be appropriated—

(A) not to exceed $4,000,000 for fiscal year 1974, not to exceed $8,000,000 for fiscal year 1975 and not to exceed $10,000,000 for fiscal year 1976, to enable the Department of the Interior to carry out such functions and responsibilities as it may have been given under this Act; and

(B) not to exceed $2,000,000 for fiscal year 1974, $1,500,000 for fiscal year 1975 and not to exceed $2,000,000 for fiscal year 1976, to enable the Department of Commerce to carry out such functions and responsibilities as it may have been given under this Act.

EFFECTIVE DATE

SEC. 16. This Act shall take effect on the date of its enactment.

MARINE MAMMAL PROTECTION ACT OF 1972

SEC. 17. Except as otherwise provided in this Act, no provision of this Act shall take precedence over any more restrictive conflicting provision of the Marine Mammal Protection Act of 1972.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to provide for the conservation of endangered and threatened species of fish, wildlife, and plants, and for other purposes."

And the House agree to the same.

LEONOR K. SULLIVAN,
JOHN D. DINGELL,
GEORGE A. GOODLING,
Managers on the Part of the House.

PHILIP A. HART,
JOHN V. TUNNEY,
TED STEVENS,
FRANK E. MOSS,
MARLOW W. COOK,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1983) to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for technical, clarifying and conforming changes, the following statement explains the resolution of differences between the Senate bill and the House amendment thereto.

PROVISIONS OF THE CONFERENCE SUBSTITUTE

Section 3. Definitions

The Senate bill contained language defining the term 'conservation and management" as these concepts relate to endangered species: the House bill did not. In view of the varying responsibilities assigned to the administering agencies in the bill, the term was redefined to include generally the kinds of activities that might be engaged in to improve the status of endangered and threatened species so that they would no longer require special treatment. The concept of conservation covers the full spectrum of such activities: from total "hands-off" policies involving protection from harassment to a careful and intensive program of control. In extreme circumstances, as where a given species exceeds the carrying capacity of its particular ecosystem and where this pressure can be relieved in no other feasible way, this "conservation" might include authority for carefully controlled taking of surplus members of the species. To state that this possibility exists, however, in no way is intended to suggest that this extreme situation is likely to occur—it is just to say that the authority exists in the unlikely event that it ever becomes needed.

The Senate added an exception allowing an exclusion from the protection provided by the Act where an otherwise endangered or threatened species of insect presented an overwhelming and overriding risk to man; the House had no such exception. The conferees accepted the Senate language with a technical change, acknowledged that the likelihood of this exception ever being used was vanishingly small but being unwilling to tie the Secretary's hands if such an unlikely event were ever to come to pass.

Also added to the section was a new definition of "commercial activity", to delineate the types of activities which would qualify for special treatment under the Act. It includes trades and exchanges of animals or products from those animals wherever those trades or exchanges are undertaken in the pursuit of any gain or profit.

There was considerable discussion in the conference as to the proper assignment of responsibilities between the Departments of Commerce and the Interior with respect to marine species, general authority for the management of which had been transferred to the Department of Commerce under Reorganization Plan No. 4 of 1970. The roles of the Departments had not been specifically set out in either bill, whereas the legislative history of the bills included much language that was ambiguous and some that was contradictory. The conferees resolved the issue by placing general management and regulatory responsibility for such species in the Department of Commerce, in most respects parallel to that which has resided in the Interior Department for other species of fish and wildlife.

The physical act of maintaining the list is in the Department of the Interior. That Department continues to be solely responsible for determining of status of species not assigned to Commerce under the 1970 Reorganization Plan. If Commerce concludes that any species under its authority should be put on the list of endangered or threatened species, or that any such species now listed as threatened should be relisted as endangered, it may take the necessary steps under Section 4 and then inform the Secretary, who will promptly and automatically revise the lists under his control. If Commerce concludes, on the other hand, that species should be taken off the present or any later list or changed in status from endangered to threatened, it must so recommend to Interior, after having taken the necessary procedural steps; Interior may concur, in which case the lists will be revised accordingly, or it may disagree, in which case no action will be taken unless and until the deadlock is subsequently broken.

The Secretary of the Interior will continue to have sole authority to designate ports of entry under Section 9(f) of the bill and to handle the processing of imported and exported goods. It is expected that there will be adequate coordination with the Department of Commerce in order to see that no violations of the law will take place with respect to the species over which Commerce has jurisdiction. The Secretary of the Interior will also continue to have sole responsibility for the responsibilities outlined in Section 5 of the Act, dealing with land acquisition with funds from the Land and Water Conservation Act. In all other respects, the responsibilities and authorities for different species will be controlled by the 1970 Reorganization Plan, except insofar as the agencies may themselves later elect to adjust their responsibilities by mutual agreement. When and if a Department of Natural Resources is ever created, then of course these two lines of authority will merge and this problem will cease to exist. In this regard, the conferees expect that every effort will be made by both agencies, and indeed all agencies of government, to eliminate wasteful duplication of effort and unnecessary dual regulatory programs.

Section 4. Determination of endangered species and threatened species

Prior to determining the status of a given species, both bills require the Secretary to engage in extensive consultations with all affected parties. In addition the Senate bill required consultation with a special Advisory Committee created for that purpose; the House had no such body. The conferees agreed upon language which eliminated the need for such a body, by requiring special notification of the Governor of each state within which the species under consideration is then known to occur, simultaneous with public notification that such a review was in process, and requiring a minimum of 90 days for the state to respond unless that period was shortened.

If a given species were found and taken in two or more states, each state should be consulted; in the case of an emergency the Secretary could, upon the agreement of all, or with respect to any individual state with the consent of the Governor of that state, declare the existence of that emergency and publish appropriate regulations, as provided in the regulations subsection. The comments of the state would have to be published in summary form prior to the time the Secretary made his final determination.

The Senate bill followed in part and differed in part from the otherwise controlling Administrative Procedures Act; the House bill did not discuss the issue and thereby adopted the APA. Some apprehensions were expressed by the enforcement agencies that the variations required from normal practice might make day-to-day operations extremely complicated. While little disagreement was expressed in conference as to the ultimate objectives of the Senate provision of notice of proposed actions, coupled with an opportunity for full public participation, the means which had been proposed was criticized as unnecessarily cumbersome.

The conferees rewrote Section 9 of the Senate bill and included it as subsection 4(f). The new subsection extends the period of public notice, provides for discretionary hearings, and establishes procedures whereby emergency action may be taken for a short period, which period may be extended only if the Secretary later goes through the prescribed regulatory procedures. The subsection also requires the Secretary to state in detail the basis for proposed regulations, and the reason for denial of requested hearings.

Section 5. Land acquisition

Any effective program for the conservation of endangered species demands that there be adequate authority vested in the program managers to acquire habitat which is critical to the survival of those species. Both the House and the Senate bills provided such authority, but the Senate bill restricted that authority to habitat for fish and wildlife alone. The conferees accepted the House version, which extended the authority to acquire plant habitat, but expect that this authority will be used sparingly, in cases where the needs of the situation are clear. This authority is restricted to the Secretary of the Interior alone, but it is anticipated that he will consult with the Secretary of Commerce in cases involving the marine species over which Commerce has sole jurisdiction under Reorganization Plan No. 4.

Section 6. Cooperation with the States

The House placed the fundamental responsibility for establishing and overseeing an endangered species program in the federal government, but provided for the development of cooperative programs upon agreement with the agencies concerned. The Senate provided for cooperative state and federal programs but gave the initial responsibility to the states in section 16 of its bill.

As finally approved, the Act will have the effect of giving the states fundamental roles with regard to resident species for a given period of time (15 months, or 120 days after adjournment of the first legislative session of any state which commences after passage of the Act). The conferees hope that this device will impel the states to develop strong programs to avoid the alternative of federal preemption.

Following the establishment period, during which it is expected that the states will adjust to the new federal program, the law will apply as it would have under the House bill. Where cooperative agreements are in force, these will of course direct and control the enforcement of endangered and threatened species programs. Where none are then in effect, it will be the responsibility of the states to develop workable programs and to secure cooperative agreements with the Secretary.

Both bills provided for a grant program to enable the states to develop systems for conserving endangered and threatened species. The House bill provided open-ended appropriations whereas the Senate bill authorized the sum of $10 million over a 3½ year period; the House authorized a larger federal share of assistance; and the Senate bill restricted unobligated grant authority to other grant programs under the section. The conferees accepted the Senate version in all respects save that relating to the federal percentage of cost-sharing agreements.

During the establishment period, the states retain authority to regulate the taking of resident endangered and threatened species of fish and wildlife (which are not otherwise covered by treaty or federal law). The only exceptions to this are found where the state has entered into and is operating under a valid cooperative agreement, which then controls, or the state has requested the federal government to extend federal protection to one or more species under the Act, or the Secretary finds that an emergency exists requiring immediate and unilateral action to respond. In this last case, the Secretary has discretion to suspend the state laws for 90 days, or longer if extended pursuant to Section 4(f), pending an agreement on how matters are to be handled in the future.

It should be noted that the successful development of an endangered species program will ultimately depend upon a good working arrangement between the federal agencies, which have broad policy perspective and authority, and the state agencies, which have the physical facilities and the personnel to see that state and federal endangered species policies are properly executed. The grant program authorized by this legislation is essential to an adequate program. Since the federal government is directing new, innovative and perhaps expensive programs, it seems only fair that it should also bear a significant portion of their costs. The conferees wish to make it clear that the grant authority must be exercised if the high purposes of this legislation are to be met.

Section 8. International cooperation

Both bills authorized international endangered species programs but the Senate restricted those programs to countries in which counterpart funds are available, while the House stipulated that where such funds were available, they should be used in preference to appropriated funds under Section 15 of the Act. The Senate receded on this issue.

The House allowed foreign assistance programs which related to plants as well as to fish and wildlife; the Senate bill did not extend to plants. The House receded on this issue.

Section 9. Prohibited acts

Both bills prohibit certain actions which relate to endangered or threatened species, or to products or parts from such species. These prohibitions are carried into the conference bill.

While the House bill extended the prohibitions of the Act to actions of persons subject to U.S. jurisdiction wherever they might occur, the Senate bill did not reach quite so far, since it did not make illegal such actions if performed entirely within one or more foreign countries. The House accepted the Senate bill in the absence of a demonstrated need for such extensive coverage.

The Senate bill restricted the prohibitions of the Act so as not to apply them to species held in captivity or in a controlled environment as of the date of enactment; the House bill was silent on the subject and hence included such animals. As drafted, the Senate language may have made it very difficult, and perhaps even impossible, to enforce the action. The real problems envisioned by the Senate had to do with live animals in captivity, such as zoos and privately-owned animal parks, and the conferees agreed that these animals are rarely transferred for commercial purposes.

The conferees rewrote the provision to create an affirmative defense with respect to noncommercial activities, permitting a qualified person to plead in defense to a charge of violation of the Act that the goods or animals themselves were in their hands or under control on the effective date of the Act. Only persons holding such goods and animals for other than commercial purposes would be enabled to plead this subsection as a defense, such as noncommercial zoos, private collectors of animals and the owners of fur coats and rugs. The section would not apply in the case of later born progeny of animals alive at the time of enactment.

The section was also rewritten in part to clarify the situation with respect to endangered or threatened species of plants. Under the terms of the Convention, this country is obligated to control importations and exportations of plants as well as fish or wildlife. Accordingly the prohibitions of the Act relate, with respect to plants, to import and export situations alone, as well as to associated actions. The determination of what further must be done in connection with internal activities relating to endangered or threatened species of plants must await the outcome of the study to be conducted under Section 12 in the coming year.

Section 10. Exceptions

The Senate bill contained extensive language providing exceptions for certain Alaskan native and nonnative residents, to take endangered or threatened species for purposes of subsistence or for native handicrafts. The House bill provided no similar exception.

The conferees rewrote the section and provided an Alaska native and nonnative exception; the House receded on the basis of the language in Section 6 which would allow the State of Alaska to restrict native and nonnative taking as a part of or independent from a state endangered species program. This appears to meet the principal state objection to special language for groups of citizens, since the state may impose additional restrictions upon those or other groups, if it chooses to do so. The definition of natives is considered to be that contained in the recent Alaska Native Land Claims Settlement Act.

Section 11. Penalties and enforcement

The House bill carried a two-tiered civil penalty provision, with a limit of $10,000 for violations of certain specified requirements, and a lesser penalty for violation of other requirements of a regulatory nature. The Senate followed the same general pattern, but varied the requirements somewhat. The conferees developed new language, subjecting knowing or commercial violators to the full $10,000 penalty, where specified offenses were proven, and to a $5,000 penalty to cases where regulatory violations were proven. A third penalty of $1,000 may be assessed against an ignorant violator, such as a casual hunter or tourist, although the conferees expect that this penalty will seldom be invoked, coupled as it would be with automatic forfeiture of the goods concerned, unless special circumstances were shown warranting such action by the Secretary. For a casual tourist who bought an item with no hint of its illegality or impropriety, simple forfeiture should prove to be an ample deterrent.

The House bill provided authority to agents of the Secretary to inspect packages and crates upon importation or exportation; the Senate bill did not. This authority is parallel to that which already is exercised by customs agents and which has even been assessed by Interior agents under existing law. The Department of the Interior claims such authority is a practical requirement if the law is to be enforced and that it will be no more abused in the future than it has in the past.

The conferees accepted the House language but stressed that they were prepared to reexamine that decision in the future if it should appear that the authority was being abused.

Section 12. Endangered plants

While the Act, as finally approved, is broad enough to comply fully with this country's obligations under the recently approved Convention, it was felt that further efforts should be undertaken to ensure adequate controls upon interstate commerce in endangered species of plants, as well. Both bills provided for a study of the problems, with recommendations as to how best to proceed to come from the agency charged with responsibility for the study. The conferees accepted the House version, which assigned this function to the Smithsonian, as an institution with no bias in the eventual outcome of the study.

Section 15. Authorization of Appropriations

Both bills carried authorization authority for a three-year period, ending with fiscal year 1976. The House ceiling was somewhat higher than the Senate ceiling, and divided the authorizations between the two departments principally concerned. The conferees accepted the House ceilings, but assigned $2 million of the authorizations which had originally been earmarked for the Interior Department for fiscal year 1974 to the Commerce Department for the same year.

Section 17. Marine Mammal Protection Act of 1972

The Senate bill contained a section which stated that, wherever a conflict between the Endangered Species Act and the recent Marine Mammal Protection Act might occur, the stricter of the two will prevail. This would allow, for example, state regulation of the taking of marine mammals, once these were declared endangered or threatened, without the state having a fully approved marine mammal program, as it would otherwise be required to do under the Marine Mammal Protection Act. The House accepted the Senate provision.

Kentucky National Forest Road

The Senate bill contained a section added on the Floor by Senator Cook which would have had the effect of prohibiting the construction of a public road through the Pioneer Weapons Hunting Area in the Daniel Boone National Forest. Opponents of the road fear that its construction will do irreparable damage to the area and urge the construction of a more expensive road to go around the Hunting Area. Proponents of the road respond that it will not destroy the character of the area and will be desirable. The House recently adopted an amendment to the Water Resources Development Act which, if enacted, would allow construction of the road after public review of the final NEPA environmental impact statement.

In light of the considerable controversy on the subject, the conferees felt that this issue ought not to be resolved by inclusion of this section in the bill, but that it would be more appropriate for full hearings to be held on the question by the proper Committees of Congress. Accordingly the section was stricken from the bill with the understanding and hope that such hearings might be expeditiously completed.

LEONOR K. SULLIVAN,
JOHN D. DINGELL,
GEORGE A. GOODLING,
Managers on the Part of the House.
PHILIP A. HART,
JOHN V. TUNNEY,
TED STEVENS,
FRANK E. MOSS,
MARLOW W. COOK,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO FILE A CONFERENCE REPORT ON S. 2589, EMERGENCY PETROLEUM ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the Senate bill S. 2589, to provide for the development of contingency plans for reducing petroleum consumption.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

LEGISLATIVE PROGRAM FOR THE REMAINDER OF THE WEEK OF DECEMBER 17, 1973

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I ask for this time in order to inquire of the distinguished majority leader as to the program for tomorrow and also as to the remainder of this week.

Mr. O'NEILL. Mr. Speaker, will the distinguished minority leader yield?

Mr. RHODES. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, if the gentleman has no objection, I would like first to make some unanimous-consent requests.

HOUR OF MEETING ON THURSDAY, DECEMBER 20, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it stands adjourned to meet at 10:30 a.m. tomorrow morning, Thursday, December 20, 1973.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES DURING THE BALANCE OF THE WEEK OF DECEMBER 17, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that for the balance of this week, it be in order for the Speaker to declare recesses at any time, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORTS ON SAME DAY REPORTED DURING THE BALANCE OF THE WEEK OF DECEMBER 17, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that during the remainder of this week it shall be in order to consider conference reports on the same day reported, notwithstanding the provisions of clause 2 of rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'NEILL. Mr. Speaker, I take this opportunity to announce that it is our intention to consider tomorrow under suspension of the rules, H.R. 8449, the flood insurance bill, and concur with the Senate amendment with an amendment.

I am sure that, with the amendment, this will take care of the problems that some of the Members of the Congress have spoken to us about.

I am directing my remarks to the gentleman from Iowa. I think that he is satisfied with it.

Mr. GROSS. Mr. Speaker, will the gentleman from Arizona yield?

Mr. RHODES. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I appreciate very much the announcement that the distinguished majority leader has just made.

However, I would like to ask the gentleman if it is his intention to work to the end that we adjourn sine die tomorrow evening?

Mr. O'NEILL. Mr. Speaker, I am on the time of the minority side, and if I may follow along with the inquiry of the gentleman, I will be delighted with that.

Mr. Speaker, I thank the gentleman.

Mr. Speaker, we have left for the remainder of the session the following items:

I would anticipate that the flood insurance bill will be called tomorrow.

The following legislation is left to be completed, either tomorrow or on early Friday, and I would hope we could complete them tomorrow.

These are all conference reports:

Department of Defense appropriations for fiscal year 1974;

Foreign assistance appropriations for fiscal year 1974;

The National Emergency Energy Act; and the conference, I understand, has just asked for permission to file;

The Northeast Railroad Assistance Act, on which I understand the conference has reported.

Then we will consider House Resolution 11088, emergency security assistance for Israel, which possibly could be back tomorrow.

However, it is my understanding that the Senate is going to accept the House bill, and so there is a great probability this may not have to be acted on.

Then we will consider the Comprehensive Manpower Act, which is also a conference report.

Then we will consider the social security increase bill. They have been meeting in conference, and I really cannot respond as to what is taking place concerning the social security increase.

Mr. Speaker, I would then presume, with these matters out of the way, the final item that would be left for the House to dispose of would be the supplemental appropriations conference report, which was recommitted today.

That is the entire legislative program for the week. We will have a sine die adjournment until the date of our return on January 21.

I would anticipate, if we want to stay with this until late tomorrow evening, we could finish it. That would be subject to a discussion amongst the leadership. Or else we may go into Friday and adjourn then.

However, that is the entire program as I understand it.

Mr. HALEY. Will the gentleman yield?

Mr. RHODES. If I have any time left, I will be glad to yield to the gentleman from Florida.

Mr. HALEY. May I inquire as to what you think of the situation? Can we get away here tomorrow or Friday night or when? A lot of us have commitments.

Mr. O'NEILL. May I say to the distinguished gentleman from Florida I have a 6:55 p.m. plane to Boston tomorrow night which I will probably cancel in the morning and hope that I can make a reservation for Friday. I have every expectation we can be through at a reasonable hour on Friday.

Mr. HALEY. If the gentleman will yield further, as far as I am concerned, I would be glad to stay here tomorrow and I will be glad to stay here until Friday afternoon, but I think we should get away from here and get back to our congressional districts at least sometime after Friday. If the gentleman can assure me we will get out of here at whatever time we can——

Mr. O'NEILL. All I can say to the gentleman from Florida is there is nothing along that line I will do to prevent it. As a matter of fact, I will be in there pushing as hard as I possibly can.

Mr. HALEY. I thank the gentleman very much, and I hope he can get his plane tomorrow afternoon.

Mr. GROSS. Will the gentleman yield?

Mr. RHODES. I will yield if I have any time left.

Mr. GROSS. I only wish to say that I am glad the distinguished majority leader of the other body set October 15 as the adjournment date, because if he had not done that, I am sure we would have been finished in this session about next Easter.

Mr. O'NEILL. In response to the gentleman, I have always said there were two parties in this House—the good fellows and the other fellows—and I want the gentleman to know he and I are still on the same side.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 9142

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have permission to file a conference report on the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northern region; to provide financial assistance to certain rail carriers; and for other purposes, by midnight tonight.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

WITH BLEAK OUTLOOK AHEAD CONGRESS MUST CONSIDER LEGISLATION TO PREVENT RECURRENCE OF THE 1930'S

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, I am very heavy-hearted this afternoon as I rise to share some thoughts with my colleagues on the future of the American economy. I have never considered myself a prophet of doom and gloom, but the situation looks so bleak for the months ahead, that I would be remiss if I did not express my pessimism about where we are headed.

The energy crunch, which we are just beginning to experience with some severity, is the icing on the cake. The ingredients of our economic faltering are far broader and far less apparent. Not the least of these ingredients is a growing malaise in our society, a growing distrust of the instruments and the instrumentalities of our Government. This, in turn, has seriously battered the confidence of the American people; and, of course, shaken confidence, whether justified or not, has its first impact on the economy. Investors will not invest; producers will not produce; distributors will not distribute, and buyers will not buy unless they have confidence in the future of the economy. We have already heard the rumblings of recession. Automobile dealers by the thousands across the Nation are up against the wall. Hundreds of thousands of small businesses cannot get supplies; construction is down; tourism is way off; and the ceiling on prices is so shot through with loopholes that it looks like a giant piece of swiss cheese.

As bleak as this picture looks, however, there is one ray of hope, and that is the indomitable American spirit, that mystical capacity to meet adversity face on and master it. But that spirit has to be mustered and nurtured by America's leaders, most importantly, the President of the United States and the Congress. We have a solemn obligation to the people who sent us to Washington, and to our own consciences, to provide the framework for economic stability. Bearing this burden squarely in mind, I want at this time to offer a few pointed suggestions for this body to consider in the early weeks and months ahead.

Most of the Members of the House can remember with painful clarity the ravages of the great depression. None of us ever wants to witness again the demoralizing and paralytic impact that economic collapse brought in its wake. I propose that the Congress, immediately upon reconvening in January, take up the question of legislation aimed at preventing a recurrence of the 1930s. I propose that we enact legislation patterned after the old Reconstruction Finance Corporation, which will help to carry hundreds of thousands of businesses over the hump in the next year or two. We know how beneficial the original RFC was in putting business back on its feet; but the hard plain fact was the RFC was after the fact. It was curative rather than preventive. The impact of such legislation would, I believe, be twofold. First, it would provide a buffer against what almost surely promises to be a rough year for most businesses, thereby saving millions upon millions of American jobs; and second, it would reassure the American people that their Government had not been, as Franklin Roosevelt said, "frozen in the ice of its own indifference."

The second feature of this package, Mr. Speaker, is an extension and broadening of the Emergency Public Employment Act. Just as surely as we are here today, many business enterprises are going under in the next few months no matter what the Government does. The telegraphic impact this will have into the labor market could prove disastrous unless we act to prevent it. We have used this vehicle satisfactorily in the past and we can do it again. Congress must take the initiative.

Mr. Speaker, I am hopeful that my predictions are more dire than the future really will be. I remain hopeful that we can get over the economic crunch with a minimum of instability. But I feel we have to be ready for the worst. The significant value of this preparatory legislation is that it might never have to be used, but it will be there. Let us face it, America got caught in the great depression; let us not make the same mistake again.

Let us begin now to provide the American people with preventive tools. Let us provide the vehicles whereby the Government can move swiftly and smoothly to avert an economic collapse. And most of all, let us provide a rallying point for the American dream. It is not too late today, but it might be in 6 months.

EQUAL JUSTICE FOR THE RICH AND THE POOR, THE BLACK AND THE WHITE: WHEN?

(Mr. KOCH asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, yesterday in the city of New York 646 individuals were charged as welfare cheats—100 of these individuals were actually arrested and appeared in the criminal court of the city of New York where they were fingerprinted, booked, and later arraigned on felony and misdeameanor charges. They were charged with having fraudulently received welfare payments in the total amount of $250,000. If the charges are proved they should indeed suffer the consequences of having defrauded the government.

There is not a Member of Congress who would not agree with my statement. And there are many Members of Congress who will undoubtedly point to the alleged welfare cheats and talk about government giveaway programs and how we have to crack down on those receiving welfare.

At the same time there are few Members of Congress who are willing to point the same kind of denouncing finger at the wheat farmers who this year have received one-half billion dollars in oversubsidization payments by the Department of Agriculture. Our distinguished colleague, SIDNEY YATES of Chicago, brought this matter to the attention of the House and pointed out that:

> Subsidies were paid last summer on the basis of the then current rate of $2.40 per bushel. Subsequently, at least in part because of massive grain exports, prices soared to $3.99 per bushel, but by then massive preliminary payments had already been made. The Agriculture Department passes it all off as a simple "misjudgment" and has cited a part of the agricultural act which stipulates that farmers do not have to return overpayments to the Government.

How many Members in this House have received letters from elderly constituents who received, without any fraud on their part, a social security overpayment, spent it without knowing that they were not entitled to it, and then were hounded month after month by the Social Security Administration for a return of the moneys? In many cases the money is deducted from the recipient's meager current monthly social security allowance.

Why should wheat farmers not be required to return the overpayments made to them which total one half billion dollars? Are wheat farmers to be treated more advantageously than the elderly citizens of our country who are not able to maintain even minimum living standards on the existing social security payments?

Regrettably we must face the fact that there are different standards of justice in our country and too often the rich and powerful are protected by our laws while the poor and defenseless are harrassed. Until we have one standard of justice affecting the rich and the poor, the white and the black, we have no justice.

END OF SESSION REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Iowa. Mr. Speaker, on December 4 of this year I placed in the RECORD a summary of legislation passed by Congress, as of that time. In order to provide a complete summary, I wish to describe additional measures passed by Congress, or pending for further action.

ENERGY CRISIS

In 1970 a House subcommittee, of which I am chairman, held the first congressional hearings on the energy crisis and warned in a report that immediate action we needed to prevent what would, within a few years, become an energy crisis. Among the recommendations in that report were the following:

> First, that a single Federal agency be designated the responsibility, authority, and jurisdiction to establish a national energy policy directed at the production and efficient use of our country's total energy resources;
>
> Second, that action be taken to increase the production of all energy sources;
>
> Third, that the mandatory oil import quota program be changed to provide a continuing adequate supply of fuel;
>
> Fourth, that the President suspend the operation of the Connally Hot Oil Act under authority contained in 15 U.S.C. 715(d);
>
> Fifth, that the Canadian crude oil and finished petroleum products import quotas be eliminated;
>
> Sixth, the import quota on No. 2 fuel oil be suspended;
>
> Seventh, that import quotas on residual oil be suspended;
>
> Eighth, that the Office of Emergency Preparedness institute procedures to expedite the distribution of oil export quota tickets;
>
> Ninth, that the Interstate Commerce Commission take whatever action is necessary to insure that transportation will be available to move coal from mines to final destination; and
>
> Tenth, that the Department of the Interior and other agencies establish long-term projections on future coal usage and assure that adequate production facilities will be available to handle future needs.

Thereafter my subcommittee held hearings and made investigations and issued several more reports reiterating these warnings and refining the recommendations of action needed but neither the administration nor most of the American people would believe that such a severe situation was developing. As late as 1 year ago, a chief administration spokesman, OEP Deputy Elmer Bennett, stated:

> We have enough of a refinery capacity today, but . . . problems . . . could arise 2, 3, 4, years from now.

Finally both the administration and the Congress are convinced that we must become more self-sufficient and catchup actions of various kinds are now being taken. Many of them are temporary and are very disruptive of our normal distribution system and the freedoms of individuals generally.

Public Law 93–28 and Public 93–159 authorized the President to establish priorities and allocations of certain petroleum products.

Public Law 93–97 provided $10.6 million to fund research in nuclear, solar and geothermal energy but so far the administration has not used those funds. An Emergency Energy Act provides broad authority for energy conservation and to encourage or direct some utilities and big industries to use coal instead of gas and oil. Had this been done 2 years ago, many of them would not have converted from coal to oil.

Public Law 93–153 permits construction of the trans-Alaskan oil pipeline.

Public Law 93–182 provides daylight savings time on a year-round basis for a 2-year period.

Public Law 93–   sets a 55 mile per hour maximum speed limit for all vehicles. The President had proposed 50 miles per hour for autos and 55 miles per hour for trucks and buses.

Various other bills dealt with research and development programs and the establishment of new agencies or transfers of authority deemed necessary to administer these laws.

SOCIAL SECURITY

Public Law 93–66 increases social security benefits by 5.9 percent effective June 1, 1974. Other bills provide a total of an additional 11 percent have passed both the House and Senate and I feel sure will become law and effective about that same time.

VETERANS

Public Law 93–177 provides for an increase of at least 10 percent in non-service-connected disability veterans pensions.

FOREIGN AID

Congress continued the foreign aid program, but at a funding level considerably below the administration's request.

Public Law 93–   provides an emergency authorization of $2.2 million for Israel to help replace equipment destroyed in the Mideast war.

GENERAL GOVERNMENT

Public Law 93–113 establishes ACTION as a consolidated agency to administer such volunteer programs as VISTA and extends the authority for the programs through 1976.

Public Law 93–190 authorizes the Senate Watergate Committee to sue in Federal court to secure information from the White House. President Nixon was against the bill but let it become law without his signature.

VICE-PRESIDENCY

Acting for the first time under the 25th amendment to the Constitution, the House and Senate confirmed the nomination of GERALD R. FORD to be Vice President. He was nominated by President Nixon after former Vice President Agnew resigned.

ELECTION REFORM

High on the agenda next session will be proposals for Presidential campaign financing reform. The Watergate disclosures have increased support for financing with public funds to prevent the dangers which accompany vast contributions by a few individuals. Such legislation may pass next year.

COMMODITY EXCHANGES

There has been a vast increase in the volume of business done by commodity futures markets. It now stands at nearly $400 billion per year or nearly twice the volume conducted by the stock exchanges. These commodity exchanges are supposed to provide a place where producers, country elevators and others can hedge or reduce their risk as they plan and invest in the production, marketing, or utilization of commodities. Excessive speculation, squeezes, or manipulations can result in increased risk instead of reduced risk. A commodity exchange agency is supposed to monitor and police these markets, but a House subcommittee, of which I am chairman, held extensive hearings into their operation and found that they had not been doing an adequate job both because they needed additional authority and also because they had not fully used the authority they now have. We prodded them into being more active and I am sponsoring a bill, H.R. 11195, to provide the additional regulatory authority needed and set up an independent Commodity Exchange Commission. I believe this legislation will pass early next session.

TRANSPORTATION

Production has been increasing faster than the ability to transport these products around the country. In my opinion, a transportation crisis has been building up and is a serious problem which we must face more realistically in the future.

H.R. 9142 passed the House and Senate and I am sure will be signed into law. It started out as a Northeastern Railroad Federal assistance bill. Many people seem to believe that all the transportation problems in the country are centered in the Northeast. The bill as passed includes an amendment which I promoted to extend benefits of the legislation to the Midwest and specifically for the purpose of permitting a loan to the Rock Island and a few other railroads which have a serious capital flow problem but should become a profitable operation in the future.

PASSED CONGRESS

Listed below are bills which passed Congress at the very end of the session. These may or may not be signed into law by the President.

S. 1435 would provide a home rule charter to the District of Columbia.

S. 2482 would increase the Small Business Administration's lending authority, would expand the disaster loan program and would make it a crime to improperly influence the awarding of a SBA loan.

S. 14 would improve medical care by providing Federal assistance for health maintenance organizations, or HMO's.

S. 1559 would authorize assistance to State and local agencies for comprehensive manpower training programs and would authorize a program of public service jobs to combat unemployment.

PENDING LEGISLATION

Below are bills which have not cleared Congress in final form. After passing both Houses, bills go to a conference committee to resolve differences in the two versions.

H.R. 10710—passed House, pending in Senate—would provide the President with 5-year authority, under certain limitations, to negotiate new trade agreements.

H.R. 7824—passed House, pending in Senate—would establish an independent legal services corporation to replace the program now under the Office of Economic Opportunity.

H.R. 7130—passed House, pending in Senate—would set up a Legislative Budget Office and make other provisions to improve congressional control over budgeting outlays and receipts.

S. 373—pending in conference committee—would place restrictions on the authority President Nixon claims he has to impound congressional authority.

VETOED BILLS

Under the Constitution, a bill vetoed by the President can become law only if two-thirds of the Members in the House and Senate vote to override the veto. As a practical matter, it is very difficult to achieve such a majority. The following bills failed to become law this session after being vetoed by the President.

H.R. 7447, the second supplemental appropriations bill, which included a provision for an immediate end to U.S. military action in Indochina.

S. 7, which would have extended and improved programs for the handicapped.

H.R. 3298, which would have restored the program for grants to build water and sewer systems in rural communities. The program had been terminated by the administration.

S. 518, which would have required Senate confirmation of present and future Directors of the Office of Management and Budget.

S. 504, which would have set up emergency health care service programs and kept open Public Health Service hospitals.

H.R. 7935, which would have increased the minimum wage, by stages, from $1.60 to $2.20 an hour.

S. 1672, which would have increased small business assistance, provided for more disaster loan aid and banned sex discrimination in certain areas.

S. 1317, which authorized funds for the U.S. Information Agency and which contained a provision conflicting with President Nixon's concept of executive privilege.

Also, President Nixon vetoed the so-called war powers bill, but Congress passed it into law over his veto.

APPROPRIATIONS

It is estimated that the final amount appropriated by Congress this session will be about $2.8 billion below what was requested by the administration. The exact figure will not be available until all appropriations bills become law.

The reduction was achieved by trimming down the military and foreign aid programs more than the amount required to restore funds for domestic purposes, mainly health, education, and welfare.

CHARITIES IN A PLURALISTIC SOCIETY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Conable) is recognized for 5 minutes.

Mr. **CONABLE**. Mr. Speaker, under present law, a charity loses its tax exemption and its qualification to receive deductible contributions if it engages in substantial legislative activity. This rule largely forecloses communication by charitable groups with city and county councils, State legislatures, and Congress. In contrast, the tax laws grant a great many classes of noncharitable organizations broad latitude to apply tax deductible or tax exempt funds to the influencing of legislation. Businesses, labor unions, trade associations, veteran groups, fraternal societies, and others may use such funds to support legislative activity.

The past several years have seen broad bipartisan efforts to reduce this discrepancy by relaxing somewhat the tax restrictions on public charities' participation in discussions of legislative matters. A number of different bills have been introduced with that goal. The Ways and Means Committee held hearings on the subject last year and again this spring. These hearings revealed difficulties with the measures previously introduced.

Today along with five other members of the Ways and Means Committee I am introducing a modification of the previous measure. By doing so I hope to indicate to the charities that we are interested in their problem and want to try to work something out. The bill will protect the right of public charities to communicate with their own membership in matters of legislative interest and to elect an expenditures test for some types of lobbying activities. None of the sponsors considers himself "cast in brass" with this particular bill. Rather, our purpose in sponsoring it is to try to bring about some movement in a necessary area of legislation.

The role of the charities in a pluralistic society—something we are all dedicated to—is constructive and the charities should not be muzzled. While some restraint on their lobbying activities may be necessary, the restraint imposed by the uncertainty resulting from the present situation is almost complete. We should do something about this and the bill we are introducing today provides a reasonable course for action.

SCHOOLBUS SAFETY: SOME TIMELY ARTICLES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Young) is recognized for 5 minutes.

Mr. **YOUNG** of Illinois. Mr. Speaker, the Subcommittee on Commerce and Finance of the Committee on Interstate and Foreign Commerce, on which I serve, has been conducting hearings on the need for improved safety laws pertaining to schoolbuses. We hope to have legislation ready shortly for presentation to the House.

In the meantime, Charles Nicodemus, a reporter for the Chicago Daily News, has prepared two well-documented and timely articles on the subject of school bus safety for his newspaper's "Insight" column. They appeared on December 10 and 11. I insert these articles in the Record for the benefit of my colleagues and in support of the need for improved schoolbus safety.

Schoolbus Safety: Deadly Myth—Faulty Statistics Hide Alarming Rise in Accidents Due to Poor Inspection, Ignoring of Basic Rules

(By Charles Nicodemus)

When peppery, handsome Jeffery Kaiserman, 9, stepped out into the street from behind the school bus that had just dropped him across from his Skokie home, he was struck by a taxicab and thrown more than 100 feet.

He died minutes later in the arms of his anguished, outraged father—killed just as surely by the inaction of the state of Illinois and the federal government as by the taxicab that was driven by an 18-year-old Evanston youth with three speeding convictions.

The story of Jeffery Kaiserman's death six weeks ago is the story of an accident that never should have been.

It happened largely because riding in a schoolbus had been widely touted as the safest form of motorized transportation.

In reality, school bus accidents in Illinois are soaring. Accidents have more than doubled, and deaths tripled since 1968—although the statistics are mostly hidden from the public. The same situation almost certainly prevails nationwide.

Under Illinois regulations governing school bus operations, Jeffery Kaiserman ordinarily would have been let out of the bus on the same side of the street as his home at 3645 Davis, if possible. There was nothing to prevent it. But he was not.

Alternatively, when crossing to his house under the driver's watchful eye, he should have walked up the curb 10 feet in front of the bus, then stayed there until the driver checked traffic and gave him the signal to cross.

But Jeffery had never been taught this. Neither had the youthful school bus driver, a second-year Northwestern University graduate student from North Carolina, driving here with an out-of-state license.

Another factor ordinarily might have saved Jeff. Those big red lights on the school bus, flashing on and off during unloading, might have alerted the onrushing cab.

But the bus signal lights weren't working. The owner later said he had been directed to disconnect them by—of all people—an inspector at a state-supervised safety lane.

The bus, a remodeled 14-passenger van, did not measure up to inspection standards as a fully equipped school bus. There were only three lights instead of four, plus other deficiencies.

So the lights were ordered disconnected, and the vehicle was passed through the lane as a truck.

However, chances are that this particular sequence of events never would have happened—and Jeffery Kaiserman, one of the best-liked boys in his 4th grade class at Skokie's Walker School might be alive today—if it had been a public school bus from which he alighted.

But Jeff had been coming home from Tuesday afternoon Hebrew school, and the bus was a private vehicle, owned by a school bus contractor, Howard Becker of Skokie.

Federal safety standards require the state of Illinois to supervise Becker's three buses and their part-time drivers, just as it is supposed to supervise public school buses and drivers.

But because school bus transportation is supposed to be super safe, there has been no apparent sense of urgency, and Illinois has not yet passed the federally required law that would have brought Howard Becker's bus fully under state control.

Furthermore, because school bus transportation is presumed to be so safe, the federal government has not pressured Illinois or any other state into speedy full compliance with its school bus operating safety standard No. 17. This despite the fact that:

The content of most of the proposed standard was first publicized in June, 1970.

It was formally made effective in May, 1972, 18 months ago.

Illinois' failure to enact the required law is not entirely characteristic. Ironically, Illinois is one of the more progressive states in school bus safety.

Just last week, State Supt. of Public Instruction Michael Bakalis published an updated manual, effective April 1, 1974, that sets toughened-up requirements for the manufacture, equipping and operation of all types of school buses, sold in Illinois.

Only a handful of other states have gone as far or farther.

"We're proud of our record in Illinois," said Ralph Sarto, Bakalis' state director of public transportation.

Sarto is a hardworking public servant who says he took considerable heat from certain sections of the school bus industry in pushing through several of the new and updated regulations.

"We carry more than a million students a year, in more than 10,000 buses," he points out.

"In 1972, there were just 3 school bus-connected deaths in Illinois, and only 223 reported school bus accidents," he wrote in a recent state publication.

Unfortunately, through no fault of Sarto, his key statistics are substantially in error.

The state's Department of Transportation, which compiles its statistics directly from police accident reports, says there were 10 school bus related deaths in 1972, not 3, and 1,676 school bus accidents, not 223.

Why the staggering discrepancy?

Sarto is dependent for his statistics on reports submitted by school principals through school districts and county superintendents. That system apparently has two serious shortcomings:

In most states, including Illinois, only accidents, injuries and deaths involving public school buses or bus contractors serving public schools, get reported as the "official" published statistics, compiled and publicized by the National Safety Council.

Accidents involving parochial and private school buses of all sizes are left out.

Since the number of nonpublic school buses is by no means that sizable, a significant part of the disparity must come from the failure of local schools and school districts to report all accidents and injuries. The police, however, learn the true picture—because they either are called to the scene or are notified for insurance purposes.

But Bakalis' office is not told.

ACCIDENT NEVER HAPPENED

This means for instance, that Jeffery Kaiserman will never be dead—in the eyes of the superintendent's "official" tabulators.

This means that even though two standard-sized parochial school buses got banner headlines when they slammed into each other Sept. 26 in southwest suburban Worth, injuring 19 people, the accident never happened—as far as Illinois' "official" statistics are concerned.

This means that when an erring motorcyclist crashed headon into the small yellow school bus serving west suburban Glen Ellyn's Junior Village private nursery school, the bus driver, Mrs. Doris Mercer, 41, of Wheaton—who was killed by the impact—wasn't an "Illinois school bus fatality."

The importance of those omissions—and the hundreds of others like them in Illinois, and the thousands in other states—cannot be over-stated.

For the purportedly low rate of accidents, injuries and deaths claimed for school bus transportation is widely hailed by the school bus "establishment."

Most (but not all) of the major manufacturers; virtually all of the private school bus contractors (who operate more than one-third of the nation's some 310,000 school buses); public pupil transportation officials and, most important, key federal officials trumpet the "outstanding" safety record of the buses, which carry more than 20 million youngsters a year, as justification for the unconscionably slow pace at which school bus safety measures have been pushed.

The School Bus Manufacturers Institute, in testimony submitted last May to a House subcommittee weighing new school bus safety legislation, warned several times against "panic" measures, saying school buses were the "safest form of transportation" known to man and should not be criticized by the news media, members of Congress and others who lack "understanding."

A task force of experts with the National Highway Traffic Safety Administration, (NHTSA)—a branch of the Department of Transportation—reported six months ago that school buses are eight times safer than cars.

Top officials of the agency, testifying before a House Commerce subcommittee, said accident statistics establish that school buses "are 40 times safer" than automobiles.

Based on such "facts" NHTSA traditionally has given low priority to setting and enforcing school bus safety standards.

Not only are those statistics perhaps drastically understated, but a new type of analysis indicates that even according to the accepted, under-reported statistics, school buses actually may be as dangerous as autos.

WHAT'S WRONG WITH FIGURES

Thomas J. Grenchik of Greenbelt, Md., a tracking data analyst with the federal space agency, has taken a hard look at long-accepted methods of computing school bus safety statistics.

He decided that computing accidents "per passenger mile" really told little about school buses themselves, in comparison with automobiles, since the large number of students carried by each bus ballooned the percentages to favor the school bus.

Instead, he compared nationally accepted figures on school bus accidents per vehicle mile against the totals of auto accidents per vehicle mile, and concluded that "school buses are, by that more meaningful standard, in reality no safer than cars—and perhaps slightly less safe."

Grenchik has submitted his study to the NHTSA, which is analyzing it.

Meanwhile, the National Safety Council, which accumulates the "official" nationwide school bus statistics from the states, acknowledges the obvious margin for error in its data.

And the NHTSA task force has conceded the inadequacy of current school bus accident reporting procedures.

More accurate, complete figures are "essential," the task force said. Standard 17 calls on the states to produce them, but it doesn't say how or when.

School bus defenders and critics alike agree on one key fact:

Nearly two-thirds of the children who die in school bus-related accidents are killed—as was Jeffery Kaiserman—just outside the bus, either by cars or trucks, or by the school buses themselves.

That phenomenon, which has been apparent for more than five years, would seem to have called for a "crash" program of pupil and bus driver education to reduce avoidable fatalities.

Yet, while Standard 17 calls for pupil and driver education programs, NHTSA gave the states five years, until mid-1977, in comply.

In Illinois, a broad smattering of students and drivers receive quality, state-sponsored guidance, through "workshops" and newly required in-service training programs. Many of the larger contract operators, like Willet in Chicago and Scholastic Transit in Northbrook, have excellent programs for drivers. So do some parochial schools. But many don't. And pupil-rider education is badly lacking.

Before he died, Jeffery Kaiserman and his father had been planning the family's first camping trip, and Jeffery was permitted to buy a small sheath knife that set his eyes shining. The knife was buried with the boy.

"I just hope my son's death will at least serve as a warning, so that lives of other children can be spared," said Kaiserman, tears welling in his eyes.

But if experience is any indicator, it's more likely that Kaiserman's hopes for swifter action in the field of school bus safety will be buried, too.

A school bus careened down a mountain highway from Colorado's Monarch Pass and finally rolled over at a filling station, spewing victims from the bus like rag dolls.

Of 39 children thrown from the bus, 9 died. Of nine passengers who remained inside, only one even required hospitalization. "Seat belts would have saved lives," federal investigators said.

Six weeks ago, five children died near Madison, Ind., when a tractor-trailer carrying 40 tons of railroad ties plowed into the side of a school bus trying to cross rainswept U.S. 421.

Investigators said seat belts doubtless would have saved two boys who were killed after being buffeted in the bus "like they were inside a washing machine."

The chronicles are long on school bus accidents in which children have died when flung from buses, or battered inside by impact with seats or sides, or were slashed by ripped metal panels or glass.

Seat belts would have saved lives, the federal government's accident investigator, the National Transportation Safety Board, keeps saying.

But no school buses are equipped with seat belts.

In fact, the well-known yellow bus—touted as the safest vehicle in the motor transport world—is so relatively weak in places that the seat anchorages and flooring of most models are not guaranteed strong enough to take the emergency stress of seat belts.

And the seat backs in most of the nation's 310,000 school buses are such blatant safety hazards that even if seat belts could be installed, their use might jack-knife the children's upper torsos forward during sudden stops, smashing teeth, noses, necks or foreheads into the tubular handgrip or metal edging found along the tops of most seat backs.

The seats and anchorages all should have been redesigned and replaced years ago, and the metal handrails and edging banned.

The fact that they were not has been nobody's fault, it seems.

Every year, more than 4,500 children are severely bruised or cut; have teeth knocked out, are crushed, maimed or mangled; incur mashed cheeks or noses, or suffer other injuries on school buses—and that, too, apparently is nobody's fault, or somebody else's fault.

That's because, if there is one thing the nation's school bus establishment can do better than transport 20 million children a day, it is passed the buck on safety.

That is one of the main conclusions of a two-month long Daily News survey that involved more than 100 interviewers with school bus chassis and body makers; contractors; local, state and federal officials; congressmen and legislators; school board members; administrators, bus drivers and parents.

For years, the National Transportation Safety Board has been running detailed post-mortems of major school bus accidents, and has been reporting that:

School bus bodies are poorly put together. In severe accidents, they come apart at the seams because they are not sufficiently riveted, bolted or screwed.

The safety board said that because of this "long standing failure to employ (even) normal engineering practices in school bus construction," the vehicles' metal panels are ripped apart, permitting children to be thrown from the bus or sliced up on jagged or knife-life metal edges.

Gas tanks should be moved away from their present side just to the left and beneath the front door of the bus, where their location is an invitation to disaster. And the tanks should be strengthened, or crash shields should be added.

High-backed, well padded seats would have prevented countless injuries.

The reaction of the "school bus establishment"—with the exception of two body manufacturers—usually has been to point at somebody else when confronted by these reports.

Most school bus body manufacturers emphasize that they'd be happy to put all kinds of safety options in their products.

But they complain that the nation's chronically underfinanced school boards buy most buses through state-required competitive bids, which means they buy vehicles at the lowest cost available and settle for bare minimum construction and equipment standards.

"If the federal government would promulgate reasonable, comprehensive performance standards that applied to the entire industry, we would welcome it," said Berkely Sweet, School Bus Manufacturers Institute executive director.

Private contractors, who run about one-third of America's school buses also insist they would welcome uniform federal standards.

Meanwhile, if one firm buys better-built buses or too many safety options, another firm operating with minimum standard buses can cut costs and take all the business, they complain.

Cost-conscious school board members often contend they are unaware of safety options available, or are convinced by dealers that minimum standard buses are adequate.

As for those unsafe seat backs, most school officials queried said they had never heard that there are relatively inexpensive retrofit kits available for padding seat back tops. Maryland made such retrofitting mandatory two years ago.

State legislators, such as Illinois' Rep. Peter Pappas (R-Rock Island), chairman of the House Motor Vehicles Committee, often say they are marking time on new school bus safety laws "because we don't want to do something and then have the feds come along and require something different."

Pappas, a longtime friend of most vehicle industry lobbyists, has all school bus safety legislation bottled up "under study" in his committee, It's been there since last spring, even though only one new federal safety standard is pending that would relate to any of those proposals.

One bottled measure, sponsored by Rep. Susan Catania (R-Chicago), calls for safety belts in new school buses. Another, introduced by Rep. Sam McGrew (D-Geneseo), would require use of laminated safety glass throughout the bus; the use of safety gas tanks (now mandatory in New Jersey), plus padded seats and side-rails.

The school bus industry denies that it ever fights such measures.

The School Bus Manufacturer's Institute (SBMI) describes the industry as self regulating with a proven concern for safe buses. But the industry's performance seems somewhat at a variance with its assertions.

By the almost-universal estimate of the safety board, reform-minded legislators, and Ralph Nader's Center for Auto Safety, only two bus body makers—Wayne, of Richmond, Ind., and Ward, headquartered in Conway, Ark.—have initiated significant structural changes to enhance vehicle strength and safety.

Both Wayne and Ward also have campaigned vigorously for tougher federal safety standards.

In contrast, the manufacturer's institute warns Congress and the National Highway Traffic Safety Administration (NHTSA) not to push for "piecemeal" adoption of new safety requirements, saying that standards must be considered for the whole bus. And then, only after lengthy research and testing.

Meanwhile, the school bus manufacturing group this year belatedly set up a task force of its own, to study such overall standards. But the industry has failed to provide sufficient financing and government funds are being sought.

At the center of the school bus controversy is the National Highway Traffic Safety Administration.

The National Highway Safety Act of 1966 required the safety administration and its predecessor agency to set safety standards for all motor vehicles—including school buses. But for years, the agency concentrated mostly on passenger cars, almost ignoring school buses, because accident statistics indicated school buses were "40 time safer than cars."

Now those often-trumpeted statistics appear open to serious question. School bus accidents are soaring. In Illinois, The Daily News found the totals were 6 times higher than those formally reported by the state to the National Safety Council, the only agency that compiles and publicizes them. Similar problems have been found in other states.

The safety administration's reaction to mounting pressure from Capitol Hill and the public has been to give more lip service to progress, while increasing the actual speed of its efforts from the pace of a snail to that of a turtle.

Initially, NHTSA "met" its obligations to school buses by promulgating some 40 safety standards—most of them for autos—and then announcing, much later, that 21 applied to school buses. However, only five dealt primarily with school buses' unique problems. And most of the buses' crucial problems were ignored.

Here is a breakdown on the agency's action and inaction on school bus safety, as of early December:

Joint and seam structural strength: The issuance of a proposed standard, belatedly adopting the tougher joint strength requirements recommended two years ago by the federal Vehicle Equipment Safety Commission, has been promised by NHTSA for "this calendar year." But it is not out yet; its final effective date remains a mystery . . . and probably is far off.

Seating: A long-delayed standard—calling for padded, high-backed, safely anchored seats—finally was proposed in February, 1973, and scheduled for "issuance" this year, to be effective in September, 1974. But it hasn't been issued yet, and NHTSA aides privately concede the padded seats probably won't be required until January, 1975.

Operational safety—best known as Standard 17. First promised by the agency for July, 1967, it was eventually proposed in July, 1970, and finally made effective in June, 1972—then the states were given an incredible five years to implement it.

Eighteen months later, NHTSA still has not even sent the states a model training curriculum—of the sort that repeatedly stresses defensive driving, where it is drummed into the bus drivers that they must never take chances—such as venturing rashly into speeding cross-traffic on a rainy, murky afternoon. That's what caused the Madison, Ind. crash.

Brakes, whose malfunction the safety board found to be the most frequent cause of "catastrophic" school bus accidents. The effective dates for implementing 2-year-old standards requiring improved air and hydraulic brakes are September of 1974 and 1975, respectively, for all heavy vehicles including school buses. Yet Detroit is pushing to delay the air brake standard until September, 1975.

Now, having finally lost patience with NHTSA's documented history of procrastination and obfuscation, Congress is preparing to move under the leadership of the House members such as John Moss (D-Calif.), Les Aspin (D-Wis.) and Fred Rooney (D-Pa.), and Senators Warren Magnuson (D-Washington), Gaylord Nelson (D-Wis.), Jacob Javits (R-N.Y.), and Charles Percy (R-Ill.).

Moss' House Commerce subcommittee already has approved a new auto recall bill that includes flat requirements that NHTSA promptly issue certain school bus safety standards. And Magnuson's Senate Commerce Committee opens hearings on a similar measure next month.

In preparation for the Senate hearings, NHTSA submitted data on the progress it is achieving in making the yellow school bus safer.

The agency once more said it is moving ahead "rapidly"—which, Percy notes, is just what the agency has been saying since 1967 . . . many, many deaths ago.

I wish to commend Mr. Nicodemus and the Chicago Daily News for their public service in preparing and publishing these articles on school bus safety.

THE FINITENESS OF OUR NATURAL RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 10 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, 1973 has been a year of increased awareness of the finiteness of our natural resources. It has been a year in which we have learned, perhaps just in the nick of time, that we continue to accelerate consumption at our peril unless we apply proper thought and action to conservation and development of new sources.

The assumption of unlimited goods and materials has come to a screeching halt as item after item is included on a growing list of scarce commodities. Shelley's "pleasure of believing that what we see is boundless" can no longer be indulged in with respect to many of our resources.

One area which holds great promise in coping with diminishing natural resources is recycling. I am today introducing a bill which will allow a tax credit of $10 for every ton of postconsumer wastepaper processed in the United States by the taxpayer during the taxable year into new commercially marketable pulp, paper, paperboard, or other similar products.

Paper is just one target for recycling but it is an important one. We generate about 4 billion tons of solid waste every year in America. Paper is the largest single component of this waste, comprising 40 percent by weight and 70 percent by volume. Recycling would remove a significant portion of this waste from the disposal system and in effect plow it back into our supply of natural resources. It is imperative that the volume of our solid waste be curtailed, because not only are we running short of timber but we are also literally running out of places to dump our trash.

Recycling paper would relieve some of the demands on our valuable forest resources. It would reduce the amount of paper we are importing and thereby improve our balance of trade.

Mr. Speaker, some technological snags remain in the paper recycling industry, but the chief hurdles are economic ones. We should begin at once to build a bridge across the gap between what we know should be done in the area of resource recycling and what we are actually doing. I believe my bill, a tax incentive for paper recycling, will help remove some of the economic hurdles and get us moving in the right direction.

Paper consumption will about double by 1985. We are skating on very thin ice if we continue to deplete our forests, adhering to a once-only use of paper products. But if we begin a strong recycling program, if we curb waste, if we construct original paper products in the way most conducive to later recycling, we can avoid the problems with paper products that we are now facing with the energy shortage.

Certainly recycling should be pursued diligently with all our natural resources. Tax incentives, such as the one in this bill, need not be permanent, but they are needed to kick off the initial effort until recycling becomes economically feasible.

Mr. Speaker, it is our responsibility to pass wise legislation to give recycling a shot in the arm. Also, the Federal Government should take the lead in using recycled materials to the greatest extent possible. The General Services Administration has made a good start in this regard. I have previously introduced legislation calling for maximum use of recycled paper by the Federal Government in the mountains of paper products it consumes.

I am confident that if America dedicates itself to conservation of natural resources, we can call a halt to the mounting number of shortages facing our country.

REPORT OF A SPECIAL STUDY MISSION TO THE MIDEAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. STEELE) is recognized for 45 minutes.

Mr. STEELE. Mr. Speaker, the Committee on Foreign Affairs, in its continuing concern for the foreign policy implications of the energy crisis, recently authorized a study mission to seek firsthand information on the dimensions of U.S. dependence on oil from the Middle East and the impact of the October Israeli-Arab war on U.S. energy supplies.

I had the opportunity to participate in that mission along with Representative LEO J. RYAN of California, Mr. Robert K. Boyer, staff consultant, Committee on Foreign Affairs, and Mr. E. H. Steven Berg, of my own congressional staff. In Saudi Arabia, the study mission was joined by Dr. William A. Johnson, chief energy adviser to William Simon, the Deputy Secretary of the Treasury and newly appointed Administrator of the Federal Energy Administration. The mission was conducted between October 22 and November 3, 1973.

The study mission visited six Middle Eastern countries, including Lebanon, Israel, Jordan, Kuwait, Saudi Arabia, and Egypt, as well as Italy and the Netherlands, which are two of the largest oil-refining countries in Europe. Dr. Johnson also visited Spain. In addition to consultations with our own Ambassadors and key Embassy officers, the mission's schedule included meetings with King Hussein of Jordan, Israeli Foreign Minister Abba Eban, King Faisal and Minister of Petroleum Sheikh Zaki Yamani of Saudi Arabia, First Secretary Hafes Ghanem of Egypt's Arab Socialist Union, and numerous other government officials and petroleum experts.

I want to take this opportunity to express my personal appreciation for the assistance, cooperation, and hospitality extended to the study mission by officials of the U.S. Departments of State and Treasury, and the U.S. missions in the countries visited.

THE DEVELOPING ENERGY CRISIS

Representative SILVIO CONTE, of Massachusetts, and I held congressional hearings on New England's emerging energy problem in Middletown, Conn., last May. Our focus then was on the looming gasoline shortages which threatened to hit parts of New England during the summer, but most of our witnesses agreed that the outlook was even more serious for fuel oil supplies during the coming winter.

The fuel oil picture became clearer and bleaker in July of this year when the petroleum industry research foundation issued a report which described the outlook for winter fuel oil supplies as "quite precarious" and stated flatly that fuel oil shortages could be expected to develop.

By September, it was clear that unless the Northeast had an unusually mild winter, the country would face a fuel oil shortfall of between 2 and 5 percent during the winter months.

Then in October, war erupted in the Middle East and the Arab oil producing states adopted a policy of using oil as a weapon to force the United States, and to a lesser extent America's allies, to reduce their support for Israel and press the Israeli Government to accept a settlement favorable to the Arab States. Specifically, the Arabs reduced their oil exports to Europe and Japan and cut off all oil shipments to the Netherlands and to the United States.

The Arab oil boycott against the United States was first met by expressions of confidence by administration officials that the country could survive the boycott with relatively little difficulty. For example, in order to minimize the seriousness of the boycott, administration officials repeatedly cited figures indicating that the United States was dependent on the Arabs for only 6 to 8 percent of its oil. On October 16, Oil Daily, the bible of the U.S. oil industry, ran a banner headline quoting no less a personage than Charles Di Bona, the Deputy Director of the White House Energy Policy Council, as stating that the Mideast oil loss was "manageable." According to the article, Di Bona repeated that the United States was dependent on the Arabs for only 6 to 8 percent of its oil and expressed the view that there would not be any need for rationing.

THE DIMENSIONS OF U.S. DEPENDENCE ON ARAB OIL

The study mission quickly found these statistics to be inaccurate. Moreover, it concluded that the general acceptance of these statistics by the administration, Congress, and the public not only slowed our Government's response to the oil cutoffs, but did a disservice to the American people by leading them to believe that the cutoffs would not significantly affect them.

Even during the preliminary study for our trip, we concluded that the United States was more than 10 percent dependent on Arab oil. Further inquiry revealed that the true proportion of dependence is not measured by the shipments of crude oil to the United States alone. The extent of that dependence is established by combining four factors: First, direct crude shipments to the United States; second, indirect shipments of crude which are transshipped through other countries; third, imports of refined petroleum products from both Arab refineries and refineries of third countries which process Arab crude for U.S. Markets; and finally, fourth, by adding barter shipments which represent trades of oil with countries such as Canada, which is enabled to pursue such transactions due to its imports of Arab oil. The addition of these factors shows that the United States depends on Arab sources for between 14 and 18 percent of its total petroleum use. The percentage could be larger if one takes into account that several of the Arab countries were scheduled to greatly increase their shipments to the United States beginning in late 1973 in order to meet a sharp increase in U.S. demand and to offset declining U.S. domestic crude oil production. In direct shipments alone, the United States was taking as much as 300 percent more oil per day in the months preceding the cutoff than it had in 1972.

In all, the United States imports more than 30 percent of the petroleum it needs for domestic consumption. During the shortages last winter, it became apparent that our domestic oil industry was no longer capable of increasing production to meet our peak domestic demand. In fact, some analysts were not even sure that the United States could import enough crude oil and finished product to satisfy demand for this winter. Domestic production of petroleum for 1973 had been estimated by the U.S. Bureau of Mines to be 10,961,000 barrels per day, compared with a demand of 17,455,000 barrels per day. Of the 6,494,000 barrels per day shortfall between domestic demand and supply, 6,251,000 barrels per day were to be made up by imports, leaving a shortage of 223,000 barrels per day. Domestic production was expected to drop to 10,788,000 barrels per day, though, before the end of the year. This drop would have left a 7,737,000 barrels-per-day deficit forecast between domestic supply and demand. Before the Arab cutoff, oil industry officials projected that they could import 7,435,000 barrels per day of the shortfall, but even this level of imports would have left a net shortage of 302,000 barrels per day.

The full effects of the cutoff have not and will not be felt until late January. The world trade in oil is based upon a myriad of factors including: tanker availability, refining capacity, types of crude oil available, the actions of major oil companies and actions of individual governments—to name only a few. Small additional amounts of oil can probably be purchased from other countries such as Iran and Indonesia, both of which have stepped up production. But one fact remains painfully clear: there is absolutely no other source of oil which can replace, in the immediate future, the tremendous amounts of petroleum the United States and other industrial nations have lost because of the Arab actions. To clearly understand the dimensions of the cutback, we analyzed both the past and present direct and indirect shipments in detail.

DIRECT DEPENDENCE ON ARAB OIL

Today the countries of the non-Communist world have proved reserves of crude oil which will last a little more than 30 years at current rates of consumption. By a quirk of geography, 65 percent of these known reserves are to be found in the Middle East; by including North Africa, the figure expands to 71 percent. The Western Hemisphere accounts for only 12 percent of the total proved world reserves.

These figures make it evident that in terms of oil, most of the western industrialized nations and Japan must look to the Middle East and North Africa for their increased requirements as fields in non-Arab regions begin to peak out. In fact, Europe now gets 87.8 percent of its oil from Arab States.

The importance of the Middle East and North Africa is established not only by the fact that they account for almost one-half of the average daily production of petroleum by non-Communist nations, but also that consuming nations are actually dependent on a very few of them.

For instance, Saudi Arabia, with estimated reserves of over 138 billion barrels, has roughly 21 percent of the total reserves of the world. Algeria, Iran, Iraq, Kuwait, and Libya together have an additional 236 billion barrels. By comparison, Soviet Russia has 75 billion barrels; China has 19 billion barrels; Indonesia, 10 billion barrels; the United States, 37 billion barrels; and Canada 10 billion barrels.

Until 1967, the United States was largely self-sufficient in energy sources, especially in oil. For instance, in 1950, America imported only 8 percent of the crude oil required for domestic consumption. By 1973, imports accounted for about one-third of our oil requirements. Until recently, the overwhelming amount of U.S. oil imports came from Western Hemisphere suppliers. But increasingly, the source of incremental crude oil imports has been the Middle Eastern and North African oil producing countries.

Since the mid-1960's, sources such as the Caribbean, South America, and Canada have been peaking out in rates of production, or have been requiring more of their output for domestic consumption because of increasing internal demand. At the same time, the United States has been increasing its annual consumption of oil by more than 5 percent each year, and its volume of imports by more than 13 percent each year. During the period of 1967–72, U.S. domestic production of crude oil was increasing by a slight 1.8 percent per year.

For Americans, the conflicting trends of downward domestic production and skyrocketing domestic consumption were not fully appreciated until major oil companies announced in 1969 that some of the richest oil fields in America had been overestimated in terms of reserve capacity. The oil fields of Southern Louisiana and East Texas had been some of the richest in the North American continent. However, they were very old fields which began declining when they were opened to full production capacity. This discovery pushed Americans to import large supplies of oil, in order to satisfy their increasing consumption.

The logical source of this oil was the Middle East and North Africa. Major American oil companies were the principal producers in countries with the richest fields and the largest reserves, and these countries were willing to ship increasing amounts of oil to the United States. In addition, some Middle East crude oil was selling for as little as $1.25 per barrel in 1970, at a time when some U.S. crude oil was triple that price. The trend was augmented because oil had become the most desirable fuel for environmental purposes, cost and convenience in the United States.

The following table illustrates the importance to the United States of Arab crude oil imports in relation to other suppliers:

U.S. CRUDE OIL IMPORTS, 1973
[In thousands of barrels per day]

	1st half of 1973	July	August
Arab suppliers:			
Saudi Arabia	322.8	349.7	638.5
Libya	164.8	81.6	197.6
Algeria	143.9	65.7	162.5
United Arab Emirates	87.2	46.4	100.1
Kuwait	48.1	.1	86.7
Tunisia	21.6	30.2	32.0
Egypt	16.3		36.8
Oman	12.2	52.2	14.5
Iraq	5.7		11.1
Syria	3.4		
Qatar	3.1		5.3
Subtotal	819.1	625.9	1,285.1
Non-Arab suppliers:			
Iran	160.3	135.3	230.5
Nigeria	370.1	303.3	605.8
Other Eastern Hemisphere	252.4	250.4	348.5
Canada	1,176.1	1,194.3	908.6
Venezuela	503.1	465.7	704.4
Other Western Hemisphere	110.2	66.8	181.5
	110.2	66.8	181.5
Subtotal	2,572.2	2,416.0	2,979.3
Total	3,391.3	3,041.9	4,264.4

INDIRECT IMPORTS OF ARAB OIL

Underestimates of the impact of the Arab embargo on the United States are largely due to a failure to recognize the extent to which the United States is dependent on foreign refineries for essential refined petroleum products. The study mission found that many refined petroleum products which are essential to the United States have been produced primarily abroad and, to a great extent, from Arab crude oil, because the United States has not built domestic refineries in the last 6 years.

With the onset of the winter heating season in the United States the loss of foreign sources leaves the United States particularly vulnerable to shortages of two basic fuels, residual, and distillate oil. Residual oil is used mainly as a boiler fuel in industrial processes and for generating electricity. Distillate oil is used for space—home—heating and as a fuel for diesel engines.

In addition to causing general economic dislocations, the shortage of residual oil will have an immediate effect on two areas of the country. These regions will be New England and to a lesser degree, the upper Midwest.

Roughly, one-fourth of the residual fuel oil imported by the east coast is refined from Arab oil. Residual oil is used as a primary fuel to produce 72.8 percent of the electricity produced in New England and 37 percent of the electricity generated in the Mid-Atlantic States of New York, Pennsylvania, and New Jersey. U.S. stocks of residual fuel oil on November 30, 1973 were 54,403,000 barrels as compared with 55,775,000 barrels a year ago. This reflected a situation which was not yet significantly affected by the embargo. With greatly increased demand pressures and lower stocks threatened as a result of the cutoff of Arab oil, a serious shortage appears inevitable. To compound the problem, most of the residual oil used on the east coast of the United States is imported, and the production of residual oil in U.S. refineries is limited because of our nearly complete dependence in that region in recent years on imported supplies. The demand for residual oil in 1972, for example, was 925,647,000 barrels; of this, over two-thirds, or 637,401,000 barrels, was imported.

Even before the Arab embargo, the United States was facing a serious shortfall in its supply of distillate fuel. Stocks of distillate fuel in the first week of November—203,656,000 barrels—for instance, were only slightly higher than stocks a year before—197,750,000 barrels. The 3-percent gain in supply was more than offset by an estimated increase of demand, which was put at more than 10 percent during 1972.

Furthermore, even before the Arab embargo, the U.S. Department of the Interior was predicting that a cold winter in the United States would force us to import an additional 800,000 barrels per day of distillate oil to meet the demand for heating. During the shortages last winter, distillates were imported at an average rate of 400,000 barrels per day and most of the distillates, 80–85 percent, came from refineries in the Caribbean, with the remainder coming from Europe. Nearly all of the European distillate and more than one half of the Caribbean distillate were based on crude oil from the Middle East or North Africa.

For this heating season, oil marketers in the United States were planning to increase their imports of distillates from several countries in Europe that were thought to have excess refining capacity. These plans were spurred by the President's announcement in April that companies in the United States would be free to import unlimited amounts of crude, residual, and distillate oil with only minimal license fees on that oil.

Several factors figure into the increased U.S. dependency on imported residual oil and distillate oil in recent years. Among these factors are:

The increasing demand for diesel fuel by trucking, farming, shipping, and public transportation users;

The use of distillate oil as a backup fuel during periods of natural gas interruptions which have been occurring with greater frequency during colder months;

The growing use of both residual oil and distillate oil by electric utilities;

The almost total emphasis by U.S. refiners on more profitable products such as gasoline;

The switch by several heavy industries, such as the steel industry, from coal to oil for environmental considerations;

The overall convenience and relatively low cost of oil as a feedstock for many chemical processes;

The April 18, 1973, exemption of residual oil from import quotas; and

Lack of sufficient new refining capacity in the United States for the last 5 or 6 years.

From a practical standpoint, I was particularly concerned about the dependence on imports of refined oils, because any disruption in a tight market could leave certain areas of the country drastically short of basic energy sources. For instance, New England, with 6 percent of the Nation's population, uses almost 21 percent of the Nation's requirement of No. 2 home heating oil, and is almost totally dependent on foreign sources for this fuel. A disruption of this supply could leave New England without heat in the coldest months of the year unless a distribution system was established to meet its demand with domestic oil.

Although it was difficult to gage the exact effects of the Arab threats during our mission, subsequent events have shown that the threats have been very effective and have broken the unity and cooperation both between the United States and Europe and between members of the European Common Market itself. It appears that many of the nations of Europe live in fear of each new Arab request and will accept almost any demand the Arabs make of them in terms of restricting movement of either crude oil or refined products.

Even Canada, one of the previously supposed secure sources of crude oil and refined products has been affected. The Canadians are already limiting oil exports to the United States. Until recently Canada found it expedient to sell the surplus oil and gas produced in Western Canada to the United States, rather than transport it to Eastern Canada. In turn, the Canadians bought large quantities of Middle East oil, part of which has been shipped through a pipeline which starts at Portland, Maine, and carries the imported oil to Montreal. The United States could lose up to 500,000 barrels per day of oil if the Arabs are successful in their demands that the Canadians halt all exports to the United States in return for continued Arab oil shipment to Canada.

Finally, all of the cutoffs of indirect shipments will increase the competition for limited supplies from other producing areas such as Venezuela, Nigeria, Iran, and Indonesia. To determine some of the effects of the embargo and cuts in production, we spoke with governmental leaders and oil industry officials in three European countries, which would have been principal sources of imported refined products for the Eastern United States this winter.

THE SITUATION IN ITALY

Faced with cutbacks of oil which provide Italians with 74 percent of their energy, the Italian Government responded to warnings from the National Independent Petroleum Distributors Association—Assopetroli—and put all heating oils under export licensing restrictions in mid-October. The restrictions, as they now stand, will allow oil to be exported to other Common Market countries—excluding Holland—but not to the United States. Assopetroli is also calling for the Government to compel oil companies to market a set percentage of their refined products in Italy to meet domestic demands. It has urged further that Government "discipline" distribution and consumption of liquid heating oils in relation to their confirmed availability.

Italy's Minister of Foreign Trade acknowledged in a recent press conference that export licensing measures are mainly "psychological" with little practical likelihood of resolving domestic supply problems. Reports indicate that an overwhelming share of Italy's heating oil exports—about 75 percent—go to Common Market countries, leaving only about one-quarter of heating oil exports subject to Government management.

The Italian petroleum market traditionally has been open and relatively free of Government controls with respect to the importation and exportation of petroleum products. The Government does control the pricing of products as well as the authorization of additional refining capacity and service station outlets.

While Government sources point to the relative openness of the Italian market, there were in recent months signs of growing support for a larger Government role in securing supplies in a tight seller's market. Italian concern is based on the belief that the international companies can no longer be relied upon to supply the needs of the country. This concern has led to suggestions of direct Government relationships with producer countries.

All of these observations lead us to believe that even though Italy has the largest refining capacity in Europe, American fuel dealers would not have been able to buy all the heating oil they needed on the Italian market because the Italian Government wanted to stabilize both supply and prices by restricting exports. Thus, even without the embargo, U.S. purchases from Italy would probably have been limited.

Up until the time of the Arab embargo, Italy was exporting about 134,000 barrels per day of oil to the U.S. market, but could have increased exports greatly. As of December 1972, Italy's 36 refineries had a total authorized annual capacity of 150 million tons but had only processed 123.5 million tons of oil, of which 27.4 million tons were exported.

Because Arab countries have cut off all oil shipments to individual Italian refineries which shipped oil products to the United States, we can expect no products from Italy until the Arab States agree to lift the embargo. Even then, the specter of future Italian Government control over the oil industry will probably restrict the free movement of products to the United States.

THE SITUATION IN THE NETHERLANDS

Holland, like the United States, has been totally cut off from its supplies of crude oil from the Arab States. The Arab embargo will deprive Holland of 1,470,000 barrels per day, or about 71 percent of its total daily imports. But the importance of the embargo goes far beyond the borders of the Netherlands.

Because port cities of the Netherlands serve both as transshipment points for other areas of Europe and as major refining centers for northern Europe, the embargo will have an impact on many countries. Nearly 60 percent of the production of Dutch refineries is exported by ship or through pipelines. Few ports in Europe can handle the sizable tankers, not to mention storing or refining the crude oil in the volume that Rotterdam handles. So the embargo on Holland affects the whole delivery system of oil in Europe and will aggravate shortages in countries which have been cut back to a lesser degree.

Although there was considerable confusion as to why the Arab States embargoed Holland, an October 22 dispatch from the Iraqi News Agency said that certain facts relating to Dutch aid to Israel had been made known in Baghdad. Those ostensible Arab grievances are as follows:

> The Netherlands was transformed into a bridgehead for assistance sent to the enemy, and at the same time it was carrying out a vicious campaign against the Arabs. It was also proved beyond any doubt that the Royal Dutch Airlines (KLM) made continuous flights to transport mercenaries and assistance to the enemy or to supply centers designated in various places by the enemy;
>
> The Netherlands opposed the issue of a rational and unbiased communique by the member countries of the European Economic Community calling for the end of the hostilities;
>
> The declaration by the Dutch Foreign Minister to Arab diplomatic missions at a meeting in the Hague clearly supports Israel against the Arab states;
>
> The personal participation of the Dutch Minister of Defense in a demonstration staged in the Dutch capital to express support for Israel; and
>
> The participation of various Dutch establishments and companies upon the outbreak of the present war in collecting funds and contributions for the Israeli war effort, and the supply by Holland to Israel of crude oil from its imported stocks.

The Iraqis also used the reasons listed above for the passage of a nationalization law which allowed the Iraqi Government to nationalize the Dutch share of the Basrah Petroleum Co. as it had earlier with the U.S. share.

The singling out of Holland by the Arab States also added another dimension to the energy policies of the European nations. The embargo, according to Mr. L. G. Wansink, the Dutch Director General for Energy Supply, was causing a crisis of sorts among the member nations of the European Economic Community who had agreed last spring that a common energy policy for the 10 countries should be worked out. A resolution to this effect was passed by the EEC ministers, but was something which they preferred to ignore during the crisis.

Fortunately, the Dutch will probably be able to restrict domestic demand through conservation measures and meet their necessary energy needs through increased imports from Iran, Venezuela, Nigeria, and Gabon. The Netherlands also had emergency stores of petroleum which amounted to more than 70 days of demand, slightly more than the amount required by all Common Market countries for emergencies. However, the oil marketers in the United States cannot hope to buy the 200,000 barrels per day of distillate oil which they had planned on buying for this winter's needs from Holland. Instead, they should brace themselves to bid against the Dutch dealers in a spiraling price market for other limited supplies of oil elsewhere.

THE SITUATION IN SPAIN

Two days after the Middle East war began, Spain restricted the unlicensed exportation of petroleum products in an effort to increase stocks and meet growing domestic demand. A Commission of Fuels was established to review applications and has granted no licenses to date on the grounds that it is not yet clear that Spanish needs are being satisfied. No preference is being shown by country, and the only exceptions to the export restrictions are the provision of jet fuel for international carriers landing in Madrid and other relatively specialized export uses.

According to Dr. Jose Luis Diaz Fernandez, the Director General of Energy in the Spanish Ministry of Industries, the export controls are a general measure directed at all exports and were developed before the fighting in the Middle East began. The reason for their adoption has been the extraordinarily rapid growth in Spanish demand for oil which, according to Fernandez, has been 20 percent per year during the last 2 years. This has resulted from an unprecedented 16 percent per year growth in industrial production. The result has been conversion of a number of export refineries to production for domestic needs. Because shortages of fuel oil are particularly severe at present, exports of heating oil and other distillates are most likely to be prohibited for the foreseeable future.

If a company needs to export to maintain its refinery runs or to meet a contractual obligation, it must first confer with the Ministry of Industries. The Ministry will examine existing stock levels, the needs of the Spanish market, and other factors before it can decide to license the exports. The Government of Spain has assured the United States that these controls are nondiscriminatory as to destination and that no supplies have been denied because they are bound for the United States or U.S. forces in Europe.

Spain is also requiring "restitution"; that is, oil exports by a company must be offset by oil imports of a type needed by the Spanish economy. Spain insists on trading products that are relatively abundant for products that are not. Fuel oil is especially tight in this regard because 2 years of drought have forced a partial switch from hydroelectric power production to oil-fired generation of electricity.

This appears to be an academic point, however, because the Spanish Government has simultaneously made it clear that Spain will not ship to the United States as long as the Arabs continue to cut off crude oil shipments in retaliation.

THE EXPORTING COUNTRIES—A NEW SOLIDARITY

Even before the October Mideast war, the Arab oil producers were coming into increasing conflict with the major oil companies and the consuming countries. Although political motivation led to the 1973 boycott, it was economic considerations that originally brought oil producing countries together, and it is the economics of oil that has changed the whole pattern of oil pricing and marketing for the future.

Two organizations, the Organization of Petroleum Exporting Countries—OPEC—founded in 1960, and the Organization of Arab Petroleum Exporting Countries—OAPEC—founded in 1968, were formed so that the oil producing countries could present a united front against the international oil companies. Until the 1970's, neither organization attempted to restrict oil supplies, but they did seek a voice in setting the price of their oil. In 1971, the increasing worldwide demand for oil, the OPEC threat of nationalization in some of the countries, and the declining or no-longer-increasing production of oil in certain non-Arab areas of the world, especially the United States, led to the conclusion of an important new agreement in Teheran between the major oil companies and several OPEC members.

Although most news media accounts of the Teheran agreement concentrated on the new price increases and higher income for the producing countries, the oil producing states gained other more important long-term advantages. First, the major oil companies agreed to "collective bargaining rather than unilateral price actions." Previously, the companies alone determined the price of oil without prior negotiation with the producing countries.

Second, the price of oil was tied to an escalator clause, which reflected the rising value of oil, and to a parity adjustment which allowed payments to the producing countries to increase with inflation. And, third, the major oil companies several months later accepted the principle of participation by the oil producing countries in oil company assets and profits.

In the last 2 years, however, the oil producing countries have become disenchanted with the Teheran agreement. The devaluation of the U.S. dollar reduced the countries' income relative to other major world currencies. Another loophole in the Teheran and other agreements revolved around the unrealistically low percentage compensation—2.5 percent—that was meant to compensate for inflation. Lastly, the producing countries believed that an oil scarce industrialized world was paying too little for "precious" crude oil. These and other questions were raised at a series of meetings between OPEC members and major oil companies in Vienna, Austria, during the first week in October 1973.

At the October 9 Vienna meeting the major oil companies submitted an offer to the OPEC members providing for a 15-percent increase in posted prices—the price upon which government revenues in the form of taxes are computed—and an adjustment of the inflation factor in line with an appropriate index.

The OPEC countries refused the offer and came forward with a counterproposal for a 100-percent increase in posted prices, coupled with a mechanism for keeping the posted prices 40 percent above the actual selling price at all times. The OPEC members also asked for an inflation escalator, in line with an index of wholesale prices, and requested that the agreement apply retroactively to October 1, 1973.

The companies asked for time for consultation which the OPEC members granted, and then on October 12, insisted on a 2-week adjournment. Negotiations were then broken off by the OPEC ministers without a date being set for continuation. When the oil ministers of the six Gulf State members of OPEC met in Kuwait on October 16, they all had clearance from their governments for a unilateral announcement of new posted prices. The six ministers, representing Saudi Arabia, Iraq, Kuwait, Abu Dhabi, Qatar, and Iran, were to decide whether to resume negotiations with the oil companies or post their own price unilaterally.

There has been widespread confusion as to exactly what the Gulf States' OPEC ministers decided upon in Kuwait. The facts are as follows:

In a single move, the Ministers announced new posted prices for Gulf crudes effective October 16, representing an increase of 70 percent over the previous price levels. The posted price of Arabian Light—the main market crude in the Gulf—thus rose from $3.011/barrel to $5.119/barrel, while the government's share rose from $1.770/barrel to $3.048/barrel.

The new posted prices and future adjustments are to be based on a new formula. Under this formula, the posted price for each crude is to be maintained at a level 40 percent above the applicable market price as determined by direct sales of crude oil to independent third parties by the governments concerned. Thus, the initial market price—known as the realized price base—RPB—for Arabian Light crude was set at $3.65/barrel. This price represents an increase of 17 percent over prices realized in recent sales of the same crude, but it is expected that future prices are likely to be substantially higher. It was reported in early December that open market bidding for Iranian oil reached $16 per barrel.

The RPB will be reviewed from time to time in the light of government sales to third parties and will be adjusted whenever it rises above or drops below the previous RPB by 1 percent or more. The posted price will then automatically be adjusted to maintain the ratio RPB plus 40 percent.

The sulfur premiums for the various low-sulfur crudes are to be determined individually by each member state on the basis of actual market trends. The oil producers added the sulfur premium in 1971 to take advantage of the demand for low sulfur, and hence less polluting, oil.

In the event the companies refuse to take crude oil on the basis of the past financial arrangements, the governments of the Gulf producing countries "will make available to any buyer the various crudes at prices computed on the basis of Arabian Light at $3.65/barrel f.o.b. Ras Tanura."

Very simply stated, the new price mechanism established at the Kuwait meeting means that the posted price of of the Gulf-producing countries "will the upward or downward trend of the market. The Iranian Finance Minister, Dr. Jamshid Amouzegar, explained it by saying:

> I would like to tell the consumers: we will wait and see what the market prices are and then calculate posted prices on this basis keeping the same ratio between the two sets of prices that exited in 1971.

In terms of bargaining power, the Arab States were able to greatly increase the amount of money they made on each barrel of oil and prepare the way for a different type of decision that was reached the next day in Kuwait.

THE KUWAIT AGREEMENT TO EMBARGO OIL

On October 17, in Kuwait, oil ministers of the 10 member Organization of Arab Petroleum Exporting Countries—OAPEC—agreed on a plan to limit oil production and thereby reduce exports to certain countries until Israel was forced to withdraw from the territories occupied since the 1967 Mideast War. The decision hinged on the cooperation of Saudi Arabia, the most influential and largest producer of the Arab oil States.

Saudi Arabia agreed to the plan for an immediate reduction of oil shipments to the industrial states, but opposed more radical plans for a complete embargo on the United States or nationalization of the assets of the major oil companies.

The main points outlined in the October 17 plan were:

The 10 countries agreed to cut oil production by a minimum of 5 percent using the September 1973 level as a base. Additional 5-percent cuts were to be made each month, but each country was allowed to raise the percentage higher.

Any countries which remained friendly with the Arab States or which extended or may in the future extend effective concrete assistance to the Arabs were to continue receiving the same quantity of oil as before the cutback. Moreover, the same exceptional treatment was to be extended to any state which would take a significant measure against Israel with a view to obliging it to end its occupation of usurped Arab territories.

The oil producers decided on a formula that would allow them to choose individually whether or not to cut off oil to the United States.

Each country was to notify its operating companies of its desired pattern of exports for any given month. The companies were then to be held responsible for carrying out the government's instructions or were to face a penalty.

ESCALATION OF THE CUTOFFS AND THE EMBARGO

Beginning on October 18, several Arab oil States redefined their use of the "oil weapon." First, they increased the production cutbacks from 5 percent to 10 percent for the first month. Second, they announced total cutbacks of all shipments to the United States and several Arab States stopped shipments to Holland as well. Third, they warned that nations caught transhipping oil to the United States would also be embargoed.

In combination, these three additional levers made the Arab embargo much more severe than first expected. By November, several Arab States had cut their September production by 20 percent. The Arab boycott took 4 million barrels per day of oil out of world commerce, or nearly 12 percent of the total volume of oil moving in world trade. Other disruptions, also contributed to the reduction in oil supplies. For example, during the war several oil port facilities were damaged, a Syrian refinery was closed and major oil pipelines, such as the Trans-Arabian pipeline—loading terminal in Sidon, Lebanon—were operating well below capacity because tankers were not available in the area for loading of crude.

During our discussion with Arab spokesmen a week after the Arab price hikes and production curtailments, we were told repeatedly that one of the main reasons for the additional actions against the United States was President Nixon's request for $2.2 billion in military assistance for Israel. It is interesting to read some of the official communiques that were released by Arab governments during that week.

Saudi Arabia, for instance, had been a moderating influence in the Kuwait meetings and had opposed immediate cutbacks to the United States. But the Saudi attitude changed after the President's arms request, as reflected in the following statement released by the Royal Cabinet:

> In accordance with the statement issued by the Royal Cabinet on 22 Ramaden 1393 (corresponds to October 18, 1973), whereby His Majesty's Government announced an immediate reduction in its oil production by 10 percent and that it would continue to review developments in the situation, and in view of the increase in American military aid to Israel, the Kingdom of Saudi Arabia has decided to halt oil exports to the United States of America for taking this position.

On October 25, Kuwait's Finance and Oil Minister, Mr. 'Abd al-Rahman 'Atiqui, was quoted as saying:

> Kuwait took the initiative in calling for a meeting of Arab Oil Ministers to consider the role of oil in the battle. Oil has both a negative and positive role to play. The negative role of the oil weapon is to make the world feel the bitterness and pain we are experiencing . . . we can accept a reduction in production at the same time denying supplies totally to any country which supports Israel materially and practically. This has certainly proved possible as far as the U.S. is concerned.

On October 21, the Iraq News Agency carried a much more radical message which stated the position of the Iraq delegation:

> The attitude of the Iraqui delegation . . . can be summarized in the following three-point proposal:
>
> (1) The complete liquidation of U.S. economic interests, particularly oil interest, by nationalizing all U.S. companies operating in the Arab homeland.

(2) The withdrawal of all funds invested by the Arab states in the United States.

(3) Breaking off diplomatic and economic relations between all the Arab oil producing countries and the United States of America.

On October 7, Iraq nationalized American interest in the Basrah Petroleum Co.—Dutch interests were nationalized later.

GETTING ON THE "RIGHT LIST"

During the first week of the Arab embargo, many critics were quick to point out that "past embargoes did not work" and that the Arabs "cannot stop the major oil companies from getting the oil to the United States." Unfortunately, they were not prepared, nor were the industrial countries, for the sophisticated planning behind the embargo.

Saudi Arabia, for instance, has as a matter of course kept detailed information on every gallon of oil which it exports. Even before the October 17 meeting in Kuwait, Saudi Arabia required tankers loading oil in its ports to provide certificates of destination which were followed up by certificates of unloading at a certain destination, which gave Saudi Arabia the mechanism to enforce a very tight embargo. During our trip, many oil officials commented that the "Saudis know more about oil imports into the United States than the U.S. Government does."

Saudi Arabia also took steps not only to enforce a ban on direct shipments to the United States, but on indirect shipments of crude or refined products as well. Thus, the Arabs have cut off or reduced shipments to a long list of destinations which previously transshipped oil to U.S. markets. The destinations include Trinidad, the Bahamas, Dutch Antilles—Curacao—Canada, Puerto Rico, Bahrain—50,000 barrels per day normally supplied to U.S. Navy—Guam, and Singapore—also supplies U.S. Navy. Shipments have also been cut back to certain specific refineries which supply U.S. markets, including ones in Italy, Greece—which supplies the U.S. 6th Fleet—and one plant in southern France.

In dealing with other countries of the world, the Saudis and other Arab States have divided oil customers into three categories; those countries allied with Israel in any direct way were totally embargoed; those countries which were relatively neutral received percentage cutbacks; those countries favorable to the Arab cause received oil shipments at pre-war levels.

To get on the most favored list, a particular country must fulfill one or more of the following conditions: First, break off diplomatic relations with Israel; second, apply one or more economic sanctions against Israel; or third, give some military assistance to the Arab States. During November, Saudi Arabia's most favored list included Arab countries such as Lebanon, Jordan, Egypt, and Tunisia; Islamic countries which import Saudi crude, such as Pakistan, Turkey, and Malaysia; all African countries which have broken off diplomatic relations with Israel; and France, Spain and Britain.

By November 4, Saudi production was 31.7 percent below the September 1973 level. This drop represented:

A drop of 31.7 percent, or roughly 2.63 million barrels per day below the actual American Arabian Oil Co.—Aramco—production average for September—8,290,589 barrels per day.

A drop of 35.4 percent, or 3.1 million barrels per day, below planned Aramco output for October—8,760,000 barrels per day;

A drop of 37.8 percent, or 3.44 million barrels per day, below planned Aramco output for November.

Saudi Arabian cuts of this magnitude set the stage for the second Kuwait meeting on November 4.

THE SECOND KUWAIT MEETING—NOVEMBER 4

At the urging of the Saudia Arabian Government, a second meeting was held in Kuwait on November 4 to discuss ways of strengthening the "oil weapon." The Arab oil States agreed to a standard production cutback of 25 percent—based on September production level—and embargoed shipments of crude to refineries which supplied U.S. markets. The 25 percent cutback included the volumes deducted as a result of embargoes against the United States and Holland, rather than being added to such volumes.

At least three other important decisions were reached at the meeting.

First, the Arab States decided to take explanations of their actions directly to the affected countries. To this end Mr. Belaid Abdesselam, the oil minister of Algeria, and Mr. Ahmad Zaki Yamani, oil minister of Saudi Arabia, went to several European capitals and Washington to explain the Arab actions.

Second, they set up a special committee, composed of the oil ministers of Saudi Arabia, Algeria, Kuwait, and Libya to insure the implementation and enforcement of the decisions reached at the Kuwait meetings.

Third, they decided to convene a meeting in the future to decide on specific and uniform qualifications for the countries that are classified as "friendly" or "most favored" so that no disparity will exist between the definitions of various Arab nations.

As of November 5, the cutbacks were estimated by the Middle East Economic Survey to be as follows:

[Thousand barrels daily]

Country	September output	Cutback	Percent cut	New output level
Saudi Arabia	8, 290	2, 630	31. 7	5, 660
Kuwait [1]	3, 200	950	30. 0	2, 250
Iraq	2, 000	500	25. 0	1, 500
Abu Dhabi	1, 400	350	25. 0	1, 050
Qatar	600	150	25. 0	450
Neutral Zone	580	145	25. 0	435
Libya	2, 300	575	25. 0	1, 725
Algeria	1, 050	263	25. 0	787
Others [2]	1, 050	263	25. 0	787

[1] Kuwait has actually based its production cutback on their recent average level of 3,000,000 bbl/d rather than the September level of 3,200,000 bbl/d. The reduction from the former is thus 25 percent and from the latter is 30 percent.

[2] Comprises Egypt, Syria, Bahrain, Dubai and Oman. Dubai and Oman were not parties to the Kuwait decision but announced embargoes on the United States and the United States and Holland respectively. The overall cutback for these countries taking into account (a) Kuwait decision, (b) war damage, and (c) reduction in Dubai owing the recent oil well fire, is estimated at approximately 25 percent.

SAUDI ARABIA—THE OIL LEADER

According to Americas' Ambassador to Saudi Arabia, the Honorable James E. Akins, Arab oil earnings will top $10 billion this year and could go as high as $50 billion by 1980. Considering the recent price hikes and the effects of the embargo on prices in other parts of the world, his figures are probably conservative. But in any case, the huge sums of money flowing toward the Arab States in return for their flow of crude oil will be a factor affecting the politics of the whole region.

Saudi Arabia is assured of a prominant role in future Middle Eastern politics because of its rich oil deposits and its accumulation of capital. The huge sums of money going to the Arab oil-producing States continue to spill over to the other Arab countries and add a new dimension to the political decisions of Arab leaders in the area. The Saudis, for instance, have reportedly promised Syria substantial sums for reconstruction and development to rebuild and resupply after the current conflict. Saudi Arabia's King Faisal also promised an outright grant last summer of $500 million to Egypt's President Anwar Al-Sadt. American diplomats see the grants fulfilling dual purposes for the Saudis. The first centers around the sense of Arab solidarity and unity which Faisal hopes to inspire by spreading the oil wealth to the have-not Arab States. The second, which is more speculative, is believed to be an attempt to head-off political or military threats from the have-not Arab States. Whatever the case, the present, and potential impact of Saudi policy is extremely important to the prospects for a lasting peace in the Mideast. To understand this policy, though, Americans must look beyond the role of oil and consider other factors such as the way the Saudis view themselves.

A Saudi view of its foreign relations might be likened to standing in the center of four concentric circles. The first is the Arabian Peninsula and encompasses Saudi relations with its immediate neighbors, including its relations with Iran, with which it shares an interest in a trouble-free Persian Gulf. The second circle is the Arab world, in which the Saudi position is one of a moderate, wealthy, elder statesman, able to finance Arab development and identified with the Arabs cultural heritage. Whatever the contest for leadership among other Arabs in Damascus, Cairo, or Baghdad, Saudi Arabia is accorded a revered place at Arab councils. The third circle is Islam, for which Saudi Arabia feels a particular responsibility as the guardian of Mecca and Medina. The pan-Islamic ties extend to the Philippines, Indonesia, Senegal, Nigeria, Kenya, Turkey, Central Asia, and China—literally to every Muslim in the world. The fourth circle is the rest of the world, with which Saudi Arabia appears to seek favorable if somewhat distant relations.

Saudi foreign policy is directed toward the protection of these circles, with highest priority to the protection of Saudi Arabia's independence and security. Thus, the Saudis supported the "royalists" in the Yemen civil war against the "republicans" supported by Egypt, an Arab nation but one alien to the Arabian Peninsula. Saudi Arabia gave financial support to the Palestine resistance movement both to assist Arabs in the conflict with Israel and also to contribute to the goal of Arab unity. Saudi Arabia has hosted several pan-Islamic conferences, and is in the process of establishing an Islamic development bank.

The policy of restricting Arab oil production adopted by the Arab oil producing nations on October 17, 1973, coincides with Saudi foreign policy and the reason overlaps into three of the circles of policy. In the first, Saudi Arabia felt they had to join with Peninsula Arab states in supporting the Arab nations participating directly in the war. Secondly, while the Saudis did not participate in the fighting, they saw the oil reductions as a means of participating and maintaining a solid Arab front. Third, King Faisal sees his role in the world of Islam as one of protecting the holy cities of the region, two of which are in his country and third of which he considers to be old Jerusalem.

In considering Saudi Arabia's various roles and relating them to its relations with the United States, Saudi leaders reject the idea that the boycott primarily is designed to hurt the United States, but contend that it is aimed at Israel. The fact that the boycott may adversely affect the United States, Saudi Arabia's foremost friend outside of the pan-Arab and pan-Islamic circles, is in Saudi eyes, unfortunate. But, however unfortunate, the Saudis emphasized that Saudi interests are more important to Saudi Arabia than American interests.

UNITED STATES RELATIONS WITH SAUDI ARABIA

As British influence in the Middle East declined after World War II, Saudi Arabia, recalling its favorable relations with the United States, its profitable experience with American oil men, and particularly the amicable meeting between King Abdul Aziz Ibn Saud and President Roosevelt in 1945, turned to the United States for assistance and friendship. Saudi Arabia had two primary concerns in the World War II period, both of which remain current today.

First, the Saudis need a defensive capability to protect their independence. Toward this end, the United States has and continues to furnish military equipment and training for the Saudi armed forces. The importance of this factor cannot be overemphasized, since the Saudis clearly fear foreign hegemony in their area, particularly the expansion of Soviet and Chinese communism, which they consider to be the antithesis of their Islamic faith.

Second, the Saudis need revenues from their oil operations for the development of their country. American oil companies produce the oil and the profits for the Saudis and the Saudis seek American advice and technology for their development projects and investment programs.

In the last 2 months, however, the Saudis have clearly developed a third major interest in their relations with the United States. This is their interest in using both their geopolitical position and their oil to influence the United States to pressure Israel to accept a Middle East peace agreement acceptable to the Arab States. The question for U.S. relations with Saudi Arabia is whether we can accommodate this newly articulated Saudi interest without changing our historical and firm support for the security of Israel.

THE SIGNIFICANCE OF SAUDI-AMERICAN RELATIONS

While the continuation of good relations between Saudi Arabia and the United States may seem difficult because of the current boycott, it is of great importance that we attempt to carry on the close relationship developed over the last 30 years while simultaneously pursuing our policy of support for the integrity of Israel. Saudi Arabia maintains a prestigious position in the Arab world and among the Islamic nations, and this influence will grow as Saudi Arabia develops its own industry and that of sister Arab States.

The importance of Saudi Arabia also lies in a combination of other factors which include:

In an era when the number of countries friendly to the United States appears to be declining in the Middle East, it is important that the United States maintain close ties with Saudi Arabia in order to maintain U.S. communications with the Arab world. This contact may be especially important in the upcoming negotiations.

Saudi Arabia tends to be much more conservative than other Arab States. When this factor is considered, in combination with the prestige Saudi Arabia has with other Arab States, it is certain that the Saudis are a moderating influence in Arab countries as evidence in its opposition to Iraq's nationalization efforts.

Because of its huge oil resources, Saudi Arabia is the recognized leader of the block of Arab oil-producing States and is also a leader of the Organization of Petroleum Exporting Countries. The future policies and actions of these two blocs are likely to be strongly influenced by the decisions of the Saudis.

Disposing of oil revenues may not be a problem for most of the oil-producing states with large populations and development needs, but Saudi Arabia will have large amounts of capital to invest which will create problems if suitable investment mechanisms are not found. The United States can help Saudi Arabia make those investments and in the process, create good economic relations with all the nations of the Middle East.

Expanded markets for American goods and services will partially offset the unfortunate balance of payments created by our energy resources purchases. In this regard, it is significant to note that American firms and contractors operating in Saudi Arabia repatriated over $1 billion in profits to the United States last year. This gigantic sum offers a healthy contribution to the United States balance of payments. With $2.2 billion in oil profits last year and even larger sums this year, Saudi Arabia will also be the investment broker for many other non-oil-producing Arab States:

At present, the Persian Gulf is under the mutual protection of Saudi Arabia and Iran, both of which are pro-Western and anti-Communist. It is in the interest of the United States to insure that no great power seize control of the Persian Gulf and its oil.

Until such time as the United States is able to increase its refining capacity and develop its offshore oil deposits, Saudi oil could fill much of the current gap between U.S. supplies and demand.

From the conversations the study mission had with King Faisal and other Saudi leaders, I have no reservations in saying that the Saudis would prefer to continue to deal with the United States not only in oil production and sales, but in the industrialization and modernization of Saudi Arabia. The leaders we spoke with all expressed the hope that the United States will make great efforts to understand the complex environment in which the Saudis now find themselves. We would also point out once again that the role of Saudi Arabia in the Arab world is one of several differing and conflicting responsibilities. These responsibilities should be understood and weighed carefully in formulating a flexible foreign policy for the United States-Saudi relations of the future.

Shaikh Yamani told us privately what he has since confirmed in public, that Saudi Arabia would work to relax the oil embargo prior to a complete settlement of the Arab-Israeli dispute. Relaxing the embargo and increasing Saudi oil production may depend upon the willingness of the United States to assist in the industrialization of Saudi Arabia, particularly in providing the technology for a petrochemical industry. Shaikh Yamani furthermore led us to believe that Saudi Arabia would be willing to accept whatever agreement is reached during the peace negotiations by the main combatants.

It should be noted that the rationale behind the Arab oil production cutbacks involves a much larger issue than just Israel. The Saudis recognize that oil is a perishable commodity and they cannot expect their oil reserves to last forever. Moreover, the economics of the situation today demonstrate that their oil is as valuable in the ground as it is being produced. For instance, even with a 37-percent cutback in production, the Saudis will maintain their revenues as a result of the subsequent increase in oil prices. Thus, even with a resolution of the oil embargo and the political situation in the Mideast, it is most doubtful whether the Saudis would be willing to produce more than 12–15 million barrels per day in the foreseeable future despite U.S. desires for production increases to 20 million barrels per day.

A FRIENDLY CANADIAN EDITORIAL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I would like to submit to the RECORD an editorial written by a Canadian journalist and reprinted in the Fall River Herald News in my district. I find it very refreshing that this neighbor to the north has befriended us in this time of multiple crises.

[From the Fall River, Mass., Herald News, Dec. 5, 1973]

COME ON, LET'S HEAR IT FOR THE UNITED STATES

This Canadian thinks it is time to speak up for the Americans as the most generous and probably the least appreciated people on all the earth.

Germany, Japan, and to a lesser extent, Britain and Italy were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts. None of these countries is today paying even the interest on its remaining debts to the United States.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up, and their reward was to be insulted and swindled on the streets of Paris.

I was there. I saw it.

When distant cities are hit by earthquakes, it is the United States that hurries in to help. This spring 59 American communities were flattened by tornadoes. Nobody helped.

The Marshall Plan and the Truman policy pumped billions upon billions of dollars into discouraged countries. Now newspapers in these countries are writing about the decadent, warmongering Americans.

I'd like to see just one of those countries that is gloating over the erosion of the United States dollar build its own airplanes.

Come on, let's hear it.

Does any other country in the world have a plane to equal the Boeing Jumbo Jet, the Lockheed Tristar or the Douglas 10?

If so, why don't they fly them? Why do all the international lines except Russia fly American planes?

Why does no other land on earth even consider putting a man or woman on the moon?

You talk about Japanese technocracy, and you get radios. You talk about German technocracy, and you get automobiles.

You talk about American technocracy, and you find men on the moon—not once but several times—and safely home again.

You talk about scandals, and the Americans put theirs right in the store window for everyone to look at.

Even their draft-dodgers are not pursued and hounded. They are here on our streets, and most of them—unless they are breaking Canadian laws—are getting American dollars from Ma and Pa at home to spend here.

When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the New York Central went broke, nobody loaned them an old caboose. Both are still broke.

I can name you 5,000 times when the Americans raced to help other people in trouble. Can you name me even one time when someone else raced to the Americans in trouble?

I don't think there was outside help even during the San Francisco earthquake.

Our neighbors have faced it alone, and I'm one Canadian who is damned tired of hearing them kicked around.

They will come out of this thing with their flag high. And when they do, they are entitled to thumb their nose at the lands that are gloating over their present troubles.

I hope Canada is not one of them.

This editorial was written by Gordon Sinclair, a radio and television commentator in Toronto, and has been widely reprinted in newspapers of both this country and Canada as well as the Congressional Record.

TRAGEDY IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, the senseless violence at airports in Rome and Greece has strained the fragile peace in the Middle East for which all peoples of the world—including Arabs and Israelis—have worked so hard.

Only time will tell whether the brutal killings will permanently rent the thin fabric of peace. The Geneva peace conference appears as if it will begin on an uncertain note, to say the least.

Most difficult of all now is the decision faced by Kuwait. Rather than deal with Palestinian guerrillas, Kuwaiti officials attempted to block their landing and to force them to seek refuge elsewhere. At least in part their reason was that approximately half the people who occupy that tiny Arab country are Palestinians.

But the terrorists landed nevertheless, and Kuwait now must deal with them.

Such are the responsibilities of nationhood. If the Kuwaitis wish for the rest of the world to accord to the Arabs justice in their efforts to regain occupied Arab lands, then the Kuwaitis must be ready to accord justice to these terrorists.

The world will wait for that judgment, and doubtlessly many will judge the Arab pleas for justice in the Middle East on the basis of the standard of justice applied to these guerrillas.

That is indeed a strict standard to apply to Kuwait, but no one can say that it is an unfair standard.

Guerrilla tactics carried out against innocent civilians in a country which has not become involved in the Israeli-Arab conflict hurt the Arab cause most of all. Arabs then should be the first to do something about it.

ISRAELI POW'S NEW DEVELOPMENTS; FAMILIES BRIEF MEMBERS OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, today's news reports indicating the possibility that Israeli soldiers captured by Syria have been murdered are extremely disturbing.

The reports from CBS News—December 18 and 19—cited unidentified U.S. intelligence sources who reported that Syria may be refusing to participate in the Geneva peace conference and refusing to release a list of Israeli nationals it is holding because these prisoners have been killed while in custody. The report indicated that Moroccan and Iraqui soldiers may have been responsible for these new murders.

This morning I asked the State Department for confirmation of these reports. Roger Davies, Acting Assistant Secretary for Middle and Near East Affairs said the reports were of "unknown reliability." He said,

> These are third and fourth hand reports and intelligence sources pick up these stories and pass them on without evaluation. We have no basis for evaluating them yet.

It is my firm hope that these reports prove groundless. But the fact remains that torture and murder of some Israeli prisoners has already taken place and that Syria has yet to turn over to the International Red Cross a list of the POW's it is holding.

Last Thursday Congresswoman PAT SCHROEDER and I convened a briefing for Members of Congress and their staffs on the serious and pressing problem of Israeli soldiers who are being held by Syria.

The Members of Congress heard directly from a young wife, a father and a mother of three Israeli soldiers who are in Syria. It should be made clear that these three courageous people know that their relatives are prisoners only because they identified them from photographs taken by international news agencies.

At the congressional briefing the three Israeli citizens gave those attending a glimpse of what the last 3½ months has been like for them. Because they are worried about retaliation against their relatives the families have requested that their names not be used. But the story they had to tell needs no names.

In the group was the 21-year-old wife of an Israeli pilot who himself is only 24. Her husband's plane was shot down and he was shot at and wounded while parachuting to the ground. He is now apparently in a Damascus hospital but as she herself said "there is every reason to be worried."

Also describing her experience was the mother of a young Israeli soldier who was captured on the first day of the war. This mother said:

> I recognized my son through a picture released by the Syrians. Perhaps they wanted to show how superior they were by showing they could capture Israelis. At first I didn't want to believe that it was my son but my husband convinced me that I must.

The last member of the group to tell his story was the father of a detained Israeli soldier. He summarize the situation most eloquently when he appealed to all the Members of Congress. He said:

> This is our last hope. For us it is a humanitarian situation. They (the Syrians) are taking themselves out of the family of nations.

For us in America, each morning's newspaper and each night's news broadcast gives us more information about the tragic situation in the Middle East and the negotiations leading to the upcoming Geneva talks. Each story makes references to the refusal of Syria to release a list of the soldiers it is detaining and their refusal to allow the International Red Cross to examine the detention facilities or to begin any discussions leading to an immediate exchange of wounded prisoners.

Today's news accounts give little encouragement that Syria will release a list of the prisoners. When Secretary of State Henry Kissinger made his first trip to the Middle East capitals one of the elements involved in getting all sides to the conference table was an agreement that the POW issue would be resolved. No resolution of this problem has yet occurred.

The issue must be resolved and we in Congress must do all that we can to help. In this regard, Representative MARJORIE HOLT, Representative PAT SCHROEDER, and I, who had all been to Israel during the Thanksgiving congressional recess and received firsthand information on this issue, circulated a letter to Secretary of State Kissinger asking the United

States to introduce a United Nations Security Council resolution calling on Syria to release a list of the prisoners, live up to the Geneva Conventions requirements allowing the International Red Cross to examine the facilities, and calling for an immediate exchange of wounded prisoners.

I am pleased to say that 132 House members signed the letter to Dr. Kissinger. At this point I would like to include the text of the letter and a list of cosigners.

HOUSE OF REPRESENTATIVES,
Washington, D.C.

DEAR MR. SECRETARY: As members of the U.S. House of Representatives, we want to raise with you an issue of great humanitarian concern that has developed as a result of the war in the Middle East.

The governments of Israel and Egypt have recently completed an exchange of prisoners, and it is widely recognized that this expeditious action has made a significant contribution to the prospect for peace talks between Israel and Arab nations.

A similar exchange of prisoners with Syria has been proposed by the government of Israel. To date, the government of Syria has not only refused to agree to such a procedure, but it has also neglected to fulfill its obligations under the Geneva Convention and international law with regard to the treatment of prisoners. The government of Syria has failed to provide the International Red Cross access to the Israeli prisoners and has also denied a request for an immediate exchange of wounded prisoners.

The Syrians are believed to be holding approximately 125 Israeli prisoners. It is our understanding that Israel has given the Red Cross a list of approximately 350 Syrian captives it is holding and has given this organization an opportunity to inspect prisoner and hospital facilities and to talk with prisoners of Syrian nationality.

Unfortunately, there is cause for great concern as to the treatment of Israeli soldiers detained in Syria. A group of House members which recently visited Israel was shown documentation and photographs indicating that Israeli soldiers captured by Syrian forces have been bound, blindfolded, mutilated, and shot or stabbed to death. The bodies of approximately 30 Israeli soldiers, apparently killed after their capture, were located at various sites in the Golan Heights.

War is in itself tragic and inhumane. However, there are well-established law and international agreements with respect to the handling of prisoners of war, and it is assumed that responsible governments will honor these obligations.

We, therefore, are calling on you to instruct the U.S. Representative to the United Nations to introduce a Security Council resolution asking Syria to fulfill Geneva Convention requirements by providing the International Red Cross with a list of prisoners of Israeli nationality and permitting the Red Cross to contact the captives and to visit POW facilities. The resolution should also call for an immediate exchange of wounded prisoners.

The United States should appeal to all members of the U.N. Security Council, regardless of their position on the political issues involved in the Israeli-Arab dispute, to support such a resolution on the grounds of simple humanitarianism and respect for international law. Certainly, there can be no doubt that action by the U.N. on this issue would be an important step toward relieving world tensions and achieving peace.

Sincerely,

Patricia Schroeder, Bella Abzug, Marjorie Holt, Barbara Jordan, Robert O. Tiernan, Donald W. Riegel, Jr., Phillip Burton, Joseph J. Maraziti, Dan Daniel, and Robert A. Roe.

Donald E. Young, Benjamin A. Gilman, Clarence D. Long, E. G. Shuster, C. V. Montgomery, John F. Seiberling, Bill Lehman, Benjamin S. Rosenthal, W. L. Armstrong, and Ken Gray.

Ella Grasso, Robert W. Kastenmeier, Frank J. Brasco, Joseph M. Gaydos, J. J. Pickle, Robert P. Hanrahan, Donald J. Mitchell, William A. Steiger, Henry P. Smith, III, and Claude Pepper.

Thomas P. O'Neill, Jr., Peter Peyser, Wayne Owens, Mendel J. Davis, Norman F. Lent, John J. Duncan, Hamilton Fish, Jr., Richard W. Mallary, John Hunt, and Ronald A. Sarasin.

Jack Kemp, Dick Shoup, Bertram Podell, William S. Moorhead, Dante Fascell, Wayne L. Hays, Herman Badillo, Lindy Boggs, and Ogden Reid.

Peter Rodino, Jonathan B. Bingham, Romano L. Mazzoli, Edward I. Koch, Matthew J. Rinaldo, Frank Horton, Harold Collier, Frank Thompson, Jr., Alphonzo Bell, and Charles Rose.

Edward Mezvinsky, Leo J. Ryan, Robert F. Drinan, Wm. J. Bryan Dorn, Edward J. Patten, Lester L. Wolff, Charles Vanik, Robert N. C. Nix, Thomas S. Foley, and Margaret M. Heckler.

Vernon W. Thomson, John H. Heinz, III, Don H. Clausen, Paul Findley, Michael Harrington, Samuel Stratton, Joseph P. Vigorito, Shirley Chisholm, Angelo D. Roncallo, and Peter H. R. Frelinghuysen.

James Abdnor, Paul W. Cronin, Robert McEwen, Barber B. Conable, Louis Frey, Albert H. Quie, James W. Symington, Larry Winn, Antonio B. Won Pat.

Frank E. Evans, George E. Brown, Jr., Mike McCormack, James J. Howard, Ronald V. Delums, Jack Brooks, Charles Wilson (Texas), John M. Murphy, Elizabeth Holtzman, Robert Price, and Joseph G. Minish.

Jerome R. Waldie, Dominick Daniels, John Breckinridge, Gerry E. Studds, Sidney R. Yates, Pete Stark, Sam Gibbons, Joseph P. Addabbo, Paul S. Sarbanes, Patsy T. Mink, and Spark M. Matsunaga.

Daniel J. Flood, Lloyd Meeds, Marvin L. Esch, Gene Synder, Samuel H. Young, John N. Erlenborn, William R. Cotter, Don Fraser, William S. Cohen, Alan Steelman, and Edward R. Roybal.

Joshua Eilberg, Clair W. Burgener, Pete Du Pont, Joel Pritchard, Robert J. Huber, William J. Keating, George M. O'Brien, John B. Anderson, Walter Fauntroy, Thomas Rees, and Charles B. Rangel.

It is quite evident that this is a serious problem. The safety and well-being of individuals is at stake. The Syrians by not releasing the names of those captured are causing unnecessary hardship for those families concerned. It is my sincerest wish, Mr. Speaker, that before Congress adjourns and before we enter a New Year, that we do all we can to resolve this situation.

SELECT LABOR CHAIRMAN INTRODUCES BILL TO OUTLAW AIRLINES MUTUAL AID PACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, it is axiomatic that a strike rarely helps either labor or management. If it lasts any time it is rare that gains equal the loss in wages and profit that are part and parcel of any protracted strike.

Certainly nothing is gained by encouraging one side to assume a hard nosed posture and avoid reaching agreement. Such a device is the so-called mutual aid agreement under which airlines not being struck can provide financial aid to an airline whose employees are engaged in a strike. Obviously this discourages the spirit of collective bargaining. For this reason I have introduced legislation today to terminate the mutual aid agreement.

"CHEAP SHOT" AT AF BOOMERANGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of South Carolina. Mr. Speaker, in these days of money bills in the millions and billions of dollars, a figure like $100,000 does not stand out very far. While this figure is small, I am sure the newspaper, TV, radio media would quickly seize such a figure if they could prove it had been taxpayers' money which has been wantonly squandered. Furthermore, the crime would be compounded if it were a member of the Armed Forces unfortunate enough to be responsible.

Well, Mr. Speaker, $100,000 has been wasted—wantonly squandered—and there is not one cry from the media, not one outraged editorial, not one bold headline decrying this affront to justice. Perhaps the fact that a member of the press fraternity is the cause of the waste could be the reason the story has been muzzled.

I certainly believe in "freedom of the press," but this does not include the belief that journalists can be irresponsible in their methods. I also do not believe a newspaper, even a major daily like the Washington Post, has the right to publish a sensational charge and then ignore the fact that it does not check out to truth. The following article by Col. R. D. Heinl, Jr., a writer with the Detroit News, more than bears out this belief. I offer it now for you and my colleagues.

"CHEAP SHOT" AT AF BOOMERANGS

(By Col. R. D. Heinl, Jr., USMC (Ret.))

WASHINGTON.—The kind of a bum rap the armed forces are accustomed to getting from the media could hardly be more forcefully exemplified than in a recent case of journalistic malpractice involving the Washington Post and the U.S. Air Force.

Last Aug. 15, in a Page One story, the Post alleged that authorities at Charleston Air Force Base in South Carolina had secretly buried "thousands of dollars worth" of costly gear in the base dump and a nearby pond to fool a team of visiting inspectors.

Crediting an official of the base employes' union, Post reporter William Claiborne listed "electronic equipment, aircraft parts and other new usable equipment . . . 27 rolls of stainless steel cable, new and used engine parts, printed electrical circuits, scores of cans of paint, desks, chairs and file cabinets, new shower stalls, transistors and new GI cans."

All these and more the Post reported, had for reasons never altogether clear been buried or dumped in the pond.

Claiborne's 41 column-inches long story was headed: "Cleanup or Cover-up? Supplies Buried in Dump Prior to Inspection." The piece was syndicated by the Los Angeles Times-Washington Post News Service and, as might be expected, generated instant fallout from indignant readers.

Picking up the cry, the LA Times editorialized: "Punishment Is in Order . . . The best way to stop this needless waste would be to start punishing the officers who gave the orders."

That reaction of the LA Times to what—from Claiborne's story—seemed to be incredible brass-hat stupidity spoke typically for news and electronic media across the country.

At Charleston, however, the reaction that mattered most was a storm-front of investigators and inspectors that swept down on the base and its commander, Brig. Gen. R. L. Moeller.

The day the Post's story ran, the deputy inspector-general of the Air Force, a major general, jetted down from Washington to direct a probe already launched by the inspector-general, Military Airlift Command (who had flown in from Illinois). Backing the inspectors was a task force from the Air Force Office of Special Investigation.

For four days sleuths and inspectors took sworn testimony from every known source for Claiborne's article. Marshaling an array of earth-moving equipment, they dug and sifted the entire dump and even drained the pond.

Examined on oath in the presence of union representatives, employes named by the Post denied words put in their mouths by reporter Claiborne, or, in one particular regarding electrical equipment, said he had misunderstood.

Dump and pond proved barren. Although, in the words of CBS-News reporter David Henderson, who filmed the dig, "they dug up the entire dump," the recovery amounted to one scraper-blade, a few runway sweeper brushes, nine old GI cans, several moldy mattresses and 30 sacks of damaged fertilizer.

The four days' probing, trenching and pumping that produced this meager return was carried out under the eyes of CBS (which gave up on the story), local reporters and wire-service men who stayed to the end.

The only reporter who didn't stay for the dig was from the Washington Post. On Aug. 14, soon after Gen. Moeller had already started excavation, Claiborne as he admitted, announced he "had a plane reservation to make," and departed for Washington where his article started so much trouble next morning. (Asked why he had not stayed to watch the diggings which would prove or disprove his story, Claiborne replied, "They didn't decide to dig until they knew I had plane reservations and had to leave.")

Moeller tells it differently. "I told Claiborne," he stated, "we're digging this whole thing up and I can get you a comfortable chair to sit in the shade of a tree and you can watch this entire dump being dug up."

One who did stay was Henderson from CBS-News. "We simply couldn't back up the Post story." Henderson said afterward, a fact, he added, that gave him problems with New York, which insisted to the end that if it was Page One Washington Post it had to be so.

When nothing more was left to dig, drain or investigate, the wire services duly reported negative results, as well as official exoneration of Gen. Moeller and the fact that Air Force headquarters allowed the base to retain its original rating as best such command.

Neither the Post nor LA Times could find that they ran any wire-service stories that would have balanced the Post's original unfair report. Having launched a sensational story with highly adverse national reverberation for the Air Force, the Post undertook no follow-up and dropped the story as did the LA Times.

(On Nov. 30, over three months late, the Post, belatedly aware of inadequacies in Claiborne's story, ran a grudging, deeply buried report that Air Force inspector-generals had cleared the base but gave no hint of this nonstory's original insubstantiality.

Of all radio-TV stations that ran the dump story nationwide, only KMOX-TV (St. Louis) is known to have given the Air Force time to refute the original charges had been demolished.

Claiborne nevertheless stands by his story. "I think the Air Force got a fair shake," he insists.

One party who did not get a fair shake on the Post's "expose" was the taxpayer. Costing out the thousands of gallons of now-scarce jet fuel wasted in flying investigators from Washington and Illinois, travel-expenses and per diem for them and air crews, aircraft operating costs, thousands of man-hours' labor and investigation, heavy equipment tied up and all other charges associated with the probe, Gen. Moeller glumly put the total at "close to $100,000."

What the irresponsible reportorial caper may have cost the Armed Forces other than in dollars is intangible and, therefore, incalculable.

On the part of the U.S. Air Force, a proud and competent service victimized by the Post's cheap shot, it is worse than incalculable: it is unforgivable.

HEARING SPONSORED BY THE COALITION FOR HUMAN NEEDS AND BUDGET PRIORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, during a recent trip to my district, I attended a special hearing sponsored by the Coalition for Human Needs and Budget Priorities. The purpose of this hearing was to hear testimony from many individuals, who represent a variety of community programs, concerning the functioning of their program within the community and the impact of Federal funding, priorities, and policies on the program's effectiveness.

I was very impressed by the dedication and involvement of the many individuals who participated in the hearing. The conclusions which can be drawn from the testimony presented should be of great interest to all of us who are concerned about unmet social needs at the grassroots level and the necessary steps that must be taken to meet these needs at the Federal level.

The hearing was divided into a number of subject areas each represented by a variety of organizations and groups. I have prepared as summary of the views presented at the hearing I attended, and I would like to share this with my colleagues. Director of the hearing was Alice Paine of the American Friends Service Committee. Chairing the meeting was Roberta Byrd Barr, principal of Lincoln High School in Seattle.

1. SOCIAL JUSTICE FOR ETHNIC MINORITIES, YOUTH AND WOMEN

Patricia Kernighan: Feminist Coordinating Council. Ms. Kernighan singled out federal funding cutbacks in child care, health care, and legal services for particular criticism as to their negative impact on women. She cited recent legislation that requires welfare mothers to work, while at the same time funds for day care are cutback. Health care for infants and mothers in this area is inadequate as evidenced by the fact that the diptheria rate in Seattle is the highest in the nation. While 60% of Legal Services clients are women, funds are being cutback and Legal Services is currently threatened with a proposed prohibition against advocating changes in legislation or government policies. This, coupled with cutbacks which virtually eliminated the Women's Rights Office, will result in a great reduction of effective advocacy of women's rights.

Eddie Rye: Executive Director, Central Area Motivation Program. Mr. Rye stressed the lack of funds and the overabundance of red tape and paperwork. He is particularly concerned about the lack of funds for ongoing youth programs and Head Start programs, which have been taken over by King County since the demise of the Seattle-King County Economic Opportunity Board. He does not feel that we should or can look to the public schools to solve all juvenile problems. He had expected that revenue sharing, with its implied increase in local control over how public funds are used, would mean that more funds would be available for these programs, but this has not happened. He called for greater citizen participation in decisions regarding the use of revenue sharing funds.

2. EDUCATION

Carol Richman: Central Seattle Community Council Federation. Ms. Richman is concerned about reduced levels of federal funding, and stressed the changing and expanding role of education in today's society. There is a need for greater equality of education for minorities and the disadvantaged, and more attempts to meet the changing needs of youth, particularly problems relating to alcohol, drugs, and criminal offenses. Increased financial aid and student loans for higher education are also needed. She feels it is necessary now for federal programs and administration to be reviewed and re-evaluated in order to make them more efficient, responsive and accountable. In conclusion, she urged the setting of policy and guidelines at the national level, but implementation at the lowest possible level.

Milton Karr: Council on Planning Affiliates. Mr. Karr focused on the problems of "wandering youth"—which in its current magnitude is a relatively modern problem—and the alienation and aimlessness of a high proportion of them. He urged Congressional action in three areas:

1) Hostels and similar accommodations for youth should be provided across the country, as has been done in many other countries.

2) Legislation sponsored by Senator Birch Bayh to provide housing and services for runaway youth should be passed. Mr. Karr stressed the increasing magnitude of this problem in the Seattle area, and the increasing number of young women in this group. In 1967 the Seattle Police Department had runaway reports on 869 youngsters; in 1972 the number had risen to 3348.

3) Legislative action is needed to increase employment opportunities for youth. He cited the high unemployment rate among youth. According to the 1970 census, 29.4% of high school graduates are out of school and out of work. Among black female graduates, the percentage is 57.9%. More opportunities for significant work must be found, and he suggests a federal program that would

enable youth to participate in the designing of their own work projects.

June Shimakawa: Special Counseling in Continuation School. Ms. Shimakawa is concerned about the problems of teenage parents. Contraceptives and abortion liberalization have reduced the number of unwanted pregnancies, but the percentage of young people in this position is increasing. Nationwide, there are 600,000 teenage mothers and 80% keep their children. The Department of Health, Education, and Welfare has in the past supported programs in this area, but these have now been cutback. She feels that an ideal way of reaching these people is through the education system, but to do so effectively funding is needing on a stable, continuing basis.

3. EMPLOYMENT

Ed Good: former Executive Director, Seattle Joint Manpower Board. Mr. Good is very critical of the lack of a national manpower policy and focus, the bureaucratic duplication and proliferation of administrative agencies and lines of authority. He cited statistics to emphasize the urgent need for concerted federal action: there are 85,000 poor or near-poor in the Seattle-Everett area, and only 12,000 of these are being reached by existing manpower services. Between October 1972 and October 1973, unemployment in this area was reduced .1%, while at the same time, the manpower budget was reduced 21%. In this area, outside of the aerospace sector, only 1000 new jobs are created yearly.

Wilma Goss: Kinatechitapi Indian Program. Ms. Goss points out that Indians are the "minority of all minorities" and that existing employment plans for this area exclude them. There is currently a 65% unemployment rate among Indians. Programs to reduce this percentage must include education and on-the-job training programs to bring up skills, and efforts to deal with alcoholism problems, a major barrier to employment among Indians.

Arron Bair: Client, Renton Vocational Technical Institute. Mr. Bair gave his personal testimony as to the effectiveness of the adult vocational training he has experienced and the need to expand the program to reach more people. He quit school in the 9th grade and was a well-paid truck driver until he had an accident and was laid up for two years. He is highly motivated and anxious to take advantage of the schooling now available to him, and he believes other adults in his program feel the same.

4. HOUSING

Josephine Osby: Seattle Housing Development. Ms. Osby stressed the shortage of housing in this area for low income families. The 235 home ownership program has had its funds frozen by the Administration since January 1973, and leased housing is currently available only for families of five or more. While there are currently 3000–4000 vacant houses in this area that have been taken over by the Federal Housing Administration, most are too expensive for low income families. In addition, there is no funding for a minor home repair program, and this is essential.

Donna Linstead: Board Member, Kinatechitapi Indians. According to Ms. Linstead, Indians have the worst economic plight of any U.S. group, and there is an immediate need for an emergency housing program for Indians in urban areas. The Indian life style makes them mobile, and when they find themselves in an urban area cut off from their tribe, they often do not know where to go for assistance. Her group is currently running a volunteer housing program, but there is a real need for a more permanent program for both general and short term housing. A permanent Indian housing advisory board should be organized and staffed in Seattle with a listing and referral system.

Dick McIver: National Association of Housing and Redevelopment Officials. Mr. McIver stressed the urgent need for passage of the Community Development Special Revenue Sharing legislation, which must include a hold harmless provision for Model Cities funds, by fiscal year 1975, or some interim funding. There must be more funding for a redevelopment program in the housing area, especially for the Central Area where impact funding is needed for the rejuvenation of existing housing.

Don Krum: Puget Sound Governmental Conference and Low Income Housing Coalition. Mr. Krum is very critical of what he termed a drastic cutback in the low income housing programs by the Nixon Administration. The Seattle Housing Authority could currently fill 6000 additional units for the elderly alone. To participate in the private housing market in this area, a family must have at least a salary of $13,000. In the face of a record defense budget, and higher corporate profits, national budget priorities must be reorganized to better meet human needs.

5. COMMUNITY DEVELOPMENT/SOCIAL SERVICES

Don Norwood: King County Youth Action Council. Mr. Norwood's program currently depends on O.E.O. funding for their 11 youth service agencies and 20 job training positions. As O.E.O. is phased out, he is afraid that they will not be able to find continuing funding, in spite of revenue sharing.

Carl Fisher: Center for Addiction Services. Mr. Fisher's agency is the umbrella agency for addiction help groups. They are still seeing 70–100 clients per month and heroin is the major problem. He is afraid that because the immediate drug scare is gone the concern is gone and funds are being cut back. He is particularly concerned about the Supplemental Security Income Program, under which addicts will be excluded from disability. He is afraid that under the new regulations, an addict must be made physically sick before he can be served.

6. MENTAL HEALTH

James Becker: Chairman, Kings County Mental Health Board. Mr. Becker indicated that funding for mental health programs in this area is running out. Mental health is not being funded under special revenue sharing, and demands for their services is increasing.

Bernadine Mathison: Highline-West Seattle Mental Health Center. Ms. Mathison's center has served 5000 clients in four years, but now are facing loss of funding through Administration impoundment and what was termed a reversal of federal policies. She sees an increased demand for their services, and the need, for example, of a 24-hour emergency treatment center. However, funding is not currently available.

Loretta Flesch: Client, Highline-West Seattle Mental Health Center. Ms. Flesch gave her personal testimony as to the help she received when she was going through a period of emotional problems. She is extremely grateful for what the center was able to do for her.

7. BUDGET PRIORITIES

Robert Doupe: National Association of Social Workers. Mr. Doupe is extremely critical of the Nixon Administration's priorities and cutbacks, and characterized the Administration as misguided, deceptive, stingy and heartless. The upshot of revenue sharing, he feels, is that social programs suffer. He is critical of federal cutbacks in funding for a variety of social programs in this area, and outlined five proposals for which he urged Congressional support:

(1) Restoration of budget cuts in health, welfare, education, housing and urban development.

(2) Passage of new legislation such as the social services amendments sponsored by Senator Mondale, the National Health Act, the Health Maintenance Organization Act, and the Child Development Act.

(3) Creation of the necessary Congressional coalition to override the President's vetoes of important legislation.

(4) Tax reform to close loopholes and correct the present unfair schedule of taxation.

(5) Redirection of excessive military spending to social needs.

Jerry Sharp: Washington Federation of State Employees Local 843. Mr. Sharp pointed to the gap between the Administration's rhetoric and the actual impact on social needs at the grassroots level. He does not feel that revenue sharing is meeting the needs which exist and social programs must receive a higher national priority. He urges passage of social services legislation sponsored by Senator Mondale, S. 2526.

Thorun Robel: Seattle Women Act for Peace and Coalition for Peace and Justice. Ms. Robel attended the recent World Congress for Peace, held in Moscow. She feels that peaceful coexistence is both possible and essential, and universal disarmament is a major goal.

8. LEGAL SERVICES

Rita Galer: Director, Seattle Legal Services. Ms. Galer stressed the necessity of maintaining a viable legal services program if there is to be equal justice under the law without regard to wealth, power or privilege. It is essential that the National Legal Services Corporation Bill be passed without the crippling floor amendments added in the House. She supports the version of this legislation as reported by the Senate committee. There must be no restrictions as to the legal actions that can be taken in the cases of the poor by the Legal Services attorneys.

John Darrah: Director, Seattle Public Defender Office. The Seattle Public Defender program has been a model one, but now their funding is being reduced and they are being forced to cutback. Mr. Darrah stressed that it is essential to have a program for defense that balances the prosecution if there is to be justice under our system.

9. ENERGY ALLOCATION

Chip Marshall. There is an energy crisis, and Mr. Marshall is concerned that fuel costs will be so high that the poor will be priced out of the market. He also feels that the crisis is producing fear among the public which the Administration is trying to manipulate. Watergate illustrates the abuse of power when it is concentrated in the hands of a few. He opposes strongly giving sweeping, unilateral powers to the President regarding energy allocation. What we need are positive solutions to the energy crisis.

10. SUMMATION

Walter Hundley: Director, Seattle Model City Program. There are numerous federal programs that have been designed to meet the needs of the people, and these have mostly come from the Congress. However, there is a need for funding to continue the basic services as the needs have not yet been met. If improvements can occur in these programs, Mr. Hundley calls for modifications and innovations, but not the "meat ax." Congress needs to work to bring about a reorganization of federal budget priorities, and this has not been done. He sees the country approaching another crisis as social programs wind down and end. For example, 60 people have been laid off from Model Cities to date, and 20 projects have been closed down. The EEA program ends in December 1973. If something does not happen to meet the needs which exist and reverse the current process,

Mr. Hundley fears a return to the earlier crisis period of the 1960's when there were riots, burnings and bombings in the fact of frustration.

HEARINGS BEGIN ON BAYH-DRINAN CONSTITUTIONAL AMENDMENT TO LOWER THE AGE AT WHICH INDIVIDUALS MAY COME TO CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Masschusetts (Mr. DRINAN) is recognized for 15 minutes.

Mr. DRINAN. Mr. Speaker, this morning, the Senate Judiciary Committee, Subcommittee on Constitutional Amendments, held hearings on a constitutional amendment proposed by Senator BAYH, the distinguished chairman of that subcommittee, and myself, designed to reduce the age for eligibility in the Senate and the House from 30 to 27, and 25 to 22 years, respectively.

I testified at those hearings, and am pleased at this time to insert, for the consideration of my colleagues, my testimony in the RECORD. I am also pleased to insert the excellent testimony of Senator BIRCH BAYH on this proposed constitutional amendment. In his testimony, Senator BAYH states:

> In the 10 years I have served as chairman of the Senate Subcommittee on Constitutional Amendments, I have seen few proposals supported by such compelling logic and reason as this one.

Mr. Speaker, the Subcommittee on Constitutional Rights of the House Judiciary Committee will be holding hearings on this matter shortly after the recess. This morning, Russell D. Hemenway, national director of the National Committee for an Effective Congress, testified, on behalf of his organization, in support of this constitutional amendment. I am pleased that Mr. Hemenway will also appear before the House Subcommittee.

Mr. Karl Rove, national chairman of the college Republicans, as well as Mr. Larry Friedman, president of the U.S. National Student Association, and Mr. Charles Schollenberger, a well-informed student from Wooster, Ohio also testified.

The text of Senator BAYH's and my own testimony follows:

TESTIMONY OF ROBERT F. DRINAN

I wish to thank the distinguished Chairman of the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee for this opportunity to begin formally what I hope will be an historic succession of events leading to the ratification of an Amendment to the Constitution of the United States. The distinguished Chairman of this Subcommittee, Senator Birch Bayh, and I have jointly introduced a proposal to amend the Constitution to provide that American citizens may be eligible to become Members of the House of Representatives if they have attained the age of 22, rather than 25 as the Constitution now requires, and may be eligible to become a Member of the United States Senate upon attaining the age of 27, rather than the present required age of 30 years.

My enthusiasm for the success of this Amendment is enhanced by the determination of the Subcommittee on Constitutional Amendments of the House Judiciary Committee to hold hearings on this very same Amendment when the 93rd Congress reconvenes for its 2nd Session. I shall have the honor to preside at those hearings before the House Subcommittee on Constitutional Amendments, of which I am a member.

There are many reasons why I propose this Amendment, but the principal reason is to permit the young people of the United States to participate as Representatives and Senators in the formation of the policies by which all Americans will be governed. I look upon the exclusion of young people as both arbitrary and unwise.

The people of America took only a few months to ratify the lowering of the voting age from 21 to 18 years. Although Congress delayed this particular measure for several years, the people demonstrated their readiness to act. They know that the young people in this country deserved the right to vote at the age of 18, because young people were adequately prepared and sufficiently mature to exercise the franchise responsibility.

It is my hope and expectation that the Congress and the people of the United States, having lowered the voting age which had been set by the founding fathers, will follow this course, and provide that the ages of 25 and 30 set forth in the Constitution as requirements for membership in the House and the Senate respectively, should be comparably lowered by three years.

Some might argue that any American citizen should be eligible to run for the House or the Senate if he or she has attained the age of 21 or even 18. The Amendment which the distinguished Chairman, Senator Bayh, and I propose, however, does not seek any alteration of the logical symmetry of the Constitutional pattern, but only seeks to bring the age at which a person can become a Member of Congress into line with the new age at which young people may become voters.

I believe that the Amendment which we propose today will have a great impact on the perception of and participation in government of millions of young people who now constitute that half of the nation whose average age is under 27 years. This Amendment will say to those 25 million young people who received the franchise under the Twenty-Sixth Amendment that we not only want them to participate as voters in our democracy, but we also want them to aspire while they are still young adults to be Members of the Congress of the United States.

The proposed Amendment does nothing to alter the minimum age requirement of 35 years required by Article II, Section 1 of the Constitution for any person to be eligible for the office of President. The distinguished Chairman, Senator Bayh, and I both feel that the minimum age for the Presidency presents separate considerations. It is our judgment that the citizens of America should be able to vote on the minimum ages required for Members of Congress without having this question joined with the alteration of a Constitutional prerequisite for the Presidency.

I would like to turn to the legislative history of the ages of 25 and 30 as these are found in the Constitution, and then discuss the age limits in the 50 states as well as in foreign nations.

LEGISLATIVE HISTORY WHICH FORMS THE BASIS OF THE DETERMINATION TO USE AGES 25 AND 30 AS PREREQUISITES FOR ELIGIBILITY TO THE CONGRESS

The seven principal contemporary and historical descriptions of the Constitutional Convention—those of Elliot, Farand, Hunt, Prescott, Story, Tucker, and the Federalist Papers—reveal little of the underlying reasons for the age limits prescribed by the Constitution. On May 29, 1787, it was decided that Senators should be of a definite minimum age. On June 12, 1787, a Motion to Strike that Resolution failed by a vote of 6 to 3. Massachusetts, New York, Deleware, Maryland, Virginia and South Carolina favored an age limitation, while Connecticut, New Jersey and Pennsylvania did not. North Carolina and Georgia were divided.

On June 22 a motion to set the age of 25 as a qualification for membership in the House of Representatives carried by a divided vote of 7 to 3. Connecticut, New Jersey, Delaware, Maryland, Virginia, North Carolina and South Carolina favored the 25-year limitation while Massachusetts, Pennsylvania and Georgia were against it, with New York divided.

From the foregoing legislative history, it is very clear that the writers of the Constitution had no overwhelming consensus among themselves about the age limitations of 25 and 30 which finally were inserted into the Constitution. At no time during the Constitutional Convention was the idea extensively considered that either house ought to have no age limit. Nor is there any indication that the delegates to the Constitutional Convention ever debated the question whether the House and the Senate should have the same or different age limits. Similarly, the States, in their ratification proceedings, gave the matter scant if any attention.

A good deal of speculation has occurred in the course of American history with regard to the rationale and motivation for the establishment of the minimum ages in the Constitution. Since all of the pre-1789 State constitutions followed the British practice of lower house eligibility at age 21, it would appear that the delegates to the Constitutional Convention felt that a Member of the House of Representatives needed more maturity than the members of a State legislature.

The entire question is, however, filled with ambiguities and is not susceptible to any generalizations.

What is very clear and almost amazing, however, is that no one in the entire history of the Congress has previously proposed an amendment to follow the British practice of lower house eligibility for membership in the Congress.

The amendment proposed today does not question the good judgment of those who wrote the Constitution but simply states that, in view of the fact that the voting age has been lowered by 3 years, an identical alteration in the ages of eligibility for membership in the Congress would be a logical step. I believe that a very strong case can be made that the Founding Fathers, who measured legislative eligibility in light of voting eligibility, would have supported this amendment if the voting age in 1787 had been 18.

AGE REQUIREMENTS IN STATE LEGISLATURES AND IN OTHER NATIONS

Although the ages at which citizens may become members of State legislatures are steadily decreasing in the wake of the enactment of the 18-year old vote, only seven States require members of the State senate to be 30 years old. Only five States require members of their lower house to have attained the age of 25. The minimum ages, therefore which now exist in the Federal Constitution are among the very highest of all of the 50 States.

If the age limit for membership in the U.S. House of Representatives were decreased from 25 to 22 it would still be higher than the current age limit for membership in the lower house of 42 State legislatures.

What is proposed, therefore, today in this constitutional amendment would, if enacted, still leave the Congress of the United States having among the highest, if not the highest, age qualifications of any legislature in the United States.

The Constitution not only requires congressional age limits which are substantially higher than those of the States, but also imposes a minimum age which excludes young people from Congress for a longer period than most major nations throughout the world. Individuals younger than 22 may serve in any legislative capacity in Australia, Canada, mainland China, France, Great Britain, Indonesia, New Zealand, Switzerland, Finland, Sweden, and Denmark—to name only a very small fraction of similar nations.

There has been in the 20th century a worldwide trend toward reduction of the ages of eligibility for election to the national assemblies of many nations. Research has indicated that this reduction has resulted in large part from the worldwide trend of reducing constitutional age limits for voting.

SUPPORT FOR THE PROPOSED CONSTITUTIONAL AMENDMENT

I have spoken with many Members of Congress concerning this proposed Amendment. More than 50 have co-sponsored the Resolution in the House. I have spoken with the Speaker of the House of Representatives who has indicated no difficulty whatsoever and indeed appears to approve the Resolution.

I have solicited the views and testimony of many groups who have been active in the reform of the Congress and in articulating policy. Many of them will have an opportunity to submit their statements and testimony before this Committee and its counterpart in the House Judiciary Committee.

This Amendment is proposed to young people, for young people, and hopefully, with young people. However, the beneficiaries will be all of the people.

I understand well the dissatisfaction which so many young people have with the world that their elders have made. I understand the voicelessness and hopelessness which so many young people feel when they realize their powerlessness to change the decisions of a Congress in whose deliberations they are not eligible to participate.

I do not want young people to withdraw from the world which they behold. I want to invite them into the process of stopping man's inhumanity to man and man's destruction of his own environment. I want to give to young people the opportunity to exemplify in their own lives and in their political careers man's humanity to man and man's reverence for the place in which he lives.

I want to say to young people of this country that they can be Members of the House at the age of 22 and of the U.S. Senate at the age of 27.

I want to remove from young people the temptation to resist a political career on the allegation that the world they experience has been corrupted and that if they enter into it they too will be corrupted. I want to give to these young individuals the opportunity to take upon their shoulders at an early age the responsibility for man and for his destiny. They have a right not to be locked out of the decisionmaking of the Congress of the United States because of a now archaic requirement that they must have attained the age of 25 or 30 before they can be seated in this distinguished body.

I hope that this Amendment, wherein Senator Birch Bayh and I are proposing a fundamental alteration in the Constitution of the United States, will be helpful in restoring to the young people of this country their faith in our institutions and their desire to utilize their talents and their aspirations at an early age as Members of the Congress of the United States.

STATEMENT OF SENATOR BIRCH BAYH, ON SENATE JOINT RESOLUTION 5

Today we are beginning hearings on a proposed constitutional amendment, Senate Joint Resolution 5, which I first introduced in 1971 and reintroduced in January of this year. This proposal would lower the age of eligibility for service in the Senate and House by 3 years, the same reduction as the lowering of the voting age ratified during the last Congress in the 26th Amendment. In the 10 years I have served as chairman of the Senate Subcommittee on Constitutional Amendments, I have seen few proposals supported by such compelling logic and reason as this one.

Young people today are mature and well-educated. They have earned the right to serve in our legislative bodies by their participation in all aspects of today's society—from paying taxes and the draft to responsible political and community activity. And perhaps most important, they have something constructive to offer by serving in the Congress—courage and energy, creativeness and idealism—attributes always in short supply anywhere in our society.

Despite the fundamental recognition in our Declaration of Independence that all men are created equal, we know that our original Constitution was not quite so egalitarian. Many people were not deemed to be citizens. Many others were barred from voting—or from holding office—for reasons totally unrelated to their talents and abilities. Over the years we have, of course, done much to remedy this problem. Indeed, the most common subject of constitutional amendments ratified since the Bill of Rights has been to expand the democratic process. The 14th Amendment made all native-born persons citizens. The 15th Amendment outlawed racial discrimination in voting. The 19th Amendment granted the franchise to women. The 24th Amendment struck down the poll tax. And just two years ago, the 26th Amendment reduced the voting age in all elections to 18.

Now is the appropriate time to turn to the question of eligibility for service in the Congress. By enfranchising 11 million younger voters, we have shown them that we have confidence in them. We have said that they deserve to participate fully in the political process. But one vitally important part of that process remains constitutionally out of their grasp; none of them can become a Congressman until age 25 nor a Senator until age 30. We tapped a vast reservoir of talent and initiative, industry and imagination, by lowering the voting age. But unless Federal elective offices themselves are opened up to younger people, I feel we will not gain the full benefit we can realize from their talents.

Of course, relatively few people actually have the honor of serving in the Congress. And I suspect that relatively few younger people would be elected because of this amendment. But that is beside the point. Younger citizens ought to have the constitutional right to try for Federal office.

This proposal lowers but does not totally eliminate the constitutional age barrier. A cogent argument can be made for the proposition that we should eliminate all such barriers; if the voters feel that a 15-year-old is the candidate best qualified to represent them, they should be allowed to select him to serve. But I am not now prepared to say that the Founding Fathers were wrong when they established a minimum age for Members of Congress higher than the minimum age of those entitled to vote for those same Members. All age limits—be they for voting or for holding office—are arbitrary. But there is logic and reason in requiring some additional maturity of those we elect to the Congress.

For these reasons my proposal lowers the existing age limitations—30 for the Senate and 25 for the House of Representatives—by 3 years, just as we lowered the generally prevailing voting age by 3 years in ratifying the 26th Amendment.

This proposal—like the 26th Amendment—is fully justified by physical and intellectual changes since the Constitution was first written. For example, physical maturity now comes much earlier. Less than a century ago, men tended to reach their full height at age 26; now most American males are fully grown at 18 or 19. The distinguished anthropologist, Margaret Mead, testified before my subcommittee that the age of maturity has declined by 3 years over the past century. Young people are much better educated today: in 1920 less than 20 percent graduated from high school; now almost 80 percent graduate—and more than half of these go on to at least a year of college. The simple fact is that our younger citizens are mentally and emotionally capable of full participation in all aspects of our democratic form of government.

We cannot afford the luxury of barring highly qualified people from serving in Congress. The interesting fact is that despite the bar, at least five men have been elected to the Senate before their 30th birthday. Just a year ago one of our distinguished colleagues Senator Biden, was elected even though he had yet to attain the minimum age of 30. Henry Clay was actually 5 months short of age 30 when he took his seat in the Senate—apparently in violation of the constitutional limitation. It is likely that even more Members of the House were elected at age 25 or below. The youngest ever to serve in the House was elected at the age of 22. Surely these figures indicate that the existing age limits are too high.

Moreover, the great majority of our States and a number of the major countries of the world have taken steps to lower the age of eligibility for legislative service, and this trend has greatly accelerated in the 20th century. If the membership age for the House were decreased by 3 years, as we are today proposing, there would still be 18 States in which even younger citizens could serve in either House of the legislature, and 42 States in which younger citizens would be eligible to serve in the lower House. Individuals below the age of 22 may serve in the legislatures of many of the leading nations of the world, including, for example, Australia, Canada, the People's Republic of China, Great Britain, Indonesia, New Zealand, Switzerland, Costa Rica, Finland, Sweden, and Denmark.

The 26th Amendment was ratified in just 100 days after it was sent to the States by the Congress. I believe that the incredible speed of this ratification and the enthusiasm with which the proposed amendment was met in Congress and in the States demonstrates the trust and confidence Americans across the land have in our younger citizens.

Congressman Drinan has introduced an identical proposal in the House to lower the eligibility age for service in Congress and I am hopeful that this legislation will be able to receive consideration in both Houses of Congress during the 2nd Session of the 93d Congress.

CONTINUED SOVIET REPRESSION OF VALERY AND GALINA PANOV

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, several months ago I reported to this Chamber a particularly tragic instance of the cruelty suffered by Soviet Jews. I spoke of the case of Valery and Galina Panov, brilliant Russian ballet dancers who were denied permission to emigrate to Israel. The Panovs were members of the prestigious Kirov Ballet. After applying for emigration privileges, they were dismissed from the ballet as "traitors." Mr. Panov has since been refused permission to dance anywhere and denied a place to practice. Last month he began a hunger strike that lasted for 20 days.

Since I spoke about the Panovs, their case has taken an even more brutal turn. Valery Panov has been granted permission to leave for Israel, but only if Galina remains in Russia. He has refused and is planning another fast unless he and his wife are allowed to leave together. Mr. Speaker, I have difficulty expressing the disgust I feel toward the cynicism reflected in this tactic of the Soviet Government. Valery Panov has been put in the position of having to choose between his wife and his life's work as a dancer. How reprehensible of Soviet officials to force a man into such a dilemma. The Soviet Union appears to regard no means as too severe to be used against its Jewish citizens.

The Kirov Ballet is scheduled to make a nationwide tour of the United States in 1974. Given the repression incurred by the Panovs, it would be appalling for the Kirov to receive the acclaim of American audiences. If the Panovs are not allowed to emigrate, American sponsors of the tour should cancel the Kirov's appearances. If they refuse, the American public should resolve to boycott the ballet's performances. The first responsibility of the artist is to insure the creative freedom of other artists. No degree of artistic excellence shown by the Kirov can compensate for its subversion of this principle. We must not allow international cultural cooperation to represent complicity with artistic oppression.

MAYOR-ELECT BEAME OF NEW YORK CITY REAPPOINTS JOHN E. ZUCCOTTI

(Mr. BARRETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BARRETT. Mr. Speaker, yesterday mayor-elect of New York City, Abraham D. Beame, reappointed one of the most experienced and knowledgeable public officials in the area of housing and urban planning as chairman of the New York City Planning Commission.

When Mayor Lindsay appointed John Zuccotti to be chairman of the city planning commission, I rose on this House floor to commend Mayor Lindsay for the excellent appointment and today I commend Mayor-elect Beame for keeping John Zuccotti in one of the most influential and important city positions in the New York City government.

John Zuccotti served as special counsel to my Housing Subcommittee in 1970–71, and I know from firsthand experience of John's immense abilities and his expertise in the field of housing and urban planning. So I am pleased, Mr. Speaker, that John Zuccotti can continue his excellent work for the citizens of New York City, and for that matter, for the citizens of our country, since I hope to continue to avail myself of his counsel and advice.

An article from the New York Times of December 19, 1973, follows:

CITY'S PLANNER A BEAME-TYPE OF MAN—JOHN EUGENE ZUCCOTTI

(By Joseph P. Fried)

To most New Yorkers, city planning and zoning are intricate, abstruse subjects shrouded in such seemingly bloodless exotica as "floor-area ratios" and "joint interest districts."

But to John Eugene Zuccotti, a son of Greenwich Village and a disciple of the urban planning critic Jane Jacobs, planning and zoning are people—and the people of New York have every right to expect their public officials to translate the planning and zoning processes into concepts the layman can readily grasp.

As chairman of the City Planning Commission for the last 10 months, Mr. Zuccotti has endeavored to do just this—to open to public understanding and view the complex procedures under which the "tone" and "feel" of the city's neighborhoods are shaped.

And now, in the coming Beame administration, Mr. Zuccotti will have the opportunity to continue his approach. For the man who was John Lindsay's choice to preside over the Planning Commission is also Mayor-elect Abraham D. Beame's choice, a fact Mr. Beame made known when he announced that he was retaining Mr. Zuccotti as the city's top planning official.

BEAME-TYPE MAN

Actually, Mr. Beame's decision was not a complete surprise. Aside from the fact that Mr. Zuccotti has made little secret of his desire to remain in the post, the planning official is in many ways Mr. Beame's type of man—a New Yorker with strong ethnic ties and a detailed sense of what makes the city and its people tick.

Despite a background of college days at Princeton and a law degree from Yale, the 36-year-old Mr. Zuccotti leaves no doubt that he is the son of a close-knit, New York Italian family.

Weekends, he notes, are often spent in an "extended family kind of situation"—meaning that he and his wife and two small children head from their Brooklyn brownstone to Manhattan to spend an afternoon in the Greenwich Village building where Mr. Zuccotti's parents, an aunt and several cousins are scattered in various apartments.

The building, on Waverly Place, is not far from Perry and Fourth Streets, where Mr. Zuccotti grew up. One of his early jobs was as a hat-checker at El Morocco, where his father, Angelo, is today the maitre d'.

The younger Zuccotti attended St. Joseph's Academy in the Village and then the LaSalle Military Academy in Oakdale, L.I., before graduating from Princeton as a history major in 1959 and receiving his Yale law degree in 1963.

ONCE AIDE TO JAVITS

Even before finishing his law studies at Yale, Mr. Zuccotti had a taste of government service as an intern in Senator Jacob K. Javits' office in 1962, where he worked under Richard R. Aurelio, then the Senator's top aide and later Deputy Mayor in the Lindsay administration.

Also on the Federal level, Mr. Zuccotti served as a special assistant in the Department of Housing and Urban Development, helping in 1966 to draft legislation for the Model Cities program.

In New York, Mr. Zuccotti engaged in private law practice and one of his partners was Peter Tufo, who had been the Lindsay administration's legislative aide in Washington.

When Mr. Zuccotti was first appointed as a part-time member of the Planning Commission in 1971, City Councilman Eldon R. Clingan charged that there would be a conflict of interest between Mr. Zuccotti's part-time planning post and his continuation of his law practice. Mr. Zuccotti denied this.

In an interview yesterday, the bespectacled planner, who often exudes an air of soft-spoken thoughtfulness, made clear that he would continue efforts to bring the planning process closer to the people through such methods as workshops on zoning and development and by holding Planning Commission meetings in the various boroughs rather than solely at City Hall.

Mr. Zuccotti and his wife—the former Susan Sessions, who is writing her doctoral dissertation on the Italian entry into World War I—live with their daughter, Gianna, 6, and their son, Andrew, 4, on Second Place in Carroll Gardens—the kind of neighborhood that Ms. Zuccotti believes planners should preserve.

THE BLACKMAIL OF AN OIL EMBARGO

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, Arthur H. Courshon, chairman of the board of Washington Federal Savings & Loan Association of Miami Beach, Fla., and an outstanding citizen of Florida put in the New York Times of Sunday, December 2, 1973, and the Washington Post of December 3, 1973, a call to cooperation against the oil embargo blackmail of the eight Arab nations who initiated such arrogant embargo at the Kuwait Conference October 17, 1973. Mr. Courshon's editorial entitled "Has the Free World Lost Control of Its Destiny to the Blackmail of an Oil Embargo? We Can Regain Control Through Collective Counter-Embargo," appearing in the two papers and at the times mentioned, calls upon Canada, Western Europe, Japan, and the United States to act in concert in retaliation against this Arab blackmail embargo by denying to such Arab nations the industrial products, food, and medicines of such free nations suffering by such embargo, rather than bow in humiliation and dishonor to these Arab nations' demands.

Mr. Courshon is right. We should teach these nations who have violated all the principles of decency in international trade that they cannot attempt to blackmail the nations of the free world who purchase their products into becoming tools of the will of such nations. I think Congress should pass a sense of Congress resolution calling upon our Government and such free nations to enter into such a concert against such Arab nations and effectively deny to them the industrial products and the food supplies and medicines such Arab nations must have. I am introducing such a sense of Congress resolution. I commend Mr. Courshon's challenging proposal to my colleagues and to my fellow countrymen as the most effective way by which we and other such free nations can preserve our honor and at the same time protect our interest.

Mr. Speaker, I include the article by Mr. Courshon to which I have referred following my remarks in the RECORD:

HAS THE FREE WORLD LOST CONTROL OF ITS DESTINY TO THE BLACKMAIL OF AN OIL EMBARGO?

WE CAN REGAIN CONTROL THROUGH COLLECTIVE COUNTER-EMBARGO

A group of small Arab nations, who through accidents of history and geology control a major part of the world's oil reserves, are denying access to this resource, vital to the economic and military security of nations of the free world.

The Arabs accomplished through collective action what they could not have accomplished singly. Without firing a shot, they now threaten the economies and the freedoms of England, countries of Western Europe, Japan, and to an extent, the United States.

Profiting from their lesson in collective action, they could realize further mutual objectives were they so inclined. Tyranny always begins with a first step. What's next? Disruption of free world productive and economic stability; repeated denials for whatever purpose of access to basic world energy sources?

Their lesson should be our lesson. I strongly urge that we, as Americans, assume the lead in creating an effective, collective counter-embargo and thus show the Arabs they are swinging a two-edged sword.

The Arab nations cannot survive without food, industrial products, transportation equipment, medicine, industrial services and other commodities available to them only from the free world.

The United States historically has taken the lead in protecting the integrity of sovereign nations against blackmail by military force. We should now take the lead against oil blackmail.

No one nation can succeed with such a course through unilateral action. The United States is not the only source, in many commodities not even the major source, of Arab supply. But the free world—England, Canada, Australia, Western Europe, Japan, Latin America and others—could succeed quickly through mutual solidarity in a collective counter-embargo.

Would a collective counter-embargo work? Examine the Arabs' alternatives as they push for their own objectives contrary to the peace and order of the rest of us. Without free world goods, they could look only to the Communist world for food and industrial products. Those nations, principally the Soviet Union and the People's Republic of China, produce only marginally for their own people. Moreover, the Arab countries have shown clearly that while they may accept Communist arms they fear and reject both dependency on and domination by the Communist powers.

The possible costs of inaction are high and are becoming more visible daily. The costs to the oil embargo victims could include economic disruption, weakened currencies, unemployment, severely lowered standards of living, reduced productivity, limited sources of fuel for defense purposes and further alienation of friendly nations as each moves for its own, rather than for mutual interests.

Collective action now can prevent these problems. Through collective counter-embargo the nations of the free world can regain control over their own destinies.

Of all the free nations, the U.S. may be the most independent of outside energy sources and, in time, probably could survive alone if we had to. But as a world leader and as a bulwark of international moral force, we should take the initiative toward collective action against coercion and blackmail.

What's required? Only the will, the capacity to act in unison with other free nations whose products keep the Arab people alive. The Arabs can't eat or drink oil . . . or money! If suddenly no ships, no planes, no wheat, no spare parts, no industrial products reached the 8 nations that created the oil embargo, we would see an immediate change in attitude on their part.

We do not have to wait for political leaders to take the initiative. We can write our congressmen, our senators, our President. We can encourage our friends, business associates, suppliers and customers throughout the free world to insist that their leaders set aside fruitless rivalries and unite in this common, critical purpose.

We can urge that the U.N., though we recognize the difficulties of resolution in that body, certify oil and other major resources as world treasures open to the world marketplace in fair trade; resources not to be used to wage a war that, while absent of bullets, may be as catastrophic as arms to peace and tranquility.

Rather than supinely retreat and divided suffer losses we previously fought wars and spent fortunes to prevent, let us join together and fight fire with fire, collective embargo with collective embargo.

On October 17, 1973 at Kuwait eight nations created a joint policy aimed at bending the free world to their will. They were Saudi Arabia, Libya, Algeria, Kuwait, Abou Duran, Iraq, Sudan, Yemen.

Against that line up, the free world through collective counter-embargo could quickly regain control of its destiny, deal fairly with everyone and protect our mutual national interests. With courage and a strong will, it can be done.

MILDRED PEPPER PALM PLANTING DAY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, all who have visited Miami will remember that our palms are one of our most outstanding symbols of beauty. Very much to the concern of our people who love our palms and appreciate the beauty they contribute to the Greater Miami area, as to many other parts of Florida, a disease which is merely called lethal yellowing, the nature of or the remedy for which we have not yet determined, has caused us to lose thousands of our lovely palms. In order to replace these beautiful palms, my wife, Mildred, one of the vice chairmen of the Miami Ecology and Beautification Committee headed by the Honorable Al Pallot who has done so much for the beautification of the area, at a dinner meeting of the committee suggested that the city of Miami and the citizens start replanting new palms to replace those being lost by this yellowing disease. Mrs. Rose Gordon, a distinguished member of the Miami City Commission, recommended to the Honorable Maurice Ferre, the distinguished mayor of Miami and members of the commission, that the City Commission adopt Mrs. Pepper's recommendation to have a palm planting day. The Honorable Mayor Maurice Ferre thereupon issued a proclamation designating December 17 as Mildred Pepper Palm Planting Day. Mr. Speaker, the proclamation of Mayor Ferre appears in the Record following my remarks:

Proclamation, City of Miami, Fla.

Whereas, Mildred Pepper, wife of our distinguished Congressman, Claude Pepper, selflessly has lent her time and talent to improving the community through innumerable civic interests and charitable acts; and

Whereas, Mildred Pepper has been a devoted patron of Miami's natural beauty, seeking to improve and preserve this city's many aesthetic attributes; and

Whereas, Mildred Pepper has once more demonstrated her devotion to the City of Miami and the pursuit of beauty by suggesting a massive planting in order to preserve this area's famous coconut palms; and

Whereas, it is all together fitting and proper that this renown civic leader be honored for proposing such a community-wide program;

Now, therefore, I, Maurice A. Ferre, Mayor of the City of Miami, Florida, do hereby declare Monday, December 17, 1973 as Mildred Pepper Palm Planting Day.

In observance therefore of, I urge all the residents of Miami to join with me in honoring Mildred Pepper for her many contributions to this area and I call upon the people of this city to contribute to the beauty of Miami by planting the coconut sprouts which are being distributed today, thus reaffirming the growth of one of Miami's most famous and beautiful symbols and serving as a tribute to one of Miami's most outstanding and most gracious women.

The honorable Miami-Metro Department of Publicity and Tourism issued a release describing the significance of this palm planting day and announced that the city of Miami was to make 300 coconut palm seedlings available to residents who would like to plant new palms at the ceremony. It was announced that representatives of the Miami Park Service would also exhibit to those present how to plant a palm so that it would grow and flourish. These notices appear following my remarks:

Coconut Palm Trees

While many other cities simply remove their disease-ridden trees, the City of Miami is doing something to replenish its diminishing coconut palm trees.

The city will distribute more than 300 coconut palm seedlings Dec. 17 to interested residents desiring to replace those palm trees that were victims of lethal yellowing.

Anyone who wants to get in on this city give-away, which is being sponsored by the City of Miami Parks and Recreation Department and the City of Miami Committee on Ecology and Beautification, can go to bayfront Park, north of the library, at 10 a.m. on Dec. 17.

The event is officially known as "Mildred Pepper Palm Planting Day," in honor of the wife of Congressman Claude Pepper.

City officials, Mrs. Pepper and representatives from the city Committee on Ecology and Beautification will take gold shovels in hand and plant 20 to 25 coconut palms just north of the library near the sidewalk.

"We'll be planting coconut palm trees around the walk where we have lost them," said Al Howard, director of the Miami Parks and Recreation Department.

Taking part in the ceremony will be Mayor Maurice A. Ferre, Vice Mayor Manolo Reboso, Commissioner Theodore Gibson, Commissioner Rose Gordon, Commissioner J. L. Plummer Jr., Al Howard, Mrs. Pepper, and E. Albert Pallot, chairman of the Committee on Ecology and Beautification.

In addition, Robert Schuyt, a City of Miami parks co-ordinator, will give a demonstration on the planting and caring of coconut palms.

In announcing plans for "Mildred Pepper Palm Planting Day," Miami Mayor Ferre said, "We must replenish the beautiful palm trees that are so symbolic of Miami."

According to a spokesman for the Florida Department of Agriculture, approximately 22,000 coconut palms have been lost in the past two years because of lethal yellowing disease.

The disease is first characterized by a massive falling of coconuts within a short period. Next, flower spikes in the heart of the bud wilt and turn brown. Within three months the lower layers of fronds start yellowing. Gradually the yellow pallor encompasses the whole tree and causes shedding. Finally, only a trunk is left and the tree must be removed.

PLANTING AND CARING OF COCONUT PALM SPROUTS

Moisture and light are the necessary ingredients for growing coconut palms in South Florida's temperate climate, according to Robert Schuyte, the City of Miami parks coordinator who will demonstrate the planting and caring of coconut palm sprouts at 10 a.m. Monday (Dec. 17) in Bayfront Park, just north of the library.

Schuyte will appear during the tree-planting ceremony for "Mildred Pepper Palm Planting Day," which will include planting of 20 to 25 coconut palms in Bayfront Park and distribution of 300 free coconut palm sprouts to those persons present.

Schuyte said the planting procedure for coconut palm sprouts is relatively simple. "It doesn't matter if it is planted at an angle," Schuyte said. "But make sure it gets light. The coconut sprout should be half buried under the soil so that it can stay moist and still have light."

The massive palm tree planting is being sponsored by the City of Miami Parks and Recreation Department and the Committee on Ecology and Beautification. Mildred (Mrs. Claude) Pepper is being honored because she originally suggested the idea of a massive coconut palm planting at an installation dinner of the Committee on Ecology and Beautification.

Mayor Maurice A. Ferre, Vice Mayor Manolo Reboso and Commissioners Theodore R. Gibson, Rose Gordon and J. L. Plummer Jr. will participate in the ceremony. Also participating will be Mrs. Pepper, Albert H. Howard, director of the Department of Parks and Recreation; and E. Albert Pallot, chairman of the Committee on Ecology and Beautification.

Lew Price, director the Miami-Metro Department of Publicity and Tourism, will be master of ceremonies.

At 10 a.m. on December 17 in beautiful Bayfront Park a crowd gathered and the following program, with background of the occasion explained in the program, took place. Mr. Speaker, the program is as follows:

MILDRED PEPPER PALM PLANTING DAY, 10 A.M., DECEMBER 1, 1973, BAYFRONT PARK

BACKGROUND

The coconut palm, with its graceful limbs swaying in the breeze, long has served as a symbol of our subtropical environment. At a recent installation dinner of the City of Miami Committee on Ecology and Beautification, Mildred (Mrs. Claude) Pepper, a champion of nature's beauty, suggested a massive palm tree planting to preserve this South Floridian trademark which has come under attack by disease.

Lethal yellowing, the disease which destroys coconut palms, has spread its blight across South Florida—leaving only sickly trunks where once lush, green palms abounded in coconuts.

Because the coconut palm is such an integral part of this area's scenic beauty, the City of Miami is seeking to preserve it today. The City of Miami Parks and Recreation Department is replacing several coconut palms in Bayfront Park and adding some additional ones. The Parks Department also is distributing 300 coconut palm seedlings to be planted throughout the Miami area.

Thus, the palm trees planted today will serve as living tributes to Mrs. Pepper, not only today, but also in years to come. And Miami's famous coconut palms will continue to flourish under the sun.

PROGRAM

Welcome: Lew Price, Director, Department of Publicity and Tourism.

Invocation: The Reverend Canon Theodore R. Gibson, Commissioner.

Introductions: Lew Price, Master of Ceremonies.

Remarks: Maurice A. Ferre, Mayor; Mildred Pepper, Claude Pepper, Representative; Manolo Reboso, Vice Mayor; Theodore R. Gibson, Commissioner; Rose Gordon, Commissioner; J. L. Plummer, Jr., Commissioner; P. W. Andrews, City Manager; E. Albert Pallot, Chairman of the Committee on Ecology and Beautification; Albert H. Howard, Director of the Department of Parks and Recreation.

Tree-Planting Ceremony.

Demonstration of coconut palm sprout planting.

Distribution of seedlings.

Maurice A. Ferre, Mayor.

Manolo Reboso, Vice Mayor.

The Reverend Theodore Gibson, Commissioner.

Rose Gordon, Commissioner.

J. L. Plummer, Jr., Commissioner.

P. W. Andrews, City Manager.

Mrs. Rose Gordon who initiated this program has expressed the hope that Governor Askew and members of the Florida Legislature will encourage the planting of new palms in other parts of Florida where the beautiful palms grow and where disease is taking a terrible toll of that lovely tree. We are hopeful that the concerted efforts of local, State, and national authorities will establish the cause of the lethal yellowing of the palms and will be able to stop this sad impairment of our cherished Florida beauty.

I commend Mrs. Pepper's suggestion to all who love and admire our Florida palms.

EXPLANATION OF VOTES

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, because I was unavoidably detained in returning to the floor of the House on Tuesday, November 13, 1973, for two rollcalls, I insert at this point in the RECORD a list of these votes, with an indication of my position on them:

Rollcall No. 581 was on final passage of the conference report on the Emergency Fuel Allocation Act. I was paired for the conference report, and had I been present, would have voted in favor of it. The conference report was passed 348 to 46, with three voting present.

Rollcall No. 594 was on final passage of H.R. 11238, a bill to provide for an improved system of adoption of children in the District of Columbia. I was paired for this bill, and had I been present, would have voted in favor of it. The bill was passed 350 to 0.

EXPLANATION OF VOTES

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I was unavoidably detained in returning to the floor of the House on Friday, December 14, to vote on the following amendments to H.R. 11882, an amendment in the nature of a substitute to H.R. 11450, the National Emergency Energy Act.

I insert at this point in the RECORD a list indicating my position on the amendments on which I was unable to vote:

Rollcall No. 667—the Adams amendment to strike section 114 of the bill, relating to antitrust exemptions—the purpose of this amendment was to strike provisions in the bill which exempted oil companies and retail business establishments from Federal, State, and local antitrust laws. The amendment was rejected 170 to 223. Had I been present, I would have voted in favor of this amendment.

Rollcall No. 668—the Wyman amendment to rescind the requirement for emission control devices on vehicles throughout the Nation until January 1, 1977, except for certain areas which have significantly high pollution levels—large metropolitan, urban areas. The amendment was rejected 180 to 210. Had I been present, I would have voted against this amendment.

Rollcall No. 669—the Eckhardt amendment that sought to allow for the allocation of fuel for school busing where a busing plan has been ordered by the appropriate school board. The amendment was rejected 185 to 202. Had I been present, I would have voted in favor of this amendment.

Rollcall No. 670—a motion to limit debate on the substitute amendment (H.R. 11882) and all amendments thereto. The motion was carried 197 to 196, and, had I been present, I would have voted in favor of it.

Rollcall No. 671—a motion that the Committee rise and report the bill back to the House with the enacting clause stricken. The motion was rejected 56 to 335. Had I been present, I would have voted against the motion.

OIL SUPPLIES SQUEEZED—MOTORIST FORCED TO PAY EXORBITANT PRICES

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the American people are being asked to make sacrifices to see our Nation through the energy crisis. There is no question of their willingness to do their part. There must, however, be equity and fairness in these efforts.

I am concerned that such is not the case. Today, in O'Fallon, Ill., one of the smaller communities in the 23d District, regular gas is selling for 48.9 cents per gallon and premium gas is between 51.9 cents and 55 cents per gallon. The average motorist is expected to pay these inflated prices because supplies are being squeezed.

The reports of soaring oil company profits and increased exports of oil products at a time of reported shortages does not augur well. It is time for the Federal Government to see that the American people are protected, not exploited by the energy crisis.

To place this economic imbalance in better perspective I include the following table:

OIL COMPANY PROFITS AND SALES, 31 LARGEST COMPANIES, 1973

[Dollar amounts in billions]

	9 mo	Increase over 1972 (percent)	3d quarter	Increase over 1972 (percent)
Sales	$81.5	22	$29.2	36
Profits	6.4	47	2.4	63

OIL COMPANY PROFITS AND SALES, 8 LARGEST COMPANIES

[Dollar amounts in billions]

	Sales 9 mo	Profits 9 mo	3d quarter profit increase (percent)
Exxon	$18.10	$1.65	81
Mobil	8.96	.57	64
Texaco	8.25	.84	48
Gulf	7.00	.57	91
Standard (California)	5.45	.56	51
Shell	4.15	.25	21
Standard (Indiana)	3.90	.39	37
ARCO	3.15	.18	16
Total	58.96	5.01	

Source: Business Week, Nov. 10, 1973.

The 31 largest oil companies had sales of just under $82 billion in the first 9 months of 1973, up 22 percent from the same period last year. Nearly three-quarters of those sales, or $59 billion, were made by the eight largest companies.

According to a recent FTC study, those same eight companies have a virtual monopoly on the oil industry at every stage. They control: 64 percent of domestic crude reserves, 51 percent of net crude production, 58 percent of refining capacity, and 55 percent of the gasoline market.

As the table shows, the energy shortages this year have been very profitable for the oil industry.

For the industry as a whole, profits reached $6.4 billion during the first 9 months of the year, up 47 percent over the comparable period last year. And third-quarter profits were $2.4 billion, up 63 percent.

Clearly, it is time to stop squeezing the American people who are to bear the burden of the energy debacle.

HON. CARL VINSON

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, it was my privilege to attend the 90th birthday celebration of former House Armed Services Chairman Carl Vinson in Macon, Ga., on November 18.

At the conclusion of his remarks on the occasion, President Nixon announced that the yet-to-be-built nuclear carrier CVN–70, will be named the *Carl Vinson*. This is the first aircraft carrier named for a Congressman.

I can think of no one more fitting or deserving than Carl Vinson to receive this singular honor. No man who has served in the Congress has done more to see that our country has a strong national defense structure.

I include the article from the December 5 issue of the Navy Times about the honor bestowed upon Carl Vinson:

CVN–70 NAMED FOR VINSON

Macon, Ga.—Breaking one longstanding Navy tradition—if not more—President Nixon has announced that the yet-to-be-built nuclear carrier CVN–70 will be named the Carl Vinson.

Nixon, speaking here at a celebration of the 90th birthday of the former Georgia congressman and the 100th anniversary of the Walter F. George School of Law at Mercer University, ended his remarks with the surprise announcement.

Vinson, who retired in 1964 after serving 50 years and 62 days in Congress (the longest House service in history), was first chairman of the Naval Affairs Committee and later was chairman of the Armed Services Committee.

During the Revolutionary War, Continental Navy ships were named for living persons—among them, Washington, Franklin, Hancock and Gage. However, since 1797, the tradition has been otherwise.

A second tradition has been that aircraft carriers are named mostly for historical Naval vessels or battles. Exceptions have been the Forrestal named for the first Defense Secretary; the Franklin D. Roosevelt, the John F. Kennedy and the Dwight D. Eisenhower, all named for presidents, and the Nimitz, honoring Fleet Adm. Chester A. Nimitz.

CVN–70 will be the first named for a congressman. Traditionally, congressmen have been grouped with those for whom destroyers are named.

"Next to his country, and next to his state of Georgia, Carl Vinson loved the Navy most," Nixon said.

"I have discussed with Chairman John Stennis of the Armed Services Committee of the Senate and Congressman Ed Hebert from Louisiana . . . a proposal, and they have given me permission, because we must do this thing jointly, to make this announcement today.

"As you know, we have just begun to develop nuclear carriers. The first one was named the Eisenhower, the second one was named the Nimitz, the great Naval commander of World War II. The third is just beginning, and it will be named the Carl Vinson.

Usually names for new Navy ships are selected by the Navy History Division and approved by the Navy Secretary.

A Navy spokesman said that there are now no definite guidelines—such as battleships for states—and that each is named on an industrial basis.

Advance procurement funds were approved for CVN–70 in fiscal year 1974 and the money to begin construction is in this year's budget.

The ship is planned to have a length of 1092 feet and a 134-foot beam.

She'll be propelled by two nuclear reactors with virtually unlimited endurance and will have a complement, including air wing, of 5335.

ENCOURAGEMENT OF MASS TRANSIT USE THROUGH TAX LEGISLATION

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, yesterday I introduced H.R. 11992, to amend the Internal Revenue Code to encourage the use of public mass transportation by allowing a deduction or tax credit for expenses incurred by the taxpayer commuting to and from work on public transportation. The other major feature of this bill, which is entitled the "Commuters' Tax Act," is the recognition that the handicapped, many of whom are unable to use mass transit, should be allowed to deduct their reasonable expenses incurred commuting to and from work without regard to the mode of transportation employed.

The exploding automobile population has clogged our city streets, contributed to dangerous air pollution levels, and drained our energy resources. Transportation problems affect each of us, whether directly or indirectly. The truck that does not get to the food market on time, thereby causing the empty spaces on the grocer's shelves, affects us as much as the rush hour traffic jam on the main road into the city.

Our cities and their surrounding bedroom communities have grown in leaps and bounds over the past two decades, far outdistancing the ability of roads to accommodate the volume of traffic. The cycle is complete when we add one additional factor—the automobile itself tends to stimulate the traveling propensity of the average American. We have, therefore, in our desire to play the American mobility game, jammed the entire circulatory system of our major communities to a point where it has become highly inconvenient, costly, and even dangerous to move about.

Our profligate waste of energy can, at least in substantial part, be traced to the use of the commuter's automobile. It is astonishing, but true, that 90 percent of all passenger miles accumulated each year is attributable to private automobile use, while, for example, airplanes only account for 5 percent of the total. Of all the miles traveled by Americans commuting to work each year, 82 percent is by automobile, while only 14 percent use public transportation.

Automobiles consume 100 billion gallons of gasoline each year, or 6 million barrels a day. This represents the country's total anticipated daily shortfall in 1974. Of the 83 million registered cars in the United States, the Department of Transportation estimates that 42 percent are used to carry commuters to work. But this need not be the case.

Though it has been said that we are wedded to the door-to-door convenience of the automobile, studies have shown that many commuters would abandon their automobiles when the available public transportation alternative is made attractive. A recent study conducted by Montgomery County, Md., showed that if only 9,000 cars were taken off the commuter corridors 12,000 barrels of oil would be saved a year. Imagine the enormous savings in gasoline that would be realized if we could divert 10 percent of the people commuting by car to mass transit.

Proponents of free- or low-cost subsidized mass transportation contend that as fares are lowered there is an observable increase in ridership.

Supporters of increased utilization of mass transit also point out that there would be clear advantages for the low-income and handicapped worker if fares were either subsidized or eliminated. The greater mobility afforded the poor and disabled because of the minimum impact low transit fares would have on their disposable income would act as an incentive to seek available work outside the immediate neighborhood and contribute to reduced dependence on public assistance. It would also widen their social horizons and enable them to obtain vital services where they choose.

For many years, the worker who depends upon his automobile for legitimate business purposes has been able to deduct his transportation expenses. The allowable deduction served a deserved need. So, too, would the tax advantages provided under the Commuters' Tax Act. In an age when energy resources have become scarce and must be conserved, the most efficient transportation method should be used wherever possible. I believe that if the mass transportation commuter were allowed to deduct from his taxes the amount spent on fares to travel from and to work, many people living within the Nation's cities endowed with viable mass transit facilities would opt for its use over the car.

Critics of the tax credit plan say that no matter how low the fares, the more affluent American will not abandon his car for the bus or train. I have considered this possibility and concluded that the best way to make mass transit attractive to all Americans is to provide a choice. The mass transit commuter, under my proposal, would be allowed to elect either a tax credit up to $200 each year, or deduct the actual expenses incurred by using public transportation to and from work, up to a maximum of $800. This, I believe, will entice the person who normally itemizes his deductions to use mass transit also.

Moreover, if funds are not forthcoming to stave off a fare increase in New York City, the realizable tax savings for the New York commuter under this bill could act as insulation from its economic impact.

No matter how attractive mass transit is made there are, unfortunately, citizens unable because of physical handicaps to use public transportation. These people would be severely discriminated against if the Commuters' Tax Act were to make no provision for them.

The disabled commuter not able to use public transportation spends, on the average, between $50 and $75 each week to get to and from work. For the average worker this represents an intolerably large slice of the weekly paycheck. The Commuters' Tax Act includes provisions which will not only provide for equitable treatment of the handicapped but will encourage them to seek and hold employment instead of relying on public assistance. My bill would allow a disabled individual to take a credit against the normal income tax imposed equal to the reasonable expenses incurred by that individual up to $750 each taxable year for transportation expenses. The bill also provides for a deduction for the handicapped commuter up to a maximum of $3,000, should he elect to take it instead of the tax credit.

I consider passage of the Commuters' Tax Act a priority matter. This is not to say that there are not other important steps that must be taken to combat the energy shortage. We will have to provide operating subsidies for mass transit, for example, and seek new energy supplies. However, each progressive measure that is proposed to contribute to the overall effort to conserve fuel deserves serious consideration. The Commuters' Tax Act is such an effort.

The text of the bill follows:

A bill to amend the Internal Revenue Code of 1954 to provide, in the case of an individual, a credit (not to exceed $200) or a deduction (not to exceed $800) for public transit fare expenditures incurred in traveling to and from work; and in the case of a handicapped individual unable to use public transportation, a credit (not to exceed $750) or a deduction (not to exceed $3,000) for reasonable transportation expenses incurred in traveling to and from work

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commuters' Tax Act".

SEC. 2. ALLOWANCE OF CREDITS FOR PUBLIC TRANSIT EXPENDITURES AND FOR TRANSPORTATION AND EXPENDITURES OF DISABLED INDIVIDUALS

(a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by redesignating section 42 as section 44 and inserting in lieu thereof the following new sections:

"SEC. 42. PUBLIC TRANSIT EXPENDITURES

"(a) General Rule.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter an amount equal to the amounts paid by such individual during the taxable year for reasonable public transit transportation between his or her place of residence and place of employment.

"(b) Maximum Credit.—The credit allowed by subsection (a) for a taxable year shall be limited to $200.

"(c) Public Transit Defined.—For purposes of this section and section 43 the term 'public transit' means all public transportation systems including motorbuses, subway trains, elevated trains, streetcars, trains, ferry boat, and other similar public conveyances in general use for mass transit.

"SEC. 43. TRANSPORTATION EXPENDITURES OF DISABLED INDIVIDUALS.

"(a) General Rule.—In the case of a disabled individual, there shall be allowed as a credit against the tax imposed by this chapter an amount equal to the reasonable amounts paid by such individual during the taxable year for reasonable transportation between his or her place of residence and place of employment.

"(b) Maximum Credit.—The credit allowed by subsection (a) for a taxable year shall be limited to $750.

"(c) Disabled Individual Defined.—For purposes of this section the term 'disabled individual' means an individual who is blind (as defined in section 151(d)(3)) or who has lost the use of one or more of his extremities, or is otherwise disabled, to such an extent that in order to avoid undue hardship or danger he must during the entire taxable year use other than public transit (as defined in section 42(c)), in whole or in part, for transportation between his or her place of residence and place of employment. A taxpayer claiming a deduction under this section shall submit such proof that he is a disabled individual as the Secretary of the Treasury or his delegate may by regulations prescribe. The regulations so prescribed shall provide that if the individual is a veteran with a service-connected disability, a certification from the Veterans' Administration that his disability (to the extent based upon or attributable to loss or loss of use of one or more of his extremities) has a rating of 40 percent or more under the Schedule for Rating Disabilities of the Veterans' Administration (Federal Register, vol. 29, No. 101, part II) shall be deemed conclusive proof that he is a disabled individual for purposes of this section."

(b) The table of sections for such subpart is amended by striking out the item relating to section 42 and inserting in lieu thereof the following new items:

"Sec. 42. Public transit expenditures.
"Sec. 43. Transportation expenditures of disabled individuals.
"Sec. 44. Overpayments of tax.".

SEC. 3. DEDUCTION IN LIEU OF CREDIT.

(a) Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 219 as section 221, and by inserting after section 218 the following new sections:

"SEC. 219. DEDUCTION FOR PUBLIC TRANSIT EXPENDITURES.

"(a) Allowance of Deduction.—In the case of an individual, there shall be allowed as a deduction any expenditure made by such individual during the taxable year for reasonable public transit transportation between his or her place of residence and place of employment.

"(b) Maximum Deduction.—The deduction under subsection (a) for a taxable year shall be limited to $800.

"(c) Election to Take Credit in lieu of Deduction.—This section shall not apply in the case of any taxpayer who, for the taxable year, elects to take the credit against tax provided by section 42 (relating to credit against tax for public transit expenditures). Such election shall be made in such manner and at such time as the Secretary or his delegate shall prescribe by regulations.

"SEC. 220. DEDUCTION FOR TRANSPORTATION EXPENDITURES OF DISABLED INDIVIDUALS.

"(a) Allowance of Deduction.—In the case of a disabled individual, there shall be allowed as a deduction any expenditure made by such individual, during the taxable year for reasonable transportation between his or her place of residence and place of employment.

"(b) Maximum Deduction.—The deduction under subsection (a) for a taxable year shall be limited to $3,000.

"(c) Disabled Individual Defined.—For the purposes of this section the term 'disabled individual' has the same meaning as contained in section 43(c).

"(d) Election to Take Credit in lieu of Deduction.—

"This section shall not apply in the case of any taxpayer who, for the taxable year, elects to take the credit against tax provided by section 43 (relating to credit against tax for transportation expenditures of disabled individuals). Such election shall be made in such manner as the Secretary or his delegate shall prescribe by regulations."

(b) The table of sections of such part is amended by striking out the item relating to section 219 and inserting in lieu thereof the following new items:

"Sec. 219. Deduction for public transit expenditures.
"Sec. 220. Deduction for transportation expenditures of disabled individuals.
"Sec. 221. Cross references."

SEC. 4. EFFECTIVE DATE.

The amendments made by sections 2 and 3 shall apply to taxable years ending after the date of the enactment of his Act with respect to amounts expended after such date.

PHIL L. ROOF, DISTINGUISHED PUBLIC SERVANT

(Mr. MAHON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MAHON. Mr. Speaker, on October 27, Mr. Philip L. Roof, executive assistant to the Architect of the Capitol, concluded a distinguished career in the Federal Government.

Phil began his career with the Department of Agriculture in 1935. He became associated with the Architect's Office in 1940 when he was appointed to the position of chief clerk of the Botanic Garden. He transferred to the Capitol in 1941, and in 1955 he was appointed by the late J. George Stewart, eighth architect of the Capitol, to the position of executive assistant.

During his tenure, Phil demonstrated an exceptionally high degree of ability as an administrator. His specialized knowledge and judgment regarding the activities of the Architect of the Capitol and their relationship to the Congress brought him into frequent contact with Members of the House and Senate, officers of the Congress, and staffs. He worked very closely with Speaker Rayburn's office and with members of the Commission for the Extension of the U.S. Capitol during the period of consideration and construction of the extension of the east front of the Capitol. He was intimately associated with Speaker McCormack and with the members of the House Office Building Commission during construction of the Rayburn Building. He worked closely with and provided staff services to the Senate Office Building Commission during the construction of the Dirksen Building. He continued to serve the Commission in connection with other projects until his retirement.

In 1970, at Speaker McCormack's request, Phil served as personal representative of the Speaker in developing details that would insure an acceptable process for selection of an engineering firm to determine the feasibility of restoring the west front of the Capitol.

Phil Roof cherishes a deep sentiment for the Capitol and its environs. His devotion to duty brought him recognition as an authority in the appropriation and legislative processes as these affected the programs and activities of the Architect.

No doubt the high point in his career came in 1970. As a result of his administrative and leadership capabilities, Mr. Stewart, with whom he worked closely, recommended legislation which was subsequently approved that authorized Phil Roof, as executive assistant, to serve as Architect of the Capitol during the absence of the Architect and Assistant Architect of the Capitol.

The Honorable George White, who became Architect of the Capitol in 1971, has spoken in terms of highest commendation of the work of Phil Roof. Phil will be missed by the Architect and he will be missed by many of us who have worked with him through the years. Phil will be missed in the Capitol, but I know he will continue to be busy serving his community and his fellow man.

My congratulations for a job well done, and my very best wishes to Phil and his wife Bertha for continued health and happiness.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ANDREWS of North Dakota (at the request of Mr. RHODES), from 4:30 p.m. today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. THONE) to revise and extend their remarks and include extraneous material:)

Mr. CONABLE, for 5 minutes, today.

Mr. YOUNG of Illinois, for 5 minutes, today.

Mr. EDWARDS of Alabama, for 10 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. STEELE, for 45 minutes, today.

Mrs. HECKLER of Massachusetts, for 5 minutes, today.

Mrs. HECKLER of Massachusetts, for 5 minutes, December 20.

Mr. FINDLEY, for 5 minutes, today.

Mr. DU PONT, for 60 minutes Thursday, December 20.

(The following Members (at the request of Mrs. SCHROEDER) to revise and extend their remarks and include extraneous material:)

Ms. ABZUG, for 10 minutes, today.

Mr. DANIELS of New Jersey, for 5 minutes, today.

Mr. CAREY of New York, for 10 minutes, today.

Mr. DAVIS of South Carolina, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ADAMS, for 5 minutes, today.

Mr. DRINAN, for 15 minutes, today.

Mr. GUNTER, for 5 minutes, December 20.

Mr. MANN, for 5 minutes, December 20.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MAHON, and to include extraneous matter.

Mr. GRAY, and to include extraneous matter.

(The following Members (at the request of Mr. THONE), and to include extraneous matter:)

Mr. HASTINGS.

Mr. HILLIS.

Mr. STEIGER of Wisconsin in three instances.

Mr. YOUNG of Illinois in two instances.

Mr. YOUNG of South Carolina.

Mr. MYERS in two instances.

Mr. BAKER.

Mr. WYMAN in two instances.

Mr. RONCALLO of New York.

Mr. MINSHALL of Ohio.

Mr. CONLAN in two instances.

Mr. POWELL of Ohio.

Mr. ERLENBORN.

Mr. HOSMER in two instances.

Mr. WIDNALL.

Mr. FRENZEL.

Mr. KEMP.

Mr. DERWINSKI in three instances.

Mr. SHOUP.

Mr. MIZELL in five instances.

Mr. WHITEHURST.

Mrs. HECKLER of Massachusetts in six instances.

Mr. NELSEN.

Mr. BROTZMAN.

(The following Members (at the request of Mrs. SCHROEDER) and to include extraneous matter:)

Mr. DONOHUE.

Mr. GAYDOS in five instances.

Mr. ANDERSON of California in four instances.

Mr. HÉBERT.

Mr. GUNTER.

Ms. ABZUG in 10 instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. DOWNING.

Mr. EDWARDS of California.

Mr. NICHOLS.

Mr. HARRINGTON in three instances.

Mr. ROONEY of New York in 10 instances.

Mr. DRINAN in three instances.

Mr. PATTEN.

Mr. FASCELL in five instances.

Mrs. GRIFFITHS.

Mr. DANIELSON in five instances.

Mrs. SULLIVAN.

Mr. HAMILTON.

Mr. WOLFF in two instances.

Mrs. CHISHOLM.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

A bill joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1868. An act to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Affairs.

S. 2432. An act to establish a procedure assuring Congress the full and prompt production of information requested from Federal officers and employees; to the Committee on Rules.

S. Con. Res. 30. Concurrent resolution to establish a procedure assuring Congress the full and prompt production of information requested from Federal officers and employees; to the Committee on Rules.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 655. An act to provide for the naming of the lake to be created by the Buchanan Dam, Chowchilla River, California;

H.R. 3334. An act for the relief of Maria Lourdes Rios;

H.R. 3758. An act for the relief of Isabel Eugenia Serrane Macias Ferrier;

H.R. 7352. An act to amend section 4082(c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners; and

H.R. 11441. An act to postpone the implementation of the Headstart fee schedule.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1435. An act to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, and for other purposes;

S. 1529. An act to authorize the Secretary of the Interior to enter into agreements with non-Federal agencies for the replacement of the existing American Falls Dam, Minidoka project, Idaho, and for other purposes;

S. 1945. An act to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion;

S. 2413. An act to authorize the disposal of aluminum from the national stockpile and the supplemental stockpile, and for other purposes;

S. 2493. An act to authorize the disposal of silicon carbide from the national stockpile and the supplemental stockpile;

S. 2498. An act to authorize the disposal of zinc from the national stockpile and the supplemental stockpile; and

S. 2551. An act to authorize the disposal of molybdenum from the national stockpile and from the supplemental stockpile, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President for his approval a bill of the House of the following title:

H.R. 10717. To repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin; to reinstitute the Menominee Indian Tribe of Wisconsin as a federally recognized sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians; and for other purposes.

ADJOURNMENT

Mrs. SCHROEDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 42 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, December 20, 1973, at 10:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1646. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for the addition of certain lands in the State of Alaska to the National Park, National Wildlife Refuge, National Forest, and the Wild and Scenic Rivers Systems, and for other purposes; to the Committee on Interior and Insular Affairs.

1647. A letter from the Comptroller General of the United States, transmitting two drafts of proposed legislation to revise and restate certain functions and duties of the Comptroller General of the United States and for other purposes; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. S. 2491. An act to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains (Rept. No. 93–739). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee of conference. Conference report on S. 1983 (Rept. No. 93–740). Ordered to be printed.

Mr. MAHON: Committee of conference. A conference report to accompany H.R. 11575 (Rept. No. 93–741). Ordered to be printed.

Mr. PASSMAN: Committee of conference. A conference report to accompany H.R. 11771 (Rept. No. 93–742). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOMINICK V. DANIELS:

H.R. 12020. A bill to terminate the airlines mutual aid agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS of Alabama:

H.R. 12021. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling wastepaper; to the Committee on Ways and Means.

By Mr. FAUNTROY:

H.R. 12022. A bill to establish an urban homesteading program to refurbish abandoned real estate in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. FREY:

H.R. 12023. A bill to establish the Controlled Substances Administration to administer all Federal programs relating to the regulation of narcotic and other dangerous drugs, the treatment and rehabilitation of abusers of such drugs, and education and training respecting such drugs; to the Committee on Interstate and Foreign Commerce.

H.R. 12024. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FROEHLICH (for himself, Mr. Conte, Mr. Cronin, and Mr. Lehman):

H.R. 12025. A bill to amend the Export Administration Act of 1969 to prohibit exports of groundwood and chemical papermaking pulps and wastepaper above a certain level; to the Committee on Banking and Currency.

By Mr. GOLDWATER:

H.R. 12026. A bill to amend the Federal Aviation Act of 1958, as amended, to delay by 6 months the installation of emergency locator transmitters on fixed-wing powered civil aircraft; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRASSO (for herself, Mr. Patman, and Mr. McKinney):

H.R. 12027. A bill to establish a National Energy Development Bank to provide loans and grants to finance urgently needed research, exploration, development, production, and delivery of energy resources within the United States; to the Committee on Banking and Currency.

By Mr. LEHMAN (for himself, Mr. Cronin, Ms. Burke of California, Mr. Thone, Mr. Rosenthal, Mr. Helstoski, Mr. Wolff, Mr. Stratton, Mr. William D. Ford, Mr. Sikes, Mr. Harrington, Mr. Gude, Mr. Waldie, Mr. Conyers, and Mr. Burgener):

H.R. 12028. A bill to direct the Secretary of Commerce to research and develop new building designs and construction methods which utilize solar energy and to authorize the Secretary of Housing and Urban Development to increase the maximum amount of mortgages insured under title II of the National Housing Act for certain facilities utilizing solar energy; to the Committee on Banking and Currency.

By Mr. McCORMACK (for himself, Mr. Teague of Texas, Mr. Mosher, Mr. Goldwater, Mr. Biester, Mr. Daniel-son, Mr. Roy, Mr. Harvey, Mr. Rinaldo, and Mrs. Boggs):

H.R. 12029. A bill to further the conduct of research, development, and commercial demonstrations in geothermal energy technologies, to direct the National Science Foundation to fund basic and applied research relating to geothermal energy, and to direct the National Aeronautics and Space Administration to carry out a program of demonstrations in technologies for commercial utilization of geothermal resources including hot dry rock and geopressured fields; to the Committee on Science and Astronautics.

By Mr. MYERS:

H.R. 12030. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organization to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. STEELE:

H.R. 12031. A bill to provide a special procedure for the establishment of safety and health standards for fire fighters; to the Committee on Education and Labor.

By Mr. THONE:

H.R. 12032. A bill to amend the Occupational Safety and Health Act of 1970 to extend its protection to firefighters; to the Committee on Education and Labor.

H.R. 12033. A bill to amend the Internal Revenue Code of 1954 to provide that in the case of certain corporations net losses from farming shall not be deductible; to the Committee on Ways and Means.

By Mr. YOUNG of South Carolina:

H.R. 12034. A bill to prevent further increases in 1974 flue-cured tobacco marketing quotas; to the Committee on Agriculture.

By Mr. YOUNG of Georgia:

H.R. 12035. A bill to suspend for a 1-year period the duty on certain carboxymethyl cellulose salts; to the Committee on Ways and Means.

By Mr. ASPIN (for himself and Mr. Harrington):

H.R. 12036. A bill to impose certain taxes on energy industries and create certain incentives for energy investment, and for other purposes; to the Committee on Ways and Means.

By Mr. CONABLE (for himself, Mr. Ullman, Mr. Schneebeli, Mr. Corman, Mr. Gibbons, and Mr. Pettis):

H.R. 12037. A bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 12038. A bill to terminate the airlines mutual aid agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. FROEHLICH (for himself, Mr. Conte, Mr. Cronin, Mr. Bauman, Mr. Blackburn, Mr. Burke of Massachusetts, Mr. Crane, Mr. Derwinski, Mr. Huber, Mr. Kemp, Mr. Ketchum, Mr. Lott, Mr. Minshall of Ohio, Mr. Obey, Mr. Parris, Mr. Rousselot, Mr. Steiger of Arizona, Mr. Steiger of Wisconsin, Mr. Symms, Mr. Treen, Mr. Wyman, and Mr. Young of South Carolina):

H.R. 12039. A bill to amend the Economic Stabilization Act of 1970 to exempt groundwood and chemical papermaking pulps from coverage under the act; to the Committee on Banking and Currency.

By Mr. MOSS:

H.R. 12040. A bill to amend the Securities Exchange Act of 1934 to prevent control by foreign persons of American companies engaged in vital industries; to the Committee on Interstate and Foreign Commerce.

By Mr. O'BRIEN:

H.R. 12041. A bill to amend the Economic Stabilization Act of 1970 to exempt stabilization of the price of petrochemicals from coverage under the act; to the Committee on Banking and Currency.

By Mr. REID of New York:

H.R. 12042. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. ROSE:

H.R. 12043. A bill to prevent further increases in 1974 flue-cured tobacco marketing quotas; to the Committee on Agriculture.

By Mr. MATHIAS of California:

H.R. 12044. A bill to modify section 201 of the Flood Control Act of 1962 (76 Stat. 1192) to change the name of the lake to be created by such project from Hidden Lake to Hensley Lake; to the Committee on Public Works.

By Mr. PEPPER:

H.R. 12045. A bill to increase the production, transportation, and conversion of coal as a source of energy; to the Committee on Interstate and Foreign Commerce.

By Mr. RIEGLE:

H.R. 12046. A bill to amend the Social Security Act to establish a program of food allowances for older Americans; to the Committee on Ways and Means.

By Mr. WHITEHURST:

H.R. 12047. A bill to provide assistance to zoos and aquariums, to establish standards of accreditation for such facilities, and to establish a Federal Zoological and Aquarium Board, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GAYDOS:

H. Con. Res. 404. Concurrent resolution pertaining to the methods used on animals in research; to the Committee on Science and Astronautics.

By Mr. PEPPER:

H. Con. Res. 405. Concurrent resolution expressing the sense of the Congress that the United States, Canada, Great Britain, Western Europe and Japan should act in concert in refusing to sell essential industrial and food products, and medicines to Arab nations boycotting such nations in the sale of petroleum; to the Committee on Foreign Affairs.

By Mr. VEYSEY:

H. Con. Res. 406. Concurrent resolution expressing the sense of the Congress with respect to the urgent need for research, development and demonstration of alternate sources of energy; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL of Virginia:

H.R. 12048. A bill for the relief of David Levi; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.R. 12049. A bill for the relief of Jack K. McHenry; to the Committee on the Judiciary.

By Mr. ROY:

H.R. 12050. A bill for the relief of Wilma Selle, Gary Selle, and Deborah Selle; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 12051. A bill to provide for the reinstatement and validation of U.S. oil and gas lease No. U–0140571, and for other purposes; to the Committee on Interior and Insular Affairs.

SENATE—*Thursday, December 20, 1973*

The Senate met at 10 a.m. and was called to order by Hon. James B. Allen, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, the source of all wisdom and strength, grant that we who shoulder the burdens of this Government may accept the Christmas promise that "the government shall be upon His shoulder: and His name shall be called Wonderful Counselor, the Mighty God, the Everlasting Father, the Prince of Peace. Of the increase of His government and peace there shall be no end * * *" (Isaiah 9; 6, 7a). May we so yield ourselves to His spirit that the promised kingdom of truth and righteousness may become the kingdom of all mankind, and that He shall reign forever and ever. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., December 20, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. James B. Allen, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1435. An act to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, and for other purposes;

S. 1529. An act to authorize the Secretary of the Interior to enter into agreements with non-Federal agencies for the replacement of the existing American Falls Dam, Minidoka project, Idaho, and for other purposes;

S. 2493. An act to authorize the disposal of silicon carbide from the national stockpile and the supplemental stockpile;

H.R. 3334. An act for the relief of Maria Lourdes Rios;

H.R. 3758. An act for the relief of Isabel Eugenia Serrane Macias Ferrier;

H.R. 7352. An act to amend section 4082(c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners; and

H.R. 11441. An act to postpone the implementation of the Headstart fee schedule.

The enrolled bills were subsequently signed by the Vice President.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, December 19, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 613, Senate Resolution 221.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The second assistant legislative clerk read as follows:

S. Res. 221, authorizing the printing of the Seventy-fifth annual report of the National

Society of the Daughters of the American Revolution as a Senate document.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the Seventy-fifth Annual Report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1972, be printed, with an illustration, as a Senate document.

NATIONAL DIABETES RESEARCH AND EDUCATION ACT

Mr. MANSFIELD. Mr. President I move that the Senate proceed to the consideration of calendar No. 629, S. 2830.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The second assistant legislative clerk read as follows:

S. 2830, to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SCHWEIKER. Mr. President, the passage of the National Diabetes Research and Education Act, S. 2830 is a landmark by the Congress and represents a major first step in dealing with a chronic disease which afflicts more than 5 million Americans. It will be the first legislation designed to deal with this major health problem. Passage of S. 2830 will assure that for the first time a national program will be inaugurated. For some time, I have been involved in efforts to bring this issue to the forefront of congressional activity. I was pleased to introduce the first Senate bill to deal exclusively with diabetes, and on February 26, 1973, I chaired the first hearings into the problem.

The bill recommended by the Labor and Public Welfare Committee would provide for the establishment by the Secretary of HEW of a national task force on diabetes to formulate a long-range plan to combat diabetes. The task force also will develop a program to expand and coordinate the activities of the National Institute of Arthritis, Metabolism and Digestive Diseases with respect to diabetes and related endocrine and metabolic diseases. Coordination with the programs of other research institutes of the National Institutes of Health is emphasized. The report and recommendation of the task force will be the basis for the Director of the NIAMDD to submit through NIH and HEW to the President for transmittal to Congress a report outlining the action required and the staff requirements to carry out the plan with a request for such additional appropriations as may be needed.

The bill requires the Director of NIAMDD to establish such programs as may be necessary in cooperation with other Federal health agencies, State, local and regional public health agencies, and nonprofit agencies for the control of diabetes.

The Director of NIAMDD is to provide for the development of research and training centers to be established geographically on the basis of population density so that satisfactory diabetes teaching for both professional and lay personnel will be available throughout the Nation. These centers will conduct basic and clinical research into, training in, and demonstration of advance diagnostic, prevention, detection, and treatment methods for diabetes.

Within NIAMDD the bill creates the position of Associate Director for Diabetes who will be responsible for programs in diabetes in the Institute.

The Associate Director for Diabetes will act as chairman of an Inter-Institute Diabetes Mellitus Coordinating Committee established to coordinate the total NIH research activities relating to diabetes. The committee will be composed of representatives of each of the research institutes and divisions in NIH involved in diabetes related research. Finally, the bill requires the Secretary of HEW to establish an Interagency Technical Committee of Diabetes Mellitus to be responsible for coordinating those aspects of all Federal health programs and activities relating to diabetes mellitus. Mr. President, may I emphasize again my strong support for the National Diabetes Research and Education Act.

Mr. President, the need for a national diabetes program as embodied in S. 2830, the National Diabetes Research and Education Act of 1973 is clear. I am especially pleased that the Senate has taken the initiative and lead in inaugurating legislation to provide for a massive national effort to combat diabetes.

My interest in introducing diabetes legislation began some time ago and reached fruition on August 4, 1972, when I introduced S. 3880. This was the first legislative proposal in recent history to address itself to the problem of diabetes. I was prompted to introduce this bill because as ranking Republican member of the Senate Health Subcommittee, I was becoming increasingly aware that as our population was becoming older, fatter, more affluent, and urbanized the incidence of diabetes was increasing at an alarming rate. I was stunned to learn it is estimated that by 1980 1 in 5 Americans will have diabetes or its trait, and that diabetes is the second or third leading cause of death in the United States if you consider it is the major factor causing many chronic and disabling illnesses. These illnesses are primarily cardio-vascular, renal, hypertensive and neurological illnesses. The man who dies of a heart attack, for instance, is listed in the death statistics as a victim of heart disease, but many times he has actually died from diabetes which caused the heart attack and the vascular disease. The same is probably true in cases of kidney disease, stroke, and so forth.

At that point, it became clear to me that we needed much more adequate information on the origin of diabetes, its effects on the human body and the best methods of treating it to prevent long-term complications from developing. In developing my legislation, it became more and more apparent that a vastly-expanded diabetes research program was needed. I learned that diabetes is not a reportable disease. Like other major diseases it should be studied according to population and geographical area so the impact of incidence and heredity can be noted. With the discovery of insulin, diabetics are living longer than ever before. But with that longevity has come complications. The most notable is blindness, of which diabetes is a major cause. I found one of the truly tragic ironies of our time was the fact that diabetes dominates the medical scene, yet little was being done to solve its mysteries.

Therefore, with the convening of the 93d Congress on January 4, 1973, I reintroduced my bill with improvements as S. 17, the National Diabetes Research and Education Act of 1973, to expand and coordinate the research effort against diabetes. It was also designed to advance patient, professional, and public education activities to alert Americans to early indications of diabetes, and emphasize the significance of early detection, proper control, and the complications which evolve from the disease.

On February 26, 1973, I was happy to chair hearings of the Senate Health Subcommittee on S. 17 and S. 648 introduced by Senator GALE MCGEE. This hearing was the first in the history of the U.S. Senate to deal with diabetes. At that time, a broad cross section of witnesses reiterated the great need for diabetes legislation. Experts in the field pointed again and again to studies which show there is a 9 percent increase each year in the diabetic population which is an accelerating increase because each year the diabetic population becomes 9 percent larger. An important factor in this increase are our diabetic children. In 1921, diabetic children died. After the discovery of insulin in 1921, children and young adults survived, grew to maturity and have been producing children with diabetes or with a strong inherited factor for diabetes. There are now approximately 6 to 8 million diabetics with a chance of producing diabetic children.

Last October, the Senate Appropriations Committee, on which I serve, approved a series of my amendments to increase Federal funding for diabetes research as part of H.R. 8877, the Labor/HEW Appropriations bill for fiscal year 1974. These provisions were included in final passage of this legislation and included a recommendation that the National Institutes of Health utilize its resources for interinstitute studies of diabetes, since diabetes afflicts the eyes, heart, brain, and muscular structure. The committee recommended an increase over 1973 operating levels, including a significant increase in funding for diabetic retinopathy; an increase for the National Heart and Lung Institute, a significant portion of this to be used for expanded diabetes/vascular research and an increase for the National Institute of Arthritis, Metabolism, and Digestive Diseases. In approving this $22.8 million increase, the committee gave its support to NIAMDD efforts to support diabetes research centers, and specically provided additional funds for the establishment of diabetes centers throughout the Nation. The committee also accepted my recommendation that a new position of Associate Director for Diabetes be created within the Institute. During markup on H.R. 8877, the committee also accepted my recommendation that a committee within the National Institute of Health, composed of representatives of each of the Institutes concerned with health problems relating to diabetes be created. The committee would be chaired by the Associate Director for Diabetes in NIAMDD.

I was particularly pleased that the Appropriations Committee supported my recommendation that the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases create a position for an Associate Director of Diabetes, a provision included in the pending bill. In accepting my recommendation, the committee commented:

> It is felt that because of the wide range of side effects from diabetes that there should be programs on an interinstitute basis to research the effects within the appropriate Institute.

Further, the committee recommended that the Associate Director for Diabetes chair the Interinstitute Committee which was also included in the bill by the labor and Public Welfare Committee.

Mr. President, I also wish to point out that the Committee stated in its report.

> Research in diabetes is focused on the prevention of such complications of the disease as accelerated hardening of the arteries, premature heart disease, kidney failure and blindness. Diabetic retinopathy afflicts about one-third of the long-term diabetes patients and is the second leading cause of blindness in the United States today. Because of the national impact of all aspects of diabetes, the Institute is embarking on a program of support for Diabetes Research Centers. It also supports a wide range of other metabolic diseases, including cystic fibrosis. The Committee supports this new initiative and has provided for the establishment of Diabetes Centers throughout the nation to aid in treating and caring for a condition that has such wide ranging social and economic effects.

Recognizing the importance of these recommendations, the Senate conferees included in their report the following statement:

> The Conferees are aware that diabetes is a prime example of a disease which affects the work of many of the Institutes. It may afflict the eyes, heart, brain, and muscular and vascular systems. The Conference urges the NIH to establish mechanisms to assure a coordinated program of research by the Institutes concerned with the various aspects of diabetes.

This brings to mind the entire question of the economic impact of diabetes. The loss from disability and premature death and sickness in the diabetic population is conservatively considered to be at least $2 billion annually. Yet we have spent less than $10 million annually in support of all aspects of research in diabetes. During the Senate hearing on my bill, it was stated that we are spending approximately $1.60 per diabetic per year. A statement prepared by the National Institute of Arthritis, Metabolism and Digestive Diseases for initial presentation to the House Appropriations Committee last spring contained the sentence:

> Today, with proper treatment, most diabetics can lead a normal life.

Mr. President, I have received numerous letters from physicians, biomedical scientists, researchers in the field of diabetes and diabetics challenging that statement. Some consider it "an extraordinary lack of understanding." Others have referred to it as "at best debatable and at least incorrect."

My point is that from the Federal perspective diabetes has been neglected. The customary method in recent years to create an affirmative program involving a greater national commitment has been to allocate more money to the task. In the case of specific health problems, the recommendation is often "more money for research." Since adequate funds were not available, research in diabetes was neglected. Consequently, our knowledge of the causes or origins of diabetes and its long-term effects on the human body is defficient.

Mr. President, as serious as the problem of diabetes is now, there is every indication that it will become even more so in the years ahead. We cannot legislate a cure for diabetes, but we can certainly establish a framework for a more effective diabetes program and provide the support necessary to carry out such a program.

Mr. JAVITS. Mr. President, I urge the Senate to support the "National Diabetes Research and Education Act," an original bill reported by the Senate Committee on Labor and Public Welfare—of which I am the ranking minority member—which combines and incorporates the best features of diabetes legislation carefully considered by the committee.

The needs of diabetic patients in the United States are not being met at the present time and I believe these needs cannot be met in the future unless the Federal Government expands its leadership role in this area and provides the financial support that is essential to combatting the problems related to diabetes.

Diabetes mellitus is a major health problem in the United States. The disease afflicts approximately 5,000,000 Americans and there are about 325,000 new cases of diabetes diagnosed each year. It is the fifth leading cause of death from disease, and 35,000 deaths are attributed to it annually. Diabetes is the real underlying cause of many thousands of deaths that are officially counted under the heading of "heart disease," "stroke," and "kidney disease." It is the second leading cause of new cases of blindness, and it produces blindness almost 20 years earlier than the leading cause of blindness.

The complications of diabetes mellitus lead to many other serious health problems and uncontrolled diabetes significantly shortens life expectancy.

To establish the appropriate national commitment to launch an attack on diabetes—one of the most important chronic diseases that afflicts mankind—the bill provides:

First. A task force to develop a plan to combat diabetes under the National Institute of Health is established in HEW. The plan to be developed within 9 months, will include research, drug development, field studies, manpower training and data analyses.

Second. The task force is to be composed of 10 persons—6 experts and 4 consumers—2 of whom must be parents of children with diabetes—and $500,000 is authorized for the task force.

Third. The Arthritis Institute at NIH is also required to establish a prevention and control program to combat diabetes and $17.5 million over 3 years is authorized for this purpose.

Fourth. The Arthritis Institute is required to establish research and training centers of excellence throughout the United States and $45 million is authorized for this purpose over 3 years.

I urge my colleagues to support S. 2830 and provide the necessary funding—a total of $63 million over 3 years—to assure the Federal Government mounts an effective attack on diabetes and establishes the necessary coordinated research effort in the field of diabetes—as well as in the closely related fields of metabolism and endocrinology from which much of the newer knowledge concerning the mechanisms underlying the disease is expected to evolve.

Mr. KENNEDY. Mr. President, I rise in strong support of the Diabetes Research and Education Act now pending before the Senate. This legislation is essential if the Nation is to effectively cope with the magnitude and severity of diabetes.

Following the discovery of insulin, virtually everyone believed that a cure for diabetes had been discovered and that diabetes had been eliminated as a significant medical problem. Indeed, the physicians of the 1920's were unaware that many of the patients whose lives were saved by insulin would develop the serious complications involving the eyes, kidneys, heart, nervous system, skin, and blood vessels that we now recognize.

The medical community adopted an unrealistically optimistic point of view, "Follow your diet and take your insulin every day, and you will lead a normal life." Even after the long-term complications of diabetes were recognized and even today there is a tendency to present an overly optimistic picture of the problems facing the patient with diabetes. Although this is understandable from the standpoint of the doctor relating to the individual patient, it has not moved diabetes into its proper place in the public eye in comparison to some of the more dramatic, though far less prevalent, diseases.

Mr. President, this Nation is preeminent in biomedical research. And to a considerable extent that preeminence is a direct result of the success of the National Institutes of Health. The Arthritis Institute of the NIH has become the central focus for diabetes research and training. The committee's bill is designed to enhance the resources of the Arthritis Institute in order to assure a more substantial and hopefully more effective program to combat diabetes.

The Health Subcommittee conducted hearings last February on S. 17 and S. 648. S. 17 was introduced by the ranking minority member of my subcommittee and my friend and colleague, Senator Schweiker. And S. 648 was introduced jointly by the distinguished Senator Gale McGee and the distinguished chairman of the Labor and Public Welfare Committee, Senator Williams.

The bill now before the Senate is an original bill which incorporates the provisions from both S. 17 and S. 648.

The principal features of the bill are as follows: A task force is authorized for the purpose of creating a national plan to combat diabetes to be carried out by the National Institute of Arthritis and Metabolic Diseases. The task force is comprised of 10 individuals, 6 of whom are to be experts and 4 of whom are to be consumers. The plan of the task force is to be completed in 9 months and is to include recommendations respecting biomedical research, drug development, field studies, manpower training, and data analyses.

In addition, the bill requires the Institute to establish prevention and control programs to combat diabetes. These programs are to be analogous to the prevention and control programs which my committee has previously included in the Conquest of Cancer Act and the National Heart, Lung, Blood, and Blood Vessel Act. For these purposes the bill authorizes $17.5 million on a 3-year period. Finally, Mr. President, the bill requires the Institute to establish research and training centers of excellence throughout the United States to improve research, training, and treatment programs in diabetes. In this regard the bill authorizes a total of $45 million of a 3-year period.

The total cost of this bill, Mr. President, is $63 million which I believe to be a prudent amount given the fact that this dread disease affects 10 million Americans. And the incidence of diabetes is increasing. The complications of diabetes are too frequently catastrophic. For example, many diabetics suffer blindness as a consequence of the disease. And a statistical projection indicates that this complication will soon become the No. 1 cause of blindness in the Nation.

Mr. President, every witness who testified before my subcommittee supported necessity for legislation in this area, except the administration. After having reviewed the hearing record and after having analyzed the administration's budget request for the National Institutes of Health for the last several years, I cannot accept the administration's argument. As a matter of fact, I am increasingly concerned that the administration's budget priorities may very well seriously restrict and harm the biomedical research and training programs of several of the Institutes at the National Institutes of Health, including NIAMD.

Lastly, Mr. President, I want to commend the fine cooperation and diligent effort which have been made by my colleagues on this measure. Senators Schweiker, McGee, and Williams have been pioneers in this effort. They deserve great credit for their effort. I believe this to be an excellent bill. And, as chairman of the Senate Health Subcommittee, I urge its adoption.

Mr. McGEE. Mr. President, today the Senate will be considering S. 2830, a bill which the distinguished junior Senator from Pennsylvania (Mr. Schweiker) and I introduced to launch a nationwide attack on diabetes.

My distinguished colleague and I have been joined by 30 other Senators in the sponsorship of this legislation.

It is our hope that the Senate could move quickly on this legislation. We could lose valuable ground already gained in coming to grips with this disease if we do not provide the resources necessary to carry on the research which has brought us to the brink of significant breakthroughs.

Diabetes is a major health problem in our Nation, afflicting some 5 to 10 million Americans. Each year 325,000 new cases are diagnosed. Although 35,000 deaths are officially attributed annually to the disease, diabetes is the underlying cause of many thousands of deaths that are officially classified under heart disease, stroke, and kidney disease. It is the second leading cause of blindness, producing blindness nearly 20 years earlier than glaucoma, the leading cause.

With this in mind, there is considerable optimism that a discovery of a cure for the disease in the foreseeable future will be found, if we devote the necessary resources to such a search. This hope is not based upon a single research project, but on the work of a number of American scientists in California, Massachusetts, Minnesota, Missouri, New York, Pennsylvania, and Texas.

Probably the most promising avenue of research, according to the American Diabetes Association, is the work on the transplantation of beta cells, the cells of the pancreas which produce insulin. Some diabetics seem to have too few beta cells to meet the insulin demand of their bodies.

Others may have a normal number, but the cells do not release enough insulin. Still others do not adequately utilize the insulin their beta cells produce. The goal of the transplants is to restore the body's ability to manufacture and release the hormone in sufficient amounts.

Another area of research being undertaken in several laboratories focuses upon new systems for treatment of diabetics that will insure normal blood sugar levels on a moment-to-moment basis. The goal is to produce an artificial pancreas or, more accurately, an artificial beta cell, the insulin-producing cell of the pancreas.

Once again, according to the American Diabetes Association, two devices already have been developed which would be components of such an artificial beta cell that would regulate the blood sugar automatically in diabetics as it is done physiologically in nondiabetics.

One of these is a small implantable sensor capable of measuring the blood sugar continuously. Animal studies are underway now to determine the accuracy, sensitivity and longevity of this component. The other is a minicomputer that can be programed to deliver insulin when the blood sugar rises and glucose when the blood sugar falls. As soon as this phase is completed, hopefully by mid-1974, trials will be begun in human patients.

The computer and the sensor would be linked with a power supply, an insulin pump and a refillable insulin reservoir in a totally implantable system. It is conceivable that such an artificial beta cell would be available to diabetics by 1976.

Thus, with continued research scientists believe that insulin-taking diabetics may be relieved of the necessity for daily injections of the hormone sooner than many people thought possible.

Another area of research has revealed the possibility that what some diabetics inherit is the tendency to, first, become infected with a specific virus, and, second, to respond to that virus with a specific reaction, such as becoming diabetic.

Here again, the American Diabetes Association reports that this raises the possibility that as the genetics of diabetes are studied and the knowledge of its relationship to viral infection increased, it would be possible to prevent diabetes by immunizing the individual against certain viruses.

Yet, in spite of the critical need to provide adequate resources for continued research in finding a cure for the disease and in spite of the fact that we stand on the brink of significant breakthroughs, the administration has launched a Government spending program which drastically cuts back our medical research programs.

Today we are spending a maximum of only $1.60 per diabetic per year in this country on research. With the projected administration cutbacks in medical research, the sum will drop below $1 per diabetic per year. In 1969, for example, we spent $5.9 million on diabetes research. In terms of 1969 dollars, only $4 million was spent in fiscal 1973.

This diminution in funding for research is very detrimental to our efforts to find a cure. Funding cutbacks hurt in the areas of research and training fellowships for doctors who would specialize in work with diabetics where the funding for such programs is already entirely inadequate. These people who are conducting the research projects cannot go anywhere else for funding because there is no diabetes fund like the Heart Fund or the Cancer Fund. The tragedy is that untold millions of Americans will pay the price for a lack of wisdom and foresight on the part of the Federal Government in unleashing our resources to find a cure for diabetes.

Under Senator Schweiker's and my bill, $17.5 million would be authorized for a 3-year period for diabetes epidemiology prevention and control. These funds will be used in an effort to halt the growing incidence of diabetes through prevention, control, diagnosis, and treatment of diabetes in children.

In addition, $45 million would be authorized under our bill to establish a total of 15 national diabetes research and training centers. These centers would be located geographically around the country by population. The centers would engage in basic research and training of physicians and allied health personnel. Another function would be one of public education. It is hoped that eventually some 50 centers could be established with comparable funding.

In the estimation of Senator SCHWEIKER and myself, we believe the total funding package of $62.5 million is very modest when compared to funding for cancer research, and also heart and lung disease under recently passed legislation.

In essence, under our bill, an attack on diabetes will be launched on four fronts: research, professional education, patient education, and public education and detection.

Patient education is important to keep diabetics fully informed on the need for the methods of proper management of the disease.

Professional education is important to keep physicians and allied health personnel abreast of the latest developments in order to assure continuing improvement in the care and treatment of patients with diabetes.

Public education and detection are important to increase public understanding and awareness of the problem, and to discover the unknown diabetic and alert him to the need for proper treatment.

And, of course, research is important to learn more about the nature and causes of diabetes and its care and treatment. The ultimate goal is to discover a cure for and prevention of the disease.

The bill would focus efforts more sharply on the problems of diabetes with not only increased emphasis within the National Institutes of Health, but also with significant increased funding. The allocation of funds for the national centers in the four areas of concentration would be determined by the national task force which is created in the bill, together with the Director of NIH. The task force would be composed of 10 eminently qualified persons, 6 of whom would be scientists and physicians and 4 from the general public.

It is our hope that the Senate will move quickly on what we believe to be a very critical piece of legislation. We believe our bill to be sound in its approach and one which can enable us to attack the disease in a more adequate manner.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2830) was ordered to be engrossed for third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Diabetes Research and Education Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby finds and declares that—

(1) diabetes mellitus is a major health problem in the United States;

(2) diabetes mellitus is the fifth leading cause of death from disease and the second leading cause of blindness in the United States;

(3) uncontrolled diabetes mellitus significantly decreases life expectancy;

(4) the citizens of the United States do not have a full understanding of the nature and impact of diabetes mellitus;

(5) there is convincing evidence that the known prevalence of diabetes mellitus has increased dramatically in the past decade;

(6) the determination of the most effective program for discovering the magnitude of the disease, its causes, cures, and treatments must be given immediate attention;

(7) there is great potential for advancement against diabetes mellitus in the National Institute of Arthritis, Metabolism, and Digestive Diseases, of National Institutes of Health in concert with public and private organizations capable of necessary research and public education in diabetes mellitus; and

(8) the establishment of regional diabetes research and training centers throughout the country is essential for the development of scientific information and appropriate therapies to deal with diabetes mellitus.

(b) It is the purpose of this Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes mellitus.

DIABETES PROGRAM

SEC. 3. Part D of title IV of the Public Health Service Act (42 U.S.C. 201) is amended by adding at the end thereof the following new sections:

"NATIONAL TASK FORCE ON DIABETES

"SEC. 435. (a) The Secretary within sixty days after the date of enactment of this section shall establish a National Task Force on Diabetes (hereinafter referred to as the task force) to formulate a long-range plan to combat diabetes mellitus. Such plan shall develop recommendations for (1) the utilization and organization of national resources for that purpose, and (2) conducting a comprehensive study and survey investigating the magnitude of diabetes mellitus, its epidemiology, its economic and social consequences, and an evaluation of available scientific information and the national resources capable of dealing with the problem. Such plan shall also include related endocrine and metabolic diseases and basic biologic processes and mechanisms, the better understanding of which is essential to the solution of the problem of diabetes mellitus.

"(b) The task force shall also develop a program to expand, intensify, and coordinate the activities of the National Institute of Arthritis, Metabolism, and Digestive Diseases respecting diabetes mellitus and related endocrine and metabolic diseases. Such program shall be coordinated with the other programs conducted or administered by the research institutes of the National Institutes of Health to the extent that such institutes have responsibility respecting such diseases. The program shall provide for—

"(1) investigation in the epidemiology, etiology, prevention, and control of diabetes mellitus, including investigation into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, prevention, and control of diabetes mellitus;

"(2) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal phenomena associated with diabetes mellitus including abnormalities of the skin, gastrointestinal tract, kidneys, eyes, and nervous system, and shall also include evaluation of influences of other endocrine hormones on the etiology, treatment, and complications of diabetes mellitus;

"(3) research into the development, trial, and evaluation of techniques and drugs used in, and approaches to, the diagnosis, treatment, and prevention of diabetes mellitus;

"(4) establishment of programs that will focus and apply scientific and technological efforts involving biological, physical, and engineering science to all facets of diabetes mellitus;

"(5) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive, diagnostic, therapeutic, rehabilitative, and control approaches to diabetes mellitus;

"(6) the education and training of scientists, clinicians, educators, and allied health personnel, in the fields and specialties requisite to the conduct of programs respecting diabetes mellitus; and

"(7) a system for the collection, analysis, and dissemination of all data useful in the prevention, diagnosis, and treatment of diabetes mellitus.

"(c) In the development of the plan, required under subsection (a), attention will be given to means to assure continued development of knowledge and dissemination of such knowledge to the public, which would form the basis of future advances in the understanding, treatment, and control of diabetes. Specific recommendations shall be made on the proportion of the effort devoted to individual basic research projects undertaken in the biomedical research laboratories of this Nation.

"(d) The Task Force shall be composed of ten members who are eminently qualified to serve on such Task Force, as follows:

"(1) six members shall be scientists or physicians representing the various specialties and disciplines involving diabetes mellitus and related endocrine and metabolic diseases; and

"(2) Four members from the general public, two of whom shall be parents of children suffering from diabetes mellitus.

"(e) (1) The Task Force shall publish and transmit to the Congress an interim report within six months after the date of enactment of this section and a final report not later than three months thereafter. Such report shall contain a national program as required by subsection (b).

"(2) The Task Force may hold such hearings, take such testimony, and sit and act at such times and places as the Task Force deems advisable to develop a national program to eradicate diabetes mellitus.

"(f) The Director of the National Institute for Arthritis, Metabolism, and Digestive Diseases shall—

"(1) designate a member of the staff of such Institute to act as Executive Secretary of the Task Force; and

"(2) make available to the Task Force such staff, information, and other assistance as it may require.

"(g) Members of the Task Force who are officers or employees of the Federal Government shall serve as members of the Task Force without compensation in addition to that received in their regular public employment. Members of the Task Force who are not officers or employees of the Federal Government shall each receive compensation at the rate of $100 per day for each day they are engaged in the performance of their duties as members of the Task Force. All members of the Task Force shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Task Force.

"(h) There are authorized to be appropriated to carry out the purposes of this section $500,000 for the fiscal year ending June 30, 1974, and such sums shall remain available until expended.

"IMPLEMENTATION OF DIABETES PROGRAM

"SEC. 436. Not later than sixty days after the Task Force submits its report and recommendations to the Congress (as required under section 435), the Director of the National Institute for Arthritis, Metabolism, and Digestive Diseases shall, through the National Institutes of Health and the Department of Health, Education, and Welfare, submit to the President for transmittal to the Congress a report outlining the action required and the staff requirements to carry out the recommended program with a request for such additional appropriations (including increased authorizations) in such amounts as may be required to pursue immediately the full implementation of the program recommended by the Task Force for which regularly appropriated funds are not available.

"DIABETES EPIDEMIOLOGY PREVENTION AND CONTROL PROGRAM

"Sec. 437. (a) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, under policies established by the Director of the National Institutes of Health, and after consultation with the Advisory Council (established under section 434(b)), shall establish programs as necessary in cooperation with other Federal health agencies, State, local, and regional public health agencies, and nonprofit private health agencies, in the epidemiology, prevention, control, and evaluation of diagnosis and treatment of diabetes, appropriately emphasizing the prevention, control, diagnosis, and treatment of such diseases in children.

"(b) There are authorized to be appropriated to carry out the purposes of this section $2,500,000 for the fiscal year ending June 30, 1975, $5,000,000 for the fiscal year ending June 30, 1976, $10,000,000 for the fiscal year ending June 30, 1977.

"NATIONAL DIABETES RESEARCH AND TRAINING CENTERS

"Sec. 438. (a) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, under policies established by the Director of the National Institutes of Health and after consultation with the Advisory Council (established under section 434 (b)) and consistent with the recommendation of the task force, will provide for the development of research and training centers for the study of diabetes and related endocrine and metabolic disorders. Such centers shall be established geographically on the basis of population density throughout the Nation in an environment with proven research capabilities. A center may utilize the facilities of one institution or could be formed from a consortium of cooperating institutions. Each center shall encompass the research and training continuum from fundamental studies to applied clinical investigation and education of physicians and allied health personnel in optimal methods of diagnosing and treating diabetes and its complications. Each center shall develop effective mechanisms for training biomedical investigators needed for research into diabetes and related diseases, clinicians and allied health personnel to deal with fundamental and clinical problems presented by diabetes and its complications. Each center shall also develop effective mechanisms for disseminating contemporary information about diabetes to physicians and allied health personnel who provide primary care for patients with diabetes that live in the geographic area served by the center.

"(b) There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year ending June 30, 1975, $15,000,000 for fiscal year ending June 30, 1976, and $20,000,000 for fiscal year ending June 30, 1977.

"ASSOCIATE DIRECTOR FOR DIABETES

"Sec. 439. (a) There is established within the National Institute of Arthritis, Metabolism, and Digestive Diseases the position of Associate Director for Diabetes who shall report directly to the Director of such Institute and who, under the supervision of the Director of such Institute, shall be responsible for programs with regard to diabetes within such Institute.

"(b) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases working through the Associate Director for Diabetes shall (1) carry out programs of support for research and training in the diagnosis, prevention, and treatment of diabetes mellitus and related endocrine and metabolic diseases, and (2) establish programs of evaluation, planning, and dissemination of knowledge related to research and training in diabetes mellitus and related endocrine and metabolic diseases.

"DIABETES COORDINATING COMMITTEE

"Sec. 439A. In order to better coordinate the total National Institutes of Health research activities relating to diabetes mellitus, the Director of the National Institutes of Health shall establish an Inter-Institute Diabetes Mellitus Coordinating Committee. This committee will be composed of representatives who can speak for each of the institutes and divisions involved in diabetes-related research. The committee will be chaired by the Associate Director for Diabetes. Such committee will prepare a report as soon after the end of each fiscal year as possible for the Director of the National Institutes of Health detailing the work of the committee in coordinating the research activities of the National Institutes of Health relating to diabetes mellitus during the preceding year.

"INTERAGENCY TECHNICAL COMMITTEE

"Sec. 439B. (a) The Secretary shall establish an Interagency Technical Committee on Diabetes Mellitus which shall be responsible for coordinating those aspects of all Federal health programs and activities relating to diabetes mellitus to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities.

"(b) The Director and Associate Director for Diabetes of the National Institute on Arthritis, Metabolism, and Digestive Diseases shall serve as chairman and cochairman respectively of the committee, and the committee shall include representation from all Federal departments and agencies whose programs involve health functions or responsibilities as determined by the Secretary.".

THE VIETNAM REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a commentary entitled "Vietnam Budget: Between the Lines," written by Gabriel Kolko, professor of history at York University, in Canada, and published in the New York Times of December 7, 1973, be printed in the Record.

There being no objection, the commentary was ordered to be printed in the Record, as follows:

Vietnam Budget: Between the Lines

(By Gabriel Kolko)

Toronto.—The Senate Armed Services Committee and House Appropriations Committee hearings on the Pentagon budget until July 1974 are now out, and the traditionally diligent censors released alarming new information on the Nixon Administration's plans for Indochina.

The facts shatter its claims to have ended the Vietnam war, much less to bear no responsibility for the Thieu Government's violations of the Paris Agreements. And if the Administration implements all the contingencies for which the Pentagon has budgeted, as it often did in the past, at the very least it has assured that the existing bloody conflict will drag on—and the worst we can expect is an escalation to direct U.S. participation in the air war.

Last Aug. 1 a Pentagon spokesman disclosed to the House that it had put aside $275 million for the direct use of U.S. airpower, including B–52's, through June 1974. Bombing in Cambodia until the Aug. 15 cutoff consumed $50 million, but the rest was "to keep the area established," and the censor "sanitized" out the number of possible sorties.

The Senate hearings, however, contain the air war cost data that allow anyone to estimate the missing information quite accurately: $225 million will buy about 120,000 bombs delivered by 3,800 B–52 and 16,700 fighter-bomber sorties—an amount far in excess of 1965 air munitions. Meanwhile, the Pentagon budgeted the Seventh Fleet to keep 77 ships and 331 aircraft in Southeast Asia as part of the "less than 250,000 men" now remaining in the East Asia-Pacific area.

The hearings also contain much new data on "civilian advisers." Contrary to far lower Pentagon claims at the time, as of last March 31 there were 8,003 American civilians in Vietnam, and 8,100 are projected to be there at the end of this year. In addition, an undisclosed number of non-Vietnamese foreigners on the Pentagon payroll until mid-1973, a group that has declined only slightly since, provide 11,337 "man-years." "I could not put any termination date on it," then Secretary of Defense Richardson confesses when queried about all these advisers, but estimates of three to five years were later mentioned despite the fact the exact date remains classified. But contracts for such services increased $63 million in two months to $218 million last May 31.

Meanwhile, President Thieu's army is now scheduled to spend an annual $277 million on munitions, "a continuation of the level of recent consumption" that the Pentagon's officials on Aug. 3 assured the House they fully controlled. That sum will buy nearly 140,000 tons of explosives.

The cost of Saigon and Laotian forces to the U.S. this year will come to $1.8 billion in outlays, one-third more than the Nixon Administration asked Congress to appropriate. The balance will be taken from earlier, unexpended budgets, and the total will include 71 F–5E aircraft for Thieu's aviators. This plane, which the Administration insists is legal under the replacement proviso in the Paris Agreement, nevertheless costs over twice as much as the earlier model and is far more advanced.

Full Southeast Asia outlays for the U.S. this fiscal year, including only military costs for itself and its three dependents, will amount to $4.6 billion should the Congress approve the Pentagon's requests. And what Congress will not appropriate for Indochina, provisos such as Section 735 of the 1973 Defense Appropriation Act allow the Pentagon itself to determine when the "national interest" requires shifting additional funds to the war. In 1973 it obtained $492 million in this manner.

Last September, when Western journalists confirmed that Saigon was using its vast supply of arms to initiate the current upsurge of fighting in Vietnam, the danger of renewed U.S. air war increased as well. If American men are also called upon to utilize the contingency plans and equipment the Nixon Administration has in place, then our worst fears will come to pass.

WHY THE ARMS RACE?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an article entitled "Why the Arms Race?" written by David R. Inglis, and published in War/Peace Report, be printed in the Record. Mr. Inglis is one of the generation of physicists who created the atomic bomb, and is professor of physics at the University of Massachusetts.

There being no objection, the article was ordered to be printed in the Record, as follows:

WHY THE ARMS RACE?

(By David R. Inglis)

(The need to provide jobs, not security, is now the primary spur for the U.S. in the arms race, argues this physicist. But this is unnecessary, he says, for there are many better alternatives, including programs to solve the impending energy crisis.)

The Cold War, and the great arms race that grew out of it, have dominated international politics for the last quarter of a century. Perhaps begining with the Cuban missile crisis of 1962, when the world realized that nuclear deterrence might indeed fail and bring on ineffable destruction, and the aboveground nuclear test ban of the following year, when it became evident that serious arms control agreements were possible between the two super-adversaries, there has been widespread hope that the tide might turn against the uncontrolled arms race, the effort by both sides to achieve "superiority" over the other. But now, a decade later, the trend of the arms race still seems to be ominously upward, only slightly deflected by recent agreements.

The broad range of possibliities is easy to outline: at the idealistic end is G.C.D. (general and complete disarmament); in the middle is some form of stabilized deterrence, or balance of terror; and at the other, hawkish end is an arms race not seriously inhibited by the SALT agreement, with the opponents seeking to gain the upper hand through qualitative improvements of weapons under control and through research and new deployment of weapons not covered by the agreement. The basic question may be whether the form of balance of terror moves lower in the direction of G.C.D., or higher, toward a renewal of stiff military competition, with the two superpowers leading the way and all the other nations following at their own maximum potential.

Adam Roberts, writing in the Jan./Feb. issue of *WPR*, comments on the lip service given to G.C.D. in the preamble of the SALT agreement as follows: "It is a strange paradox that the ritual promise to achieve general and complete disarmament . . . occurs in the very treaty which . . . enshrines the principle that the road to security lies through a controlled and institutionalized system of mutual terror." While the beautiful dream of G.C.D. remains valid as an ultimate goal, there are also important historical reasons for this reference.

In the early years of the nuclear age, disarmament conferences seem in retrospect to have served mainly as an artificial showcase for competing good intentions while the two major nuclear powers pursued the serious competition of getting the nuclear race well under way. The showpiece of the U.S. was the Baruch plan for avoiding a nuclear arms race by internationalizing atomic know-how under a system of strict control. It was originally proposed seriously, not as a showpiece. If accepted it could have meant much to the world, but it was kept as a showpiece long after it became apparent that it was unacceptable to the U.S.S.R. and doubtful if it was acceptable even to the U.S.

The countervailing showpiece of the U.S.S.R. was G.C.D. In a world newly faced with the nightmare of possible nuclear devastation, it seemed to friendly observers perhaps the only reasonable course. However, to Westerners haunted by fears of communist aggression in the early phases of the Cold War, it appeared to be a trap proposed by a would-be aggressor. After years of propaganda for G.C.D., Soviet leaders gradually have come to appreciate the magnitude of the disarmament problem and the desirability of measures short of G.C.D. Nevertheless, it would be difficult for them to abandon completely their earlier stated goal.

It is diplomatically realistic for the U.S. to recognize that any arms control agreements it makes are quite consistent with G.C.D. as an ultimate goal, even though it has no expectation that G.C.D. will be achieved within the lifetime of living men. Other goals as well, short of G.C.D., are recognized in the SALT I preamble: "cessation of the nuclear arms race and . . . effective measures toward reductions in strategic arms, nuclear disarmament and G.C.D." Such recognition in a preamble need not detract in the least from the serious intent and practical effect of the articles of agreement. The effectiveness of SALT I can be judged on its own merits, and as a real limitation on one link of the chain reaction of the arms race it has some merit. If it proves to be a step toward further measures really stopping the arms race, its merit will be much greater. Beyond just stopping the arms race, there lies the prospect of moving down to a controlled balance at lower levels of nuclear weaponry, with the attendant reduction of tensions resulting from greater stability and reduced useless expenditures. All this should have the important effect of making nuclear war less likely. The very real difficulties of achieving and maintaining G.C.D. might seem less formidable from the perspective of a low-level stabilized deterrent.

DIFFERING WILLS

It has frequently been said—for example, by the Swedish representative at the Geneva disarmament conference, Mrs. Alva Myrdal—that there is no disarmament because there is no will to disarm. Indeed, there generally has been no national will to disarm on the part of the superpowers. But a nation is made up of many people and on few subjects is there a truly national will. In each of the two superpowers there are people with a will to disarm, either partially or completely. They are opposed by people with a will to carry on the arms race. The statement of a will to disarm in a treaty preamble is to some extent a compromise between these groups of people, and may serve the useful purpose of advertising the concept of steps toward disarmament and thus perhaps spreading the will to disarm.

The will of the Nixon administration with regard to the arms race, while ambivalent, seems generally to be for business as usual. True, the slightly restrictive terms of the SALT I agreements were forged during Nixon's presidency, but they came very slowly largely because great care was taken not to transgress unduly on the Pentagon's desires. The Arms Control and Disarmament Agency has been seriously cut back and its new head, Fred Charles Ikle, has expressed views favoring development of far more sophisticated nuclear weaponry.

During the recent summit meetings with Leonid Brezhnev, President Nixon signed documents including some lofty platitudes, such as the declaration of the obvious intention to avoid nuclear war. At least one point, however, may have important substance—the instruction to the SALT II negotiators to consider limitations on developing strategic missiles, presumably meaning MIRVs (multiple warhead missiles). The most troublesome of the Pentagon requirements backed by the administration was the insistence on development of MIRVs even while the SALT talks were in progress; the negotiation might have been much more fruitful if the administration had held back on MIRV development. Both sides had cooled on ABMs and the agreement not to deploy them widely was the solid achievement of SALT I. But the whole purpose and originally-stated motivation for MIRVs was to penetrate widespread ABM deployment. Now that, from the arms control point of view, the administration has made the mistake of developing and even to some extent deploying this unnecessary complication of the arms race, it remains to be seen whether anything can come of the Nixon-Brezhnev declaration on the subject.

SALT I places a temporary numerical lid on most strategic weapons considerably above present levels. It may be that the administration's goals for SALT II go no further than to confirm this ceiling. Lacking more far-reaching accords, the arms development race continues unabated, leaving each side striving for the technological breakthrough that could destabilize deterrence and perhaps even bring on nuclear war. As an indication of the administration's lack of will to cut back on arms, it is significant that many established civilian programs have been eliminated to make way for enormous military demands on the budget, including those perpetuating the arms race. James R. Schlesinger, the new secretary of defense, told a Senate committee hearing on his confirmation that it would be "impossible" to reduce the defense budget in the years ahead and it would probably have to rise "just to stay even."

Indeed, it has become increasingly apparent that these large expenditures are the main purpose and motivation of the arms race, as the military justification has become more and more questionable in the recent years of overkill capabilities. The huge arms expenditures have a large constituency in American politics, in both business and labor. It is very difficult politically for legislators to resist the pressure for arms race spending in their home districts. Paper plans for reconversion of plants and jobs to nonmilitary production are less convincing than continued dependence on Department of Defense procurement.

Here among the American people is where the will to disarm is perhaps most seriously lacking. The Department of Defense quite naturally has a will to continue arming and is in a well-heeled position to saturate the populace with a mixture of conjecture, information and misinformation, favorable to its point of view. The opposing argument that funds released from military expenditures could benefit the civilian needs by creating other jobs, has no such powerful advocate.

Perhaps the primary culprit is the productivity of technology, a phenomenon that should be a boon to mankind. In spite of the just claim that technology creates many new types of employment, such as the building and servicing of computers, many of these jobs require specialized training, and the overall effect is to eliminate more employment than is created. Many of the marvelous labor-saving devices do save labor—and put people out of work. "How are you going to keep them down on the farm" when agricultural machines are so efficient? This is the nature of rapidly advancing technology, unless it is matched by equally rapid changes in distributing goods among people. To some extent, the per capita time saved by technology could be distributed more or less evenly to all workers, keeping roughly the same percentage of the people doing the jobs that need to be done, but doing them in fewer working hours so that everyone enjoys more leisure. The length of the shorter average work week should be adjusted to keep productivity high enough so that everyone can work at a living wage. This wage needs to provide incentive enough to get the work done, and people need to learn to enjoy more leisure alternating with a moderate amount of work.

But that is not what is happening. In real life, in which everyone is looking out first for himself, that ideal is not achieved. Those who have good jobs have more influence in politics than those who do not. With our present system of incentives, the person with a job wants a fairly long work week so as to receive a good wage. This shuts others out and means unemployment arising from technological productivity. If one's work is even remotely associated with military production, one wants continued military production. If there should be general reconversion to production for civilian needs, a worker might fear, if he thinks of it at all, that his skills would not give him priority and others might get his job. The virtues of arms control and disarmament are far from the average worker's thoughts.

As long as remuneration is based on performance of a full work week, the productivity of machines places a premium on socially useless output. As make-work of this sort, military production is attractive. It involves technical skills and large expenditures. Directly or indirectly, it involves large numbers of people, large enough to be politically effective, but not large enough to prevent widespread unemployment.

As things stand, there are so many socially necessary tasks waiting to be done that we could do much more than simply cut back on military expenditures and carry on the same production in the civilian sector—but with more people doing the identical work in jobs of shorter hours and higher wages. There are immense opportunities to improve our way of living through efforts in the fields of health, education, transportation, nutrition and the environment, to mention a few possibilities. As an example of the kind of program that might be undertaken, let me discuss one major area in which an important part of the resources going into the military sector could be most usefully absorbed—the production of energy.

A MORE LIKELY DANGER

A highly probable danger—far more likely than some of the perils adumbrated by the Pentagon—is a future serious power shortage. This does not require any postulated suicidally mad and omnipotent dictator to make the threat a reality. Yet to meet this threat we are expending only a small fraction of the effort spent on the arms race. Furthermore, we are pushing only two of the possible solutions, only one of them really hard, and neither is without objectionable features. They are nuclear fission and fusion. The former brings with it a variety of dangers and the latter remains a gleam in the scientist's eye.

Among the dangers of the fission route to future power, the one most closely associated with the arms race, is the likelihood that the plutonium that it will create in large quantities will encourage the proliferation of nuclear weapons not only to many countries but also to disruptive organizations. If we think the activities of terrorist groups are tragic now, imagine what they could be in a future plutonium age. Such a scenario is no more implausible than the suicidally mad dictator whose ghost spurs on the nuclear arms race.

Solar power, wind power, ocean thermal power—these are possible ways to meet our future power needs based on virtually unlimited sources of energy, good for many centuries. Geothermal energy and coal gasification are other options that could be very important in meeting our needs for the next century or so, although they are based on more limited sources. Any one of these, given intense research, might be ready to take over the load on a time scale as short as that for the plutonium breeder reactor—some of them in less than a decade.

Consider wind-generated electricity, perhaps to be converted through electrolysis into an easily transported fuel, hydrogen. First generation windmills were developed and thoroughly tested in the 16th century, but not for generating electricity. The second generation prototype in this country (if we skip over small farm windmills) did generate useful amounts of electricity and feed into a commercial power grid. It was built and operated in Vermont in the period 1941–45. It was about 200 feet high and generated about a thousand kilowatts. Because of the use of substitute materials in wartime, it failed structurally but not until it had provided useful experience. At just the time of its failure, the early and overoptimistic prospect of power from the atomic nucleus arose and has since absorbed almost all the country's efforts in the power development field, so a third generation windmill has yet to be built. There have been a few somewhat smaller windmills of the second generation set up in Europe.

There has thus been experience with a quite large windmill, but not enough experience to justify constructing thousands of much larger windmills to take over a serious part of the national power load. What is needed now is the design and construction of at least one very large power-generating windmill to serve as a prototype for future extensive production. Construction of several prototype windmills of different designs would be still better, as a part of a comprehensive effort, including construction of prototype solar plants and other energy producers, to determine soon what would be the most satisfactory power sources for the future as our present fuels run low and the power prices rise. It is far from a foregone conclusion that plutonium will be the best answer. Indeed, if the vested interests in the plutonium route can be circumvented to obtain support for broadly based developmental work, it seems likely that at least one of these others will be better and permit us to avoid the dangers of plutonium power.

With exciting prospects like these before us, why should we still be using the trumped-up need for an arms race to provide make-work activities to bolster the economy and employ labor? What better way to provide for the future strength of our country than to invest a few billions into competing power sources, so as to find the right source for the future, not just the one that arises naturally from present vested interests? With reasonable initiative, the present vested-interest groups should themselves be able to join in on the new developments. Think of rescuing an airframe company from its cost-overrun problems by giving it contracts to design and build a dozen or more prototype windmills each much bigger than any bomber it ever built!

Thus the opportunity is upon us to slow the arms race drastically and to channel our resources into useful instead of wasteful activity. The opportunity is both bilateral, with the Soviet Union, and unilateral, in Washington.

Bilaterally, circumstances are good to put a workable freeze on the arms race through SALT II. The new agreement should include stopping MIRVs, eliminating killer submarines (which if built could possibly destabilize deterrence), control missile test firings and establish a complete nuclear test ban.

Unilaterally, the U.S. could abandon futile military expenses for the Trident submarine, B–1 bomber, new carriers, and other redundant and superfluous weaponry having little significance for the balance of terror, which already has unimaginable overkill weighted on both ends of the scale. And the funds and effort saved could be directed toward the many other problems cited earlier—particularly the question of future energy, for which the sector of industry now devoted to the military would be especially well equipped.

WILL THE U.S. SPEND $91 BILLION FOR UNNEEDED WEAPONS?

This fiscal year the Pentagon is asking for $18.8 billion for procurement of new weapons, $1 billion more than last year. Research and development is also up about half a billion for new weapons, to a total of $8.7 billion. R&D is up 50 per cent as a proportion of the funds provided for procurement in the 1970 fiscal year. The R&D programs deserve detailed attention because of their influence on future procurement spending.

According to a Center for Defense Information study, many of the weapons systems are of marginal utility because they do not add to current U.S. military strength. Their total cost for fiscal 1974 alone is $9.6 billion. Through 1980 they will require spending an estimated total of $91 billion.

In particular, the Center recommends reappraisal of the following:

Strategic weapon systems

[Amounts requested for 1974 in millions]

Poseidon submarine conversion and missiles	$498.2
Minuteman III missiles	768.1
Trident submarine and missiles	1,712.0
Safeguard ABM	401.5
B–1 bomber	473.5
SCRAM missiles	139.1
SCAD missiles	72.2
Strategic cruise missiles	15.3
Site defense of Minuteman	170.1
Airborne warning aircraft	209.5
Airborne command post	83.1
Total	4,542.6

Conventional weapon systems

CVN–70 carrier	$657.0
F–14 aircraft	615.8
Phoenix missile	100.3
S–3A aircraft	546.3
LHA ship	192.0
F–15 aircraft	1,148.0
C–5A	43.1
UTTAS helicopter	108.1
SAM–D missile	194.2
SSN–688 submarines	921.6
DD–963 destroyers	590.9
Total	5,117.3

The Center also recommends reappraisal of the following as Defense Department data remains inadequate for determining their utility:

Strategic weapon systems

[Amounts requested for 1974 in millions]

Advanced ballistic missile reentry systems	$95.3
Advanced ballistic missile defense research	100.0
Total	195.3

Conventional weapon systems

Harpoon missile	$85.6
AV–8A aircraft	58.2
A–10A aircraft	142.4
Mark 48 torpedo	191.2
Patrol frigates	6.8
Surface effect ships	72.8
Sea control ships	29.3
P–3C patrol aircraft	155.6
Total	741.9

The Center for Defense Information, Washington, D.C., is associated with the Fund for Peace.

THE CHINA TRADE

Mr. MANSFIELD. Mr. President, one of the most valuable, succinct, and worthwhile reports to come out of China has just been completed by Mr. K. H. J. Clarke. It is entitled "The China Trade." It was presented at the National Industrial Conference in San Francisco on September 20, 1973. It contains an enormous wealth of fact which has not been available to this country in any great detail. It contains historical material relative to the China trade in the past, going back almost 4,000 years.

Mr. President, I ask unanimous consent, because of the increasing interest in relations between the People's Republic of China and the United States of America, and the need for a better understanding on our part of just what China is and is not, that the text of the report be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE CHINA TRADE

(By K. H. J. Clarke)

(All figures referred to do not appear in the Record.)

I THE PAST

(a) *To 1949 A.D.*

The Chinese, with a civilization which is one of the oldest in the world, having a documented history of almost 4,000 years, have been trading with the Western World for a long, long time. The first trade caravans from China to Iran over the "Old Silk Road" date from 106 B.C.

Silk, which was a Chinese secret and monopoly, until the silk worm was smuggled into Europe in 550 A.D., was traded for "bloodsweating" thoroughbred horses, coloured glass, myrrh, wool and linen. Caravans destined for Rome, carrying mainly silk, but also skins, cinnamon bark and rhubarb[1] set out at Sinae Metropolis (Loyang) in the lower Yellow River region. The road led, by diverse routes, across the deadly desert of Sinkiang and over the Pamir range of Afghanistan through the forbidding plains and mountains of Central Asia, converging in Persia, and then on to Syria and hence by ship to Rome, a hazardous step-by-step journey of over 5,000 miles. (Figure 1, page 6). Very few Chinese made it all the way to Rome; the Persians, by any means at their disposal, including forcible restraint, being very successful in keeping the Chinese from direct contact with the ultimate Roman customers. To the Persians, as middle men, the "silk" trade was a most profitable business. An interesting facet of the trade was a large imbalance in China's favour made up by bullion or specie payments with which Persian merchants bartered their local goods for delivery to China in lieu of cash returns.

In 120 A.D. and again in 166 A.D., the Romans sent missions of jugglers and merchants by sea directly to Peking with a wide variety of trade merchandise.

Subsequently, Chinese trade relations were opened directly with all the major ports along the southern coast of Asia. Along with the opening of trade came increasing knowledge of the outer world and this developed rapidly to the seventh century A.D. Chinese embassies were opened in many countries in the Mediterranean and the Middle East and a brisk two-way trade in art objects began in turn to influence Chinese art design. During this period, Persian merchants were particularly active dealing in "magical" gems, carpets and aromatics.

Strangely, the period from 900 A.D. to 1200 A.D. was one in which trade with the outer world increased very rapidly but Chinese travel decreased. The greatly expanded and thriving overseas trade during this period coincided with the rise of the Islamic Arab shipmasters and for the most part was conducted directly by Arab merchants. The Arabs continued to hold a most important position in Chinese commerce with colonies established at major trading points.

Chinese trade with Japan, Korea, Asia and India began to play a greater role in the Chinese economy than at any time, exceeded only by development of trade with Europe in the late seventeenth century.

In the first half of the thirteenth century Ghengis Khan conquered the whole of China. Under him and his successors, the most famous being his grandson, Kublai who founded the Mongol or Yuan dynasty in 1280, all of China, Korea, Central Asia, India, Persia, much of Asia Minor and most of Russia were consolidated into one empire. Extensive and safe travel under the protection of the firm rulership of the Khan became possible and envoys from the entire world headed for Peking. This was the time of Marco Polo who, with his father, Niccolo, and his uncle, Maffio, travelled overland from Venice, stayed for 17 years in the court of Kublai Khan, and returned by sea along the coasts of India and Persia. His famous account of the great court and China's people and its thriving cities was the first major record of Asia by a European. It was thoroughly disbelieved and Marco Polo fell into disgrace. "A prophet is not without honour, save in his own country."

At this time, China was ahead of most parts of the world in technology. Among the profusion of technical developments attributable to China are the horizontal warp loom and silk fabricating machinery, the cross bow, the wheelbarrow, the kite, the mastery of cast iron, (1,000 years ahead of Europe), canal lock gates, gunpowder and cannons, the magnetic compass, paper, porcelain, and printing and movable type.

In 1368 A.D. the Ming dynasty overthrew the Mongols and launched large overland explorations. The early part of the fifteenth century also saw great sea-going Chinese expeditions of discovery and trade development under the leadership of brilliant eunuch admirals. These explorations included Malaya, Java, Sumatra, Ceylon, Burma and the coasts of India, the Philippines, the Persian Gulf, the south coasts of Arabia and Aden, into the Red Sea and down the coast of East Africa to Zanzibar. Many overseas trading bases were established. At the mid-point of the fifteenth century, China, as a result of Mandarin jealousy of the admirals and civil service and administration conservatism, turned inwards and lost its opportunity for trade and political leadership in the explored areas, opening the way, a mere 75 years later, to Portuguese exploration and political initiative. This would appear to be one of the turning points in world history.

Vasco da Gama reached India in 1498 via the Cape and a direct route to the East was opened. The Spaniards, Dutch and English set their sights on Asia.

The Portuguese capture of Goa in 1510 and Malacca in 1511 gained control of the gateway to the spice lands of Malaya and the East Indies. Contact with Chinese traders who had come with silk, satins, chinaware and pearls to exchange for spices, ginger, incense and gold thread led the Portuguese to turn their attention to China.

In 1516, Perestrello, a Portuguese sea trader, arrived in Kwangchow (Canton) and the long and contentious era of European involvement in China began. The Portuguese who followed made a very unfavourable impression and the response of the Chinese was conservative and aloof. The Mings limited trade to one port, Kwangchow (Canton) which was closely controlled by the Portuguese by virtue of their established base at Macao. Diplomatic relationships were refused and embassies unwelcome. The opportunity at hand to learn about Europeans and their civilization was lost.

The Spanish, after having conquered Mexico, had direct access from Pacific ports from which they attacked the Portuguese colonies, finally seizing the Philippine Islands. From this base Spanish-Chinese trade flourished using Mexican and Spanish dollars as exchange, resulting in an influx of these currencies into China.

The Dutch arrived in China in 1604, thirty years after the Spanish and ninety years behind the Portuguese. Though arriving late they achieved great success in trade and empire building. They seized Sumatra, Java and Malacca from the Portuguese, and in 1619 the Batavian Government was established in Java which then became the centre of Dutch activities in the East.

After the Manchus conquered the Mings in 1644, they went further in obstructing foreigners and prohibiting travel and emigration, to some extent due to distrust of their subjects in the south. It was not until the early part of the nineteenth century that labourers, mostly from southern areas, were allowed, under European political pressure, to emigrate to Indonesia, Malaysia and Indochina, and not until late in the nineteenth century that China established diplomatic missions in Europe and the United States and that the first Chinese students were permitted to study abroad.

Because of conflicts of interest with the Dutch in the East Indies and the Portuguese in Macao, the British had focused their activities in India. However, in 1637, in open defiance of the Portuguese, direct contact was made with Kwangchow (Canton) but without much commercial or political success. It was not until 1685 that the ban on sea trade was lifted and in 1699 formal British-Chinese trading relationships were established.

By the late eighteenth century there was an extremely active three-way trade between England, China and India. Ninety-five percent of the exports to England consisted of tea, with raw silk, chinaware, rhubarb, lacquered ware and cassia making up the balance. Imports from England, although limited in quantity, included woollens, lead, tin, iron, copper, furs and linen. Exports to India consisted of Nankeen cloth, alum, camphor, pepper, vermilion, sugar, drugs and chinaware, while imports included raw cotton, ivory, and sandalwood, silver and opium.

Because of the small demand for British goods in China the balance of trade was unfavourable to Britain. It was at this time that the British realized that opium, which had been introduced by the Arabs and which could be grown readily in India, was being used increasingly in China, mostly for medicinal purposes. The habit-forming effects of the drug increased the demand so rapidly that the trade balance changed dramatically. Opium purchases more than quadrupled between 1817 and 1830. By 1830 the share of opium in total imports was 56%, cotton 21%, woollen goods 11%, and metals 3%. Tea accounted for 60% of the exports and raw silk and silk goods 23%. Total value of exports was 17.60 million Spanish silver dollars, and imports 26.81 million, resulting in an unfavourable balance of trade of 9.21 million. (Table 1, below).

To greatly oversimplify a most complicated situation, the large outflow of silver which had developed, and the debilitating effects of opium on the people, led to the Manchus banning the opium trade. Smuggling became rampant and the Chinese began to seize contraband shipments. The British sought compensation and increased trade access. The Chinese refused and the "Opium War" of 1840 began. The Chinese capitulated and in 1842 the optimistically named "Treaty of Eternal Peace" or the Treaty of Nanking was signed.

One of the most important results of the Opium War settlement was the ceding to the British of the Island of Hong Kong which has continued for over 100 years as a base for engaging in the China trade. The real era of the Treaty Ports had started. The United States and France signed their own separate treaties with China in 1844.

Twenty-one million ounces of silver which were paid to the British by the terms of the Treaty of Nanking and many additional factors relating to the decline of the court prestige and power, resulted in high taxes and internal weakness and unrest. In 1850, as a result of the aftermath of the Opium War and subsequent poverty, the Tai P'ing Rebellion broke out. After many years of severe internal strife, the rebellion was over, but the Manchu government had been severely weakened and the process of economic decline and influence was accelerated.

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[1] For more than 2,000 years the Chinese have considered rhubarb to be a powerful aphrodisiac.

Table I.—Kwangchow (Canton) Trade, 1830

(Millions of Spanish silver dollars)

Exports: 17.60 Imports: 26.81 Balance: —9.21

Exports (Commodity Composition) Tea: 60% Raw Silk: 10% Silk Goods: 13% Other: 17%

Imports: Opium[2]: 56% Cotton: 21% Woollen Goods: 11% Metals: 3% Other: 9%

(Source: Eckstein).

In 1856 Britain and France, dissatisfied with the results of the Treaty of Nanking, and as a result of many clashes, bombarded and captured Kwangchow (Canton). In 1858 the Manchu Court agreed to the Treaty of Tientsin and ten more Treaty Ports were opened to trade. In 1859 the Chinese tried to repudiate the Treaty. At the same time, the Russians had become active, particularly in political intrigue, and in 1859 laid claim to the Maritime region of Siberia with the capital Vladivostok.

The "Middle Kingdom" was now thoroughly on the defensive caught in a north-south pincer movement. In 1860 the British and the French attacked, captured Peking and burned the Summer Palace. By a new peace settlement with Britain and France and the suppression of the Tai P'ing Rebellion in 1864, the dynasty obtained a momentary reprieve. With stability and the opening of the new Treaty Ports, trade began to improve. The Chinese launched their "self-strengthening" program. The Suez Canal was finished in 1869 and the route to Europe shortened. Telegraphic communication was established between Shanghai and London in 1871. These developments greatly facilitated trade.

The period of the 1870's and 1880's coincided with intensified foreign activity. The Japanese invaded Formosa in 1874 and in 1879 annexed the Lui-ch'iu Islands. The Russians occupied Ili in Sinkiang from 1871–1881 and the French seized Annam or Vietnam in 1884–1885.

However, in spite of the trouble, both imports and exports doubled between 1870–1895. At this time India and Japan began to compete with China for the world tea trade, but silk exports continued to increase, and by 1890 silk displaced tea as China's leading export product. New export products such as raw cotton, vegetable oils, hog bristles, skins, hides and egg products were now added. The 1890 trade pattern was: exports—silk and silk goods 33.9%, tea 30.6%, and raw cotton 3.4%; and imports—cotton goods and cotton yarns 35.5%, opium 19.5%, cereals and flour 9.6%, and metals 5.7%. (Table 2, page 12). By 1895 imports amounted to[3] $140 million and exports to $115 million. Another important development was the rise of imports of kerosene for household illumination—"Oil for the Lamps of China".

The increase in foreign trade generated a demand for modern banking facilities, an increase in shipping, and the construction of ship repair and shipbuilding yards.

Foreign trade and other economic activities in the Treaty Ports were dominated by foreign firms; however, the Chinese merchant class was accumulating wealth, much of which found outlets in real estate, warehousing and speculation.

In 1877 China established in London its first foreign legation abroad. In the next two years legations were established in Paris, Berlin, Madrid, Washington, Tokyo and St. Petersburg. By 1890 China had taken her place in the family of nations.

On the eve of the Japanese aggression in Korea and the 1894–1895 Sino-Japan war, in spite of the self-strengthening program, there was very little modern industry in China, and the turning point in China's economic growth can be traced to the 1895 Treaty of Shimonoseki by which the Japanese received the rights to own and operate industrial establishments in the Treaty Ports. The other powers also exercised their rights and as a result industrial capacity, railroads, shipping and foreign trade grew.

Table 2.—Commodity composition of China's exports and imports, 1890

Exports

Silk and Silk Goods: 33.9% Tea: 30.6% Raw Cotton: 3.4% Other: 32.1%

Imports

Cotton Goods and Cotton Yarn: 35.5% Opium: 19.5%

Cereals and Wheat Flour: 9.6% Metals: 5.7% Other: 29.7%

(Source: Eckstein).

In 1900 there was another violent uprising. The Boxer Rebellion began mostly as a reaction to the Germans. The Boxers killed the German minister and laid seige to the foreign ministries in Peking. An international force, including the United States, captured Peking and an eight-power occupation took over. The Manchus, although maintained in office, were reduced in influence and power even more. In 1908 the contentious Empress Dowager Tz'u-hsi died. She had ruled for fifty years. A new rebellion under the leadership of Sun Yat-sen broke out in 1911, and in 1912 the dynastic system was abolished for the first time in 4000 years. In spite of all the strife, foreign trade had trebled between 1895 and 1913.

Trade expansion was slowed by World War I and in general the rate of growth was considerably slower from this point onwards. China had an unfavorable balance of trade during the overall period 1895–1936, financed by capital imports in the form of foreign loans and investments.

Growing diversification was the most important change in China's foreign trade in the first half of the twentieth century. By 1931 silk and tea exports fell to 17% from nearly 95% in 1868. They were replaced by soy beans and cake, vegetable oils, hides and skins, eggs and egg products, coal, and ores of antimony and tungsten. The textile industry demands, consisting of raw cotton, finished textiles and textile machinery, dominated the import pattern. Additional import items were cereals and flour, sugar, chemicals, metals, tobacco and kerosene. (Table 3, below).

From the fall of the Manchus in 1912 to the founding of the People's Republic of China in 1949, China was in a troubled and violent state. In 1916 after abortive attempts to reinstitute a monarchy, the warlord era began. It lasted from 1916 to 1925 and resulted in the almost complete collapse of the country. Trade was confined to the Treaty Ports.

In 1931 the Japanese attacked and in five months had taken over all of Manchuria. In 1932 the Japanese opened a second front in Shanghai to divert attention from Manchuria, resulting in a truce later that year.

The struggle for power between the Nationalists and the Communists, resulting in 1934 in the Communists' 6000 mile "long march" of indescribable hardship, left the country weakened.

TABLE 3.—*Commodity composition of China's exports and imports, 1931*

EXPORTS

Soy Beans and Bean Cake: 21.4%. Silk and Silk Goods: 13.3%.

Seeds and Oil: 8.4%. Raw Cotton and Cotton Goods: 7.8%.

Hides and Skins: 4.1%. Eggs and Egg Products: 4.1%. Tea: 3.7%.

Coal: 3.0%. Ores and Metals: 1.6%. Other: 32.6%.

IMPORTS

Raw Cotton and Cotton Goods: 20.5%. Cereal and Flour: 12.6%.

Chemicals and Pigments: 8.0%. Sugar: 6.0%. Metals: 6.2%.

Tobacco: 4.4%. Kerosene: 4.5%. Machinery: 3.1%. Other: 34.7%.

(Source: Eckstein.)

In 1937 the Japanese attacked in force in the Peking region. For the Chinese, World War II had started. August 1945 ended the war against Japan but the war for control of China continued. By the middle of 1946 Civil War between the Nationalists under Chiang Kai-shek and the Communists led by Mao Tse-tung was in full force. In two years the Nationalists had been driven from the mainland to Taiwan. In Peking on October 1, 1949, the People's Republic of China was proclaimed.

(b) *1949 A.D.–1972 A.D.*

When the Chinese Communists took over in 1949, China was a war torn, devastated and inflation-ridden economy with a GNP of possibly $50 per capita, a population of between 500–550 million with, at most, 3 million workers employed in modern-type industry. Most of the economy was in agriculture, with very low labour productivity. Industrial production was small, constituting about 10% of the national product. Transportation and communication facilities were badly disorganized and the country had little accumulated capital. The economy was divided into three separate and distinct broad entities. One, the traditional underdeveloped agricultural based sector; two, the modern Treaty Ports, Shanghai and contiguous areas; and three, industrialized Manchuria.

Within a year of its founding, the People's Republic of China was involved in the Korean War. In spite of the effects of this war, the economy was restored to working order in a relatively short period of time. By 1951 the rate of inflation was under control and fiscal and monetary stability was restored. The basis for increased industrialization had been established.

By 1953 the Chinese were ready to launch their first 5-year plan, but long term planning on a comprehensive scale did not commence until about mid-1955. By the end of 1956 the process of nationalization of the economy was completed. During this period stress was placed on industrialization, particularly heavy industry. Following completion of the first 5-year plan, during which industrial production is estimated to have doubled, reaching a level of four times that of 1949, the "Great Leap Forward" was launched. This plan emphasized labour intensive efforts to improve irrigation, flood control and land reclamation to improve agricultural yields with minimum capital input. First results led to over optimism, but bad harvests in 1959 and 1960 caused economic problems.

Up to this point, Soviet credits, technical assistance and capital equipment, including more than 150 complete industrial plants on 10-year credits, had helped considerably in the promotion of industrial growth, but developing quarrels led to Soviet withdrawals of technical aid in 1960–1961. The Soviet credits were paid in full by delivery of commodities at a time when the economy was severely strained.

The causes and short and long term economic effects of the "Cultural Revolution" of 1966–1967 are too recent to fully assess.

The second and third 5-year programs

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[2] Opium probably higher percentage due to smuggling.

[3] Dollar figures in this tract are expressed in United States currency unless otherwise stated.

were completed and the fourth 5-year program was started in 1971. Through these programs, the national economy was completely socialized and emphasis has again been placed in recent years on industrial development, particularly steel, petrochemical and fertilizer production.

In terms of official Chinese Communist policy, foreign trade has three objectives: to facilitate rapid industrial growth; to promote self-reliance, for example, if necessary, by importing entire plant facilities in order in turn to develop independent domestic sources of supply; and to serve as an instrument for implementation of foreign policy objectives.

There has been a noted change in China's trading patterns since the early days of the Communist regime. For example, there has been an almost continual decline in China-U.S.S.R. trade, which was at its peak in 1959. The trading pattern has changed from sole dependency on the communist bloc toward expanded trade with non-communist countries. In addition, a need for increased imports of foods and raw materials changed China from a net exporter of foodstuffs to a net importer. This has required a large amount of foreign exchange, impeding imports of capital goods. External trade began to level off from 1955–1957, but began to climb again in 1958. It declined in 1960–1962, due in large part to the economic setback caused by poor harvests and the suspension of Soviet economic and technological assistance. A sharp upturn took place in 1963.

China's international trade was at a peak of $4,270 million in 1959. It fell to $2,675 million in 1962 but recovered by 1970 to $4,225 million consisting of $2,060 million exports and $2,165 million of imports. By 1970 two-way trade between China and the Soviet Union was reduced to a mere $47.0 million. In November 1970 a payments and trade agreement resulted in an increase in China-Soviet trade to $154.1 million in 1971 and an estimated $300 million in 1972. However, since the early 1960's China has been placing increasing importance on her trading relationships with non-communist countries. (Table 4, below.)

TABLE 4.—TRENDS IN CHINA'S TRADE WITH COMMUNIST AND NON-COMMUNIST COUNTRIES, 1951–72

[Millions U.S. dollars]

	Total trade	Communist countries		Non-Communist countries	
		Trade	Percent	Trade	Percent
1951	1,895	975	51.5	920	48.5
1952	1,890	1,315	69.6	575	30.4
1953	2,295	1,555	67.8	740	32.2
1954	2,350	1,735	73.8	615	26.2
1955	3,035	2,250	74.1	785	25.9
1956	3,120	2,055	65.9	1,065	34.1
1957	3,025	1,935	64.0	1,090	36.0
1958	3,735	2,350	63.0	1,385	37.0
1959	4,270	2,960	69.4	1,310	30.6
1960	3,975	2,605	65.5	1,370	34.5
1961	3,015	1,680	55.7	1,335	44.3
1962	2,675	1,410	52.7	1,265	47.3
1963	2,755	1,245	45.2	1,510	54.8
1964	3,245	1,125	34.7	2,120	65.3
1965	3,695	1,125	30.5	2,570	69.5
1966	4,205	1,100	26.2	3,105	73.8
1967	3,860	800	20.7	3,060	79.3
1968	3,710	800	21.6	2,910	78.4
1969	3,885	785	20.2	3,100	79.8
1970	4,225	840	19.5	3,385	80.5
1971	4,600	1,050	22.8	3,550	77.2
1972	[1]5,500	[1]1,150	20.9	[1]4,350	79.1

[1] Estimated.

Sources: 1951–69—JETRO 1970–72—private estimates.

In 1969, Chinese trade with Japan and western industrialized countries, West Germany, Britain, France, Italy and Switzerland reached $1,499.6 million, with a trade balance unfavorable to China of $195.6 million.

The wheat exporting countries of Australia and Canada, on sales to China of $244.5 million and imports of $57.5 million, had a positive trade balance of $187.0 million. (Table 5 below).

Trade with Southeast Asian countries, Hong Kong, Singapore, Malaysia, Ceylon and Pakistan reached a peak level of $890.3 million due to large increases in export of foodstuffs, with a balance favourable to China of $522.1 million. (Table 5, below).

TABLE 5.—CHINA TRADE AND TRADE BALANCES MAJOR COUNTRIES AND AREAS, 1969—Continued

[Millions U.S. dollars]

	Export	Import	Total	Balance	Percent trade non-Communist countries
Japan	234.5	390.8	625.3	−156.3	23.2
Britain	90.6	124.6	215.2	−34.0	8.0
West Germany	88.2	157.9	246.1	−69.7	9.1
France	71.2	41.9	113.1	+29.3	4.2
Italy	64.1	56.3	120.4	+7.8	4.5
Belgium-Luxembourg	12.4	16.4	28.8	−4.0	1.1
Switzerland	19.0	14.4	33.4	+4.6	1.2
Denmark	9.1	1.3	10.4	+7.8	.4
Netherlands	27.9	23.0	50.9	+4.9	1.9
Sweden	18.3	11.6	29.9	+6.7	1.1
Norway	5.9	4.8	10.7	+1.1	.4
Austria	9.9	4.0	13.9	+5.9	.5
Yugoslavia	.9	.6	1.5	+.3	.1
Total Western industrialized countries	652.0	847.6	1,499.6	−195.6	55.7
Argentina	0.7	0.3	1.0	+0.4	
Canada	16.4	122.4	138.8	−106.0	5.2
Australia	34.7	117.2	151.9	−82.5	5.6
New Zealand	5.7	4.6	10.3	+1.1	.4
Total wheat exporting countries and others	57.5	244.5	302.0	−187.0	11.2
Hong Kong	445.5	6.1	451.6	+439.4	16.8
Singapore	136.7	57.1	198.3	+79.6	7.2
Ceylon	40.4	47.4	87.8	−7.0	3.3
Pakistan	26.4	28.9	55.3	−2.5	2.0
Maylaysia	57.2	44.6	101.8	+12.6	3.8
Total (South East Asian countries)	706.2	184.1	890.3	+522.1	33.1
Total	1,415.7	1,276.2	2,691.9	+139.5	100.0
Total foreign trade	2,060.0	1,825.0	3,885.0	+135.0	

Source: JETRO.

China's domestic economy under the 5-year plan is making steady progress and the scale of her foreign trade is on a rising curve.

China competes with the Soviet Union for second place behind the United States in the value of agricultural commodities produced. It produces more rice, millet, sweet potatoes, sesame and rapeseed than any other nation and ranks second or third in soy beans, tobacco, wheat and cotton. It is the world's largest consumer of cotton, and is the largest producer of cotton textiles, with more than 200 mills, 15.5 million spindles and 450,000 weaving machines. 1971 textile production was 9.3 billion yards. More hogs are raised in China than in any other country.

The composition of Chinese goods imported and exported is determined by demands of economic development based in turn on the principles of self-sufficiency and industrial and agricultural growth. Therefore, imports are confined to absolute necessities that meet the stated criteria. As a rule, consumer goods are not imported, but capital goods and industrial materials in short supply receive a priority against foreign exchange availability. There are some exceptions, for example, emergency food supplies, some re-export items and occasional imports for political reasons.

The pattern of imports and exports has changed with changing conditions. During the 1950's, machinery and equipment ranked first, followed by iron and steel, non-ferrous metals, textiles, chemical products, petroleum and petroleum products, rubber and foodstuffs. During the 1960's there was an overall decrease in machinery and equipment as well as industrial raw materials, particularly mineral fuels and petroleum products, whereas the agricultural sector received a priority resulting in increased imports of cereals and chemical fertilizers in very large quantities. (Table 6.)

With regard to the composition of exports, during the 1960's, foodstuffs accounted for 20–30% of total exports. Major items were pork, beef, poultry, canned meat and mushrooms, rice, corn, fruit, vegetables, fish, dairy products, sugar, tea and feed. Textiles, including raw silk and wool and clothing products are important exports although dropping from 40% to close to 20% of the total during the decade. Pig iron is an important export item and exports of iron and steel products have increased. The position of oil-bearing seeds such as soy beans, peanuts and sunflowers has been maintained. (Table 7.)

By 1969 the composition of China's imports was: iron and steel 17.0%, wheat 16.1%, chemicals and fertilizers 16.1%, machinery 13.7%, non-ferrous metals 8.8%, rubber 6.6%, and textile yarn and fibre 6.6%. (Table 8) (Figure 4). 1969 exports included: textiles and clothing 28.9%, foodstuffs and animals 28.2%, and industrial products 16.7%. (Table 9) (Figure 5).

Trade balance is particularly important in China's international payments. Principle revenue items are profits from trade balances (mostly favourable) with Hong Kong and Southeast Asia, and remittances from expatriates. Because China has maintained its freedom from external or internal debts, foreign trade has been kept roughly in balance, although China has imported food on a deferred payment basis and industrial plants are currently being negotiated on the same basis.

TABLE 6.—COMPARISON COMPOSITION OF CHINA'S IMPORTS, 1960–66

[Millions of U.S. dollars]

	1960 [1]		1966 [2]		Plus or minus
	Value	Percent	Value	Percent	
Food, live animals, cereals	38.3	2.5	436.6	26.1	+398.3
Machinery	561.7	37.4	351.7	21.0	−210.0
Chemicals and fertilizers	86.8	5.8	211.3	12.6	+124.5
Textiles and textile products	166.8	11.1	149.9	8.9	−16.9
Rubber and rubber products	95.9	6.4	105.3	6.3	+9.4
Iron and steel	183.6	12.2	206.3	12.3	+22.7
Nonferrous metals	81.8	5.4	57.7	3.4	−24.1
Mineral fuels and petroleum and petroleum products	115.9	7.7	2.9	.2	−113.0
Unclassified	172.4	11.5	153.7	9.2	−18.7
Total	1,503.2	100.0	1,675.4	100.0	+172.2

[1] Represents 74 percent of estimated total imports.
[2] Represents 82 percent of estimated total imports

Source: JETRO.

TABLE 7.—COMPARISON COMPOSITION OF CHINA'S EXPORTS, 1960–66

[Millions of U.S. dollars]

	1960 [1]		1966 [2]		Plus or minus
	Value	Percent	Value	Percent	
Foodstuffs including live animals, rice, cereals, fruit, tea	351.5	21.9	590.2	30.1	+238.7
Textiles and textile products	609.6	37.9	400.5	20.5	+209.1
Animal and vegetable materials	102.9	6.4	127.2	6.5	+24.3
Seeds and oil seeds	113.6	7.1	102.2	5.2	−11.4
Chemicals	34.5	2.1	63.3	3.2	+28.8
Ores	76.3	4.7	57.0	2.9	−19.3
Iron and steel	22.8	1.4	50.8	2.6	+28.0
Nonferrous metals	74.2	4.7	22.6	1.2	−51.6
Building materials	20.1	1.2	16.1	0.8	−4.0
Unclassified	203.0	12.6	528.9	27.0	+325.9
Total	1,608.5	100.0	1,958.8	100.0	+350.3

[1] Represents 82 percent of estimated total exports.
[2] Represents 90 percent of estimated total exports.

Source: JETRO.

TABLE 8.—COMPOSITION OF CHINA'S IMPORTS, 1969

[Millions of U.S. dollars]

	Value	Percent
Iron and steel	310	17.0
Wheat	295	16.1
Chemicals and chemical fertilizers	295	16.1
Machinery and equipment	250	13.7
Nonferrous metals	160	8.8
Rubber	120	6.6
Textile yarn and fibre	120	6.6
Other crude materials	120	6.6
Other	155	8.5
Total	1,825	100.0

Source: JETRO.

TABLE 9.—COMPOSITION OF CHINA'S EXPORTS, 1969

[Millions U.S. dollars]

	Value	Percent
Textiles including yarn and clothing	595	28.9
Foodstuffs and animals	580	28.2
Other industrial products	345	16.7
Crude animal materials	110	5.3
Oil seeds	90	4.4
Chemicals	90	4.4
Iron and steel	15	0.7
Non-ferrous metals	10	.5
Others	225	10.9
Total	2,060	100.0

Source: JETRO.

As far as detailed current imports are concerned, China has rapidly increased her self-supporting capability regarding machinery. Although a wide range of mechanical equipment has been imported over the years, emphasis has been placed of late on aircraft, office machines, power transportation and distribution equipment. Also, China is giving particular support to truck and tractor production and to shipbuilding.

Agriculture-supporting chemical products, such as fertilizer, account for the largest part of chemical imports. Although fertilizer production is growing, it will likely be a long time before the country is self-sufficient.

China has become the world's largest importer of nitrogenous and other fertilizers and, as a consumer, is exceeded only by the Soviet Union and the United States. A recent estimate has placed China's needs for fertilizers at more than 50 million tons per year compared with 1970 availability of 14 million tons. China's soil is said to be potassium rather than nitrogen deficient.

Iron and steel imports will continue to be an area of intensive competition. Nonferrous imports have increased rapidly, with nickel, copper, aluminum, platinum metals and zinc continuing to be in good demand, probably due to a steady and substantial growth in industrialization. The wheat situation is complicated and the future unclear. China has imported 4-7 million tons of wheat each year since 1962 except for 1971 when 3.2 million tons were purchased. With 2 million tons from the U.S., over 2.5 million tons from Canada, and 1 million tons from Australia already purchased, it is clear that China's wheat imports in 1973 will be significantly above the 4.5 million ton average for the 1960's. Concurrently with wheat imports, China has been exporting fairly large quantities of rice, with a higher unit price than wheat, and processed food with value added.

And now we have come to the end of a 2,000-year journey through China's trade and economic history. The big questions now are: What is China's position today? What are the prospects for future import-export trade with China?

II THE PRESENT

(Conduct of trade between China and foreign countries—Today and in Prospect)

The foreign trade of China is a state monopoly and is completely controlled by the state-owned trading corporations and the Bank of China—all government organizations. China's trade policy is highly protectionist and is designed to protect and develop domestic industries. Priority is given to those imports which will aid in rapidly building China's industrial capacity.

Regarding operating detail, the Ministry of Foreign Trade sets import and export quotas and operates a network of nine state trading corporations organized by commodities. It has exclusive responsibility in this area. (Figure 6). All external relations in China's planned economy are under State control. Each trading corporation has a head office in Peking with branch offices in various industrial centres near their major end users in the case of imports, or supply sources for exports. Each corporation is totally responsible for the import and export of its particular commodities. Import procurements are based entirely on specific end user needs as approved by the Ministry of Foreign Trade.

In addition to the nine trading corporations, there are several organizations providing support services such as foreign trade relations, shipping, insurance and banking, for example: the Office for Economic Relations with Foreign Countries, the China Committee for the Promotion of International Trade, the China National Chartering Corporation, the China National Foreign Trade Transportation Corporation, the China Ocean Shipping Company, the China Ocean Shipping Agency, the People's Insurance Company of China and the Bank of China which handles all banking arrangements and has offices in commercial centres such as London, Singapore, Karachi and Hong Kong.

The first step in making business contacts in China is to determine the trading corporation handling specific products of interest and to make formal proposals. Major decisions regarding imports and exports are made by the head office of the corporation. The corporations require comprehensive information regarding the selling company and its products in order to be able to properly evaluate propositions.

With nine central trading corporations handling all of the import and export business with more than 100 countries and simultaneously coordinating import demands and export programs of hundreds of producers and end users, possible delays in replies can be appreciated.

Once a corporation shows a real interest in a firm and its commodities, communications become easier and business expedited.

Visits to China for direct negotiations are initiated by the trading corporations and generally begin with visits to the twice-yearly Kwangchow (Canton) Export Commodities Trade Fair, which runs from April 15–May 15 and from October 15–November 15. The "Canton Fair" was designed to be a showplace for Chinese agricultural and industrial achievements and products for export, but in actual fact it is an international market place bringing together buyers and sellers from all corners of the world to compete for Chinese import and export business. It presents a unique opportunity to meet in person representatives of the Chinese trading corporations and to engage in practical business discussions. Trade officials indicated that there were about 23,000 foreign visitors from almost 100 countries in attendance at the 1973 Spring Fair and there were over 30,000 Chinese products on view. Indications are that up to 50% of China's annual foreign trade is negotiated at the combined Spring and Fall Fairs.

Attendance at the fair is by "invitation only" from a trading corporation. Owing to the great increase in the number of requests for invitations, they are confined to firms with which the trading corporations either have working relationships or consider the development of relationships to be desirable.

Contracts are important in trading with China and because the Chinese insist on using their own standard forms, the terms contained give maximum protection to the trading corporations. Strict adherence is required. Chinese import and export contracts usually conform to normal business practice. Alterations or addition of new terms, if reasonable, can be negotiated.

Trade settlements are made chiefly through letters of credit but rarely letters of guarantee. The Bank of China handles the settlement of accounts in accordance with correspondence agreements concluded with the foreign exchange banks of the trading countries.

Under normal conditions it is not possible to obtain a confirmed letter of credit because China does not follow the accepted international practice of having its credits confirmed by a bank in the seller's country. But the Bank of China has established a reputation for scrupulously honouring its commitments. Documents are usually negotiated in China by the exporter's bank.

For imports from China, the terms usually specify payment by confirmed irrevocable letter of credit without recourse, with payment in a Western currency, often pounds sterling or Swiss francs. The letter of credit may be negotiated through the Bank of China against presentation of documents. In some instances, the Chinese trading corporations will accept payment by confirmed letter of credit through the Bank of China in London or Hong Kong.

China's reputation for meeting its financial obligations is among the highest in the world. China has been moving toward more flexible settlement formulae, including partial adoption of long-range barter trade, deferred installment payments for large wheat imports and deferred medium-range payment contracts for purchase of plant, machinery and equipment. Contracts are often negotiated in Chinese currency and several chartered banks have made arrangements with the Bank of China to handle Renminbi accounts.

China, in implementing its protectionist trade policy, has numerous regulations covering all customs matters including international shipping and rail and air freight, cargo in transit and tourism. Complete and proper documentation is of great importance in accomplishing satisfactory trade relations. China is now concentrating on movement of goods by sea in its own vessels and in direct charters, due probably to the great increase in trade with non-communist countries.

A Commodity Inspection and Testing Bureau operating under the Ministry of Foreign Trade checks both imports and exports. It has over 50 offices in major ports and trade centers.

The Chinese prefer claims to be settled, if possible, by consultation and agreement between the parties to a contract. If the dispute cannot be resolved through consultation, the contract usually calls for it to be referred to arbitration conducted by the Foreign Trade Arbitration Committee of the China Council for the Promotion of International Trade.

Under certain conditions, the trading corporations will accept arbitration in the country of the defendant or in a third country. Past experience shows the Chinese are fair with claims, which can usually be negotiated.

While no international commercial practices have been established for the overall protection of "intellectual property" such as patents and industrial design, recently China has entered into several bilateral agreements which enable foreign firms to register trademarks.

Entry into and exit out of China are all rigidly controlled. No market research activities can be carried out within China.

As to current economic conditions, in spite of bad weather which adversely affected agriculture last year, China appears to have made considerable economic progress in 1972 and to date this year. There has been a concerted effort to develop trade and economic relations with practically all countries of the world.

Although precise statistics are difficult to obtain, the Chinese economy is continuing to develop at a satisfactory rate. Record production levels have been indicated, particularly in industry. Significant expansion of the country's energy resources has been recorded, with coal production in 1971 estimated at 325–350 million tons; petroleum at 23–25 million tons; and electric power at 70–75 billion KW hours. Steel production reached an estimated 23 million tons, and pig iron 24 million tons.

As indicated, the one area in which progress slowed was agriculture, which suffered an estimated four per cent decline in production in 1972. This resulted in increased imports of wheat, with Canada again the main supplier, although additional tonnage was purchased from the United States and Australia. Wheat imports, which totalled 3.2 million tons in 1971, and 5 million tons in 1972, have already exceeded 5.5 million tons in 1973.

Chinese authorities continue to emphasize the general principle of "self-reliance". Increasing emphasis is being placed on efficiency in management, quality control and adherence to the call for "realism" in economic planning. The central authorities, under the current fourth 5-year economic plan, are concentrating on developing those sectors considered vital to the economic success of the country. These include expansion of iron and steel production capability, increases in coal and petroleum production; development of mineral resources and improvement of transport facilities; air, marine, road and rail, and petrochemicals, synthetics and fertilizer.

Purchases of jet aircraft from Britain, the United States and the Soviet Union have equipped China to operate an international air service. Air agreements have been reached with a number of countries and it is expected that China will rapidly expand overseas operations.

In the marine sector the Chinese have been buying large numbers of general cargo ships and they are having ships built in many countries, primarily in Europe and Japan. Improvements of the country's communications systems also has a high priority under current planning. The most significant aspect of this program is the purchase of telecommunications equipment and the establishment of satellite communication stations in Shanghai and Peking.

China's economic aid to other countries continues to expand and now exceeds $1.2 billion. This usually takes the form of 10–30 year, interest-free loans with repayment after 5–10 year grace periods through delivery to China of goods or equipment.

China's foreign trade in 1971 reached $4.6 billion. In 1972 trade reached an all time high of $5.5 billion, a 19.5% increase over 1971. This included $1.1 billion two-way trade with Japan and $92 million with U.S. Although in 1971 exports grew by 15 per cent to $2.36 billion, imports increased only 3 per cent to $2.24 billion. The main reason for this would seem to be China's efforts to balance trade after incurring an estimated deficit of approximately $100 million in 1970.

With a population expanding by approximately 2 per cent annually and agricultural and industrial output channelled first to meet domestic requirements, it can be expected that the availability of foreign exchange for purchase of imports will develop slowly. It is unlikely that the Chinese will change their policy of depending as much as possible on their own resources. Therefore, China's ability to import more will depend largely on its export performance and the goods which can be made available for export from industry and agriculture.

The main Chinese exports will continue to be agricultural products such as rice, soy beans, walnuts, groundnuts, fresh and canned fruits and vegetables, oils and seeds, meat and fish products. Other major export items include textiles, clothing, silks, non-ferrous metals such as antimony, tungsten, manganese, mercury and tin, chemicals, arts and crafts and consumer goods of all kinds. The demand for Chinese porcelain, jade and ivory carvings, glassware, furnishing, toys, sporting goods, cameras, hand tools and radios is high. However, dealings at the most recent Fair in Kwangchow (Canton) indicates that production units have been unable to meet the full demand.

Imports should continue to follow basically the same pattern established during the last few years. Purchases of raw materials such as wheat, sugar, rubber, cotton fibre, jute, synthetic fibres and wool should increase. Purchases of traditional items such as scientific and medical equipment, wood pulp, synthetic rubber, jade, tallow and animals for breeding purposes should continue to increase. Despite increased local production of chemical fertilizers, imports of fertilizers will continue. Imports of plastic materials, dyestuffs, pharmaceuticals, lubricants and agriculture chemicals should continue at present levels. Imports of machinery and transport equipment should increase. These will include diesel and electric locomotives, heavy duty and specialty trucks, ships, aircraft, power generation equipment, machine tools, electrical machinery and mining equipment. Purchases of metals and minerals, including nickel, aluminum, copper, zinc, lead, platinum, and diamonds should increase, with steel and steel products continuing in a major position. The market should also remain steady for pulp, paper and liner board. There will be little foreign exchange available for the purchase of consumer goods from abroad.

China gets all of its imports of grain, rubber, textiles, fibres and yarn and 95% of its iron and steel, non-ferrous metals and chemical fertilizers from non-communist countries. Also, these countries are the sources of most of the imports of machinery and technology, including precision instruments and special alloys. From the communist countries China imports machinery and equipment, foodstuffs other than grain and crude materials other than rubber and textile fibres.

From 1963 to 1966 China contracted for more than 50 complete plants from the developed non-communist countries. In 1973 China's foreign trade has featured an import expansion program of whole plant imports purchased on a deferred payment basis. Since December 1972 the Chinese have purchased 13 whole plants in the petrochemical field with an estimated total value of $300 million. Included are three ammonia plants valued at $75 million and three urea plants valued at $34 million, supplied by U.S. and Dutch firms. The remainder have been purchased from various Japanese companies, and it is anticipated that contracts for additional plants and equipment could be completed this year; probably concentrated in chemical fertilizer, synthetic fibre, synthetic rubber, iron and steel, vehicle production, mining and metallurgy, power generation and telecommunications. Re-establishment of the China National Technical Import Corporation as a separate entity confirms China's interest in this field and the development of this program. Much could depend on whether the Chinese make use of the medium and long term credit facilities which are being offered to them. These are indications that the Chinese are considering again the advisability of entering into longer term 2–5 year contracts covering both purchases and sales.

Before World War II the United States accounted for 20% of China's foreign trade. Current U.S.-China trade began with the 1971 mid-year lifting of the U.S. embargo. U.S. imports were valued at only $5 million in 1971 with no exports. In 1972 U.S. sold a $2.9 million communications satellite ground station for installation in Shanghai, some aerial navigation and railway safety electronic equipment. In addition, technical expertise in connection with the manufacture of vinyl chloride and synthetic fibres was initiated.

In 1973 China-U.S. trade will increase many times. A figure in excess of $900 million was recently indicated. China will probably import at least $535 million worth of U.S. agricultural commodities; 2 million tons of wheat at $240 million; 800,000 tons of corn at $225 million; 350,000 tons of soybeans at $150 million; 700,000 bales of cotton at $105 million; and 500,000 tons of soybean oil at $15 million. In addition, U.S. will export to China $75 million in aircraft and $25 million in other items. U.S. imports from China should reach $60 million.

Hong Kong's importance to the China trade, particularly as a source of foreign exchange, is highlighted by its huge imbalances on trading account, amounting to $539.3 million in 1971. Substantial quantities of foodstuffs and consumer goods are exported to Hong Kong which also acts as the "clearing house" for banking, insurance, and shipping services. It is also the major take-off point by rail to Kwangchow (Canton) and "The Fair". Many thousands of visitors travel through Hong Kong each year.

It is Japan, however, currently China's principal trading partner, accounting in 1971 for 13% of China's exports and 28% of its imports, which is making a major bid for increased trade relations. China can expand imports only to the extent exports can be expanded or credit accepted. China has huge resources of iron ore, coal, hydro electric potential and crude oil. Japan has high technology, cultural affinity with the Chinese, geographical proximity and an almost insatiable need for raw materials. In August 1972 China and Japan agreed to use their own currencies to settle accounts, making large scale capital transactions possible. Japan has offered long term loans and deferred payment arrangements at fixed interest rates. Negotiations are under way for petrochemical plants, equipment and technological assistance in oil and resource development projects and undersea drilling rigs. A proposal is under study to build an express railway from Peking to Kwangchow (Canton) which, including technology and equipment, will cost over $200 million. Japan is in turn promoting increased imports from China. Included are bicycles, soybeans, meat, raw silk, metals, lumber, pulp and large quantities of semi-processed and finished textile products. One of the most important long range projects is the proposal to import 1,000,000 tons of crude oil, the possible forerunner of regular large scale shipments. Some optimistic Japanese predict a doubling of 1971 China-Japan two-way trade to $1,800 million in 1973, $5,000 million by 1977 and almost unbelievable $10,000 million by 1980.

Recently China has launched a major drive to earn more foreign exchange, both by increasing the volume and quality of its exports, and by increasing its prices. China's world trade during the first quarter of 1973 has shown marked increase over 1972. Trade with Japan, Hong Kong, Germany, Britain and France combined has shown increases in two-way trade of 42%. Exports to these countries rose 39% and imports increased by 45% over last year.

The People's Republic of China does not regularly publish internal economic or demographic data but a consensus seems to indicate a 1972 Gross National Product of about $140–150 billion, with a population of 825 million, plus or minus 25 million, and foreign exchange reserves of about $850 million, with a GNP/capita range of $165–185.

The potential of the China import market is hard to assess. As mentioned previously, volumes of imports will be determined by China's internal economic activities, earnings from exports and acceptability of short and long term credits. Estimates for maximum internal growth indicate potentials of 6–8 per cent during the 1970's. The degree of dependency on imports in relation to Gross National Product is around 4 per cent, almost the same level as that of the Soviet Union. China's imports are necessities to meet needs and national objectives, already well screened by the Ministry of Foreign Trade and the trading corporations, and it is expected that the ratios indicated should continue.

Although all the indicators lead to the conclusion that China trade growth can be quite rapid, the export mix of foodstuffs, textiles, light manufactures, and agricultural products such as meat, pig bristles, hog casings and canned fruits and vegetables is limited. Therefore, a major effort will be required by the Chinese to increase production of industrial raw materials such as coking coal, petroleum and special metals and minerals. Also, and most significant of all, to what extent, and at what rate will the Chinese be willing to accept readily available short and long-term credits.

Some predictions based on recent trade patterns indicate compounded annual average trade growth levels of about 9 per cent through the 1970's and 1980's.

In summary, trading with China takes time, patience and understanding, the future is unknown, but the subject is fascinating, the potential is enormous and the rewards can be most gratifying.

Figure 6.—China's foreign trade corporations—their principal exports and imports

China National Cereals, Oils and Foodstuffs Import and Export Corporation, 82 Tung An Men Street, Peking, Cable: Ceroilfood Peking

Cereals, vegetable oils both edible and industrial, oil seeds, seeds, oil cakes and feeding stuffs, salt, livestock and poultry, meats and meat products, animal fats, eggs and egg products, fresh fruits and fruit products, fresh and dried and deep frozen vegetables, salted and preserved vegetables, aquatic and marine products, canned goods, sugar and sweets, wines, spirits, beverages, dairy products, rice products condiments, etc.

China National Native Produce and Animal By-Products Import and Export Corporation, 82 Tung An Men Street, Peking, Cable: Chinatuhsu Peking

Tea, coffee, cocoa, tobacco, bast fibre, timber, resin, feeding stuffs, forest produce, spices, essential oils, nuts and dried vegetables, patent medicines and medicinal herbs and other native produce, bristles, tail hairs, castings, hides, leathers, furmatress, fur products, bristle brushes, carpets, wool, goat hair, goat wool, camel wool, rabbit hair, feather and feather products and other animal by-products, animals for breeding purposes.

China National Textiles Import and Export Corporation, 82 Tung An Men Street, Peking, Cable: Chinatex Peking

Raw cotton, cotton yarn, raw silk, tussah silk, wool, man-made fibres, grey sheetings, bleached sheetings, dyed goods, printed and yarn-dyed fabrics, various kinds of blended fabrics of polyester and other materials, worsted and woollen goods, plush, interlining woollens, silk piece goods, rayon piece goods, mixed silk-rayon piece goods, tussah silk piece goods, synthetic fibre piece goods, spun rayon piece goods, garments for men and women and children, suits, overcoats, shirts, overalls, embroidered blouses, pajamas, morning gowns, woollen sweaters, vests, cotton interlock singlets and trousers, cotton sweaters and trousers, swim suits, socks, bath towels, bed sheets, woollen blankets, cotton blankets, kerchiefs, woollen knitting yarns, various kinds of sewing threat, drawn-work and embroidered table cloths, pillowcases, handkerchiefs, gloves, table towels, woollen needlepoint tapestry, etc.

China National Light Industrial Products, Import and Export Corporation, 82 Tung An Men Street, Peking, Cable: Industry Peking

General merchandise, paper and paper boards, building materials, electrical appliances, radio and TV sets, photographic and cinematographic equipment and supplies, stationery, musical instruments, sport goods, toys, leather shoes and other leather goods, pottery and porcelain, human hair, pearls, precious stones and jewelery, ivory and jade carvings, lacquer ware, cloisonne, plaited articles, furniture, artistic and other handicrafts for daily use.

China National Chemicals Import and Export Corporation, Erh Li Kou, Hsi Chiao, Peking, Cable: Sinochem Peking

Chemicals, rubber, rubber tires and other rubber products, petroleum and petroleum products, chemical fertilizers, agricultural chemicals and insecticides, pharmaceuticals and medicines, chemical reagents, medical instruments and supplies, surgical dressings, dyestuffs, pigments, paints, printing inks, etc.

China National Machinery Import and Export Corporation, Erh Li Kou, Hsi Chiao, Peking, Cable: Machimpex Peking

Mechanical processing equipment, metallurgical machinery, mining equipment, transportation equipment, building machinery, agricultural machinery and implements, hoisting equipment, tools, ball and roller bearings, machinery for light industry, electric equipment and materials, telecommunication equipment and devices, various kinds of measuring and testing instruments and meters and other industrial equipment and supplies.

China National Metals and Minerals Import and Export Corporation, Erh Li Kou, Hsi Chiao, Peking, Cable: Minmetals Peking

Tungsten ore, antimony regulus, antimony sulphide (crude antimony), antimony trioxide (antimony white), antimony ore, tin, mercury, pig iron, steel products, cement, anthracite coal, bituminous coal, borax, nonferrous metals, precious rare metals, ferrous and non-ferrous mineral ores, hardware, etc.

China National Complete Plant Export Corporation, An Ting Men Wai, Peking, Cable: Complant Peking

Export of complete plants and construction projects.

China National Technical Import Corporation, Erh Li Kou, Hsi Chiao, Peking, Cable: Techimport Peking

Import of complete industrial plants and technical know-how; organization of technical exchanges.

CHRISTMAS MESSAGES

Mr. HUGH SCOTT. Mr. President, the Christmas cards we are receiving this year as Members of the Senate contain, it seems to me, many more messages than usual—messages of hope or messages of despair, messages indicating the public concern with the state of the Union, messages desiring better days for us to come, messages adjuring us to do our duty. But I think I have never seen so many messages as there are this year on the Christmas cards.

Of course, a few, missing the spirit of the times, use the gentle sentiments of the Christmas message to add some note of hostility, or worse; but these, fortunately, are rare indeed.

There is an occasional message which has an especial meaning, as one does to me which I received from a Mrs. E. J. Spratt, Jr. I submit it now as evidence of what our constituents, it seems to me, wish for us in the pursuit of our often difficult duties. She writes:

> May God make your year a happy one—not by shielding you from sorrow and pain, but by strengthening you to bear it if it comes; not by making your path easy, but by making you sturdy enough to tread any path.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I am glad to yield.

Mr. MANSFIELD. Mr. President, I have noticed the same phenomenon this year in the Christmas cards which have been coming in. They quite often contain messages beyond messages covering the season of good cheer—and I use those words advisedly. But I do think it indicates an interest on the part of the people and a concern about the way things are going in this most troublous of years. I point out that that concern applies to Democrats as well as to Republicans. The people are looking at us, watching what we are doing, taking note, toting up the figures—and I think it is all to the good.

Mr. HUGH SCOTT. So do I. I thank the distinguished majority leader.

There is a considerable emphasis in many of these messages on the almost universal yearning toward peace in the world and a yearning for better times and better conditions, and often in a very warm and sympathetic understanding of the problems we face.

So Christmas has a special meaning for us this year.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair recognizes the distinguished senior Senator from Oregon (Mr. HATFIELD) for not to exceed 15 minutes.

SENATE JOINT RESOLUTION 183—NATIONAL DAY FOR HUMILIATION, FASTING, AND PRAYER

Mr. HATFIELD. Mr. President, I send to the desk a joint resolution.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title.

The second assistant legislative clerk read as follows:

> A joint resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer.

Mr. HATFIELD. Mr. President, I have sent to the desk a joint resolution which is modeled primarily after a resolution adopted in 1863 and as written by Abraham Lincoln, because I believe we have been living through days that try the soul of the Nation and test the resiliency of the Republic. We are all troubled by the continual erosion of the American people's faith and trust in their leadership in all parts of life. The current fuel shortage has caused us to reevaluate the legitimacy of our excessive use of the world's natural resources. We witness a country torn apart with division and lacking the spiritual foundation that would restore its vision and purpose. We, as a people, through our own acquiescence to corruption and waste, have helped to create a moral abyss that produces a disdain for honesty and humility in high levels of national leadership.

Those of us who hold positions of leadership, and the people whom we represent, must confront these tragic affairs and learn their meaning for us as a nation. These are not matters that can be covered up in the hope they will be forgotten, even though it is always easier to hide our wounds than to heal them.

It is more comfortable to believe in the spiritual symbols of righteousness presence of evil, in ourselves and in our than to acknowledge the reality and corporate life. So we become adroit at manipulating religious impulses in our land to sanctify our national life.

We tend to put our country beyond the reach of God's judgment. The words on back of our Great Seal read, "God hath ordained our undertakings." Our money is emblazoned with "In God We Trust." Our leaders solemnly invoke the name of God in their political speeches. We earnestly want to believe that ours is God's chosen land, that we are His chosen people, and that the leaders we have are divinely chosen and given special wisdom.

This impulse is born out of our own lives. We would rather believe that we merit God's blessing than admit that we stand under His judgment, and in need of His forgiveness. But however difficult it is to admit our sin, the evidence of it is all around us, in the personal dilemmas of our lives and in the crises that afflict our nation. St. John reminds us that—

> *If we refuse to admit that we are sinners, then we live in a world of illusion and truth becomes a stranger to us.* (I John 1: 18).

Continued belief in national self-righteousness, therefore, no matter what we as a nation do, only leads us into greater peril.

We acknowledge that God requires justice, but we have tended to turn our corporate backs to the injustices of racism that continues to threaten the very fabric of our society. We condone by our inaction inhuman conditions in our cities and rural areas where millions are trapped in ever deepening ruts of poverty.

We have become gluttons of the world's resources at a time when much of the world does not know the source of its next meal. This nation, composing only 6 percent of the world's population, last year consumed 40 percent of all energy used on this planet.

Many believe that our security comes through our materialism, our wealth, and our gross national product. So we despoil our environment and neglect the quality of man's spirit in order to expand our materialistic self-indulgence.

We are now capable of destroying most of the world's population in a few moments through the power of nuclear warfare. We operate on the assumption that human life is expendable, and rationalize this axiom on the sole basis that this is what our enemy believes, so this must be our belief also.

We are in need of repentance. Our claims of righteousness, as individuals, and as a Nation, deceive only ourselves. We should remember the words of the prophet Amos:

> *I hate, I despise your feasts, and your solemn assemblies, I will not accept them: neither will I regard the peace offerings of your fat beasts. Take away from me the noise of your songs, for I will not hear the melody of your viols. But let justice roll down like water, and righteousness like an ever-flowing stream.* (Amos. 5: 21–24)

President Abraham Lincoln had a profound sense of the sovereignty of God. He knew how the Nation stood accountable to God's judgment. In the midst of the Civil War, the U.S. Senate requested, and Lincoln responded on three separate occasions to a resolution setting aside a day for national humiliation, fasting, and prayer.

One such occasion was on April 30, 1863, 3 months after the Emancipation Proclamation, and 3 months before the battle of Gettysburg. The resolution grew out of bitter disappointments and dark days of 1863, the crushing defeat at Fredericksburg only a few days past. The whole land was burdened with taxes, stricken with sorrow, and harrowed by treason. Public credit had reached the lowest point in our history as a result of an ever-increasing national debt. Many regiments in the Army of the Potomac had gone without pay for 6 months. Its morale was lost and 600 desertions were reported daily. Any hope for an early end to the hostilities had been virtually destroyed. Northern newspapers were demanding peace at any price. Horace Greeley reflected national sentiment when he sent the President a note:

> I venture to remind you that the bleeding, bankrupt, almost dying country longs for peace.

Seeing the effects of a nation torn apart, President Lincoln did not appeal to any pretentious image of national self-righteousness; rather, he called the Nation to repentenance. He believed that only through the acknowledgement of our corporate guilt and confession of national sins that the country could regain its national purpose and unity. Lincoln recognized that though the Nation had prospered, "we have forgotten God." Because the Nation had begun to believe that it had flourished through its own superior wisdom and virtue, Lincoln stated,

> It behooves us . . . to humble ourselves before the offended Power, to confess our national sins, and to pray for clemency and forgiveness.

Today our Nation has once again been torn apart by a crisis from which there appears little relief. Our refusal to acknowledge our dependence and need for a power beyond ourselves has severely damaged our national soul. I believe that only a national confession of corporate guilt can save us from the worship of our own finite power and the tragedies that this worship creates. Therefore, today I am introducing a congressional joint resolution calling for a National Day of Humiliation, Fasting, and Prayer. This resolution is modeled after that declared by Abraham Lincoln on April 30, 1863, and incorporates much of his original wording.

I would suggest that April 30, 1974, be chosen for that day, which would coincide with the same date when President Lincoln issued his historic proclamation. Our Government and the other institutions of our society would all cease business as usual, as I envision it, so that we all would be free to consider actions appropriate to a time that would symbolize national repentance.

It is my firm conviction that a genuine spirit of repentance, infecting the climate of our Nation at all levels, can heal the wounds that presently afflict us. Reconciliation of the divisions and animosities that exist among our people can occur once there is a mutual acknowledgment of this need for contrition, which allows human compassions to grow.

There is hope for a land and a people who have the capacity to recognize their sins and their faults, and turn from them. Repentance means precisely this—to turn the other way. In so doing, we recognize that past events and present conditions cannot be rationalized or justified; rather, they must be repented of, so a whole new way can be sought. This is how individuals and how our land as a whole can seek authentic renewal and transformation. So it is with this hope that I commend to the Senate this resolution calling for a Day of Humiliation, Fasting, and Prayer in our land.

Mr. President, I ask unanimous consent to have printed in the Record a very succinct and poignant statement written by Richard C. Halverson, published in Perspective on December 12, 1973, which emphasizes the situation of the moment and why this resolution would have a very important bearing on solving some of these conflicts of the day.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement

December 12, 1973.

Dear Friend, What if the U.S.A. does not survive . . . what are your alternatives . . . where does your hope lie?

You say it can't happen here?

Rome fell . . .

Historians have pointed out often that conditions which led to the fall of Rome are present in our land today.

Edward Gibbon gave his life to the subject . . .

He wrote that it was "impossible to replace Rome's greatness on a permanent basis, without restoring public virtue, ancient principles and manners, and the oppressed majesty of the laws."

". . . great numbers of provincials rather chose to live as exiles and outlaws than to support the weight of civil society."

"The citizens of the Roman republic first abandoned leadership responsibility to an aristocratic and eventually autocratic class and then that class gradually lost its moral and intellectual distinction and capacity to lead."

C. L. Sulzberger of the New York Times (7/16/71) commenting on the above wrote, "Almost inevitably decadence follows an era when a country has become excessively prosperous and, consequently overconfident, has extended its authority beyond the realm of its capacity."

(Imagine if the followers of Christ in apostolic days had pinned their hopes on Rome!)

Do you have any hope outside the survival of the U.S.A.?

Is your religion—if you have any—only a civil religion which depends on the success of a particular nation?

Then, whatever you call it, it is not the faith of our Lord and Savior Jesus Christ!

"Seek first the Kingdom of Heaven and its righteousness. . . ." (Matthew 6: 33)

Cordially,

Richard C. Halverson.

The PRESIDING OFFICER (Mr. Chiles). Does the Senator wish to have the resolution referred to committee?

Mr. HATFIELD. Yes.

Mr. President, I ask unanimous consent that the following Senators be added as cosponsors of the joint resolution: Senators Hughes, Randolph, Bartlett, Chiles, Fannin, Stennis, Allen, Johnston, Nunn, Domenici, and Hansen.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, how many more minutes do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. HATFIELD. Mr. President, I yield the remainder of my time to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I reserve the time.

The PRESIDING OFFICER. Under the previous order, the Senator from Maryland is recognized for not to exceed 15 minutes.

Mr. HATFIELD. Mr. President, if the Senator will yield, I have cleared the following request with the leadership. I would like to ask for the immediate consideration of the joint resolution.

Will the Senator yield for that purpose?

Mr. MATHIAS. I am happy to yield.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the joint resolution.

The PRESIDING OFFICER (Mr. Chiles). Without objection, it is so ordered and, without objection, the joint resolution will be considered to have been read the second time at length.

The joint resolution (S.J. Res. 183) was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

Whereas, it is the duty of nations, as well as of men to owe their dependence upon the overruling power of God, to confess their sins and transgressions, in humble sorrow, yet with assured hope that genuine repentence will lead to mercy and pardon, and to recognize the sublime truth, announced in the Holy Scriptures and proven by all history, that those nations are blessed whose God is the Lord; and

Whereas, we know that we have been the recipients of the choicest bounties of Heaven; we have been preserved these many years in peace and prosperity; we have grown in numbers, wealth and power as no other nation has ever grown; but we have forgotten God; and

Whereas, we have forgotten the gracious hand which preserved us in peace, and multiplied and enriched us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own; and

Whereas, intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us; and

Whereas, we have made such an idol out of our pursuit of "national security" that we have forgotten that only God can be the ultimate guardian of our true livelihood and safety; and

Whereas, we have failed to respond, personally and collectively, with sacrifice and uncompromised commitment to the unmet needs of our fellow man, both at home and abroad; as a people, we have become so absorbed with the selfish pursuits of pleasure and profit that we have blinded ourselves to

> God's standard of justice and righteousness for this society; and
>
> Whereas, it therefore behooves us to humble ourselves before Almighty God, to confess our national sins, and to pray for clemency and forgiveness: Now, therefore be it
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled,* that the Congress hereby proclaims that April 30, 1974 be a National Day of Humilitation, Fasting and Prayer; and calls upon the people of our nation to humble ourselves as we see fit, before our Creator to acknowledge our final dependence upon Him and to repent of our national sins.

Mr. HATFIELD. Mr. President, I thank the distinguished majority leader, the distinguished acting minority leader, and the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

THE CONSTITUTION VERSUS THE NATIONAL SECURITY STATE AND SOME PROPOSALS TO STRENGTHEN DEMOCRACY

I. WATERGATE AND NATIONAL SECURITY

Mr. MATHIAS. Mr. President, I am happy to follow the eloquent and deeply felt statement of the distinguished Senator from Oregon. I join with him in the very moving appeal he has made to both the Senate and the Nation. Although we did not plan it this way, what I wanted to say to the Senate this morning very logically follows the appeal he has made.

I think we very properly have adopted in the Senate this resolution which calls for a day of fasting, humiliation, and prayer, but we also need to perform works of grace.

I wish to discuss a little bit some of the things we can do. One of our greatest predecessors in the Senate, one of the towering figures who served in this body, was Daniel Webster. On the occasion of the birthday of the centennial of the birth of George Washington, February 22, 1832, Webster said:

> Other misfortunes may be borne, or their effects overcome. If disastrous war should sweep our commerce from the ocean, another generation may renew it; if it exhaust our treasury, future industry may replenish it; if it desolute and lay waste our fields, still under a new cultivation, they will grow green again, and ripen to future harvests. It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All these might be rebuilt. But who shall reconstruct the fabric of demolished government? Who shall rear again the well-proportioned columns of constitutional liberty? Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No, if these columns fall, they will be raised not again. Like the Coliseum and the Parthenon, they will be destined to be a mournful, a melancholy immortality. Bitterer tears, however, will flow over them than were ever shed over the monuments of Roman or Grecian art; for they will be the remnants of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty.

We approach the end of the year and the end of a session of Congress. It has been a tragic year and a turbulent session. But the focus of our attention must now be on what we can do next year and next session. We cannot wait to begin thinking about what we shall do when we return to the Capitol next month. We cannot put off even for a month what must be done. The past may haunt us, but the future crowds us. We must look forward to the decisions that must be taken in January and the succeeding months. The tragic past is our road to the future and must be taken into account as we make our plans.

From the rhetoric of the inaugural address last January 20 to the courtroom confessions of the summer and autumn has been a steady descent into political crisis of such depth that we now are faced with serious constitutional questions. The intensity of the problems that have beset us have caused serious men to consider seriously whether democracy can survive or whether national security as narrowly defined will supersede the Constitution. This debate must be resolved and the issue must never be in doubt.

As we look to a new opportunity for doing better in the future we can take some comfort from the durability of our institutions despite the unprecedented pressures that could not have been anticipated, much less prepared for.

II. THE CONSTITUTION VERSUS THE NATIONAL SECURITY STATE

The fourth amendment to the Constitution of the United States of America provides:

> AMENDMENT IV
>
> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Many constitutional lawyers believe that for 5 days this fundamental guarantee of the Bill of Rights was suspended by the mandate given the secret Houston plan. Some legal scholars think that for 5 days between July 23 and July 28, 1970, authoritarian decisions had superseded the Constitution. There is some uncertainty as to whether the provisions of the Bill of Rights were suspended for a longer period of time, but there seems to be little dispute about the violation of article IV of the Bill of Rights between these dates, because we have the President's own word for it. In his statement of May 21, 1973, the President said:

> On July 23 [1970], the agencies were notified by memorandum of the options approved. After reconsideration, however, prompted by the opposition of Director Hoover, the agencies were notified five days later, on July 28, that the approval had been rescinded. The options initially approved had included resumption of certain intelligence operations which had been suspended in 1966. These in turn had included authorization of surreptitious entry—breaking and entering, in effect—on specified categories of targets in specified situations related to national security.

This apparent invasion of article IV of the Bill of Rights was done in secrecy. That it was concealed from open public scrutiny and not subject to constitutional accountability makes it doubly dangerous.

A somewhat similar suspension of a provision of the Constitution comes to mind that took place during the Civil War. An attempt was made to deny the right of habeas corpus even in those areas that were not in the immediate theater of war. That denial of the constitutional protection of habeas corpus so aroused Chief Justice Taney that he overcame obstacles of age, difficult travel, and severe political hostility to go to Baltimore to hear the petition of John Merryman, whose rights had been abridged. In striking down the abridgment of this constitutional guarantee, Chief Justice Taney said:

> I had supposed it to be one of those points in constitutional law upon which there was no difference of opinion, that the privilege of the writ could not be suspended, except by act of Congress.
>
> With such provisions in the constitution, expressed in language too clear to be misunderstood by any one, I can see no ground whatever for supposing that the president, in any emergency, or in any state of things, can authorize the suspension of the privileges of the writ of habeas corpus, or the arrest of a citizen, except in aid of the judicial power. He certainly does not faithfully execute the laws, if he takes upon himself legislative power, by suspending the writ of habeas corpus, and the judicial power also, by arresting and imprisoning a person without due process of law.
>
> Nor can any argument be drawn from the nature of sovereignty, or the necessity of government, for self-defense in times of tumult and danger. The government of the United States is one of delegated and limited powers; it derives its existence and authority altogether from the constitution, and neither of its branches, executive, legislative or judicial, can exercise any of the powers of government beyond those specified and granted; for the tenth article of the amendments to the constitution, in express terms, provides that "the powers not delegated to the United States by the constitution, nor prohibited by it to the states, are reserved to the states, respectively, or to the people."

We in the Senate and the Congress are faced with the following situation: President Nixon by his own statement approved a plan in effect for at least 5 days—the plumbers' activities went on for much longer—which illegally abridged a basic constitutional guarantee and gave authority to deprive citizens of the United States of their legal birthright without due process.

In my view, this action constitutes a most serious assault against our democratic system.

This attempt to suspend the basic rights of our citizens, requires the Senate, the House of Representatives, and all our people to consider what corrective action should be taken to prevent such an illegal abridgment of the Constitution from occurring again.

The potential suspension of article IV of the Bill of Rights by Presidential order and the abridgment of our constitutional government for at least 5 days was justified as being in the interest of national security.

We must first consider if, in fact, our national security was in jeopardy. National security is, of course, a prime obligation of the Government, but this obligation means different things to different people. I think national security means the preservation of the well-being and safety of our Nation and all our people. It means protecting against arbitrary rule by one man or cabal.

Further, it is my belief that what is necessary to assure domestic tranquility or to preserve national security, or indeed, even to determine what national security is, in the joint responsibility of the Congress, the President, the courts, and all others charged with a public trust. It is specifically the joint duty of the legislative and executive branches to decide, in accordance with their respective established procedures of due process, what is necessary to protect the integrity and well-being of the Nation.

The discovery of the Watergate burglary laid bare a much larger threat to our basic rights. Consequently, the broader Watergate scandal has raised vital questions about the fundamental duty of our Government to preserve our national security. But the main question that arises is: Should any single authority be allowed to transgress the boundaries of the law and to violate provisions of the Constitution in order to carry out, largely in secrecy, what is perceived by a particular official to be necessary for national security? A related question, in view of the revelations that have been brought to light by Watergate is: Do our present laws provide adequate means to assure our national security and at the same time maintain our constitutionally guaranteed system of due process, deliberation and consultation between the two branches of Government?

The term "national security," as it has been used in recent years, has in fact the opposite of its real meaning of peace or tranquillity. The evocation of national security as it has been used in recent times has as its purpose, the dramatizing of tension, which in turn induces fear, fear of some foreign or domestic threat whose dimensions are unknown but whose magnitude is hinted at darkly as being beyond existing statutory or constitutional capabilities to meet that threat.

The most extreme form that this emotional technique has taken is in the familiar formula, "If you knew what I know, then you would realize that it was necessary to do what I have done." Watergate has revealed that exhortations to protect national security all too often are based on flimsy grounds and are justified not by reason but through the techniques of emotional persuasion.

In my view, the preservation of the integrity of the Nation is a legitimate concern of the Government, but only if it is provided and maintained through proper due process established by the body of laws built upon the Constitution.

Secrecy and national security are not the same thing. As the unfolding Watergate revelations tell us, and as the record of the Pentagon papers have informed us, secrecy can, in fact, damage the integrity of our Nation. Very few would argue that we can do without some measure of secrecy. The role of secrecy as a tool of national security, when used properly, has a necessary place in our democracy. But secrecy used to further bureaucratic or political power, has proven to be one of the greatest threats to our democratic government. In fact, one of this country's most respected advocates of a strong defense establishment, Dr. Edward Teller, the inventor of the hydrogen bomb, has declared repeatedly in recent years that secrecy as it is now practiced by the Government of the United States has adversely affected scientific progress and military technology, and in some cases, has only served to benefit our potential enemies.

One positive benefit of Watergate has been to strengthen and reaffirm the view so powerfully expressed in Chief Justice Taney's decision in the *Merryman* case that whatever is done in the name of national security should be carried out only in conformity with the Constitution and the body of statute law and through properly designated instrumentalities.

Mr. President, the decision of the Supreme Court in the Youngstown Steel Seizure case of 1952, that even though the United States was at war in Korea the President could not seize the steel mills to act on his own perception of a danger to national security when remedies and procedures in law to settle disputes were already in existence, further supports the view that what national security is can be determined only by the several branches of the Government acting jointly.

Our system of maintaining order by legal means is accepted by the people. First, our military forces are authorized and organized to protect the Nation against the threats posed by foreign military forces. They are not to be used in any way against the American people. We have created the Federal Bureau of Investigation, the FBI, to protect our people in carefully prescribed ways against foreign espionage, organized crime, and domestic violence; the CIA and related intelligence organizations in other agencies have as their main function the gathering of information about the various activities of foreign nations. They are authorized by our laws with careful limitations to counteract espionage efforts, and to undertake some covert operations abroad.

From the time of the Constitution, the citizens of the United States have agreed that domestic order should be maintained in all cases except those rare instances of overwhelming danger by State and local police in accordance with explicit State and local laws. In order to meet the exigencies of some situations of violence, the National Guard can be called out by States or the President, but only when local or State police cannot meet a particular situation and only in accord with statutory guidelines.

These are the main ways in which we maintain our national security. A failure to use these agreed upon means of assuring domestic tranquility and an effective defense against potential foreign enemies as prescribed by law, and to create other secret mechanisms outside the law can only lead to a loss of national security and toward a national security state. Watergate serves as a severe warning of the dangers implicit in the use of arbitrary power.

Watergate indicates how a failure to adhere to the Constitution and the law and the proper due process of full consultation and deliberation between the branches of government has resulted in severe damage to the structure of our democratic government. The actions of highly placed and powerful officials as we now know from documentary evidence, in conscious violation of the law, has weakened our democracy.

Under the security blanket of "national security," attempts were made to subvert the FBI and CIA. A private force was created in the White House and given authority by the President, without any constitutional or statutory basis, to bug, burgle and to act in other unlawful ways. It is without question that the creation of "the plumbers," and their direction by highly placed officials, have done much to destroy the credibility of the administration and undermine its positive achievements.

We know that a powerful group within the White House launched a frontal attack upon the FBI and its Director, J. Edgar Hoover. We know that J. Edgar Hoover resisted and the secret police force was not able to carry out its plans although both the FBI and the CIA were seriously undermined by the pressures brought upon them by a group of high officials in the White House.

Two principal custodians of our law, the Directors of the FBI and the CIA, were asked to act illegally for reasons determined by a single authority alone. The consequences of this attempt, successful for a time, to subvert the FBI and the CIA, are becoming more clear each day.

Given this serious state of affairs, it would seem that our genuine concern for national security—that our democratic institutions remain free and responsive to the public will—requires not only immediate action to punish those who have abridged our rights, but it will require the closest cooperation, trust and respect for the law by both the legislative and executive branches in the future. Respect for the law is a primary requirement because in recent years extra-legal approaches have split the Government apart. Because the people do not trust their leaders, this growing series of unlawful acts has demonstrably weakened the ability of our public officials to lead our people when genuine danger or emergencies in fact occur.

There are constructive measures to prevent the abuse of power and the misuse of the public trust that can be taken now by the Congress and the executive branch jointly. They are measures that should be taken as soon as possible if we are to restore public confidence in our Government. The first is to reexamine the statutory guidelines of our national security instrumentalities. The Constitution provides that the Congress shall make rules and regulations for the use of our military forces. The War Powers Act, I am hopeful, will provide effective and constitutionally proper guidelines for the future use of our Armed Forces in hostilities.

The former Attorney General, Mr. Elliot Richardson, in his hearings before the Senate prior to his confirmation, said that he would work with the Congress to establish clear statutory guidelines for the operations of the FBI with regard to domestic surveillance. Mr. Kelley, the FBI Director, has also agreed to work with the Congress. The Attorney General designate, Senator SAXBE, has recognized this problem and has given his pledge to do his best to correct the situation. In my view, it would be extremely helpful for the Judiciary Committees of both Houses, to examine a number of Senators' suggestions that the FBI be given statutory character so that it is more insulated from political pressure from whatever source, but responsive to oversight and direction from both the executive branch and the Congress.

The public exposure of recent illegal activities by the CIA in domestic affairs has caused profound dismay in the country. The investigations that have been conducted thus far will result, I am confident, in legislation to insure that the CIA and other intelligence agencies do not, in the future, become involved in any way in domestic matters. It is already evident that the operations of the intelligence agencies are now being more carefully monitored by the existing oversight committees of the Congress. Equally important, legislation proposed by Senator ERVIN, Senator MANSFIELD and myself has been introduced and will be sent to the Senate floor for action early next session which will insure that the valuable information gathered by the CIA and all of the Departments and Agencies of the Government will be available to the Congress as a matter of legal right so that the Congress can better carry out its responsibilities of making the law and sharing in the setting of national goals for this Nation.

Watergate has underlined the view that anything that undermines confidence in our established institutions, of necessity, weakens our true national security. There is a skepticism and cynicism about our electoral process. There is a widespread belief that our campaign and election procedures are corrupt and, by direct transference, that those involved in the political process are corrupt as well. Electoral and campaign reform legislation are vitally needed to prevent future Watergates. At a minimum, laws must be enacted which will assure full disclosure of the source of all contributions; there must be a limitation on the amount that can be received from any person or organization, and we must have an equitable system of public financing of all elections. I intend to conduct my own campaign for reelection in accordance with these guidelines.

While secrecy cannot be equated with national security, a workable system of protecting from potential enemies those matters which should be protected is an urgent legislative and executive priority. We need a valid classification system, yet it should be so structured that it protects our national secrets from our enemies but does not deny necessary information to those in public office. A democratic government such as ours requires full and open discussion on all policy matters. It is both an advantage and a disadvantage of democracy that government by cabal is difficult to achieve; democratic government is sometimes slow and cumbersome and it is difficult to carry on secret negotiations, but such shortcomings are a price worth paying for an open and free society.

These are the main areas in which the legislature and the executive must work together and work together now to strengthen our national security. Our national security is no stronger than the confidence our people have in our Government of laws and in those elected and appointed to carry out the laws agreed upon by the people.

So we must act, and act now, to restore that confidence.

The Government of the United States has often been described as the best example of the contract theory, that all powers of the Government derive from The people. The ultimate contract of every official, whether he is a President or a general or a Senator, is to obey the Constitution and the laws of the land. This is a contract which no official in conscience or in law can evade. Yet, in Watergate we have witnessed a blatant example of high officials violating their public trust. Watergate has revealed the necessity for all our people and all our officials to redefine for themselves our hierarchy of values.

The oath of office to defend the Constitution is the highest obligation of all those who serve in the Government and it is the obligation of all citizens. It is a higher duty than loyalty to one's superior no matter who he may be. Watergate illustrated in a painful if very human way, a conflict of loyalties. As we have learned from Watergate, personal loyalties, all too often subverted the oath to defend the Constitution.

Watergate should be a forceful if disturbing and continuing reminder that the American Revolution took place when the government of laws under which the American colonists agreed to abide was not observed by George III and his ministers. The American Revolution was fought to reestablish a government of agreed laws under which both the governors and the governed are bound.

The tragic insights into the inner workings of the highest reaches of our Government that Watergate has given us, provides at the same time a purpose and an opportunity to rebuild our national security system. We can work to provide real security and to reestablish confidence in our system of justice. We can work together to insure once again that the purpose of our Government is not to perpetuate the political power of any group but to extend domestic tranquility to all our people, to provide for the common defense, and promote the general welfare through the due process of our Government of laws derived from the consent of the governed.

III. SOME PROPOSALS TO STRENGTHEN OUR DEMOCRACY

Whether Richard Nixon is cleared of all charges, or if the facts warrant impeachment or if he resigns the Presidency, the United States, nonetheless, will be faced with the question of establishing goals for the next 3 years and the next three decades. The present failure of leaders in the executive branch and in the Congress, to lead the United States to meet the great challenges that face our country and the subsequent loss of faith and trust in government by the people of the United States has called into question the purposes of our country. Our people have lost confidence and trust in our leaders and our basic institutions are in doubt. This loss of faith and confidence constitutes the most serious crisis faced by our democratic Republic throughout all its history—certainly since the Civil War.

As we approach the 200th anniversary of the founding of this democratic Republic we are measuring our progress against the facts of history to see how far we have come in the two centuries of our national existence. As one citizen, I would like to set forward some conclusions I have about the present state of our democratic government.

In my view, the first and most crucial question we must answer is whether we have preserved and strengthened our democracy as envisaged by the Founding Fathers. Despite some very significant gains over the years in universal sufferage, civil rights, and breathtaking economic and technological progress, it is arguable that we have less democracy today than in 1776. The mathematics of our system of representation alone confirms this assertion. In 1776, each Representative spoke for 23,000 people. Now each Representative speaks for a half million people. Our Nation now numbers 211 million and this vast number is represented by 537 elected officials, that is, 100 Senators, 435 Representatives, a President and a Vice President. This growing disproportion between those that hold office and those who elect them is reflected on the State, county, and local level as well. This circumstance dictates that the Representatives of our people are increasingly distant from those who elect them. If we are to remain a democracy, there must be more participation by the people of the United States in their government at all levels than is presently the case.

The inability of our federal system to meet the needs of our people is increasing even though the United States has become the most powerful nation in the world. It has created through the exploitation of its intellectual and natural resources, the most advanced technological industrial base in the history of the world. Through the benefits of economic affluence, has molded a civilization of unparalleled wealth with the potential ability to provide for all its citizens the means to a life of physical well-being, peace and domestic tranquility, as hoped for by the patriots who created the United States in 1776. Yet despite these resources, despite this awesome capability, a large proportion of our citizens are in great want. We have failed to provide for all of our citizens adequate health, education, housing, food, law and order, care for the aged, disabled and infirm; in short, all of our social services have proved inadequate to the need.

It has been evident for decades that our Government has failed to devise a system of providing from the Federal level through State and local constituencies the means to adequate health services, education, housing, food, care for the aged, disabled and infirm, and effective law and order. Even though we have long recognized the challenging needs of our people and even though we possess the means to meet these challenges, why have we failed to meet so apparent a need? Why have we permitted our cities to decay and choke in the pollution of the environment and the hostility of violence, bred by desperation and need? Why have we ignored the discontent registered with increasing concern by our people who call upon the Government to correct these and other obvious failings?

If our Government has become more remote from the people, it has also become more complex and secretive. In both the Congress and the executive branches, there is a compelling necessity to make government more open. The United States, if it is to remain a democracy rather than an authoritarian national security state, cannot tolerate any longer the making of decisions in secrecy; it cannot continue to permit vital national policies to be made by a few in secrecy; nor can we tolerate any longer practices which remove high officials from accountability to the Congress, the courts and the people.

From the earliest days of the Republic, indeed, as forcefully expressed in the debates of the constitutional convention, there has been a struggle between what is known as the King's party, those who have for various and as the years have gone on, for changing reasons, believe the Chief Executive alone should make the vital decisions, challenged only by those who through two centuries have believed that a representative democratic government can, through reasoned, collective judgment, arrive at sound judgments, This latter view, of course, is the essence of our constitutional government. Yet, the King's party, through the years and in various forms, has been a powerful force in our Government. The King's party maintains that Congress is too slow, too diffuse and cumbersome to rule effectively. It has supported policies that would enable a single man or a few men to make the crucial national decisions because they believe that the complexity and the speed required by these perilous modern times can only be made by a small ruling elite. This, of course, is the argument that has been used by all cabals and dictatorships in the past and it must be resisted. Thomas Jefferson warned against the King's party influences saying that:

> Even under the best forms of Government those entrusted with power have in time and by slow operations have perverted it into tyranny.

Watergate has revealed the pretentions of the King's party and how close we have come to the perversion Jefferson feared. The turn of fate called Watergate makes it possible for those who continue to believe in representative democratic government to take the steps necessary to return the Government of the United States to a rule of law.

The return of the Government of the United States to a rule of law under constitutional process will not be realized unless the Congress acts decisively to meet its obligations prescribed by the Constitution. As Members of the Congress and Senate our first and fundamental constitutional duty is to make the law. It is distressing, but nonetheless true, and we must acknowledge this, that most of the laws passed by the Congress are, in fact, drafted by the executive branch. Under present circumstances, it would be very difficult for the Congress to do otherwise. For it is also unfortunately true that the Congress has failed to insist upon receiving from the executive branch the necessary information to be able to make the law as the Constitution intended. Unless the Congress makes it a matter of law, a matter of legal right, that it shall receive whatever information is necessary to write the law, none of the obvious reforms that the United States must have to survive as a democracy can be carried out.

As one Senator, I know that it is not enough to point out the fact that we are in a deep constitutional crisis, that our Government must choose between continued existence as a democratic constitutional state or decline into autocracy—I know that it is not enough to exhort my colleagues to action, for I know that if the Congress is to be something more than an empty cave of winds, we must both prescribe and administer specific remedies. So I intend to introduce in the next session a number of proposals which I believe will help meet our needs and I would like today, before this session ends, to discuss some of these proposals which include some basic reforms which I expect to introduce as legislation early next year.

In order to remedy some of the most blatant abuses of the law revealed by Watergate, I intend to introduce early in the next session a Bill of Rights Procedures Act. This act would strengthen the guarantees of the first, fourth, fifth, and ninth amendments and limit exceptions to court orders issued upon probable cause of crime in accordance with strict procedures and reporting requirements. It is my view that Congress has a constitutional duty to protect the national security and that national security would not be impeded in any way by the requirement that any exception to the fourth amendment and other constitutional protections must be based upon a court order issued upon probable and reasonable cause.

I will introduce as a bill early next year a plan for a pilot program that embodies a proposal made by Thomas Jefferson for the creation for a new basic unit of government that he called "Little Republics." Watergate surrounds us all with the reminder of the danger our country is in, and, yet, we intend to celebrate the Bicentennial of our Republic as though our Government was functioning in the spirit hoped for by Washington, Jefferson, Madison, Mason, and the other Founding Fathers. Great plans are underway for new coins to be minted, parades with colonial costumes and elaborate fanfare; visitor centers are being readied for the celebrations to be held throughout the 50 States. But these celebrations will be empty trappings if we fail to shore up our democratic institutions.

There is a growing desire throughout the country among the people to be involved in government: it is a desire so deep that it has sometimes unfortunately resulted in acts of violence such as have occurred during some antiwar protests and civil rights demonstrations; but it is a hope as old as the Republic itself. This desire has grown as our country has grown almost in direct proportion to the rise in education, wealth, and leisure, and as these benefits have been extended to a larger and larger segment of the people. And yet it is distressingly true that the ability of the people to participate in their own government has lessened. Correspondingly, the ability of those elected to office, to respond to local desires and needs, has lessened, too. The mathematics of our system of representation is evidence of this, but another more fundamental factor is the failure of both Houses of Congress to adapt their procedures and structures to the necessities of making laws and overseeing the execution of the laws in a superstate of growing size, complexity, and power.

What is at issue here is how to give citizens in local constituencies the ability to involve themselves directly in and have a meaningul voice in the matters that most affect their everyday lives.

Growing unrest and the prevalence of an attitude of general distrust of government in the country reflected in every poll indicates that an increasing number of people believe that their interests are not adequately served in the White House or in the Halls of Congress nor in the statehouses across the land, nor in the county seats of government or in the courthouses, nor in any of the traditional seats of power that have grown up in the course of the Nation's history. There is only one exception—a romantic vestige perhaps—and that is the system found in towns and villages that have remained relatively constant in size.

I have been struck by an experience which I am sure has been shared by tens of millions throughout the country that the place where political life most impinges upon every citizen and the place where every citizen has the opportunity immediately at hand to affect in some small way the quality of his life is at the local school. An increasing number of Americans are beginning to believe that the cities are too big, that farm life too remote. They have created for themselves a new middle way. In a sense, modern technology has created a new form of life, the suburb with a host of new problems. Unfortunately, many suburbs have no integral center of government except insofar as they are attached either to a city or to a rural county government. In most respects these older forms of government do not meet the need of the modern suburbs and because of the growth of the cities and the flight from the farms do not serve their traditional constituencies.

I have gone, as tens of millions of others have gone, to PTA meetings, to Boy Scout meetings, to Cub Scout meetings, meetings on roads, sewers, law and order, pollution, parks, recreation, celebrations, and a host of meetings on small incidents that go into everyday life. Many of these meetings take place at the local school. The local school is most often the polling center for local, State, and National elections. It is certainly the one communal building where the citizen, almost all citizens, can participate in government.

Over the past 4 years I have also witnessed in Congress and particularly in the Senate, the struggle over the issue of getting more revenue to local communities either through revenue sharing, aid to education, or a host of specific local projects, ranging across the whole spectrum of American life from sewers to sex, and it is my view that the several 6-inch thick bills with their hundreds of conflicting amendments, reflect the lack of an underlying principle of how local government should function in a modern superstate democracy.

Sometime ago I was reading Jefferson's letters and found that he, too, early in the 19th century, was concerned that the Republic needed a fundamental reform to give to the people the means to have direct participation in government. In a long and thoughtful letter to Mr. Samuel Kercheval, written in 1816, on the subject of necessary reforms, Jefferson wrote of the dilemma then facing democratic government in the United States; it is a dilemma no less pertinent now than it was in 1816:

> This corporeal globe, and everything upon it, belong to its present corporeal inhabitants during their generation. They alone have a right to direct what is the concern of themselves alone, and to declare the law of that direction; and this declaration can only be made by their majority. That majority, then, has a right to depute representatives to a convention, and to make the Constitution what they think will be the best for themselves. But how collect their voice? This is the real difficulty. If invited by private authority, or county or district meetings, these divisions are so large that few will attend; and their voice will be imperfectly, or falsely pronounced.

Jefferson's solution to this problem was as follows:

> But follow principle, and the knot unties itself. Divide the counties into wards of such size as that every citizen can attend, when called on, and act in person. Ascribe to them the government of their wards in all things relating to themselves exclusively. A justice, chosen by themselves, in each, a constable, a military company, a patrol, a school, the care of their own poor, their own portion of the public roads, the choice of one or more jurors to serve in some court, and the delivery, within their own wards, of their own votes for all elective officers of higher sphere, will relieve the county administration of nearly all its business, will have it better done, and by making every citizen an acting member of the government, and in the offices nearest and most interesting to him, will attach him by his strongest feelings to the independence of his country, and its republican Constitution. The justices thus chosen by every ward, would constitute the county court, would do its judiciary business, direct roads and bridges, levy county and poor rates, and administer all the matters of common interest to the whole country.
>
> These wards, called townships in New England, are the vital principle of their governments, and have proved themselves the wisest invention ever devised by the wit of man for the perfect exercise of self-government, and for its preservation. We should thus marshal our government into, 1. the general federal republic, for all concerns foreign and federal; 2. that of the State, for what relates to our own citizens exclusively; 3. the county republics, for the duties and concerns of the county; and 4. the ward republics, for the small, and yet numerous and interesting concerns of the neighborhood; and in government, as well as in every other business of life, it is by division and subdivision of duties alone, that all matters, great and small, can be managed to perfection. And the whole is cemented by giving to every citizen, personally, a part in the administration of the public affairs.

Jefferson believed that the "Little Republics" would be the best way to address national issues to the people and provide a method of referring fundamental questions to the people for their vote. Imagine how much more useful than opinion polls Jefferson's system would have been for determining the public will on the issue of Vietnam or of race or impeachment? He suggested:

> Here, then, would be one of the advantages of the ward divisions I have proposed. The mayor of every ward, on a question like the present, would call his ward together, take the simple yea or nay of its members, convey these to the county court, who would hand on those of all its wards to the proper general authority; and the voice of the whole people would be thus fairly, fully, and peaceably expressed, discussed, and decided by the common reason of the society. If this avenue be shut to the call of sufferance, it will make itself heard through that of force, and we shall go on, as other nations are doing, in the endless circle or oppression, rebellion, reformation, again; and so on forever.

In other letters, the idea of the "Little Republics" was developed in somewhat more detail. Writing Maj. John Cartwright in 1824, commenting on some views of constitutional theory, Jefferson said:

> Our Revolution commenced on more favorable ground. It presented us an album on which we were free to write what we pleased. We had no occasion to search into musty records, to hunt up royal parchments, or to investigate the laws and institutions of a semi-barbarous ancestry. We appealed to those of nature, and found them engraved on our hearts. Yet we did not avail ourselves of all the advantages of our position. We had never been permitted to exercise self-government. When forced to assume it, we were novices in its science. Its principles and forms had entered little into our former education. We established, however, some, although not all its important principles.
>
> The constitutions of most of our States assert, that all power is inherent in the people; that they may exercise it by themselves, in all cases to which they think themselves competent (as in electing their functionaries executive and legislative, and deciding by a jury of themselves, in all judiciary cases in which any fact is involved), or they may act by representatives, freely and equally chosen; that it is their right and duty to be at all times armed; that they are entitled to freedom of person, freedom of religion, freedom of property, and freedom of the press.
>
> In the structure of our legislatures, we think experience has proved the benefit of subjecting questions to two separate bodies of deliberants; but in constituting these, natural right has been mistaken, some making one of these bodies, and some both, the representatives of property instead of persons; whereas the double deliberation might be as well obtained without any violation of true principle, either by requiring a greater age in one of the bodies, or by electing a proper number of representatives of persons, dividing them by lots into two chambers, and renewing the division at frequent intervals, in order to break up all cabals.
>
> Virginia, of which I am myself a native and resident, was not only the first of the States, but I believe I may say, the first of the nations of the earth, which assembled its wise men peaceably together to form a fundamental constitution, to commit it to writing, and place it among their archives, where everyone should be free to appeal to its text. But this act was very imperfect.
>
> The other States, as they proceeded successively to the same work, made successive improvements; and several of them, still further corrected by experience, have, by conventions, still further amended their first forms. My own State has gone on so far with its premiere ebauche; but it is now proposing to call a convention for amendment. Among other improvements, I hope they will adopt the subdivision of our counties into wards.
>
> The former may be estimated at an average of twenty-four miles square, the latter should be about six miles square each, and would answer to the hundreds of your Saxon Alfred. In each of these might be, first, an elementary school; second, a company of militia, with its officers; third, a justice of the peace and constable; fourth, each ward should take care of their own poor; fifth, their own roads; sixth, their own police; seventh, elect within themselves one or more jurors to attend the courts of justice; and eighth, give in at their folk-house, their votes for all functionaries reserved to their election. Each ward would thus be a small republic within itself, and every man in the State would thus become an acting member of the common government, transacting in person a great portion of its rights and duties, subordinate indeed, yet important, and entirely within his competence. The wit of man cannot devise a more solid basis for a free, durable and well-administered republic.

Jefferson's proposal for a new basic unit in American government, closer to the people is based upon his ideas for public education which he developed in the days prior to the Constitutional Convention. The germ of the idea is in "A Bill for the More General Diffusion of Knowledge" presented in 1788. He developed this idea further in a letter to John Adams dated October 28, 1813. He wrote:

> At the first session of our legislature after the Declaration of Independence, we passed a law abolishing entails. And this was followed by one abolishing the privilege of primogeniture, and dividing the lands of intestates equally among all their children, or other representatives. These laws, drawn by myself, laid the axe to the foot of pseudo-aristocracy. And had another which I prepared been adopted by the legislature, our work would have been complete. It was a bill for the more general diffusion of learning. This proposed to divide every county into wards of five or six miles square, like your townships; to establish in each ward a free school for reading, writing and common arithmetic; to provide for the annual selection of the best subject from these schools,

> who might receive, at the public expense, a higher degree of education at a district school; and from these district schools to select a certain number of the most promising subjects, to be completed at an university, where all the useful sciences should be taught.
>
> Worth and genius would thus have been sought out from every condition of life, and completely prepared by education for defeating the competition of wealth and birth for public trusts. My proposition had, for a further object, to impart to these wards those portions of self government for which they are best qualified, by confiding to them the care of their poor, their roads, police, elections, the nomination of jurors, administration of justice in small cases, elementary exercises of militia; in short, to have made them little republics, with a warden at the head of each, for all those concerns which, being under their eye, they would better manage than the larger republics of the county or State. A general call of ward meetings by their wardens on the same day through the State, would at any time produce the genuine sense of the people on any required point, and would enable the State to act in mass, as your people have so often done, and with so much effect by their town meetings . . .
>
> There are two subjects, indeed, which I shall claim a right to further as long as I breathe, the public education and the subdivision of counties into wards. I consider the continuance of republican government as absolutely hanging on these two hooks. Of the first, you will, I am sure, be an advocate, as having already reflected on it, and of the last, when you shall have reflected. Ever affectionately yours.

I think the country is ready now in a way that it has not been for 200 years for Jefferson's proposed reform of American democratic government that would directly embody "the genuine sense of the people." Jefferson very clearly understood the respective roles of the Federal, State, and county governments. I have drawn upon Jefferson extensively because in a clear and a foresighted way he understood the necessity for the creation of a new basic unit of government. I suggest that Jefferson's proposal can be practicably adopted and it would do much to strengthen the fabric of participatory democracy.

There are those who maintain that giving power to the people would be dangerous, inefficient and corrupt. They base this view on examples of inefficiency, wastefulness and corruption that have taken place at local government in the past. But no level of government is exempt from grievous examples of inefficiency, waste, and corruption. It is before our eyes everyday. At the same time, at every level of government including the local level, there have been examples of government operating efficiently, in an economical fashion and with full probity. In my view, a government is no better than the people who are in the Government and in the case of the United States, are no better than the people who elect them to office. What is at issue here is to broaden the ability of citizens to directly control the quality of their own lives.

We have chosen democracy as our political system; but for democracy to be a reality it requires the maximum participation of the people in ruling themselves.

The Federal Government would still establish laws and patterns and overall standards for every citizen below which the State or county or wards could not go. For example, questions of civil liberties, civil rights, ethical standards for dispensing and accounting for funds, foreign policy and defense, are a proper Federal concern. The States, in turn, have their area of responsibility concerning matters affecting citizens within a State jurisdiction. There is no reason why a State, a county or a ward cannot establish higher standards, but it cannot in any way abridge the law of all the land.

There is no reason why a local jurisdiction, in size somewhat equivalent to some local school districts, or about 10,000 people, should not have the final say in peculiarly local concerns. Our country is made up of diverse peoples who have come from every country in the world, our geography has affected the way in which people live; and in an age of homogenization and uniformity, many of these differences are of value, not only to the individuals who hold them, but also to the heritage of the country as a whole.

There is no reason why the most democratic, most fortunate and most educated country in the world cannot, for its own betterment, have effective participatory local government. Jefferson provided the formula and the time is right now for the country to debate and consider his wise proposal.

We are all witnesses to the twilight of parliaments and the decline of democratic representative governments in the world. Recent history bears out the contention that democratic governments are becoming the exception among nations. We are all gradually awakening to the danger that the United States, if it continues in the pattern of the last 40 years, could become an authoritarian state.

Watergate is the turning point in our Nation's history. If we turn our backs to the grievous attacks that have been made on the Constitution and the laws of the land under the vague incantations of one man's view of national security, we will have lost our right to hold the precious gift of freedom won for us almost 200 years ago by men of courage, integrity, and intelligence.

Mr. HATFIELD. Mr. President, will the Senator from Maryland yield?

Mr. MATHIAS. I yield.

Mr. HATFIELD. Mr. President, I would just like to commend the Senator from Maryland because, as he indicated in his introductory comments, we seem to be in an interesting legislative coupling this morning. Having made some comments with respect to our having made an idol of national security, the distinguished Senator from Maryland has probably put together one of the most scholarly and careful documents I have read in the current day, as it relates to the things that have been done under the name of national security, which have really in effect threatened the liberties of the people. And in addition there is a further evidence of our interest in a national self-righteousness. However, we are talking about the faith of the people in the comments being made now by the Senator from Maryland and evidences where the political leadership has become so arrogant that it has taken unto itself not only great authority to challenge the rights of the people, but has also demonstrated in a very strong way its lack of faith in the people. After all, complete truth is the source of sovereignty in this country.

And there has been this sort of a patronizing, paternalistic attitude that, "We know what is best for the people, and we shall do as we please; this is in the best interest of the people."

I cannot help but be moved to say at this time that the Senator has not only set forth the situation in a very clear way, but he has indicated further in his presentation some of the answers. It is one thing to identify problems, but it is another thing to offer solutions, and I commend the Senator for his commitment to decentralization because here again it shows similarity—I suppose of like minds—to a proposal for neighborhood government that I have made, as I see his proposal coming for little republics.

I think this document should not only be distributed to our colleagues through the CONGRESSIONAL RECORD, but as a former educator I would like to see every student in our universities, colleges, and high schools given an opportunity to read it. I do not know when I have been so much impressed by such detail, such scholarly and academic preparation, as that which has gone into the Senator's statement; not in any other statement on this floor in my memory.

I just wanted to express my appreciation.

Mr. MATHIAS. The Senator is very kind and very generous. I appreciate his support, and feel that whatever merit is contained in this statement is an expression of the concerns and interests that he and I have shared over many years.

Mr. MANSFIELD. Mr. President, I wish to quote a sentence from the most significant and highly appropriate speech just made by the distinguished Senator from Maryland (Mr. MATHIAS), as follows:

> We cannot wait to begin thinking about what we shall do when we return to the Capitol next month. We cannot put off even for a month what must be done. The past may haunt us, but the future crowds us.

I thank the distinguished Senator from Maryland.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I yield my time to the distinguished majority leader.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business with statements limited therein to 3 minutes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROBERT C. BYRD (for Mr. CANNON), from the Committee on Rules and Administration, without amendment:

S.J. Res. 178. Joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac (Rept. No. 93–660).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 316. A bill to further the purposes of the Wilderness Act of 1964 by designating certain lands for inclusion in the national wilderness preservation system, and for other purposes (Rept. No. 93–661).

By Mr. PELL, from the Committee on Foreign Relations, with amendments:

S. 2754. A bill to prohibit all military assistance to Greece until it is determined that Greece is fulfilling its obligations under the North Atlantic Treaty (Rept. No. 93–662).

EXECUTIVE REPORT OF A COMMITTEE

As in executive session, the following executive report was submitted:

By Mr. ROBERT C. BYRD (for Mr. EASTLAND), from the Committee on the Judiciary:

Charles D. Loos, of Indiana, to be U.S. marshal for the Southern district of Indiana.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred or passed, as indicated:

By Mr. ERVIN:

S. 2836. A bill to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasion of their privacy by prohibiting the use of the polygraph for certain purposes. Referred to the Committee on the Judiciary.

By Mr. HART (for himself, Mr. HUGH SCOTT, Mr. CASE, and Mr. CLARK):

S. 2837. A bill to regulate the interstate and foreign commerce trading of futures contracts in order to prevent unfair and deceptive acts and practices. Referred to the Committee on Agriculture and Forestry.

By Mr. DOMINICK:

S. 2838. A bill for the relief of Michael D. Manemann. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2839. A bill for the relief of Graciela Castillo. Referred to the Committee on the Judiciary.

S. 2840. A bill to authorize the Secretary of Commerce to conduct a study of foreign direct and portfolio investments in the United States and for other purposes. Referred to the Committee on Commerce, by unanimous consent.

By Mr. BEALL (for himself and Mr. MATHIAS):

S. 2841. A bill to amend the Chesapeake & Ohio Canal Development Act so as to expand the boundaries of the Chesapeake & Ohio Canal National Historic Park to include certain lands within the areas from North Branch to Cumberland, Md. Referred to the Committee on Interior and Insular Affairs.

By Mr. BENTSEN:

S. 2842. A bill to provide for the continuing availability of capital for economic growth and the creation of new jobs and to provide for greater competitiveness in our economy by amending the Internal Revenue Code of 1954 to impose limitations on institutions holdings of securities and to encourage individuals to invest in securities. Referred to the Committee on Finance.

By Mr. INOUYE (for himself and Mr. FONG):

S. 2843. A bill to declare Kuapa Pond, Hawaii, as not a navigable water of the United States. Referred to the Committee on Public Works.

By Mr. BIBLE (for himself and Mr. JACKSON):

S. 2844. A bill to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. NELSON:

S. 2845. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to protect consumers against food additives which have mutagenic or teratogenic effects on man or animals. Referred to the Committee on Labor and Public Welfare.

By Mr. HART (for himself, Mr. MAGNUSON, Mr. CHILES, and Mr. EASTLAND):

S. 2846. A bill to protect the flow of interstate commerce from unreasonable damage to environmental health by assuring an adequate supply of chlorine and other chemicals and substances which are necessary for safe drinking water and for waste water treatment. Referred to the Committee on Commerce, by unanimous consent.

By Mr. BAYH:

S. 2847. A bill for the relief of Barbara Olivia York. Referred to the Committee on the Judiciary.

By Mr. HATFIELD (for himself, Mr. HUGHES, Mr. DOMENICI, Mr. HANSEN, Mr. NUNN, Mr. JOHNSTON, Mr. ALLEN, Mr. FANNIN, Mr. STENNIS, Mr. BARTLETT, Mr. CHILES, and Mr. RANDOLPH):

S.J. Res. 183. Original joint resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer. Considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ERVIN:

S. 2836. A bill to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasion of their privacy by prohibiting the use of the polygraph for certain purposes. Referred to the Committee on the Judiciary.

Mr. ERVIN. Mr. President, on June 24, 1971, I introduced S. 2156, a bill to protect the American people against the invasion of their privacy through the use of the polygraph. Today I reintroduce this measure.

The technological era is not one of unmixed blessings. We all can take great pride in our American ingenuity which has made the United States the world's greatest industrial Nation. However, only recently have we awakened to the dangers of permitting expediency to dictate the course of our economic and social progress. Our great industrial and technological revolution has been not only at the expense of the quality of the air we breathe and water and food we consume, but at the expense of the uniqueness and dignity of all of us as individuals.

I refer specifically to the trend to use this new technology to promote controversial behavioral science theories which are supposed to help us obtain and measure truth. One such theory which has found currency in the employment field is that if one can only acquire sufficient information in advance on an individual, then one can predict and control behavior, so "truth verification" devices have been developed. The most widely used device is the polygraph or so-called lie detector.

Increasingly, traditional employment practices are being abandoned in favor of polygraph examinations. This instrument is being used to determine the fitness of individuals for employment, for promotion, for dealing with security information, or to determine ethical misconduct or violations of personnel regulations. And they are being used despite the fact that there is no clear scientific proof that they prove anything or predict anything for employment purposes.

During a polygraph examination it is common practice for the operator to probe into many personal details of an individual's life, unrelated to his employment. In fact, personal, controversial, or stimulating questions are deliberately asked in order to form a basis of "norm" for measuring reactions to "relevant" questions. Consequently, polygraph reports contain such personal information as how the subject thinks; how he behaves in his personal life; what he reads; what his conduct and attitudes are in sexual matters; how he relates to his parents and family; and what he dreams about.

As long as these machines are permitted in employment situations, they will be a perpetual danger to the freedom which is most cherished by us all—our right to privacy.

The Constitution itself creates a right to privacy which is designed to assure that the minds and hearts of Americans remain free. The bulwark of this constitutional principle is the first amendment. The first amendment was designed to protect the sanctity of the individual's private thoughts and beliefs. It protects the individual's right to free exercise of conscience; his right to assemble to petition the Government for redress of grievances; his right to associate peaceably with others of like mind in pursuit of a common goal; his right to speak freely what he believes; and his right to try to persuade others of the worth of his ideas.

The fourth amendment guarantees "the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures." In addition to the privacy of one's home and personal effects, the privacy of his person—or bodily integrity—and even his private telephone conversations are protected by the fourth amendment. The fifth amendment guarantees that an individual shall not be forced to divulge private information which might incriminate him. It also protects individual privacy by preventing unwarranted governmental interference with the individual's person, personality, and property without due process of law.

The ninth amendment's reservation that "the enumeration in the Constitution of certain rights, shall not be construed to deny or disparage others retained by the people" clearly shows that the Founding Fathers contemplated that certain basic individual rights not specifically mentioned in the Constitution—such as privacy—should nevertheless be safe from governmental interference.

The Supreme Court has held many aspects of individual privacy to be constitutionally protected. In recognizing that "specific guarantees in the Bill of Rights have penumbras formed by emanations from those guarantees that help give them life and substance" (*Griswold* v. *Connecticut*, 381 U.S. 479, 484) the Court has found that those penumbras protect the right to give and receive information, the right to family life and child-rearing according to one's conscience, the right to marriage, the right to procreation, the right to contraception, and the right to abortion.

All Americans can testify to the power of those protections of the individual's rights. The Constitution assures these rights to all citizens whether their exercise is pleasing to Government or not. And by the same token, it assures the individual the converse of these rights: the right not to speak what he believes, whether his silence is pleasing to Government or not; and his right not to act, not to associate, not to assemble, whether his inaction is pleasing to Government or not.

During the study of privacy which the Constitutional Rights Subcommittee has been conducting, we found that the number and kinds of privacy invasions are limited only by the ingenuity of human beings and by their technical capacity for committing them. It is sometimes hard to find rhyme or reason to some actions. This is why the subject of privacy is a very difficult field in which to draft legislation to protect individual rights.

If I were forced to find one comman denominator for all of these techniques and practices, I would say it is the effect they have on the individual's free exercise of his mind and his freedom to seek his own destiny.

Probably no instrument in modern time so lends itself to threats to constitutional guarantees of individual freedom as the polygraph or so-called lie detector. The threat of its use or the intimidation inherent in its use restricts free expression and communication of ideas; intrudes on an individual's subconscious thought; makes him fear to speak his thoughts freely; or compels him to speak against his will.

To my mind the entire purpose of these machines is to invade a man's mind and find what lurks in the innermost part of his mental consciousness for reasons which have nothing to do with his ability to perform a job. If the right of privacy means anything at all, and if it is a right to be cherished in our society, it means that people should be entitled to have thoughts, hopes, desires, and dreams that are beyond the reach of a bureaucrat, an employer, or an electronic technician. This is something which enthusiasts for these machines do not seem to understand. They do not understand and they do not appreciate how important privacy is to each American and as long as that lesson is not understood, we all will find our right to privacy constricted, if not abrogated entirely.

I propose this legislation to ban the use of the polygraph for employment purposes in the hopes that Congress will pause for a moment, step back, and take a long look at the issues involved in the unrestrained use of the polygraph. Legislation is necessary to bring some order and control to the practice.

Just what is a polygraph? Contrary to popular belief, it is not a "lie detector." Bells do not ring and lights do not flash automatically when a person lies or tries to deceive. A polygraph is a machine which records one's physical response against the statements he makes. A pneumatic tube is placed around the subject's chest, a blood pressure cuff around his upper arm and sensors are attached to his palm or finger tips. The recording units track the subject's blood pressure and pulsations, his breathing patterns, and his galvanic skin responses on a continuous graph. The galvanic skin response or GSR is the amount of electric resistance in the skin which is affected by the subject's sweat gland activity.

The premise behind the use of the polygraph is the assumption that lying leads to conflict; conflict causes tension; this tension can be accurately recorded and measured by the polygraph; and the operator by studying these reactions can tell whether the subject is being deceptive or truthful. However, no regular relationship between lying and physical responses has yet been established.

What is recorded, therefore, is not the subject's veracity, but his physiological responses to the examiner's questions. The graphs recorded by the "lie detector" are worthless unless "interpreted" by the examiner.

In interpreting the results, the examiner makes personal judgment as to what may have produced a tension response. A tension response can be induced by fear, anxiety, love, hate, hostility, frustration, conflict, or physical discomfort as well as by guilt. A negative reaction can be caused by resentment at the impertinent questions being asked, but we must rely on the training of the examiner to decide whether the response indicates a lie. Furthermore, differences in heredity, environment and background will influence an individual's mental, emotional and motor behavior, further obscuring the reason for a tension reaction, or lack of reaction, during a polygraph examination.

Thus, the interpretation process is not the mechanical function which some would have us believe. The examiner interprets the recorded tension reactions based upon his subjective judgment concerning the subject's motivation, honesty, and reliability. Since another examiner can and frequently does reach an opposite conclusion after reviewing the same graph, this form of truth verification can hardly be called an exact science. In fact, I have likened it to 20th century witchcraft and I have seen no documentation to alter my view.

There are too many variables involved in polygraphy. There are too many subjective judgments required in polygraphy. Bear in mind that it is not the machine or some demonstrated scientific fact which determines that the subject is being deceptive. It is solely the examiner's interpretation of the readings. As such, the polygraph examination is quite different from the types of comparisons involved in fingerprint identifications, ballistic tests, or even blood-alcohol tests. The late J. Edgar Hoover rejected the idea that the polygraph was a "lie detector" and declared that—

> Ninety percent of the polygraph's usefulness depends on the careful evaluation of the results by experienced examiners.

And even then certain categories can fool the most experienced operators: the brazen liar or hardened criminal; the dull-witted or "supercool"; or a person with no cultural belief about right or wrong. At the same time, an innocent, honest, introspective, sensitive person might register "deceptive" reactions because he is nervous or hostile to the test.

Nevertheless, proponents of the polygraph have made extravagant claims as to its value as a test of deception in routine uses. Attempts at proving the reliability of the polygraph as a lie detector have not sustained the virtual infallibility claims by its proponents.

First of all, independent tests to verify polygraph determinations are susceptible to the same criticism as the polygraph test itself. Such verification generally consists of having a group of polygraph examiners independently review selected cases to determine if the examining operator was correct in his judgment. Whether running the actual polygraph test or reviewing test results, each operator brings with him his own set of values, interpretation and methods of arriving at his conclusions. Therefore, any such study more accurately measures the extent of agreement or consistency among examiners and not whether the judgments are correct. Unfortunately it is possible to be both consistent and wrong.

Despite this criticism, the accuracy rates established during independent verification studies do not sustain the use of the polygraph as a lie detector. In 1965 the Department of Defense established a joint services group on a coordinated R. & D. program of lie detection research to study the reliability of the polygraph chart as the sole basis for judging deception. Their preliminary findings released on August 28, 1968, indicated a "reliability" rate between 30 and 93 percent depending upon the type of polygraph examination reviewed. It is interesting to note that during this same period of time the number of polygraph examinations given by the Defense Department in criminal cases dropped from 5,626 in 1965 to 1,445 in 1967.

However, even a 99-percent accuracy figure is of little comfort to an individual falsely accused as a result of "failing" a polygraph test. I received a letter from an attorney in Seattle who described the unreliability of polygraphs in terms of his own personal experience.

I ask unanimous consent to have his letter printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Seattle, Wash.,
January 29, 1973.

Hon. Sam J. Ervin,
U.S. Senate Old Senate Office Building,
Washington, D.C.

Dear Senator Ervin: I happened to read in the January 13 issue of Business Week an article regarding pre-employment screening with polygraphs, and I noted that you are sponsoring a Bill to severely limit or prohibit the use of that device for screening job applicants. I would first like to applaud your efforts and indicate my strong support for the Bill, and secondly, relate to you an experience I recently had which will perhaps explain my attitude.

First, I am an attorney practicing here in Seattle, Washington. A large part of my practice consists of representing people accused of crimes. In April of 1972, I was representing a young woman incarcerated in the City Jail and charged with a felony. On April 15, her husband came into my office and asked if I might be going over to see his wife that afternoon. I indicated I hoped to, and he asked me if I would drop off some cigarettes for his wife. He tossed two sealed packages of cigarettes on my desk when I indicated I would do so. We talked for awhile about his wife's case and he opened one of the packs of cigarettes and smoked several cigarettes from it. Then he left.

After a bit, my partner came down to the office (it was Saturday) and asked what I was working on. We chatted briefly and he mentioned he was going over to the City Jail later that afternoon. I asked him to check with me before he went as I might be going over also and we could walk over together.

During the course of the afternoon, I smoked two or three cigarettes from the open pack that my client's husband had brought in. The other pack remained on my desk, sealed. Later, my partner came back into my office and asked if I was ready to go to the Jail. I told him I still had work to do and asked if he would drop the sealed pack of cigarettes off at the Jail for my client. He said he would leave them with the matron for the woman, and I said that would be fine. He left them with the matron, and during a routine check of the package of cigarettes, the matron discovered there was a small balloon of heroin inside.

When my partner and I learned of this, we cooperated with the police detectives in every way we could, explaining exactly what had happened, and indicating the name and identity of the person who brought the cigarettes into our office. Then the Prosecuting Attorney told us he would have to ask us to take a lie-detector test and would have to ask us to stipulate that it could be used against us if we failed it. We agreed, requesting only that he stipulate that if we passed the polygraph, there would be no charges filed. This he said he couldn't do. My partner and I agreed to their conditions and he took the test that evening. I was scheduled to take it the next day.

While my law partner was taking the test, I became somewhat angry that they had required him to go through this, especially considering that he had practiced in this community for better than 20 years and his reputation for integrity and honesty was unimpeached. The next day I told the Prosecutor that I would be more than happy to take their polygraph test and would stipulate that it be used against me if I failed it, but that they were going to have to stipulate that if I passed it there would be no charges filed. Again, they said they could not do that. I indicated to them that I knew they could do that because they had done that before with clients of mine, some of whom had long criminal records, and I thought that it was only fair that we be treated at least as well as they were willing to treat criminals with long records. They told me they couldn't do it, and I refused to take their test.

Later that day they offered me a non-stipulated test, pointing out that if I failed it, it couldn't hurt me or be used against me, and if I passed it, they made no promises that they wouldn't still file charges. I refused the non-stipulated test, and again told them the only kind of polygraph I would take was one where it was stipulated that if I failed it, it could be used against me and if I passed it, there would be no charges filed. Finally they agreed. I took the test, and the polygraph operator failed me. The following day I was charged with attempting to smuggle heroin into the City Jail.

It was at that point that I finally realized that the man who represents himself has a fool for a client, so I hired an attorney. He obtained the Prosecutor's agreement to retest me, given the great disparity between the facts and the polygraph, on the single condition that they pick the operator to be used and that I stipulate that the exam could be introduced against me. They chose a man in New York City, whom I paid a rather substantial sum of money to fly to Seattle and give me the second test. He did, and, like the first polygraph operator, failed me.

It is extremely difficult to explain to anyone the mental conflict that goes on inside a person's mind when he is told by a machine that he lied when he knows he was telling the absolute truth. The conflict becomes even clearer when a second polygraph man, presumably one of the best in the nation, tells him the same thing. I was fortunate in that the objective facts were highly inconsistent with the opinion of the polygraph operators.

You would understand that if an attorney wished to smuggle contraband to a client in the City Jail, a very simple and absolutely fool-proof method exists: all he has to do is to go to the Jail and ask to see his client to confer, and his client is brought to a small interview room where he can speak with his client in absolute privacy with no bars or other impediments separating them. Any small item of contraband can be passed to the client in absolute safety as the clients are never searched by the Jail personnel on the way back to their cell. Therefore, if an attorney wished to smuggle a balloon filled with heroin to a client, a simple and secure method for so doing exists. On the other hand, it is standard procedure to screen every item of clothing, food, cigarettes, etc. that they receive for Jail inmates and so an attorney who gave cigarettes to a Jail matron for a Jail inmate, knowing there to be contraband inside the cigarettes, would know the chances of him being discovered and prosecuted were extremely high.

I asked my law partner to take the cigarettes to the Jail, knowing full well that he was going to deliver them to the matron. Therefore, if I had known there was contraband in the cigarettes, I would have known that I was going to be discovered and prosecuted. Thus, you can see the absurd conflict between the objective facts as to how the cigarettes were delivered and what the polygraph operators said I knew at the time the cigarettes left my office. They said that I knew there was heroin in the cigarette pack.

To shorten this story somewhat, after six-and-one-half months of waiting, my case was brought to trial and was tried for six days to a packed courtroom. The Prosecutor was allowed by the Court to introduce every shred of evidence that they could muster. I and my attorney had researched the polygraph and its operation and history with extreme thoroughness during the months intervening my being charged and the trial and were able to cross-examine the polygraph operators, one of whom you should remember is one of this country's most highly acclaimed operators, with such thoroughness that the inconsistencies and absurdities in the theories supporting the polygraph became crystal clear to everyone. These absurdities and inconsistencies were highlighted by our own case, which consisted of the objective facts surrounding the incident and an expert witness from the University of Washington Department of Physiopsychology, Dr. Hans Doerr.

Dr. Doerr is a professor in the University of Washington School of Medicine and is director of the school's Physiopsychology Laboratory. Physiopsychology, as you know, is the medical discipline that studies the relationship between psychology and physiology. In his research, Dr. Doerr uses sixteen extremely sophisticated polygraphs to measure physiological changes which occur in conjunction with psychological changes. Even with all of these polygraphs hooked up together and working on one individual, and assisted by amplifiers, filters, and computers to analyze results, Dr. Doerr testified that only a fool would say he could determine whether or not a person was telling the truth or not.

After hearing all the evidence, the Judge wasted little time in convicting my co-defendant, the individual who had brought the cigarettes into my office, and acquitting me, indicating that there was not the slightest shred of evidence against me, including the polygraph. Since that time, the Prosecutor's office has indicated to me that their confidence in the polygraph was so shaken by our defense in my case, that they have decided not to take polygraphs into consideration in deciding whether to file charges or not in the future; thus, it appears that in the future, others will not have to suffer as I did because of the pseudoscientific hocus pocus of the polygraph hucksters.

Another positive effect that my trial had was to educate people in this area in a rather classic confrontation between objective facts and the polygraph, that the polygraph is indeed fallible and can do a great deal of damage.

I might mention that Dr. Doerr has become so interested in the use of the polygraph as a lie-detector, that he proposes to call a symposium of physiopsychologists from around the country in the near future to address themselves to just this question. I mention this because the product of this symposium might be of some use to you in gaining support for your Bill.

I apologize for taking so much of your time, but would again like to indicate my support and offer my assistance. If I can be of help to you in any way whatsoever, please do not hesitate to let me know. Anything I can do to prevent or minimize the damage and heartache the polygraph might cause to others, I will do. Thank you for your time.

Sincerely yours.

Roger W. Johnson.

Mr. ERVIN. Mr. President, quite apart from the unreliability of the polygraph are the questions of necessity in employment situations, due process rights, and basic fair play. Industrial use of the polygraph both for preemployment screening and for on-going surveillance of its work force has become more widespread. A report by the Maritime Trades published in 1970 indicates that:

> Industrial firms which use the polygraph run the gamut of America's economy.
>
> Many use polygraphs in an attempt to halt

> the theft of such state and federally regulated products as narcotics and alcohol—hence, drug and liquor manufacturers, hospitals and even doctors' offices, are frequent clients for polygraph agencies.
>
> Businesses such as electronic and chemical companies, which produce expensive products and which are concerned about possible theft of material or industrial espionage, frequently employ "lie detector" firms or maintain their own staff of examiners.
>
> Banks and investment firms, whose employees customarily handle large sums of money, have been among the more active users of polygraphs. So have mail order houses, discount shops, clothing and shoe stores, a leading restaurant chain, tobacco stores and supermarkets.
>
> Use of polygraphs on a regular basis has been found among delivery companies and freight movers—where pilferage has been a common complaint for years. But the devices are found, as well, among copper refiners, steel producers, rubber manufacturers, food and oil processors and meat packers.

The American Polygraph Association estimates that one-fourth of all major corporations now use the polygraph with between 200,000 and 300,000 tests administered last year in the United States alone.

However, it remains to be shown that the use of polygraph tests actually "screens out potential thieves" or "keeps workers honest." The main value of the polygraph apparently is the psychological pressures it brings to bear upon an employee or applicant. Whether the machine actually works is irrelevant to whether the subject believes it works. That is why proponents of the polygraph are intent on preserving its image.

What is a prospective employee to do when confronted by a polygraph examination. If an employee refuses to submit to the test then he is automatically suspected of "hiding" something. If he submits he is faced with the burden of proving his "honesty" to the satisfaction of the examiner. What has happened to our cherished presumption of innocence?

For example, in a published decision of the NLRB in the Lone Star Co and General Drivers, Warehousemen, and Helpers Local Union No. 968 case—No. 23–CA–1563, November 13, 1964—the following polygraph report was the basis for firing an employee.

> Subject Gailes has many, many gripes. Stated that his pay was too low, that he had to do too much work. States that he does not know just how much he is making per hour. States that he does not like the idea of having to leave his COD payments in a box to be counted by someone else the next day because he is being shorted. Stated that every pay day there is some taken out of his check because of errors in COD payments. States that the only way the company has been good to him is that when he had an emergency they loaned him some money. This person seemed very unhappy with the company. This person has taken the test about 5 or 6 times. He does not show much response to the relevant questions. There could be reasons for this: (1) he is completely innocent and therefore is unconcerned; (2) he has taken the test so many times that it does not bother him to lie which could be the reason; (3) he is the type of person who, because of his environment, has learned or been taught that stealing was not wrong and that everything that a person can get and get away with is theirs. There (sic) it is possible that a combination of things, his lack of concern for the test, and his guiltless feelings over stealing. Could be the reason for his lack of concern. Consider him a security risk.

Obviously the polygraph examiner rejected out of hand the possibility that Gailes was "completely innocent: of stealing from the company despite the lack of any evidence to the contrary. In assessing the conclusions of the polygraph report, the trial examiner said:

> Of course the most striking thing about this report is the admission that Gailes might be "completely innocent" of any wrongdoing. But if he was not innocent, what had he done? The report does not say and it does not even speculate on what Gailes "might possibly" have done. There is no evidence, however, that Lone Star inquired of Truth Verification which explanation—innocent or guilty—seemed more probable or that it asked what Gailes had done if the "completely innocent" explanation appeared the less likely of the two. Instead, Lone Star automatically accepted the concluding sentence "Consider him a security risk."
>
> But the most disturbing statement in the Gailes' report is that his failure to show "much response" to incriminating (relevant) questions may indicate "guilt" for in other reports too much response is said to indicate guilt. In short, it would seem that employees were termed security risks equally for giving too little response or too much response to relevant questions.

Fortunately for Gailes—and nine other individuals who also "failed" their polygraph tests and were discharged—the trial examiner ordered the company to offer them "immediate and full reinstatement to their former or substantially equivalent positions without prejudice to their seniority of other rights and privileges" and full back pay.

However, a woman in Idaho was not as fortunate in her experience with a polygraph examination. She was fired from her job for refusing to submit to the test. Since then, in addition to being unable to find another job, she has also been denied unemployment insurance benefits because the State department of employment considers her refusal to take the test "insubordination" and "noncompliance" with company policy. In appealing the ruling denying her unemployment benefits on the basis of her "misconduct"—refusing to submit to the polygraph test—wrote:

> When I agreed to work at the store, I was faced with the choice of starvation or submission to the polygraph examination. I much prefer to work instead of being supported by the government. However, I refuse to be taken advantage of. When I began to work, I did not know the polygraph examination included questions personal and in many instances unrelated to employment. The test including giving the examiner an itemized list of my bills and expenses per month. It also included questioning work habits and ethics of other employees—a practice I consider highly unethical. There were also questions of a legal nature—have you ever written a bad check? Do you use marijuana or narcotics? Have you ever driven while drunk?
>
> Of course, I was recommended for employment at the conclusion of the test; but having experienced a polygraph examination, I decided that starvation is better than submitting to personal probes of circumstances unrelated to employment. I feel it was demoralizing and a definite infringement of my rights. I believe an employee should not be coerced into giving personal information to an employer for the sake of being able to work for him.
>
> After learning what the polygraph examination involved, I would have been exceedingly stupid to consent to another examination of this sort—especially under an implied accusation concerning a shortage of money in the store.
>
> You determined that my unemployment is due to "having been discharged for misconduct in connection with the employment." Misconduct is defined in Webster's Dictionary as "improper or illegal conduct." I really can't understand how my refusal to publicize personal information can be construed as "improper conduct." I would think instead that being asked to reveal this information is "improper conduct."
>
> I am angered that retaining a job requires the sacrifice of principles and a willingness to reveal personal information. It it especially disappointing that my employer should state that I was "an honest and dependable employee" and say that he found that I went out of my way to do a very good job in the store—and yet fire me.

The statement to which she referred was a recommendation given her by her immediate supervisor. He wrote:

> She was released for refusing to take a polygraph examination. The examination is a company policy and if a person refuses to take it then [the Company] will no longer let them continue employment.
>
> [The woman] refused the exam because of personal principles and not because of dishonesty.
>
> It is my personal opinion that [the woman] was an honest and dependable employee.

Mr. President, in my opinion, a law-abiding person seeking a job should not be coerced by means of a lie detector to reveal personal information against his will. I am not questioning the right of an employer to hire whomever he feels would be the best candidate for a position or to dismiss an employee for cause. However, traditional employment screening procedures provide companies with ample access to sources of information on individuals without sacrificing the constitutional rights of all employees or applicants because of the transgressions of a few.

If an individual chooses not to respond to reasonable questions in a traditional employment interview and to provide proper information to facilitate inquiries about himself, then, of course, he should not be hired. Business must be able to protect itself. Yet, in this, as in other areas, expediency must not be permitted to negate the liberties of all Americans. Our rights should never be measured on a dollar-and-cents basis.

Recently I received a sampling of polygraph reports from the President of a large midwestern company which were intended to demonstrate how valuable the tests are in effective employee screening programs. In describing the results of the polygraph examinations he wrote:

> In practically every one of these cases the man involved was, from appearances, most acceptable, and it was only after a revelation of his past history that we could make a valid decision about his possibilities as an employee.
>
> You will notice that in all of these instances our decision was made on the evidence that the man himself gave. We did not condemn anyone because the machine or the examiner passed an opinion. The evidences here are based upon the statements made by the people being tested.

While these reports were sent to support the position that the polygraph was essential in employment, I submit that they may in fact show the opposite. If one discounts completely the evaluation of the examiner as to the subject's suitability or honesty, or the machine itself, the justification for its use evaporates.

Almost all of the case histories I received contained information pertaining to previous criminal activities. Many of the subjects had been arrested and convicted of varied offenses including glue sniffing, driving while intoxicated, selling drugs, rape, and armed robbery.

Several of the subjects had medical problems which would have prevented them from performing the duties of the position for which they were applying.

Some had poor work records.

Several had taken merchandise or money from previous employers.

A few were regular users of narcotics.

Since, in most instances such information is readily revealed and verified by traditional employment procedures, the polygraph is not essential in ferreting out this information.

Yet, these polygraph reports also contain a wealth of extraneous information unrelated to employment such as:

> He was arrested once for sniffing glue at the age of 13 or 14 and remanded to his mother's custody.
>
> The subject states that he had received a total of fifty cents in tips while working for [a Company].
>
> Subject has approximately $158 in fixed monthly bills of which $93 is his car payment. His just purchased his car last week and the first payment is due on 10/20/72.
>
> Subject was arrested in 6/71, he loaned his vehicle to an unlicensed drive (sic) who was involved in a car accident, released on bond. Charges dropped . . .
>
> Subject stated that between the age of 12 and 15, he occasionally shoplifted magazines, candy bars.
>
> Subject has approximately $268 in fixed monthly bills, all current. His wife is employed and has a monthly income of $450 gross.
>
> At the age of 13, subject was kicked in the genitals (involved in a fight) which resulted in some swelling. Subject has never seen a doctor for this and states no residual problem.

If this information is irrelevant, why collect it? Why report it? One answer is that irrelevant questions are required in order to establish reaction patterns for the relevant questions. However, I must admit that I can see no justification for this line of personal inquiry. It is scarcely compatible with the rights of privacy guaranteed our citizens.

And finally, what uses will be made of a polygraph report? In this computer age, every detail acquired from such investigations about a person's life, habits, attitudes, and beliefs can be made available in seconds. Therefore, it is more important than ever that the individual be assured that information conveyed about him be correct, current, and relevant to the decisions being made about him.

I was particularly disturbed to see that a carbon copy of one of the "confidential reports I received was sent to a private detective agency. Who else receives the information from polygraph reports? Do polygraph companies pool their information? If the judgment and evaluations of the polygraph examiner is made part of an indiivdual's personnel file, will it then find its way into credit files and the like?

These are not idle concerns. In view of the proliferation of the use of the polygraph, and other truth detection devices such as the Psychological Stress Evaluator (PSE) and "wiggle seat," we should all be concerned about the use of machines which compel people to reveal their innermost thoughts about their most personal matters in order to obtain employment.

The legislatures of our land have begun to express themselves against the use of such machines. To a varying degree 13 States prohibit the use of polygraph tests in connection with application for employment or as a condition to continuation of employment. Of the remaining States, 15 required polygraph operators to be licensed.

In conclusion, Mr. President, I would add that the purpose of the bill I introduce today is to protect the privacy and first amendment rights of all Americans. While the bill would not affect law enforcement or State or local governments, it would prohibit the compelling of Americans to submit to polygraphs in order to obtain or to hold a job in the Federal Government or in industries whose activities affect interstate commerce. The wealth of considered opinion on the unreliability of lie detectors and the unfairness of permitting them to be used as a test of employment has persuaded me that the time has now come for Congress to express itself against their use.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 2836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. It shall be unlawful for any officer or employee of any executive department or agency or any individual acting under the authority of such officer and employee to do the following:

(a) to require or request, or to attempt to require or request, any officer or employee of the United States, or any individual applying for employment as an officer or employee of the United States, to take any polygraph test in connection with his services or duties as such officer or employee, or in connection with such individual's application for employment;

(b) to deny employment to any individual, or to discharge discipline, or deny promotion to any officer or employee of the United States, or to threaten to commit any such act by reason of his refusal or failure to submit to such requirement or request.

SEC. 2. It shall be unlawful for any person engaged in any business or other activity in or affecting interstate commerce, or any individual acting under the authority of such person to do the following:

(a) to require or request, or to attempt to require or request any officer or employee employed by such person or any individual applying for employment in connection with such business or activity to take any polygraph test in connection with his services or duties or in connection with his application for employment.

(b) to deny employment to any individual, or to discharge, discipline, or deny promotion to any officer or employee employed in connection with such business or activity, or to threaten to commit such act by reason of his refusal or failure to submit to such requirement or request.

SEC. 3. Whoever willfully violates or willfully attempts to violate any of the provisions of this Act shall be guilty of a misdemeanor, and, upon conviction, shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or by both such fine and imprisonment.

SEC. 4. (a) Whenever—

(1) any officer or employee of any executive department or any executive agency of the United States Government, or any person acting or purporting to act under his authority, or

(2) any commissioned officer as defined in section 101 of title 10, United States Code, or any member of the Armed Forces acting or purporting to act under his authority, or

(3) any person engaged in any business or other activity in or affecting interstate commerce, or any individual acting under the authority of such person.

violates or threatens to violate any of the provisions of section 1 or 2 of this Act, any employee or officer of the United States, or any person applying for employment in the executive branch of the United States Government, or any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, or any individual applying for employment in connection with any business or activity engaged in or affecting interstate commerce, or any employee or officer employed by a person engaged in such business or activity, who is affected or aggrieved by the violation or threatened violation, may bring a civil action in his own behalf or in behalf of himself and others similarly situated, against the offending officer or employee or person in the United States District Court for the district in which the violation occurs or is threatened, or for the district in which the offending officer or person is found, or in the United States District Court for the District of Columbia, to prevent the threatened violation or to obtain redress against the consequences of the violation.

(b) Such United States district court shall have jurisdiction to try and determine such civil action irrespective of the actuality or amount of pecuniary injury done or threatened, and without regard to whether the aggrieved party shall have exhausted any administrative remedies that may be provided by law, and to issue such restraining order, interlocutory injunction, permanent injunction, or mandatory injunction, or enter such other judgment or decree as may be necessary or appropriate to prevent the threatened violation, or to afford the plaintiff and others similarly situated complete relief against the consequences of the violation.

(c) With the written consent of any person affected or aggrieved by a violation or threatened violation of section 1 or 2 of this Act, any employee organization may bring such action on behalf of such person, or may intervene in such action. For the purposes of this section, employee organizations shall be construed to include any brotherhood, council, federation, organization, union, or professional organization made up in whole or in part of employees and which has as one of its purposes dealing with departments, agencies, commissions, independent agencies of the United States, or with businesses and industries engaged in or affecting interstate commerce, concerning the conditions and terms of employment of such employees.

By Mr. HART (for himself, Mr. HUGH SCOTT, Mr. CASE, and Mr. CLARK):

S. 2837. A bill to regulate the interstate and foreign commerce trading of futures contracts in order to prevent unfair and deceptive acts and practices. Referred to the Committee on Agriculture and Forestry.

FUTURES EXCHANGE ACT

Mr. HART. Mr. President, today, with Senators HUGH SCOTT, Republican of Pennsylvania, CLIFFORD CASE, Republican of New Jersey, and DICK CLARK, Democrat of Iowa, I am introducing a comprehensive bill to regulate the trading of futures contracts. Senator HUMPHREY and Senator MCGOVERN previously introduced bills to strengthen regulation of futures contracts as did some Members of the House. It is my hope that all our efforts soon will result in action in this important field.

To the uninitiated, futures contracts are mystifying. They are simple in theory but complex in fact. Basically a futures contract is an agreement to buy or sell a good, service or intangible for delivery in the future. The contract is verbal only. It is traded on an exchange much like a stock. The contract terms are set forth in the rules and regulations of the exchange on which it is traded. A person who wants to buy or sell a futures contract places an order with a broker, who may sell stocks as well as futures. The order then is executed by a floor broker on one of the exchanges where the particular contract is traded. There are 13 active futures exchanges which, for the most part, trade different contracts.

The exchange rules state the quantity, quality and delivery places of the underlying good, service or intangible which is covered by a contract. Despite the fact that futures contracts provide for delivery, such delivery takes place less than 3 percent of the time. Futures contracts, then, are not a device to buy or sell products, but rather a paper transaction that various commercial interests claim they use to hedge against fluctuations in prices. Others who have no direct interest in the product also trade futures contracts in the hope of making a profit. They are called speculators.

Futures contracts are traded on a variety of things. Included are such agricultural commodities as cotton, corn, soybeans and wheat and food products produced primarily outside the United States such as cocoa, sugar, and coffee. Nonagricultural products also are involved, such as plywood, propane, silver and various moneys, for example, Japanese yen, British pound, deutsche mark, U.S. silver coins. It recently has been announced that trading will commence in ship charters and is being considered on home mortgages and petroleum. Trading has grown enormously. In 1972 the volume of trading was almost $400 billion. In 1973 it is expected to be $500 billion. In 1969 it was $81 billion.

The price of futures contracts potentially affects everyone for they serve as a basis for producer, middleman and consumer prices. For example, when a farmer brings his grain to the country elevator operator for sale, the country elevator operator often will pay the farmer based on the futures price, less charges for handling, storage, and transportation. A company selling flour to a baker to be delivered some months hence, will often contract with the baker at the futures price for wheat for the month nearest delivery time plus or minus a differential for processing and other costs. As the futures price is referred to in the various stages of processing, the price to the ultimate consumer is influenced by the futures price.

Commercial interests claim that they use futures contracts to shift the risk of price fluctuations to the speculator. They contend that without futures contracts consumers would have to bear the risk in the form of higher prices. This is the economic justification given for the existence of futures markets. Some people contend futures trading is merely legalized gambling. In any case, it appears futures trading is here to stay. Thus, it is crucial that it be adequately regulated.

Presently, there is a law—the Commodity Exchange Act—which regulates specifically listed commodities. It is administered by the Department of Agriculture's Commodity Exchange Authority. The act does not apply to most nonagricultural products such as money and plywood or to those products grown outside the United States like sugar, coffee and cocoa or the anticipated contracts in home mortgages and petroleum. In 1972 over $130 billion in futures contracts—or 30 percent of the total—were completely unregulated.

The attention of Congress and the press has focused on futures contracts in the past several months because of the volatility of the markets and rising food costs. Well-publicized is the fact that the soybean price rose about $3.30 to $12.90 a bushel and has settled at around $6 today. Corn and wheat also had gigantic price rises as did cocoa—which more than doubled. The causes of the volatility of the futures markets, some claim, were a lax Commodity Exchange Authority, the Russian wheat deal, manipulation of the markets by giant grain companies, excessive speculation, or all of those things. Others say merely the the markets reflected supply and demand. To me, the cause is unclear. What is important is that the wild fluctuations of those markets brought them to the public's attention. For the first time many people became aware of futures markets—and aware when the CEA was referred to, it did not necessarily mean the Council of Economic Advisors, but might mean the Commodity Exchange Authority.

Scrutiny of the futures market revealed many disturbing things—

First. Many contracts involving products essential to our well being were completely unregulated.

Second. Contracts that were regulated were under the jurisdiction of the Department of Agriculture although farmers seldom trade in futures and although futures contracts are much more like an insurance policy or a security than they are a sale of agricultural commodities.

Third. The Commodity Exchange Authority lacks sufficient personnel, money and legislative authority adequately to regulate the markets.

These conditions invite abuse of the markets.

The ideal market is one which reflects economic factors—supply, demand, financial conditions, and in the case of agricultural products, weather conditions, and crop failures. An ideal market is one not subject to manipulation by giant corporations or unscrupulous individuals. The thrust of this bill is to prevent any form of distortion of the markets so that they may function freely.

To date, much of the regulation has been left to the exchanges. While, indeed, some of the exchanges must be complimented on their self-regulation, one cannot expect those trading in this market to police themselves as diligently as is necessary. It is difficult to act both as the law enforcer and the accused.

Certainly, day-to-day operations of the exchange should be left to the exchanges. So should certain functions—like the setting of margins—with which the exchange may be more intimately acquainted than a Federal agency.

However, a Federal agency should have broad supervisory powers over an exchange, even as to something like margins. It is conceivable that an exchange might set a margin at 1 percent or 2 percent, a figure, I think, everyone would agree is too low. In such a situation, the Federal Government should have power to change the margin. Thus, while various sections of the bill give the exchange power to make rules and regulations regarding many functions of the exchange, section 202 provides that the Commission may modify rules of the exchange, after hearings and findings supported by those hearings. Basically, this bill gives the initial decisionmaking power to the exchange, with oversight power in the Commission.

The bill I introduce today, as those introduced by Senators HUMPHREY and MCGOVERN, sets up an independent agency to regulate trading of futures contracts. This is essential for several reasons. First, some futures contracts cover products, services, and intangibles, which are not agricultural in nature. Second, a futures contract does not relate directly to the underlying product but rather is more like insurance or a security. Third, this is an industry which has grown to a half a trillion dollars in volume—a size which would seem to make it merit a special agency to deal with its problems. Fourth, not only is the volume of trading large, but a fair market is essential to reasonable consumer prices.

This bill differs from those which have been introduced in the Senate in several significant ways:

First. It is a comprehensive bill. Rather than amending the Commodity Exchange Act, which has been amended 18 times and is now almost incomprehensible, this bill begins anew. While this may cause some members of the industry to feel insecure, surely if we are trying to improve the law it should be put into modern intelligible language. Those parts of the Commodity Exchange Act which are still relevant to the trading of futures contracts are incorporated in the bill.

Second. It requires exporters and importers to report to the Commission information relating to the initiation, completion or termination of negotiations for exports or imports. The purpose is to keep the Commission informed of the size of exports or imports so that if the amount is so substantial that it may cause a chaotic market the Commission may take action in the public interest. This provision is aimed at preventing the feverish trading—and distorted prices—which followed announcement of the Russian grain sale.

Third. It requires the clearinghouse or the exchange to make a daily record showing the time of each trade, the contract, the price, the delivery month, and the name of the trader. While some exchanges make part of this information available, none of them identify the trader because the broker is not required to give the name of the trader to the exchange. This bill requires him to do so. Certainly a case can be made that the name of the trader should not be made public, or else other traders might take unfair advantage of such information. However, it seems essential that the name of the trader, along with the other information required, be available to the Commission. This would allow the Commission to examine who had made what transactions during a given day and might well alert it to a potential manipulation of the market.

Fourth. The bill forbids foreign traders from trading on American futures markets unless they post a surety bond which will be forfeited if they refuse to submit to the jurisdiction of the courts, the Commission or an exchange. Recently, increasing numbers of foreign individuals and companies have begun to trade on U.S. futures markets. If those companies do not do business in the United States, there is no way to obtain jurisdiction over them should they violate a law of the United States. This provision would insure that they submit to the jurisdiction of U.S. authorities or forfeit a sum of money.

Fifth. The bill requires that a broker only take orders from persons he has reasonable grounds to believe are financially suited to deal in futures contracts and who sign a statement indicating that they understand the high probability of loss. Similarly, it requires advertisements and promotional literature to state that the trading of futures contracts is highly speculative. Studies indicate that futures trading is highly hazardous. These provisions would discourage anyone from dealing in futures contracts unless they are financially able to do so. This protects both the potential trader and the marketplace by keeping those out of it who are not financially able to meet its obligations.

Sixth. This bill requires that all persons who deal with the public—brokers, salesmen and investment advisers—and contract analysts, take examinations to demonstrate an understanding of the futures market. This should protect the public and the market from uninformed traders so the marketplace should function better.

Seventh. It prohibits any person from engaging in unfair and deceptive practices. Some are defined in this bill. This provision was made broad so that the Commission, either by rule or in court, would have the power to prohibit unfair and deceptive schemes as they are devised.

Eighth. It prevents the fixing of Commission rates. In the past, members of exchanges have price-fixed the amount of commission rates. This practice is being challenged in a suit by the Department of Justice. It also was challenged in some private suits which have been settled and would phase out one of the three types of commissions in 4 years. This provision goes further and makes price-fixing of all commissions illegal, which would seem in accordance with the antitrust laws.

Ninth. It permits the Commission to make exceptions for so-called world contracts—products which are produced primarily outside the United States and traded on foreign and U.S. exchanges. Exchanges trading such products contend they need certain exceptions. If this is true, the Commission may make such exceptions.

Tenth. It requires that the Commission approve the subject matter and the terms of all new contracts before they may be traded. This provision requires the Commission to determine whether or not the good, service or intangible is economically justifiable as the subject of a futures contract and also lets the Commission change or modify terms of the contract, including the number of delivery points. There has been widespread criticism of the exchanges for designating too few delivery points—resulting in squeezes which have driven prices unjustifiably high.

Eleventh. It prohibits floor brokers, salesmen and others who handle customer accounts from trading for their own account. This would prevent manipulation of the market by floor brokers and others for their own benefit, and to the detriment of their customers and the public. Some people contend that if floor brokers are adequately regulated the problem is solved. However, because it is almost impossible to secure evidence of such abuses—other than by admission—the most stringent regulation conceivable is inadequate.

Twelfth. It treats clearinghouses separately from exchanges, requiring them to register, set minimum capital requirements for their members and adequate margins. Although a clearinghouse is essential to the operation of an exchange and often is an integral part of it, not all members of the exchange are members of the clearinghouse. Its members have a crucial financial function and should meet standards different from the exchange members. Thus, exchanges and clearinghouses are treated separately.

Thirteen. This bill permits the Commission to charge each exchange an annual registration fee sufficient to cover 75 to 85 percent of the operating costs of the Commission. The fee is to be allocated among the exchanges in proportion to the number of contracts sold and purchased upon it. The exchange may collect the fee from traders. The purpose of this provision is to shift some of the cost of regulation from taxpayers to the people who benefit most directly from fair markets—traders. If a fee of 20 cents were charged each buyer and seller of a contract, and the number of contracts traded is near to 25 million as it was in fiscal 1972, the amount collected would be $10 million. Since the appropriation to the Commodity Exchange Authority for fiscal 1974 was about $3.5 million, $10 million may well be adequate to finance a substantial part of the Commission's expenditures. A fee of 20 cents per purchaser and seller of a contract is quite minimal when one recognizes, for example, that 1 contract for corn is a transaction involving about $15,000 as the contract is for 5,000 bushels and the futures price for December is roughly $3 per bushel.

This bill also gives the Commission power in emergency situations to stop trading or take similar action, to seek injunctions through its own attorneys, and to impose administrative penalties. It requires the Commission to make market surveys of products which are the subject matter for futures contracts and report such information to the public. The bill authorizes treble damages and a minimum jail sentence of 10 days for certain unfair and deceptive practices. All proceedings of the Commission are governed by the Administrative Procedure Act which, in many instances, requires findings based on public hearings.

Mr. President, I do not wish to burden the RECORD with an elaborate explanation of other provisions of this bill. I ask unanimous consent that its text be printed in the RECORD along with some selected and highly informative articles from the Des Moines Register which describe the need for regulation of futures contracts.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2837

A bill to regulate the interstate and foreign commerce trading of futures contracts in order to prevent unfair and deceptive acts and practices

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as the "Futures Exchange Act".

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TITLE I—FUTURES EXCHANGE COMMISSION

FINDINGS AND PURPOSE

SEC. 101. (a) Findings.—The Congress finds that—

(1) The trading of futures contracts substantially affects interstate and foreign commerce and the public interest, making it necessary for the Congress to regulate and control such transactions.

(2) Futures contracts are paper transactions traded on exchanges, by businessmen to hedge against price changes in a variety of products including grains and other agricultural products, moneys, and products produced outside the United States such as coffee and sugar. Speculators also trade futures contracts in the hope of making a profit.

(3) Some exchanges are considering trading futures contracts on intangibles such as ship charters and home mortgages.

(4) The price of futures contracts has a substantial impact on the economy and the consumer because futures contract prices are disseminated and quoted throughout the United States and in foreign countries as a basis for determining the price producers receive and consumers pay for goods, products, and services, sold in intertsate and foreign commerce.

(5) In 1973 prices of some futures contracts fluctuated so widely as to cause public alarm over the operation and regulation of such markets and arouse fear that the markets were manipulated.

(6) The number of persons trading futures contracts, located in the United States and abroad, has risen significantly in the last year as has the volume of trading which went from $81 billion in 1969 to $400 billion in 1972 with an anticipation of $500 billion in 1973.

(7) Futures contracts in a number of important consumer products such as coffee, sugar, cocoa, and plywood, amounting to a dollar volume of $131 billion in 1972, are totally unregulated.

(8) The trading of futures contracts substantially affects interstate and foreign commerce. The purchase or sale of futures contracts frequently originates outside the states in which the exchanges upon which such transactions occur are located, and such transactions are frequently carried out by means of the telephone, mails, and other instrumentalities of interstate commerce. The transactions involve the use of credit and directly affect the financing of trade and industry in interstate commerce.

(b) Purposes—It is therefore declared to be the purpose of Congress in this Act to prevent improper restraint of interstate and foreign commerce in the trading of futures contracts by—

(1) regulating all futures contracts to the full extent permissible under the commerce clause;

(2) outlawing unfair and deceptive practices that are likely to create artificial prices, volatile markets, or both;

(3) outlawing unfair and deceptive practices which may injure the public and others who trade;

(4) establishing an independent regulatory agency with broad powers to carry out the above purposes.

DEFINITIONS

SEC. 102. For the purposes of this Act—

(1) "person" means an individual, association, partnership, corporation, joint stock company, joint venture, unincorporated organization or trust, or other legal entity;

(2) "Commission" means the Futures Exchange Commission;

(3) "futures contract" means an agreement to buy or sell for delivery at a future time any specified quantity of goods, services, or other tangible or intangible things, other than—

(A) an ordinary commercial agreement between two parties, or their assignors or assignees, for the actual consumption, use, or sale of goods, services, or other tangible or intangible things, commonly known as a "deferred sale" or "forward contract"; and

(B) a security subject to regulation by the Securities and Exchange Commission;

(4) "futures commission merchant" means a person engaged in soliciting or in accepting orders for the purchase or sale of futures contracts for other persons and in providing for the execution of such orders;

(5) "futures contract salesman" means an individual employed by a futures commission merchant who solicits or accepts orders to buy or sell futures contracts;

(6) "floor broker" means a person who executes an order for the purchase or sale of futures contracts on an exchange for the account of another;

(7) "floor trader" means a person who executes an order on the floor of an exchange for the purchase or sale of a futures contract for his own account;

(8) "futures contract advisor" means a person who offers advice to any other person for compensation regarding the trading of futures contracts other than a person described in paragraph (4), (5), (6), or (7);

(9) "futures contract analyst" means an individual who engages in statistical or analytical work regarding the trading of futures contracts;

(10) "exchange" means any place where futures contracts are traded;

(11) "trader" means the real party in interest to the sale or purchase of a futures contract;

(12) "to trade" means to buy or sell futures contracts;

(13) "hedger" means a trader who purchases or sells futures contracts to shift the risk of price fluctuations of his own purchases or sales, or expected purchases or sales of actual goods, services, or other tangible or intangible things;

(14) "speculator" means a trader who is not a hedger; and

(15) "clearing house" means a central agency, which may be a separate entity or part of an exchange, through which transactions for the purchase and sale of futures contracts are settled by matching purchases with sales.

ESTABLISHMENT

SEC. 103. (a) There is established, as an independent agency of the United States Government, the Futures Exchange Commission.

(b) The principal office of the Commission shall be in or near the District of Columbia.

(c) The Commission shall have an official seal which shall be judicially noticed.

(d)(1) The Commission shall report to the Congress within ten days after the end of the fiscal year beginning July 1, 1974, and of every fiscal year thereafter, the action it has taken, the names, salaries, and duties of all individuals in its employ, and the money it has disbursed.

(2) The Commission shall provide to the Senate and to the House of Representatives all information, data, estimates, and statistics which any Committee of the Senate or House determines to be necessary in the performance of its oversight duties and functions with respect to the Commission. When the Commission transfers any book, paper, correspondence, memorandum, or other record, or copy thereof, to any other agency or person, it shall require the person who receives the record to agree to return the record to the Commission if the Commission receives a Congressional request under this section.

(3) Reports submitted under this subsection shall be in addition to any other reports required to be submitted by the Commission under any other provision of law.

(e) Notwithstanding the provisions of sections 516, 518 and 519 of title 28, United States Code,—

(1) The Commission may initiate any civil action to implement this Act, including actions for injunctions or declaratory relief, in its own name and through its own attorneys;

(2) Attorneys for the Commission shall supervise, and may, in the discretion of the Commission, conduct all litigation in any civil action to which the Commission is a party; and

(3) Attorneys for the Commission shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party, unless the Commission requests the Solicitor General to represent it.

(f) The provisions of the Administrative Procedure Act (title 5, United States Code, chapters 5 and 7) govern all proceedings by or before the Commission, unless, and to the extent, this Act provides to the contrary.

SEC. 104. (a) The Commission shall be composed of five Commissioners appointed by the President, by and with the advice and consent of the Senate. At least one member of the Commission shall be appointed from among persons who represent the interests of the consuming public. Not more than three of the Commissioners shall be members of the same political party. Each Commissioner shall be compensated at the rate provided by level IV of the executive pay rates (5 U.S.C. 5314), except as provided by section 106.

(b) Commissioners shall serve for terms of five years except that—

(1) The first five Commissioners to take office shall serve, as designated by the President at the time of appointment, one for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, and one for a term of five years;

(2) Any Commissioner appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall serve for the remainder of such term; and

(3) A Commissioner may continue to hold office for six months after the expiration of his term or until his successor is appointed

and confirmed by the Senate, whichever period is shorter.

(d) Vacancies in the membership of the Commission, so long as there are three Commissioners in office, shall not impair the power of the Commission to execute the purposes, functions, and powers of the Commission. Three Commissioners shall constitute a quorum for the transaction of business.

(e) No Commissioner shall accept employment or compensation from any person, exchange, or clearinghouse subject to regulation by the Commission under this Act during his term of office.

(f) No Commissioner shall conduct any ex parte discussion with any person concerning any rulemaking or adjudicative proceeding before the Commission. Any Commissioner who receives any ex parte communication concerning any rulemaking or adjudicative proceeding before the Commission shall, in writing, report the communications to the other commissioners and to the General Counsel.

(g) A Commissioner may be removed from office by the President for inefficiency, neglect of duty, or malfeasance in office and for no other reason.

CHAIRMAN

Sec. 105. The President shall appoint, by and with the advice and consent of the Senate, a member of the Commission as Chairman. The Chairman is the chief administrative officer of the Commission and presides at hearings before the Commission. He is compensated at a rate of annual compensation $500 in excess of that provided for the other commissioners, pursuant to section 104(a) of this Act. The President may at his pleasure, designate a different commissioner as Chairman, and the commissioner previously designated Chairman shall complete his term as an ordinary commissioner.

POWERS OF CHAIRMAN

Sec. 106. Subject to approval thereof by a majority of the Commission, the Chairman is authorized to—

(a) Establish the organizational units of the Commission and determine their functions, or modify the same;

(b) Appoint or remove officers or employees to head such units;

(c) Establish internal procedures of the Commission;

(d) Delegate any power granted to the Commission or any officer or employee thereof by this Act;

(e) Promulgate, after notice, any procedural rules or regulations necessary or appropriate to carry out the provisions of this Act;

(f) Define terms in this Act not defined herein, after notice, in a manner consistent with the policies of this Act; and

(g) Take any other action necessary to carry out the provisions of this Act.

PERSONNEL OF THE COMMISSION

Sec. 107. (a) The President shall appoint, by and with the advice and consent of the Senate, a General Counsel of the Commission, who is its chief legal officer.

(b) The Commission may appoint and fix the compensation of any officers and employees necessary to carry out the provisions of this Act, and prescribe their functions and duties.

(c) The Commission may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

TITLE II—REGISTRATION AND REPORTING

REGISTRATION OF FUTURES EXCHANGES

Sec. 201. (a) It is unlawful for an exchange to permit futures contracts to be traded upon it unless the exchange is registered with the Commission.

(b) The Commission will register an exchange after the exchange files a registration statement with the Commission, in the form and manner the Commission prescribes, which contains the following:

(1) An agreement to comply with, and to enforce, so far as is within its powers, compliance by its members with the provisions of this Act and of any rule made by the Commission under this Act.

(2) A copy of the Constitution and rules of the exchange which—

(A) provide for fair representation of members of the public on the Board of Directors of the exchange;

(B) provide for minimum financial requirements for futures commission merchants;

(C) require that any futures commission merchant, floor trader, floor broker, futures contract analyst, or futures contract salesman who has not acted in any of the aforesaid functions for at least one year prior to the effective date of this Act, pass a written examination testing his ability to perform that function before he may trade on that exchange, or advise any person who trades on that exchange, and provide for the administration of such examination;

(D) set standards of conduct for members;

(E) provide for investigation and audit of members;

(F) provide for efficient clearing and reporting of transactions;

(G) set the maximum amount the price of a futures contract may fluctuate per day above or below the previous closing price;

(H) set minimum margin requirements for traders;

(I) establish a procedure for the settlement of trader claims by voluntary arbitration or, at the election of the trader, by a committee, the majority of the membership of which are members of the public;

(J) require prior approval by the exchange of advertising and promotional literature;

(K) prohibit any person from acting as a floor trader and a floor broker, except to correct errors made by that person within one market day after the error was made; and

(L) provide for any other provisions as the Commission, by rule, finds necessary or appropriate to implement the policies of this Act.

(3) The Commission shall notify an exchange in writing if the registration statement of that exchange is inadequate and give a statement of reasons for that decision. Any exchange whose registration statement is rejected is entitled to a determination, on the record after opportunity for public hearing, whether it is entitled to be registered.

(c) The Commission may suspend or withdraw the registration of any exchange, after a determination, on the record after opportunity for public hearing, that it has violated any provision of this Act or the policies of this Act so require.

(d) The Commission may, ex parte and without notice, suspend the registration of any exchange, or any or all trading therein, for up to five business days, if it finds that the policies of this Act require.

(e) Any exchange operating on the effective date of this Act shall comply with the provisions of this section within 180 days after the Commission prescribes registration requirements under subsection (b). It may continue to operate as an exchange unless the Commission denies its registration.

EXCHANGE RULES

Sec. 202. (a) (1) Each exchange shall report to the Commission any change in its rules or regulations.

(2) Every change in the rules or regulations of an exchange shall be effective unless the Commission disapproves or modifies the rule or regulation after a determination, on the record after opportunity for hearing, that the change is inconsistent with the policies of this Act.

(b) The Commission may require an exchange to amend an existing rule, or adopt a new rule or regulation by order after a determination, on the record after opportunity for hearing, that such change is consistent with the policies of this Act.

EXCHANGE DISCIPLINARY PROCEDURES

Sec. 203. (a, (1) Any exchange or the Commission if the exchange fails to act, may suspend, expel, or discipline in any other way, any person who is a member of that exchange, or deny any person access to the exchange. Any such action shall be taken solely in accordance with the rules of that exchange.

(2) Any suspension, expulsion, disciplinary, or access denial procedure established by an exchange rule shall provide for written notice to the Commission and to the person who is suspended, expelled, or disciplined, or denied access, within thirty days, which includes the reasons for the exchange action in the form and manner the Commission prescribes. Otherwise the notice and reasons shall be kept confidential.

(b) (1) Any person suspended, expelled, disciplined by an exchange or denied access to it is entitled to Commission review of that decision, pursuant to such regulations as the Commission, by rule, prescribes.

(2) The Commission may, in its discretion, upon application of any person who is adversely affected by any other exchange action, review that action.

(c) The Commission may affirm, modify, set aside, or remand any exchange decision it reviews pursuant to subsection (b), after a determination on the record whether the action of the exchange was in accordance with the policies of this Act. Subject to judicial review pursuant to section 501, any order of the Commission entered pursuant to subsection (b) shall govern the exchange, in its further treatment of the matter.

(d) The Commission, in its discretion, may order a stay of any action taken pursuant to subsection (a) pending review thereof.

(e) Nothing in this section shall require any person to resort to the procedure set forth in subsection (b), or prohibit any person from seeking any other form of relief available to him under State or Federal law, or limit the liability of any person to suit by any state or federal regulatory or prosecutorial agency.

REGISTRATION OF PERSONS ENGAGED IN FUTURES TRADING

Sec. 204. (a) It is unlawful for any person to act as a futures commission merchant, floor broker, floor trader, futures contract analyst, futures contract advisor, or futures contract salesman unless he has registered with the Commission.

(b) The Commission shall register any person as a futures commission merchant, floor broker, futures contract analyst, futures contract adviser, or futures contract salesman after he files a registration statement containing the information, and in the form and manner, the Commission prescribes. The Commission may require by rule that any person registered under this section shall periodically update information in his registration statement.

(c) The Commission shall establish a written qualifying examination for any person to be registered under this section who is not examined by an exchange under section 201(b) (2) (C), and minimum financial requirements for any futures commission merchant who is not subject to an exchange rule under section 201(b) (2) (B).

(d) The Commission may suspend or withdraw the registration of any person registered under this section after a determination, on the record after opportunity for public hearing, that he has violated any provision of this Act or the policies of this Act so require.

(e) The Commission may, ex parte and

without notice, suspend the registration of any person under this section for a period not in excess of five business days if, in its determination, the policies of this Act so require.

(f) Every person who is a futures commission merchant, floor broker, floor trader, futures contract analyst, futures contract adviser, or futures contract salesman on the effective date of this Act shall file a registration statement with the Commission within 180 days after the Commission prescribes registration requirements. Any such person may continue to do business unless the Commission refuses to register him.

REGISTRATION OF CLEARINGHOUSE

Sec. 205. (a) It is unlawful for any clearinghouse to clear futures contracts traded on an exchange unless it shall have registered with the Commission as a clearinghouse.

(b) The Commission shall register any clearinghouse as such after it files a registration statement with the Commission containing the information, and in the form and manner, the Commission prescribes. Any clearinghouse shall be registered by the Commission only if its rules require its members to meet adequate minimum capital and margin requirements.

(c) The Commission may suspend or withdraw the registration of any clearinghouse after a determination, on the record after opportunity for public hearing, that it has violated any provision of this Act or the policies of this Act so require.

(d) The Commission may, ex parte and without notice, suspend the registration of any clearinghouse under this section for a period not in excess of five business days, if, in its determination, the policies of this Act so require.

(e) Every clearinghouse in existence on the effective date of this Act shall file a registration statement with the Commission within 180 days after the Commission prescribes registration requirements. Any clearinghouse may continue to do business unless the Commission refuses to register that clearinghouse.

RECORDKEEPING AND REPORTING REQUIREMENTS

Sec. 206. Every exchange, person, and clearinghouse registered under sections 201, 204, or 205 shall establish, preserve, and provide to the Commission any accounts, correspondence, memoranda, papers, books, or other records, which the Commission requires by rule or order. Every such exchange, person, and clearinghouse shall make such regular or special reports to the Commission relating to the trading of futures contracts or persons engaged in such trading which the Commission requires by rule or order. These reports shall be in addition to any other report required by this Act.

REPORTS OF TRADERS

Sec. 207. Every trader shall report to the Commission such information as the Commission may by rule, require relating to the purchase or sale of futures contracts or the purchase or sale of goods, services or other tangible or intangible things which are the subject matter of futures contracts.

EXCHANGE DAILY TRADING REPORTS

Sec. 208. (a) Each futures commission merchant shall report to his floor broker the name of each trader to a transaction. Each floor broker and floor trader shall report the name of the trader to the clearinghouse. The name of the trader shall be kept confidential except as provided in subsections (b) and (c).

(b) Every exchange, or its clearinghouse on its behalf, shall prepare a daily trading report in the form and manner which the Commission prescribes by rule. The daily trading report shall include—

(1) the time of each trade made on the exchange that day;

(2) the goods, services, or other tangible or intangible things which are the subject matter of the futures contract involved in each trade;

(3) the number of futures contracts involved in each trade;

(4) the price of the futures contract in each trade;

(5) the delivery month specified in the futures contract in each trade;

(6) the name of the traders involved in each trade; and

(7) any other information the Commission requires.

(c) Daily trading reports shall be made available to the Commission upon its request. The Commission may disclose daily trading reports, or information from those reports, to the public if, in the determination of the Commission, disclosure will further the policies of this Act.

(d) Before the beginning of trading each day the exchange shall make public the volume of trading on each type of contract for the previous day and such other information as the Commission deems necessary in the public interest.

EXPORTER AND IMPORTER REPORTS

Sec. 209. (a) Any person who negotiates to buy or sell goods, services or other tangible or intangible things from sellers or to buyers outside the United States, respectively, which are the subject matter of a futures contract, shall file an exporter-importer report with the Commission upon the initation, completion or termination of any negotiations with a person outside the United States relating to the purchase or sale of such goods, services or other tangible or intangible things. The reports shall contain such information and be filed in the form and manner the Commission prescribes. The Commission may require any subsequent reports under this section necessary to update the information in the exporter-importer report.

(b) The Commission may, by rule, establish exceptions from the requirement of subsection (a) for insubstantial amounts of exports or imports or for certain goods, services or other tangible or intangible things.

(c) Information in exporter-importer reports shall be confidential except as provided in subsection(d).

(d) The Commission may, ex parte and without notice, suspend trading in any futures contract for a period not in excess of three business days, make public any information in any report under subsection (a), or take other appropriate action, if, in its determination, the initiation, completion or termination of any negotiations reported under subsection (a) may cause a chaotic market for futures contracts, result in an unfair advantage to any trader, or otherwise conflict with the policies of this Act.

GOVERNMENT AGENCY REPORTS

Sec. 210. (a) The Department of Agriculture, Department of State, Department of Commerce, and any other government agency which has information which may affect the orderly trading of futures contracts, shall immediately report such information to the Commission.

(b) The Commission shall maintain liaison with any government agency which may have information relating to the trading of futures contracts.

MARKET INFORMATION

Sec. 211. (a) The Commission shall conduct regular investigations of the markets for goods, services, or other tangible and intangible things which are the subject of futures contracts, and furnish reports of the findings of these investigations to the public on a regular basis. These market reports shall include information on the supply, demand, prices, and other conditions in the United States and other countries in respect of such goods, services, or other tangible or intangible things, and information respecting the futures markets.

(b) The Commission shall cooperate with any other Federal agency which makes market investigations to avoid unnecessary duplication of information gathering activities.

(c) The Commission shall not disclose the names of individual companies unless it determines that such disclosure is in the public interest.

WAREHOUSE REPORTS

Sec. 212. Any person who operates a delivery facility in which goods deliverable in satisfaction of a futures contract are stored shall keep any records, make any reports, and permit any inspections by the Commission as the Commission may prescribe by rule or order.

WORLD CONTRACTS

Sec. 213. To the extent any of the provisions of Title II are inapplicable to world futures contracts the Commission may make an exception. A "world futures contract" means a future contract for a good, service, or other tangible or intangible thing which is—

(a) grown, mined, refined, or otherwise produced both in the United States and in foreign countries or exclusively in foreign countries, and

(b) the subject of active trading on exchanges located both in the United States and in foreign countries.

TITLE III—REGULATION OF TRADING

TRADING OF FUTURES CONTRACTS

Sec. 301. It is unlawful for any person to buy or sell, or offer to buy or sell, any futures contract except on an exchange registered under section 201.

APPROVAL OF NEW FUTURES CONTRACT

Sec. 302. (a) (1) It is unlawful to trade any futures contract unless the subject matter and terms of that contract are approved by the Commission.

(2) Paragraph (1) does not apply to any futures contract which was traded on an exchange during the year preceding the effective date of this Act, unless the Commission disapproves or modifies the contract pursuant to subsection (b).

(b) The Commission may approve, disapprove, or modify the terms of any futures contract, after a determination, on the record after opportunity for public hearing that there is no economic necessity for a futures contract covering the subject matter of the contract or that the terms of the contract, including the delivery points are inconsistent or impractical in light of the policies of this Act.

REGULATION OF TRADERS

Sec. 303. (a) It is unlawful for a futures commission merchant or futures contract salesman to accept an order from any person to buy or sell any futures contract and for a futures contract advisor to advise any person to buy or sell a futures contract unless he—

(1) has reasonable grounds to believe, after adequate inquiry, that such person is a suitable buyer or seller of that futures contract in light of the risk of the futures contract and the financial condition of that person; and

(2) obtains a signed statement from such person, in such form the Commission prescribes, which states that the person understands the speculative nature of futures contract trading, the high probability of loss of initial and later investments in futures contracts, and any other information the Commission prescribes.

(b) (1) No futures commission merchant shall accept an order to purchase or sell a futures contract from any person who is outside the United States or any country unless he has first obtained a surety bond from such person or country in an amount to be set by the Commission. The bond shall be forfeited to the United States if such person or country fails to submit to the jurisdiction of the United States courts, the Commission, or an exchange, for the purposes of enforcement or administration of this Act.

(2) The futures commission merchant shall be the agent of such person or country for service of process in matters relating to the enforcement or administration of this Act, unless such a person or country designates another person residing within the United States for that purpose, by filing a notice with the Commission so stating.

TRADING LIMITS

SEC. 304. (a) It is unlawful for any trader to purchase, sell or hold futures contracts in excess of any limitations which the Commission may, by rule, set on the amount of trading which may be done by any person in one day and on the number of contracts which may be held at any time by any person.

(b) The Commission may set different limits for bona fide hedgers than it sets for speculators. It may require that a bona fide hedger produce proof that his position is that of a bona fide hedger. The Commission shall define, by rule, what constitutes a bona fide hedger.

EMERGENCY POWERS

SEC. 305. The Commission, ex parte and without notice, may limit or suspend trading in any or all futures contracts, modify the terms of such contracts or take similar action in an emergency situation. An emergency situation may exist during time of war, a natural disaster in the United States or elsewhere, a severe financial crisis, or when an event occurs which threatens orderly trading in any or all futures contracts.

REGULATION OF ADVERTISING

SEC. 306. (a) It is unlawful for any person or exchange to advertise or disseminate promotional literature concerning the trading of futures contracts unless it states that the trading of futures contracts is highly speculative, and that the danger of loss of initial investment and later investments is substantial, together with any other information the Commission requires.

(b) The Commission may require prior approval of advertising or promotional literature unless the advertising has been approved by an exchange registered under section 201 of this Act.

COMMISSION RATES

SEC. 307. Neither the Commission nor any exchange shall set commission rates charged for the purchase or sale of futures contracts.

UNFAIR OR DECEPTIVE ACTS

SEC. 308. (a) It is unlawful for any person, clearinghouse, or exchange to engage in unfair or deceptive acts or practices in the trading of futures contracts in, affecting, or that may tend to affect commerce.

(b) For purposes of this section, unfair or deceptive acts or practices shall include, but not be limited to, the following—

(1) wash sales, cross trades, accommodation trades, bucket orders, and any act or practice intended to cause or the effect of which is to cause any price to be reported, registered or recorded, that is not a true and bona fide price;

(2) privileges, indemnities, options, bids, offers, advance guaranties, and decline guaranties;

(3) any act or practice intended to manipulate or the effect of which is to manipulate any price;

(4) any trick, scheme, or device to cheat or defraud any person;

(5) commingling money or property received for margin or security on futures contracts with any other money or property;

(6) using money or property received for margin or security for any purpose other than that for which it is held;

(7) reporting any false information to the Commission or exchange;

(8) acting as a trader of futures contracts and as a futures commission merchant, futures salesman, futures contract advisor or futures contract analyst;

(9) acting as a floor trader and as a floor broker, except for the purpose of correcting errors within one market day after the error was made;

(10) for a person or exchange to make false or misleading statements in an advertisement or promotional literature;

(11) for an exchange, clearinghouse, or any person to fail to obey an order of the Commission made pursuant to this Act;

(12) for any person, exchange or clearinghouse required to register, to fail to register or to engage in the trading of futures contracts or activities related thereto while his registration is suspended or withdrawn;

(13) for any person, exchange or clearinghouse required by this Act to make any report or keep any record, to fail to do so.

(c) The Commision may promulgate rules consistent with the policies of this Act, defining the terms used in subsection (b).

(d) (1) The Commission has the power to promulgate substantive rules, declaring acts or practices in futures trading unfair or deceptive, or as unfair or deceptive under, or except under specified conditions or circumstances.

(2) The Commission may promulgate such a rule only after it has determined, on the record after opportunity for public hearing, that the act or practice is inconsistent with the policies of this Act.

(3) A final rule promulgated pursuant to this subsection (d), from which no appeal or other review has been or can be taken or had, pursuant to section 501 of this Act, has the force of law.

TITLE IV—INVESTIGATION AND ADJUDICATIVE PROCEEDINGS

INSTITUTION OF INVESTIGATION

SEC. 401. If the head of the organizational unit within the Commission to which has been delegated responsibility for enforcement of or compliance with the requirements of this Act, pursuant to section 106(a), has reason to believe that any person, clearinghouse, or exchange is violating or has been violating any provision of this Act, or regulation or order issued thereunder, or is failing or has failed to comply therewith, he may cause an investigation thereof to be made. He may do so whether or not the subject matter of the investigation is involved in any proceeding before the Commission, a court, or other tribunal or body. Such investigation shall be a nonadjudicative proceeding.

SUBPENAS AND INVESTIGATIVE ORDERS

SEC. 402. (a) The head of the organizational unit within the Commission conducting an investigation pursuant to section 401 of this Act, may issue a subpena or order, in the name of the Commission, to any person, clearinghouse, or exchange within the jurisdiction of the United States, requiring him—

(1) to appear, accompanied by counsel if he so desires, before a designated officer or employee of the Commission, in a nonadjudicative proceeding, to testify, or to produce documentary evidence, or other information or material; or

(2) to file reports, or answers in writing to specific questions—relating to the subject matter of such investigation or which might lead to the discovery of information relevant thereto.

(b) A person required to appear pursuant to subsection (a) (1) is entitled to payment from the Commission of witness fees and expenses as prescribed for proceedings in the district courts.

(c) The manner and form of services of such subpenas and orders and of agency review of such subpenas and orders, is as the Chairman shall by regulation prescribe. pursuant to section 106 of this Act.

REVIEW AND ENFORCEMENT OF INVESTIGATORY SUBPOENAS AND ORDERS

SEC. 403. (a) (1) Any person, clearinghouse, or exchange subject to a subpoena or order pursuant to section 402(a) may, after exhaustion of administrative remedies provided purusant to section 402(c), secure judicial review thereof.

(2) The exclusive form of such review is by application to the United States District Court for the District of Columbia, except as provided by paragraph (3) of this subsection, for an order that the Commission show cause why the subpoena or order should not be set aside.

(3) If the order to be reviewed is a subpoena pursuant to section 402 (a) (1) of this Act, commanding a person to appear at a place more than 100 miles from the District of Columbia, the application may be made to the United States District Court for the district within which such place is located.

(b) (1) If any person, clearinghouse, or exchange neglects or fails to comply, in whole or in part, with a subpoena or order issued pursuant to section 402(c) of this Act, he may be given notice thereof. If such neglect or failure continues thereafter, the Commission may seek judicial enforcement of the subpoena or order.

(2) Such enforcement may be by applications to the United States District Court for the District of Columbia or to the United States District Court for the district within which is located the residence or place of business of the person, clearinghouse or exchange for an order that the person show cause why the subpoena or order should not be enforced against him.

(3) For the purposes of this subsection, the process of the United States District Court for the District of Columbia runs throughout the United States and otherwise as provided by the Federal Rules of Civil Procedure.

(4) Disobedience to any court order entered pursuant to this subsection is punishable as a contempt.

(c) If neglect or failure to comply with a subpoena or order continues for more than ten days after notice is given pursuant to subsection (b) (1) of this section, the person, clearinghouse, or exchange subject to subpoena or order will become liable to the United States for a civil penalty not to exceed $500 a day for each further day or neglect or failure. Such forfeiture may be recovered by the United States, whether or not an enforcement or review proceeding is instituted pursuant to this section, but the court may, at any time, stay accrual of further penalties if the interests of justice so require.

INSTITUTION OF ADJUDICATIVE PROCEEDING

SEC. 404. (a) If the General Counsel or the Commission has reason to believe that any person, clearinghouse, or exchange is violating or has been violating any provision of this Act, or a regulation or order issued thereunder, or is or has failed to comply therewith, and he or it believes that a proceeding in respect thereof would be in the public interest, he or it may cause an adjudicative proceeding to be instituted.

(b) Such proceeding is commenced by a notice or complaint issued in the name of the Commission. The proceeding is to be public, and all determinations must be made on the record. Any interested person is to be permitted to intervene as a party.

DISCOVERY; PROCEDURE

SEC. 405. (a) Any party to an adjudicative proceeding before the Commission may apply at any time to the officer presiding over the hearing for subpenas or discovery orders to provide testimony, evidence, depositions, or other information. The officer issues the same ex parte, in the name of the Commission. He may also issue such subpenas or orders on his own motion. Subpenas and orders may issue against any person within the jurisdiction of the United States, whether or not he is a party in the proceeding.

(b) (1) The Chairman shall prescribe rules of practice for discovery and other procedures applicable to adjudicative proceedings. Such rules will parallel the Federal Rules of Civil Procedure, as now in force or as amended hereafter, as closely as is deemed practicable. Such rules will provide, further, for the payment of witness fees and expenses as prescribed for proceedings in the district courts.

(2) Such rules may provide that, unless the Commission finds that allowing an immediate judicial review will not delay the proceeding, orders (or specified categories thereof) against a party in the proceeding, or actions adverse to him, may be reviewed judicially only upon review of the final decision or order of the Commission.

ORDERS IN ADJUDICATIVE PROCEEDINGS

SEC. 406. (a) The Commission may, upon finding that the respondent in an adjudicative proceeding has violated or failed to comply with any provision of this Act, or regulation or order issued thereunder, order any or all of the following forms of relief it finds to be in the public interest:

(1) that the respondent cease and desist from such violation or noncompliance;

(2) that the respondent take affirmative action to dissipate the effects of such violation or noncompliance;

(3) that the respondent make restitution to any person damaged by such violation or noncompliance;

(4) withdrawal or suspension of registration of the respondent; or

(5) any relief that a court of equity would have power to grant in the circumstances.

(b) Any relief ordered pursuant to subsection (a) of this section may be made subject to any condition, or withdrawn subject to any condition, unless any provision of law prohibits the Commission from directly imposing such a requirement on the respondent.

TITLE V—JUDICIAL PROCEEDINGS

JUDICIAL REVIEW

SEC. 501. (a) Final orders of the Commission pursuant to sections 201(b)(3)(B), 201(c), 202(a)(2), 202(b), 203(c), 204(d), 205(c), 302(b), 308(d) or 406 are reviewable as provided in title 28, chapter 158, United States Code.

(b) Emergency or short-term orders of the Commission pursuant to sections 201(d), 204 (e), 205(d), 209(d) or 305 are not reviewable or subject to stay, except upon a showing that the Commission acted wholly without jurisdiction or engaged in a gross abuse of discretion. Application for any such review or stay may be made only to the United States District Court for the District of Columbia pursuant to such rules as it prescribes.

(c) Other final orders of the Commission, except in matters confided solely to its discretion, may be reviewed by declaratory judgment action in the United States District Court for the District of Columbia, subject to the standards for review provided in title 5, chapter 7, United States Code.

CIVIL ENFORCEMENT PROCEEDING

SEC. 502. (a) Whenever any person, clearinghouse, or exchange appears to be violating or failing to comply with, or appears about to violate or fail to comply with, any provision of this Act, or regulation or order issued thereunder, or reporting or recordkeeping requirement thereunder or prescribed pursuant thereto, the Commission or its General Counsel may apply to any district court of the United States having jurisdiction of such person, clearinghouse or exchange for a temporary restraining order, preliminary injunction or permanent injunction.

(b) Any such action may also be brought in any district in which the person, clearinghouse, or exchange engaged in the acts or practices alleged to constitute such violation or noncompliance. For the purposes of this subsection the subpoenas of such court may be served throughout the United States.

(c) Upon a proper showing that, weighing the equities and considering the Commission's likelihood of ultimate success, such action would be in the public interest, the court shall grant such relief to the Commission, without bond, subject to subsection (d) of this section.

(d) If an administrative complaint is not filed, pursuant to section 404, within such period (not exceeding 20 days) as may be specified by the court, after issuance of a temporary restraining order or preliminary injunction, the order or injunction shall be dissolved by the court and be of no further force and effect.

CRIMINAL ENFORCEMENT

SEC. 503. (a) Any person, clearinghouse, or exchange that knowingly and wilfully violates or fails to comply with any provision of this Act, regulation or order issued thereunder, reporting or recordkeeping requirement thereunder or prescribed pursuant thereto, is guilty of an offense.

(b) Punishment for the offenses proscribed by subsection (a) of this section shall be, upon conviction thereof:

(1) if the violation or noncompliance is intentional, and is of section 308(b)(1) through (4) of this Act, or of a final order of the Commission pursuant to section 406 (a)(1) through (2) in respect to a violation of or noncompliance with section 308(b)(1) through (4), the offense is a felony and is punishable by imprisonment for not less than ten days nor more than five years, a fine not to exceed $500,000 or both;

(2) for any other violation of or noncompliance with section 308 of this Act, the offense is a misdemeanor and is punishable by a fine not to exceed $100,000.

(c) Whenever the General Counsel has reason to believe that any person, clearinghouse, or exchange has committed an offense proscribed by this subsection, he shall report the pertinent facts to the Attorney General.

CIVIL PENALTY FOR DISOBEDIENCE TO FINAL ORDER

SEC. 504. Any person, clearinghouse, or exchange that violates or fails to comply with an order of the Commission pursuant to section 406, after the order has become final and while it is in effect, shall forfeit and pay to the United States a civil penalty of not more than $100,000. Such penalty shall accrue to the United States and may be recovered by it in a civil action. Any such action shall be barred unless commenced within five years after the cause of action accrued.

CIVIL ACTION FOR DAMAGES

SEC. 505. (a) Any person who is injured by a violation of any provision of this Act or regulation or order issued thereunder by the Commission or any exchange, may bring a civil action for restitution in any district court having jurisdiction of the party who caused such injury. In any such action, an order of the Commission pursuant to section 406(a)(3) of this Act shall constitute prima facie evidence as to liability between the parties.

(b) Any person who is injured by a willful violation of any provision of this Act, or regulation or order issued thereunder, may bring a civil action for threefold the damages sustained by him, and the cost of suit including reasonable attorney's fees, in any district court having jurisdiction of the party who caused such injury.

(c) (1) A final judgment or decree rendered in any criminal prosecution brought by the United States or in any civil action brought by the Commission under this Act, to the effect that a defendant has violated a provision of this Act, or regulation or order issued thereunder shall be prima facie evidence against such defendant in any civil action brought against him for violation of said provision of this Act or regulation, as to all matters respecting which said judgment or decree would be an estoppel as between the parties thereto.

(2) This subsection shall not apply to consent judgments or decrees entered before any testimony is taken.

(d) Whenever a civil action is brought by the Commission or a criminal prosecution by the United States, the running of the statute of limitations in respect of every private right of action based in whole or in part on any matter complained of in said action or proceeding shall be suspended during the pendency thereof.

TITLE VI—MISCELLANEOUS

REGISTRATION FEE

SEC. 601. (a) The Commission shall prescribe, by rule, an annual fee to be charged each exchange to continue its registration and furnish other services provided by the Commission pursuant to this Act. The fee collected from all exchanges shall be designed to effect an overall recovery 75 percent to 85 percent of the operating costs of the Commission and shall be allocated among the exchanges in proportion to the number of contracts purchased or sold on the exchange in the year prior to assessment of the fee.

AUTHORIZATION OF APPROPRIATIONS

SEC. 602. (a) Upon the completion of a comprehensive investigation, including a hearing into the operations of the Commission by the Senate Committee on Agriculture or the House of Representatives Committee on Agriculture, and submission of a report to the Congress by the committee which conducts the investigation, there are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this Act for the next fiscal year after the submission of such a report, such funds as are necessary for that fiscal year.

(b) (1) The condition upon authorization of appropriations in subsection (a) shall not apply if the Chairman of either committee certifies to the Congress that an investigation into the operations of the Commission is not necessary to effective Congressional oversight of the Commission for that year.

(2) The condition on authorization of appropriations cannot be waived under paragraph (1) for more than two consecutive years.

TRANSFER OF FUNCTIONS AND PROPERTY

SEC. 603. (a) (1) There are transferred to the Commission, and the Commission shall perform, those functions carried out by the Commodity Exchange Commission.

(2) Any function carried out by the Attorney General, the Secretary of Agriculture, or the Secretary of Commerce under the Commodity Exchange Act is transferred to the Commission and the Commission shall perform that function.

(b) The President may, within a period of one year after the effective date of this Act, transfer to the Commission any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function relates primarily to the primary function of the Commission or to functions transferred to the Commission under this section.

(c) On the effective date of this Act, the Commodity Exchange Commission shall cease to exist.

(d) All assets, liabilities, contracts, property, and records that the Director of the Office of Management and Budget determines, in his discretion, are employed, held, or used primarily in connection with any function transferred to the Commission under this section are transferred to the Commission.

EFFECT ON EXISTING LAW

SEC. 604. (a) The enforcement procedures specified in sections 502–503 are cumulative, and the government may institute proceedings under any or all such sections concurrently or successively. Those procedures are in addition to any and all other rights and remedies that may exist.

(b) Nothing in this Act shall be construed to limit the applicability of any other provision of federal or state law, nor to require the United States, any state government or any person granted a remedy by another federal or state law to resort to proceedings before the Commission as a condition, precedent to relief under such federal or state law.

CONFORMING AMENDMENTS

SEC. 605. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Chairman, Futures Exchange Commission."

(b) Section 5315 of such title is amended by redesignating the second paragraph (97) as (98), and by adding at the end thereof the following new paragraph:

"(99) Members, Futures Exchange Commission (4)."

(c) Section 5316 of title 5, United States Code, is amended by redesignating the second paragraph (133) as (134), and by adding at the end thereof the following:

"(135) General Counsel, Futures Exchange Commission."

SAVINGS CLAUSE

SEC. 606. This Act does not affect rights or duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SEVERABILITY

SEC. 607. If part of this Act is invalid, all parts that are severable from the invalid part remain in effect. If a part of this Act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

EFFECTIVE DATE

SEC. 608. This Act shall be effective 180 days after the day on which it is enacted.

[From the Des Moines Sunday Register, Feb. 18, 1973]

LAX COMMODITY REGULATION—FEW CONTROLS FOR PUBLIC IN FUTURES MART; RIGGED MARKET CAN HURT CONSUMER

(By Clark Mollenhoff, James Risser and George Anthan)

(NOTE.—This is the first story in a series of articles examining regulation of commodity trading. The series was prepared by the three members of The Register's Washington Bureau who conducted a two-month investigation in Washington, D.C., Chicago, Ill., and Kansas City, Mo.)

WASHINGTON, D.C.—The $200-billion-a-year commodity futures market is booming along with virtually no controls to protect millions of small traders and the consuming public, which eventually buys the foodstuffs traded there.

The U.S. Commodity Exchange Authority (CEA)—the federal agency charged by law with responsibility for regulating the market—has, in part, turned this task over to the professional traders themselves, who operate in a club-like atmosphere at the various exchanges.

There are strong indications rigged markets in wheat, eggs and meats have cost the public, the small commodity-traders and farmers millions of dollars.

For example, commodities industry officials themselves agree that a recent suspected manipulation of the egg futures market artificially boosted the price of eggs on supermarket shelves.

At the same time, there is little evidence that those responsible for market manipulations and other serious abuses have received much more than a slap on the wrist.

Seven years ago, following a major commodities scandal, the General Accounting Office (GAO) conducted a thorough study of the CEA's regulatory activities and termed them "inadequate."

The prestigious congressional watchdog agency issued a set of strongly worded recommendations to the CEA—moves designed to insure that the public, from the casual trader trying to make a few dollars purchasing commodity futures to the housewife doing her weekly grocery shopping, is adequately protected.

REGISTER PROBE

Now, a Des Moines Register investigation shows that the CEA, a U.S. Department of Agriculture agency, has paid little or no attention to the recommendations of the GAO auditors.

In fact, the level of CEA regulation of the market has declined during the seven years, even as the volume of commodity trading has soared to record levels.

As a result, the operation of these markets is open to serious abuse, including price manipulations and other collusive and deceptive practices by those who specialize in buying and selling at the commodity exchanges.

The CEA itself acknowledges that "if trading on commodity exchanges is not conducted according to equitable rules constantly enforced, unfair practices may distort or depress farm prices, open the way to price manipulations and make it possible for avaricious dealers to 'corner' certain markets and exploit them to their profit."

The frantic excitement of the floor trading at the 20 commodity exchanges in Chicago, Ill., Kansas City, Mo., New York, N.Y., and other cities is a sharp contrast to the serene atmosphere in the office here of Alex C. Caldwell, the CEA administrator, who contends somewhat complacently that the small traders and the public are being adequately safeguarded.

On the one hand, Caldwell frankly admits a lack of manpower to police the rapidly expanding commodity markets that have become, in a sense, the biggest legal gambling game in the nation—and probably in the world.

NO REQUESTS

At the same time, the quiet administrator admits he has refused to ask Congress for more resources to meet the criticisms leveled in the GAO's indictment of his agency.

The 57-year-old Caldwell has held his job since 1960 and has, over the years, had the authority to act against frauds and to advise Congress of the inadequacies of his personnel and of the regulatory law itself.

TYPICAL REPORT

But his report to Congress last year was typical. While admitting to the House Agriculture Appropriations Subcommittee that the CEA workload, customer complaints and evidence of serious violations were rapidly increasing and were "a matter of concern," he asked Congress for no help. In fact, he noted that with 175 authorized employees scattered across the country he was operating with 22 fewer authorized employees than two years earlier.

While Caldwell speaks of his confidence that he and his CEA staff are doing the best they can to regulate the commodity futures market, some veterans of many years in active trading at commodity exchanges contend the CEA concentrates largely on minor offenders who lack influence and whose transgressions are relatively easy to detect.

And some honest-minded commodities insiders who have questioned the way the CEA and the government-sanctioned industry-policing system operate have found themselves subject to reprisals by their colleagues in "star chamber" proceedings. There they are barred from being represented by a lawyer or subpoenaing witnesses or documents they believe necessary to prove their case.

These are the major elements in a long-standing situation which has, for the most part, escaped public attention because of the close ties between the regulators and the regulated, and because of the exceedingly complicated nature of commodity futures.

Only recently have a few victims begun to strike back by filing lawsuits demanding repayment of money they have lost in alleged price-manipulation schemes.

Others have attempted to break the monopoly that exchange members hold over fees they receive from the public for buying and selling futures contracts.

The CEA dates back to 1936, when Congress passed the Commodity Exchange Act in an effort to strengthen government regulation over future trading on agricultural products.

FUTURES TRADING

Futures trading involves the sale and purchase of contracts to deliver farm products at some time in the future. Without such trading, prices for farm products could be expected to drop disastrously at harvest times when supplies are great, and rise to astronomical levels when harvest stocks are depleted and supplies are short.

Trading begins when a farmer offers his product for sale, with delivery to come at some future date. He wants to receive the highest price possible. At the other end is the consumer who wants to pay the lowest price possible.

Contracts to purchase the farmer's product are entered into not just one. They are traded back and forth many times at the commodity exchanges by speculators who constantly appraise the going prices for the farmer's goods and other market influences. When a speculator believes the price of, say, wheat will rise, he buys contracts to receive delivery of wheat in some future month. If the price does, in fact, rise, he can later sell his futures contract at a handsome profit.

On the other hand, if the speculator believes the price of wheat will fall, he will try to sell contracts to deliver future wheat at today's prices.

Ninety-nine times out of a 100, statistics show, the buyer of a futures contract does not receive, nor does the seller deliver, the actual commodity. Most of the transactions are paper ones in which much money—but little produce—is involved. Much of the buying and selling is the result of traders "speculating," or entering into "hedging" contracts to protect their positions in other contracts, or engaging in "spreading" or "straddling" contracts, or a variety of other transactions whose terminology bewilders those not initiated into the complex fraternity of the big commodity traders.

Despite the complex nature of the commodities markets, a rapidly increasing number of small investors are, as one industry analyst put it, "stumbling pell-mell into this thing."

In 1967, for example, there were 9 million "contracts" traded at the nation's 20 commodity exchanges. By 1972 this had nearly doubled to a total of 17.8 million trades. And the number is increasing at about 20 per cent a year.

Commodities traded on the exchanges include corn, wheat, soybeans, cotton, shell eggs, cattle, pork bellies (uncured bacon) and a host of other products.

Hundreds of millions of dollars in futures contracts are entered into each day in the noisy trading pits on the floors of the Chicago Board of Trade, the Chicago Mercantile Exchange, the Kansas City Board of Trade and elsewhere.

Floor traders and brokers shout back and forth in a frantic effort to execute buy and sell orders from their customers, or even to pick up a quick profit for themselves.

EXCHANGE PROBLEMS

Problems can arise at the exchanges when a big trader, the price of a commodity by buying large quantities in an attempt to drive prices up, or by large-scale selling to drive prices down. It is in such circumstances that an effort to achieve a "corner" or "squeeze" on the market may develop—practices which are illegal and which may or may not be detected by the CEA.

The close ties between the CEA, representing the public, and the commodity markets, representing the brokers and traders, was illustrated recently in Kansas City.

The CEA learned of allegations that a group of prominent grain traders on the Kansas City Board of Trade had rigged the wheat futures market there in an attempt to drive up the government's wheat export subsidy at the time of last year's huge and unprecedented wheat sales to the Soviet Union.

Such an action, if successful, could result in substantial benefits to large grain exporting firms which receive the subsidies.

Caldwell acknowledged the CEA turned the informaiton on alleged rigging over to the Kansas City Board of Trade. It reported, after an inquiry, that there was "no basis for complaint."

The board and its investigating committees are made up of the commodity traders. Because the case could involve influential members of the board of trade, Caldwell agreed the CEA's action, in effect, may have amounted to a request that possible wrongdoers investigate themselves.

He emphasized, however, that the CEA is continuing its own investigation in the case.

MAJOR PROBLEM

CEA administrator Caldwell's first major problem in policing the burgeoning industry came in 1964 with the exposure of Tino Deangelis's spectacular scheme to corner the soybean oil and cottonseed oil markets.

Deangelis also had obtained millions of dollars in loans, using non-existent stocks of salad oils as collateral.

A Senate investigating committee that probed the case concluded the schemes had been made possible in part by a reluctance of the CEA to fully investigate the trade practices of Deangelis and others engaged in salad oil futures trading.

Even now, Caldwell contends the CEA could not have prevented the $150 million Deangelis swindle that affected more than 50 of the most respected banks, brokerage houses and trading companies in the U.S.

General Nathan Kossack, the inspector general later issued a report criticizing CEA's handling of the case. The report has never been made public and Caldwell refused a request for a copy. Neither would he talk about its contents.

Inspector General Nathaniel Kossack said he would not produce a copy of the report because the Agriculture Department takes the position his reports are internal advisories to agency heads and exempt from mandatory disclosure under the Freedom of Information Act. But he said there is legally nothing to prevent Caldwell from releasing or discussing the report.

It was the Deangelis case that prompted the investigation by the GAO. In July, 1965, the investigators blasted the CEA for not doing an adequate job of ferreting out abuses in futures trading which then totaled $60 billion a year.

Today, the volume of trading is more than three times what it was in 1965.

But by any standard of relative measurement, the CEA actually has fallen behind in the seven years since the GAO recommended tougher enforcement. And while there have been some meager additions to the CEA staff in the intervening years, the agency has been virtually submerged by the growth of the industry it regulates and by the added responsibilities Congress has given it.

In 1971, for example, the CEA had to process some 676,000 reports filed by trading companies—nearly 3,000 each market day.

Because the CEA has done little to correct its faults since the GAO issued its report, the findings of the GAO study are important in assessing CEA activities today.

STILL NO PROBE

The GAO found that CEA was not making a sufficient number of over-all investigations of the major regulated commodities—a study of the sale of soybean oil futures, for example, to uncover abusive trading practices. At that time, the CEA had never investigated the soybean, soybean oil and soybean meal futures which then had a total annual traded volume of $26.5 billion.

There still has not been an overall investigation to see if soybean trading is being operated honestly, because, Caldwell says, "It would tie up our whole staff for a year."

* * * * *

In these cases, complaints usually were issued. However, the CEA then failed to perform follow-up investigations to determine whether the abuses had been corrected, the report said.

The GAO decided to conduct its own market investigation at one major exchange and during a three-month period turned up 47 cases of "questionable trading practices" in the sale of wheat and flaxseed futures.

Informed of these findings, the CEA investigated and found fictitious and noncompetitive sales to have occurred. A commission merchant firm was put on probation and two of its officials were denied trading privileges at the exchange for 20 and 30 days.

Caldwell then, as now, insisted his agency could not conduct comprehensive market probes with the manpower it had. But the GAO firmly rejected this argument, stating that the regulatory agency "can not limit its responsibility to properly police trade practices on contract markets merely because additional manpower and funds may have to be requested and obtained for this purpose."

Caldwell pleaded in 1965 that he could not do a useful trade-practice investigation unless he could take the time to study the thousands of trading transactions involving a particular commodity for an entire week.

Again the GAO disagreed, noting that a CEA study of only part of the transactions during a single day's trading in wheat futures had turned up violations that resulted in filing of complaints against 11 persons.

LIMITED STUDIES

Now, Caldwell says the CEA has decided to abandon the over-all trade-practice investigations in favor of some limited probes of trading by individual firms. Even one market-wide investigation, said Caldwell, would "overwhelm" his agency in the current era of high-volume commodity trading.

The GAO also reported in 1965 that the CEA did not review, on a periodic basis, the records of the commodity exchanges and thus had no way of knowing whether tre exchanges were enforcing their own rules designed to prevent illegal and unethical practices by exchange members.

This "failure" by the CEA to inspect records and check on the adequacy of punishment of violators by the exchanges, said the GAO, "reduced the effectiveness of CEA's administration and enforcement of the provisions of the (Community Exchange) Act."

Caldwell, in two interviews, expressed little concern about the exchanges' handling of these matters, saying he is "all for self-policing" by the exchanges.

One of the most serious shortcomings of the CEA, according to the congressional agency, was its failure to evaluate the effect on futures prices of "floor trading," where a trader on a commodity exchange is permitted to buy and sell not only for his customers, but for himself.

"SPECIAL ADVANTAGES"

The GAO pointed out that professional floor traders, because of their special knowledge and constant presence in the exchange, "enjoy special advantages" over the rest of the trading public. The agency said this opens the door for such abuses as the floor trader obtaining more favorable deals for himself than for his customers.

Thus, said the GAO, the CEA should investigate floor trading to see whether the practice should be curtailed as the Securities and Exchange Commission has done with regard to brokers at the regulated stock exchanges.

CEA chief Caldwell admits "floor trading ing", could result in serious conflicts of interest, where the trader might substitute his own unprofitable trades for a customer's profitable ones. He also admits the CEA has done little to regulate this activity.

But Caldwell said he considers any such investigation "low priority." He has consistently refused to ask Congress for funds to carry out such studies.

DISPUTES CALDWELL

Caldwell's lack of concern about the problem was disputed by a Chicago lawyer who for 20 years was a trader on the floor of the Chicago Mercantile Exchange. He said of the floor traders:

"If a fellow handles a customer's orders—say you wanted me to buy some (hog) bellies for you—I should not be allowed to trade for myself. All sorts of things can happen. You lay yourself open to all sorts of hanky-panky."

And William Phelan, who heads the Mercantile Exchange's 15-member investigations staff, aknowledged: "There's an unbelievable temptation, if the trader sees that his own account shows a loss and the customer's account shows a profit."

The Job They Perform

Washington, D.C.—The nation's commodity exchanges—where future crops of grain are traded, where young cattle and hogs still on the farm are bought and sold, and where fortunes can be won or lost in an instant—are a complex outgrowth of the need to provide a place for the orderly marketing of agricultural products.

Until the development of the commodities markets in the mid-1800's, trading in grains, particularly, was chaotic, as corn, wheat and oats would pour into Chicago, Ill., at harvest time. This created a glut, resulting in low prices for farmers and the dumping of bargeloads of grain into Lake Michigan.

At other times of year, the situation was the opposite. Grain stocks were depleted, and demand drove prices skyhigh.

Today, the main business at the 20 commodity exchanges in the U.S. is the trading of "commodity futures"— contracts for the sale and purchase of future farm products. Selling crops and livestock in advance, at definite prices, helps stabilize prices and provides a more even flow of products to market.

Commodity exchanges often go by the name of "Board of Trade" or "Mercantile Exchange." They are located in Chicago, Kansas City, Mo., New York, N.Y., Minneapolis, Minn. and a number of other key shipping and port cities.

The futures trading is conducted in trading "pits" on the floors of the exchanges, by commodity brokers and floor traders who have purchased a membership at the exchange. They buy and sell commodity futures contracts for their customers, ranging from giant grain companies down to the ordinary smalltime investor, or for themselves. When acting for customers, they are paid commissions for their services.

The exchanges operate under a two-part system of regulation—the federal Commodity Exchange Act passed by Congress in 1936, and the exchanges' own rules and regulations.

The Commodity Exchange Act, an outgrowth of the earlier Grain Futures Act of 1922, is administered by the Commodity Exchange Authority, an agency of the U.S. Department of Agriculture. The CEA has headquarters in Washington, D.C., and regional offices at major exchange cities. Alex C. Caldwell has been administrator of CEA for the past 13 years.

Purpose of the Commodity Exchange Act, said Congress at the time of its passage, "is to insure fair practice and honest dealing on the commodity exchanges and to provide a measure of control over those forms of speculative activity which too often demoralize the markets to the injury of producers and consumers and the exchanges themselves."

A prime responsibility of the CEA is to enforce the act and to guard against price manipulation and other illegal market activities in which a trader or group of traders tries to unlawfully "corner" or "squeeze" the market in a particular commodity and thereby influence the price in their favor.

The line between such lawful trading practices as "hedging," "spreading," and "straddling" and unlawful manipulation is not always a distinct one. It poses problems for government regulators and the courts.

The CEA also has responsibility under the act for designating exchanges as lawful contract markets where futures trading may be carried on, for registering commodity brokerage firms and floor traders, for setting minimum financial requirements for the trading houses, for protecting customers' funds through surprise audits and other means, and for dealing with violators through negotiation, administrative complaint or criminal prosecution. Penalties may include cease-and desist orders, temporary or permanent loss of trading privileges, fines or prison sentences.

The volume of futures trading regulated by the CEA has grown steadily. Fifteen million or more futures contracts are expected to be transacted this year with a total value of $200 billion—triple the figure of just seven years ago.

In the same period of time, the size of the CEA staff has remained essentially the same, with the exception of the addition of a few employes when Congress gave the agency more responsibilities in 1968.

The General Accounting Office, which found in 1965 that the CEA was doing an inadequate job of regulation, recommended that Caldwell seek more funds and personnel—an unusual recommendation from the cost-conscious congressional watchdog agency.

The CEA operates on an annual budget of $2.9 million, and has about 170 employes. It must audit the activities of some 275 registered brokerage firms and about 1,300 floor brokers.

[From the Des Moines Register, Feb. 19, 1973]

TEN-CENT RISE IN EGGS TIED TO "RIGGING"

(By George Anthan and James Risser)

CHICAGO, ILL.—An alleged price rigging of the egg futures market in Chicago in 1970 continued undetected for nearly a year and boosted the supermarket price of eggs by as much as 10 cents a dozen, The Register has learned.

In another price manipulation case—this one involving a giant grain company's unlawful control of the wheat market in 1963—the firm got off without any penalty other than a meaningless probation period.

MANIPULATION POTENTIAL

The two incidents illustrate the enormous potential for manipulation and other frauds in the nation's commodity markets, and the fact that the U.S. Commodity Exchange Authority (CEA) often moves slowly and timidly against violators.

The federal law governing the commodity markets, as well as the publications of the CEA, stress that future trading is particularly "susceptible to speculation, manipulation and control."

Attempts by individuals or a group of conspirators to artificially raise or depress the price of foodstuffs traded on the exchanges will, if allowed to go unchecked, be "detrimental to the producer (farmer) or the consumer and the persons handling commodities," the law warns.

Yet a former high official of the Chicago Mercantile Exchange estimates privately that for every price manipulation case prosecuted by the CEA, eight or nine other price riggings go undiscovered.

When the CEA does move in, it does so slowly. A Chicago lawyer familiar with the inside workings of the commodity markets said, "A regulatory agency like the CEA should be able to move with lightning speed. But they drag the cases out and then impose relatively meaningless punishment."

DEFEND REGULATION

CEA and trading industry officials defended the level of government regulation in interviews with The Register, but they could provide no firm assurance that most price manipulations are detected.

The General Accounting Office (GAO) more than seven years ago sharply criticized the CEA for lack of adequate regulation, saying in a 1965 report that the number of investigations conducted by the agency was "not sufficient to disclose and discourage abusive trading practices." The GAO, noting the growing size of the commodity markets, recommended a major step-up in regulatory activity, not necessarily to detect and stop every attempted manipulation but to provide at least a higher level of deterrence.

Ironically, the number of market manipulations alleged by the CEA has declined during a period of time in which commodity-futures trading has quadrupled in volume.

In the 1950s, the CEA filed 14 complaints charging traders with price-rigging. But in the 1960s, under the new leadership of CEA Administrator Alex C. Caldwell, only six such cases were filed.

The former mercantile exchange official who contends price-riggings are not caught said the CEA office in Chicago "has only two or three people who really understand what's going on and what's involved in commodity trading. The CEA staff is good on bookkeeping things like the proper segregation of customers funds from the funds of the brokerage houses, but they are deficient on stopping manipulation."

CRUCIAL OPERATION

The Chicago operation of the CEA is particularly crucial because 80 per cent of all commodity futures trading takes place at the Chicago Board of Trade and the Chicago Mercantile Exchange.

It was in Chicago that the egg and wheat manipulation cases arose.

In May 1970, a group of people who had invested in the commodity market filed suit in U.S. District Court in Chicago against the mercantile exchange, charging they had lost money because of a manipulation of the March, 1970, egg futures market.

They alleged that a group of unknown conspirators had forced them to sell, at artificially depressed prices, contracts they held for the purchase of eggs. The exchange officials, in an effort to stop the suspected manipulation, actually contributed to the plaintiffs' losses by giving advance notice to officials of big brokerage houses who served on the exchange's business conduct committee, the complaint alleged.

The lawsuit asks for damages of $2 million, claiming that is the actual loss suffered by the plaintiffs and others who were hurt by the scheme.

In October, 1970, another civil suit was filed by a different group of egg producers and commodity traders, alleging a price manipulation of the September, 1970, egg futures market.

The second case charged the plaintiffs had lost $835,000 because Tyson Foods, Inc., of Springdale, Ark., and other defendants—including some major brokerage houses—took part in an illegal plan to maintain "a false, fraudulent and inflated price in egg futures."

BOUGHT CONTRACTS

The defendants bought up hundreds of contracts in eggs futures (a contract equals 22,500 dozen) and drove the wholesale price of eggs up to a season's high of 48 cents a dozen, forcing the plaintiffs to pay artificially high prices in order to fulfill their own contracts to sell eggs, the suit charged.

Despite the warning signals raised by the two private lawsuits, it was two years later—October, 1972—before the CEA filed a complaint against Tyson Foods and others, charging them with manipulation of the 1970 egg futures market.

The allegations of that government complaint are substantially the same as in the second civil suit filed two years before.

Private lawyers involved in the cases said CEA investigaters did not find out about the case on their own, but got most of their information from the filing of the private suits.

CEA administrator Caldwell says, however, that his Chicago staff was into the case as early as September, 1970, checking on complaints of an egg market "squeeze," through its "regular surveillance process." But CEA referred the situation to officials of the Chicago Mercantile Exchange and took no further action for two years.

This was fruitless, according to the allegations of the first civil suit, because exchange officials charged with intentions were connected with firms trading in egg futures.

"COMPLEX FIELD"

As for the two-year delay in the filing of the CEA complaint, Caldwell said "This is a complex field. It takes a long time to get the evidence for prosecution." The case is still pending.

Veteran observers of the commodities markets acknowledge the alleged egg price manipulations may have cost consumers and farmers millions of dollars.

Harry Fortes, the lawyer who filed the civil suit against Tyson Foods, says the manipulation had an impact on the retail price of eggs because it lasted for some time. It also hurt egg farmers, he says: "The guy in the country with eggs says, 'Heck, futures are up to 47 cents. I'm not going to sell for less.' Then later, the price collapses, eggs are dumped, and the producer gets hurt."

William Phelan, who heads the Department of Audits and Investigations at the 500-member Chicago Mercantile Exchange, said in an interview at his Chicago office that the alleged egg manipulation was hard to detect because "there was a consort of interests involved, and it's a very difficult thing to police."

It is tricky to keep track of the trading positions of all traders and to discover if a group of related traders is putting together a manipulation effort, he said.

"SIGNIFICANT EFFECT"

"These people did it for a year running," said Phelan. "It definitely had an effect on the price of eggs—a significant effect."

The impact on the retail cost of eggs was to raise the price by as much as 10 cents a dozen, he estimated.

A former exchange official said the CEA could guard against such manipulation better by hiring more people and by keeping a more direct day-to-day watch on trading. "It is partly a matter of just being there and observing what's going on," he said. "The CEA should have a man on the floor to watch the trading, to listen to rumors. There are always people that are hurt and will spill their guts."

[From the Des Moines Register, Feb. 20, 1973]

"A Slap on Wrist" for Cargill, Inc.

(By Clark Mollenhoff and George Anthan)

Washington, D.C.—Cargill, Inc., one of the nation's largest grain companies, has emerged from a major wheat-price manipulation case with what federal officials themselves concede was "only a slap on the wrist."

A U.S. Circuit Court of Appeals has ruled that Cargill was guilty of an illegal "squeeze" of the 1963 wheat-futures market in Chicago, Ill., causing prices to rise to artificial levels.

But the U.S. Commodity Exchange Authority (CEA), after a delay of 7½ years, finally imposed its penalty—a two-year probation for the company and some top officers.

Cargill thus continued to enjoy trading privileges at the nation's commodities exchanges.

CEA Director Alex C. Caldwell admitted to The Register that the probation given to Cargill was, "in effect, no sanction."

Caldwell said he recommended the company be barred for 90 days from trading in commodities, but he said the former CEA judicial officer who levied the penalty against Cargill "wasn't a tough sanctions man."

Caldwell's judgment is disputed, however, by the now-retired judicial officer, Thomas Flavin, who hinted that the U.S. Agriculture Department has an unofficial policy of going easy on large grain traders who violate the commodities law.

Flavin said he was not overtly pressured, and added, "I made the decision on the Cargill case by myself."

But he said he imposed the light penalty "with the knowledge that no secretary of agriculture has ever penalized a big trader by barring him from trading."

ALTERNATIVE TO FINE

Flavin continued, "To do otherwise would have put them (Cargill) out of business because if they had been barred from trading, it would have been worse than a $5-million fine."

Caldwell describes the Cargill situation as one of the most important market manipulation cases brought by his agency.

But the case, which began in 1963, also is cited by CEA critics as an example of slow regulatory action, as well as weak punishment.

It started when the CEA filed a formal complaint in June, 1964, charging the big grain firm with a massive manipulation of the May, 1963, wheat-futures market on the Chicago Board of Trade.

CEA records show that hearings on the agency's complaint were concluded in November, 1966, and that it was almost four years later before the CEA judicial officer's ruling was handed down. Then, there was delay after delay as the company appealed to the courts.

It was December, 1971, before the U.S. Court of Appeals finally ruled that Cargill's control of wheat-futures contracts representing two million bushels, only 15 minutes before trading in May, 1963 wheat futures closed, constituted a market manipulation.

This was because the court said, Cargill at this point controlled, just about all the available grain. Therefore, traders and speculators who earlier had agreed to deliver grain at a certain time were faced with having to pay artificially high prices in order to meet their obligations.

ARTIFICIAL PRICE

The court held that Cargill "exacted an artificially high price" from those who had agreed to fulfill the firm's futures contracts.

Also, the court ruled that the "squeeze was intentionally brought by and exploited by" Cargill.

Such manipulation interferes with "basic supply and demand factors" which should govern the grain markets, said the court.

Such an action, the court continued, "prevents the futures market from performing its basic economic function and hence diminishes its utility to those members of the trade and general public who rely on its basic purposes."

When a buyer of futures contracts succeeds in manipulating the market, he can force holders of sale contracts to fulfill their obligations "at a price which he dictates, which of course is as high as he can prudently make it," said the decision.

Cargill's plea that it was simply exercising good business judgment was rejected by the court which said, "Cargill was no novice in futures trading and knew of market conditions which could cause a squeeze."

CLAIMS CARGILL HAD INFORMATION

The company, said the court, "possessed a very valuable piece of information unknown to the trade at large, namely, that it owned practically all the wheat available for delivery . . . Cargill knew exactly what was going on."

Despite the court's judgment of the severity of the situation, Cargill was given no punishment by the CEA other than the two-year probation.

This light penalty was levied by former CEA judicial officer Flavin and affirmed by the court, "because of the undue protractions of the proceedings, not due to any fault of" Cargill.

Flavin had found that the offense deserved punishment of Cargill and four of its top officers by denying the firm and the officers trading privileges on all federally-regulated commodity exchanges for three months.

But Flavin then suspended the punishment and put the firm and the officers on probation for two years, saying that if the law was violated again during that time, the punishment might be re-imposed.

"I'm not sure we had a legal right to suspend the penalty," Flavin has told The Register.

However, referring to the CEA's traditional stance in sanctions, Flavin added, "We did it (suspended penalties) all the time." He said it was the only practical way for the CEA to find a violator guilty and still not "virtually put him out of business."

NO CHALLENGE

Flavin explained that although there may be no legal right to suspend the penalties for big traders, "It is apparent that these companies won't come into court and challenge it by saying, 'You've been too soft on me. You should have put me out of business.' "

Caldwell says Flavin's successor, Donald Campbell, is expected to take a tougher stand on penalties for violators in the future.

Caldwell also took issue with the court's statement about delays in the Cargill case not being the company's fault.

"There was every legal maneuver possible by Cargill to drag it out," he said.

Flavin said some of the delay in the Cargill case was because the Department of Agriculture did not appeal a precedent-setting "bad decision" in the 5th U.S. Circuit Court of Appeals involving Volkart Brothers, a big cotton trader.

Flavin said there were two ways the Agriculture Department could have dealt with the adverse ruling in the Volkart case—appeal it to the U.S. Supreme Court where he said it most likely would have been reversed, or issue a statement deploring the circuit court decision and announcing that the department would not be bound by it. But the department did neither.

"Everyone agreed it was a bad decision, but the cotton industry didn't want it appealed, and they managed to put together the political power to keep the solicitor general from appealing it and to keep the secretary of agriculture from making a statement that it was bad law and that we shouldn't be bound by it," Flavin said.

WANTED TO APPEAL COTTON RULING

He continued: "I wanted it appealed, but as long as it wasn't appealed, Cargill had some basis for contending that what they had done was not a violation of the law because it wasn't anything that the Volkart Brothers hadn't done. That was also one of the mitigating circumstances in the Cargill case."

Flavin emphasized, "There wasn't any hanky-panky on the Cargill case. I was just buried under work with this and several other big cases, and in the middle of it they took my executive assistant away from me and made him a hearing examiner, and it was a year before I got him replaced."

The U.S. Supreme Court, in refusing last spring to review the circuit court's ruling in the Cargill case, in effect overturned the Volkart Brothers ruling and imposed a more strict standard against price manipulation attempts.

One of the Cargill officers put on probation was Walter B. Saunders, a vice-president, who testified before a congressional committee last September that he did not know if he was still on probation.

Saunders was before Congress in connection with Cargill's role in the spectacular sale of U.S. wheat to Russia last year.

Cargill sold some two million bushels of wheat to the Russians, under conditions which permitted Cargill, Continental Grain Co. and others to collect relatively high U.S. government subsidies on the sale.

Representative John Melcher (Dem., Mont.) pointed out to Saunders that his two-year probation period from the wheat futures manipulation case had ended a month earlier, in August, 1972.

"I was amazed," Melcher told Saunders, "that you did not seem to know when the probationary period ended . . .".

LITTLE STIGMA

"There does not seem to be much of a stigma attached to this ruling on the part of Mr. Flavin. Indeed, there is very little penalty involved since you are not aware when the probationary period ended," said Melcher.

The congressman, who was concerned over evidence that the Agriculture Department gave advance tips to Cargill and some other big grain firms about pending changes in the government wheat-export subsidy, also noted that at the time Cargill was on probation, the White House hired the firm's vice-president for public affairs, William R. Pearce, to be a special foreign trade adviser to President Nixon.

Melcher also pointed out that Cargill has used the New York City law firm of Mudge, Rose, Guthrie and Alexander as its attorneys in various legal matters. Former U.S. Atty. Gen. John Mitchell is a member of the firm, and Mr. Nixon was a partner there before he was elected president in 1968.

The wheat manipulation case, in which Cargill drove the price of wheat futures up to $2.28 a bushel, marked the fourth time the Minneapolis, Minn.-based firm has been in formal trouble with the CEA since the Commodity Exchange Act was passed in 1936.

Three of the cases involved alleged market manipulations, and one was a charge that Cargill and its Canadian subsidiary engaged in a series of bookkeeping maneuvers which permitted Cargill to illegally hold large amounts of oats futures contracts.

In one of the earlier cases, Cargill was prohibited from trading on any regulated commodity market for several years.

UNUSUALLY LENIENT

Examination of past CEA manipulation charges indicates that Cargill's recent two-year probation was unusually lenient.

In the past, firms and their officers have been barred from trading for three months, six months, often for an entire year, as the result of price-fixing schemes. Criminal penalties rarely are used although in one 1946 case a firm was fined $25,000 and each of its officers $1,000.

The stiffest penalties, such as the six-month or one-year suspensions, came in the 1940s and 1950s. Since Caldwell's reign began in 1960, the toughest penalty for price-rigging has been a 90-day suspension, but the more frequent penalty has been a 20- or 30-day suspension, or simply probation—as in the Cargill case.

CEA director Caldwell concedes that penalties imposed in recent years have not been tough enough, but he declines to commit himself to a crackdown other than to say, "We may have to toughen them."

But any crackdown on penalties first involves finding the market manipulators. And, as the court stated in the Cargill case:

"The methods and techniques of manipulation are limited only by the ingenuity of man."

[From the Des Moines Register, Feb. 21, 1973]

Does the Job Well: It's Scrapped

(By George Anthan and James Risser)

Chicago, Ill.—An Agriculture Department computer program to spot possible commodity market violations has been judged a failure by the U.S. Commodity Exchange Authority (CEA) because it was spotting too many cases.

CEA chief Alex Caldwell, who has the responsibility for policing the $200-billion-a-year commodity market, told The Register the computer kicked out so many cards indicating deceptive or manipulative practices or other violations that it was impossible for his small staff to process them adequately.

Rather than seek staff increases or have his present staff flounder in "the mountain of paper the computer kicked out," Caldwell simply abandoned that computer as "unneeded" and "unworkable."

CLAIMS HE'S NOT EMPIRE BUILDER

"I'm no empire builder," Caldwell said on explaining his rejection of General Accounting Office (GAO) recommendations that he increase his staff to conduct enough investigations to properly police the market.

The GAO recommendations were made in 1965 and 1966 when the commodity market was only a $60-billion-a-year business. Although the trading has tripled, the CEA staff is essentially the same size.

Caldwell admits more investigators would probably turn up more violators. But he contends the investigations of the CEA are adequate as a deterrent in the self-policing system he favors. That is where Caldwell is at odds with the GAO and some of the smaller commodity traders who have the courage to speak out about a system that the big traders admire.

Actually, in its 37 years of operation, the CEA has issued fewer than 225 formal complaints against alleged violators of the Commodities Exchange Act.

And the CEA, especially in recent years, has allowed most offenders to continue in business, perhaps after a short suspension of trading privileges for a few.

This is despite the CEA's legal authority to permanently deny trading rights to offenders, to impose fines, and even to send violators to jail.

DEFENDS DECISION

Caldwell, who has been critical of a minor penalty imposed in a major wheat futures manipulation case, defends his agency's recent decision to impose a light sanction in the case of one of the nation's leading brokerage houses charged with violations involving its customers' funds.

The CEA charged in August, 1972, that Dean Witter & Co. had failed to properly allocate up to $414,000 in customer funds, a breach of the law. The violations, according to the agency's complaint, had occurred a year earlier, between July and October, 1971.

The CEA reported that Dean Witter & Co. "admitted the facts" and waived a hearing. The agency announced that, as a penalty, it had suspended the brokerage firm's privileges as a floor trading merchant for 10 days, in effect prohibiting the company from doing business on the commodity markets for that time.

WITTER RECEIVES SUSPENDED SENTENCE

But at the same time, the CEA announced that this penalty would be suspended, and that Dean Witter would be placed on probation for three years.

(The consent order suspending Dean Witter's license, and the order which suspended the sentence, was issued by Donald Campbell, the CEA's judicial officer in Chicago. Campbell has been described by Caldwell as a man expected to take tougher stands on violators.)

In defending this action, Caldwell said the violation by Dean Witter & Co. "was not willful. The problem was a poor set of records. It just happened. We thought the best way to work it out was for them to agree to fix up their bookkeeping."

Caldwell agreed, however, that as a leading brokerage firm, Dean Witter & Co. should have been aware of provisions of the commodities law.

But Caldwell did not mention that exactly one year before the most recent complaint was filed, in August, 1971, the CEA had issued another complaint against Dean Witter & Co., this time charging the firm had improperly handled up to $260,000 in customer funds.

In that case, too, Dean Witter & Co. is listed in CEA records as having filed a stipulation in which "it admits the facts . . .".

No penalty was levied in the 1971 case. Dean Witter & Co. was directed to "cease and desist" from "failing to treat and deal with customers' funds as belonging to such customers . . .". Under the law, the CEA could have later imposed fines and jail terms for failure to comply with a cease and desist order.

1966–67 DISCREPANCIES

CEA records also show that examination of the company's records in 1966 and in 1967 disclosed the firm "had not satisfactorily complied with the requirements" of the federal law. In this case, according to CEA records, "These matters were called to the attention of the corporation" . . . and the firm "promptly" complied with the law.

There is little question but that Caldwell's position that Dean Witter's later violations were simply a result of "bad bookkeeping practices" would be challenged by some veteran federal regulatory officials in Washington since the company was found to have been involved in earlier violations.

JUSTIFY EXISTENCE OF AGENCY

A former high official of the Chicago Mercantile Exchange, now practicing law here, contends the CEA is more concerned with impressing Congress with its modest budget requests than with adequately regulating a $200-billion-a-year industry that is growing at the rate of 20 per cent annually.

"They just want to justify their existence," said the lawyer, a former commodities trader and considered a market expert.

When CEA chief Caldwell asked Congress for money to be used on the computer investigations of illegal price manipulations, he said he would reduce the size of his staff to offset the $35,000 cost of the computer programming.

So when the computer investigations failed to work out, the agency was without its planned new program and had fewer employes than when it started the project. In fact, as the volume of commodity trading has swelled, the CEA staff has been steadily shrinking.

At congressional appropriations hearings a year ago, Caldwell, anticipating that the computer program would work, boasted that "despite an increase of 1.5 million in transactions supervised and a corresponding increase in workload, the agency is curently operating at 22 positions below the level authorized in the fiscal 1970 budget."

With fewer employes, Caldwell now acknowledges that one major investigation of trading in a single commodity—soybeans, for example—"would tie up our staff for a year."

"NOT MY THEORY"

Then, he adds quickly, "That doesn't mean we need more staff. You could build up an empire here, but that's never been my theory of regulation."

While Caldwell insists CEA's policy of allowing the commodities exchanges to police themselves is working, the U.S. General Accounting Office (GAO) has urged strongly that the CEA beef up its staff, and do more of this work itself.

SEEN AS UNUSUAL STAND

This is a highly unusual stand for the GAO, the congressional watchdog agency that rarely advocates increased government spending or staff expansions.

The CEA's 1973 budget request to Congress is indicative of its long-standing approach to its regulatory task.

The agency reported that it expects to conduct 107 investigations this year, compared to 106 last year. It expects to file two criminal proceedings this year, the same as in 1972.

The CEA said, also, that it had conducted 188 audits last year to determine if brokerage firms were honestly handling their customers' money. In 1973, the CEA expects to conduct 195 such audits.

In another area, the agency said it examined 645 financial statements last year, and expects this to drop to 450 in 1973.

In 1972, the CEA spent $2,943,000. The agency is requesting a $52,000 decrease this year, and a drop to $2,848,000 for 1974.

As the size of the market has grown, CEA employes have been swamped in paperwork—they expect this year to process more than 700,000 reports which the law requires the bigger commodity traders to file daily and weekly.

This has left less time for investigations of possible market abuses. The CEA has reduced the scope of so-called "trade practice" investigations, changing them from market-wide investigations of a particular commodity to investigations of a single firm's trading activities. It did only 15 of the new-style investigations last year.

BUDGET REQUEST

The CEA's budget requests for the next fiscal year estimate there will be no increase in the number of employees. A steady decrease in the number of administrative proceedings it initiates in cases of suspected law violations is also foreseen.

Longtime Washington observers agree it isn't clear how a federal regulatory agency can determine in advance how many actions it will undertake, unless the agency has determined in advance to hold its activities to an arbitrary level.

Caldwell has reported his agency in recent years has doubled the number of customers' accounts covered in CEA audit programs, and he said the unit increasingly is taking steps to prevent market abuses by issuing warnings to traders suspected of engaging in price manipulation.

In order to guard against traders manipulating market prices, or "cornering" the market in any one commodity, the CEA has established limits on the amount of the commodity any one trader can hold.

For example, a trader is limited to buying or selling three million bushels of corn in one day. Also, he is not allowed to hold for any length of time contracts representing more than three million bushels. And anyone who buys or sells contracts representing more than 200,000 bushels of soybeans must report this to the CEA.

RECENT SCHEMES

But, according to one commodities exchange official, some recent price-manipulation schemes have gone undetected for months because many persons working together have kept their purchases just below the reporting limits. He agreed that a major CEA trade-practice investigation is the only way to insure against such activities. But it is this type of investigation the CEA has dropped because of staff shortages.

Donald L. Tendick, the CEA's deputy regional director here, said that although "we can't ever catch everything, I'm pretty comfortable with the system we have."

Tendick, who has been employed by CEA since 1964, said he doubts the Chicago office with its 87 employes misses many price manipulations or other attempted illegal practices at the Board of Trade and Mercantile Exchange.

To a large extent, he said, the CEA relies on records required to be filed by large traders showing their holdings in various commodities.

NO PROBE OF WHEAT SALES

According to Tendick, the CEA did no trade-practice investigation of wheat sales at the time of the recent huge export deal with the Soviet Union. This was despite reports that some persons or companies had advance tips about the sale and had used the commodities markets to make large profits.

Said one observer here with longtime commodities trading experience: "With the market going like it was, you know somebody had to know."

Tendick concluded that "given the resources we have, we're doing an adequate job." But he acknowledged that the agency could use more investigators and then would "perhaps find more violations."

Tendick and other CEA officials confirmed that most CEA investigations are a result of complaints from traders and from public investors in commodities.

Tendick said that before starting an investigation, the 87-member Chicago office, largest in the CEA, clears such an action with officials in Washington.

Herbert Sheidy, a vice-president of the Chicago Board of Trade, said "The regulation of commodities is real primitive compared to the securities industry."

Sheidy, the board's director of compliance, was a securities dealer before joining the Board of Trade.

He said of the CEA: "They're not as pervasive as is the Security and Exchange Commission (SEC)," which regulates the country's stock exchanges.

"SUPER AGENCY"

The Board of Trade's Sheidy said there have been proposals to take the CEA out of the Agriculture Department, turn it "into a super agency, like the SEC, and give it authority to regulate all commodities."

Currently, the CEA does not regulate trading in the so-called "world" commodities, including coffee, silver, cocoa, platinum, plywood and sugar.

There have been mounting reports of abuses in trading of those commodities, and dealers don't have to follow disclosure procedures or observe capital reserve requirements.

Caldwell met last week with some 100 industry leaders to discuss the growing practice of selling options enabling customers to minimize the risks of buying and selling in the "world" commodities. The customers pay a premium for the option, and the dealer who sells it assumes part of the risk.

But there have been reports of unscrupulous dealers refusing eventually to honor the options they have sold, and of dealers with so little financial backing that they are unable to pay their customers who may have profited in a futures trade.

ASK REGULATION OF OPTIONS TRADING

Caldwell said most of the industry leaders called for federal regulations of options trading, but were unable to agree on how it should be done.

Sheidy said industry officials believe the commodities exchanges, rather than the CEA, should be given authority to police trading in the "world" commodities.

"The industry believes we'd rather do it ourselves," he said, "because the industry would not be as inpractical and rigid as a legal standard might be."

There is little question that most commodities-trading professionals would like the CEA's regulatory activities to continue at the present level.

Similarly, among the CEA's strongest defenders are persons connected with trading commodities.

Richard Teweles, a Los Angeles, Calif., commodities-market analyst, agreed that the CEA is "obviously understaffed," but he added. "I'm also very impressed with them. They go at just about the rate a government bureau should go. They're not like the SEC, or the ICC (Interstate Commerce Commission). The railroads hate the ICC, and the securities industry hates the SEC. I don't know of anybody in our business that dislikes the CEA."

Teweles believes government agencies, as they get bigger, "go from a necessary evil, which I regard all government bureaus, to the point of being like a Russian commissar."

He continued, "But the CEA is one of the few I think is in just about the right position."

[From the Des Moines Register, Feb. 22, 1973]

LOOSE REGULATION OF COMMODITY MARTS

(By Clark Mollenhoff and James Risser)

WASHINGTON, D.C.—There are few clubs that could provide a better, more congenial atmosphere for big commodity traders to operate in than the one which exists under the approving eye of the U.S. Agriculture Department.

The department's Commodity Exchange Commission (CEC) and its operations arm, the Commodity Exchange Authority (CEA), run a loose regulatory structure that permits the big traders in the grain and livestock markets to pretty much regulate themselves.

The "club" members at Chicago, Ill., Kansas City, Mo., and other commodity futures exchanges are permitted to sit as jurors and judges in cases where one of their colleagues has been accused of illegal or improper conduct under rules which exchange members themselves have set.

They also set minimum commission fees to be charged for handling the buy and sell orders of their investing customers, although the fees admittedly are not directly related to the cost of the service. A member who steps out of line and tries to charge his customers a smaller commission may find himself disciplined by his fellow club-members.

COURT DECISION CAUSES TURMOIL

A recent U.S. Supreme Court decision, ordering an exchange member who allegedly was defrauded of his exchange membership to seek relief from the Commodity Exchange Commission, has thrown things into somewhat of a turmoil.

Justice William O. Douglas, dissenting in the 5-to-4 high court decision Jan. 9, objected that it was a "futile gesture" to direct plaintiff Thomas Ricci to the CEC "when the agency has, by its inaction, already shown every indication of sanctioning the alleged violation. . . . We are requiring the petitioner to seek from the regulator an admission of their failure to regulate."

The CEC, made up of the secretary of agriculture, the secretary of commerce, and the attorney general, has no staff and, according to an Agriculture Department official, "meets no more than once a year."

The commission has generally left most of the regulatory work in the hands of the related agency—the CEA—which is headed by administrator Alex C. Caldwell. Under Caldwell the CEA refers many complaints over to the exchanges themselves for action.

Since the exchange committees handling such complaints are made up of important traders who sit as members of the exchange, the regulatory system breaks down, according to some critics, because it results in the regulators and regulated being one and the same.

The CEA's feeling toward regulation of what has grown into a $200-billion-a-year business is, "If each exchange polices itself, that's fine," a former exchange official said.

CEA chief Caldwell contends "the exchanges do a good job," but admits "they don't have large enough investigative staffs to police themselves as well as they should."

Rather than solve the problem by beefing up the CEA staff, Caldwell prefers to seek more self-regulation by the exchanges.

CALDWELL: "I AM FOR SELF-POLICING"

"I'm all for self-policing as far as it can go," he explained. "I'm not a great one to spend public funds."

William Phelan, vice-president in charge of audits and investigations at the Chicago Merchantile Exchange, like most commodities market officials, agrees with the approach taken by Caldwell.

Phelan is happy the CEA "in effect has relinquished its power to govern the minimum financial requirements" of commodity-futures brokerage houses.

Herbert Sheidy, vice-president of the Chi-
of commodities is real primitive compared to
cago Board of Trade, noted that "Regulation
regulation of the securities industry."

Sheidy, a former securities broker, is director of compliance for the Board of Trade.

He noted that "John Q. Public is getting out of the stock markets and into our commodities market more and more. It means our entire industry is changing, and we (the exchanges) must change, too."

But Sheidy agrees with most commodity industry officials that these changes should not be dictated by the government. "The industry should be allowed to make the changes," he said.

INDICATES GREED OF INVESTORS

Commodities analysts Charles Harlow and Richard Teweles of Los Angeles, Calif., said of the rush of small-time investors into buying such things as soybean and pork belly futures:

"It indicates a greediness on the part of people to make money fast; it indicates they have more money to spend, and it indicates that many people are dissatisfied with the relatively poor stock market results in recent years. If you win in commodities, you can win big."

This was illustrated last week at the Chicago Board of Trade. If a speculator had, for example, put up the $500 margin required to buy a single contract for 60,000 pounds of soybean oil on Feb. 12, he could have sold it at noon the following day and turned a profit of $1,200.

TAKES DIVES

But commodity futures prices also have a way of taking sickening dives, and analysts Harlow and Teweles contend their research indicates the "ordinary little guy" who speculates loses "about 98 per cent of the time."

Harlow and Teweles believe that if the CEA gained strength, it could stifle the commodities industry.

But seven years ago the General Accounting Office (GAO), which is the congressional investigating and auditing agency, called the CEA's regulation of the then $60-billion-a-year commodity markets "inadequate." The CEA was not making enough investigations to curb price manipulations and other abuses, was not policing the exchanges to insure that they were enforcing their own rules, and was not doing anything about possible abuses and conflicts-of-interest by traders who are permitted to gamble in commodities themselves as well as for customers' accounts, GAO complained.

The size of the CEA staff and the extent of its regulatory effort has changed little since the time of the GAO report.

The set-up at the Chicago Board of Trade, where much of the nation's corn, wheat and soybeans is bought and sold through commodity futures contracts, provides an illustration of the exclusivity of the commodity-trading fraternity.

The 1,400 members of the Board of Trade, which has a 45-story building in Chicago's loop, hold membership seats which are currently valued at about $30,000. (At the Mercantile Exchange, which has 500 members, a seat costs about $100,000.) No one can buy a membership unless he first proves his finanical responsibility, is sponsored by two current members, and is okayed by a secret vote of the Board of Trade directors.

SUBSTANTIAL BENEFITS

Once he is admitted to the "club," the benefits are substantial. He gains admission to the exchange floor, where he can take advantage quickly of subtle indications of price changes.

As a floor broker, he may work for customers who want to buy and sell commodities, or he can trade in commodities himself.

One veteran floor broker estimated that "if a guy just handles customers accounts, he can make $45,000, $50,000, $60,000 a year. If he trades for himself, too, there's no limit."

REFER 111 CASES TO EXCHANGES

The extent to which the CEA relies on the commodities exchanges to police themselves is indicated by the fact that the agency last year referred 111 possible violations to the exchanges for action.

CEA deputy regional director Donald L. Tendick said exchanges must report back to CEA as to what action they have taken on referrals. CEA can object if it thinks the exchange has been too lenient, but such objections are "unusual," he admitted.

The 1965 GAO report scolded the CEA in this area, saying the agency's infrequent review of exchange records leaves the CEA "unable to satisfy itself independently as to the adequacy of investigations by the contract markets (exhanges)."

This "failure," as the GAO termed it, has "reduced the effectiveness of CEA's administration and enforcement of the provisions of the act."

RECORD KEEPING

With the huge jump in the size of the commodity markets since the 1965 GAO report, the CEA seems no better off now as far as keeping track of exchange actions.

However, Mercantile Exchange official Phelan insists his 15-member staff is able to keep tabs on the dealings of the 500 exchange members.

ATTENTION FOCUSED ON COMMISSION

The recent Supreme Court decision directing Mercantile Exchange member Thomas Ricci to take his fraud complaint to the Commodity Exchange Commission focused some unaccustomed attention on that moribund body.

According to law, the three-member, cabinet-level CEC is required to set speculative limits on the amounts of trading that may be done by any person in commodity-futures contracts.

It also is to hold hearings on appeals from any board of trade which has been denied status as a legal exchange, and is authorized to suspend exchanges for failure to enforce their rules. In addition, the secretary of agriculture, who is a member of the commission, is given broad individual powers to prescribe trading practices and prevent manipulation and other abuses.

In practice, most of these activities have been delegated to the CEA headed by Caldwell.

The Supreme Court majority in the Ricci case said the petitioner would have to go to the commission for a ruling as to whether the deprivation of his exchange membership involved a violation of exchange rules.

Ricci contends he bought a membership on the Chicago Mercantile Exchange in 1967, using funds he borrowed from Siegel Trading Co. He also routinely signed a blank form authorizing transfer of his membership to someone else in the event he did not repay his loan.

Ricci alleges Siegel and the Chicago Mercantile Exchange conspired in violation of federal antitrust laws to defraud him of his seat by signing the transfer of his membership over to Siegel. He said the $18,000 which Siegel owed him for brokerage fees exceeded the amount he owned on the loan, and that Siegel had no lien against his membership.

The high court said the complaint should be dealt with by the commission because it is "especially familiar with the customs and practices of the industry and of the unique marketplace involved in this case."

DISSENTERS HIT POWER OF EXCHANGE

But the four dissenters, in addition to Douglas' comments that the CEC is not likely to declare itself a lax regulator, argued that the unit does not have the legal power to rule on Ricci's complaint of an antitrust conspiracy. That could be done only by the courts, they pointed out.

The dissent also noted that "although the commission and the secretary (of agriculture) have some general policing duties, day-to-day regulation has been largely left to the industry itself. Where, as here, the industry is given the power to control its own affairs, it is particularly important to make certain that this power is not abused for the purpose of eliminating competition."

Caldwell expressed no concern that the Ricci case will foul up the regulatory process. But those who have undertaken new legal efforts to stop anticompetitive practices at commodity exchanges and stock exchanges are worried that it is a setback for them.

One such effort to break up the "club" atmosphere and restore competition to the commodity exchanges deals with the commodity brokers' power to set minimum commission fees they charge the investing public.

In December, 1971, the U.S. Justice Department's antitrust division filed suit against the Chicago Board of Trade, whose minimum rate structure now requires commodity brokers to charge $25 to $30 for executing a customer's purchase or sale of a grain futures contract.

At about the same time, a firm of Philadelphia, Pa., lawyers filed an antitrust action on behalf of all people in the U.S. who buy and sell commodity futures.

Named as defendants were all the commodity exchanges in the country, which, according to the petition, have entered into "an unlawful combination and conspiracy" to set brokerage commission fees at "a noncompetitive and inflated level."

In the Justice Department case, federal district Judge Richard B. Austin asked CEA administrator Caldwell to do a study for him on the impact of abolishing minimum fees and restoring competition among brokers.

AGREED TO STUDY

Caldwell agreed to do so, but said he would not be able to say whether the fixed commission rates are reasonable, because "the commodity futures business has not had to report on its cost of doing business and justify the reasonableness of levels of commissions in the past."

Like the traders themselves, Caldwell and the CEA had assumed there was nothing wrong with the brokers being allowed to set their fees and punish those who tried to charge less.

In fact, the attorney for the Board of Trade told the court that Caldwell "requires us to enforce our minimum commission rules. He fires off a letter to us and says, "Say, I understand so-and-so out in Kansas City is violating your rules, and I want you to investigate that and insure that it is complied with.' "

EXCHANGES ADOPT, ENFORCE RULES

The testimony illustrates the cozy atmosphere that has grown up between the big traders and their regulators at the CEA. The exchanges can adopt nearly any rule they please, as long as it is not in direct conflict with the Commodity Exchange Act. Then, once the rule is adopted, the CEA requires that the exchange enforce the rule, without regard to whether the rule is really in the public interest.

"The CEA," said the Board of Trade's Sheidy, "insists that an exchange observe its own rules, and it isn't too interested in what those rules are, just so long as they are consistent with federal regulation."

Caldwell completed his report to the court last August, and was forced to conclude that the public would be better off if minimum commission fees were outlawed.

Allowing commodity brokers to compete in the services they offer and the commissions they charge would result in "a net reduction in commission charges paid by customers," he told the court.

"The trading public would benefit generaally because charges would be more closely related to the costs involved in servicing an account," he said

Caldwell also said minimum fees "are not now necessary, nor will they in the foreseeable future be necessary, to achieve the objectives of the Commodity Exchange Act." The administrator added that the minimum fee arrangement, on the other hand, has not hindered CEA's work, and urged that if the minimum fees are banned the industry be given "a reasonable period of time in which to develop their marketing strategy, pricing schedules and operating procedures before any change is made."

The Board of Trade is opposing any change and has argued that the minimum commission schedules it has used since 1919 have been "essential" to the development of "effective and efficient markets for futures trading."

Elimination of minimum fees, the Board argues, "would entail the risk of serious adverse repercussions on the industry."

[From the Des Moines Register, Feb. 23, 1973]

CEA, Judge Fail to Agree

(By Clark Mollenhoff and George Anthan)

KANSAS CITY, Mo.—Samuel Gordon has moved steadily upward in the U.S. Commodity Exchange Authority (CEA) despite his involvement in the agency's failure to protect one small trader from being victimized by some commodities-market professionals.

Gordon is the CEA's $27,000-a-year area director here, but a decade ago he was an employe in the agency's office in Chicago, Ill. There, an elderly Austrian immigrant had been telling just about anybody who would listen that he had been illegally deprived of his livelihood.

Bernard Rosee, now 74, had been a member of the Chicago Board of Trade, and a floor trader in commodities there.

But Rosee was different from the vast majority of insiders who operate the nation's commodities markets, a $200-billion industry that is growing by 20 per cent a year.

TOLD CONGRESS OF MANIPULATIONS

Since the middle 1940s, Rosee had been telling Congress of deceptive practices by certain officials of the U.S. Agriculture Department, and of efforts by big traders to manipulate commodities markets at the Chicago Board of Trade.

As a result, Rosee had a few friends in the Agriculture Department and in the commodities trading establishment.

"There isn't any question but that a lot of people could hardly wait to get rid of him," said one market insider of Rosee.

By the early 1960s, Rosee had been defrauded of thousands of dollars and he had lost his seat on the Chicago Board of Trade. He thus lost his means of making a living.

Through all this, the Agriculture Department's CEA maintained consistently that there was no evidence Rosee was the victim of any illegal activities.

This conclusion was reached by Gordon, and affirmed by his superiors, including CEA administrator Alex Caldwell in Washington.

AWARDED $700,000

It was left to an Illinois State Court to vindicate Rosee, and to award him $700,000 in damages, with the judge branding his opponents as "thoroughly dishonest."

The Rosee case, which has dragged on for more than a dozen years, is perhaps the most glaring example of the CEA's reluctance to tackle influential members of the industry it is supposed to regulate.

It also shows how the commodity exchanges' disciplinary committees, made up entirely of exchange members, conduct "Star Chamber" proceedings in which an accused like Rosee is denied the basic rights of due process which he would receive in a court of law.

CLAIMS ROSEE'S CHARGES INVALID

Gordon, during an interview in his office here, refused to discuss the Rosee case, except to say that he investigated Rosee's charges and decided they weren't valid.

He would not discuss his reasons for the decision, nor would be explain why the CEA failed to use information in its possession that may have proved that a Chicago brokerage firm was defrauding Rosee.

Rosee had charged that Gordon, Albert Kibby, a former Chicago CEA employee and now of Waukon, Ia., and other agency officials took part in the conspiracy to drive him out of business.

But CEA chief Caldwell maintains in Washington that "our actions in this case have been proper all along." Caldwell defends his promotion of Gordon, saying the Kansas City area director and Kibby "did a professional job" in the Rosee case.

An examination of the case leaves serious doubts.

The case against Rosee came to light in 1961, when the Chicago Board of Trade took away his membership, depriving him of his commodities trading-floor privileges, and reducing him to accepting welfare payments.

TRADING ACCOUNT

Rosee's commodities trading account—the records of what he bought and sold and his profits and losses on these trades—was being handled by the brokerage firm of Baggot and Morrison.

Baggot and Morrison contended that Rosee owed them substantial amounts of money, saying Rosee had been taking losses in his commodities trading, and that the firm was using it own money to make up these losses.

ALLEGATIONS A SURPRISE

Rosee said these allegations took him by surprise, that he had, in fact, been making profitable trades in the commodities market. Rosee said and examination of his account, the record of which was maintained at the Baggot and Morrison offices, would clearly show this was true. He said CEA records required by law to prevent the kind of abuse he was facing would back up his position.

But Baggot and Morrison presented to the Chicago Board of Trade a set of records that showed Rosee owing them money. Rosee charged the records were not of his account. He said they were, in fact, records of the firm's own money-losing dealings.

Since the "Star Chamber" proceedings in which Rosee lost his seat, these facts have emerged and are today unchallenged:

1. In November, 1963, Rosee and his attorney, Melvin Brandt, caught the office manager for Baggot and Morrison cutting onion-skin pages from commodity trading books that are required by law to be kept and retained. These records that office manager Harris Haywood now admits he destroyed are required to be retained for a five-year minimum period by Commodity-Exchange Authority rules and by rules of the Board of Trade for use by authorities in connection with investigations.

2. Within a fews days of finding Haywood removing pages from the trading book in the crucial period. Rosee and his lawyer told CEA investigators Gordon and Kibby of the incident. A short time later they also informed CEA boss Caldwell in Washington.

3. Gordon and Kibby investigated the incident and reported to Caldwell that there was nothing to Rosee's complaint on this or on his general charge of a Board of Trade conspiracy to frame him. Rosee retorted that CEA officials were involved in the conspiracy because examination of trading records would further corroborate his allegations that he had been defrauded. He also charged that a report Gordon and Kibby had submitted to the federal court was "fraudulent" and misled the court.

4. CEA boss Caldwell continues to defend the Gordon-Kibby investigations and the subsequent promotion of Gordon, in the face of Haywood's admissions in court that he did destroy the records. Despite the Illinois State court * * * awarding a $700,000 verdict to Rosee against the Baggot and Morrison firm, Caldwell says he is still not certain that Rosee was defrauded, and has not ordered a reinvestigation. He says that Baggot and Morrison may appeal the verdict, and with regard to Haywood's admissions that he destroyed the onion-skin pages explains: "The statute of limitation has probably run out on any criminal charges."

5. Caldwell continues to refuse to make commodity trading records available to Rosee that Rosee and his lawyer contend will prove beyond doubt the full extent that he was defrauded and the role played by CEA and the Board of Trade in covering it up.

Generally, Caldwell denies direct responsibility for the Rosee matter on grounds that the CEA policy is to permit the various boards of trade to police themselves, and to limit CEA investigations to cases of direct frauds upon the public.

Rosee contended his money had been used by the Baggot and Morrison firm to make up its own losses, but the Chicago Board of Trade's Arbitration Committee, made up of leading exchange members, ruled against him. The committee took away his seat in order to sell it and pay Baggot and Morrison the money they claimed Rosee owed them.

Rosee, appealed repeatedly to Gordon and other CEA officials in Chicago, and to CEA chief Caldwell in Washington, to make available for his defense its own records that would indicate whether he was telling the truth.

The CEA consistently refused, saying the records were private, and that the law forbids the agency from revealing the details of a person's trading in commodities.

Rosee asked the CEA itself to investigate, and to determine if Baggot and Morrison had, indeed, substituted their own losing accounts for Rosee's profitable ones.

BARRED FROM TRADING

Rosee and his attorney, as they pursued their case over the years, pointed out numerous times that at about the same time Baggot and Morrison allegedly defrauded Rosee the firm was being disciplined by the CEA in another case. After admitting in May, 1960, that it had improperly handled customers' funds and had used them to margin and guarantee the trades of other customers, the firm was barred from commodity trading for three months and Baggot's individual registration as a floor broker was suspended for 30 days.

The CEA assigned Gordon and Kibby to the Rosee case, and, Gordon recalls, they concluded that Baggot and Morrison "had not violated any federal laws."

The CEA remained steadfast in this position, even after Rosee and his lawyers informed the federal officials of the incident involving the removal of pages from the record books.

"UTTERLY ABSURD," JUDGE REMARKS

Haywood admitted to Judge Cohen that he had removed the onion-skin pages—on which were recorded details of commodities transactions. But he did so, said Haywood, in order to save space in the Baggot and Morrison office.

Judge Cohen said of Haywood's explanation: "The man sat for hours cutting pages out of a book to save three inches of space in a room that has some, oh, 350 cubic feet of space or more. Utterly absurd."

Cohen also was highly critical of the Board of Trade's proceeding against Rosee, in which Rosee was not permitted to have his lawyer present, or call witnesses, or examine the records that are supposed to prevent the very abuses he contends he suffered.

Cohen called the Board of Trade's hearing in the Rosee case "a travesty," and said the session was run by the lawyer for Baggot and Morrison.

In fact, Cohen told the lawyer later, "The gentlemen you represent were thoroughly dishonest. They secreted records. They suppressed records. They altered records."

The CEA's Gordon said Rosee's allegation that the CEA aided Baggot and Morrison and the Chicago Board of Trade in their attempts to deprive him of his membership was proved false because a U.S. District Court had dismissed another suit brought by Rosee against Gordon and Kibby.

CLAIMS FALSE DOCUMENTS

But Rosee claims that CEA officials submitted false documents to the federal court in that case, and that the CEA again refused to turn over records that would support Rosee's position.

In July, 1972, Cohen ordered Baggot and Morrison to pay Rosee $25,000 for the loss of trading privileges, $275,000 in lost earnings and $99,000 representing the amount Rosee contends he was defrauded.

The judge also awarded punitive damages of $150,000 each against Morrison and against Haywood. The Baggot and Morrison firm now is defunct, but the Chicago Board of Trade continued to allow the partners to hold their memberships and to enjoy floor trading privileges.

The CEA, despite Cohen's findings, continues to refuse to take action in the case.

Caldwell admits his agency has done nothing to follow up the court's decision, even though there is little question but that Cohen's findings point to criminal activities in regard to the case.

"We haven't lagged," says Caldwell. "We have done what we think is right."

Caldwell admits he has no way of knowing if reports filed by Gordon and Kibby with the federal court early in the Rosee case were accurate, but he contends that reports sent to him by his two employees were accurate.

Gordon has held his job in Kansas City since 1970, and he oversees trading at the Kansas City Board of Trade, the Minneapolis, Minn., Grain Exchange, and at a federally-regulated commodities market in California.

[From the Des Moines Register, Mar. 18, 1973]

Secret U.S. Commodity Report—1971 Study Urged More Strict Rules To Avoid Market Rigging

(By George Anthan, James Risser, and Clark Mollenhoff)

Washington, D.C.—An internal government report outlines a massive failure by the U.S. Commodity Exchange Authority (CEA) to protect the public against manipulation of commodity futures prices by professional traders and brokers.

The report was prepared late in 1971 by the Agriculture Department's Office of Inspector General (OIG) and has remained secret until a single copy was delivered a few days ago to a House appropriations subcommittee.

Earlier, CEA officials had refused to discuss the contents of the report with Register reporters. Also, they had refused to admit that the report is critical of their office.

The inspector general declared that the CEA conducts only "minimal surveillance" of daily trading in commodity futures to detect and prevent price manipulations.

The report notes that protection of the public against efforts by traders to manipulate commodity prices to their own benefit is of "vital importance."

"Groups of brokers can combine their efforts in violation of trading rules to effect daily price fluctuations for their own benefit," the report declares, and a much heavier hand is needed in enforcment."

A Register investigation of the CEA's regulation of commodity futures trading has found that rigged markets in wheat, eggs and meats may have cost the public, small commodity traders and farmers millions of dollars.

REGULATE TRADING

The CEA is directed by federal law to regulate trading in commodity futures at the nation's major exchanges in Chicago, Ill.; Kansas City, Mo.; New York, N.Y., and other cities. The exchanges are operated by their members—professional commodities traders and brokers. These professionals can trade for themselves and, for a commission, buy and sell futures contracts for customers in the public.

In his report, the inspector general lists several specific instances of possible market manipulations where the CEA took little or no effective action.

Also, Inspector General Nathaniel Kossack was critical of the CEA for taking little action to see that violators were following its directives or to see that the commodity exchanges were adequately policing themselves.

CEA Administrator Alex Caldwell has emphasized to Congress that his agency is able to regulate commodity trading largely as a result of close inspection of thousands of reports that it receives daily from the professional traders and brokers.

But the inspector general stated that "some reports were not received on a timely basis or not received at all" and that "even though these conditions occurred, the report-filing penalties were not enforced."

Kossack's review states that only rarely were traders penalized for refusing to file reports or for filing fraudulent reports.

The eastern regional administrator for CEA, the OIG report continues, "could recall no instance where CEA had invoked penalties provided by law for failure to file reports or file fraudulent reports."

"NOT ASSURED"

As a result, said the inspector general, "we could not be assured that surveillance was effective or that informational releases accurately depicted the happenings in the marketplace."

The inspector general, who is the U.S. Department of Agriculture's (USDA) internal watchdog, concluded:

"CEA did not make adequate analyses, inquiries and conclusions on maturing futures when there were strong indications of price manipulation.

"Also, the (commodity) exchanges did not have sufficiently effective systems to prevent price manipulations, corners or squeezes and were not fully concerned with this responsibility."

The inspector general recommended that the CEA "no longer rely primarily on self-regulation by commodity exchanges."

Caldwell has maintained that his agency does not rely "primarily" on the exchanges for prevention of price manipulation and other market abuses. He has emphasized that he is for "self-policing as far as it can go."

While Caldwell and other CEA officials have contended their surveillance of the commodity markets helps prevent abuses, the inspector general's report states:

"CEA officials told us that the only deterrent they possessed against market disruption was to warn potential violators of the consequences of their acts.

"NOT EFFECTIVE"

"This cannot be considered an effective measure to accomplish the primary mission under the Commodity Exchange Act of preventing price manipulations, corners and squeezes."

Market "corners" and "squeezes" occur when a trader or group of traders gain control of a sufficient portion of available supplies of a commodity to artificially raise or lower the price to their benefit.

The inspector general stated that when "market disruptions" did occur, the "CEA did not consider whether the exchange should or could have prevented" the disruptions, "nor did they take action against the exchange."

While the CEA has legal authority to require traders and commodity brokerage firms to open their records to federal inspectors, the OIG report states the agency "did not make full use of its authority . . . when complaints were received about possible manipulations or when CEA records showed the possibility of a market disruption."

If the CEA had done this, the inspector general declared, "it could have resulted in a better deterrent than a phone call or warning letter."

The OIG noted that in its examination of the commodity exchange records, it found serious evidence of noncompetitive trading in commodity futures.

"There were a significant number of trades between partners or members of the same firm. Although exchange rules do not prohibit this, there is no assurance that the trades were competitive and that the trades were not 'wash' trading used to manipulate prices and deceive other traders."

"WASH" TRADES

"Wash" trades are fictitious transactions designed to deceive other traders and to have an artificial impact on market prices, causing them to rise or fall without regard to supply and demand considerations.

The inspector general also found evidence of "bucketing" of customer orders. Under this setup, a customer's order to buy or sell commodities is never transmitted to the trading floor of the commodity exchange, but is handled in the offices of the brokerage firm. Thus, the customer has no assurance that his trade was the result of competitive trading.

The inspector general noted that "it was CEA policy not to review clearing house records for violations of daily trading speculative limits."

The OIG conducted its own audit and discovered in one case that actual trading in commodities by three traders was in excess of what they had reported to the CEA.

An important function of the CEA is to insure that no trader or groups of traders buy enough futures in a single commodity as to "corner" or "squeeze' the market. The traders are supposed to report their holdings in a single commodity to the CEA.

"We found transactions," Kossack's report states, "involving trades where the same broker was on both sides of a trade and where trading between combinations of brokers appeared to be intentional.

"Also, a number of trades were made where associated members, acting as floor brokers executing customer orders for other clearing members, traded between themselves to an extent great enough to indicate that such trading was pre-arranged."

SAME FIRM

The OIG recommended that the CEA "prevent members of the same firm from manipulating customer orders and prices for their own benefit."

The inspector general noted that the trade practice investigation has been the government's primary tool with which to disclose and discourage abusive practices in commodities trading.

His report emphasizes that while the CEA budget has included $250,000 a year for such investigations, "CEA has utilized only about $40,000 per year in this area." In one year, 1966, the CEA spent some $6,000 for trade practice investigations, the report states.

The inspector general also was critical of the CEA's longstanding policy of referring violations to the commodity exchanges for action. Last year, for example, the CEA turned over to the exhcanges a total of 111 cases involving possible violations. Under the CEA's official policy, the exchanges were to investigate and take action against the violators.

Caldwell and other CEA officials have insisted that they closely watch the exchanges to insure that they adequately investigate each case referred, and that proper action is taken against violators.

But the inspector general stated in his report that some referrals from the CEA to the exchanges are "not being responded to by the exchange."

There was no assurance, the report states, that exchanges were complying with and carrying out their responsibilities under the law.

QUESTION EXCHANGES

Also, there was no assurance that practices in violation of the law and federal regulations had been corrected.

In fact, the report states, the CEA "only rarely" questions the actions taken by the exchanges in regard to a penalty imposed on a violator.

"Nor does the CEA have an effective system of surveillance that would bring to its attention serious deficiencies in the self-regulatory functioning of an exchange," the report continues.

An official of one of the commodity exchanges reported to the inspector general that the exchange initiated investigations only if it received a complaint from a trader, but the report states:

"It appeared to us that small traders would be very hesitant to file complaints against some of the more prominent members of the exchanges."

Also, the report questions whether the professional traders who make up the exchange regulatory committees "could render an objective decision."

The OIG notes that of 66 possible violations referred to the Chicago Mercantile Exchange in 1970 and 1971, the CEA questioned the exchange's action in only one case and "there was nothing on file to show whether actions taken were appropriate in the other cases."

The inspector general listed several cases indicating the CEA was not adequately protecting the public against price manipulations.

CARGILL MOVE

The report notes that during trading in May, 1970, wheat futures on the Chicago Board of Trade, there were indications of a possible market "squeeze" by Cargill, Inc.

The Office of Inspector General, the report states, could find no evidence that CEA was investigating or watching the situation.

"The sequence of events indicated that Cargill had a squeeze on the market either in the normal course of their grain business or by taking advantage of a favorable situation," the report states. "It appeared that Cargill intended to hold the prices of the May wheat future and the cash commodity above what they would have been in a normal free market."

The report also notes strong indications that two traders had gained control of nearly all available supplies of oats late in 1970 and that the CEA "could have confirmed suspicions" of a price manipulation as early as Sept. 4, 1970 by examining the traders' records.

Such an examination "could have served as a deterrent to improper action," the OIG stated.

Inspector General Kossack also noted that on Sept. 15, 1970, the CEA received a telephone complaint that four traders on the Chicago Mercantile Exchange "were collaborating in a squeeze to manipulate the fresh shell egg market . . ."

He said the CEA, again, could have examined the traders' records as a means of deterring them.

CLAIMS MANIPULATION

The report states that an official of the Chicago Mercantile Exchange told the inspector general's auditors that he was certain there had been a manipulation of the January, 1970, egg futures.

"He was critical of CEA inaction on cases in which manipulation was evident," the OIG states.

In the area of CEA surveillance of the exchanges, the CEA's Caldwell replied to the OIG report by stating: "We are doing as much as we feel we can with our limited resources."

He believes trading among associated brokers "can be adequately supervised" and that prohibition of such activity could drive smaller exchanges out of business by reducing the liquidity of the markets.

He said the CEA had not been able to step up its activities to insure its directives to violators were being followed "because of the press of higher priority work, budgetary limitations and personnel ceilings."

Caldwell was criticized by some congressmen at a House hearing Thursday for not asking Congress to give him additional funds and personnel. House Appropriations Committee officials emphasized to the CEA administrator that Congress in recent years had never refused a request to improve regulation of commodity trading.

Monday: Another government report, secret since 1965, tells how the CEA failed to investigate advance tips on the spectacular $150-million salad oil swindle by Tino deAngelis.

[From the Des Moines Register, Mar. 14, 1973]

Secret USDA Report Cites Lax Control—Self-Regulation by Exchanges Assailed

(By George Anthan and James Risser)

Washington, D.C.—A still-secret Agriculture Department report raises serious questions about the adequacy of federal regulation of commodity futures trading, and recommends strong corrective action.

The report was written by the department's office of inspector general and is directed to the Commodity Exchange Authority (CEA), the agency responsible for enforcing federal commodities trading laws.

Officials of the U.S. Department of Agriculture (USDA) have declined to make the report public, but a summary is included in a lengthy justification of the department's budget request to Congress.

A $200 BILLION A YEAR

The report questions whether the CEA is doing an adequate job of guarding against price manipulations and other market abuses at the nation's commodity exchanges, where trading in various agricultural commodities has reached a volume of $200 billion a year.

Also, the study indicates the CEA is relying too heavily on self-regulation by professional commodity traders, and that it fails to follow up its own findings of law violations to insure the penalties it issues are carried out.

A Des Moines Register investigation of the CEA's regulation of commodity futures trading has found that rigged markets in wheat, eggs and meats may have cost the public, the small commodity traders and farmers millions of dollars.

Also, there is little evidence that those caught in market manipulations and other serious abuses have received much more than a slap on the wrist from the CEA.

Some of Inspector General Nathaniel Kossack's findings are similar to those published last month by The Register.

Kossack has recommended in his report that the CEA:

"Vigorously and promptly investigate suspected market manipulation or other violations of the act.

"No longer rely primarily on self-regulation by commodity exchanges." (The report notes that the commodity exchanges lack "effective systems to prevent manipulating prices and cornering markets.")

"Improve follow-up system to make sure that traders comply with warning letters, stipulations of compliance and cease-and-desist orders, and enforce trader reporting requirements."

Kossack said in an interview Tuesday that he cannot publicly release a copy of the report because "we do not disseminate our audits outside of official channels."

He said such audits are protected from public disclosure under an exception to the U.S. Freedom of Information Act. The exception deals with reports that are in the nature of inter-office memoranda, advisories and similar documents, he said.

Kossack said, however, that he will make a copy of the document available to the House appropriations subcommittee that controls the CEA's budget.

"STILL IN PROGRESS"

Kossack would not comment on the audit's criticism of the CEA. He said he believes the agency has attempted to "take corrective action," but said "that is still in progress."

Kossack told the House subcommittee Monday that the report was delivered to the CEA a year ago, and that agency officials "generally agreed with our audit findings."

Representative Neal Smith (Dem., Ia.), a member of the subcommittee, has asked Kossack to inform the subcommittee specifically of all steps taken by the CEA to implement the inspector general's recommendations.

Smith said Tuesday that the inspector general "agrees fully that something is wrong with the commodity futures trading, that corrective action is needed and that the CEA needs to do some regulating and not depend on the people in the business to regulate themselves."

Representative William Scherle (Rep., Ia.), also a member of the subcommittee, said following the meeting with Kossack Monday that "even though the CEA appears to be implementing this report, nothing has changed. No corrective measures have been taken."

Scherle said Kossack indicated to the subcommittee "that he isn't satisfied with what the CEA is doing."

Scherle requested that Kossack supply the subcommittee with a 28-year-old report from the inspector general into the CEA's handling of the spectacular Anthony (Tino) DeAngelis scheme to corner the soybean oil and cottonseed oil markets and to swindle $150 million from leading banks and brokerage houses.

Kossack said he would supply both the DeAngelis report and the study of CEA activities to the subcommittee.

CEA administrator Alex Caldwell also declined Tuesday to make the inspector general's report public, saying, "I'm prohibited from giving copies out."

[From the Des Moines Sunday Register, Mar. 4, 1973]

Commodities Markets—On Way Out?—Farmers May Skip the Middleman

(By Clark Mollenhoff and George Anthan)

Washington, D.C.—The major commodities market may be anachronisms on their way to extinction, the president of the National Corn Growers Association believes.

Walter Goeppinger of Boone, Ia., said the recent frenzied trading of soybean futures on the Chicago Board of Trade, in which contracts traded for as high as $6.81 a bushel, may have awakened farmers to inequities of the commodities market system.

"Most of the farmers sold their beans for less than $3.50 a bushel," he said. "It was the speculators who made money in that market."

Many farmers contend that wide fluctuations in the soybean futures market—the range between recent lows and highs was more than $3.60 a bushel—have resulted in a lack of confidence because no one knows how much of the high price was based on artificial demand created by traders, and how much was the result of bona fide demand.

Farmers are concerned because the high soybean futures prices have resulted in soybean meal more than doubling in price. Farmers need the meal as protein for feeding livestock and broilers, and they report a growing fear of financial disaster if they feed expensive meal to livestock that could drop quickly in price.

All this could lead to smaller herds, and increased consumer prices.

Goeppinger and some other agricultural leaders believe farmers will begin to organize huge marketing co-operatives to sell their products directly to processors and consumers, bypassing the traders at the commodities exchanges.

Yet there is little outward evidence that the exchanges could be fading as nerve centers of the American foodstuffs industry.

The Chicago Board of Trade operates in an imposing 45-story building that sits astride LaSalle Street. The Chicago Mercantile Exchange recently moved into a modernistic structure and the Kansas City Board of Trade has moved from its old downtown headquarters into a new building in the fashionable Country Club Plaza area.

But, said Goeppinger, "twenty years ago if I had gone to the Chicago Livestock Exchange and looked out over those acres and acres of pens and loading docks and railroad sidings and buildings and told somebody, 'All this will be empty ground some day,' he would have said I was crazy. Well, it's all empty ground now, because we have found a better system of marketing livestock."

He continued: "If the grain trade and the commodities exchanges don't change, they could evaporate so for as being a marketing tool. Oh, they could move in some dice tables out there on the trading floor and make it like Las Vegas, but it won't involve the farmer."

Harold Kuehn of Du Quoin, Ill., president of the American Soybean Association, agrees, and said farmers already are beginning to explore dealing directly with huge grain-buying organizations in the European Common Market and Japan.

"More and more farmers are going into direct sales, bypassing the speculators and the traders by entering into contracts to deliver the actual commodities at some point in the future, for a set price," said Goeppinger.

There are strong indications the federal government may help farmers accomplish this. Congres is considering proposals under which farmers could form government-sponsored collective bargaining associations. Companies that buy farm products would be directed by federal law to sit down and bargain with the farmers over prices.

Both backers and opponents of the plan have testified in Congress that it could lead to the demise of the commodity exchanges.

Kuehn and Goeppinger said many farmers are upset over soaring soybean prices on the Chicago Board of Trade, because much of the profit goes to speculators.

Their view is reflected by Bill Happel, a Sumner, Ia., farmer and member of the Board of Governors of the Farmers Grain Dealers Association.

"I hate to even talk about that soybean situation," said Happel during an interview prior to his testimony before the Senate Agriculture Committee here.

"I had about 3,000 bushels of soybeans last fall, and I got from $3.05 to $3.20 a bushel for them. I thought that was a pretty good price, and I needed the storage for corn. Then, I see where the beans are selling for $6.80 in Chicago. Boy, I'd sure like to know who was making that money."

MORE FOR MEAL

Happel echoed many livestock farmers by voicing concern that artificially high prices on the commodity exchange floor will result in farmers having to pay more for soybean meal they need to raise livestock. Meal prices on the Chicago Board of Trade have advanced from less than $100 a ton to more than $225 a ton within recent weeks.

Said Happel: "Sure, right now we're feeding this expensive meal to high-priced livestock. But what happens when those hog prices drop?"

There are predictions that the high prices for soybean meal, the major protein supplement in livestock feed, will lead both domestic and foreign users to try substitutes.

A paper plant in Finland has announced it will produce an artificial protein supplement for livestock feed from paper pulp waste products, and a Japanese chemical firm is experimenting with mass production of protein feed from oil.

Goeppinger believes the commodities exchanges must make major changes to survive. Among these changes, he believes, is curbing speculators to prevent artificial highs and lows in prices for agricultural commodities.

Representative Neal Smith (Dem., Ia.), whose small business problems subcommittee will conduct an investigation of the commodities markets, said of commodities speculators:

"They get together on the trading floor every morning and talk among themselves and decide whether the market is going to go up or down that day. Then, they start buying ."They don't care about supply and demand. All they care about is how the market is reacting. They buy in the morning, drive up the prices, and they sell before the day ends. It's all in the psychology of it."

"HURTS FARMERS"

Smith continued: "This thing in the soybean market, it can't but hurt farmers. Those speculators drove up the price, and they did it right in the middle of the marketing year. That's got to affect soybean consumption. It'll drive people to substitutes, then the farmer will make up for it later by paying more for the soybean meal he has to buy from the processor, and getting less for his raw soybeans."

Goeppinger said another major problem connected with the commodity exchanges involves the "dirtying up" of corn shipped by farmers.

He said, "board of trade contracts include grade specifications for different classes of corn, depending on the quality. Each of these classes allows a certain amount of 'foreign matter' and adulterated corn."

Goeppinger continued: "Various people in the grain distribution system know this, and they know that when the farmer ships his corn it's usually pretty clean. But they're artisans, almost like piano tuners in the way they can expertly blend some foreign material and adulterated corn in with the farmer's shipment so it comes just within a gnat's hair of exceeding the board of trade specifications."

The National Corn Growers Association president said many buyers of American grain, especially overseas customers, have complained bitterly that American shipments are "dirty."

"If this keeps up," said Goeppinger, "a lot of farmers are just going to ignore these middlemen; they're going to go over their heads.

"But it's going to be hard to crack these behemoths, these large grain companies. They have agents overseas and they wine and dine the buyers. But farmers are fed up. They're traveling more, too, and they're seeing more people and pretty soon they're going to be making their own deals."

Goepplinger continued: "Maybe the grain speculators should remember what happened to the Liverpool Grain Exchange. I can remember when the Liverpool exchange was the world's greatest, the same nerve center that Chicago is now.

"We used to listen on the radio for the prices from Liverpool and we knew they would be reflected later that morning on the Chicago Board of Trade.

"But the last time I was in Liverpool there were only 15 or 20 guys on the trading floor, and when the gong rang for the opening of trading nobody even got up. There was no trading at all, to speak of."

[From the Des Moines Register, June 3, 1973]

Soybean Prices and Food Costs

(By George Anthan and James Risser)

Chicago, Ill.—Chaotic trading dominated the nation's major commodity exchange here last week, raising new questions about operations of the markets and causing fears of another upward spiral in retail meat and food costs.

Prices of grains—soybeans, in particular—soared to previously unheard of levels, and trading on the floor of the Chicago Board of Trade was so frenzied that some experts warned of a possible market collapse.

SEE PROBLEMS

Some investors and brokerage houses were reported in fiancial trouble as millions of dollars changed hands in the virtually unabated and perhaps artificial boom in soybean prices.

These high prices—soybeans hit an unheard of price of $11.34 a bushel—will be reflected soon in higher meat prices since soybeans are an important part of the livestock feed.

But many farmers and grain elevator operators are worried that the futures markets, having been driven to giddy heights, will collapse, leading to severe financial losses for many segments of the agricultural economy.

Critics of the grain futures markets charged that excessive speculation is responsible. Some, including Representative Neal Smith (Dem., Ia.), demanded a brief but total suspension of trading and an investigation of the market's unprecedented behavior.

Smith renewed his pledge to hold congressional hearings soon, perhaps as early as next month, to determine if futures prices are justified by actual supply and demand conditions or whether, in his words. "It's the biggest legal gambling game in the world."

Senator Henry M. Jackson (Dem., Wash.), whose permanent investigating subcommittee has been probing the effectiveness of the Commodity Exchange Authority (CEA), declared he is "deeply concerned that the new and unprecedented rises in the prices of grains could result in food prices even 15 to 20 per cent higher this year."

He was sharply critical of CEA Administrator Alex C. Caldwell for his "general hands off attitude toward futures manipulation.

"Until we started looking around, they were doing nothing," Jackson said. "Only since we become involved in an investigation did they turn the Kansas City Board of Trade case (on wheat futures) over to the Department of Justice.

"Previously, they had allowed the board to give itself a clean bill of health," he said.

"OPERATING LEGALLY"

The CEA insisted throughout the week that despite the unprecedented prices, the markets were operating legally and that federal intervention was not warranted.

But one worried broker, noting that prices of some grains had increased by more than 60 per cent in recent weeks and by almost 400 per cent over a year ago, said the CEA, should quit sitting on its hands" and move in to slow the advances. As trading in soybeans opened Friday in Chicago, one broker said: "I'm afraid to go into the pit."

The CEA, said Senator Harold Hughes (Dem., Ia.), is "unbelievably weak-kneed and ineffective."

But the bigger professional commodity brokers, officials of the Board of Trade and Agriculture Secretary Earl Butz all contended that the record trading simply was the result of domestic and foreign demand for the products of American farmers.

It is ironic that as soybean prices hit record levels, many farmers earlier had sold their 1972 crop for less than $3.50 a bushel. Now, having seen prices for their grain driven up by traders, big export and processing companies and foreign buyers, many farmers are refusing to sign contracts to sell their 1973 crop.

However, a market collapse brought about by any excessive speculation once again would lead to farmers receiving relatively low prices.

BACK SPECULATORS

Butz, along with officials of the exchanges, insists, however, that speculators are not driving prices up artificially. New record prices simply reflect market conditions, they say.

And, as another broker put it, "They could put tighter limits on price increases, but that would effectively stop trading and the boys over at the Board of Trade would starve." The traders he referred to depend on high volume to make money, since they are paid a commission each time they buy or sell commodities for their customers.

A halt in trading also would stop traders from buying and selling in their own behalf, a practice that has been condemned by many critics as representing a serious conflict of interest.

These were some of the highlights of a week in which trading in the Board of Trade "pits" was even more frantic than usual, and newsmen and television crews invaded the powerful, though usually ignored, center of this country's grain trading .

Other developments during the week included:

Constant increases by Board of Trade officials on the long-standing legal limits on daily price movements—the amount a commodity can rise or fall in price in any one day. The officials said their move was designed to spur then-stalled trading, but critics said it only fueled the price increases.

There were charges, and denials, that soybean trading was controlled through a "corner" of the market by three giant grain firms.

The Board of Trade steadily increased "margins"—the cash down payment required to buy a futures contract. This was done to help brokerage houses remain solvent but it also forced many farmers, small grain elevators and other investors to come up with more and more cash to stay in the market.

In the midst of this, the president of the Board of Trade, Henry Hall Wilson, officially announced his resignation to run in the North Carolina Democratic primary election next year against Senator Sam Ervin.

Serious questions about some operations of the commodity exchanges and the CEA's ability to regulate the markets have been raised in recent years by the U.S. General Accounting Office and the Agriculture Department's inspector general.

A recent series by The Des Moines Register concluded that the CEA has ignored recommendations of these agencies and cannot insure against price manipulation and other illegal market activities.

NO PROOF

However Secretary Butz, even as he admitted soybean trading had become "wildly speculative," insisted last week there is no proof of price-rigging.

CEA Administrator Caldwell is doing a "remarkable job" in view of his "limited" resources and manpower, Butz asserted. The secretary said he sees no need for tighter federal regulation or for strengthening the CEA.

Harry Fortes, a Chicago lawyer and former member of the Board of Governors of the Chicago Mercantile Exchange, disputed Butz.

"This is all based on excessive speculation," he said, adding that those persons who had believed there would be a price drop and who agreed to deliver grain supplies—or the equivalent value in cash—"are being murdered." These are referred to as "shorts" in the market. Those who contracted cash to satisfy their futures contracts are called "longs," and they speculated successfully that prices would increase.

Fortes said moves by the Board of Trade have been "counter-productive" and he contends these steps were taken to insure that trading continued "no matter what."

An independent broker called this past week a "period of crisis" and said there were many rumors of a "squeeze" by large grain companies. A "squeeze" or "corner" would result when a trade or combination of traders gained control of available supplies of a commodity.

NO INTERVENTION

"It's beyond me how this week's trading could have gotten so far out of hand without the government's stepping in" by clamping down on trading or by limiting grain exports which, he said, are causing much of the price spiral.

But he believes both the CEA and Board of Trade officials are afraid to take any drastic steps because "they don't want to knock off the goose that lays the golden egg."

Another broker said "the big companies are behind this. They've got everything tied up and the Agriculture Department doesn't know what's going on. They should have suspended trading a long time ago. Why they don't do it, I don't know.

"What happened was that somebody went in and bought up all the soybeans and the futures contracts and they're holding them. When they're ready to let go, they'll dump the stuff and the market will collapse and you and I won't know a thing about it before it happens."

He was referring to reports that Continental Grain Co., Cargill, Inc., and Cook Industries—all large grain companies—control most available supplies of soybeans.

Officials of Continental refused to comment, but a spokesman for Cargill said: "Cargill's not holding any soybeans back for higher prices."

He said the Minneapolis, Minn., firm does have large stocks of soybeans, but already has sold the products it makes from the grain and therefore, "We would not benefit from any higher prices."

The Cargill official said the firm also is heavily involved in the futures market but emphasized that both "long" and "short" contracts would be affected equally by price rises or declines.

Warren Lebeck, chief administrative officer of the Board of Trade here, said the exchange's actions this week have succeeded and that both buyers and sellers have been able to fulfill their commitments.

Still, soybean prices were at record levels at the close of trading Friday. But Lebeck rejected the argument that high futures prices will lead to higher retail food costs He maintained that futures prices only reflect demand.

Iowa Representative Smith contends this no longer is true "because futures trading has gone wild" and traditional relationships between futures prices and actual cash purchase prices have broken down.

"That's just Mr. Smith's opinion," said Lebeck. "He doesn't have the facts."

Lebeck said "futures prices are like a thermometer. You don't blame the thermometer if it's 90 degrees outside."

He also defended the CEA which regulates his exchange, and said the agency "has the tools" to determine if there has been any price-rigging.

He acknowledged that board officials "are concerned about the market and watching it very closely. We want to be sure nothing does get out of hand."

The board was clearly upset that the week's activities had given the exchange the image of a gambling casino. One spokesman disclosed that serious thought was being given to changing the term "speculator" to something milder such as "market investor." "Speculator" connotes gambling and "sounds bad," said the spokesman.

[From the Des Moines Register, Aug. 2, 1973]

GAMBLING UNLIMITED

Is the grain futures market necessary? Farmers long have had doubts, even before Frank Norris's novel "The Pit" told of the gambling in wheat at the turn of the century. But the argument of the grain exchanges always has been that they provide a service to farmers and others through "hedging."

A farmer or dealer in grain can sell a futures contract months ahead of harvest. and thus protect himself against a decline in the market. A buyer can buy a contract and protect himself against a rise. The hedger who has actual grain to sell or buy is not gambling; he will lose on the commodity sale or purchase whatever he makes on the paper tranaction.

The gamblers in the pits, however, provide the volume of trading for those who want to hedge. That is their argument. Also, say the defenders of the futures market, this buying and selling tends to "stabilize" prices of the commodites traded.

Not much has been said about stabilization recently, with soybeans and grain soaring out of all normal relationship to the basic supply and demand situation. Runaway speculation, and possibly some "cornering" of the market, as in "The Pit," seems to have occurred in 1973.

Instead of stabilizing or providing reliable signals to buyers and sellers of grain, the futures market has distorted the signals. The Department of Agriculture, which is charged with regulating the exchanges, has done little or nothing to check speculation. The policy of the USDA Commodity Exchange Administration has been to rely on the exchanges to police themselves. The result has been such ridiculous prices as more than $12 a bushel for soybeans.

Representative Neal Smith (Dem., Ia.) is conducting an investigation of the exchanges in his subcommittee on small business. He suggested that if the boards of trade do not find ways to reform their practices, they might face an end to futures trading.

That might not be such a disaster as some traders think. Whether there is any social value in this mechanism for gambling in commodities may be questioned, and we hope the Smith subcommittee will do some questioning. If people want to gamble, let them do it at Las Vegas instead of doing it in farm commodities, prices of which are vital to farmers, consumers and processors—the whole economy.

If stability and forward pricing of commodities are the (sometime) benefits of futures trading, perhaps they can be gained in other ways. Even wrong guesses by the Department of Agriculture on future prices would not be so disrupting as the grain exchanges this year.

Senator Dick Clark (Dem., Ia.) suggested that the USDA estimate of corn stocks may be in error this summer. He said that Iowa's nonfarm stocks total at least 139 million bushels, though USDA reported only 85 million. (USDA acknowledged a mistake was made.) The corn future prices could turn out to have been even more unrealistic than we had thought if Senator Clark's figures for Iowa turn out to be typical for the U.S.

In short, the farmer, the consumer and the processor have been given a very bum steer by the grain exchanges this year—and by the USDA, through failure to regulate and, perhaps, failure to publish accurate data on carryover stocks.

If the carryover data are inaccurate, however, the statisticians and economists in USDA should not be blamed. They never have been given the financial support they need to do a complete job of crop and livestock reporting. A year like the 1972–73 marketing year shows how important it is to have accurate, unbiased figures on storage, exports and other information.

It is the political leadership of the department which must assume the blame for the inadequacies of information and the mess in the grain markets in 1973.

[From the Des Moines Register, Oct. 16, 1973]

CEA: Commodity Futures Industry Needs Reforms

(By George Anthan)

WASHINGTON, D.C.—The Commodity Exchange Authority (CEA) acknowledged publicly Tuesday that major reforms are needed in the government's regulation of the commodity futures industry in order to protect consumers, farmers and the trading public.

The CEA, an agency of the Agriculture Department, is responsible for policing of the $268-billion-a-year commodity futures industry and the activities of market brokers and speculators.

LARGELY UNKNOWN

Until recently, the CEA was largely unknown outside the department and the industry, and Congress regularly approved its relatively meager budget with few questions asked.

But a newspaper investigation early this year revealed serious shortcomings in the agency's regulatory activities. Then, it was shown that some top officials of the Agriculture Department had raised questions internally about the adequacy of government regulation of an industry that is the basis for the prices paid for food by consumers at the supermarkets, and for the prices received by farmers for their commodities.

CEA administrator Alex Caldwell Tuesday gave the House Agriculture Committee a long list of recommendations to strengthen his agency.

He also revealed the department is "actively considering" a proposal to divorce the CEA from the Agriculture Department and recommend to Congress that it create an independent regulatory agency modeled after the U.S. Securities and Exchange Commission (SEC), which regulates the securities industry.

Caldwell said other plans being studied by the department include merger of the CEA with the SEC, and retention of the commodities agency within the USDA, but providing it with a greater degree of autonomy than it has.

Some members of the committee said following a hearing Tuesday that there is little question but that Congress must move quickly to institute reforms in the government's regulation of the industry.

Representative Thomas Foley (Dem., Wash.), said, "The time is here when we're going to need much stronger federal controls. It's not a question of whether we are going to do something, but what and when."

TERMED ESSENTIAL

Foley said he agrees that trading in commodity futures—which allows both farmers and processors of agricultural products to protect themselves against future losses—is an essential industry.

"But there is great danger here," he said. "If the industry is not subjected to reasonable regulation. If it isn't, somebody is going to propose some day on the floor of the House that commodity exchanges be abolished. There could be an over-reaction by the public against them."

Foley also said "there is no question but that the CEA's regulation of the markets has been primitive compared to the way the SEC regulates the stock exchanges."

Caldwell, who had told reporters early this year that the CEA was doing an "adequate" job, agreed Tuesday.

He then asked the agriculture committee for legislation giving his agency authority to:

Order commodity exchanges to change their rules and practices "as determined necessary for the protection of persons producing, handling, processing or consuming any commodity . . ."

Regulate advertising by firms soliciting investors for futures markets.

Regulate trading in all commodities. (Trading in lumber, sugar, silver, copper, cocoa, coffee and iced broilers—chicken—are not now regulated).

Prohibit floor brokers from trading for their own accounts and for customers.

Obtain court injunctions to stop any person from violating commodities laws. (This is needed, Caldwell said, to permit the CEA to move quickly against fraud, cheating and mishandling of customer funds and against traders who are in a position to manipulate commodities prices to their own advantage.

Require markets to permit delivery of commodities at multiple points if such action is needed to prevent or diminish price manipulation.

Give the General Accounting Office (GAO), the investigative agency of Congress, access to CEA records.

These reforms, Caldwell said, "would provide the basic framework for a more comprehensive and aggressive regulatory program."

[From the Des Moines Register, Oct. 25, 1973]

Commodity Brokers, Cargill Back New Futures Agency

WASHINGTON, D.C.—An organization representing the nation's commodity brokerage firms joined with one of the world's largest private grain companies Wednesday in endorsing establishment of an independent federal agency to regulate the commodity futures industry.

John W. Clagett, president of the Association of Commodity Exchange Firms, Inc., told the House Agriculture Committee that his organization was seeking the change even though "it may seem unusual to some people for a person who represents an important segment of private industry to recommend more federal control of our industry."

Claggett said increased surveillance of the futures business by an independent and strengthened government unit was being sought "in the interest of giving the public greater protection in the futures markets."

GOVERNING BODY

Walter B. Saunders a vice-president of Cargill Inc. told the committee that a more effective federal regulatory agency is needed because the Agriculture Department's Commodity Exchange Commission "is not properly constituted to provide continuing surveillance of commodities trading on futures markets."

The commission—composed of the secretaries of agriculture and commerce and the attorney general—is the governing body for the Commodity Exchange Authority (CEA) the agency that administers the federal commodities regulatory program.

"What is needed," said the Cargill official, "is a continuously functioning, professional regulatory group of a level of prestige matching that of its Securities and Exchange Commission counterpart."

Cargill depends on futures markets, said Saunders, to hedge both its purchases and sales of grain, to insure against major losses caused by fluctuating prices.

He said the company believes that an independent policing agency would "provide adequate supervision of the entire futures marketing system in a comprehensive manner rather than merely piecemeal. . . ."

Saunders also said a new agency would help "to re-establish public confidence in futures markets."

The committee Wednesday concluded several days of public hearings held to determine if federal laws controlling the trading of commodities futures contracts are adequate.

The committee is expected to consider legislation to create a new, independent regulatory agency, or to greatly strengthen the CEA with additional powers, expanded staff and more autonomy within the Agriculture Department.

OPPOSE AGENCY

Officials of the Chicago Mercantile Exchange and of the New York Mercantile Exchange testified Wednesday that their members oppose creation of an independent regulatory agency.

Michael Weinberg, Jr., chairman of the Chicago exchange, said, "Since we respect the market information and gathering activities of the U.S. Department of Agriculture, and the close identity of the commodities it covers and most exchanges utilize, we feel that it would be a reasonable economy of men and money to retain the CEA under the USDA.

Weinberg also stated, "And we feel that the CEA has done its job with integrity, even if it has not reflected industry growth in its own approaches, as much as many would prefer."

Llewellyn Watts, Jr., chairman emeritus of the New York exchange, said he believes the CEA currently has enough authority "to effect changes it believes necessary for the protection of participants in futures trading on the exchanges."

The New York and Chicago commodities officials strongly opposed proposals to prohibit commodities floor brokers from buying and selling for their own accounts at the same time they also are handling orders from customers.

They contended that such a move would force out of the market speculators who take many of the financial risks, enabling farmers and processors of commodities to enter into a futures agreement and thus protect themselves against major losses.

The Chicago exchange officials agreed, however, that the CEA should be substantially strengthened and given broad new regulatory powers.

[From the Des Moines Register, Feb. 27, 1973]

Sham Policing of Markets

The articles by The Register's Washington bureau about the USDA Commodity Exchange Administration last week show in penetrating detail the failures of this agency to regulate the exchanges and brokerage houses it is supposed to regulate.

The articles by Clark Mollenhoff, George Anthan and James Risser reveal a familiar condition in government regulatory bodies—at all levels of government. The regulators have been taken over by the regulated. In other words, the businesses which CEA is charged with supervising to protect the public are very much on the inside of the regulatory agency. There is a "cozy" relationship which permits violations of the law and dubious practices which gouge the public.

CEA is almost in a class by itself, however, when it comes to letting the people to be regulated regulate themselves. The director of CEA, Alex Caldwell, even advocates letting the commodity exchanges and brokers do their own regulating.

CEA officials and their friends in the commodity exchange firms always talk about how futures market trading "stabilizes" prices and levels out seasonal ups and downs. Actually, this trading tends to accentuate market swings. Traders and their brokers over-estimate changes in supply and demand, and sometimes manipulate the markets by rumormongering.

In recent years every item of news about the corn crop, such as the Southern leaf blight or a spate of dry weather, or about exports, such as the dock strike which held up shipments, has sent prices up or down far more than the facts justified. Futures trading inevitably affects the cash market. Farmers, processors and even the USDA are given misleading signals by speculative excesses.

The value of commodity futures markets in enabling buyers and sellers to hedge against the future is obvious. But unless the trading operations are very closely regulated, the damage to farmers and to dealers from exaggerating market swings could well offset the benefits from hedging.

The encrusted Department of Agriculture bureaucracy all the way through has tended to become the captive of agri-business firms, trade associations and commercial agriculture. The Forest Service, for example, has tended to adopt policies favorable to the timber industry, as against the public interest. Cattle ranchers in the West have been favored in the use of public lands, including national forests.

When the Department of Agriculture was in charge of regulating the chemical pesticides used in farming it adopted lenient rules toward the chemical companies in granting permits. The general policies on pesticides favored the sellers and users of pesticides in farming, with relatively little attention to the public interest in the environment and in avoiding contamination of foods.

The research and educational arms of USDA, in the same pattern, have become allies of commercial farming and the agri-business firms that sell supplies to farmers or buy their products. The small farmer, the hired farm worker, the rural community and the consuming public have been slighted. This is not wholly the fault of the USDA bureaucracy.

It is a failure of Congress, whose agriculture committees are dominated by the interests USDA tends to favor. The bureaucracy is really run by the committees of Congress, and many a Secretary of Agriculture has been frustrated in his attempts to reform old-line agencies.

To reform the system to meet the needs of rural America and the nation as a whole, Congress will have to start with itself.

[From the Washington Post, Mar. 11, 1973]

THE FUTURES GAME: SELLING THE PUBLIC SHORT

(By Clark Mollenhoff, James Risser, and George Anthan)

The $200-billion-a-year commodity futures market is booming along with virtually no controls to protect millions of small traders and the consuming public, which eventually buys the foodstuffs traded there.

The Commodity Exchange Authority (CEA)—the federal agency charged by law with responsibility for regulating the futures market—has, in part, turned this task over to the professional traders themselves, who operate in a club-like atmosphere at the various commodity exchanges.

There are strong indications that rigged markets in wheat, eggs and meats have cost the public, the small commodity traders and farmers millions of dollars.

For example, commodities industry officials themselves agree that a recent suspected manipulation of the egg futures market boosted the price of eggs on supermarket shelves by as much as 10 cents a dozen. This alleged price rigging of the egg futures market in Chicago continued undetected by the CEA for nearly a year. And a former high official of the Chicago Mercantile Exchange estimates that for every price manipulation case prosecuted by the CEA, eight or nine other price riggings are never discovered.

At the same time, there is little evidence that those caught in market manipulations and other serious abuses have received much more than a slap on the wrist.

Seven years ago, following the spectacular Tipo DeAngelis salad oil swindle, the General Accounting Office (GAO) conducted a thorough study of the federal government's efforts to regulate the commodity markets, and found them "inadequate."

The congressional watchdog agency issued a set of strongly worded recommendations to the CEA—an Agriculture Department agency—recommendations designed to insure that the public, from the casual trader trying to make a few dollars purchasing commodity futures to the housewife doing her weekly grocery shopping, is adequately protected.

But CEA administrator Alex C. Caldwell has paid little or no attention to the GAO recommendations. In fact, the level of CEA regulation of the markets has declined during the past seven years, even as the volume of commodity trading has soared from $65 billion in 1965 to more than $200 billion a year.

As a result, the operation of these markets is open to serious abuse, including price manipulations and other collusive and deceptive practices by those who specialize in buying and selling at the commodity exchanges in Chicago, Kansas City, New York and other cities.

LEGAL GAMBLING

The exchanges—where future crops of grain are traded, where young cattle and hogs still on the farm are bought and sold, and where fortunes can be won or lost in an instant—are a complex outgrowth of the need to provide a place for the orderly marketing of farm products.

Until development of the commodities markets in the mid-1800s, trading in grains, particularly, was chaotic, as corn, wheat and oats would pour into the big marketing cities at harvest time. This created a glut, low prices for farmers, and, in Chicago, the dumping of bargeloads of grain into Lake Michigan.

At other times of the year, the situation was the opposite. Grain stocks were depleted, and demand drove prices sky-high.

Today, the main business of the 20 commodity exchanges is the trading of "commodity futures"—contracts for the sale and purchase of future farm products at previously agreed prices. Selling crops and livestock in this manner is supposed to help stabilize prices and provide a more even flow of products to market. And eventually, today's futures prices have a partial impact on the retail price of eggs, meat, bread and other grain products, several months hence.

But there are growing indications that trading in the major commodities has lost all touch with actual supply and demand, and instead has become dominated by speculators who have little interest in the products except as pawns in what Rep. Neal Smith (D-Iowa) calls "the biggest legal gambling game in the world."

Recently, for instance, a frenzy of trading on the Chicago Board of Trade saw soybean futures almost double in price, reaching the unheard-of figure of $6.81 a bushel. Soybeans are a booming commodity, but this record price has risen far above any real reflection of soybean demand, market observers feel.

Walter Goeppinger, president of the National Corn Growers Association, said of the situation: "Most of the farmers had sold their soybeans for less than $3.50 a bushel. It was the speculators who made money in that market."

The ramifications of the soybean speculation may hit consumers hard in the future, in the form of rapidly rising prices for salad oils and even for meat, as the price of livestock feed made from soybean meal reaches new heights.

Rep. Smith is suspicious that the recent soybean trading may represent an attempt by some traders to corner the market. Smith, whose small business subcommittee will conduct an investigation of the markets this spring said of commodity speculators:

"They get together on the trading floor every morning and talk among themselves and decide whether the market is going to go up or down that day. Then they start buying. They don't care about supply and demand. They buy in the morning, drive up the prices, and they sell before the day ends. It's all in the psychology of it."

NEED FOR ENFORCEMENT

Hundreds of millions of dollars in futures contracts are entered into each day in the noisy trading pits on the floors of the Chicago Board of Trade, the Chicago Mercantile, Exchange, the Kansas City Board of Trade, and elsewhere.

Commodities traded include corn, wheat, soybeans, cotton, eggs, cattle, pork bellies (uncured bacon) and a host of other products. Contracts to buy or sell the farmer's future product are traded back and forth by brokers and speculators, who try to pick up a profit with each rise and fall of market prices. In this way, contracts are bought and sold many times, 99 times out of 100, the individual buyer of a futures contract never actually receives nor does the seller actually deliver, the commodity itself.

Serious problems can arise at the exchanges when a big trader, or a group of traders, attempts to manipulate the price of a commodity by buying large quantities solely to drive prices up, or by large-scale selling to drive prices down.

The CEA itself acknowledges that "if trading on commodity exchanges is not conducted according to equitable rules constantly enforced, unfair practices may distort or depress farm prices, open the way to price manipulations and make it possible for avaricious dealers to 'corner' certain markets and exploit them to their profit."

Yet none of this officially stated concern is reflected in the serene atmosphere of Alex Caldwell's office at CEA headquarters here. Caldwell, 57, who has headed the agency since 1960, contends that the small traders and the public are being adequately safeguarded.

On the one hand, Caldwell frankly admits a lack of manpower to police the rapidly expanding commodity markets. Yet Caldwell, who will appear Thursday before the House Appropriations subcommittee that decides his budget, acknowledges that he has consistently refused to ask Congress for more resources to meet the criticisms leveled at his agency in the 1965 GAO report. The cost-conscious GAO actually urged Caldwell to seek more money and staff.

But his report to Congress last year was typical, when he boasted to the Appropriations subcommittee that he was operating with 175 employees nationwide, 22 fewer than two years earlier. At the same time, he was admitting to the subcommittee that the CEA workload, customer complaints and evidence of serious violations of the commodity exchange act were rapidly increasing and were "a matter of concern."

"I'm not a great one for spending public funds," he explains. "I'm all for self-policing, as far as it can go." To prove that he believes in letting the big commodity traders regulate themselves, Caldwell says that the CEA last year referred 111 possible violations of federal law to the exchanges themselves for investigation and action.

TOO MANY CASES

In its 1965 investigation, the GAO charged that CEA was not making a sufficient number of probes of the major commodities to uncover and halt price manipulation attempts. At that time, the CEA had never investigated the soybean, soybean oil and soybean meal futures, which are three of the biggest commodities traded.

Today, with the commodity market tripled in size, there still has not been an over-all investigation to see if soybean trading is being operated honestly because, according to Caldwell, "it would tie up our whole staff for a year."

One reason Caldwell is short-staffed is that a year ago he voluntarily gave up some personnel in exchange for a computer program which was to spot price manipulations and other possible market violations. Now the computer project has been judged a failure by the CEA because it was spotting too many cases.

Caldwell said the computer kicked out so many cards indicating various deceptive trading practices that it was impossible for his small staff to process them adequately. Blaming computer errors for "the mountain of paper the computer kicked out," Caldwell abandoned the system as "unneeded" and "unworkable."

The GAO report found that in the rare cases where the CEA did conduct market investigations, it did find abusive trading practices such as cheating of customers by traders, filing of false reports, and false and illegal transactions by traders. The GAO auditors decided to conduct their own investigation at one of the major exchanges and during one three-month period turned up 47 cases of "questionable" trading practices.

One of the most serious shortcomings of the CEA, according to the congressional agency, was its failure at that time to evaluate the effect on futures prices of "floor trading," where a trader at the commodity exchange is permitted to buy and sell not only for the customers he serves, but for himself as well. Professional floor traders, because of their specialized knowledge and constant presence in the exchange, "enjoy special advantages" over other people who might want to buy and sell commodities, said the GAO. And floor trading raises the possibility of serious conflicts of interest, in which a floor trader might obtain more favorable deals for his own account than for those of his customers, the agency noted.

Another problem, said the GAO, is that Caldwell's agency has repeatedly failed to inspect the records of the commodity exchanges to check whether they really exercise their self-policing function by adequately punishing violators within their midst.

Yet today, Caldwell still steadfastly refuses to tackle these problems, saying that he is doing the best he can with the resources at his command, and dismissing questions such as conflict of interest in floor trading by saying they are "low priority."

He told Congress last year that in 1973 the CEA would spend less money, examine fewer financial statements of commodity brokers, and conduct approximately the same number of audits and investigations as the year before, despite a burgeoning market.

THE "LITTLE GUY" LOSES

The lack of regulation can penalize traders, farmers, consumers and increasing numbers of small investors who, in the words of one industry official, are "stumbling pell-mell into this thing." In 1967, for example, there were 9 million contracts traded at the commodity exchanges. By 1972 this had nearly doubled to a total of 17.8 million trades.

Commodities analysts Charles Harlow and Richard Teweles of Los Angeles say the rush of small-time investors into buying such things as soybeans and pork belly futures "indicates a greediness on the part of people to make money fast; it indicates they have more money to spend and it indicates many people are dissatisfied with the relatively poor stock market results in recent years. If you win in commodities you can win big."

But Teweles and Harlow say their research indicates "the ordinary little guy who speculates loses about 98 per cent of the time."

Some of that risk is due to the complexity and volatility of commodities trading, but some of it—no one knows how much—may be caused by manipulations and other illegal market activities that are never caught. Herbert Sheidy, vice president of the Chicago Board of Trade, admits that "regulation of commodities is real primitive compared to regulations of the securities industry."

There are many illustrations of the close ties between the CEA, representing the public, and the commodity markets controlled by the professional traders:

Allegations that a group of grain traders had rigged the wheat futures market on the Kansas City Board of Trade, in order to drive up the government's subsidy payments to exporters at the time of last year's huge Russian wheat sale, were referred by the CEA to the board itself for action. The board's investigation committees, which are made up of influential board members, decided there was "no basis for complaint."

The commodity exchanges are permitted by the CEA to set their own membership standards (often costly and exclusive), and to adopt their own rules of operation. For years, the exchanges have set minimum commission fees to be charged by brokers who buy and sell commodities for customers. Brokers who tried to charge lower fees have been disciplined. Finally, in late 1971, the Justice Department filed an antitrust suit to break up the minimum fee setup. Caldwell, who had never initiated any such action on his own, admitted in a document filed with the court in the still-pending case that the minimum fees are not always related to the brokers' actual costs and that the public would be better off if they were abolished.

Exchange disciplinary committees, to which CEA regularly refers alleged violations, operate free of the most basic elements of due process that a defendant would be given in a court of law.

THE CARGILL CASE

When the CEA does move against offenders it often—especially in recent years—permits them to continue in business with only a light penalty. In an important case concluded less than a year ago, Cargill, Inc., one of the giants of the grain trade, was found guilty of an illegal "squeeze" of the 1963 wheat futures market in Chicago, which caused prices to rise to artificial levels. It took the CEA eight years to complete its case against Cargill and then it imposed only a meaningless two-year probation rather than a fine or suspension of trading privileges. A Cargill official, testifying before a congressional committee last fall, could not even remember whether the probation was still in force.

Caldwell admits the probation was, "in effect, no sanction," but blames it on former CEA judicial officer Thomas Flavin. But Flavin, now retired, indicates that he was expected to go easy on Cargill. He acted, he says, "with the knowledge that no Secretary of Agriculture has ever penalized a big trader by barring him from trading." Barring Cargill from trading "would have been worse than a $5 million fine," he says. Flavin is not even sure that the probation was a legally imposed penalty, but he notes that no one complained: "It is apparent that these companies won't come into court and challenge it by saying, 'You've been too soft on me. You should have put me out of business.' "

Ironically, the number of market manipulations alleged by the CEA has declined at the same time market volume was booming. In the 1960s, only six such cases were filed, compared with 14 in the previous decade. And the CEA's slowness in moving against price-rigging is typified by the alleged egg price manipulation.

Private suits by investors who were stung in the egg futures game were filed in the spring and fall of 1970, but it was two years later—October, 1972—before the CEA filed a complaint against a large food processing company and others, charging them with conspiring to inflate egg futures prices.

William Phelan, who heads the Department of Audits and Investigations at the 500-member Chicago Mercantile Exchange, says the alleged egg manipulation there went on for a year, and he estimates it raised the retail cost of eggs by a dime a dozen.

A Chicago lawyer familiar with the inside working of the Commodity market says: "A regulatory agency like the CEA should be able to move with lightning speed, but they drag the cases out and then impose a relatively meaningless punishment."

The need for swift enforcement increases as more small investors become fascinated with commodity trading and run the risk of losing money in the complexities of an unregulated market. For, as the federal circuit court stated in the Cargill ruling, "The methods and techniques of manipulation are limited only by the ingenuity of man."

[From the Des Moines Register,
Mar. 19, 1973]

Reveal CEA Was Warned in Oil Deal: "Advance Tips" in DeAngelis Case

(By James Risser, George Anthan, and Clark Mollenhoff)

Washington, D.C.—A long-hidden government report shows that the U.S. Commodity Exchange Authority (CEA) had ample advance warning of wheat eventually turned into one of the biggest scandals in the history of commodity trading, but did virtually nothing to stop it.

CEA was given numerous tips, some of them from knowledgeable commodity traders, on the impending $150-million salad oil swindle by Anthony (Tino) DeAngelis, but took a hands-off attitude and "passively watched DeAngelis gain control of the soybean oil and cottonseed oil markets, the report charges.

NEEDLESS COLLAPSE

Had the CEA been more vigorous in its regulatory activities, the eventual collapse of the scheme and the severe financial damage that resulted to more than 50 banks and brokerage houses might have been avoided, it concludes.

The report was written in 1965 by Lester Condon, then inspector general of the U.S. Agriculture Department, but was never disclosed publicly. It became available for the first time last week after members of the House Appropriations Committee learned of its existence from a recent series of articles by The Des Moines Register, and forced its release.

However, the inspector general's report says "there were a number of positive actions CEA could have taken," including investigation of the tips, examination of DeAngelis' trading records, and warnings to the commodity exchanges that the bottom might fall out of the commodity markets.

The case demonstrated at that time, said the inspector general, "that generally CEA did not perform with maximum effectiveness its regulatory function . . . A conservative interpretation of the (commodity exchange) act has resulted in a passive rather than an active or aggressive approach to regulatory control."

A 1971 study by Condon's successor, Inspector General Nathaniel Kossack alleges that many of the same deficiencies still exist in CEA's policing of commodity trading. That report too had been withheld and also was delivered to the house committee last week.

The 1965 study was aimed specifically at assessing CEA's performance in the case of DeAngelis, who finally went to federal prison after it was revealed that he had used fake warehouse receipts, representing non-existent stocks of salad oils, to obtain millions of dollars in loans.

DeAngelis' firm, the allied crude vegetable oil refining corp., went bankrupt after the scheme collapsed.

The inspector general's report says:

HAD REPORTS

"CEA files disclosed that since 1954 (repeat 1954) CEA had reports of numerous allegations and suspicions with regard to DeAngelis' transactions, such as price manipulation, wash (fictitious) and prearranged trades, unusual methods and volume of expit trading, failure to file reports and to notify CEA of controlled accounts.

"CEA conducted numerous fruitless investigations, increased market surveillance within CEA, and passively watched DeAngelis build up his holdings of long futures positions in 1963 to 98 per cent of the December cottonseed oil future and 92 per cent of all futures in cottonseed oil, and 39 per cent of total long positions in soybean oil."

One of CEA's responsibilities under the law is to prevent speculators from manipulating or cornering the market, in ways that artificially boost or depress prices of grains and livestock traded at the commodity exchanges. Domination by one firm in the trading of a particular commodity future is a common warning signal to the government investigators that something may be amiss.

In 1961, the inspector general revealed, the chairman of the directors of the Chicago Board of Trade "told the CEA compliance division director that he had numerous complaints that an 'oil man' was rigging the market" in soybeans, soybean oil and soybean meal.

But "no investigative file was opened on the matter" by CEA, and the agency's files do not show any efforts to learn the identity of the "oil man," to identify or interview the complaints, or to obtain details on how the rigging was being performed, the inspector general said.

About the same time, in March of 1961, says the report, the CEA's exchange supervisor at Chicago was specifically told by four persons "that the oil market was being rigged by DeAngelis, through the Commodity News Services (CNS)." The informants said DeAngelis owned 4,000 to 5,000 tanks of oil that were not correctly reflected in his publicly-stated market positions. Again, CEA did virtually no investigating, the report says.

In January, 1963, CEA received a written complaint that DeAngelis and another man were manipulating the soybean oil markets, but again no thorough checking was done by the agency, it continues.

An investigation of DeAngelis finally was begun in a limited way in mid-November, 1963, but concentrated mainly on determining whether there was a legally-definable manipulation or "corner," the inspector general says.

NO INTENTION

CEAs probe was "conducted with no real intention of ever using the information developed, and was stopped before sufficient facts were developed to determine whether a violation had occurred, the report says.

When the inspector general's office itself gave CEA eight documents that indicated dissemination of false information by DeAngelis and an attempt by him to deliberately affect futures market prices, the CEA did not pursue it but instead "rationalized that no manipulation occurred, the report says.

CEA had other warnings that DeAngelis should be watched, it continues. In 1955, New York City CEA officials found that in a space of two months DeAngelis failed 37 times to file required reports and in eight other cases filed "inaccurate reports, says the study. And at one point in 1963, the Chicago Board of Trade barred him from trading for 30 days because he had engaged in wash trading, but CEA took no action.

The agency was "remiss," the inspector general concluded. Had it investigated or denied him trading privileges at exchanges at that point, the false warehouse receipts might have come to light earlier as DeAngelis was forced to liquidate his outstanding futures contracts for salad oils, he said.

"The review of the CEA investigative files concerning DeAngelis disclosed that the material was in a state of confusion," the report says. "CEA is understaffed to the extent that necessary functions cannot be performed."

At the least, it says. CEA could have warned officials of the Chicago Board of Trade and the New York Produce Exchange that Allied's holdings in oil futures threatened to cause price disruptions. Had the agency pressed the issue. DeAngelis "would have feared exposure" and might have been forced to halt his activities, the report contends.

Caldwell has argued, as he did before the House committee only last Thursday, that CEA could do nothing in the DeAngelis case and that the use of money, obtained from false warehouse receipts, to buy future contracts was no violation of the Commodity Exchange Act.

But the inspector general's report disagrees: "The passing of false warehouse receipts, with the detection thereof, many of which presumably were used as the basis for hedging and establishing new futures contracts, would have resulted in charges of violation of section 4(C) of the act." (That section prohibits a number of illegal types of sales and false reporting of prices).

Subsequent investigations showed that DeAngelis concealed the ownership of certain commodity trading accounts and thus falsely reported his trading activities, the report notes. Also, the Allied firm's holdings did not constitute bona fide "hedging" contracts, it says.

The inspector general's report says that Caldwell, given a chance to review its contents, "expressed no disagreement with the facts" although he resisted some of its recommendations. One he opposed was that CEA's investigative function be turned over to the inspector general's staff.

Aside from the DeAngelis case, the 1965 report rapped Caldwell for reducing the number of CEA investigations of trading, for not seeking sufficient funds to hire enough skilled personnel, for suspending its regular audits of traders' records (audits which the inspector general said are "a prerequisite of effective regulation"), and for deferring market-wide surveys of trading operations.

"CEA's policy of selecting only certain complaints or allegations for investigation, because of limited manpower, has contributed in part to compliance responsibilities not being handled adequately," the inspector general said then.

"Some complaints and allegations of possible violations of the act were not investigated or even preliminarily pursued to determine the need for investigation. CEA did not always aggressively pursue investigations undertaken by attempting to obtain all pertinent facts. Consequently, some allegations remained unresolved as to whether violations of the act had occurred."

The agency failed to make sure it was getting accurate information from traders, and failed to refer criminal violations of the commodity exchange act to the department of justice, it added.

[From the Des Moines Register, Apr. 9, 1973]

CITE EARLY WARNING, RAP HANDLING OF EGG FUTURES

(By James Risser and George Anthan)

CHICAGO, ILL.—Worried officials of the Chicago Mercantile Exchange tried unsuccessfully in 1970 to convince federal regulators that egg futures trading at the exchange had been illegally manipulated for nearly a year.

They went to Washington, D.C., in September, 1970, and gave Alex C. Caldwell, administrator of the U.S. Commodity Exchange Authority (CEA), evidence showing that price-rigging had been occurring in the egg market continually since November, 1969.

But, more than two years elapsed before Caldwell filed a complaint against a group of egg traders. The CEA complaint alleged price manipulation on only one trading day, and Caldwell maintains that he knows of no other manipulations.

CEA's handling of the case is criticized sharply in a recently released government audit that accuses the agency of "inadequacy" in regulating commodity markets to prevent price manipulations that harm consumers, farmers, and commodity traders.

The audit, conducted by the Office of Inspector General (OIG) of the U.S. Agriculture Department, discloses a probable price-rigging in January, 1970, egg trading—some eight months earlier than the date cited in the complaint CEA eventually filed against Tyson Foods, Inc., of Springdale, Ark., and other defendants.

An unnamed official of the Chicago Mercantile Exchange told the OIG investigators that egg futures trading could be manipulated "at will," and the official was "critical of CEA inaction on cases in which manipulation was evident," the report says.

Caldwell refused to comment on any aspect of the OIG report when questioned about it last week. He would not say why his agency filed no charges regarding the manipulation of the January, 1970, egg futures trading suggested by the OIG report.

An investigation by The Des Moines Register in February found that price rigging of the egg futures market in Chicago in 1970 continued undetected for nearly a year and boosted the supermarket price of eggs by as much as 10 cents a dozen.

Caldwell, in a March 14 report to Assistant Agriculture Secretary Clayton Yeutter, denied a long-standing manipulation of the egg market and disputed the charge that retail egg prices had been affected.

"NO INDICATION"

Noting that CEA had filed charges against Tyson Foods for manipulating egg futures prices on Sept. 21, 1970, Caldwell told Yeutter "there is no indication that his manipulation occurred over a long period of time.

"Our very exhaustive investigation was able only to gather evidence showing manipulation on the final trading day" for September egg futures contracts, said Caldwell.

A few days later, a House appropriations subcommittee forced the release of the previousy secret OIG report that disputes Caldwell's handling of the egg investigation.

The report says the OIG investigators "found that several officials of the Chicago Mercantile Exchange visited the administrator (Caldwell) in Washington, in September, 1970. At that time, they presented CEA with evidence that they believed could be used to substantiate that the fresh shell egg futures had been manipulated every month since November, 1969."

One exchange official told the OIG later that members of United Egg Producers (UEP), who produce more than 55 per cent of the eggs in the U.S., "use the futures market for manipulation," the report says.

CONTROL CITED

Because nearly all the egg packers were "controlled by UEP," they "could manipulate the futures market at will by refusing to make deliverable stocks available, or flooding the market with deliverable eggs, whichever was to their advantage," the exchange official said.

At that time, says the OIG report, the Business Conduct Committee of the Mercantile Exchange "had meetings nearly every month concerning fresh-shell egg futures operations."

But the CEA was taking no action, and when the Mercantile Exchange tried to head off manipulations by forcing traders to dispose of their overly large egg futures holdings, the exchange was "often threatened with lawsuits" by the traders, said OIG.

The report quotes CEA economists as being concerned generally about the possibility of price manipulation in egg futures trading, because of instability and other problems in the pricing of both cash egg sales and egg futures contracts.

The egg marketing situation is such that traders with warehoused eggs are able to "squeeze" both those holding contracts to buy future supplies of eggs and those holding contracts to sell egg futures, one economist said. Thus, egg prices could be artificially forced either up or down.

The OIG investigators undertook their own investigation of January, 1970, egg futures trading, and said if "disclosed factors indicative of manipulation," including price fluctuations and unusually high futures prices.

The CEA took no action with regard to the January, 1970, trading, except for what the OIG called "a belated analysis." No charges were filed by CEA.

William Phelan, director of audits and investigations for the Chicago Mercantile Exchange, in an interview in Chicago last week, indicated agreement with the OIG suggestions that the price manipulation continued over many months.

GIVEN ANALYSES

He said that as best he could recall, CEA officials in Washington were given analyses of the cash and futures prices for eggs, the total dealings in egg futures contracts, and the futures holdings of those suspected of perpetrating the manipulation.

Phelan said he made a number of visits to Washington on various matters in 1970 and did not specifically recall which exchange officials met with Caldwell at the time cited by the OIG. But he said he thought it was himself, Exchange President Everette B. Herris, and one or two other exchange officials.

Phelan said the fact that a group of persons from the same area of the U.S. had unusually heavy holdings in contracts to purchase egg futures was a tip-off of a probable price-rigging attempt.

Though he expressed agreement with the OIG about a continuing egg manipulation, Phelan refrained from criticizing CEA handling of the case and said CEA regional personnel in Chicago were helpful to him in the case.

He pointed out, however, that the CEA requires traders to report their egg futures holdings only if they number more than 25 contracts, while the Mercantile Exchange requires its own members to report holdings of more than five contracts in order to afford the exchange with better surveillance of trading activity.

REJECTS QUESTIONS

In Washington, Caldwell rejected all questions about the CEA's handling of the egg matter, by saying that he had offered his views to the OIG at the time it made recommendations for improvement of CEA regulatory activities.

Two private lawsuits, one charging manipulation of the March, 1970, egg futures trading, and another charging manipulation of September, 1970, egg futures, are pending in federal court in Chicago.

The lawsuits allege that the various defendants conspired to maintain "a false, fraudulent and inflated price in egg futures."

The two suits were filed in May and October, 1970. Despite the two cases and the investigation that resulted in the OIG report being issued in September, 1971, CEA did not move against any alleged manipulators until October, 1972. The CEA complaint is still pending.

[From the Des Moines Register, Apr. 25, 1973]

Wins Commodity-Dealer Court Battle, Can't Collect

(By James Risser and George Anthan)

Washington, D.C.—U.S. Agriculture Department secrecy and lack of concern over a proven fraud have made it impossible for 75-year-old Bernhard Rosee to collect a $700,000 Illinois court judgment against commodity dealers at the Chicago Board of Trade.

Alex C. Caldwell, who, as administrator of the Commodity Exchange Authority (CEA), is the top government policeman over the commodity markets, and Henry H. Wilson, jr., president of the Chicago Board of Trade have refused to come to Rosee's aid.

WON CASE

When the elderly Austrian immigrant won his case last August, it apparently brought to a successful close his battle of more than a decade to prove that he had been defrauded of his license as a commodity trader at the Board of Trade.

But today, eight months later, he seems no closer to collecting his money or to resuming his profession. Appeals of the case seem likely to consume two or three years.

Rosee charges that the CEA, which has consistently refused to give him copies of agency records related to his case, is engaged in "an executive cover-up just like the Watergate case. They are trying to destroy me."

Such a strong statement might seem extreme were it not for the August ruling by Judge Nathan M. Cohen that offical records had been altered and hidden in order to thwart Rosee's bid for justice for 12 years. The Chicago Board of Trade hearing, at which Rosee was stripped of his board membership, was "a travesty," the judge declared.

Nevertheless, these are the positions taken by the exchange officials and government regulations involved.

Wilton, the president of the board of trade, said in a telephone interview Tuesday the exchange has taken no action to restore Rosee's membership and does not feel any obligation to examine the court's findings that the board hearing was a travesty. No disciplinary actions are contemplated against two board members whom the court found defrauded Rosee, he said.

Sam Gordon, who is now CEA's regional director at Kansas City, Mo., refuses all comment on his role in investigating the agency's Chicago office. All questions relating to the destruction of commodity trading records and CEA's refusal to aid Rosee in obtaining proof were referred by Gordon to Administrator Caldwell in Washington.

Caldwell, despite the strong language of Judge Cohen's decision, has reported to Assistant Agriculture Secretary Clayton Yeutter that after a thorough investigation, the CEA does not have evidence that would support a charge that Baggott and Morrison (the Chicago commodity brokers who were defendants in the case) defrauded Rosee."

Caldwell declined to reopen the CEA's investigation following Judge Cohen's ruling and insisted that "our actions in this case have been proper all along."

Citing possible "unwarranted invasions of privacy." Caldwell has continued his refusal to give Rosee government records that Rosee says would permit him to trace money which was allegedly taken from his account and put in other commodity trading accounts handled by the Baggot and Morrison firm.

Judge Cohen, noting that the CEA was not a defendant in the case, avoided any criticism of the agency's performance during a telephone interview with The Register. But he said, ""I have never known of any administrative agency that did not have the power to order production of records by anyone coming under its jurisdiction."

The judge said "records were suppressed secreted, and not made available" in the case. "The evidence satisfied me that the defendants had not dealt honestly with Rosee" he said.

Judge Cohen ordered the three defendants—Partners James E. Baggot, jr., and Donold W. Morrison, and their office manager Harris Haywood—to post bonds totaling $700,000 if they wished to appeal his decision.

BOND REDUCED

But an appellate court has reduced the bond to $100,000 per defendant and Baggot, now has filed an appeal Morrison and Haywood have not yet done so.

The complex case essentially revolves around the claim by the Baggot and Morrison firm that Rosee owed them substantial amounts of money which he had lost in buying and selling futures contracts in soybeans and other commodities in 1959.

Rosee said he actually was making money, but that funds had been taken from his account. At the same time, he said, other trading accounts, which showed deficits, had been charged to his name.

One of his major efforts has been to find out from either the Board of Trade or the CEA the ownership of all Baggot and Morrison accounts at the time—particularly a mysterious "account number 35," which Rosee claims was wrongfully assigned to him.

He also has demanded unsuccessfully to know who prepared certain records submitted to the courts by Baggot and Morrison and by the CEA, some of which appear to be false because they combine Baggot and Morrison's own "house" accounts with the accounts of their customers—a violation of federal regulations requiring that customers' accounts and a brokerage firm's own accounts be "segregated" and not mixed.

CUTTING PAGES

Rosee's board of trade membership was taken away in 1961 because of the alleged shortage in his account. In 1963, while Rosee and his lawyer were pursuing the records needed to prove their case, they caught office manager Haywood cutting onion-skin pages from commodity trading books which the law requires trading firms to keep. According to Rosee, the pages dealt with the firm's trading activities during the period crucial to his case.

Destruction of commodity trading records is a violation of federal law and Rosee and his lawyer say they reported the incident to the CEA's Chicago office.

But Gordon refuses to answer any questions as to whether he was informed of the removal of records from Baggot and Morrison account books.

And CEA Chief Caldwell in Washington contends he didn't hear of the incident until 1972, saying that by that time it was too late to take any action.

Melvin Brandt, Rosee's long-time lawyer, charged that the strategy of the defendants, the Board of Trade, and the CEA has been that Rosee may die before the case is finally settled. "But he's a stubborn guy," said Brandt. "He may outlive them all."

[From the Des Moines Register, May 15, 1973]

CEA Destroys Key Records in Fraud Case—Data Was Sought in Commodity Suit

(By George Anthan and James Risser)

Washington, D.C.—The U.S. Commodity Exchange Authority (CEA) has destroyed key records long sought by a Chicago, Ill., man to prove he was defrauded by a firm of commission merchants and illegally deprived of his license as a commodity broker.

The records were destroyed by the CEA after their importance had been emphasized to the federal agency by an Illinois court and by a member of Congress.

The records had been sought by Bernhard Rosee, who last summer won a $700,000 Illinois court judgment against commodity dealers at the Chicago Board of Trade, after a decade-long legal battle.

APPEALS TO NIXON

Rosee, however, also has been deprived by the Board of Trade of his position as a commodity floor broker since 1961, and he contends the records would show this action was wrongful.

Officials at the CEAs office in Chicago have refused to discuss the destruction of the records, and Rosee now has appealed directly to the White House for help.

The CEA revealed in a letter to Rosee last fall that the records were destroyed on Dec. 15, 1971. There had been numerous requests for the records prior to that.

An Illinois superior court judge ruled in August that the Chicago brokerage firm of Baggot and Morrison defrauded Rosee of thousands of dollars at the same time that the firm was charging Rosee owed it large amounts of money.

The firm told the Chicago Board of Trade that Rosee was losing money in his commodity trading accounts, and the board removed Rosee from his trading seat and sold it to satisfy this debt.

Rosee contended that he had, in fact, been making money in his trading. He contended the Baggot and Morrison firm had taken money from his account and used it for its own purposes. He said only an examination of the accounts of all the customers of Baggot and Morrison would reveal what happened to his money.

The partners in the firm, James E. Baggot, jr., and Donald W. Morrison, under orders from the Circuit Court of Cook County, Ill., authorized the CEA to allow Rosee and his lawyers to inspect all records dealing with the firm's business.

The CEA, however, backed by top officials of the U.S. Department of Agriculture (USDA), refused to allow Rosee to see records except those relating directly to Baggot, Morrison, or to Rosee himself.

"NO HELP"

"They offered us only those records that wouldn't help us," said one of Rosee's lawyers, Melvin A. Brandt.

Rosee learned of the records' destruction after he had specifically requested that the CEA allow him to inspect 1960 reports outlining the specific trades purportedly made by customers of Baggot and Morrison.

He was hoping, Brandt said, to determine if any profitable commodity trades actually made by Rosee had been falsely listed by the firm as belonging to another account.

He subsequently was notified by Robert W. Clark, CEA director in Chicago: "These reports had been retained up to Dec. 15, 1971, when they were destroyed."

Clark contended in his letter that "there had been no request for these records up to that time," and that "they were destroyed as par of a periodic review for disposition of old records."

He said records already had "been held much longer than the regular retention period, which is five years."

But some 18 months before the CEA destroyed the records, Representative Kenneth Gray (Dem., Ill.) had requested that CEA Administrator Alex C. Caldwell turn the reports over to Rosee.

Gray, in a letter to Caldwell dated July 8, 1970, stated:

"Frankly, Mr. Caldwell, I am amazed at the attitude of the department concerning Mr. Rosee's request to see certain records that have a direct bearing on his business and his allegations that he has been frauded (sic) by certain persons."

The congressman continued, "I would think that the federal government and its agencies would be the last people to withhold information ordered by a court of law."

"ANY AND ALL"

Gray referred to the Illinois circuit court action under which Baggot and Morrison authorized Rosee to inspect "any and all" records.

Gray noted that the U.S. Commodity Exchange Act prohibits CEA employes from releasing personal financial records unless required by a court of competent jurisdiction.

He stated, "Mr. Caldwell, the Circuit Court of Cook County is certainly a court of competent jurisdiction, and the law explicitly does not provide for any exemptions for withholding certain reports while releasing others."

Later in 1970, Rosee actually met in Washington with CEA chief Caldwell and personally requested that the agency allow him to examine all records in the case.

Shortly after learning that the CEA had destroyed the records, Rosee asked in a letter: "Why did the government claim up to last week that the document that I had requested was privileged and suddenly they claim that these records were destroyed?"

Rosee has contended that CEA officials deliberately withheld information that would show he was not the owner of the money-losing accounts that bore his name in the Baggot and Morrison records.

Caldwell's decision to deny Rosee access to the records he was seeking was ratified in an April, 1971, letter to Rosee from former Assistant Agriculture Secretary Richard Lyng.

Lyng acknowledged that the department could make the records available unless such disclosure would adversely affect the national interest or "constitute an unwarranted invasion of privacy."

NO MOVE

But he stated, "Our conclusion is that disclosure would constitute an unwarranted invasion of privacy of the persons involved and that the identity of these customers should, therefore, not be released."

Rosee has been unable to collect the $700,000 judgment awarded him by Judge Nathan M. Cohen. Also, the Chicago Board of Trade has made no move to restore to him his seat as a commodity floor trader.

In desperation, Rosee on May 3 sent a telegram tc President Nixon, telling him:

"Secretary of Agriculture Carl Butz and (CEA) Administrator Alex Caldwell are fully aware of the falsified and manipulated records furnished me, and I must call to your attention that Congress in 1936 set up the Commodity Exchange Authority to protect the public from being cheated and defrauded. Yet this very agency is now in the act of violating that public trust."

He continued, "In view of the fact that I am 75 years old, in ill health, and was forced to go on relief for six years because of the fraud perpetrated by the Commodity Exchange Authority in withholding the true records and supplying the court with false and manipulated records. I am now appealing to you to issue an executive order to the Commodity Exchange Authority to make all pertinent records available in order to enable me to recover the hundreds of thousands of dollars rightfully due me."

By Mr. INOUYE:

S. 2840. A bill to authorize the Secretary of Commerce to conduct a study of foreign direct and portfolio investments in the United States and for other purposes. Referred to the Committee on Commerce, by unanimous consent.

Mr. INOUYE. Mr. President, I am introducing today a bill to authorize and direct the Secretary of Commerce to undertake a study of foreign direct and portfolio activities in the United States.

Within the last year, the subject of foreign investment in the United States has come increasingly to the attention of American policymakers and the public. Foreign investment in the United States is actually an old phenomenon. Foreign, principally British, capital played a major role in the industrialization of the United States, and some foreign firms are so well established that many Americans think of them as native to this country.

Although foreign investment has a long and honored place in American business history, we are currently witnessing a new and important development in this area. Foreign direct investment in the United States this year will reach a record which could herald the beginning of a new and permanent trend in investment flows into our country. Whereas the United States has long been a net exporter of capital the gap between our direct investment abroad and foreign firms' expenditures here will narrow dramatically this year.

Foreign direct investment in the United States will be well over a billion dollars in 1973 versus a mere $160 million in 1972 and a negative figure in 1971. Furthermore, net foreign purchases of American equities were running at an annual rate of nearly $2.9 billion for the first half of 1973, a large increase over the previous year.

As of the end of 1972, the largest cumulative foreign direct investor in the United States was the United Kingdom with $4.6 billion. Following the United Kingdom were Canada with $3.6 billion, the Netherland with $2.3 billion, Switzerland with $1.6 billion, and Germany with $807 million. This pattern is gradually changing, however, since these figures represent accumulated investments and not current investment trends.

In 1972, the largest foreign direct investor was Japan, with $105 million. In 1973, Japan again is a major investor, closely following the United Kingdom, which invested $225 million through the first half. Japan is not alone, however, in increasing its direct investment in the United States, although most of the recent publicity has focused on its activities. Much of the reason for this attention is due to the fact that Japan constitutes a new and different source of funds, but its involvement in the United States is just part of the general phenomenon that we are currently witnessing.

The increase in the flow of funds is due to several factors. First, the evaluation of the dollar has made investment in the United States far more reasonable than it was before. In spite of the recent increase in the value of the dollar against other currencies, the two devaluations mean significantly cheaper costs to the foreign investor.

Moreover, along with a cheaper dollar,

foreign firms are able to tap large dollar holdings abroad to finance their expansion in the United States. Foreign corporations have gained in sophistication, size, and managerial abilities, so they are able to compete effectively everywhere. The fear of competing in the continental-sized American market has receded for most of these firms.

Closely allied to the devalued dollar as a cause for the new interest is the relative cheapness of acquiring an interest in an American firm. The precipitous decline of the stock markets has meant that many American corporations can be acquired at reasonable prices, possibly at a much more reasonable price than a comparable European or Japanese firm.

Fourth, the cost differential which made foreign operations cheaper has now either disappeared or narrowed substantially. Wages abroad have increased at a much faster rate than in the United States. Likewise, the inflation which both Japan and Western Europe have suffered in recent years has been worse than in the United States.

The result of these two trends plus the devaluations is that it is now cheaper in some instances to produce a product in the United States than it is to export from abroad.

Finally, foreign businessmen are mindful of the attempts by some Americans to insulate the domestic market from foreign competition. The resurgence of protectionism has raised the possibility that imports into the United States may be actively discouraged through high tariffs, quotas or nontariff trade barriers. The establishment or acquisition of local production units for many foreign firms may be part of a defensive strategy to forstall this possibility.

The jump of foreign direct investment in the United States raises many troubling questions, however, for which very few individuals have answers. Within the past year the American public has been aroused by investments which appeared to have threatening aspects to them.

My home State of Hawaii is a good example of what has occurred. In the short space of 3 or 4 years Japanese investors have poured between $200 to $300 million into Hawaii. Although this sum is not unduly large in comparison to the gross State product nor to the total assets in Hawaii, this investment has been concentrated in the tourism industry, which is Hawaii's most important industry. Japanese interest in Hawaii has also grossly inflated already high real estate prices to the point where very few Hawaiians can afford new housing. And to aggravate this situation further, Japanese businessmen have not handled their public relations well and have aggravated several local groups.

This same situation has apparently occurred in Alaska, which like Hawaii, has a relatively limited economic base. It may also occur in other States which, for special circumstances, prove to be particularly attractive to foreign investors.

In spite of the alarming press reports and local concerns, however, it is not clear at this moment what the United States response to this phenomenon should be. For example, both Hawaii and Alaska are capital short areas which need outside capital to develop their resources. Foreign direct investment may play a positive role in providing the financing required by industries located in these two States. Along with development can come more jobs and local prosperity.

Nevertheless, the fact of the matter is that we know very little about the impact of foreign direct and foreign portfolio investment in the United States. Department of Commerce and State efforts notwithstanding, we do not know whether the net effect of foreign direct investment in the United States has been beneficial or detrimental.

Only within the last year has there been a serious effort by competent, academically-oriented economists to study the impact of foreign direct investment in the United States. At the present time, the Council on International Economic Policy is coordinating an interagency task force to study foreign direct and foreign portfolio investment and to develop policy alternatives. On various campuses throughout the country, several academics are devoting more and more of their attention to this issue. Nevertheless, at the present time, the Congress simply does not have sufficient information on which to base decisions with regards to foreign direct investment. The CIEP interagency task force does not have the resources or time in which to come up with large amounts of new raw data and statistics. In the absence of adequate statistical information, I believe that the enactment of legislation by the Congress to restrict foreign direct investment would be premature. An erroneous decision at this time could have the effect of choking off new and badly needed funds as well as aggravating our international economic relations with our allies.

Before taking further action, the United States must have more and better information. Therefore, I am today introducing a bill to fill this information gap by authorizing and directing the Secretary of Commerce to initiate a new benchmark study on the effects of foreign direct and portfolio investment in the United States. I believe that this study will provide us with the data necessary to formulate a coherent national policy with respect to investment. In the absence of a national policy, we face the prospect of having a patchwork of localized responses with little or no attention to an issue which is national in scope and impact.

The bill being introduced today authorizes a 2-year study with an interim report to the Congress 1 year after enactment. The Secretary of Commerce will have broad authority to consider various issues including those specified by the bill, which are as follows: The nature, scope, magnitude, and rate of investment; reasons for investment; financing mechanisms and their effect on our financial markets; types of investment; impact on specific geographical areas and industries affected by a disproportionately high share of foreign investment; impact of foreign investment on our national security, energy resources, balance of payments and trade, international economic position, and various significant product markets; effects on labor; Federal, State, and local laws; and finally the relationship between the activities of American firms abroad and the activities of foreign firms in the United States.

Furthermore, the Secretary is directed to consult with other government agencies which have special expertise in their areas and with representatives of labor, and industry, with scientists, academic specialists, and consumer organizations and other groups or individuals which can contribute meaningfully to the study. He is further authorized to utilize private consultants—authority I would urge him to use to avoid criticisms of departmental policies and biases.

I wish to bring to the attention of my colleagues that over the Christmas recess, the Subcommittee on Foreign Commerce and Tourism, of which I am chairman, will be conducting field hearings in Honolulu on the subject of the impact of foreign investment in the United States, with particular reference to Hawaii. I hope that other Members of the Congress who are interested in this subject will feel free to contribute their thoughts for the record and in anticipation of further hearings on the subject.

Mr. President, I believe that the legislation being introduced today is a constructive and reasonable response to a development whose contours are yet unclear. It is conceivable and probable that the economic slowdown which faces the free world as a result of the energy crisis will sharply reduce the inflow of funds. If this stagnation in capital transactions occurs, this will actually be an ideal time in which to study the problem. This statement is necessarily short but covers my present thoughts on this subject. I shall be speaking out from time to time about this issue at greater length.

I urge the Congress to act expeditiously on this bill in order to have the study underway at the earliest possible date.

Mr. President, I ask unanimous consent that the bill I am introducing be referred to the Commerce Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. BEALL (for himself and Mr. MATHIAS):

S. 2841. A bill to amend the Chesapeake and Ohio Canal Development Act so as to expand the boundaries of the Chesapeake and Ohio Canal National Historic Park to include certain lands within the areas from North Branch to Cumberland, Md. Referred to the Committee on Interior and Insular Affairs.

Mr. BEALL. Mr. President, I join today with my distinguished colleague from Maryland, Senator MATHIAS, in introducing legislation which would extend the boundaries of the Chesapeake and Ohio Canal National Historical Park from its current terminus at North Branch, Md., to its historical terminus, Cumberland, Md. Our legislation, which amends Public law 91-664, would complete an action the Congress began in 1971 with its creation of the C. & O. Canal Park, and I urge the Interior and Insular Affairs

Committee to give this proposal its quick action.

Mr. President, in 1971 Congress, after years of inaction, approved legislation establising the C. & O. Canal National Historical Park. Since its establishment, the canal has offered to thousands of people an unmatched opportunity for recreation, and a chance to relive one of our Nation's most historic eras. The Department of the Interior is still in the process of acquiring land as directed by Public Law 91–664, and I am confident that with the proper management and the appropriation of necessary funds, the C. & O. Canal can be one of our Nation's most valuable recreational sites in the coming years.

However, when the Congress was considering this legislation in the 91st Congress, it failed to complete its historical mandate. Our legislation today seeks to correct this situation. It would extend the boundaries of the C. & O. Canal National Historical Park from its present terminus near North Branch, Md., to the original canal terminus in Cumberland, Md. Additionally, the Secretary of the Interior is authorized to establish, operate, and maintain a visitors' center at or near the western terminus of the canal. It is our belief that this visitors' center will serve as a focal point for the recreational and historical uses of the canal, and give impetus to the development of the whole western Potomac River region.

Mr. President, our bill would authorize the Secretary to enlarge the boundaries of the C. & O. Canal along the North Branch to Cumberland so as to acquire 1,200 additional acres for the park. No more than 600 acres of such property would be acquired through fee simple proceedings with the remainder added to the park through the use of scenic easements. We believe this procedure would develop the park most suitably, while at the same time causing a minimum of disruption to private holdings along the canal.

However, I do want to emphasize the fact that since the C. & O. Canal is for the benefit of the public, the public ought to be the one to decide how this facility is developed. For that reason, we have avoided the inclusion of any specific boundaries in the legislation in hopes that the House and Senate Interior Committees would hold quick and thorough hearings on these proposals, in order to accurately ascertain the wishes of the public and of the National Park Service. Through these discussions, it is my belief that we can best serve the needs of the public and of the effected land owners in the area. It is not our intention to propose legislation which will answer all the needs of every affected party, but rather to begin initiatives that will lead to the extension of the canal along boundaries which are mutually acceptable to all.

Mr. President, I strongly urge the Interior and Insular Affairs Committee to give our proposal prompt and serious consideration. It is clear to me that we must extend the C. & O. Canal to its rightful terminus.

Mr. MATHIAS. Mr. President, I am pleased today to join my distinguished colleague from Maryland, Senator BEALL, in introducing an amendment to the Chesapeake and Ohio Canal Development Act of 1971. If enacted, this bill will complete a long and fruitful legislative process which has been undertaken to protect for present and future generations the unique natural and historical resources of the Potomac Valley and to fulfill its enormous recreational potential.

The Chesapeake and Ohio Canal is truly a landmark of our natural and manmade heritage. Built between 1828 and 1850, the 184-mile canal parallels the Potomac from the heart of Washington to Cumberland, Md. Until commercial operations ceased in 1924, the 76 canal locks raised the lowered barges some 600 feet between tidewater and the Alleghenies, following the historic pathway to the West.

At the groundbreaking for the canal in Georgetown on July 4, 1828, an occasion of great pomp and ceremony, President John Quincy Adams declared:

> The project contemplates a conquest over physical nature, such as has never yet been achieved by man. The wonders of the ancient world, the Pyramids of Egypt, the Colossus of Rhodes, the Temple of Ephesus, the Mausoleum of Artemis, the Wall of China, sink into insignificance before it—insignificance in the mass and momentum of human labor required for the execution—insignificance in the comparison of the purposes to be accomplished by the work when executed.

If President Adams may be excused for a touch of understandable overstatement, Mr. President, he cannot be accused of overestimating the lasting importance of the project which was about to be undertaken. Indeed, even today the canal is probably the finest relic of the impressive engineering feats of the Nation's canal-building era, with its sturdy locks, its arched masonry aqueducts, and the magnificent Paw Paw Tunnel of over 3,000 feet through a mountain. Equally important is the lively culture and colorful lore of the canallers, which survives in such towns as Williamsport and Oldtown, and is being rediscovered and preserved by area historians as a unique slice of our history.

For more than three decades in this century, however, from the end of commercial operations until the mid-1950's, the canal lay neglected, preserved primarily by the valley residents who have always been its staunch friends and caretakers. But during the past 15 or 20 years, the public has rediscovered the canal with energy and appreciation. Literally millions of hikers, bikers, campers, canoeists, sportsmen, and naturalists of all ages have used some segment of the canal.

When I first introduced C. & O. Canal Park legislation as a freshman in the House of Representatives, the value and importance of the canal were not widely known or understood. But 9 years later, after extensive studies and intensive discussion of the future of the valley, the breadth of demonstrated public interest and use made it possible for Congress to enact Public Law 91–664, authorizing the creation of the C. & O. Canal National Historical Park.

The law we enacted 3 years ago, Mr. President, formally recognized the great historical importance of the canal and went a long way toward creating a vehicle for its preservation and restoration. As finally passed, however, it did not encompass the entire length of the canal. The bill we are introducing today is designed to finish that job, by extending the boundaries of the canal the last 8 miles to its original terminus in Cumberland. The bill will authorize the Park Service to establish and operate a visitors center at or near the western terminus, to provide the millions of canal enthusiasts who visit this landmark with both conveniences and educational materials regarding the canal's rich history.

In concluding, Mr. President, I would simply like to pay tribute to the dedicated interest and efforts of the members of the C. & O. Canal National Historical Park Advisory Commission, which was created by Public Law 91–664 and whose members give freely of their time and energy to promote the preservation of the canal, and to the many other citizens and businesses in and around Cumberland whose continued cooperation, good faith, and support will be so necessary if we are to succeed in enacting this legislation to complete the job of preserving the full length of this unique historical resource.

By Mr. BENTSEN:

S. 2842. A bill to provide for the continuing availability of capital for economic growth and the creation of new jobs and to provide for greater competitiveness in our economy by amending the Internal Revenue Code of 1954 to impose limitations on institutions holdings of securities and to encourage individuals to invest in securities. Referred to the Committee on Finance.

STOCKHOLDERS INVESTMENT ACT OF 1973

Mr. BENTSEN. Mr. President, one of the foundations of our competitive, free enterprise system has been the existence of broad-based stock markets which serve as a source of capital for persons striving to go into business or to expand an existing business.

Our securities markets have provided the capital that enabled companies like IBM and Xerox—which at one time were very small—to grow, provide thousands of jobs, offer innovative and competitive products and make a major contribution to our economic expansion.

The maintenance of strong and viable capital markets is essential to the economic well-being of every single American.

However, over the past several years we have been witnessing some very disturbing trends in our securities markets—trends that have a major impact on our economy.

Mr. President, these trends are having an adverse impact on the level of competition in our economy, and also on the ability of our economy to create new jobs and to provide the vast amounts of capital needed to meet such pressing challenges as our energy crisis.

First, there has been an increasing dominance of our securities markets by large institutional investors. In 1963, 35 percent of the trading on the New York Stock Exchange was attributable to institutions. Today that figure is 70 percent—just double. The eight-man investment committee of the largest bank trust department—these eight men alone—manage $21 billion worth of common stocks.

Furthermore, institutional investments have become alarmingly concentrated in a small number of select stocks. As examples, one large bank trust department has invested more than 60 percent of its total common stocks in just 20 issues. Another bank trust has concentrated more than 20 percent of its discretionary stock market investments in just two issues. Still another has concentrated more than 15 percent of its discretionary stock market investments in just two issues.

Meanwhile, the number of individual stock investors, who are so essential to a healthy economy, has been declining. It is estimated that the number of individual shareholders in the United States has declined by as many as 800,000 since early 1972.

Our stock markets have exhibited other disturbing characteristics in recent years.

A decade ago, few of us would have thought that America's securities markets would one day be compared to a well known bird named Jonathan Livingston Seagull.

Yet one member of the investment community has said:

> If you want to understand the stock market, read Jonathan Livingston Seagull. It's all there. Just like the believers in high multiple stocks, Jonathan Livingston Seagull came to believe it was possible to fly as no gull ever had before. He schooled and disciplined himself to find ways to do it and he found them.

How similar to a small number of large institutional investors who came to believe that at one point the stock of a cosmetics firm was valued higher than the entire U.S. steel industry. The very actions of these institutions succeeded, at least for a while, in making these dreams come true—in short, a self-fulfilling prophecy, an act of will rather than a judgment value, just like Jonathan Livingston Seagull's.

Or compare today's institutional market activity to that old parlor game favorite, Monopoly. Once all of the pieces of property are taken up, there may be nobody to sell to, and the limited market on the Monopoly board loses its liquidity. The game ends. In the real investment world, we must assure that our capital markets maintain adequate liquidity—that there will always be a sufficient number of buyers and sellers—so that our markets will price securities in accordance with their true value.

To investigate these disturbing questions, the Subcommittee on Financial Markets, of which I am chairman, has conducted two series of public hearings at which a broad spectrum of witnesses presented their views. Their testimony clearly demonstrated the need for congressional action to reverse these dangerous trends.

As a result, I am today introducing tax legislation which would help reverse these trends by imposing reasonable limits on stock holdings of any single institution and by offering incentives to encourage individual investors to return to the market.

The problems our subcommittee is studying are very difficult and complex. There are no easy solutions. My proposed legislation will not provide all of the answers to the many problems plaguing our financial markets. Further study may produce additional remedies. However, I hope that the introduction of this bill, followed by additional subcommittee hearings early next year, will create a meaningful dialog among all interested parties and lead to constructive solutions.

This legislation is a followup to the comprehensive pension reform bill, S. 1179, that I introduced last March, which was favorably reported by the Senate Finance Committee in July. That bill was merged with the Labor Committee's pension bill and was approved by the full Senate in September.

The pension reform bill focused on the impact of our private pension system on the individual American worker and established minimum standards of vesting, funding, eligibility and termination insurance to insure that every worker receives his earned retirement benefits. The bill I am now introducing focuses on the enormous impact that the more than $150 billion of assets in private retirement plans has on our entire economy.

The tax legislation I am introducing today contains four major provisions.

First, pension plans would be required to comply with a new qualification for favorable tax treatment. Tax-exempt pension funds would be required to be placed in the hands of a pension manager—either an outside management like an insurance company or bank trust department or "in house" management—that complied with reasonable limitations on the amount of shares in any one company that could be acquired. Acquisitions in excess of this limitation would subject the manager to a penalty tax.

This provision is necessary to protect the more than 30 million private pension plan participants from excessive concentration of pension investments in only a few select securities and to encourage greater institutional interest in well-managed small and medium-size companies.

In addition, these limits would help prevent a small number of large institutional investors from achieving too much control over our economy.

Second, investments of 1 percent of the assets in any pension fund would be exempt from the "prudent man rule." This would facilitate the flow of a limited amount of pension investments to new or expanding companies which present greater than normal risks but offer the opportunity for greater than normal returns.

Third, a graduated capital gains tax would be enacted to decrease the capital gains rate for an asset as the holding period increased. This provision would help reduce the present "lock-in" of long-term assets and provide greater liquidity in our capital markets. A graduated capital gains rate would also encourage the risk-taking spirit in America which has been so important to economic growth.

Fourth, the amount of ordinary income against which capital losses may be deducted would be increased. This would also encourage greater individual investment in our markets and result in greater turnover of securities.

Mr. President, I would now like to discuss these provisions in greater detail.

DIVERSIFICATION REQUIREMENTS FOR PENSION MANAGERS

A very disturbing trend in our economy is the extent to which tens of billions of dollars of pension investments are being concentrated in a small number of select stocks. Extensive data presented to the Financial Markets Subcommittee clearly demonstrates the tendency of large institutions to invest enormous amounts of money in a very few issues.

To help curb this excessive concentration, I am today proposing an amendment to the Internal Revenue Code which would impose reasonable limitations on the amount of shares in any company that a pension manager can hold. Under this legislation, a pension plan could not receive favorable tax treatment unless the assets of the plan were placed with a pension manager who invested no more than 5 percent of his total discretionary pension assets in one equity security and, in addition, acquired no more than 10 percent of any equity security of any one company with respect to his aggregate discretionary pension assets. However, this limitation would not apply retroactively. Managers of pension accounts would not be forced to dispose of current stock holdings to meet these limitations.

A number of our Nation's largest bank trust departments recognize the wisdom of these limits and, in fact, have already adopted these limits on a voluntary basis. The purpose of putting these limits into law is simply to insure that all pension managers follow the example that some of the best banks have established on their own.

Decades ago Congress enacted tax incentives to encourage the growth of pension plans. Under current tax laws, qualified pension plans receive three tax benefits. First, employers are given a tax deduction for all contributions made to a qualified plan. Second, the investment earnings of assets in the plan are tax exempt. Third, employer contributions are not taxable to the employee at the time of contribution. Rather, the income tax is deferred until the money is actually distributed to the employee after his retirement—at which time he is usually in a much lower tax bracket.

Tax-qualified pension plans today receive an estimated tax subsidy of $4 billion annually. Inasmuch as the Federal Government encourages the creation of pension plans through our tax laws, these tax laws must include safeguards to prevent excessive concentration of pension investments.

Our tax laws already include investment limitations for foundations and mutual funds as well as pension plans. The Internal Revenue Service has had years of experience administering these tax restrictions, particularly with respect to the prohibited transactions and investments of pension assets.

For example, under present tax law, the assets of a tax-exempt pension fund may be used only for the exclusive benefit of the employees or their beneficiaries. Under IRS rulings, an investment generally complies with the "exclusive benefit" requirement if it meets the following standards: the cost of the investment does not exceed fair market value, a fair return commensurate with the prevailing rate is provided, sufficient liquidity is maintained to permit distributions, and the safeguards and diversity to which a prudent investor would adhere are present.

Tax restrictions on excessive concentration of pension investment would simply be an extension of existing tax rulings on diversity and liquidity for pension assets.

There is substantial precedent under both State and Federal law for limitations on the amount of stock in one company that an institutional investor can hold. Insurance companies are so limited in practically every State. Mutual funds are subject to holding limits established by Federal law. Yet no such limits apply to banks which are the largest institutional investors and also the biggest managers of pension assets.

Insurance statutes in almost every State impose limitations on the investments of insurance company assets. Although the rules and the percentages vary from State to State, many States restrict insurance companies from holding more than 10 percent of the outstanding stock of a company or from investing more than 5 percent of the insurance company's separate or general accounts in one stock. These percentages are often applied to all of the accounts of an insurance company, in the aggregate.

Under Federal law, diversified mutual funds are restricted from holding more than 10 percent of the outstanding shares of any company or from investing more than 5 percent of the assets of the mutual fund in one security—however, this limitation applies only to 75 percent of the total assets in a mutual fund.

There are five essential reasons for imposing these limitations:

First, the extent to which institutions concentrate their pension investments in a few select stocks raises disturbing questions with respect to the safety of the enormous amounts of pension money that these institutions manage. In testimony before our committee, one trust department argued that those of us who advocate limits on their holdings are ignoring their fiduciary responsibility for these funds. Quite the contrary. Prior to coming to the Senate, I was involved in the management of an insurance company, a mutual fund, and a savings and loan association, as well as several banks—all of which involved fiduciary relationships. It is precisely because of the fiduciary responsibility that limitations are needed.

Today more than 30 million Americans participate in our private retirement system. The retirement incomes of these Americans depend directly upon the safety of the pension investments. Excessive concentration of investments in only a few stocks jeopardizes the safety of these assets since a major decline in value of only two or three of these select stocks will substantially reduce the value of the pension assets.

This was dramatically illustrated by a recent antitrust decision against IBM. Some of our largest bank trust departments are concentrating close to 10 percent of their total assets in this stock which lost $5.5 billion in 2 days of trading. Another of our largest bank trust departments has concentrated more than 20 percent of the assets over which it has complete investment discretion in just two securities—IBM and Avon. Little do the pension plan participants, who depend on this bank to manage their pension funds, realize that their future retirement benefits are so closely tied to the fate of one cosmetics firm and one manufacturer of computers. A high degree of concentration in any stock severely limits the ability of the manager to protect individual accounts in the event the stock gets into serious trouble. A pension fund manager simply is in no position to protect his individual accounts through orderly selling if he has a large percentage of his total assets in a stock or if his assets represent a large percentage of the company's outstanding shares.

Second, limitations on the investments of pension managers will prevent a small number of large institutions from achieving too much control over our entire economy.

We must never allow our institutions to control American business to the extent that institutions control German business. One of Germany's banks owns 25 percent of no less than 20 nonfinancial companies. The largest German bank owns one-quarter of the country's largest shipping company. Even these impressive shares of direct ownership do not reflect the true power of German financial institutions. Some observers estimate that as much as 60 percent of German industry is now effectively controlled by banks.

The Financial Markets Subcommittee has obtained data indicating the frequency with which American institutions hold large portions of the outstanding shares of a company. Earlier this year, one bank trust department held more than 14 percent of the outstanding shares of Walt Disney, almost 12 percent of Schlumberger, and over 10 percent of Polaroid. The aggregate discretionary accounts of another large bank include more than 18 percent of one company, close to 18 percent of the outstanding shares of a second company, and over 10 percent of a third.

When a single institution owns more than 10 percent of a company, it no longer is just an investor—it is an owner. Continued institutional acquisition of large portions of American corporations will lead to too few individuals possessing too much economic control over the entire economy. Limitations on institutional holdings will halt this trend.

Third, limits on the stock that one pension manager can hold in one company will limit the money this manager can pour into the market to bolster the price of any particular stocks. This will limit the ability to create self-fulfilling prophecies. The ability of pension managers to channel billions of dollars of new pension money every year into a few select stocks can have a very distorting effect on our stock market and our economy. The Morgan Guaranty Trust Co. alone receives over $800 million of new pension money each year, and over 70 percent of Morgan's pension assets are invested in stocks. The committee has received reports of foreign institutions purchasing only those stocks found on a few New York banks' investment lists because they believed those stocks would be supported.

Fourth, holding limitations could help provide greater liquidity in the market. Thousands of individual investment decisions, occurring hour after hour, are necessary to allow our capital markets to price securities in a manner which reflects their true value and to provide the liquidity that has made our capital markets unique in the world. One of the factors that detracts from liquidity of the markets is the holding by a few institutions of a substantial amount of the stock of a limited number of companies.

Finally, these limitations on concentration will encourage greater institutional interest in the many well-managed, small- and medium-size companies that have strong historical earning records, good growth prospects, and whose current access to our Nation's capital markets is seriously limited. Diversification of pension investments into these smaller companies will substantially increase competition in our economy at the same time the diversity provides greater safety for the funds.

Under the legislation I am introducing today, no pension fund could qualify for favorable tax treatment unless the assets of the fund were placed in the hands of a manager who invests no more than 5 percent of its aggregate discretionary pension assets in just one equity security and, in addition, who acquires no more than 10 percent of any equity security of any one company with respect to the aggregate discretionary pension accounts.

If any manager of tax-exempt pension funds exceeds these limitations—for example, by purchasing an additional 1 percent of the total outstanding shares of a company in which it already holds 10 percent—a penalty tax equal to 5 percent of the excess holdings would be imposed on the manager by the Internal Revenue Service. Then if the manager fails to dispose of the excess holdings within a specified time period, IRS will impose an additional penalty tax of 100 percent of the excess.

Excess holdings that result exclusively from fluctuations in market values will not be subject to a penalty tax.

These limitations will not apply to investments in companies with a capital account of less than $25 million. To limit investments in small companies would discourage institutional investors from looking for opportunities among smaller companies. The institutional investor wants a position large enough to have a real effect upon the portfolio. In addition, the cost of analyzing a company relative to the potential dollar investment must be recognized. By excluding smaller companies from these restrictions institutions would be encouraged to take the time to analyze the smaller companies.

In addition, the holding limitations would apply only to pension plans and not to profit-sharing plans.

Before drafting this legislation, I sent detailed questionnaires to the 25-largest bank trust departments. Their replies enabled me to select the most reasonable percentage limits for holdings.

Many of the leading bank trust officers, themselves, indicated that no more than 5 percent of the aggregate discretionary assets should be invested in any one security. It is estimated that as much as two-thirds of the aggregate discretionary assets of our Nation's leading bank trust departments are represented by pension assets.

One bank executive said:

> In no case do we hold more than 5% of our aggregate discretionary accounts in one security . . . it would be unusual to make an initial investment in a security with a market value in excess of 5% of the value of a portfolio and I would be inclined to feel that this might be a prudent limit on an original investment. However, in the event that over a period of time, the value of the investment in relation to the size of the portfolio grows to a percentage in excess (possibly substantially in excess) of 5%, which is relatively common, I would be opposed to a policy that would require selling off a portion of a good investment for no other reason than to bring it within a percentage limitation.

Still another bank trust executive said:

> While we do not have a limit on how much of aggregate discretionary accounts will be allowed in one security, in order to insure liquidity for the individual accounts we would prefer not to have significantly more than 5% in any one common stock.

Many of the Nation's leading banks said that it would not be prudent for a trust department to hold more than 10 percent of the outstanding shares of one company.

In fact, some banks have indicated that a bank should hold no more than 5 percent of a company's shares.

Last year, Mr. Thomas C. Theobald, of the First National City Bank, stated:

> If we held more than 5 percent of a company's stock, we'd be concerned that we could become locked in. That 5 percent limit is our working rule for good market liquidity.

Another bank has stated:

> In the event that our total trust department holdings approach 5 percent of the aggregate market value of the individual company's common shares outstanding, we review the company and the nature of our holdings quite closely to determine whether any further purchases should be allowed. Only in rare instances do we permit additional acquisitions, and in no cases do our purely discretionary holdings exceed this limit.

Another bank said that as a general rule, it does not want its aggregate discretionary holdings to represent more than 5 percent of a company's outstanding shares. This bank pointed out that if a trust department holds more than 10 percent of a company's outstanding shares, the comptroller of the currency will routinely raise questions of "appropriateness."

Some argue that holding limits cannot be applied to the aggregate holdings of bank trust departments since banks—unlike mutual funds—do not deal with a common pool of funds but instead deal with many different individual accounts which must be treated separately.

VENTURE CAPITAL FROM PENSION TRUSTS

The second major provision of my bill would facilitate the flow of institutional money to small and medium-size companies.

A great deal of the recent growth of institutional investments has been due to the inflow of private pension funds. The assets in private pension funds currently exceed $150 billion, and the figure is rising by over $14 billion a year, most of it invested in common stocks. This year the Senate enacted a major pension reform measure and this bill is expected to promote the additional flow of funds into professional management. Judging from past performance, most of it will go into bank trust departments.

The pension bill includes a "prudent man" rule which exposes the managers and trustees of pension plans to liability for losses resulting from unreasonable investments. Certainly, this is necessary to protect pension assets against highly risky investments but it could also have an undesirable effect. It might lead to even greater concentration of investments in companies which have been thoroughly analyzed and stamped with the approval of giant bank trust departments. Trustees will be very reluctant to reach out beyond successful, solid, well-researched companies toward those which are newer, attractive but less completely tried. Yet we must not forget that at one time IBM, Xerox, and Polaroid were new and untried companies.

Legislation is desirable to provide pension managers with leeway to invest 1 percent of the assets of any pension plan in companies with paid-in capital of less than $25 million. This would be an exemption from any prudent man rule for 1 percent of the pension assets. However, the "leeway clause" would in absolutely no way relieve fiduciaries from any prohibitions against self-dealing or fraudulent transactions. The "leeway clause" would relieve a fiduciary from liability only with respect to the riskiness of an investment. Nor would the "leeway clause" imply that investment in all companies of less than $25 million are high risk investment. Many are not. This provision would allow a limited amount of pension assets to be invested in a small company which presents a higher than normal risk but offers what might be a higher than normal return.

The exit of the individual investor from the market has denied new businesses a traditional source of equity capital. New businesses have had a particularly difficult time raising equity capital this year. New Issue Outlook, Inc., which publishes weekly reports of the new issue market, reports that in the first 10 months of 1973, only 96 initial offerings began trading compared to 491 in the comparable period of 1972.

Even if individual investments in the market increase, institutions should be given the opportunity to make greater investments in unseasoned companies so as to insure an adequate source of equity capital for good new business ventures. A "leeway clause" which allows the investment of a small portion of the assets of each pension plan in new issues of somewhat higher risk would help maintain a viable equity market for these new issues.

A leeway clause would be similar to the so-called basket clauses found in a great many State insurance laws.

Many States permit life insurance companies to invest a small portion of their assets in companies which otherwise would not qualify as acceptable investments. A leeway clause for pension funds would be an exemption from any State or Federal "prudent man rule." It would help assure a ready source of risk capital for the new Xerox and the new IBM. The vitality of capitalism in this country demands an easier flow of capital into good, growing concerns which may not yet be as big or as familiar to investors as the institutional favorites.

An exemption from the prudent man rule for only 1 percent of the assets of a pension trust would certainly not jeopardize the safety of the pension assets. The leeway clause applies only to 1 percent of the assets of a pension trust and investments in unseasoned companies can be very profitable.

GRADUATED CAPITAL GAINS TAX

Now let us turn to an equally important need: How do we get greater investment by individuals in the market? For the first time since 1952, when record-keeping began, we find a decline in the actual number of individual stockholders in the United States. Unfortunately, the decline of the individual investors active participation in the market has been going on for some time. The individual investor has been selling more than he has been purchasing for the last 10 years. That selling has been accelerating since 1967.

This decline is alarming because individuals contribute the great variety of opinions and judgments that make a free marketplace. It is the individual investor who has traditionally invested in the new and smaller companies, and the exit of the individual investor from the market poses some very serious problems.

If well-managed companies with good growth prospects cannot raise equity capital, these companies may have to sell out to ones that can raise money. The smaller companies will be confronted with the choice of merging voluntarily or becoming the target of a takeover. If smaller companies cannot raise the capital required to grow, and if new companies lack the capital to get started, how are we going to generate the employment opportunities we need to create in the years ahead? I think we can do it by reasonable incentives to encourage more individual investment in securities.

Encouraging new investment in the stock market is not only important to investors and brokerage firms, it is important to the economic well-being of all Americans.

A healthy securities market not only provides the capital for new jobs, it makes it possible for new firms with new products to raise the capital necessary to get started.

The entry of new businesses and products into our economy is what has kept our system efficient and competitive. As one of the witnesses before our subcommittee testified, a healthy stock market, where millions of investors participate and provide the ready pools of capital for new ventures, is one of the very few economic advantages which our Nation has not exported.

But unless steps are taken to increase participation in that market by individuals, I am afraid we will lose that advantage as well.

The provisions of our tax laws have a tremendous impact upon the direction of investment in our Nation. And I believe it is essential that those provisions give adequate recognition to the importance of risk investment.

Our present tax provisions may have been adequate for our Nation's economic needs in the 1950's but they do not meet the needs of the 1970's.

Since the late fifties our economy's capital needs have increased dramatically. Yet during this same period the growing inflation bias of our economy has discouraged capital investment. And the higher interest rates which have accompanied that inflation have improved the return on fixed income investments relative to common stocks which involve far greater risk. Changes in our tax laws have further reduced the after-tax return on higher risk investments. I believe that it is important to all Americans that sufficient incentive be provided to insure a reasonable amount of risk taking—even if some of those Americans never take advantage of these provisions directly.

I am today proposing a graduated capital gains tax which would decrease the capital gains rate for an asset as the holding period increases.

A graduated capital gains rate would serve at least four major purposes.

First, it would reduce the so-called "lock-in" of assets held for a longer period of time and provide for a more efficient allocation of capital resources. Under our present tax laws, individuals are discouraged from selling securities that have been held for longer periods of time.

These persons would be much more prone to dispose of long-term assets if the rate of tax on the gain realized on the sale of these assets were less than it is today. If "locked-in" assets were sold, then, a great deal of additional tax revenue would be collected.

A graduated capital gains rate would help avoid tying an investor to investments that may not be the most suitable use of his resources. With millions of investors making tax decisions, rather than investment decisions, a substantial amount of available capital is being put to less than optimum use. We do not live in a static economy. The capital needs of different sectors of our economy change. One function of the stock market is to direct capital where it is needed most and thus earns the greatest return. The present tax provisions hinder the flow of that capital.

While the "locked-in" investors lose, the greater damage is to the U.S. economy, which is falling short of its potential at a time when it must use all of its resources to their fullest to respond adequately to the challenges ahead.

Second, a reduction in the "lock-in" would provide a greater liquidity in our capital markets which is so important to insuring that the price of stocks accurately reflects the value of the companies being bought and sold.

Relative stock prices play an important role in the allocation of capital in our economy. Valuations—reflected in stock prices—govern the allocation of resources that produce the millions of different products and services turned out by the American economy. Whether a company is able to issue new stock or obtain additional debt to finance a new expansion frequently depends upon what its stock is selling for. It is essential to the health of the company that its stock be accurately priced.

In order to achieve the most efficient evaluation of stock prices and hence the most efficient allocation of resources—the securities market must have a multiplicity of decisionmakers—a large number of individual as well as institutional buyers and sellers.

Third, a reduction in "lock-in" would aid individuals in providing for their retirement years. Many middle income Americans invest in "growth stocks" when their children are grown and they are in their late forties or fifties. By the time they reach retirement they would like to sell those stocks and invest in income-producing stocks. Under present law they can do so only at a substantial tax penalty. My proposal would allow them to transfer their assets without incurring such a significant loss in their savings.

Fourth, a graduated capital gains tax would encourage the risk-taking spirit in America. We must provide potential investors with the incentives to take the risks inherent in equity investing if our economy is to continue expanding to provide more jobs and opportunities and a larger tax base for our Government. Venture capital must be available so that new and promising companies can 10, 20, or 30 years from now become the "new IBM."

Let us look at an example.

Let us suppose that two individuals each have the same income. One spends his income. The other is the adventurer who, by investing in his own or someone else's business, takes risks for the benefit of the whole economy through the creation of new businesses or the expansion of existing ones. If tax laws do not differentiate between these two, an important force for the creation of jobs will have been lost.

Our Nation currently faces great new challenges. For example, in developing new sources of energy, in financing our housing needs, and overcoming environmental and transportation problems. These challenges will require a great deal more capital from a great many more people.

Under present law, the maximum capital gains rate is 35 percent without regard to the special minimum tax preference provisions or any other provisions. Under the legislation I am introducing today, this maximum rate would decrease annually during the holding period of an asset until the maximum rate was approximately 14 percent for assets held 15 years.

Capital losses would be provided comparable sliding-scale treatment over the holding period of the asset.

The present 6-month holding period for capital gains treatment would be extended to 12 months. This would be phased in by 1 month per year.

Enactment of a sliding-scale capital gains tax could very well result in a net revenue gain due to the revenue generated by the trading of "unlocked" assets.

For every billion dollars of gains unlocked, it has been estimated that as much as $200 million in new tax revenues might be gained. One analyst has estimated that there are $233 billion of unrealized capital gain in equities and that 90 percent of these assets have been held for more than 7 years. Another analyst put the figure at $558 billion. Unlocking even one-half of the $233 billion and taxing them at, say, a 20-percent rate would produce over $20 billion in revenues for the Government that it is unlikely to receive otherwise.

LIBERALIZED TAX TREATMENT OF CAPITAL LOSSES

A second tax proposal which I am including in my bill would liberalize the tax treatment of capital losses. Today, if an individual's capital losses exceed his capital gains, he can deduct up to $1,000 against his ordinary income each year. This has not changed since 1942, yet per capital disposable income has risen over 400 percent since then. Taking into account this increase in income, my proposal would allow $4,000 in capital losses to be deductible against ordinary income. This provision would, in effect, allow the same tax treatment the investor received in 1942.

However, prior to offsetting capital losses against ordinary income my proposal would require that the taxpayer carryback provision which is available gains which had been realized during the previous 3 years. This is the same carry back provision which is available to corporations.

The opportunities for reward on the stock market are balanced by the risk that values will decline as well as rise. From the point of view of the investor, realizing a loss on assets hurts just as much as a loss in business or a loss from casualty or theft. We need to encourage investors to take their losses and reinvest their remaining capital.

Mr. President, for the reasons I have outlined, a graduated capital gains tax and liberalized capital loss treatment would have a very positive effect on our economy and would be of substantial benefit to all Americans by the creation of new jobs.

INSTITUTIONAL DISCLOSURE

A related issue which requires prompt legislative attention is the need for greater disclosure of institutional holdings and transactions.

Although the legislation I am introducing today contains no provisions relating to disclosure, I will most certainly support legislation to require increased institutional disclosure of meaningful information. My bill only contains provisions that amend the Internal Revenue Code or closely related pension laws.

There is a clear need for increased disclosure of the activities of bank trust departments.

Since 1940, mutual funds have been required to disclose on a quarterly basis their substantial holdings and transactions. Under State statutes, insurance companies face similar requirements. However, the biggest institutional investors of them all—the bank trust departments with investments in tens of billions of dollars—are free from any public scrutiny.

Disclosure would serve two very important functions.

First, it would increase the confidence of the individual investor that the markets are not being manipulated. The importance of disclosure has perhaps been best expressed by the chairman of the board of the Morgan Guaranty Trust Co. who recently commented:

> The resulting greater availability of information would enhance public understanding of, and confidence in, the investment mechanism.
>
> It would contribute to the efficiency of the securities markets. And it would be a useful input to the formulation of public policy.

Second, disclosure would provide meaningful information necessary for the formulation of sound public policy so that Congress and Federal regulatory bodies can more effectively safeguard the public interest.

Mr. President, I ask unanimous consent that at this point in the RECORD a fact sheet describing my bill, and an article from Business Week magazine be printed in full.

There being no objection the fact sheet and article were ordered to be printed in the RECORD, as follows:

FACT SHEET: SENATOR LLOYD BENTSEN'S PROPOSED "STOCKHOLDERS INVESTMENT ACT OF 1973"

1. LIMITATIONS ON THE STOCK HOLDINGS OF PENSION MANAGERS

No pension fund could qualify for favorable tax treatment unless the assets of the fund were placed in the hands of a manager who invests no more than 5% of its aggregate discretionary pension assets in any one equity security and, in addition, who acquires no more than 10% of any equity security of any one company with respect to the aggregate discretionary pension accounts. This limitation would not apply retroactively. Managers of pension accounts would *not* be forced to dispose of current stock holdings to meet these limitations, but they could not acquire additional shares of any security in which the pension manager had reached the limitation.

If any manager of tax-exempt pension funds exceeds these limitations (for example, by purchasing an additional 1% of the total equity securities of a company in which it already holds 10%), a penalty tax equal to 5% of the excess holdings would be imposed on the manager by the Internal Revenue Service. In the event that the manager fails to dispose of the excess holdings within 180 days, IRS will impose an additional penalty of 100% of the excess on the manager.

Excess holdings that result exclusively from fluctuations in market values will not be subject to a penalty tax. These limitations will not apply to investments in companies with a capital account of less than $25 million. These limitations apply only to pension plans and not profit-sharing plans.

Limits on institutional holdings are necessary to protect the more than 30 million private pension plan participants from excessive concentration of pension investments in only a few select stocks and to encourage greater institutional interest in well-managed small and medium-size companies. In addition, these limits would help prevent a small number of large institutional investors from achieving too much control over our economy.

2. VENTURE CAPITAL PENSION FUNDS

Pension managers would be given leeway to invest 1% of the assets of any pension plan in companies with capital accounts of less than $25 million. This would be an exemption from any prudent man rule for 1% of the pension assets. However, the "leeway clause" would not relieve fiduciaries from and prohibitions against self-dealing or fraudulent transactions. The "leeway clause" would relieve a fiduciary from liability with respect to the risk of an investment.

This provision would facilitate the flow of pension investments to new and expanding smaller companies that are in great need of equity capital and which present a higher than normal risk but offer the possibility of a higher than normal return.

3. GRADUATED CAPITAL GAINS TAX

Under present law, the maximum capital gains rate is 35% without regard to the special minimum tax provisions or any other provision. This legislation would decrease the maximum rate annually over the holding period of a capital asset until the maximum rate was reduced to about 14% for assets held fifteen years. Capital losses would be provided comparable sliding-scale treatment over the holding period of the asset. The present six month holding period for capital gains treatment would be extended to twelve months. This would be phased in by one month per year.

This provision would help reduce the "lock-in" of long-term assets and provide greater liquidity in our capital markets. A graduated capital gains rate would also encourage the risk-taking spirit in America which has been so important to economic growth and the creation of new jobs.

4. LIBERALIZED CAPITAL LOSS TREATMENT

Today, if an individual's capital losses exceed his capital gains, he can deduct up to $1,000 against his ordinary income each year. This hasn't changed since 1942, yet per capital disposable income has risen over 400% since then. This bill would allow the individual to deduct up to $4,000 of capital losses against ordinary income. It would also allow a three-year carryback of capital losses against capital gains.

Liberalized loss treatment would encourage more risk investment which is so important in starting new businesses and creating new jobs. It would also encourage investors to take their losses, thus providing greater liquidity in our capital markets.

CAN U.S. INDUSTRY FIND THE MONEY IT NEEDS?

"A great deal of American capitalism will be dead," warns Senator Lloyd M. Bentsen, Jr. (D-Tex.), if institutional concentration in a few "religion" stocks eliminates the ability of U.S. markets to provide capital for thousands of other corporations.

As Bentsen's subcommittee on financial markets resumes hearings next week, it is clear that his concern is well founded. Institutional dominance of trading has combined with historically high interest rates to drive most individual investors out of the marketplace. Institutional concentration in a tiny handful of high-priced, high-visibility securities has driven most stocks down to historically low p/e ratios. Unable to raise new equity, companies are contracting ever-increasing interest costs that cut down their existing equity's attractiveness. Except for the benefit of a few famous institutional favorties, the equity markets have ceased to fulfill their primary purpose. Stock issues have effectively ceased. In just the first six months of 1973, more than 300 offerings were withdrawn as unsalable. The stream of equity capital to U.S. industry has run dry.

In the view of James M. Roche, until recently chief executive of General Motors Corp., such a situation could scarcely have come about at a less appropriate point in time. "In the next few years," he stated recently, "the American economy faces an unprecedented need for capital." The domestic oil industry, according to the economists at Chase Manhattan, will require some $200-billion by 1985. Power utilities will want about $70-billion in outside capital in just the next five years. Just one company, American Telephone & Telegraph Co., will, according to executive vice-president and treasurer John J. Scanlon, need $40-billion to $50-billion for itself and its subsidiaries in the next decade. And Stewart S. Cort, chairman of Bethlehem Steel Corp., says his industry needs $3-billion to $4-billion a year between now and 1980 to replace obsolete facilities, install pollution control equipment, and expand capacity by the additional 20-million to 25-million tons it expects to need.

"Our competitive free enterprise system," Roche emphasizes, "has succeded in large part because of the success of our capital-raising mechanism." When this mechanism falters, as it is faltering today, it rapidly affects thousands of American companies. They drop into debt. They cut back. They get taken over—sometimes by companies whose institutional sponsorship has provided or preserved a higher p/e multiple, and sometimes by foreigners.

THE DANGERS OF EQUITY SHORTAGE

If the short-term effect of the equity shortage is painful for individual American corporations, the long-term effect on the American economy could be agonizing.

This is why some thoughtful securities industry leaders see the Bentsen committee as among the most significant on Capitol Hill today. Whereas other important—and more celebrated—Congressional committees are considering problems vital to the securities industry, Bentsen is examining questions vital to all industry. Among them: the possibility he raises that "the current two-tier market system may be stimulating the takeover of U.S. companies by foreign entities," and "the effect of institutional investors on the ability of new or small and medium-size firms to acquire the capital they need to survive and compete with U.S. corporate giants and foreign producers."

Institutional dominance of the markets has, of course, impaired the equity-raising ability of many U.S. corporate giants too, unless they're lucky enough to be numbered among the institutions' "sacred cows." Donald T. Regan, chairman of Merrill Lynch, Pierce, Fenner & Smith, has noted that "it's just as essential, from an economic viewpoint, that an established corporation should be able to raise capital as that capital should be available to emerging companies." Other early witnesses before Bentsen's committee, which first met for three days in July, left no doubt of the urgency or the global nature of the problem. C. V. Wood, Jr., chairman of the Committee of Publicly Owned Companies (BW—June 2), asked: "Can small and medium-sized—and even a large number of very big companies—survive? Can they have access to equity capital?" Wood's group now claims as members nearly 600 corporations, and he testified, "They feel keenly that they are being starved out of the capital markets."

Among his preliminary ideas, Bentsen told BUSINESS WEEK, he is leaning toward limitations on institutional holdings. Such legislation could have two highly desirable effects. On the one hand, a reduction of institutional concentration in a few stocks would eventually spread an enormous amount of wealth among hundreds of others. The top 10 U.S. banks alone have concentrated about $27-billion in just 10 sacred cows. This huge equity represents 3% of the value of all 2,700 stocks listed on both New York and American stock exchanges. At the same time, limitations on institutional concentration would do much to eliminate the violent sell-offs in fallen institutional favorites—the plunge by Levitz Furniture Corp. from $60 to $6 being a prime example—that have done so much to destroy individual investors' confidence in the market.

A restoration of such confidence, it is clear today, is essential if the market is to recommence its function as a provider of equity capital, a function it has ceased to perform (tables). Merrill Lynch's Regan, the first witness before Bentsen's committee, testified that the value of new industrial equity issues had tumbled from $4.8-billion in the first half of 1972 to $1.2-billion in the first half of 1973. And James W. Davant, chairman of Paine, Webber, Jackson & Curtis, says: "Whatever the situation in the first six months, you can bet it's a lot worse in the last three."

Last year Davant's firm brought to market eight companies offering stock to the public for the first time; this year, there was one. "The use of equity financings for emerging companies," says Davant, "has not just diminished; it's ceased." The figures bear him out. In July and August last year, according to *New Issue Outlook*, there were 78 new issues; in July and August this year, 7.

THE TREMORS ARE INDUSTRYWIDE

The result is grim for literally thousands of companies, large and small, established as well as emerging. The problems of Reliance Steel & Aluminum Co. (box) are typical of those plaguing medium-sized corporations in the sort of basic industries in which sophisticated financial institutions have lost interest. So are those of Franzia Winery, Stouffer Foods, and American Metal Climax.

Franzia, California's fifth-largest winery, has increased sales from $16-million two years ago to an estimated $30-million in fiscal 1973. Earnings, too, are expected to double the 1971 figure of $542,000. But when Franzia planned an equity offering to help finance 1973 capital expenditures of $2-million, "the market was a disaster," and the issue was abandoned. In its place came an acquisition offer from bibulous Coca Cola Bottling Co. of New York (BW–July 7), which also took over Mogen David wines in 1970. Like that institutional darling and more famous relative, "Coke" of Atlanta, Coca Cola of New York has managed to maintain the reasonably high multiple essential to takeovers.

Stouffer Foods also was taken over when a public share offering was seen as unlikely to produce a satisfactory price for its owners, Litton Industries. In its place, Litton accepted a bid from Switzerland's Nestlé, and ownership of the familiar household brand passed into foreign hands. So did much of the aluminum business of American Metal Climax, the fourth-largest U.S. fabricator of aluminum. Eager to expand capacity, but strapped for equity and burdened with a debt that had tripled since 1967, Amax (BW–Aug. 25) sold a half-interest in its aluminum operations to Japan's Mitsui for $125-million.

While a handful of banks (such as California's Security National) and famous retailers (such as Gimbel's) are among the U.S. corporations whose control has passed to foreigners since the establishment of the two-tier market, power over even more of them seems rapidly to be passing to creditors—particularly to bankers.

Reginald Jones, chairman of General Electric Co., recently fretted that the volume of corportae long-term debt issues had virtually "exploded," with debt-to-equity ratios for the S&P Industrials leaping from 26% to 41% in just 10 years. And Thomas I. Unterberg of Unterberg, Towbin, a New York investment firm with a respected record in the underwriting of smaller companies, answers the question of what happens to such companies when they cannot raise equity cash: "They merge. They reduce expansion. They pay the banks 1½% over prime, plus 20% compensating balances. They got out of business."

The list of companies forced by the two-tier market to cut back on expansion or fall back on their bankers would stretch from coast to coast—and from Florida to Minnesota.

In Miami last month, diversified Pershing Industries withdrew an offering of 200,000 shares at $7 a share and, says President Maurice Revitz: "This has caused us to approach any sort of expansion with a lot more caution." To acquire additional cars for Pershing's leasing division, he would have to pay "2% to 2½% over prime, which means the customer would pay $30 to $40 a month more for his car."

In Minneapolis, Wilson Learning Laboratories, manufacturers of video educational programs, had seen sales soar 90% last year and was seeking $1-million in equity to finance further expansion. Instead, they were obliged to turn to banks—"a hard route," says founder and chairman Larry Wilson, "because you never get as much money as you really need." Wilson emphasizes that "not getting the money from the stock offering has hurt. We are running from month to month, project to project—with a real cash flow crunch."

Among the young, thriving electronics companies in the San Francisco peninsula's "silicon valley," Advanced Memory Systems withdrew a 460,000 share offering in May, and added $2.5-million to its $6.5-million in short-term bank borrowings. Said a spokesman: "It would have been nice to sell those additional shares, rather than borrow more from the bank with interest rates so high."

In Fayetteville, N.C., the building business of American Classic Industries dropped a series of expansion and development projects when its public offering was withdrawn. Says Barry Barnard, vice-president for finance: "We've leveraged ourselves a little more highly than before. We are pretty much trapped between high interest rates and not being able to go public."

A bottling firm in Baltimore withdrew an offering of common stock intended to replace high-cost indebtedness. Instead, worries its treasurer, "our interest cost is bearing on our earnings." His lament points up a problem like an exposed nerve in a tooth cavity—a cavity which, left unfilled, could rapidly deteriorate into the general decay of profitability. As C. V. Wood told the Bentsen committee: "When we can't raise [equity] money for expansion, replacement of facilities, or pollution control, we have to go to the banks and saddle our companies with very high interest rates and fixed charges." Salomon Bros.' chief economist, Henry Kaufman, recently noted that bank loans to business had expanded, in the first seven months of this year, nearly four times as fast as even in 1969. The result of consistent debt financing, as GE's Jones makes clear, is to "exacerbate the compression of profit margins." Jones quotes statistics showing that in the early 1950s, nonfinancial corporations earned a pretax 23% on total capital. "Ten years ago it had dropped to about 18%, and in 1971 it was down to 13%."

LITTLE ROOM FOR OPTIMISM

With short-term interest rates at their historic highs, and long-term rates nearing them, there is no reason to suppose that this situation has improved since 1971. Nor are there grounds for optimism that it will—miraculously or otherwise—get better in the foreseeable future. In 1946, AAA bonds yielded an average 2.5%, but those days are gone forever. With an "inflation expectations component" (BW–Sept. 8) of 4% to 5% to be added to the "real" rate of interest of another 4% to 5% that is normal for a period of economic expansion, the cost of servicing debt can only bear down more heavily on corporate profits. Economist Kaufman warns that "Many corporations face refinancing requirements. There's $37.9-billion in corporate bonds maturing by 1985 that needs to be refunded.

In debt financing, as Paine Webber's Davant points out, "The government pays half." Interest, for corporations as for individuals, is deductible dollar for dollar against taxes, so its net effect on the earnings per share of most companies is only 50% of its actual cost. Furthermore, Davant says, "companies that borrow are expecting their return on new investment will be higher than their normal return." Take a steel company with $1-billion in debt outstanding and a return on investment of 8%. Suppose it borrows an additional $100-million. At 10%, its interest cost is $10-million. If it can make 12%—half as much again as its normal return—it can add $1-million post-tax to earnings. But if the economy goes into a recession, or even just a dip, and return on the new investment drops to the level of the old, it represents a drain of $1-million on post-tax earnings. Unfortunately, in practice, corporate results frequently fail to live up to corporate expectations. Speaking of the performance of the S&P Industrials in the five years from 1966–71, GE's Jones notes that "many a company didn't earn the equivalent of interest charges on newly added funds."

David Healy, vice-president and director of research at Drexel, Burnham, who has specialized in analysis of the steel industry, notes that steel's earnings coverage (of interest costs) got "really bad" at the beginning of this decade "because of deteriorating profits and increasing debt."

This combination, it should be noted, is what pushed the Penn Central into bankruptcy. On the eve of its collapse, moreover, the Penn Central was planning a further massive increase in its debt burden. But if added debt financing is undesirable for the majority of U.S. companies—and all evidence suggests that most of them should be decreasing rather than increasing their borrowings—where is the capital they need to come from?

This is the central problem confronting Bentsen and his committee, and it is a vital as well as a thorny one. Unless corporations can obtain large infusions of equity, they will be obliged either to stop expanding, or to expand via debt. In taking on more debt, at inevitably high interest cost, they increase what Healy calls the reverse leverage on their equity. Their expansion reduces, rather than improves, their per-share earnings—as does the necessity of refinancing old debt on which interest costs represented substantially less of an earnings drain. The "embedded" cost on AT&T's total debt has risen 1.15% since the beginning of this decade. This, Scanlon notes wryly, "costs us $250-million extra a year."

THREE SOURCES OF EQUITY CAPITAL

The high cost of new debt will trap most corporations in a tightening noose from which they can escape only by selling off operations or going out of business—unless they can obtain equity, and obtain it soon. Apart from retained earnings, there are for U.S. corporations today essentially three sources of equity capital for plant and equipment: institutional investors, individual investors, and venture capitalists.

Of these, the richest and the most reluctant are the institutions. Largely because of the banks' traditional policy of concealing the scope and size of their holdings, there is much confusion as to exactly how much of American industry they now effectively control. It is a common practice of bankers to pooh-pooh the notion that institutions now dominate the markets. Thus Samuel R. Callaway, executive vice-president of Morgan Guaranty, cites SEC figures showing that, at the end of 1972, individuals owned 63% of all equities, and claimed this as "impressive evidence that the individual is not out of the market." SEC figures cited by another banker (C. Roderick O'Neil, executive vice-president of Manufacturers Hanover) show, however, that individual ownership at the end of 1971 had been 66.8%. The rapid decline, 3.8% in one year, appears to indicate that the individual is quitting the market in a hurry. In terms of dollars, the 3.8% shift means that individuals own some $40-billion less of the equity of U.S. corporations, and institutions own some $40-billion more—in one single year.

Furthermore, such figures do not by any means tell the whole story of the new institutional dominance. This was well illustrated when James J. Needham, chairman of the New York Stock Exchange, told the Bentsen committee that institutions owned approximately 30% of Big Board-listed equities by the end of 1972. But he emphasized that this figure specifically excluded the banks' personal trust holdings. He said that were these and other smaller institutional groups to be included, the figure would probably total 45%. Figures released last week by the FDIC reveal that just 300 U.S. banks control trust assets of $365-billion. Institutional holdings of equities now total half a trillion dollars, give or take a billion or two.

By restricting their sponsorship to what Needham calls an "ever-narrowing circle" of investments, the institutions have created a self-perpetuating downward spiral for other stocks. According to the Economic Report of the President for 1973, individuals have been selling more of their holdings of equities than they have bought since 1962—and the stocks they have been selling have been those not favored by the institutions. Since the institutions control the pension money that provides virtually the only fresh flow of funds into the market, there has been no way for these stocks to go but down. The result, as expresesd in Securities Industry Assn. (SIA) testimony before Bentsen: "When the valuation mechanism is distorted, the whole capital formation process—and the nation—suffers."

HERD PSYCHOLOGY AND STARVATION

While one product of the institutional philosophy of concentration (less politely known as "herd psychology") is equity undernourishment for nonglamour companies of any size, another is equity starvation for small and emerging companies of almost every type. Few big banks—and the top 20 U.S. banks control 48% of all America's trust and pension assets—will consider investments in companies capitalized at less than $5-million. Chalkley J. Hambleton, president of the Harris Trust & Savings Bank in Chicago, a forward-looking bank that is the nation's 12th largest in terms of trust assets, says that $5-million worth of stock in the hands of the public is the smallest situation in which Harris Trust would invest—"but we would much prefer a minimum of $50-million".

Morgan Guaranty is unquestionably the most progressive of the really big banks in its seeking out of smaller companies as potential investments: Whereas First National City Bank and Bankers Trust are invested in about 400 companies each, and Manufacturers Hanover in around 250, Morgan is invested in 569. Callaway told the Bentsen committee that the bank had established two funds: one specializing in "smaller companies, defined as those with market capitalizations of up to $100-million," and another specializing in "small to medium companies," which Morgan defines as from $100-million to $500-million. Although the bank invests, through the funds, in some 268 companies, Callaway allows that they do not represent a very large proportion of Morgan's equity investments. Of the bank's $21.4-billion in common stocks, well over $19-billion is in the shares of "larger" companies, those with capitalizations of more than $500-million. Moreover, Callaway says that "while I'm sure we have invested in companies with capitalizations of as little as $5-million, we'd have to be really interested to do so."

If institutions are limiting themselves to corporations worth $5-million—or, as in most cases, a great deal more—it is evident that equity capital for emerging companies is going to have to come from somewhere else. The same is true of nonglamour companies—that overwhelming majority of small, medium, and large companies whose industries just do not interest the institutions. The major potential source, because of his propensity to save 6% to 8% ($50-billion a year) of his disposable income, is the individual investor.

Just as Bentsen's prime concern in establishing his committee was the new institutional dominance of the markets, so one of his primary objectives is to bring the individual investor back. Several witnesses, however, raised questions about his absence. Morgan Guaranty's Callaway, as noted, questioned whether the individual had ever gone. And Merrill Lynch's Regan suggested that he might be coming back already. Regan pointed to the fact that Merrill Lynch is opening new accounts at "the highest rate in our history"—a sentiment echoed by Paine Webber's Davant and (with some exceptions) by brokers all over the U.S., in a survey conducted by Business Week.

One explanation was provided by Stan West, research director of the New York Exchange: "Given the well-publicized problems of the Street, a lot of shareholders may be switching to well-capitalized firms as a matter of self-protection. These people show up as new accounts at Merrill Lynch, even though they're not new shareowners. And when a firm like Reynolds takes over Courts in Atlanta, the people that go with Courts' registered representatives to Reynolds won't show up as new account openings. But, if Courts' R.R.s take them to Robinson-Humphrey (another Atlanta firm), they'll show up as new."

Just as consolidations produce new accounts for some firms without actually bringing new investors into the market, so do liquidations. The 48,000 investors who had accounts at Weis Securities will show up as new accounts somewhere, even if all they do is liquidate what is left of their holdings.

WHERE IS THE INDIVIDUAL?

In any case, however many accounts are opened, individual business in the equities market is off sharply. Through Aug. 10, business on the Amex—which is dominated more than 70% by individuals' trading—was off 32%, in relation to the same period last year; business on the Big Board—which is dominated to about the same extent by institutions—was by contrast off only 7%. If the individual was indeed coming back, he was doing so very slowly.

Furthermore, Business Week's survey showed that many erstwhile investors had grave doubts about coming back to the market at all:

Gary A. Daum, administrative vice-president of General Nutrition Corp., a Pittsburgh food supplements retailer, says: "I'm a gambler by instinct, and I still have a yearning to play the market. But not now. There's too much risk involved, because the worth of a company no longer determines the value of its stock. Stocks move to the pressures of big investors."

Other investors find the interest rates on fixed income securities too tempting for equities to appear attractive. Says Barry E. Tague, an investor who is vice-chairman of the Philadelphia-Baltimore-Washington Stock Exchange: "It's that time now when you should be content with 9% on your money, and go fishing for a while."

And others, of course, are indeed girding their loins and preparing to reenter the fray. For example, David W. Eaton, a Los Angeles management consultant, is anxious to get back—despite punishing losses in 1968–69: "I bought companies at $35 that are going for 7c," he says.

It is perhaps investors like Fred Torres, general sales manager of Cleveland's Woodhill Chemical Co., who represent the biggest challenge to the Bentsen committee. Torres says he has "definitely lost confidence in the stock market," and he has cut his investments to perhaps 20% of what they were a few years ago. For one thing, he has bought a house. For another, he has put some of the money into bonds. And he has been "shaken by what has been happening to the brokerage industry." Torres had money in an account with Dempsey-Tegeler, another brokerage firm that went under, and he says "I almost never did get that thing straightened out."

If many people feel as do Torres and most of the ex-investors in Business Week's sample, Bentsen faces a severe struggle to get them back in the equity market.

One additional difficulty in doing so is noted by former SEC chairman G. Bradford Cook. He feels that, in these days of increased Social Security and improved pension possibilities, many of the sort of people who once invested in the stock market to build up a nest egg no longer do so. Instead, feeling that their nest egg needs will be taken care of, and disillusioned by market gyrations and manipulations, they look to other outlets for spare money and savings. Among the most important, Cook suggests, may be second homes.

The present prospects for raising large amounts of fresh equity capital from these investors appear bleak. Indeed, these prospects appear downright forbidding when the third basic source of equity is also considered—for the venture capitalists are not able to provide more than a tiny percentage of what is needed.

No exact figure exists on how much the equity venture capitalists do provide, but the generally accepted figure is $100-million a year.

Obviously, this is a drop in the bucket of equity capital that U.S. companies require. Obviously, too, although some venture capitalists are now taking advantage of low p/e multiples to move in one relatively large businesses, they only invest, in principle, in a rather restrictive type of company: the type that can provide them, as Leroy W. Sinclair of Technimetrics says, "with at least 40% on their investment, compounded annually."

"STARTUP CAPITAL IS TIGHT"

Venture capitalists are now able to make investments on terms that attract them, says Stanley M. Rubel, who runs his own venture capital consulting firm in Chicago, "because a lot of companies are desperate for capital." Despite this demand, and despite the fact that as much money is available for venturing as ever, an anomalous situation has developed. "Startup capital is tight," Rubel says. "More venture capital money is flowing into secondary financing, because venture capitalists are waiting to see how companies perform before they invest."

This impression is confirmed by venture capitalists themselves—such as Edgar F. Heizer, of Chicago's Heizer Co. Because of low multiples in the stock market, he says "startup investors don't see their stock being tradeable for five or six years, and they're backing off from startup investing."

The multiples that venturists are looking for moreover are clearly very different from those being paid these days on most emerging companies. It is evident, too, that while there is equity ready, waiting, and to spare for a new Polaroid, an Itek, or a Digital Equipment, venture capitalists are not going to solve the equity problems of stodgier, more basic, less spectacular companies.

Here, in fact, is one of the most exasperating examples of the waste that is a byproduct of the two-tier market. Venture capitalists have plenty of money available for the right deal. Indeed, they are scrambing over each other to get into the deals that offer some prospect of venture capitalized returns. In the same way among the few established companies that qualify for institutional interest, there is no practical limit on the amount of equity available. This is, says Paine Webber's Davant, an effect of the institutionalization of savings. Says Davant: "Where decisions are made by a handful of money managers, instead of by a large number of individuals, only the institutional darlings are able to sell equity."

An excellent example is Digital Equipment. A "religion" stock as far as institutions are concerned, it recently sold 750,000 shares to bring in some $66-million. Digital's p/e was then 40, and it is interesting to note the primary object of its offering: the repayment of Digital's bank debt. By paying off the debt with capital obtained at 40 times its earnings, the company would be able to improve these earnings still further, thus, conceivably, justifying the institutions' putting an even loftier multiple on its stock.

THE EUROPEAN PATTERN

Digital Equipment illustrates another problem put by C. V. Wood to the Bentsen committee: "Will America follow the pattern of Europe—where the economy is controlled by a few great banking houses?" While the concept is utterly foreign to the U.S., it no longer appears altogether implausible. The economist Richard Scott-Ram says: "Unless we can get the stock market back on course, many companies won't be able to raise equity capital. The banks are going to be called on to provide most financing—just as they do in Germany."

As part of the "Universalbank" or total financial services concept that characterizes the German banking system, the banks there function as the only underwriters. They are heavy purchasers of the issues they sell, with the result that they maintain absolute authority over a large part of German industry. Bentsen says some observers estimate that 60% of German business is now effectively controlled by banks.

Woodrow Wilson noted in 1911 that, "The great monopoly in this country is the monopoly of money." The investment policies of banks are now preventing most companies from raising equity capital and obliging them to come back to their bankers for borrowings. One of Miami's leading bank officials says frankly that the kind of companies that generally go to the public for risk capital, and are currently stymied, now have to pay 2% to 2½% above prime for expansion money—plus compensating balances. At that rate, companies are effectively paying 14% to 16%.

Although few companies relish the idea of paying this sort of short-term interest cost, they may find the thought of locking themselves into today's levels of long-term interest rates even more distasteful. Economist Paul Markowski, a vice-president of Laidlaw-Coggeshall, reckons that any company with a credit rating lower than BAA would have to pay 10½% or more on long-term money today. This means in effect, that smaller companies, and those of medium or lower quality, have nowhere to turn but their banks. The reason is that public marketing of debt at 10½%, as the Penn Central discovered three years ago, is just not feasible.

As for private placements, volume in the first half of this year soared to an all-time high, with lenders expanding from the traditional small band of huge "life" companies to include more than a thousand varied institutions; among them are savings and loans, insurance companies of all sorts and sizes, and pension plans. However, the "letter stock" fiascos of 1969–70 have dulled institutional taste for private equity deals, and—with the exception of some convertible preferred—private placements now consist almost entirely of debt. In any case, as Markowski observes, smaller and non-blue chip companies find it extremely difficult to tap the institutions in the private market—"unless they're willing to give up control."

INTERNAL SOURCES ARE DRYING UP

This points up the crucial problem that is about to confront the management of almost every U.S. company outside the institutions' "favorite 50"—if indeed it is not already staring them in the face.

Corporate capital expenditures are now running at around $100-billion a year. Between now and 1985 (box), they are expected to total well over a trillion dollars in the last two years, corporations have been able to rely more heavily than usual on retained earnings, partly because profits have been so high, partly because—owing to dividend restrictions—they have been limited in the amount they could pay out to stockholders. Now this situation has changed in two key ways. First, shareholders are allowed higher dividends, and indications from Wall Street are that they are going to demand them. Second, as Salomon Bros.' Kaufman points out: "Corporate profits are going to come down, and internal cash generation is going to slow." For equity capital, in other words, corporations must look much more to external sources.

When they do, their welcome is likely to be more frigid than many of them would imagine in nightmares. Jim Davant stresses that many of the hundreds of equity offerings that have been withdrawn this year could have been sold—"if the managements had been willing to accept 5 or 10 times earnings, where they had been expecting 15." Economists confirm such gloomy predictions. Kaufman says: "It's a question of price. If companies have the earnings, they can probably get the equity money—if they're willing to pay the price." Scott-Ram feels most companies will be forced to sell equity at eight or nine times earnings, or less.

The question immediately arises, is this worth it? A. Gary Shilling, the chief economist of investment bankers White, Weld, points out that, already, the height of some companies' debt-equity ratios may force them to sell equity "at multiples they won't like." The electric utilities, says AT&T's Scanlon "are being obliged to sell equity at or below book value. They don't want to erode any further the interest coverage on their debt."

But for thousands of companies selling "below book," this option is hardly practicable. Tom Killefer, vice-president for finance at Chrysler Corp., whose stock is selling at $24 against a book value of nearly $50, says: "We just couldn't do an issue of equity in these circumstaces. It doesn't make sense, and the stockholders would never tolerate the dilution." Chrysler, happily, can finance expansion internally: but what happens to a less fortunate company—such as a steelmaker with less cash flow and a lower rate of return? "You have a heart-breaking decision," Killefer suggests. "You pay the money, or you put off your plans." W. B. Boyer, chairman of Republic Steel Corp., leaves little doubt of what his company's answer would be. "We're not interested in maintaining a share of industry," Boyer says. "We're interested in profits. If that means we have to contract the company, we'll do it."

QUESTIONS AND ANSWERS

Unless Bentsen and his committee can come up with some solutions to U.S. corporations' capital crunch, it is clear that choices and prospects for many of these companies are less than brilliant. Like Republic, they can cut down or cut back. They can go deeper into debt. They can, if their earnings are presently high enough, raise equity capital by selling stock at ridiculously low multiples—a process eventually as harmful, since it cuts down earnings per share, as an excessive reliance on debt.

There are basically four ways Bentsen can move to solve the problem:

1. By placing limits on the dominance of institutions. Almost everyone who has examined the question feels that some sort of action is essential. The exchanges agree. The SIA agrees. Don Regan agrees. Wood agrees, vehemently. Even some institutions agree by implication—since they say they self-impose certain limits, in theory, already.

Bentsen favors formalizing such limitations, to the extent of setting a limit on how much of a company any one institution can hold. He also favors the bill recently introduced by Senator Harrison A. Williams (D-N.J.), under which institutions would be obliged to stop concealing their holdings and their trading, through prompt, regular disclosure of both.

The advantages of such measures are evident. Surveys by the NYSE, and SIA, and Arthur D. Little, Inc., all reveal one fundamental reason for the individual's absence from the market. As GM's Roche puts it: "More than seven out of 10 believe the market is manipulated."

2. By encouraging both institutions and individuals to invest in "noninstitutional" stocks. Regan, who would like to see institutions make public all their transactions monthly or even weekly, says: "I can see no logical objection to the point that the new power of institutions puts on them a new responsibility to disclose quickly." Were they to do so, and were each institution to be limited to, say 3% of any company, the benefits to the market would certainly be at least twofold.

First, there would be a steady inflow of institutional cash into the stocks of hundreds of sound corporations that, despite steady and even startling earnings growth, have not benefited from this inflow, simply because they were not numbered among the institutions' favored few. Second, the fact that this process was taking place, and that because of disclosure it was seen to be taking place, would also encourage individuals to invest again. Some authorities, such as Charles F. O'Hay, senior vice-president and director of research at the Provident National Bank in Philadelphia, believe that the mere existence of the Bentsen committee and its leanings are exerting a healthy effect on securities prices. In the last few weeks, hundreds of low p/e stocks have advanced while a series of "superglamors" such as IBM, Avon, Merck, and Polaroid have hit or approached new 1973 lows. This at least suggests that the movement is under wav.

Regan would also like to see a greater effort by the banks to assist the development of emerging companies. "They're the ones that can afford it," he says with emphasis.

But whatever the banks can be encouraged to do, the main burden of financing emerging companies with equity will still fall on the individual. Nashville broker J. C. Bradford says: "The institutions always want the hot issues but are usually unwilling to buy the ordinary ones. I'd say 90% of an average issue goes to our retail customers." The Philadelphia firm of Suplee-Mosley, Inc., is typical of the underwriters who normally bring half a dozen new companies public each year, and who depend on the individual investor to do so. "This year," says Senior Vice-President William Z. Suplee III, "we'll be lucky to do one."

3. By increasing the market participation of individuals. Bentsen is leaning toward some sort of relief on tax treatment of gains—and everyone concerned with the health of the equity-raising markets seems to agree that it is essential, GE's Jones admits that this may be contrary to "the rhetoric loopholes" but stresses: "Our present tax structure has a vigorous bias against private saving and capital attraction." Equity would seem to demand some adjustment. Morgan Guaranty's Callaway makes the point that taxes put the individual investor at a considerable disadvantage in competition with the institutions, and Bentsen notes that the "indirect tax subsidy" from the Treasury to private pensions alone is estimated at $3-billion to $4-billion a year. Even on long-term capital gains, the SIA points out, the individual can wind up losing very nearly half of any profit when state and city taxes, and a basic federal tax rate, which now reaches 36½%, are factored into the whole equation.

Regan proposes replacing this with a sliding scale to provide a taxbite graduated according to the length of time an asset is held. His range: 30% after six months, descending to 10% after five to seven years. He makes the point that a large factor in most assets' appreciation is inflation, and he does not see why investors should be taxed on this unwanted ingredient of their profit.

SIA Chairman John C. Whitehead also proposes a sliding scale and demonstrates that the present level of capital gains taxation is actually keeping large amounts of revenue from the government. At least $200-billion of capital gains are "locked in," Whitehead explains. If just half of these were unlocked, and if they were taxed at 20%, they would produce a bonus of $20-billion for the Treasury. The market can also benefit: By their nature, holdings of high-flyers such as IBM and Xerox account for a preponderance of locked-in gains; were these gains to be unleashed, economists believe, a hefty proportion would gravitate into "value" securities with lower multiples.

In the view of Regan, Whitehead, and the NYSE's Needham, equity would seem to call for some revision of the tax treatment of losses, particularly if individuals are to invest again in the relatively high-risk situations represented by most emerging companies. Regan and Whitehead suggest, simply, that the tax treatment of losses should match that of gains. Needham proposes raising investors' loss deduction from its present $1,000 to $5,000. He also favors treating brokerage commissions as "investment expenses," deductible against ordinary income. Bentsen says he is "very sympathetic" to that idea.

4. By making foreigners and their surplus dollars more welcome. "Foreigners," says Merrill Lynch's Regan, "find it difficult to understand why we seem to want to make it hard for them to invest in our securities." One particular bugbear is the tax (generally 30%) the U.S. withholds from dividends and interest due foreign investors. Regan told the Bentsen committee that Merrill Lynch could sell an estimated 15% to 30% more U.S. common stock abroad if withholding were ended. He said: "There is lots of money out there looking for a happy home."

Indeed there is. John Scanlon spent last week with AT&T Chairman John D. deButts talking with investors in London, Paris, Zurich, Geneva, and Amsterdam. Says Scanlon: "There are those vast pools of dollars accumulated abroad, maybe $100-billion. I think it would be good to eliminate this [withholding tax] deterrent."

If foreigners can be encouraged to increase their investment, if individual U.S. investors' confidence can be repaired, much of the erstwhile robust health of America's capital-raising process may be restored. Most important, as Whitehead told the Bentsen committee: "Distortions caused by institutional dominance must be corrected if national markets are again to do their job of allocating resources, and attracting new capital to risk situations popular and unpopular, large and small."

Bentsen recently told BUSINESS WEEK: "We don't want a situation in this country like you have in Germany." As he said in the Senate: "Mr. President, unless changes are made in the current investment picture, I am concerned we will see many of our companies acquired by foreign interests, while those which retain U.S. ownership will be subject to the control of a few institutions."

John Whitehead, chairman, SIA: "Distortions caused by institutional dominance must be corrected, if national markets are again to do their job."

By Mr. BIBLE (for himself and Mr. JACKSON):

S. 2844. A bill to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. BIBLE. Mr. President, I am sending to the desk for appropriate reference legislation designed to clarify the present controversy over the charging of use fees at parks and recreation areas.

Earlier this session, legislation was enacted to limit fees to specialized facilities—facilities beyond those minimal conveniences which a person would normally expect. That legislation has subsequently been interpreted to, in effect, prohibit any use fee charge.

This legislation, which I am introducing for myself and the distinguished Senator from Washington (Mr. JACKSON) would amend section 4 of the Land and Water Conservation Act. Specifically, section 4(a)(1) would be amended to clarify the extent of the Golden Eagle passport privileges and to use the term "permittee" rather than "bearer." In order to make the Golden Eagle more readily available, the section is also amended to enable them to be purchased at any area where they may be used.

Section 4(a)(4) is amended to make the Golden Eagle a lifetime pass rather than one which must be renewed annually. Since the only requirement for obtaining a Golden Eagle passport is that the recipient be 62 years or older, it seems unlikely that a person who once becomes eligible will ever cease to be eligible.

The central thrust of this bill, however, lies in the amendment to section 4(b) dealing with recreation use fees. Rather than attempting to list those facilities which must be provided before a fee may be charged, as was done earlier this year, the amendment lists those facilities, such as drinking water, for which no charge may be exacted.

In addition, several technical and perfecting amendments are included.

Mr. President, I deeply regret the necessity for this legislation. I think that the Solicitor's interpretation of Public Law 93–81 was unfortunate and I hope that this legislation will finally settle this question.

By Mr. NELSON:

S. 2845. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to protect consumers against food additives which have mutagenic or teratogenic effects on man or animals. Referred to the Commitee on Labor and Public Welfare.

Mr. NELSON. Mr. President, the safety of many chemicals in our food supply continues to be challenged.

For this reason, I am introducing today a bill that will strengthen the Government's food additive protection capability, by requiring testing of additives prior to their approval to determine whether they cause birth defects or genetic damage. At present, there is no requirement for such testing prior to approval of food additives.

WHAT THE BILL DOES

This bill requires that applicants for Federal approval of food additives provide reports of tests conducted to determine whether the additives cause mutagenic or embryotoxic—teratogenic—effects when ingested by man or animal.

Such tests must utilize the most up-to-date methods available for such purposes, as determined by the HEW Seccretary.

If an additive is found to cause either effect, the Secretary must make an affirmative decision, based on the recommendations of ad hoc advisory committees of experts, to allow the substance, if he finds that it would be more hazardous to the public health to deny use of the additive than to permit its use.

The bill sets up a system by which the Secretary must convene expert committees to review additives that are found to cause mutagenic or teratogenic effects; and requires that the Secretary publish his proposal for use of such additives in the Federal Register, if he determines to allow the additives in the food supply.

Within 6 months of the date of such notice, he must make his affirmative finding final, or the additive is not approved.

The Secretary is given authority to weigh the benefits of permitting the use of certain additives against the possible dangers to the public health and safety of such additives. The bill makes it clear that such determinations shall not affect the Delaney anticancer clause, which prohibits any substance in the food supply that causes cancer in man or animals.

Whenever the Secretary decides to allow an additive that has shown mutagenic or teratogenic effects, such a finding must be on the labeling of foods containing the additive.

The Secretary is required to report to Congress annually on the status of such additives, including justification for permitting their use, a review of current research activities being carried out with regard to such additives, and a review of current research into possible alternatives to them.

The Secretary must also determine which additives currently in use, including those on the "generally recognized as safe" (GRAS) list, should be tested for mutagenic and teratogenic effects, and provide for such tests to be conducted, after which the Secretary must make affirmative findings as regards their continued use. Such a review must be made within 2 years after enactment, with an annual status report to Congress.

Mr. President, the Food and Drug Administration now lists some 3,000 food additives that have been approved for use in the food supply: Some 1,000 are used directly in food, and 2,000 contact food through packaging or other indirect means.

The 1958 food additives amendment to the Federal Food, Drug and Cosmetic Act defines a food additive as—

> Any substance the intended use of which results or may reasonably be expected to result, directly or indirectly, in its becoming a component or otherwise affecting the characteristics of any food (including any substance intended for use in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting, or holding food; and including any source of radiation intended for any such use), if such substance is not generally recognized, among experts qualified by scientific training and experience to evaluate its safety, as having been adequately shown through scientific procedures (or, in the case of a substance used in food prior to January 1, 1958, through either scientific procedures or experience based on common use in food) to be safe under the conditions of its intended use. (Section 201(s)).

According to the FDA, the United States probably approves the use of more kinds of food additives than any other nation. And, more are being developed and approved every year. In 1972, the FDA received 109 petitions for new uses of food additives; 77 were approved. In the first half of 1973, the FDA received 47 new petitions for food additives; 27 were approved.

Dr. Jean Mayer, professor of nutrition, Harvard University, and Chairman of the first White House Conference on Food, Nutrition and Health, 1970, has written:

> Many Americans see the extensive use of food additives as raising not only profound health and economic implications, but also general questions about the very nature of our civilization. (Foreword to "Eater's Digest," by Michael F. Jacobson.)

Any number of these additives are safe, economic to use, and make it possible for the proliferation of processed foods with a long shelf life.

However, many of these additives may be unnecessary and dangerous to our health, either on a short- or long-term basis.

An FDA opinion poll about the safety of food containing pesticides, added color, or preservatives, which was published in its magazine, FDA Consumer, June 1973, shows that between 1966 and 1972, consumers' belief in the safety of these chemical additives dropped dramatically. The poll is as follows:

OPINION ABOUT THE SAFETY OF FOOD CONTAINING PESTICIDES, ADDED COLOR, OR PRESERVATIVES IN 1966 AND 1972

Question: How do you feel about the safety of food which contains:

	Percent of respondents—					
	Pesticide residues		Added color		Preservatives	
Safety scale	1966	1972	1966	1972	1966	1972
Very safe	24	4	41	15	33	7
Not safe at all	8	20	9	12	7	18
Don't know	4	5	7	5	14	6

Source: "FDA Consumer", June 1973, p. 17.

The National Research Council's Committee on Food Protection recently reported:

> The preponderance of data concerning food additives confirms that they have been used safely, effectively, and to the benefit of consumers. . . . There is no evidence that consumption of foods in which these substances and regulated additives were properly used has endangered human health.
>
> Experience has amply demonstrated that chemical aids of this kind can be used safety and beneficially, but *it is imperative that competent, strong regulatory agencies and a public-spirited, ethical industry apply the measures necessary to ensure that they will be so used in the future. It should be pointed out that methods of detecting toxicity, especially long-term effects, have steadily improved and are likely to become more sensitive and reliable and that health safeguards will continue to require revision according to gains in knowledge.* (Emphasis added.)
>
> Source: "The Use of Chemicals in Food Production, Processing, Storage and Distribution," National Academy of Sciences, Committee on Food Protection, National Research Council, Washington, D.C., 1973, pp. 30–31.

Despite this conclusion, the fact is that strong evidence exists to contradict the NRC. Recent scientific studies and incidences dramatically illustrate that many widely used food additives may not be as safe as it has been believed.

These new scientific findings are the result of new techniques for detecting physiological and toxicological effects of chemicals on man and animals. The NRC agrees that, since "methods of detecting toxicity, especially long-term effects, have steadily improved and are likely to become more sensitive and reliable," it is necessary to continuously revise the data on which additives are judged safe.

Following are some examples of new scientific study results.

A team of San Francisco investigators, headed by Dr. Ben Feingold, of the Kaiser Foundation Hospital-Permanente Medical Group, found in a preliminary study that behavioral disturbances in children, such as hyperkinesia and learning difficulties, may be directly attributable to the ingestion of certain food additives. Reporting to the American Medical Association Section on allergy in July 1973, Dr. Feingold noted that a graph indicating the increase in dollar value for the production of artificial flavors and soft drinks parallels a graph for the increased incidence of hyperkinesia and learning difficulties among schoolchildren. Further study is necessary to confirm these findings, including to what extent food additives ingested by a mother during pregnancy affect an unborn child.

A Georgetown University study in Washington, D.C., in collaboration with the National Institutes of Health, shows that some chemical compounds used to preserve beverages and canned and frozen foods are harmful to human cells. The laboratory study of tissue cultures, conducted under the direction of Dr. T. Sreevalsan, associate professor of Microbiology, shows that antibacterial food additives, such as fatty acids and nitrites, inhibit cell growth, alter the shape of certain cells, and in some cases, destroy cells. Dr. Sreevalsan said, "Further study is necessary, but present evidence would urge caution in eating large quantities of food containing such additives." Mr. President, I ask unanimous consent that a release describing these findings be printed in the RECORD following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NELSON. Mr. President, the Joint FAO/WHO Expert Committee on Food Additives recommended recently that toxicological testing be carried out on tissue storage of macromolecular food additives. The recommendation is contained in the Committee's 17th report, which concludes that information on tissue storage of macromolecular materials is frequently lacking. For example, Carrageenan, a widely-used food additive, is stored in certain cells of rhesus monkeys for 6 months or longer, and the consequences of such long-term storage are not well understood, the expert committee said—Food Chemical News, November 12, 1973, page 12.

Two widely used preservative additives, BHA—butylated hydroxyanisole—and BHT—butylated hydroxytoluene—have been shown in a recent study to cause significant brain and behavioral changes. The offspring of pregnant mice, which were fed large quantities of BHA and BHT, suffered major changes in brain chemistry and showed abnormal behavioral patterns. As a result of recent tests in Britain, BHT has been banned and the use of BHA restricted. These two preservatives have been used for more than 20 years to replace the natural vitamin E—antioxidant—lost in processing. Drs. C. L. Scuffer and A. G. Karzmar and a team of Loyola University's Institute of Mind, Drugs, and Behavior, concluded in their study that BHA and BHT should be reevaluated.

BHA and BHT are on the FDA's generally recognized as safe (GRAS) list, meaning that they were given a blanket approval when the 1958 food additives law was enacted.

There are some 600 additives on the GRAS list, including saccharin, monosodium glutamate, nitrites and nitrates, all of which are now under review by the FDA, and some of which are being seriously challenged as to their safety. Cyclamates were on the GRAS list when they were banned from foods because of evidence that they caused cancer. Diethylstilbestrol (DES), an animal feed additive hormone used as a fattener, was banned because of new evidence that residues left in meat could induce cancer.

If we are going to continue the widespread use of these chemicals and, in fact, increase their use, there must be carefully developed scientific evidence showing they are safe and necessary.

At present, the Federal Food, Drug, and Cosmetic Act requires only that additives be shown to be safe, but as we are finding, new scientific testing methods show many additives thought to be safe are not.

The law does not require an additive to be proven necessary, only to do what it purports to do, which, in fact, may be merely cosmetic.

A bill that I have introduced, the Food Protection Act of 1973 (S. 406), would require evidence that an additive is necessary prior to its approval for use.

Today, I am introducing a bill that would close another gap in the food additives law, relating to safety.

This bill requires that additives be tested prior to approval and use to determine whether they cause birth defects—teratogenesis—or genetic damage—mutagenesis—which may be passed on through generations with such results as hemophilia, cleft palate, mental retardation, Mongolism, and decreased resistance to disease.

New scientific evidence, such as described above, illustrates the need for such testing. The Environmental Protection Agency, in its booklet, "Health Effects of Environmental Pollution," page 19, says:

> Numerous environmental pollutants are not only carcinogenic but teratogenic and mutagenic as well. Teratogens may cause monstrous deformities. Congenital defects account for 14 percent of all infant deaths and are the third most common explanation for death in the newborn. Many substances induce abnormalities in a fetus at levels below those needed to make the mother ill.
>
> Mutagens result in transmissible changes which affect potential offspring. If a pollutant damages a cell while its capacity for division remains unimpaired, the result may be defects among future generations.

According to the National Foundation-March of Dimes, every year 250,000 American babies are born with such defects as mental retardation, blindness, and heart defects. The foundation estimates that 20 percent of all birth defects are hereditary; another 20 percent are thought to be caused by diseases of the mother, drugs, or radiation exposure; and the remaining 60 percent may be due to the interaction of heredity and environment—"Facts, 1974," National Foundation-March of Dimes, page 7.

FEASIBILITY OF TESTING

Under present law, no substance that is found to cause cancer in man or animal is permitted in the food supply. Thus, additives must be tested and shown to be noncancer causing before they are approved. Cancer screening tests have been developed and applied for a number of years.

Test methodologies for mutagenesis and teratogenesis are different from cancer tests, and the states of the art differ between mutagenic and teratogenic testing.

Geneticists developed practical methods of detecting chemical mutagens in the 1960's, which tests are feasible at a reasonable cost for screening large numbers of substances, such as food additives.

There are now three well-known methods for mutagenic testing.

These include: the dominant lethal test; the host-mediated assay; and the in vitro cytogenetic test. New research continuously leads to better test systems.

The National Cancer Institute and the National Institute for Environmental Health Sciences are now jointly undertaking an examination of some 85 substances known to cause cancer in animals to learn which ones also are mutagenic.

Testing for teratogenesis also has been developed, but is less far along than mutagenic test protocols. Nevertheless, the state of the art is sufficient for mass screening now, and is being refined by the National Institute of Environmental Health Sciences and the FDA.

FDA advises us that they can now test for teratogenesis on a feasible, short term screening basis, and that they will be able to regulate on the basis of such tests.

At the present time, FDA, as part of the GRAS list review, plans to test, under contract, 100 GRAS chemical compounds for mutagenesis.

The FDA also is conducting tests inhouse. The Division of Toxicology in the FDA's Bureau of Foods is conducting tests to determine whether GRAS substances are toxic to the fetus or embryo as well as teratogenic.

A three-generation reproductive study is underway in-house at FDA, to study both teratogenesis and mutagenesis.

At the National Center for Toxicological Research, Pine Bluff, Ark., the FDA is conducting dose-response teratogenic studies with the herbicide 2,4,5-T, which will serve as a protocol for later work; and a mutagenesis program has been started under an interagency agreement with the Atomic Energy Commission using work performed at the Oak Ridge, Tenn., National Laboratory.

All of these activities indicate both the need and the feasibility for such screening.

DISCRETIONARY AUTHORITY

An important issue is how to relate animal tests to humans and human consumption. Teratogenic and mutagenic testing show that a number of substances have caused these reactions in animals. Subcutaneous injection of salt—sodium chloride—an excess of vitamin A administered orally; and zinc, an essential mineral, when injected intravenously, have all been found to be teratogenic in animal test systems.

A straight prohibition of substances found to be mutagenic or teratogenic, therefore, may not always be feasible or in the best interests of public health. Many essential foods and nutrients might be banned under such a prohibition.

For this reason, this bill provides for a system of evaluation and determination by the Secretary as to whether it is better for the public health to allow such substances into the food supply than not to.

NEED FOR TESTING

Virtually everyone agrees that testing for these reactions is necessary.

The need for such data has long been recognized as overdue by the scientific community.

William D. Ruckelshaus, while Administrator of the Environmental Protection Agency, told the American Society of Toxicology in Washington, D.C., March 9, 1971:

> For the past several decades, we have been heedlessly introducing into our environment a multitude of chemical, biological and physical contaminants with very little idea of what we are doing to ourselves or other life forms with whom we share this planet. . .
>
> We need to know more—far more—about what we are doing to ourselves and our planet, and to the fetuses of our unborn children, and to the genetic heritage of those children by the pervasive use of the chemical wonders of our age.
>
> There are gross inadequacies in our knowledge of the properties of various agents in producing cancer or congenital anomalies or mutations. And yet, it is well-known that many chemicals have such properties.
>
> The truth is that most of the pollutants of the environment which engage our concern today have never been evaluated in these terms. Yet, I am informed that recently developed techniques are available that offer practical procedures for routinely testing for the hazards of mutations, cancer induction, or fetal damage. The need for such routine testing is clear. Certainly we ought not to wait for tragedies like the thalidomide incident of the 60's before responding to the need. And surely it would be unconscionable—inconceivable, in fact—that we should wait for time to reveal harmful mutations before we try to search out and eliminate the chemical mutagens. ("Chemicals and the Future of Man," Hearings, Senate Subcommittee on Executive Reorganization, April 6–7, 1971, p. 65–68.)

Dr. Marvin S. Legator, former Chief, Cell Biology Branch, Division of Toxicology, FDA, now at Brown University, said in an address in 1970:

> In the last 30 years there has been a dramatic increase in the number of environmental agents to which we are all exposed—food additives, pesticides, antibiotics, drugs, and industrial chemicals. Many of these biologically active agents are recent additions to our environment, not present 20 or 30 years ago; hence we are besieged with chemical compounds to which we have not become adapted through the normal process of natural selection . . .
>
> In the past few years relevant methodologies have been developed to evaluate mutagenic agents in mammals.
>
> Achievements of screening for mutagenic activity, and the predictive value of mutagenicity testing: The value of screening compounds for mutagenic activity has been dramatically illustrated in the last two years. Without systematic screening of chemicals for mutagenic activity, and with methodologies just recently developed, these studies have already played a significant role in characterizing the genetic hazards of widely used environmental agents. To draw upon examples from the research group at FDA alone, I can list the following:
>
> 1. Characterization of the naturally oc-

> curring mycotoxin, aflatoxin, as a mutagenic agent;
>
> 2. Determination of the in vivo cytogenetic effects of cyclohexylamine, a metabolite of cyclamate;
>
> 3. Characterization of the widely used agricultural fungicide, Captan, as a mutagenic agent;
>
> 4. Induction of dominant lethal effects of the chlorinated hydrocarbon DDT.

Legator concluded:

> It is unfortunate that in the area of public health safety we have only responded after some disaster such as the elixir of sulfanilamide catastrophe in 1935, or the thalidomide tragedy in the '60's. The routine evaluation of chemically induced mutations, proceeding in an orderly manner without the emotional pressure of an apparent catastrophe, represents a unique step forward in the field of safety evaluation. The continual involvement of geneticists in this area and in the general area of toxicology should be of great benefit to mankind. ("Chemicals and the Future of Man," Hearing, pp. 253–256.)

James F. Crow, Ph. D., professor of medical genetics, University of Wisconsin Medical School, in a report published following a 1966 conference on population hazards from induction of mutations by man-made chemicals, recorded the following conference summary:

> There is reason to fear that some chemicals may constitute as important a risk as irradiation, and possibly a more serious one. Although knowledge of chemical mutagenesis in man is much less certain than that of radiation, a number of chemicals—some with widespread use—are known to induce genetic damage in some organisms. To consider only radiation hazards is to ignore what may be the submerged part of the iceberg. (J. F. Crow: Chemical Risk to Future Generations, Scientists and Citizens, June–July, 1968, pp. 113–117.)

In another report Crow stated:

> The major effects of increased mutation rates would thus be less obvious and spread over many generations, and would include ill defined abnormalities, such as premature aging, and enhanced susceptibility to various diseases, notably leukemia and cancer, and alterations in sex ratios. (Crow, 1968: Report of the Advisory Panel of Mutagenicity, HEW, 1969.) (See Hearing, Food Additives, Senate Select Committee on Nutrition and Human Needs, Sept. 20, 1972, pp. 1265–66.)

Samuel Epstein, M.D., Swetland professor of environmental health and human ecology, Case Western Reserve Meddical School, testified before the Senate Select Committee on Nutrition and Human Needs, September 20, 1972:

> Carcinogenicity, mutagenicity and teratogenicity are unique and irreversible manifestations of chronic toxicity. No valid data exist indicating the existence of threshold levels for mutagens of teratogens, as indeed for carcinogens . . .
>
> In spite of repeated recommendations of expert advisory groups—Genetic study section of the NIH, Crow Report, 1968; Report of the Advisory Panel on Mutagenicity, HEW, 1969; Report on the National Institute of Environmental Health Sciences Task Force, 1970; Report of the FDA Advisory Committee on Protocols for Safety Evaluation, 1970—that mutagenicity testing with currently available and practical methods be made mandatory or otherwise introduced into the standard armamentarium of toxicity testing, protocols for mutagenicity testing have still not yet been promulgated in the Federal Register, nor even have guidelines for such testing yet been published by the FDA. (Hearing, Food Additives, Senate Select Committee on Nutrition and Human Needs, Sept. 20, 1972.)

H. V. Malling, Biology Division, Oak Ridge, Tenn., National Laboratory, in 1970 wrote:

> Are mutations mostly a problem for our progeny? Let us, for example, consider the present stage of births in the United States today. About one out of seven pregnacies fails to produce a living child. Approximately one-fourth of these spontaneous abortions are associated with chromosome abnormalities. More than one out of 50 babies have some other serious genetic abnormality. Most mutations, induced or spontaneous, give rise to individuals with less fitness. Furthermore, cancer is common and is a serious problem; and it is likely that a part of the tumors arise from induction of mutations. Background radiation exposure can only account for a small portion of the genetic damage induced.
>
> Mutation can be induced both by radiation and chemical compounds, and the greatest majority of these mutations might be due to the latter. ("Chemicals and Future of Man," Hearing, pp. 257–266.)

It is clear that the scientific community has been concerned about the long-range effects of mutagenic and teratogenic substances for many years, and that governmental action to prevent such substances from endangering the public health is long overdue. This bill will correct that serious gap in governmental regulation regarding food additives that may be found to cause these deleterious and hazardous effects on the future of mankind.

Mr. President, I ask unanimous consent that an article from the Medical Tribune of July 25, 1937 be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Medical Tribune, July 25, 1973]

FOOD ADDITIVES ARE LINKED TO CHILD BEHAVIOR PROBLEMS

NEW YORK.—Behavioral disturbances in children are probably the most important and most dramatic of all the adverse reactions attributable to food additives, a team of San Francisco investigators reported here.

The clinical pattern is chiefly that of hyperkinesia, which interferes with the child's attention span and is reflected in complete disruption at home and at school, Dr. Ben Feingold, of the Kaiser Foundation Hospital-Permanente Medical Group, told the Section on Allergy at the American Medical Association Convention. Their impaired attention span, he added, leads to learning difficulties, despite a normal or high I.Q.

These children, he said, are "baffling" pediatricians, pediatric neurologists, psychiatrists, psychologists, and educators in the field of hyperkinesia and learning difficulty. Many of them, he noted, are being treated with either methylphenidate or amphetamines.

"In our experience," Dr. Feingold reported, "we have successfully treated some of these children with the salicylate-free diet, which eliminates 80 per cent of the food additives, including the artificial flavors and colors."

He cited the case of a seven-year-old boy with a history of hyperkinesia of several years' duration. No therapy was successful, he said, until the child was put on a salicylate-free diet. After a few weeks the child became well adjusted both at home and at school.

Infractions of the diet, he emphasized, led almost immediately to a recurrence of the hyperkinetic behavior patterns.

"In view of our ability to relate this behavioral disturbance in children to food additives by 'turning on' and 'turning off' these adverse clinical responses," said Dr. Feingold, "we raise the following question: 'Is it possible to attribute the increase in hyperkinesis and learning difficulty . . . to the increased consumption of these chemicals in our foodstuffs?' "

He cited a California study estimating that in the past 10 to 12 years the incidence of hyperkinesia and learning difficulties rose from 2 per cent to an average of 20 to 25 per cent and, in some cases, 40 per cent of the entire school population. These figures, he said, have no relationship to socioeconomic background.

He noted further that a graph projected for the increase in dollar value for the production of artificial flavors and of soft drinks parallels a graph for the increased incidence of hyperkinesia and learning difficulties among schoolchildren in the United States for the past 10 years.

He described an average child's breakfast as follows: A cereal "loaded with nonessential flavors and colors added to entice the child. A beverage, either chocolate or other drinks, most of which are rich with many artificial flavors and colors. Pancakes made from a mix, frozen waffles dyed with tartrazine, or frozen French toast.

AT SCHOOL MORE OF SAME

"Then the conscientious and concerned mother" gives the child vitamins, usually chewable, which are also loaded with additives. "To cap the ironical situation, the child is given a dose of methylphenidate or amphetamine before he is off to school." At school, where "the same ritual is continued at lunch," the child receives hot dogs, luncheon meats, ice cream, and various beverages. "Is it any wonder that our children are jumping and failing to learn?" he asked.

He acknowledged that elimination of only the food additives is not always successful. In some cases, especially when an allergic constitution is suggested, he said, it is necessary to institute a dual program: (1) control of the allergy through environmental control and food restrictions and (2) the salicylate-free diet.

He emphasized the following note-worthy features of the clinical pattern: the behavioral disturbance occurs almost exclusively in boys; usually only one child in a family is affected; most of the children but not all have a history of an allergic diathesis; the children usually have a normal or high I.Q.; and a diet diary will reveal the ingestion of rather large quantities of food additives.

There is no explanation, said Dr. Feingold, for the observation that the behavioral disturbance occurs mostly in boys and usually in only one child in a family. These facts could serve as a clue, he remarked, for an investigation into the differences between children who do develop the adverse reaction and those who do not. "At present, however, we really do not know," he said.

Dr. Feingold raised still another question. "Do the additives ingested by the mother during pregnancy affect the unborn child?" He replied to this question by saying that, like drugs, "food additives are low molecular chemicals which can cross the placental barrier to have a pharmacological and developmental influence on the unborn child."

It is therefore conceivable, he said, "that the increased consumption of food additives by pregnant women is an important factor in causing untoward reactions in the fetus, which later in life are manifested as hyperkinesis and learning difficulties."

Coauthors were Drs. Donald F. German, Alice Friedman, Richard Braham, and Ellamae Simmons.

EXHIBIT 1

FOOD ADDITIVES STUDIED

WASHINGTON, D.C.—A Georgetown University study in collaboration with the National Institutes of Health shows that some chemical compounds used to preserve beverages and canned and frozen foods are found to be harmful to human cells.

The laboratory study showed that some food additives most commonly used to prevent food spoilage caused by bacteria and other microbes capable of producing disease, act just as strongly against human and animal cells as they do against bacteria.

In tissue culture studies the additives were shown to inhibit cell growth, to alter the shape of certain cells, and in some cases to destroy them. The chemicals did not selectively act only against the bacteria but also were anticell agents.

"Further study is necessary," said Dr. T. Sreevalsan, associate professor of microbiology at Georgetown University, "but present evidence would urge caution in eating large quantities of food containing such additives. There may be a mechanism whereby the stomach tissue in a whole organism is able to detoxify the compounds in humans but even in that case, ingesting too much might overload the mechanism and still pose a danger.

"Most antibacterial food additives are fatty acids that have not exhibited any gross animal or human toxicity at the concentrations at which they are currently used.

"Since these compounds, as well as nitrite, inhibit all human cells tested in this study at least as effectively as they inhibit bacteria, the large consumption of food containing such compounds may potentially interfere with the function of some human cells."

Similar considerations, he added, apply to extensively used drugs that are lipophilic (fatty) acids such as salicylates, e.g., aspirin. He noted the recent studies were done in tissue cultures and did not involve whole tissues or animals.

In the GU study, human liver and intestinal cells as well as chicken embryo cells were grown in tissue cultures in the laboratory. Food additives (lipophilic compounds and nitrite) were added to the cells. The effects of the compounds on the cells showed the following results:

Certain concentrations of these compounds inhibited cell growth while higher concentrations killed them.

Some of the compounds also induced a jagged cell shape in a number of cell lines.

Coinvestigators with Dr. Sreevalsan were Mr. E. Ginsburg and Mrs. D. Salomon, research assistants, Department of Microbiology, GU Schools of Medicine and Dentistry; and Dr. E. Freese, Laboratory of Molecular Biology, National Institute of Neurological Diseases and Stroke, National Institutes of Health.

The research was reported in a paper titled, "Growth Inhibition and Morphological Changes Caused by Lipophilic Acids in Mammalian Cells," in the Proceedings of the National Academy of Science, Aug. 1973.

The work was supported by a contract from the National Institute of Neurological Diseases and Stroke, National Institutes of Health.

By Mr. HART (for himself, Mr. MAGNUSON, Mr. CHILES, and Mr. EASTLAND):

S. 2846. A bill to protect the flow of interstate commerce from unreasonable damage to environmental health by assuring an adequate supply of chlorine and other chemicals and substances which are necessary for safe drinking water and for waste water treatment. Referred to the Committee on Commerce, by unanimous consent.

Mr. HART. Mr. President, today I introduce the Emergency Chlorine Allocation Act of 1973 along with the Senator from Washington (Mr. MAGNUSON), the Senator from North Carolina (Mr. ERVIN), the Senator from Florida (Mr. CHILES), and the Senator from Mississippi (Mr. EASTLAND).

The Safe Drinking Water Act of 1973, reported from the Commerce Committee and passed by the Senate on June 22 of this year, is still under consideration by the House Interstate and Foreign Commerce Committee. While the purpose of that bill is to establish a program within the Environmental Protection Agency to regulate drinking water, and is of prime importance, the chlorine shortage being faced by many municipalities which treat drinking water raises the possibility of health hazard of mammoth proportions.

Chlorine is an absolute necessity for water supply safety and water waste treatment. While chlorine for public health sanitation purposes demands only approximately 5 to 7 percent of the chlorine market, several municipalities have been unable to obtain chlorine supply contracts for 1974, for example in the States of Florida, Colorado, and California. Some cities have already been required to pump nontreated sewage into lakes and rivers due to the lack of chlorine for waste water treatment; and other cities have been down to a few hours supply of chlorine for the treatment of drinking water or waste water, including Detroit, Denver, and New York City. Increasing industrial demands for chlorine, lack of expansion of production facilities, and the high energy requirements of processing chlorine contribute to the chlorine shortage. The shortage would be most detrimental to our cities.

The bill we introduce today requires the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Commerce, to promulgate regulations establishing a mandatory allocation system for the distribution of chlorine used in the treatment of drinking water and waste water. Discretionary authority to allocate other essential chemicals and substances necessary for water treatment is also given to the Administrator. The allocations should give priority dispersal of chlorine to municipalities and water treatment facilities. If voluntary compliance with the regulations under this act cannot be obtained, the Administrator is authorized to issue orders to force compliance. Violators of the regulations or of compliance orders would be subject to a criminal penalty of up to $10,000 per day and up to 1 year imprisonment, or a civil penalty of up to $5,000 per day of violation.

Government personnel and chlorine producers predict that the chlorine shortage will be at its worst during the summer of 1974, and that production should increase sufficiently to meet demands thereafter; therefore the emergency chlorine allocation authority granted under this bill will terminate on June 30, 1975. To avoid risking a major health hazard, I urge my colleagues in the Senate to join me in supporting the Emergency Chlorine Allocation Act of 1973.

Mr. President, the nature of the emergency requires that the Congress take swift action. If we do not, there is a likely possibility that municipalities will have insufficient chlorine to treat drinking water early next spring. Therefore, it is imperative that the legislative process move quickly. It is my intention to hold hearings on this legislation very early in the next session of Congress. Hopefully the committee will approve the legislation soon thereafter. The Congress has demonstrated that it can act quickly when confronted with the energy emergency. Hopefully the Congress will move as quickly in dealing with this emergency.

Mr. President, I ask unanimous consent that the text of the bill be included in the RECORD at this point and that the bill be referred to the Committee on Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Chlorine Allocation Act of 1973".

FINDINGS AND POLICY

SEC. 101. (a) The Congress finds that

(1) there is a national shortage of chlorine for safe drinking water and waste water treatment purposes;

(2) this shortage has resulted in an uncertainty in the procurement of chlorine by municipalities and other persons;

(3) many municipalities may be forced to terminate chlorination due to this shortage; and

(4) the termination of such chlorination presents a real and substantial threat to the public health.

(b) It is the policy of the Congress to require priority dispersal of chlorine for the treatment of safe drinking water and waste water and to encourage priority dispersal of other chemicals and substances necessary for the treatment of safe drinking water and waste water.

DEFINITIONS

SEC. 102. (a) As used in this Act—

(1) "Administrator" means the Administrator of the Environmental Protection Agency.

(2) "Municipality" means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law and having jurisdiction over the supply of water to the public or to an Indian tribe or an authorized Indian tribe organization.

(3) "Person" includes a State or political subdivision thereof, municipality, corporation, partnership, association, private or public nonprofit institution, or an individual.

(4) "Chemicals" and "substances" means activated carbon, lime, ammonia, soda ash, or any other chemical or substance used in the treatment of drinking water or waste water.

(5) "Protect the public health and environment" means to protect against any unreasonable threat to human health or the environment resulting from the use or distribution of chlorine, chemicals, or substances.

(6) "Waste water" means any discharge from municipal, industrial or other sources into the natural waters of the United States.

(7) "State" means any state, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

ALLOCATION OF CHLORINE AND OTHER CHEMICALS AND SUBSTANCES

Sec. 103. (a) Within 30 days after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Commerce, shall promulgate regulations providing for mandatory allocation of chlorine from the processing of chlorine to its final use in amounts specified in such regulations to the extent necessary to protect the public health and environment. If necessary, the Administrator is authorized to promulgate regulations providing for mandatory allocation of other chemicals and substances used in the treatment of drinking water or waste water. The Administrator shall promulgate regulations for the allocation of other chemicals and substances only after he investigates the situation and determines that such chemicals or substances are in short supply and allocation of such chemicals or substances is necessary to protect the public health and environment.

(b) Any allocation under subsection (a) shall apply to all chlorine, chemicals or substances processed in the United States or imported into the United States at any time.

(c) Whenever the Administrator finds that any person does not comply with any regulation or priority established under this Act, he is authorized to issue an order enforcing compliance. Any order issued under this subsection shall be issued only after notice and opportunity for a hearing in accordance with section 554 of title 5, United States Code.

ALLOCATION PROCEDURE AND STANDARDS

Sec. 104. (a) The regulations and allocations under section 103 shall be promulgated pursuant to section 553 of Title 5, United States Code, except as provided in section 105.

(b) The Administrator is authorized, for the purpose of carrying out this Act, to hold hearings, to receive evidence, to administer oaths to witnesses appearing before him, to gather information from, to require reports from, and to inspect records and physical facilities during reasonable hours of any processor, distributor, importer, repackager or other provider of chlorine, or other chemical substance which may be allocated under section 103.

(c) (1) The Administrator is authorized to issue regulations, pursuant to section 103, for performance under existing contracts for the processing, distributing, repackaging or providing of chlorine or other chemical substance. Such regulations shall be designed to protect the public health and environment.

(2) Allocations, regulations, or performances under existing contracts under section 103 shall be equitably distributed to the extent possible among all processors, distributors, repackagers, other providers, or importers of chlorine or other chemical or substance.

(d) The Administrator shall consult with the Office of Preparedness of the General Services Administration, the Department of Commerce, and the Department of Health, Education and Welfare to determine the quantities and proper allocation of chlorine or chemicals or substances under section 103.

IMMINENT HAZARD

Sec. 105. (a) An imminent hazard shall be considered to exist when the evidence is sufficient to show that shortages of chlorine, chemicals, or substances for treating drinking water or waste water will result in any unreasonable threat to human health or the environment prior to the completion of an administrative hearing or other formal proceeding held pursuant to this Act.

(b) If the Administrator has reason to believe that an imminent hazard exists he may petition an appropriate district court of the United States, or he may request the Attorney General to do so, to impose allocations as is authorized under section 103 of this Act. The Administrator shall simultaneously, if he has not done so, propose any regulation which may be warranted under section 103 or 104 of this Act.

RESPONSIBILITY FOR ALLOCATION PROGRAM

Sec. 106. Within 30 days after the enactment of this Act, the Administrator, in consultation with the Secretary of Commerce, shall promulgate regulations delineating which functions under this Act shall be performed by the Environmental Protection Agency, the Office of Preparedness of the General Services Administration, the Department of Commerce, or the Department of Health, Education and Welfare.

Sec. 107. The Administrator in consultation with the Secretary of Commerce, shall prepare and submit to the Congress, within 30 days after the date of enactment of this Act, a report reviewing by state (1) the number of drinking water and waste water treatment facilities with projections for 1974 and 1975 on the minimum amount of chlorine and other chemicals and substances needed by type of use to preserve the public health and (2) the number and capacity of chlorine processors, distributors, importers, repackagers and other providers.

ENFORCEMENT

Criminal Penalty

Sec. 108. (a) Whoever willfully violates any regulation under this Act or willfully fails to comply with any order issued pursuant to section 103(c) shall be fined not more than $10,000 for each day of violation or failure to comply or imprisoned for not more than one year, or both.

Civil Penalties

(b) (1) Whoever violates any regulation or fails to comply with any order issued pursuant to this Act shall be subject to a civil penalty of not more than $5,000 for each day of violation or failure to comply.

(2) Whenever the Administrator believes that any person engages in or has reason to believe will engage in any act which the Administrator believes constitutes a violation of any order or regulation issued pursuant to this Act, he is authorized to petition the United States district court having jurisdiction to issue an injunction or temporary restraining order to enforce the provision of such order or regulation.

(c) The district courts of the United States shall have jurisdiction over violations under this Act.

CITIZEN CIVIL ACTIONS

Sec. 109(a) Except as provided in subsection (b) of this section, any person may commence a civil action for injunctive relief on his own behalf, whenever such action constitutes a case or controversy—

(1) against any person (including the United States or any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) alleged to be in violation of any regulation or order promulgated under section 103 of this Act, or

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act which is not discretionary with the Administrator. Any action brought against the Administrator under this paragraph shall be brought in the District Court of the District of Columbia.

The district courts shall have jurisdiction over suits brought under this section, without regard to the amount in controversy or the citizenship of the parties.

(b) No civil action may be commenced—

(1) under subsection (a)(1) of this section—

(A) prior to 15 days after the plaintiff has given notice of the violation to the Administrator and to any alleged violator of the regulation or order, or

(B) If the Administrator or Attorney General has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with the regulation or order: *Provided,* That any person may intervene as a matter of right in any such actions;

(2) under subsection (a) (2) of this section prior to 15 days after the plaintiff has given notice of such action to the Administrator. Notice under this subsection shall be given in such manner as the Administrator shall prescribe by regulation.

(c) In any action under this section, the Administrator or the Attorney General, if not a party, may intervene as a matter of right.

(d) The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any other statute or at common law to seek enforcement of any regulation or order or to seek any other relief.

(f) When any actions brought under this section involving the same defendant and the same issues of violations are pending in two or more jurisdictions, such pending proceedings, upon application of the defendant reasonably made to the court of one such jurisdiction, may, if the court in its discretion so decides, be consolidated for trial by order of such court, and tried in (1) any district selected by the defendant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the defendant may apply to the court of one such jurisdiction, and such court (after giving all parties reasonable notice and opportunity to be heard) may by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the applicant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

Sec. 110. (a) Except as specifically provided in this section, no provision of this Act shall be deemed to convey to any person subject to this Act any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

(b) As used in this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) (1) To achieve the purposes of this Act, the Administrator shall establish such advisory committees as he determines are necessary. Any such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C. App. I), whether or not such Act or any of its provisions expires or terminates during the term of this Act or of such committees, and in all cases shall be chaired by the Administrator. The meetings of such committees shall be open to the public.

(2) Any such committee shall consist of members, appointed by the Administrator, who shall represent the following interests: the chlorine or other chemicals and substances industry, including but not limited to processors, distributors, importers, repackagers and other providers.

The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting of such committees and may have an official representative attend and participate in any such meeting.

(3) A full and complete verbatim transcript shall be kept of all advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of sections 552 (b) (1) and (b) (3) of title 5, United States Code.

(d) Within 30 days after the date of enactment of this Act, the Administrator, subject to the approval of the Attorney General and the Federal Trade Commission, shall promulgate, by rule, standards and procedures by which persons engaged in the business of processing, distributing, importing or repackaging of chlorine or other chemical or substance allocated under section 103 may develop and implement voluntary agreements and plans of action to carry out such agreements which the Administrator determines are necessary to accomplish the objectives.

(e) The standards and procedures under subsection (d) shall be promulgated pursuant to section 553 of Title 5, United States Code. They shall provide, among other things, that—

(1) Such agreements and plans of action shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the petroleum industry and of industrial, municipal and private consumers, and shall in all cases be chaired by a regular fulltime Federal employee;

(2) Meetings held to develop a voluntary agreement or a plan of action under this subsection shall permit attendance by interested persons and shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission and to the public in the affected community;

(3) Interested persons shall be afforded an opportunity to present, in writing and orally, data, views and arguments at such meetings;

(4) A full and complete verbatim transcript shall be kept of any meeting, conference or communication held to develop, implement or carry out a voluntary agreement or a plan of action under this subsection and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying, subject to provisions of section 552 (b) (1) and (b) (3) of Title 5, United States Code.

(f) The Federal Trade Commission may exempt types or classes of meetings, conferences or communications from the requirements of subsection (c) (3) and (e) (4) provided such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing or carrying out a voluntary agreement or plan of action authorized pursuant to this section. Such ministerial meeting, conference or communication may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject matter discussed. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

(g) (1) The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, implementation and carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this Act. Each shall have the right to review, amend, modify, disapprove, or prospectively revoke, on its own motion or upon the request of any interested person, any plan of action or voluntary agreement at any time, if revoked, thereby withdraw prospectively the immunity conferred by subsection (1) of this section.

(2) Any voluntary agreement or plan of action entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission 20 days before being implemented, where it shall be made available for public inspection and copying.

(h) (1) The Attorney General and the Federal Trade Commission shall monitor the development, implementation and carrying out of plans of action and voluntary agreements authorized under this section to assure the protection and fostering of competition and the prevention of anticompetitive practices and effects.

(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts and other records related to the development, implementation or carrying out of plans of action or voluntary agreements authorized pursuant to this Act.

(3) Persons developing, implementing or carrying out plans of action or voluntary agreements authorized pursuant to this Act shall maintain those records required by such joint regulations. The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

(4) The Federal Trade Commission and the Attorney General may each prescribe such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. They may both utilize for such purposes and for purposes of enforcement, any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws; and wherever such provision of law refers to "the purposes of this Act" or like terms, the reference shall be understood to be this Act.

(1) There shall be available as a defense to any civil or criminal action brought under the antitrust laws in respect of actions taken in good faith to develop and implement a voluntary agreement or plan of action to carry out a voluntary agreement by persons engaged in the business of processing, distributing, importing or repackaging of chlorine or other chemical or substance allocated under section 103 that—

(1) Such action was—

(A) authorized and approved pursuant to this section, and

(B) undertaken and carried out solely to achieve the purposes of this section and in compliance with the terms and conditions of this section, and the rules promulgated hereunder; and

(2) Such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

(j) No provision of this Act shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred; (1) prior to the enactment of this Act, (2) outside the scope and purpose or not in compliance with the terms and conditions of this Act and this section, or (3) subsequent to its expiration or repeal.

(k) The provisions of section 708 of the Defense Production Act of 1950, as amended, shall not apply to any action authorized to be taken under this Act.

(l) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, a report on the impact on competition and on small business of actions authorized by this section.

TERMINATION DATE

SEC. 111. The provisions of this Act shall terminate on June 30, 1975.

APPROPRIATIONS

SEC. 112. There are authorized to be appropriated such funds as are necessary to carry out the provisions of this Act.

ADDITIONAL COSPONSORS OF BILLS

S. 1326

At the request of Mr. WILLIAMS, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 1326, the Hemophilia Act of 1973.

S. 1486

As the request of Mr. INOUYE, the Senator from Kansas (Mr. PEARSON) was added as a cosponsor of S. 1486, to authorize the Secretary of Commerce to engage in certain export expansion activities, and for related purposes.

S. 2690

At the request of Mr. MUSKIE, the Senators from Utah (Mr. MOSS), North Dakota (Mr. YOUNG), Connecticut (Mr. RIBICOFF), Florida (Mr. CHILES), South Dakota (Mr. ABOUREZK), Massachusetts (Mr. BROOKE), South Carolina (Mr. HOLLINGS), Missouri (Mr. EAGLETON), Michigan (Mr. HART), Illinois (Mr. STEVENSON), Rhode Island (Mr. PELL), Minnesota (Mr. HUMPHREY), Wyoming (Mr. McGEE), Vermont (Mr. STAFFORD), Massachusetts (Mr. KENNEDY), New Jersey (Mr. WILLIAMS), West Virginia (Mr. RANDOLPH), South Dakota (Mr. McGOVERN), Minnesota (Mr. MONDALE), Nevada (Mr. BIBLE), and New Mexico (Mr. DOMENICI) were added as cosponsors to S. 2690, to amend title XVIII of the Social Security Act to liberalize the conditions under which posthospital home health services may be provided under part A thereof, and home health services may be provided under part B thereof.

S. 2695

At the request of Mr. CHURCH, the Senators from Maine (Mr. MUSKIE), Utah

(Mr. MOSS), North Dakota (Mr. YOUNG), Connecticut (Mr. RIBICOFF), Florida (Mr. CHILES), South Dakota (Mr. ABOUREZK), Massachusetts (Mr. BROOKE), South Carolina (Mr. HOLLINGS), Missouri (Mr. EAGLETON), Michigan (Mr. HART), Illinois (Mr. STEVENSON), Rhode Island (Mr. PELL), Minnesota (Mr. HUMPHREY), Wyoming (Mr. MCGEE), Vermont (Mr. STAFFORD), Massachusetts (Mr. KENNEDY), New Jersey (Mr. WILLIAMS), West Virginia (Mr. RANDOLPH), South Dakota (Mr. MCGOVERN), Minnesota (Mr. MONDALE), and Nevada (Mr. BIBLE) were added as cosponsors to S. 2695, to amend the Public Health Service Act to provide for the making of grants to assist in the establishment and initial operation of agencies which will provide home health services.

S. 2747

At the request of Mr. WILLIAMS, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 2747, to amend the Fair Labor Standards Act, providing for an increase in minimum wage rates.

S. 2789

At the request of Mr. INOUYE, the Senator from Montana (Mr. MANSFIELD), the Senator from New Jersey (Mr. CASE), and the Senator from New Mexico (Mr. MONTOYA) were added as cosponsors of S. 2789, the Vietnam veterans GI bill.

NOTICE OF CATTLE FEEDING HEARINGS

Mr. CLARK. Mr. President, last week I met with a delegation of cattle feeders from Sioux County, Iowa. They had come here to tell a story that needs telling, and when they had finished, it was clear that those who minimize the possibility of more—and worse—fluctuations in meat prices are living in a world of fiction.

A survey last August indicated that there had been an 80 percent increase in net worth of cattle feedlot operations since the beginning of the year in western Iowa. Two months later, a similar survey of the same operations showed a 120 percent decline from the August level. In other words, 2 bad months have completely wiped out the gains of 9 months. Cattle feeders have suffered a 40 percent decline in prices over the last 90 days while watching retail beef prices drop just 3.5 percent. The situation has become desperate—with cattle feeders losing an average of $100 to $200 a head. Glenn Gregg of Haywarden, Iowa, perhaps summed it up best when he said:

> We've made four to five trips back to Washington to defend the price of beef. Now we're here to defend our very occupation.

This situation not only has caused great economic hardship for cattle feeders, but it will soon affect consumers as well. In Iowa alone, the replacement of cattle is down 20 to 30 percent, which virtually insures shortages of meat in the future and an accompanying jump in prices for the first and second quarters of the coming year. Unfortunately, the waves of price increases and decreases always seem to get bigger and bigger. The uncertainty caused by the beef freeze earlier this year—combined with the prices of corn rising steadily into the future, particularly because of the fertilizer shortage—has caused feeders justifiable concern. And it is very possible that many of them will turn to grain farming, where the future seems more certain, or simply get out of the cattle business.

That is why the Sioux County delegation came to Washington last week. They met with the Iowa delegation and the Midwest Democratic senatorial caucus. They talked to representatives of USDA, the Cost of Living Council, representatives of the large chain grocery stores, and consumer groups in an effort to tell their side of the story. And they make a compelling case for the need for strong, affirmative leadership to deal with this desperate situation before it gets worse—for feeders, bankers, consumers, and every other sector of our inflationary economy.

But before any solutions can be found, it is essential to locate the causes of the problem. The chairman of the Agriculture Committee (Mr. TALMADGE) has agreed to a 2-day schedule of hearings in January by the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices which will attempt to find those causes. The hearings will include testimony from every sector of the meat production cycle—ranging from the cattle feeder, to the order buyers, the packers, the retailers, and consumers. In addition to the Iowa congressional delegation, other members of the Senate Agriculture Committee and other interested Members of Congress have been invited and are expected to attend. The first day of hearings will take place on Wednesday, January 16 in Sioux Center, Iowa, and it will be followed the next day in Maquoketa. The hearings are tentatively scheduled to run from 9 a.m. to 3 p.m. Hopefully, the information presented at these hearings will provide the basis for positive, long-range solutions to this urgent problem.

NOTICE OF HEARINGS ON BIG THICKET NATIONAL PRESERVE

Mr. BIBLE. Mr. President, I wish to announce for the information of the Senate and the public that the Parks and Recreation Subcommittee of the Senate Interior and Insular Affairs Committee, will hold public hearings on February 5 and 6, 1974, at 10 a.m. in room 3110, Dirksen Senate Office Building, on S. 11546, a bill to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes; on February 7, the Parks and Recreation Subcommittee will hold an open public hearing on S. 2844, a bill which I have introduced today, to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes, in room 3110, Dirksen Senate Office Building, at 10 a.m. Anyone who wishes to testify at these hearings should notify the staff of the Senate Interior and Insular Affairs Committee.

NOTICE OF HEARINGS ON CONGRESS AND MASS COMMUNICATIONS

Mr. METCALF. Mr. President, the Joint Committee on Congressional Operations, which I chair in this Congress, will open public hearings on February 20, 1974, on the general subject of Congress and mass communications.

During these hearings we will examine the growing imbalance between the capabilities of the Congress and the Executive to reach the American people through the mass communications media. We will invite opinions from many sources on how Congress, as an institution, can more effectively communicate the meaning of its constitutional role and daily activities.

Among others one question that will be asked is the advisability of opening Senate and House Chambers to coverage by the broadcast media. We expect to receive testimony from witnesses from State legislatures which have established procedures for coverage by television and radio, as well as from the United Nations and other nations which have opened their national legislatures or parliaments to broadcast coverage. We also hope, of course, that Senators and House Members who have been interested in this subject will be willing to give us the benefit of their advice and judgments.

Additionally, these joint committee hearings will examine such questions as the opportunities for congressional spokesmen to present their views directly to the people on network television and radio, the facilities and staff Congress may require for working with the news media, and the kind of informational services available to assist citizens in understanding the role of Congress in our governmental system.

The importance of these and related questions was pointed up in results of the survey reported recently by the Subcommittee on Intergovernmental Relations of the Committee on Government Operations: First, the survey found that many Americans do not clearly understand the operations of their Federal Government and that this lack of understanding is a contributing factor in their growing loss of confidence in government and public officials. Second, the survey results indicated a definite interest among citizens in learning more about their government.

And perhaps most significantly, in the context of our forthcoming hearings, the survey report concluded that, "Public officials are trying hard to reach their constituents—through personal contacts, open office doors, speeches and newsletters. But it is evident that these channels have not been adequate and likely that other avenues remain to be explored."

The purpose of the Joint Committee's hearings in February is to explore some of these other avenues. The hearings will be structured to develop information for Members of Congress to consider, not to build a case for a particular point of view or a specific course of action.

It is also clear that there are no easy or self-evident answers. But we hope to bring together, for the first time, the broad range of questions that should be asked in considering ways to improve the capability of Congress to reach the American people with its views and decisions.

Early in the next session, I will announce additional details of these hearings. Meantime, those Senators and their staffs who wish to discuss their scope and purpose further may wish to call John G. Stewart, extension 8267.

ADDITIONAL STATEMENTS

THE PLIGHT OF THE NATION'S RAILROADS

Mr. HUGH SCOTT. Mr. President, we need our railroads—a point that no one can dispute, especially during this period of severe energy shortages. The Congress has acted wisely to save seven Northeast railroads which are in deep trouble. The rail reorganization bill, I believe, has been drawn with judgment and prudence, weighing the heavy cost of abandoning our railroads against the great gain that would result by constructive measures to aid them.

An editorial in the Pittsburgh Post-Gazette on December 15 eloquently described the plight of the railroads. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SALVAGING NORTHEAST RAILROADS

Congress rightly has acted to salvage seven failing railroads in the Northeast. The Senate overwhelmingly passed a bill to establish a private, profit-making corporation to run a restructured rail network made up of parts of seven railroads—the Penn Central, Reading, Erie Lackawanna, Lehigh Valley, Central of New Jersey, Boston and Maine, and Ann Arbor.

The measure now goes to conference with the House, which has approved similar legislation. However, it faces a possible veto from President Nixon, concerned about the costs of provisions for indemnifying workers whose jobs may be lost.

But, one way or another, a solution is imperative. The current energy crisis and the problems with truckers point that up vividly.

Surprisingly, there is a strong environmental argument for saving the railroads. This was convincingly laid out in a Harper's magazine article, "Trains Into Flowers," by Barry Commoner, a leading spokesman for ecological causes. To be sure, Mr. Commoner's thesis is the eventually there will be no alternative to nationalizing the railroads. Regardless of one's reaction to that particular recommendation, Mr. Commoner's article makes several convincing points.

Can we afford the ecological cost of abandoning our railroads? he asks. "Per ton of freight carried, trucks use four to six times as much fuel as the railroads, and produce about that much air pollution," he writes.

Furthermore, railroads could handle two to three times the present freight traffic without clogging up. Most truck-bearing highways now operate close to capacity, which means that if the railroads aren't salvaged, we'd have to build more highways to handle the extra trucks. From an ecological viewpoint alone, Mr. Commoner writes, that would have damaging effects.

Like old-fashioned coal, "outmoded" railroads suddenly assume vital dimensions in the energy crisis. We dare not lose them and the sooner the new "salvage corporation" can start, the better.

NATIONAL OCEAN POLICY STUDY RESOLUTION—SENATE RESOLUTION 222

Mr. PASTORE. Mr. President, I am delighted to cosponsor Senate Resolution 222 to authorize a national ocean policy study. My interest in the development by the United States of a comprehensive national oceans policy is paramount because my own State of Rhode Island is known as the Ocean State. Although my State is only about 48 miles by 37 miles, Rhode Island has nearly 400 miles of coastline.

Rhode Island is dependent upon the sea as few other States are. The sea, in one way or another, touches the life of every Rhode Islander. In Rhode Island, where we are not blessed with agricultural resources or with natural resources in our earth, the sea, its fishes and its minerals constitute our only natural resources. If we as a nation cannot learn to use the oceans in a rational manner, if we cannot prevent the despoilation of our dwindling fishery resources, if we cannot learn to mine the mineral wealth of the seas without destroying the seas then Rhode Island will suffer first and will suffer hardest.

Commercial fishing has always been important to the economy of Rhode Island and Point Judith and Newport are today the third and fourth largest fishing ports on the northeast coast. The retail value of commercial fishing to the Rhode Island economy has been estimated at more than $35 million annually.

The port of Providence is a small port but vital to the Rhode Island economy. The port is growing in importance and tonnage of cargo handled as the nearby ports of New York and Boston have become choked with traffic.

Narragansett Bay is one of the most beautiful estuaries of the Atlantic Ocean and we Rhode Islanders are proud that the bay remains for the most part a clean body of water despite the fact that it is part of the oldest industrialized State in the Union and perhaps the most densely populated.

Ask any small boat sailor and he will tell you that Narragansett Bay, with its islands and its countless inlets and coves, is one of the most delightful places for cruising or sailing along the Atlantic coast. Rhode Islanders turn to the sea for their recreation. There are tens of thousands of motor craft of all descriptions berthed in marinas that dot our bays and coves and tidal rivers and which have become a major element in the Rhode Island economy. There are at least as many sailboats that enjoy Rhode Island waters and some of the finest racing sail craft built in America have been built in Bristol, first by Herreshoff and then by Pearson. In Rhode Island, most people do not go to the mountains or the country for summer vacations. They go to the sea. Tens of thousands of Rhode Islanders own summer cottages by the sea so they can enjoy some of the finest of Atlantic beaches.

In commerce and in recreation Rhode Island has always turned to the sea from pre-Revolutionary days when Newport and Providence were great privateering ports to 1974 when Newport hopefully will again host the America's Cup races—the greatest amateur sailing competition in the world.

To be more specific and to illustrate the importance of commercial fishing to my State, in Rhode Island alone 2,000 families depend directly upon commercial fishing for their livelihood.

In the southern New England region of Rhode Island, southeastern Massachuetts, and southeastern Connecticut, there are about 420 firms that depend entirely and directly upon the marine environment. These firms, in this tiny region of our Nation, employ more than 41,000 persons and have gross sales of more than three-quarters of a billion dollars. This does not include any naval or other military installations or employment with those installations.

These industries in turn generated well over a billion dollars in transactions about $500 million of which was personal income. About 13 percent of the total transactions in this southern New England region and about 11 percent of personal income can be traced directly to marine-related industries.

It is essential, therefore, to the Nation and particularly to my region of New England to develop an orderly ocean use program and I am proud to lend all of the support at my command to the ocean policy study resolution.

CONFIRMATION OF SENATOR SAXBE'S NOMINATION TO BE ATTORNEY GENERAL

Mr. BAKER. Mr. President, I enthusiastically support the nominaton of my good friend and colleague, Senator WILLIAM SAXBE, to be Attorney General of the United States. Having served with the distinguished Senator since he came to Washington in January 1969, I have no doubt that he will discharge the functions and responsibilities of the job upon which he is about to embark to the best of his ability.

The fact that he is an attorney and has served as a State legislator, Speaker of the Ohio State House, Ohio attorney general, and most recently as the senior Senator from that great State, uniquely qualifies him to be Attorney General of the United States. Moreover, despite a career in partisan politics, he is aware that the task which lies before him requires an individual who can rise above such politics for the good of the Nation; and in this regard, he is most capable.

He is an independent thinker and a free spirit of sorts. He exercises good commonsense and has an incomparable sense of humor. And most important, he is a man of deep conviction and high integrity. For all of these reasons, I am glad to see him serve as Attorney General, but I am sad to see him leave the U.S. Senate.

However, we should be pleased that

he and his wife will remain in Washington so that we might continue to have the benefit of their company and friendship. I join with all my colleagues in wishing Senator SAXBE the best of luck in his new job, and I am confident that he will live up to our expectations.

DOT–SAE INTERNATIONAL CONFERENCE ON TIRE SAFETY

Mr. RIBICOFF. Mr. President, last March 27, I inserted in the RECORD the staff report of my Subcommittee on Reorganization, Research, and International Organizations on Mr. Ralph Nader's charges concerning the safety of the 1960–63 Corvair automobile. As a result of this investigation I urged the Department of Transportation to sponsor an international conference on the safety of replacement tires.

Secretary Claude S. Brinegar has now informed me that such a conference will be held October 21–25, 1974, in connection with the Society of Automobile Engineers International Automobile Engineering Meeting in Toronto, Canada. Automobile and tire manufacturers from the United States, Canada, Europe, and Japan will participate in the conference.

The theme of the conference will be "Effect of Replacement Tires on Vehicle Dynamics." The conference agenda will include:

Performance properties of generic—radial, bias ply, snow, et cetera—tire types.

Ranges of tire performance properties and consumer influence on tire performance.

Influence of tire properties on vehicle dynamics; that is, braking, directional control, traction, et cetera.

Methods for classifying tire properties; that is, skid, traction, high speed, road hazard, noise, vehicle directional control, et cetera.

Mr. President, I am very pleased that DOT has accepted my suggestion and will sponsor an international conference on replacement tire safety. This is an important traffic safety problem affecting the lives of millions of motorists daily. I commend Secretary Brinegar and the DOT for their action.

BRISTOL BAY SALMON STOCK DEPLETED

Mr. STEVENS. Mr. President, on December 7 I addressed the Senate, once again emphasizing exploitation by the Japanese and the devastating effect of their fishermen in disregarding conservation practices in the Bering Sea and North Pacific fisheries. Time and again, I have made references to this issue. Until our Nation recognizes its responsibility to North Pacific fishermen, and provides effective programs of protection and rehabilitation, I will continue to raise my voice against our lethargic attitude toward saving our ocean resources.

Early in December, Governor Egan of Alaska was informed by the Alaska Board of Fish and Game that the Board would no longer be able to carry out its constitutional mandate to manage the Bristol Bay salmon stocks due to the continuing depletion of fish brought on by Japanese high seas fishing. This announcement coincided with my introduction of Senate Resolution 213, which requests that the President of the United States declare a moratorium on commercil fishing, other than United States and Canadian, in North Pacific waters. Mr. President, I ask unanimous consent that the Governor's new release be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DECEMBER 10, 1973.

JUNEAU.—Governor William A. Egan has been informed by the Alaska Board of Fish and Game that the board is no longer able to carry out its constitutional mandate to manage Bristol Bay salmon stocks because of Japanese high seas fishing.

The governor, calling the development "a bitter reality for the state of Alaska to face," said U.S. "diplomatic appeasement of Japan and shameful disregard of federal responsibility to a state of the Union, the state of Alaska, have brought about conditions simply making it impossible for Alaska to manage the Bristol Bay salmon fishery."

The board, in the final session of a 10-day meeting in Juneau, drafted and sent the following mesage to the governor:

"The Alaska Board of Fish and Game wishes to report to the Governor of Alaska that, due to the Japanese high seas fisheries efforts on Bristol Bay red salmon stocks, the Board is no longer able to carry out its constitutional mandate to manage those stocks on a sustained yield basis."

Egan commented: "This is a sad situation when such a competent board as the Fish and Game Board, representing all Alaskans, is forced to admit in total frustration that they are unable because of circumstances completely beyond their control to manage the remains of a once-great fishery.

"I fervently and sincerely hope the federal government will immediately take such actions as are necessary to enable the Fish and Game Board to resume fully meeting its obligations of managing the Bristol Bay fishery."

Egan, who has waged a long and angry fight against high seas fishing for Bristol Bay salmon, lays major blame for destruction of that fishery on Japanese fleets.

After this year's Bristol Bay run proved a disaster, he dispatched state International Fisheries Director Harold Hansen to a Tokyo session of the International North Pacific Fisheries Commission (INPFC) with instructions to strongly advocate a sharp curtailment of foreign fishing for Alaska salmon stocks.

But Egan says results of the Tokyo INPFC session "were, once again, highly disappointing". The Japanese out of hand rejected the recommendations of the United States and Canadian sections of the Commission to abstain from fishing for salmon with nets on the high seas in the areas of intermingling of Asian and North American salmon for any effective length of time. Hence, an already small anticipated Bristol Bay salmon return may be almost totally decimated in 1974.

"This action which the Board of Fish and Game was forced to take signals the final nail in the coffin of the Bristol Bay fishery unless decisive and prompt federal action is taken."

Egan has strongly urged adoption of pending legislation in Congress which would extend the U.S. territorial sea limit to 200 miles and U.S. jurisdiction over anadromous fish to wherever they may roam on the high seas.

"Unless some meaningful federal action to remedy this tragic situation is forthcoming," he said, "we will be looking strongly at measures the state itself can take.

"We simply cannot go on here with the Japanese, through their interests in fishery shore facilities and other Alaska resources, having their cake and eating it too, so to speak.

"We in Alaska simply cannot go on tolerating a situation whereby we are spending millions and millions of dollars building up our fisheries and getting no cooperation in conserving and perpetuating them."

The governor said Japanese fishing companies "have expert biologists who know as well as our biologists know what is taking place. They are fully aware of the damage they are doing. It is long in the past that there can be any excuse on the basis that they do not know what they are doing out there."

He said Japanese fishing companies have "completely abandoned any decency in this. I would hope there would be some moral feeling in their minds. However, it's hard to tell what is in the minds of people who have done what they have done."

Mr. STEVENS. Mr. President, I submit that the time for action is running out. We have under consideration some very meaningful fisheries legislation. Let us here resolve that with the coming of the new year, that 1974 will be remembered as the time when the United States committed itself to a dedicated effort of ocean resource management.

THE SUBSTITUTE MINIMUM WAGE BILL

Mr. DOMINICK. Mr. President, on December 4, 1973, Senators DOMINICK, TAFT, and BEALL reintroduced the substitute minimum wage bill, increasing the minimum wage rate under the Fair Labor Standards Act, which had previously been offered by them in the Labor and Public Welfare Committee and on the floor. Recognizing that there would again be difficulty in passing some of the controversial provisions, a substitute was offered by the same three Senators which made no changes in existing law except to raise the rates, a raise badly needed to take care of the inflationary pressures since 1966. It was our feeling that if we could get away from the difficult questions of coverage, exemptions, and youth differential till a later date we could get the needed wage rate increase passed.

Unfortunately a motion which had the effect of killing both proposals was offered and passed by the Senate backed by many of my colleagues who had been talking often about the need for a higher minimum wage. It seems strange indeed that their attitude was taken and Congressman JOHN ERLENBORN who has been making valiant efforts in the House to increase the minimum wage had some comments on the House side on December 5, 1973, which although somewhat acerbic are in my opinion totally justified. These remarks are well worth reading by my colleagues and I ask unanimous consent that they be printed in the RECORD.

Mr. President, on December 19, 1973, we passed a conference bill on health maintenance organizations which I supported. This conference report was almost identical to the bill which I offered in the Labor and Public Welfare Committee and on the floor which were rejected. If accepted we could have had this legislation 2 years ago. The same fate will be true eventually on minimum wage but the action taken by the Senate will postpone for almost 3 years the wage raises which were badly needed then and are badly needed now.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WE NEED A NEW MINIMUM WAGE BILL

Senators Dominick and Taft made a valiant, but vain, try for a new minimum wage bill yesterday. They proposed that we increase minimum wage rates and leave the thorny issues—those that have stood in the way of a new bill—for a later time.

That their effort failed underscores a point I have been making for the past year: that some people would rather have an issue than a bill.

At first, my feeling was that our General Labor Subcommittee Chairman (Mr. Dent) was the leader of the intransigents, and I directed plea after plea to him. In this Chamber last week, however, I mused that perhaps I should be directing my entreaties to Organized Labor instead.

Well, the proof of the pudding is in the eating. Yesterday, by a vote of 55 to 29, the Dominick-Taft amendment was tabled in the other body.

Why? Would you believe that an army of labor lobbyists was on hand urging a vote against the increase?

But why? Why would those who speak for Organized Labor lobby against a pay increase for unorganized, unskilled workers?

Perhaps George Meany can tell us.

If he can, then the next question is: Will he?

ACTION ON GENOCIDE LONG OVERDUE

Mr. PROXMIRE. Mr. President, it was in 1950 that President Truman first submitted the Genocide Convention to the U.S. Senate for ratification. Hearings were held before the Foreign Relations Committee that year, but no action was taken. No action was taken for the succeeding 21 years either.

During the time that the convention has languished in the Senate, it has been ratified by 75 nations. This includes virtually every major nation in the world.

In May 1971, the Foreign Relations Committee finally reported the convention to the Senate floor, with the recommendation that the convention be ratified. Unfortunately, no action was taken in 1971 and 1972. However, in the spring of this year, the convention was again sent to the floor by the Foreign Relations Committee, and we now have an opportunity to act upon it.

Mr. President, let us not lose this opportunity. The Genocide Convention, which would make unalterably clear the opposition of the civilized world to the hideous crime of genocide, deserves to be ratified. I hope the Senate will be permitted to act upon it without further delay.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, since the Senate will not be in session on January 1, I would like today to report that, according to U.S. Census Bureau approximations, the total population of the United States as of that date, January 1, 1974, will be 211,678,845. In spite of widely publicized reductions in our fertility levels, this represents an increase of 117,376 since December 1, 1973—that is, in just 1 month. It also represents an increase of 1,483,481 since January 1, 1973.

Over the year, therefore, we have added enough additional people to fill a city larger than Houston, Tex. And in just 1 short month, we have added as many people as now reside in two cities the size of Galveston, Tex.

CONTINUING REPRESSION OF SOVIET JEWS

Mr. WILLIAMS. Mr. President, since the deplorable Arab aggression of this past October, the attention of the world has been focused on events in the Mideast. All peace-loving people throughout the world fervently hope that the parties to the Mideast conflict can now speedily agree to an arrangement that will produce a lasting peace, and one that will guarantee immediate repatriation of all prisoners of war, and secure defensible borders for Israel.

However, despite our concern for the Mideast, we must not forget the continuing tragedy of the repression of Jews in the Soviet Union. Earlier this year, largely because of the overwhelming weight of world opinion, the Soviet Union relaxed somewhat its restrictive and repressive policies toward Jews wishing to emigrate to other nations. This was encouraging to people the world over concerned with the fundamental issue of human rights.

Unfortunately, reports from the Soviet Union in recent weeks indicate that harsh repression of Soviet Jews who wish to emigrate has again increased. There have been reports of a new round of trials of such persons on a variety of flimsy charges and of invariably harsh sentences. There reports are summarized in a document prepared by the National Conference on Soviet Jewry, and I ask that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WILLIAMS. Mr. President, this Congress has already clearly demonstrated its concern for the plight of Soviet Jews by resisting extension of most-favored-nation status for any Communist nation that restricts emigration of its citizens. But we must now be as vigilant as ever to the treatment of Soviet Jews, and we must not fail to speak out when that treatment violates the basic rights of every human being. World opinion has proved to be a powerful force for justice in the past, and I hope it will be again.

EXHIBIT 1

THE NEW TRIALS: BACKGROUND

1. Too late the West learned that Pieta (Piotr) Pinkhasov, a carpenter in Derbent, Dagestan ASSR, (Russian Republic), was sentenced to five years in a labor camp. The trial, originally scheduled for November 15, was completed on Tuesday, November 13. The remote Caucasus town on the Caspian Sea is more than 1,000 miles from Moscow and was not visited by journalists or foreign diplomats. Thus, the trial was held virtually in camera.

Pinkhasov is the father of 6 children, aged 2 to 15. The family has a visa and was set to leave for Israel when Pieta was arrested on charges that years ago he did some free-lance work, which is considered "illegal." The Jews in Derbent believe the arrest is really part of an intimidation campaign aimed at deterring potential emigrants, since authorities told the family that if they remain in Derbent the charges would be dropped. Until now few applicants for emigration were known in Derbent and the action will be a deterrent to others. The wife, Yalta, and the children left and arrived in Israel on September 20 expecting the husband to follow.

Among other charges Pinkhasov was reportedly tried under Article No. 156 concerning "deception of purchasers." If this information is correct, the defendant received the maximum sentence, or one more appropriate for a "second-offender." The economic nature of the charges is reminiscent of trials held during the Khrushchev era when "economic trials" were levelled against Soviet Jewish activists in what was clearly an anti-Jewish campaign. The trials abated only after strenuous protest abroad.

2. On November 8, the investigation of twenty-six year old Aleksandr Feldman of Kiev was concluded. One of the "Kiev Four" (see Outlook No. 7), *Feldman is to stand trial on November 19* on charges of "malicious hooliganism." In a dramatic 11th hour appeal, friends in Kiev and Moscow asked Soviet authorities to halt the trial and release the "accused." The signatories accuse the Soviet regime of, among other things, grave violation of the law in the investigation of Feldman; they consider the charges as "an illegal repressive measure." Among the signatories were Saul Raslin (himself the target of police harassment); Aleksandr Tsatskis, Viktor Polsky and Vladimir Prestin.

On October 18 and 19 Kiev authorities conducted a search of Feldman's apartment, took him into custody and charged him with allegedly assaulting an as yet unidentified woman. Feldman, who has been trying for nearly two years to emigrate, was on his way to synagogue, since it was Shemini Atzereth. According to the Ukrainian equivalent of the RSFSR Criminal Code, article No. 206, "malicious hooliganism," constitutes "the same actions ... (as petty hooliganism) ... distinguished in their content by exceptional cynicism or special impudence, or connected with resisting a representative of authority or representative of the public fulfilling duties for protection of public order or other citizens who are restraining hooliganistic actions and, likewise, actions which are committed by a person previously convicted of hooliganism, (and) shall be punished by deprivation of freedom for a term of one to five years." This may be considered a second offense as Feldman had already served a fifteen-day detention for the same charge; the fact that Feldman may be considered a "recidivist" adds severity to the case and has led friends to believe he could receive the maximum sentence of five years.

The recent accusation by Kiev newspaper ("Vecherni Kiev") of erratic behavior means that Feldman is libel to be interned in a psychiatric institution; officials have already threatened to put him in the Pavlov psychiatric hospital near Kiev. Karapinkov, Feldman's interrogator, reportedly refused to receive any supporting materials from Aleksandr's brother, Leonid, or to hear witnesses attesting to Feldman's innocence. When relatives of other prisoners were allowed to bring warm clothes (October 25, 1973), Feldman's relatives were denied permission.

Thus far, no attorney has agreed to defend Feldman; and his friends are desperately seeking one.

3. Information is still being gathered by Soviet officials in the "Moscow Conspiracy" case, which could focus on Alla Layasoyeodva, her father-in-law Abraham I. Gelikh, and

two Moscow activists, Dina Beilina and Tamara Galperina. *Material was sent on November 8 by this office, and the NCJRAC to local CRC's and federations.* No word has been received about any date for a trial, although there is grave concern that this is imminent.

4. Thirty-two year old Leonid Zabelishensky of Sverdlovsk is now being investigated on criminal charges of alleged "parisitism" (article No. 209–1, RSFSR Criminal Code), having been unemployed for several months. An electrical engineer who taught at the Ural Polytechnic Institute in Sverdlovsk, Zabelishensky's field is the theory of computer calculating.

An activist in the small Jewish community of Sverdlovsk, he and his family applied for exit visas in November, 1971. On October 25, 1973, Zabelishensky was taken to an undisclosed place after being arrested by local police. It was later learned that he is being accused of "parasitism," although his wife works and earns a substantial income. Zabelishensky is currently taking care of their sick son. In a search of the apartment, police reportedly confiscated a voucher from Switzerland, notification from a bank of a money transfer, and a receipt for a letter to Israel.

Other activists from remote Sverdlovsk include Valery Kukui and Vladimir Markman, both now serving prison sentences.

5. On November 6, the Security Police (KGB) resumed surveillance of another Kiev activist, 28-year old Saul Raslin. Raslin apparently disappeared that day and has not been heard from. He is a friend of Aleksandr Feldman.

6. Rumors are circulating in Tbilisi that the Goldshtein brothers, Grigory and Isai, may be brought up on charges once again. Their case has been discussed in the past and, recently, we reported that proceedings had been lifted. Not allowed to emigrate since the suspension of judicial proceedings, it appears that the trial against the two activists might resume.

The whereabouts of Solomon Rozin (Leningrad), are still unknown. The thirty-eight year old engineer/electrician disappeared recently, shortly after the KGB began to follow him. Friends believe Rozin is being held by the security forces, who may be preparing a case against him.

DAVID BEN-GURION

1886–1973

Mr. SCHWEIKER. Mr. President, the world lost the greatest Jewish leader and statesman of his generation with the passing earlier this month of David Ben-Gurion, a founding father of Israel and its first Premier. No man better symbolized the hopes, the aspirations and the determination that once again transformed Palestine into the promised land for Jews throughout the world.

From his beginnings in a ghetto in Plonsk in Russian Poland; through his service with the Jewish Agency, the executive body of world Zionism; through the birth of the Jewish State on May 14, 1948; and through his service as Premier and minister of defense, Ben-Gurion was the personification of his adopted name—which means "son of a lion cub" in Hebrew. He was a fierce advocate of Israel's struggle for liberty and human dignity, and his death is lamented by all men who share his dedication to peace and justice.

In 1946, when the British were persecuting the Jewish leaders of Palestine, Ben-Gurion left a valuable gift to his people, a gift which has taken on added significance in light of the current crisis in the Middle East. He wrote:

> No dispair and no illusions. No Massada and no Vichy. While bitter and difficult struggles lie ahead of us we are not preparing for a final battle. Nor do we wish to die with the Philistines. On the other hand we must recognize that the moment we give in and bow our heads and lose our will to stand up fearlessly, we begin to roll down the slope which leads to the abyss.

Mr. President, as long as the memory of David Ben-Gurion lives with the people of Israel, Israel's "will to stand up fearlessly" will not die.

PROPOSAL TO CREATE A FEDERAL OIL AND GAS CORPORATION

Mr. CLARK. Mr. President, Mr. Lee C. White, chairman of the energy policy task force of the Consumer Federation of America, testified before the Senate Commerce Committee December 12 on a proposal to create a Federal corporation to explore for oil and gas deposits on public lands.

Mr. White is the original advocate of this proposal, and has researched it extensively, and his testimony offers an excellent, thorough summary of the proposal's merits, which are many.

It is particularly important that it be given careful consideration now, in light of our current energy shortage.

Mr. President, I ask unanimous consent to have this testimony printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF LEE C. WHITE

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: My name is Lee C. White, and I am here today in my capacity as Chairman of the Energy Policy Task Force of the Consumer Federation of America. The purpose of our Task Force, which currently has 22 member organizations (see attached list), is to ensure that the consumers' views are expressed and considered in the energy policy debates taking place publicly and, in particular, within the Congress. We recognize that there is no necessary single "consumer interest" in any of the numerous issues that comprise the energy policy debates; nevertheless, we have undertaken to do the best job possible in assessing and stating the views of the consuming public and, as the broad base of our membership suggests, we do indirectly represent millions of Americans.

Throughout its entire history, this Nation has demonstrated a capacity of adapting to new and changed circumstances. Today we are on the threshold of the worst energy crisis we have ever experienced. This calls for an examination of our existing process and for modifications necessary to deal with the circumstances that exist today and that we can project into the future.

Accordingly, we believe that hearings on a proposal to establish a government-owned corporation to explore for oil and gas deposits on public lands are most appropriate. We welcome the opportunity to participate in these hearings and to make our views known. On the subject of a government corporation to explore for oil and gas on public lands, our Task Force has taken a positive stand in favor of the concept.

The current energy crisis has shaken the country down to its shoe laces. The President and the Congress are, in a general way, responding appropriately to the short term requirements which basically are to make every reasonable effort to diminish the consumption of energy. These steps are in the right direction, but it is our view that many more steps must be taken and that we are not going to be able "to get by" without serious disruptions and dislocations. Some drastic changes in our life styles are going to have to occur—and not for only a few months. While we are focusing on the immediate problems of the current winter season, we must also make some national decisions that are going to influence the course of this country's energy actions for at least two decades.

I hope that while we have the attention of the public, the Administration and the Congress, we will make those tough, essential long-term decisions right now. It would be tragic if an easing of the Middle East oil embargo, for example, distracted our attention from long range requirements. I think we have already made two basic national decisions and both of them are constructive: (1) to use our energy resources in the future on a far more judicious and cautious manner than has been true in the past; and (2) to mount a research and development program by which we commit $2 billion annually to improving existing technology and develop new processes and techniques for producing energy.

THE BASIC ELEMENTS OF A FEDERAL OIL AND GAS CORPORATION

Amendment 643 to S. 2506, introduced by Senator Stevenson and eight other members of the Senate, is the first effort to put into legislative form an idea that was enunciated as long ago as July 1969. To some extent, I have a special interest in the subject since, so far as I know, I was the first individual in or out of government to advocate a government-owned corporation that would make it possible for citizens of this country who own valuable oil and gas deposits to have an agency seeking to discover and produce those deposits in a manner that will benefit the public, particularly in a period when the existing conventional privately-owned corporations were not meeting the needs satisfactorily. In the simplest terms, the corporation would have the following responsibilities imposed upon it: It would be charged with exploring for oil and gas to meet national fuel needs, not maximizing profit. Additionally, it would be directed to develop and use the most advanced techniques for minimizing environmental damage in all aspects of the petroleum process. It would provide complete and accurate data, for governmental and public review, of the costs of producing oil and gas—data that today is woefully inadequate. It would be assigned the task of managing national petroleum reserves to provide this country with some protection from reliance and overdependence on foreign petroleum sources. It would be directed to operate in a fashion that would promote and foster a truly competitive petroleum industry in this country. And most importantly, it would provide a competitive spur to the privately-owned petroleum industry.

OTHER ALTERNATIVE APPROACHES CONSIDERED

We have examined other points on the organizational spectrum in reaching our decision to support as vigorously as possible the government corporation approach. For example, nationalization is certainly one alternative, but it is not a realistic alternative in my judgment.

There has been some suggestion that energy companies are so crucial to national health and well-being that those that want to be in that business should be transformed into public utilities, thereby giving much greater governmental control over how those companies shall operate. On the production of electrical energy, public utility status has been maintained throughout the life of that industry. Similarly, the natural gas industry, because of the physical properties of natural gas, has been on a public utility basis in its transportation and distribution aspects—this, of course, has not been true of the producing end although there has been regulation of rates and terms for the sale of natural gas that moves into interstate commerce. The idea of putting petroleum companies, coal companies and uranium companies in a public utility status has been suggested, but so far as I am aware, there is no legislative proposal, nor do I personally believe at this point in our national development that this alternative ought to be adopted. That does not mean, however, that the subject should not be carefully explored. It may well be that my own assessment which, quite frankly, is not based upon a detailed analysis or study, but is instead simply a visceral reaction requires re-examination.

There are, of course, some variations on the type of government corporation that could be examined, including the hybrid Comsat model. But, having seen the Tennessee Valley Authority operation from the inside and being somewhat familiar with the Bonneville Power Administration, I strongly prefer the wholly owned government approach.

The Comsat public-private arrangement, in large part, flowed from the fact that traditionally the United States Government had, unlike the energy field, not been engaged in such activities on any major operating scale. Furthermore, Comsat was going into a new field, satellite communications, whereas the Federal Oil and Gas Corporation would merely take up its duties and activities alongside existing privately-owned corporations.

ARGUMENTS SUPPORTING THE FEDERAL CORPORATION

No one can be sure today how long our critical energy deficit situation will last—in fact, it may be with us for decades. In such circumstances, there should be in the very important area of activity that includes exploring for oil and gas, developing the fields and producing those vital petroleum products an institution that is motivated by meeting national needs, not by the primary or sole goal of maximum profits. There is nothing inherently wrong or improper about the profit incentive, but where the product or commodity involved is as essential to national health, well-being and security as energy, at least a portion of the national effort ought to be driven by the objective of meeting the security, personal, commercial and industrial needs of this country.

We have seen just this year that a voluntary fuels allocation program will not work, primarily because it runs head-on into the profit picture. Who can fail to understand why the management of a private corporation would refuse on a voluntary basis to sell its product for a higher public purpose, for example, bus fuel for city bus systems, at a price lower than it can get for that same basic fuel from homeowners who need the product for home heating. At this very minute the Administration is arguing that we must let the price of heating fuel go up so that integrated petroleum companies will change their refinery mix so that less gasoline will be made from the limited crude and instead those volumes will be diverted into heating and residual oil. I simply cannot understand why the President is unwilling to exercise his existing statutory authority to *require* that shift if the Government believes it should be done.

The Government has made royalty oils from off-shore Federal lands available to independent refiners in small quantities. I applaud that action, but believe the Administration should go much further. Additionally, as indicated, there should be a significant volume of petroleum under the control of the Federal Oil and Gas Corporation to be used in a manner deemed by the Government to be best suited to meet national needs.

So far as I know, there is no major industrialized nation in the world, other than the United States, that leaves the entire handling of petroleum and petroleum products to privately-owned corporations, where management must be responsive to stockholder, as distinguished from national, priorities.

With regard to environmental concerns, we find ourselves forced to delay meeting established environmental goals. It has to be done, and hopefully on the most acceptable terms. But the Federal Corporation could help reassure, not only those who call themselves environmentalists and ecologists but all citizens, on environmental protection because the Corporation would have imposed on it the statutory burden of proceeding by using the most advanced and effective techniques to protect the environment that are known and available. Furthermore, it would be enjoined to develop new methods with such a goal in mind. I believe we are to step up drilling in offshore areas, and possibly in the Atlantic and the Pacific Oceans. Citizens, especially those living in coastal areas, should be somewhat more confident in activities undertaken by a government corporation rather than by companies whose primary goal is money-making. Under proper leadership, I can see the Federal Corporation challenging its sister corporations on the environmental front, and, frankly, it's an appealing sight.

One of the greatest frustrations of government is its inability to obtain comprehensive and accurate data from the petroleum industry. There perhaps are valid reasons such as the unwillingness of one company to let its counterparts know what data and information it possesses for business reasons. But that reason must be weighed against others. I believe the public's need to know what is going on—and, of course, that is true also for Government—is paramount to private business requirements.

Surely the costs of production; the reserves, proved and potential; and everything else about the Federal Corporation's activities should and would be public information. If it discovers a safer way environmentally to drill wells and handle petroleum, that information should be made available to all, not treated as a private patent upon which huge profits could be realized.

This Nation has long accepted the principle that it should hold petroleum reserves for military defense purposes. Our new experience with an effective oil embargo by some Middle Eastern oil producing companies surely has taught us that we should push that concept further. Thus, an additional benefit of having a Federal Corporation would be its ability to hold proven reserves of oil and gas in sufficient quantities to decrease our dependence on foreign nations who today hold us almost in the palm of their hands despite the fact that a comparatively small fraction of our total needs are met by their oil. It would be unfair to ask a private corporation to sit on reserves and perhaps lose substantial markets or profits to meet some possible future need. It would not, however, be unfair to ask a government agency to do that since, as I conceive it, that would be one of the principal objectives of such a corporation. Wouldn't it be comforting today if the Federal Oil and Gas Corporation had available for this country petroleum reserves it had already discovered and which were capable of being fed into the market to meet any deficiency.

Many of us have wrung our hands over the independent refiners and marketers of petroleum products which, until now, have played a constructive role in the pricing structure of petroleum markets. Thousands of gasoline stations have gone out of business in 1973, and many independent refiners are barely hanging on. The Federal Corporation would be required to allocate its crude oil in a pattern that would ensure that a fair share would go to the independents. Things may never be the same in the petroleum business in this country, but we ought to take measures we believe to be protective of the public interest and protecting the independent refiners and marketers is one of those objectives we should articulate and attempt to achieve.

Integrated petroleum companies have a hard time voluntarily helping the independents whom they regard as competitors. As one executive told me, "there's no place in our corporate charter, the Constitution, the law, or the Bible where it says we majors must protect and preserve our competitors." He's probably right, but I believe the Congress ought to exercise its ability to change circumstances so that the majors' competitors will be able to stay in business and provide some price protection.

It is not difficult to predict opposition to the proposal from the petroleum industry. But one would think the industry would welcome the competition, the opportunity to demonstrate its capacity for doing a better job than some run-down, inefficient government agency beset with red tape and other bureaucratic deficiencies. In fact, there are some proponents of the government corporation plan who believe its most appealing feature is the competitive spur it would give to the industry.

OBJECTIONS TO THE PROPOSAL

The idea has been discussed sufficiently in the recent past to have elicited some criticism and some questions about it. I think it would be useful to try to focus on some of those more important points and to respond to them.

1. *The inefficiency of government corporations generally*—Critics frequently ask whether the Postal Service or the Amtrak experiences warrant trying to create yet another government corporation to undertake responsibilities traditionally performed by private corporations. It seems to me that Amtrak may, indeed, prove to be a very worthwhile invention in light of the sharply increased passenger traffic resulting from our awareness of our reaction to the energy shortages. The U.S. Postal Service is a very new instrumentality, and I am not aware of any private counterpart that provides a good comparison.

But even if these particular illustrations are not able to stand on their own two feet—and I do not know that is the case—I would prefer to look to the Tennessee Valley Authority as a closer analogy. TVA was born in controversy and is not totally free of it today. But there is no longer any dispute over its electric generating operations. It is among the leaders in the country and has worked in harmony with privately-owned electric utilities, with municipally and cooperatively-owned electric generating, distributing and transmitting systems. The Bonneville Power Administration also provides an example of efficient operations in the energy field by a government agency. I am confident that with the right management and support by the Administration and the people of this country, a government corporation could be developed which would be as efficient and as successful in its operations as TVA and Bonneville.

2. *The inability to obtain necessary qualified personnel*—The argument that says there are only a limited number of geologists, engineers and other technical competence and that a government-owned corporation would only drain off such talent from private corporations thereby producing no net benefit seems to me to indicate little confidence in the people in the petroleum industry and in our educational institutions. Such an argument is applicable to any new develop-

ment and misses the point completely. The purpose of setting up the government-owned corporation is to establish a corporate mechanism where the motivation and the thrust is keyed to national needs. I don't know how many major league baseball teams that were "expanded" teams have managed to win league pennants or the World Series, but the notion that things ought to stay the way they are simply because that is the way they are, won't do the trick. Referring again to the TVA analogy, it somehow was able to attract talent to it without disrupting other utilities that had to give up some of their trained personnel. Moreover, I would expect that our educational institutions will respond to the current energy crisis as it did to the sputnik-space challenge in the 50's and 60's by emphasizing the development of energy oriented scientists and technicians. It may also be asked how an industry that has not been able to produce all of the oil and gas that is needed will be able to get by with only the scientific and technical talent it presently possesses.

3. *This is the first step to nationalizing the petroleum industry*—Not only is it clear from the language of Senator Stevenson's proposal that this is not the case, it is my view and, so far as I know, the view of every other interested participant in energy policy debates that nationalization of the industry is not a desirable alternative. Certainly it is not a practical political reality. TVA was similarly hailed as the beginning of the end of the private electric utility industry in the 1930's and it, as well as the Bonneville Power Administration, has demonstrated that governmental activity in an energy field need not and has not had the effect of nationalization. Nationalization is an understandable concern of citizens in this country, and I assume that no such step would ever be taken without public awareness and, indeed, without public clamor for it. I do not detect that mood today nor do I foresee it for the future. I think it is a specious argument, and I hope that it will not be used to divert attention from serious discussion of the merits of the Federal Oil and Gas Corporation proposal.

4. *The incomparability of data*—Although the Federal Corporation would operate on a basis somewhat different from that of the private segment of the industry, there are accounting techniques for taking into account the differences. It should not be very difficult to separate the various components of total production costs to provide comparability with privately-owned companies. Most importantly, the public and the government would begin to accumulate information and data capable of being analyzed and critiqued. Whether or not the "yardstick" would be 36'', 35'' or 37'', at least we would have the beginning of a measuring device.

5. *It would take a considerable period of time for the new corporation to develop the expertise and to have a sufficient petroleum supply to be worthwhile*—The length of time to get started and to be able to make a significant contribution will depend upon who is selected by the President to run the corporation and a host of other variables. One thing is certain, however, and that is that the earlier the corporation is created, the earlier it will be able to make a contribution to the consumers of this country.

Undoubtedly, there are other questions and criticisms that will be leveled at the proposal. This Committee is capable of receiving all questions, criticisms and complaints and in evaluating them. I am confident there are satisfactory responses. The basis idea is what ought to be tested and discussed, and these first hearings provide the appropriate opportunity to do so.

CONCLUSION

The consumers of the United States are facing a very bleak period. The President, his Administration and the industry have asked that the consumers tighten their energy belts, delay achieving environmental goals and be prepared to pay greatly increased costs for their fuels and energy. In our view, this simply is not good enough. Congress has a solemn obligation to protect the consumers of this country and one of the most direct and hopeful approaches is through a government corporation that will make available to people in this country the oil and gas deposits which they own. We have not done a very good job in managing our petroleum deposits in this country—and that is a criticism that reaches across party lines. We can no longer permit ourselves to be totally dependent for basic energy supplies on an industry that is privately owned and which has failed to develop our resources on a basis that meets national needs and provides protection for the consumers of this country.

I do not believe that anyone can claim that the creation of a Federal Oil and Gas Corporation is that single dramatic solution that will handle this Nation's energy needs for the next 20 years. I do contend that it is a minimal step that should and even must be taken and without delay. I sincerely believe that if this step is not taken, there will be increasing pressures from across this country, from consumers, from government at various levels and from industries which require energy for more drastic steps. This is a moderate proposal that deserves prompt attention and action.

APPENDIX A: MEMBERSHIP OF THE ENERGY POLICY TASK FORCE

American Public Gas Association.
American Public Power Association.
Consumers Education and Protective Association International.
Consumers Union.
Cooperative League of the United States.
Industrial Union Department of AFL–CIO.
International Brotherhood of Electrical Workers.
Kansas Municipal Utilities.
Lincoln, Nebraska, City of.
National Farmers Organization.
National Farmers Union.
National League of Cities.
National Rural Electric Cooperative Association.
New Populist Action.
Northeast Public Power Association.
Northwest Public Power Association.
Oil, Chemical & Atomic Workers International Union.
Service Employees International Union.
Tennessee Valley Public Power Association.
United Auto Workers.
United States Conference of Mayors.
Wisconsin State AFL–CIO.

EFFECTS OF ENERGY CONSERVATION ON THE ELDERLY AND THE HANDICAPPED

Mr. WILLIAMS. Mr. President, I am greatly concerned about the effect that current legislation to ease the energy crisis may have on our Nation's elderly and handicapped.

All too often when the Congress passes far-reaching, emergency-type legislation, the specific needs and problems of the elderly and the handicapped are overlooked. I am anxious that this common oversight be avoided as we search for measures to counteract the impending shortages.

Both the Senate and the House have passed major bills to deal with the energy crisis (S. 2589 and H.R. 11882). The final product from the conference committee is not yet determined, but I am particularly concerned about how the eventual emergency powers will be implemented. Many specific orders and decisions in this type of emergency legislation must, with good reason, be left to the administration. The potential for unnecessary hardship to elderly and handicapped persons needs to be recognized.

I am calling out for caution and care as various actions are made and as specific rulings are decided. Those charged with implementing any new legislation dealing with the energy crisis must not forget that there are different groups in the population, and that some actions will harm certain groups more than others.

Strong concern has been conveyed to me about the possible ill effects of proposed legislation on the elderly and handicapped.

For example, the following letter was sent to the Special Committee on Aging enumerating several concerns with regard to the elderly and handicapped and the possible hardships they could experience if steps are not carefully taken to protect their needs. This letter is from James J. Pennestri, the director of the New Jersey Office on Aging.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NEW JERSEY,
DEPARTMENT OF COMMUNITY AFFAIRS,
November 9, 1973.

We in this agency are concerned, and have received expressions of concern from several areas, that the energy-conserving program called for by the President might well cause further hardships for the elderly.

Specifically, we could hope that any legislation considered would exempt people age 60 and older from the following:

1. Maintaining temperatures in living quarters at a day-time average of 68 and lower at night. I believe the reason for such an exemption is self-evident.

2. Blocking off certain city sectors to cars with only one occupant. Obviously, this could curtail essential travel to doctor's offices, clinics, meetings, recreational facilities, etc., for elderly singles unless the "blocking off" is limited to peak traffic hours.

3. Preferential parking for car pools. This could be a serious handicap for the older worker who is unable, by reason of physical problems associated with the aging process, to maintain a rigid schedule based on the considerations of other people.

4. High parking rates. This would have an adverse effect on retirees living on fixed and inadequate income as well as on older workers who are husbanding their resources in preparation for retirement and the income reduction attached to it.

These points, of course, would also apply to the physically handicapped.

Any law which is enacted should not overlook the problems of the elderly and the handicapped, as is so often the case. Some provision for exemption should be included. I hope you will agree, and that you will bring this to the attention of the Special Senate Committee on Aging in time for amending as necessary the legislation which the Senate is going to consider very soon.

As always, your usual valuable cooperation will be appreciated.

Sincerely,
JAMES J. PENNESTRI, *Director*.

Mr. WILLIAMS. Mr. President, in short, I am asking that those persons who are charged with the responsibility of drafting and implementing the needed emergency measures which are to come, take careful account of the effect their decisions will have on the aged and handicapped. Too often these special considerations are ignored.

SENATOR ROTH'S RECOGNITION OF THE ENERGY CRISIS IN MAY

Mr. DOMENICI. Mr. President, it is my practice to acquire and keep on file all information and points of view relating to important national issues, as I imagine is the practice of all my colleagues.

When reviewing that file recently I was struck by the fact that the distinguished Senator from Delaware (Mr. Roth) gave clear recognition of the gravity of the impending energy crisis, and the interrelation of various contributing factors, in a speech given way back in May of this year.

Senator Roth's speech contained many points that have proven to be extremely accurate and worthy of our consideration—then and now. For that reason, I would call the attention of my colleagues to Senator Roth's remarkable speech of May 18, 1973, and accordingly, I request unanimous consent that that speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Energy and the Environment

(By Senator Bill Roth)

It gives me great pleasure to welcome you to this year's Youth Leadership Conference. You have been chosen for your interest in "energy and the environment," and, I trust we have devised a program and invited a group of experts that will sufficiently challenge your thinking on these topics and provide you with new insights into one of today's most complicated set of issues.

I am not an expert in this field and don't pretend to be. What I want to do, therefore, in opening this conference is to discuss in a general way in the manner in which environmental and energy issues appear to be interrelated to each other and related to other current problems as well. The important thing at the outset is to try to get an overview of the issues involved so that when you break up into more specialized seminar groups, you won't be like the proverbial blindmen who got into a violent argument over what an elephant must look like. As you may recall, the first blindman felt the elephant's leg and said, "An elephant is like a tree trunk;" the second blindman hit the elephant's side and said, "No, an elephant is like a brick wall;" and a third blindman, having touched the elephant's trunk said, "Both of you are wrong, an elephant is like a python;" and so on. Each had felt a different part, and none had seen the whole.

Today, it is commonly assumed that energy concerns and environmental concerns are in almost total opposition. That is, if we want to solve our energy problems, we are going to have to relax our environmental protection laws, or if we are going to clean up our environment, we are going to have to accept gasoline shortages, heating oil shortages, or brown-outs. Many in the energy industries point out that anti-pollution devices on automobiles requiring more gasoline consumption, regulations governing air and water quality controls, and environmentalist-inspired opposition to the construction of new refineries, nuclear power plants, and superports have contributed to what is now popularly called "the energy crisis." On the other hand, environmentalists note that our love affair with the big automobile, the emissions from our refineries and power plants, and the oil spills have all contributed to what might be called the "environmental crisis."

Most of us, however, would be unwilling to make an absolute choice between energy needs and environmental protection; we want both sufficient energy to maintain the standard of living that we have worked so hard to achieve and a clean, healthy environment. Both are part of good living, and I, for one, think that both can be obtained, but we have to realize that to do so we will have to make sacrifices. It will undoubtedly require large sums of money to develop new sources of energy, as well as to clean up the environment. Later, I will return to this theme but, first it is important to explore "the energy crisis" in some depth and try to determine what it is and how we should react to it.

One thing which I have learned in my years as a public servant is that there are always a few who have simple solutions or explanations for even the most complex problems. In the case of the energy crisis, the simple explanation is that the shortages of gas and heating oil are merely staked by the oil and gas industries to get government subsidies, tax breaks, and higher prices and profits. This particular explanation reminds me of similarly simple ones which sought to blame all of America's ills on a communist conspiracy or on our involvement in Southeast Asia. At the same time, it is important for us to recognize that the energy industries will try to use the shortages to promote their own particular points of view. The problem we face is to sort out the reality from the rhetoric and to discriminate between solutions that are for the common good as opposed to those that would benefit particular interest groups.

It is one of the realities of the energy crisis that our supply of energy has increased rapidly every year. Our demand for energy, however, has increased at an even faster pace. Americans now make greater use of cars as opposed to buses, and cars require 4 times as much energy per person as buses. Americans now depend more upon airplanes than upon trains, and planes require an average of 9 times as much energy per person as trains for the same distance. In 1960, only 15% of American homes were air-conditioned; now 45% are. Then, only 7% of our cars had air-conditioners, and now 61% do. In 1955, the average American used the energy equivalent of 42 barrels of oil for a year; now he uses an equivalent of 61 barrels; by 1985, it is projected to be nearly 100 barrels.

A second reality is that our way of life and economic system are so built upon energy-consuming machines that energy shortages and resulting higher prices would affect all of us and in many different ways. Everyone, for example, is concerned about food prices, and one way to bring prices down is for farmers to plant more acreage in food and feed grains. But, if the farmers are limited to the gasoline supply they had last year, or less, they will not be able to plow or irrigate more land. If there are widespread shortages and the price of fuel goes up, the cost of producing industrial goods will go up, and this cost will be passed on to the consumer. The cost of public and private transportation would go up, the cost of almost everything would increase, and the efforts that have been made to try to control inflation would become further unraveled. Americans are used to cheap energy, only 4% of our entire national income is devoted to securing our energy needs. This is very likely to go up and each of us will have to reshuffle our own budgets accordingly to reflect higher costs of heating our homes, getting to work and school, and of buying food and other goods.

A third reality is that the energy crisis is not just an American problem; it is a problem which affects our relationship with the rest of the world. Some of you will be examining in greater detail the international implications of increased oil demands. But you should all understand that there appears to be no alternative in the short run to the greater importation of foreign petroleum. We have only 8% of the world's proven petroleum reserves, but we consume a third of all the world's production. Increasingly, we are looking toward the Middle East and Indonesia for crude oil and Algeria and the Soviet Union for natural gas.

This raises a host of problems. Two years ago, for the first time in more than eight decades, the United States had a balance of trade deficit. We are trying to achieve a position of surplus again by devaluing the dollar and taking measures to increase our exports to other countries, but these efforts may be undermined by our needs for such vast amounts of oil. We may have a $10 billion dollar trade deficit in energy alone in 1975, and this could double by 1980 if current trends continue.

What makes these figures so large is not just our demands alone—they also reflect the higher prices that foreign supplying countries are charging for their oil. The Middle Eastern countries and other oil suppliers have formed an organization of Petroleum Exporting Countries to work together in getting more money for their oil. They are tough bargainers, and they make no bones about what they want. As one Saudi Arabian government minister said recently: "We have the oil they need, and we are going to be very rich." At the same time, the U.S., Japan, and the European countries are all petroleum short and all are offering higher and higher prices for secure supplies. If we are going to keep prices within a reasonable range, I think we are going to have to work very closely with Japan and the European countries to solve the common problem.

Another complication is that the Arab countries have so few people, they don't know what to do with all the money they are getting. Like the Texas oil millionaires, the rich Arabs have bought Rolls-Royces and jewelry. But others have engaged in currency speculation and contributed to the run on the dollar that caused the most recent devaluation. Still others have loaned money to Egypt for military purchases, or like Lybia, have purchased jet fighters, thus increasing tensions in the Middle East. Many fear that if we become too dependent on the Middle East for petroleum, we will be subject to blackmail in our policy of supporting the independence of Israel. But, even aside from this very important consideration, can we afford to depend, for a major source of our energy, on an area so far away, so politically unstable, and so vulnerable to the Soviet Union?

This leads into another aspect of the energy crisis, one which we have included as a seminar topic because it so vitally affects our home state. If ever increasing amounts of foreign oil must be imported, how are our present ports going to handle these volumes and the huge tankers that are being built, at a reasonable cost and with minimal damage to the environment? In his energy message, the President said, and I quote, "The answer to this problem lies in deepwater ports which can accommodate those large ships, providing important economic advantages while reducing the risks of collision and grounding." Various government sponsored studies have surveyed the possible sites for such superports, and they have concluded that one of the prime sites lies in the ocean off Rehobeth Beach.

What would a superport mean for Delaware? It would mean that our small state with its 12 miles of ocean coastline would be assuming the major share of the environmental risk for oil imports for the entire East Coast. What is less understood and less appreciated is that the superport would also have a tremendous impact on the future economic development of our State, particularly its lower two counties. One estimate is that the refineries, the petrochemical plants and the related industries that would be established adjacent to the superport would result in a population for Kent and Sussex Counties of more than a million persons by the end of the century. This would be more than four times the population that could be expected in the absence of a superport.

It seems to me that Delawareans should have something to say about whether we are willing to accept the environmental risks and the economic growth involved, and therefore, I introduced a bill that would give each state's legislature a veto over the construction of a superport off that state's coast. I, for one, have long opposed a superport being located in or near Delaware waters. To me, it is imperative that we protect and conserve these shorelines to serve as vacation land for thousands of Americans.

A final reality that I want to touch on is that half of the energy we produce is wasted, either by inefficient machines, inefficient means of converting and transmitting energy, or by improper attention to energy conservation. While homes and industries are relatively efficient users of energy, two-thirds of our potential electric energy is lost in the conversion and the transmission process. Three-fourths of the energy used in the transportation sector is wasted, mainly as heat and exhaust.

Many of you will be examining energy conservation in greater depth. Improved mass transportation is certainly one means of conserving energy. Recycling is another, because for many materials, recycling requires only a fraction of the energy required to make it in the first place. Better means of insulating homes and of designing factories can save heating and cooling costs. Certainly, energy conservation is an area that merits much greater attention because it is one place where energy and environmental concerns do not clash, but instead reinforce each other.

One key problem in this area, however, is a psychological one. Americans are used to cheap energy and plenty of it, and we are not, as a nation, "energy conscious." How can we become energy conscious? By advertising on radio, television and road signs, with little jingles or messages like those that tell people not to be litter-bugs? Or, will we need laws requiring people to bring their solid waste to recycling centers, to better insulate their homes, or to only use their air-conditioners on days when the temperature is more than 85 degrees?

This leads me to the question of how we should react to the energy crisis. What can we do to ensure the continued availability of energy and still continue to make progress in cleaning up the environment? Someone has suggested that we ought to round up Henry Ford, Ralph Nader, the presidents of all our major energy industries, and the presidents of all our major environmental groups, lock them in a room and tell them they can't come out until they have devised a common solution to the problem. Even if it were possible to do this, I am afraid we might find everybody torn to bits when we opened the door.

On the more serious side, there have been numerous suggestions to increase the supply of gas and oil. For example, the President's energy message suggested the following: end quota restrictions on foreign imports, which has now been done, deregulate the wellhead price of natural gas, construct the Alaskan pipeline to bring North Slope oil to the continental United States, and accelerate exploitation of continental shelf areas, including the Atlantic continental shelf, a topic which some of you will look into in one of the seminars.

While these measures might help in the next decade or so, they raise important environmental problems and can, at best, only stave off the day when we will not have enough fossilized fuels—that is, oil and gas—and will have to look toward other sources of energy.

There are some, and I am one of them, who believe that we should begin now to work on these alternative energy sources in a very serious way. What we need is a technological break-through, and our chances of getting such a break-through, in time to avoid a much severe energy crunch, are greatly enhanced the sooner we get to work. To date, the government has been engaged in a major way in the development of only one non-traditional energy source—nuclear energy, another topic which some of you will discuss as a seminar.

But, there are many other possibilities—for example, solar energy, geo-thermal energy, coal gasification, the use of tidal movements, and the extraction of oil from oil shale. Research in a number of these areas is already underway. For example, for the past year and a half, the Institute of Energy Conversion at the University of Delaware, which is directed by one of our panelists here today, Dr. Karl Böer, has been engaged in a major effort to develop a practical system for solar energy use. If all goes well, solar energy could begin to make an impact in the late 1970's and early 1980's in supplying the energy needs of private homes.

For most of the alternative energy areas, it is going to require a very big effort to develop the needed technology and to avoid ecological costs. To stimulate such an effort, Senator Henry Jackson, who is Chairman of the Interior Committee and is generally acknowledged as one of the Senate's leading experts on energy matters, has drafted legislation that would initiate a national effort in developing alternative clean energy sources. This effort would be similar to the program that got men to the moon or which, during World War II, developed the first atomic bomb. I support such an effort because I feel that the problem that is facing us is similar to the problem we perceived after the launching of Sputnik—it is a national problem and requires full resources of the Federal Government to overcome it.

Such a program would be very expensive. Senator Jackson estimates that it would cost $20 billion dollars in ten years, but it could well be more in this day of cost over-runs and rising prices. This is where, in closing, I want to return to the theme I mentioned previously—that we can work toward having both adequate energy and strong environmental protection—but it will be at a cost. One of the difficult questions is, how is this research going to be financed?

This is what so far is left out of Senator Jackson's bill. His present bill does not provide for any additional revenues to finance the energy effort; hence, it could end up increasing the national debt and in effect be financed by inflation. Inflation caused by budget deficits is a back door, hidden cost, but it is a cost nonetheless, and this cost falls most heavily on the poor and the elderly, that is, on those who have fixed incomes or do not have interest-earning savings.

It is my understanding that Senator Jackson intends to hold hearings on the question of how to finance such an ambitious program. One possibility is that there could be created an Energy Research and Development Trust Fund. The Fund could be used to promote technological developments in alternative energy sources and in anti-pollution devices. It could also be used to help develop energy saving machines, to build more recycling centers and improve recycling techniques. What should go into the Fund? First of all, if we are going to charge fees for foreign petroleum imports, these fees could be applied toward energy research. They won't amount to very much at first—a total of $178 million dollars in Fiscal Year 1975, according to the Treasury Department. But, by Fiscal Year 1980, the take will have increased to $1.2 billion dollars. Secondly, if gasoline prices are going to go up because of shortages, it has been suggested that part of the increased price could be put into an Energy Research and Development Trust Fund. No one knows yet what the answer is, but if Congress is to adopt an intensive energy research program, as I think it should, it also must wrestle with the problem of how to responsibly finance it.

I regret that I cannot tell you that the energy crisis is a myth or that all environmental problems will be solved only by passing the appropriate laws. It is important, however, to recognize most of life's problems—both public and personal—are not so easy; they require hard thinking, hard work, and often hard-to-swallow costs. When Winston Churchill accepted the charge for the British war effort during World War II, he told the House of Commons that he had "nothing to offer but blood, toil, tears, and sweat." Fortunately, I have something more to offer you today—a panel of experts from Delaware and from the Federal Government—to talk to you with greater insight and from a greater depth of knowledge and experience about energy and environmental issues. I would like to introduce them now, and then you can separate into your respective morning seminars.

THE SOUTH DAKOTA SCHOOL LUNCH PROGRAM

Mr. McGOVERN. Mr. President, the National School Lunch Act is one of our most important and successful Federal programs. With the help of local, State, and Federal money, over 25 million schoolchildren each day receive a nutritious meal designed to meet one-third of their recommended daily allowance. Educators and parents have praised the efforts of Congress in this area, and I am proud to have been part of its success.

The school lunch program in South Dakota is one of the Nation's best. Students, teachers, and administrators work together to insure its success. I have long felt that school lunch workers do not receive enough credit for the excellent services they perform.

It is a pleasure to insert into the Record an article published in the Sioux Falls Argus-Leader on Sunday, December 16, 1973, concerning the school lunch program in that city. The ingenuity and ability of those involved in the production of meals there is clearly remarkable. After reading the article, it is clear to me why their program enjoys such great success. I ask unanimous consent that the article may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Look at the Operation That Feeds Lunches to 12,000 Students

(By Mary Edman)

Try this on for size.

Brown 2,100 pounds of ground beef, add

98½ gallons of concentrated tomato juice, 22½ gallons of barbecue sauce, 67½ quarts of chopped onions, 22½ cups of worcestershire sauce, 37½ cups of salt, 30 tablespoons of pepper and 30 quarts or more of flour, and simmer.

Know what you've got? Enough barbecue to fill 12,000 buns and feed nearly 12,000 students one of their favorite meal items.

Barbecues are just one of the items included on some school menus next week. Favorite foods, Christmas cookies, ice cream bars and gaily decorated gelatin molds are the cafeterias' ways of wishing students a "Merry Christmas" during the week prior to vacation.

BEHIND THE SCENES

Special holiday menus have been planned several weeks in advance by public and parochial school managers. However, meal preparation progresses on a day-to-day basis for the 108 regular cafeteria personnel employed by the schools.

Mrs. Angela Johansen, cafeteria manager of lunch programs in Sioux Falls public schools, explained that meals for elementary, special education and vocational education students are prepared in kitchens at the Career Center, 701 S. Western Ave. Each junior and senior high school in the district operates their own kitchen for meal preparations.

Touring the kitchens at the Career Center is like visiting a factory complex. Machinery includes two conveyor belt assembly lines for packaging lunches, a five-tier bake oven, 80, 60 and 20-quart mixers, a bun divider, a doughnut machine, a cooking machine, 80 and 60-gallon steam kettles and a bread buttering machine.

Here are some interesting figures about the capacity of the machinery at the central kitchens and the ability of the 17 regular employees to operate them. "Cold packs" (those which include salads, sandwiches, carrot sticks, etc.) can be packaged at a rate of 35 per minute. Hot lunches can be assembled at a rate of 60 per minute when using the conveyor belts; the bread-buttering machine butters 1,500 slices per hour and the doughnut machine produces 125 dozen pastries per hour.

Mrs. Johansen explained that cold packs are prepared the morning they are to be served. Women begin meal preparations at 6 a.m. each school day. By 8:30 a.m. approximately eight women position themselves along a conveyor belt and adroitly place luncheon items in clear plastic cellophane-wrapped cartons. These cold packs pass through a shrink tunnel which seals the cellophane to the carton and are loaded onto racks which will be distributed to various schools throughout the city.

After the cold packs have been sealed and readied for delivery, the women shift their attention to a second conveyor belt, where hot lunch items are packaged in aluminum foil-wrapped packages.

HOT LUNCH PROGRAM

Mrs. Johansen revealed hot lunches are prepared and packaged the morning prior to their serving and are refrigerated overnight at the kitchen's walk-in coolers.

When the hot lunch menu calls for barbecues, goulash, macaroni and cheese, chili, pizza or tuna and noodles, kitchen workers prepare about 220 gallons of these recipes in the stainless steel steam kettles. The steaming contents are transferred to mobile serving discs and placed within easy access of conveyor belt workers. Packaging of the nearly 5,000 meals each day takes about two and a half hours on the cold pack line and two hours on the hot pack line.

"Good back-up workers really keep the operations running smoothly," observed Mrs. Myrtle Walser, cafeteria manager of the central kitchens.

Elementary schools begin calling in their orders to the central kitchens at 9:30 each morning, and deliveries begin almost immediately. Besides providing lunches for students in the district's elementary schools, the central kitchens also serve hot meals to Early Childhood students at Emerson, Mark Twain, Lowell and O'Gorman high schools, pre-school students at Beadle and students at the Area Vocational School.

Each elementary school is equipped with an oven designed to heat the aluminum packs. In addition, the schools are supplied with "spork" (a plastic combination between a spoon and fork) kits, which includes a napkin and straw for milk.

"Using disposable serving trays and utensils really cuts down on clean-up and labor," Mrs. Johansen smiled.

The ovens, which range in capacity from 180 to 300 hot packs at a time, heat the contents for 20 minutes. Students pick up their lunches to eat either in gymnasiums or classrooms, depending on school facilities.

KITCHENS IN DIFFERENT SCHOOLS

The central kitchens employ a full-time baker who prepares dinner rolls, doughnuts, cookies, cakes and bars to be included with lunches. Junior and senior high schools in the district receive most of their bakery products from the central kitchens.

Kitchen facilities at the junior and senior high schools are comparable to those of the central kitchen, except on a smaller scale. An average of 11 regular workers report every morning to each junior high school to begin meal preparations. Cafeteria managers Mrs. Bernadene Stoll at Axtell Park; Mrs. Delores Butcher, Edison; Mrs. Ruby Miller, Patrick Henry, and Mrs. Viola Olson, Whittier, supervise kitchen personnel in preparing nearly 3,400 type A student and adult meals each day.

Mrs. Shirley Matzen and Mrs. Mary Engelkes, cafeteria managers at Washington and Lincoln High Schools respectively, oversee daily preparations of 2,100 type A and ala carte meals for students and adults at their schools.

Cafeteria at St. Joseph and Little Flower elementary schools operate on much the same basis as those at the public junior and senior high schools. However, the atmosphere at the two kitchens is more casual and cozy, with a total of nine persons employed by the cafeterias.

Mrs. Marjorie Hartwick, cafeteria manager at St. Joseph, explained special Christmas plans at her kitchen, which prepares meals for nearly 400 students and adults.

"We have permission to ask the elderly or shut-ins to join our students for lunch Wednesday. We're going to serve fried chicken, cranberry sauce, Christmas cookies and whipped potatoes as a sort of 'Merry Christmas' wish for our students."

The menu at Little Flower for Thursday's Christmas special includes roast turkey with dressing, mashed potatoes, ice cream and Christmas cookies.

Mrs. Viola Kersbergen, cafeteria manager at the school, said she and her helper prepare lunches for nearly 100 students and serve a daily breakfast to about 30 students. The kitchen and cafeteria for the school are located in the wood-paneled carpeted basement of St. Therese Catholic Church, a short walk across Little Flower's parking lot.

Mrs. Florence Daniels, cafeteria manager at O'Gorman High School, explained the reason for not planning any special Christmas meals.

"If we did have something special we would probably have leftovers," she said. "Since we'll be gone for nearly two weeks for vacation, I wonder how we'd get them used up."

Two of the five regular employes at O'Gorman's kitchen prepare breakfast and dinner for 30 seminary students, and the main operations of the kitchen prepare type A and ala carte lunches for nearly 250 O'Gorman students.

All in all, Sioux Falls elementary and secondary schools offer the largest hot lunch operation in the state, touching nearly 12,000 students with tasty treats served especially at Christmas.

ACCOMPLISHMENTS OF THE FBI

Mr. McCLELLAN. Mr. President, on Saturday there appeared in the Washington Post an article that is deserving of everyone's attention. Its subject was the release of the FBI's annual report detailing the accomplishments of the Bureau for fiscal year 1973. The article and the report itself show the great strides that have been and continue to be made by the Bureau in law enforcement.

I will let the report's figures speak for themselves. In fiscal 1973, convictions resulting from FBI investigations numbered 14,465—the highest in FBI history. This figure increased from about 13,800 in fiscal 1972 and represents a conviction rate of over 96 percent of those brought to trial.

Even more noteworthy than these statistics, however, are those relating to organized crime. During this same time period, convictions in organized crime and gambling cases made by the FBI numbered 1,114, an increase of 301 over the 1972 figure and 795 over the 1969 figure. In addition, nearly 2,900 organized crime figures were awaiting trial in FBI cases at the close of the fiscal year.

Comparable increases in the number of convictions took place in other areas as well.

Mr. President, at a time when so much criticism is leveled at law enforcement agencies and their personnel, it is well that their accomplishments be given proper recognition and due appreciation. This is especially true of the Federal Bureau of Investigation. As the Bureau's new director, Clarence Kelley, noted in his statement accompanying the report, the FBI has been criticized—unjustly, in my opinion—for its handling of the Watergate investigation. The report should eliminate any doubt in the minds of the American people that the Watergate question may have tarnished the integrity or effectiveness of the Bureau.

Mr. President, at the same time that we bestow some well-deserved praise upon the Bureau, I do not think it improper to note the significant role that the Congress, and particularly the Senate, has played in enabling the Bureau to achieve such an improved and outstanding record of accomplishment. It is certainly no mere coincidence that the great rise in convictions in the organized crime and gambling areas began with the enactment of the Omnibus Crime Control and Safe Streets Act of 1968, which granted greater access to wiretapping to law enforcement officials as a method of combating crime, and the Organized Crime Control Act of 1970, which made it a Federal offense to engage in large-scale gambling activity. I am proud of this legislation, which represents a great deal of effort on the part of the Subcommittee on Criminal Laws and Procedures, which I am privileged to chair. Both of these acts were cited by the Bureau as contributing to its increased effectiveness.

Mr. President, I need not remind the Members of the Senate that there were those who opposed this legislation—particularly the wiretapping provisions of the 1968 act. They argued that it was unnecessary legislation that would be subject to abuse. The accomplishments of the FBI in combating organized crime through these tools has refuted that contention. It is precisely through such legislation as this and through continued congressional support of agencies such as the Law Enforcement Assistance Administration, which provides so much assistance to our local law enforcement officials, that the cancer of organized crime will eventually be destroyed.

Mr. President, I ask that there be printed in the Record the article from the Washington Post analyzing the recent FBI report. I commend the entire report to the other Members of the Senate as an excellent summary of the accomplishments of the Bureau during the last fiscal year.

There being no objection, the article was ordered to be printed in the Record, as follows:

Organized Crime Convictions in FBI Cases Up Sharply

(By Susanna McBee)

Convictions in criminal cases brought by the FBI, especially those in organized crime and gambling, have sharply increased, according to the bureau's annual report released yesterday.

FBI Director Clarence M. Kelley said the report should refute charges that the bureau's early role in the Watergate investigation had "diminished the FBI's effectiveness, cast doubt on its integrity and devastated employe morale.

"Those who have such doubts," he continued, "underestimate the character of career employees, for these are men and women who truly believe the FBI is the finest investigative agency in the world and daily strive to make it so."

Critics have said the FBI could have been more aggressive in the early stages of the Watergate probe and that it complied with White House demands that it restrict its inquiry.

L. Patrick Gray III, who was acting director after J. Edgar Hoover died in May, 1972, resigned last April 27, after admitting he destroyed some Watergate evidence at the request of a presidential aide.

Kelley's pointed reference to the character of career FBI employees underscored a comment he made at a Washington Post luncheon last month. He said then that Gray "was not considered a true representative of the bureau. He was an outsider."

The annual report covers the fiscal year that ended June 30, nine days before Kelley became director. It says little that is new about the Watergate investigation, except that 56 of its 59 field offices have worked on the various cases and that the bureau has followed leads to foreign countries.

The report shows that convictions resulting from FBI investigations totaled 14,465 in fiscal 1973, up from about 13,000 in 1972 and 13,400 in 1971.

Convictions in fiscal 1973 in organized crime and gambling cases made by the FBI numbered 1,114, a 301 increase over the 1972 figure. By contrast, organized crime convictions in 1969 totaled 319.

The increase results from what one source called "new jurisdiction and increased manpower." The 1968 Omnibus Crime Act broadened the FBI's access to court-authorized wiretaps and the Organized Crime Control Act of 1970 allowed it to investigate certain kinds of local gambling operations that it could not look into before, he explained.

Also, he noted, in 1970 Hoover sought and won congressional authorization to hire 1,000 more agents most of whom went into investigating organized crime. The FBI now has 8,658 agents.

The report also says that despite the current detente with the Soviet Union, there is "no sign of any reduction in the combined intelligence effort being conducted against the United States by Soviet bloc nations." It says that as of last July 1, there were 2,686 Soviet bloc people, including dependents, in the United States. Soviet bloc officials numbered 1,296, an increase of 44 per cent in the last five years, the report says.

A high percentage of them are spies, the report says. "Accordingly, the threat to the United States and the counterintelligence responsibilities of the FBI have been growing in proportion to the Soviet bloc presence in the United States."

The report shows a decrease in the value of goods recovered by the FBI in its cases—from nearly $241 million in 1972 to $192 million in fiscal 1973.

FOOD AND DRUG ADMINISTRATION REGULATIONS CONCERNING VITAMINS, MINERALS, AND FOOD SUPPLEMENTS

Mr. HASKELL. Mr. President, earlier this year the Food and Drug Administration announced new regulations concerning vitamins, minerals, and food supplements. These regulations were the conclusion of a decade of investigation and research, and 2 years of formal hearings on every aspect of the issue. In my reading on this subject I have come across an excellent explanation of these new regulations in the FDA Consumer. Mr. President, I ask unanimous consent that this article, "Vitamins, Minerals, and FDA," be printed in the Record for the information of all concerned and interested.

There being no objection, the article was ordered to be printed in the Record, as follows:

Vitamins, Minerals, and FDA

The Food and Drug Administration has spent the past decade investigating consumer needs and the FDA role in regulating vitamins, minerals, and food supplements. This study included two years of formal hearings on every aspect of the various issues. Industry, science, medicine, and consumers participated.

The FDA has published new regulations based on this study. The FDA aim is to protect the consumer against proven hazards from toxic amounts of nutrients and to require accurate labeling, honest promotion, and rational formulation of vitamins and mineral products. The FDA believes that with full and valid information the consumer will be better able to make informed decisions about personal nutrition practices.

The new regulations have been the subject of much misinformation and some misrepresentation. Here, to set the record straight, is what the Agency is trying to do and why.

FDA's regulations begin with a series of basic definitions:

The term *"United States Recommended Daily Allowance"* or *U.S. RDA* describes a new and more effective system for measuring human nutritional needs. Based on continuing study for many years by the National Academy of Sciences, the system represents the best available scientific judgments on the daily intake of vitamins and minerals needed to maintain a positive state of health. It replaces the old and generally lower *Minimum Daily Requirement* or *MDR* which was based on the minimum intake necessary to prevent deficiencies and related illness. With adoption of the U.S. RDA standard, the FDA is recommending generally higher daily intake of essential vitamins and minerals.

Products supplemented with up to 50 percent of the vitamins and minerals needed to maintain health (U.S. RDA) are *general foods.*

Products supplemented with 50 percent to 150 percent of the U.S. RDA are *dietary supplements*. The term "dietary supplement" is limited to the use of vitamins and minerals by well and healthy individuals seeking "insurance" against irregular or poor eating habits. The term does not cover the use or promotion of vitamins or minerals for the treatment of any disease or medical condition.

Products containing more than 150 percent of the U.S. RDA are *drugs*. Any vitamin or mineral used at any dosage for therapeutic purposes is a drug and should be understood by the consumer, regulated by the FDA, and marketed by industry as such. This definition implies no automatic restriction on public availability any more than does the FDA designation of aspirin as a drug.

High-potency nonprescription vitamin-mineral products have been available for many years, and FDA does not intend to require all high-potency vitamin-mineral products to be sold on prescription. This point has been broadly misunderstood and broadly misrepresented to the public.

Another major misunderstanding concerns the broad range (50–150 percent) allowed for the definition of dietary supplement products. Although 100 percent of the U.S. RDA is sufficient to meet the nutritional needs of essentially and healthy individual, FDA has provided for an additional 50 percent of the U.S. RDA in these products in recognition of the possibility that the nutritional needs of some individuals may vary greatly. Thus, the permitted range covers the dietary supplement needs of all individuals except for circumstances where consultation with a physician is appropriate.

The single most important purpose and effect of the new FDA regulations is to require full and honest labeling as well as promotion of vitamin and mineral products, whether marketed as foods, dietary supplements, or as drugs. The regulations redefine and clarify FDA's intentions to act against false labeling or deceptive promotion of such products.

In general, the regulations seek to protect the consumer against promotional claims for dietary supplements so low in potency as to be nutritionally ineffective or so high as to exceed any reasonable definition of a dietary supplement.

Specifically, the regulations seek to protect the consumer against unfair or deceptive promotional claims by requiring that:

1. No food or dietary supplement because of the presence or absence of certain vitamins or minerals may claim or suggest it is sufficient in itself to prevent or cure disease.

2. No food or dietary supplement may imply that a balanced diet of conventional foods cannot supply adequate nutrients or imply that transportation, storage, or cooking of conventional foods may result in an inadequate or deficient diet, thus suggesting that everyone needs a dietary supplement.

3. No food or dietary supplement may claim that inadequate or deficient diet is due to the soil in which a conventional food is grown.

4. All dietary supplements must list the source of their ingredients, but no supplement may claim superiority for either a natural or synthetic source. Rose hips, a part of the rose blossom, for example, cannot be promoted as a better or safer source of vi-

tamin C than ascorbic acid tablets. (Vitamins and minerals are the same in chemical structure regardless of natural or synthetic origin.)

5. No nutritional claims may be made for ingredients such as bioflavonoids, rutin, inositol, and similar ones having no scientifically recognized nutritional value. Such unproven ingredients may continue to be marketed as food items, but they may not be combined with essential nutrients in products labeled for dietary supplementation.

In these five requirements, FDA is *not* saying there is no loss of nutrients from cooking, storage, or transportation of conventional foods.

The Agency is *not* saying that soil composition does not cause variation in the nutritional content of food.

The Agency is *not* seeking to limit personal choice between the natural and chemical forms of supplementary nutrients.

The Agency is saying that in terms of overall diet, today's general food supply can provide adequate amounts of all nutrients necessary to good health.

The Agency is saying that it will prohibit unsupported generalizations about nutrient losses because of soil, transportation, and processing when such generalizations are used to frighten or mislead consumers about their need for dietary supplements.

The FDA responsibility for the vitamin and mineral regulations is assigned by the Congress. The basic Federal Food, Drug, and Cosmetic Act of 1938 requires that FDA act as it has to insure safety, honesty, and full consumer information about such products.

In the 1940's, it was generally thought that vitamins and minerals were such innocuous substances that excessive quantities would merely be excreted. FDA regulations at the time reflected this view and were sufficient to the needs and to the knowledge of the day.

This is no longer true. Even though a number of vitamins and minerals are essential to human nutrition, we know, for example, that excessive and prolonged vitamin A intake can cause serious problems, including pressures within the skull that mimic a brain tumor. This in turn may raise the danger of serious operations for brain tumors that do not exist.

Excessive and prolonged doses of vitamin D can cause calcification in soft tissues and bone deformity in adults as well as children.

Vitamin C in very high doses can cause diarrhea. High doses of this vitamin have been used in Russia to induce early abortion.

Iron toxicity is a well established cause of accidental poisonings in children. Iron as well as all other minerals essential to human nutrition are toxic at some level.

On the basis of increasing knowledge, the thinking of the 1940's is obsolete today. The view that unlimited quantities of vitamins and minerals are innocuous is today not only obsolete but dangerous. The evidence of this is so clear on vitamins A and D, for example, that FDA is recommending that high-potency doses be taken only under physician guidance. Nevertheless, both A and D will continue to be available, either in nonprescription strengths up to the U.S. RDA or in higher potency forms under physician prescription.

Other than vitamins A and D, all vitamin and mineral products in excess of 150 percent of the U.S. RDA and now available without prescription may continue to be sold singly or in combination formulas as nonprescription drugs. They are, nevertheless, drugs and not dietary supplements. These products eventually will be reviewed by experts who will judge their safety and effectiveness as drugs and advise FDA on appropriate labeling. As a general rule, FDA will continue as in the past to presume a drug acceptable for nonprescription use unless it is unsafe to use except under supervision of a physician.

FDA knows of no economic hardship on consumers or manufacturers that could result from handling high-potency vitamin-mineral products as drugs. Indeed, this will clearly work an economic benefit for consumers, who for the first time will begin to receive accurate information on the different uses of different levels of nutrients.

In summary, the FDA will continue to act in behalf of consumer safety and better consumer information. New regulations primarily affect labeling of vitamin and mineral products and will likely require more accurate consumer information on most such products.

FDA will continue to seek out and act against deceptive or false promotions.

The Agency is not banning any vitamin or mineral from the market or forcing any manufacturer willing to provide proper product formulation and labeling out of business.

The Agency is not restricting any vitamin or mineral available without a prescription today to prescription use only. This includes vitamins A and D in doses up to the U.S. RDA.

The FDA will continue to regulate on the basis that vitamins and minerals are essential *foods* when taken according to bodily need. When taken far in excess of this need, they are *drugs* and should be treated by the consumer and by the FDA accordingly.

The term "bodily need" is not set in concrete. FDA and others are constantly monitoring research to more precisely measure the body's nutritional requirements. As a result, changes may be anticipated in the future, in some cases to lower the U.S. RDA's and in other cases to increase them.

Above all, the new regulations will not alter or interfere with the consumer's basic responsibility for deciding his own individual nutritional practices. The rules will insure more and better information to guide the consumer in making such choices.

RHODESIAN CHROME

Mr. McGEE. Mr. President, apparently the debate on the merits of S. 1868 has not subsided in spite of the fact the Senate overwhelmingly voted Tuesday of this week to place us into compliance with U.N. sanctions against southern Rhodesia.

For example, it was with considerable interest that I read the comments made yesterday by the distinguished junior Senator from New York (Mr. BUCKLEY). Therefore, I want to take the opportunity today to respond to his contentions and set the factual record straight. In the distinguished Senator's remarks I could find no documentation of the allegations and claims he raised in expressing his concern with the Senate action earlier this week. However, my response will be based upon documented evidence which was very well researched long before we proceeded with floor consideration of S. 1868.

Basically, the junior Senator's argument focuses on three general areas. First, that the sanctions against Rhodesia gave the Soviet Union a monopoly on the chrome market in the world, a fact which they exploited for commercial profit. Tied into this argument is his assertion that the United States could not be dependent upon a potential enemy for so critically important a strategic material.

I might add that I addressed myself to this argument, and the others he raised, in my statement before the African Affair Subcommittee of the Senate Foreign Relations Committee on September 6, 1973, during hearings on S. 1868. I made a copy of my statement available to every Senator in this body.

In response to the junior Senator's (Mr. BUCKLEY) first assertion, I would point out that according to U.S. Department of Commerce data, the surge in Russian imports came long before sanctions against Rhodesia were implemented. For example, according to the U.S. Department of Commerce, in 1961, we imported only 4.7 percent of our chrome from Soviet Russia while Rhodesia had 47.2 percent of our market. In 1963, just 2 years later, the Soviet Russian imports jumped to 38.3 percent, while imports from Rhodesia decreased to 39.7 percent. By 1968—the year before sanctions were imposed—our imports from the Soviet Union had increased to 58 percent, while imports from Rhodesia had declined to 17.6 percent. It should also be noted that, according to a study compiled earlier this year by an analyst in the Foreign Affairs Division of the Congressional Research Service, Library of Congress, the Soviet Union can command a higher price for its chrome because "the Soviet Union produces the highest grade chrome available." In other words, the United States gets more chrome per ton of ore if we import it from the Soviet Union, than from Rhodesia.

The Library of Congress study also pointed out the price of chrome, including that of Rhodesian chrome, had increased in recent years due as much to an increase in demand for chrome and the general upward shift in the prices of raw materials as to the effects of economic sanctions. The rise in world chrome prices, according to the study, began in 1964, before imposition of the sanctions.

As to the prices we pay for chrome imports, the distinguished junior Senator from New York (Mr. BUCKLEY) has overlooked some very important facts. Once again, according to U.S. Department of Commerce data, in 1965, our chrome importers were paying around $40 a ton for metallurgical grade chromite from Rhodesia, while in 1972 we paid $67 a ton. This represents a 168-percent increase in the price of Rhodesian chrome in just a 5-year period. In addition, for the first quarter of 1973, according to the U.S. Department of Commerce, we paid $48.16 a ton for metallurgical grade chrome from the Soviet Union, while Rhodesia charged us $62.38 per ton.

To give a further example of how misleading the numbers game is, let us take a look at chemical grade chrome—which is a middle grade. Once again, according to the U.S. Department of Commerce, in 1968 Rhodesia sold us chemical grade chrome for $30.51 per ton, while in 1972 they were charging us $83.25 per ton. This represented an increase of nearly 287 percent in just a 4-year period.

And finally, according to U.S. Department of Commerce data, the price of Rhodesian chrome for all grades from

1961 until 1968 was consistently higher per ton than the Soviet chrome.

We have had an abundance of expert testimony as to the strategic necessity of chrome. First, on June 26, 1973, Mr. Peter M. Flanigan, Assistant to the President for International Economic Affairs, belittled the "national security" argument by pointing out:

> Access to Rhodesian chrome and other minerals is not an important element in U.S. security or our overall economic policy given: (1) the substantial excess of our stockpile resources and (2) the comparatively minor amounts we actually import from Rhodesia.

On July 20, 1973, Deputy Secretary of Defense W. P. Clements, Jr., pointed out:

> The metallurgical grade chromite needed by industry to support the Defense Department's steel requirement during the first year of a war amounts to 128,300 short tons, or 2.3% of the quantity held in the inventory as of 31 December 1972. Thus, it can be seen that the Defense requirement for metallurgical grade chromite is relatively small, and that the bulk of the stockpile inventory would be used by the non-defense industry in the event of an emergency.

And finally, on October 3, 1973, Secretary of State Henry Kissinger pointed out:

> The Byrd provision is not essential to our national security, brings us no real economic advantage, and is detrimental to the conduct of foreign relations.
>
> Imports of Rhodesian chrome and nickel are no longer necessary for strategic reasons and that a request is currently before the Congress to eliminate our stockpile of metallurgical grade chromite. It is also pertinent to note that contrary to the intention of the Byrd provision, the percentage of imports of chrome from the USSR actually increased during the last two years.
>
> On the other hand, the Byrd provision has impaired our ability to obtain the understanding and support of many countries including such important African nations as Nigeria, a significant source of petroleum and a country where we have investments of nearly $1 billion.

Thus the record is clear. The arguments advanced by the junior Senator from New York (Mr. BUCKLEY) are baseless.

As to the second assertion raised by the distinguished Senator that we only have a 1-year supply of chrome ore on hand in our stockpile, I am at a loss as to what his factual basis is for this statement. Is he talking about defense needs? If so, this is not borne out by evidence presented us by the Deputy Secretary of Defense, Mr. Clements, the President's International Economic Advisor, Mr. Flanigan, or Secretary of State Kissinger. In fact, Mr. Clements testimony is based upon information provided him by the Office of Emergency Preparedness.

In conclusion, I will address myself to the distinguished senior Senator's third contention that the United States is making itself vulnerable to Soviet economic warfare by a U.N. resolution, when I also respond, tomorrow, to contentions raised in Tuesday of this week by the distinguished senior Senator from Ohio (Mr. TAFT) and others in this body.

I would just add one thought. The issues relative to S. 1868 had been more than adequately debated when we were forced to go through three cloture votes in order to have a vote on the bill itself. It was clear to me, that contrary to the hopes of some in this body, the House is not going to pigeonhole this bill and let it gather dust. If this were the case, we would not have had to engage in the exercise we were forced to go through the past 2 weeks.

ARAB-ISRAELI CONFERENCE

Mr. KENNEDY. Mr. President, tomorrow in Geneva, a historic conference is due to begin, designed to bring peace to the Middle East. This is the most hopeful moment in more than 25 years of the Arab-Israeli conflict—but also one of the most dangerous. It is hopeful because, for the first time, representatives of both sides will sit down in formal, direct negotiations under a mandate of making peace instead of war. It is dangerous, because expectations are at a fever pitch, and the chances of renewed failure and further warfare are very real.

This conference will be long and difficult. There are no easy solutions to problems that have been developing over half a century, and that have led to four wars in 25 years. Passions run deep; the issues relate to fundamental concerns of national security and human rights; and the search for peace is complicated by deep suspicion.

A just and lasting settlement is possible—and imperative, if the peoples of the Middle East are to be free at long last from the threat of war, and the peoples of the world are to be free from the dangers to all mankind that this conflict has brought.

We must hope that all parties to the conflict will now recognize that the way of war can bring gain to no man; and that an end to conflict can bring benefits to all.

The extremists must be isolated, and terrorism rejected by the peoples of the Middle East. Moderation must prevail on all sides. And patience must be the watchword of all negotiators.

The United States, and especially Secretary of State Kissinger, have played a critical role in the difficult diplomacy leading up to this conference. And we continue to have a role to play in urging serious negotiations and substantive progress toward peace, and in supporting any agreements that are reached by the parties themselves.

But the United States itself cannot bring peace to the Middle East. This can only be achieved by the several parties to the conflict, in a continuing process of discussion and compromise. What a settlement could look like is unclear, and little would be served by American efforts to determine that settlement. But one thing is clear: No settlement is possible that does not provide Israel with real security, that does not deal with the problem of territories, that does not begin to resolve the most difficult human issue of the Palestine refugees, and that does not point in the direction of peaceful relations between Israel and its Arab neighbors. As man's painful history has shown, peace is an elusive goal, that at heart is created in men's minds, and in their hearts.

That day may yet be far off. But the conference beginning tomorrow can be an important step on the way. It deserves our support, and the support of men everywhere.

MEMBERS OF ARMED FORCES MISSING IN ACTION IN SOUTHEAST ASIA

Mr. BARTLETT. Mr. President, yesterday the Senate passed my resolution calling on the people of our Nation, during this Christmas season, to give a special remembrance through our thoughts and prayers for the 1,163 members of the Armed Forces who remain unaccounted for in Indochina and for the families and friends of these men.

This past year has been especially trying for the families of our men who are still officially listed as missing in action. While the Nation celebrated and wept with joy at the return of most of our POW's last spring, the families of 1,163 men celebrated too. But privately they weep that their MIA is not on a returning plane.

The worst part of all this is that it is so unnecessary. North Vietnam can at anytime resolve the mystery of many of the 1,163 men. Yet North Vietnam has displayed utter disregard for basic humanity and justice.

Article 8B of the Paris Peace Treaty signed January 27, 1973 provides:

> The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate exhumation and repatriation of the remains, and to take any other such measures as may be required to get information about those still considered missing in action.

Yet North Vietnam contemptuously turned her back on these provisions and have allowed the families of 1,163 men to suffer the torment of wondering whether a husband, son, brother, or friend is languishing in a prison, suffering in a hospital, or dead in a grave.

Mr. President, I would urge that the administration continue to use every diplomatic avenue possible to assist in obtaining information about these men. The families must know that we will not be satisfied until every man is accounted for.

Mr. President, the 1,163 men and their families have suffered through many lonely, sad Christmases. But they have been very brave.

At this time, I call on the U.S. Senate and all Americans to keep these men and their families in our thoughts and prayers throughout this Christmas season.

Let us also pray that another year will not pass without a full accounting of each of these men who have suffered for each of us.

INTERAGENCY VIETNAM ADOPTION COMMITTEE

Mr. KENNEDY. Mr. President, a group of 16 voluntary agencies have met over the past several weeks, under the auspices of the Agency for International Development, to form a committee to better coordinate efforts to meet the special needs of Vietnamese orphans fathered by Black Americans.

Called the Interagency Vietnam Adoption Committee—IVAC—this consortium of agencies have had several useful conferences in Washington and New York to review the particular problems confronting black-fathered Vietnamese orphans, and to open important contacts with black adoption and community agencies in the United States. Their goal is to help provide placement opportunities for black-fathered Vietnamese orphans in black homes—wherever adoption is considered the best plan for the child.

The overall goal of IVAC is an important one, Mr. President, and one which I fully support. By creating a clearinghouse of information, and by establishing a basis of priority for the placement of black-fathered Vietnamese orphans in black homes, IVAC will attempt to give the black community an equal basis in helping to meet the needs of these orphans.

To look into the needs of children in Vietnam—especially those fathered by black Americans—and to review governmental and voluntary agency activities on their behalf, IVAC is sending a delegation to the field next month, with the support of AID. All of us who have been concerned over the progress being made to help the children of Vietnam, must surely welcome this specific effort by AID.

The IVAC delegation will be headed by its cochairman, Mr. Alfred Herbert of the Black Child Development Institute, Washington, D.C., and will be composed of Mr. Louie Beasley, National Association of Black Social Workers, Nashville, Tenn.; Mr. Benjamin Finley, executive director of the Afro-American Family and Community Services, Chicago, Ill.; Mr. John Adams, Holt Adoption Agency, Oregon; Mrs. Clara J. Swan, Child Welfare League of America, Inc., New York, N.Y.; and Mr. Gardner Munro, consultant to IVAC.

Mr. President, I welcome this effort to involve the black community and black adoption agencies in America's effort to help meet its responsibilities to these children disadvantaged by a war which we helped to sponsor for so long. I hope IVAC will become a useful clearinghouse of information, and a source of coordination of voluntary agency activities as they relate to the special needs of black-fathered children in Vietnam.

To achieve this goal, IVAC will need and must have the active cooperation of the voluntary agencies charged with facilitating the adoption process. And I would hope that AID would stress the need for this cooperation when it grants contracts to agencies which process intercountry adoptions.

Mr. President, as I stated on the Senate floor last week, the disadvantaged children of Vietnam measure their lives in minutes and days. They deserve better than America has given, and we must expedite programs in their behalf. I hope the forthcoming field visit by IVAC will help, even as we recognize that only the granting of funds, and the implementation of programs so long ago proposed, will truly begin to bring relief and help to these children in need.

In order to share with my colleagues the work of IVAC, I ask unanimous consent, Mr. President, that the minutes of their first meeting in Washington and an accompanying letter from AID, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Department of State,
Agency for
International Development,
Washington, D.C., November 30, 1973.
Hon. Edward M. Kennedy,
Chairman, Subcommittee on Refugees, Committee on the Judiciary, Washington, D.C.

Dear Mr. Chairman: In view of your interest in child welfare programs in Vietnam, enclosed for your information is a copy of a report on a meeting sponsored by the Agency for International Development (A.I.D.), on the subject of intercountry adoptions of Vietnamese children.

The meeting was convened by A.I.D. on July 25–26, to discuss the desirability of an expanded network of services in the U.S. to facilities and expedite suitable adoption placements in American homes for Vietnamese children for whom adoption has been determined in Vietnam to be the best plan for the individual child.

The participants were representatives of the voluntary agencies that have intercountry adoption services in Vietnam, U.S. voluntary agencies that have programs relating to child placement agencies, and child welfare experts, consultants and U.S. Government officials.

The meeting included a full discussion of the nature of problems and needs of these particular groups of children, the legal and procedural problems involved in the processing of adoptions, the attitudes of Vietnamese people toward the release of children for adoption, the availability or lack of resources of American voluntary agencies handling adoptions in Vietnam, and the nature and adequacy of suitable adoption placements in the United States.

A major concern relating to the matter was the policies of agencies now engaged in placements in the U.S. of American-Vietnamese children fathered by Black Americans and the interest of the participating Black agencies to cooperate with the present adoption agencies involved in intercountry adoptions to insure that children fathered by Black Americans are placed in the most suitable homes which normally would be expected to be homes of Black families.

A major outcome of the meeting was a decision by the participants to establish a steering committee to formulate plans for the organization that would provide a mechanism for marshaling the essential resources in the U.S. and in Vietnam to facilitate and expedite the arrangement for intercountry adoption of non-white and particularly Black American-Vietnamese and handicapped children for whom Vietnamese agencies and officials have determined it is in their best interest.

The steering committee met in New York City on September 10–12, and drafted a recommendation to establish an organization, Interagency Vietnam Adoption Committee (IVAC), whose membership would be composed of designated representatives of the agencies who participate in the concerted action required, as well as other agencies concerned with effecting adoption expeditiously and who meet the criteria to be established by IVAC. The recommendation was unanimously approved by the representatives of 14 organizations who met on October 3 and IVAC came into being.

The objectives and function of IVAC are as follows:

1. Locate and provide Black adoptive homes for the estimated 500 abandoned Black-fathered Vietnamese orphans.

2. Determine the nature and extent of problems of these children.

3. Enter into purchase of service agreements with the adoption agencies recognized by the Government of Vietnam's Ministry of Social Welfare to expedite the required adoption services.

4. Enter into purchase of service agreements with licensed adoption agencies in the U.S. to locate adoptive homes in the Black Community and provide other pre- and post-adoptive supportive services.

5. Monitor and evaluate accomplishment of the goals and objectives of the project.

An Executive Committee was elected by the full membership, and is presently drawing up by-laws and budgets, as well as drafting proposals for funding for consideration by A.I.D., other appropriate government agencies, and private foundations and corporations. The Committee also is recruiting a full-time Secretary-General and two professional staff members. It is expected that the full membership of IVAC will meet again prior to December 1 to act upon the work of the Executive Committee.

Sincerely yours,
Matthew J. Harvey,
Assistant Administrator for Legislative Affairs.

MEETING ON PLACEMENT AND ADOPTION OF VIETNAMESE CHILDREN IN AMERICAN HOMES

I. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The meeting opened on the morning of July 25th with a charge from AID to come up with specific recommendations to guide the U.S. Government in its efforts on behalf of Vietnamese children, particularly intercountry adoption for hard-to-place children, and it was announced that a future meeting with broader participation was planned to address the larger question of family and child welfare.

The overall child welfare picture in Vietnam was summarized for the conference by expert participants and it was pointed out that an estimated 500 American-fathered, Black children now in residential institutions in Vietnam present a specific target within an overall population of some 880,000 full or half-orphans, with only 25,000 children living in group care. Among this number of children are some 1,000 racially-mixed, out of a total American-fathered estimate of 10–25,000. A best estimate is that half of these children (or 500) are fathered by Black Americans or other non-White Americans. Because of Vietnamese preference for light skin coloring, as well as the absence of any Black community in Vietnam, the plight of these five hundred children is seen as particularly serious.

It was cautioned, however, that any crash program would need to be viewed within the context of services for all disadvantaged children and meshed with the policies, plans and programs of the Ministry of Social Welfare (MSW) and the Ministry of Health (MOH). The adoption agencies in Vietnam also reported that they did not consider a "consortium" of agencies was required and reported on the successful discussions of a working group in Vietnam on common problems in adoptions. Their report recommended that the U.S. based agencies agree on common policies and procedures and stated that the particular need in Vietnam was not for "another adoption agency" but for medical personnel, supplies, and other assistance to improve the health and nutrition of small children in institutions and improve medical facilities for those in process of inter-country adoption.

As the representatives from the adoption agencies in Vietnam described their programs, however, it became clear that the most active adoption agency, Friends of Children of Vietnam (FCVN) concentrated primarily on rescuing the "dying infant" who might be racially-mixed but in most cases is an ethnic Vietnamese, abandoned child. The Holt Adoption Program (HAP) is just getting started in Vietnam and International Social Service (ISS) is primarily occupied with problems of family reunion and migration counselling, with less attention to inter-country adoption to date. Now that the MSW has advised orphanage directors that adoptions must be processed through GVN registered adoption agencies, there is a large backlog of "private" adoptions that have recently been referred to the operating agencies and must be cleared up. The home offices of the Vietnam agencies are swamped with a flood of applications from White families who have indicated their desire to adopt any child—ethnic Vietnamese, Montagnard, racially-mixed (White or Black). As a result, the present agencies are confident that they can find homes for all children from Vietnam who might become available for adoption.

The representatives from the agencies serving the Black community at the conference asked for clarification of the emphasis on inter-country adoption and questioned the selection of Caucasian homes in the United States for non-White children. Concern was expressed that "we not impose our less than successful U.S. concepts of child care" on Vietnam. They stressed that the recruitment of Black homes for 500 children was not a problem but at the same time made clear that the Black community would not be prepared to service the agencies operating in Vietnam unless a major voice in policy at all levels was assured. Their position is that non-White children should be placed in non-White homes in the United States as they are labelled as "Black" as soon as they land in the United States. Only a Black family can teach such children how to cope with the complexities involved in Black-White relationships in the United States, Black consciousness and pride essential to survival and a feeling of group identity so essential today in the United States.

The position of the Child Welfare League of America supports the position that in the adoption placement of Black children or other ethnic minorities, priority should be given to placement of these children in homes, the families of which reflect the ethnic identification of the child.

There was a full discussion of ways of combining the resources of the adoption agencies in Vietnam with the resources of other agencies in the United States which have special expertise in helping Black children. The request from the agencies in Vietnam for assistance with medical care and nutrition was discussed by the group and it was decided that the official proceedings would reflect this concern with a recommendation to AID for prompt and expeditious action. The specific proposal submitted was not acted upon by the group. The representatives from the Black agencies in the United States on the second day of the meeting submitted a position paper in support of a concerted program of effort for the placement of abandoned Black Vietnamese children from orphanages to homes in the United States. In the course of the discussion, the following statement of purpose for such an effort was developed:

"The thrust of the consortium would be to assist American-fathered, non-White, especially Black, orphans in Vietnam by:

1. Expediting and facilitating the adoption of these children including direct services by the consortium and in conjunction with the agencies presently operating in Vietnam.

2. Providing consultation and technical assistance to agencies serving the Black community and those agencies recognized by the Government of Vietnam.

3. Cooperating with AID in relation to programs bearing upon the needs and problems of these children."

The concept of a consortium of appropriately designated American based adoption agencies to focus on these racially-mixed children in Vietnam (for adoption by families in the United States) was carefully examined. During the deliberations, several advantages were noted: the value of the focusing of pooled resources on the immediate needs of a special child population group; the introduction of additional resources (resources of the Black community); and the possibility of existing adoption agencies (serving Vietnam) continuing to pursue their present program priorities, while at the same time actively participating in program developments designed to meet the needs of American-fathered children abandoned to child welfare institutions.

On the other hand, objections raised included the addition of another agency in Vietnam; availability of existing agencies to deal with this group of children as they are currently doing; the difficulty of relating the unique and non-traditional structure of an agency such as Friends of Children of Vietnam (FCVN) to a consortium; and the placing of a priority on a small, selected group of children when other considerations, such as those referred to above by the existing agencies in Vietnam, if dealt with, would facilitate all intercountry adoptions. With the exception of two representatives of the agencies currently operating in Vietnam, it was agreed to accept the principle of a consortium approach to provide adoption services to American-fathered children, particularly those who are non-White. Such an effort would include an advisory or governing Board of Directors and Staff drawn from the participating agencies.

By consensus, the meeting then decided to appoint a sub-committee to draft the frames of reference for the program, including the proposed articles of incorporation and a plan of activities for the concerted effort, for distribution to all participating agencies. After the participants have reacted to the draft of the proposed organization, and its suggested activities, another meeting would be convened by AID to consider the plan submitted for approval. International Social Service (ISS) agreed to serve as the convenor of the sub-committee and to serve as the conduit for the possible A.I.D. grant or funds from other sources to finance the planning stages of the effort. Church World Service (CWS) agreed to loan $1,000.00 to ISS pending receipt of funds from A.I.D.

Four members and one alternate were selected for the sub-committee by separate caucusing of agencies operating in Vietnam and the Black agencies respectively—two from each group. Dr. Dumpson and Mr. Munro were requested and agreed to serve as consultants to the effort.

In addition to advising that AID take expeditious action to provide medical facilities for the use of adoption agencies in Vietnam, it was formally recommended that AID convene a follow-up conference with broader participation to discuss the total area of family and child welfare in Vietnam. There was some discussion that this conference might be held in Saigon preceded by preliminary meetings in both the United States and Vietnam to facilitate extensive participation by both Vietnamese and American individuals and agencies with specal interest and competence in family and child welfare.

At the conclusion of the conference, several participants noted the gratifying spirit of cooperation and understanding among all of the members which had made it possible to accomplish so much in a period of only two days.

II. PROCEEDINGS

A. Opening remarks

Mr. Garnett Zimmerly, Deputy Administrator, Bureau of Supporting Assistance, Agency for International Development, officially welcomed the participants to the two-day conference to discuss the desirability of an expanded network of services in the United States to facilitate and expedite suitable adoption placements in American homes for Vietnamese children for whom this alternative has been determined in Vietnam to be the best plan for the individual child.

AID appreciates the participants willingness to share their ideas and guidance on inter-country adoption which is recognized as only one aspect of the larger problem of the welfare of disadvantaged children in Vietnam. There will need to be varied approaches to helping these children, and adoption is seen as affecting only a limited number of children.

Mr. Zimmerly stressed the importance of working closely with the Government of Vietnam and the Vietnamese voluntary agencies, with care to coordinate each agency's contribution, and that of the United States Government, to assure fullest benefit from the available resources. He pointed to the admirable record in Vietnam of a spirit of close coordination on the part of the voluntary agencies and stressed AID gratification for their spirit of cooperation, as well. He pointed out, however, that the general public was both misinformed and uninformed of the situation in Vietnam and the work of the United States Government and the voluntary agencies. The inquiries received by AID, stemming from the June 19th, NBC Telecast, *"The Sins of Fathers"* testifies to this ignorance.

Almost all of the resources of the Bureau of Supporting Assistance for Vietnam are now being allocated for child welfare and refugee assistance with an ultimate goal of helping the Vietnamese deal with these problems themselves. The level of resources for next year include $2.5 million specifically for child welfare, along with 50% of the $77 million programmed for refugees, and 50% of $11 million for health. In addition, Food for Peace commodities are made available to the GVN and voluntary agencies for distribution to schools, orphanages and day care centers. AID has also begun an extensive nutrition survey and the findings will help determine future allocations of funds on behalf of children, to make best use of available resources.

One ingredient that AID cannot provide and must look to the voluntary agency for is "TLC", or tender loving care. TLC, patience and hard work are the special characteristics of voluntary agency operations around the world.

The level of contributions of other National donors during the post cease fire period are still not clear. Stability and security remain a major concern in both North and South Vietnam. Announcements of other donor contributions are anticipated soon, however, and no scarcity of resources is anticipated. The issue will be the wise and proper use of resources. On this note, Mr. Zimmerly charged the participants to this meeting to find ways for each to contribute to the solution of the problem under discussion and the conference was asked to arrive at a solution and make specific recommendations to AID for consideration.

In conclusion, Mr. Zimmerly announced that AID plans to convene a larger group in the near future to discuss the wider issue of family and child welfare in Vietnam.

B. Introductions

After introducing the participants around the table, Dr. Martha Branscombe underscored that in the deliberations on the needs of the hard-to-place children in Vietnamese residential institutions, particularly those fathered by American Blacks, we should not lose sight of the larger frame of reference of the needs of all disadvantaged children in Vietnam. The Chairperson also pointed out that there recently had been a series of meetings of the adoption agencies in Vietnam, with the U.S. Mission and the Ministry of Social Welfare, and that they had found informal discussions of mutual problems of processing children, etc., to be quite useful and the group in Vietnam has suggested that the stateside adoption agencies, serving Vietnamese children, might also profit from mutual discussions.

The task of this meeting is to see whether there is a need for a wider network to facilitate placement of children in the United States. While there is apparently no lack of families wishing to adopt Vietnamese children, Dr. Branscombe said that it is important to consider whether the most adequate and suitable homes are being used for these children coming from orphanages in Vietnam.

Other aspects to be discussed are the numbers of children available for adoption, procedures in Vietnam and the United States, adequacies of facilities, and the need for more cooperation among the agencies. The hope was expressed that the participants would engage fully and freely in their discussions and arrive at specific conclusions and recommendations.

C. Needs and problems of Vietnamese children: implications for inter-country adoption

Dr. James R. Dumpson, dean, Fordham University School of Social Work

Dr. Dumpson acknowledged with satisfaction and encouragement the leadership demonstrated by AID in convening the meeting to consider the best way to pool and allocate resources on behalf of children in Vietnam. He identified his task as summarizing the documents before the conference and sharing his insights into the situation based on his participation in an AID Social Welfare Task Force Report in 1967; a 1971 visit to evaluate a community development project in Saigon; and most recently, a 1973 three-week visit for the U.S. Senate Sub-Committee on Refugees and Migration.

(1) The Child Welfare Setting:

The significant statistical dimensions (found also in the conference documents) are that 50% of the country's entire population are children under the age of 16 years of age—all of them war victims in one way or another. There are almost one million (880,000) described as orphans (missing at least one parent). It is significant to note the strength of the Vietnamese family structure and its traditional role, when pointing out that there are only some 25,000 children living in residential institutions, with the great majority of the orphans living with their mothers or other relatives. Similarly, the estimates of the number of racially-mixed children run from 10,000 to 25,000, with firmer statistics that only some 1,000 have been abandoned to institutions. One-half of the racially-mixed children in institutions (500) are estimated to be fathered by non-White, Black Americans. It is also significant to note that the number of racially-mixed children in institutions, although relatively small, has doubled since 1971.

Dr. Dumpson cautioned that in focusing on statistics that reflect neglect by the Government of Vietnam (GVN) or the United States of America (USA), we should not lose sight of the GVN's increased social awareness of children's needs and the programs it has initiated not only in child welfare, narrowly defined, but in education, health and nutrition as well. Whatever action the conference decides to undertake, it should be done in the context of the activities of the Ministry of Social Welfare of the GVN.

The GVN, by policy, has assigned highest priority to the development, care and protection for disadvantaged children. Not unlike the experience in the United States, however, the gap between policy and performance, as demonstrated by the allocation of resources to meet child need, is great. It is most important to note, however, that policy has been enunciated and there is evolving some structure within the GVN, and in its formal relationship with voluntary agencies, to move from policy to program planning to program operation and service delivery.

The GVN sees all children born in Vietnam as Vietnamese, irrespective of the condition of their birth or the accidents of parentage. This fact is basic to any effort on the part of foreign agencies to assist in the care and protection of children in Vietnam, regardless of mixed parentage, color, or any other factor. The MSW staff, including a social worker trained in the United States and previously employed by International Social Service/Vietnam, shared with Dr. Dumpson a program position paper that clearly outlines the MSW's child welfare program goals and reflects a high quality of policy and program development skills.

Dr. Dumpson stated that as the participants relate to the data presented, to the emerging policies and efforts to implement policies through programs, and as the effort is made to relate our concerns, resources, and efforts to child need in Vietnam . . . whatever our motivations . . . it is important to remember that in all developing countries, and in developing areas of developed countries, there is a lag between the breakdown of traditional patterns of social organization and the institutionalization at the national level of new patterns of welfare services and that Vietnam is no exception. The refugee problems have been highly visible and have political and humanitarian considerations. If any population group has commanded the priority of government resources it has been the refugees, and the needs of children must compete with refugees as a group for a share of the resources of Vietnam.

(2) American Fathered Children:

These children (especially the non-White) have very special needs. The Vietnamese have shown their lack of acceptance for the dark-skinned Montagnards and in more recent years have suffered heavily from the intervention of outsiders. In establishing a special program for American-fathered children, especially those fathered by Black Americans, the following questions and issues must be confronted:

(a) Whose primary responsibility is it for assuring quality care and protection for this group? How should this be exercised without doing violence or disservice to the right of all Vietnamese children to quality care and protection? The GVN? USA? Voluntary effort? Or a combination of all of these?

(b) How best may this responsibility be carried out to assure maximum protection throughout their minority? What legal protections are necessary and how are they assured? What must be done to provide legal protection of the natural parents or parents of the child? What are the alternatives to adoption? It is important to note that parents in Vietnam may abandon the child out of concern for his welfare, and this action should not be viewed in American terms.

(c) What is the role of American adoption agencies in providing services to American-fathered children? What are the implications of color and mixed-race parentage on the American scene? What are the implications of allocations to this group in the face of unmet child welfare needs of Black, Puerto Rican and other ethnic minority children in major cities of the United States?

(d) Given the American responsibility, with the GVN, for seeking to meet squarely the special needs of these children, how do we utilize existing structures and resources and how do we increase the resource potential?

(e) What alternatives to adoption should be available to these children? Should special efforts be made to make available American citizenship for racially-mixed children born in Vietnam when they reach their majority, along the lines adopted by the French Government when French-Senegalese Soldiers who fathered children during the French intervention in Vietnam?

(f) What structure, advisory or otherwise, is needed to move toward implementation of our thinking and recommendations that emerge from the deliberations of this meeting?

Gardner Munro, social work consultant and former chief social welfare adviser to the U.S. mission and the Government of Vietnam

In discussing the implications of inter-country adoption on the Vietnam scene, Mr. Munro noted that there are two major considerations. First of all, the strengthening of social welfare instiutions and services should be a first priority task for the post-cease-fire period. The GVN must meet the vital challenge of modifying old and creating new social institutions to deal with the overwhelming problems stemming from more than two decades of war and rapid social change. This urgent task must be undertaken to meet the needs of refugees, widows, orphans and the disabled, and to mend the social fabric of the country. A second consideration that must be faced squarely in that the GVN relies on the private sector to carry out child welfare programs. The Ministry of Social Welfare (MSW) will not have the resources in trained personnel to operate substantial direct service programs and, therefore, will depend for the foreseeable future on its expanding partnership with foreign and Vietnamese voluntary agencies.

AID has helped the MSW and the Ministry of Health (MOH) establish minimum standards of care for orphanages and day care centers, and has given impetus to the GVN's increasing interest in the welfare of children in these institutions. In the spring of 1973, the MSW sponsored a three-day conference for all orphanage directors where the new policy of referring children for adoption to licensed agencies was introduced.

The major focus of the meeting was on the maintenance of adequate standards and since that time the MSW has joined forces with the MOH to carry out regular supervisory visits and to implement corrective action through provincial government channels. The GVN had not felt before this year that it could insist upon standards, but has now made great strides in that direction since AID helped them to expand governmental allowances to the child welfare institutions, including funds for renovation and development of self-help activities as well as monthly allowances on the basis of the number of children cared for. The goal for 1973 is to continue the dramatic expansion of day care services—more children are cared for this way than in orphanages—and to develop a network of social service centers on a model already initiated in Danang, to serve women and children, and the disabled, by setting up counseling and vocational training services in already established, and privately operated community or social service centers. A major concern of the MSW is to find ways to prevent child abandonment. They have been impressed, for example, by the successful operation of a pilot counseling service in Saigon in a maternity hospital where a monthly abandonment rate four years ago of some 60 children each month has now been reduced to only a handful, through the activities of two voluntary agency social workers who have learned to spot the expectant mother in acute social distress and get her the help which she needs to plan for her new child.

The relatively small number of children who can be helped by intercountry adoption indicates the special obligation that adoption agencies have to employ professionally trained social workers who can fulfill the requirements to strengthen child welfare services in Vietnam, as well as process children for adoption by American families. Adoption agencies usually have the most highly trained child welfare staff among foreign agencies operating abroad. It should also be noted that a preoccupation with inter-country adoption might well increase the flow of racially-mixed children, living with relatives, to orphanages to qualify for inter-country adoption and this should be guarded against, however possible. Adoption agencies should take the lead in strengthening services for all disadvantaged children in Vietnam.

In conclusion, Mr. Munro stressed that the climate was excellent for an expanded child welfare effort in Vietnam. The United States Government has shown great interest, as exemplified by this conference, and by the greater priority in Vietnam for child welfare. The eagerness of the U.S. Embassy as well as USAID to facilitate the work of the adoption agencies has been obvious. The Ministry of Social Welfare will also welcome increased voluntary agency activity in the area of inter-country adoption as long as it is clear that new initiatives are within the framework of strengthening services for all disadvantaged children. Over the past two years, the MSW has accepted its responsibility for promoting the welfare of disadvantaged children and has increased its professional staff substantially. The stage is now set for an expanding and deepening partnership between the MSW and foreign and Vietnamese voluntary agencies and the climate is especially promising for highly professional, child welfare agencies that can work within the framework of the GVN policies and programs.

D. Discussion

Following the presentations on the first morning, the conference discussed extensively the activities of the adoption agencies in Vietnam, how their programs relate to the American-fathered Black child, and the contribution to be made by adoption agencies serving the Black community in the United States. By the second day, a consensus was reached that a concerted effort was required to meet the challenge of placing 500 Black orphans in acceptable homes in the United States.

The documents at Appendix E and F were distributed at the beginning of the discussion. The first contains information on an estimated 6,400 U.S. visas issued American-fathered children who were either granted citizenship at birth (3,970) or have gone to the United States as immigrants (estimated 2,640) since July 21, 1969. The second document, a letter signed by the five American agencies now carrying out or planning to operate adoption programs in Vietnam, reports on their recent meetings in Saigon and recommends several actions for consideration by the meeting. These include: 1) Duty free importation of vaccines and medical supplies; 2) The services of a medical team to treat children in process of adoption to insure "completely satisfactory" medical information for visa and adoption use; and 3) Assurance that diapers, baby bottles, and high protein baby foods and milk can be delivered promptly now that APO privileges have been curtailed. It was further reported through AID channels that these agencies saw no need for a consortium in Vietnam and doubted whether the MSW would favorably consider an additional adoption agency.

The major adoption agency in Vietnam in terms of volume is the *Friends of Children of Vietnam* (FCVN), which processed more than 400 children worldwide for adoption in 1972. A staff of 100 in Saigon includes eight foreign volunteers and 92 Vietnamese to operate three half-way houses dedicated to saving small babies from expiring in orphanages. Adoption is described as secondary to saving the lives of small infants, no matter what their color. Rosemary Taylor, the Saigon Director, handles all adoption formalities in Vietnam with the assistance of one other Vietnamese staff. Neither she nor the other foreign volunteers are paid salaries, nor are the volunteer staff operating the home office in Boulder, Colorado. FCVN began as a volunteer effort to supply commodities to an orphanage in the Delta.

International Social Service (*ISS*), engaged in inter-country adoptions on a worldwide basis since 1952, operates an extensive family reunion and migration counseling program, and secondarily processes children for adoption. Under the direction of its headquarters in Geneva, Switzerland, ISS has given special attention to helping relatives of foreign citizens with migration problems. It was mentioned, however, that ISS American Branch, at a recent board meeting, made the decision to expand its adoption work in Vietnam.

The Holt Adoption Program (*HAP*), began its program in Vietnam in March, 1973, and expects to be fully operational in the next few months. Their major program has been in South Korea, where an office was opened 17 years ago. They estimate that Holt has helped some 11,000 children find adoptive homes overseas. Holt also carries out an extensive program to develop local child welfare services in South Korea and has already initiated a maternity care clinic and nursery at the Tu Do Hospital in Saigon. The anticipation is that priority will be given to helping the abandoned and/or dying infant in residential institutions, regardless of color. The volume of Korean adoptions exceeded 2,000 last year and is expected to increase again this year as more infants are relinquished in that country for adoption.

World Vision, one of the signatories to the letter at Appendix F, until recently has operated a half-way house in Saigon in a building provided by the MSW. The program was aimed at the provision of temporary care for malnourished children from institutions and the care of children in the process of adoption either under the auspices of World Vision or other agencies utilizing the facilities.

Catholic Relief Services (*CRS*), the fifth signatory to the letter, had operated an inter-country adoption program in the late 1960's in Vietnam, discontinued the activity, and is now considering resuming.

Selection of Children

The discussion emphasized that priority was now being given to the dying infant by both orphanage directors and the adoption agencies, particularly FCVN. This has implications for the extensive medical care that is required to save these children and get them in shape to pass visa requirements. In addition, prospective adoptive parents (PAPS) can expect extensive medical bills during the post-placement period as children frequently suffer from a number of illnesses not fully diagnosed or treated prior to placement in the United States. One agency reported using a warning about the poor state of health of these arriving children as a means of screening out lukewarm applicants.

An additional factor in the selection is that the current policy of the MSW requires that all adoptions be processed by one of the registered adoption agencies. This has increased the number of applications to agencies from couples who have already located their prospective children through private channels and are turning to agencies for help. The processing of these cases is very difficult and the optimal situation is for agencies to locate needy and legally available children and match them to families, with completed home studies, on an approved waiting list. FCVN estimates that 60% of its current caseload is a backlog of private adoptions requiring regularization.

Under these circumstances, it was reported that the agencies did not feel priority could be given within the present resources to the Black orphans, and that there would still be a problem of obtaining the releases of those children from orphanages unless they were literally at death's door.

Some of the participants at the meeting asked for further clarification of the choice of children for inter-country adoption and raised the question of the need for technical assistance to help develop child welfare services in Vietnam. The question was posed, "Are we helping the Vietnamese deal with their own child welfare problems, or are we imposing our own concepts to child care which have been less than successful in the United States?"

There was astonishment expressed that only 1,000 racially-mixed children were in residential institutions and it was noted that more information was needed on how Black children are surviving outside of institutions.

The Role of the Ministry of Social Welfare

During the winter and spring of 1973, the MSW has taken a very active role in inter-country adoption, first in forcing the registration of Miss Rosemary Taylor's activities under the auspices of FCVN, and then advising orphanage directors and hospital personnel that it expects all adoptions to be processed by the agencies it has registered for that purpose. The MSW has also set up an adoption unit to handle those cases not referred to the foreign agencies. There was some discussion of the newly proposed adoption law, which has been prepared for the MSW by a study group from the Association for the Social Sciences, headed by Mrs. Pham Thi Tu, Directress of the National School for Social Work.

The voluntary agencies have had an opportunity to provide comments on an initial draft which has now been sent back to the study group by the MSW for redrafting. Dr. Dumpson pointed out that the major change that the MSW wished to make was to have the new law "child centered" rather than primarily concerned with legal rights of adopting parents. The sensitivities of the MSW to an overemphasis on inter-country adoption was stressed. A suggestion was made that new agencies wishing to help with child health might apply to the Ministry of Health rather than the MSW for registration, as the MSW was understaffed and overburdened with its expanded duties. Dr. Dumpson cited the favorable reaction of the Minister of Social Welfare, Dr. Tran Nguon Phieu to the idea of a "consortium" approach to the Black orphan, as well as the support of the Assistant Minister for Social Welfare, Dr. Vuu Ngoc Oanh during his recent trip to the United States.

Processing in Vietnam

On the second morning of the conference, the participants had an opportunity to review U.S. adoption procedures with two representatives from the U.S. Immigration and Naturalization Service (INS).

In the summer of 1972, the American Embassy was successful in persuading the GVN to streamline adoption procedures so that children could be sent to the United States before completing the time consuming Vietnam legal adoption which used to take more than one year. With the change, it is now possible for an orphan child with a birth certificate to be issued a visa by the GVN within four weeks or less. The Immigration and Naturalization Service (INS)

I–600 petition normally takes from six weeks to three months depending on the regional office in the United States. In answer to questions from the AID representative, it was clarified that since April 1972, consular officials in South Vietnam have been delegated the authority to process the approval of the child's papers or the I–604 report. This has removed the period of waiting for the INS official from Hong Kong to visit Saigon. The adoption agencies had high praise for the dedication and hard work of the U.S. consular officials on behalf of Vietnamese orphans.

When the backlog of private adoptions is completed, it should be possible to achieve the ideal of "only parents wait, not children". Another agency representative commented that it was not desirable to shorten the INS waiting period, as at least three months was usually required to meet a child's health problems.

A major problem faced is obtaining birth certificates. This is particularly true for older orphans and adoption agencies must deal with the fact that children are often given the names of fictitious mothers by orphanages when they apply for documentation. The MSW is also very aware of the fact that over half of the children in residential institutions are not certifiable orphans (having one or more living parents) and have considered tightening funding procedures so that orphanage allowances are calculated on the number of true orphans rather than the total number of children under care. Children lacking birth certificates are not able to enroll in school and it is anticipated that racially-mixed children will have a special problem in this area, as they did in South Korea, as their mothers are reluctant to apply for the correct documents.

Until there is a change in the adoption law, the processing of documents in Vietnam is handled by the Ministries of the Interior and Foreign Affairs. The MSW is excluded except for its authority to register voluntary agencies and responsibility to monitor the operations of child welfare institutions. This has meant that private adoptions are still being processed in spite of the MSW's order that all adoptions be handled by registered agencies.

Selection of prospective adoptive parents

The home offices of the overseas adoption agencies are swamped with requests for children. With the reduction of the number of abandoned babies in the United States, there has been an overwhelming demand for adoptable children from overseas. When "Dear Abby" ran a column on inter-country adoption, for example, one agency received 7,000 inquiries in one month. The recent NBC telecast, "*The Sins of the Fathers*" on the plight of American fathered children in Vietnam has added to the severe pressure on the agencies. Most of the applications from prospective adoptive parents (PAPS) have been from White couples. The Vietnam adoption agencies routinely place Black orphans with White couples as a result. In fact, many of the White couples have specified their preference for racially-mixed, Black children. The agencies place Black children in Black homes if the homes are available, however, and one agency has initiated a series of internal incentives to encourage Black couples to adopt, such as reduced fees, travel costs, etc. Overall, few Black couples are applying for children from Vietnam—maybe 1% of the total number of requests.

The observation was made that there seemed to be a tendency to try to meet the needs of PAPS rather than children. On the other hand, as the Vietnamese agencies pointed out, their major focus was on saving dying children. The agencies also supported local Vietnamese institutions caring for children who will not be going for adoption.

The danger of over-encouraging PAPS without being able to satisfy their requests for children was discussed, and the comment also made that it was not an accurate assumption that an agency can place a child with a family and then not provide follow-up, post-placement services. Adoptive families and children need a great deal of help, especially children from overseas.

The Black agencies pointed out recent successful efforts to find Black homes for Black children in the United States and predicted that a goal of 500 homes could easily be met. However, Black adoptive couples will not apply to traditional agencies. One Black agency recruited some 250 families and referred them to a private, statewide adoption agency, only to have most of them rejected because of restrictive agency practices. The agencies with programs in Vietnam stressed that there are adoption agencies all over the United States pleading for children, without reference to color.

The Vietnam agencies were praised for their sacrifice and hard work on behalf of children, regardless of color, but it was pointed out that when a child arrives in the United States he is automatically labelled "Black" and his adoptive parents must help him deal with this. One of the participants mentioned that Black children in White families could be viewed as ambassadors of brotherhood and integration, with the corresponding comment made that children should not be used for social experiments and that such a placement adds an additional burden to the child's adjustment. The demand of the Black agency representatives that Black children be placed with Black families is supported by the official policy of the Child Welfare League of America, according to its representative at the meeting, which states that Black homes for Black children should be used wherever possible.

The statewide agencies said that while finding 500 Black adoptive homes was not a problem, agencies serving the Black community would not wish to recruit homes for dying children, for example, unless they were represented at the highest levels of policy making in the total program. They would also wish to insure that an effort was being made to strengthen child welfare services for Black children left behind in Vietnam as well as insure satisfactory service to children and adoptive parents in the United States.

The need for subsidies for Black families to help with the high costs of adoption was mentioned as this would greatly facilitate the finding of good homes. The cost of an adoption was described as high as $3,000 per child, in some instances, taking into consideration costs of temporary care in Vietnam, processing costs, travel, agency home study fees, and other legal expenses. As discussed earlier, available children may have extensive medical problems requiring expensive post-placement medical care.

The need for a *Concerted Effort* to meet the needs of 500 Black children in Vietnamese residential institutions was the major question and theme underlying the two-day conference. FCVN handles about 50 adoptions each month worldwide, Holt hopes to process at least one hundred children over the next few months in Vietnam and both agencies estimate that a significant number of the children placed will be Black, although adopted by White couples from the United States and Europe. They could not say that their efforts would be focused on the needs of Black orphans, per se, but felt that improved medical care and nutrition would most effectively improve conditions affecting Black children in institutional care and relieve existing pressures on the operating agencies, thereby making it possible for them to give more attention to Black children, as well as all the other needy orphans available for adoption.

There was some initial concern whether the proper target was the relatively few Black children in child care institutions, or the greater number living with relatives. Dr. Dumpson responded that a crisis approach should be used for the 500, while the larger group in the community would require a variety of supporting services, and in his opinion these two categories needed to be separated. There is an immediacy to the plight of the 500 whose capacity to adjust to family life is affected by each remaining day in an orphanage. It was also argued that the needs of these children were very special because there is no prospect for a solid Black community in Vietnam for the children to relate to as they grow older.

Recent cooperative efforts in the United States to find Black homes for Black children were pointed to as evidence that a concerted effort was a practical goal to work toward.

Foster care was mentioned as an alternative to adoption but it was also stressed that this was not a viable resource in Vietnam where no Black community exists, and that foster care as a long term panacea to meet the needs of children has been discredited in the United States. This is not to say that temporary foster care for children in the process of adoption is not a vital service, and the successful Holt program in Korea, which provides temporary foster care for some 800 children at any one time, was mentioned as an example of the best way to prepare children physically for overseas adoption.

Dr. Dumpson elaborated on his recommendation for a "consortium" of agencies which would provide a thrust toward the Black child, for a limited period of time, without interfering with the operations of the present agencies working in Vietnam. The Vietnam agencies were not convinced that a consortium made sense as there were plentiful homes for all available children. The Black social workers pointed out, however, that if it is accepted that they should have a part in policy decisions, a consortium is the logical vehicle for Black involvement, that is, an association of resources, designed to do a time-limited job, after which participating agencies would go their own way. The objective would be to "marry experience with new resources" to help a discrete group of American-fathered, Black children through medical care, supportive services, temporary foster care in Vietnam, and finding Black homes for them in the United States.

The group discussed the formulation of an advisory board, composed of representatives from participating agencies with an executive and professional staff drawn, if possible, from the member agencies. This conceptualization raised many additional issues including licensing, need for subsidies, advisory board to advise whom, availability of staff to be released, direct services in Vietnam as well as the United States, and many others.

The Adopt-A-Child program in New York City which was successfully carried out some years ago was mentioned as a possible prototype. That agency helped place Black babies from hospitals into Black adoptive homes by providing services which helped participating agencies identify and describe Black children and interpret their needs to the Black community. Participating agencies contributed to the staff salaries and administrative expenses.

The issue was raised whether a new agency might be required to serve the Black children in Vietnam but the general feeling of the conference was that it would be more profitable to build on the present system, borrowing its expertise and, in return, helping the Vietnam agencies to be more responsive to the concerns of the Black community.

At the conclusion of the two-day meeting, a consensus was reached and the future plan of action and the formal recommendations described in Part I of this report were adopted. While it was agreed to have a subcommittee flesh out a proposal for future consideration, two of the Vietnam agencies continued to express reservations . . . one about the need for and desirability of a consortium, and the other about its ability to participate in a pooled effort, because of the volunteer nature of its operation.

The following members of the subcommittee, chosen by caucus of the Vietnam agencies and those serving the Black community, made plans to meet at the earliest possible date to draw-up the frames of reference for the proposed effort:

Mr. William M. Taylor, Travelers Aid/International Social Service.

Mr. Edmund E. Cummings, U.S. Catholic Conference.

Mr. John Schauer, Church World Service, Alternate for Mr. Cummings.

Mr. Benjamin Finley, Afro-American Family and Community Services.

Mrs. Louise Bailey, National Association of Black Social Workers.

CONSULTANTS

Dr. James R. Dumpson, Fordham University School for Social Services.

Mr. Gardner W. Munro, Social Work Consultant, Boston, Mass.

III. APPENDIX

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Mrs. Beverly Walker Worrell, Executive Director, NAACP/Adoptive Parents Recruitment and Education Project, Suite 815, 66 Luckie Street, N.W., Atlanta, Georgia 30303, Telephone: (404) 522–4373.

Agenda

July 25

Morning session: 10:00—12:00

I. Opening Remarks: Mr. Garnett A. Zimmerly, Acting Assistant Administrator, A.I.D./Bureau for Supporting Assistance.

II. Introduction: Dr. Martha Branscombe, Chairman.

III. Needs and Problems of Vietnamese Children: Implications for Intercountry Adoption: Dr. James Dumpson, Mr. Gardner Munro.

Discussion.

Afternoon session: 1:30—4:30

IV. Issues and Problems involved in intercountry adoptions for Vietnamese children fathered by Black Americans and "hard-to-place" children.

A. In Vietnam.

B. In the United States.

(To be identified and discussed by Participants.)

V. What practical steps might be taken to expand the network of supporting services in the U.S. to facilitate placement in American homes, particularly of Vietnamese children fathered by Black Americans and those hard to place for other reasons.

July 26

Morning session: 9:30—12:00

VI. U.S. Legal Requirements (30 minutes).

Mr. Robert Lindsay, Immigration Naturalization Service.

Mr. Raymond Seefeldt, Security and Consular Affairs.

VII. Conclusions and Recommendations.

Afternoon session: 1:30—4:30

Finalize Discussions under Agenda Item VII.

Adjournment.

NOMINATION OF SENATOR SAXBE TO BE ATTORNEY GENERAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record the transcript of questions I asked of Senator Saxbe and Special Prosecutor Leon Jaworski, and their responses, including correspondence related thereto, during the Senate Judiciary Committee hearings on the nomination of Mr. Saxbe to be Attorney General of the United States.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Nomination of William B. Saxbe To Be the Attorney General of the United States

(Wednesday, December 12, 1973)

* * * * *

The Chairman. Senator Byrd?

Senator Byrd. Thank you, Mr. Chairman. Mr. Saxbe, I wish first to congratulate you on the choice of the President in nominating you for this important office. Secondly, I want to say for the record that I, too, see no problem insofar as your professional qualifications are concerned. I see no problem insofar as you, personally, are concerned with respect to your integrity and character and moral fitness, so far as I know.

I have had some concern, however, with regard to the constitutional inhibition involved in paragraph 2, clause 6, Article I, of the Constitution. My efforts with respect to opposing the so-called Attorney General Pay Bill on the Floor were not meant to have any personal thrust whatsoever. The Congress has now spoken in regard to that bill. In my own mind, nevertheless, I am not at all sure that the Congress has the power to remove that constitutional disqualification. But, that will have to be decided by the court eventually, I assume.

I suppose I could vote for your confirmation, even though I strenuously opposed the Pay Bill on constitutional grounds. At this point, I want to at least feel that I am still reviewing that aspect. I still feel as strongly as ever that there is a constitutional inhibition and that it cannot be removed by legislation. But, the amendment which I offered on the Floor, paves the way for an expedited hearing if anyone should seek a court decision.

I am desirous of asking questions in one area today, that being the area involving the Special Prosecutor.

I have asked the Chairman to request that Mr. Jaworski come to the hearing room. I think it is imperative that the Committee get your assurance of a strong commitment to Mr. Jaworski, and I think it is important to Mr. Jaworski that he not only be able to read that commitment in the record, but that he also be present when that commitment is made.

I doubt that I can adequately explain to you how uncomfortable I am in asking questions of you. I like you, personally, and I respect you as my peer, and I certainly do not relish the prospect of interrogating a colleague. But, I also feel that I have a duty as a Member of this Committee, and as a Member of the Senate, to satisfy in my own mind, and certainly to establish for the record, if I possibly can, precisely what your position will be insofar as your support of the Special Prosecutor, is concerned, what your commitment is, whether or not you will seek to protect him from pressures emanating in the White House, and how far you will go in supporting his actions as they are envisioned in the Charter.

With that prefatory statement, Mr. Chairman, I am ready now to begin my questioning.

The CHAIRMAN. Mr. Jaworski is in the room.

Senator SAXBE. Could I interject at this time, that I certainly understand the Senator's attitude and, in fact, I welcome it because I, too, am interested in getting exactly straight and I think with Senator Kennedy's questions, we helped to work out some of it. And it is my intention to vigorously support, not only Mr. Jaworski, but everybody else connected with the Attorney General's office, in regard to not only crimes and misdemeanors in the White House, but in every other part of this country without any reservation, and it is a covenant that I have made with myself on this thing, that the chips were going to have to fall where they may, regardless of who is involved, whether they are friends, acquaintances or recommended by somebody. I am sure there will be and I was the Attorney General in a state of 11 million people for a long time and you get everybody coming in with their hat in their hand, and I am determined to meet this squarely, not on just the White House thing but on all matters. And I am very anxious and willing that it be spelled out in any way you think best.

Now, to the disability which the Senate removed, I understand the Senator's position. I know that he is a student of the law, but I also point out that there is a difference of opinion on this. This week, yesterday or the day before, I received a letter completely volunteered from Arthur J. Goldberg, exchanging pleasantries and he says in the second paragraph: "I have delayed somewhat in sending this letter because I was awaiting your confirmation by the Senate. I have no doubt it will be forthcoming. But, I regret it has been delayed because of what I regard to be a most inconsequential constitutional question."

And so there is a difference of opinion by men learned in the law.

Now, I have had the attitude all the way through this that if I was destined to be Attorney General that things would work out, and if I am not, it is just as well.

Senator BYRD. Well, I think you are destined to become Attorney General, Mr. Saxbe. But so far as I am concerned, I am not in the slightest persuaded by Mr. Goldberg, although I respect his knowledge of constitutional law. But, with the statement that you have made, I think that you have prepared yourself to answer the questions which I shall ask, and I trust that you will indulge my questions and show your usual candor and patience. And if you can come through with firm answers to my questions, I believe you will have satisfied a good many members of the Senate in this area.

Now, Mr. Chairman, would I be asking too much——

The CHAIRMAN. Let us have order, please?

Senator BYRD. Would I be asking too much to request that Mr. Jaworski come forward and take a seat at the table?

The CHAIRMAN. Mr. Jaworski, sit at the table, please, sir?

Senator BYRD. Mr. Chairman, I am embarrassed, really, to ask whether or not both witnesses should be sworn? Would there be any objection?

Mr. JAWORSKI. None whatsoever on my part, Senator.

The CHAIRMAN. Stand up, please.

Do you both swear that you will tell the truth, the whole truth, and nothing but the truth, so help you God?

Senator SAXBE. I do.

Mr. JAWORSKI. I do.

TESTIMONY OF THE HONORABLE WILLIAM B. SAXBE, A UNITED STATES SENATOR FROM THE STATE OF OHIO AND MR. LEON JAWORSKI, SPECIAL PROSECUTOR

Senator BYRD. Mr. Jaworski, permit me to say to you, by way of explanation, I asked the Chairman to inquire, only within the hour, if you could present yourself here today. May I say, incidentally, that I looked upon your appointment six weeks ago with great suspicion. I felt that if the Executive could employ you, it could fire you—which it can—and I felt that your employment by the Executive Branch meant the Executive Branch would again be investigating itself. Yet, I have been pleasantly surprised during the six weeks that have passed, and I have watched with admiration the courage and independence that you have displayed. I have been reassured also by the fact that the Special Prosecutor's force has remained intact under your guidance, and I have also heard, with satisfaction, some of the things that reportedly have been said by the Prosecutor's force regarding your supportiveness in their continuing efforts. I especially want to congratulate the young lady who interrogated Rose Mary Woods the other day in court. And I am encouraged greatly by your public statements that you will seek to secure, through the judicial process, any evidence that you feel is necessary for the effective and fair and objective prosecution of any crimes that may have been committed by anyone.

Having said that, I think it only remains for me to say that I want you to continue to pursue your duties as you have set out thus far upon your course. You have a reputation that is as important to you as our own reputation is to any of us who are sitting in the Legislative Branch. It is also very important in my estimation that you have the complete support of the Attorney General and that you positively know you have the support of the Attorney General in your effort, which will require continuing courage. It is for these reasons that I have asked the Chairman—and appreciate very much his acquiescence to my request—that you appear before the Committee at this time. I was not here when you were before the Committee previously, on previous occasions, and I apologize to you for the request which came to you today without warning.

Mr. JAWORSKI. Not at all, Senator. I am glad you asked me to come.

Senator BYRD. I would like first to read Justice Brandeis' dissent in the Olmstead case on the use of wiretap evidence in a prosecution under the Prohibition Act: "Decency, security, and liberty alike demand that government officials shall be subjected to the same rules of conduct that are commands to the citizens. In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our government is the patent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the government becomes a lawbreaker it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy. To declare that in administration of the criminal law the need justifies the means—to declare that the government may commit crimes in order to secure the conviction of a private criminal—would bring terrible retribution. Against that pernicious doctrine, this court should resolutely set its faith."

I think, Mr. Saxbe, and Mr. Jaworski, that this attitude must be the cornerstone of the investigation of the Watergate case and all of the related aspects. And to this end, the facts and all of the facts ought to be brought to light and must be brought to light to ensure the American people that their government is a government of law and not a government of men. And that those who operate outside the law, no matter how high a station in life or in government they may possess, must be answerable to the law.

Senator Kennedy has referred to the Charter which was hammered out by Mr. Richardson in his appearance before this Committee, with the advice and assistance of the Committee. I think it is important that that Charter be read paragraph by paragraph at this time, because we are about to confirm an Attorney General of the United States at a most critical time in our country's history. I wish that he were not a Senator.

My task would be much easier. But, I have faith in Bill Saxbe, that he recognizes the problem that I have, and the problems that other Members of this Commmittee and in the Senate have, in approaching this matter. I most surely think we will be held to account if we were to deal with Mr. Saxbe more tenderly than we would deal with any other nominee, any other person who might have appeared before this Committee as a Nominee for the office of Attorney General.

Mr. Robert H. Bork, Acting Attorney General, reinstituted the Office of Special Prosecutor and reinstated in the Federal Register in November, the Charter which had been outlined in the course of the hearings on the Nomination of Mr. Richardson, but with certain amendments to that Charter. I shall begin with Sub-part G–1–Office of Watergate Special Prosecutor Force.

General Functions:

"The Office of Watergate Special Prosecution Force shall be under the direction of a Director who shall be the Special Prosecutor appointed by the Attorney General. The duties and responsibilities of the Special Prosecutor are set forth in the attached appendix which is incorporated and made a part hereof."

Specific Functions:

"The Special Prosecutor is assigned and delegated the following specific functions with respect to matters specified in this Sub-part:

"(a) Pursuant to 28 U.S.C. 515(a), to conduct any kind of legal proceedings, which United States Attorneys are authorized by law to conduct and to designate attorneys to conduct such legal proceedings."

Do you list these as among your functions, Mr. Jaworski?

Mr. JAWORSKI. Indeed I do, Senator.

Senator BYRD. Do you have any questions, Mr. Saxbe, with respect to that paragraph and its imposition on Mr. Jaworski of his responsibilities as Special Prosecutor?

Senator SAXBE. No.

Senator BYRD. Do you agree that he has the authority to conduct any kind of legal proceedings, civil or criminal, including Grand Jury proceedings which United States Attorneys, are authorized by law to conduct and to designate attorneys to conduct such legal proceedings?

Senator SAXBE. I think that is very pointed.

Senator BYRD. And you agree with that?

Senator SAXBE. Yes.

Senator BYRD. "Subpart (b), to approve or disapprove the production or disclosure of information or files relating to matters within his cognizance in response to a subpoena, order or other demand of a court or other authority."

Mr. Jaworski, do you see that as your duty and responsibility?

Mr. JAWORSKI. I do, Senator Byrd.

Senator BYRD. And you will pursue to the best of your ability the requirement of that paragraph?

Mr. JAWORSKI. I have undertaken to do so, sir, and I will continue to.

Senator BYRD. Now, Mr. Saxbe, will you

support Mr. Jaworski in his sworn duty to carry out the provisions of that paragraph?

Senator Saxbe. I will.

Senator Byrd. "Subpart (c), to apply for and to exercise the authority vested in the Attorney General under 18 U.S.C. 6005, relating to the immunity of witnesses in Congressional proceedings."

How about that paragraph, Mr. Jaworski?

Mr. Jaworski. Yes, sir. I certainly intend to continue to follow its mandate as I have done so up to the present time, and will certainly do so in the future.

Senator Byrd. Now, do you share Mr. Jaworski's position, Mr. Saxbe?

Senator Saxbe. I do.

Senator Byrd. "The listing of these specific functions is for the purpose of illustrating the authority entrusted to the Special Prosecutor and is not intended to limit in any manner his authority to carry out his functions and responsibilities, dated November 2, 1973, signed Robert H. Bork, Acting Attorney General."

Now, I shall quote the guidelines that were developed in May of this year, to which allusion has already been made.

Appendix, Duties and responsibilities of the Special Prosecutor.

"The Special Prosecutor—there is appointed by the Attorney General within the Department of Justice, a Special Prosecutor to whom the Attorney General shall delegate the authorities and provide the staff and other resources described below.

"The Special Prosecutor shall have full authority for investigating and prosecuting offenses against the United States arising out of the unauthorized entry into Democratic National Committee Headquarters at the Watergate, all offenses arising out of the 1972 Presidential Election for which the Special Prosecutor deems it necessary and appropriate to assume responsibility, allegations involving the President, Members of the White House Staff or Presidential appointees, and any other matter which he consents to have assigned to him by the Attorney General."

Mr. Saxbe, do you have any reservations whatsoever in stating before this Committee today your full support of the letter and the full intent of that paragraph, insofar as the duties imposed upon Mr. Jaworski are concerned by that paragraph?

Senator Saxbe. I do not.

Senator Byrd. The paragraph states that: "The Special Prosecutor shall have full authority for investigating and prosecuting offenses against the United States arising out of the unauthorized entry into Democratic National Committee Headquarters at the Watergate."

Do you have any reservations with regard to the words "full authority" Mr. Saxbe?

Senator Saxbe. I do not.

Senator Byrd. Do you understand, Mr. Jaworski, that you do have full authority?

Mr. Jaworski. I do, Senator Byrd, and we have undertaken to exercise it.

Senator Byrd. Now, to go to the second clause and tying it in with the lead sentence of the paragraph, the "Special Prosecutor shall have full authority for investigating and prosecuting . . . all offenses arising out of the 1972 Presidential Election for which the Special Prosecutor deems it necessary and appropriate to assume responsibility."

Do you have any reservations in regard to that clause, Mr. Saxbe?

Senator Saxbe. I do not.

Senator Byrd. You have no question but that Mr. Jaworski will have full authority to investigate and prosecute all offenses arising out of the 1972 Presidential Election, for which the Special Prosecutor deems it necessary and appropriate to assume responsibility? You have no reservations, no problem with that?

Senator Saxbe. No problem.

Senator Byrd. How about you, Mr. Jaworski, will you continue to pursue your duties as imposed upon you by that phraseology with the full knowledge that Mr. Saxbe has assured you of his full support?

Mr. Jaworski. I will continue to do so, Senator Byrd.

Senator Byrd. Now, Mr. Saxbe, I proceed with the third question, again linking up the phraseology in the later clause with the lead-off words:

"The Special Prosecutor shall have full authority for investigating and prosecuting . . . allegations involving the President."

Do you have any compunctions here, Mr. Saxbe, about giving Mr. Jaworski your absolute full, complete and total support if in his judgment there are allegations involving the President and his duty requires that he investigate and prosecute those allegations?

Senator Saxbe. I do not.

Senator Byrd. Mr. Jaworski, is it your intent to fulfill your duty as set forth in that paragraph?

Mr. Jaworski. It is, sir.

Senator Byrd. To the best of your ability?

Mr. Jaworski. It is, sir.

Senator Byrd. In other words, you will follow the evidence wherever it goes and if it goes to the Oval Office and to the President, himself, you will pursue it with all of your vigor?

Mr. Jaworski. That is my obligation and I intend to fulfill it; yes, sir.

Senator Byrd. Quoting again: "The Special Prosecutor shall have full authority for investigating and prosecuting . . . allegations involving . . . Members of the White House Staff or Presidential appointees."

Will you pursue that with full vigor, Mr. Jaworski, and without fear or favor?

Mr. Jaworski. Senator Byrd, we have been pursuing that without any exception and we intend to continue to do so.

Senator Byrd. Mr. Saxbe, is your intent to fully support Mr. Jaworski in his fulfilling of his duties under this clause?

Senator Saxbe. It is.

Senator Byrd. And you will not attempt in any way to interfere with his efforts in regard to the investigation and prosecution along any of these lines?

Senator Saxbe. No. It has been my intention at all times that Mr. Jaworski shall operate completely independent and the only time that I will see him is when he wants something from me.

Senator Byrd. "The Special Prosecutor shall have full authority for investigating and prosecuting," all of the foregoing that I have referred to, "and any other matter which he consents to have assigned to him by the Attorney General."

Does this give you any problem, Mr. Saxbe? Will you support Mr. Jaworski in this?

Senator Saxbe. It gives me no problem.

Senator Byrd. In carrying out his responsibilities under this clause?

Mr. Jaworski. May I say, Senator Byrd, that we have accepted some matters that were assigned to us, it might be said by the Acting Attorney General, at least a request was made that we undertake them and it was an area of the IT&T investigation that left some question as to whether it was really within our jurisdiction or not. It was discussed between Mr. Bork and me, and we have assumed full authority for it.

Senator Byrd. Do you understand the word "consent" to mean that you have flexibility to consent or not to consent to the assigning to you by the Attorney General of "any other matters"?

Mr. Jaworski. I think it does imply that, of course. But, I will say to you, Senator Byrd, that in any instance where we feel that the subject matter falls within the gambit of what our responsibilities are, we are not going to hesitate to accept jurisdiction as was true in the IT&T matter, for instance.

Senator Byrd. Very well.

Now, "in particular, the Special Prosecutor shall have full authority with respect to the above matters for:

"1. Conducting proceedings before Grand Juries and any other investigations he deems necessary."

Do you recognize, Mr. Saxbe, that the Special Prosecutor has full authority in this regard?

Senator Saxbe. Yes. I consider it as a great advantage to going into the office over there, that this does fall this way because it would give me the opportunity to pull together the necessary things for the management of the Justice Department without requiring a tremendous amount of time that would be spent in this area.

Senator Byrd. You have no question, though, that with respect to the above matters that were included in the lead-off paragraph that the Special Prosecutor has full authority to conduct such proceedings?

Senator Saxbe. No, and I welcome it.

Senator Byrd. Do you recognize your full authority, also, Mr. Jaworski?

Mr. Jaworski. I do. Yes, sir.

Senator Byrd. And you intend to carry it out?

Mr. Jaworski. Yes, sir. It is coincidental, but this morning I asked Judge Sirica for the impanelling of another Grand Jury. There are so many matters that we have presented, that we feel the need of it and I am sure that he will appoint a Grand Jury this morning.

Senator Byrd. Okay. Proceeding to the next clause in the Bill of Particulars. "In particular, the Special Prosecutor shall have full authority with respect to "reviewing all documentary evidence available from any source as to which he shall have full access."

Do you recognize that you have that full authority, Mr. Jaworski?

Mr. Jaworski. Yes, sir, Senator Byrd. I think I can say, in fact, there is no reason why it should not be stated publicly, certainly to this Committee, I have a representative from my office who is in the White House right now going through files that I have asked to do this, and this is all done under very careful scrutiny. But, there are a number of files that need examination, and a number of documents we are interested in and those files are being made available to us, and we intend to search for each document which we believe is in existence and which we feel we should have.

Senator Byrd. Mr. Saxbe, you have no intention to attempt to interfere with the full authority of the Special Prosecutor in this regard?

Senator Saxbe. I do not.

Senator Byrd. Continuing: "In particular, the Special Prosecutor shall have full authority for determining whether or not to contest the assertion of 'Executive Privilege' or any other testimonial privilege."

Do you recognize your full authority, Mr. Jaworski, and do you assure this Committee, based upon your honor and your good name, that you will fulfill to the very best of your ability, the thrust of that paragraph?

Mr. Jaworski. I do, sir.

Senator Byrd. Mr. Saxbe, would you have any intention now or in the future to attempt in any way to interpose yourself, your office or your command, or to intervene in any way between the carrying out by Mr. Jaworski, or any Special Prosecutor, of his obligations under that paragraph, and I will read it again:

"The Special Prosecutor shall have full authority for determing whether or not to contest the assertion of 'Executive Privilege' or any other testimonial privilege."

Senator Saxbe. No. I have no reservation on that.

Senator BYRD. And you would not attempt to interfere with the responsibility of the Special Prosecutor as stated clearly in that paragraph?

Senator SAXBE. That is correct.

Senator BYRD. "In particular, the Special Prosecutor shall have full authority for determining whether or not application should be made to any Federal court for a grant of immunity to any witness, consistent with applicable statutory requirements or for warrants, subpoenas, or other court orders."

Do you have any compunctions, Mr. Jaworski, in carrying out your responsibility under that paragraph?

Mr. JAWORSKI. I have none, Senator.

Senator BYRD. Senator Saxbe?

Senator SAXBE. No, sir.

Senator BYRD. You have no compunctions and you will support Mr. Jaworski in his efforts?

Senator SAXBE. I will.

Senator BYRD. "In particular, the Special Prosecutor shall have full authority for deciding whether or not to prosecute any individual, firm, corporation or group of individuals."

Mr. Jaworski, do you have any compunction or any inhibitions against doing this to the full letter and intent of the paragraph and to the extent of your full vigor and ability?

Mr. JAROWSKI. I intend to do so, yes, sir.

Senator BYRD. Senator Saxbe, do you assure this Committee that you will in no way attempt to interfere with Mr. Jaworski in the carrying out of that requirement that I have just read?

Senator SAXBE. I have no reservation.

Senator BYRD. In particular, the Special Prosecutor shall have full authority for initiating and conducting prosecutions, framing indictments, filing informations and handling all aspects of any cases within its jurisdiction (whether initiated before or after his assumption of duties), including all appeals."

Are there any questions, Mr. Jarowski, with respect to that paragraph? Do you intend to pursue that paragraph and the requirements of it to the best of your ability, to your complete ability and without reservation?

Mr. JAWORSKI. I intend to, yes, sir.

Senator BYRD. Mr. Saxbe, will you support Mr. Jarowski in his carrying out of his responsibility under that paragraph without reservations?

Senator SAXBE. I will.

Senator BYRD. "In particular, the Special Prosecutor shall have full authority for coordinating and directing the activities of all Department of Justice personnel including United States Attorneys."

Mr. Jaworski, what is your interpretation of that paragraph?

Mr. JAWORSKI. Well, it has not been frequently exercised but, in fact, if we want it, if our office——

Senator BYRD. Mr. Chairman, may we have better order in the hearing room?

Senator HART (presiding). Those who are guests please attempt to avoid the spittoons and otherwise. And I think it would help, Senator Byrd, if our witnesses would speak into those microphones.

Senator BYRD. Thank you, Mr. Chairman.

Mr. JAWORSKI. Thank you, Senator. We do have the jurisdiction to ask United States Attorneys to withhold action and for the jurisdiction over that particular matter to be placed and left in our hands. And in instances where the United States Attorney proceeds with the prosecution, as is true, for instance, in the New York Vesco case, the United States Attorney really is acting subject to our direction, if we choose to exercise it. And in that particular case that I just mentioned, the Vesco case, we are keeping up with developments very closely and should it become necessary for us to take a particular or participate in some respects, take particular action, and perhaps even give some specific direction, we would do so. We would have the authority, Senator Byrd, under that provision.

Senator BYRD. Well, I will repeat it again: "And, in particular, the Special Prosecutor shall have full authority with respect to the above matters" referring to the leadoff paragraph, the all-encompassing generalized phraseology, "full authority with respect to the above matters for coordinating and directing the activities of all Department of Justice personnel, including the United States attorneys."

Does this give you any problem, Mr. Saxbe, this paragraph?

Senator SAXBE. There is none.

Senator BYRD. You do not question the authority of Mr. Jaworski in this area?

Senator SAXBE. No. It is my understanding in the whole approach to this section of law that these rules, that every effort will be made by the Justice Department to cooperate with the Special Prosecutor and that would mean the several thousand attorneys over there that might be able to contribute something could, if necessary, be called upon.

Senator BYRD. In particular, and this is the last of the Bill of Particulars: "In particular, the Special Prosecutor shall have full authority with respect to the above matters for dealing with and appearing before Congressional Committees having jurisdiction over any aspect of the above matters and determining what documents, information and assistance shall be provided to such committees."

Do you understand, Mr. Jaworski, in agreeing to this area of guidelines, that it is intended for you to have full authority to deal with and appear before Congressional Committees having jurisdiction over any aspect of this whole matter?

Mr. JAWORSKI. Yes, sir.

Senator BYRD. You have no——

Mr. JAWORSKI. I have no qualms about it.

Senator BYRD. No qualms about coming before the appropriate commitee or asking to come before the appropriate committees in order to fulfill the requirements of this paragraph?

Mr. JAWORSKI. None at all and I would do so.

Senator BYRD. Mr. Saxbe, would you intend in any way to inhibit Mr. Jaworksi from doing so?

Senator SAXBE. I would not.

Senator BYRD. "In exercising this authority" meaning all of the foregoing authority "the Special Prosecutor will have the greatest degree of independence that is consistent with the Attorney General's statutory accountability for all matters falling within the jurisdiction of the Department of Justice."

Mr. Saxbe, how do you interprete the word "consistent" as it is used in this context? And may I read it again. I know you are fully conversant with this paragraph, but for the convenience of the record, let me read it again:

"In exercising this authority" all of the foregoing the Bill of Particulars, "the Special Prosecutor will have the greatest degree" not great degree but greatest degree, "of independence that is consistent with the Attorney General's statutory accountability for all matters falling within the jurisdiction of the Department of Justice."

Senator SAXBE. I think this means exactly what it says, that "consistent" is a word of art and means that if something is not in violation of the statutory provisions of the Attorney General's Office, that it is vested with the Special Prosecutor. These go on, as you know, to several volumes of the U.S. Code, the duties and obligations of the Department of Justice, and it is used only for a purpose of pulling them together so that they do not have to all be related.

Senator BYRD. What do you see as your statutory accountability as Attorney General, Mr. Saxbe? What do you see as your "statutory accountability" with which the Special Prosecutor's independence would have to be consistent?

Senator SAXBE. The statute, and as I say there are several volumes, sets out that the Attorney General shall do this, the Office of Attorney General shall prosecute, the Office of the Attorney General shall bring this action, shall bring that action. Those are directions and limitations on the Attorney General and the Special Prosecutor could do nothing that exceeded these limits or authorization.

Senator BYRD. In response to the same question—in essence, the same questions from me—Mr. Richardson said this:

"Let me just say for myself, Senator Byrd, that I know very well what this language means. The language reflects the understanding I have with Mr. Cox. I would not demand information under any foreseeable circumstances because I would be aware that I had already made clear that this was not the reserved right that I intended to maintain. The phrase 'statutory accountability' is designed to fulfill a narrower function, primarily to avoid the necessity for an amendment of the law and make it possible through the exercise of the statutory role of the Attorney General to make the delegations of authority that are set forth here.

"I might summarize the elements of statutory accountability, and I see them under five headings."

Now, these are the five headings as were enumerated by Mr. Richardson:

"The first is the appointment of the Special Prosecutor himself. The second is the delegation to him of the full authority set forth in these guidelines. The third is the provision to him of any backup of his authority that the Attorney General in the exercise of his own statutory functions can provide. The fourth is the provision of administrative and staff support. And the fifth and last is the reserve power of removal which is expressed here as subject only to extraordinary impropriety on the part of the Special Prosecutor."

This is the interpretation that was made by Mr. Richardson of the phrase "statutory accountability". Would you subscribe to Mr. Richardson's definition of that phrase?

Senator SAXBE. Yes, but I take a much broader view. I think the statutory authority extends to a great many things that existed long before the Special Prosecutor was established. And the Special Prosecutor is bound by those just as the Attorney General is bound. But, I see nothing inconsistent with what he said.

Senator BYRD. Well, taking your broader definition, Mr. Saxbe, do you see anything in the statute that would be inconsistent with the requirements that are placed on Mr. Jaworski by the guidelines?

Senator SAXBE. No, I do not see anything inconsistent. I think there are certain limitations, for instance, on wire taps. I do not think that Mr. Jaworski could authorize wire taps.

Senator BYRD. But the guidelines do not give him the authority to authorize wire taps.

Senator SAXBE. No. That is what I am talking about and such an authority would be inconsistent.

Senator BYRD. Well, but no such authority is in the guidelines. Do you see any inconsistency between the authority and the responsibility placed upon Mr. Jaworski by the guidelines——

Senator SAXBE. No.

Senator BYRD. And the statutes for which you have statutory accountability?

Senator SAXBE. No, I do not. As I say, there are volumes on this but I do not see, and I am sure that Mr. Jaworski is just as aware of this as I am, and has and will continue to operate within that statutory authority and limitations.

Senator Byrd. "The Attorney General will not countermand or interfere with the Special Prosecutor's decisions or actions."

Do you subscribe to that?

Senator Saxbe. I do.

Senator Byrd. That is a mandate by the guidelines. Do you subscribe to that—that you will not countermand or interfere with the Special Prosecutor's decisions or actions?

Senator Saxbe. That is correct.

Senator Byrd. Do you subscribe to that?

Senator Saxbe. My understanding is he will operate completely independent, and the only time that he will have contact with me is when he wants something that I can provide him.

Senator Byrd. And you will not countermand or interfere with the Special Prosecutor's decisions or actions?

Senator Saxbe. That is correct.

Senator Byrd. You say, "That is correct." That means you will not?

Senator Saxbe. I will not.

Senator Byrd. "The Special Prosecutor will determine whether and to what extent he will inform or consult with the Attorney General about the conduct of his duties and responsibilities."

Do you understand what your responsibility is and what your authority is under that guideline, Mr. Jaworski?

Mr. Jaworski. I do, sir.

Senator Byrd. And do you intend to live up to the guideline and see that it is applied in this regard?

Mr. Jaworski. I do.

Senator Byrd. Mr. Saxbe, you are satisfied, are you, that this is the requirement?

Senator Saxbe. I am not only satisfied, I am well pleased.

Senator Byrd. And you have no intention whatsoever, in any manner, shape or form, of attemping to require the Special Prosecutor to inform or consult with you about the conduct of his duties and responsibilities except when he determines that he should consult you?

Senator Saxbe. That is correct. The last thing I want is to become involved in this investigation. Frankly, there is much to be done in the Justice Department and it cannot be done if the Attorney General is involved in this deep investigation.

Senator Byrd. The guidelines, as amended in November by Mr. Bork, proceed as follows:

"In accordance with assurances given by the President to the Attorney General that the President will not exercise his Constitutional Powers to effect the discharge of the Special Prosecutor or to limit the independence that he is hereby given, the Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part and without the President's first consulting the majority and the minority leaders and Chairman and Ranking Minority Members of the Judiciary Committees of the Senate and House of Representatives and ascertaining that their consensus is in accord with his proposed action."

Mr. Jaworski, this area of the guidelines is new. It was not in the guidelines that were agreed upon between this Committee and Mr. Richardson. And to this extent, I think the amendment is a limitation on those guidelines. This paragraph was later further amended. On November 28, it was further amended by adding the additional words and punctuation "and (No. 2) the jurisdiction of the Special Prosecutor will not be limited without the President first consulting with such Members of Congress, and ascertaining that their consensus is in accord with his proposed action."

Now, I am concerned about this phraseology. It definitely is a limiting factor, in my judgment. It was not in the original charter that was agreed to among Mr. Richardson, Mr. Cox, and this Committee. It was not even in the first amended version that appeared in the Federal Register on November 7, 1973, and it can only have the effect of eroding and limiting the jurisdiction of the Special Prosecutor. It is an erosion of your earlier authority, pure and simple, in my opinion.

What do you understand, Mr. Jaworski, to have been the "assurances" given by the President to the Attorney General that the President will not exercise his Constitutional Power to effect the discharge of the Special Prosecutor or to limit the independence that he is hereby given?

Mr. Jaworski. When I say, Senator Byrd, when the language you last read was called to my attention, I talked with Mr. Bork, the Acting Attorney General about it and told him that I wondered what was meant by that language, that there was a feeling on the part of some that it might well, as you have expressed it, Senator Byrd, be construed as limiting jurisdiction. And he told me that the use of the word "jurisdictional" was very unfortunate, that he really did not intend to use it in the sense in which it appears in that language, and what he really meant was independence instead of jurisdiction. He promptly wrote me a letter to that effect and the letter, I think, was publicized, it is my recollection, and I know that he, in this letter, said that he wanted to reassure me that it was not intended at all to constitute any sort of limitation on the exercise of my authority as heretofore stated.

Senator Byrd. So Mr. Bork was saying to you he had intended the word "independence" rather than the word "jurisdiction?"

Mr. Jaworski. Yes, sir.

Senator Byrd. Do they both not mean the same thing, depending on who wishes to interpret them? If I wanted to limit your jurisdiction, I would just as soon limit your independence. As a matter of fact, if I were to limit your independence, I would probably be placing a greater limitation on you than I would by limiting your jurisdiction.

Mr. Jaworski. What he meant to say and I am reporting to you what he did say over the telephone, when I received the letter—unfortunately, I do not have a copy of it with me, but I understand that it was reproduced in the Federal Register—when I received the letter it made it very clear that there was no intent of any kind to either interfere with independence or jurisdiction.

Senator Byrd. That letter did not appear in the Federal Register.

Mr. Jaworski. It did not? I am sorry, then. I thought that it would.

Senator Byrd. Then you think it should so appear?

Mr. Jaworski. I think it would be well to, yes, sir. It is a letter that I certainly attached some significance to.

Senator Byrd. Do you see any reason why that letter could not be inserted in the Federal Register?

Mr. Jaworski. I do not, although I am not an authority on that. But, I do not see any reason why it should not be. Certainly, when it makes reference——

Senator Byrd. Would you submit the letter to this Committee for its inclusion in the hearing?

Mr. Jaworski. Indeed so.

Senator Byrd. What do you think is meant by "assurances, given by the President"?

Mr. Jaworski. Senator Byrd, what happened as I undertook in detail in this Committee, and I am pleased to have the opportunity to tell you about it, because you were not present at the time. But what occurred is at the time, I was seeking all of the independence that I could think of. I had the assurance given me by General Haig, and I will tell you in a moment——

Senator Byrd. Would you speak a little louder, Mr. Jaworski?

Mr. Jaworski. Yes. And I will state in a moment the course of events as they occurred. But, when General Haig and I came to an understanding, as far as I was concerned, an understanding that he was to present to the President and the President was to approve it or reject it, it included, as agreed upon, my unrestrained right to resort to judicial process.

Senator Byrd. Is this in writing?

Mr. Jaworski. No, sir. It has been, I think, publicly stated by the President since then in one of his conferences or public statements.

Senator Byrd. What has he stated?

Mr. Jaworski. That I would have the right to file suit.

Senator Byrd. The President has said that?

Mr. Jaworski. Yes. It is my understanding that it was said. In fact, I think I may have heard it. I did not hear that entire conference, but it was stated in that. And, in addition, there was set up, as you know, this——

Senator Byrd. Well, this phraseology, however, refers to assurances given by the President to the Attorney General.

Mr. Jaworski. That is correct.

Senator Byrd. Now what——

Mr. Jaworski. And I am trying to detail or have undertaken to detail the assurances that were given to me before I accepted the assignment, Senator.

Senator Byrd. The assurances given to you by whom?

Mr. Jaworski. Given to me by General Haig after reviewing them with the President and coming back and saying the President had agreed to them. Now, after that, the matter was again reviewed in the presence of Senator Saxbe and Mr. Bork, not only what I had detailed with respect to the right to resort to judicial process, but also the right to come to the Congressional Committee that you are aware of, in the event that an impasse should occur between the President and me and Mr. Saxbe. Senator Saxbe at that time assured me that should he become Attorney General, he would abide by that, and Mr. Bork agreed to it, too.

Senator Byrd. Would you supply for the record the assurances which you were given by Mr. Bork, Mr. Haig and by Mr. Saxbe?

Mr. Jaworski. I will do so, yes, sir.

Senator Byrd. Did you have the understanding that, in receiving these assurances from General Haig and Mr. Bork, they were assurances that had been given by the President?

Mr. Jaworski. My understanding was that this followed, the course of events was my talk with Senator Saxbe after he had talked with the President. That was my understanding. And now how Mr. Bork received that information, I am not aware of, but I recall that Senator Saxbe mentioned that he had talked with the President. And, as I mentioned, Senator Saxbe agreed to this. But I will, as you have asked, I will supply in writting these assurances for the Committee so that they can be made a part of the record.

Senator Byrd. Very well.

(Subsequently, Mr. Jaworski supplied the following material for the record:)

Office of the Solicitor General,
Washington, D.C., November 21, 1973.

Leon Jaworski, Esq.,
Special Prosecutor, Watergate Special Prosecution Force, Washington, D.C.

Dear Mr. Jaworski: You have informed me that the amendment to your charter of November 19, 1973 has been questioned by some members of the press. This letter is to confirm what I told you in our telephone conversation. The amendment of November 19, 1973 was intended to be, and is, a safeguard of your independence.

The President has given his assurance that he would not exercise his constitutional powers either to discharge the Special Prosecutor or to limit the independence of the Special Prosecutor without first consulting the Majority and Minority leaders and chairmen and ranking members of the Judiciary Committees of the Senate and the House, and ascertaining that their consensus is in accord with his proposed action.

When that assurance was worked into the charter, the draftsman inadvertently used a form of words that might have been construed as applying the President's assurance only to the subject of discharge. This was subsequently pointed out to me by an assistant and I had the amendment of November 19 drafted in order to put beyond question that the assurance given applied to your independence under the charter and not merely to the subject of discharge.

There is in my judgment, no possibility whatever that the topics of discharge or limitation of independence will ever be of more than hypothetical interest. I write this letter only to repeat what you already know: the recent amendment to your charter was to correct an ambiguous phrasing and thus to make clear that the assurances concerning congressional consultation and consensus apply to all aspects of your independence.

Sincerely,

Robert H. Bork,
Acting Attorney General.

Watergate Special
Prosecution Force,
Washington, D.C., December 19, 1973.
Hon. James O. Eastland,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: In the course of my testimony before the Senate Judiciary Committee, Senator Byrd requested me to furnish the Committee a written summary of my understanding of the arrangement made with the President through General Haig (and confirmed by Acting Attorney General Robert H. Bork and Attorney General-nominee, William B. Saxbe) regarding the independence I was to have in serving as Watergate Special Prosecutor. I agreed to do so and the statement below is made in compliance with my promise.

It was expressly confirmed that I was to proceed in the discharge of my responsibilities with complete independence, including the right to sue the President, if necessary, and that if an impasse occurred between us, the President would not discharge me or take any action that interfered with my independence without first consulting the Majority and Minority leaders and chairmen and ranking members of the Judiciary Committees of the Senate and the House, and obtaining a consensus view that accorded with his proposed action.

Sincerely yours,

Leon Jaworski,
Special Prosecutor.

Senator Byrd. Mr. Chairman, it is my understanding that there is a desire to recess the Committee now over until 2:30.

Senator Hart. As Chairman Eastland left, it was his suggestion, and I think given the time that we have held these witnesses to this moment, it would make sense to recess now until 2:30.

Senator Byrd. I agree, Mr. Chairman.

Senator Cook. Mr. Chairman?

Senator Hart. Mr. Cook?

Senator Cook. Mr. Chairman, I wonder if I might be able to make a short statement——

Senator Hart. But we can excuse the witnesses.

Senator Cook. If I might make a statement right at 2:30? I do have a Conference Committee this afternoon and I wonder if I might do so, so that I can leave?

Senator Byrd. And I understand that following Senator Cook, I shall continue with my questions?

Senator Hart. Yes.

(Whereupon, at 12:35 p.m., the hearing was recessed to reconvene at 2:30 p..m. this same day.)

AFTERNOON SESSION

The Chairman. Let's have order, please.

Senator Cook. Mr. Chairman, I would like to thank the Senator from West Virginia for giving me the opportunity to make a very short number of remarks into the record because I am due at a conference committee in the Capitol, and I will proceed.

Mr. Chairman, I find it very difficult to be formal with Bill Saxbe, I have to confess. Bill and Dolly Saxbe are the finest and closest friends that Nancy Cook and I have gained since we came to Washington in 1969. We have as families been together on many, many occasions.

Other than Bill's ability to be a used car salesman and his unfortunate attitude towards the Ohio River and the Commonwealth of Kentucky, I find him one of the most honest and one of the most refreshing men in the United States today. He is blunt. He is completely frank. He has a mind that is quick to analyze and is sometimes instantaneous to reply.

I feel he has assumed this job and the responsibility of it, if it is the desire of the Senate to confirm him, because of his deep commitment to the law and to his profession. I know that he feels that the profession has been deeply hurt by past disclosure of activities. I feel that it is his commitment to restore integrity to a profession that he has an uncompromising love for, and a dedication to, that he finds himself in this position today, Mr. Chairman. He spoke and made his decision to leave the United States Senate and go back to Ohio and practice law. The President asked him to assume the responsibility, and he has accepted that challenge as any man would.

Mr. Chairman, this individual shall miss him and the Senate shall miss him in his present role. However, the country will find him a welcome and honest and forthright Attorney General.

Mr. Chairman, they will find him a man who under no circumstances will ever cut and run.

I want to congratulate him for this appointment and I look forward to working with him in the position that he shall assume.

Senator Saxbe. Thank you very much.

Senator Cook. Thank you, Mr. Chairman.

The Chairman. Senator Byrd.

Senator Byrd. Thank you, Mr. Chairman.

Mr. Jaworski, earlier, prior to the recess, we discussed the phrase that I read into the record that was extracted from Mr. Richardson's statement, the phrase "statutory accountability."

Are you satisfied with Senator Saxbe's responses to my questions as to his interpretation of that phrase?

Mr. Jaworski. Yes, sir.

I feel as he does that there are certain things that our office would not have the right to do. There are certain guidelines that we must observe, just as the members of the Attorney General's Department and the Justice Department must observe. Obviously I would want to observe those.

He cited an example which I think is probably a good one. I can think of one or two others. Certainly we would undertake and abide by those. I do not think that impinges any on what I spoke of.

Senator Byrd. You see no inconsistency with what Senator Saxbe said as against the mandate and guidelines?

Mr. Jaworski. I do not, sir.

Senator Byrd. You also indicated that you would supply for the record a letter addressed to you from Robert H. Bork, Acting Attorney General, with respect to the amendment of the guidelines.

You have supplied me with that letter. I will read it into the record.

"November 21, 1973, Leon Jaworski, Esq., Special Prosecutor, Watergate Special Prosecution Force, 1425 K Street, N.W., Washington, D.C. 20005.

"Dear Mr. Jaworski: You have informed me that the amendment to your charter of November 19, 1973 has been questioned by some members of the press. This letter is to confirm what I told you in our telephone conversation. The amendment of November 19, 1973 was intended to be, and is, a safeguard of your independence.

"The President has given his assurance that he would not exercise his constitutional powers either to discharge the Special Prosecutor or to limit the independence of the Special Prosecutor without first consulting the Majority and Minority leaders and chairman and ranking members of the Judiciary Committees of the Senate and the House, and ascertaining that their consensus is in accord with his proposed action.

"When that assurance was worked into the charter, the draftsman inadvertently used a form of words that might have been construed as applying the President's assurance only to the subject of discharge. This was subsequently pointed out to me by an assistant and I had the amendment of November 19 drafted in order to put beyond question that the assurance given applied to your independence under the charter and not merely to the subject of discharge.

"There is, in my judgment, no possibility whatever that the topics of discharge or limitation of independence will ever be of more than hypothetical interest. I write this letter only to repeat what you already know: the recent amendment to your charter was to correct an ambiguous phrasing and thus to make clear that the assurances concerning congressional consultation and consensus apply to all aspects of your independence."

Does this letter fully satisfy you as to your independence and as to the assurances "that the President has given," that he will not exercise his constitutional powers either to discharge you or limit your independence without first consulting the Majority and Minority leaders, et al.?

Mr. Jaworski. Senator Byrd, this is in line with what I sought. I will be entirely candid and say to you that I sought the maximum of what I could think of at the time, and if I could have thought of some other safeguards, I would have asked for them. I think the matters that you have covered today have been clarifying, and certainly it nails down some matters that someone might have had some doubt about or might have questioned.

I personally have proceeded—I hope I have not been naive—I personally proceeded on the theory that I had complete independence. I will say that I have certainly exercised it in several respects, and no one has undertaken to call my hand.

If it should come to pass that someone should and I thought that I was right, I would come to consult the Committee that has been set up for such purposes.

Senator Byrd. Say that again.

Mr. Jaworski. If anyone should disagree with me as to what I am doing, particularly the President, if he should disagree and I felt that I was within my responsibility, carrying out the functions of my office, I would not hesitate to come to the Committee that has been set up and report to them for the purpose of their knowing exactly what the situation was so that the impasse could be resolved, if possible.

Senator Byrd. Would you also not hesitate, as Professor Cox did not hesitate, to call a press conference and make known to the people of this Nation the fact that you were being asked—if you were being asked—to do what, in your conscience, you could not do?

Mr. Jaworski. I would make it known. This does not relate to my right to go to court. I would do that without even calling a press conference or going anywhere. I think if I conclude that it is necessary for me to resort to the judicial process, I have been assured that I will have that avenue open to me. I intend to exercise that regardless of what disagreement may arise.

Senator BYRD. If later, if the word is conveyed to you through the Attorney General or otherwise that you no longer have that assurance, will you still pursue the judicial process of securing evidence from the White House with regard to any individual or group or individuals?

Mr. JAWORSKI. I would not hesitate at all. I would indeed, sir.

Senator HART. Would the Senator from West Virginia permit me one question?

Senator BYRD. Yes.

Senator HART. Do I understand, Mr. Jaworski, that if disagreement developed between you and anyone, including the President, with respect to, for example, your jurisdiction to pursue an inquiry or otherwise, while you might come and consult the Congressional leadership committee provided for in the regulations, even if that Congressional leadership committee by a consensus disagreed with you, you would not feel that would bar you from pursuing the question in court?

Mr. JAWORSKI. If it related to a question in court, Senator Hart, I would proceed without coming to the Committee. I would feel that I had that right to resort to the judicial process. If it related to some matter, some area that does not relate to my going to court, then I would come to the Committee if an effort were made either to hamper me or if I received instructions, directions not to proceed in that course.

Senator HART. Thank you, Senator.

Senator BYRD. Thank you.

If you feel, Mr. Jaworski, that your jurisdiction is being limited or that you are being asked to limit your jurisdiction as set forth under the guidelines, would you feel free to come before that ad hoc committee which is mentioned in the guidelines, as well as before this Committee to make your case? You would have no inhibitions about going public, with such a problem if it should arise?

Mr. JAWORSKI. None whatever.

Senator BYRD. Do you, in view of the clarifying letter of November 21, 1973, written by Bork, feel any uneasiness or any insecurity whatsoever regarding the authority that has been outlined in the guidelines and wherein your duty lies?

Mr. JAWORSKI. No, sir, I do not.

Senator BYRD. Then the amendment of the guideline which was first published in the Federal Register on November 7th and the subsequent amendment of the amendment, which was published on November 28th, cause you no problem? It gives you no concern? It leaves you no area of uncertainty, with the letter from Mr. Bork as a clarification thereof?

Mr. JAWORSKI. Yes, sir, they do not. I feel that way about it. I should perhaps add that when I talked to Mr. Bork about the matter, he responded immediately that he did not intend for the wording to be as it was. He said that he would write a clarifying letter immediately. In other words, I did not have to argue the matter. He offered to do it.

Senator BYRD. Paragraph I under Staff and Resource Support, Selection of Staff. "The Special Prosecutor shall have full authority to organize, select and hire his own staff of attorneys and investigators, and supporting personnel on a full or part time basis, in such numbers and with such qualifications as he may reasonably require. He may request the Assistant Attorneys General and other officers of the Department of Justice to assign such personnel and to provide such other assistance as he may reasonably require. All personnel in the Department of Justice, including the United States Attorneys, shall cooperate to the fullest extent possible with the Special Prosecutor."

Thus far, have all personnel under the Department of Justice, including the U.S. Attorneys, cooperated to the fullest extent possible with you, Mr. Jaworski?

Mr. JAWORSKI. I have had no difficulty whatsoever.

Senator BYRD. Do you understand that you have full authority, and has it been made clear to you that you do have full authority, and has that full authority been questioned at any time with respect to the organization, selection and hiring of your staff of attorneys, investigators and supporting personnel on a full or part time basis and in such numbers and with such qualifications as you so reasonably require?

Mr. JAWORSKI. It has not been questioned, Senator Byrd. I have exercised my free thinking and prerogatives with respect to it.

Senator BYRD. Mr. Saxbe, will the Special Prosecutor have the full authority granted in that paragraph?

Senator SAXBE. He will.

Senator BYRD. Budget. 'The Special Prosecutor will be provided with such funds and facilities to carry out his responsibilities as he may reasonably require. He shall have the right to submit the budget requests for funds, positions and other assistance and such requests shall receive the highest priority."

Mr. Jaworski, would you have any hesitation about submitting budget requests for funds, positions and other assistance which you deem to be necessary in the carrying out of your responsibilities under the guidelines?

Mr. JAWORSKI. I would have no reticence about requesting it. I have not had to do it so far because this was attended to before I arrived, Senator Byrd. I will certainly do so in the future as the need arises.

Senator BYRD. Senator Saxbe, as far as you are concerned, would any requests from Mr. Jaworski have the highest priority?

Senator SAXBE. Yes.

Senator BYRD. Designations and Responsibilities. "Personnel acting as staff and assistants of the Special Prosecutor will be known as the Watergate Special Prosecuting Force and shall be responsible only to the Special Prosecutor."

Does that meet with your concurrence, Mr. Saxbe, that the personnel acting as the staff and assistants to the Special Prosecutor shall be responsible only to the Special Prosecutor?

Senator SAXBE. I agree.

Senator BYRD. Responsibilities of the Assistant Attorney General, Criminal Division: "Except for the specific investigative and prosecutorial duties assigned to the Special Prosecutor, the Assistant Attorney General in charge of the Criminal Division will continue to exercise all the duties currently assigned to him."

Does that paragraph give you any problem, Mr. Jaworski?

Mr. JAWORSKI. No problem, sir.

Senator BYRD. Public reports. "The Special Prosecutor may, from time to time, make public such statements or reports as he deems appropriate and shall upon the completion of his assignments submit a final report to the appropriate persons or entities of the Congress."

Mr. JAWORSKI. Do you feel uninhibited, as a matter of fact, do you feel it is a duty of yours, from time to time, to make public such statements or reports as you deem appropriate?

Mr. JAWORSKI. I do.

I might say, Chairman Eastland asked for a report which I was in the process of drafting. Then there were some occurrences that changed what I would have reported because of some additional developments. I think the letter is going out, but I will report from time to time, and of course, answer any inquiries that this Committee or any other appropriate Congressional Committee may have.

Senator BYRD. Would you have any reluctance from time to time to make public such statements or reports as you yourself deem appropriate?

Mr. JAWORSKI. I certainly will not. You would be the first to recognize that there are many things about which I cannot talk, and have been refraining from.

Senator BYRD. But would you, in terms of the phraseology of this paragraph, from time to time make public such statements or reports as you deem appropriate?

Mr. JAWORSKI. I would, sir.

Senator BYRD. Would you be inclined to interfere in any way, Mr. Saxbe, with the Special Prosecutor in this regard?

Senator SAXBE. I would not.

Senator BYRD. Duration of assignment. "The Special Prosecutor will carry out these responsibilities to the fullest support of the Department of Justice until such time as he feels he has completed them or a time mutually agreed upon by the Attorney General and himself."

Mr. Jaworski, is it your intention to carry out these responsibilities with the fullest support of the Department of Justice until such time as in your judgment you have completed them?

Mr. JAWORSKI. It is, sir.

Senator BYRD. Mr. Saxbe, will the Department of Justice under your leadership supply Mr. Jaworski with the fullest support mentioned in this paragraph?

Senator SAXBE. Yes.

Senator BYRD. Mr. Chairman, I ask unanimous consent to insert in the record—I have already read it into the record—or keep in the Committee files the letter to Mr. Jaworski from Mr. Bork, dated November 21, 1973.

The CHAIRMAN. Is it already in the record?

Senator BYRD. To my knowledge it is not.

The CHAIRMAN. It will be admitted into the record.

Senator BYRD. Civil Action 1964–73, United States District Court for the District of Columbia, Ralph Nader, Senator Frank E. Moss, Representative Bella Abzug and Representative Jerome R. Waldie, Defendant and Plaintiffs versus Robert J. Bork, the Acting Attorney General of the United States. Judge Cassell rendered a decision declaring on the power of the court that Archibald Cox, appointed Watergate Special Prosecutor pursuant to 28 CFR 0.37, 1973, was illegally discharged from that office.

How do you view that decision, Mr. Saxbe?

Senator SAXBE. I think that the decision of the court was in error.

Senator BYRD. You think it was in error?

Senator SAXBE. Yes.

Senator BYRD. On what basis?

Senator SAXBE. The powers and the authorities of the original charter did not have any provision which prevented the Attorney General from discharging the Special Counsel. I understand there were various agreements that such would not happen, but I think that the existence of the amended charter is evidence that there was wanting such protection in the original charter, and this case will be appealed and we will have to await the outcome of it.

Senator BYRD. The court said, I quote, "the firing of Archibald Cox in the absence of a finding of extraordinary impropriety was in clear violation of existing Justice Department regulation having the force of a law and was therefore illegal."

Do you feel that there was a finding of extraordinary impropriety on the part of Mr. Cox's actions which would justify the firing?

Senator SAXBE. Obviously there was, whether it is in the record or not I do not know.

Senator BYRD. You have no facts to back that statement up, that there was extraordinary impropriety?

Senator SAXBE. No, sir.

Senator BYRD. You have no facts.

Is it merely an opinion of yours that Mr. Cox was guilty of some extraordinary impropriety?

Senator SAXBE. I think you can only go on the strength of the fact that the Attorney General or Acting Attorney General had the authority on his own determination to fire Mr. Cox. I think he acted on his own determination.

Senator Byrd. Was he not precluded, however, from firing Mr. Cox except for an "extraordinary impropriety?"

Senator Saxbe. I think that was in the charter. He had to find an impropriety, and I think he did. But——

Senator Byrd. The Attorney General did not find that impropriety. The Attorney General resigned. His assistant resigned. Mr. Bork did not find the extraordinary impropriety. He only carried out the order of the President.

How do you arrive at the conclusion that the Attorney General found an extraordinary impropriety?

Senator Saxbe. You have to base it on the fact that he did proceed to fire him, and that he had the power to do it.

Senator Byrd. But only at the order of the President.

Senator Saxbe. We are talking about what is at issue in the case and what is going to be argued in the Court of Appeals and probably the Supreme Court.

Senator Byrd. The general impression is—I think I can give the public perception pretty accurately—that Mr. Cox was fired because he refused to agree that he would not continue to pursue, through the judicial process, the securing of evidence that was under the control of the White House.

Before this Committee, both Mr. Cox and Attorney General Richardson had stated under oath that such evidence would be pursued through the judicial process. Mr. Cox was carrying out his responsibility as he had sworn to carry it out.

Would you consider this to be an extraordinary impropriety?

Senator Saxbe. Whether I consider it that or not is not the issue. It is whether Mr. Bork considered it. That is the whole issue of the case.

Senator Byrd. But there is no indication that Mr. Bork considered it such, or that the firing was done according to his wishes. The indication was, in the public press, that he did not want to do this and that he had considered not doing it. He only carried out the will of the President, as expressed in the President's order to fire.

Senator Saxbe. I have not read the brief in the case. I can only reassert that from the action of Mr. Bork, he based it on the powers which he believed he had.

Senator Byrd. Let us come to this question.

Suppose the President orders you to fire Mr. Jaworski because Mr. Jaworski pursues, through the judicial process, the securing of evidence which is in the control of the White House?

Do you intend to carry out such an order from the President?

Senator Saxbe. I would not attempt to fire Mr. Jaworski nor would I resign.

Senator Byrd. Suppose you were told to either fire Mr. Jaworski or you were going to get fired, what would your answer be?

Senator Saxbe. The President has the right to fire me any time he wants to for any reason. That is based in the Stanton case.

Senator Byrd. You are stating before this Committee, under oath, that you would not fire Mr. Jaworski on the orders of the President, such orders being based solely on the actions by Mr. Jaworski to pursue through the judicial process the securing of evidence from the White House?

Senator Saxbe. Not only that, but I am bound by the consensus agreement in addition to that.

Senator Byrd. Suppose the consensus of the various parties mentioned in the guidelines was to the effect that the Special Prosecutor should be removed from his duties, but in your own judgment he was not guilty of any extraordinary improprieties, and that he was doing only what he said before this Committee that he would do, and he was trying, through the judicial process, to get evidence—that evidence, in the hypothetical case, being in the possession of someone at the White House.

Would you fire him?

Senator Saxbe. You are going on the assumption that six of the eight would volunteer their advice to me. It says that you have to seek it. Obviously, if I do not think he should be fired I would not seek it. If they volunteer that he should be fired I would not pay any attention to them.

Senator Byrd. There is a coordinating conjunction here, the word "and". He will not be removed from his duties "except for extraordinary improprieties on his part *and* without the President first consulting the majority and the minority leaders and the Chairman and ranking minority members of the Judiciary Committees of the House and Senate *and* has obtained that their consensus is in accord with this action."

Suppose the President consults the majority and minority leaders and chairmen and ranking minority members of the Judiciary Committees of the Senate and the House of Representatives, and ascertains that their consensus is in accord with his proposed action, but it has not been shown convincingly to you that the Special Prosecutor is guilty of extraordinary improprieties on his part?

It seems to me you cannot do it with one. You have to do it with both of the requirements set forth.

Senator Saxbe. As a practicing attorney, I always ask my witnesses not to answer hypothetical questions.

Senator Byrd. But your witness was not nominated to be Attorney General.

Senator Saxbe. Yes. But you have to make an assumption that the President came to me and said, I want to fire this man. You take it to the eight delegated people. Now, if I felt at that time that he should not be fired I would so express it, and I would probably have been fired before he ever got to Congress.

Senator Byrd. The guideline does not say that the President will ask you to go to these people.

Senator Saxbe. I understand that.

Senator Byrd. The guidelines state, "without the President first consulting the minority and majority."

Why should he not be required to consult them?

These are the guidelines that have been written.

Senator Saxbe. Because this was the way it was written.

Senator Byrd. They were not written at your behest. They have been written with the support and acquiescence of the Administration. They establish a responsibility on the part of the President to consult these people himself.

Senator Saxbe. Yes.

Senator Byrd. Why would you not say, Mr. President, according to the guidelines, it is up to you to consult the committee?

Senator Saxbe. Well, as I say, I doubt if I would even be there at that time if I felt strongly that he was getting a bad deal.

Senator Byrd. Why would you not be there?

Senator Saxbe. He would fire me, which he has the authority to do for no reason at all. I do not have any of the protections that Mr. Jaworski has.

Senator Byrd. Supposing he did not fire you.

Senator Saxbe. Sir?

Senator Byrd. Suppose he did not fire you?

Senator Saxbe. I would express my attitude that he should not be fired .

Senator Byrd. The President did not fire Richardson. Richardson resigned.

Senator Saxbe. I have no intention of resigning.

Senator Byrd. That may be the very thing the White House would like most, for you to stay on the job, but to see that you carry out the President's orders to fire Jaworski.

Senator Saxbe. That is your supposition.

Senator Byrd. That is not a supposition.

Senator Saxbe. I have no answer to that.

Senator Byrd. Would you resign rather than carry out an order that you did not believe was ethical or just or fair?

Senator Saxbe. Was not ethical, just or fair?

Senator Byrd. Yes.

Senator Saxbe. No, I do not think that I should take this job with the idea that I am going to flounce out of there the first time that things do not go the way I think they should go, or somebody wants me to leave. The President has the authority to fire me at any time.

Senator Byrd. There is no question about that.

Senator Saxbe. Therefore, if things go badly I would expect that he would do just that. But——

Senator Byrd. You have not answered my question.

Senator Saxbe. All right.

Senator Byrd. Would you resign rather than carry out an order that, in your judgment, was not fair, was not ethical, and was not just?

Senator Saxbe. No, but I would not carry out the order, either.

Senator Byrd. You would make the President fire you?

Senator Saxbe. Absolutely.

Senator Byrd. Despite all the protections given to the Special Prosecutor by the guidelines in the "Federal Register", is it not true that all of these could be swept away by a revocation of the order in the "Register", or by amendments to the order defeating the purpose of the original guidelines, Mr. Jaworski?

Mr. Jaworski. I had not thought of it in those terms. I assume if somebody wanted to do so he could. He would have to go further. He would also have to violate an understanding and an agreement that I had. But I assume it could be done.

Senator Byrd. How do you feel about that, Mr. Saxbe?

Senator Saxbe. If they removed everything in there, I would stand by my word of what I have said here today.

Senator Byrd. Who would have to revoke or amend the order?

Would the Attorney General have to do that, or could someone else revoke or amend these guidelines?

Senator Saxbe. I do not believe that anyone but the Attorney General could do it.

Senator Byrd. In your judgment, could anybody else do it, Mr. Jaworski?

Mr. Jaworski. No, sir.

Senator Byrd. If the President or one of his top aides asked you to revoke the guidelines, what would you do, Mr. Saxbe?

Senator Saxbe. I would say I was bound by my word not to.

Senator Byrd. If the President or one of his top aides asked you to amend the guidelines, what would you do?

Senator Saxbe. The only way I would amend the guidelines is by agreement with Mr. Jaworski and by consultation with the Committee that put them together.

Senator Byrd. Mr. Jaworski, have you ever been asked to promise to resign if you feel that the executive branch is attempting to manipulate the Special Prosecutor for the protection of individuals in the executive branch?

Would you resign if you thought that the executive branch was attempting to manipulate you or to circumvent or restrict or limit your jurisdiction for the protection of individuals in the executive branch?

Mr. Jaworski. Senator Byrd, if that came to pass I would first come to the Congressional Committee and state my views to them. If I felt that I was acting within my authority and that it was really my responsibility to go forward, and I felt strongly about it and the Congressional Committee would not back me up, I would resign.

Senator BYRD. What Congressional Committee?

Mr. JAWORSKI. I had in mind the Committee that was set up for the purpose of taking my grievances in the event an impasse is reached between the President and me.

Senator BYRD. Would you also include the Judiciary Committees of both houses?

If not, why not?

Mr. JAWORSKI. I think that is a good question, Senator.

Senator BYRD. Would that not give you some additional comfort, reassurance, and backing?

Mr. JAWORSKI. It would give me a lot of comfort. It certainly would, if I came before this Committee and told them what the problem was and the Committee felt I was right. Of course, it would answer the problem. I would just stand by without resigning.

Senator BYRD. Does this Committee have your assurance that you will do that in the event such a contingency arises?

Mr. JAWORSKI. I am prepared to assure you that I will. Very frankly, I have not gone into this before, except perhaps by inference, but I would have no hesitation to come and lay the matter before this Committee as well.

Senator BYRD. Earlier today, Mr. Saxbe, you stated "I do not contemplate having much contact with Mr. Jaworski."

Mr. Richardson started out in a similar manner in the case of Mr. Cox. Mr. Richardson found later that he was by necessity being put into a position of either refusing to carry messages to Mr. Cox or, on the other hand, to carry those messages to Mr. Cox, or to field them himself and insulate Mr. Cox from those pressures.

I think one may assume that you also may be confronted with a similar situation, so that it would be very difficult for you to not have much contact with Mr. Jaworski. I am sure that is your full and clear intention today, just as it was with Mr. Richardson.

If you serve merely as a conduit to Mr. Jaworski, and each time someone at the White House calls and says, this fellow is going too far, he does not have the authority to do this, or he is exceeding his jurisdiction. Why do you not talk to him? What can you do about it, et cetera? The first thing you know, you may find yourself being a constant conduit to Mr. Jaworski, and he in turn will find himself being subjected to the water treatment drop by drop, drop by drop, until the constant pressure becomes unbearable.

If that develops, how do you see your position?

Are you going to be a mere conduit, so the pressures will not build up on you, but will instead be transferred through you to Mr. Jaworski?

Or are you going to attempt to protect him and insulate him from undue pressures from the White House, thus creating pressures on yourself?

Senator SAXBE. I would resist any inclination to do this, and I am a pretty good resistor.

Senator BYRD. That is not clear enough. You say you would resist any inclination to do this.

What do you mean?

Senator SAXBE. By being a conduit.

Senator BYRD. You would attempt to insulate Mr. Jaworski as best you could from undue pressures from the White House?

Senator SAXBE. That is what I consider to be part of my obligation with the charter.

Senator BYRD. What would you do about such de facto pressure on Mr. Jaworski, Mr. Saxbe, other than resist it?

What do you mean by resisting?

Would you tell those people down there to go to Sheol? Or would you say, "I do not think he is exceeding his authority, and unless you prove to me that he is exceeding his authority, I am not going to interfere?"

Senator SAXBE. The President in his discussion with me and the others that I talked to down there made no reservation as to his authority and his power to proceed, and I am going in with that understanding. Therefore, I would not hesitate for a minute to say, this is something that I am not going to talk to him about. This is within his area.

Frankly, I do not think that it is going to occur.

Senator BYRD. Mr. Saxbe, I have served under five presidents. I find it to be exceedingly excruciating to say "No" to a president, whether he is of one's own party or not. It is extremely difficult to say "No," especially to a president of your own party. I have had to do it, and I have done it. I think that you have the intestinal fortitude to do it, likewise.

Can you assure this Committee that you would not hesitate to say "No" to the President if he attempts to change the rules and signals and guidelines from what they were when you took the job?

Senator SAXBE. I certainly have no reservation in making that statement. Again, I do not think that it is going to arise. I do not think that the President would have nominated me to be Attorney General if he thought that I was going to be a conduit, or he thought that I was going to be a person to be a go-between between the Special Prosecutor.

Senator BYRD. I would assume that he had the same confidence in Elliot Richardson. He nominated Mr. Richardson. I am sure that Mr. Richardson did not contemplate that that would arise which did arise. We do have to contemplate that it may arise again, certainly in the light of past experience that should be a lamp unto our feet. We have to ask questions today because we have to anticipate that they may again occur. It is the duty of this Committee, as best it can, to get your responses to what we hope will remain hypothetical questions, and will never become actualities.

Mr. Jaworski, are you satisfied?

I realize that this is uncomfortable for you. It is uncomfortable for Mr. Saxbe. It is uncomfortable for me. It is difficult, I know, for you to indicate that you are not completely satisfied with the answers that Mr. Saxbe has given. You will have no better forum, however, in which to do that, and you may never again have such a forum.

Are you satisfied with the responses of Mr. Saxbe to my questions with regard to the authorities that you will have in carrying out your responsibilities as manifested in the guidelines?

Mr. JAWORSKI. Yes, I think they have been given clearly in spelling out situations that could arise. I wish I were prepared to tell you about some of the authority I have exercised in recent weeks. That I cannot talk about. I can say to you that if I felt that I were in any danger, any jeopardy with regard to exercising independence, I think perhaps I might have faced that situation of jeopardy in some of the things that I have done recently.

Senator BYRD. So far, Mr. Jaworski, you have acted as a man who wears no man's collar but his own—you apparently are not a yes man for any President. I think that it has been extremely important—in view of the fact that it has been the judgment of the leadership of the Senate to hold in abeyance at least for the time being, to defer any action on legislation to invest the authority for the appointment of the Special Prosecutor in the court—that these questions be asked.

I think it is more than ever incumbent upon this Committee to get as ironclad a commitment as we possibly can from Mr. Saxbe to back you up, and to get from you also, as the Special Prosecutor, an ironclad commitment to continue to pursue your responsibility without fear or favor, to go to the courts if necessary to resolve any question of executive privilege, and to secure through the courts if necessary any evidence that is under the jurisdiction and control of the White House, or anyone in the White House, or elsewhere for that matter.

Does the Committee have that commitment from you?

Mr. JAWORSKI. It does.

Senator BYRD. Does the Committee have that commitment from you, Mr. Saxbe?

Senator SAXBE. Yes. I have no reservation. I think Mr. Jaworski is not only a competent and a thoroughly decent man. I will fight for his right to proceed as he sees fit.

Senator BYRD. Mr. Ziegler in the press has recently denounced the Special Prosecutor's force.

Is it your intention, Mr. Saxbe, not to be swayed by denouncements of the Special Prosecutor's force, if they should occur in the future, through announcements from the White House in the person of Mr. Ziegler or Warren or anybody else?

Senator SAXBE. Mr. Ziegler has a right to complain about any personnel in the government, and I cannot deny him that right. Certainly we will keep our own counsel.

Senator BYRD. Mr. Jaworski, is it your intention to retain the Special Prosecutor's force intact as you inherited it unless an individual on that force gives clear cause for dismissal, and that such clear cause would not include the conscientious pursuit of his duty?

Mr. JAWORSKI. I certainly intend to follow that course.

I might say that I defended one of the men who has been serving, and I think serving capably, against an attack that you make reference to. I did it in no uncertain terms.

If misconduct at any time should be subject to criticism, I would be the first to accept it. I do not believe that criticism is justifiable at this time, and I went on record as saying so.

Senator BYRD. There are some people who feel that, after the first of the year, the ardor for enactment of legislation to provide a Special Prosecutor by the court would cool amid the lowering temperatures of January, and that we may begin to see members of the Special Prosecutor's force making reservations to leave town on whatever airlines may then remain available.

Can you assure those of us who want to see the Special Prosecutor's force stay on the job as long as it is dedicated to its duties, and as long as it is doing a good job, that you will stand behind these men as long as you think they are doing their duty, even if it costs you your own job?

Mr. JAWORSKI. I certainly would. I will go a step further. I do not think I would be worthy of the time that you have sacrificed today in going into this subject as you have if I should stoop to the practice of staying with somebody for a certain period of time, then dropping them just because I might think there is some heat. That has not been my life, sir.

Senator BYRD. Mr. Saxbe, in summary, as I think I have interpreted your responses and your statements before this Committee, you have pledged to this Committee and to the American people—who are the final arbiters, the final judge, and the ultimate court—that you will have no part in exerting indirect or direct pressure on the Special Prosecutor, that you will not allow a narrowing of his jurisdiction or authority, that you will protect his independence and insulation from pressures from the executive branch and from the legislative branch, and that you, to the very best of your ability, will make public such attempts, rather than see his investigation impaired?

Senator SAXBE. I will do anything within my power not to see the investigation impaired. I reserve the right to complain if I do not think it is moving fast enough, which I do not anticipate.

Senator Byrd. I think that completes my questions. I apologize to the Committee and to you, Mr. Saxbe, and to you, Mr. Jaworski, and to those in the hearing room for what may have appeared to be a monotonous and boring repetition of a long litany of particulars set forth in the guidelines. I think, however, that the Committee would have been remiss if it had not done this. I think it would have been remiss not to have called you up here, Mr. Jaworski, in the presence of Mr. Saxbe. I think this ought to give you extra insurance and some additional satisfaction, comfort, security and assurance, and a feeling that there are people on the Hill that want to see you do the right thing, and that these people are in both parties, and are members of both parties. Thus far, you have conducted yourself commendably, beyond what many of us ever expected, but not beyond what ought to be expected. And it is the confidence and the desire of this Committee that you will continue to do your duty without fear or favor. I felt that this would help to strengthen your hand, and, at the same time, I thought it would help to strengthen Mr. Saxbe's hand, because he has a record here to stand by and stand upon and to live up to. He has his own commitment here in writing and under oath, and if I were in his stead, I think I would feel that this was a strengthening factor. It was not done with any intention of putting my colleague on the spot—not that I could put him on the spot. It has not been done with the intention of embarrassing or demeaning him in any way. It is only with the intention that, in the final analysis, it will strengthen the hands of both of you, and that there will now be a clearer understanding on the part of both as to what this Committee expects, and that a public understanding will have been established on the record for all to read.

Mr. Saxbe, as a member of this Committee, unless there is something that yet develops that I do not foresee at this moment, I will vote to report your nomination favorably to the Senate. I do not think that it is incumbent upon this Committee to determine a constitutional question. It is, however, incumbent upon this Committee to determine your personal and professional qualifications, and where you stand, as far as I am concerned, on the issues that I have attempted to pinpoint as clearly as I possibly could. Your answers to my questions have been 98 percent reassuring. That is about as good as most people can make. It does not leave much room for improvement, and I will say that you made an A plus. But when it comes to voting on the floor I have stated a constitutional principle that I think I have to stand by. I will not vote against you on the floor. I do not think I could state that constitutional principle as I did on the floor and then reverse myself and vote for you. But I will vote for you in Committee, and I will do everything I can—barring some unforeseen developments subsequent to this moment—to expedite action on your nomination in the Senate, where, on the confirmation, I will vote "present."

Senator Saxbe. I thank you.

Mr. Jaworski. I thank you too, sir.

Senator Byrd. Thank you, Mr. Chairman.

(Subsequently, Senator Byrd submitted the following letter for the Record:)

December 13, 1973.

Hon. William B. Saxbe,
U.S. Senate,
Washington, D.C.

Dear Bill: I have reflected much upon my statement yesterday during the hearing that I would vote "Present" on your confirmation to be Attorney General, and I think I would be remiss in my duty not to vote either "for" or "against". For me simply to vote "present" would be the easy way out, and, after reviewing my position last evening and again this morning, I feel that I must vote against your confirmation, and I shall do so *solely* on what I consider to be valid constitutional grounds. Having strongly opposed the pay bill a few days ago on such grounds, and not being of the opinion that Congress has the power to remove the impediment (Art. 1, Sec. 6, Clause 2), I do not see how I can conscientiously take any other course.

Having said this, I want to say again that I do not believe the Judiciary Committee shares the burden of being guided by the Constitutional disqualification to the degree that is carried by the full Senate which, under the Constitution, must advise and consent. This may appear to be specious reasoning on my part, or reasoning for the sake of convenience, but I believe it is sound. The Judiciary Committee meets its responsibility, I think, when it finds you to be professionally qualified by training and experience, and personally qualified from the standpoint of integrity, character, and moral fitness. I, therefore, shall, as a member of the Committee vote to favorably report your nomination to the Senate, and, as part of the leadership, I shall do everything I can to expedite final Senate action on your confirmation. Although I shall vote "no" on the confirmation.

I shall not speak against confirmation, and, just as I did not ask any Senator to vote with me against the pay bill, I shall not seek to influence—not that I could do so—any Senator to vote as I will on the confirmation.

The vote on your confirmation will not only be overwhelming; it will also be gratifying to you. As for my own vote, I am truly sorry. Yet, it should be a source of well-deserved satisfaction to you, Bill, to know that my vote (and the handful of others, if there are any) will be on the basis only of a Constitutional viewpoint, nothing more—and, even on this ground, there are many eminent Constitutional authorities who would say that the impediment has effectively been removed.

I say again that your answers to my questions at the hearing were as satisfactory as I could expect, and *that* is saying more than a little. My questions were meant to be pointed, and necessarily so, and I think your responses to my questions were without equivocation. For this I congratulate you.

In closing, may I say that I respect and like you personally, and I have tremendous admiration for your wife "Dolly". I hope that both you and she will be happy in your new assignment.

With warmest personal regards, I remain,

Respectfully yours,

Robert C. Byrd,
U.S. Senator.

COMPARISON OF NATO AND WARSAW PACT

Mr. PROXMIRE. Mr. President, with the Mutual Force Reduction—MFR—talks underway as well as the deliberations of the Committee on Security and Cooperation in Europe—CSCE—it is appropriate to discuss the relative strengths of the two opposing blocs of nations—NATO and the Warsaw Pact.

Any comparison of these two forces must be along a variety of lines not only military but political. For example, military considerations must be measured in part by the economic potential of each bloc. Therefore it is interesting to note that in terms of population and gross national product, two important indicators, Western European alone surpasses the Soviet Union and they nearly match each other in numbers of men under arms.

When comparing the total NATO commitment, including the United States, to the total Warsaw Pact, including the U.S.S.R., the figures are even more startling. The NATO countries have a combined population of 542 million to 352 million for the pact. NATO GNP is $2,207 billion compared to the Warsaw Pact total of $753 billion. The NATO countries have 5.6 million men in their armed forces while the pact has 4.4 million.

Defense spending is much more difficult to assess due to the hidden defense budgets of the U.S.S.R. and allies but even here it is reasonably clear that NATO holds a clear dominance.

Once the case of the superiority of Soviet tank forces posed a serious problem for defense planners. It still remains significant but the more pessimistic conclusions now must be tempered by the results of the most recent Middle East war which showed that the antitank weapon can be very effective. And the NATO allies excel in this department.

Mr. President, in view of the many variables involved in discussing the relationships between NATO and the Warsaw Pact, any systematic comparison sheds new light. The Center for Defense Information has just concluded an excellent study of this type and I ask unanimous consent that it be printed in the Record.

There being no objection, the study was ordered to be printed in the Record, as follows:

U.S. Forces for Europe: Need for Phased Reduction of U.S. Spending for the Defense of Europe

DEFENSE MONITOR IN BRIEF

Spending for the possibility of war in Europe is the largest item in the United States military budget. European defense costs U.S. taxpayers about $30 billion each year.

The United States should begin to plan now for a gradual, but significant reduction of U.S. military forces for Europe, regardless of the course of the current talks on mutual force reductions (MFR) in Vienna. The MFR talks are unlikely to lead to any but small, unsatisfactory cuts.

The phasing down of U.S. forces could be scheduled over 10 years, negotiated with our allies, with a 20% cut spread over the first three years. Then the situation could be reassessed.

As of 1973, Western Europe is capable of military self-sufficiency vis-a-vis the Soviet Union with a lower level of U.S. support and presence in Europe.

The goal of a phased withdrawal is not an abandonment of NATO by the U.S., but a return to the concept of NATO as it was originally conceived. The original intent was not to send American troops to Europe permanently. The idea was to allow the Europeans time to build up their own military forces. Once that was accomplished, U.S. forces in Europe were to be phased out.

The annual cost to the United States of peacetime preparations for conflict in Europe is higher than the cost of the Vietnam war at its peak when 600,000 U.S. servicemen were fighting in Southeast Asia. The yearly price tag on U.S. armed forces for war in Europe is about $30 billion. The annual incremental cost of the war in Southeast Asia at its high point was $21.5 billion in fiscal year 1969.[1] In view of lessening East-West

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Footnotes at end of article.

tensions and hitherto unparalleled European prosperity, is it not time for the United States to cease carrying such a heavy burden for the protection of Western Europe?

Providing forces for the defense of Europe against possible invasion by the Soviet Union is the most expensive item in the Pentagon budget, exceeding outlays on strategic forces. The total defense budget can be roughly divided between 75% for conventional forces and 25% for strategic forces. Public attention is usually directed to controversial strategic missiles, submarines, and aircraft, but it is the $65 billion spent each year on maintaining a capability to fight conventional wars that eats up the bulk of the defense budget.

"The size of our general purpose forces is determined largely by our NATO commitment," said Roger Kelly, former Assistant Secretary of Defense for Manpower and Reserve Affairs, in 1972.[2] The Defense Department has acknowledged that the level and composition of U.S. conventional forces are not driven by the need to defend the territory of the United States. Because of its advantageous geographic position and powerful strategic forces, the U.S. requires only small conventional forces to defend itself against foreign threats. Most U.S. conventional forces are purchased to defend our allies. The size, composition, and cost of U.S. conventional forces are established primarily to support plans for war in Europe. The U.S. Army is structured and equipped for fighting in Europe, and U.S. Navy ships and aircraft are also being developed principally for a lengthy conventional war in Europe.

COMPOSITION OF CONVENTIONAL FORCES FOR EUROPEAN DEFENSE

U.S. conventional forces consist of land, sea, and air components. There are 13 active Army combat divisions, 3 Marine Corps divisions, 14 attack aircraft carriers around which the Navy is structured, and 72 Air Force fighter and attack squadrons and other tactical air units. To augment this active force, there are 1 million trained Ready Reserve and National Guard troops immediately available for callup.

The numbers of the U.S. military forces for the defense of Europe are inventoried in Figure 1. Included are equipment and personnel stationed both in Europe and the United States. There are 319,000 military personnel in Europe and related areas, 4⅓ divisions and 4 brigades, and prepositioned equipment for an additional 2⅔ divisions located in the U.S. but designated for rapid airlift to Europe in case of conflict. The troops in Europe are accompanied by 235,000 dependents and 14,000 U.S. civilian employees. There are 139 principal U.S. military bases in Europe and related areas.

The U.S. has more than 7,000 tactical nuclear weapons in Europe and more than 2,000 associated delivery systems. The U.S. maintains 780 combat aircraft (including carrier aircraft) in Europe. The Sixth Fleet, permanently stationed in the Mediterranean, normally has 45 ships and submarines, built around two attack aircraft carriers. Conventional forces in the continental United States, primarily for conflict in Europe, include almost the entire Atlantic Fleet with four attack carriers, one Marine Division, at least half of the Army Strategic Reserve (4⅔ divisions), Air Force tactical air and transport units, and most Reserve and Guard units with modern combat equipment. Total U.S. forces in Europe or earmarked for Europe include 16 divisions, 8 brigades, 2,900 combat aircraft, and 294 ships.

FULL COSTS OF U.S. NATO FORCES DIFFICULT TO CALCULATE

The Defense Department produces a complicated array of figures for the cost of U.S. NATO forces, ranging from $4 billion to $17 billion. It has never, however, revealed publicly the full extent of NATO-designated forces. Any financial estimates must of necessity be inexact because of the complexities involved in detailing the direct and indirect costs in DOD accounting. The $4 billion figure covers only the direct annual operating costs (primarily wages) of the approximately 300,000 troops actually based in Europe. The $17 billion figure is said to include the yearly expenses of U.S. forces located in Europe and those forces in the U.S. committed for quick deployment to Europe in the event of war. These U.S. rapid-reinforcement forces are only part of the total U.S. forces that would be used for European defense. The Defense Department calculates that it spends and additional $9.5 billion each year [3] on conventional forces that could be used in a NATO conflict if necessary but which are also available for fighting in Third World countries.

Annual U.S. Spending for European Defense, $30 billion plus.

$17 billion—direct cost.

$9.5 billion—auxiliary.

$3.5 billion—other (e.g., R&D).

DOD's calculations of the financial cost to the U.S. to defend Europe are less than the actual costs, which are around $30 billion annually and probably more. A number of additional NATO-related military expenditures need to be taken into account. For example, the Europeans enjoy the benefits of the nuclear umbrella provided by the United States without contributing to the costs of U.S. strategic forces. The U.S. would probably retain most of its strategic forces in the absence of a commitment to the defense of Europe. Much of the impetus toward the development of new and better strategic weapons, however, that could be used in limited or "flexible response" nuclear warfare stems from the desire to allay Western European doubts about the credibility of the U.S. strategic guarantee. Some perhaps unquantifiable amount of U.S. spending on strategic forces can be attributed to the costs of the U.S. defense of Europe and the need to continually reassure the Europeans that we would actually use nuclear weapons against the Soviet Union in case of invasion of Western Europe.

R&D COSTS NOT ACCOUNTED FOR IN NATO-RELATED EXPENDITURES

Additionally, new and expensive conventional weapons systems are being developed primarily for war in Europe. A major portion of the $8 billion spent each year on research and development by the Defense Department must be added to the costs of defending Europe. Our NATO allies contribute little toward paying for new U.S. weapons that will be used primarily for their defense. (The joint U.S.-West German project to build a new main battle tank was abandoned in 1971.) For example, the $8 billion F-15 aircraft program is being developed to defend U.S. and other NATO ground troops against Soviet air attack in Europe. The proposed $4.5 billion SAM-D surface-to-air missile system is intended principally for deployment in Europe. Small tactical nuclear weapons ("mini-nukes") are being contemplated for use in Europe at the cost of billions. The new Navy F-14 aircraft program will cost more than $5 billion and the F-14 will be stationed on carriers primarily in European waters where it would be used against Soviet forces. The F-14, at a cost of over $20 million per plane, is too costly and sophisticated to be developed and procured for use against lesser opponents in other areas of the world. The F-14 is being built, as many other new weapons, for a conventional war in Europe.

The Defense Department includes a share of the cost of newly procured weapons and equipment in its calculations of the cost of U.S. NATO forces. But DOD does not reveal what the amount is, and it is doubtful that DOD takes fully into account the degree to which weapons are procured for NATO purposes. The Senate Armed Services Committee studied this matter and concluded:

That defense of NATO is uppermost in defense planning is clearly illustrated by review of justifications presented to support procurement of weapons systems. A review of selected general purpose weapons systems estimated to cost $30 billion shows that $21–$25 billion of that cost can be identified with the requirement to support NATO defense.[4]

Finally, DOD's $17 billion figure does not include the retirement pay for U.S. NATO forces, nor the overhead administrative costs of these forces. In addition, the cost of maintaining the 229,000 U.S. troops in Germany has increased in 1973 after dollar devaluation and revaluation of the German mark.

FOR THE FUTURE—MORE EMPHASIS ON ARMS FOR EUROPEAN DEFENSE

For more than 20 years, the United States has borne the major burden for organizing and supporting the military defense of Western Europe against possible attack by the Soviet Union. Even so, Pentagon planners foresee even greater emphasis and spending on conventional arms and European defense in the future. Lt. Gen. George Seignious, Director of the Joint Chiefs of Staff, states that ". . . the evolution of the U.S. forces, as you will see in the coming years, will be more and more identifiable with our mission in NATO." Former Secretary of Defense Elliot Richardson expressed the view of the Nixon Administraton: "The development of approximate parity between the U.S. and the U.S.S.R. in strategic weapons has created a situation which, in our view, makes it more important than ever that the NATO forces should have substantial conventional capability."[6] From the Pentagon point of view conventional war is thought to be more likely than 15 years ago when relations with the Soviet Union were far more strained.

NONMILITARY TIES—THE U.S. ECONOMIC STAKE IN WESTERN EUROPE

The ties that bind Europe and America are many and varied, but they have been defined chiefly in military terms. Nonmilitary ties, such as the substantial U.S. economic stake in Western Europe, are at least as important as the military connection between the U.S. and its allies. The activities of multinational corporations on both sides of the Atlantic imply an important mutual commitment to the preservation of a friendly, prosperous, and stable Europe. U.S. assets and investments in Western Europe total approximately $40 billion, of which $28 billion are private investments which earn American investors nearly $3 billion a year.

THE ECONOMIC GROWTH OF WESTERN EUROPE

Since World War II, Western Europe has become rich. In 1951, the combined GNP of all the European members of NATO was $47 billion. By 1972 it jumped to $949 billion, almost 100% higher than that of the Soviet Union. By almost any measure, the combined industrial might of NATO Europe surpasses that of the Soviet Union. The greater economic and manpower resources of NATO Europe provide a basis for a strong military potential as well (see Table 2).

TABLE 2.—COMPARISON OF NATO EUROPE AND U.S.S.R., 1972 (DOES NOT INCLUDE UNITED STATES)

	Population (millions)	GNP (billions)	Defense spending (billions)	Armed Forces (millions)
NATO Europe (including France)	311	$949	$34	3.1
U.S.S.R.	248	549	50-60	3.4

The U.S. spends 6.7% of its GNP on the military and the Soviets an estimated 8%–10%, but NATO Europe spends only 3.6% on military forces. Our European allies allocate on the average about 20% of their government spending to defense, while the U.S. spends twice that percentage.

Footnotes at end of article.

THE CHANGED POLITICAL SITUATION

Apparently our allies take a less worried view of the Soviet threat than the U.S. From their point of view, a Soviet conventional attack on Europe is increasingly implausible. It has become more difficult to see what Soviet interests would be served by attack on Western Europe. The Soviet Union would gain little and lose much by a military attack on Germany, France, and other NATO allies. The Defense Department apparently agrees that the threat to Western Europe is remote because it allows 235,000 dependents to stay there.

The political situation in Europe has changed from when the North Atlantic Treaty was signed in 1949. U.S. General Andrew Goodpaster, the Supreme Allied Commander in Europe, graphically described in 1971 the prevailing perception of the Soviet threat at the time that NATO was founded:

> In those days the question was not, "Will there be war?" but rather, "In what month will war start?" An exhausted Western Europe, weakened and weary of war, faced a new threat—and it seemed only a matter of time until the threat would be carried out. That was the climate—the harsh, numbing, almost paralyzing climate—into which NATO was born.

The division of the world between a U.S.-led bloc and a Soviet-led bloc has been eroded. Increasingly, the conflict between the Soviet Union and the West has been channeled into nonmilitary spheres, on which basis a wealthy and confident Western Europe already competes as an equal. Most of the European Cold War tensions of the 1950's and 1960's can be traced to problems arising around the Berlin situation and the German problem. As of 1973, these difficulties have been eased, particularly because of the Berlin accords signed in 1972, and West Germany has normalized its relations with most East European countries.

IMPLICATIONS OF THE CHINESE THREAT TO THE SOVIET UNION

For the Soviet Union, the breakdown of the simple bipolar conflict has meant that it is now confronted with possible threats from more than just the United States.

The U.S.S.R. faces the Chinese who are armed with nuclear weapons and a regular armed force of 2,900,000. Dr. John Foster, former director of Defense Research and Engineering, has observed the multithreats to the Soviets:

> They face, in a way, more threats than does the United States, and so what they see as equitable seems a little off balance to us . . . Of course, they have China on a large fraction of their borders. China, as you know, is rapidly obtaining a nuclear capability in submarines, in bombers, and in surface-to-surface missiles. They also have, of course, NATO bordering on their country and the Soviet bloc nations. So they have to reckon with Chinese missiles. Chinese armament, U.S. armament, the French and United Kingdom nuclear armament.[8]

The Soviet Union is unlikely to engage in provocative behavior or launch an attack on West Germany, France, and other NATO countries as long as it perceives a threatening Chinese presence on its eastern border.

NEED TO TRANSFORM NATO

With the growth of European economic strength and with the waning of the Cold War, it has become increasingly difficult to accept a relationship between the United States and Western Europe involving such a heavy U.S. military responsibility for the region's defense. Western Europe is well able to raise and support the military forces required for its own defense. The North Atlantic Alliance should therefore be transformed to lessen the dominant role of the United States in the NATO command structure and to increase Western Europe's role in its own defense. For example, it may be time to reassess the tradition of having a U.S. general officer as Supreme Commander of NATO forces in Europe.

A growing number of Americans have become conscious of the unreality of the United States devoting so much of its military efforts to the remote possibility of a major war in Europe. The maintenance of more than 229,000 U.S. troops in Germany in particular has diminishing plausibility. In early October 1973, a Gallup poll indicated that a majority of the American public favored cutting U.S. forces in Europe.[9] In the Congress there has been growing pressure for substantial cuts. These demands have been fed by increases in the number of U.S. troops in Europe while U.S. deployments in Asia have been reduced in recent years.

THE NIXON DOCTRINE AND SELF-HELP

The Nixon Doctrine, conceived for Asia and by implication extended to Western Europe, declares that the nation directly threatened will assume primary responsibility for providing the manpower for its own defense. Admiral Thomas Moorer, chairman of the Joint Chiefs of Staff, noted this year that political, fiscal, and manpower constraints "prescribe smaller, but more efficient, U S. general purpose forces, and require a much greater degree of self-reliance and burden sharing by our allies."[10] Defense Secretary Schlesinger agreed:

> The underlying premise of the Nixon doctrine is that we should be encouraging greater self-help on the part of allied friendly countries to build up their forces so that they can defend themselves in the absence of U.S. ground forces, in particular, and hopefully in the absence of U.S. air and naval forces.[11]

This principle of self-help and an end to U.S. military paternalism is even more applicable to the wealthy nations of Western Europe than to Asia. In Senator Mansfield's phrase, it is time "to replace a policy of land-based omnipresence with a policy of discerning internationalism." The contrast, however, between the Nixon Doctrine and the continuation of 25-year old military arrangements for European defense is sharp.

FLUCTUATIONS IN NATO TROOP STRENGTH

There have been great fluctuations in the level of NATO forces, but with no apparent impact on the European security situation. Many of our allies have cut their forces and France withdrew from formal participation in many NATO activities. The Dutch, Belgians, Canadians, and British have all cut their forces stationed in West Germany. U.S. forces in Europe declined from 463,000 in 1962 to 296,000 in 1969. Military force planning is an uncertain process wherein the only consistent pattern is that there is never enough and that what exists should not be reduced. The relationship between foreign commitments and military force structure is loose. Despite the history of fluctuations in NATO forces, military leaders argue today that the present level of U.S. forces, and NATO forces in general, are the absolute minimum required for defense of Europe and cannot be cut.

Planning for conventional forces is more complicated than for strategic forces. Admiral Moorer has admitted that "there are a great many uncertainties involved in drawing up a balance between NATO and the Warsaw Pact."[12] He states that NATO planning is "not a precise science at all,"[13] and that many of the variables and scenarios used in developing force levels and strategy are "just a speculation,"[14] and "you can get almost any answer depending upon how you vary the inputs."[15]

RECENT STUDIES DISCLOSE NATO STRENGTHS

Current Defense Department studies of Western European defense requirements, considered by DOD to be the most comprehensive to date, indicate that NATO has more than enough forces to defend itself against the likely Soviet threats, and that Warsaw Pact strength has been exaggered in the past.[16] NATO can handle the probable Soviet threat with less ground forces in Europe. Former Defense Secretary Richardson commented that, "the general thrust of this study is that the conventional capabilities of the allies in NATO have tended to be underestimated and that they could withstand for a very substantial period a conventional Warsaw Pact attack."[17] Defense Secretary Schlesinger agreed that, "it is clear that NATO is in better shape conventionally than had been anticipated."[18] He also suggested that the United States is not at a severe disadvantage in reinforcement capability when compared to the Soviet Union: "With our airlift capabilities, we are able to redeploy combat troops very quickly, in fact more quickly in a number of respects than the Soviets can in a location closer to hand. . . . The difficulties of redeployment may be less for us then they are for our possible opponents."[19]

POLITICAL ARGUMENTS AND INSTITUTIONAL INTERESTS BEHIND LARGE U.S. FORCE LEVELS

Despite the revised military estimates, Administration pressure to retain U.S. troops in Europe continues to be strong, and emphasis shifts from military to political grounds. For example, Administration spokesmen say that U.S. cuts would lead to a Western European loss of confidence and the erosion of European independence from the Soviet Union. The diminution of U.S. military power in Western Europe could lead, it is alleged, to Western Europe ultimately being dominated by the Soviet Union. This spectre has been dubbed "Finlandization." Finland has a total armed force of 39,500, a GNP of $13 billion, and a defense budget of $230 million. Comparing the situation of Finland to that of Western Europe stretches logic. The countries of Western Europe can handle the U.S.S.R. (which also has 800 million Chinese to contend with), as long as they make some effort to cooperate with each other and to maintain alliance with the United States. It is unrealistic to expect that they will fold up like some empty husk if the U.S. military presence is reduced. Addressing himself to changes that have occurred in concepts of power, Secretary of State Henry Kissinger said:

> The most striking feature of the contemporary period—the feature that gives complexity as well as hope—is the radical transformation in the nature of power. Throughout history power has generally been homogeneous. Military, economic, and political potential were closely related. To be powerful a nation had to be strong in all categories. Today the vocabulary of strength is more complex. Military muscle does not guarantee political influence. Economic giants can be militarily weak, and military strength may not be able to obscure economic weakness. Countries can exert political influence even when they have neither military nor economic strength.[20]

Other political arguments suggest that "substantial and precipitous reductions" would indicate to U.S. NATO allies and to the Soviet Union that the United States was preparing to lessen its commitment to the defense of Western Europe. Europeans, especially the West Germans, would lean toward this view. The United States would have to give assurances that any troop cuts would be replaced if necessary. To the West Germans, so long accustomed to a large U.S. military presence, such assurances would be particularly important to allay feelings of abandonment by the United States that could lead to the scuttling of European-oriented policies and to a reversion to strictly national policies. Nor could the Chinese be expected to look with favor on any U.S. troop cuts

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Footnotes at end of article.

that could result in reciprocal Soviet reductions that could ultimately strengthen the already large Soviet force on the Sino-Soviet border.

Another factor that works against the reduction of U.S. forces is the institutional interest of the NATO command structure. NATO exists only for the purpose of protecting its members against Soviet military aggression. The sole task of the very large NATO staffs has been to plan and carry out exercises against the contingency of Soviet aggression. These staffs, including the 123 U.S. general officers assigned to NATO headquarters, have become keepers-of-the-faith in an era of détente whose task is not to determine whether a threat exists, but where the threat exists and when it will come. With single-minded purpose they warn against soft options and political backsliding. The U.S.-dominated NATO command structure tends to perpetuate overly pessimistic views of the Soviet threat, thus resulting in high levels of U.S. forces in Europe.

NEGOTIATIONS ON MUTUAL REDUCTIONS OF FORCES AND ARMAMENTS

In response to the domestic pressures for change in U.S. policy, the U.S. Government since 1966 has been pushing the concept of mutual and balanced force reductions (MFR) in Central Europe as a substitute for independent U.S. cuts. The Nixon Administration is tying any reduction of U.S. forces in Western Europe to corresponding, and apparently larger, reductions in Soviet forces in Eastern Europe. President Nixon has stated the policy:

> Given the existing strategic balance and similar efforts by our allies, it is the policy of this Government to maintain and improve our forces in Europe and not reduce them except through reciprocal reductions negotiated with the Warsaw Pact.[21]

As a result, expenditures on U.S. military forces oriented for European defense are growing (direct costs up from $14 billion in 1971 to $17 billion in 1973), troops in Europe increasing, and investment in new conventional weapons for use in Europe expanding.

The long-awaited "Negotiations on Mutual Reductions of Forces and Armaments and Associated Measures in Central Europe" began in Vienna on October 30, 1973. These talks between the members of NATO and the Warsaw Pact are among the most complicated international negotiations in history. Certainly they are much more complex than the SALT talks concerning strategic weapons, if only because 19 rather than two countries are participating. (Eleven states are full participants and eight are observers.) Talks on force reductions in Europe were first formally proposed by NATO countries in 1968, but it was not until January 1973 that exploratory meetings began. These preliminary discussions of agenda and participation were planned to last five weeks but actually went on for five months.

It is frequently said that there should be a reduction of U.S. troops in Western Europe, but that results should await the outcome of the MFR talks. Proposals to reduce U.S. forces to more reasonable levels are dismissed with the slogan that we must not undermine our negotiating position. It is the same "bargaining chip" argument that has been used to support the expansion of strategic arms while SALT talks are attempting to reach arms limitations. It sounds good to arm to parlay, but there are difficulties.

SIGNIFICANT NEGOTIATED U.S. REDUCTIONS UNLIKELY

Prospects for significant reduction in U.S. forces in Europe resulting from the MFR talks in Vienna are very unlikely. For supporters of the continuation of the present level of U.S. forces there is no right time to cut. There is also little interest in reducing troops except in return for Soviet cuts that would have to be so large that the Soviet Union probably will not find them acceptable. In fact, the Soviet Union has been quite skeptical about force reductions in Europe, and has only reluctantly and under pressure for progress in other aspects of East-West relations been willing to begin negotiations.

The role of the MFR talks is in great part to forestall pressures in the U.S. Congress to cut U.S. troops. Only small, symbolic reductions are probable, to prevent larger reductions enforced by Congress. Senator James Pearson, Republican of Kansas and a member of the Senate Foreign Relations Committee, has observed the place of the MFR talks in efforts to preserve substantial U.S. forces in Europe:

> There are really three groups of people. There are those that don't want any withdrawal and then there are those who want to do it by mutual reduction. Then there are those who want to do it unilaterily. I think those who don't want any withdrawals are the same group that want to do it by mutual negotiations.[22]

It will be extremely difficult to achieve balanced reductions of forces, because so many different kinds of units and complex weapons are involved. The differing force postures, mobilization capabilities, and geographic situations of NATO and the Warsaw Pact make the technical difficulties of negotiating balanced reductions almost insurmountable. Numbers of troops and amounts of weapons cannot with precision be translated into levels of security. Varying national perspectives also produce conflicting conceptions of what constitutes a fair balance. These talks are likely to drag on for years. In the end, all that may be achieved is a mutual 10% cut by NATO and the Warsaw Pact countries, and perhaps the accumulation of "bargaining chips" on both sides that will negate any reductions achieved at the negotiating table. This could mean that 90% of the present American troop strength in Europe would be frozen in position, perhaps indefinitely, perhaps "only" for another quarter of a century. Handcuffing present and future U.S. policy to the success of the mutual force reduction talks is really no policy for change.

THE NEED FOR NEW APPROACHES

If there are to be cuts in forward deployed forces in Europe, and savings in U.S. defense spending, other approaches that permit greater flexibility and independence should be explored and carried out. We should avoid engaging in force reductions only in lockstep with the Soviet Union. Better a carefully thought out, well-planned, well-phased cut, than an unsatisfactory and frustrating 10% reduction that would likely be rejected by U.S. public opinion and followed by an angry backlash and a precipitate, wholesale withdrawal of our forces that could be damaging. In consultation with its NATO allies, the U.S. could begin to make plans now for a gradual but significant reduction of U.S. military forces in Europe, regardless of the course of the MFR talks. The phasing down of U.S. forces could be done on a ten-year plan, negotiated with our allies, with a 20% cut spread over the first three years, and then a reassessment of the situation to see how the Soviet Union and our allies are reacting. This initial cut would be less than the 50% cut advocated by Senator Mansfield.

Buildups occur as a result of unilateral or independent action. Surely reductions can be made in the same way. The Soviet Union might respond to a diplomacy of "mutual example" because of its need to shift forces from Eastern Europe to areas nearer to China, or because it also faces domestic pressures on defense spending. Soviet troops in Eastern Europe, however, are there in great part as occupation forces to preserve political stability and Soviet dominance. Former Secretary of Defense Richardson, in March 1973, reported to Congress:

> Since 1955, when the Warsaw Pact was established, Soviet troops in Eastern Europe have been actively utilized, in a military sense, not against NATO, but against two of the Pact member states—Hungary in 1956 and Czechoslovakia in 1968. Quite clearly, the courageous and large-scale resistance that met both invasions suggest that Soviet troops have a tenuous welcome at best.[23]

The continued presence of a high level of U.S. troops in Western Europe provides a continued rationale for the Soviet garrison forces in Eastern Europe. If the Soviet Union were able to respond positively to U.S.-initiated cuts, well and good. If not, then the situation could be reassessed.

A PHASED WITHDRAWAL: RETURNING TO THE ORIGINAL NATO CONCEPT

The goal of a phased withdrawal of American forces from Europe is not abandonment of NATO by the U.S., but a return to the concept of NATO as it was originally conceived. The intent was certainly not to send American troops to Europe on a permanent basis. The idea was to afford the Europeans time to build up adequate military forces of their own. Once that was accomplished, U.S. forces in Europe were to be phased out. As General Alfred M. Gruenther, SHAPE chief of staff, told the Congress in 1951, "once this European rearmament build-up has been accomplished, it should be possible to begin the phasing out of United States ground forces.[24]

As of 1973, Europe is capable of military self-sufficiency vis-a-vis the Soviet Union with a level of U.S. support and presence in Europe less than at present. In particular, West Germany, where most U.S. troops have been stationed, has greatly expanded its military forces over the past 17 years (see Figure 2). From 1956 to the present, West German armed forces have increased from 66,000 to 475,000. There has, however, been no phase-down of U.S. troops to take account of this buildup. It should also not be overlooked, and certainly is not by the Soviet Union, that both Britain and France possess strategic nuclear forces that may seem small in comparison to U.S. and Soviet levels of overkill, but are still quite substantial deterrent forces for the defense of Western Europe. The SALT I agreements have enhanced the effectiveness of British and French strategic weapons by limiting Soviet ABM defenses to very small levels.

The NATO treaty does not specify a level of U.S. forces for the defense of Europe (Article 3). All it says is that the parties will maintain and develop their individual and collective capacity to resist armed attack. They agree that an armed attack against one is an attack against all, but even then, each party is left free to decide what action to take, according to its own constitutional procedures and requirements; the treaty merely says that such action can "include use of armed force" (Article 5).

NATO MILITARY SPENDING EXCEEDS THAT OF WARSAW PACT

The U.S. is pledged to help defend Western Europe because the existence of a friendly and independent Western Europe is in Americas interest. It is hard to envisage an attack by the Soviet Union on Western Europe that would not involve the U.S. As Admiral Thomas Moorer has remarked, "It should be clear to everyone that a major NATO-Warsaw Pact conflict would involve the nations concerned in global warfare, not just in the European theater.[25] An assessment of the total assets available to NATO and the Warsaw Pact indicates clear NATO superiority, both in actual and potential military power (see Table 3). According to

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Footnotes at end of article.

calculations of the U.S. Arms Control and Disarmament Agency, NATO during the period 1961–71, consistently outpspent the Warsaw Pact by $30 billion each year for military forces.[26]

TABLE 3.—COMPARISON OF NATO AND THE WARSAW PACT, 1972 (INCLUDES UNITED STATES)

	Population (millions)	GNP (billions)	Defense spending (billions)	Armed Forces (millions)
NATO	542	$2,207	$114	5.6
Warsaw Pact	352	753	$60–70	4.4

A U.S. REDUCTION: KEY TO PRESERVATION OF NATO ALLIANCE

It is time, therefore, for the U.S. to begin a phased withdrawal of forces from Europe, down from the present American contribution of a quarter of NATO strength in place on the central front. After an initial period of U.S. reduction, there would be a reassessment of how our European allies react. They could probably get better defense than they now have for their annual $35 billion defense spending, if they eliminated overlapping and duplication, and progressed toward greater European unity. The U.S. would of course, still remain in NATO and a reduction of the American military presence in Europe would still leave NATO strong. The fact of the matter is that an attack on Western Europe is highly unlikely, with or without the presence of substantial American troops. This reality should have some effect on what we do.

The alternative to phased withdrawal is almost certainly not a stubborn continuation of the status quo, but a hasty, massive pullout from Europe in backlash against the whole NATO concept. A phased withdrawal is not a denial of our NATO commitment; rather it is perhaps the only way to preserve the military cooperation of the NATO allies Henry Kissinger has said that "no foreign policy has any chances of success if it is born in the minds of a few and carried in the hearts of none."[27] Nowhere is this more true than with regard to the now outmoded policy of maintaining forces for war in Europe far in excess of those required.

FOOTNOTES

[1] DOD (Comptroller), *The Economics of Defense Spending: A Look at the Realities* (July 1972), p. 149.

[2] Senate Armed Services Committee, *Hearings on Military Procurement Authorization, Fiscal Year 1973, Part 1*, p. 14.

[3] Senate Armed Services Committee, *Hearings on Military Procurement Authorization, Fiscal Year 1974, Part 1*, p. 270.

[4] Senate Armed Services Committee, *Report on Military Procurement Authorization, Fiscal Year 1972* (September 7, 1971), p. 16.

[5] Senate Foreign Relations Committee, hearings on "Mutual Reduction of Forces in Europe" (July 27, 1973), p. 133 (stenographic record).

[6] House Armed Services Committee, *Hearings on Military Procurement Authorization, Fiscal Year 1974, Part 1*, pp. 463–464.

[7] *SHAPE and Allied Command Europe: Twenty Years In the Service of Peace and Security 1951–1971* (Fleurus, Belgium), p. 9.

[8] House Armed Services Committee, *Supplementary Hearings on Defense Procurement Authorization Relating to SALT Agreement* (June 13, 1972), p. 12098.72, p. 12098.82.

[9] *Washington Post*, October 8, 1973. *New York Times*. October 9, 1973. The Gallup Poll showed that 57% of those who are aware of the issue of withdrawal of U.S. forces in Europe are in favor of it. Two-thirds of the public are aware of the issue.

[10] *Statement by Chairman of the Joint Chiefs of Staff Admiral Thomas H. Moorer, USN, on United States Military Posture for FY 1974* (March 26, 1973), p. 31.

[11] Senate Armed Services Committee, *Nomination of James R. Schlesinger to Be Secretary of Defense* (June 18, 1973), p. 71.

[12] *Statement by Chairman of the Joint Chiefs of Staff . . .*, p. 53.

[13] Senate Armed Services Committee, *Hearings on Military Procurement Authorization, Fiscal Year 1974, Part 1*, p. 388.

[14] *Ibid*, p. 386.

[15] *Ibid.*, p. 259.

[16] See Senate Armed Services Committee, *Hearings on Military Procurement Authorization, Fiscal year 1974, Part 8*, pp. 5249, 5279, 5304; *Part 1*, p. 310; Senate Foreign Relations Committee, hearings on "Mutual Reduction of Forces in Europe", July 27, 1973; and *Washington Post*, June 7, 1973 (Michael Getler, "Study Insists NATO Can Defend Itself").

[17] Senate Armed Services Committee, *Hearings on Military Procurement Authorization, Fiscal Year 1974, Part 1*, pp. 310–311.

[18] Press conference, June 8, 1973.

[19] Senate Armed Services Committee, *Nomination of James R. Schlesinger to Be Secretary of Defense* (June 18, 1973), p. 71.

[20] Speech at *Pacem In Terris* Conference, Washington, D.C., October 8, 1973.

[21] Report by President Richard Nixon to the Congress, *United States Foreign Policy for the 1970's*, February 9, 1972, p. 44.

[22] Senate Foreign Relations Committee, hearings on "Mutual Reduction of Forces in Europe", July 27, 1973, p. 185 (stenographic record).

[23] Senate Armed Services Committee, *Hearings on Military Procurement Authorization, Fiscal Year 1974, Part 1*, pp. 175–176.

[24] Senate Foreign Relations Committee, *Hearings on the United States Foreign Aid Program in Europe*, 1951, p. 290.

[25] Statement before the House Foreign Affairs Committee, July 11, 1973, hearings on "United States Troop Levels in Europe," p. 8 of original statement.

[26] United States Arms Control and Disarmament Agency, *World Military Expenditures 1971*, p. 9.

[27] Speech before the International Platform Association on August 2, 1973.

SOVIET TANK THREAT AND REINFORCEMENT CAPABILITIES ASSESSED

Ambassador Stanley Resor, head of the United States delegation to the MFR talks in Vienna, presented the opening U.S. statement on mutual force reductions in Central Europe on October 31, 1973. In describing the Soviet threat to NATO and the need for Soviet forces to be reduced by larger amounts than those of the NATO allies, Ambassador Resor stressed the Soviet superiority in numbers of tanks as well as the disparities in geography, particularly as distance might relate to the comparative reinforcement capabilities of the U.S. and the U.S.S.R. The Soviet tank threat, and the presumably vastly superior Soviet reinforcement capability are frequent themes in analyses of the military balance in Europe and are prominent in arguments against any reduction of U.S. forces stationed in Europe. The actual situation, however, is not as starkly black and white as often alleged. NATO has compensating strengths which may more than compensate for any areas of supposed Soviet advantage.

THE SOVIET TANK THREAT

According to DOD figures, NATO has approximately 6,000 tanks in the Central European region compared with 14,000 for the Warsaw Pact. The quality of NATO tanks, however, as measured by long-range firepower, cruising range, human engineering, ammunition basic load, and overall maintainability and reliability, is superior to that of Soviet tanks. More importantly, over the past decade the tank has become increasingly vulnerable to destruction because of the development and prolifertaion of comparatively inexpensive, but sophisticated antitank weapons. NATO has great superiority over the Warsaw Pact in these weapons, both in numbers and in technology.

The Middle East War in October 1973 demonstrated the rapidly advancing obsolescence of the tank. Both the Arabs and the Israelis suffered devastating losses of tanks, totaling nearly 3,000. Clearly, antitank missile technology has overcome any protective countermeasures currently available to tanks. A $500,000 tank can be destroyed by a very inexpensive man-carried antitank weapon such as the $2,000 U.S. TOW missile. A tank is not required to counter another tank. One man can accomplish the mission of destroying a tank.

NATO has formidable antitank defenses. Moreover, the geography of Central Europe is much less suitable for tank warfare than the Sinai in the Middle East and would present grave difficulties for any rapid Soviet armored advance. The marked NATO advantage in modern offensive aircraft and in helicopters carrying antitank missiles also contributes to lessening of the Warsaw Pact's superiority in tanks. Helicopters, able to hug the nap of the earth and take advantage of natural obstacles, would be particularly effective in taking a toll of tanks in Central Europe as contrasted with the flat areas of the Middle East. If not already obsolete, the tank, and its importance and role in modern electronic warfare, is far more restricted than it was as recently as the June 1967 Middle East War. As a factor in measuring the military balance in Europe, comparison of numbers of tanks is a misleading indicator of real military capability.

U.S. AND SOVIET REINFORCEMENT CAPABILITIES AND PROBLEMS

The United States has built up a substantial airlift capability for rapidly moving troops and equipment between the U.S. and Europe. This airlift capacity is largely provided by the 78 C–5 and 279 C–141 aircraft of the Military Airlift Command and the approximately 400 commercial aircraft (747s, 707s, DC–8s) made available through the Civil Reserve Air Fleet (CRAF).

Pentagon planners have essentially ruled out the possibility that the Soviet Union could launch a massive surprise attack on Western Europe. Soviet forces cannot be moved westward in substantial numbers without lengthy and visible mobilization. U.S. intelligence resources, most importantly satellite reconnaissance, would provide advance warning. In Admiral Moorer's words, "the Soviets, of course, mobilize in a different way than we do. . . . All of this generates a tremendous amount of movement, concentrations at shipping depots, and things of that kind. . . . I think it would be impossible for them to surprise us with their total effort." Defense Secretary Schlesinger has also minimized the possibility of surprise attack: "One of the things that we ought to become increasingly aware of in this country, we may have a Pearl Harbor complex and expect something to occur instantaneously, we are very likely to have warning at the tactical warning center so we could make adjustments."

DOD apparently plans on the assumption that there would be at least several weeks of mobilization possible before the escalation of a NATO-Warsaw Pact conflict to a significant level. The existence of warning time permits a very substantial increase in the number of both U.S. and NATO Europe forces available to oppose Soviet attack.

Former Defense Secretary Richardson commented on the "significant political and military constraints to the exercise of conventional military force against NATO" by the Soviet Union, including that "the logistics burden of supporting large-scale, sustained offensive warfare would impose constraints on Pact forces in terms of both time and distance." Defense Secretary Schlesinger has also described Soviet logistics problems as "severe," and said that "with our airlift capabilities, we are able to redeploy combat troops very quickly, in fact more quickly in a number of respects than the Soviets can in a location closer at hand."

Reinforcing Soviet troops stationed in Eastern Europe, 800 miles from Western Russia, presents difficulties not often realized. Land, unlike open ocean, can be cut in many places by air strikes, partisan actions, and conventional mining. Land is not flat like the ocean, and geographic obstacles can be exploited to make travel difficult overland. To stop shipping in the ocean from reaching its destination, one has to destroy the ship. On land in Europe the easiest way to stop material or troops from reaching their destination is to break the vein of travel, which can be done repeatedly and at different points.

Soviet reinforcements for Eastern Europe include 7 airborne divisions, 17 armored divisions, and 34 motorized rifle divisions. (Soviet divisions are significantly smaller than those of NATO). The airborne divisions would be easiest to deploy. (There are, however, only enough Soviet transport aircraft to lift about 2 divisions and their equipment at a time.)

The 51 other reinforcement divisions contain 476,000 men, about 9,500 tanks and about 67,000 supply trucks as well as thousands of artillery pieces and other equipment. To arrive at the front, they must come by road or rail. If by road, it is likely they would be vulnerable to continuous air attack. NATO's modern offensive combat aircraft are structured for quick destruction and interdiction of Warsaw Pact supply and reinforcement routes and, depending on the intensity of the war, various types of missiles, including SLBMs and ICBMs, might be utilized in this role. If Soviet reinforcements did arrive at the front, it is doubtful what contributions they could make to the fight. The tanks themselves, in view of the high maintenance breakdown of Soviet armor, would be in poor condition. Tanks and other tracked vehicles would have worn down their treads, if they stayed on the main roads. If they left the roads to move cross country, their arrival time would be sharply lengthened. Travel by road would also burn up more stores and fuel than the Soviet Army would like to use for noncombat purposes.

Reinforcing by rail could be an even more arduous task. Rail lines are more susceptible to crippling interruption and destruction than roads. It might be possible to drive around craters on a road, but trains must stop if rails are destroyed. There is also the problem, particularly at the Polish border, of different gauges of track through Western Russia and Eastern Europe. In general, considering the volume of traffic involved, NATO capability for land-interdiction, and the vulnerability of rail lines, Soviet reinforcement by rail would have serious problems. The thin railway net that connects the Soviet industrial centers and supply routes across the territory of unreliable allies could be as vulnerable to disruption as the lengthier reinforcement routes between the United States and Europe.

RECLAMATION PROJECTS IN THE STATE OF COLORADO

Mr. DOMINICK. Mr. President, the history of the authorized reclamation project in Colorado is a legislative and political story that has been years in the making and that has consumed the time and efforts of countless individuals and organizations. These projects which have been previously authorized by the Congress, their estimated cost, the funds expended as of June 30, 1972, and the priorities assigned by the Colorado Water Conservation Board are as follows:

Project	Estimated cost	Federal funds expended June 30, 1972	Priority	Funding schedule 1974
Narrows	$84,870,000	$1,775,000	1	$1,500,000
Dallas Creek	55,000,000	1,069,000	2	25,000
Dolores	90,000,000	1,263,000	3	450,000
Fruitland Mesa	43,214,000	1,549,000	4	200,000
Animas-La Plata	160,000,000	1,314,000	5	400,000
Savery-Pot Hook	47,930,000	1,074,000	6	
Closed Basin	22,000,000	310,000	7	
San Miguel	102,000,000	1,074,000	8	
West Divide	106,580,000	1,012,000	9	
Total	711,594,000	10,440,000		3,100,000

Mr. President, for fiscal year 1973, Congress appropriated funds for all of these authorized projects with the exception of Closed Basin. These funds were appropriated to carry on advance planning and in some cases to initiate construction. The President had directed that all of these funds be impounded with the exception of $500,000 to be utilized in determining the salinity effects of the various projects on the Colorado River. In his budget message to the Congress, the President recommended no funds for any of the projects for fiscal year 1974.

Mr. President, realizing that the work of 20 years on behalf of these projects was in jeopardy, State water leaders met on several occasions in an effort to establish an approach to reasonable funding for these projects while recognizing that restraint be imposed in order to achieve some control over ever-increasing Federal expenditures.

The fact that priorities were established is itself a remarkable accomplishment. Many of these projects are located on the western slope of Colorado while others are on the eastern slope. The arguments over Colorado waters between these two areas is a fascinating and continuing part in the development of Colorado.

After adoption of these priorities on March 21, 1973, former Gov. John A. Love and Felix L. Sparks, executive director of the Colorado Water Conservation Board, met with the Colorado congressional delegation on March 27 in an effort to present a united front on this important subject. After conversations with the Office of Management and Budget, it was painfully obvious that the Department of the Interior and OMB had adopted the thesis that there is no point in reclamation projects while other land is being taken out of production. This thesis is wholly inaccurate in view of our agricultural requirements. Reclamation should be receiving more attention than ever before. As a result of our meetings on February 22 and March 27, the following members of the Colorado delegation—Senator HASKELL and myself, Congressmen ARMSTRONG, BROTZMAN, EVANS and JOHNSON—signed a statement dated May 1, 1973, which was presented to the House and Senate Public Works Appropriations Subcommittees. That statement supported the priority schedules adopted by the Colorado Water Conservation Board and requested funding of not less than $3.1 million be added to the Public Works Appropriations bill.

Mr. President, I appeared and testified before both the House and Senate subcommittees. My statements and the statement of the congressional delegation in support thereof were made a part of the CONGRESSIONAL RECORD on June 25, 1973, beginning at page 21114. At that time, I stressed the individual merits of each of the projects and pointed out the unusual significance of the Dolores and Animas-La Plata projects insofar as their relationship to a law suit filed in U.S. District Court for Colorado by the Justice Department on behalf of the U.S. Government and the Ute Mountain and Southern Ute Indian Tribes of southwestern Colorado.

Former Governor Love and many other persons representing the various water projects testified before these subcommittees. The House Appropriations Committee subsequently reported a public works appropriations bill in June and regrettably only included $310,000 for the Dolores project and $375,000 for Animas-La Plata.

Mr. President, on July 9, 1973, I contacted each member of the Senate Public Works Appropriations Subcommittee and asked for their attention to the requested funding of not less than $3.1 million as previously set forth. On July 20, 1973, the Senate Appropriations Committee reported the public works appropriations bill, which in addition to identical House amounts for Dolores and Animas-La Plata, added $1 million for the Narrows. This addition was accepted in conference and the public works appropriations bill was signed by the President on August 16, 1973.

After continued urging on the part of the Colorado delegation and water leaders in my State, I was advised that funds had been released for expenditure during the remainder of fiscal year 1974 in the following amounts:

Narrows	$280,000
Animas-La Plata	598,000
Dolores	460,000

We have now come full circle, and I have expressed my feelings on several occasions to the White House and to OMB about this continued refusal to recognize the importance of the Colorado water projects and the impoundment of appropriated funds.

Mr. President, as we complete our legislative activities for 1973, I am mindful of the need for adequate funding for these projects and the fact that we shall soon be receiving and reviewing the proposed budget for fiscal year 1975. One of my deep wishes at this holiday season is that my messages strongly supporting these projects have been received and favorably considered by the executive branch. The Congress this past year took action when action was required. I now await something more than inaction on the part of the executive branch of Government in the 1975 budget.

RETURNABLE CONTAINERS SAVE ENERGY

Mr. HATFIELD. Mr. President, as my colleagues know, I believe very strongly that we must enact legislation to ban nonreturnable bottles and cans. I have introduced a bill to do this, the Nonreturnable Beverage Container Prohibition Act, which is presently pending before the Senate Commerce Committee.

Among the most important reasons for banning nonreturnables is their wasteful energy consumption. On December 5, Sensible Citizens Against Throwaways and Crusade for a Cleaner Environment held a press conference in Washington and provided some compelling facts in support of this proposition. We are all searching for ways to save energy and I believe this method is one which can and should be adopted soon. Because I feel that this will be of particular interest to all Senators, I ask unanimous consent that the press release and information resource kit prepared jointly by these two groups be printed in the RECORD, as well as a press release and fact sheet published on November 29 by Crusade for a Cleaner Environment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENSIBLE CITIZENS AGAINST THROWAWAYS (SCAT) AND CRUSADE FOR A CLEANER ENVIRONMENT PRESS RELEASE

The throwaway soft drink and beer container, long under attack for its litter, solid waste, resource waste, and high cost characteristics, came under a new attack today—it is a shocking waste of energy.

Proponents of a nationwide mandatory return to reusable leisure drink containers released a study showing that such legislation will save 66% of energy saved by a nationwide 50 mile an hour speed limit or more than the energy savings under one plan of limited air flights or about a third of one published government plan for lower home heating limits.

A Montgomery County Maryland citizens organization, Sensible Citizens Against Throwaways (SCAT) and a national environmental unit, Crusade for a Cleaner Environment, presented data supporting enactment of Senate bill S2062 sponsored among others by Senator Hatfield and Packwood of Oregon where similar legislation has been in effect for over a year.

It would ban all non-returnable beverage containers. The Commerce Committee is expected to hold hearings in late January. Montgomery County has studied similar legislation for the past year and its County Council will meet Friday to start final action on the bill.

The focus on the energy aspects of such legislation is timely in that the data has been collected to portray equivalent energy waste of throwaway beverage containers in comparison to other energy savings measures proposed by the Administration.

John Breier, SCAT president, showed an energy saving equivalent to 131,000 barrels of oil per day with an all returnable container system.

Dr. Robert Turner of SCAT presented data showing that at the time of disposal—each 12 oz. beer can has accumulated the equivalent of 26% of its volume in wasted gasoline. It is the same as putting both the can and 3.18 ozs, of gasoline into the family garbage can.

Turner also compared the national energy waste to the heating of 2.5 million three bedroom brick homes and the heating of an average bath to the energy waste of six average throwaway containers. He also noted that a 100-watt light bulb burning for 12 hours consumes the waste equivalent energy of a single beer or soft drink can.

Such energy savings or waste come about because each reusable container is used again and again. The SCAT study used 10 trips of one reusable bottle versus the manufacture bottling, transportation and disposal of 10 cans or one-way bottles. The equivalent waste per throwaway is 4195 BTU's.

The equivalent waste of 60 million throwaway containers used in the USA in 1972 is equal to the energy equivalent provided by 5.5 million gallons of gasoline per day. An area such as Montgomery County with 568,000 residents and 204 million throwaways per year could share the equivalent of 18,770 gallons of gasoline savings per day.

Aluminum is the most energy wasteful container; each can representing 6.9 ozs. of gasoline waste. Over 10 billion aluminum containers were used last year.

The study showed recycling is not a viable alternative. Each 16 oz. glass bottle that is recycled adds 10% to its equivalent energy budget.

The nation's total throwaway container equivalent energy waste is equal to the output of 10 Calvert Cliff size nuclear powerplants.

The study, based on those done by Dr. Bruce Hannon of the University of Illinois and the Midwest Research Institute under contract to EPA, utilizes equivalent energy units of British Thermal Units utilized by the mining, manufacturing, bottling, distribution and disposal of one-way and reusable beer and soft drink containers.

Although the total process uses energy from electricity, oil, and gasoline sources the equivalent BTU's are expressed in gallons of gasoline and barrels of crude oil to surface the equivalent energy waste in terms currently used to describe the nation's energy shortage.

Thus the 131,000 barrels of gasoline per day is the BTU equivalent of throwaway energy waste and would require 279,000 barrels of crude oil to make that much gasoline under existing refinery operations. The conversions to an all returnable system would save the *energy equivalent* of 131,000 barrels of gasoline each day. The savings would actually come in the use of less oil, electricity as well as gasoline.

SCAT also presented the results of two studies that showed a move to an all returnable system would actually mean a job increase . . . that is more net jobs with more people required in the bottling and retail outlets and less in the can and bottle manufacturing companies.

INFORMATION RESOURCE KIT: "THE ENERGY CRISIS AND THE THROWAWAY"

(Prepared by Sensible Citizens Against Throwaways (SCAT) Crusade for a Cleaner Environment)

BASIC FACTORS I—ENERGY WASTE OF THROWAWAY BEVERAGE CONTAINERS

1972 Production of Beverage Containers

Soft Drink Containers:	*Billion*
Cans	16.4
Throwaway bottles	13.6
Returnable bottles	17.0
Total	47.0
Beer Containers:	
Cans	21.7
Throwaway bottles	8.2
Returnable bottles	6.8
Total	36.7
Total	83.7
Less Returnables	23.8
Net Throwaways	59.9

Analysis of throwaway beverage containers by type

	Billion
Aluminum Cans	10.4
Steel and Bimetal Cans	27.7
Subtotal Cans	38.1
Bottles	21.8
Total Throwaways	59.9

Throwaway beverage containers accounted for 71.5% of production in 1972. Throwaway cans represented 45.5% of the total, and throwaway bottles contributed 26% of the total.

Facts about beverage container usage

The national average consumption of soft drinks is one drink per person per day. There has been an annual growth rate in recent years of 7% per year in leisure beverage consumption.

Sources: Beverage Industry Annual Manual, 1972–73 U.S. Industrial Outlook, U.S. Department of Commerce, 1973.

BASIC FACTORS II

U.S. Population: 208 Million.

Montgomery County: 568 Thousand.

Energy* (millions Btu 1000 gals. of beverage, 12 oz.:

Returnable trips:	
5	46.5
10	23.6
19	17.3
Bimetal can	56.7
One way glass	70.5
Aluminum can	95.5

Weighed average throwaway Energy Waste over:

10 Trip Returnable**—4198 Equivalent BTU/container.

19 Trip Returnable—4823 Equivalent BTU/container.

10 Trip—8478 Megawatts/year.

19 Trip—9662 Megawatts/year.

With 10 trips, saving is 4.33 oz. gasoline/container.

With 19 trips, savings is 4.94 oz. gasoline/container.

125,000 BTU's equivalent/gallon of gasoline.

1 kilowatt hour=3413 BTU.

60 billion throwaways/year.

10 trip returnable use equals 131,000 BBL/day crude oil saving.

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*Phase 2 Midwest Research Institute study under EPA Contract.

**10 Trip used in all calculations.

19 trip returnable use equals 149,000 BBL/day crude oil saving.

Washington Area:
400,000 homes heated w/gas heat.
150,000 oil.
25,000 electricity.
Crude oil BBL=47% gasoline.

U.S. oil use—Throwaway beverage container waste

Daily U.S. Oil Use—17,000,000 BBL's.

Projected savings*

50 mph, 200–250,000 BBL/Day.
Less Air Flights, 120,000.
—3° +3° Home, 550,000.
—10% Commercial, 400,000.
Car Pools, 780,000.
Auto Tune-up 6 months, 140,000.
Cold Water Detergents, 180,000.

All returnable system savings*

Dept. of Interior—Office of Energy Conservation, John Gibbons—November 22, 1973.
131,000 BBL's/Day 10 Trip.
149,000 BBL's/Day 19 Trip.

EFFECTS ON EMPLOYMENT OF AN ALL REUSABLE BEVERAGE CONTAINER SYSTEM—Continued

Industry	Employment (thousands)		
	Present	Reusable	Reusable with 4 percent drop
Total	336,800	351,500	337,100
Soft drink	128.6	146.6	141.2
Malt liquor	58.1	63.2	61.3
Beer distribution	59.6	76 9	74.2
Glass container manufacturing	26.1	12.7	10.4
Basic metals	15.3		
Retail grocery	19.6	52.1	50.0
Total	336.8	351.5	337.1
Average earnings under each of the proposed systems for all of the industries involved in beverage container packaging and distribution in 1972	$7,688	$7,338	$7,343

Source: "The Beverage Container Problem: Analysis and Recommendations;" EPA–R2–059, September 1972; Bingham, Taylor H. and Mulligan, Paul F.; Research Triangle Institute.

BOTTLES AND ENERGY FACT SHEET

PRELIMINARY

A tremendous amount of energy waste is associated with "one-way" throwaway beer and soft drink beverage containers. Two comprehensive studies have been performed on the relative energy impact resulting from use of throwaway containers compared to returnable bottles, one by Dr. Bruce Hannon of the Engineering Department at the University of Illinois and the other by Midwest Research Institute under contract to the Environmental Protection Agency. In the calculations below data from the MRI analysis are used, although Dr. Hannon's figures would provide essentially the same results. Here some scientific findings are translated into everyday terms. This analysis is not exact but is intended as a "ballpark" estimate, and where assumptions had to be made they were in every case conservative (leading to lower than actual apparent energy waste), so the energy squander is actually more severe than described below.

"AVERAGE THROWAWAY CONTAINER" (ATC) DEFINED

The U.S. Department of Commerce reports that 83.7 billion containers for beer and soft drinks were manufactured in the U.S. in 1972:

23.8 billion returnable glass bottles.

28.0 billion bimetal and steel (mostly bimetal) throwaway cans.

21.5 billion throwaway glass bottles.

10.4 billion aluminum throwaway cans.

All containers are assumed here to be 12 oz.; this assumption will provide a lower energy waste estimate than is the real case. The throwaways will be compared to returnable bottles with 10 trips per bottle life, also conservative since national average is 24.

Container description	10-trip returnable	Bimetallic can	Glass throwaway	Aluminum can
Energy consumed per use (Btu's)	2,212	5,316	6,610	8,953
Energy wasted compared to 10-trip returnable (per container) (Btu's)	0	3,104	4,398	6,741
Number of uses in 1972 (billions)	23.8	28.0	21.5	10.4
Total energy consumption (trillion Btu's)	52.6	148.8	142.1	93.1

Thus energy consumed by the 59.9 Billion throwaways is 384 Trillion BTU's and from this comes a definition of an "Average Throwaway Container" (ATC). The average energy requirement for throwaways is 6410 BTU/Container, and so the average waste per unit is (6410−2212)=4198 BTU/Container. It is reasonable to define the national "Average Throwaway Container" (ATC) as a unit which wastes 4198 BTU of energy for every usage when compared to a 10 trip returnable bottle.

1 Average Throwaway Container (ATC)—4198 Btu.

204 Million ATC's (Montgomery County Annual Consumption)—856.5 billion Btu.

59.9 Billion ATC's (USA Annual Consumption)—251 trillion Btu.

GASOLINE EQUIVALENT WASTE

Gasoline contains a stored heat content of 125,000 BTU/Gallon=976.6 BTU/oz. Today we hear about barrels of oil; 1 barrel=42 gallons. It takes 2.12 barrels of oil to make 1 barrel of gasoline. The energy contents above are computed in terms of heat content of gasoline or barrels of oil required to manufacture barrels of gasoline.

12 oz Average Throwaway Container (ATC)=4.3 oz Gasoline.

This amazing result means that everytime someone consumes a 12 oz "disposable" container, he wastes on the average the energy content stored in 4.3 oz gasoline.

Who would fill a beverage container 36% full of gasoline before discarding it?

Wastes for specific container types are compared to a 10 trip returnable bottle:

12 oz Bimetallic Can=3.2 oz Gasoline=26.5% full can.

12 oz Throwaway Glass Bottle=4.5 oz Gasoline=37.5% full bottle.

12 oz Aluminum Throwaway Can=6.9 oz Gasoline=57.5% full can.

Montgomery County Equivalent Waste=6.85 Million Gallons Gasoline/Year.

Montgomery County Equivalent Waste=18,770 Gallons Gasoline/Day which are made from 950 Barrels Oil/Day.

Montgomery County Equivalent Waste=446 Barrels Gasoline/Day which are made from 905 Barrels Oil/Day.

USA Equivalent Waste=2.0 Billion Gallons Gasoline/Year.

USA Equivalent Waste=5.5 Million Gallons Gasoline /Day.

USA Equivalent Waste=131,000 Barrels Gasoline/Day which are made from 279,000 Barrels Oil/Day.

By reducing highway speed limits everywhere in the USA from 65 MPH to 50 MPH the expected national oil saving is 200,000 Barrels Oil/Day. Since stored eneryg content of oil is roughly equal to that of gasoline, we see that the energy content of 131,000 Barrels Oil/Day is thrown away in the form of "disposable convenience containers", and it is obvious that this waste has become critical since 66% of energy saved by everyone driving slower is literally thrown away by the use of "disposable convenience containers." It can also be considered that 131,000 Barrels of Gasoline/Day (the stored energy equivalent of all throwaways) are manufactured from 279,000 Barrels Oil/Day.

HOUSE HEATING EQUIVALENT WASTE

Washington Gas Light Co. reports that a three (3) bedroom brick house has an annual heating requirement of 102 Million BTU's.

Montgomery County Annual Throwaway Waste=856.5 Billion BTU=8400 Houses.

USA Annual Throwaway Waste=251 Trillion BTU=2.5 Million Homes.

Thus 8400 houses in Montgomery County could be comfortably heated using the energy represented by throwaways in Montgomery County alone; this is about 5% of the home heating requirement (annual) in the county. Reflect on this as you turn down your thermostat.

HOT WATER HEATING

Suppose you take a hot bath in a tub 4½ feet long, 2 feet wide with water 1 foot deep. The heat required to warm this 67.5 gallons of water from 65° F to 110° F is 25,245 BTU's, which can be represented by the energy waste of 6 Average Throwaway Containers (ATC's).

The heat stored in 60 gallons of water (an average home hot water tank) heated from 50° F to 150° F is 50,000 BTU, represented by 12 ATC's.

ILLUMINATION

A 100 watt light bulb burning for over 12 hours consumes the same energy represented by the energy waste of a single 12 oz ATC (4198 BTU).

EQUIVALENT ELECTRICAL WASTE

Dr. Priscilla Laws, Professor of Physics at Dickinson College, calculated that the USA annual throwaway energy (beverage containers only) could provide all residential electrical power for an affluent city of 7.5 Million people. Scaled down to Montgomery County annual container waste, this would serve 25,800 people.

Time Magazine (November 26, 1973) reported the following energy consumption costs for an average American home: (Note: 1 kw-hr=3413 BTU=0.813 ATC's)

Item	Annual energy (kilowatt-hours)	Equivalent ATC's
Average U.S. household	8,000	*6,500
Electric toothbrush	0.5	0.4
Electric carving knife	8	6.5
Garbage disposal	30	24
Refrigerator (average 14 ft³)	1,137	925
Refrigerator (frost-free 17 ft³)	2,008	1,632
Color TV (3.6 hr/day)	440	358
Black and white TV	120	98
Air conditioner	1,440	1,170
Automatic clothes washer	103	84
Hot water heater	4,219	3,430

* Throwaway containers.

RECYCLING COMPARED TO REUSE

Recycling, defined in the present context as return of a glass bottle for sorting, crushing, melting and remanufacture into another (identical) bottle, tends to save glass but not energy. In the reuse process the bottle is cleaned, not remade, at a considerable energy and financial saving. The following table for 16 oz. bottles illustrates this concept; the data are from the Dr. Hannon study, considered at only eight return trips.

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*To get 131,000 BBL's of Gasoline would require 279,000 BBL crude.

Type use	Energy consumed per use (per bottle) (Btu)	Energy wasted compared to returnable bottle (per bottle) (Btu)
Returnable	2, 400	0
Throwaway	7, 260	4, 860
Recycle	7, 825	5, 425

Two results emerge from the above table; recycling bottles does not save energy, and everytime a 16 oz. throwaway bottle is consumed 4860 BTU's of energy are wasted. The energy penalty against recycle compared to throwaway arises because it actually requires more energy to sort out the glass from mixed trash in many locations than to mine virgin glass from a single location. In the manufacturing process the overwhelming energy expenditure occurs with the melting and forming process, common to every throwaway and recycle usage. With reused bottles this melting is not repeated prior to every usage, hence the significantly lower energy consumption.

OTHER CONSEQUENCES OF UNNECESSARY CONSUMPTION

Only energy costs relating to throwaway bottles and cans have been considered above. Other factors which would enter into a total impact analysis concurrent with resource squander would include increased atmospheric emission, increased waterborne wastes including thermal pollution, more committed water volume for processing, increased post-consumer solid waste, increased industrial solid waste, dangerous and unsightly litter, more strip mines to provide more virgin raw materials, increased encroachment and stress on wildlife habitats, spoilation and ruination of lands, increased financial costs to the consumer, and of course less available fuel with which to energize higher priority activities.

EQUIVALENT WASTE OF NUCLEAR POWERPLANTS

The USA national energy waste due to the throwaway system is 251 Trillion BTU/year which equals 8500 Mw (Megawatts). Each unit of Calvert Cliffs Nuclear Power Plant in Maryland has a maximum electricity generating capacity of 880 Mw, and so the national energy waste represented by throwaway leisure beverage containers is equivalent to about ten (10) very large nuclear power plants.

STOP SQUANDERING ENERGY ON THROWAWAYS

WASHINGTON, D.C., November 29, 1973.—More than nine million people could be supplied with electricity for a whole year by the energy wasted during 1972 through use of throwaway containers rather than returnable bottles for soft drinks and beer, according to the Crusade for a Cleaner Environment.

CCE also calculates that the energy wasted by the throwaway bottles and cans last year was the equivalent of approximately 1.7 billion gallons of gasoline—enough to operate nearly 1,700,000 automobiles averaging 10 miles per gallon for a typical driving year of 10,000 miles.

Finally, based on the needs of a three-bedroom brick home in the Washington, D.C. area, CCE's figures show that approximately two million homes in the Middle Atlantic region could be heated with natural gas for an eight-month heating season by the energy wasted on throwaways in 1972.

"Through higher prices paid for beverages in throwaway containers and litter-removal costs, the American consumer has been subsidizing the beer and soft drink industries' concentration in so-called 'convenience' packaging for several years," CCE President N. E. Norton said in releasing the figures. "Now it is clear that this subsidy has included the sacrifice of precious energy supplies as well. The situation will grow even more critical if major beverage companies continue with plans to package their products in throwaway plastic bottles made from scarce petroleum."

Norton, who is also president of Royal Crown-Dr. Pepper Bottling Company of Corpus Christi, Texas, explained that while throwaway containers are wasters of energy, "returnable bottles conserve energy by functioning as their own recycling system. Each returnable travels the natural closed loop from container manufacturer to bottler, to retailer, to consumer, and back again for reuse an average of 15 times.

"With fuel shortages, brownouts and gasoline rationing real possibilities, American industry and consumers must change habits of energy consumption to 'waste not, want not.' I call on my fellow bottlers to set an example for the nation by returning to the returnable system of distributon for soft drinks and malt beverages," Norton concluded.

The Crusade for a Cleaner Environment is a non-profit educational organization working to increase public awareness of the role of throwaway beverage containers in America's litter, solid waste and energy problems.

THROWAWAY BEVERAGE CONTAINERS WASTE ENERGY

The packaging of beer and soft drinks in approximately 60 billion throwaway containers rather than in returnable bottles wasted 211.5 trillion British Thermal Units of energy during 1972.

That energy wastage is the equivalent of:

18.2 billion kilowatt hours of electricity—enough to supply the electrical needs of 9.1 million relatively affluent Americans for a whole year;

1.69 billion gallons of gasoline—enough to operate 1,690,000 automobiles averaging 10 miles per gallon for a typical driving year of 10,000 miles;

Enough energy to heat approximately 2 million three-bedroom brick homes in the Middle Atlantic region with natural gas for an entire eight-month heating season.

While throwaway containers are tremendous energy wasters, returnable bottles conserve energy by functioning as their own recycling system. Each returnable bottle travels the natural closed loop from container manufacturer to bottler, to retailer, to consumer and back again for reuse an average of 15 times.

With fuel shortages, brownouts and gasoline rationing real possibilities, American industry and consumers must change their habits of energy consumption to "waste not, want not." The perfect place to begin is by returning to the returnable bottle system of distribution for soft drinks and malt beverages.

SOURCES

System Energy and Recycling: A Study of the Beverage Industry, by Professor Bruce M. Hannon, Department of General Engineering and Center for Advanced Computation, University of Illinois, December 1971.

An Ecological Approach to Solid Waste Management, by Dr. Priscilla Laws, Professor of Physics, Dickinson College, February 1973.

Beverage Industry 1972–1973 Annual Manual, New York, September 1972.

Washington Gas Light Company, Consumer Education Services, Washington, D.C., November 1973.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that morning business be closed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the majority leader and the minority leader each be allowed to speak out of order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, first of all I would like to extend my thanks to the distinguished majority leader for his very kind expressions of goodwill and approbation and for what he has said about me and about the distinguished assistant minority leader. We in the Senate know that the majority has the responsibility and obligation for legislation and it could invoke far more stringent applications of its authority and responsibility than, in fact, it does. Through the tolerance of the majority leadership we in the minority enjoy the benefit of being constantly consulted and we gladly extend our cooperation in return in order that the work of the legislature may be expedited. At the same time we are well aware that the distinguished majority leader has the kind of personality which makes cooperation with him a pleasure as well as a privilege, and we do appreciate and understand the fact that he extends to us these opportunities which a more rigid application of the realities of the situation might not encompass.

I am sure that the majority leader would like to have some reference made to the fact that we in Congress found a way to apply the 25th amendment to the Constitution effectively, and for the first time, in the way we selected a new Vice President. Particularly I would like to praise the work of the Committee on Rules and Administration, chaired by the Senator from Nevada (Mr. CANNON) and the ranking member, the Senator from Kentucky (Mr. COOK), as well as those members of the committee who worked so hard and conducted the most exhaustive investigation in the history of this country into the qualifications of any person proposed for Federal office.

Mr. MANSFIELD. Mr. President, will the Senator yield at that point?

Mr. HUGH SCOTT. I yield.

Mr. MANSFIELD. I concur wholeheartedly with the distinguished Republican leader. I am delighted with the work done by the Committee on Rules and Administration, of which both the Republican leader and the assistant Republican leader, as well as the deputy Democratic leader are members. I think that it was a fair investigation, and as the Senator said, the most thorough investigation of any Vice President in the annals of the history of the Republic.

Furthermore, I think we are extremely fortunate to have a man of the caliber of GERALD FORD as our Vice President. I must say it does my heart good to see him sit in the Presiding Officer's chair as the President of the Senate. So that is another asset which I think should be mentioned as indicating the scope of the work of the Senate and Congress this year.

Mr. HUGH SCOTT. I thank the distinguished majority leader. It is certainly heartening to see the Vice President devoting so much of his time to his primary duty, that of presiding over the Senate and lending his aid and counsel to us. We certainly welcome him in that capacity. With regard to the handling of the Foreign Assistance Act recently, I am obliged to express my appreciation for the able manner in which that bill was handled by the distinguished Senator from Minnesota (Mr. Humphrey). He is a friend for whom I have the greatest admiration and I think he handled a very difficult bill, along with the distinguished Senator from Vermont (Mr. Aiken), with tact and ability. It enabled us to work out a matter which has normally ended up in continuing resolutions until this time. I do wish to pay that tribute.

Mr. MANSFIELD. And it is well deserved.

I am delighted that the President, if he already has not done so, has indicated willingness to sign the HEW appropriation bill, which likewise has been getting by on a continuing resolution basis, which I think is very poor parliamentary procedure for Congress to continue.

Mr. HUGH SCOTT. So do I. The President, I note from the Record, signed yesterday the HEW appropriation bill. I am glad he did and, as I said, he indicated he will sign the HMO bill, the manpower bill, and the District of Columbia home rule bill, also.

I would not want to let the occasion pass without noting that it is not necessarily a fact that I would agree with everything in the majority leader's report. I will have a minority report before we adjourn. But certainly we are not contentious about it. We do have differing points of view. I do not think anyone in this country except every wise and long-headed individuals, particular experts, foresaw the extent of the energy crisis. Certainly they did not do so in Great Britain where the situation is three or four times as bad as it is here. Praise for the Senators who handled the energy legislation is well deserved.

I am glad we are not getting into a quarrel with the President as to who foresaw and who did not foresee because I think neither Congress nor the President could possibly have realized the full depth and extent of this crisis. The orderly thing is that we find a way to end it and free ourselves of dependence on outside sources of energy.

I think, too, we have to take responsibility for the expenditure of public funds because while Congress has made some very important cuts in recommendations, we have to remember that every cent spent by the executive branch is first appropriated by Congress, and if we are confronted with budget deficits it is because in past sessions, as well as the present session, we have appropriated funds, had ongoing authorizations, pipeline expenditures, and so on, all of which mean Congress and the President share in the appropriating procedure. When the President spends money, he spends money Congress told him to spend, and the President, in spite of his effort to impound certain funds—and I note now that he has released those impoundments in certain areas—in the long run is compelled by Congress to spend the money Congress wants him to spend.

So I am in no way being contentious in making the point, and I do again congratuate the distinguished majority leader for his report, for his evenness of temper and disposition, for his kindness to us, and the privilege he extends to us which enables us to return our cooperation to him. I do thank the distinguished majority leader.

Mr. MANSFIELD. Mr. President, before I conclude there are a few other things I could add, of course. I could refer to the hearings on the part of the Committee on the Judiciary in the case of our colleague, Senator Saxbe, but in the interest of time I will add some of these matters.

I conclude with the observation that while the Senate is usually referred to as an uncontrolled Senate, we should emphasize the fact that this is a Senate made up of both Democrats and Republicans, and we operate on the basis of equality, mutual understanding, and cooperation.

PRENTISS M. BROWN

Mr. GRIFFIN. Mr. President, a number of my colleagues will recall with affection and high regard one of Michigan's most distinguished sons, Prentiss Marsh Brown, who served in the Senate in the years from 1936 to 1943. They will be saddened, as I was, to learn of his death yesterday at his home in St. Ignace, Michigan, at the age of 84.

In a public service career which spanned three score years, Senator Brown was an effective and articulate spokesman for the people of Michigan and the Nation. He won national recognition in connection with price control legislation and, after leaving the Senate, he served as the second administrator of the Office of Price Administration in 1943.

His career began, as it ended, in that part of Michigan he loved so well. A very able and respected practicing lawyer, he served Mackinac County as its prosecuting attorney from 1914 to 1926—and as city attorney of St. Ignace from 1916 to 1928. For many years he was a member of the State Board of law examiners. Before coming to the Senate, he served two terms in the U.S. House of Representatives.

When he returned home after his tours of service in Washington, he turned his attention to the long felt need for a bridge to span the Straits of Mackinac and join together the two peninsulas of Michigan. Under his tireless leadership, the dream of such a bridge, 5 miles long and costing $96 million, became a reality. It stands now as one of the engineering masterpieces of the world—and as an enduring monument to the vision and perserverance of Prentiss Brown, who served as a member and chairman of the Mackinac Bridge Authority from the time the structure was completed until his death.

He believed in political as well as public service and took a leading role in the Democratic Party in Michigan. Six times he was chairman of his party's State convention and often was his party's standard bearer in elections, some that were won and some that were lost.

But in victory and defeat he always had the respect of Republicans as well as Democrats throughout the State. As an indication of the esteem in which he was held, Gov. George Romney, a Republican, proclaimed June 18, 1964, "Prentiss Brown Day" in recognition of his life of service.

Mrs. Griffin and I join with a host of friends in Michigan and throughout the Nation in expressing our most sincere sympathy to Mrs. Brown and the fine family of Prentiss M. Brown.

Mr. President, I ask unanimous consent the two newspaper articles be printed at this point in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Detroit News, December 20, 1973]

Prentiss Brown Rites Saturday; Ex-U.S. Senator

Services for Prentiss M. Brown, former U.S. Senator from Michigan and guiding force behind construction of the Mackinac Straits Bridge, will be held at 2 p.m., Saturday in the United Methodist Church of St. Ignace, St. Ignace.

Mr. Brown died yesterday of a heart attack in his St. Ignace home. He was 84.

Mr. Brown served as chairman of the Mackinac Bridge Authority until his death.

In 1943 he headed the Office of Price Administration for nine months, one of the toughest administrative war-time jobs in the country.

Throughout his long legal career, Mr. Brown proudly bore the title "country lawyer" as a trademark which brought clients from cities as far away as Milwaukee, Chicago and Cleveland to his office in the tiny community of St. Ignace, his birth place, in the Mackinac straits.

Born June 18, 1889, he followed his father's footsteps as Mackinac County prosecutor from 1915 to 1927.

Although a graduate of Albion College, Mr. Brown never finished law school. Instead he studied in his father's office and was admitted to the bar.

In 1932 the Michigan Democratic party tapped him to run for Congress from the heavily Republican 11th Congressional district and he was reelected to a second term.

In 1936 Michigan Gov. Frank D. Fitzgerald appointed him an interim U.S. Senator following the death of Sen. James Couzens. Out of the intervening six years in which he was elected and served in the Senate, he won acclaim as one of the most able men on the Hill.

The Senate Press Gallery voted him as the top Democrat in 1942 and the Washington Post described him as "the most typically American senator."

During the wartime New Deal Administration, Mr. Brown was often a trouble shooter for President Roosevelt and helped line up bipartisan support for his legislation.

He was influential in getting the Federal Deposit Insurance legislation passed. This law required federal employes to pay state income taxes and state employes to pay federal income taxes.

He is also credited with getting legislation passed that helped bail out depositors in the aftermath of the Great Depression which forced some banks to close their doors and many depositors to lose their life savings.

But his close relationship with the White House cooled in 1937 when he opposed the president's plan to "pack" the Supreme Court with six additional justices who presumably would be "friendly" to Roosevelt's programs.

In 1942 Mr. Brown was defeated for his senate seat and returned to private law practice. Besides serving 10 years as chairman of the board for Detroit Edison Co., he was president of the Arnold Transit Co.; chairman of the Detroit branch Federal Reserve System and vice-president of the Paulding Sugar Co. Also, he was director of the Great Lakes Sugar Co. and a member of the Advisory Council for the U.S. Department of Commerce.

He is survived by his wife, Marion; four daughters, Mrs. Marianna Rudolph, Mrs. Ruth Evashevski, Mrs. Barbara Laing and Mrs. Patricia Watson; three sons, James, Prentiss M. Jr. and Paul; 33 grandchildren and five great-grandchildren.

[From the Detroit Free Press, Dec. 20, 1973]

PRENTISS BROWN DIES AT 84; BIG MAC IS HIS MONUMENT

Prentiss Brown, former U.S. Senator from Michigan who was a major force behind construction of the Mackinac Bridge, died Wednesday at his home in St. Ignace. He was 84.

Services will be held at 2 p.m. Saturday at the Dodson Funeral Home in St. Ignace.

A native of that city, Mr. Brown was graduated in 1911 from Albion College and he later attended the University of Illinois.

He began the practice of law with his father in 1914 and served for 12 years as prosecuting attorney of Mackinac County.

Long a leading figure in Michigan's Democratic Party, he was the first Democrat elected to Congress from the 11th District that included parts of his native Upper Peninsula and the northern tip of Michigan's Lower Peninsula.

He served in the House from 1932 to 1936 and then was elected to the Senate, where he served from 1938 to 1942, when he lost the election to Homer Ferguson.

In 1943, Mr. Brown was named director of the Office of Price Administration.

In May 1944, he was named chairman of the board of the Detroit Edison Co., retiring from that position in 1954.

But Mr. Brown, who had strong family ties in Michigan's Upper Peninsula, considered that his most important achievement was the opening in June 1957 of the Mackinac Straits Bridge (Big Mac), at the Straits of Mackinac. It links Michigan's upper and lower peninsulas, previously connected by a fleet of ferry boats. He was chairman of the Mackinac Bridge Authority.

The climax to his efforts to secure financing for the structure came in 1954, when Joseph King, president of Union Securities Corp., presented Mr. Brown with a check for $96 million.

Then Gov. George Romney proclaimed June 18, 1964, "Prentiss Brown Day" in recognition of his life of service to his native state.

Not only did Mr. Brown secure financing for the Mackinac Bridge but he later, with former Gov. Murray Van Wagoner, fought off attempts by the State Highway Commission to take over the bridge.

The bonds that financed the bridge are being retired out of the revenue from its tolls. So successful has the bridge proved that its toll has been reduced.

Mr. Brown is survived by his wife, Marion; four daughters, Mrs. Mariann Rudolph, Mrs. Ruth Evashevski, Mrs. Patricia Watson and Mrs. Bruce Laing; three sons, James, Prentiss M. Jr. and Paul, 33 grandchildren and five great-grandchildren.

Burial will be in Lakeside Cemetery, St. Ignace. Tributes may be made to the United Methodist Church of St. Ignace.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

REPORT ON OCCUPATIONAL SAFETY AND HEALTH—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate a message from the President of the United States, which with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

It was just three years ago that I signed into law the Occupational Safety and Health Act of 1970. Since that time, we have made significant progress toward our goal of a safe and healthy workplace for every worker in America.

Today, I am submitting the second President's Report on Occupational Safety and Health, outlining the activities which have taken place under that new Act in calendar year 1972. The achievements of that year indicate that the goals of the Act are becoming realities.

For example, many States have developed or are now in the process of developing their own occupational safety and health plans in accordance with the Act. As these plans are approved and carried out, enforcement will begin to shift from the Federal Government to the States with no loss in effectiveness.

Because public cooperation is vital to the success of the program, I am gratified by the support which has been extended to this program by the news media, by the professions, and by the general public. I am particularly pleased to note the cooperation and support which industry and labor organizations have given to these efforts.

The breadth and complexity of the Occupational Safety and Health Act have inevitably made it the focal point for controversy and criticism. I believe, however, that such criticism can be helpful as we work to improve our programs and as we modify and update its standards and regulations.

This year's report includes preliminary data from the first occupational injury and illness survey conducted under the new record-keeping procedures required by the Act. This data will be helpful in providing a basis upon which to judge the effectiveness of our efforts to reduce fatalities.

This report also reflects the added emphasis which has been placed on occupational health during the past year. Research in this area has increased in response to a growing awareness of the tragic toll taken by employee exposure to toxic substances and unhealthful physical environments.

Also included is the first report of the Occupational Safety and Health Review Commission, a wholly independent agency created by the Act to adjudicate citations and proposed penalties issued by the Department of Labor when they are contested by employers and employees.

This detailed account provides a useful overall view of the program and its accomplishments in 1972. It offers, too, a glimpse of what lies ahead as we work to assure safe and healthful working conditions for all of our country's working men and women.

RICHARD NIXON.

THE WHITE HOUSE, *December 20, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of Senate proceedings.)

EMERGENCY SECURITY ASSISTANCE ACT OF 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn immediately to the consideration of Calendar No. 624, H.R. 11088.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read the bill by title, as follows:

A bill (H.R. 11088) to provide emergency security assistance authorizations for Israel and Cambodia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. FULBRIGHT. Mr. President, I have some amendments to offer, but I assume the manager of the bill (Mr. HUMPHREY) will wish to open with a statement. I am prepared to proceed.

Mr. HUMPHREY. Mr. President, I have just a brief statement.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, this country has one—and only one—abiding goal in the Middle East: To bring about a just and lasting settlement in that anguished region of the world, so that Arabs and Jews can come to live together peacefully, in a spirit of mutual acceptance and, perhaps eventually, even in a spirit of cooperation and mutual assistance. The path to that settlement lies in negotiation—it is the only way—and tomorrow, for the first time in the history of this long and bitter conflict, the two sides will actually sit down to begin the process of negotiation.

This negotiation will not be easy, for the participants will represent all of the emotions, the deeply held beliefs, and the animosities that have fired the Middle East conflict for 25 years. Many have died, and there is bitterness and hatred on both sides. Our Secretary of State, Dr. Kissinger, has had to work diligently to avert the complete breakdown of these negotiations even before they have begun; and when the negotiations begin tomorrow, it will be a testimonial, at least in part, to his efforts.

Even more, however, the beginning of that negotiation tomorrow will be testimony to the emergence of what may be a new willingness on the part of the various adversaries themselves to seek the path of conciliation rather than of further conflict.

On the eve of this negotiation, it falls upon us in the Senate to ask, What can we do to support—to assist—to further the success of this conference of negotiation, a conference from which we hope will arise the beginning of a new era in the Middle East? The answer to this question, Mr. President, lies, I submit, in the bill now before the Senate.

These negotiations, like all negotiations, can only succeed if both sides are able to bargain from a position of relative security. If there is an imbalance in the strengths of the opposing participants, then those who feel weak will inevitably be forced to act from fear and apprehension, while those who feel stronger will be encouraged to escalate their demands to a level that will only exacerbate the fears of those who feel weak. Military imbalance in negotiations is a formula for failure in negotiations. Our goal, then, if we seek to foster the success of these negotiations, must be to support the maintenance of a military balance. This bill before us now, Mr. President, provides the means to achieve that objective.

Both before and during the recent war the Arab combatants received substantial military and economic assistance from the wealthier Arab States and from the Soviet Union. With the cessation of hostilities, that assistance continued—so that Arab strength is even now increasing steadily. On the Israeli side, a similar process of military and economic restoration is underway. Private contributions from all over the world are flowing into Israel, compensating in some measure for the heavy toll which the war exacted on that small nation. But without additional Government assistance to Israel, there is the dangerous possibility that a serious imbalance could soon develop in the comparative strengths of the adversaries.

It is important to emphasize that even before this recent war Israel was already carrying a tremendous economic burden as she sought to provide for her own defense. She was receiving no grant military assistance from the United States or any other nation, and her taxpayers were paying the highest rates of any in the world.

I ask unanimous consent at this point to have a statement which I have had prepared relating to Israel's foreign exchange debt and taxation be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Israelis had to go deeply into debt to finance defense and refugee resettlement. The following table shows Israel's rising foreign exchange debt from 1971 to 1973. The 1974 figures represent the estimated effect if the $2.2 billion military assistance is extended on a loan basis or on a grant basis.

Israel's foreign exchange debt 1971–74 (in millions of dollars)

	1971	1972	1973 [1]	1974 if grant [2]	1974 if loan [3]
External debt (end year)	3,430	4,081	4,904	5,487	7,087
Debt per capita	1,108	1,275	1,484	1,605	2,073
Annual debt service	532	687	705	850	[4] 940
Total imports	3,115	3,360	5,345	5,960	5,960
Total exports	1,912	2,285	2,625	2,930	2,930

[1] In addition $1,000,000,000 will be due on Military Sales Act (120-day) credits, mostly in February 1974.

[2] If total $2,200,000,000 emergency military assistance is extended on a grant basis.

[3] If total $2,200,000,000 emergency military assistance is extended on a loan basis.

[4] Since terms of such loan are not yet fixed, no allowance is made for additional interest or principal on this account.

If Israel must borrow for the additional weapons she is acquiring this year, her debt service would rise, as indicated, to $940 million (assuming a concessionary interest rate of two percent) or $1.1 billion (if the interest rate is six percent). This is an astronomical burden beyond the capacity of an already supertaxed and superindebted economy.

Mr. HUMPHREY. Mr. President, to that already severely taxed economy the recent war dealt a heavy blow, and even in its aftermath, during the current period of tenuous cease-fire, about 25 percent of Israel's work force remains mobilized and normal patterns of production continue to be disrupted. In short, Israel has been weakened and continues to be weakened, at least as regards to her ability to pay for the means of her own defense.

That, Mr. President, is where this bill comes in. It provides—at the key moment in recent Middle East history—that Israel, as a main participant in negotiations which hold the potential to produce a lasting peace, will not be forced to negotiate from a position of weakness. This bill will allow Israel to negotiate as an equal and to give and take at the bargaining table on the basis of conciliation and accommodation rather than because she is without strength or support.

Of the $2.2 billion provided in this bill, approximately $1 billion will be used to cover the costs of military equipment sent to Israel during the recent fighting. The remaining $1.2 billion will be available to the President to use as he deems necessary to see that Israel remains in a situation of military parity with her Arab neighbors during the period while these delicate and probably prolonged negotiations move ahead.

It is not inevitable that all of the money will be spent. But it is important that it be available—to insure continued parity and also as a demonstration that the United States does not intend to waver in support of a democratic ally whose existence and strength are directly connected to our own national interest.

Mr. President, in view of congressional action in recent years to reassert the role of the legislative branch in the field of foreign affairs—an effort which I continue to support wholeheartedly—it may be important to explain just why the Senate Foreign Relations Committee felt it necessary and proper to approve, almost unanimously, a bill which gives such broad discretionary power to the President in the expenditure of a large sum of money. Let me state it clearly: The broad discretionary power which this bill allows the President does not represent an implicit decision by the committee to reverse the recent trend of stronger congressional control in the area of foreign policy. What it does represent is a longstanding recognition by the committee that there are some areas, on some occasions, in which significant Presidential flexibility is required. The committee believes that the period ahead is such an occasion.

Since the recent outbreak of hostilities, the committee has held a number of discussions with Secretary Kissinger in executive session concerning the fighting and the coming negotiations; and from these discussions, the committee has developed a sense of confidence that the administration and the committee share the same basic goals for U.S. policy in the Middle East. With this agreement on goals clearly defined, the committee was prepared to approve a bill which allows the President the flexibility necessary if those goals are to be pursued effectively.

In sum, Mr. President, this bill accomplishes three important objectives. First, it buttresses the war-weakened Israeli economy and provides that country with the continued means to defend itself against an adversary larger and potentially stronger. Second, it sends a clear signal—to Arabs and Israelis alike—that the United States will remain steadfast in support of the continued survival of that small nation. Third, this bill provides the President of the United States and the Secretary of State with the authority and the flexibility they need in order to maintain a steady Mideast military balance and thus, to create conditions conducive to success in the difficult negotiations which lie ahead. This bill is a carte blanche neither to the Israelis nor to the President. Rather it is the granting of a tool, so that both the nation of Israel and the President can move confidently and effectively toward a goal that we all share—the goal of a just and lasting peace in the Middle East—a peace that will serve the interests not only of the people and nations in that region, but of people and nations everywhere.

Mr. President, it is our hope that we will be able to proceed with the consideration of this bill. We have a very difficult choice to make. This first session of the Congress is going to complete its work in the next day or two. And if we want this bill to become law at the time the negotiations open on the Mideast problem, tomorrow, then we will have to pass this bill as it is. If we pass it without amendment, it will go promptly to the President. That means that Secretary Kissinger, as he meets with Mr.

Gromyko tomorrow as a cohost to the Mideast Peace Conference, will know that the Congress of the United States has backed him and has backed our Mideast policy in an effort to attain what is the goal of every person in the Congress and, I hope, in this land—peace in the troubled Mideast.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, I will yield to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I thank the Senator from Arkansas for yielding.

Mr. President, is there a time limitation on the bill?

The PRESIDING OFFICER. There is no time limitation.

Mr. HUMPHREY. Mr. President, might I ask my associates and colleagues if we could arrive at a time limitation, since it would expedite our work.

Mr. ABOUREZK. Mr. President, I do not intend to speak for long. I do not know of anyone else who does. However, at this time, I say to my distinguished friend, the Senator from Minnesota, I will object to any time limitation. However, we will not take very much time.

Mr. HUMPHREY. I thank the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, in testimony before the House Foreign Affairs Committee on November 30, Deputy Secretary of State Rush made the assertion that the purpose of the legislation which the committee is considering today "is to make it clear that the military options both in the Middle East and Southeast Asia are no longer viable." I find this statement extremely ironic. The real purpose of the legislation, as all who are the slightest bit familiar with it know, is to provide the administration massive amounts of money to cover Israeli and Cambodian military losses.

It does logically follow to me, as it does to Deputy Secretary Rush, that by replacing Israeli military losses, we will somehow effect a "transition from an era of confrontation to an era of negotiation." To the contrary, what the latest war has clearly shown is that our policy of fueling the Middle Eastern arms race has the effect of facilitating, rather than preventing the outbreak of war in that area. We have given Israel $1,122.3 million military assistance alone since 1959. We have sold Israel $993.15 million worth of military equipment alone since 1950. And we have provided approximately $100 million of "security supporting assistance grants" in 1972 and 1973 to supplement that military assistance. This aid totals slightly more than $2.2 billion. It has not brought peace to the Middle East. I see no reason to believe that doubling that amount by pouring another $2.2 billion in military equipment in will bring about peace. The administration has failed to indicate, to me at least, just how more weapons will serve the cause of peace in the Middle East. History has shown that the weapons certainly do not come in handy as guarantors of peace, but as tools of ever larger and more costly wars. And each war seriously endangers world peace as we saw during October of this year.

If we are to devote enormous financial resources to the Middle East, it would be much more appropriate to concentrate on achieving a peace through political rather than military means. Such a peace, in order to be viable, must assure that the rights of the Palestinian people are recognized, and that Arab territories conquered in the 1967 war are returned. Israel's security cannot result from her continued existence as a fortress state. The October war has shown this. However, if the prerequisites of withdrawal and recognition of Palestinian rights are realized, peace in the Middle East and security for all the nations of the area can become reality.

At my request, the Congressional Research Service of the Library of Congress has prepared a chronology of the Arab oil embargo which took effect 2 months ago, and which is a major contributor to the energy crisis facing this Nation and other Western countries.

Mr. President, I ask unanimous consent that a copy of the chronology be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ABOUREZK. Mr. President, let me share with the Senate some of the information included in the chronology, which leads to the conclusion that the oil embargo could very well be the direct result of our continued supply of military equipment to Israel. On October 11—

> It was reported that during the course of the Organization of Oil Exporting Countries (OPEC) meetings in Vienna, Saudi Arabia had warned the United States that if arms were sent to Israel, the Arab states would cut off oil supplies.

On October 15—

> Robert McCloskey of the State Department said the resupply of weapons to Israel had begun on October 14.

On October 16 the Organization of Arab Petroleum Exporting Countries met in Kuwait to discuss the use of oil as a weapon in the war.

On the same day—

> It was reported that Saudi Arabia had warned the United States that the Arab states would cut oil production by 10 percent if the United States continued to send arms to Israel. The report stated that the warning came before the October 15 announcement of U.S. arms shipments.

On October 19, Libya embargoed all shipments of oil to the United States. On October 20, Saudi Arabia followed suit. On October 21, Kuwait, Qatar, Bahrain, and Dubai joined the embargo.

It is my guess that when Secretary Kissinger met with four Arab foreign ministers in Washington on October 17, he was informed of the consequences of continued massive military supply of Israel. It is surprising that despite the Secretary's indication, at his news conference of October 12, that the Soviet resupply of the Arab military was "fairly substantial" but did not constitute a threat, he did not give more serious consideration to stopping or reducing military shipments to the Middle East in the hope of discouraging further war there.

The administration witnesses who testified earlier in support of S. 2692 have made it clear to me that the bill gives the administration license to continue its bankrupt policy of feeding the Middle Eastern flames with tanks and Phantom jets. They have completely ignored the fact that the effects of the bill will in all probability be: The continuation of the military impediment to peace in the area; and to make the embargo a lasting and debilitating reality.

In testimony before the House Foreign Affairs Committee on December 3, Assistant Secretary of State Sisco referred to approximately $1.2 billion of the administration's aid request which has not yet been expended as "imponderables." It is ludicrous that the Congress should be asked to permit the administration an additional $1.2 billion, over and above the $1 billion cost of the Israeli resupply effort, to be used for these undisclosed imponderables.

The point has been made before, but I think that it is more than appropriate to make it again here, that this Nation is operating under a terribly distorted system of budgetary priorities, we have consistently refused to provide adequate funds for social programs which attempt to provide for the basic welfare of our own citizens. Congressman LEE HAMILTON, chairman of the Near East Subcommittee of the House Foreign Affairs, remarked on the floor of the House during the debate that the administration witnesses who testified in support of H.R. 11088 could not justify the $1.2 billion aid request for imponderables on military grounds alone. He noted that—

> The administration seemed to be saying that a lesser appropriation, say $1.7 billion, instead of $2.2 billion, would indicate to Israel a lessening of our commitment to it or that such an appropriation might cause havoc if the United States had to request another special appropriation during peace talks which will hopefully start December 21, in Geneva.

I cannot accept this as a justification for a request of $1.2 billion for defense assistance imponderables, and I do not see how anyone can.

If we are to spend an additional $1.2 billion, why must we spend it on imponderables? There are very beneficial and tangible purposes which the money might otherwise achieve. There are, for example, approximately 631,000 American Indians who are served, and served very inadequately, I might add, by the Indian Health Service. Because it is short of funds, the Indian Health Service is presently unable to attend to the surgical needs of over 20,000 persons. This figure includes more than 13,000 children who are in need of surgical repair of perforated eardrums. And this, I might add, Mr. President, retards their learning ability in the schools they go to. This human suffering is measurable, not imponderable. The underfunding of the IHS has also resulted in a severe shortage of physicians, overcrowded and rundown health care delivery facilities, inadequate emergency care facilities, and numerous other abominable circumstances. To provide adequate health care an additional $40 million is needed. This $40 million is a mere drop in the bucket when compared with the $1.2 billion which the U.S. Congress will undoubtedly approve for expenditure on the imponderables of the Middle Eastern war.

In conclusion, I strongly urge the Senate to reject this request for money to fuel the Middle East arms race. To approve the request would be contrary to the interests of Middle Eastern and world peace. It would assure our country and others continued energy dilemmas. Equally important is the fact that the legislation represents another effort to waste the national income in the pursuit of military policies which have been repeatedly proven to be bankrupt, and to do this at the expense of much needed and inadequately funded programs which would directly benefit the American people.

Exhibit 1

Chronology of the Arab Oil Embargo, October 1973

(By Clyde R. Mark, Analyst in Middle Eastern Affairs, Foreign Affairs Division, December 10, 1973)

October 6: The Saudi Arabian Minister of Defence, Prince Sultan Abd al-Aziz, stated that the United States had asked Saudi Arabia to increase its production of crude oil, but that Saudi Arabia had refused because the oil income accruing to the state was already sufficient to meet the country's needs. Prince Sultan also said that Saudi Arabia had asked the United States to curtail its support of Israel, but that the United States had refused. The Prince said that Saudi Arabia would not break diplomatic relations with the United States. (The statement was made prior to the outbreak of fighting.)

October 6: Egyptian and Syrian troops attacked Israeli held positions in the Sinai and Golan Heights.

October 6: The United States placed the 6th Fleet in the Mediterranean Sea on alert.

October 7: Iraq nationalized the Exxon and Mobil interests in the Basrah Petroleum Company.

October 9: The Kuwaiti Cabinet requested that the Minister of Oil call a meeting of the Organization of Arab Petroleum Exporting Countries (OAPEC) to discuss the role of oil as a weapon in the war.

October 10: Several members of the Kuwait National Assembly said that Kuwait should stop all oil shipments to the United States and withdraw Kuwaiti deposits from American banks.

October 10: A U.S. Government spokesman said the U.S.S.R. was rearming Egypt and Syria.

October 11: It was reported that during the course of the Organization of Oil Exporting Countries (OPEC) meetings in Vienna, Saudi Arabia had warned the United States that if arms were sent to Israel, the Arab states would cut off oil supplies.

October 11: A U.S. Government spokesman said that the United States was supplying ammunition and missiles to Israel.

October 12: At a press conference, Secretary of State Henry Kissinger said that the Soviet resupply of arms to Egypt and Syria was "fairly substantial" but did not constitute a threat.

October 13: The United States said it would send fighter planes to Israel to replace losses incurred in the war.

October 13: It was reported from Damascus that King Faisal of Saudi Arabia had sent a letter to President Nixon in which he warned that if the United States rearmed Israel, Saudi Arabia would have three choices: (1) break relations with the United States, (2) break economic relations and cut all economic ties, or (3) embargo oil shipments to the United States.

October 14: Kuwait announced that OAPEC would meet in Kuwait on October 16 to discuss the use of oil as a weapon in the war.

October 14: The Secretary General of NATO said an oil stoppage by the Arab states would "come very close to a hostile act."

October 15: It was reported that Spain, Italy, and France had restricted the exports of refined petroleum products because of the Middle East war.

October 15: Robert McCloskey of the State Department said the resupply of weapons to Israel had begun on October 14.

October 16: The OAPEC meeting began in Kuwait.

October 16: U.S. Government officials said that Israel would receive 25 F-4 Phantoms and 50 A-4 Skyhawks to replace its losses.

October 16: It was reported that Saudi Arabia had warned the United States that the Arab states would cut oil production by 10 percent if the United States continued to send arms to Israel. The report stated that the warning came before the October 15 announcement of U.S. arms shipments.

October 17: Secretary Kissinger and President Nixon met with a delegation of four Arab Foreign Ministers, headed by Umar al-Saqqaf of Saudi Arabia, to hear the Arab viewpoint in the Middle East conflict.

October 17: A communique issued at the end of the OAPEC conference in Kuwait stated that the Arab oil-producing states would cut their crude oil production by 5 percent per month (beginning with the September production figure) until Israel withdrew from the territories occupied in the 1967 war and the legal rights of the Palestinians were restored. The communique said that oil would not be cut to "friendly" states.

October 18: Saudi Arabia announced that it would reduce its oil production by 10 percent, rather than the 5 percent called for in the OAPEC communique.

October 18: Abu Dhabi announced that it would reduce its oil production by 10 percent and would stop all oil shipments to the United States.

October 19: Qatar cut its oil production by 10 percent.

October 19: Libya cut oil production by 5 percent and embargoed oil shipments to the United States.

October 20: It was reported that the Council of Ministers of Bahrain had decided to end the agreement with the United States signed in December 1971 for use of naval facilities.

October 20: Saudi Arabia embargoed oil shipments to the United States.

October 20: Algeria cut production by 10 percent and stopped all oil shipments to the United States and the Netherlands.

October 21: Kuwait cut production by 10 percent and stopped all shipments to the United States.

October 21: Qatar embargoed oil shipments to the United States.

October 21: Bahrian stopped oil shipments to the United States.

October 21: Dubai embargoed oil shipments to the United States.

October 23: Kuwait stopped oil shipment to the Netherlands.

October 24: Qatar stopped oil shipments to the Netherlands.

October 25: Oman barred oil shipments to the United States and the Netherlands.

October 25: The United States placed its armed forces on alert because of what U.S. officials described in various terms as a Soviet threat to send its troops to the Middle East.

October 28: Saudi Arabia embargoed oil shipments to the Netherlands.

October 29: It was reported that the Netherlands had stopped issuing export licenses for refined oil products to be sent to the United States, Sweden, and Norway.

October 30: Bahrain embargoed oil shipments to the Netherlands.

October 30: Saudi Arabia said it would reduce production by 15 percent per month.

November 5: It was reported that France, Italy, and the United Kingdom had ordered oil companies operating in those countries to provide the full amount of crude oil for their markets or the companies would have their operations curtailed. To comply with the order, oil companies operating in France, Italy, and Britain would have to shift the full amount of their shortfall to other nations and could not prorate the shortfall among all their contractors.

Mr. ABOUREZK. I yield to the Senator from Arkansas, and thank him for yielding to me.

Mr. FULBRIGHT. Mr. President, I think the statement of the manager of the bill is most eloquent, but I want to make one or two comments. I think the idea that there is great urgency to pass this measure before tomorrow is open to question. The truth of the matter is that, within the next few months, Israel can get as many arms with this bill as without it, if a war should break out. She has already received a billion dollars, and she can, under existing authority, draw down another $1.5 billion, with an agreement of repaying us within 120 days. So there is no real urgency from the point of actual arms requirements. I do not believe the Senator from Minnesota would say they could not get any arms they need.

Mr. HUMPHREY. I agree.

Mr. FULBRIGHT. The point he is making is psychological. He says the bill will strengthen the hand of the State of Israel at the conference. That is a key question, of course, and I shall discuss it a little later. I have arrived at an entirely different conclusion, because I think the great difficulty is going to be to persuade Israel to give up any land.

There is a very interesting assessment in today's New York Times, making it quite clear that at least some Americans who support the policy of the present Government are against any kind of compromise. I think it might be useful to put into the Record, Mr. President, since it illustrates the attitude of one of the leading organizations supporting the Israeli Government in this country. There are, I believe, some 30 or 40, so this is one among many.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Dec. 20, 1973]

No Retreat for Israel

". . . And thou shalt speak unto him saying, Thus says the Lord. Have you killed and also want to inherit? . . ."—Kings I, 21:19

PARTNERS IN PERFIDY

On the Day of Atonement, the holiest day of the Jewish year, Egypt and Syria, with the connivance of Soviet Russia, unleashed a treacherous attack on the people of Israel, which was repulsed at a heavy cost in human life. This time the UN truce observers positively identified Egypt and Syria as the aggressors. Now the aggressors brazenly demand that Israel withdraw to positions she held on June 5, 1967, which were the armistice liens of 1949! Their aim is to weaken Israel, softening her up for new onslaughts and eventual destruction.

Israel should not retreat. This is not taking a hard line against sincere negotiations for peace. This is taking a hard line against hypocrisy.

THE 1967 ARAB AGGRESSION

For years, and immediatley prior to June 5, 1967, Israel was threatened with annihilation. The Arabs openly proclaimed their intention of destroying the State of Israel and driving its inhabitants into the sea. Murder, harrassment, and economic warfare against Israel was the ugly routine.

In May 1967 Egypt mobilized for an assault against Israel. On May 19, the United Nations emergency peace-keeping force in the Sinai was summarily dismissed by Egypt. On May 22, the Gulf of Aqaba was closed to Israeli shipping by an Egyptian armed blockade—in itself an act of war.

Israel confronted her enemies and defeated them. In the process, the Israelis took possession of land essential to their security including areas which, at an earlier time, had been illegally seized by Egypt and Jordan and to which they never had right or title.

ARAB MISTREATMENT OF ISRAELI POWS

Unforgettable are the scenes on TV screens in American homes showing the return by Israel of Arab prisoners clad in slippers and robes. In striking contrast are the photos and other documentary proofs of the inhuman and barbarous treatment of Israeli POWs by Syria and Egypt.

Contemptuous of the Geneva Convention on the treatment of POWs, and turning a deaf ear to the plea of the International Red Cross, Syria persisted in refusing to hand over even a list of the Israeli prisoners in her hands, or permit Red Cross visits

ARAB LAND CLAIMS INVALID

Egypt and Jordan have no rights to the areas Israel wrested from their domination. These territories never rightfully belonged to them.

The west bank of the Jordan, including Old Jerusalem, was illegally occupied by the Jordanians in 1948. They annexed it without right or sanction.

Neither was the Gaza Strip Egypt's. This strip was part of Palestine and included in the Mandate of the League of Nations for the Jewish National Homeland. It, too, was occupied and held by Egypt under the armistice arrangement of 1949. It was never incorporated into the Egyptian state. It was administered by Egypt as a separate territory.

The Sinai is not Africa and is not Egyptian territory. It is an unpopulated no-man's land. Some 50,000 bedouin nomads roaming the Sinai were never granted Egyptian citizenship, or allowed to enter Egypt proper without special permit. The Egyptian claim can at best apply to only part of the Sinai, namely, the Rafa-Port Suez line, the "recognized frontier between Egyptian and Ottoman Turkey, prior to 1906." (C.L. Sulzberger, *N.Y. Times* March 14, 1971).

As for the Golan Heights, this was for decades the launching pad from which the Syrians rained death and destruction on Israeli men, women and children in the valley below. The Syrians now demand return of this area which is a plea for a new license to resume their murderous assaults.

THE INALIENABLE RIGHTS OF THE JEWISH PEOPLE

After World War I, the community of nations invited and encouraged Jews to establish the Jewish National Home in Palestine. Following World War II, the United Nations sanctioned the establishment of a Jewish State in Palestine. The United States has played a major role in the recognition of the inalienable right of the Jewish people to the Land of their Fathers, the Land of the Bible.

Throughout all of history there has never been an independent Arab state in Palestine.

A Christian view sums up today's situation as follows:

"Christian seriousness requires that Christians and the Churches support the right of Israel to live in the Land as a Jewish state. Christian seriousness requires the Churches and their members to urge the United States government and people to stand with the Jews in defense of the Land." (Engage/Social Action, a Methodist-United Church publication, Dec. 1973).

THE ARAB AIMS

The Arab aim—as before—is the destruction of the State of Israel.

Editor Mohammed Hassanein Heykal, spokesman for Egyptian President Sadat, wrote in Cairo's Al Ahram on October 19, 1973:

"The matter does not relate to the liberation of the Arab territories which were occupied since June 5, 1967, but strikes further and deeper against the future of Israel."

The clamor calling for Israeli withdrawal and retreat, noisily orchestrated for world approval by Arab-Soviet propaganda, is a fraud and should be recognized as such.

THE RUSSIAN AIMS

The aim of the Soviets—which has not changed since Czarist days—is to become the dominant power in the Middle East. Arab hostility toward Israel was a useful wedge with which to gain entry. A truncated and impotent Israel would serve the Kremlin's purposes admirably. The Russians would then have a free hand to consolidate their positions and move forward to absolute control of the Mediterranean, the Red Sea, the Persian Gulf, the Indian Ocean, and the surrounding lands. This would pave the way for mastery over the oil of Arabia, Iran, and Africa, and dominion over the natural resources and markets of a large part of the Asian and African continents.

AMERICA'S VITAL INTERESTS THREATENED

The Kremlin strategy poses an intolerable threat—politically, economically, and militarily—to the United States of America and the rest of the free world. It would place the U.S. and her allies in the untenable position of having to choose between submission to the will of Moscow or waging war to preserve their freedom and viability.

Perceiving this danger, the United States provided Israel with the aid necessary to repel the Arabs and thwart the Soviet design.

ARAB OIL BLACKMAIL

The Arab oil embargo is hypocritical. It conceals a venal profiteering motive behind a facade of high-sounding phrases. The oil embargo, intended to coerce sovereign nations not involved in the Middle East fighting, is dangerous to the peace and security of the entire world. No state or group of states, using such means, has the right to plunge the world into economic chaos with attendant suffering of millions of people.

SURRENDER IS NOT PEACE

America and Israel want peace, but surrender to the Arab-Soviet blackmail to force Israel to retreat from her rightful position will not bring peace to the Middle East and the world.

Aggressors cannot be appeased. Surrender only whets their appetites for more aggression and submission.

The U.S. in its national interest and in the interests of freedom, justice and world peace must reject all attempts to force Israel to retreat.

We call upon our President, the State Department, and Congress, and the American people to stand firm in insisting that Israel's strength and independence shall not be compromised. Anything less would be a mockery of justice and a betrayal of America's leadership as champion and guardian of world freedom.—Herman L. Weisman, President Zionist Organization of America.

ZIONIST ORGANIZATION OF AMERICA,
New York, N.Y.

Mr. FULBRIGHT. This statement is signed, "The Zionist Organization in America," 145 East 32d Street, New York, and the headline is, "No Retreat for Israel."

The body of the argument put forth is, I think, subject to no other conclusion but that they are advising the representatives of Israel not to give 1 inch, to do nothing in the way of retreating from the occupied territory, which is the main issue to be discussed at the conference.

This fortifies my feeling that it is a psychological matter, that by passing this bill today we simply make the representatives of the Government of Israel more intransigent than they might otherwise be. This was the main point, I think the Senator will admit, that I made in the committee.

I agree that this is a question of judgment, that anyone can disagree with without his motives in any way being questioned. It is a question of judgment.

I think there is undue haste being attached to our consideration of a bill involving not only a very large sum of money, $2.2 billion, but also some policy decisions with important implications for American policy in the Middle East. Are we or are we not prepared to live up to what we profess to have: an evenhanded policy designed to bring about peace in that area under the guidelines set down in resolution 242?

I think that passage with so little consideration by Members of the Senate, under considerable pressure to get the matter over with, will again confirm to all of the Arab participants in the conference, and some who do not participate but are interested, their concern that the United States is not committed to the policy we profess to be committed to.

They will conclude, if they have not already, that we have no intention of retreating from all-out, unlimited support of the military supremacy of the State of Israel, and that we are not about to use any influence to bring about a settlement.

I know that Secretary Kissinger hopes to foster a settlement, and I have done everything I know of to support him. As a matter of fact, my opposition to this bill is designed primarily to support and to strengthen the Secretary's hand, to bring about an attitude of compromise on the part of the Israeli delegates to the conference.

It is useful, I believe, to have at least one voice, or two, or three voices in the Senate that the Arabs can feel appreciate their attitude, appreciate that they have legitimate interests in this area, too. Otherwise, I can imagine that they would give up complete hope. Maybe they will anyway, because we are so few. So I think it plays some useful purpose for some few of us to raise questions about this tragic conflict, in order to assure that the other side of the argument is at least heard—someone who appreciates their point of view regardless of the overwhelming majority vote which eventually ensues.

Some of the arguments the Senator from Minnesota made were so similar to the arguments made at the time of the Gulf of Tonkin resolution. Very unfortunately for me, I was the one who made those arguments, so they are impressed upon me.

I made them, because the President at that time, and the Secretary of State, urged on me the necessity of quick passage of the Gulf of Tonkin resolution, in order to show to the North Vietnamese our unity behind the President, and that the strength of this country had not been weakened by dissenting views held in Congress.

I remember that the Senator from Wisconsin (Mr. NELSON) offered a sensible amendment, that I was in accord with, which expressed what he believed the policy of the President was. I said that, unfortunately, the President is so concerned about rapid passage of the resolution that no amendment, no matter how useful, should be put on the resolution because that would occasion a conference and a delay of maybe a day or two. I repeated the President's view that it was very important that we impress on the Vietnamese the dangers of their actions and that if we showed unity and supported the action of the President, they would be deterred and seek a peace conference.

It seems today that the Senator from Minnesota is making the same argument. I recognize the argument because it is the one I was led to make, erroneously, in 1964. I was much less experienced in these matters at that time—that was nearly 10 years ago. I never thought that I would be deceived by any administration spokesman on anything of that consequence.

It may be that the President himself, in his own mind, believed that the Tonkin resolution would be effective in bringing a quick settlement. But what bothers me is, later on, he completely reversed that point of view and was responsible for sending over 500,000 American boys into the fighting in Vietnam, a tragic undertaking which has so weakened this country. Nothing we have ever done has weakened us so much, vis-a-vis the Communist countries—or strengthened them, to put it the other way relative to us.

Now we are again presented with the same arguments. This is an extremely important issue. It could result in another intervention by this country. We say we are not going to intervene, just as the President in 1964 said he would not. But the passage of this bill, under these circumstances, creates a condition which make it difficult for the Secretary of State to get a settlement in Geneva. It strengthens the determination of the Israeli representatives not to compromise at all or withdraw from any positions. And it dismays the other side, the Arabs, who will conclude there is no hope that the United States will ever do anything to persuade the Israelis to make a settlement. So it all may break down and go back to a trial at arms.

Assess the relative potential strength of these two areas. Here is 3 million citizens in Israel against 100 million or 110 million Arabs, with growing wealth, with growing training and knowledge of the use of modern weapons. Even though Israel at present has military superiority, as she has had during her whole existence, she cannot possibly stand up against the Arab nations, if they are let alone—that is, if we and the other major countries of the world do not intervene. So if we are interested in the preservation of the State of Israel, under its borders of 1967, I cannot see how one can arrive at the conclusion that this bill promotes that objective. That is why I am so strongly against it. One may say, and rightly so, "Who are you to have a judgment different from that of the majority of the committee or from the President?"

Well, here I am strengthened by a recognition that, in the case of Vietnam—after the Gulf of Tonkin resolution—and in a few other instances, my judgment has not always proved to be erroneous. There is enough of a chance that a Member of the Senate might have as good or better judgment as a President that I find it to be my duty as a Member of this body to give voice to my view, even if it is the only one like it in the Senate. So it is my duty to say it. It is not a matter that involves any great or unusual conceit on my part, in the light of the experience of recent years. I know that administrations are not always infallible, and it could be that my views are correct, as I presently believe them to be.

So it is with that in mind that I simply ask questions of the Senate. Eventually, perhaps, some of the people of this country—if by any chance what we say here ever gets to the press—will have something to think about, and come to see that there is some alternative to this policy of unqualified support for Israel—which I consider can be a dangerous one.

So I do not think there is any urgency whatever in passing this bill. Where there is urgency is in achieving a settlement. If we do not get a settlement, I anticipate that there will be another war in a year or two.

What I am doing is trying to direct every possible argument and influence I can to getting a settlement at Geneva. That is the whole objective of my amendments and my arguments—to do something to bring about an attitude of compromise on the part of the parties there.

I believe the Arabs wish to abide by their declared intention to lift their embargo, to have normal relations in every way, to be friends with this country, if we do implement 242. They have made it very plain. Even this morning's paper had some articles indicating that they would be willing, at least over a short period, to increase their production up to 20 million barrels a day to accommodate us, during a transitional period, while we develop our own resources from coal and the other things.

They have gone that far, which is a very recent development. I see no reason to believe that they would not do this, because they are quite conscious of their interdependence with the rest of the world. They want to use their wealth to develop their own countries, to diversify their own industry.

The minister from Algeria, who was here at luncheon a little more than a week ago, made it very clear what their objective is. All they are trying to do is to imitate the industrialized Western countries by using their wealth to diversify. It is a reasonable objective. Why anybody would question it, I do not know. I think it is a reasonable objective, but it hinges on the success of this conference.

I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. I appreciate the Senator yielding and share many of the concerns about this bill that the Senator from Arkansas has expressed.

I am also concerned about the cost of the bill, $2.2 billion. We say that we are here to represent the best interests of this country, and that should be foremost in our minds at all times. We undoubtedly will exceed the President's $268 billion budget, and we should look closely at any item that costs $2.2 billion. Some of the amount is to cover the cost of replacement of arms of Israel, but some are the imponderables, the word that was used earlier today.

I am also concerned about laying the foundation for another Vietnam. We know that Vietnam just grew upon us. There was no intention by Congress for us to go into a war that would involve 500,000 or more of our young men.

When we start sending arms to any nation and have our own men delivering those arms, flying the aircraft that are taking the arms; when we do not have a place to land our aircraft; when our so-called allies, the people in the NATO pact, will not let us land, in some instances will not even let us fly over their land; when we have to go to the Azores and then by nonstop to Israel, we are sort of going it alone, without any major nation with us.

I would like us to be one of the peace-loving nations of the world that would work with other peace-loving nations, so that we can maintain peace throughout the world. But when we are going it alone, when our allies think we are taking the wrong course, I feel we had better take time to consider carefully a matter such as this.

Apparently, the majority of the Senate has made up its mind. We have had resolutions that have been cosponsored by a majority of the membership of this body, and I am not naive enough to feel that this bill is not going to pass.

I have read some of the amendments that the Senator from Arkansas plans to propose. I am going to support at least one and possibly all of the amendments. But I hope we do have a rollcall vote on this measure. I feel that it is important enough that the people of the country ought to see who is voting for and who is voting against it. I am not sure that enough Members are on the floor now, but it is my understanding that the distinguished chairman of the full committee intends to ask for a rollcall vote at least on final passage. Is that correct?

Mr. FULBRIGHT. The Senator is correct. On a bill of this magnitude, it would be irresponsible not to have a rollcall vote. I intend to ask for it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. HUMPHREY. I surely want to see that there is a rollcall vote on final passage. I think that on a bill with this amount of money and of this significance, we simply must have it.

Mr. FULBRIGHT. If we can get enough Members on the floor, I will ask for it.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays on the three amendments I intend to offer.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that it be in order?

Mr. FULBRIGHT. I ask unanimous consent, to save the trouble. I ask unanimous consent that we may authorize the yeas and nays.

The PRESIDING OFFICER. Without objection, it is in order to order the yeas and nays on all three amendments, with one show of hands.

The yeas and nays were ordered.

Mr. CASE. Mr. President, today the Senate acts on legislation I introduced authorizing up to $2.2 billion in grants and credits for the resupply of Israel. The bill before us is identical to legislation that already has passed the House of Representatives. Appropriations legislation passed the Senate a few days ago.

The intent of this measure is well known. It was proposed by the administration to resupply Israel and maintain the military balance in the Middle East.

Maintenance of that balance is essential if anything is to come of the peace conference soon to open in Geneva. This aid to Israel will serve to put the Arab States on notice once again that the United States will continue in the quest for a lasting peace settlement. Further, it will make clear to the Soviet Union we do not intend to change our basic policy.

With the passage of the legislation before us, Israel will be able to enter into serious negotiations, knowing it does not stand alone.

Mr. HATFIELD. Mr. President, as a member of the Appropriations Subcommittee on Foreign Operations, I have been closely involved in the inquiry concerning the administration's request of $2.2 billion in emergency assistance to Israel. After careful review of the testimony of State and Defense Department witnesses and the classified information pertinent to this matter, I have concluded that the administration has given Congress no sufficient explanation concerning the necessity of granting an additional $1.2 billion over and above the $1 billion of military supplies that have already been sent to Israel since the outbreak of the recent hostilities. The administration has stated that the initial $1 billion has fulfilled the major task of replacing the equipment and materiel lost in the war.

It is understandable that provision be made for Israel to be assisted at this time in the amount of $1 billion, but what would be sent to Israel by an additional $1.2 billion has not even been identified by the administration. They have stated that such amounts would be used to restore "military balance" to the area and have added, "It is, however, extremely difficult to state precisely the types and quantities of equipment that will be needed for this purpose." The administration's reply to the subcommittee chairman further stated:

> We do not want to stimulate additional procurement by the Arab combatants and thereby initiate a new escalation in the level of armaments in the area.

The administration has made it clear that it does not know how much of this total request will be made on the basis of loans, and how much on the basis of grants. Further, they have said that if the total amount is not needed, it will be returned to the Treasury.

In sum, the Congress is being asked to authorize and appropriate $1.2 billion of this $2.2 billion for equipment and materiel that cannot be even identified at this time, and that may not all be needed.

When asked why Congress should now give such a blank check for up to $1.2 billion worth of additional military equipment to Israel, over and above the replacing of that which was lost in the war, the administration has given two generalized responses. First, they have stated:

> If the Congress were to act only on an amount sufficient to cover equipment already supplied to Israel, it could be interpreted as an indication that the United States Government is not prepared to provide whatever is necessary to enable Israel to defend itself.

Second, they have stated:

> Peace negotiations will not be promoted if in the middle of them, we have to return to the Congress with an additional request for military assistance funds for Israel with the attendant weeks or months of uncertainty (until the bill is passed) as to whether the USG will provide the wherewithal for Israel's defensive needs.

In response to the first point, the historic and resolute commitment of the United States to provide Israel with the means of her defense has been firmly demonstrated to the world time and time again. Most recently, during the past war, our country not only demonstrated that commitment by the intensive airlift and sealift which resupplied Israel with all the equipment that was needed for her defense, but our nation was also brought to the brink of a nuclear confrontation to prevent the entry of Soviet troops into the region. We do not need to give the administration authority to supply an additional $1.2 billion of military equipment that is not even identified and specifically justified in order to prove the credibility of this nation's commitment to Israel.

Regarding the second point, Congress has always demonstrated that it will act and act swiftly to provide the wherewithal for Israel's defensive needs. It is inconceivable that Congress would ever deny any specific request for equipment above that which has already been given to Israel that is shown to be essential for her security. This would be so particularly during a time of negotiations.

Thus, I find the administration's justification of the $1.2 billion beyond that which we have already supplied to be wholly unpersuasive.

In the past, many of my colleagues have argued that Congress should be a full participant in matters relating to our military assistance and foreign commitments, and I have joined in making these points. We have said that Congress must not give to the executive branch blank checks and broad discretions of unlimited authority in such matters. We have argued that Congress must be more relevantly involved in this decisionmaking process, as was the intent of the Constitution. I believe that there should be no exception to those principles, and that they should be applied in this instance as well.

If, in fact, the administration decides that additional equipment, above what has been lost in the past war and replaced, is needed for a military balance, then that can be supplied in the same fashion as our aid up to this point has been given—under the Foreign Military Sales Act. In such a case, Congress would have a full 120 days to consider such action, and to provide additional loans or grants as it sees fit. Certainly that is the proper way to proceed, and the minimum that is necessary if Congress is to be an equal and responsible participant in this process.

I have heard it frequently contended that if Congress does not give to the Executive carte blanche for all that it wants, then its ability to reach a desired negotiated solution on a given matter may somehow be jeopardized. Previously, I have rejected such rationale when considering congressional action on such matters as the ABM, our troops in Europe, and our involvement in Southeast Asia. I do not accept that rationale in this instance either. Further, in this case it is not being suggested that funds for an ongoing commitment or program be denied, but that additional funds yet to be required, justified, or specified not be prematurely given.

The administration has stated:

> We recognize that what we are asking is highly unusual.

I wholeheartedly agree, and believe that Congress should not abdicate its own responsibilities as it exercises the power of the purse. In effect, the Executive is asking the Congress to renege from exercising any meaningful role at all in the provision of an additional $1.2 billion of military aid to Israel, beyond what has been supplied to replenish the losses from the recent war. I see no reason why Congress should accede to this highly unusual request.

Finally, it is my belief that there is no ultimate military solution to the conflict in the Middle East. The only solution is a negotiated settlement of the political and social issues which lie at the root of the tensions there. I earnestly hope and pray that the negotiations about to begin will yield such a settlement. For this reason, it is all the more imperative that we not take these actions which would encourage a reliance solely on military might as the means for building ultimate security. In the past, the arms we have given to the Middle East in the name of building a balance of power have been used in war. Another war in the future would be even far more costly in human terms for both Israel and the Arabs, and run the same risks of nuclear confrontation between the world's most powerful nations. Therefore, now more than ever it is our responsibility to stress by our actions and words to all parties that successful negotiations, resolving the fundamental issues and grievances, rather than blind reliance on military might, are the only means for achieving true security.

AMENDMENT NO. 930

Mr. **FULBRIGHT**. Mr. President, in order to get along with this matter, I call up my amendment No. 930.

The **PRESIDING OFFICER**. The amendment will be stated.

The amendment was read as follows:

At the end of the bill, add the following new section:

SEC. 7. Not more than $1,200,000,000 of the funds made available pursuant to section 2 shall be furnished to Israel until the President has found that Israel is taking appropriate steps to comply with resolutions 242 (1967) and 338 (1973) of the United Nations Security Council. Any such finding shall be reported promptly to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives.

Mr. **FULBRIGHT**. Mr. President, as I already have said, I support the President and Secretary of State Kissinger's basic policy in the Middle East, to seek a settlement based on U.N. Security Council Resolution 242. That objective is in the interest of all mankind. But this bill, as written, does not further that policy; it undermines it.

The primary importance of this bill is not the money, but the policy involved. And that policy is a shortsighted and imprudent one—promoting the military superiority of Israel—when the circumstances require a policy furthering a peaceful settlement. Regardless of all the rhetoric about "restoring a military balance," passage of this bill will be seen by the world as a major policy declaration on the most difficult and dangerous problem confronting our country. This bill contemplates a military solution to a problem requiring diplomacy and negotiations.

This bill sends a signal to the world that the United States does not intend to pursue an evenhanded policy. As the only country in a position to talk to all parties involved, maintenance of U.S. credibility is most important. Our deeds must match our words. This bill speaks not of peace, but of war.

Passage of such an unbalanced bill at this critical juncture may have serious consequences for the peace negotiations. There is too much at stake for the United States, Israel, and the world to run such a risk.

The strong political tilt of this bill could be corrected to some extent by making additional aid to Israel conditional on her taking appropriate steps to comply with Resolution 242 and the cease-fire resolution of October 22.

Mr. President, this bill is vastly more important than the giving away of $2.2 billion of the taxpayers' money. Our national interests as well as those of Israel, the Arabs, and the world are tied to a successful conference in Geneva. We must not do anything to undermine that conference. It is an opportunity which we cannot afford to miss. It offers the best hope for real peace in the region since the founding of Israel. A stalemate will assure a fifth round of fighting, great danger to Israel's future security, and a return to the cold war, if we can avoid involvement in a hot one.

Passage of this amendment, conditioning any aid to Israel beyond $1.2 billion on good-faith steps toward compliance with Security Council Resolution 242, which all parties profess to support, may help to soften the adverse impact of this bill on the negotiating process.

I urge the adoption of the amendment.

I ask unanimous consent to have printed in the RECORD at this point my individual views from the Foreign Relations Committee's report on H.R. 11088.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF SENATOR J. W. FULBRIGHT—BILL ENDANGERS A NEGOTIATED SETTLEMENT

The coming talks in Geneva must succeed if we are to prevent a worldwide recession, a renewal of the Arab-Israeli war, and a breakdown of the movement toward normalization of our relations with the Soviet Union. Approval of this bill to give $2.2 billion in military aid to Israel will undermine the tasks before they begin.

The bill is ill timed and ill advised. It should be set aside for further consideration next session after there has been an opportunity to weigh the progress made in the negotiations. The primary importance of this bill is not the money but the policy involved. And that policy is a short-sighted and imprudent one—promoting the military interests of Israel—when the circumstances require a policy furthering a peaceful settlement. Regardless of all the rhetoric about "resorting a military balance," passage of this bill will be seen by the world as a major policy declaration on the most difficult and dangerous problem confronting our country. This bill contemplates a military solution to a problem requiring diplomacy and negotiations.

To Israel it could be an encouragement to further intransigence. And to the Arabs it will be seen as a re-affirmation of the inability of the United States to pursue an evenhanded policy. I offered a number of amendments in Committee to lessen the political tilt of this bill. All were rejected. The text of these and other amendments I offered are printed in the appendix.

Instead of advancing our national interests in the Middle East, this bill threatens to set them back. The United States has three fundamental interests in the Middle East: a secure and peaceful Israel; friendship with the Arab states and a reliable source of oil; and the avoidance of conflict with the Soviet Union. The great strength of our position is the fundamental compatibility of these three basic interests.

All can be advanced by an equitable Arab-Israeli settlement. The time to press for that settlement is now, before hostilities flare anew in the Middle East, as almost certainly they will if there is not early, substantial progress toward peace. The precise terms and exact boundaries of a settlement must await negotiations in the peace conference, but the basic principles of an equitable peace are clear. The peace must be based upon Security Council Resolution 242 of November 1967, which requires Israeli withdrawal from occupied territories and which emphasizes the "inadmissability of the acquisition of territories by war." In accordance with that Resolution, the peace must also make explicit and detailed provisions to assure the territorial integrity and political independence of Israel and all other Middle East states.

The chances for achieving a stable and equitable peace in the Middle East are greater than at any time since the founding of Israel in 1948. On the other hand, if there is not a settlement, there is every likelihood of still another war, and that more likely within months rather than years. What now seems out of the question is a return to the status quo which prevailed between the wars of 1967 and 1973.

Like the Balkans before 1914, the Middle East has become the potential flash point of world conflict. It threatens the great powers—and the world—with repeated trips to the brink of nuclear confrontation. For this reason alone the United States and the Soviet Union have not only the right but the responsibility to intercede for a compromise peace. If the two great powers were willing to leave the Arabs and Israel to work out, or fight out, their differences regardless of the outcome, the issue might then be regarded as regional and autonomous. The Russians are not going to abandon the Arabs, and the United States is most certainly not going to leave Israel to her fate. But leaving Israel to her fate and encouraging her to show a spirit of compromise are quite different matters.

Our moral and political commitment to Israel is about as solid and unalterable as any we have in the world. We are not, however, committed to current Israeli policy, to the retention by Israel of occupied lands, or to abetting intransigence in the coming peace talks. Insofar as the retention of these lands threatens endless war from which we cannot remain aloof, we have the right and the responsibility to intercede for a compromise peace based upon the principles of the Security Council Resolution of November 1967. And we have a duty to refrain from actions which will stiffen Israeli opposition to implementation of that resolution. I offered an amendment to the Committee to make the provision of any aid to Israel beyond $1.2 billion conditional on her "taking appropriate steps" to comply with Resolution 242 and the Security Council's cease-fire resolution of October 22 of this year. The amendment was rejected.

A peace based on Resolution 242 is to the advantage of all concerned, not the least Israel herself. This fourth Arab-Israeli war has confronted Israel with the grim specter of endless conflicts, not easy and successful conflicts like the war of 1967, but grinding attrition in which the Arabs would have a steadily increasing advantage driving from their vastly greater numbers, growing military and technological capacity, and the enormous financial resources of the oil-producing states of the Arabian world. The Arab states, including those which are now conservative, are likely to be radicalized as their grievances fester. Israel, already a garrison state, faces the prospect of mounting terrorism and recurrent war, of a national existence with no semblance of security. However confident they may be of their own military prowess, the Israelis can hardly relish this prospect.

The Israelis must give up the chimera of absolute military security through the occupation of territory, recognizing that the absolute military security of one nation means absolute insecurity for its neighbors. Israel is going to have to reconcile itself to compromise, and time is no longer on her side. Whatever else the recent war has shown, it has shown that Israel's military supremacy is a diminishing asset. As Israel's first Prime Minister, the late David Ben-Gurion, recognized some time ago—

Real peace with our Arab neighbors—mutual trust and friendship—that is the only true security.

Israel has won its long sought political goal; recognition by the Arab world of Israel's right to exist. Guarantees of its security can now be arrived at in the Geneva conference. Israel has bravely accepted the risks of war. Now she must be willing to accept the risks of peace. Those unknown risks are certainly far less dangerous than the risks of a fifth round of fighting, Israel, therefore, has everything to gain from a peace based on Resolution 242, a peace which would allow Israel to become, at long last, an integral, accepted part of the Middle East.

In this critical period a special responsibility falls on those Americans whose efforts have been designed so long and so assiduously to assure the survival of the State of Israel. Israel can no longer hope to base its security on military strength alone. If Israel is to be secure, a guaranteed peace is required, and such a peace will require great concessions by Israel as well as by her adversaries. Israel's American friends can do her no greater service than to commend this necessity to her. There has been no better opportunity for Israel to strike a bargain with her enemies. This is the time for compromise and magnanimity, not for belligerence and intransigence.

The second basis for the outside world's concern for a stable peace in the Middle East—hardly less compelling than the danger of a nuclear war between the United States and the Soviet Union—is the burgeoning energy crisis, which now threatens the economies of much of the industrial world. If it continues, the energy crisis will grow to frightening dimensions. The world's economy, especially that of the United States, is uniquely dependent on one commodity—oil. We have taken oil for granted so long we cannot quite imagine the consequences of being without it. The industrial world is now learning the hard way.

With six percent of the world's population, the United States consumes one-third of the world's energy. Nearly half of the energy we consume comes from oil, and a third from natural gas. Less than two-thirds of the oil we consume comes from domestic production. Because of the Arab oil cutoff, our supplies may be as much as 20 percent short of meeting current requirements.

The impact on Western Europe and Japan, which are far more dependent on Middle East oil, will be nothing short of catastrophic unless a solution is found to the Arab-Israeli conflict. Their economic collapse will inevitably bring down our own economy, just as the depression of the 1930's had its origin beyond our shores. The world's economy is more interdependent than ever before, as is our own economy. Although the domino theory has been shown to be of dubious relevance in international politics, it has unusual validity in international economics.

The Arab Middle East possesses at least 300 billion of the 500 billion barrels of proven world oil reserves. With no spare productive capacity of its own, the United States—like other industrial nations— is increasingly dependent on Middle Eastern oil, and consequently in need of good relations with the producing countries. These countries, it is well to remember, have no direct quarrel with the United States and have never done anything to harm the United States. Our dependence on their oil is a matter of national interest, no more so perhaps than our emotional bond to Israel, but surely no less so either.

In the long run, it is true, we are going to have to develop alternate sources of energy, if only because the world's supply of fossil fuels is limited. Regardless of long-term needs, however, and regardless of any crash programs we may now undertake, there is no way—absolutely no way—to avoid reliance on Middle East oil for at least the next several years. It is generally agreed by petroleum experts that it is going to take some three to five years substantially to increase United States production of oil fuels and a great deal longer to develop solar, thermal, nuclear and then fusion sources of energy.

The energy crisis clearly is going to be with us for some years to come, but whether it will bring economic collapse or be manageable will depend upon restoring good relations with the major oil-producing states of the Middle East. The key to restoring the good relations we enjoyed before the war is to use our influence to bring about an agreement at Geneva. Passage of this bill will lessen the chances of reaching a settlement, thus prolonging the oil boycott, increasing the dangers of a serious recession and, possibly, bringing on a worldwide depression.

Aside from the danger this bill poses to the negotiations, there are other serious objections. Congress should not act in unseemly haste on such a vast grant of authority. No justification has been made for $1.2 billion of the amount requested, and ample authority exists to provide Israel with additional arms, if the war breaks out again. Israel has already been provided with $1 billion in arms, at least restoring the losses she suffered during the fighting. An additional $300 million in credit sales has been authorized in the foreign aid bill, bringing to $2.5 billion the total military assistance which will be available for Israel in FY 1974.

The Israeli Defense Minister, Moshe Dayan, was quoted in the press recently as saying: "We in Israel were never as strong as we are now. Never." Administration witnesses, nevertheless, have tried to justify the additional $1.2 billion on the basis of "imponderables." The total military aid authorized by this bill should be limited to the $1 billion already provided. If the war resumes, Israel could be supplied under the same 120-day authority used for the recent resupply effort. Congress should not give the President a $1.2 billion contingency fund, certainly not without requiring that Israel engage in good-faith negotiations.

This bill constitutes a vast grant of discretionary power to the President, reversing a healthy trend in recent years for Congress to reassert its authority in foreign policy. Congress is preparing to give the President carte blanche authority to dole out $2.2 billion to one country as he sees fit and without any policy guidelines. The plea, "Don't tie the President's hands," has a familiar ring. Large grants of authority and money to the President should be as objectionable in the case of Israel as with Vietnam. The potential dangers are, in fact, greater.

This bill must also be viewed in the light of our economic situation, past and present assistance to Israel, and the flow of private resources to that country.

Over the years, assistance to Israel from both the U.S. Government and private sources has been substantial. When the assistance to be authorized in this bill is added. by the end of this fiscal year the United States taxpayers will have provided Israel with $5.7 billion in loans and grants since it became a state, shown on the tables in the Appendix. Assistance to Israel for the current fiscal year will be an estimated $2.6 billion including this request, $833 for every man, woman and child of that country.

And the flow of private American financial aid to Israel has always been substantial. The *American Jewish Yearbook for 1972* states that between 1948 and 1971 the United Jewish Appeal, contributions to which are tax deductible, provided $1.6 billion for use in Israel and that $1.6 billion in Israel bonds, exempt from the interest equalization tax, were sold here during the same period. When funds raised over the last two years are included, the total comes to some $4.2 billion.

According to the State Department, Israel set a private fund-raising goal of $1.9 billion after the outbreak of the recent war. At least two-thirds of that is likely to be raised in the United States, more than the $1 billion in military assistance provided to Israel since the war began. Israel's foreign exchange reserves were $1.8 billion at the end of October and the State Department reports that her foreign exchange position remains "strong," hardly an apt description of our own situation.

Recently Congress approved a bill to raise the federal debt limit to a record $475 billion, an increase of $119 billion over the last five years. This request for Israel will bring the total United States foreign aid program for the 1974 fiscal year to $9.2 billion, shown on the table in the Appendix, all to be paid for by more deficit spending. Our nation faces a recession, high unemployment, continued inflation, a serious reduction in revenues, and a cutback in domestic programs of great importance to millions of Americans. I offered an amendment to require the release of funds impounded for certain domestic water and sewer projects among other, in order to stress the question of domestic versus foreign priorities involved in this bill. That amendment was tabled by a vote of 11 to 3, preventing a vote on the merits of a fundamental issue.

In view of the proven record of generous private support from the Jewish community for Israel, Israel's strong foreign reserve position, the state of our government's fiscal condition, and the gloomy prospects for our economy, I believe that any military assistance authorized for Israel should be on a credit basis, not as grants.

This bill is vastly more important than the giving away of $2.2 billion of the taxpayers' money. Our national interests as well as those of Israel, the Arabs, and the world are tied to a successful conference in Geneva. We must not do anything to undermine that conference. It is an opportunity which we cannot afford to miss. It offers the best hope for real peace in the region since the founding of Israel. A stalemate will assure a fifth round of fighting, great danger to Israel's existence, and a return to the cold war, if we can avoid involvement in a hot one.

A failure at Geneva will also assure worldwide economic chaos. The prospect of the world's industrial machine and transportation system sitting idle for lack of oil is not pleasant. But unless progress is made in the negotiations within the next several months we are in for economic difficulties of a magnitude which, at this point, are unimaginable.

I support the President and Secretary of State Kissinger's basic policy in the Middle East, to seek a settlement based on Resolution 242. That objective is in interest of all mankind. I want to strengthen Secretary Kissinger's hand in exerting United States influence to bring about a compromise agreement. This is why I oppose passage of this bill. The domestic political pressures which have resulted in such hasty action in Congress on the authorization and appropriation bills will now shift to the White House and the Department of State. Whether those pressures can be resisted and the additional $1.2 withheld from Israel remains to be seen.

But the real damage will have been done; the signal will have gone out to the world that the United States does not intend to pursue a more even-handed policy. As the only country in a position to take all parties involved, maintenance of United States credibility is most important. Our deeds must match our words. This bill speaks not of peace but of war.

The passage of this bill at this critical juncture, may have serious consequences for the peace negotiations. There is too much at stake for the United States, Israel, and the world to run such a risk.

APPENDIX TO INDIVIDUAL VIEWS OF SENATOR J. W. FULBRIGHT

AMENDMENTS TO H.R. 11088 PROPOSED BY SENATOR FULBRIGHT AND REJECTED BY THE FOREIGN RELATIONS COMMITTEE

COMPLIANCE WITH SECURITY COUNCIL RESOLUTIONS

I. Sec. 7. No assistance shall be furnished under this or any other Act, and no sales shall be made under the Agriculture Trade Development and Assistance Act of 1954, to any country if the President finds that such country is not taking appropriate steps to comply with United Nations Security Council resolution 242 (1967) and 338 (1973) concerning peace in the Middle East.

(Explanation: This amendment is designed to insure that United States assistance to any country in the Middle East is conditioned on compliance by that country with Security Council resolutions 242 of 1967 and 338 of this year. It covers all foreign aid programs and all countries, affecting Jordan, for example, as well as Israel.

It will help strengthen the President's hand in trying to arrange a settlement based on the Security Council resolutions, which the Administration supports. And it will emphasize that the purpose of this bill is to help achieve peace, not to finance a resumption of the war.)

ASSISTANCE NOT A COMMITMENT

II. Sec. 7. Military and economic assistance provided by the United States to Israel and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Israel for its defense.

(Explanation: This amendment simply states that the act of giving aid to Israel does not constitute a commitment by the United States to defend that country. It is identical to a provision, sponsored by Senator Javits, in the Special Foreign Assistance Act of 1971 relating to Cambodia.)

REQUIREMENT FOR PRESIDENTIAL FINDING

III. Sec. 7. Not more than $1,200,000,000 of the funds made available pursuant to section 2 shall be furnished to Israel until the President has found that Israel is taking appropriate steps to comply with resolutions 242 (1967) and 338 (1973) of the United Nations Security Council. Any such finding shall be reported promptly to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives.

(Explanation: Amendment number 3 is similar to amendment number 1. Before more than $1.2 billion in aid could be provided to Israel, the President would be required to make a finding that Israel was taking appropriate steps to comply with UN Security Council resolutions 242 and 338.)

CALLING FOR LIMITATION ON ARMS SHIPMENTS TO THE MIDDLE EAST

IV. Sec. 7. It is the sense of the Congress that, in order to promote peace in the Middle East, the President should make every effort to reach an international agreement, to be supervised by the United Nations, providing for effective limitations on the quantity and type of arms which can be supplied by outside sources to nations in the Middle East.

(Explanation: This amendment would put Congress on record in favor of working out an international agreement, under United Nations supervision, to limit arms shipments to the Middle East.)

REQUIRING THAT ASSISTANCE FOR ISRAEL BE IN THE FORM OF CREDITS

V. A. On page 1, beginning on line 9, strike out "military assistance or foreign military sales credits, or for both, as the President may determine, for Israel" and insert in lieu thereof "foreign military sales credits for Israel".

B. In section 3 on page 2, beginning on line 18, strike out the first sentence, and on line 23 strike out "such" and after the word "funds" insert "appropriated under section 2 of this Act".

(Explanation: Amendment number five would require that the assistance authorized by this bill be in the form of credits. The bill now allows the President to decide how much is to be given in credits and how much in grants.

In view of the proven record of generous private support for Israel, Israel's strong foreign reserve position, and the state of our government's fiscal condition, and the gloomy prospects for our own economy, aid to Israel should be on a credit—not a grant—basis. The President can still set generous credit terms—40 years and 3 percent interest, or be even more liberal, if he chooses to do so.)

CHANGE OF TITLE

VI. A. Change the title of the Act from "To provide emergency security assistance authorizations for Israel and Cambodia" to "To authorize appropriations for military assistance for Israel".

B. Change the short title from "Emergency Security Assistance Act of 1973" to "Military Assistance for Israel Act of 1973".

(Explanation: Amendment six would merely change the title to reflect more accurately the purpose of the bill.)

RELEASE OF IMPOUNDED FUNDS

(Comparable to a provision of the Foreign Assistance Act of 1971 and S. 837 approved by the Committee earlier this year.)

VIII. Sec. 7. Limitation on Use of Funds—(a) Except as otherwise provided in this section, none of the funds appropriated to carry out the provisions of this Act shall be obligated or expended after January 31, 1974, until the Comptroller General of the United States certifies to Congress that all funds previously appropriated (including any authorization to create obligations in advance of appropriations), and thereafter impounded during fiscal years 1973 and 1974 for activities, programs, and projects under the Departments of Agriculture, Transportation, Housing and Urban Development, and Health, Education, and Welfare, have been released for obligation and expenditure.

(b) The provisions of this section shall not apply with respect to funds impounded in accordance with any provision of law specifically authorizing the impoundment of funds of any such department if (1) such provision is contained in any law authorizing, or making appropriations for, any activity, program, or project of such department, and (2) the impoundment is made only with respect to and in accordance with such provision authorizing the impoundment.

(c) For purposes of this section, impounding includes—

(1) withholding or delaying the expenditure or obligation of funds (whether by establishing reserves or otherwise) appropriated or otherwise obligated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made;

(2) withholding any authorization to establish obligations in advance of appropriations; or

(3) any type of executive action which effectively precludes the obligation or expenditure of the appropriated funds.

(Explanation: This amendment is designed to prohibit the use of these funds after January 31, 1974, unless the President has released funds impounded for four departments—Agriculture, Transportation, HEW, and HUD.

(It is similar to an amendment that became part of the 1971 foreign aid authorization Act. A similar provision was also added by the Committee to the military aid bill earlier this year; however, since a continuing resolution was voted for the remainder of the 1973 fiscal year, that provision was not enacted into law.)

Estimated assistance to Israel—Fiscal year 1974 and cumulative assistance—Fiscal years 1949–73

	Estimated fiscal year 1974
I. Military assistance:	
1. Emergency military assistance	$2,200,000,000
2. Military credit sales authorized in the Foreign Assistance Act	300,000,000
Total, military	2,500,000,000
II. Economic assistance:[1]	
1. Supporting assistance	50,000,000
2. Aid for Soviet immigrants	36,500,000
3. Public Law 480 food aid	58,865,000
4. Aid to Israel educational institutions	4,000,000
Total, economic	149,365,000
Total assistance, fiscal year 1974	2,649,365,000
Assistance, fiscal years 1949–73	3,112,100,000
Total assistance, fiscal years 1949–74	5,761,465,000

[1] Does not include housing investment guarantees.

Estimated private flows to Israel as a result of the war[1]

	Estmated fiscal Year 1974
I. Worldwide fund raising goal set after outbreak of the war	$1,900,000,000
1. United Jewish Appeal	(1,250,000,000)
2. Government of Israel bonds	(650,000,000)
II. Funds to be raised in the United States:	
1. United Jewish Appeal	750,000,000
2. Government of Israel bonds[2]	487,500,000
Total to be raised in United States	1,237,500,000

[1] Data from Department of State.

[2] Estimated at 75 percent of worldwide total.

TABLE 1.—PRIOR UNITED STATES ASSISTANCE TO ISRAEL, FISCAL YEARS 1949-73

[Millions of dollars]

	Fiscal year—										Total fiscal years 1964-73	Total fiscal years 1949-73
	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973		
Grants:												
Supporting assistance									50.0	50.0	100.0	100.0
Immigrant assistance									2.0	49.0	51.0	51.0
American schools and hospitals				[1]1.0	6.0		12.5	2.5	5.6	4.4	32.0	32.0
Public Law 480 title II	0.4	0.5	0.9	.6	.5	0.6	.4	.3	.4	.3	4.9	61.4
Other (1948-62)												278.0
Loans:												
Public Law 480 title I	16.6	28.3	25.9		51.3	36.1	41.0	55.5	53.8	[2]47.6	356.1	561.5
EXIM bank long term		3.4		9.6		38.6	10.0	31.0	21.1	21.3	135.0	371.6
Aid housing guarantee									[3]50.0			
Foreign military sales credit		12.9	90.0	7.0	25.0	85.0	30.0	545.0	300.0	300.0	1,394.9	1,422.3
Other loans	20.0	20.0	10.0	5.5							55.5	234.3
Total assistance	37.0	65.1	126.8	23.7	82.8	160.3	93.9	634.3	432.9	[2]472.6	2,129.4	3,112.1
Grants	(.4)	(.5)	(.9)	(1.6)	(6.5)	(.6)	(12.9)	(2.8)	(58.0)	(103.7)	(187.9)	(522.4)
Loans	(36.6)	(64.6)	(125.9)	(22.1)	(76.3)	(159.7)	(81.0)	(631.5)	(374.9)	[2](368.9)	(1,941.5)	(2,589.7)

[1] Equivalent in local currency.

[2] Preliminary.

[3] Not included in tolals.

ESTIMATED FOREIGN ASSISTANCE, FISCAL YEAR 1973-74

[In thousands]

	Fiscal year 1973	Fiscal year 1974
I. Military assistance:		
1. Military assistance grants	$589,100	$642,000
2. Military assistance to South Vietnam and Laos	2,735,000	1,126,000
3. Military assistance to Israel		2,200,000
4. Additional assistance to Cambodia		200,000
5. Excess defense articles	185,000	150,000
6. Ship transfers	121,000	6,500
7. Real property transfers	721,091	244,553
8. Public Law 480 defense grants	157,900	162,080
9. Foreign military credit sales	400,000	325,000
10. Supporting assistance (outside Indochina)	155,300	125,000
Total, military assistance	5,064,391	5,181,133
II. Bilateral economic assistance:		
1. Indochina economic aid	444,700	504,000
2. AID development assistance-general	974,300	837,500
3. South Asian relief	101,100	
4. American schools and hospitals abroad	25,532	19,000
5. International organizations	127,472	155,022
6. Contingency Fund	23,998	30,000
7. Administrative expenses	61,579	50,100
8. Narcotics control program	20,500	42,500
9. Peace Corps	$80,560	$77,100
10. Public Law 480 assistance	1,260,100	1,146,800
Total, bilateral economic assistance	3,119,841	2,862,022
III. U.S. contributions to international financial institutions:		
1. International Development Association	320,000	320,000
2. Inter-American Development Bank	418,000	693,000
3. Asian Development Bank		100,000
Total, U.S. contributions to international financial institutions	738,000	1,113,000
IV. Miscellaneous:		
1. Migration and refugee programs	8,500	8,800
2. Assistance for Soviet refugees	50,000	36,500
3. Inter-American Foundation	3,473	13,285
4. Latin American Highway	20,000	30,000
Total, miscellaneous	81,973	88,585
Total, foreign assistance	9,004,205	9,244,740

SECURITY COUNCIL RESOLUTION 242

(November 27, 1967)

(Unanimously Adopted)

The Security Council,

Expressing its continuing concern with the grave situation in the Middle East.

Emphasizing the inadmissibility of the acquisition of territory by war and the need to work for a just and lasting peace in which every State in the area can live in security.

Emphasizing further that all Member States in their acceptance of the Charter of the United Nations have undertaken a commitment to act in accordance with Article 2 of the Charter.

1. Affirms that the fulfillment of Charter principles requires the establishment of a just and lasting peace in the Middle East which should include the application of both the following principles:

(i) Withdrawal of Israeli armed forces from territories occupied in the recent conflict;

(ii) Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force;

2. *Affirms further* the necessity

(a) For guaranteeing freedom of navigation through international waterways in the area;

(b) For achieving a just settlement of the refugee problem;

(c) For guaranteeing the territorial inviolability and political independence of every State in the area, through measures including the establishment of demilitarized zones;

3. *Requests* the Secretary-General to designate a Special Representative to proceed to the Middle East to establish and maintain contacts with the States concerned in order to promote agreement and assist efforts to achieve a peaceful and accepted settlement in accordance with the provisions and principles in this resolution;

4. *Requests* the Secretary-General to report to the Security Council on the progress of the efforts of the Special Representative as soon as possible.

RESOLUTION 338—1973

(Adopted by the Security Council at its 1747th meeting, on 21/22 October 1973)

The Security Council

1. *Calls upon* all parties to the present fighting to cease all firing and terminate all military activity immediately, no later than 12 hours after the moment of the adoption of this decision, in the positions they now occupy;

2. *Calls upon* the parties concerned to start immediately after the cease-fire the implementation of Security Council resolution 242 (1967) in all of its parts;

3. *Decides* that, immediately and concurrently with the cease-fire, negotiations start between the parties concerned under appropriate auspices aimed at establishing a just and durable peace in the Middle East.

Mr. HUMPHREY. Mr. President, I shall make a brief comment. The amendment was brought up in committee. It was tabled in committee primarily on the basis of the argument I made at that time; namely, that it was the judgment of the majority of the committee that the bill before us should be passed as is and should go to the President. The thought in mind was not to seek to encourage combat or war, but rather to give assurance to the people of Israel that they do have a friend, as we ask them to make concessions, which they will have to make under Resolutions 242 and 338 of the United Nations.

Let us remember, as the chairman himself has said, that Israel has supported both resolutions and, therefore, is committed to them already, just as the United States of America has supported the resolutions and the Soviet Union has supported the resolutions.

I think it is important to proceed quickly to get the bill through both Houses of Congress and then to the President's desk for his signature. As Secretary Kissinger opens the conference at Geneva, he will have the reaffirmation of Congress in support of his policies. It will support Secretary Kissinger's presentation of our views on the Middle East crisis as they come before the conference.

Mr. President, I ask unanimous consent that the text of the Security Council Resolution 338 be printed at this point in the RECORD; and also that an article entitled "An Interpretation of Resolution 242," written by our former Ambassador to the United Nations, Arthur J.

Goldberg, which was published in the Washington Star-News of December 9, 1973, be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

Security Council Resolution 338 [1]

The Security Council

1. Calls upon all parties to the present fighting to cease all firing and terminate all military activity immediately, no later than 12 hours after the moment of the adoption of this decision, in the positions they now occupy;

2. Calls upon the parties concerned to start immediately after the cease-fire the implementation of Security Council resolution 242 (1967) in all of its parts;

3. Decides that, immediately and concurrently with the cease-fire, negotiations start between the parties concerned under appropriate auspices aimed at establishing a just and durable peace in the Middle East.

Withdrawal Need Not be Total—An Interpretation of Resolution 242

(By Arthur J. Goldberg)

Peace in the Middle East is not at hand, but it may be achievable if a common will to peace is shared by the parties and if the superpowers, acting as "honest brokers," do not over-play their hands.

Perhaps a good way to start is to recall the rationale that guided the United States and many other governments at the United Nations, during the long period of debate and negotiations following the Six-Day War and culminating in the unanimous adoption of the critically important Resolution 242 by the Security Council on Nov. 22, 1967. This principle was often stated by me in these words: "To return in the situation as it was on June 5, 1967, is not a prescription for peace, but for renewed hostilities."

I believe that this principle was sound then. I believe it is sound now.

I think it is appropriate to recall also what the United States, immediately after the June war, said, at the highest level, about the nature of a peace settlement in the Middle East:

"But who will make this peace where all others have failed for 20 years or more? Clearly the parties to the conflict must be the parties to the peace . . . It is hard to see how it is possible for nations to live together in peace if they cannot learn to reason together . . . The nations of the region have had only fragile and violated truce lines for 20 years. What they now need are recognized boundaries and other arrangements that will give them security against terror, destruction and war."

Again, I believe that this insight was right then. I believe it is right now, though others can and should assist in the efforts to achieve settlement.

United Nations resolutions, particularly in recent times, are more honored in the breach than in the observance. Notwithstanding, there are several reasons why Resolution 242 may prove to be the framework for the settlement of the Middle East impasse.

The resolution has been "accepted" by the principal contending parties, although their respective interpretations of the Resolution widely differ. It is the only substantive resolution (excluding calls for a ceasefire) relating to the Middle East accepted both by the parties and the Security Council since the Six-Day War and virtually even before. And, despite recurring threats by both sides to repudiate Resolution 242, their acceptances have never been withdrawn. Notwithstanding pejorative expressions and resolutions in recent times by the General Assembly and other organs generally critical of Israel, and a resolution proposed to the Security Council but vetoed by the United States, seeking to re-interpret Resolution 242, the resolution continues to command the support of the great powers, the United States and the Soviet Union.

If I am correct in my postulate that the forthcoming peace negotiations will be based on Resolution 242, as Secretary of State Kissinger said last week and as this fall's U.N. Resolution 338 contemplates, it becomes important to examine both the test and the legislative history of this Resolution.

Resolution 242 is a carefully—some would say artfully—drafted set of guidelines designed to promote agreement and to assist the parties to achieve a peaceful and accepted settlement. The stated goal is the establishment of a just and lasting peace in which every state in the area can live in security.

The resolution expressly and by implication repudiates the concept of an imposed peace and opts for "agreement" and "accepted settlement" by and between the parties. Thus, the experience of the 1957 imposed settlement, following the 1956 war, is not to be repeated.

Resolution 242, in most explicit terms, rejects the long-asserted claim of the Arab countries of the existence of a state of belligerency against Israel. The resolution recognizes that belligerency cannot coexist with peace.

The resolution calls for respect and acknowledgment of the sovereignty of every state in the area. Since Israel never denied the sovereignty of its neighboring countries, this language obviously requires these countries to acknowledge the sovereignty of Israel. The legislative history of 242, as reflected in the debates and votes in the Security Council and Special Session of the General Assembly held in 1967, shows that there was little support in the U.N. community at the time for the view that, after two decades, Israel's very existence could be denied by its Arab neighbors.

In dealing with the withdrawal of Israel's forces, the resolution does not explicitly require that Israel withdraw to the lines occupied by it on June 5, 1967, before the outbreak of the war. The Arab States urged such language; the Soviet Union proposed this to the Security Council in June of 1967, and Yugoslavia and some other nations to the Special Session of the General Assembly which followed the adjournment of the Security Council. But such withdrawal language did not receive the requisite support either in the Security Council or in the Assembly.

Indeed, Resolution 242 simply endorses the principle of "withdrawal of Israel's armed forces from territories occupied in the recent conflict," and interrelates this with the principle that every state in the area is entitled to live in peace within "secure and recognized boundaries." In light of Arab unwillingness to acknowledge Israel's right to sovereign existence, this language, though speaking in terms of all states, is designed primarily to assure Israel's right to secure boundaries recognized by its Arab neighbors.

The notable omissions in regard to withdrawal are the words the and all and the June 5, 1967 lines (according to the English language text, the version actually voted on by the Security Council). In other words, there is lacking a declaration requiring Israel to withdraw from the or all the territories occupied by it on and after June 5, 1967. Rather, the resolution speaks of withdrawal from occupied territories, without defining the extent of withdrawal. And the notable presence of the words "secure and recognized boundaries," by implication contemplates that the parties could make territorial adjustments in their peace settlement encompassing less than a complete withdrawal of Israeli forces from occupied territories.

The Arab Nations, to buttress their claim that the resolution calls for a complete Israeli withdrawal, say the Israeli interpretation of the resolution's withdrawal language is overly restrictive. They point to the language of the resolution emphasizing "the inadmissibility of the acquisition of territory by war." This language, the Arab states argue, in effect, calls for complete withdrawal of Israeli forces from all the territories occupied by them in the Six Day War. Further, the Arab states contend that the U.N. charter itself, in spirit, supports their contention that military conquest of territory is inadmissible.

It is passing strange that the concept of the inadmissibility of acquisition of territory by war is insisted and relied upon by the Arab states and the Soviet Union. The Arab states acquired territory as a consequence of the 1948 war, contrary to the U.N. Partition Resolution. The Israelis also acquired additional territory in the aftermath of this war, which they justify on the basis that they were willing to abide by the partition lines but were forced to war and acquired territory as a result of the attack upon them by the Arab states.

More surprising is the Soviet support of the principle of the inadmissibility of the acquisition of territory by war. The Soviet Union holds territory in its firm grasp acquired in recent times by war from Finland, Poland, Romania, Japan and other states. Even our own country, some time ago, acquired territory by war from Mexico and Spain, and numerous other examples involving many nations could be cited.

The resolution speaks of "respect and acknowledgement of . . . the territorial integrity of every state in the area." This, too, is much relied upon in support of the demand for complete withdrawal of Israeli forces from all of the Arab territories. It is rather ironic, that, for many years, it was the Israelis who sought respect for their territorial integrity which was denied them by the Arab States.

But the territorial language of the resolution is qualified by other language declaring the right of all states "to live within secure and recognized boundaries free from threats and acts of force." The secure and recognized boundaries language, the legislative history shows, represents a major concession to Israel which, as I have pointed out, found the armistice lines often violated and insecure.

The logic coupling the territorial and secure boundaries concepts is that both territorial integrity and secure and recognized boundaries are to be reconciled in the give and take of negotiations between Israel and the Arab States culminating in peace agreements.

The most that can be said of the withdrawal and related language of Resolution 242, in light of its legislative history, is that it neither commands nor prohibits territorial adjustments in the peace agreements contemplated by the resolution, although it "tilts" in favor of adjustments to ensure secure boundaries for Israel. This is not to say that the resolution contemplates a complete redrawing of the map of the Middle East. Further, the withdrawal language of the resolution would seem to indicate that its patent ambiguities, and the differing interpretations of the parties, can only be resolved by an accepted and agreed upon settlement concluded after negotiations between the parties.

On certain aspects, the resolution is less ambiguous than its withdrawal language. Resolution 242 specifically deals with free passage through international waterways. In precise language it affirms "the necessity for guaranteeing freedom of navigation through international waterways in the area." This language demonstrates the lack of sympathy of the powers, big and small, against interference with free passage in international waterways. With an end of belligerency, no good reason should exist under international law for denial to Israel of access to the Suez Canal and, particularly, to the Straits of Tiran—the closing of which by President Nasser of Egypt was universally recognized and forewarned by Israel to be a causus bellum. The resolution similarly would preclude a blockage of Bab el Mandeb. The Israelis have made it crystal clear that, whatever the pressures, they will continue to insist upon direct contractual assurances on these points from Egypt.

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[1] Adopted on Oct. 22 at 12:50 a.m. by a vote of 14 to 0 (China did not participate in the voting).

The resolution by its very words, the action of the Security Council and the legislative history also recognizes that Israel, the Arab States and the world community jointly share responsibility to afford better justice to the refugees—the casualties of the 1948, 1956 and 1967 wars. The resolution does not reiterate the language of prior U.N. resolutions calling for total repatriation or optional compensation for these refugees, a concept long resisted by Israel. Rather, it implicitly recognizes that all must participate in solving this problem—Israel by a more generous policy of repatriation and compensation, the Arab states by ceasing to utilize refugees as political pawns, and their camps as breeding grounds for hate and despair, and the world community both by more generous financial assistance and liberal immigration policies.

The resolution refers to the utility of the establishment of demilitarized zones in assuring peace and guaranteeing territorial inviolability. The location of the demilitarized zones is left, obviously, to the parties to negotiate.

A notable and purposeful omission in the resolution is any specific reference to the status of Jerusalem and its failure to reaffirm past U.N. resolutions for the internationalization of the city. Resolution 242 thus realistically recognizes the desuetude of the internationalization resolutions. It further reflects the belief, at that time, on the part of a considerable number of U.N. members that King Hussein, having rejected Israel's offer not to engage in war and having been ousted from East Jerusalem by force of arms, cannot now hope to partition Jerusalem again, but, at best, might in a peace agreement negotiate with the Israelis for some special status for Jordan with regard to Moslem holy places—a status compatible with the unity of Jerusalem under Israeli sovereignty and administration. However, resolution of status of Jerusalem is complicated by the strong position of Saudi Arabia and by the oil embargo.

There is further light on the ambiguities and meaning of Resolution 242 in its legislative history.

The cease-fire resolutions which were adopted during and following the Six-Day War differed dramatically from previous resolutions of the council in the Israeli-Arab wars of the preceding 19 years. In the earlier resolutions, the call for a cease-fire was usually accompanied by a demand for a withdrawal of troops to the positions held before the conflict erupted. In June of 1967, however, no withdrawal provisions were incorporated as part of the cease-fire resolutions. This was not by accident but rather as a result of the reaction by a majority of the Security Council to what had occurred.

As the debates revealed, the requisite majority of the council was unwilling to vote forthwith withdrawal of Israeli forces because of their conviction that to return to the prior armistice regime would not serve the goal of a just and lasting peace between the parties. Proof that this was so is provided by the action of the Security Council with respect to a resolution pressed at the time by the Soviet Union. The Soviet delegate offered a specific resolution not only reaffirming the council's call for a cease-fire, but, additionally, condemning Israel as the aggressor and demanding a withdrawal of its forces to the positions held on June 5, 1967, before the conflict erupted. But this resolution of the Soviet Union, although put to a vote, did not command the support of the requisite nine members of the Security Council.

Israel was not condemned as an aggressor because of the conviction of a majority of the Security Council, shared by world opinion, that President Nasser's actions, particularly the eviction of the U.N. peacekeeping forces, the substantial movement of his troops into the Sinai, and the blockade of shopping in the Straits of Tiran, were the causes of the war, regardless of who fired the first shot.

But even more fundamentally, the debates in the council made it clear that a majority of members felt strongly that something more was needed to assure peace than the fragile armistice agreements that had prevailed for the previous 19 years and had frequently been breached.

In short, the unwillingness to support the Soviet resolution for a withdrawal of Israeli forces to the positions they held before June 5, 1967, was based upon the conviction of this substantial number of the Security Council members that, whatever the extent of withdrawal of Israeli troops, it should this time be in the context of accepted and agreed upon peace settlements, ensuring secure and recognized boundaries for Israel.

Why did the Arab States accept Resolution 242, and why do they still profess acceptance of it? Why did Israel accept, and why does it still adhere to its acceptance?

Having been rebuffed both in the Security Council and in the Assembly, the Arab States belatedly came to the conclusion that the language of Resolution 242 was the best they could hope for from the U.N. They obviously counted on the resolution's ambiguities to permit them to assert their own interpretation of the resolution. They also heavily relied upon major Soviet support both diplomatically and militarily. Further, they conceived that the passage of time would erode the support of the United States and like-minded states for Israel.

To a certain extent, Arab calculations have been realized. World opinion overwhelmingly supportive of Israel as the "underdog" at the time of the war has, in some degree, shifted to a measure of sympathy for the defeated and now "underdog" Arab States. Some countries have watered down their prior support of the resolution's principles—witness the recent resolution proposed to the Security Council and vetoed by the United States which sought to re-interpret Resolution 242, although purporting to adhere to it. Witness also the abject attitudes of many nations to the Arab oil "blackmail."

But I trust that the United States has not departed from its support of 242, as interpreted by the United States at the time of its adoption. It should still remain the position of the United States that the way to peace in the Middle East is a negotiated peace agreement by and between the parties, based on the real meaning of Resolution 242, rather than the restoration of the prior and often breached Armistice Agreements through embodiment in a peace agreement.

The Israeli's accepted Resolution 242, interestingly enough, for some of the same reasons as their Arab antagonists. It was the best Israel could hope to get from the U.N. under the given circumstances. They were rightly fearful that their diplomatic support would erode if Israel proved to be intransigent. Like the Arab States, the Israelis concluded that the resolution's ambiguities permitted them to assert their own interpretation of the resolution. The Israelis also were unwilling to unduly provoke the Soviets, fearing greater involvement by them in the area—a fear justified by recent events. Most important, Israel, rightly or wrongly, recognized the danger of alienating the United States government and American public opinion by an overly-inflexible position in light of Israel's need for military hardware and economic assistance which has been forthcoming.

Despite the passage of time since the adoption of Resolution 242 and the recent war and, perhaps, because of these events, I adhere to the view that the resolution does provide the basis to achieve a peaceful and accepted settlement between the parties provided they will come to share the will and courage to achieve a just and lasting peace, which is the goal of the resolution. Perhaps my "optimism" is based on the fact that the resolution gives something to both sides.

I do not, however, wish to minimize the difficulties in achieving a peace agreement. Only strong and secure leaders, buttressed by popular support, can consummate a peace settlement; for peace, if it is to be lasting, necessarily involves compromise and political risks. It is an historical truth that the making of peace often calls for greater courage than the making of war.

UNITED NATIONS SECURITY COUNCIL RESOLUTION 242—1967

(Adopted by the Security Council at its 1382d Meeting, on November 22, 1967)

The Security Council,

Expressing its continuing concern with the grave situation in the Middle East,

Emphasizing the inadmissibility of the acquisition of territory by war and the need to work for a just and lasting peace in which every State in the area can live in security,

Emphasizing further that all Member States in their acceptance of the Charter of the United Nations have undertaken a commitment to act in accordance with Article 2 of the Charter,

1. Affirms that the fulfillment of Charter principles requires the establishment of a just and lasting peace in the Middle East which should include the application of both the following principles:

(i) Withdrawal of Israeli armed forces from territories occupied in the recent conflict;

(ii) Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force;

2. Affirms further the necessity

(a) For guaranteeing freedom of navigation through international waterways in the area;

(b) For achieving a just settlement of the refugee problem;

(c) For guaranteeing the territorial inviolability and political independence of every State in the area, through measures including the establishment of demilitarized zones;

3. Requests the Secretary-General to designate a Special Representative to proceed to the Middle East to establish and maintain contacts with the States concerned in order to promote agreement and assist efforts to achieve a peaceful and accepted settlement in accordance with the provisions and principles in this resolution;

4. Requests the Secretary-General to report to the Security Council on the progress of the efforts of the Special Representative as soon as possible.

Mr. HUMPHREY. Mr. President, unless there is further debate, it is my intention to move to table the amendment of the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I shall make only an observation on the article written by former Ambassador Goldberg. I have great admiration for Ambassador Goldberg as a man, as a jurist, and as an Ambassador. But I think his interpretation of the resolution demonstrates his extremely great talent for semantics and juggling of words.

And I think that anyone reading Resolution 242—any ordinary layman reading it—would understand it better than former Justice Goldberg, a distinguished lawyer, who seems overly concerned with all the nuances such as whether the French translation or the English translation should be read.

As I understand it, in the French translation the word "the" is used before the word "territories." In the English translation the "the" does not appear. A great argument has arisen over the use of "the" before the word "territory."

I submit that any ordinary layman with commonsense, reading that resolution, would understand that it means a substantial withdrawal from the occupied territory, which is what was intended. Justice Goldberg's interpretation makes a nullity of the whole resolution.

I cite one historical justification: the official pronouncement by the former Secretary of State, speaking as the Secretary of State in the Nixon administration, that it meant a "substantial" withdrawal from all the territory. That was a pretty good description of what I think it means. It certainly was intended to be practically all the territory that was taken.

I make no criticism whatever of Mr. Goldberg, because I have the greatest respect for him as a man, as a jurist, and as an Ambassador, but I think he has been led far afield by his dealing with the semantics of the two translations.

Mr. HUMPHREY. Mr. President, I move to table the amendment.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. FULBRIGHT. Mr. President, the yeas and nays have been ordered.

The PRESIDING OFFICER. They have not been ordered on this motion.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Arkansas. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Wyoming (Mr. McGee), the Senator from Utah (Mr. Moss), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Vermont (Mr. Aiken), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from New York (Mr. Buckley), the Senator from Hawaii (Mr. Fong), the Senator from Idaho (Mr. McClure), the Senator from Kansas (Mr. Pearson), the Senator from Illinois (Mr. Percy), the Senator from Delaware (Mr. Roth), the Senators from Ohio (Mr. Saxbe and Mr. Taft), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

The Senator from New Mexico (Mr. Domenici) is detained on official business.

If present and voting, the Senator from Hawaii (Mr. Fong), the Senator from Illinois (Mr. Percy), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) would each vote "yea."

The result was announced—yeas 62, nays 12, as follows:

[No. 607 Leg.]

YEAS—62

Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Biden
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Dole
Dominick
Eagleton
Fannin
Griffin
Gurney
Hart
Hartke
Haskell
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
McClellan
McGovern
McIntyre
Magnuson
Mathias
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Williams
Young

NAYS—12

Abourezk
Burdick
Curtis
Fulbright
Goldwater
Hansen
Hatfield
Hathaway
Helms
Mansfield
Metcalf
Scott, William L.

NOT VOTING—26

Aiken
Bellmon
Bennett
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Eastland
Ervin
Fong
Gravel
Hollings
McClure
McGee
Moss
Pearson
Percy
Roth
Saxbe
Taft
Talmadge
Tower
Weicker

So the motion to table was agreed to.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I ask unanimous consent that during the further consideration of this measure, amendments, and votes thereon, my assistant, Stephen Bryen, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. JAVITS. Mr. President, I make the same request in behalf of Peter Lakeland, my assistant.

The PRESIDING OFFICER. Without objection, it is so ordered.

What is the pleasure of the Senate?

AMENDMENT NO. 931

Mr. FULBRIGHT. Mr. President, I call up my amendment No. 931, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following new section:

SEC. 7. Military and economic assistance provided by the United States to Israel and authorized or appropriated pursuant to this or any other law shall not be construed as a commitment by the United States to Israel for its defense.

Mr. FULBRIGHT. Mr. President, as my colleagues can see, this amendment is a very simple one. It merely says that the act of giving aid to Israel shall not be construed as a commitment by the United States for its defense.

In the early period of the Vietnam war, the then Secretary of State, Dean Rusk, used to cite the fact that Congress had each year approved a foreign aid bill containing money for South Vietnam as one of the elements constituting what was called a "commitment" to defend that country.

The view that we somehow became committed to go to war to defend another country by giving foreign aid startled me. The Senate repudiated that thesis, by a vote of 70 to 16, when it adopted the National Commitments Resolution, the text of which I ask unanimous consent to have printed in the Record at this point.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

10. NATIONAL COMMITMENT—SENATE RESOLUTION 85, AGREED TO JUNE 25, 1969

RESOLUTION

Whereas accurate definition of the term "national commitment" in recent years has become obscured; Now, therefore, be it

Resolved, That (1) a national commitment for the purpose of this resolution means the use of the Armed Forces of the United States on foreign territory, or a promise to assist a foreign country, government, or people by the use of the Armed Forces or financial resources of the United States, either immediately or upon the happening of certain events, and (2) it is the sense of the Senate that a national commitment by the United States results only from affirmative action taken by the executive and legislative branches of the United States Government by means of a treaty, statute, or concurrent resolution of both Houses of Congress specifically providing for such commitment.

Mr. FULBRIGHT. This amendment only makes a matter of law, in connection with this particular bill, a general principle which the Senate has supported overwhelmingly in the past. The text of the amendment is identical, except for countries, to the one now on the statute books relative to Cambodia.

That amendment was originated by the Senator from New York. I see no reason why a different principle should apply to Israel, and I urge the Senate to adopt this amendment.

Mr. HUMPHREY. Mr. President, let me take just a brief moment to respond.

The chairman has indicated that we did pass in the Senate, on June 25, 1969, S. Res. 85, known as the National Commitment Resolution. I simply point out that the bill before us makes no commitment; it does not define any commitment; it does not state any commitment; and the resolution that we have already adopted in 1969 makes it very clear, insofar as the Senate is concerned, what a national commitment would be, by definition.

Therefore, as I move to table this amendment, it is not an objection to its text or its purpose, but rather because it is superfluous and because additional amendments to this bill would result in its delay. I think it is important that it be passed and signed by the President immediately.

Mr. JAVITS. Mr. President, will the Senator yield without losing his right to the floor?

Mr. HUMPHREY. I yield.

Mr. JAVITS. Mr. President, I wish to emphasize the great respect which we have for our chairman's thinking, even though, as is well known, I differ with him 180 degrees on this issue.

I deeply believe, Mr. President, that he has made his case, and a very important case, that this is not the way in which to bring about the best expectation of a successful conclusion at Geneva. But I interpret the vote in our committee, which was 15 to 2 to report this bill without amendment, as a determination by me and I think most of the other Senators whom I have talked with—they can speak for themselves—that it is a necessary element if we are to have any real hope in Geneva.

Now, none of us is God. We may be wrong, and Senator FULBRIGHT may be right. But in carrying out the policy which we believe is the necessary policy, without in any way casting discredit on any amendment, which I do not wish to do, either—as the Senator says, it is an amendment which I myself interposed successfully in respect of the Vietnam war—the only procedure we have which will get this matter effected is the tabling procedure, and I think it is very important that Senators understand the basic reason why we have really no other course, having decided the fundamental question, as raised by Senator FULBRIGHT himself, differently from the way he does.

One last point, Mr. President: It is very clear that Senator FULBRIGHT, honoring his own statement to the Senate, seeking as he properly must as the chairman, the proper respect for his committee, when an appropriation preceded an authorization, with everyone's support he had written into the appropriation bill that it was subject to authorizing legislation.

That is fine, and we all agreed. But now, the dignity having been preserved, we had all better recognize that if our decision is to be effective, it has to be effective within the next 2 days.

So I think it is a tribute to all Senators, as well as Senator Fulbright and Senator Mansfield, both of whom are on the other side of this particular issue, that recognizing that fact, Senator Fulbright has undertaken to present the case with his usual eloquence, and then to allow the Senate to express its will rather quickly, as the situation demands.

I think that ought to be said, Mr. President. We all live together for a long time, and I, for one, would like to make it clear that I understand it fully, and that it is deeply gratifying in terms of being a U.S. Senator that men can proceed with differences, and yet agree, with a high-minded understanding, that there comes a time when they really should be resolved.

I thank my colleague for yielding.

Mr. HUMPHREY. Mr. President, I would just like the record to note that H.R. 11088, the bill before us, does not make a commitment of the United States of America to the defense of Israel.

Second, Israel herself has not asked the United States for a commitment in her defense. Israel has never asked for manpower from the United States. What she has asked for in the past was credits, and she has received them.

In this bill, if the bill is passed, she will have the opportunity for both credits and grants. But in the light of the notice adopted by the Senate known as the National Commitments Resolution back in 1969, and in the light of what both the Senator from New York (Mr. JAVITS) and myself have said, I think it is very clear that we are not committing the United States to any military action. We are not committing the United States in terms of a treaty. As a matter of fact, the Senator from Arkansas is the one who has suggested the possibility of a treaty.

So I would only say that while I find great merit in the language of the amendment, I believe it would be untimely. I think it would complicate the consummation of this legislation, and therefore I oppose it.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. With regard to the treaty, the Senator knows very well that I have spoken of a treaty only as a measure resulting from, and subsequent to, the successful negotiation of a settlement, and in pursuance of such a settlement and a guarantee by the Security Council of the United Nations.

Mr. HUMPHREY. Yes, I understand that, and I am pleased that again the Senator has noted his thinking on it.

Mr. FULBRIGHT. I ask the Senator from New York, who was the sponsor of the one on Cambodia, which was subsequent to that 1969 law, if this one is superfluous now, why was it not superfluous at that time? I supported it then, as did the Senator from New York, and I think the Senator from Minnesota supported it. I ask them, Why is it superfluous now and not then?

Mr. HUMPHREY. For the very simple reason that we had the Southeast Asia Treaty Organization, which gives us greater commitments in that area.

Mr. FULBRIGHT. Not to Cambodia.

Mr. HUMPHREY. No, but in that area of the world. Let me say also that we had military operations in that area. We had been involved militarily. And let me say again that I see no reason to complicate the legislative language. Israel had asked for no commitment; we are making no commitment. What we are doing is authorizing an appropriation of $2.2 billion, which has already been acted on by the Appropriations Committee.

Mr. FULBRIGHT. The Senator from New York said that in order for this to be effective this has to be passed now. This bill does not die with our recess or adjournment of this session of Congress, will it? It will still be on the calendar and still subject to action after we come back next year?

Mr. HUMPHREY. The Senator from Arkansas is absolutely right, as he said so fairly earlier today. It is because of the interpretation, the question of whether we think it will be helpful or not helpful at the negotiations in Geneva. I happen to believe that passage will be helpful.

Mr. President, I move to table the amendment of the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER (Mr. NUNN). The motion is not debatable.

Mr. ROBERT C. BYRD. Mr. President, the Senator wants to make a unanimous-consent request.

Mr. HUMPHREY. Mr. President, I should like to propose a unanimous-consent request that the Senator from Arkansas be permitted to offer his other amendment and that we have a back-to-back rollcall vote on the two amendments.

Mr. FULBRIGHT. I wish to have about 5 minutes to make a short statement.

Mr. HUMPHREY. The Senator can make his full statement, and that will accommodate Senators so that when they come over we can have separate votes on the two amendments.

Mr. CASE. Mr. President, reserving the right to object, is there a time limitation on the amendment?

Mr. HUMPHREY. There is no limitation of time.

Mr. CASE. So that 20 minutes each would be the time for the rollcall votes?

Mr. HUMPHREY. 15 minutes.

Mr. CASE. 15 minutes. I want to be sure. I think it should stay at 15 minutes.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from Arkansas may be permitted to offer his third amendment, and at the conclusion of his presentation I will then move to table that amendment and we will have back-to-back rollcall votes on the two amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll——

Mr. FULBRIGHT. Mr. President, it is my understanding the Senator wishes me to offer this amendment now and make my statement for the record and then, after I have completed this, we will have two rollcall votes—separate votes—on amendment 3 and amendment 2, is that correct?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 932

Mr. FULBRIGHT. Mr. President, I call up my amendment No. 932 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill add the following new section:

SEC. 7. (a) Except as otherwise provided in this section, none of the funds appropriated to carry out the provisions of this Act shall be obligated or expended after January 31, 1974, until the Comptroller General of the United States certifies to Congress that all funds previously appropriated (including any authorization to create obligations in advance of appropriations), and thereafter impounded during fiscal years 1973 and 1974 for activities, programs, and projects under the Departments of Agriculture, Transportation, Housing and Urban Development, and Health, Education, and Welfare, have been released for obligation and expenditure.

(b) The provisions of this section shall not apply with respect to funds impounded in accordance with any provision of law specifically authorizing the impoundment of funds of any such department if (1) such provision is contained in any law authorizing, or making appropriations for, any activity, program, or project of such department, and (2) the impoundment is made only with respect to and in accordance with such provision authorizing the impoundment.

(c) For purposes of this section, impounding includes—

(1) withholding or delaying the expenditure or obligation of funds (whether by establishing reserves or otherwise) appropriated or otherwise obligated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made;

(2) withholding any authorization to establish obligations in advance of appropriations; or

(3) any type of Executive action which effectively precludes the obligation or expenditure of the appropriated funds.

Mr. FULBRIGHT. Mr. President, this amendment is designed to help insure that our domestic needs are given priority when it comes to spending the taxpayers' money. It would require the release of impounded funds that were appropriated for programs of four Departments—Agriculture, Health, Education, and Welfare, Housing and Urban Development, and Transportation—before any additional aid can be provided to Israel under this bill after January 31, 1974. According to Office of Management and Budget statistics, $5.5 billion in appropriations for these four departments were impounded as of September 30, 1973.

The amendment is substantially the same as one approved by Congress and enacted into law in the 1971 Foreign Assistance Act. A similar, but broader provision was approved by the Foreign Relations Committee in S. 837 earlier this session. That bill, however, never became law because a continuing resolution was passed to fund the foreign aid program for the remainder of fiscal year 1973.

The point I wish to make is that Congress has endorsed this principle embodied in this amendment in the past—and probably would have done so again this year had the normal legislative process been completed on S. 837.

I ask unanimous consent to have printed in the RECORD following my remarks excerpts from the Foreign Relations Committee's report on that bill, several current articles and editorials concerning the impoundment problem, and pertinent tables.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, this bill comes before the Senate shortly after the administration has impounded $550 million appropriated by Congress for grants for water and sewer systems. We are being asked to approve $2.2 billion for foreign military assistance, yet the administration refuses to spend a much smaller amount—less than one-fourth as much—already appropriated by Congress for programs vital to the development of our towns and cities.

Should this request be approved, the Government will be spending more than $9.2 billion in this fiscal year for various foreign assistance programs. I find it difficult to understand how the President can justify, and the American people can tolerate, continued expenditures of this scope for foreign aid, while funds for important domestic programs are withheld and cut back.

The total of $9.2 billion for foreign assistance is, for example, $3 billion more than the $6.2 billion appropriated in the recent Labor-HEW appropriations bill for all our federally supported and assisted education programs—and the administration opposed allocating even that much for education.

As for the water and sewer systems, the amount appropriated—and then impounded—is miniscule in comparison with our foreign expenditures. Impoundment of funds for water and sewer systems is, of course, nothing new under this administration, which has consistently refused to allocate funds appropriated for this purpose. Impoundment is, in my view, clearly contrary to the intent of the Constitution and in this case violates a specific congressional directive.

Previously the President, in impounding water-sewer funds, has claimed that money for the same purposes could be obtained elsewhere, specifically through the Environmental Protection Agency. However, the administration earlier impounded $6 billion in EPA appropriations made by Congress in overriding President Nixon's veto.

The Farmers Home Administration water and sewer grants and loans are essential for the development of our small communities. We can ease the burden on our larger cities by making the smaller communities attractive and viable places to live. Yet these communities are unable to obtain the relatively small amounts needed to develop the basic infrastructure of water and sewer facilities. In nearly every case these communities have raised funds locally and have sought supplementary Federal loans and grants, only to find them unavailable.

The administration has not only impounded the entire $150 million allocated for the FHA water-sewer program. Reports indicate that the $400 million appropriated for the urban counterpart, administered by the Department of Housing and Urban Development, is also being impounded. Altogether there are at least 139 Arkansas municipalities which cannot offer basic water and sewer community services at the current time. All these communities are in need of grant funds. I am certain that similar statistics could be cited from other States.

When our Government is failing to meet these basic needs of our people, I find it extremely difficult to understand how we can afford to undertake foreign expenditures, such as the $9.2 billion for various foreign assistance categories. I believe our true interests and security are best served by attending to the many critical needs which we face in this country.

Passage of this amendment will tell the American people that the Senate is as concerned about our domestic needs as it is about the highly questionable needs for enormous military assistance to Israel. Enactment of this amendment will show that, although we are involved with the problems of Israel, we put the promotion of the welfare of our own people first.

There is also a fundamental constitutional issue involved here. If the Congress' power of the purse is infrinegd by unrestricted Presidential impoundment of appropriated funds, Members of Congress power of the purse is infringed by go home. This is the only real power that Congress has left and it must be guarded and protected. This amendment is designed to help in that effort.

Although the morning press reported that the President has agreed to release $1 billion in impounded funds for Health, Education and Welfare programs, it was made clear by administration spokesmen that this does not mean that funds appropriated for programs of other departments will be released. Approval of my amendment will insure that funds for the Departments of Agriculture, HEW and HUD are released and used in the way Congress intended.

EXHIBIT 1

SECTION 11. LIMITATION ON USE OF FOREIGN AID FUNDS

This amendment, sponsored by Senator Fulbright, requires release of impounded funds totalling $4.9 billion (according to the Office of Management and Budget) appropriated for programs under the authority of the Departments of Agriculture, Transportation, Health, Education, and Welfare and Housing and Urban Development. The amendment is a revision of section 658 of the Foreign Assistance Act of 1971. As revised, this section includes the following provisions:

It requires a cut-off of funds appropriated pursuant to the Foreign Assistance Act and the Foreign Military Sales Act if by April 30, 1973, the President has not released all funds appropriated during fiscal years 1972 and 1973 for the Departments of Agriculture, Transportation, Housing and Urban Development, and Health, Education, and Welfare.

It requires a similar cut-off of aid and military credit sales funds if future appropriations for these departments are impounded for more than 60 days.

It defines the term "impounded funds" to include any action which effectively prevents the creation of obligations or expenditures of appropriated funds, or of authorizations to create obligations in advance of appropriations, for any period of time irrespective of whether such action is taken by the Office of Management and Budget or the agency head.

It requires that aid and military credit sale funds be spent on an orderly basis so as to insure that the prohibitions in the amendment are not nullified either by "reimpoundment" or by a speed up in the obligation of aid funds.

It provides for the withholding of funds in accordance with specific legal requirements as may be contained in the authorizing legislation for the departments affected or as is provided in the Anti-Deficiency Act. The Committee recognizes that this Act authorizes reserves in the apportionment process. The Committee wants to emphasize, however, that such reserves are authorized under the Anti-Deficiency Act only (1) for contingencies; and (2) to effect savings whenever savings are made possible by or through (*a*) changes in requirements, (*b*) greater efficiency of operations, or (*c*) other developments subsequent to the date on which such appropriation was made available. This latter provision refers to unforeseen developments subsequent to the enactment of appropriations which reduces funds required to carry out the program and does not include various other reserves sometimes referred to as being for "routine financial administration." The Committee will look to the General Accounting Office to pursue this interpretation and to ensure compliance with it.

Finally, this provision calls upon the Comptroller General to review the accuracy of the certification made by the heads of the departments with respect to the impoundment of funds of their departments and to issue quarterly reports on his findings beginning with the first quarter in fiscal year 1974.

When the Committee considered Senator Fulbright's amendment, he reported on a letter which he had received from the Comptroller General asking that certain modifications be made in the original text. The Committee accepted these modifications. The text of the Comptroller General's letter, with enclosure, follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., February 22, 1973.
B-135564.
Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: On February 8, 1973, you offered your amendment No. 7 to the administration's foreign aid authorization bill which would amend section 658 of the Foreign Assistance Act of 1971. In explaining the amendment you said that it will bring an end to the expenditure of foreign aid funds if the President insists upon impounding funds for high-priority domestic programs. Amendment No. 7 together with explanatory remarks appears on pages S2431–S2433 of the Congressional Record of February 8, 1973.

We are primarily concerned about the proposed subsection 658(c) which contains no exceptions for reservations of funds made strictly within the authority of subsection (c)(2) of the Antideficiency Act, 31 U.S.C. 665(c)(2) and subsection 658(e) which would provide substantial additional duties for the Comptroller General.

In my testimony of January 30, 1973, on Senator Ervin's Impoundment Control bill, S. 373, 93d Congress, I stated that we are not aware of any objections to impoundments falling squarely within the literal language of subsection (c)(2) of the Antideficiency Act, 31 U.S.C. 655(c)(2), or specifically authorized in other law. This testimony was given at a Joint Hearing held by the Subcommittee on Separation of Powers of the Senate Judiciary Committee and an ad hoc subcommittee of the Senate Committee on Government Operations. A copy of my prepared statement and the attachments are enclosed. It was suggested that consideration be given to amending S. 373 to provide that its provisions shall not apply to funds being withheld in accordance with this and other specific requirements of law. As you are aware, section 658 of the Foreign Assistance Act of 1971 presently exempts impoundments made in accordance with specific requirements of law and, as stated in my testimony on S. 373, I interpreted that provision as applying only to section (c)(2) of the Antideficiency Act. We suggest a revision of subsection 658(c) to reinstate that exemption to avoid the burden of reporting impoundments which involve only contingencies or savings in carrying out legislative programs and which are generally conceded to be not only of a noncontroversial nature but also desirable in achieving efficiency and economy.

As now written, subsection 658(e) would require that the Comptroller General determine if funds of the Departments of Agriculture, Transportation, Housing and Urban Development, and Health, Education, and Welfare have been impounded more than 60 days. The imposition of such a requirement on our Office would result in a workload that would severely tax our resources and even then we could never be assured that all of the impoundments had been found. The impoundments can be made by the head of a Department as well as by the Director of the Office of Management and Budget and documentary evidence thereof, if any, may be difficult to locate. We would therefore much prefer language which would require the head of each Department named to send us a report certifying the amounts impounded during each 60-day period which we would review for the purpose of making our quarterly reports to the Congress.

We also suggest that the parenthetical language "(including any authorization to create obligations in advance of appropriations)" which effectively includes contracting authority in the definition of appropriation and which is included in subsection (a) be inserted in subsection (b). This will avoid any implication that contract authority is included with respect to fiscal years 1972 and 1973 but not to fiscal year 1974 and subsequent fiscal years.

We have some reservations on one other aspect of subsections (a) and (b). Under those subsections, if the impounded funds are not timely released for obligation and expenditure, no further expenditure of foreign assistance and military sales funds may be made notwithstanding that payments may be due in liquidation of previously incurred valid obligations. We believe this prohibition against further obligations would accomplish your purpose and avoid some objections which may be raised against prohibiting expenditures in liquidation of valid obligations of the United States.

Language to carry out these suggestions is enclosed. I do not believe these suggestions will alter the purpose or impact of your amendment. At the same time I feel that they will: (1) clarify the meaning of appropriation, (2) avoid some needless reporting, and (3) afford a facility for keeping the Congress informed of impoundments in the four named departments. If we can be of further assistance concerning these suggestions or anything else involving your amendment or the impoundment issue we would, of course, be pleased to provide such assistance.

Sincerely yours,
ELMER B. STAATS,
Comptroller General of the United States.

[Enclosures.]

(1) Delete the words "or expended" from subsections (a) and the words "or expended" and "and expended" from subsection (b).

(2) Insert between lines 7 and 8 of subsection (b) parenthetical phrase "(including any authorization to create obligations in advance of appropriations)."

(3) Amend subsection (c) to read as follows:

"(c) The provisions of this section shall not apply with respect to funds impounded in accordance with any provision or law specifically authorizing the impoundment of funds of any such department, if the impoundment is made only with respect to and in accordance with such provision authorizing the impoundment as interpreted by the Comptroller General."

(4) Strike the first sentence of subsection (e) and insert in lieu thereof the following language:

"The head of each such department shall certify to the Comptroller General within 10 days after the expiration of each 60-day period in the fiscal year 1974 and any fiscal year thereafter (1) the amount of funds appropriated to such department which are impounded, (2) whether such funds have been impounded for more than 60 days, and (3) if, and when, such funds have been released in accordance with this section. The Comptroller General shall review these certifications and take such action as he deems necessary to verify their accuracy."

In its report on the initial impoundment provision adopted in 1971, the Committee offered the following explanation of its action:

The objective of this amendment is to give the American public some indication that the Committee is just as aware of our domestic needs as it is of the needs of other countries. The provisions of the section say to the taxpayers of this country, "You will be assured of getting the funds appropriated by Congress for domestic programs and projects before additional foreign aid funds can be obligated for similar programs and projects in Rio de Janeiro, Nairobi or New Delhi."

In addition to focusing attention on domestic vs. foreign needs in the context of the whole national priorities debate, this section of the bill also addresses the separation of powers issue and the Constitutional responsibilities of the Legislative and Executive Branches of our Government.

If the President is left free to impound funds appropriated by the Congress, this could result in an even greater imbalance between the two Branches than has developed in the field of foreign affairs. If the Congress's power of the purse is infringed or restricted in any way—such as through the impoundment of appropriated funds—Members of Congress might as well pack their bags and go home. This is the only real power the Congress has left and it must be guarded and protected, and kept whole and intact. The Committee believes that the requirements of this section are consistent with this goal.

A majority of the Members of the Committee believe this explanation is as valid today as it was then.

[From the Washington Post, Dec. 17, 1973]

IMPOUNDMENT: ONCE MORE INTO WONDERLAND

Despite a lengthening list of defeats in the lower federal courts, the Nixon administration seems determined to continue trying to impound, at will, money appropriated by Congress for programs the executive branch dislikes. The latest casualty reportedly is most of the $550 million appropriated for rural and urban water and sewer grants. The administration, considering the programs redundant, first tried to "terminate" them by impounding the fiscal 1973 funds a year ago. Congress appropriated money for this year anyway, and now those funds are apparently being "non-spent." Some highway monies have also been held up.

The issue here is not whether the programs are good or bad, but whether the executive branch has the legal and constitutional authority to make such judgments unilaterally after Congress has provided the funds. With a remarkable degree of accord, federal judges across the country have now ruled in at least three dozen separate cases that impoundment exceeds the bounds of the administration's legal latitude. Most of the early decisions turned on the precise language of the laws involved, but recently judges have been more inclined to rest their rulings on general constitutional principles. For instance, Federal District Court Judge George Hart recently declared that if Congress insists funds should be spent, the executive branch has no choice but to comply. "It is the prerogative of Congress," Judge Hart said, "to spend money foolishly if it wants to, and the remedy is, I suppose, in the electorate."

The Nixon administration has magnified this problem of constitutional process but impounding billions in the most autocratic way. Last year, for instance, the administration claimed that housing subsidies and other urban programs had been "terminated" because they were "inequitable, wasteful and ineffective." But documents have just become public which show that the programs were frozen *before* the Department of Housing and Urban Development had undertaken in-depth analysis or indeed provided any written justifications for the freeze at all. It calls to mind the juridical approach of the Red Queen in "Alice in Wonderland": "Sentence first—verdict afterward."

With the impoundment of water and sewer grant funds, the administration is back in Wonderland. The Labor-HEW appropriations act may be something of a turning point. In order to produce a measure which Mr. Nixon would sign, the conferees agreed to authorize the President to impound up to $400 million, but specified that no program may be cut more than 5 per cent. If the administration abides by this—in other words, actually spends the rest of the $32.9 billion appropriated in that act—it would be a refreshing change, since the executive branch impounded over $1 billion from a smaller appropriation for fiscal 1973.

Meanwhile, Congress remains strangely reluctant to assert its own authority. Committees have not gone beyond spirited but non-binding language in reports. The general remedy, a stern anti-impoundment law, has been approved once by the Senate and, in-different form, twice by the House, but the two bodies have shown little sense of urgency about reconciling their differences. Meanwhile, programs in many fields have been disrupted, and state and local governments and private groups are being forced to go to court at considerable expense to pry loose public funds which the Congress intended to provide.

[From the New York Times, Dec. 17, 1973]

Power of the Purse

Congress in its collective wisdom decided last year and again this year to appropriate funds for the construction of needed water and sewer systems in rural areas. The executive branch decided that the program was unnecessary and impounded the money.

Far from being "redundant"—to use the Administration's word—the program in dispute is distinct from the Government's existing program, which has to do with sewage treatment systems, not sewers themselves. But even if the Administration's explanation were sound, it would be no answer to the real question involved.

The question is this: Which branch of government is constitutionally charged with making laws and appropriating the necessary money and which branch is charged with executing those laws and spending that money? Even in this instance, where Congress has explicitly directed the expenditure within a fixed period, the Administration takes the view that its judgment must prevail.

Its action should quicken the pace of Congressional efforts to curb a growing usurpation of legislative function by the executive branch. Both houses have already passed bills giving Congress the power to override such impoundments and force the release of appropriated funds. Tacitly acknowledging that these attempts might be vetoed, the House of Representatives embodied an anti-impoundment section in a much-needed bill to enhance budgetary responsibility in Congress.

Combining these two purposes would not only make it harder for President Nixon to veto a curb on his own Administration's assumption of the power of the purse; it would increase the possibility of overriding such a veto if it did come. The Senate would do well to follow the lead of the House.

[From the Arkansas Gazette, Monday, Dec. 10, 1973]

The Money Battle

The United States has spent no telling how many tens of millions of dollars in 1973 on its space exploration program, while the Nixon administration refuses to spend $550 million Congress has appropriated for development of water and sewer systems.

If there is juxtaposition here it is that the glamorous too often wins out over the mundane in the political decision making process, despite the rationale of higher stated purposes, in this case requirements of the economy.

What is really behind the impoundment of the water and sewer money, in any case, is pure stubbornness at the White House and in its Office of Management and Budget, which clings to the fiction that the American people are still willing to take the president's side over that of the Congress. The matter is rapidly becoming a battle of wills and a suddenly awakening legislative branch could have the upper hand if the leadership would snap out of its own slumber.

Of the $550 million impounded, $400 million was to have gone to urban programs and $150 million was to have been funneled into a rural program to promote home and industrial development. The rural part of the appropriation is a special favorite of some senior Southern Democrats, notably Represensative Jamie Whitten of Mississippi, who's sore as can be about the Nixon impoundment. (It takes a mighty powerful issue to get Jamie off the old Nixon bandwagon.)

Congress has already dealt with the water and sewer funds issue once this year by passing a second appropriation to counter presidential impoundment. A second impoundment ensued.

The effect of the White House persistence is likely to be passage in the Senate of a new Budget Control Act that received House approval last week. The Act gives either house the power to force release of impounded funds, and of course it applies not just to the $550 million for sewer and water systems but funds for other worthy programs as well. The Senate should not hesitate in approving the House measure and neither chamber should then hesitate to apply the Act's provisions whenever its good judgment dictates.

Administration Impounds Funds For Water and Sewer Systems

(By William Robbins)

WASHINGTON, December 6.—The Nixon Administration has quietly impounded $550-million voted this year for development of water and sewer systems despite a directive from Congress to spend the money.

The action, which included withholding of funds for a popular rural development program, is considered likely to increase pressure behind a bill that would allow Congress to force release of money it appropriates.

The rural program provided $150-million to promote home and industrial development, and thus aid distressed communities, through grants for construction of water and sewer systems.

The program had been "terminated" early this year by a Presidential impoundment action but revived by Congress, which also adopted an accompanying conference report directing the Administration to spend the money.

Representative Jamie Whitten, Democrat of Mississippi, the powerful chairman of the House appropriations subcommittee, reacted today with a thinly veiled warning, although he said:

"I don't want to be in a position of threatening the Administration."

Under present conditions, Congress lacks the power to force the Administration to spend the money, Mr. Whitten noted, but he added, "Next year, you can make them wish they had spent the money."

He observed that Congress has the power of the purse, enabling it to control funds for both the White House and the Office of Management and Budget, but added quickly that "the country cannot afford" a stalemate between the White House and Congress.

The impoundment issue has been a focal point of controversy between President Nixon and Congress since the current session began. A total of about $12-billion in appropriated funds had been withheld by the Administration at one point, but some of that has since been released and court suits have compelled the spending of additional money for several programs.

Both houses have passed bills giving Congress the power to review and override Presidential impoundment decisions, but they have never gone to conference.

Those bills would be superseded by a new budget control act, passed by the House yesterday, which contains a section giving either chamber the power to force release of impounded funds. The Senate is expected to act on a similar bill early next year.

President Nixon is considered likely to veto the bill if it reaches his desk with the anti-impoundment provision intact, but the withholding of rural funds disclosed today is expected to reinforce support for any attempt to override.

The $150-million was the rural counterpart of a water and sewer program administered by the Department of Housing and Urban Development, for which $400-million had been voted in the same Congressional appropriations measure.

The withholding of funds for the grants does not affect a loan program for the same purpose, for which $470-million has been authorized and $110 million obligated this fiscal year, which ends next June 30.

Arthur C. Harmon, Jr., the deputy administrator of the Farmers Home Administration, which supervises the rural program, said today that his agency and higher officials in the Administration considered the water and sewer grants "redundant" because a similar program was administered by the Environmental Protection Agency.

Mr. Whitten had argued during appropriation hearings, however, that the only relevant E.P.A. program was that funded under the Water Pollution Control Act. That act, he said, provided mainly for sewage treatment systems and, under allocation systems set by the states, little money filtered down to rural areas.

A staff aide at the House agricultural appropriations subcommittee noted today that, although it was possible to fund sewage-collection systems under the pollution act, those were normally given a low priority by the states, and there was no provision for development of water systems.

An official at the Environmental Protection Agency said rural sewer systems were not considered to be a primary objective of its program. He said that it was impossible to determine how much money might have gone to rural areas thus far.

In another action involving impounded funds, six states filed suit today seeking release of $2.7-billion in highway construction funds for all 50 states.

The suit was filed in United States District Court here by Louisiana, Washington, Nevada, Oklahoma, Pennsylvania and Texas. It names as defendants Secretary of Transportation Claude S. Brinegar, the Federal Highway Administrator, Norbert T. Tiemann and Roy L. Ash, director of the Office of Management and Budget.

[From the Washington Post, Dec. 7, 1973]

WATER-SEWER FUNDS ARE IMPOUNDED

(By Bernard Brenner)

Apparently ignoring a blunt directive from Congress, the White House Office of Management and Budget has quietly impounded all of the $150 million voted by the lawmakers for rural water and sewer grants.

No public announcement was made. But officials at the Agriculture Department, in reply to a query, said they had been told the OMB would not release the appropriation.

The action may revive an administration-Congress controversy that began early this year when the White House, after holding spending on the water-sewer grants below appropriated levels in past years, suspended the program altogether.

In reply, congressional leaders inserted the $150 million fund in the Agriculture appropriation bill and wrote in language directing revival of the grants and a similar grant program operated by the Department of Housing and Urban Development.

Reports accompanying bills do not have the force of law. But since they are considered to express the will of Congress, they are usually heeded by administrative officials.

BUDGETARY RESERVES (IMPOUNDMENTS) REPORTED AS OF JUNE 30, 1973, AND SEPT. 30, 1973[1]

[In thousands]

Major agency and program	Budgetary reserves (impoundments) June 30, 1973	Budgetary reserves (impoundments) Sept. 30, 1973
Executive Office of the President	$2,077	----------
Funds appropriated to the President:		
Appalachian regional development programs	65,000	$40,000
Foreign assistance programs	60,652	55,652
Department of Agriculture:		
Rural environmental assistance	210,500	210,500
Rural electrification loans	456,103	456,103
Rural water and waste disposal grants	120,000	120,000
Rural housing insurance fund	133,000	133,000
Forest roads and trails	278,398	208,934
Other	118,174	44,700
Department of Commerce	139,594	63,251
Department of Defense—military:		
Shipbuilding and conversion	$1,336,184	$556,593
Military construction	260,480	264,254
Aircraft and missile procurement		317,329
Other	21,084	4,504
Department of Defense—civil	33,426	1,398
Department of Health, Education, and Welfare	20,530	22,726
Department of Housing and Urban Development:		
Open space land program	27,730	27,730
Grants for basic water and sewer facilities	400,175	400,175
Other	32,303	28,511
Department of Interior:		
Land and water conservation fund	269,590	61,422
National Park Service—construction	90,448	49,110
Bureau of Indian Affairs: road construction		20,000
Other	117,687	31,287
Department of Justice (prisons)	36,441	13,594
Department of State	5,511	----------
Department of Transportation:		
Federal airport and aviation programs	223,359	269,707
Federal aid highway programs	2,580,699	3,500,604
Grants to Amtrak		48,100
Other	81,095	19,747
Department of Treasury	21,519	21,517
Atomic Energy Commission	117,880	26,650
General Services Administration (mainly public buildings)	261,629	258,751
National Aeronautics and Space Administration	2,200	2,200
Veterans' Administration	44,195	43,358
District of Columbia, loans for capital outlay		72,277
National Science Foundation	62,400	3,500
Small Business Administration	50,234	31,094
Tennessee Valley Authority	22,318	----------
Other independent agencies	28,921	17,768
Total	7,731,536	7,446,046

[1] Reported by Office of Management and Budget pursuant to Federal Impoundment and Information Act, Public Law 92-599 as amended.

[2] Excludes $6,000,000,000 in water pollution contract authority enacted last session for fiscal 1974, available in 1973, withheld by agency action and deleted from budget authority totals for 1973 and 1974.

ESTIMATED FOREIGN ASSISTANCE, FISCAL YEARS 1973 AND 1974

[In thousands]

	Fiscal year—	
	1973	1974
I. Military assistance:		
1. Military assistance grants	$589,100	$642,000
2. Military assistance to South Vietnam and Laos	2,735,000	1,126,000
3. Military assistance to Israel		2,200,000
4. Additional assistance to Cambodia		200,000
5. Excess defense articles	185,000	150,000
6. Ship transfers	121,000	6,500
7. Real property transfers	721,091	244,553
8. Public Law 480 defense grants	157,900	162,080
9. Foreign military credit sales	400,000	325,000
10. Supporting assistance (outside Indochina)	155,300	125,000
Total	5,064,391	5,181,133
II. Bilateral economic assistance:		
1. Indochina economic aid	444,700	504,000
2. AID development assistance—general	974,300	837,500
3. South Asian relief	101,100	----------
4. American schools and hospitals abroad	25,532	19,000
5. International organizations	127,472	155,022
6. Contingency fund	23,998	30,000
7. Administrative expenses	61,579	50,100
8. Narcotics control program	$20,500	$42,500
9. Peace Corps	80,560	77,100
10. Public Law 480 assistance	1,260,100	1,146,800
Total	3,119,841	2,862,022
III. U.S. contributions to international financial institutions:		
1. International Development Association	320,000	320,000
2. Inter-American Development Bank	418,000	693,000
3. Asian Development Bank		100,000
Total	738,000	1,113,000
IV. Miscellaneous:		
1. Migration and refugee programs	8,500	8,800
2. Assistance for Soviet refugees	50,000	36,500
3. Inter-American Foundation	3,473	13,285
4. Latin American highway	20,000	30,000
Total	81,973	88,585
Total foreign assistance	9,004,205	9,244,740

Mr. HUMPHREY. Mr. President, I have been one in this body who has deplored the Presidential impoundment of appropriated funds. I have voted repeatedly for resolutions to overcome that exercise of executive power, which I consider to be unconstitutional.

Congress is going to take action on this matter. We have on our Calendar No. 584, House Resolution 7130, and the Senate bill, S. 1541. We will take that up on January 21 of the coming year. Those bills are related to establishing a procedure providing congressional control over impoundment of funds by the executive branch, and for other purposes.

This is another amendment which the Senator from Arkansas offers that is very good in its substance and in its purpose. But it will not help us at this time; it will not expedite the passage of this measure. Most likely, it will not become effective in its own right as a part of this bill.

Therefore, Mr. President, I move to table the amendment.

The PRESIDING OFFICER. The question is on the motion to table amendment No. 931.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. As I understand it now, there will be two rollcall votes on amendments 2 and 3, on the motion to table.

The PRESIDING OFFICER. The amendments are No. 931 and No. 932. There will be two back-to-back rollcall votes on the motions to table each of those amendments.

Mr. HUMPHREY. The first vote is on amendment No. 2.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce

that the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Utah (Mr. MOSS), the Senator from Wyoming (Mr. MCGEE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Vermont (Mr. AIKEN), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut Mr. WEICKER) are necessarily absent.

The Senator from New Mexico (Mr. DOMENICI) is detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) would each vote "yea."

The result was announced—yeas 49, nays 25, as follows:

[No. 608 Leg.]

YEAS—49

Baker
Bayh
Beall
Bentsen
Bible
Biden
Case
Chiles
Cook
Cranston
Dole
Dominick
Eagleton
Griffin
Gurney
Hartke
Haskell
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mathias
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Williams
Young

NAYS—25

Abourezk
Allen
Bartlett
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Clark
Curtis
Fannin
Fulbright
Goldwater
Hansen
Hart
Hatfield
Hathaway
Helms
Hruska
Hughes
Long
Mansfield
McClellan
Metcalf
Nunn
Scott, William L.
Sparkman

NOT VOTING—26

Aiken
Bellmon
Bennett
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Eastland
Ervin
Fong
Gravel
Hollings
McClure
McGee
Moss
Pearson
Percy
Roth
Saxbe
Taft
Talmadge
Tower
Weicker

So Mr. HUMPHREY's motion to lay on the table Mr. FULBRIGHT's amendment No. 931 was agreed to.

The PRESIDING OFFICER. Under the previous order, the vote now occurs on the motion to table amendment No. 932. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Wyoming (Mr. MCGEE), the Senator from Utah (Mr. MOSS), and the Senator from Georgia (Mr. TALMADGE), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Vermont (Mr. AIKEN), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

The Senator from New Mexico (Mr. DOMENICI), is detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER), would each vote "yea."

The result was announced—yeas 62, nays 12, as follows:

[No. 609 Leg.]

YEAS—62

Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Biden
Burdick
Byrd, Harry F., Jr.
Case
Chiles
Cook
Cranston
Curtis
Dole
Dominick
Eagleton
Fannin
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Hathaway
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Williams
Young

NAYS—12

Abourezk
Bible
Byrd, Robert C.
Clark
Fulbright
Haskell
Hatfield
Helms
Hughes
Mansfield
McClellan
Metcalf

NOT VOTING—26

Aiken
Bellmon
Bennett
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Eastland
Ervin
Fong
Gravel
Hollings
McClure
McGee
Moss
Pearson
Percy
Roth
Saxbe
Taft
Talmadge
Tower
Weicker

So the motion to lay on the table Mr. FULBRIGHT's amendment No. 932 was agreed to.

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

> At the end of the bill add the following new section:
>
> "Sec. The Congress hereby finds and determines to be adverse to the public interest any contract or agreement, within the scope of Title 49 US Code, Section 1382, between an air carrier, and any citizen, corporation or agent of any country which 1) prohibits or limits the export of crude oil or refined petroleum products from such country to the United States or 2) harbors, gives refuge to, aids, abets or augments the activities of any individual or organization engaging in acts of violence against air commerce."

Mr. DOLE. Mr. President, let me briefly explain the purpose of the amendment.

In the Washington Post of this morning there is an article datelined Kansas City, Mo. The headline is "TWA Trains Arab Pilots Despite Embargo." The story details how this airline is training Saudi Arabian pilots in jets that use about 1,800 gallons of jet fuel an hour.

I had a rather irate phone call last night from a Kansan who does not understand how we can permit this to go on at the very time that we are asking Americans to limit their gasoline purchases, curtail air traffic and make other sacrifices.

We have airline pilots and others who are being furloughed because of the fuel shortages, as are stewardesses, machinists, and others who work for the airlines. Many people are being laid off because of the shortage.

Mr. President, I do not fault the training program, for it is undoubtedly based on firm and binding contract arrangements. But it seems that the Arabs should at least have brought their own fuels, because they have them in abundance, and we do not.

It would be my expectation that most Americans think the airlines of nations which place an oil embargo against America or which harbor air terrorists should not receive this kind of benefit from America's airlines and their well known capabilities for training and instructing flight crews.

The need for this is emphasized by the growing squeeze against this country by the oil embargo, and it is hard to see any need for our planes to be burning American fuel to train Arab pilots at a time when American citizens are being asked to buy only 10 gallons of gas a week.

I understand that TransWorld Airlines is the only airline that conducts such a program for an Arab airline, and it would be my assumption that they have a contractual obligation to furnish these services.

My amendment would establish a basis for the Civil Aeronautics Board to disapprove of any such training agreement with airlines of oil-blocking countries. It would further ban any such agreement with the airlines of nations which refuse to deal with aircraft hijackers and terrorists according to the requirements of international law and justice.

These measures are dictated by commonsense. I do not know of any reason to allow oil boycotting nations or those which condone terrorism to enjoy the benefits of our airline technology and know-how and to use up our vital fuel in the process.

Mr. President, the amendment has been discussed with the distinguished Senator from Minnesota (Mr. HUMPHREY) and with the distinguished Senator from New York (Mr. JAVITS). I understand it is important that we not add amendments to this bill which might force a conference. I agree with that thinking.

We are in the final stage of the session, and a conference at this time, even on an amendment which I believe is important and which has wide support, would take time. Knowing what happens at this stage of the proceedings of a session of the Congress, it might mean that some measure might have to go over.

I have discussed this with both of my distinguished colleagues and intend to withdraw my amendment. However, before doing so, I would yield to the distinguished Senators from New York and Minnesota for their views on some action which could be taken that would prevent or at least limit what is happening at this time.

Mr. HUMPHREY. Mr. President, if the Senator will yield, first of all, I am in full sympathy with the Senator's amendment, as the Senator understands.

The amendment says what I think needs to be said and the public policy it expresses is a sound public policy. It is regrettable that this amendment, as is the case with other similar amendments, would, if added to this bill, force a conference.

We are running close to not having a quorum in the other body as well as in this one. I am afraid that we would not get any legislation on what I consider to be very important legislation in light of the upcoming Geneva Conference on the possibilities of peace in the Middle East.

I appreciate it that the Senator from Kansas is willing to withdraw his amendment. However, I think that we should take this matter up with our energy director, Mr. Simon. After all, the allocation of fuel oil and jet fuel is under the control of the Federal Government. This practice does not relate to commercial air traffic. It relates to the training of pilots of countries that have imposed an oil embargo on us or countries that have harbored those who have engaged in acts of violence against air commerce.

Mr. President, I would join the Senator from Kansas in insisting that Mr. Simon, the present Director of the energy program of the U.S. Government, take a look into this matter at once and inform the TWA that jet fuel is in scarce supply and that, contract or no contract, we do not have the fuel to engage in this kind of activity to which the Senator's amendment is directed.

I would be happy to cooperate in any way that I can to effectuate the purpose of the amendment.

Mr. DOLE. Mr. President, I thank the Senator from Minnesota. The course the Senator from Minnesota suggests is one which bears very closely on the purpose of my amendment, and I would agree with his suggestion.

Mr. JAVITS. Mr. President, if the Senator will yield. I join with everything that the Senator from Minnesota has said. I will join with both Senators, the Senator from Kansas and the Senator from Minnesota, in the effort that is made to stop this practice and to see that appropriate action is taken by the administrator of the FEEA.

Second, as a member of the Foreign Relations Committee, I will immediately communicate with the State Department and really do everything that I humanly can on the second part of the amendment, the terrorist part. This is a most shocking, most barbaric, unreasoned force which is let loose on mankind, innocent people who become involved with not the remotest connection to any of this. They are nevertheless killed or are treated as hostages.

I attended a great meeting of the Organization of World Peace, for World Law and Organization. It occurred in August, and it took part of our holiday to do that.

I advocated there an international conference on terrorism. Unhappily for all of us, the so-called developed countries think that these activities are healthy revolutionary activities in connection with breaking the bonds of colonial policies.

By not permitting the adoption of an international conference on this matter, this practice is condoned and we have this kind of terrorism which we saw in Rome and Athens.

I could not think of more convoluted reasoning, and I agree with the Senator that we shall have to make a unilateral effort. I have tried before on other bills, and we have not been successful, to promote multilateral action. But the indignation of mankind has to be expressed by someone, and I hope we will do it.

So I thoroughly agree with the Senator, and shall do my utmost, through foreign relations, to do that which he seeks, which is attributable to the State Department.

Mr. DOLE. I thank the Senator from New York and the Senator from Minnesota, and would underscore that I am particularly concerned, as I think everyone in this body is with the problem of terrorism and with what appears to be a crisis regarding the fuel shortage.

Turning again to the training program, it has been carried on, I understand, by TWA for some 20 years or more, with pilots from a number of foreign countries, and I do not really find fault with the program. The oil embargo certainly could not have been foreseen at the time it was initiated. But it seems to me that at this time, when we are asking Americans to make sacrifices, we ought to at least take a close look at those foreign countries which tell us the oil supply will be shut off to America. I think the training program, where they use up our precious fuel, should be shut off to them.

I repeat, Mr. President, the need for this measure is emphasized by the growing squeeze of the Arab oil embargo against the United States and this week's senseless loss of life in the Rome airport.

There is no reason for American planes to be burning our precious fuels for Arab commercial pilot training at a time when the average motorist is being told to hold gasoline purchases to only 10 gallons.

One major U.S. airline is continuing to train Saudi Arabian pilots in the face of that country's leadership of the Arab oil embargo. I assume their contractual arrangements provide no release from this obligation. But my amendment would establish the basis for the Civil Aeronautics Board to disapprove any such training agreement.

The amendment would further ban any such agreements with the airlines of nations which refuse to deal with air terrorists according to the requirements of international law and justice.

These measures are only dictated by commonsense. There is no reason to allow oil boycotting nations to enjoy the benefits of our airlines great technological know-how and our vital fuels. And likewise any nation which gives any comfort or encouragement to air terrorists—regardless of nationality, religion or ideology—should be cut off from all benefits and considerations which law-abiding nations enjoy.

I ask unanimous consent to have printed in the RECORD the article entitled "TWA Trains Arab Pilots Despite Embargo," published in this morning's Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWA TRAINS ARAB PILOTS DESPITE EMBARGO

KANSAS CITY, MO., December 19—Trans World Airlines officials acknowledged today that despite the Arab oil embargo, the company is training Arab commercial pilots in jetliners that burn 1,800 gallons of domestic jet fuel an hour.

Disclosure of the Arab pilot training program came as TWA resumed service after a 45-day strike by stewards and stewardesses.

A spokesman said 16 per cent of domestic service and 6 per cent of TWA's international service was restored the first day. Complete resumption of service was expected by Saturday.

"It is a little surprising to me that the government of Saudi Arabia would have the audacity to expect the American people to let this happen," Rep. Jerry Litton (D-Mo.) said. "I am frankly shocked and amazed. There is a principle involved here."

TWA said it has trained Arab pilots since 1946 and that Saudi Arabia is only one of a number of foreign countries sending pilot trainees to TWA's training center in Kansas City.

"TWA's management and technical assistance contract with Saudi Arabian Airline has been determined to be in the public interest and repeated and current indications from CAB (Civil Aeronautics Board) as well as the Department of State reflect that the program is desirable and in the interest of our international relations," said TWA Vice President Thomas K. Taylor.

Litton said he had telegramed the CAB asking for a "re-examination and if necessary a revocation" of the CAB-approved agreement whereby TWA trains the Arab pilots.

"Consideration should include mandating that Saudi Arabia supply the fuel necessary to provide training of their personnel in lieu of using domestic fuel so critically short in the United States," Litton added.

TWA trains the pilots mostly in Boeing 707 and 727 jets, taking off and landing at Rosecrans Memorial Airport, St. Joseph, Mo.

A Boeing 727 burns about 1,350 gallons per hour, a 707 about 1,800 gallons per hour.

"I am not condemning TWA because as I understand it this has been a management agreement that has been in effect since 1946," Litton said.

"I am concerned, though, that the American people have been asked to turn down heat in their homes and not drive on Sunday. . . while in excess of 1,000 gallons of American jet fuel an hour is being burned for the benefit of pilots from a country partly responsible for our shortage."

Litton also said he had taken up the matter with the State Department and was considering introducing a bill in Congress.

Mr. DOLE. I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. HELMS. Mr. President, I have an unprinted amendment at the desk, which I call up and ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. Helms' amendment is as follows:

On page 3, delete lines 3 through 13, and insert the following:

Sec. 4. At any time prior to June 30, 1974, the President is hereby authorized within the limits of funds appropriated under Section 2 of this Act for Israel, to make loan agreements with Israel to permit payments for defense articles and defense services purchased or financed under the Foreign Military Sales Act or under this Act during the period beginning October 6, 1973, and ending June 30, 1974, to the extent that interest is charged at a rate which will, as nearly as practicable, be equivalent to the average cost of funds to the United States Treasury, as determined by the Secretary of the Treasury, on outstanding marketable obligations of the United States having maturities comparable to maturities of credits extended under this section.

Mr. HELMS. Mr. President, my amendment would limit the funds authorized under this bill to loans made at the same rate of interest as the U.S. Treasury is itself forced to pay when it borrows money—which the Treasury is constantly doing.

As I understand it, the funds authorized in this bill are to pay for shipments made under the Foreign Military Sales Act, which requires payment within 120 days after delivery. Credits under that act are usually made at the cost of interest to the U.S. Treasury. My amendment would insure that the Department of Defense gets paid for the items which were shipped to Israel at the height of the October war so that they can be replaced in our own inventory, while at the same time it prevents us from simply adding $2.2 billion to our own national debt, a 2.2 billion which will otherwise be in addition to the present U.S. budget.

The simplest thing, and the honest thing for this bill to do would be merely to cancel the obligations which Israel owes under the Foreign Military Sales Act. But bookkeeping requires that the Department of Defense be reimbursed so that our own defenses can be kept up to par. Whichever way it is done, the funds become an outright grant, and a grant that adds to the U.S. debt. The arms were sold to Israel, and we have to assume that the purchase was made in good faith. Now we are being asked to cancel the sale and make an outright gift. Indeed, we are told that Israel cannot afford to buy the arms already shipped and used.

Mr. President, the Senate is being presented with an accomplished fact, and we are asked to ratify something done without authorization. Technically, the President was authorized to make a sale, but he was not authorized to make a sale which was intended to be a gift. The initial transaction should not be treated as a subterfuge.

I do not oppose the sale of arms to Israel; and I see merit in the concept of an even-handed balancing of arms shipments to both sides in the conflict. But I do oppose adding up to $2.3 billion to our national debt at the stroke of a pen.

I do not think that it is asking too much to ask the Israelis to pay the same rate of interest that the American people must pay in taxes for money borrowed by the U.S. Government.

It has been said that Israel is in no financial position to undertake more debt. Well, Mr. President, how about the United States?

That aside for the moment, Mr. President, the Department of State has prepared an analysis of the Israeli fiscal situation which show that Israeli foreign exchange reserves, at the end of October 1973, totaled $1.8 billion. Capital inflows for 1973 are expected to total $2.3 billion, not including the $2.2 billion to be authorized under this act. The Israeli economy was booming until the beginning of the October war. It will boom again if a stable peace agreement is achieved in Geneva. I do not think we should encourage Israel to plan in terms of extravagant arms purchases in the future; we should be encouraging all parties in this dispute to come to a reasonable settlement. There must be no removal of incentive—either Israel's or the Arabs'—to go back to a peacetime economy.

Mr. President, I ask unanimous consent that the State Department summary be printed in the Record at the conclusion of my remarks.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Israeli Economic Indicators

The Israeli economy was disrupted by the war but there was virtually no war damage to the economic infrastructure. The direct impact of the war on the economy has been felt in three ways: GNP not produced (there has been an estimated temporary 20 per cent drop); internal financing of the government's wartime expenditures, and the financing of wartime expenditures particularly for military imports.

For the five years prior to the outbreak of hostilities in October 1973, the Israeli economy had been in a condition of continuous boom. The economy was experiencing strong inflationary pressures resulting from a combination of full capacity, booming demand, and rising import prices. There was virtually no unemployment. Growth in real GNP was projected at about 8 per cent for 1973. Foreign exchange reserves at the end of October 1973 totaled $1.8 billion, up about $600 million from the level at the end of 1972 and quadruple the figure for early 1970, just before large U.S. financial assistance began. Because of capital inflows now expected to total $2.3 billion in 1973, Israel's foreign exchange reserve position remains strong. (The $2.3 billion figure does not include the extraordinary assistance now being considered by Congress.)

Although Israel has been chronically in a deficit position in current account during each of the past five years, this deficit has been more than offset by loans and gifts from abroad. Foreign gifts and loans have exceeded $1.5 billion annually. Following the outbreak of hostilities in October, the Israelis announced a goal of raising $1.9 billion in gifts of which $750 million is expected from the United Jewish Appeal in the U.S. and $500 million from Europe, South Africa and Australia. The balance, $650 million, is to be in the sale of Israeli bonds. The Israeli Ministry of Finance has announced that from October 1 to November 23 Israel raised $350 million abroad.

Prior to the October war, Israel's total foreign debt was about $4.2 billion with annual repayments (i.e., debt service payments), amounting to about $690 million annually. However, unilateral transfers during the past decade have increased at a faster rate than debt burden so that the ratio of debt payments to exports—called the debt service ratio, a conventional indicator of ability to service debt—actually decreased during the period. Before the outbreak of hostilities, exports had been increasing and were expected to continue to increase faster than imports and the current account deficit was expected to decline after 1973. The ratio of debt service payments to Israel's exports was estimated to decline from 20 per cent in 1972 to 16 per cent in 1973. However, even these ratios tend to be overstated because a sizable portion of Israel's foreign debt is in Israeli bonds, more than half of which has always been redeemed in Israeli pounds rather than foreign exchange. If the U.S. were to provide the entire $2.2 billion in 20-year FMS credits for Israeli military purchases, it could increase the projected 1973 ratio of debt repayments to exports to an estimated 27 per cent and somewhat less in future years—assuming of course that balance of payments continued to develop as previously projected.

While the Israeli economy appears to have come through the war in a reasonable condition so far, it is still very early to have a complete picture of how the situation will develop. We do not know how long the partial mobilization will be needed, or how exports to Western Europe, Israel's principal market, will be affected by Arab oil pressures. With the Israeli pound linked to the dollar, inflation and realignment of Western European currencies have already increased the price of imports. The need for increased defense production instead of exports will further affect the trade balance. Whether Israel is able to purchase its military requirements on credit terms or must rely upon United States grant aid is contingent upon how these critical factors develop.

OFFICIAL FLOWS OF U.S. ASSISTANCE TO ISRAEL

[Millions of dollars]

	Fiscal year—										Total, fiscal year 1964–73	Total fiscal year, 1949–73
	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973		
Grants:												
Supporting assistance												
Immigrant assistance									50.0	50.0	100.0	100.0
American schools and hospitals				[1] 1.0	[1] 6.0				2.0	49.0	51.0	51.0
Other (1948–62)							12.5	2.5	5.6	4.4	32.0	32.0
Loans	20.0	20.0	10.0	5.5								278.0
Public Law 480	17.0	28.8	26.8	.6	51.8	36.7	41.4	55.8	54.2	[3] 47.9	361.0	622.9
Title I (loan)	16.6	28.3	25.9		51.3	36.1	41.0	55.5	53.8	[3] 47.6	356.1	561.5
Title II (grants)	.4	.5	.9	.6	.5	.6	.4	.3	.4	.3	4.9	61.4
Exim Bank long term		3.4		9.6		38.6	10.0	31.0	21.1	21.3	135.0	371.6
AID housing guarantee									[2] 50.0			
Foreign military sales credit		12.9	90.0	7.0	25.0	85.0	30.0	545.0	300.0	300.0	1,394.9	1,422.3
Total assistance	37.0	65.1	126.8	23.7	82.8	160.3	93.9	634.3	432.0	[3] 472.6	2,129.4	3,112.1
Grants	(.4)	(.5)	(.9)	(1.6)	(6.5)	(.6)	(12.9)	(2.8)	(58.0)	(103.7)	(187.9)	(522.4)
Loans	(36.6)	(64.6)	(125.9)	(22.1)	(76.3)	(159.7)	(81.0)	(631.5)	(374.9)	[3] (368.9)	(1,941.5)	(2,589.7)

[1] Equivalent in local currency.

[2] Not included in totals.

[3] Preliminary.

TABLE 1.—SUMMARY BALANCE OF PAYMENTS, 1971–72

[In millions of dollars]

Item	1971			1972		
	Net credit	Debit	Credit	Net credit	Debit	Credit
Total transactions		4,049	4,049		4,690	4,680
Autonomous movements	+172	3,683	3,855	+687	3,945	4,630
Goods and services	−1,227	3,101	1,874	−1,074	3,281	2,207
Goods (f.o.b.)	−665	1,659	994	−594	1,797	1,285
Services	−562	1,442	880	−480	1,484	1,004
Unilateral transfers	766	16	782	1,055	7	1,062
Long-term capital	703	369	1,072	716	483	1,199
Private	226	190	416	302	196	498
Government	477	179	656	414	287	701
Private short-term capital	−78	197	119	−19	172	155
Errors and omissions	8		8	9		9
Balancing items	−172	366	194	−687	737	50
Government short-term capital	16	96	112	−37	73	36
Central monetary institutions	−270	270		−582	582	
Other monetary institutions	68		68	−82	82	
Special drawing rights	14		14	14		14

Source: Central Bureau of Statistics, press release.

TABLE 2.—FOREIGN EXCHANGE OBLIGATIONS BY CREDITORS AS OF MAR. 31, 1970, 1971, AND 1972

[In millions of dollars]

	Mar. 31, 1970	Mar. 31, 1971	Mar. 31, 1972
Total	2,255.9	2,944.3	3,502.5
1. Direct obligations	1,821.8	2,343.0	2,716.3
2. Long term	1,800.6	2,272.4	2,635.4
World Bank	41.0	38.7	36.2
International Monetary Fund	45.0	65.0	32.5
West Germany	[1] 294.8	324.5	393.5
Israel bonds (including principal)	916.8	1,066.9	1,249.9
U.S. Government	481.5	765.9	861.0
Eximbank	(41.6)	(41.6)	(36.2)
DLF	(8.1)	7.4))	(6.8)
AID	(157.8)	(112.9)	(105.7)
AID—defense loan		(177.7	(140.5)
Public Law 480	(83.7)	(135.0)	(177.8)
MOD $500,000,000 loan	(190.4)	(291.4)	(372.7)
MOD $20,000,000 loan	(—)	(—)	(19.8)
MOD $25,000,000 loan	(—)	(—)	(1.5)
Bank and other loans	[1] 14.7	6.5	59.0
Suppliers' credits	6.6	4.9	3.3
Other credits	[1] .1	.1	.1
b. Medium term		43.4	49.0
Bank of America		30.0	20.0
Bank and other loans			6.3
Suppliers' credits		3.6	8.3
Other credits		9.8	14.4
c. Short term	21.1	27.2	31.8
Bank and other loans	13.2	.2	31.4
Bank credit for imports	8.0	11.2	
Suppliers' credits		15.7	.4
Other credits		.2	
2. Guaranteed obligations	126.8	165.1	175.8
a. Long term	118.3	125.6	130.1
World Bank	44.6	46.4	53.5
U.S. Government	16.0	18.3	31.4
Eximbank	(14.2)	(16.4)	(29.5)
AID	(1.8)	(1.8)	(1.8)
Bank of America	6.0	4.8	3.6
Bank and other loans	12.7	22.3	14.7
Suppliers' credits	38.6	30.9	20.6
Other credits	.4	2.9	6.0
b. Medium term	8.5	39.6	40.7
Loans from foreign deposits	3.0	8.3	21.0
Bank and other loans	4.6	30.7	19.6
Suppliers' credits	.3	.2	0
Other credits	.6	.4	.1
c. Short term			5.0
Bank and other loans			5.0
3. Guarantee of convertibility	304.8	406.4	538.5
a. Long term	175.4	257.3	376.7
U.S. Government: Eximbank	12.3	15.5	20.9
Loans from foreign deposits	3.3	3.3	3.2
Bank and other loans	68.3	93.2	107.4
Suppliers' credits	28.9	59.9	115.7
Other credits	62.7	85.4	129.7
b. Medium term	40.8	60.8	77.0
Loans from foreign deposits	1.2	11.1	16.9
Bank and other loans	18.2	26.6	24.1
Suppliers' credits	8.4	16.9	22.7
Other credits	13.0	6.2	13.3
c. Short term	88.6	88.4	84.8
Loans from foreign deposits	14.6	26.9	22.8
Bank and other loans	24.7	12.9	5.9
Bank credit for imports	33.5	39.6	44.4
Suppliers' credits	15.5	8.9	9.7
Other credits	.2	0	2.0

[1] The total of these 3 items was $309,600,000; the breakdown is estimated from other sources.

TABLE 5.—FOREIGN DEBT SERVICE, 1952–73

[In millions of dollars]

Calendar year	Debt service payments			Exports of G. & S.	Unilateral transfers	Debt service ratio (percent)	
	Total	Principal	Interest			Exports	Plus transfers
1952	40.3	29.0	11.3	85.7	191.7	47.0	14.5
1953	37.0	21.0	16.0	102.1	174.4	36.2	13.4
1954	70.5	55.3	15.2	140.9	266.7	50.0	17.3
1955	19.5	5.0	14.5	144.3	214.0	13.5	5.4
1956	80.2	62.0	18.2	178.5	244.3	44.9	19.0
1957	108.6	86.5	22.1	223.1	254.2	48.7	22.8
1958	141.5	113.1	28.4	216.5	263.5	65.4	29.2
1959	115.1	81.4	33.7	266.8	255.7	43.1	22.0
1960	134.3	92.0	42.3	336.0	318.1	40.0	20.5
1961	147.6	97.1	50.5	397.9	347.8	37.1	19.8
1962	168.2	115.3	52.9	471.8	335.5	35.7	20.8
1963	229.4	176.3	53.1	576.8	352.7	39.8	24.7
1964	206.2	146.5	59.7	618.9	337.6	33.3	21.6
1965	209.1	141.0	68.1	710.6	330.5	29.4	20.1
1966	303.3	226.2	77.1	832.2	295.0	36.4	26.9
1967	263.5	169.0	94.5	908.4	538.6	29.0	18.2
1968	326.4	221.9	104.5	1,146.8	448.3	28.5	20.5
1969	374.3	251.6	122.7	1,288.3	473.9	29.1	21.2
1970	445.0	291.8	153.2	1,397.3	673.6	31.8	21.5
1971	531.5	335.1	196.4	1,848.4	808.9	28.8	20.0
1972 (est.)	690.0	450.0	240.0	2,275.0	945.0	30.3	21.4
1973 (est.)	710.0	420.0	290.0	2,615.0	895.0	27.2	20.2

Sources: 1952–69—CBS, "Israel Balance of Payments, 1952–70"; 1970–71—CBS, "Monthly Bulletin of Statistics Supplement," May 1972; 1972–73—"National Budget for 1973." Interest estimated.

	1973 forecast	1972 estimate	1971	1970
1. Unilateral transfers	895	945	800	674
Institutional transfers	245	300	264	290
German personal restitutions	250	280	231	204
Private transfers	350	335	305	180
USG grant	50	30		
2. Gross foreign investment	180	180	100	53
3. Long- and medium-term loans	1,030	980	1,003	851
Israel bonds	315	310	301	231
Agricultural surplus loans	60	55	59	50
Export-Import Bank loans	40	40	28	18
AID housing loans	50	50		
USG loans (military credits)	300	255	258	318
Loans from international institutions (IMF and IBRD)	45	25	23	4
Thereof: World Bank	(45)	(25)	(13)	(4)
German loans	45	45	37	38
Other loans	175	200	297	192
4. Redemption of long- and medium-term loans	420	450	336	292
Israel bonds	135	115	117	96
USG loans	60	59	57	34
Export-Import Bank loans	15	15	12	9
Loans from international institutions (IMF and IBRD)	10	43	10	8
Thereof: World Bank	(10)	(11)	(10)	(8)
Other loans	200	218	140	145
5. Investments abroad and liquidation of investments	45	−15	53	43
6. Increase in long- and medium-term debt (3—4)	610	530	667	559
7. Net capital imports (1+2+5+6)	1,640	1,670	1,514	1,243
8. Deficit on current account (including territories)	1,365	1,075	1,203	1,234
9. Surplus of capital imports over current deficit (7—8)	+275	+595	+311	+9
10. Thereof: Net change in Bank of Israel reserves		+494	+215	+23
11. Foreign debt	4,570	3,960	3,430	2,622
12. Net Bank of Israel reserves at end of year		1,070	576	361

Note (as of Dec. 31, 1972): Based on still provisional data for the balance on current account.

UNCLASSIFIED

TABLE 6.—BALANCE-OF-PAYMENTS FORECAST FOR 1973

[Millions of dollars]

	1972[1]	National budget forecast
A. CURRENT ACCOUNT (EXCLUDING OCCUPIED TERRITORIES)		
Imports, total	3,222	3,780
Goods	1,895	2,215
(Ships and aircraft)	(64)	(130)
(Diamonds)	(316)	(370)
Services	835	1,020
Defense	492	545
Exports, total	2,119	2,435
Goods	1,082	1,215
(Agricultural)	(160)	(170)
[Citrus]	[109]	[110]
[Other]	$51	[60]
(Industrial)	(922)	(1,045)
[Diamonds]	[389]	[455]
[Other]	[533]	[560]
Services	1,037	1,220
(Tourism)	(212)	(280)
Deficit on goods and services	1,103	1,345
Unilateral transfers, net	1,055	895
Private transfers, net	392	350
Institutional transfers	310	245
Personal restitutions	292	250
USG grants	60	50
B. CAPITAL ACCOUNT		
Foreign investment, net	130	135
Foreign investment, gross	141	180
Israeli investment abroad	11	45
Long- and medium-term loans (+)	1,007	1,030
State of Israel bonds	300	315
World Bank	16	45
West Germany	in other	45
USG	380	450
(Eximbank)	(30)	(40)
(Public Law 480)	(48)	(60)
(Military credit)	(252)	(300)
(AID housing guaranty)	(50)	(50)
Other	311	175
Debt redemption (—)	−425	−420
State of Israel bonds	−116	−135
World Bank	−11	−10
West Germany	−7	−5
USG	[2] −125	−75
(Eximbank)	(−20)	(−15)
(Public Law 480)	(−48)	(−60)
(AID, DLF and military credit)	(−57)	
Other	−166	−195
Capital imports, net	1,768	1,640
Balancing movements, or accumulation of reserves	665	295

[1] N.B.: There are difficulties in comparing 1972 final figures with the 1975 forecast, due to definitional problems which could not be fully resolved.

[2] Of this sum, $43,800,000 equivalent was repaid in local currency, including, $30,000,000 equivalent for the endowment of the United States-Israel Binational Science Foundation.

Source: Bank of Israel, "Annual Report: 1972; National Budget for 1973;" Amembassy Tel Aviv.

Mr. HELMS. Also, Mr. President, I ask unanimous consent that the text of Senate Resolution 192, submitted earlier by me and Senators McCLURE, WILLIAM L. SCOTT, and THURMOND, be printed in the RECORD at this point to emphasize my conviction that there must be concessions on both sides of this dispute.

There being no objection, the resolution (S. Res. 192) was ordered to be printed in the RECORD, as follows:

SENATE RESOLUTION 192

Whereas, the negotiated cease-fire in the Middle East is a welcome development because military conflict endangers the political and economic structure of the entire region; and

Whereas, any permanent settlement must guarantee the political sovereignty, territorial integrity and economic viability of Israel; and

Whereas, the unresolved problems of Palestinian refugees and the unsettled territorial controversies will continue to increase rather than to reduce tensions in the area; and

Whereas, arms shipments by the super-powers to both sides can lead only to a renewal of military confrontations and to the potential of subsequent involvement by the super-powers; and

Whereas, the economic prosperity and future development of all nations of this region and of all nations which are dependent upon stability in the distribution of world energy resources can be jeopardized by the increase of Soviet influences in the area; and

Whereas, the recent tragic events demonstrated the necessity for a permanent balanced political solution rather than the maintenance of balanced military forces; Now therefore be it

Resolved, That it is the sense of the U.S. Senate that the President should continue his mediation between the opposing parties of the area to bring about a long-term, lasting peace settlement. Such a peace should consider all the political and economic realities of the region, including the territorial integrity of all states involved, the need of Israel for protective buffer zones, the Arab aspiration for the return of their territories, and the long-term development of a sound economic base for the elimination

> of social and political problems. In this spirit, the settlement should include—
>
> (1) Re-establishment of the civilian administration of the Sinai Desert and Golan Height areas and the west bank of the Jordan River under Egypt, Syria, and Jordan, respectively;
>
> (2) Establishment of broad demilitarized zones on the borders between Israel and its neighbors;
>
> (3) Achievement of a just settlement of the Palestinian refugee problem;
>
> (4) The cooperation of major free market countries and the Arab world in a long-range program of technical and industrial investment and development, with special emphasis upon the creation of job opportunities for Palestinian refugees;
>
> (5) The negotiation and signing of a permanent peace treaty within six months after the cease-fire.

Mr. HELMS. Now, Mr. President, it has been said that Israel has one of the highest per capita national debts in the world. It certainly does have a high debt, but it does not have the highest debt.

According to the State Department, the Israeli foreign debt is about $4.2 billion, with annual repayments amounting to about $690 million annually. With an estimated 1973 Israeli population of 3.2 million, that works out to a debt of $1,312.50 per person.

The U.S. national debt is presently $463 billion. With a population of 200 million, that works out to a debt of $2,315 per person.

In other words, the U.S. per capita debt is almost twice the Israeli per capita debt. We are being asked to make grants which will increase our own debt by $2.2 billion on the grounds that Israel cannot afford any more debt of her own. Yet proportionally, our own debt is twice as heavy a burden.

I think that the proponents of the $2.2 billion as a gift are underestimating the decision, sacrifice, and patriotism of the Israeli people. It was their survival that was at stake; and I am sure that they will not object to whatever cost was necessary. The fact that we shipped the arms at the critical moment provided the difference in the turn of the battle. That in itself demonstrates our esteem and our willingness to help when necessary. But there is no reason to ask that the United States bear the long-term burden of the cost when our own balance of payments is so precarious and inflation continues to rob the dollar of its value.

Let me repeat, Mr. President, a little recitation that I have often made on this floor.

The American people ask about inflation; they talk about it; they want something done about it. And yet this Congress sits here and year after year appropriates more money than is to be taken in.

The Federal debt of the United States of America is in the neighborhood of $463 billion, which is a rather expensive neighborhood when one considers that it costs $52,000 a minute to pay the interest alone on the money already borrowed and spent by this Government in excess of receipts.

If you want to break that down farther, every time the clock ticks, there is another nearly $900 in interest that the American taxpayers must pay on the debt we already owe.

So that is the purpose of this amendment. I think we must look at it in perspective, and I urge the Senate to approve this amendment.

Mr. HUMPHREY. Mr. President, a very brief comment. First of all, the present Military Sales Act does not impose the same kind of restrictions or requirements as proposed in the amendment of the Senator from North Carolina. The present Military Sales Act leaves the matter of interest up for negotiation on the part of the Government of the United States.

Second, the bill before us, H.R. 11088, is not a grant bill. What it says is,

> . . . there are hereby authorized to be appropriated to the President not to exceed $2,200,000,000 for emergency military assistance or foreign military sales credits, or for both as the President may determine, for Israel, of which sum amounts in excess of $1,500,000,000 may be used pursuant to this section . . .

I hope that this amendment will be rejected, primarily because I believe this legislation to be necessary and timely in light of the upcoming Geneva Conference on the Middle East. The amendment would delay passage.

Mr. ABOUREZK. Mr. President, will the Senator from Minnesota yield, before he moves to table?

Mr. HUMPHREY. I yield.

Mr. ABOUREZK. I wonder whether I am correct in assuming that the appropriations bill already passed before the authorization bill includes a maximum of $1.5 billion in grants rather than in credits?

Mr. HUMPHREY. That is the most that could be utilized for grants out of the total of $2.2 billion.

Mr. ABOUREZK. Does the Senator know whether the administration has said how much will be given in grants?

Mr. HUMPHREY. No, sir, it has not been stated. May I say to the Senator from South Dakota that when we proposed the amendment of $1.5 billion, we did so after colloquy with the distinguished Senator from Hawaii (Mr. Inouye), so that we could get in detail from the administration as to what it had in mind in terms of grants or loans.

It seems to me that we should get as much in loans as possible, that the grant program should be used as sparingly as possible. But we should face the fact that there is a limit to what a country can carry——

Mr. HELMS. Including our own.

Mr. HUMPHREY. Including ourselves. I am not unaware of that. If I did not feel that our assistance to the State of Israel was in our national interest, I would not be up here trying to ask for votes for this bill.

Mr. HELMS. That is not the issue.

Mr. HUMPHREY. I am sure we would agree on that. The question here is on the interest rate. I should say to the Senator once again that his amendment goes further than the present Military Sales Act. Presently, by the way, we give grants and military assistance to the neighboring country of Jordan.

Mr. GOLDWATER. If the Senator will yield, I am glad the Senator brought that out. I wanted to rise to state that a lot of this interest we are discussing here has come from the American people who are beginning to see that there are two sides to the question. I wanted to add that we are constructing military buildings in Saudi. We have instructed Libyan pilots at Williams Air Force Base in Arizona. In any case, we will find that we have sold equipment to any country, whether Arab or any other country, and that their officers and men are in this country studying the operation of weapons.

So, for those people who say we are aiding only Israel, I have to say that we are aiding both sides, even though this has never been revealed in the press, that I know of—not that I am especially surprised, because the press only prints what it wants to print—but it is an interesting revelation to learn that our Army Engineers have been in Saudi, and are in Saudi, and we have been helping both sides of the fence—which is not unusual for the United States.

Mr. JAVITS. Mr. President, if the Senator will yield, I would not dream of interposing here except just to supply a fact, which is important. I think the amendments important which have been proposed. This particular amendment which has been proposed is made in the utmost good faith, to bring attention to the safeguards which our country requires. But I would like to point out to my colleagues that Israel now owes the United States over $2½ billion. Incidentally, Senators, it is in the same tables—I have put it in the Record before—which shows that loans to Israel are $2.5 billion already and the grants have been $522 million. I do not use that word "only" in any sense of saying that that is little money, because it is a lot of money.

What is breaking the back of Israel, apparently, is the carrying charges, which the Senator from Minnesota (Mr. Humphrey) says has come to about $900 million a year. That is on the aggregate export, which is not more than 3 or 4 times that, if that. So if we took everything they got, including contributions, which are extensive, the whole thing would come to about $4 billion. So that they are paying one-quarter in carrying charges.

The only thing I say is, we have vested the administration with the authority. The fact that the Senator from Minnesota (Mr. Humphrey) got the appropriations bill to say that up to $1.5 billion could be in credits is no assurance that it will be, or should be. I am saying that. I am saying that, without waiting for anyone else to say it. I am very serious about that.

Both Senator Humphrey and I pledge to you the oversight of the Committee on Foreign Relations with the greatest devotion to the fact that the maximum should be in loans. I thoroughly agree with that point.

So Israel may be broke now in terms of a balance sheet, but they are a productive people and tomorrow they may do very well indeed. So, short of absolutely destroying them, credit-wise, in the world, so that no one will trust them with even a bill for freight, it is right that we should make the most hardheaded arrangements upon this side—upon these amounts which are justified by the overall financial condition. I will lend myself to that myself.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. I think we are going to move to table the amendment.

Mr. HUMPHREY. Yes, it is my intention to move to table the amendment. I might add, I do not want to cut off debate before the Senator from South Dakota speaks——

Mr. ABOUREZK. I have a couple more questions to ask the Senator from Minnesota. He made the comment that the $2.2 billion was needed in order to assure some kind of peaceful settlement at the peace conference in Geneva. I do not think there is any question that the amount of arms used in Israel during the October war was about $1 billion; is that not correct?

Mr. HUMPHREY. About $1 billion. The Senator is correct.

Mr. ABOUREZK. The appropriations bill provides $2.2 billion?

Mr. JAVITS. May I make a correction there, if the Senator will yield? What happened was that they burned up what they had. Not everything go used up——

Mr. ABOUREZK. About $1 billion?

Mr. JAVITS. No, not quite that. They burned up what they had. They were running out of ammunition. We then supplied $1 billion. It is not that they used up $1 billion. We had to supply $1 billion to keep them fighting. They burned up a great part of that. Now they need, say—they asked for $3 billion in the aggregate with credits, and $1 billion were sent over there in the terrible emergency. We are giving them $2.2 billion. Our authorities say that they need $1.5 billion in addition to the $1 billion they have already received. Congress has cut that by $300 million.

Mr. ABOUREZK. Which authorities said they needed $1.5 billion more? I understood the administration witnesses to say that they could not justify, on any specific grounds, the additional $1.5 billion over and above the $1 billion that was used.

Mr. JAVITS. Clements and Rush testified before the Committee on Foreign Relations, and their testimony is here.

Mr. HUMPHREY. Yes, it is here.

Mr. JAVITS. It is on the desk of each Senator. They testified that that was their estimate. They had looked into the matter because the request was $3 billion, and we are providing $2.2 billion.

The point I wish to make is to be sure that we understand exactly what happened. The Senator is at liberty to challenge every figure and every conclusion. But what happened was that they were running short of ammunition. It was almost like Fort Sam Houston. They were already up against it, because they apparently used that ammunition the day we delivered it. It was taken from the plane to the fighting line.

The point is that, having burned up practically everything they had, they got $1 billion, and they burned a lot of that up because they threw it right into the fight.

Now we end up with our vote of 15 to 2 in the Foreign Relations Committee that we think it is necessary to put them in a position in which they are not vulnerable to hostilities being renewed.

So that, first, it is a talking point, because it is a little nation; and, second, it is to prevent the people who are against them from feeling that they are a target, that they are suckers for another attack.

We all respect Senator FULBRIGHT's argument, Senator McCLURE's argument, and the argument of the Senator from South Dakota that it would be better if we did not give it to them, that it would be more conducive to peace. We wrestled with that and fought it out in the Committee on Foreign Relations.

Mr. ABOUREZK. I would like to get into that. I ask the Senator from New York whether it is not true that General Dayan, when he was in this country, said that Israel is stronger than it has ever been as a result of our resupply effort.

Mr. JAVITS. General Dayan did not say that in reference to the Arabs. He was making a rhetorical speech to raise money for Israel. Was he going to tell them that it was going under?

We are all human beings, and we are relying on our own authorities, who give us this appraisal. We believe that if they are denied this figure, they will be put in a very seriously jeopardized condition in this negotiation. It is the old story: We are stronger than ever. Compared to whom?

As to the Arab armies, we only think about the 3d Army, sitting on the east bank of the Suez, the one that is surrounded, in danger of being surrounded. They have two more armies north of that, which are not surrounded, and which are part of the cease-fire; and the Israelis have armies facing those and an army in Egypt. None of us wants that fire to start all over again.

Mr. ABOUREZK. I agree with that.

I also wonder why, in their testimony, the administration witnesses who appeared in hearings held by the House Foreign Affairs Committee and the Senate Appropriations Committee, said that the additional $1.2 billion was for "imponderables." They did not know what it was to be used for. They could not justify it.

Mr. HUMPHREY. One of the imponderables is that we just do not know how much the Soviet Union has poured into the Arab countries and how much more it continues to pour in. It is important that the Senator note that in the testimony of the Deputy Secretary of State, Mr. Rush, he said:

> We will not spend funds that are not needed, and we will not spend funds to tilt the balance in Israel's favor to the point where you have an imbalance of strength.

The point that was made very honestly—I thought the administration did not try to give us a lot of double talk and did not try to con us—was that there was $1 billion for now, they had to have it right away, and there was another $1.2 billion that they thought was a minimum amount in light of what had already been shipped into the Arab countries by the Soviets, plus what the Israelis had used up over the $1 billion in the war.

We are dealing with a set of figures here which is not precise, and that is why, under this measure, there is no requirement that the President spend it all. What we are really doing is giving to the Secretary of State, in the Geneva Peace Conference on the Middle East, some chips, to say, "You are not going over there with just a hope and a prayer. You are going there with the fact that we have made some commitments, in terms of military assistance, to Israel, and we are going to see that a military balance is maintained in the area." The purpose of the military assistance is peace and not to have another war.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McGEE. Very relevant to the point the Senator from South Dakota has just raised is that because there are many unknown elements here, Congress has to watch its own position. I sat through those hearings, and we were there when all the dialog was going on. It is no more possible to assess what the Russian input is with the Egyptians than it is possible to assess the total damage suffered by the Israelis. If it is discovered later—I mean next month, February—that it indeed was much worse, as some even now suspect it is——

Mr. ABOUREZK. That what is worse?

Mr. McGEE. The military losses—that is, the materiel losses. In that case, we would be right back here, with Congress preparing to add some money.

Imagine what would happen in the negotiating tents at that moment. The Arabs would walk out, and the chances for a continuation of the negotiations would have been wrecked.

From the very first, $2.2 billion has been the "guesstimate." It is no secret. The Arabs know it. The Israelis know it. The whole world knows it. It is simply a matter of protecting that bargaining chip, as the Senator from Minnesota has said. But if the Senate had to come through 6 weeks from now with still more because even worse was discovered, I would think then that even if the negotiations had been proceeding on track, it would blow them out of the tent. That is one of the options.

Nothing is being risked now, in this way, and we still keep open the option of cutting it back, if it does not become necessary to commit it.

Mr. ABOUREZK. My guess is that there will not be any outbreak of fighting while these peace talks are going on. I do not know, and the Senator from Wyoming does not know. That is my best guess. In the event the peace talks break down and if a resupply effort is needed, Congress can consider it at that time. But, in my opinion, the most dangerous thing for Congress to do at this point is to upset the peace talks before they get underway, by giving $2.2 billion worth of military aid to Israel.

As the Senator knows, the attitude of the Arab countries is that we have not been even-handed in our Middle East foreign policy. I do not think the Senator can dispute that. That fact infuriates the Arabs. If we are to play a constructive role in ending hostilities and bringing peace to the Middle East, it seems to me inappropriate to grant the request for more military aid for Israel.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. HUMPHREY. Let me yield first to the majority leader, for a moment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on final passage occur no later than 3 p.m. and that, of the time period in between, the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) be recognized for not to exceed 15 minutes.

Mr. ABOUREZK. Mr. President, reserving the right to object, I ask the distinguished majority leader why he wants to cut off this debate?

Mr. MANSFIELD. I do not want to cut off the debate. The manager of the bill has asked me——

Mr. HUMPHREY. I thought that, since we had repeated the arguments about four or five times, perhaps we have all learned them by now.

Mr. MANSFIELD. I understood that there was not going to be much further debate on it.

Mr. ABOUREZK. I withdraw my objection.

Mr. McGEE. Mr. President, will the Senator yield for 1 minute?

Mr. ABOUREZK. I have another question I would like to ask.

The PRESIDING OFFICER. The Chair would ask the distinguished majority leader if he includes in his request that rule XII be waived?

Mr. MANSFIELD. Yes, I do.

The PRESIDING OFFICER. Is there objection?

Mr. NELSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NELSON. Is the manpower conference report coming up immediately following disposal of this measure?

Mr. MANSFIELD. Exactly.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, since there is a time certain on the passage, this would not preclude a rollcall vote, would it?

Mr. HUMPHREY. No, that has been ordered.

The PRESIDING OFFICER. It would not preclude a vote.

Mr. JAVITS. May we have a ruling?

The PRESIDING OFFICER. If there is no objection, it is so ordered.

Mr. ABOUREZK. That is all I have to say at this time.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD an economic fact sheet in connection with emergency military assistance to the State of Israel.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ECONOMIC FACT SHEET FOR CONSIDERATION OF EMERGENCY MILITARY ASSISTANCE TO THE STATE OF ISRAEL

The Yom Kippur War cost Israel approximately $250 million a day. Total expenditure was between $5 and $6 billion.

Israel, a country of three million people, spends approximately 34 percent of its total budget on defense or 20 percent of its total GNP.

Israeli citizens are taxed more heavily than citizens of any other nation. Before the war, an Israeli earning $5,000 a year paid half of this sum in taxes. A $10,000 income was taxed at the rate of 63 percent. Since the outbreak of the war an additional forced savings tax has been imposed taking another 7 to 12 percent from personal income.

The pre-war external debt of Israel was about $4.5 billion—Israel has the highest per capita external debt in the world.

The total loss in GNP for Israel from October to December of this year will be approximately $476 million. The loss in GNP for 1974 is estimated to be more than $900 million.

Israeli labor force is still mobilized cutting this force by one-third. Tourism has been badly damaged by the war and is off 25%.

The Israeli balance of payments has been injured by increased expenditures for defense. The deficit will be about $1.2 billion more than expected because of defense expenditures.

Israel repays its external debt at the rate of about $800 million per year. This represents roughly half of the nation's foreign currency reserves. Servicing this debt has meant that Israel has only three to four months of foreign currency reserves which are badly needed for purchasing food, oil and other imported commodities.

In 1973 Israel will have absorbed 55,000 to 60,000 immigrants—the majority from the USSR. It costs Israel about $40,000 per family for immigrant absorption. Total cost for 15 to 20,000 new families could range from $600 million to $800 million. Sale from bonds net is only about $100 million to $120 million. Israelis have sold about $2.5 billion in bonds and have repaid more than $1 billion.

Between 1946 and 1972 according to AID the U.S. provided grant military assistance totaling approximately $55 billion. None of this grant military assistance went to Israel. In fact, during this same period we provided Arab states with approximately $321 million in grant assistance. Grant economic assistance to Arab states has exceeded similar assistance to Israel.

Mr. HUMPHREY. Mr. President, I move to table the amendment of the Senator from North Carolina.

Mr. HELMS. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from North Carolina. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Utah (Mr. MOSS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Vermont (Mr. AIKEN), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Idaho (Mr. McCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH) the Senators from Ohio (Mr. SAXBE and Mr. TAFT), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Alaska (Mr. STEVENS) is detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) would each vote "yea."

The result was announced—yeas 61, nays 14, as follows:

[No. 610 Leg.]

YEAS—61

Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Biden
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Griffin
Gurney
Hart
Hartke
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevenson
Symington
Thurmond
Tunney
Williams
Young

NAYS—14

Abourezk
Burdick
Curtis
Fannin
Fulbright
Goldwater
Hansen
Hatfield
Helms
Hruska
Mansfield
McClellan
Metcalf
Scott,
  William L.

NOT VOTING—25

Aiken
Bellmon
Bennett
Brock
Brooke
Buckley
Cannon
Church
Cotton
Eastland
Ervin
Fong
Gravel
Hollings
McClure
Moss
Pearson
Percy
Roth
Saxbe
Stevens
Taft
Talmadge
Tower
Weicker

So Mr. HUMPHREY'S motion to lay on the table Mr. HELMS' amendment was agreed to.

Mr. BURDICK. Mr. President, at this time I cannot support this authorization for $2.2 billion in aid to Israel. It is my understanding that numerous attempts have been made to find out what the $1.2 billion for "imponderables" would actually be used for. No adequate justifications have been forthcoming. In as much as these funds have not been justified. I cannot support this kind of "blank check" authorization.

The administration has itemized expenditures of $1 billion of this request to restore a military balance of power in the Mideast. I have no quarrel with that expenditure. If additional equipment is seen to be required later, those supplies can be provided in the same way as previous aid, through the Foreign Military Sales Act. Congress would then have 120 days to consider this and approve additional loans and grants.

Mr. HUMPHREY. Mr. President, may we have third reading?

The PRESIDING OFFICER (Mr. Domenici). The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the third reading of the bill.

The bill was ordered to a third reading, and was read the third time.

Mr. FULBRIGHT. Mr. President, I merely want to say a word or two in conclusion.

Paraphrasing the words of our new Attorney General, the Senator from Ohio (Mr. Saxbe), I do believe that the Senate has taken leave of its senses.

The threatening recession and the serious disruption of our economy are the price we are beginning to pay for 15 years of making extreme and unwise policies both foreign and domestic.

Our tragic intervention in Vietnam, our costly intervention in the Dominican Republic, our unwise policy of enormous expenditure of funds for foreign military bases, our unwise expenditure of huge amounts of money to go to the Moon, the huge outlay for the now abandoned ABM and the extravagant fantasy of the SST—these are but a few examples of the fact that we have become strangers to our own commonsense.

In the light of all of our problems, now to vote $2.2 billion for weapons of war on the pretense that this is the way to promote peace in the Middle East is to me the ultimate in irrationality.

Mr. HARRY F. BYRD, JR. Mr. President, this legislation which provides emergency assistance to Israel is one to which I have given a great deal of thought. The amount involved is substantial.

I have concluded that I shall vote for this authorization because the situation in the Middle East is so delicate and so dangerous that I am reluctant to deny the President and the Secretary of State a tool which seems necessary to bringing about a settlement.

As deeply concerned as I am about our Nation's financial situation, I am even more concerned over a possible explosion in the Middle East. The Russians have heavily armed the Arabs. A balance can be maintained only if the United States provides some assistance to Israel.

In voting for this authorization today, however, I want to make it clear that such a vote should not be construed as a precedent for supporting additional grants.

I believe it is imperative that the United States proceed with maximum caution in the Middle East.

As time goes by, both sides in the Middle East, it seems to me, must be willing to yield on some points. Continued intransigence can only mean continued tension—and, probably, further bloodshed.

With the situation in the Middle East being as delicate as it is at the moment, I feel that the best interest of our country would be served by the enactment of this authorizing legislation.

Mr. HARRY F. BYRD, JR. Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, the order is that the Senate vote on the bill at the conclusion of the Senator's speech.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. MANSFIELD. On this vote I have a pair with the Senator from Nevada (Mr. Cannon). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Utah (Mr. Moss), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Vermont (Mr. Aiken), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from New York (Mr. Buckley), the Senator from Hawaii (Mr. Fong), the Senator from Idaho (Mr. McClure), the Senator from Kansas (Mr. Pearson), the Senator from Illinois (Mr. Percy), the Senator from Delaware (Mr. Roth), the Senators from Ohio (Mr. Saxbe and Mr. Taft), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

If present and voting, the Senator from Hawaii (Mr. Fong), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) would each vote "yea."

The result was announced—yeas 66, nays 9, as follows:

[No. 611 Leg.]

YEAS—66

Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Biden
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Goldwater
Griffin
Gurney
Hart
Hartke
Haskell
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Williams
Young

NAYS—9

Abourezk
Burdick
Curtis
Fannin
Fulbright
Hansen
Hatfield
Helms
Scott, William L.

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, against.

NOT VOTING—24

Aiken
Bellmon
Bennett
Brock
Brooke
Buckley
Cannon
Church
Cotton
Eastland
Ervin
Fong
Gravel
Hollings
McClure
Moss
Pearson
Percy
Roth
Saxbe
Taft
Talmadge
Tower
Weicker

So the bill (H.R. 11088) was passed.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2794), to amend chapter 36 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to continue making educational assistance and subsistence allowance payments to eligible veterans and eligible persons during periods that the educational institutions in which they are enrolled are temporarily closed pursuant to a policy proclaimed by the President or because of emergency conditions.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1559) to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 8449) to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes, with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11575) making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 3, 26, 27, 62, and 78 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 9, 15, 23, 34, 35, 36, 39, 44, 45, 49, 50, 51, 52, 55, 56, 58, 71, 75, and 79 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions:

S. 14. An act to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes;

S. 2166. An act to authorize the disposal of opium from the national stockpile;

S. 2316. An act to authorize the disposal of copper from the national stockpile and the supplemental stockpile;

S. 2794. An act to amend chapter 36 of title 38, United States Code, to authorize the Administrator of Veteran's Affairs to continue making educational assistance and subsistence allowance payments to eligible veterans and eligible persons during periods that the educational institutions in which they are enrolled are temporarily closed pursuant to a policy proclaimed by the President or because of emergency conditions;

H.R. 5874. An act to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes;

H.J. Res. 736. Joint resolution to provide for a feasibility study and to accept a gift from the United States Capitol Historical Society; and

H.J. Res. 865. Joint resolution authorizing the President to proclaim March 29, 1974, as "Vietnam Veterans Day".

The enrolled bills and joint resolutions were subsequently signed by the Vice President.

CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of the calendar beginning with No. 626 and following, in sequence.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF USURY LAWS IN THE DISTRICT OF COLUMBIA

The bill (H.R. 6758) to amend chapter 33 of title 38 of the District of Columbia Code relating to usury, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF DISTRICT OF COLUMBIA MINIMUM WAGE ACT FOR AIRLINE EMPLOYEES

The bill (H.R. 10806) to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

ADOPTION OF CHILDREN IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H.R. 11238) to amend the Act of March 16, 1926 relating to the Board of Public Welfare in the District of Columbia, to provide for an improved system of adoption of children in the District of Columbia, and for other purposes.

Mr. BAYH. Mr. President, I was extremely pleased that the Senate today passed adoption subsidy legislation for the District of Columbia.

In June of this year, I introduced S. 1986, a bill to provide for an improved system of adoption for children in the District of Columbia. The bill approved by the Senate today is the House-passed version of this important legislation, and I fully support the slight modifications which were made during consideration of the legislation in the House of Representatives. This legislation will facilitate the procurement of permanent homes for neglected and dependent children who are now receiving foster or institutional care in the District.

Adoption subsidy plans, similar to that passed by the Senate, are currently in effect in 27 States. Over the past few years, total adoption placements in the District of Columbia have averaged approximately 100 children a year, an extremely low number considering the fact that there are currently between 2,500 and 2,700 children who are wards of the District of Columbia. These children receive various types of foster care, some living in traditional home settings and others in group arrangements. District of Columbia officials estimate that between 200 to 300 of these children could be placed in permanent families with the assistance of an adoption subsidy program. Approximately 150 such new placements could be expected within the first year after institution of a subsidy program.

Under the adoption subsidy bill passed by the Senate, any child who has not been adopted within 6 months after he is legally available for adoption would be considered a "child with special needs." This would include children who are difficult to place because of age, racial or ethnic background, physical or mental condition, or membership in a sibling group which should be placed together. This legislation will enable the District of Columbia Department of Human Resources to provide adoption subsidies for these children with special needs. The amount that could be spent for an adoption subsidy could not exceed the amount that the Department would be authorized to spend if the child were to continue in foster or institutional care. Payments would vary according to the special needs of the child, and would include such costs as medical, dental, and surgical expenses; expenses for psychiatric and psychological care; and other costs necessary for the well-being of the child.

Three types of subsidy agreements are specified in this legislation: Long-term subsidies, to help families whose incomes are limited and are likely to remain so; time-limited subsidies, to help families integrate into their budgets, during a specified period of time, the expenses for the care of the new child; and special service subsidies, to help families meet specific expenses of the adoption, such as medical procedures or legal costs.

Subsidized adoption plans have resulted in savings to the taxpayers in those States which have established this program. Many States have also reported that the publicity and specialized services made available under this plan have resulted in the adoption of children by families who did not need financial assistance, or who required such assistance for only a limited time.

The benefits of a permanent family and home to youngsters who are otherwise forced to live in institutions, hospitals, and foster care facilities cannot be measured in mere monetary terms. These children deserve the love and care that only a family can provide. This legislation will aid those children in the District of Columbia for whom the right to a family is not a reality.

The bill was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, the next measure to be considered is Calendar No. 630.

MANDATORY PRICE SUPPORT FOR TUNG NUTS

The bill (H.R. 2303) to continue mandatory price support for tung nuts only through the 1976 crop was considered, ordered to a third reading, read the third time, and passed.

ENERGY CONSERVATION FOR CERTAIN FEDERALLY FINANCED BUILDINGS

The Senate proceeded to consider the bill (H.R. 11565) to insure that certain buildings financed with Federal funds utilize the best practicable technology for the conservation and use of energy, which had been reported from the Committee on Public Works with amendments on page 1, in line 3, after "in", insert "sections 2 through 5 of".

On page 3, beginning with line 14, insert:

SEC. 6. (a) (1) The Congress hereby finds—

(A) that federally owned and federally assisted facilities have a significant impact on the Nation's consumption of energy;

(B) that energy conservation practices adopted for the design, construction, and utilization of these facilities will have a beneficial effect on the Nation's overall supply of energy;

(C) that the cost of the energy consumed by these facilities over the life of the facilities must be considered, in addition to the initial cost of constructing such facilities; and

(D) that the cost of energy is significant and facility designs must be based on the lowest total life cycle cost, including (i) the initial construction cost, and (ii) the cost, over the economic life of the facility, of the energy consumed, and of operation and maintenance of the facility as it affects energy consumption.

(2) The Congress declares that it is the policy of the United States to insure that energy conservation practices are employed in the design of Federal and federally assisted facilities. To this end the Congress encourages Federal agencies to analyze the cost of the energy consumption of each fa-

cility constructed or each major facility constructed or renovated, over its economic life, in addition to the initial construction for renovation cost.

(b) For purposes of this section:

(1) The term "Federal agency" means an executive agency (as defined in section 105 of title 5, United States Code) and includes the United States Postal Service.

(2) The term "facility" means any building on which construction is initiated six months or more after the date of enactment of this Act.

(3) The term "major facility" means any building of fifty thousand or more square feet of usable floor space on which construction or renovation is initiated six months or more after the date of enactment of this Act.

(4) The term "Federal facility" or "major Federal facility" means a facility constructed, or a major facility constucted or renovation, by a Federal agency.

(5) The term "federally assisted facility" or "major federally assisted facility" means a facility constructed, or major facility constructed or renovated, in whole or in part with Federal funds or with funds guaranteed or insured by a Federal agency.

(6) The term "initial cost" means the required cost necessary to construct a facility or construct or renovate a major facility.

(7) The term "economic life" means the projected or anticipated useful life of a facility.

(8) The term "life-cycle cost" means the cost of a facility including (i) its initial cost, and (ii) the cost, over the economic life of the facility, of the energy consumed and of operation and maintenance of the facility as it affects energy consumption.

(9) The term "energy consumption analysis" means the evaluation of all energy consuming systems and components by demand and type of energy, including the internal energy load imposed on a facility by its occupants, equipment and components, and the external energy load imposed on the facility by climatic conditions.

(c) (1) The Congress authorizes and directs that Federal agencies shall carry out the construction of Federal facilities and the construction and renovation of major Federal facilities under their jurisdiction or programs for the construction of federally assisted facilities and the construction and renovation of major federally assisted facilities in such a manner as to further the policy declared in paragraph (a) (2) of this section, insuring that energy conservation practices are employed in new Federal and federally assisted facilities and in new or renovated major Federal and federally assisted facilities.

(2) Each Federal agency having jurisdiction over any Federal or federally assisted facilities construction program shall require the preparation of a complete life-cycle cost analysis for each major facility (exceeding fifty thousand square feet of usable floor space), for the expected life of the major facility.

(3) This life-cycle cost analysis shall include but not be limited to such elements as:

(A) the coordination and positioning of the major facility on its physical site;

(B) the amount and type of fenestration employed in the major facility;

(C) the amount of insulation incorporated into the facility design;

(D) the variable occupancy and operating conditions of the major facility, including illumination levels; and

(E) an energy consumption analysis of the major facility's heating, ventilating, and air-conditioning system, lighting system, and all other energy-consuming systems. The energy consumption analysis of the operation of energy-consuming systems in the major facility should include but not be limited to:

(i) the comparison of two or more system alternatives;

(ii) the simulation of each system over the entire range of operation of the major facility for a year's operating period; and

(iii) the evaluation of the energy consumption of component equipment in each system considering the operation of such components at other than full or rated outputs.

(4) The life-style cost analysis performed for each major facility shall provide but not be limited to the following information:

(A) the initial cost of each energy-consuming system being compared and evaluated;

(B) the annual cost of all utilities;

(C) the annual cost of maintaining each energy-consuming system; and

(D) the average replacement cost for each system expressed in annual terms for the economic life of the major facility.

(5) Selection of the optimum system or combination of systems to be incorporated into the design of the major facility shall be based on the life-cycle cost analysis of the economic life of the major facility.

(6) In the selection of locations for new Federal and federally assisted facilities consideration shall be given to proximity to existing or planned mass transit facilities.

(d) The life-cycle cost analysis and consideration of energy conservation practices required by subsection (c) of this section shall be included by the Administrator of the General Services Administration in any prospectus submitted to the Committees on Public Works of the Senate and the House of Representatives under section 7 of the Public Buildings Act of 1959, as amended.

(e) The Administrator of the General Services Administration shall prepare and submit biennial reports to the President and the Congress on the results of its program established pursuant to subsections (c) and (d) of this section. Such report shall include a description of equipment, methods of construction, and operating practices used to achieve energy conservation, including comparisons of energy consumption and costs for facilities in which such equipment, methods, or policies are and are not used.

(f) The Administrator of the General Services Administration is authorized and directed to develop, publish, and implement energy conservation guidelines for all Federal procurement, except that the United States Postal Service shall have the responsibility to develop, publish, and implement energy conservation guidelines for all postal procurement. These guidelines shall be designed to assure that efficient energy use becomes a major consideration in all Federal procurement and shall be followed by all Federal agencies.

(g) The provisions of subsection (c) and subsection (f) of this section shall apply to all the construction and procurement policies of the Department of Defense, except where the Secretary of Defense finds that combat needs require otherwise.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

COMMEMORATION MEDAL FOR 100TH ANNIVERSARY OF STATEHOOD OF COLORADO

The bill (H.R. 4738) to provide for the striking of medals in commemoration of the 100th anniversary of the Statehood of Colorado was considered, ordered to a third reading, read the third time, and passed.

COMMEMORATION MEDAL FOR THE INTERNATIONAL EXPOSITION ON ENVIRONMENT AT SPOKANE, WASH., IN 1974

The bill (H.R. 5760) to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Wash., in 1974 was considered, ordered to a third reading, read the third time, and passed.

SPECIAL PAY STRUCTURE RELATING TO MEDICAL OFFICERS

The Senate proceeded to consider the bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services which had been reported from the Committee on Armed Services with amendments on page 3, after line 19, strike out:

(3) Section 311 is amended by striking out in subsection (a) the words "in the Medical or Dental Corps, an officer of the Air Force who is designated as a medical officer or dental officer," and inserting in place thereof the words "in the Dental Corps, an officer of the Air Force who is designated as a dental officer,".

And, in lieu thereof, insert:

(3) That portion of the first sentence of section 311(a) preceding clause (1) is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical Corps above the pay grade of O–5, an officer of the Air Force who is designated as a medical officer and is above the pay grade of O–5, an officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a medical or dental officer of the Public Health Service who—".

On page 4, at the beginning of line 22, insert "(1) is below the pay grade of O–6;" at the beginning of line 23, strike out "(1)" and insert "(2)"; at the beginning of line 25, strike out "(2)" and insert "(3)"; on page 5, at the beginning of line 5, strike out "(3)" and insert "(4)"; and in line 12, after the word "exceed", strike out "$15,000" and insert "$10,000"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 302 is amended to read as follows and the item in the chapter analysis is amended to correspond with the revised catchline:

"§ 302. SPECIAL PAY: PHYSICIANS.

"An officer of the Army or Navy in the Medical Corps, an officer of the Air Force who is designated as a medical officer, or a medical officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

"(1) $100 a month for each month of active duty if he has not completed two years of active duty in a category named in this section; or

"(2) $350 a month for each month of active duty if he has completed at least two years of active duty in a category named in this section.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.".

(2) The following new section is added after section 302a and a corresponding item is inserted in the chapter analysis:

"§ 302b. SPECIAL PAY: DENTISTS.

"An officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

"(1) $100 a month for each month of active duty if he has not completed two years of active duty in the Dental Corps or as a dental officer;

"(2) $150 a month for each month of active duty if he has completed at least two years of active duty in the Dental Corps or as a dental officer;

"(3) $250 a month for each month of active duty if he has completed at least six years of active duty in the Dental Corps or as a dental officer; or

"(4) $350 a month for each month of active duty if he has completed at least ten years of active duty in the Dental Corps or as a dental officer.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.".

(3) That portion of the first sentence of section 311(a) preceding clause (1) is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical Corps above the pay grade of O–5, an officer of the Air Force who is designated as a medical officer and is above the pay grade of O–5, an officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a medical or dental officer of the Public Health Service who—".

(4) By adding the following new section after section 312a and by inserting a corresponding item in the chapter analysis:

"§ 313. SPECIAL PAY: MEDICAL OFFICERS WHO EXECUTE ACTIVE DUTY AGREEMENTS.

"(a) Under regulations prescribed by the Secretary of Defense and approved by the President, an officer of the Army or Navy in the Medical Corps, or an officer of the Air Force who is designated as a medical officer, who—

"(1) is below the pay grade of O–6;

"(2) is designated as being qualified in a critical specialty by the Secretary concerned;

"(3) is determined by a board composed of officers in the medical profession under criteria prescribed by the Secretary of Defense to be qualified to enter into any active duty agreement for a specified number of years; and

"(4) executes a written active duty agreement under which he will receive incentive pay for completing a specified number of years of continuous active duty subsequent to executing such an agreement;

may, upon acceptance of the written agreement by the Secretary concerned, or his designee, and in addition to any other pay or allowances to which he is entitled, be paid an amount not to exceed $10,000 for each year of the active duty agreement. Upon acceptance of the agreement by the Secretary concerned, or his designee, and subject to subsections (b) and (c) of this section, the total amount payable becomes fixed and may be paid in annual, semiannual, or monthly installments, or in a lump sum after completion of the period of active duty specified in the agreement, as prescribed by the Secretary concerned.

"(b) Under regulations prescribed by the Secretary of Defense, the Secretary concerned, or his designee, may terminate, at any time, an officer's entitlement to the special pay authorized by this section. In that event, the officer is entitled to be paid only for the fractional part of the period of active duty that he served, and he may be required to refund any amount he received in excess of that entitlement.

"(c) Under regulations prescribed by the Secretary of Defense, an officer who has received payment under this section and who voluntarily, or because of his misconduct, fails to complete the total number of years of active duty specified in the written agreement shall be required to refund the amount received that exceeds his entitlement under those regulations. If an officer has received less incentive pay than he is entitled to under those regulations at the time of his separation from active duty, he shall be entitled to receive the additional amount due him.

"(d) This section does not alter or modify any other service obligation of an officer. Completion of the agreed period of active duty, or other termination of an agreement, under this section does not entitle an officer to be separated from the service, if he has any other service obligation.

"(e) The Secretary of Defense shall submit a written report each year to the Committees on Armed Services of the Senate and House of Representatives regarding the operation of the special pay program authorized by this section. The report shall be on a fiscal year basis and shall contain—

"(1) a review of the program for the fiscal year in which the report is submitted; and

"(2) the plan for the program for the succeeding fiscal year.

This report shall be submitted not later than April 30 of each year, beginning in 1975.".

SEC. 2. The amendments made by this Act become effective on January 1, 1974. Except for the provisions of section 313 of title 37, United States Code, as added by section 1(4) of this Act, which will expire on June 30, 1976, the authority for the special pay provided by this Act shall, unless otherwise extended by Congress, expire on June 30, 1977.

Mr. STENNIS. Mr. President, I will address myself now to two calendar items, bills S. 2770, which would provide increases for certain medical officers of the armed services and S. 2771, which would revise the enlistment and reenlistment bonus structure for enlisted men in the armed services. The administration has indicated that these are high-priority items which are critical to the success of the all-volunteer force.

Mr. President, I am on record as saying that the all-volunteer force concept must be given every opportunity to succeed, and I intend to see that it does get every reasonable opportunity to succeed. That is why I consider it very important that the Senate take prompt action on bills S. 2770 and S. 2771.

S. 2770—INCREASES IN PAY FOR CERTAIN MILITARY PHYSICIANS

The principal features of S. 2770 are:

First, it provides an increase in monthly special pay for physicians—including Public Health Service officers—with 2 years' active service from $150 to $350.

Second, it terminates present continuation pay for physicians in grades below O–6, colonel, who currently receive 4 months' basic pay for each year that they agree to continue on active service.

Third, it provides a new bonus authority for up to $10,000 a year for physicians in pay grades below O–6, colonel, for each year they agree to continue active duty.

NET INCREASES IN PAY UNDER THE $10,000 BONUS

Mr. President, I think it very important to point out at this time that the $10,000 maximum bonus authorized by the bill for those medical officers below the grade of O–6, colonel, does not result in a net increase in pay of $10,000 for these personnel. Let me use an example. An O–4, major, with 7 years of service would receive the maximum $10,000 bonus under the bill, but would realize a net increase in pay resulting from the bonus of $4,954 because his current continuation pay of $5,046 would be terminated under the bill. In other words, the difference between the $10,000 bonus less the continuation pay of $5,046 results in a net increase from the bonus of $4,954. In addition, this O–4, major, would receive a $1,200 increase in monthly special pay for a total net increase under the bill of $6,154. I might note here, Mr. President, that the range in net increases under the bill are from approximately $7,700 to $2,300 for those below the grade of O–6, colonel, primarily O–4s, major, and O–5's, lieutenant colonel. I do not think the fact can be overemphasized that the $10,000 bonus authorized by the bill does not result in a net increase in pay of that amount.

SPECIAL INCENTIVES FOR MILITARY PHYSICIANS SINCE 1947

Mr. President, special incentives have been authorized for physicians in the armed services since 1947, primarily to reduce the gap between civilian and military physician incomes, in order to keep these personnel in the services. Under current law a special pay of up to $350 per month and a continuation pay is provided military physicians which their line counterparts do not receive.

CRITICAL PROBLEM OF RETAINING PHYSICIANS WITHOUT THE DRAFT

When the military services were operating under the draft they had no difficulty in obtaining sufficient numbers of physicians. Since the draft authority expired there have been increasingly greater shortfalls of physicians entering the services. A physician shortage of 815 is forecast for the end of fiscal year 1975, increasing to 1,812 by the end of fiscal year 1976 based on authorizations of 12,147 for fiscal year 1975–76. Not only are there increasing overall shortages, but there are increasing shortages in critical specialities such as pathology, aerospace medicine, radiology, and the like.

The primary reason for the shortfalls in the all-volunteer environment is the significant salaries that physicians can earn in the civilian economy with just a few short years of practice. For example, a young physician with just 4 years of practice can earn a median civilian income of $43,400 based on a survey made by the magazine Medical Economics. The same physician in the military, with 4 years of practice, currently earns $24,871 which includes all his pay and allowances plus monthly special pay and continuation pay. This example of a comparable military and civilian physician shows a net difference in salaries of almost $19,000 per year.

Unless something is done to close the gap in these earnings, and I emphasize for younger physicians, the military services will soon cease to have viable medical service corps.

THE CRITICALITY OF THE PROBLEM AT THE PRESENT TIME

Mr. President, I cannot overemphasize the criticality of the physician-manning problem in the services at the present time. In the summers of 1974 and 1975 approximately 7,000 young physicians will leave military service unless some action is taken to increase their compensation.

Currently, the services retain less than 1 percent of physicians who enter service for 2 years resulting from the draft. The services have testified that if they can retain approximately one-third of the 7,000 physicians who would otherwise leave, they can maintain a viable Medical Service Corps into the foreseeable future.

Mr. President, it is, therefore, important that action be taken on this bonus bill now because many of the 3,500 physicians who will leave next summer are making their decisions at this point whether to stay in service or not.

PAY INCREASES UNDER THE BILL

Mr. President, I would emphasize that the increases under the bill would only be for those physicians below the grade of O–6, colonel, where the retention problem is felt to be most critical and where the difference in earnings between civilian and military counterparts is the greatest.

Again, I would emphasize that the net increases for those in grades below that of O–6, colonel, that is O–5's, lieutenant colonel, and O–4's, major, would range from about $7,700 to $2,300 per year.

COST OF THE LEGISLATION

Enactment of S. 2770 would result in an increased budget cost of $37.2 million for fiscal year 1974, assuming a January 1, 1974, implementation date. This would increase to about $55 million per year for fiscal years 1975–79.

Mr. GOLDWATER. Mr. President, I would like to develop a bit of legislative history as we are about to pass S. 2770 relating to special and bonus pay for military physicians. It is important to note that while the legislation deals with physicians only, this is an area which I believe the Armed Services Committees should and will be considering relative to optometrists, dentists, and other health care professionals in the next session of Congress. It is my understanding that passage of this much needed bill today will not in any way be used as a reason for failing to act afterward on the pressing question of special pay and bonus authority improvements for the other health care personnel, and I wanted to make this fact plainly known today on the record.

Mr. THURMOND. Mr. President, I rise in support of S. 2770, a special pay bill providing salary increases to certain medical officers in the military service, and S. 2771, a bill revising enlistment and reenlistment bonuses for enlisted personnel in the military services.

The medical officer bill is limited to physicians as the Department of Defense advised the committee a critical shortage of physicians was approaching. The committee, therefore, agreed to go ahead and act in this one area of Special Pay and consider other groups, such as dentists, optometrists, and podiatrists, next year.

The physicians' bill has three main features. First, it terminates continuation pay. Second, it substitutes in place of continuation pay a $10,000 annual bonus authority which will result in pay hikes for captains with 3 years practice, and all majors and lieutenant colonels. The bill does not affect the pay of captains with 2 years or less practice, nor does it affect the pay of physicians who are colonels or general officers.

It should be noted that the rates approved by the committee are scaled below the $10,000 maximum, with the increases varying from $3,000 for a captain with 3 years practice to $7,674 for majors with 4 or 5 years practice.

Mr. President, the Defense Department recommended a maximum bonus of $15,000 but the committee adopted the more modest $10,000 schedule. This was done as the membership felt that rising personnel costs must be brought under control and the schedule adopted did provide increases to those military doctors whose pay was significantly below their civilian counterparts.

It should be pointed out that with the expiration of the doctor draft and conversion to an all-volunteer military force it will be most difficult to attract or retain physicians in uniform without better pay scales. This bill attempts to address that problem, although military physicians will still be drawing considerably less money than their civilian counterparts.

For instance, even with the increases provided in S. 2770, senior captains, all majors, and very junior lieutenant colonels will still be paid approximately $10,000 less than their counterparts in civilian life.

This bill, however, will increase costs for military physicians by approximately $55 million per year in the time frame for which it will be effective, fiscal year 1975 through fiscal year 1979. With reference to the enlistment and reenlistment bonus bill, S. 2771, it will accomplish two goals, restructuring of the reenlistment bonus and expansion of the enlistment bonus programs.

Under present law all those who reenlist are paid a $2,000 bonus. This bill would allow selective payment of the reenlistment bonus and eliminate the requirement to pay all who would reenlist. The result is that the services would have more flexibility in using the reenlistment bonus and could thus use it more effectively. In fact, this change will result in considerable annual savings. It is estimated that these savings could amount to as much as $77 million annually by fiscal year 1979.

The enlistment bonus allowed by present law applies only to men enlisting in the combat arms for 4 years. However, due to shortages in other critical skill areas the committee has approved expansion of this authority, provided the enlistee agrees to serve 4 years in the Army, or 6 years in the Air Force or Navy.

This bonus will result in additional costs, ranging from $12.9 million in fiscal year 1974 to $85.3 million in fiscal year 1976. However, by retaining these men for longer enlistments the Defense Department feels money will be saved because of reduced turnover resulting from shorter enlistments and hopefully these men will make the military a career.

Mr. President, I urge favorable consideration of both these bills.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 615 and 635.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection it is so ordered.

SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON GOVERNMENT OPERATIONS

The resolution (S. Res. 215) authorizing supplemental expenditures by the Committee on Government Operations for inquiries and investigations by the Permanent Subcommittee on Investigations was considered and agreed to, as follows:

Resolved, That S. Res. 46, Ninety-third Congress, agreed to February 26, 1973, is amended as follows:

(1) In section 3 strike out "$1,930,000" and insert in lieu thereof "$1,956,000".

(2) In section 4(a) strike out "$980,000" and insert in lieu thereof "$1,006,000".

ARMED FORCES ENLISTED PERSONNEL BONUS REVISION ACT

The Senate proceeded to consider the bill (S. 2771) to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes which had been reported from the Committee on Armed Services with amendments on page 2, line 16, after the word "or", strike out "$15,000" and insert "$12,000"; on page 3, line 22, after the word "a" where it appears the first time, strike out "peirod" and insert "period"; in the same line, after the word "least", strike out "three" and insert "four"; and in line 24, after the word "least", strike out "three" and insert "four"; so as to make the bill read:

S. 2771

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Armed Forces Enlisted Personnel Bonus Revision Act of 1974".

SEC. 2. Chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 308 is amended to read as follows:

"§ 308. SPECIAL PAY: REENLISTMENT BONUS.

"(a) A member of a uniformed service who—

"(1) has completed at least twenty-one months of continuous active duty (other than for training) but not more than ten years of active duty;

"(2) is designated as having a critical military skill by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy;

"(3) is not receiving special pay under section 312a of this title; and

"(4) reenlists or voluntarily extends his enlistment in a regular component of the service concerned for a period of at least three years;

may be paid a bonus, not to exceed six months of the basic pay to which he was entitled at the time of his discharge or release, multiplied by the number of years, or the monthly fractions thereof, of additional obligated service, not to exceed six years, or $12,000, whichever is the lesser amount. Obligated service in excess of twelve years will not be used for bonus computation.

"(b) Bonus payments authorized under this section may be paid in either a lump sum or in installments.

"(c) For the purpose of computing the reenlistment bonus in the case of an officer with prior enlisted service who may be entitled to a bonus under subsection (a) of this section, the monthly basic pay of the grade in which he is enlisted, computed in accordance with his years of service computed under section 205 of this title, shall be used instead of the monthly basic pay to which he was entitled at the time of his release from active duty as an officer.

"(d) A member who voluntarily, or because of his misconduct, does not complete the term of enlistment for which a bonus was paid to him under this section shall refund that percentage of the bonus that the unexpired part of his enlistment is of the total enlistment period for which the bonus was paid.

"(e) This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction, and by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy.".

(2) Section 308a is amended to read as follows:

"§ 308a. SPECIAL PAY: ENLISTMENT BONUS.

"(a) Notwithstanding section 514(a) of title 10 or any other law, under regulations prescribed by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a person who enlists in an armed force for a *period* of at least *four* years in a skill designated as critical, or who extends his initial period of active duty in that armed force to a total of at least *four* years in a skill designated as critical, may be paid a bonus in an amount prescribed by the appropriate Secretary, but not more than $3,000. The bonus may be paid in a lump sum or in equal periodic installments, as determined by the appropriate Secretary.

"(b) Under regulations prescribed by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a person who voluntarily, or because of his misconduct, does not complete the term of enlistment for which a bonus was paid to him under this section shall refund that percentage of the bonus that the unexpired part of his enlistment is of the total enlistment period for which the bonus was paid.

"(c) No bonus shall be paid under this section with respect to any enlistment or extension of an initial period of active duty in the armed forces made after June 30, 1977.".

SEC. 3. Notwithstanding section 308 of title 37, United States Code, as amended by this Act, a member of a uniformed service on the day before the effective date of this Act, who would have been eligible, at the end of his current or subsequent enlistment, for the reenlistment bonus prescribed in section 308 (a) or (d) of that title, as it existed on the day before the effective date of this Act, shall continue to be eligible for the reenlistment bonus under that section as it existed on the day before the effective date of this Act. If a member is also eligible for the reenlistment bonus prescribed in that section as amended by this Act, he may elect to receive either one of those reenlistment bonuses. However, a member's eligibility under section 308 (a) or (d) of that title, as it existed on the day before the effective date of this Act, terminates when he has received a total of $2,000 in reenlistment bonus payments, received under either section 308 (a) or (d) of that title as it existed on the day before the effective date of this Act, or under section 308 of that title, as amended by this Act, or from a combination of both.

SEC. 4. The amendments made by this Act become effective on January 1, 1974.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Maine (Mr. HATHAWAY) be recognized to offer an amendment.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. HATHAWAY. Mr. President, I send my amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

In 10 USC, in subsections 4342 (e) (4), 6954 (a) (1), 6954 (a) (8), 6954 (b) (1), 6954 (c), 9342 (e) (4) strike "sons" and insert in lieu thereof, "children". In subsections 4342 (h), 9342 (d), and 9342 (h), strike "son" and insert in lieu thereof, "child." In subsections 6956 (d) (1) and 6956 (d) (2), strike "men" and insert in lieu thereof, "members". In subsection 6964 (e) strike "men" and insert in lieu thereof, "persons". Insert the following as subsections 4346 (e), 9346 (e), and 6958 (d):

"A female candidate for admission who is qualified to be trained in a skill or profession in which individuals of her sex are permitted to serve as commissioned officers in the armed forces of the United States shall not be ineligible for admission on account of sex, nor shall sex be grounds for the refusal of admission to the Academy.

Mr. HATHAWAY. Mr. President, the thrust of the amendment is to allow female candidates for admission to the military academies to be admitted. I think the amendment is completely in accord with the purpose of the bill itself.

One of the problems we have had with our All-Volunteer Army is the fact that not enough people have enlisted. This bill will provide a bonus for reenlistment. It has been suggested by many that we also induce women to enter the military services. It is completely in keeping with that idea also to admit them to the military academies.

After all, there are many women today already serving as officers in the WAVES, WACS, and WAFS. If the military feels that women are qualified to receive commissions and to serve their country as members of a particular branch of service, then certainly women are entitled to the same excellent officer training as men. And, of course, the best training available takes place at the military academies.

Mr. MANSFIELD. Mr. President, if the Senator from Maine will yield, I should like to be a cosponsor of his amendment. I am a little bit burned up about the admissions policy of some of the service academies. I nominated two women this year. They passed the examinations. They are entitled to entrance, otherwise they should be barred from taking the examinations in the first place.

Mr. HATHAWAY. Mr. President, I am happy to have the majority leader as a cosponsor.

Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of this amendment: Senators MANSFIELD, THURMOND, and JAVITS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I appointed the first girl to the Naval Academy. The Naval Academy successfully frustrated that appointment up to now, which has been about 2 years ago. I am delighted that the Senator from Maine has acted. I congratulate him, and am glad to be a cosponsor of his amendment.

Mr. STENNIS. Mr. President, I think the amendment is relevant to the bill and the problem the bill seeks to remedy. I would like to see the matter tried out. So far as being the manager of the bill is concerned, I am willing to take it to conference and we will see what we can do with it. If necessary, we can hold some hearings by our committee, or the subcommittee, before the conference is held.

Mr. THURMOND. Mr. President, we have removed all vestiges of discrimination against women in almost every field. I, therefore, see no reason why we should not do it in the military field. Certainly there must be some women, somewhere in this land, who are very able and will make splendid military personnel. I am pleased to be a cosponsor of the amendment.

Mr. MANSFIELD. Mr. President, I have not given up on the appointment which I have made. This appointment was confirmed on the basis of high enough grades in taking the examination. It is about time this matter came to a head. If we believe in the equality of women, we should act that way. Women are entitled to entrance to the military academies if they desire to do so and if they qualify.

Mr. JAVITS. Mr. President, I am about to appoint—I have already interviewed her—another girl and will try another test of strength with the Naval Academy.

I have had extensive correspondence with the Naval Academy on what they claim was a proper legal basis for rejecting my nominee, a conclusion with which I thoroughly disagree. We are not trying to make girls line officers, but simply to give them the right to be admitted for duty with the Navy for which they are completely capable.

Mr. MANSFIELD. It is just not the Navy, but all the service academies.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. STENNIS. Mr. President, S. 2771 provides basically for a revision of existing reenlistment bonus authority, at considerable savings in future years, and an expansion of current enlistment bonus authority, currently used only for enlistments in the combat arms. Again, the Administration has indicated that this is a high-priority bill whose passage would help considerably in promoting the success of the All-Volunteer Force.

PRINCIPAL FEATURES OF S. 2771

Mr. President, the first major provision of S. 2771 provides for a restructuring of the services current reenlistment bonus authority.

Existing law provides a regular reenlistment bonus of $2,000 for all reenlistments regardless of skill areas and a variable reenlistment bonus of up to $8,000 for reenlistment in critical skill areas only. A maximum of $10,000 is allowed in reenlistment bonuses over a career.

The bill modifies existing law by allowing up to $12,000 in a selective reenlistment bonus for reenlistment in critical skills only and repeals the regular reenlistment bonus of $2,000 for new entrants.

CONSIDERABLE SAVINGS FROM RESTRUCTURING THE REENLISTMENT BONUS AUTHORITY

There are significant savings resulting from eliminating the use of the regular reenlistment bonus of $2,000. Current law requires it be paid to an individual when he reenlists whether he is in an over- or under-manned skill. The Department of Defense estimates that in fiscal year 1973 they paid $43.5 million in regular reenlistment bonuses in skill areas that could have been filled without use of the bonus.

In fact, elimination of the regular reenlistment bonus will result in an annual savings in fiscal year 1979 of $77.4 million.

NEW REENLISTMENT BONUS OF $12,000

The committee reduced the reenlistment bonus authority in the original bill from $15,000 down to $12,000. The current law provides a maximum bonus of $10,000 over a career. The committee felt it wise to increase the bonus authority to $12,000 to provide flexibility in administering the reenlistment bonus and also to allow for increases in inflation in future years.

In summary, Mr. President, this restructuring of the reenlistment bonus system makes much more efficient use of reenlistment dollars with considerable savings in future years.

THE EXPANSION OF THE ENLISTMENT BONUS AUTHORITY

The second major feature of S. 2771 provides for an expansion of the current enlistment bonus authority. Existing law grants authority to pay up to $3,000 for an enlistment of at least 3 years in the combat arms, that is, infantry, armor, and artillery in the Army and Marine Corps.

The bill would expand existing law to use the current enlistment bonus authority of up to $3,000 for an enlistment of 4 years in any critical skill in any service.

PROJECTED CRITICAL SKILL ENLISTMENT SHORTAGE

Currently the services are experiencing critical skill enlistment shortages in various areas such as electronic equipment repairman, mechanical repairman, communications, and intelligence specialists and the like. The services have estimated that without the expanded use of the enlisted bonus that they will fall critically short in these enlistment areas.

SUCCESS OF THE COMBAT ARMS ENLISTMENT BONUS

The Department of Defense has testified that the combat arms enlistment bonus has been an unqualified success. Currently the Department is using the combat arms enlistment bonus at the $2,500 level for a 4-year enlistment. Mr. President, I request unanimous consent at this time to have inserted in the RECORD a table which shows the activity of the combat arms enlisted bonus for comparable bonus and nonbonus periods.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXPANDED ENLISTMENT BONUS TEST RESULTS VERSUS COMPARABLE NONBONUS PERIOD (ARMY ONLY)

Specialty	Enlisted for specialty (percent)	
	May–June 1972[1]	May–June 1973[2]
Radio teletype operator	30	60
Pershing missile crewman	7	56
Air defense artillery operations/intelligence specialist	7	107
Defense acquisition radar	10	59
Pershing electronics material specialist	25	87
Pershing guidance/control repairman	0	113
Hawk missile launcher repairman	3	105
Weapons support radar repairman	0	125
Ground control approach radar repairman	29	100
Wire guided missile system repairman	3	64
Shillelagh missile system repairman	0	92
Radio relay/carrier attendant	45	49
Special electronics device repairman	15	107
Tank turret repairman	48	108
Artillery repairman	3	75
Nuclear weapons maintenance specialist	3	106
Artillery surveyor	5	73

[1] No bonus authorized for this period.

[2] A bonus of $2,500 for a 4-year enlistment was authorized for this period.

Mr. STENNIS. For example, during May and June of 1972 the Army got 29 percent of their ground control approach radar repairmen and 100 percent during May and June 1973 when the bonus was in effect.

I think there is little question that judicious use of the bonus has had a significant effect on enlistments in critical skill areas. The enlistment bonus authority under the bill would expand the current combat arms enlistment bonus by providing a bonus of up to $3,000 for a 4-year enlistment in any critical skill area. The Department states that the initial bonus amount would be limited to $2,000, with the exception of $2,500 for the combat arms bonus, for terms of enlistment of 4 years in the Army and Marine Corps, at least 4 years in the Navy, and 6 years in the Air Force. The bonus will also be limited to those in mental categories I, II, and III—category IV is the lowest—on the Armed Forces qualification test, and for the most part to high school graduates.

COST OF THE ENLISTMENT BONUS

The committee report on S. 2771 provides examples of training cost savings resulting from use of the bonus. This comes about because the bonus requires longer enlistments than otherwise would be the case by spreading training costs over longer periods.

The additional cost of the enlistment bonus for fiscal year 1974, assuming a January 1, 1974 implementation date is $12.9 million increasing to $85.3 million in fiscal year 1976. These additional costs do not reflect, however, any training savings resulting from use of the bonus.

CLOSING

In summary, Mr. President, I urge prompt action on bills S. 2770 and S. 2771. I believe enactment of this legislation will provide significant help to the Department of Defense in making the all-volunteer force a success.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2771

An act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the armed forces, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress, assembled, That this Act may be cited as the "Armed Forces Enlisted Personnel Bonus Revision Act of 1974".

SEC. 2. Chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 308 is amended to read as follows:

"§ 308. Special pay: reenlistment bonus

"(a) A member of a uniformed service who—

"(1) has completed at least twenty-one months of continuous active duty (other than for training) but not more than ten years of active duty;

"(2) is designated as having a critical military skill by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy;

"(3) is not receiving special pay under section 312a of this title; and

"(4) reenlists or voluntarily extends his enlistment in a regular component of the service concerned for a period of at least three years;

may be paid a bonus, not to exceed six months of the basic pay to which he was entitled at the time of his discharge or release, multipled by the number of years, or the monthly fractions thereof, of additional obligated service, not to exceed six years, or $12,000, whichever is the lesser amount. Obligated service in excess of twelve years will not be used for bonus computation.

"(b) Bonus payments authorized under this section may be paid in either a lump sum or in installments.

"(c) For the purpose of computing the reenlistment bonus in the case of an officer with prior enlisted service who may be entitled to a bonus under subsection (a) of this section, the monthly basic pay of the grade in which he is enlisted, computed in accordance with his years of service computed under section 205 of this title, shall be used instead of the monthly basic pay to which he was entitled at the time of his release from active duty as an officer.

"(d) A member who voluntarily, or because of his misconduct, does not complete the term of enlistment for which a bonus was paid to him under this section shall refund that percentage of the bonus that the unexpired part of his enlistment is of the total enlistment period for which the bonus was paid.

"(e) This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction, and by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy.".

(2) Section 308a is amended to read as follows:

"§ 308a. Special pay: enlistment bonus

"(a) Notwithstanding section 514(a) of title 10 or any other law, under regulations prescribed by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a person who enlists in an armed force for a period of at least four years in a skill designated as critical, or who extends his initial period of active duty in that armed force to a total of at least four years in a skill designated as critical, may be paid a bonus in an amount prescribed by the appropriate Secretary, but not more than $3,000. The bonus may be paid in a lump sum or in equal periodic installments, as determined by the appropriate Secretary.

"(b) Under regulations prescribed by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a person who voluntarily, or because of his misconduct, does not complete the term of enlistment for which a bonus was paid to him under this section shall refund that percentage of the bonus that the unexpired part of his enlistment is of the total enlistment period for which the bonus was paid.

"(c) No bonus shall be paid under this section with respect to any enlistment or extension of an initial period of active duty in the armed forces made after June 30, 1977".

Sec. 3. Notwithstanding section 308 of title 37, United States Code, as amended by this Act, a member of a uniformed service on active duty on the effective date of this Act, who would have been eligible, at the end of his current or subsequent enlistment, for the reenlistment bonus prescribed in section 308 (a) or (d) of that title, as it existed on the day before the effective date of this Act, shall continue to be eligible for the reenlistment bonus under that section as it existed on the day before the effective date of this Act. If a member is also eligible for the reenlistment bonus prescribed in that section as amended by this Act, he may elect to receive either one of those reenlistment bonuses. However, a member's eligibility under section 308 (a) or (d) of that title, as it existed on the day before the effective date of this Act, terminates when he has received a total of $2,000 in reenlistment bonus payments, received under either section 308 (a) or (d) of that title as it existed on the day before the effective date of this Act, or under section 308 of that title, as amended by this Act, or from a combination of both.

Sec. 4. The amendments made by this Act become effective on January 1, 1974.

Sec. 5. In 10 U.S.C., in subsections 4342(e) (4), 6954(a)(1), 6954(a)(8), 6954(b)(1), 6954(c), 9342(e)(4) strike "sons" and insert in lieu thereof, "children". In subsections 4342(h), 9342(d), and 9342(h) strike "son" and insert in lieu thereof, "child". In subsections 6956(d)(1) and 6956(d)(2) strike "men" and insert in lieu thereof, "members". In subsection 6964(e) strike 'men" and insert in lieu thereof. "persons". Insert the following as subsections 4346(e), 9346(e), and 6958(d): "A female candidate for admission who is qualified to be trained in a skill or profession in which individuals of her sex are permitted to serve as commissioned officers in the armed forces of the United States shall not be ineligible for admission on account of sex, nor shall sex be grounds for the refusal of admission to the Academy".

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask consent that the Senate proceed to the consideration of Calendar Nos. 614 and 620.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON COMMERCE

The resolution (S. Res. 216) authorizing supplemental expenditures by the Committee on Commerce for inquiries and investigations was considered and agreed to, as follows:

Resolved, That section 2 of S. Res. 45, Ninety-third Congress, agreed to March 15, 1973, as amended, is amended by striking out "$1,300,000" and inserting in lieu thereof "$1,375,000".

SUPPLEMENTAL EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING

The resolution (S. Res. 214), authorizing supplemental expenditures by the Committee on Aging for inquiries and investigations was considered and agreed to as follows:

Resolved, That section 4 of Senate Resolution 51, Ninety-third Congress, agreed to February 22, 1973, is amended by striking out "$375,000" and inserting in lieu thereof "$411,000".

The title was amended, so as to read: "Resolution authorizing supplemental expenditures by the Special Committee on Aging for inquiries and investigations".

HOUSE JOINT RESOLUTION 858—TO PROVIDE FOR THE ESTABLISHMENT OF THE LYNDON BAINES JOHNSON MEMORIAL GROVE ON THE POTOMAC

Mr. BENTSEN. Mr. President, the Committee on Rules and Administration has reported this morning Senate Joint Resolution 178 which provides for a Lyndon B. Johnson Memorial Grove on the Potomac and which I introduced along with Senators AIKEN, HUMPHREY and GOLDWATER on December 6.

The members of the Committee on Rules and Administration have agreed to report this measure before the Congress adjourns for this session and I know the proponents of the L.B.J. Memorial Grove are deeply grateful for the committee's speedy consideration of this measure.

The House has passed a companion measure with minor differences from the Senate bill and in order to avoid the necessity for a conference on the different versions I now ask unanimous consent that the Committee on Rules and Administration be discharged from further consideration of House Joint Resolution 858 and that the Senate proceed to its immediate consideration.

Mr. President, President Johnson had his bedrock in Texas, but a great deal of his life was spent here on the banks of the Potomac.

His work here spanned more than a generation, and he left his mark on the institutions of our Government, particularly this body which he loved so well.

The joint resolution we are considering today will not cost the public a cent, but it will give to the people a living memorial to a man who shared so much of their lives through his public work. It would be another addition to the beautification of the National Capital which was of such concern to his wife and which had his full support. The Johnson Memorial Grove would be located in the Lady Bird Johnson Park which borders the Potomac River and which offers a scenic view of the city. Plans for the grove call for an elevated area in the center of the grove, perhaps containing a statue or other memorial to the President and encompassed by a grove of trees which will provide a perfect natural setting for this simple tribute to our former President.

This project has been approved by Mrs. Johnson and will, no doubt, bear the tasteful influence of her personal involvement. The friends of the late President are all in accord in this proposed tribute, and I hope that the Senate will act with dispatch to clear the way for this living memorial to a man who gave us all so much.

In closing, let me thank the members of the Committee on Rules and Administration once again for their expeditious handling of this proposal.

Mr. President, I ask unanimous consent that the Committee on Rules and Administration be discharged from further consideration of House Joint Resolution 858 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

H.J. Res. 858. A joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac.

The PRESIDING OFFICER. Is there objection to the requests of the Senator from Texas? The Chair hears none, and it is so ordered.

Accordingly, the joint resolution (H.J.

Res. 858) was considered, ordered to a third reading, read the third time, and passed.

Mr. BENTSEN. Mr. President, I ask unanimous consent that consideration of Senate Joint Resolution 178 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS SCHEDULE

Mr. MANSFIELD. Mr. President, the distinguished Republican leader and I have been working on a recess schedule for next year, up to and including the Fourth of July recess. We have also met with the assistant leaders, and together the joint leadership—all four of us— are recommending to the Senate that the recess periods for next year be as follows:

First, when the Senate adjourns sine die this weekend, hopefully, we will not return until Monday, January 21.

In February, the Senate would recess at the close of business on Friday, February 8, to and including Sunday, February 17. The Senate would return at noon on Monday.

In March, the Senate would take off the 15th, 16th, 17th, and 18th, which would be at the conclusion of business on Thursday, the 14th of March. The Senate would return at noon on Tuesday, the 19th of March.

In April, the Senate would stand in recess from the conclusion of business on Friday, April 12, until noon on Monday, April 22.

In May, the Senate would stand in recess at the conclusion of business on Thursday, May 23, until noon on Tuesday, May 28.

In June and July, the Senate would stand in recess from the conclusion of business on Friday, June 28, up to and including Sunday, July 7. The Senate would return at 12 noon on Monday, July 8.

Mr. HUGH SCOTT. Mr. President, if the distinguished majority leader will yield, as he has stated, we have discussed this—the four of us—and we have received the benefit of the views of a large number of Members of the Senate regarding recess schedules generally from time to time. They have been discussed in our conferences, and the present recess schedule involves the addition of about 5 legislative days to the usual, normal recess schedule, the purpose being to provide a long weekend in certain months in which there are no recesses for holiday purposes, and in order that Senators may make plans to return to their districts and make speaking engagements without having to cancel them, since the average Senator cancels about as many engagements as he keeps, under the present situation.

Therefore, it seems to me a very wise expedient to provide certain specific days, in the sincere hope that Senators will do their best to be present on the days on which work is scheduled, so that we may more expeditiously accomplish the business.

With that in mind, I think the distinguished majority leader has a further report to make, as a result of his conference with his party, a report with which I am in accord.

Mr. MANSFIELD. May I say, before we get to the point of the Senator's question, that it would be the position of the joint leadership—all four of us—to get together sometimes in April or May to consider recesses for the remainder of the year. But until that time, this is the best the joint leadership can do in making this announcement to the Senate, and notices to this effect will be sent to all Members by the joint leadership.

When this question was raised in the Democratic policy committee yesterday, this proposal of the joint leadership carried by a very narrow majority—that is, in the beginning. In the end, it was agreed to unanimously by the policy committee.

However, the policy committee laid down certain stipulations; and in response to the question raised by the distinguished Republican leader, I should like to call upon the distinguished assistant majority leader at this time to state what those proposals were.

Mr. ROBERT C. BYRD. I thank the distinguished majority leader.

Before I state the proposals to which the distinguished majority leader has alluded, I ask unanimous consent to have printed at this point in the RECORD a table of the recesses, excluding Saturdays and Sundays that have been had this year.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

RECESSES, EXCLUDING SATURDAYS AND SUNDAYS

Adjourn from—	
Thurs., Jan. 4–Sat., Jan. 6	1
Sat., Jan. 6–Tues., Jan. 9	1
Tues., Jan. 9–Thurs., Jan. 11	1
Fri., Jan. 12–Tues., Jan. 16	1
Tues., Jan. 16–Thurs., Jan. 18	1
Thurs., Jan. 18–Sat., Jan. 20	1
Sat., Jan. 20–Tues., Jan. 23	1
Wed., Jan. 24–Fri., Jan. 26	1
Mon., Jan. 29–Wed., Jan. 31	1
Lincoln's Birthday: Thurs., Feb. 8–Thurs., Feb. 15	3
Thurs., Feb. 15–Mon., Feb. 19	1
Thurs., Feb. 22–Mon., Feb. 26	1
Fri., Mar. 2–Tues., Mar. 6	1
Tues., Mar. 6–Thurs., Mar. 8	1
Thurs., Mar. 8–Mon., Mar. 12	1
Thurs., Mar. 15–Mon., Mar. 19	1
Tues., Mar. 20–Thurs., Mar. 22	1
Thurs., Mar. 22–Mon., Feb. 26	1
Thurs., Mar. 29–Mon., Apr. 2	1
Fri., Apr. 6–Tues., Apr. 10	1
Easter: Wed., Apr. 18–Mon., Apr. 30	7
Thurs., May 3–Mon., May 7	1
Thurs., May 10–Mon., May 14	1
Thurs., May 17–Mon., May 21	1
Memorial Day: Wed., May 23–Tues., May 29	2
Independence Day: Sat., June 30–Mon., July 9	4
Summer recess: Fri., Aug. 3–Wed., Sept. 5	21
Thurs., Sept. 13–Mon., Sept. 17	1
Thurs., Oct. 4–Mon., Oct. 8	1
Sat., Oct. 13–Tues., Oct. 16	1
Tues., Oct. 16–Thurs., Oct. 18	1
Veterans' Day: Thurs., Oct. 18–Tues., Oct. 23	1
Tues., Oct. 23–Fri., Oct. 26	2
Fri., Oct. 26–Tues., Oct. 30	1
Tues., Oct. 30–Fri., Nov. 2	2
Mon., Nov. 5–Wed., Nov. 7	1
Wed., Nov. 7–Fri., Nov. 9	1
Fri., Nov. 9–Tues., Nov. 13	1
Thanksgiving: Wed., Nov. 21–Mon., Nov. 26	1
Total days in recess (adjournment) *	73
Total for holiday recesses and summer recess	39
Total miscellaneous recesses	34

Saturdays worked (8): January 6; January 20; June 30; July 14; July 28; September 22; October 13; and December 1.

Sunday worked (1): December 2.

* Excluding Saturdays, Sundays, and national holidays.

Mr. ROBERT C. BYRD. This table would show, I believe, that the Senate this year has taken a recess of 1 week for the Lincoln birthday holiday, 1 week for the Easter recess, 1 week for the Independence Day recess, and 1 month for the August recess, and that there have been a total of 73 days during the year in which the Senate has been in recess, not counting the Saturdays and Sundays. For holiday recesses and the summer recess, there were 39 days. Total miscellaneous recesses numbered 34 days.

As to the proposals that were unanimously agreed to in the Senate Democratic policy committee, they are as follows:

One. Once a measure or nomination is placed on the Senate calendars, no "hold" will be honored for more than 3 days of session, unless it is a committee "hold." In other words, a "hold" placed by an individual or a group of individuals—not representing a committee position—will not be obligatory on the leadership for more than 3 days, once a measure or nomination is placed on the legislative or executive calendars.

Mr. HUGH SCOTT. Before the Senator continues, would the Senator rather finish, or shall I interrupt?

Mr. ROBERT C. BYRD. The Senator may interrupt.

Mr. HUGH SCOTT. I thank the distinguished Senator.

In this matter of "holds," committee "holds," for the purpose of clarifying it and to have some legislative history, it would be my understanding that a committee "hold" is distinguished from the individual member of the committee, in the first place.

Mr. ROBERT C. BYRD. Exactly.

Mr. HUGH SCOTT. Second, the committee "hold" should, according to custom, be a notice from either the chairman or the ranking minority member, so that it would be representative of the views of one side or the other or of the whole committee. Would that be correct?

Mr. ROBERT C. BYRD. In order to be representative of the views of the whole committee.

Mr. HUGH SCOTT. And not necessarily unanimously.

Mr. ROBERT C. BYRD. The thing I hope we could avoid is the bringing of pressure by committee members on the ranking minority member or committee chairman to place the "hold" for them, which "hold" would not otherwise lie, if lodged by an individual member for more than 3 days.

Mr. HUGH SCOTT. That is why I think it should represent the will of the committee or the substantial will of the committee, rather than the intervention of a single Senator for the purpose of urging individual Senators to do what they might not prefer to do. We are trying to avoid having "holds" beyond 3 days. Is that the intent?

Mr. ROBERT C. BYRD. That it represents the viewpoint of at least a majority of the members of the committee.

Mr. HUGH SCOTT. The majority.

Mr. ROBERT C. BYRD. On occasion I have gone to a Senator to ask about a "hold" on a bill only to find that the Senator knew nothing about it; that, indeed, it was a staff member who had placed a "hold" on the bill on behalf of the Senator, and the Senator was entirely unaware of it.

Mr. HUGH SCOTT. Mr. President, will the Senator yield further?

Mr. ROBERT C. BYRD. I yield.

Mr. HUGH SCOTT. The individual Senator has the right under the rules, as I understand them, to request a "hold" for not more than 3 days, and all we are doing here is applying the rules of the Senate. It that the case?

Mr. ROBERT C. BYRD. No, there is no rule of the Senate on "holds," but there has been a practice of honoring them.

Mr. HUGH SCOTT. A practice in the Senate that "holds" will be honored for 3 days. But there is a statute that a 3-day notice on bills can only be waived by the majority leader and the minority leader. Is that correct?

Mr. ROBERT C. BYRD. That is correct, but that is entirely different from the situation involving a "hold." The leadership here is trying to get away from having to honor a "hold" on a bill, sometimes the "hold" being insisted upon for a week, 2 weeks, 3 weeks, a month, or 6 weeks; and in order to expedite the legislative process, it was thought by the policy committee, if we could have an understanding, that hereafter a "hold" placed by any individual or any group of Senators would not be recognized longer than 3 days, it would be helpful.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. There is still one problem that is not dealt with, and that is the problem of the minority of a committee. The ranking member on our side has to think about that, and for this reason. If a minority of the committee wishes to make some determined opposition to action of the majority, it needs an opportunity to do that, and it cannot be rushed. This does not mean an inordinate time but an intermediate time. Therefore, I respectfully suggest to the leadership that they deal with that problem, perhaps not this minute or today, but it is a problem.

I say that as a ranking member of a number of committees where occasionally we get very hot issues. I would like to give an example. On the minimum wage bill a minority of the minority had its own bill and this presented quite a problem to the minority itself. So I would suggest a longer period.

As there is no specified period for a committee, suppose a majority of the committee wants to hold the bill for 4 months, 6 months, or a year. Obviously that is not what is contemplated. Finally, there should be an understanding of a minority that wants to be organized as a minority.

Mr. MANSFIELD. Mr. President, if the Senator will yield, some consideration should be given to the Senate and the leadership. If we are going to operate on the basis of this kind of recess schedule, we will have to tighten up the procedure under which we operate.

For example, the first bill on the calendar, Calendar No. 29, S. 22, was reported on February 15. It still has a hold on it. This is outrageous and the committee should not report a bill unless they intend to act on it. In other words, they should not report it out of committee just to help out a Member back home. If a committee reports a bill, it should be considered and not held up and delayed. As a general rule, we like this sort of procedure.

Mr. JAVITS. I thoroughly agree with the leader. I am suggesting that if we are trying to codify this situation, this is an added matter to which the leadership should give consideration.

Mr. ROBERT C. BYRD. The problem arises out of a definition of minority, and whether it is a minority of one, two, or three or more.

Mr. JAVITS. It means the minority of the committee. I gather that when the Senator says "committee hold," he means the committee that reported the bill, or another committee that says it has a direct interest. When I speak of minority I mean the minority on a legislative committee in toto, and the leadership will have to think through what that means, however they want to do it.

Mr. ROBERT C. BYRD. I am sure the leadership is going to be reasonable at all times but it is recognized we are going to have to have some standard around which we can rally in order to prevent a small minority—often only one Senator—from holding up a nomination or bill, thus frustrating the leadership and obstructing the legislative process.

Mr. JAVITS. I agree.

Mr. ROBERT C. BYRD. Of course, the minority always has the rules of the Senate for protection and they can rely on the rules which provide for extended debate.

Mr. JAVITS. When the Senator speaks of majority, I am enough of a lawyer to know that many people who holler are those whose ox is being gored. But the Democrats on a committee can also take the bit in their teeth. I only suggest that the other side of the point be considered, and that is the rights of the total minority of the committee.

Mr. MANSFIELD. The Senator has a good argument. I do not want to be unfair and we will not impinge in any way, shape, or form on the rights of the minority any more than we would expect them to impinge on our rights if we were the minority.

Mr. HUGH SCOTT. Mr. President, will the Senator yield to clarify another point?

Mr. ROBERT C. BYRD. I yield.

Mr. HUGH SCOTT. Under our precedents as written in the books we have long permitted a hold by a Senator or Senators from a State on positions, duties, or nominations, wherein duties of the office are confined entirely within the boundaries of the State. Those are holds most often from the Committee on the Judiciary. I assume that precedent will still obtain, which is known as congressional courtesy or something of the sort. In any event, we have sought to protect Senators in that regard.

Mr. ROBERT C. BYRD. The distinguished Republican leader is correct and that would be the intention of the leadership on this side of the aisle, speaking on behalf of the majority leader and myself—not to impinge on that rule of Senatorial courtesy.

Mr. MANSFIELD. Correct.

Mr. ROBERT C. BYRD. No. 2. The leadership is not to be under an obligation to avoid scheduling matters merely to accommodate a Senator or Senators who want to vote thereon or who have amendments or motions in relation thereto, but who cannot be present for the offering of such. Such amendments and motions can be offered by other Senators on behalf of the absent Member.

Mr. HUGH SCOTT. I think that is an excellent provision. We all know what occasions difficulties in scheduling legislation, and that is the engagements of Senators away from Washington.

I do not want to be partial about it, because we have all had occasion to be away from the Senate for manifold reasons, but, for example, if some Senator has taken on the commitment to make a speech for an honorarium 2,000 miles away or 500 miles away and an important measure is coming up in which he is interested, I think he has to make a choice between his personal desires to fulfill the engagement and his obligation as a Senator to be here and vote, or take the risk for not being here.

I am bringing up this point because, if we leave it too general, and if Senators do not read the RECORD, it may escape their attention the point we are making. But I think the leaders should maintain their position that, having enabled Senators to take this special recess, having enabled Senators to be solicited to make speeches, a Senator knows what days we are not going to be here and what days we are going to be here, and if he makes an engagement—indeed, I must apply this to myself—he will have received the choice of being impaled on the horns of a dilemma—personal desire or personal interest on one hand and Senate obligation on the other.

I think we ought to lay it on the line here that we are going to have to live up to what we undertake to do. If Senators want this recess to "hold," then Senators ought to be here, or take the burden that comes from not being here.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I yield.

Mr. PASTORE. I would hope we would not send the word abroad that this recess period is being used for the purposes of Senators making speeches for honorariums.

Mr. HUGH SCOTT. I think that is very rare as compared to other engagements.

Mr. PASTORE. The point I want to make is that we are living in very troubled times and we need to know what people back home feel and what their problems are. I think the time has come, if this is going to be a job around the calendar—and surely it is—that we ought to be given a respite once in a while, not a vacation, but merely an opportunity to go back and serve our constituents, to learn what is going on back home; that we use it for that purpose and to make speeches in our State. That was the discussion in the policy committee.

I would hope that this would not be interpreted as being a vacation, because some of us when we go home work much harder than when we are here. That is part of our job—to respond to many people. I get letters every day asking, "When are you going to be home, Mr. PASTORE? I want to see you. I want to talk over a problem with you." This will be useful for that purpose.

Mr. MANSFIELD. Mr. President, if the Senator will yield briefly, that was gone into quite extensively in the policy committee. The main purpose of these additional days was to give Senators a chance to go home and meet their own people. Some of us come from big States. Some of us find it hard to get there. I would say it is even harder for the joint leadership. This would give us a chance to go home, not as a vacation, because home is not a vacation land any more. The people want to see us. They want to talk to us. They want to get our views. They are going to find us one way or the other, which is all right. We want to give Senators a chance to schedule ahead so they can go home and meet their people.

Mr. HUGH SCOTT. It is my observation, if the Senator will yield, that Senators work much harder at home than they do here, because it is a day and night job. People will embrace you on the streets, in their homes, at their meetings where one goes, and one is not only operating as a service agency but he is also maintaining a sort of walking Gallup poll.

I think it was Anteas who found every time he touched the Earth, his strength increased tenfold. When we touch the native soil, we find added strength.

Mr. MANSFIELD. I recall one time when I was down in the Big Hole Basin in Montana. I was about 50 miles from a phone, but some Montanans I know were looking for me to talk to me. They found me then on another occasion, I was in Carter County. I left Ekalaka to go across the road—75 miles—it was not much of a road—to Boyd, and there was a car behind me. I saw the dust all the way. I wondered why the car was going so fast and staying so close. When I stopped for gas—you could get gas in those days—this car stopped. They said:

> We have been following you from Alzada to Ekalaka and down to Boyd. We've covered 175 miles trying to reach you. We want you to get some rural telephones for us.

I said:

> If you have come this far and chased me that distance, if it's the last thing I do I will get the telephones.

They did, but it was 3 years later.

Mr. HUGH SCOTT. The Senator makes an interesting point.

Mr. ROBERT C. BYRD. May I say to the Republican leader that his interpretation of the intent of this proposal, as he explained it just prior to the interjection by the Senator from Rhode Island (Mr. PASTORE), precisely stated the intent of the proposal.

So often the leadership, in an attempt to get a unanimous-consent agreement, has been told that a Senator was away from the Senate for 2 or 3 days or the rest of the week on a speaking engagement, and he had an amendment to the bill. Consequently, we could not take that measure up. It is to avoid that kind of burden on the leadership, that the proposal is offered, so that in the future, if a Senator has amendments and he is away, he can get someone else to offer the amendments, and the leadership on both sides of the aisle cannot be thus prevented from expediting the legislative process, and will not be asked to wait for a Senator, who wants to vote on the bill or offer an amendment, to get back into town before the Senate can take up the matter and dispose of it.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield further—and I will not detain him needlessly—we have often had meetings in the cloakroom with six or eight Senators in an attempt to fix a time limitation on a bill, and we may be delayed as much as 2 weeks in bringing the bill up because among the six or eight Senators, one will say, "I cannot be here Monday." One will say "Tuesday." And it runs the gamut until there is no day on which we can have a limitation.

Mr. ROBERT C. BYRD. Yes, and the third one is in Africa or Asia, and the fourth one has present a staff member who says the Senator is away.

Mr. HUGH SCOTT. Or, as the Senator from Rhode Island says, he is more apt to be home.

Mr. ROBERT C. BYRD. Yes.

Mr. NELSON subsequently said: Mr. President, may I ask two questions respecting the rules that were just being discussed? The distinguished Senator from West Virginia stated that a Member may file a "hold" for not to exceed 3 days. Once that happens by any Member, does that exhaust the right of all other 99 Members to file "holds," or can successive "holds" be filed for 3 days?

Then the second question——

Mr. ROBERT C. BYRD. If the Senator will withhold that, I think the intent of the rule is that the initial "hold" exhausts, as far as the leadership is concerned, the right of any other Member to place a further "hold" on the bill, because otherwise the intent of the proposal could be gotten around by a successive number of Senators placing successive holds on a measure.

Mr. NELSON. Mr. President, when the distinguished Senator refers to the right of a committee to file a hold, which I interpret to be indefinitely, does that apply only to legislation that came out of that respective committee, or does it apply to legislation that may come from any committee?

Mr. ROBERT C. BYRD. Mr. President, if I may have the attention of the distinguished majority leader on this matter, because I want to know if he joins me in this feeling, I imagine that this is something that the leadership would have to determine based on each situation as it arises.

There are difficult jurisdictional problems that seem to be increasing around here. It may very well be that the leadership on both sides of the aisle, certainly if the committee of original jurisdiction had already released its hold on the bill, would want, depending upon the circumstances involved, to at least consider the request of another committee for a second "hold" if there were a serious jurisdictional question. Otherwise, it should only be legitimate if filed by the committee that reported the bill.

Mr. HUGH SCOTT. Mr. President, I would think that the intent here would be that the hold be placed by the committee having the bill. However, in the event of a jurisdictional dispute, it may come from a committee contesting jurisdiction or asking for coordinate or collateral jurisdiction for the purpose of considering the same bill.

Mr. MANSFIELD. Mr. President, I will agree with what the two leaders have just said. I can see things like that happening. Four committees here claim jurisdiction over environmental affairs. If a bill were reported out by a committee and another committee said that it had some jurisdictional authority over it, the leadership would give that committee's request fair consideration. We think that is the only way in which to do it.

Mr. NELSON. It would concern me if a committee could by majority action, or whatever the rule might be, put a hold on any kind of legislation unrelated to any jurisdiction it has.

Mr. MANSFIELD. No. There would have to be a relationship.

Mr. HUGH SCOTT. Mr. President, it reminds me of the words of a poem which go as follows:

> Seven cities warred for Homer being dead;
> Who living had no roofe to shroud his head.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S.J. Res. 182) extending the dates for the transmission of the 1974 Economic Report and the report of the Joint Economic Committee.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 8529) to implement the shrimp-fishing agreement with Brazil.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11771) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 36, 37, 44, 48, and 51 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 15, 38, 53, and 54 to the bill and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1983) to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes.

NATIONAL FLOOD INSURANCE PROGRAM

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate the message from the House on H.R. 8449.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

> *Resolved*, That the House agree to the amendment of the Senate to the bill (H.R. 8449) entitled "An Act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes", with the following amendment:
>
> Strike out title III of the Senate engrossed amendment in the nature of a substitute.

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate.

The motion was agreed to.

MANPOWER DEVELOPMENT AND TRAINING ACT OF 1973—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on S. 1559, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DOMENICI). The report will be stated by title.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 1559) to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 18, 1973, at pp. 42206–42220.)

Mr. NELSON. Mr. President, the conference report on the Comprehensive Employment and Training Act of 1973 passed the House of Representatives today by a vote of 330 to 33.

The conferees for the House unanimously signed the conference report. The conferees for the Senate unanimously signed the conference report. So far as I know, there is no significant dispute on the adoption of this conference report.

Mr. President, the conference report on the Comprehensive Employment and Training Act of 1973 now before the Senate is the culmination of nearly 4½ years of effort on the part of both Houses of the Congress and of the administration to reach an agreement on comprehensive job training and employment legislation.

It has been a bipartisan effort to achieve responsible legislation for turning the basic responsibility for operating job training programs over to State and local governments. I believe that this is legislation of which we can be justifiably proud.

This comprehensive manpower legislation is a major step forward because it takes the Nation's job training programs out of the redtape of the Federal bureaucracy and turns these responsibilities over to State and local governments, which understand best how to meet the needs of their own people. With State and local governments that know their own situations best now in charge, manpower programs around the country are bound to improve.

On July 24, the Senate passed the job training legislation which is the basis of this conference agreement. In the Labor and Public Welfare Committee, we developed a bill which received broad support all over the Nation, in large part because it provided substantial roles for State and local governments. This support led to the action of the Senate passing the bill by an overwhelming vote of 88–5 without amendment.

In the past few months, there has been substantial consultation between the Congress and the executive branch on an acceptable bill. On the basis of those discussions, the House of Representatives passed its version of the manpower bill on November 28.

PUBLIC SERVICE EMPLOYMENT

One of the principal issues between Congress and the executive branch was public service employment. The Senate passed a separate piece of legislation extending the Emergency Employment Act of 1971, at the previous authorization level of $1,250,000,000. That bill, the Emergency Employment Amendments of 1971, passed the Senate on July 31 by a vote of 74 to 21. Under the nationwide program, some 200,000 jobs could be provided so long as the nationwide rate of unemployment remains above 4½ percent.

The House did not proceed to act on the Emergency Employment Amendments of 1973, because the administration opposed extending the nationwide public service employment program.

During the past few months, the House Education and Labor Committee—both Democrats and Republicans—developed a bipartisan compromise, merging into the comprehensive manpower bill—which was essentially similar to the manpower bill (S. 1559) the Senate had passed—that part of the public service employment program making jobs available for areas of substantial unemployment. The House bill and the pending conference report do not, however, include the nationwide public service employment program as distinct from the program for areas of substantial unemployment.

When the Senate agreed to go to conference with the House, we did send to conference that part of the public service employment legislation dealing with areas of substantial unemployment.

In this connection, the Senate version authorized such sums as may be necessary for public service employment. The House bill reserved $250 million in this fiscal year and $500 million for fiscal year 1975 for public service employment in areas of substantial unemployment.

Under the compromise, there would be a reservation for public service employment in areas of substantial unemployment of not less than $250 million for this fiscal year and not less than $350 million for fiscal year 1975. In addition, the bill authorizes the appropriation of such sums as may be necessary for the public service employment title for each of fiscal years 1974 through 1977.

With respect to the definition of areas of substantial unemployment, the House bill had specified local areas with a 7-percent rate of unemployment, whereas the Senate bill retains the existing law's 6-percent rate for such definition.

The conference agreement compromises that difference by defining areas of substantial unemployment as those having a 6½-percent rate as eligible for the funds under the public employment program—title II of the conference agreement.

I should note that prime sponsors of manpower funds under title I of the bill—whether or not they serve areas of substantial unemployment—have the discretion to use general manpower funds for public service employment. That is specifically authorized by paragraph (11) of section 101 of the bill.

PRIME SPONSORSHIP

The conference agreement provides that prime sponsors of manpower programs shall include States, cities, and counties of 100,000 population, and combinations of units of general local government including a city or county of 100,000 population. In exceptional circumstances, the Secretary may designate as prime sponsors governmental units having a smaller population, as well as a limited number of concentrated employment program sponsors.

The conference agreement is similar to the Senate bill, except that the Senate bill had specified that counties would need to have a population of 150,000 to qualify for prime sponsorship. The conference committee accepted the House provision making counties of 100,000 as well as cities of 100,000 eligible to be prime sponsors.

PRIME SPONSORS' PLANNING COUNCILS

An important part of the conference agreement is the provision for prime sponsors to maintain planning councils.

The Senate bill, unlike the House bill that went into conference, required prime sponsors—both State and local—to maintain planning councils. The purpose of these councils is to assist the mayor or the Governor in his role as manpower prime sponsor by recommending program plans and basic goals and policies, as well as undertaking to coordinate the effectiveness of manpower programs. The conference agreement makes clear that the councils are advisory, that final decisions on its recommendations remain with the prime sponsor. The prime sponsor—that is, the Governor or mayor or county executive—appoints the membership of the council, designates the chairman, and provides the staff serving the council.

In appointing the membership of the council, the prime sponsor shall, to the extent practicable, appoint members who are representative of the client community and of community-based organizations, the employment service, education and training agencies and institutions, business, labor, and, where appropriate, agriculture. The Senate bill had specifically mentioned community action agencies for representation on the council.

The House conferees, however, insisted upon avoiding the naming of specific organizations for membership on the council. However, it is the understanding of the conferees that the descriptions "client community" and "community-based organizations" would cover those community action agencies which clearly represent the client community and are community based—which would be the case in many communities around the Nation. The term "community-based organizations" is defined in section 601 (a)(1) of the conference agreement as meaning: "organizations which are representative of communities or significant segments of the communities and which provide manpower services—for example, opportunities industrialization centers, Jobs for Progress, Mainstream and community action agencies." In some communities, there will be an opportunities industrialization center which would qualify as a community-based organization. In other communities, a Jobs for Progress—Operation SER—center would be representative of the community or a significant segment thereof. Mainstream would be appropriately represented on the prime sponsor's planning council in many areas.

STATE PLANNING ROLE

I am pleased that the legislation coming out of conference retains the significant role the Senate bill provided for State manpower planning efforts.

Special attention should be called to section 105(a)(3)(A) of the conference agreement. This provision is designed to emphasize that it is expected that prime sponsors will provide, wherever appropriate, for utilizing existing agencies, including the employment service, and vocational education, as well as community action agencies. Our hope and expectation is that, after giving due consideration to the effectiveness of existing services and facilities, local prime sponsors will use the expertise of those agencies which have had experience in providing employment and training services.

As a former Governor, I have seen firsthand the need for statewide coordination and planning—particularly with respect to Federal funds going into a State.

The Senate bill passed last July contained a set-aside of 15 percent of the manpower funds for State planning and model programs—including the services of State agencies, such as the State employment service and vocational education agencies.

On the State role, the conference agreement is a compromise which leans substantially in the Senate bill's direction. The Senate bill had provided a total of 15 percent for the State and the House bill up to 1 percent for staffing the State Manpower Services Council. The conference agreement provides 5 percent to the Governor for vocational education, 4 percent for other State planning and demonstration functions, and 1 percent for administrative expenses for the State Manpower Services Council—a total of 10 percent.

The conference agreement, at the insistence of the House conferees, gave the Secretary the function of providing financial assistance to encourage units of local governments to get together to form combinations for purposes of prime sponsorship. This function had been one for the States under the Senate bill. Accordingly, the 5 percent set-aside for the purpose of encouraging such combinations was transferred to the Secretary's account.

FUNDING AND ALLOCATIONS

The legislation's overall authorization of funds is such sums as may be necessary for all manpower programs under the act. As I have pointed out, the conference agreement does provide that for this fiscal year—fiscal year 1974—not less than $250 million is reserved for the public employment title and for next fiscal year—fiscal year 1975—not less than $350 million is reserved for public employment.

Aside from public service employment, $1,550,000,000 is expected to be appropriated for manpower programs.

Out of the total funds appropriated to carry out the legislation, 20 percent—$360 million at expected levels of funding—is set aside for the special Federal responsibilities of the Secretary including Job Corps and special programs for Indians—which would receive 4 percent of the allocations to prime sponsors—and migrants—which would receive 5 percent of the allocations to prime sponsors. The remaining 80 percent—expected to be about $1,190,000,000—is to be used for title I—Comprehensive Manpower Services. Out of the title I funding, 5 percent goes to the Governor for vocational education, 4 percent for the State's planning and special services, and 1 percent of the amount of the allocations to prime sponsors is available for the State Manpower Services Council. Up to 5 percent of the amounts available for title I of the legislation may be used by the Secretary of Labor to encourage combinations of units of general local government to join together as a single prime sponsor. Approximately 6 percent of title I funds remain for the Secretary's discretion.

The total available for allocations to prime sponsors under title I—at current levels—would be approximately $952 million. One of the most difficult items in the conference was the formula for allocating those funds.

The Senate bill would have allocated funds 50 percent on relative numbers of unemployed persons and 50 percent on relative numbers of persons below the family lower living standard budget of the Bureau of Labor Statistics. However, all prime sponsors would have been held harmless at 100 percent of their fiscal year 1973 allocations through fiscal year 1976. The hold harmless provision would have ceased to be effective beginning in fiscal year 1977.

The House bill had a formula for allocating funds using 50 percent unemployment and 50 percent the hold harmless funding level in the preceding year.

The compromise reached by the conference provides that 50 percent of the amounts allocated shall be based on the hold harmless funding level for the preceding year, 37½ percent on the basis of the relative number of unemployed persons, and 12½ percent on the lower income budget level of $7,000—which may be adjusted for cost of living increases. In addition, the Secretary of Labor shall utilize his discretionary funding to assure that no prime sponsor receives less than a hold harmless level at 90 percent of the preceding fiscal year's manpower funding.

Let me point out that, under section 3 of the conference agreement, the Secretary of Labor is expected to continue financial assistance with no lessening of manpower support while the new price sponsorship system is being set up. The legislation contemplates that the new price sponsorship system will be fully effective by July 1, 1974. Existing programs under the Manpower Development and Training Act and title I of the Economic Opportunity Act will continue through the end of fiscal year 1974, although some new starts may be expected to begin immediately where State and local governments are ready to go ahead under the new price sponsorship system.

BACKGROUND

It was in August of 1969, that the administration asked for legislation to decentralize control and planning of manpower training programs.

Congress agreed in principle, but insisted that public service employment jobs must be part of the comprehensive program.

In December of 1970 a well-designed piece of compromise legislation was vetoed. It was the fruit of months of hearings, markup and conference sessions, incorporating many difficult compromises concerning the complex interlocking of responsibilities for the great variety of training programs at the Federal, State, and local level. The veto was largely over the public service employment issue.

But then, in July of 1971, with the nationwide rate of unemployment reaching the high level of 6 percent, the Emergency Employment Act was signed into law. The excellent administration of that public service employment program at the State and local level has convinced many, who were honestly skeptical, of the practicality and desirability of public service jobs programs as a significant component of the Nation's manpower policies.

Last January the administration did not include in its budget request an extension of the Emergency Employment Act.

IMPACT OF ENERGY CRISIS

However, with the predicted rise in unemployment during the coming year, the administration has now accepted an extension of public service employment for areas of substantial unemployment.

I note that according to the New York Times of December 12, 1973—the administration "is now supporting such a plan—public service employment—because of fear that the energy crisis will create a sharp rise in joblessness."

The number of public service employment jobs provided specifically in the bill agreed to by the conferees is modest.

With not less than $250 million reserved for this fiscal year and $350 million for fiscal year 1975 we are talking about 40,000 to 50,000 jobs when the energy crisis may cost the Nation millions of jobs.

Let me again point out, however, that the Senate provision for open-ended authorizations for public service employment was accepted in the conference. Therefore it is very much up to the discretion of Congress acting upon appropriations to determine how large a public service employment program is needed.

Estimates of the employment impact of the energy crisis are so varied at this point that estimating what we will need in the way of federally subsidized jobs is hazardous indeed.

Estimates of the rate of unemployment vary anywhere from our present 4.7 percent to 8 percent. Professor Henry Wallick of Yale University, usually considered a fairly conservative figure and a "senior consultant" to Treasury Secretary George Shultz, according to the Washington Star newspaper, is expecting a 1.9 percent decline in the Gross National Product in the first quarter of 1974, and unemployment rates next year as high as 6.3 percent.

Even more crucial than the rate of unemployment is understanding its impact on different industries, on different geographical areas, and on different economic groups in the Nation.

It has seemed to me over the past weeks that not nearly enough attention has been paid to the unemployment impact of the energy crisis and the human cost which joblessness entails.

It is one thing to ask people to sacrifice their pleasure and conveniences like pleasure driving and to wear heavier clothes in order to turn down the thermostat. Such sacrifices all Americans can and will make willingly.

It is another thing entirely to ask a man to give up his job.

America must not ask men and women to sacrifice their economic lives to ease the energy crisis.

Bearing a fair share of the general inconvenience is a citizen's duty, which nearly all will gladly perform.

Giving up jobs and economic self-sufficiency is quite another matter.

The first thing we need is adequate information. We need to know just how serious the crisis in jobs is going to be.

We need to know exactly which industries will be affected and to what extent.

We need to know exactly which region of the Nation will be hurt and to what extent.

We need to know how seriously the poor, who already lack job opportunities and decent pay, will be affected.

We need to know what impact Government allocation decisions will have on these questions.

We need to know what public job creation can do to meet the crisis—job creation through title II of the Comprehensive Employment and Training Act of 1973 and job creation under other legislation.

In order to seek answers to these and related questions, I intend to begin hearings in the near future before the Senate Subcommittee on Employment, Poverty, and Migratory Labor.

We will be asking well in advance for carefully prepared and documented testimony from Federal agency officials, State and local leaders, union and business representatives and experts from the academic community.

We will also attempt to provide a forum through which the voice of the ordinary American can reach those in a position to take action.

And upon the finding of those hearings we will make recommendations for congressional action to combat unemployment.

The Nation must not stand by and allow such unequal sacrifice as involuntary unemployment exacts.

Mr. President, the Senator from Rhode Island (Mr. PELL), who sponsored an important provision, which was included in the Job Training Act, as passed by the Senate, wishes to have some clarification about that provision.

Mr. PELL. Mr. President, the manpower bill as passed by the Senate included an amendment, which I offered, requiring that special consideration be given to job training programs for persons unemployed as the result of a closing of a Federal Government facility resulting in substantial increases in unemployment in that area.

Would the chairman of the Senate conferees tell me of the action taken on this provision—section 205(c)(6) of the Senate bill?

Mr. NELSON. Mr. President, the Senator from Rhode Island (Mr. PELL) has asked the question as to what happened in the manpower conference on a paragraph he had sponsored in the markup of the Senate Labor and Public Welfare Committee regarding defense facilities.

Senator PELL's provision provided that, among special responsibilities which the Senate bill required the Secretary to carry out, that he "give special consideration to job training programs serving individuals who are unemployed as a result of a closing of a facility or the substantial reduction of activities at a facility of the U.S. Government located in a labor market area in which the rate of unemployment for that labor market area has increased substantially due to the unemployment of such individuals." (Section 205(c)(6) of S. 1559, as passed by the Senate.)

Let me explain to the Senator from Rhode Island that, in the conference on the manpower bill—which involved 6 days in conference sessions—the House conferees were adamant against what they perceived to be categorical programs in the Senate bill.

Section 205(c) of the Senate bill was one of the parts of the Senate bill they most objected to. They insisted that the Senate conferees drop it because they interpreted it as requiring the Secretary to continue to provide financial assistance for categorical programs.

However, the conferees did agree that other provisions—phrased to cover situations more generally—would cover the provisions they deemed to be categorical.

The provision mentioned by Senator PELL is one of those. Senator PELL's amendment refers to the "closing of a facility or the substantial reduction of activities at a facility of the U.S. Government." A more general provision the Senate conferees were able to retain authorizes "special services, when required, for middle-aged and older men and women, including recruitment, placement, and counseling for such persons who are unemployed as a result of the closing of a plant or factory or a permanent large-scale reduction in the work force of a locality" (sec. 304(a)(6) of the conference agreement).

The provision I have just quoted clearly covers special services for a closing or large-scale reduction in the work force due to a Government facility closing, but it also covers other such closings or work force reductions in private industry.

In addition, let me point out that the Public Employment Program in title II of the bill will provide additional funding for areas of substantial unemployment—those areas having a 6½-percent rate of unemployment or greater.

Thus, public employment funds will be going to areas where the rate of unemployment has increased substantially due to the unemployment of individuals who had previously been employed in Government facilities such as defense plants.

So, I think I can unequivocally assure the distinguished Senator from Rhode Island that when section 205(c) was removed—the section which contained the provision authored by the Senator from Rhode Island—we intended and did fully cover authority provided for in the Senator's amendment within the language that I have read concerning special services for those who are "unemployed as a result of the closing of a plant or factory or a permanent large-scale reduction in the work force of a locality."

So we have, in my judgment, retained language clearly meeting the intent of the amendment of the Senator from Rhode Island. Our action, I think, satisfactorily meets the problem which the

Senator from Rhode Island sought to meet.

Mr. PELL. Mr. President, I thank the Senator from Wisconsin for his articulate explanation and the assurances he gives me that the bill covers the situation involving those workers who, through no fault of their own, through the closing of a military base by the Federal Government, have been thrown out of work.

While obviously I wish that the original language had been retained, I understand the problems that the chairman of the conferees faced in conference. I appreciate very much his assurance that the intent of my amendment has been retained in the bill.

I cannot say that I am completely pleased with the actions of the conference on this provision. It seems as plain and clear as possible that the Federal Government does have a special responsibility for manpower programs when the Federal Government has caused substantial unemployment directly by closing the major source of jobs in a community. I wish that responsibility had been spelled out more clearly and unmistakably in the conference report. At this point in this session of Congress, however, I will not press the matter further, beyond expressing my expectation that the assurances given by the chairman of the Senate conferees and the language of the Joint Explanatory Statement appearing on page 62 of the conference report will guide the executive branch in its administration of the act.

My State has not yet felt the full impact, in unemployment, of the closing of the major military installations in the State. I would hope that the provisions of this bill will be administered so as to provide adequate adjustment assistance to workers who are cut off and left jobless by the Federal Government.

It may be in the future that circumstances will indicate additional special legislation is necessary, and if that should prove to be the case, I would ask the chairman of the Subcommittee on Employment, Manpower, and Poverty if he would be willing to give such legislation sympathetic consideration, and perhaps hold a hearing in that regard.

Mr. NELSON. We certainly would be willing to consider any need for further legislative action; and, in areas where the impact is most serious, the committee would be prepared to conduct field hearings in the State or States where the problems are most acute.

Mr. PELL. I thank the Senator from Wisconsin, and am most appreciative for that assurance.

Mr. JAVITS. Mr. President, first I strongly urge the adoption of the conference report.

Mr. President, the Senator from Wisconsin (Mr. NELSON) has not mentioned the legendary job which he did in chairing the conference insofar as the Senate is concerned. He did it with great skill, with great fidelity to the Senate bill, and with great success in preserving very essential aspects of the Senate bill, and I believe the Senate and the country should be grateful to him.

I would like to express also the appreciation of the minority for the work of Dick Johnson, the professional staff assistant for the majority, William Spring, until recently of the majority staff, and John Scales, our own professional assistant on the minority side, and Roger King of Senator TAFT's staff, all of whom were tremendously helpful in achieving this result.

Mr. President, I shall not detain the Senate, but the significance of this particular matter is that it is the first of the so-called special revenue-sharing bills which will be enacted into law. It is my information that if we succeed in passing the conference report in the Senate as it has already passed the other body, the President is likely to sign it as early as tomorrow.

When we remember, as Senator NELSON has said, that this represents over 4 years' work, we must pay tribute to the way in which it came about.

It came about, Mr. President, because in his second state of the union message on September 10, the President said that he would "seek workable compromises in a spirit of cooperation with the Congress."

Mr. President, this great measure will be the fruit of that kind of offer to the Congress, and I think it is very auspicious at a time when, in many ways, there is a very real confrontation between Presidential and congressional power, that our Government can function to produce great results when there is willingness to sit down in advance and endeavor to agree on the parameters within which the President and Congress may proceed, which will lead to a bill instead of a veto or a political issue.

Another point, Mr. President, that I wish to emphasize is the fact that it deals very intelligently with the issue of public service employment by establishing a system of State and local prime sponsors at a moment when the unemployment situation is in grave danger in many areas of the country. This bill makes local administration very practical and intelligent. Without severing anyone who really deserves the program, and without any diminution of opportunity, it accomplishes the following:

First, it sets a basic minimum of reservations for heavily impacted areas, that is, heavily impacted with unemployment, running to 6.5 percent, which is our definition, and provides a minimum of 40,000 jobs in the first fiscal year, and about 50,000 in the next fiscal year. Second, it enables the general "such sums" authorization under the act, which is now estimated at $1.55 billion, at the discretion of the State or local sponsor, to be reached into also for public service employment, so that, although the 40,000 and 50,000 figures I have mentioned would seem on the surface to compare unfavorably with the 170,000 public service jobs which are now in effect under the previous law, for all practical purposes there is no such restriction or inhibition. Third, it provides a separate "such sums" appropriation in each year for areas of substantial unemployment.

We mentioned, as it were, the basic minimum for the hard core unemployed areas, and we left the rest open to all concerned, if they wished to use their money that way and to the Congress in terms of additional appropriations.

Two other points: first, Neighborhood Youth Corps is in essence preserved by a unified authorization in the bill. I am very grateful for that support by the conference.

Second, there was a strong feeling about Opportunities Industrialization Centers. They are headed by the Reverend Leon Sullivan, of Philadelphia. We expect that when the bill becomes law there will be a continuance of that activity. That will leave the door open for others to try the same thing; but right now only the OIC and several other organizations are referred to in the act.

Finally, we have preserved the opportunity for community action agencies to be involved, as they should be.

Mr. President, with that background, I shall comment on particular elements.

MANPOWER REFORM

The major purpose of the conference report, as I indicated, is to accomplish a reform of our manpower training and employment programs—along the lines of "special revenue sharing."

The major elements of reform lie in decentralization, decategorization and consolidation of the current efforts. As President Nixon emphasized in his message to the Congress on March 4, 1971:

> But one of the great lessons of the dramatic Federal Government growth in the 1960's is that even a good idea like this can fall short of its promise if the way by which it is carried out, runs against the grain of the Federal system. By converting the Nation's manpower programs from categorical grants to Special Revenue Sharing, we can play to the strengths of the Federal partnership, teaming Federal dollars with State and local decision-making.

Mr. President, the actions of the conference reflect heavily a fidelity to those elements which the administration sought, and thus in the final bill that results therefrom.

First, with respect to decentralization, under the conference agreement, any State and any unit of general local government with a population of 100,000 or more may serve as a prime sponsor for manpower programs; the Senate bill had required 150,000 for counties, but the Senate receded so as to apply a uniform standard, one which will be very helpful to areas in many states including my own State of New York and Delaware; also to take into account special situations that exist in New York and elsewhere, the House adopted the Senate provision, with slight modification, sponsored by Senator TAFT and myself, under which communities below the population requirement could nevertheless qualify as prime sponsors under certain circumstances where they can demonstrate they have the capacity to carry out a program.

Accordingly, we have sought to decentralize to the maximum extent feasible in terms of managerial efficiency.

Mr. President, an important difference between our approach and the administration's original manpower revenue sharing proposal is that we have included here, through the Secretary, a very strong Federal role.

This is reflected throughout the bill, but particularly in section 108(d)—at page 11—taken from a provision which I included in the Senate bill, requiring the Secretary to revoke the prime sponsor's plan if it is determined that the prime sponsor is maintaining a pattern or practice of discrimination, incurring unreasonable administrative costs, failing to give due consideration to continued funding of programs of demonstrated effectiveness, or otherwise materially failing to carry out the act.

We expect the Secretary diligently to exercise his responsibility under this section and other sections of the act, and thus to act as much more than a "payroll clerk" with respect to manpower efforts. I do not mean to suggest that the Secretary should intrude in the day-to-day decisionmaking; the purpose of decentralization is otherwise. But the basic Federal concern as to the use of funds in terms of the purposes of this act must not be abdicated.

Second, with respect to decategorization, in almost every instance the conferees opted for the very broadest description of activities to be conducted under the act, having in mind the need for flexibility on the State and local, as well as the Federal, level.

But again, fidelity to essentially Federal concerns dictated particular attention to certain program areas or "categories" of individuals under the bill.

This concern is reflected in section 301—at page 22—which requires the Secretary to use funds to provide additional manpower services for particular segments of the population having particular disadvantages in the labor market; by sections 302 and 303, which set aside funds for Indian and migrant programs, respectively; and section 304, which authorizes the Secretary to provide assistance to youth and other special programs.

In this connection, I am very pleased that the conference agreement includes in section 301(c) the elements of programs for offenders and a similar authority at the State level under section (5)(c)—at page 9—along the lines of those I had added to the Senate bill.

I am pleased also that section 304(a)(7)—at page 25—permits the Secretary to fund directly manpower programs conducted by "community-based organizations," which at the very least includes, by reason of the definition contained in section 601(a)—at page 42—Opportunities Industrialization Centers, Jobs for Progress (SER), Operation Mainstream, and Community Action agencies.

We fought very hard in conference to maintain the Senate provisions regarding OIC and other programs; the House conferees were very much opposed to specific references, not because they questioned the value of the programs, but because they were opposed to any categorization at all.

I consider the provision cited above—together with a number of other provisions providing for the participation of "community-based organizations" on the various councils and the "due consideration" provisions—to represent a reasonable compromise that should protect such organizations.

I am particularly gratified by the action of the conferees dealing in a number of ways with the special needs of economically disadvantaged youth for jobs during the summer months which has been a longstanding concern of mine.

This is reflected in a number of provisions of the conference agreement:

Section 304(a)(3)—at page 24—giving the Secretary authority to conduct a special summer job program directly from Federal funds;

Section 3(c)—at page 2—to which I contributed, containing a special transitional provision authorizing the Secretary to provide such opportunities in the coming summer from appropriations for fiscal year 1974, notwithstanding any other provision of the act—except for the reservation for public service employment—essentially in the same manner and on the same conditions as provided in the Neighborhood Youth Corps program under the previous authority. This provision will enable the funds to be made available without regard to the allocation, apportionment and other limiting provisions generally applicable under this act:

Section 605(c)—at page 47—from the Senate bill, requiring the Secretary to transmit a report to the Congress regarding summer opportunities, together with his recommendations, if any, for supplemental appropriations for the program. This report is to be due at the earliest appropriate date, but no later than March 1 of each year. March 1 is the approximate date by which the unemployment situation for the coming summer should be fairly clear, and still in time to act to augment programs, if necessary, to fulfill resulting needs in an administratively feasible way.

In this connection, it is important that we take note of the statements appearing at page 51 of the conference report, the first page of the joint explanatory statement of the committee of conference.

I hope very much that the Secretary will utilize this authority to provide for a program at at least last year's level, but to the extent that he does not, then those of us who feel strongly about the summer job program will seek the necessary funds under these provisions which authorize us to do so without limitation.

In that connection, I wish to note that the continuing appropriations bill, now in conference, would require expenditures at the $1.55 billion rate, which includes the funds for the summer job program which I noted.

It is important to note that the Secretary's direct funding authority is not limited to these or other specified programs, but that under section 301(a) he may provide additional manpower services as authorized under titles I and II to segments of the population in particular need, taking into account the need for continuing funding of programs of demonstrated effectiveness.

This provision grants authority to continue as a Federal program, such worthwhile efforts as the JOBS program, conducted by the National Alliance of Businessmen, which I understand the President has already indicated will receive continued funding.

Third, with respect to consolidation, the conference agreement reflects an amalgam of the strongest provisions of both bills governing coordination between manpower programs, both horizontally and vertically, at the State and local level. Moreover, to try as I have urged for some time to narrow the gap between manpower programs and vocational education programs, the conference agreement includes a 5 percent set-aside for that purpose. Furthermore, through the leadership of Congressman Esch, we will have a new National Commission for Manpower Policy, incorporating provisions that I added from the Senate bill to insure an integrated policy.

TRANSITIONAL PUBLIC SERVICE EMPLOYMENT

Mr. President, Members will recall that the Senate has passed not only S. 1559, which included a discretionary authority for transitional public service employment, but S. 1560, also sponsored by Senator Nelson and myself to extend, as a separate program, the Emergency Employment Act of 1971, which expired this June.

The latter authority authorized $1.25 billion for this fiscal year and "such sums" for the next for such programs; in the case of this year $1 billion was authorized for the general program and $250 million for the special program going to areas of "substantial unemployment" defined in terms of 6-percent or above employment.

The House did not pass a separate bill, but included in H.R. 11010, both a general authority as an eligible activity, and a separate title for transitional public service employment in areas of substantial unemployment, defined at 7 percent or greater; for this the House bill reserved $250 million in fiscal year 1974 and $500 million in fiscal year 1975 "off the top" of all manpower funds.

To insure that the basic elements of the Senate approach—particularly in terms of the 6 percent local trigger were before the conference, we moved, prior to appointing conferees, to agree to the House amendment with an amendment; in the latter we included these provisions and S. 1559.

S. 1560 itself, remains as a bill passed by the Senate.

The conference agreement contains elements of both the House and Senate approaches.

The conference agreement, like both bills, authorizes transitional public service employment programs as eligible activities that may be carried out by State and local prime sponsors from their allocated funds.

It includes, like the House bill, a separate title for public service employment programs in areas of "substantial unemployment;" to qualify for such assistance an area must have 6½ percent or more unemployment for 3 consecutive months—thus midway between the Senate and House provisions.

For that title, title II, the conference agreement reserves "not less than" $250,000,000 in fiscal year 1974 and $350,000,000 in fiscal year 1975 "off the top" of manpower funds appropriated under the act, essentially the House approach although at a revised figure for fiscal year 1975.

But then we have rolled in also the Senate "such sums" approach by providing for each of the 4 years of the bill an additional open-ended appropriation for programs under title II.

This was a compromise that I helped to work out with the House with the future negative effects of the energy crisis on unemployment clearly in mind, if not, already at our door.

And I would point out, beyond that, that the bill as a whole contains "such sums' authorizations for each year which means that the appropriations process will be available, without limitation, to channel more money to prime sponsors under title I, whether or not they have the 6½ percent criteria, which they can use for public service employment.

We did not want the Congress or the executive to be helpless if "the bottom" falls out for that or any other reason.

Now already, this action is being misconstrued. An editorial in the New York Times of yesterday, citing the $250 million and the $350 million reservations, calls those sums "pitifully inadequate."

But, as I indicated, the reservations are only part of the picture.

Some may feel that we should have established very high ceilings for authorizations under the bill or under the separate title for public service employment.

Of course, we could have argued with or confronted the administration, on the basis of our worse fears of what might come, for that approach.

But we might very well have locked ourselves in should the situation become even worse than we might contemplate now, and in the process exploded the chances for agreement with the administration on reform.

One of the key elements of reform—establishment of a system of State and local prime sponsors to carry out programs—is also the key prerequisite, next to funds, for meeting any future crises.

We could just not mount an effective large scale public service employment program under the worn-out and paltry direct funding system we now have.

The conference report provides both a new delivery system and authority under which Congress can provide funds to meet any need, and for my own part, I shall take the earliest possible steps to do so.

COMMUNITY ACTION PROGRAMS

Mr. President, when Senator Nelson and I introduced S. 1559, on April 12, 1973, we included in that measure a separate title under which prime sponsors could, at their discretion, fund a wide range of community action efforts, essentially as under the "local initiative" sections of the Economic Opportunity Act and thus far beyond manpower programs themselves.

We did so because, as we prepared this legislation, the administration was in the process of attempting the dismantlement of those agencies, as it was of OEO itself and, although the U.S. District Court for the District of Columbia had just the day before introduction enjoined further dismantlement, the future of programs beyond this past June was unclear. Noting the court decision, I said at that time:

> But this leaves open the question of funding after July 1 and if the Congress does not provide appropriations for these programs, then our bill would provide an interim compromise alternative with funds to make continuation of local initiative and community action agencies by State and local government possible in fact as well as in theory.

Since S. 1559, including the special title, was approved by the Senate, it has been patently clear that appropriations to continue OEO and community action agencies through this fiscal year—the term of the statutory authorization—would be made available; funds have been made available by continuing resolution and pledges were made to continue through the entire fiscal year if necessary. Just yesterday the President signed H.R. 8877, the HEW-Labor appropriations bill, which confirms coverage through the entire fiscal year.

Thus the program is secure through this fiscal year through appropriations, while under the earlier district court decision, must be made available.

The future of the antipoverty program beyond June 30 is a matter of extreme importance and one which I understand has already been the subject of considerable debate at the national convention of the Association of CAP Directors, held in San Francisco in November, where many different views were expressed as to how to proceed, ranging from straight extension of the program as it is now known to the kind of special revenue sharing format Senator Nelson and I put forward in the special title to S. 1559.

So as not to prejudice that consideration—as the views of the community action agencies and those in the program must be heard in this new more secure context—we receded on the special title as a part of this legislation and will pursue it or other measures early next year in terms of the future of the antipoverty program as a whole.

Of course, as I have noted, we intend community action agencies to be among the agencies heavily involved in conducting manpower training and related efforts under this legislation and to participate in the process at the State and local scene along with other "community-based organizations" under the provisions I referred to earlier.

Mr. President, for all of these reasons, I recommend that the conference agreement be adopted to accomplish what we should have done years ago, but for a stalemate between the Congress and the Executive which has now been broken.

But it should be clear that this bill—as crucial as it is—does not itself give us a "manpower policy;" it merely gives a manpower delivery system with which to implement a policy.

We have yet to formulate a "manpower policy," and beyond that, a "full employment policy;" and, perhaps the energy crisis will provide new impetus for that effort.

In that connection, I am pleased, as the author of S. 1693, the Full Employment and Job Development Act of 1973, which would establish a "full employment board," to note the following statement at page 65 in the joint explanatory statement of the Committee of Conference:

> The Conferees note that there are proposals pending before the Congress to establish separate "full employment" boards or other mechanisms specifically designed to implement the policy of the Employment Act of 1946.
>
> The conferees anticipate that the National Commission for Manpower Policy, although not itself specifically designed for that purpose, will in fulfilling its own charge serve as a forum for discussion of such proposals in the executive branch.

Mr. President, I ask unanimous consent that the statement of Senator Taft, ranking minority member of the subcommittee, who contributed so much to this legislation, be printed in the Record, as he was unable to be here due to business in Ohio.

There being no objection, the statement is ordered to be printed in the Record, as follows:

Statement by Senator Taft

Mr. President, I urge my colleagues to support the conference report on the Comprehensive Employment and Training Act of 1973, S. 1559. This legislation is a culmination of excellent initiatives from the administration and extensive work by the House Education and Labor Committee, and the Senate Labor and Public Welfare Committee. Special praise in the Senate should go to the chairman of the Employment, Poverty and Migratory Labor Subcommittee, Senator Nelson, for his leadership on this legislation. My colleagues, Senators Cranston, Javits, and Schweiker also deserve praise for their continuing interest and work on this legislation.

When hearings began earlier this year in the Employment Subcommittee there was a great deal of skepticism in the minds of many regarding a special revenue-sharing approach for manpower training. These concerns I believe have been adequately resolved without destroying the merits of a specialized revenue-sharing approach, as the legislation provides State and local governments with flexibility and financial assistance to assume responsibilities for job training and public service employment. As ranking minority member of the subcommittee, I had an opportunity not only to review testimony in Washington, but also to consider firsthand in my own State of Ohio the views of city and county officials, program administrators, business community leaders, labor organization officials and program participants with respect to the merits of job training. I firmly believe from my experience in considering this legislation that job training is an essential key to alleviating the unemployment problems which periodically surface in the economy. This legislation is especially pertinent today as our economy faces the possibility of substantial unemployment resulting from the energy shortage in that it not only provides job training opportunities, but also authorizes for public service employment of 6.5 percent or more.

The bill would consolidate and decentralize programs to create jobs and train the unemployed. Any unit of local government having a population of 100,000 or more would be eligible to receive funding as prime sponsors for job training programs. Additionally, a provision is provided to permit units of local government with populations between 50,000 to 100,000 to apply as program agents for the implementation of public service employment programs.

Vietnam era veterans would be given a preference for public service jobs and, hopefully, the unemployment rate among this most deserving group of Americans can be reduced.

Protections are also contained in the legislation to provide strong considerations for the continuation of existing manpower training programs of demonstrated effectiveness. Part of these programs could include skilled training centers, which I might add can receive additional assistance through State allocated money earmarked for vocational education, SER, operation, mainstream, and summer neighborhood youth employment programs. Opportunities industrialization centers—OIC—also are included in the legislation as a community based manpower training activity that should be considered for future funding. I am especially pleased to see this reference to OIC, as I believe this program is one of the best ways to bring meaningful jobs to individuals in the inner city.

Providing training programs to individuals so they can help themselves is one of the most important ways by which government can help its citizens. The legislation before the Senate is consistent with this objective. I urge my colleagues to approve it.

Mr. JAVITS. Mr. President, in closing, one of the main men in respect to the broader element of public service employment was Dr. Russell Nixon, who was an associate professor of social policy at Columbia School of Social Work, and was chairman of the Committee for Public Service Employment. He was a man in an active role. Shortly before we actually consummated the conference report, he passed on and so has been unable to see what for him would be a very happy day. He was a relatively young man and it is both appropriate and deserving that we pay tribute to him at this time.

Mr. President, I ask unanimous consent that a New York Times obituary respecting Dr. Nixon be printed in the Record. I feel that he would wish to be remembered in connection with the work.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

Dr. Russell A. Nixon Dies at 60; Columbia Manpower Economist

Dr. Russell Arthur Nixon, a leading manpower economist, died yesterday of a heart attack in St. Vincent's Hospital. He was 60 years old and lived in Brooklyn Heights.

Dr. Nixon was associate professor of social policy at the Columbia University School of Social Work and chairman of the community relations committee of the university Senate since 1969.

From 1966 to 1971 he worked with Congressmen and Congressional committees on manpower, anti-poverty, delinquency and rehabilitation legislation, including the comprehensive manpower and family assistance plan proposals in 1970.

PROFESSOR AT NYU

In 1968–69, Dr. Nixon was associate professor at the New York University Graduate School of Social Work and associate director of the Center for the Study of the Unemployed, where he directed its institutes and curriculum development.

In 1967–68 he gave manpower courses at the New School for Social Research, and earlier lectured at the Lewis M. Herrman Labor Education Center of Rutgers University.

From 1962 to 1965 he was manager of The National Guardian, a weekly newspaper that described itself as "progressive."

CONTEMPT CITATION

In 1964 Dr. Nixon was called to testify before the House Un-American Activities Committee after he and two members of the Women Strike for Peace Group, Dagmar Wilson, and Donna Allen, had urged in 1963 that State Department admit for a lecture tour the Japanese law school dean and pacifist Kaoru Yasui.

The three refused to appear before the committee, protesting that the closed sessions would violate their freedom of speech by depriving them of the opportunity to deny publicly any implication that they had been involved in subversive activities.

Dr. Nixon, Mrs. Wilson and Mrs. Allen were cited for contempt of Congress, but those citations were thrown out in 1966 by the Court of Appeals for the District of Columbia.

Dr. Nixon was Washington representative of the United Electrical, Radio and Machine Workers of America from 1941 to 1962, serving as liaison with many Federal agencies on union legislative and economic matters.

In World War II he served with the infantry in Europe. In 1945 he transferred to the American Military Government, and took an important part in the denazification process in Germany. He was deputy director and acting head of the division of investigation of cartels and external assets for the American Military Government in Berlin.

Dr. Nixon received the Bronze Star for participating in the Allied intelligence group that uncovered Nazi poison gas plans and facilities.

Before the war he was legislative representative of labor's Non-Partisan League, a Congress of Industrial Organizations legislative and political unit in Washington, and worked with John L. Lewis, the labor leader.

Dr. Nixon was born July 27, 1913, in St. Paul, graduated from the University of Southern California in 1934 and received a Ph.D. degree in economics from Harvard in 1940.

From 1937 to 1941 he was an instructor and tutor in economics at Harvard, where John F. Kennedy was among his students. In Theodore C. Sorensen's biography, "Kennedy," the late President is quoted as saying that he was not a professional economist "but [one] who knows a hell of a lot about it after taking Ec–A under Russ Nixon at Harvard."

Dr. Nixon also taught economics at Radcliffe College from 1939 to 1941 and earlier at the Massachusetts Institute of Technology.

CONSULTANT TO AGENCIES

He had been a consultant to the University Research Corporation, the Office of Education of the United States Department of Health, Education and Welfare, the Community Action Program of the Office of Economic Opportunity, and the Vocational Rehabilitation Program of the New York City A.F.L.–C.I.O. Central Labor Council.

In 1970–71 he worked with the Secretary of Labor of Puerto Rico in developing a program for public-service employment of unemployed youths.

Dr. Nixon was a member of the board of editors of Science and Society, a scholarly quarterly; chairman of the subcommittee on construction industry of the Employment Opportunities Committee, New York and a member of the Manpower Task Force, the New York Urban Coalition and of many professional societies.

Surviving are his widow, the former Florence Guild; his mother, Mrs. May Nixon, and a sister, Mrs. Lois Kratha.

A memorial service will be held later at Columbia University.

Mr. JAVITS. Mr. President, I ask that a copy of the New York Times editorial to which I referred, together with a letter dated January 31, 1973, from the President to the chairman of the National Alliance of Businessmen also be printed in the Record.

There being no objection, the editorial and letter were ordered to be printed in the Record, as follows:

The White House,
Washington, D.C., January 31, 1973.

Mr. Gordon M. Metcalf,
Chairman,
Mr. Richard C. Gerstenberg,
Vice Chairman, National Alliance of Businessmen, Washington, D.C.

Dear Gordon and Dick: The National Alliance of Businessmen has performed a superb service to our nation by encouraging American business to provide job opportunities for Vietnam-era veterans, disadvantaged people, and needy youth. This fiscal year, the JOBS program has already placed 101,000 toward its goal of 150,000 Vietnam-era veterans, and you have achieved equally impressive results from your efforts on behalf of the disadvantaged and needy youth. This has been accomplished at a low cost to the government because of the contributions and skills of the American business community—an achievement which merits the gratitude of all our fellow citizens.

In view of its remarkable success to date, I would like the Alliance to consider continuing its efforts through June 30, 1976. To complement our goal of increasing efficiency in government, the business acumen represented in your organization should be directed toward streamlining the Alliance for a more concentrated focus on large and medium-sized employers in areas having substantial disadvantaged populations. In addition, I hope you will include among your priorities the following:

1. Developing jobs and training in the private sector for disadvantaged persons and place Vietnam-ear veterans, with special increased emphasis on handicapped veterans, disadvantaged veterans, and those who are members of minority groups or under 25 years of age.
2. Locate summer and part-time year-round jobs for needy youth.
3. Carry out programs designed to break the poverty cycle by encouraging minority and disadvantaged youth to complete their education and prepare for meaningful careers in industry.
4. Find jobs for ex-offenders.
5. Promote the hiring of public assistance recipients in the private sector and the use of the WIN tax credit.
6. Advise the private sector of the availability of government funds to defray the extraordinary costs of employing and training the disadvantaged.

I am deeply grateful for the outstanding leadership you and other chairmen have given the Alliance, and I look forward to continued success in your important work.

With my best wishes,
Sincerely,
Richard Nixon.

[From the New York Times, Dec. 19, 1973]

Token Job Program

The energy crisis and the threat of recession confront national economic policy with a double-edged problem. On one side, the fuel shortage is causing production cutbacks and manpower layoffs. The unemployment rate, which was 4.7 per cent last month, could reach 6.5 per cent or higher by next summer. The jobless rolls would then swell from four million to six million.

On the other side, the energy crisis is already intensifying inflationary pressures. Rising fuel costs are hitting both consumers and industry. In addition, an easier monetary policy designed to check recessionary forces is sure to keep spending high next year at a time of intense supply difficulties. And stagnating industrial productivity is likely to boost unit labor costs, putting extra pressure on the price structure.

To deal with this double danger of unemployment and inflation, specific manpower and wage-price policies are needed. House and Senate conferees have now reached a compromise with the Administration on manpower legislation; the compromise involves acceptance by Congress of a consolidation of manpower programs with state and local governments in exchange for acceptance by the Administration of an emergency public employment program.

But the public service jobs program calls for outlays of only $250 million in the current fiscal year that ends June 30, and $350 million in fiscal 1975. That program would permit creation of only about 40,000 jobs, limited to areas where the unemployment rate exceeded 6.5 per cent. But if the Arab oil embargo should last through most or all of next year, unemployment would be far greater—and the public service job outlays contained in the present manpower bill would be pitifully inadequate.

The Government should be planning for far larger public service jobs in areas of genuine need, such as health, sanitation, conservation, etc., instead of waiting for the emergency to worsen.

Mr. NELSON. Mr. President, I wish to join the Senator from New York in commending the excellent work of the members of the staff, which included John Scales, of the minority staff; Richard Johnson, majority counsel; as well as Bill Spring, until recently a member of the subcommittee staff who agreed to come down from Boston for 2 weeks to be present to assist the conferees.

Mr. President, I agree with the Senator from New York that the conference accomplished what we set out to do, which was to design a program that would place the administration of the program at the State and local level; to take the management of the program away from the Federal Government and place the management and control of programs at the State and local level where the problems are best understood and can best be met.

Mr. JAVITS. Mr. President, we are ready to vote.

Mr. WILLIAMS. Mr. President, in a few moments, the Senate will have an opportunity to ratify the conference report on S. 1559, the Comprehensive Employment and Training Act of 1973.

Earlier today, the House overwhelmingly expressed its approval. As chairman of the Labor and Public Welfare Committee, I would urge my colleagues to do likewise.

In 1962, with the passage of the Manpower Development and Training Act, Congress first recognized its responsibilities to those of our citizens who were not only without jobs, but were without skill, and perhaps worst of all, were without hope. Two years later, Congress followed with the Economic Opportunity Act.

To me, the results of these pioneering efforts have been most gratifying. Under the aegis of programs like that of OIC, the Job Corps, Neighborhood Youth Corps, and Community Action Agencies, to name but a few, countless thousands of persons have been transformed from among the unmotivated and unskilled to those who now function as self-supporting and productive citizens—both in an economic and social sense. But of course, satisfaction goes well beyond tangibles such as productivity and income. In many respects, what these programs have brought, no accountant's ledger will ever be able to measure. There is no price tag on pride, dignity, and self-respect.

As good as the programs were in the past, we in Congress would have been remiss if we did not strive to improve their delivery systems, or try to develop new ways to maximize the resources appropriated for such activities. In drafting the original version of S. 1559 this summer, and in recognition of this very point, the Labor and Public Welfare Committee said in its report:

> Manpower programs can best be planned and administered at the State and local level, but with financial support, technical assistance, and oversight of the Federal Government to ensure that programs are carried out in accordance with legislatively established National objectives . . . the framework for such decentralization must be worked out through the legislative process.

I believe that the bill before us today, as it has emerged from conference, embodies the philosophy as enunciated by the committee.

I think it particularly noteworthy that the agreed-upon bill includes a provision for continuing the highly successful and much-needed public employment program (PEP). By including this element in the comprehensive manpower bill, the conferees have recognized the merit and objectives of S. 1560, a Senate-passed bill which is designed to, among other things, extend the Emergency Employment Act through fiscal year 1975.

Without question, the public employment program has proved its worth many times over. A consulting team was commissioned by the Committee on Labor and Public Welfare to evaluate the first 18 months of the program. Their report stated unequivocally that:

> PEP has demonstrated its effectiveness as a countercyclical strategy. A permanent program should be created. . . .

During the past 2 years, over 280,000 persons have found employment with the program. In my own State of New Jersey alone, over 17,000 men and women have been placed in jobs which have provided additional government services to citizens throughout the State.

The biggest proponents of PEP—aside from the unemployed who have derived its benefits directly, have been the State's mayors and other local government officials.

To best illustrate this point, I would like to briefly quote excerpts from the testimony of two distinguished New Jersey mayors:

> Mayor Arthur J. Holland, of Trenton—The Public Employment Program (PEP) established by the Emergency Employment Act of 1971, has been the best program to come out of Washington in the last four years of those that were intended to meet the needs of the cities.
>
> This particular program is the greatest thing that has happened to our city in the last several years. It has enabled us to maintain essential services which otherwise would have to be sustained through additional taxation or be reduced. It has enabled the City of Trenton to maintain essential services for which funds were not available. Moreover, PEP proved to be a most effective manpower program, providing on-the-job training, as well as opportunity for educational advancement.
>
> Mayor Patricia Sheehan, of New Brunswick—Public employment, in the view of many economists, is the least inflationary way to expand the economy's employment opportunities . . . Public employment . . . produces nearly one dollar's worth of employment for each dollar expended . . . [A] second and strongest justification, from our point of view, is the desperate shortage of public goods and services which our cities face . . . [J]ob needs to excess of five times the present level of PEP have been identified.

These statements truly speak for themselves.

In an attempt to maintain continuity with existing manpower programs, the bill provides that each prime sponsor must, as a condition for receiving financial assistance, make appropriate arrangements with community based organizations serving the poverty community. It is hoped that a successful and mutually beneficial partnership can be developed between these existing groups and the sponsoring units of local government.

Although the bulk of the authorized funds will go directly to State and local sponsors, a significant portion will be retained by the Secretary of Labor so that supplemental manpower services can be provided to special groups which have historically demonstrated an extraordinary critical need for job training and allied services. Among the groups specifically enumerated as target recipients will be persons of limited English-speaking ability, older workers, youth, offenders, and veterans.

With regard to directing the Secretary to give special attention to youth programs, I am gratified by the decision of the conferees to note the valuable contribution made by summer programs for economically disadvantaged youth, especially in the area of recreation and related job opportunities.

The bill will mandate that specific sums be set aside for Indian and Alaskan Natives, as well as for seasonal and migrant farmworkers. As former chairman of the first Migratory Labor Subcommittee, I can personally attest to the needs of the group which has for too long been shortchanged in so many areas. I would hope that the Secretary takes note of the specific language of the bill which reserves to these farmworkers "not less than 5 percent of the amount allocated pursuant to section 103(a)(1)." This set aside is intended to be a floor, not a ceiling.

As one of the early supporters and proponents of the Job Corps, the decision to retain intact this program is one which I find most pleasing. I would hope that the Secretary would make every effort toward rebuilding the program so that it will once again be able to achieve its full vitality and capability.

And finally, I would like to draw my

colleagues' attention to a provision creating a National Commission for Manpower Policy. I believe its need is long overdue. In conjunction with the establishment of the Commission, the bill directs the Secretary to make an immediate study "of the impact of energy shortages, including fuel rationing, upon manpower needs." At this point, I might add that in the very near future, the Labor Committee will hold a series of hearings on the subject of "The Energy Crisis and Employment Dislocation."

Mr. SCHWEIKER. Mr. President, I am very pleased that we are at last taking final action on a comprehensive manpower training bill. This has been a critical national priority, and as a member of the Labor Subcommittee, I have had the opportunity of participating in this effort from start to finish. I would like to commend the leadership of the Labor Subcommittee, and of the full Senate Labor and Public Welfare Committee, for their determined and creative leadership on this bill. S. 1559 is a strong bipartisan effort, and the credit for this bill belongs on both sides of the Senate aisle.

In addition, I am particularly pleased that the opportunities industrialization centers program, which started in Philadelphia, is specifically included, by name, in this legislation. This is the first time since the Civil War that a national black program has been so honored in Federal legislation, and no group is more deserving of this honor than OIC, which has been so successful under the inspired leadership of Rev. Leon Sullivan.

Mr. President, Reverend Sullivan has sent me a letter, asking that I convey to all of my colleagues in the Senate his sincere appreciation for the special recognition accorded OIC. Although Reverend Sullivan has specifically thanked the Senate leadership, the Labor Committee, and the cosponsors of S. 136, the OIC bill, I know he is grateful to every Member of this body who played a part for the prompt action which has occurred on this bill. I ask that the full text of Reverend Sullivan's letter be inserted in the RECORD at this point, Mr. President, because I think this letter confirms the importance of the step we are taking in approving S. 1559 today.

Their being no objection, the letter was ordered to be printed in the RECORD, as follows.

OIC'S OF AMERICA,
Philadelphia, Pa., December 19, 1973.
Senator RICHARD S. SCHWEIKER,
New Senate Office Bldg.,
Washington, D.C.

DEAR SENATOR SCHWEIKER: On behalf of hundreds of thousands of economically disadvantaged Americans living in the Black inner city ghettos, the Mexican-American barrios, the Appalachian hollows, and the Indian reservations where OIC is training men and women to take meaningful jobs, I want to thank you for your efforts.

You have worked diligently to make possible the inclusion of OIC in the 1973 legislation and because you were willing to take the initiative many months ago and introduce a Bill, S. 136, with your colleagues Senator Hugh Scott, Senator Edward Kennedy and Senator Jacob Javits, has led us to this day when we are a part of the nation's manpower delivery system by law. The fact that through your efforts you were able to enlist the co-sponsors of S. 136 by 28 additional senators is perhaps one of the most encouraging demonstrations of why poor people and minorities can continue to have faith in our democratic system of government. We are grateful from 110 cities and 41 states where we are now operating, to all 32 senators who co-sponsored S. 136 and made it possible for our inclusion in S. 1559 as a section of the Bill. Thanks therefore go to:

Senator Case (R) New Jersey.
Senator Williams (D) New Jersey.
Senator Brooke (R) Massachusetts.
Senator Kennedy (D) Massachusetts.
Senator Humphrey (D) Minnesota.
Senator Mondale (D) Minnesota.
Senator Bayh (D) Indiana.
Senator Hartke (D) Indiana.
Senator Pell (D) Rhode Island.
Senator Pastore (D) Rhode Island.
Senator Stevenson (D) Illinois.
Senator Tunney (D) California.
Senator Taft (R) Ohio.
Senator Bellmon (R) Oklahoma.
Senator Bentsen (D) Texas.
Senator Eagleton (D) Missouri.
Senator Dole (R) Kansas.
Senator Hatfield (R) Oregon.
Senator Baker (R) Tennessee.
Senator Fulbright (D) Arkansas.
Senator McGovern (D) South Dakota.
Senator Haskell (D) Colorado.
Senator Randolph (D) West Virginia.
Senator Gravel (D) Alaska.
Senator Muskie (D) Maine.
Senator Hathaway (D) Maine.
Senator Cooke (R) Kentucky.
Senator Javits (R) New York.
Senator Scott (R) Pennsylvania.

Beyond this, Senator Schweiker, we wish to extend our special appreciation to the Majority Leader, Senator Mansfield, and the Minority Leader, Senator Hugh Scott, who gave leadership during the passage of S. 1559 by a memorable 88 to 5 vote which doubtless influenced both the President and the House of Representatives to seriously consider the great potentiality for the passage of meaningful manpower legislation that could include both the concepts of decentralization and comprehensive planning and still retain much of the expert knowledge that we have learned over the past ten years in OIC and other training programs that have been effective.

It can truly be said, as in the words of Winston Churchill, "never have so many owed so much to so few". Countless millions who have been unemployed and underemployed because of conditions beyond their control in terms of socio-economic conditions and racial discrimination, now know that their government cares and has taken some concrete steps to do something about the problems. Additional millions who have been unemployed most recently due to technological change though they were not handicapped by economic disadvantage or minority status until the advent of an aerospace crisis or an energy crisis—these too, know that their government has established machinery to do something about creating jobs and retraining technologically unemployed Americans so that they can maintain their pride and solve their own economic problems by engaging in useful work.

OIC has already worked diligently to train almost 200,000 persons. Our goal is to train 100,000 per year for the next 10 years and to coordinate our efforts with those of the government and industry to carry out comprehensive plans that will help the nation reach the goal of economic superiority and equal opportunity for all our citizens. We thank you, Senator, for your efforts along with those of your colleagues to make this possible.

Sincerely,
REV. LEON SULLIVAN,
Chairman of the Board.

THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973—S. 1559—CONFERENCE REPORT

Mr. CRANSTON. Mr. President, at the outset, I want to thank the distinguished Senate floor manager of the conference report (Mr. NELSON) and Senators JAVITS and TAFT, the minority leaders on the subcommittee and full committee, respectively, for their many courtesies to me and for their most sympathetic consideration of amendments which I offered during Senate consideration as well as their support of my efforts in conference. I would also like to take this opportunity to express my special appreciation to Senator HATHAWAY for his presentation of several areas of concern of mine during a period when I was unable to be present at the conference committee deliberations.

Mr. President, along with my colleagues on the Labor Committee, I have studied the measure before us in great detail. I believe it to be a most reasonable bill, and I urge the Senate to join with us in support of the conference report on S. 1559.

BACKGROUND

Mr. President, because I think the development of this legislation has been so important, I would like to discuss briefly the history of this measure.

Earlier this session, on July 24, the Senate passed S. 1559, then titled the "Job Training and Community Services Act of 1973." Subsequently, on July 31, the Senate passed S. 1560, "the Emergency Employment Amendments of 1973." On November 28, the House passed H.R. 11010, the "Comprehensive Manpower Act of 1973"—its version of comprehensive job training reform.

We were then faced with a situation where the Senate had passed two separate bills, S. 1559, dealing with job training programs, and S. 1560, extending and modifying the Emergency Act, and the House had one bill, H.R. 11010, which dealt with both manpower reform and public service employment.

I might add, however, that the House bill did not actually extend the EEA, but rather incorporated many of the provisions of the EEA with respect to section 6 of that act, adding a 7-percent area unemployment criterion for eligibility for public service job funds, rather than the 6-percent criterion in the EEA, for areas of high unemployment.

In light of a number of amendments to the EEA in the Senate bill and some important restriction of present EEA provisions carried over into title II of the House bill, I felt that it was imperative that the Senate amend S. 1559 to add those provisions of S. 1560 which had counterparts in the House bill. This would enable us, as Senate conferees, to be able to deal effectively with public service employment in the conference. Consequently, I discussed this concern of mine with the distinguished subcommittee chairman, and the ranking minority members of the full committee and the subcommittee. Senators NELSON, TAFT, and JAVITS agreed.

I would like to add, Mr. President, that

Senator Hathaway—a most knowledgeable and capable member of the subcommittee—was of great assistance in resolving this matter.

Senator Nelson, Senator Taft, Senator Javits, and I, then met with Assistant Secretary of Labor Kolberg shortly after the House passed its bill and discussed this issue at some length. The administration raised no objection to our proposed procedure to amend S. 1559 to include the relevant provisions of S. 1560 in the conference on S. 1559.

Senator Nelson then worked out the procedural matters surrounding such a motion, and successfully offered an amendment to S. 1559 which was adopted, and enabled us to take the important Senate provisions of S. 1560 to conference.

PUBLIC SERVICE JOBS

Mr. President, I believe that our gaining such a modification of the Senate bill has resulted in a significantly improved title II—that title of S. 1559, as reported by the conferees, dealing with public service employment—in the measure now under consideration. One important benefit from our amendment putting the provisions of S. 1560 into conference is the 6.5 percent unemployment criterion which is now contained in title II of the conference report on S. 1559. Had we been unable to get the S. 1560 provisions—which retained the 6-percent criterion for section 6 of the EEA—into conference, the House 7-percent figure would very probably not have been able to be reduced in conference under the rules of the House.

Mr. President, the Department of Labor is as yet unable to provide us with a definite determination as to the areas affected by the compromise 6.5-percent unemployment criterion—but a look at this time last year—the time of the earliest data available right now—provides us with an indication of the effect of the five-tenths of 1 percent reduction in the unemployment rate elgiblity criterion for title II funds, we were able to obtain in conference. In my own State of California, Garden Grove, Huntington Beach, the city of Orange, Torrance, Los Angeles County, Oakland, Daly City, Solona County, and Yolo County all had unemployment rates between 6.5 percent and 7 percent in November of 1972 and thus were recipients of section 6 EEA moneys. Those communities would not have been eligible for title II public service jobs funds under the House bill if their unemployment rate had not risen to 7 percent—which seeems very unlikely in view of the reduction since then in the national rate. I am not yet certain of the national impact of this reduction, but I believe it will probably be at least as significant as we expect it to be in California.

Perhaps the most important result of our getting the relevant provisions of S. 1560 into conference, Mr. President, is seen in the authorization of appropriations for title II in the conference report. The original House appropriations authorization contained an earmarking for title II funds of $250 million of amounts appropriated under the single "such sums" authorization for appropriations for the whole bill for fiscal year 1974 and $500 million for fiscal year 1975. Because we were able to get the pertinent provisions of S. 1560 into the conference with an open-ended authorization of appropriations for all 4 years was fully negotiable carrying out the public service title, the title II authorization amount. And I think it is clear that we have made a significant improvement, plus an express authorization for appropriations through fiscal year 1977. Sections 4(d) and (e) of the conference report combine to reserve, from amounts appropriated under the act, not less than $250 million for fiscal year 1974 and not less than $350 million for fiscal year 1975 for public service employment programs under title II—plus "such additional sums as may be necessary" in those 2 fiscal years. I cannot stress too strongly to my colleagues—and to the Appropriations Committee—that the conferees regard this reservation as a minimum reservation from among amounts appropriated under the act. That is why the words "not less than" were added to the House reservation language, which legal counsel advised could well have been construed as a limitation on amounts expendable for title II.

Rather, Mr. President, we would hope, and I very strongly urge, that the Appropriations Committee utilize the express authorization of "such additional sums" for this and the next fiscal year to continue public service employment programs under the new title II at levels at least equal to the funding previously authorized under the Emergency Employment Act—$1.25 billion for fiscal year 1974.

I cannot predict what will be the unemployment situation in 1976 or 1977, Mr. President, but I believe that it is most likely that we will continue to find millions of unemployed and underemployed Americans looking for decent jobs—and that we will still find masses of unmet public service needs. One of the major problems during this entire year with regard to public service jobs has been the confusion which surrounded the whole EEA extension issue. It is our hope that the 4-year authorization of appropriations for public service jobs under title II that is contained in the conference report—with a fully open-ended authorization for these years—will enable the Appropriations Committees and the Congress to provide the funds to help to prevent that situation from reoccurring.

THE IMPERATIVE NEED FOR ENACTMENT OF S. 1559

BLEAK JOB SITUATION

Mr. President, this legislation will reach the President's desk at a particularly appropriate time, as our economy is struggling with the effects of the diminishing involvement in Indochina—and attempting to convert war industries to peaceful and constructive pursuits.

At a time when the working people of this country suffer the ever increasing ill-effects of this administration's economic policy failures.

At a time when the crushing 1971 employment figures of well over 6 percent are again threatening the American labor force as a result of the "energy crisis." Mr. President, even without the looming menace of energy-crisis-related layoffs, over 4 million Americans are out looking for work—nearly 400,000 of them in my home State of California. And the growing ranks of the poor are more than ever the last to get decent jobs and the first to lose them.

The fact is, Mr. President that the cost of living in this country rose 8 percent in the first 6 months of 1973.

Blacks, browns, Indians, orientals, women, teenagers and other groups traditionally told to stand at the end of the line continue to search for results after the promising beginnings of the sixties. Yet a recently released U.S. Bureau of the Census survey shows that the gap between black and white income remains as great as it was in 1967. The median income of black families is 59 percent of that for white families—veritably the same disparity that existed in 1967. This same survey reflects, that though some real progress was made in reducing the number of black Americans with incomes below the poverty line before 1969—dropping from 39 percent in 1967 to 32 percent in 1969—the 32 percent level has remained constant since 1969.

The black jobless rate is 10 percent—compared with just under 5 percent for the rest of the labor force.

The chicano jobless rate is 8.2 percent.

The jobless rate is near 5.9 percent for women.

The ghettos, barrios, and Indian reservations of America continue to reflect unemployment rates of way over 20 percent.

As an original cosponsor of the Emergency Employment Act during the last Congress, I was dismayed to see that the President's fiscal year 1974 budget recommendations requested no extension of EEA programs after the July 1 expiration date. At the time of the budget message, the President, the Department of Labor, and the Office of Management and Budget, were all saying we did not need EEA jobs.

Indeed, during the subcommittee hearings on S. 1560, Assistant Secretary of Labor Kolberg stated in response to a question I raised about the administration's failure to seek an extension of the EEA:

> However, despite the fact that the EEA program was mounted and run effectively within the constraints of time and statute, the projected economic and manpower milieu for fiscal year 1974 do not support the extension of this act. A number of factors argue for nonextension of this legislation. Since the program began, unemployment has declined, the number of private sector jobs has increased substantially, and the financial ability of State and local governments to meet the demand for public services has improved.

Apparently, the unemployment difficulties of 4 million Americans did not carry much weight with the White House.

But now, Mr. President, we hear no less an "authority" than the Chairman of the President's Council of Economic Advisers, Dr. Herbert Stein, telling the Joint Economic Committee last week that in his estimation an unemployment rate increase of 3 percent is "possible" and that the administration is giving consideration to a public service jobs program as one "possibility" for dealing with unemployment that results from the fuel shortage.

Well, Mr. President, clearly, as we have learned all too sadly over the last many months, anything is "possible" in the Nixon administration. Today's "never" turns to tomorrow's "maybe" and next week's "always."

Mr. President, while I believe that the administration is unconscionably late in its agreement with the Congress about the absolutely essential extension of public service jobs programs, I welcome them to our view.

I believe that the impact of projected layoffs in energy-related industries can be lessened by public service jobs. Indeed, I believe it is quite possible that, within the funding available to individual prime sponsors under the new act, public service jobs can contribute to the conservation of energy in many ways. Such jobs as increasing the public awareness of the necessity for and ways of accomplishing energy conservation; transportation planning; traffic control; organization of car pools; the expected need for local level policing of fuel allocation programs; control of black-market activities which have already begun to surface—at the expense of those least able to pay; and fire protection services—especially important in my home State, and of growing importance timber, as a fuel and energy source, becomes more and more scarce and fires thereby become more and more of an energy threat. These would all be eligible public service job activities. Council of Economic Advisors said before the JEC, in discussing the impact of the energy shortage:

> We simply won't be able to protect everybody against pain, or to achieve everybody's idea of equity in the distribution of that pain.

The legislation before us today can, I believe, aid in making Mr. Stein's ominous prediction less painful—not only through the provision of jobs, but of needed public services.

At its most minimal level—utilizing only title II earmarked funds, S. 1559 as reported by the conferees, provides for 40,000 public service jobs for fiscal year 1974 and for 55,000 for fiscal year 1975 in activities I mentioned, as well as in the activities specified under the EEA.

Mr. President, I could go on and on about the vital need for enactment of this legislation—about the hundreds of witnesses who testified across the country on the need for manpower program reform, about continuation of EEA-type programs, about the many, many services provided under the EEA that will be ended if we do not succeed; about the many individuals and families who so depend on us responsibly to continue a commitment made to them years ago. But I do not think that is necessary today. We all have heard over and over again about the need for this bill. The difference is that this time I have no doubt that we will have a law—and not just a another futile, frustrating confrontation with the administration.

IMPACT OF CONFERENCE DECISIONS

Mr. President, during the development of the legislation now under consideration, I offered a number of amendments in subcommittee to both S. 1559 and S. 1560, as well as several floor amendments to S. 1560, and was fortunate to gain their inclusion in S. 1559 and S. 1560 as passed by the Senate. I would like now to discuss the disposition of several of these provisions by the conference committee.

VETERANS UNEMPLOYMENT

In S. 1560, we attempted to focus more directly on the long-term unemployed and the disadvantaged—particularly the employment problems of the Vietnam era veteran. S. 1560 as passed required that 50 percent of the EEA jobs be set aside for veterans of the Vietnam era. It also reserved the remaining jobs for the economically disadvantaged and those who had been seeking work unsuccessfully for 15 weeks or more.

I worked in subcommittee with Senator Nelson to develop the veterans' provision to provide a much sharper focus for the activities of local program agents under the EEA. Instead of "special consideration" as in existing law, S. 1560, as reported to the Senate, required each program sponsor to make commitments that by the end of fiscal year 1974 not less than 50 percent of the jobs supported with EEA funds would be filled by Vietnam era veterans or disabled veterans. Specific steps designed to meet that commitment were to be set forth in plans submitted to the Secretary. Moreover, these plans were to describe the types of jobs to be made available to veterans which should utilize the skills they acquired while in military service.

As chairman of the Health and Hospitals Subcommittee of the Veterans' Affairs Committee, and the past chairman of the Subcommittee on Veterans' Affairs of the Labor and Public Welfare Committee prior to the Legislative Reorganization Act of 1970, I have been a major participant in the efforts of the Congress over the last 4 years to give veterans employment programs a higher priority in the present administration.

I believe the compromise we were able to reach with House on this issue is acceptable.

I would like to call to the attention of the Senate the relevant section of the joint explanatory statement of the committee of conference on these two issues. It states:

> The House amendment requires that a person be unemployed for at least 30 days to qualify under the program. The Senate amendment limits eligibility to those who have been unemployed for 15 weeks and to those who are unemployed or underemployed and from economically disadvantaged backgrounds but these requirements may be waived in the case of persons unemployed as a result of certain closings of or cutbacks, in Defense Department facilities. The Senate recedes with the understanding that a person who has been unemployed for at least 30 days means a person who has been without work for 30 days or longer for reasons other than strike or lockout at his usual place of employment, and (i) has made specific efforts to find a job within the past 4 weeks, (ii) is not waiting to be called back to a job from which he has been laid off, or (iii) is not expecting to report to a new job other than a job funded under the Act, within the next 30 days.
>
> The Senate amendment retains the provisions of the Emergency Employment Act requiring that programs be, to the extent feasible, designed with a view to upward mobility and continued training. The House recedes.
>
> The House amendment requires that persons hired reside in the area of substantial unemployment and that the service provided be for the benefit of the residents of such areas. The Senate amendment has no comparable provision. The Senate recedes.
>
> The Senate amendment requires a plan which includes a commitment that by the end of fiscal year 1974, 50 percent of the jobs supported under the act be filled by disabled or Vietnam era veterans. The House amendment requires that special consideration in filing public service employment jobs be given to unemployed veterans (discharged under conditions other than dishonorable) who have served in Indochina or Korea. The Senate recedes with an amendment. Special consideration is to be given to veterans who have served in Indochina or Korea on or after August 5, 1964 other than those who have been dishonorably discharged and the applicant must describe the specific steps he will undertake to provide such special consideration.

Mr. President, the description of the specific steps the program agent must take with regard to providing the required special consideration for veterans in filling public service jobs is very similar to that contained in S. 1560 as passed by the Senate, and I would expect, as the author of both the Senate provision and the compromise language in the conference report, that the Secretary would scrutinize the plans of program agents to carry this out and to stress utilizing the military training and experience veterans and to notify veterans of these jobs most carefully in carrying out his duties under the act.

During the Senate consideration of S. 1560, I offered several amendments which were adopted and subsequently included in those provisions which were added to S. 1559 as it went to conference as the result of the Nelson floor amendment. Some were not specifically or fully retained in the conference report itself, which I would like to discuss now.

I offered a provision which altered section 14 of the EEA—the definition section of the act—to include in the definition of "public service jobs" work in "veterans outreach" program as well as a definition of "veterans outreach."

This latter definition would include the veterans outreach services program carried out under the provisions of sections 240 and 241 of title 38, United States Code, and provided for the "full utilization" in these VA outreach programs of veterans receiving GI bill assistance or participating in vocational rehabilitation programs under chapter 31 of title 38.

Mr. President, as the author of the veterans outreach services program established in the provisions of section 240 and section 241 in subchapter IV of title 38 of the United States Code, I sought through this amendment to enhance the effectiveness and relevance of the outreach services which can be provided through the EEA—especially the "split jobs" concept. Under this title 38 program, outreach services are provided designed to assure that all veterans are aware of, and, hopefully, take advantage of the readjustment and other benefits to to which they are entitled.

Section 240 of title 38 directs the VA actively to seek out eligible veterans and their dependents—and personally contact those veterans who are disadvantaged—to insure that they have this information and to counsel them as to their various eligibilities.

Utilization of the proven split-jobs concept in veterans' outreach programs through the Emergency Employment Act is one step we can take to provide a fair chance to these men and women—especially GI bill trainees needing part-time jobs to meet their expenses in our overinflated economy—to become employed in productive public service work and not have to wage the misdirected war on inflation at home after the sacrifices we have already called upon them to make in Indochina.

Under the S. 1560 provision as inserted in S. 1559 for conference, Mr. President, we sought to double the help the EEA provides to returning and recently returned veterans by hiring vets in public service jobs to help other veterans learn about and make use of their GI bill assistance benefits and to help direct them toward productive job opportunities as well.

The 1971 Labor and Public Welfare Committee report on S. 31, the Senate EEA bill (Senate report No. 92-48), included language I proposed discussing the concept of "split-jobs" under the Emergency Employment Act for veterans. The report states:

> . . .[T]he Committee believes that there is a great opportunity under this public service employment program to assist educationally and economically disadvantaged veterans enrolled in college under the GI bill and who are struggling to make ends meet. Many more of these men, who often are high school dropouts, could pursue college or junior college training if they had part-time jobs to supplement their GI bill educational assistance allowances.
>
> The Committee is hopeful that the Secretary of Labor would give serious consideration to the great potential of such an allocation of public service jobs. Along the same lines the Committee feels that, to the extent practicable, he should also give special preferences to veterans disabled with service-connected conditions who are nevertheless employable.

While I would have preferred retention of the definition of "outreach services" in the conference report before us today, it was decided by the conference that such a definition was not absolutely necessary—since the Secretary has utilized the split-jobs concept in the past, since veterans outreach programs are stressed in title II in section 205(c)(5) of the bill, since the term "veterans outreach" was retained in the definition of "public service jobs," and since we were attempting to maintain as much secretarial flexibility as possible. I believe that the conference action on the first part of this amendment, coupled with the other provisions in S. 1559, as reported from conference, stressing special responsibilities of the Secretary for veterans employment, creates a very clear indication of the Congress understanding of what "veterans outreach" means in section 601(a)(7).

Additionally, Mr. President, the retention in the conference report of certain other provisions I authored—particularly those relating to chapters 41 and 42 of title 38, relating to the job counseling, training, and placement service for veterans, and the role of the Secretary of Labor with regard to that program, and the retention of special consideration for veterans with respect to title II jobs expresses the very strong feelings of the conferees to maximize public service job opportunities for Vietnam era veterans.

Mr. President, I felt very gratified by certain provisions retained in the conference report that I believe have a very direct bearing on the Secretary's responsibility to returning veterans and those with service-connected disabilities and congressional expectations in that regard, which build on sections 2003 and 2006 of chapter 41 and sections 2012 and 2013 of chapter 42 of title 38.

In the Senate version of S. 1559, the members of the committee added provisions, which I proposed, to build upon sections 2012 and 2013 and the AVER's section 2003 provisions.

First. The Secretary was given a special Federal responsibility to utilize in the nationwide computerized job bank and matching program the listing of all suitable employment openings in local employment service offices and the requirement that special emphasis in employing certain veterans be provided by all Federal contractors, and subcontractors—as required by section 2012(a) of title 38—this is retained in the conference report;

Second. The provision was retained in the conference report directing the Secretary to carry out fully and effectively his responsibilities for assigning the AVER's and, for providing the special emphasis in addition to job listing, and for his other duties under chapter 41 of title 38; and

Third. Each State is required under the conference report to set forth in its prime sponsorship plan submitted to the Secretary arrangements for assisting the Secretary in enforcing these Federal contractor and subcontractor listings as well as special emphasis requirements under section 2012(a) of title 38.

The joint explanatory statement states that:

> The Senate amendment includes as a special responsibility of the Secretary the effective implementation of the veteran's employment representatives and certain other special employment emphasis provisions of title 38, U.S.C. and giving special consideration to job training programs for persons affected by the closing of a Government facility. The House amendment contains no comparable provisions. The House recedes, but the conferees expect the Secretary to use funds available under other statutes in carrying out his responsibilities under title 38, U.S.C.

It is contemplated that such "funds available under other statutes" as to the title 38 provisions, would include funds expressly made available to carry out veterans' employment programs under, for example, the Wagner-Peyser Act trust fund, and that funds available under S. 1559 as reported by the conferees would be used only where absolutely necessary in a supplemental fashion. This provision in section 301 (d), as with both the job listing and special emphasis provisions in the State prime sponsor requirements and the job bank-matching provision, should make it clear to the Solicitor and the Secretary of Labor that the job listing and special emphasis requirements are clearly viewed by the Congress as two separate requirements—both of which must be canned out by the Secretary. I sincerely hope that after so long a struggle to make this point to the Department of Labor—we have finally done so in today's bill. And that the Secretary will proceed to require Federal contractors and subcontractors to report on what they are doing to carry out their responsibilities to give special emphasis to the employment of Vietnam era and service-connected disabled veterans.

PUBLIC SERVICE JOBS MAINTENANCE OF EFFORTS

Additionally, Mr. President, with respect to title II of conference report, the conferees were able to work out compromise language with regard to the assurances that program sponsors would insure that EEA funds are not being used to fill a job opening created by the action of an EEA employer in laying off a regular employee, by rehiring that person with PSE Federal funds.

This is a provision I authored in the Senate bill, and I believe we have worked out an acceptable compromise between the two versions.

The joint explanatory statement language on this is very helpful in clarifying out intent. It says:

> The House amendment requires special consideration for those who have been unemployed the longest and have the least prospect of finding regular employment, but such special consideration does not authorize the hiring of any person for a job from which another person is on lay-off. The Senate amendment prohibits the hiring of any person to fill a job vacant because of a layoff. The conferees adopted both provisions with the understanding that the language in the Senate bill is not intended to preclude the re-hiring of persons who have been laid off for bona fide reasons nor is it intended to prevent the filling of jobs vacated because of bona fide layoffs. The intention of this provision is to prevent so-called "paper layoffs".

ARTIFICIAL BARRIERS TO EMPLOYMENT

Add other provisions I authored in the Senate bill regarding the removal of artificial barriers to public employment of disadvantaged persons, and a direction that the Secretary provide technical assistance in the development of programs designed to accomplish that were substantially retained in the conference report—specifically in sections 204(b) (19) and (21) of title II, and sections 311 and 315 of title III which provides for technical assistance activities for title II programs as well as the entire act, but no set-aside therefor as in my original Senate amendment, under the special responsibilities of the Secretary.

WELFARE RECIPIENTS

Mr. President, I was pleased that we were able to reach agreement with the House on language in the joint explanatory statement with regard to special consideration for welfare recipients in filling EEA jobs. I had authored a provision on the Senate floor to the S. 1560, which provided for due consideration for welfare recipients in filling EEA jobs, but I believe the joint statement language adequately addresses my concern. It states:

> The Senate amendment requires that due consideration be given to the employment of welfare recipients. The House amendment has no comparable provision. The Senate recedes, but in the understanding that welfare recipients are eligible for consideration for employment, and may be eligible for special consideration under paragraph 7 of section 205.

INFORMATION FOR BILINGUAL PERSONS

While a bilingual information provision I authored in S. 1560 as adopted by the Senate mandating the provision of information in appropriate areas regarding public service job availability for individuals of limited English-speaking ability in their primary language was not specifically retained in the conference report.

I believe several other provisions of the conference report express the intention of the Congress in that regard, particularly sections 105(a)(1)(D), 105(a)(2), 105(a)(3)(A), 107(a)(1)(A)(vi), 104, 305(b)(B), and, with particular direct impact for title II public service jobs programs, section 209(2) of the bill.

TITLE I—COMPREHENSIVE MANPOWER SERVICES

PRIME SPONSORS

Mr. President, both the House and Senate bills recognized the overwhelming argument for decentralization of manpower programs. Throughout the last several years that I have worked on this legislation, I have heard inumerable witnesses urge that local communities be free to design and operate their own manpower programs within a decentralized manpower system. There are presently over 10,000 separate contracts which are administered by the Department of Labor under the Economic Opportunity Act of 1964 and the Manpower Development and Training Act of 1962. Local officials were adamant that this new legislation not make them subordinate to a system operated, basically, by the 50 Governors. I believe the conference report has fully and successfully reconciled all these concerns.

In the Senate version of S. 1559, I authored a provision—identical to one I authored in 1970 and which was retained in the vetoed bill sent to the President that year—which provided, that, when two units of general purpose government both qualified with regard to population as prime sponsors, such as a city within a county in which both the city and the county qualified by population, the Secretary was directed to designate to serve as prime sponsor for the common area, the unit which could more effectively carry out the responsibilities of a prime sponsor under the act. I saw this as a mechanism to limit unnecessary and duplicative program administrators—thereby enabling more Federal dollars to go into jobs and job training—and a way of maximizing the use of experienced program sponsors.

Unfortunately, this time the House conferees were unwilling to accept any such provision, nor would they accept a modification I offered to provide that in limited exceptional circumstances, where the larger unit of government containing a smaller unit—both with an eligible population—manifested a "clearly superior" capability for carrying out the purposes of the act, the Secretary could designate the large unit as the prime sponsor.

I believe that this modification would have resulted in more effective program administration. However, I am hopeful that the Secretary will fully utilize his authority under section 103(b)—the provision which reserves not more than 5 percent of the appropriated funds to the Secretary to encourage voluntary combinations of units of government as described in section 102(3)—to urge such combinations. And I urge Governors to make recommendations for such combinations to the Secretary inappropriate situations as they are entitled to do under the conference provision.

It should be stressed, Mr. President, that this provision is applicable not only to contiguous cities or counties, but to cities and counties in situations such as I just described. I would, thus, very strongly urge the Secretary to urge combinations in such situations before designating as prime sponsor the smaller unit submitting or approvable comprehensive manpower plan, because I sincerely believe that such combinations can result, in many instances, in more effective, economical, and efficient programs.

An example of the type of situation where I think the Secretary could effectively foster such a combination is in Alameda County, Calif.

In Alameda County, there are several communities which will qualify as prime sponsors under the 100,000 population requirements of the conference report—Berkeley, Oakland, and Hayward, for example. The county, in this instance, has had a long history of program responsibility in the manpower area, and up until very recently, administered the manpower programs for all the cities in the county. It would be foolish, I think, to now turn around and designate four prime sponsors where there previously had been only one—necessitating expenditures for four separate program administrations and so forth.

I would hope, Mr. President, that in areas such as this, the Secretary would use his 103(b) incentive money to encourage cities and counties to form a combination prime sponsorship—thereby eliminating unnecessary duplication and waste.

LINKS TO REAL JOBS

Mr. President, the biggest single failing of adult manpower training programs in the past has been the failure, with the obvious exception of Emergency Employment Act programs—to provide strong linkages to real jobs. For too often manpower trainees have been funneled from one "training" program to another.

Because I was so concerned about this, I offered two amendments to the Senate bill—adopted in committee and included in the Senate version of S. 1559 that went to conference, first, providing priority in funding for training programs in which strong job commitments had been obtained by the prime sponsors, and, second, requiring the prime sponsor to follow up on such commitments by conditioning future funding on the ability of the sponsor to demonstrate that it had done everything possible to place the successful trainee in such employment or itself to employ the trainee.

After much discussion, Mr. President, I believe we were able to work out a minimally acceptable compromise requiring that training and OJT programs, wherever possible, lead to meaningful jobs at decent wages. I hope the Secretary will implement this provision in a most aggressive fashion. The joint explanator statement clearly reflects the very strong concern of the conferees in this regard. It states:

> The Senate amendment requires the establishment of program goals, a description of employment and training needs and that priority be given to programs where public and private employers make employment commitments to prospective participants. The House amendment also requires that prime sponsors receiving funds under title II, as well as this title, integrate their title II programs with activities financed under title I. The conference compromise adopts the provisions of the House amendment, as well as the provisions of the Senate amendment on establishing goals and a provision requiring, wherever possible, that training lead to employment providing economic self-sufficiency.

LABOR MARKET INFORMATION AND COMPUTER JOB BANK

Mr. President, I was very pleased that the conference report retained the provisions in the Senate bill with respect to the development of more adequate labor market information. This provision derives from a provision I originally authored in S. 3311 in the 92d Congress, which I have reintroduced again this year as S. 793, the proposed "Public Service Employment Act of 1973." In order to assure implementation of this important provision, I had added in committee a provision mandating a set-aside of funds to begin the difficult and detailed task outlined in the Senate provision. This set-aside was retained in section 312 of the conference report.

Also contained in section 312 of the conference bill, is a provision directing the Secretary to establish a computerized job bank and matching system—utilizing the job listing requirements of section 2012(a) of title 38 of the United States Code, which I described earlier in my remarks—and the title 38 linkup part which I had authored in the Senate bill.

BILINGUAL MANPOWER PROGRAMS

Mr. President, I would like to express my appreciation for the able assistance of Congressman **Badillo** in helping me effect a good compromise between the two bills with regard to the required components of manpower and employment programs for limited English-speaking people under the new act. The Congressman had authored a provision in the House bill similar in intent to a provision I had authored in the Senate bill, specifying the components of such bilingual-type programs.

The joint explanatory statement discusses this provision as follows:

> The Senate amendment requires the Secretary to establish procedures to insure that programs for persons of limited English speaking ability provide such training and supportive services as will increase employment and training opportunities for them. These procedures shall also provide that programs for such people emphasize occupations that do not require proficiency in English, emphasize technical English vocabulary necessary for specific occupations, train bilingual instructors and otherwise establish, maintain and operate programs to increase employment and advancement opportunities for persons of limited English speaking ability. The House amendment provides that in carrying out his special responsibilities the Secretary shall establish procedures to insure that programs for such persons will increase their employment and training opportunities. The Senate receded in light of the agreement in section 301(b).

Basically, what the conference provision represents in 301(b) are the crucial components of the Senate provision—including, provision of job training services at alternative times, so that presently employed individual would have an opportunity to learn new skills; programs designed to increase the promotional opportunities of limited English-speaking people; programs teaching skills which do not require a high proficiency in English; programs teaching specific English technical vocabulary necessary to the performance of certain occupations; and the conduct in the primary language of participants of programs themselves, and the provision of information about jobs and job training programs, including conduct of outreach programs to enroll those needing such programs, using the participants' primary language.

Mr. President, I think we have a good provision here, and I would hope that the Secretary will carry out his responsibilities under it very vigorously, and promote new and innovative bilingual manpower and employment programs both as national emphasis programs, and to be carried out by title I prime sponsors and title II eligible applicants.

COMMUNITY-BASED GROUPS AND LOCAL MANPOWER COUNCILS

Mr. President, in our haste to decentralize the manpower program bureaucracy, I felt it was imperative that we ensure a continuing role for programs and groups which have already demonstrated their effectiveness, and insure that the poverty community had a real voice in program decisionmaking.

I was, consequently, very gratified that we retained in the conference bill provision to require that the Secretary terminate financial assistance to prime sponsors, after full opportunity for a hearing, "failing to serve equitably the significant segments of the population" or "failing to give due consideration to funding programs of demonstrated effectiveness."

We were also able to agree on a definition of "community-based organizations" which includes an exemplification of several programs which I believe are "of demonstrated effectiveness"—including jobs for progress—SER—a program which I believe should be retained in the many communities it has so effectively served, and opportunities industrialization centers and community action actions, also of long experience in carrying out manpower and training programs.

Finally, in this same connection, after long debate the House conferees accepted a compromise between versions which I and Congressman STEIGER offered to continue the Senate bill requirement of mandatory local manpower advisory councils appropriately representative of local poverty, community-based, labor and business groups, and other appropriate groups and interests. The Senate bill included provisions I authored specifically including representatives of veterans on the local councils, as well as on the State councils to be established under section 107(a)(1), and on the National Manpower Policy Commission, established under section 105(a)(1), of the conference report. The exclusion of this specification was in no way intended to discourage such veterans representation on these councils, which would obviously be appropriate given the great stress placed on the employment and training needs of veterans throughout the conference report, which I discussed earlier.

CONCLUSION

Mr. President, we have a bill. We have a good bill. It is one which has been carefully scrutinized. I urge my colleagues to support the conference report—so that we may get on with this so desperately needed manpower program reform.

Mr. HATHAWAY. Mr. President, I want to commend the Senator from Wisconsin (Mr. NELSON) and the Senator from New York (Mr. JAVITS), the chairman and ranking minority members of the Manpower Subcommittee of the Committee on Labor and Public Welfare on which I serve for the excellent job they have done on this very important legislation. I have had the privilege of working with them from the inception of the bill in subcommittee through conference and know firsthand of the tremendous effort and leadership they have shown in producing a bill which will go a long way toward helping the unemployed and underemployed in our Nation.

Mr. ROTH. Mr. President, I previously wrote the distinguished senior Senator from New York, asking for his support and assistance in resolving the language of the Comprehensive Manpower Act of 1973 in conference so that a local general government such as Wilmington, with a population of less than 100,000, may qualify as a prime sponsor for comprehensive manpower programs. Senator JAVITS has been most gracious and helpful in this regard. I thank him for his efforts.

Mr. HARTKE. Mr. President, I am particularly concerned with section 3 of the Comprehensive Employment and Training Act of 1973 as reported by the conference committee. This section deals with the transition from existing manpower programs under the Manpower Development and Training Act and the Economic Opportunity Act to those under the proposed Comprehensive Employment and Training Act.

I interpret section 3 of the bill as reported by the conference to mean that there will be no lessening of manpower training efforts as we phase from the old program authority into the new comprehensive program. I take section 3 to mean that under the authority existing prior to June 30, 1973, programs may continue to be funded up to midnight June 30, 1974, and that they may thereafter run their full and formal course. I also assume that with the language of section 3, my colleagues on the conference committee mean to protect the Federal investment made in programs under the old manpower authority by assuring that there will be adequate staff in appropriate agencies—the State departments of education, for example—to assure that ongoing programs will be adequately monitored and that there will be sufficient program staff to insure the efficient phase-down in programs under the old authority into that of the new.

Fortunately through the past 10 years of program operations under the MDTA, Indiana has developed a fine manpower capability. This resource will, I am sure, be invaluable as we phase into and then get the new comprehensive program going. At the present time the State Board of Vocational and Technical Education is responsible for institutional manpower training. The board is overseeing some $3.2 million in manpower training programs including millions of dollars in valuable training equipment.

My purpose in seeking clarification of section 3 is simply this: In Indiana and throughout the Nation we have a sizable investment of federally funded resources which were generated under MDTA and EOA. These resources are currently being used to provide manpower training services. I seek reassurance that it is the intent of the conferees that these resources will be fully used, with no fallback from fiscal year 1974 training plans, up to July 1, 1974. I further seek reassurance from the conferees that there will be no decrease in the manpower training effort during the time required for phasing into the new program under the Comprehensive Employment and Training Act of 1974.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATION BILL—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on H.R. 11575, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11575) making appropriations for the Department of Defense for the fiscal year end-

ing June 30, 1974, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 19, 1973, at pp. 42538–42540.)

Mr. McCLELLAN. Mr. President, on Tuesday, December 18, the conferees on the Department of Defense appropriation bill for fiscal year 1974, after 7 hours of deliberation, reached agreement on the differences between the two Houses.

The total amount agreed to was $73,714,930,000. This is $3,535,793,000 under the budget. If transfers are excluded, the net reduction is $3,032,493,000 under the budget.

This is the goal we sought earlier this year when the Defense Subcommittee set a tentative target figure for defense at $3 billion under the budget. I believe that we have achieved this ceiling without harm to either the ongoing operations of the military services or detriment to future preparedness.

The conference agreement figure is $386,379,000 under the House bill and $450,303,000 over the Senate bill. It is $1,669,643,000 under the appropriation for fiscal year 1973.

The conference was completely free with every difference carefully considered and some issues vigorously contested. Since there are hundreds of individual items involved, I believe the conferees on the part of the House and of the Senate acted with proper expedition and good judgment.

The following are some of the major items which were agreed to in conference:

MILITARY ASSISTANCE SERVICE FUNDED SUPPORT TO LAOS AND SOUTH VIETNAM

The House bill included $1,008,500,000 while the Senate bill provided $650,000,000. The conferees agreed on a figure of $900,000,000 for military support to the two countries. Under the provisions of the continuing resolution there have been obligations of $470 million through December 14. If the Senate figure of $650 million were provided, the assistance would have terminated prior to the end of February 1974, assuming obligation of funds at the same rate as has occurred since the beginning of the fiscal year.

The conference agreement of $900 million will result in some reduction of assistance to Laos and Vietnam during the remainder of the fiscal year yet permit the program to continue.

AIRCRAFT PROCUREMENT, NAVY

The conferees agreed to the Senate reduction of $10.5 million in the A–4M Skyhawk aircraft program which buys 20 aircraft instead of the 24 funded in the House bill. The conference agreed to a Senate reduction of $11 million in the A–6E Intruder aircraft program, which reduces the fiscal year 1974 buy from 15 to 13 aircraft. The conference agreed to the Senate reduction of $22 million in the A–7E Corsair II aircraft program, reducing the number of aircraft to be procured from 42 to 30. The conferees also agreed to provide the full amount of the budget request, $401,400,000, to procure 45 S–3A Viking aircraft. This is an increase of $66 million over the Senate allowance, which provided funds to purchase 36 aircraft.

WEAPONS PROCUREMENT, NAVY

The Senate had restored the House reduction of $14.1 million for advance procurement of the Harpoon missile. The conference agreed to restore the funds to the "Research, Development, Test, and Evaluation, Navy" appropriation. The conferees agreed to the House denial of $12.4 million for the AGM–83A Bulldog missile. The House provided $26.6 million for the fleet satellite communications system, while the Senate included $44.1 million for the program. The conference agreed on $36.6 million for this communications system.

SEA CONTROL SHIP

The conference agreed to provide $29.3 million in advance procurement funding for the sea control ship as proposed by the Senate. The House had provided no funds. The conferees further agreed that no funds are to be obligated for the program pending completion of a designated study and until specific written approval has been granted by each Appropriations Committee.

AIRCRAFT PROCUREMENT, AIR FORCE

The conference agreed to provide $70.1 million for the procurement of 24 A–7D Corsair II aircraft as proposed by the Senate and $151.6 million for 12 F–111F aircraft as proposed by the House. The House provided $764 million for 68 F–15 aircraft while the Senate included $714 million for 60 aircraft. The conference agreed to provide $736 million to procure 62 F–15 aircraft. The conference agreed to provide $7.6 million for the E–3A airborne warning and control system aircraft program. The House had provided no funds while the Senate had included $11.7 million. The conference agreed to provide $32.3 million for a fourth E–4A advanced airborne national command post aircraft as proposed by the Senate. The House had included no funds. The conferees agreed that no further 747 aircraft are to be included in budget requests for the program until the command-control-communications electronics package has been completely developed and thoroughly tested.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

The conferees agreed to delete the $26.2 million requested for the submarine launched ballistic missile phased array radar program.

The conference also agreed to provide $110 million for the site defense program. The House had provided no funds, while the Senate figure was $135 million.

The conference restored $22.6 million, which the Senate had deleted, for the SAM–D missile program, thus providing the full amount of the budget request of $193.8 million.

The House provided no funds for Project Sanguine, whereas the Senate bill included the full budget request of $16.6 million. The conference agreement provides $8.3 million with a statutory provision that one of the funds shall be used for full-scale development.

The House bill did not include funds for the advanced medium short take off and landing transport aircraft. The Senate provided the full budget request of $65.2 million. The conference agreement provides $25 million.

The Senate deleted $10 million from the A–10 close air support aircraft program. The conference agreement restored the $10 million and provides the full authorization of $107.4 million.

The Senate bill included a general provision limiting the supply of petroleum products to Southeast Asia. The conference amended the language to read:

> None of the funds contained in this Act shall be used to furnish petroleum fuels produced in the Continental United States to Southeast Asia for use by non-United States nationals.

I ask unanimous consent that a tabulation summarizing the action of the House, Senate, and conference be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE APPROPRIATION, 1974, BILL (H.R. 11575)

Appropriations (by functional title)	Revised fiscal year 1974 budget request	House allowance	Senate allowance	Conference agreement	Conference compared with— Budget estimate	House allowance	Senate allowance
TITLE I—MILITARY PERSONNEL							
Military personnel, Army	7,211,400,000	7,131,437,000	7,098,050,000	7,109,950,000	−101,450,000	−21,487,000	+11,900,000
Military personnel, Navy	5,355,600,000	5,281,995,000	5,271,350,000	5,271,350,000	−84,250,000	−10,645,000	
Military personnel, Marine Corps	1,555,800,000	1,549,452,000	1,547,000,000	1,547,000,000	−8,800,000	−2,452,000	
Military personnel, Air Force	6,932,500,000	6,886,411,000	6,863,350,000	6,863,350,000	−69,150,000	−23,061,000	
Reserve personnel, Army	463,700,000	452,408,000	452,408,000	452,408,000	−11,292,100		
Reserve personnel, Navy	212,100,000	209,403,000	209,403,000	209,403,000	−2,697,000		
Reserve personnel, Marine Corps	67,500,000	61,173,000	61,173,000	61,173,000	−6,327,000		
Reserve personnel, Air Force	139,300,000	126,962,000	126,962,000	126,962,000	−12,338,000		
National Guard personnel, Army	587,100,000	555,900,000	555,900,000	555,900,000	−31,200,000		
National Guard personnel, Air Force	181,500,000	177,500,000	177,500,000	177,500,000	−4,000,000		
Total, title I—Military personnel	22,706,500,000	22,432,641,000	22,363,096,000	22,374,996,000	−331,504,000	−57,645,000	+11,900,000

DEPARTMENT OF DEFENSE, APPROPRIATION 1974, BILL (H.R. 11575)—Continued

Appropriations (by functional title)	Revised fiscal year 1974 budget request	House allowance	Senate allowance	Conference agreement	Conference compared with—		
					Budget estimate	House allowance	Senate allowance
TITLE II—RETIRED MILITARY PERSONNEL							
Retired pay, defense	4,705,900,000	4,681,900,000	4,681,900,000	4,681,900,000	−24,000,000		
TITLE III—OPERATION AND MAINTENANCE							
Operation and maintenance, Army	6,401,700,000	6,133,747,000	6,153,747,000	6,214,697,000	−187,003,000	+80,950,000	+60,950,000
Operation and maintenance, Navy	6,156,700,000	6,023,200,000	6,013,683,000	6,004,950,000	−151,750,000	−18,250,000	−8,733,000
Operation and maintenance, Marine Corps	417,000,000	411,645,000	410,645,000	410,645,000	−6,355,000	−1,000,000	
Operation and maintenance, Air Force	6,717,100,000	6,532,100,000	6,458,241,000	6,504,294,000	−212,806,000	−27,806,000	+46,053,000
Operation and maintenance, Defense agencies	1,478,400,000	1,650,408,000	1,456,198,000	1,454,898,000	−23,502,000	−195,510,000	−1,300,000
Operation and maintenance, Army Reserve	260,400,000	255,000,000	253,900,000	253,900,000	−6,500,000	−1,100,000	
Operation and maintenance, Navy Reserve	175,400,000	172,000,000	170,750,000	170,750,000	−4,650,000	−1,250,000	
Operation and maintenance, Marine Corps Reserve	11,400,000	11,000,000	11,000,000	11,000,000	−400,000		
Operation and maintenance, Air Force Reserve	227,600,000	223,000,000	222,800,000	221,900,000	−5,700,000	−1,100,000	−900,000
Operation and maintenance, Army National Guard	540,000,000	524,000,000	523,839,000	524,400,000	−15,600,000	+400,000	+561,000
Operation and maintenance, Air National Guard	524,500,000	518,000,000	510,500,000	514,250,000	−10,250,000	−3,750,000	+3,750,000
National Board for the promotion of Rifle Practice	159,000	159,000	159,000	159,000			
Claims, Defense	49,100,000	49,100,000	49,100,000	49,100,000			
Contingencies, Defense	5,000,000		5,000,000	5,000,000		+5,000,000	
Court of Military Appeals	864,000	864,000	864,000	864,000			
Total, title III—Operation and maintenance	22,965,323,000	22,504,223,000	22,240,426,000	22,340,807,0000	−624,516,000	−163,416,000	+100,381,000
TITLE IV—PROCUREMENT							
Aircraft procurement, Army	181,000,000	139,400,000	138,400,000	138,400,000	−42,600,000	−1,000,000	
Transfer from other accounts		(21,400,000)	(21,400,000)	(21,400,000)	(+21,400,000)		
Missile procurement, Army	569,500,000	514,600,000	525,100,000	525,100,000	−44,400,000	+10,500,000	
Transfer from other accounts		(22,000,000)	(22,000,000)	(22,000,000)	(+22,000,000)		
Procurement of weapons and tracked combat vehicles, Army	238,000,000	224,300,000	224,300,000	224,300,000	−13,700,000		
Procurement of ammunition, Army	1,138,900,000	931,300,000	676,100,000	784,300,000	−354,600,000	−147,000,000	+108,200,000
Transfer from other accounts		(46,100,000)	(146,100,000)	(146,100,000)	(+146,100,000)	(+100,000,000)	
Other procurement, Army	551,900,000	502,290,000	460,590,000	461,690,000	−90,210,000	−40,600,000	+1,100,000
Transfer from other accounts		(27,000,000)	(39,500,000)	(39,500,000)	(+39,500,000)	(+12,500,000)	
Aircraft procurement, Navy	2,927,500,000	2,785,200,000	2,646,700,000	2,722,700,000	−204,800,000	−62,500,000	+76,000,000
Transfer from other accounts		(106,800,000)	(106,800,000)	(106,800,000)	(+106,800,000)		
Weapons procurement, Navy	933,400,000	790,700,000	834,700,000	800,700,000	−132,700,000	+10,000,000	−34,000,000
Shipbuilding and conversion, Navy	3,754,100,000	3,453,800,000	3,468,100,000	3,468,100,000	−286,000,000	+14,300,000	
Other procurement, Navy	1,393,800,000	1,261,000,000	1,202,300,000	1,204,200,000	−189,600,000	−56,800,000	+1,900,000
Transfer from other accounts		(45,000,000)	(45,000,000)	(45,000,000)	(+45,000,000)		
Procurement, Marine Corps	180,000,000	173,932,000	173,932,000	173,932,000	−6,068,000		
Transfer from other accounts		(5,000,000)	(5,000,000)	(5,000,000)	(+5,000,000)		
Aircraft procurement, Air Force	2,906,800,000	2,693,800,000	2,470,900,000	2,720,400,000	−186,400,000	+26,600,000	+249,500,000
Transfer from other accounts		(54,000,000)	(54,000,000)	(54,000,000.	(+54,000,000)		
Missile procurement, Air Force	1,519,600,000	1,371,500,000	1,395,800,000	1,393,300,000	−126,300,000	+21,800,000	−2,500,000
Transfer from other accounts		(30,000,000)	(30,000,000)	(30,000,000)	(+30,000,000)		
Other procurement, Air Force	2,004,900,000	1,605,600,000	1,589,300,000	1,542,700,000	−462,200,000	−62,900,000	−46,600,000
▸ Transfer from other accounts		(30,000,000)	(30,000,000)	(30,000,000)	(+30,000,000)		
Procurement, Defense agencies	70,700,000	66,000,000	66,280,000	66,000,000	−4,700,000		−280,000
Transfer from other accounts							
Total, title IV—Procurement	18,370,100,000	16,513,422,000	15,872,502,000	16,225,822,000	−2,144,278,000	−287,600,000	+353,320,000
Transfer from other accounts		(387,300,000)	(499,800,000)	(499,800,000)	(+499,800,000)	(+112,500,000)	
TITLE V—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION							
Research, development, test, and evaluation, Army	2,095,200,000	1,866,458,000	1,915,908,000	1,912,100,000	−183,100,000	+45,642,000	−3,808,000
Transfer from other accounts			(3,500,000)	(3,500,000)	(+3,500,000)	(+3,500,000)	
Research, development, test, and evaluation, Navy	2,709,100,000	2,616,065,000	2,647,945,000	2,651,805,000	−57,295,000	+35,740,000	+3,860,000
Research, development, test, and evaluation, Air Force	3,192,000,000	2,998,000,000	3,057,000,000	3,042,000,000	−150,000,000	+44,000,000	−15,000,000
Research, development, test, and evaluation, Defense agencies	479,940,000	461,400,000	457,900,000	457,900,000	−21,500,000	−3,500,000	
Director of Test and Evaluation, Defense	24,600,000	24,600,000	24,600,000	24,600,000			
Total, title V—Research, development, test, and evaluation	8,500,300,000	7,966,523,000	8,103,353,000	8,088,405,000	−411,895,000	+121,882,000	−14,948,000
Transfer from other accounts			(3,500,000)	(3,500,000)	(+3,500,000)	(+3,500,000)	
TITLE VI—SPECIAL FOREIGN CURRENCY PROGRAM	2,600,000	2,600,000	2,600,000	2,600,000			
TITLE VII—GENERAL PROVISIONS							
Additional transfer authority, sec. 735	(1,000,000,000)	(500,000,000)	(750,000,000)	(625,000,000)	(−375,000,000)	(+125,000,000)	(−125,000,000)
TITLE VIII—RELATED AGENCY							
Defense Manpower Commission			750,000	400,000	+400,000	+400,000	−350,000
New obligational authority	77,250,723,000	74,101,309,000	73,264,627,000	73,714,930,000	−3,535,793,000	−386,379,000	+450,303,000
Transfers from other accounts		(387,300,000)	(503,300,000)	(503,300,000)	(+503,300,000)	(+116,000,000)	
Total, funding available	77,250,723,000	74,488,609,000	73,767,927,000	74,218,230,000	−3,032,493,000	−270,379,000	+450,303,000
Transfer authority	(1,000,000,000)	(500,000,000)	(750,000,000)	(625,000,000)	(−375,000,000)	(+125,000,000)	(−125,000,000)

Mr. YOUNG. Mr. President, this represents the best possible compromise between the defense appropriation bill passed by the Senate and that of the House. There was some hard bargaining and many compromises, but I believe that even when a cut as deep as $3.5 billion below the budget is made for the Defense Department, it can live with it, and that the research, development and production of the very necessary new, modern weapons can go forward, I support the position taken by the distinguished Senator from Arkansas (Mr. McCLELLAN).

Mr. JAVITS. Mr. President, I thank the distinguished Senators McCLELLAN and YOUNG for receding in the conference to allow the full amount for research and development, in respect to the A-10 plane which is of great importance both in a defense sense and to the manufacturer, Fairchild, in my State, as it relates to employment, to remain in the conference report as the House had it.

Although the amount was relatively small, to the total appropriation, about $100 million, that roughly 10 percent made a great difference according to the analysis and the submittal of the contract which I submitted to the conferees with the support of the local Congressman from that particular area.

It is most gratifying that though the amount is small they were willing to entertain consideration of the matter as an element in the negotiations with the House.

Also I wish to thank the committee for an item which was not in conference but very important to the area. I refer to keeping open the St. Alban's Hospital in Queens which involves tens of thousands of veterans being served there, which was in danger of immediate closing. Now we have a chance to save it by getting the VA to take it over, or in some other proper way.

I wish again to express my appreciation to the committee with respect to Fairchild and the A-10 program. I wish to name Representative RONCALLO from that area who worked with me in the effort to get favorable consideration in the conference.

Mr. McCLELLAN. I thank the distinguished Senator from New York for his comments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I direct the attention of the Senator from Arkansas to page 18 of the printed conference report, near the bottom, the paragraph which reads:

> With respect to the fiscal year 1973 procurement of U-X utility aircraft by the Army and CX-X utility aircraft by the Air Force, the conferees agreed that the funds already appropriated be held in abeyance until this program is rejustified to Congress.

My question is, is it the understanding of the Senator from Arkansas, regarding the action by the conferees, that it does strike out the money and calls on the Department of Defense, if it sees fit to come back and prove its request, if it has one, for an authorization first, by the authorization committee?

Mr. McCLELLAN. Well, Mr. President, the money for that was appropriated in 1973. They were prohibited from spending it. This provides that until the program is rejustified, the Congress—I would assume that means the present authorization—I do not know how Congress can demonstrate its justification except by authorization. I know of no other way to do it.

Mr. STENNIS. I thank the Senator very much. That is the answer I thought he would give me, even though we have not had a conference about this.

Mr. McCLELLAN. I do not know of any other way Congress can authorize spending money except by legislation.

Mr. STENNIS. It was suggested to me that a possible interpretation was it could be rejustified by us merely by going before a committee or something of that kind, which I do not think is possible.

Mr. McCLELLAN. I would assume those interested in the program, when the military defense bill authorization is up in the next session of Congress, if they were interested in renewing the program, would go before the Defense Authorization Committees and justify it, that it be included in a further authorization in the bill, so that the authorization would be restored.

Mr. STENNIS. Either restored or rejected.

Mr. McCLELLAN. Yes. If Congress felt it justified, they would restore it.

Mr. STENNIS. I thank the Senator very much and compliment him as well as the Senator from North Dakota (Mr. YOUNG) for the extraordinary amount of fine work they have done, day and night, during this whole year. I know they started working on this bill last December. I have observed some of it. I have not been making my contribution to it, but I know what they have done and the amazing amount of work they have done. We are all indebted to them—and so is the country.

Mr. McCLELLAN. I may say to the distinguished Senator from Mississippi that the very thorough and efficient work of the Armed Services Committee was a great aid to those of us on the Appropriations Committee, which made it much easier for us to determine many of these requests on their merits. We also have the benefit of the counsel of the distinguished Senator from Mississippi (Mr. STENNIS) as we considered the appropriations. We were very fortunate in that. While he did not get to contribute as much and be present in the Appropriations Committee deliberations this year as much as he normally would, he was very valuable to us in the conference just ended, and we appreciate his contributions there.

Mr. YOUNG. Mr. President, I also wish to thank the distinguished Senator from Mississippi for his competence and for his real contribution in helping develop this bill. Although he was not able to be here much of the year, we did consult with him often, and he was very helpful in the conference, especially on the more involved subjects.

Mr. STENNIS. It is a privilege to work with the Senator from North Dakota and the Senator from Arkansas.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, December 20, 1973, he presented to the President of the United States the following enrolled bills:

S. 1435. An act to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, and for other purposes;

S. 1529. An act to authorize the Secretary of the Interior to enter into agreements with non-Federal agencies for the replacement of the existing American Falls Dam, Minidoka project, Idaho, and for other purposes;

S. 1945. An act to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion; and

S. 2493. An act to authorize the disposal of silicon carbide from the national stockpile and the supplemental stockpile.

THE REPUBLICAN REPORT

Mr. HUGH SCOTT. Mr. President, it is customary for the Republican leader at the end of each session of Congress to submit to his colleagues a report on what has happened during the year. Today I submit such a report and ask unanimous consent that it be printed in the RECORD at the conclusion of my brief remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, I also ask unanimous consent that this Republican report, entitled "Congress Rediscovers Itself" be printed as a Senate document, and that the staff of the Minority Policy Committee be authorized to make revisions in the tabulated midportion as of the time the Senate adjourns sine die.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESS REDISCOVERS ITSELF

INTRODUCTION

Mr. President, at the outset of this Report I must admit that my job has been made possible only by virtue of the fine relationship I have enjoyed with the distinguished Majority Leader, the Senator from Montana (Mr. MANSFIELD). Our friendship is of long standing, and our close working relationship started the very first day I was elected Republican Leader. I owe him much, the Senate owes him much, the Nation owes him much.

I wish also to commend the vigorous and balanced way the Majority Whip, my good friend from West Virginia (Mr. ROBERT C. BYRD), has handled the difficult assignment of keeping the Senate moving ahead on the Nation's business.

On my side of the aisle I am, of course, deeply indebted to the untiring efforts of the Assistant Republican Leader, the fine and distinguished Senator from Michigan (Mr. GRIFFIN). His help has been enormous, his energy boundless and his sagacity great. The rest of the Republican leadership, the energetic and thoughtful Conference Secretary (Mr. BENNETT), and our distinguished Conference Chairman, the Senator from New Hampshire (Mr. COTTON), have likewise been of inestimable assistance. At this point I must interject my own feeling of sorrow that Senator BENNETT and Senator COTTON have determined not to seek reelection next year. Their strong voices of reason and their remarks, always sense-making, will be sorely missed in this chamber. Great thanks must also be given to the Chairman of the Republican Policy Committee (Mr. TOWER), for the capable and vigorous way he has directed the affairs of that committee and the contributions he has made to the orderly process of legislation.

It has been an honor to serve my Republican colleagues as their floor leader. Their fine cooperation and their willingness to help on all occasions have made it possible for me to carry on my job.

I

The year 1973 brings to an end ten tumultuous years in American history. At least, we can hope it all moderates with 1973. To go on as we have been is more than even our strong country ought to be asked to bear.

The 1860's and the 1940's may have been bloodier—the 1890's may have had more labor-management violence—

But nothing quite matches the wild variety of shocks to which the American people have been subjected during the decade just past: assassinations of our leaders; head-on confrontations and racial violence in the civil rights struggle; riotous upsurges of student radicalism; ivory towers toppling in the groves of academe; increasing cost in blood and treasure for an undeclared war 10,000 miles away; resort to violent protest against that conflict; attempts to smash the orderly proceedings of major political parties nominating presidential candidates; vast swings in public opinion, from overwhelming Democratic victory in 1964 to the second-closest election in history in 1968 to overwhelming Republican victory in 1972; pell-mell increases in public expenditures for social welfare programs, together with growing disillusionment as to the efficacy of such programs; sudden and far-reaching changes in moral codes for families, for public entertainment, for personal conduct; luxuriant growth in personal spending habits for "youth" as well as adults; great revolutions in American foreign policy with respect to China and Russia; and finally the drop from the 1972 heights of political popularity of the Nixon Administration as a result of revelations and investigations in 1973.

How will history treat this time? Certainly there will be a more vivid record of it than was available for any historians of earlier times.

Perhaps our instant, minute-by-minute media techniques of reporting everything virtually as it happens have helped make this decade seem so wild, undisciplined, even mindless.

Every crime, every act of violence, every tragic accident, every confrontation of any magnitude throughout the United States (in itself more like an entire continent than a mere country), and the entire world, comes smashing into our living rooms each evening, arouses us in the morning, accompanies us in our work all day.

With it comes a demand for instant solution, immediate reparation, or at the very least, total public investigation.

This ceaseless dramatization of human travail becomes the inspiration for page after page of proposed legislation in the CONGRESSIONAL RECORD.

It leads to the feeling that everything is collapsing all around us. We forget that solid foundations of civility, human kindness and community assistance still exist. We ignore the thickets of laws and ordinances so long grown to protect family and friend from these terrible blasts of human irrationality.

The one place this should not be forgotten—at least one would so think—is Washington, D.C. And yet I sometimes feel the dramatization of humanity's predicaments has become so concentrated in this District of Columbia enclave as to cause Congress to twitch and jerk in never-ending response. We in Congress were elected not just to reflect and represent: we were elected to distinguish between fool's gold and the real thing, to filter the best thoughts, the most honorable wishes, the finest hopes from the great wash of human utterance and outcry of 210 million people.

Instead, the reverse seems to be true. Beyond the Potomac there is not the same preoccupation with politics and government. That is perhaps to be expected. For beyond the Potomac there is also a calmer, more restrained, more objective attitude toward the Washington dramas of personality and power.

II

We live in an age that is hard cheese on tradition and precedent. Last year the Senate in its majesty cast 532 record votes, thereby breaking a 184 year-old mark.

Unfortunately for this new record, the Senate this year has voted on so many subjects, and at such a furious pace as to run far beyond 1972. In fact, it could well come close to the 600 mark, which to us, may be considered as something like the magic 1,000 Dow-Jones market average. This means that if the Senate should lapse into somnolence next year—or exert a bit more discipline—and produce a mere 450 votes (which would of itself been a record only a few years ago) it will nevertheless set an all-time record vote total for a two-year Congress, breaking a mark that stood in solitary "splendor" for 90 years.

What then did the Senate vote on, and why so often?

The entanglement of education, health and welfare programs, of foreign policies and military preparedness, of environment, energy, agriculture, and election campaign reform all stimulated the legislative glands. To this must be added a unique relation in our political history: the Majority Party in Congress has faced a President of the opposite Party since 1969.

Perhaps we should start with this political factor. When the 1st Session of the 93d Congress began in January, 1973, Senate Democrats had an explanation for the contradictions of the 1972 election: they announced that the continuation of the Democrats as majority party in House and Senate, alongside the overwhelming victory of Republican President Nixon, proved the American people did not want "one-party" government.

Perhaps they are right; perhaps not; we may never return to those bad old days between 1933 and 1953, and again between 1961 and 1969, when the Nation groaned under "one-party" Democrat government.

In any event, the clash between Executive and the Congressional Majority has been a great constant in the 1st session of the 93d Congress. It began, and it will end, with the gut issue of Executive Budget versus Legislative Appropriations. But in addition to the President's efforts to curtail inflationary spending, this historic conflict has flared over such matters as "executive privilege" versus the investigatory powers of Congress; the power to appoint versus the power to confirm; the "war powers" of President and Congress.

III

Disagreement between President and Congress over dimension and content of the budget is an annual affair. Indeed, it would be cause for real alarm if Congress supinely accepted the budget as trundled down from the Executive Office.

The debate was sharper and more disagreeable in 1973 because of inflation. What President Nixon proposed this year is closely related to what Senate and House failed to do last year, and the year before: set limits on Federal spending and root out programs which either were duplicatory, or no longer justifiable.

Some of the proposed program terminations or revisions had been advocated earlier by President Nixon, and President Johnson as well. Congress' response has heretofore been to refuse to impose an overall budget limit, and to shy away from hard decisions on terminating programs. In October, 1972, the task of curbing spending to check inflation was, in effect, thrown to the President by House and Senate. His response in January, 1973, was to propose that the FY 1974 Budget level be held at $268 billion. To make sure this was a ceiling and not a take-off pad, he ordered the withholding of funds and/or phasing out of programs sufficient to cut current spending by about $9 billion.

The President justified this anti-spending, anti-inflationary program in broad terms. He argued that he had to execute all laws faithfully; that he was bound as much by laws aimed at fighting inflation, requiring the public debt limit not be exceeded, or determining the environmental impact of programs, as he might be by specific program authorizations and appropriations.

And he could point to "impounding" or "reserving" of funds appropriated by Congress by Presidents from Jefferson to Lyndon Johnson.

As far as can be determined, most such actions by previous Presidents were not challenged in court. Some of the more recent refusals to spend, involved considerable moneys for specific defense programs. Perhaps it would only be fair to point out that one would hardly expect the Department of Defense to attempt to litigate the matter as against the Commander in Chief.

This time the situation was different. Not only was Congress' authority challenged, but large numbers of private groups, of city, county and State agencies, were cut off from funds for which Acts of Congress had made them eligible. Thus when the legal battles began, the cast of litigants and the law in question differed in each case. President Nixon was not the defendant; rather it was the particular Federal official obligated to administer the particular law under which funds were distributed. And that particular law—not a broad constitutional theory—was the determinant as to whether funds were properly withheld or not. In almost all such litigation, the courts have held the funds were withheld improperly, that Congress had made clear why and how such funds were to be obligated and allocated, and had left no discretion to President or Federal official charged with administering the law.

It might then be argued that the Executive has lost the "impoundment" or "reservation" of funds battle; that the powers of Congress have been refurbished and clarified.

On the other hand, early this year Congress seemed on the verge of placing a ceiling on spending for FY 1974. First the Senate and then the House passed legislation to that effect. However, the respective versions differed both as to exact total, and provisions on impoundment controls. The bill died outside the conference doors. Even more important, because more far-reaching, committees in House and Senate, after lengthy hearings, have reported out separate bills to improve procedures by which Congress first considers the entire budget and only thereafter authorizes and appropriates.

The whole question of reserving appropriated funds or curtailing programs has proven more complicated than either Executive or Congress realized when battle was joined last January. One measure of this is that although numerous so-called anti-impoundment bills were proposed, and differing versions of one bill were passed by Senate and House, final consideration of this question has been postponed until next year. These reforms are long past due.

Finally, we move back to Square-One: the fight against inflation fed by Federal spending. For this has also been the primary justification offered by President Nixon in most of his vetoes of legislation enacted by Congress this year and last. And despite the solid Democratic majorities in Congress, all but the last of his nine vetoes—that of the War Powers Act—were sustained either by House or Senate. Insofar as the taxpayer is concerned, the veto is the last handle available to turn off the money faucet, whether it be a reckless flow or a ceaseless drip.

The sustaining of Presidential vetoes on money matters is a tribute to the cohesiveness of Senate and House Republicans, and their allies in the all-important battle to save the taxpayers' purse.

THE POWERS OF CONGRESS

Congress, because it is such a living reflection of America with all our strengths and weaknesses, seems to be subject to continuous disparagement. Our home-grown critics overlook what foreign observers consider most remarkable: that it is still a highly viable lawmaking body. There are few legislatures or parliaments in the free world that can still initiate laws, as well as amend or refuse laws suggested by the executive.

A few years ago—particularly during those long dark expensive nights of "one-party" government when Democrats controlled both Congress and the Presidency—Congress was continually lectured by its critics to give the Executive the powers he needed. The point was made with special emphasis in matters of foreign policy.

It is only of late that Democratic court historians have spun out treatises on the "Imperial Presidency," stamping the bar sinister on their own progeny with stern self-righteousness. This is a trait of those who helped to make the history they later interpret to justify their deeds or bury their errors. Nevertheless, Congress this year, particularly the Senate, has made strong—in many instances constructive—efforts to clarify its powers. The War Powers Act—which I supported in its final form—reflects dissatisfaction with the practices which have developed in the use of our military forces without a declaration of war. Supporters, of course, used the Vietnam conflict as a prime example. President Nixon inherited that one, and pursued an orderly withdrawal policy with admirable tenacity. A majority in Congress voted for the War Powers Act, and overrode the Nixon veto, out of concern for the powers of Congress, rather than any personal animus against the President.

Another issue, "executive privilege" versus the investigative powers of Congress, which has been long festering, came to a head this year. The need of any President for confidentiality with respect to communications and discussions with his advisers has generally been recognized. There must be, as well, a ceaseless flow of information from executive agencies to Congress. The pinch comes when a congressional committee needs information from which to judge the propriety of administrative actions, or as a basis for proposed corrective legislation.

Congress is right in insisting that executive privilege be invoked by the President only when confidentiality or national security or foreign negotiation in the true and restricted sense are actually involved. Congress can best make its argument here when its demand for information from the Executive are in terms of its real needs, rather than for partisan purposes.

The issue, of course, came to its sharpest focus in the investigations of Watergate and its aftermath. Here it would seem proper to point out that Republican Senators and Representatives performed admirably. There is no question that this scandal will hurt the Republican Party, even though it was largely the work of political illiterates operating outside our Party channels and organization. Republicans are no more to blame than Democrats for neither party was a part of these actions. Nor did Republicans in Congress condone or attempt to cover up. They insisted on, and participated in, the fullest airing of the affair. I think their performance is in great contrast to the rather pitiful manner in which the Bobby Baker scandal was investigated in 1963 and 1964, with its blatant coverup and careful limitation to Baker alone.

Senate Republicans played a strong and constructive part in drafting the amendments passed by the Senate this year to prevent similar abuses in soliciting and disbursing campaign contributions such as occurred in 1972.

At the beginning of this year, the issues attracting the most attention centered around the separation of powers between Congress and the Executive under our Constitutional arrangement of government. Almost every Committee could find this argument affecting its legislative proposals. The issue still remains—in fact, it will always exercise our departments of government. It was so intended by the Founding Fathers.

But by December 1973 a new strand was being woven into almost every piece of legislation and floor speech: The "Energy Crisis." Given the gravity and complexity of this problem it will no doubt occupy our attention for a long time.

Just so in our foreign policy. At the beginning of the year we were moving away from our intense preoccupation with Southeast Asia. The Cold War constants had been modified as a result of President Nixon's diplomacy vis-a-vis China and the Soviet Union. A tenuous cease fire was negotiated between Saigon and Hanoi.

Thus this was to be the year in which the United States and our NATO allies could reexamine and restructure our alliance. But the renewal of war in the Near East and the resulting oil embargo on the part of producing Arab States has caused strains and stresses far beyond expectations. The quest for a solution of the Arab-Israeli conflict now assumes over-riding importance.

Once more our character and fortitude are being tested. Perhaps we have already forgotten the shining event of 1973. After long, terrible years of privation and torture, American prisoners of war came back to the land and people for whom they had sacrificed so much. The press of events, the preoccupation with self, the lust for recognition are always with us. I would hope to God that if ever we despair of our country, we remember these men. In their darkest hours they never gave up.

IV. STATUS OF MAJOR LEGISLATION

In many instances, bills which have passed either Senate or House are not necessarily identical with those submitted by the Administration but cover, generally, the same areas of interest. Bill numbers appearing immediately after the title or program are Administration bills. Where numbers have been changed during committee action, the new numbers are given in the "Status" section.

SUMMARY

Of the 59 major Presidential programs: The House has passed 30. The Senate has passed 33. Sixteen have become public law. Thus, 27 percent of the President's program has been enacted into law.

Information on these programs is as of midnight December 19, 1973.

Summary of Legislative Activity

AGRICULTURE

Farm bill, S. 1888.

Status: House—passed S. 1888 7–18. Senate—passed S. 1888 6–18. President signed the bill 8–10; P.L. 93–86.

COMMERCE

Export Administration Act, S. 2053, H.R. 8547.

Status: House—(H. Res. 484) passed House 9–6; referred to Senate Banking 9–7; reported out of Committee 12–7; No. 93–607; Senate—referred to Banking; S. 2053 has been tabled.

International Voluntary Standards Cooperation Act, S. 1761, H.R. 7506.

Status: House—referred to Commerce; no action. Senate—referred to Commerce; no action.

Metric Conversion, H.R. 5749.

Status: House—referred to Science and Astronautics; clean bill H.R. 10576 was reported to full Committee; Committee ordered a second clean bill reported with its amendments; H.R. 11035 reported out of Committee on 10–23 and placed on Union Calendar No. 261. Senate—S. 100, similar to House bill was ordered reported out of Committee on 10–9; has been temporarily postponed until next session.

Trade Reform Act of 1973, H.R. 6767.

Status: House—referred to Ways and Means; clean bill H.R. 10710 reported out 10–10; passed House, 12–11; referred to Senate Finance, 12–12.

ENVIRONMENTAL PROTECTION AGENCY

Safe Drinking Water Act, H.R. 5368, S. 1735.

Status: House—referred to Commerce; clean bill H.R. 7926 approved 7–18 by Subcommittee; Committee ordered that a second clean bill be reported out of Subcommittee: full Committee has not yet begun consideration of second clean bill H.R. 10955. Senate—passed S. 433, 6–22.

Toxic Substances, S. 888, H.R. 5087.

Status: House—passed clean bill H.R. 5356 7–23; tabled; passed S. 426 in lieu; Senate requested a conference 7–24; House agreed to a conference 8–1. Senate—passed a clean bill S. 426, 7–18; now in conference.

GENERAL SERVICES ADMINISTRATION

Stockpile Disposal Act, S. 1849, H.R. 7153.

Status: House—referred to Armed Services; not yet assigned to Subcommittee. Senate—referred to Armed Services; not yet assigned to Subcommittee.

However, pieces of S. 1849 have been extracted and passed as separate bills, several of which have since passed the House.

HEALTH, EDUCATION, AND WELFARE

Better Schools Act, S. 1319, H.R. 5823.

Status: House—Subcommittee on Education has reported H.R. 69 as an extension of the present law, the Elementary Education Act; full Committee markup in progress. Senate—S. 1319 referred to Labor and Public Welfare, 7–31; clean bill S. 1539 reported out of Subcommittee to full Committee 12–19.

Health Maintenance Organization Act, S. 972, H.R. 4871.

Status: House—reported H.R. 7974 from Commerce 8–10; passed House 9–12; tabled; passed S. 14 as amended, 9–12; Senate requested a conference 9–13; House agreed to a conference, 9–25; report filed in House, 12–12; report filed in Senate, 12–13; House agreed to conference report, 12–18; Senate agreed to conference report 12–19. Senate—passed S. 14, 5–5; sent to House Commerce 5–17.

Vocational Rehabilitation Act Amendments, S. 1413, H.R. 4814.

Status: House—passed clean bill H.R. 7423 7–17; tabled; passed S. 1413, 7–17. Senate—passed S. 1413, 6–15; passed House 7–17. President signed the bill, 7–30; Public Law 93–76.

Rehabilitation Act of 1973 (second), no administration bill.

Status: House—passed H.R. 8070, 6–5; sent to Senate. Senate—passed H.R. 8070, S. 1875, 7–18. President signed the bill, 9–26; Public Law 93–112.

Social Security Amendments, H.R. 7445.

Status: House—passed House, 5–9. Senate—passed Senate, 6–30. President signed the bill, 7–9; Public Law 93–66.

HOUSING AND URBAN DEVELOPMENT

Better Communities Act, S. 1743, H.R. 7277.

Status: House—referred to Banking; hearings completed 11–1; no further action. Senate—referred to Banking; markup has begun; likely that a clean bill will be reported out.

Disaster Preparedness and Assistance Act, S. 1840, H.R. 7755.

Status: House—referred to Public Works; no action; clean bill H.R. 7690 hearings have been completed; ordered reported to full Committee. Senate—referred to Banking; no further action.

Flood Disaster Protection Act of 1973, S. 1495, H.R. 6091.

Status: House—clean bill H.R. 8449 passed House 9–5; referred to Senate Banking 9–6. Senate—S. 1495; referred to Senate Banking; H. 8449 passed Senate, amended, 12–1; proceedings vacated and ordered placed on Calendar, 12–1; passed Senate amended 12–18.

FHA Mortgage Insurance no administration bill.

Status: House—passed H.J. Res. 719, 9–17. Senate—passed H.J. Res. 719, 10–1. President signed the bill 10–2; Public Law 93–117.

INTERIOR

Alaska Pipeline, S. 1040, H.R. 5442.

Status: House—passed clean bill H.R.

9130, 8–2; tabled; passed S. 1081 in lieu 8–2. Senate—passed clean bill S. 1081, 7–17. President signed the bill 11–16; Public Law 93–153.

Deep Water Ports. S. 1751, H.R. 7501.

Status: House—referred to House Interior; hearings began 10–1; now ready for markup. Senate—hearings have been completed in Senate Interior.

Land Use, S. 924, H.R. 4862.

Status: House—clean bill H.R. 10294 including provisions of H.R. 4862 reported out of Subcommittee; full Committee markup in progress. Senate—passed clean bill S. 268, 6–21 with provisions of S. 924 included; sent to House Interior; being considered along with House bills.

Natural gas supply, S. 2048, H.R. 7507.

Status: House—referred to Commerce; hearings in progress. Senate—referred to Commerce; hearings have been held; probably will be taken up second session.

Electric Facilities Siting Act, S. 935, H.R. 4874.

Status: House—pending in Commerce; no action. Senate—pending in Interior; no action.

Santa Barbara Energy Reserve, S. 1951, H.R. 7500.

Status: House—field hearings held 11–17 on H.R. 7500 in Interior. Senate—S. 1951 referred to Interior; hearings have begun on clean bill S. 2339; Administration bill has been withdrawn (S. 1951).

Surface Mining, S. 923, H.R. 4863.

Status: House—clean bill H.R. 11500 reported out of Subcommittee to full Interior Committee, but will not be considered until second session. Senate—passed S. 425 in lieu of administration bill 10–9; referred to House Interior 10–11.

Department of Energy and Natural Resources, S. 2135, H.R. 9090.

Status: House—H.R. 9090 referred to Government Operations, Subcommittee on Legislation and Military Operations; hearings have been held but will not be considered further until second session. Senate—S. 2135 hearings have been held in Government Operations.

Indian Economic Development Financing, S. 1341, H.R. 6371.

Status: House—referred to Interior; approved for full Committee action 12–12; S. 1341 referred to House Interior. Senate—S. 1341 passed Senate, 7–28; referred to House Interior.

Additional Assistant Secretary of the Interior, H.R. 6373, S. 1345.

Status: House—referred to Interior; clean bill H.R. 620, passed the House, 10–1; sent to Senate Interior, 10–2. Senate—referred S. 1345 to Interior; pending before Subcommittee; H.R. 620 reported out of Subcommittee 12–13; H.R. 620 passed Senate, 12–14; House disagreed to Senate amendments; Senate requested a conference, 12–19.

Reduction of Petroleum Consumption, no administration bill.

Status: House—H.R. 11450, National Emergency Act, reported from House Interstate; passed House 12–14. Senate—S. 2589 reported out of Interior; passed Senate 11–19; passed House 12–15; House requested a conference 12–15 (Legislative Day December 14); Senate agreed to a conference 12–17, Conference report filed in House 12–19.

Emergency Petroleum Allocation Act, no administration bill.

Status: House passed S. 1570, 10–17, amended. Senate—passed S. 1570, 6–5. President signed the bill 11–27; PL 93–159.

Reorganization of the Federal Administration, S. 2776, H.R. 11793.

Status: House—H.R. 11793 ready for full Committee action in Government Operations; H.R. 11793 ordered reported out of Committee to House 12–19. Senate—reported S. 2776 out of Government Operations 12–14; passed Senate, 12–19.

JUSTICE

Capital Punishment (death penalty), S. 1401, H.R. 6028.

Status: House—referred to Judiciary; Subcommittee on Courts; no action. Senate—referred to Judiciary; hearings completed and now pending before full Committee.

Federal Criminal Code Reform, S. 1400, H.R. 6046.

Status: House—referred to Subcommittee on Criminal Justice of the Judiciary Committee; no action. Senate—referred to Subcommittee on Criminal Laws of the Judiciary Committee; some hearings have been held.

Federal Election Reform Commission, S.J. Res. 110, H.J. Res. 559.

Status: House—S.J. Res. 110 and H.J. Res. 559 are both in House Administration; they are being considered together with S. 372 in general hearings. Senate—passed S.J. Res. 110, 7–30; sent to House Administration; also S. 372, the Federal Election Campaign Act Amendments, passed 7–30; sent to House Administration.

Heroin Trafficking Act, S. 1300, H.R. 5946.

Status: House—referred to Subcommittee on Public Health and the Environment of the House Commerce Committee; no further action. Senate—S. 1300 being held in full Judiciary Committee.

Busing: Issue of Forced, no administration bill.

Status: House—referred H.J. Res. 286 to Judiciary; Subcommittee on Bankruptcy and Civil Rights; no action scheduled; likely that administration position will be included in H.R. 69. Senate—S.J. Res. 161 placed directly on Senate Calendar 10–10; No. 430.

LABOR

Job Security Assistance Act, H.R. 8600.

Status: House—referred to Ways and Means; nothing scheduled. Senate—no comparable bill.

Manpower Training and Development Act, S. 1514, H.R. 7489.

Status: House—clean bill H.R. 7950, similar to S. 1559, placed on Union Calendar 6–18, No. 126; two new bills introduced and sent to Education Committee were H.R. 11011 and H.R. 11010; H.R. 11010 passed the House, 11–28; tabled; S. 1559 passed in lieu, 11–28; H.R. 11011 died in Committee; House requested a conference on S. 1559, 11–28; Senate agreed to House amendments with Senate amendments, 12–5; Senate requested a conference, 12–5; House agreed to a conference, 12–6. Senate—passed S. 1559, Job Training and Community Services Act, 7–24; passed S. 1560, Emergency Employment Amendments of 1973, 7–31; both referred to House Education and Labor; possible that S. 1560 will go to conference with S. 1559; conference report filed in House, 12–18.

Pensions, S. 1557, H.R. 6900.

Status: House—referred to House Education; H.R. 2, with similar content to Senate-passed amendment to H.R. 4200, placed on Union Calendar 10–2, No. 234; H.R. 10470, identical to Senate-passed amendments to H.R. 4200, is in markup in Ways and Means. Senate—referred to Labor and Public Welfare; S. 4 reported in lieu thereof by Labor and Public Welfare; S. 1179 also reported by Finance; combined on Senate floor and added as amendments to H.R. 4200, a House-passed bill, 9–19, (see "Retirement Benefits Tax Act).

OFFICE OF MANAGEMENT AND BUDGET

Bicentennial Reorganization, H.R. 3695.

Status: House—passed H.R. 7446, 6–7 in lieu of administration bill. Senate—passed H.R. 7446, 10–10. President signed the bill 12–11; PL 93–179.

Council on International Economic Policy Authority, S. 1636, H.R. 8548.

Status: House—passed H.R. 8548, 6–28; tabled; passed S. 1636 in lieu. Senate—passed S. 1636, 6–22, President signed the bill 10–4; Public Law 93–121.

Extension of Authority to Submit Reorganization Plans, S. 2003, H.R. 7882.

Status: House—referred to Government Operations; no action. Senate—referred to Government Operations; no action.

Legal Services Corporation, S. 1815, H.R. 7824.

Status: House—passed H.R. 7824, 6–21; being held at Desk in Senate. Senate—referred to Labor and Public Welfare; ordered reported out of Committee, 10–10; clean bill S. 2686 reported out of Committee, 11–9; floor consideration scheduled for second session.

STATE

Asian Development Bank, S. 2666, H.R. 11666, S. 2193.

Status: House—combined provisions similar to S. 2193 (July request) with provisions similar to S. 2666 (November request) into H.R. 11666; H.R. 11666 ordered reported out of House Banking 12–14. Senate—S. 2666 referred to Foreign Relations; hearings were begun 11–19 and recessed subject to call.

International Development Association Bank, S. 2665, H.R. 11354.

Status: House—H.R. 11354 ordered reported to House 12–14. Senate—hearings begun in Foreign Relations on S. 2665; adjourned subject to call.

USIA Authorizations, no administration bill.

Status: House—passed H.R. 11424, 11–14; tabled; S. 2681 as amended passed in lieu, 11–14. Senate—passed S. 2681, 11–13. President signed the bill, 11–29; Public Law 93–168.

Foreign Aid, S. 1711, H.R. 7484.

Status: House—referred to Foreign Affairs; clean bill, H.R. 9360 (both military and economic) passed the House, 7–26; tabled; passed S. 1443 (military) with full text of H.R. 9360 included, 7–26; S. 2335 (economic) also passed the House with full text of H.R. 9360 included, 10–2; sent to conference 10–10. Senate—S. 1711 referred to Foreign Relations; S. 1443 (military) passed Senate, 6–26; sent to House Foreign Affairs; S. 2335 (economic) passed the Senate, 10–2 and sent to House Foreign Affairs; conference report filed as S. 1443 (both military and economic); report agreed to in House, 12–4; report agreed to in Senate, 12–5. President signed the bill, 12–17; Public Law 93–189.

TRANSPORTATION

Northeast Railroad Act, S. 1893, H.R. 8526 and Railroad Reorganization Act no administration bill.

Status: House—H.R. 8526 and H.R. 9142 (Railroad Reorganization) were referred to House Commerce along with S. 2060; H.R. 9142 passed the House, 11–8; referred to Senate Commerce, 11–13; H.R. 8526 has been dropped by the Subcommittee; conference report filed in House, 12–19. Senate—passed S. 2060 7–27 and referred to House Interstate; Senate Commerce received H.R. 9142; passed Senate, 12–11, amended with language of S. 2767; H.R. 9142 now in conference.

Urban Mass Transportation Act, S. 1139, H.R. 5919.

Status: House—House Banking reported H.R. 6452 in lieu of administration bill; passed the House, 10–3; tabled; S. 386 passed in lieu. Senate—S. 1139 referred to Senate Banking; S. 386 passed in lieu 9–10; Senate requested a conference, 10–16; House agreed to a conference, 10–25; still in conference.

TREASURY

Par Value Modification Act, S. 929, H.R. 6912.

Status: House—Passed H.R. 6912, 5–29; passed the Senate, 5–30. Senate—Passed S. 929, 4–5; passed H.R. 6912, 5–30. President signed the bill, 9–21; Public Law 93–110.

POW Tax Relief, H.R. 8214.

Status: House—Passed H.R. 8214, 8–3; referred to Senate Finance. Senate—H.R. 8214, reported out of Senate Finance 11–27.

Tax Reform, no administration bill.

Retirement Benefits Tax Act, H.R. 7157, S. 1631.

Status: House—Provisions of H.R. 7157 are being drafted into a clean pension bill in Ways and Means; no date of completion known. Senate—after hearings in Finance, no further action on S. 1631. However, S. 1179 reported, combined with S.4, and added as an amendment to House-passed H.R. 4200, 9–19; H.R. 4200 now in conference (see "Pensions").

MISCELLANEOUS

Action, S. 1338, H.R. 7625.

Status: House—Education and Labor reported H.R. 7265, 7–26; passed S. 1148 in lieu of H.R. 7265, 9–17. Senate—passed S. 1148 in lieu of administration bill, 7–18. President signed the bill, 10–1; Public Law 93–113.

District of Columbia Home Rule, S. 1435, H.R. 9682.

Status: House—passed H.R. 9682, 10–10; tabled; passed S. 1435 amended, 10–10. Senate—passed S. 1435, 7–10; Senate requested a conference, 10–16; House agreed to a conference, 10–17; conference report filed in House, 12–6; House agreed to conference report, 12–17; Senate agreed to conference report, 12–19.

Truth in Lending, S. 2101.

Status: House—referred to Banking 6–24; oversight hearings are in progress on Consumer Protection Agency but nothing specific on S. 2101. Senate—passed S. 2101, 6–23.

Consumer Protection Agency, no administration bill.

Status: House—hearings in progress on H.R. 14, H.R. 21 and H.R. 564.

Veterans Medical Benefits no administration bill.

Status: House—passed S. 59 7–17. Senate—passed S. 593–6. President signed the bill 8–2; PL 93–82.

Veterans Pensions, no administration bill.

Status: House—passed H.R. 9474 7–30. Senate—S. 275 indefinitely postponed as of 8–2; passed H.R. 9474 8–2. President signed the bill 12–6; PL 93–177.

Arts and Humanities Endowments, S. 916, H.R. 4288.

Status: House—reported clean bill H.R. 3926; passed the House 6–14; tabled; S. 795 in lieu. Senate—passed S. 795 in lieu of administration bill 5–2; passed the House 6–14. President signed the bill 10–19; PL 93–133.

V. THE ECONOMY

The promise of peace with the Soviet Union and China, the return of American prisoners of war from Indochina, domestic politics and the Mideast oil embargo all served to mute an economic miracle of sorts in 1973.

Consider, for example:

Employment

Almost three million new jobs have been created in the past year, and by October unemployment had dropped to its lowest level since March, 1970. According to CEA (Council of Economic Advisers) Chairman Herbert Stein, the unemployment rate among adult men was the lowest it had ever been in peacetime. And the proportion of the civilian working-age population employed was the highest it has been in the quarter-century since World War II ended.

Agriculture

Farm income is at an all-time high, with corn harvests forecast to be up 4 percent from last year, soybeans up 24 percent, and wheat up 12 percent. With the exception of cotton, farmers are producing such quantities of grain and soybeans that farmers' net income this year is estimated to total $25 billion, up more than $5 billion from 1972, itself a record year. And exports of U.S. agricultural products in the current fiscal year ending next June 30, 1974, are expected to total nearly $19 billion, about $6 billion above the precious record of $12.9 billion reported last fiscal year.

Balance of payments

A record balance of payments surplus was posted for the third quarter of 1973, the first quarterly surplus since the fourth quarter of 1969 and the biggest surplus ever since the government began keeping figures on the so-called "basic balance index" in 1960. The U.S. has never had a payment surplus according to the basic balance index, although it has had trade surpluses until recent years. The big third quarter surplus put the country's payments accounts in the black by $1 billion for the first nine months of 1973.

Gross national product

Real gross national product—real in the sense that it is measured in non-inflated dollars—increased at an annual rate of 3.6 percent for the third quarter of 1973. This is within the range generally expected to provide the "soft landing" to sustainable growth rate without recession.

True, 1973 has been a year of inflation. We here in the United States, with an inflation rate of over 7 percent, have not suffered as severely as the Japanese (22 percent inflation), or the Common Market nations (as high as 14 percent inflation), but supply-induced inflation has been sufficient to call into question our entire range of responses to scarcity.

Inflation

Since we are at the end of an era of cheap food, fuel, minerals, timber and textiles (so the argument goes), strong and previously unacceptable policies are called for: government regulation of production and distribution, rather than unacceptable price rises.

We are indebted to Dr. W. Philip Gramm in this connection for his research into the economics of scarcity as it has affected America in the past. Dr. Gramm notes, not without accuracy, that we are currently experiencing the *second* major energy crisis in American history: from the colonization period until the Civil War, the major source of artificial lighting in the entire Western World was whale and sperm oil.

"Sperm oil rose from 43 cents per gallon in 1823 to $2.55 a gallon in 1866," notes Dr. Gramm. "Whale oil rose from a low of 23 cents in 1832 to $1.45 a gallon in 1865. As prices rose, gas distilled from coal became an economically feasible substitute causing whale oil demand to fall off sharply in Europe. . . .

"The high prices for whale and sperm oil between 1849 and 1867, provided a growing profit incentive to develop an efficient refining process for crude petroleum. Thus they induced the investment required for the production of kerosene. Beginning in 1867, kerosene broke the sperm and whale oil market, and prices tumbled. By 1896, sperm oil was cheaper than it had been in any recorded period—40 cents a gallon—but whale oil lamps were no more than relics for succeeding generations."

Thus market mechanism (a) provided incentives for development of alternatives, (b) caused consumers to economize out of self-interest, (c) gave inducements for producers to (1) increase output through increases in investment, (2) make improvements in technology and (3) increase labor input (rise in prices from 1820 to 1847 induced a rise in tonnage of whaling vessels of almost 600 percent—and the reverse, at the turn of the century, brought a comparable reduction in the whaling industry).

"Had government possessed the power and volition to ration whale and sperm oil to hold its price down, or to levy a tax on oil to reap the gains from the price rise, the shortage would have been catastrophic," says Dr. Gramm, "and the advent of kerosene and other petroleum products might have been delayed for decades."

Clearly, to say we owe the benefits and comforts of the present era entirely to free enterprise and the scarcity of whales is to say a bit much, but the fact remains that technology *is not frozen*. Nor are the options to consumers and producers. An intelligent government response which recognizes these facts is infinitely preferable to rigid, permanent, controls which may serve to freeze market mechanisms in their present, unsatisfactory dimensions.

Mr. William E. Simon, the White House energy administrator, emphasizes that the Administration is cutting back on gasoline production with emphasis on fuel oil production for one very basic reason. "Our aim is to save jobs," he says. And the responsibility shown by Congress in attempting to provide legislative foundations for future problems caused by the energy shortage is praiseworthy.

With the oil crisis, the U.S. has moved into—as Fortune describes it—a "siege economy" but without the disciplines that are feasible in wartime. "Efforts to assess the economic effects of fuel scarcity in a peacetime high-consumption economy run up against the fact that there is no experience to go on," says Fortune. "What's more, some of the important variables are political rather than economic. How long, for example, will the Arab embargo last? The answer obviously matters a great deal to the U.S. economy, but the question lies beyond the reach of economic analysis."

The following chart gives **the farthest** reach of twenty economic forecasts of next year's (1) GNP in non-inflated dollars, (2) inflation rate, (3) consumer durable purchases in 1974 dollars, (4) pre-tax corporate profits, (5) GNP in 1974 dollars, and (6) unemployment rate, as reported by The Washington Post.

1974: THE ARAB OIL EMBARGO LOWERS MOST REAL GROWTH FORECASTS AND RAISES INFLATION

	Percent change 1974 from 1973					
	Constant dollars, GNP	GNP deflator	Current dollars, consumer durables	Pretax corporate profits	1974, current dollars (millions)	1974, unemployment rate (percent)
The Fair Model	[1] 3.5	[2] 4.7	[1] 6	NA	$1,394	[2] 4.8
United States Trust	2.5	6.0	2	−5	1,400	5.3
Argus Research	2.3	5.9	1	[1] 3	1,395	5.3
Harris Trust	2.0	5.6	0	−4	1,387	5.3
RCA	1.9	6.3	3	0	1,394	5.6
Dean Witter	1.8	5.7	1	−2	1,381	5.7
Data Resource	1.6	6.2	1	−4	1,390	5.5
Drexel Burnham	1.6	5.6	−2	−4	1,381	5.5
A. G. Becker	1.5	6.3	−2	−4	1,389	4.3
Equitable Life	1.5	6.3	2	−6	1,385	5.6

Footnotes at end of table.

1974: THE ARAB OIL EMBARGO LOWERS MOST REAL GROWTH FORECASTS AND RAISES INFLATION—Continued

	Percent change 1974 from 1973					
	Constant dollars, GNP	GNP deflator	Current dollars, consumer durables	Pretax corporate profits	1974, current dollars (millions)	1974, unemployment rate (percent)
Mellon Bank	1.5	5.5	[2] −3	[2, 4] −10	$1,374	5.5
Bankers Trust	1.3	6.0	2	−6	1,381	5.3
First National City Bank	1.3	5.3	[3] NA	[3] NA	1,372	5.6
Manufacturers Hanover Trust	1.2	5.7	2	−6	1,375	5.6
E. I. du Pont de Nemours	1.0	5.5	−2	−6	1,375	5.5
Council of Economic Advisers	1.0	[3] NA	[3] NA	[3] NA	[3] NA	(5)
Chase Econometrics	.8	5.6	0	−1	[2] 1,371	5.7
The Wharton Model	[2] .6	[1] 7.6	1	1	1,393	[1] 5.8
Scudder, Stevens and Clark	[2] .6	7.0	0	−6	1,386	5.6
Lionel D. Edie	[2] .6	6.2	[2] −3	[2] −10	1,374	5.6
November Mean	1.5	5.9	1	−4	1,384	5.4
October Table Mean	2.5	5.0	1	−2	1,385	5.2

[1] Highest forecast in column.
[2] Lowest forecast in column.
[3] Not available.
[4] Mellon Bank sample not used in calculating table mean.
[5] Not more than 6 percent.

Note: Of the 18 forecasts tabulated last time, 15 revised real growth down, none up; 15 revised price inflation up, none down; 15 revised the unemployment rate up, none down.

Source: Published forecasts and personal communication. RCA forecast: RCA Economic Forecasting Model.

Conclusion

Towards the end of "The New Industrial State," John Kenneth Galbraith observes that were economic goals of central importance, economists, always assuming competence, would be a safe guide to social action.

But, "as economic goals have diminished in relative importance, they have become, progressively, a less safe guide. Allowing for numerous exceptions, (economists) will be prone to identify economic goals with all of life. They are not, accordingly, the best proponents of the public aesthetic and intellectual priorities on which the quality and safety of life depend."

Who then shall be our guide? A philosopher? Statesman? Soldier? Priest?

Better the divinity in us all.

The Founding Fathers framed a document to allow that divinity the freedom to choose, to create, to nourish in concert our own goals. The economists may brood over a bleak tomorrow and in part, they may be correct.

For I think we must all recognize that a problem of new dimensions, perhaps one which has not faced our Nation before in its history, has now unfolded—and we are seized with it. It is not as though we had not seen it coming, for the Cassandras of our society were clear and explicit in their warnings. But Cassandras are seldom popular and even more seldom are they listened to. It is possible the full realization of our situation might have been delayed yet another year or two had it not been for unlooked-for events beyond our shores which have brought it suddenly to a head—and now it cannot be denied.

America has never faced the lack of capability to do all the things that are within us to do. Now we realize that on-rushing civilization in our planet has suddenly, perceptively before our eyes and within the past few years, caused it to shrink enormously.

But our country has faced many problems in its short life, and has found equitable solutions to them. Today's is a problem different in dimensions, scope and acceptable solutions, from any other. More than mere faith in our country impels me to prophesize victory in this arena also, but the element of faith undeniably is there. Our people have not yet failed any challenge. The vitality of our strength is inherent and will come out. So has it been for 350 years and so shall it continue, we pray, long after our present predicted difficulties have been overcome, and the present players gone from the scene.

This is not to seek, by words alone, to diminish the problems we see before us. In all probability, during the next few months or years we shall have to pay the piper for past decades of rich living, refusal to understand there may be a finite limit to some of our resources, our inability to comprehend that spaceship earth is an indivisible unity whose bonds are ever growing more interconnected, more complex, and stronger.

But, at the risk of trying to say much in an elliptical and even a laconic way, as Mehitabel sang to Archie, "There's a dance in the old dame yet."

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1974—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11575) "making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes."

Mr. ALLEN. Mr. President, first I want to commend the distinguished Chairman of the Senate Appropriations Committee, the Senator from Arkansas (Mr. McCLELLAN), and the entire committee for their leadership in the Defense appropriation bill, for the hard work that they have done in resolving the many questions that have presented themselves in the deliberations and in the hearings, and in the studies that they have carried on with respect to this bill.

It is the desire of the distinguished Senator from Arkansas (Mr. McCLELLAN) to see that an adequate national defense is provided for our country, at the same time taking into account the ability of our Nation to provide the necessary funds to implement that program. I feel that a great appropriation bill has been agreed upon, a fine conference report is being submitted, and certainly I will support the conference report because I believe an outstanding job has been done.

During the deliberations of the committee and here on the Senate floor while the matter was in conference, my distinguished senior colleague (Mr. SPARKMAN) and I have pointed out to the chairman and to the committee the needs of two particular programs in our national defense program that deserve the support of the Nation, and I make particular reference to the site defense antiballistic missile system and the ABMDA program.

These items are shown in the conference report starting in the last paragraph of page 23.

The conference report provides for $110 million for continued development of the site defense antiballistic missile system instead of $135 million proposed by the Senate. So the conference was required, in order to come to an agreement, to cut that back to $110 million. The two programs, then, added together, amounted to $23.9 million for exploratory ballistic missile defense as proposed by the Senate and $37.7 million for advanced ballistic missile defense as proposed by the Senate.

They were grouped together under what is called ABMDA.

The legislative history with regard to these appropriations is as follows: With respect to the budget request for a site defense program, I might say that $110 million will be inadequate to carry on the program because already some $70 million has been expended under continuing resolutions and we have not yet used up quite half of the year.

The budget request for site defense was $170 million. The authorization bill cut that amount to $135 million, which is the amount that the Senate actually appropriated.

The ABMDA budget request was for $100 million. The authorization was for $86.7 million.

So the conference ended up with $110 million for site defense and $61.6 million for ABMDA.

Recapitulating, the budget request for site defense was $170 million. Authorization by the Congress was $135 million. The appropriation as agreed to by the conference was $110 million. It first went down by $35 million, and then by another $25 million.

ABMDA requested $100 million. They were authorized $86.7 million. They ended up with $61.6 million.

Mr. President, I feel, despite the fact that the committee tried—and certainly on the part of the Senate and the distinguished chairman of the committee—to agree on an appropriation that was nearer the authorization than the conference ended up with, they did an excellent job.

The purpose of my remarks at this time is to call attention to the fact that these appropriations will be inadequate to carry out the program that needs to be carried out. I am hopeful that at a later time during the current fiscal year we will be able to come back and present our case to the committees and justify supplemental appropriations in this regard.

The present and proposed R. & D. activities in BMD are consistent with the letter and the spirit of our treaty on the limitation of antiballistic missile systems. Failure to vigorously pursue R. & D. investigations and prototype developments would place the United States in a vulnerable position if first, the treaty were abrogated by the U.S.S.R. or mutually modified at some future time or second, the emergence of a third country ballistic missile capability threatens either the United States or the U.S.S.R.

The site defense system is the nation's only approach to the defense of our strategic ICBM force. The SD program is in the design stages, leading to a prototype demonstration at Kwajalein. The current development schedule has been matched to the projected threat evolution allowed under the interim agreement on strategic offensive arms.

In recognition of a congressional desire to reduce military expenditures, the Army reduced the SD program from a planned $247 million fiscal year 1974 budget level to $170 million. These reductions have already resulted in a stretchout of the program. Since the fiscal year 1973 funding of $80 million was for only the last six months' effort, the program is currently continuing at a level of approximately $160 million per year. The apparent reason for the additional proposed reduction by the Senate committee was to maintain the same level of effort as the previous year. The committee, in proposing the annual figure of $100 million, must have overlooked the fact that fiscal year 1973 funding was for only the final 6 months' activities. The fact that the program is already well into the new fiscal year at the annual spending level of about $160 million, as well as the fact that SD is at the stage of committing funds for major equipment during the fiscal year, would mean that adoption of the proposed budget by the Senate committee could be nothing less than catastrophic.

From its inception, the site defense program has been planned as a very austere program with maximum deferral of nonessential tasks for demonstration of the system. Further, the program has used the approach of developing hardware and software which could be deployed in nearly the same configuration as demonstrated if a deployment were needed. This management approach was chosen because it allows early demonstration of critical components at minimum cost and minimizes the likelihood of a costly redesign if Congress determines that a deployment is needed in future years.

Congress has severely criticized the Department of Defense for cost overruns on weapon system developments. However, if the funding is reduced for this already austere site defense project, the impact would be increasing costs due to program stretchouts, disruptions, inefficient phasing, and replanning. Further reduction in the funding of programs planned in accordance with congressional guidance will, in essence, be discouraging the DOD from proposing austere project budgets.

Recent disclosures of successful Soviet tests of multiple warheads for strategic missiles further demonstrate the importance of an effective site defense program. It can logically be argued that if the United States does not pursue R. & D. to counter the Russian MIRV advances, we may very well be accepting the assured vulnerability of our Minuteman force.

ADVANCED TECHNOLOGY

Advanced technology programs, under the management of the advanced ballistic missile defense agency, have been conducted for the past few years at the level of approximately $100 million per year and provide the broad technology base upon which future defense application decisions can be made.

The technical continuity which has been established through these programs is threatened by the Senate committee's proposed $42.4 million reduction in the Army's $100 million request. Advanced technology, terminal defense, and light area defense. The House voted to recommend authorization of the entire $100 million request but the Senate committee recommended elimination of the light defense portion of the budget.

This program should be reconsidered because the LAD context in which that portion of the AMBDA budget was presented tended to obscure its true technology content and led to the conclusion that it might conflict with the spirit of the ABM treaty. The program actually centers on a class of advanced R. & D. that forms a broad technology base upon which future defense application decisions may be made. It is not solely applicable to LAD and indeed is applicable to the ABM treaty.

LAD system concepts were used in the testimony to illustrate system relevance. However, the technology involves advanced optical sensors which show great promise for a multiplicity of BMD and other defense applications. For example, they have great potential as an adjunct to a conventional terminal defense system such as site defense. In this role, the optical sensors show promise for alleviating some of the more serious technical problems and for providing a complementary defense-in-depth.

Optical sensors are central to the most promising BMD concepts to emerge in a decade, and they merit the expenditure of the advanced R. & D. budget requested. These sensors are in the same family as those used in the familiar Sidewinder and Redeye missiles. However, they are much more complex and are designed to operate above the Earth's atmosphere—sensors so sensitive that they can detect invisible heat signals as faint as those that emanate from a human body 1,000 miles away. Because of their inherent guidance accuracy, a relatively small warhead, perhaps even nonnuclear, may be used.

The proposed program is a continuation of effort which has been underway in the Army for the past 3 to 4 years. It is still in the very early phases of R. & D. and at least 5 years away from any engineering development decision. Recently, extremely valuable experimental data has been obtained on a number of target objects and penetration aids lofted into the exoatmosphere by Atlas boosters. Although these data, coupled with other laboratory and analytical data, only scratch the surface of the BMD optics technology, results to date are encouraging. The evidence so far is that optical BMD sensors are feasible.

Further implications of the proposed program are as follows:

It represents a breakthrough opportunity to extend BMD from the terminal, or "last ditch," regime to the midcourse regime. This means that the battle would be waged far away from the targets being defended.

Such promising technology may prove beneficial to SALT II by strengthening our bargaining position and providing an opportunity for further bilateral ABM agreements.

Our strategic offensive forces benefit by such pioneering defensive R. & D. The data base established by this program will be invaluable to ABRES and other strategic offensive R. & D. programs.

It provides protection against technological surprise.

The midcourse optics technology will be pursued only under the proposed advanced R. & D. program. If the budget is cut, the R. & D. will not get done somewhere else and the most promising new BMD technology on the horizon today will be dropped.

Mr. SPARKMAN. Mr. President, will the distinguished Senator yield to me?

Mr. ALLEN. I am glad to yield to my distinguished senior colleague.

Mr. SPARKMAN. Mr. President, I am very glad my colleague brought up these facts, because these are important parts of our national defense program.

I want to join the Senator in the expression of commendation that he has extended to the chairman of the committee, who is always cooperative with us.

We knew that he had a hard job in trying to get a practical budget insofar as he could.

While these amounts are not adequate to allow the carrying out of the operations for the full year, because they have been operating under a continuing resolution that provided for a higher level of expenditures, I was pleased that we were able to get as much as we did.

Mr. ALLEN. I certainly agree with my distinguished senior colleague.

Mr. SPARKMAN. I certainly extend my thanks to the distinguished chairman of the committee and to the distinguished Senator from North Dakota, the ranking minority member of the committee, who was most helpful. We may recall that when the bill was considered on the floor of the Senate, it was the Senator from North Dakota who offered the amendment to restore the funds to a certain level.

We are indeed grateful to these two good friends of ours for the excellent work that they have done.

Mr. ALLEN. I want to thank my senior colleague. I, too, want to compliment the distinguished Senator from North Dakota (Mr. YOUNG) for his understanding of our problem and for his introduction of the amendment that would have raised the appropriation $25 million, which the conference committee did not go along with.

We are deeply grateful and our people are deeply grateful to the Senator from North Dakota.

Mr. McCLELLAN. Mr. President, we are very grateful to the distinguished

Senators from Alabama for their complimentary references to our efforts in this particular field and with respect to this particular appropriation. We are also grateful to them for their work on the Appropriations Committee.

I may say to our friends that I thought at the time really, and in retrospect I can say that I still feel, that we were really fortunate in getting anything at all. The House was adamant on this and on one other item in the bill. They were apparently told not to yield.

I share the concern of the Senators from Alabama with respect to these matters. We really thought it should go to the $135 million that was authorized after we had heard the comments on the floor of the Senate.

I wanted the Senators to know that the Senate conferees did not yield too easily on this matter. We really fought for it. However, we have had this situation before. We were in the closing days of the session. Everyone wanted to get out of here by this weekend. The Senators wished to do so also.

In the length of time which we had to work on this amendment, I think that we came out pretty well overall on the appropriations bill.

Mr. YOUNG. Mr. President, I, also, want to thank both of the Senators from Alabama for their comments concerning the additional $25 million that was added to the bill on the floor. We were aware that the Senators from Alabama had a deep interest in this matter. However, this is one item on which the House was very adamant.

It was hard to understand the House position because the Department of Defense placed the highest priority in their appeal on Site Defense.

The House conferees just would not give on this item. I think that we did the best we could in getting $110 million when they had nothing in their bill.

Mr. ALLEN. I thank the distinguished Senator from North Dakota.

Mr. McCLELLAN. Mr. President, I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, this bill, the Defense Appropriations bill, is one of the most important that could possibly pass Congress in this session. It is only exceeded in amount by the HEW Appropriations bill.

I want to take this opportunity to commend the able and distinguished Senator from Arkansas for the magnificent work he did on this bill. I also want to thank the able and distinguished Senator from North Dakota for the magnificent work that he did on the bill. I also thank the other conferees.

The bill is not everything that everybody wants. There are some items in the bill that I think should have carried a larger appropriation. However, the bill as a whole is an excellent bill. And I think that the Defense Department can get by with it.

I commend those who served on the conference for the fine job they did.

Mr. DOLE. Mr. President, I am pleased to note that the defense appropriations bill allocates a total of $39.8 million for the program to extend the service life of the B-52D bomber. This modification program, which will be done at the Boeing maintenance facility in Wichita, Kans., will enable this outstanding aircraft, which played such a vital role in ending the war in Southeast Asia, to remain the conventional strategic workhorse of the U.S. Air Force beyond the mid-1970's.

Equally as important, this allocation has precluded a costly and wasteful interruption of a program vital to America's defenses. It will enable a highly trained and experienced staff of over 130 engineers and 30 additional support personnel to remain intact and generate several thousand additional jobs in the Kansas aerospace industry at the peak of the program in mid-1975.

As one who has maintained an abiding concern for the individuals employed in the aerospace industry—particularly in Wichita where the effects of defense spending changes have been severe—and as an American who believes our defense forces must be kept at the maximum state of readiness and capability, I am very pleased that the Appropriations Committee has agreed to this vital location.

THE U.S. ARMED FORCES INSTITUTE

Mr. PROXMIRE. Mr. President, I have noted with great dismay that the conferees on the Department of Defense Appropriations bill have accepted the House position with regard to the U.S. Armed Forces Institute and now agree that it should be disbanded by May 31, 1974.

The Senate Appropriations Committee concurred with the House reduction of $530,000 but recommended that the Institute be continued during the remainder of fiscal year 1974. Particular note was made of the Institute's commitment to guidance counseling in an effort to make military life attractive and with the hope of raising educational standards. I wholeheartedly agreed with this view.

The new All-Volunteer Army poses problems which cannot be met without a concerted plan of action. Education is a primary concern at the present time as well as professional guidance counseling. Both of these military problems are being worked on by USAFI. With the Institute disbanded, the individual Services will have to initiate their own programs in this area and there is every reason to suspect that the resulting lack of coordination and increasing costs will soon make it apparent that the USAFI concept was not only sound but a necessary ingredient for the modern army.

Mr. President, I know that conferees engage in tough bargaining and there is always some give and take. However, I am convinced that the Senate position on this issue was the only proper view and I regret that the House view prevailed. We will miss USAFI more than is apparent now. Education is the keystone to the modern army.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 39 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum proposed, insert: "$2,304,868,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 75 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum proposed, insert: "$1,542,700,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 79 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum proposed, insert: "$2.651.805.000".

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendments of the House of Representatives to the Senate amendments Nos. 39, 75, 78, and 79.

The motion was agreed to.

SOCIAL SECURITY AMENDMENT (H.R. 11333) PLACED ON CALENDAR

Mr. LONG. Mr. President, I ask unanimous consent that the Committee on Finance be discharged from further consideration of H.R. 11333 and that the bill be placed on the calendar and that it be in order for the Senate to proceed to consider it today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FOREIGN ASSISTANCE ACT APPROPRIATIONS, 1974—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on H.R. 11771 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DOMINICI). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11771) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of House at pages H11683 and H11684.)

Mr. INOUYE. Mr. President, I am pleased to present the conference report on H.R. 11771 making appropriations for foreign assistance and related programs for fiscal year 1974.

Like all conferences, neither the Senate nor the House obtained everything desired, but I believe the end result was a fair and equitable compromise of the major items in disagreement.

The conference report is available and I shall, therefore, not attempt to speak to each of the items covered. I would, however, like to mention a few matters of general concern and major impact.

In the new functional categories into which development assistance is divided, a total of $585,000,000 is provided of which $300 million will be loans and $285 million will be grants. In the future, all selected development problems and countries or organizations will be submitted and approved on a line-item basis.

For voluntary contributions to international organizations the conferees accepted $125,000,000 of the $127,822,000 provided in the Senate bill. It was not possible, however, to increase the amount for UNRWA above the total of $16,300,000 without severely reducing other United Nations programs. However, the statement of the managers promises careful and sympathetic consideration for future budget requests to make up UNRWA's current deficit.

For American schools and hospitals abroad, $19 million is allowed; however, not more than six new previously approved projects should be started during the current fiscal year with not more than two in any one country.

For the Partners of the Americas, $750,000 is allowed on the condition that this program should be privately financed after fiscal year 1976.

The conferees strongly supported the Senate position that drastic reforms are needed in appropriating funds for AID operating expenses of which less than one fourth is funded from the administrative expenses appropriation.

The Senate committee does not believe it is in the interest of good management or budget practice to fund operating expenses from funds appropriated for grant or loan programs. As indicated in its report, however, it will not seek to strictly enforce this ban for the remainder of the fiscal year if it is convinced the Agency is moving as fast as possible to correct the situation and reduce its excessive overhead.

This will apply to the operating expenses funded from the administrative expenses appropriation as well as other accounts. I would, however, like to reaffirm the statement in the committee report—

> The preference of the Committee would be to have all operating expenses authorized and budgeted through this account (Administrative Expenses). In the absence of such action, however, the committee serves notice that it will not again fund AID's cost of doing business through two accounts.

Therefore, the burden is now shifted to the Agency for International Development to solve this problem.

While $15 million was restored to the Contingency Fund the conferees agreed that there needs to be better control of these funds.

An American contribution of $50 million is recommended for the soft loan window of the Asian Development Bank.

The $418,380,000 provided for the Inter-American Development Bank will complete the U.S. contribution to the paid-in and callable capital accounts and bring the U.S. contribution to the Fund for Special Operations to 50 percent of the amount originally proposed. As originally proposed, the United States would underwrite two-thirds of the total soft loans currently being sought by the Bank. This is a matter of some concern but a final judgment will have to be made in connection with future budget requests for the remaining $500 million.

The military assistance program has been reduced to $450,000,000.

Indochina reconstruction assistance was also allocated $450,000,000.

OPIC was provided $25 million in additional reserves and the Inter-American Foundation's program was increased to $10 million.

The strong Senate language removing the United States once and for all from any support whatsoever for South Vietnam's police and prison system was retained.

The Senate provision requiring the use of excess currencies for local costs associated with our foreign assistance program was retained.

A slightly modified version of the Senate provision requiring that the Congress be advised in a timely manner of any changes from the program originally justified in annual congressional presentations was agreed to.

The House conferees agreed with the Senate in increasing the amount of emergency military grants that could be made available to Israel from $1 billion to $1.5 billion. This is from the total of $2.2 billion made available under the act.

For Cambodia, $150 million is provided although this is of no effect unless authorized. The Senate bar to the drawdown of $200 million from Department of Defense stocks as provided by the legislative committees has been dropped.

A total of $150 million in emergency disaster assistance is provided upon enactment of authorizing legislation and a recommendation of the allocation as provided in the Senate bill.

The Senate provision banning U.S. military assistance to Chile was dropped and the provision relating to petroleum products used in Southeast Asia was modified to conform with the provision in the Department of Defense appropriations bill.

Mr. President, on February 8 of this year the Appropriations Subcommittee on Foreign Operations at the request of Chairman McCLELLAN adopted a highly ambitious goal of reducing the then pending budget estimates for foreign assistance by $1,202,583,000 or 28 percent. This was by far the largest reduction proposed by any subcommittee and one which I frankly thought might be unattainable.

While there have been some sizable adjustments in budget estimates because of the emergency military assistance needed for Israel and Cambodia and the disasters in Nicaragua, Pakistan and the Sahel, I am very proud, indeed, to report that the final Senate reduction on this bill was $1,399,477,000. Even though the total amount was driven up in conference our overall final figure for the bill is $5,780,434,000—a reduction of $1,212,483,000—slightly over the original target reduction by $9,900,000.

The conferees believe that the funds provided for the Regional Rail Reorganization Act of 1973 which were agreed to in conference yesterday should enable the Department of Transportation to carry out its functions under that act. In providing that the funds be derived by transfer, it is not the intention of the conferees that any essential programs of the Department be reduced. It is expected that if restoration of any of the transferred funds is required, the Department will request such restoration next session.

Mr. President, I move that the conference report be agreed to.

Mr. YOUNG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATHAWAY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I should like to ask the manager on the part of the majority a few questions relating to pertinent parts of the bill.

First, may I ask him how the provision which related to the $2.2 billion for military aid to Israel came out, especially respecting that part inserted by the Senate regarding an authorization to be required before the Appropriation Act took effect?

Mr. INOUYE. As the distinguished Senator is aware, there is no disagreement, of course, on the sum of $2.2 billion. The only disagreement occurred in the matter of sums. The House had a provision for $1,100,000,000, and the Senate provided $1,500,000,000. The House receded and accepted the Senate provision.

Mr. JAVITS. May I ask the Senator the following: The authorizing bill, H.R. 11088, which passed the other body before coming here, and passed this body this morning with no change from the House bill, so that it would be on its way to the President immediately before or accompanying the supplemental, if the supplemental were approved—does that specify the condition, assuming the President signs the bill?

Mr. INOUYE. Absolutely; the provision in our bill calls for prior authorization before appropriations can be expended. With the passage of the authorization bill, it will suffice.

Mr. JAVITS. There is nothing in the appropriation bill which is other than a limitation respecting the appropriation, so there is contradiction between it and the authorizing bill as passed by the Senate, H.R. 11088?

Mr. INOUYE. The Senator is correct.

Mr. JAVITS. On the other side, I understand that the conference came to agreement on American schools and hospitals abroad.

Mr. INOUYE. As the Senator is aware, the Senate had a lower figure, and we receded to the House gross figure of $19 million for the remainder of fiscal 1974. In addition, we also agreed upon provisions suggested by the House that in the event new starts are brought about under this program, they will be limited to only those schools and hospitals that have been heretofore approved by the agency, and these starts will be limited to 6 in number, in all. No country may have more than two.

Mr. JAVITS. I thank the Senator.

Finally, I wish to express to the Senator great appreciation for the way in which the Overseas Private Investment Corporation was handled.

First, when it was here, an error was made in the amount of the provision, in the nature of the provision, too much of it having been stricken out when it came before the Senate. The Senator himself corrected it, so that they had basic authority. That was gratifying.

Second, I gather that the conference gave $25 million of the $50 million they sought.

Mr. INOUYE. The conferees are confident that with this sum, plus the full faith and credit of the United States of America, OPIC should be in great shape.

Mr. JAVITS. I thank the Senator very much. I think he has done a splendid job, as he usually does, and the Senate should be very grateful to him.

Mr. INOUYE. I thank the Senator.

Mr. MATHIAS. Mr. President, consideration of this conference report by the Senate represents the culmination of a long and difficult task. Particular credit should be given to the very hard-working and diligent chairman of our Committee, the Honorable DANIEL INOUYE. However, and I am sure the distinguished chairman would be the first to admit that this report is the result of the best efforts and best endeavors of many Members both in the Senate and in the House.

Naturally the conference did not adopt all of the positions passed by the Senate. Let me assure the Senate, however, that your managers, especially Chairman INOUYE, did their persuasive best to articulate and express the Senate position. Therefore, even though I have reservations and disappointments with respect to certain portions of the conference report let me here and now urge its adoption.

Senators will note that many of the monetary amendments in this report were adjusted either upward or downward to reflect what your conferees thought represented the best possible or attainable figure. There was give and take in the conference and a spirit of conciliation on both sides. Therefore, let me urge my colleagues to adopt this conference report as the best possible solution to a most complicated legislative problem.

Mr. President, I am very pleased that the conference committee has recommended that $750,000 be appropriated in the foreign assistance bill to the National Association of the Partners of the Alliance.

We in Maryland have benefited greatly from the Partners program. Through the Maryland Partners of the Americas, each January some 30 Brazilian students from Estado Do Rio, our partner State, visit Maryland homes and attend Maryland high schools for a 6- to 7-week period. In July a similar group of Maryland high schoolers visit Estado Do Rio. As a result of these exchanges, now in their ninth year, the Maryland Partners of the Americas have touched the lives of the thousands of young people and their parents. We have learned, in these direct and personal visits, of the customs and thoughts and habits of other countries. We can be justly proud of the wonderful feelings that have been created for Maryland and the United States by the visits of our students in Brazil.

Therefore, it is heartening to know that funds will be available for this worthy program to continue.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The amendments in disagreement will be stated.

The amendments in disagreement are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert: "and of which $14,300,000 shall be available only for the United Nations Relief and Works Agency."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

SEC. 114. None of the funds made available under this Act for "Food and Nutrition, Development Assistance," "Population Planning and Health, Development Assistance," "Education and Human Resources Development, Development Assistance," "Selected Development Problems, Development Assistance," "Selected Countries and Organizations, Development Assistance," "International Organizations and Programs," "American Schools and Hospitals Abroad," "International Narcotics Control," "Indochina postwar reconstruction assistance," "Security supporting assistance," "Military assistance," or "Migration and refugee assistance" shall be available for obligation for activities, programs, projects, countries, or other operations unless the Committees on Appropriations of the Senate and House of Representatives are previously notified five days in advance.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 53 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

SEC. 604. None of the funds contained in this Act shall be used to furnish petroleum fuels produced in the continental United States to Southeast Asia for use by non-United States nationals.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 54 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

TITLE VII—REGIONAL RAIL REORGANIZATION ACT OF 1973

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

Interim Operating Assistance

For necessary expenses for Interim Operating Assistance under the Regional Park Reorganization Act of 1973, $35,000,000, to remain available until expended and to be derived by transfer from the Urban Mass Transportation Fund: *Provided,* That this appropriation shall become effective only upon enactment into law by the 93rd Congress of H.R. 9142 or similar legislation.

Salaries and Expenses

For an additional amount for "salaries and expenses," $3,000,000, to remain available until expended and to be derived by transfer from the appropriation for transportation, planning, research and development, Office of the Secretary: *Provided,* That this appropriation shall become effective only upon enactment into law by the 93rd Congress of H.R. 9142 or similar legislation.

UNITED STATES RAILWAY ASSOCIATION

Administrative Expenses

For necessary administrative expenses to enable the United States Railway Association to carry out its functions under the Regional Rail Reorganization Act of 1973, $6,000,000, to remain available until expended and to be derived by transfer from the appropriations for railroad research and high-speed ground transportation research and development, Federal Railroad Administration: *Provided,* That this appropriation shall become effective only upon enactment into law by the 93rd Congress of H.R. 9142 or similar legislation.

Mr. INOUYE. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 38, 53, and 54.

The motion was agreed to.

CHILD ABUSE PREVENTION AND TREATMENT ACT

Mr. MONDALE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1191.

The PRESIDING OFFICER (Mr. HUDDLESTON) laid before the Senate the amendment of the House of Representatives to the bill (S. 1191) to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes", which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Child Abuse Prevention and Treatment Act".

THE NATIONAL CENTER ON CHILD ABUSE AND NEGLECT

SEC. 2. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to in this Act as the "Secretary") shall establish an office to be known as the National Center on Child Abuse and Neglect (hereinafter referred to in this Act as the "Center").

(b) The Secretary, through the Center, shall—

(1) compile, analyze, and publish a summary annually of recently conducted and currently conducted research on child abuse and neglect;

(2) develop and maintain an information clearinghouse on all programs, including private programs, showing promise of success, for the prevention, identification, and treatment of child abuse and neglect;

(3) compile and publish training materials for personnel who are engaged or intend to engage in the prevention, identification, and treatment of child abuse and neglect;

(4) provide technical assistance (directly or through grant or contract) to public and nonprofit private agencies and organiza-

tions to assist them in planning, improving, developing, and carrying out programs and activities relating to the prevention, identification, and treatment of child abuse and neglect; and

(5) conduct research into the causes of child abuse and neglect, and into the prevention, identification, and treatment thereof.

DEFINITION

SEC. 3. For purposes of this Act the term "child abuse and neglect" means the physical or mental injury, sexual abuse, negligent treatment, or maltreatment of a child under the age of eighteen by a person who is responsible for the childs welfare under circumstances which indicate that the child's health or welfare is harmed or threatened thereby, as determined in accordance with regulations prescribed by the Secretary.

DEMONSTRATION PROGRAMS AND PROJECTS

SEC. 4. (a) The Secretary, through the Center, is authorized to make grants to, and enter into contracts with, public agencies or nonprofit private organizations (or combinatións thereof) for demonstration programs and projects designed to prevent, identify, and treat child abuse and neglect. Grants or contracts under this section may be—

(1) for the development and establishment of training programs for professional and paraprofessional personnel in the fields of medicine, law, education, social work, and other relevant fields who are engaged in, or intend to work in, the field of the prevention, identification, and treatment of child abuse and neglect; and training programs for children, and for persons responsible for the welfare of children, in methods of protecting children from child abuse and neglect;

(2) for the establishment and maintenance of centers, serving defined geographic areas, staffed by multidisciplinary teams of personnel trained in the prevention, identification, and treatment of child abuse and neglect cases, to provide a broad range of services related to child abuse and neglect, including direct support and supervision of satellite centers and attention homes, as well as providing advice and consultation to individuals, agencies, and organizations which request such services;

(3) for furnishing services of teams of professional and paraprofessional personnel who are trained in the prevention, identification, and treatment of child abuse and neglect cases, on a consulting basis to small communities where such services are not available; and

(4) for such other innovative programs and projects, including programs and projects for parent self-help, and for prevention and treatment of drug-related child abuse and neglect, that show promise of successfully preventing or treating cases of child abuse and neglect as the Secretary may approve.

(b)(1) Of the sums appropriated under this Act, not less than 5 per centum may be used by the Secretary for making grants to the States for the payment of reasonable and necessary expenses for the purpose of assisting the States in developing, strengthening, and carrying out child abuse and neglect prevention and treatment programs.

(2) In order for a State to qualify for assistance under this subsection, such State shall—

(A) have in effect a State child abuse and neglect law which shall include provisions for immunity for persons reporting instances of child abuse and neglect from prosecution, under any State or local law, arising out of such reporting;

(B) provide for the reporting of known and suspected instances of child abuse and neglect;

(C) provide that upon receipt of a report of known or suspected instances of child abuse or neglect an investigation shall be initiated promptly to substantiate the accuracy of the report, and, upon a finding of abuse or neglect, immediate steps shall be taken to protect the health and welfare of the abused or neglected child, as well as that of any other child under the same care who may be in danger of abuse or neglect;

(D) demonstrate that there are in effect throughout the State, in connection with the enforcement of child abuse and neglect laws and with the reporting of suspected instances of child abuse and neglect, such administrative procedures, such personnel trained in child abuse and neglect prevention and treatment, such training procedures, such institutional and other facilities (public and private), and such related multidisciplinary programs and services as may be necessary or appropriate to assure that the State will deal effectively with child abuse and neglect cases in the State;

(E) provide for methods to preserve the confidentiality of all records in order to protect the rights of the child, his parents or guardians;

(F) provide for the cooperation of law enforcement officials, courts of competent jurisdiction, and appropriate State agencies providing human services;

(G) provide that in every case involving an abused or neglected child which results in a judicial proceeding a guardian ad litem shall be appointed to represent the child in such proceedings;

(H) provide that the aggregate of support for programs or projects related to child abuse and neglect assisted by State funds shall not be reduced below the level provided during fiscal year 1973, and set forth policies and procedures designed to assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of State funds which would, in the absence of Federal funds, be available for such programs and projects;

(I) provide for dissemination of information to the general public with respect to the problem of child abuse and neglect and the facilities and prevention and treatment methods available to combat instances of child abuse and neglect; and

(J) to the extent feasible, insure that parental organizations combating child abuse and neglect receive preferential treatment.

(3) Programs or projects related to child abuse and neglect assisted under part A or B of title IV of the Social Security Act shall comply with the requirements set forth in paragraph (2).

(c) Assistance provided pursuant to this section shall not be available for construction of facilities; however, the Secretary is authorized to supply such assistance for the lease or rental of facilities where adequate facilities are not otherwise available, and for repair or minor remodeling or alteration of existing facilities.

(d) The Secretary shall establish criteria designed to achieve equitable distribution of assistance under this section among the States, among geographic areas of the Nation, and among rural and urban areas. To the extent possible, citizens of each State shall receive assistance from at least one project under this section.

AUTHORIZATIONS

SEC. 5. There are hereby authorized to be appropriated for the purposes of this Act $15,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, and $25,000,000 for the fiscal year ending June 30, 1976.

ADVISORY BOARD ON CHILD ABUSE AND NEGLECT

SEC. 6. (a) The Secretary shall, within sixty days after the date of enactment of this Act, appoint an Advisory Board on Child Abuse and Neglect (hereinafter referred to as the "Advisory Board"), which shall be composed of representatives from Federal agencies with responsibility for programs and activities related to child abuse and neglect, including the Office of Child Development, the Office of Education, the National Institute of Education, the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Social and Rehabilitation Service, and the Health Services Administration. The Advisory Board shall assist the Secretary in coordinating programs and activities related to child abuse and neglect administered or assisted under this Act with such programs and activities administered or assisted by the Federal agencies whose representatives are members of the Advisory Board. The Advisory Board shall also assist the Secretary in the development of Federal standards for child abuse and neglect prevention and treatment programs and projects.

(b) The Advisory Board shall prepare and submit, within eighteen months after the date of enactment of this Act, to the President and to the Congress a report on the programs assisted under this Act and the programs, projects, and activities related to child abuse and neglect administered or assisted by the Federal agencies whose representatives are members of the Advisory Board. Such report shall include a study of the relationship between drug addiction and child abuse and neglect.

(c) Of the funds appropriated under section 5, one-half of 1 per centum, or $1,000,000, which ever is the lesser, may be used by the Secretary only for purposes of the report under subsection (b).

COORDINATION

SEC. 7. (a) The Secretary shall promulgate regulations to guarantee that other programs which are assisted by Federal funds and are related to child abuse and neglect will be coordinated with programs assisted under this Act.

(b) The Secretary shall prescribe such regulations and make such arrangements as may be necessary or appropriate to insure that suitable programs related to child abuse and neglect under this Act are available for children receiving aid or services under State plans approved under part A of title IV of the Social Security Act and State plans developed as provided in part B of such title, and that there is effective coordination between such programs assisted under this Act and the programs of aid and services under such title IV.

Mr. MONDALE. Mr. President, a few weeks ago the Senate passed a very strong bill to deal with the problem of child abuse. The House adopted S. 1191 with an amendment, and that amendment is now before the Senate. We propose shortly to move to concur in the House amendment with certain minor amendments which I do not think will meet with any objection.

The first part of that amendment would call for a study of the incidence of child abuse and neglect. The second would require that a minimum of 50 percent of the funds be spent on the demonstration program. The third would place a spending ceiling of 20 percent on the State programs authorized by the House bill. The fourth amendment would establish criteria to be met by programs seeking funding under State set-aside. The fifth would require effective coordination between programs funded under this act with other federally supported child abuse programs.

None of those amendments is substantial. All have been cleared with the minority members of the Committee on Labor and Public Welfare.

I now yield to the distinguished Senator from New York, the ranking minority member on the committee.

Mr. JAVITS. Mr. President, for myself, I approve these amendments. I understand that all members of the minority on the Committee on Labor and Public Welfare have been asked about it. They are in town and know that this matter is coming up. Senator TAFT is not in town. I am advised by staff that Senator TAFT has no objection.

For myself, I do not see, from the nature of the amendments, that there should be any basis for any material objection, but each member must judge that for himself. I think that in substance, at this stage of the session, the minority, considering the accounting I have just given as to its members, would not interpose an objection as such to the Senator's motion, and I, personally, very much favor enactment of this measure, which I cosponsored.

Mr. MONDALE. I thank the Senator.

Mr. President, I move that the Senate agree to the amendment of the House to the bill (S. 1191) entitled "An Act to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes," with the following amendments:

(1) On page 2, line 15 of the House Engrossed Amendment, strike out the word "and".

(2) On page 2, line 18 of the House Engrossed Amendment, strike out the period and insert in lieu thereof a semicolon and the word "and".

(3) On page 2, between lines 18 and 19 of the House Engrossed Amendment, insert the following new paragraph:

(6) make a complete and full study and investigation of the national incidence of child abuse and neglect, including a determination of the extent to which incidents of child abuse and neglect and increasing in number or severity.

(4) On page 3, line 9 of the House Engrossed Amendment, strike out "section" and insert in lieu thereof "subsection".

(5) On page 4, between lines 13 and 14 of the House Engrossed Amendment, insert the following new sentence: "Not less than 50 per centum of the funds appropriated under this Act for any fiscal year shall be used only for carrying out the provisions of this subsection.".

(6) On page 4, line 14 of the House Engrossed Amendment, after the word "Act" insert the following: "for any fiscal year".

(7) On page 4, line 15 of the House Engrossed Amendment, after "5 per centum" insert the following: "and not more than 20 per centum".

(8) On page 7, line 6, insert "clauses (B), (C), (E), and (F) of" after the word "in".

(9) On page 7, line 24 of the House Engrossed Amendment, before the period insert a comma and the following: "and for the succeeding fiscal year".

(10) On page 9, line 9, of the House Engrossed Amendment, beginning with "(a)" strike out through line 21 and insert in lieu thereof the following: "The Secretary shall promulgate regulations and make such arrangements as may be necessary or appropriate to ensure that there is effective coordination between programs related to child abuse and neglect under this Act and other such programs which are assisted by Federal funds.".

Before the Senate votes on these amendments, I would like to explain briefly to my colleagues the status of this legislation. With 14 of my colleagues, I introduced this bill in the Senate in March. In the following months, I chaired a series of hearings on the bill before my Subcommittee on Children and Youth. S. 1191 was passed by a vote of 57 to 7 by the Senate on July 14.

On December 3, the House passed an amended version of S. 1191. In light of the urgent need for legislation to improve our ability to combat child abuse, we in the Senate have been working with our colleagues in the House since then to reach agreement on a compromise version of the bill.

Although the administration opposed S. 1191 in the Senate, it withdrew opposition to the bill passed by the House. Members of the Senate, however, had concern that some provisions of the House bill would prevent us from securing from the Department of Health, Education, and Welfare the commitment necessary to make an impact on the widespread problem of child abuse.

The amendments before us today reflect an agreement acceptable to the House Education and Labor Committee and the Senate Labor and Public Welfare Committee.

At this point I would like to summarize the effect of the amendments before us today:

First. The Senate bill requires that the National Center on Child Abuse and Neglect, including the demonstration program, be housed in the Office of Child Development of HEW. The House bill provides only that the National Center and the demonstration program be housed in the Department of Health, Education, and Welfare.

I have received a letter from the under secretary of Health, Education, and Welfare, Frank Carlucci, stating:

> Should S. 1191 be enacted with no organizational requirements specified it is my intention, consistent with existing policy, to give responsibility for the implementation of S. 1191 to the Office of Child Development which is in the Office of Human Development.

I ask unanimous consent that the full text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., December 20, 1973.

Hon. WALTER F. MONDALE,
Committee on Labor and Public Welfare,
U.S. Senate, Washington, D.C.

DEAR SENATOR MONDALE: As noted in the testimony of Assistant Secretary Stanley B. Thomas, Jr. before the House Select Subcommittee on Education on Friday, October 5, the Office of Human Development and within it the Office of Child Development has played the lead role in implementing the Department's child abuse initiatives.

Should S. 1191 be enacted, with no organizational requirements specified, it is my intention consistent with existing policy, to give responsibility for the implementation of S. 1191 to the Office of Child Development which is in the Office of Human Development. This will ensure that the Department maintains the continuity of its current activity in this important area.

In addition, I want to take this opportunity to assure you that the Interagency Advisory Board on Child Abuse and Neglect, proposed in the bill, will look to experts in the field of child abuse for advice and counsel. We believe that there are many people outside the Federal Government who have important contributions to make in the resolution of this very complicated issue. Consequently, we see no need for the specific inclusion of such a mandate in the statute. Also, it is our intention to list all of the names of those individuals who are consulted by the Interagency Advisory Board in the report to the Congress required by the legislation.

Sincerely,

FRANK CARLUCCI,
Secretary.

Mr. MONDALE. Second. The Senate bill has no special provision for State programs of child abuse and neglect. The House bill requires that "no less than 5%" of appropriations for the legislation be spent by States on technical assistance. In order to receive these funds, the House bill requires that a State meet a series of criteria.

The amendments before us today would place a ceiling of 20 percent on the funds that could be spent on State programs.

Third. The House bill contains two sections relating to programs for child abuse and neglect funded under other programs for Federal assistance.

First, the House bill requires that programs or projects relating to child abuse and neglect assisted under parts A or B of title IV of the Social Security Act must comply with the criteria which are applied to States qualifying for funding under this bill. The Senate bill contains no similar provision. The compromise we have reached, to which I understand the chairman of the Senate Finance Committee has no objection, would require these programs funded through the Social Security Act to comply with only 4 of the 10 criteria of this bill. Specifically, those programs would need to provide for:

The reporting of known and suspected instances of child abuse and neglect;

Prompt initiation of investigations of reported cases of child abuse and immediate steps to protect the health and welfare of the abused or neglected child;

Methods to preserve the confidentiality of all records; and

Cooperation of law enforcement officials, courts, and human services agencies.

Second, the House bill requires that the Secretary promulgate regulations to coordinate child abuse and neglect programs funded under this act with those assisted under other programs of Federal assistance. It also requires that suitable programs related to child abuse and neglect under this act be available for children receiving aid or services under programs assisted under parts a and b of title IV of the Social Security Act. The Senate bill has no similar provisions.

The compromise we have agreed to requires the Secretary to promulgate regulations and make arrangements to assure effective coordination between programs funded under this act and other such programs assisted by Federal funds.

Fourth. The Senate bill authorizes creation of a National Commission on Child Abuse and Neglect to study some of the unresolved issues in the field and to report on the effectiveness of the Federal effort.

The House bill does not authorize a commission. It provides instead for creation of an advisory committee of HEW employees to oversee the Federal efforts on child abuse and neglect.

In the letter I received today from Mr. Carlucci, HEW states that this advisory board "will look to experts in the field of child abuse for advice and counsel. We believe that there are many people outside the Federal Government who have important contributions to make * * *."

Fifth. The Senate authorizes $10 million the first year and $20 million for each of the next 4 years. The House bill authorizes $15 million for the first year, $20 million the second year, and $25 million the third year.

The amendments before us would provide for a 4-year bill with authorizations of $15 million the first year, $20 million the second, and $25 million in the third and fourth years.

Sixth. The Senate bill "authorizes and directs" HEW to establish a demonstration program in child abuse and neglect. In the House bill, the phrase "and directs" was dropped.

The amendment before us today accepts the House language and requires that at least 50 percent of the appropriations for this bill be spent on the demonstration grant program. The purpose of this is to assure that this portion of the bill is actually implemented.

I strongly urge my colleagues to support the amendments before us today. Each year some 60,000 children in this country are reported to have been abused—some to the point of permanent injury and even death. At least 700 die annually as a result of child abuse. In the course of my subcommittee's hearings we viewed slides showing horribly battered children who had been brought to hospitals for treatment. I personally visited victims of child abuse in hospitals in Washington, New York, and Denver. And I heard—from her own mouth—the sad story of a mother who nearly killed her child before she could convince any person or agency to provide her with the help she knew she so desperately needed.

There are ways to treat child abuse. We know that a strong, healthy family is the best cure for a child abuse situation. We know that the adults who abuse children were usually abused themselves as children, and that we can only stop this terrible cycle if we provide opportunities for rehabilitation.

I am encouraged by the interest shown by the Congress and by the public in this legislation. I am hopeful that if the Senate approves the amended version of S. 1191 today we can see this legislation translated into quick and effective action.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

UNANIMOUS-CONSENT AGREEMENT ON H.R. 11333, SOCIAL SECURITY AMENDMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when H.R. 11333, the social security bill, is before the Senate, there be a time limitation of 1 hour on an amendment by the distinguished Senator from Louisiana (Mr. Long), the chairman of the committee, to be offered en bloc, and 1 hour on the bill, the time in each instance to be divided between Senator Long and Senator Curtis or their designees.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLEN. Reserving the right to object, is this the social security bill?

Mr. MANSFIELD. Yes.

Mr. ALLEN. What about other amendments?

Mr. LONG. Perhaps I can explain.

The social security bill is in conference, and it will necessarily have to remain in conference, because there are important items in conference to which the House does not want to say "no," but which the House cannot accept without further consideration. So we are proposing to call up a social security bill that remained in the committee, to amend it by adding those items on which pensioners and the poor will be victimized unless we act between now and January, those items which have an immediate urgency about them, and leave the other items, which include the big cost items, in conference.

I can say that the cost-of-living social security and SSI increases are already included in H.R. 11333. As to the social services regulations that are of great interest to the States, any change in the old regulations would simply be postponed until January 1975 while the Mondale amendment relating to social services is ironed out next year between the conferees.

The big cost amendments, such as the coverage of drugs under medicare, the work bonus, the increase in the social security earnings limit, and other, will remain in conference between the two Houses.

We are informed that commitments have been made on the House side that before the House agrees to or rejects some of those amendments, the House will hold hearings in the Ways and Means Committee. The agreement among the conferees is that we will continue to work on these amendments and work out the best bill we can next year, but that meanwhile we should not adjourn without assuring social security beneficiaries and the aged, blind, and disabled poor that they will get the cost-of-living increases which the Senate has already approved, and that the unintended loss of food stamps eligibility or medicaid eligibility by the poor will be prevented, and other urgent items taken care of. To fail to take care of these various urgent items before the Senate and the House adjourn would mean that a great deal of inequity and injustice would occur.

Mr. ALLEN. What about the added tax and the added wages subject to social security? Would they be included in the amendment—the increase in tax and the increase in the amount covered?

Mr. LONG. As I recall the structure of the House bill, there is no increase in the total social security tax rate over the next few years. There would be an increase in the tax base next year, from $12,600 to $13,200. I intend to place in the Record tonight a summary of the items we believe the House would be willing to accept so that Senators can read it tomorrow.

Mr. GRIFFIN. I think the Senator from Alabama has done the Senate a service by asking these questions. I do not see how we could agree to a 1 hour time limitation on a bill on this basis.

Mr. LONG. We have not asked anyone to agree to a limitation on amendments. At this late hour in the session any Senator who does not like a bill has the power to kill it.

Mr. GRIFFIN. We are talking about a bill involving billions of dollars. I am surprised that the Senator is talking about no provision for taxes to pay for it.

Mr. LONG. There will be an increase in the tax rates for the social security cash benefit programs, but for the next few years it will be offset by a decrease in the medicare tax rates, resulting in no increase in the overall social security tax rates. Everything we are talking about is much less than the Senate voted for. We are talking about a measure that would cost a great deal less than what the Senate voted for. We would hope to trim down to simply provide a stopgap bill, other than the cost-of-living social security and SSI increases, so that we will not do an irresponsible thing when we adjourn and come back in January.

I did not mention one item that I should have, and the Senator from New York knows about it. The Javits amendment relating to unemployment insurance is one item that will remain in conference. But we believe the House will accept the amendment for a 90-day period so that no one will lose benefits because we quit without having resolved that matter.

I can assure the Senator that no one is going to be jeopardized, because there is no limitation on amendments to be offered, and none is being asked. Senators can offer amendments from now until kingdom come. I could kill the bill and every other Senator could kill the bill.

Mr. MANSFIELD. It is my understanding that the ranking Republican member of the committee, the Senator from Nebraska (Mr. Curtis) is in favor of this proposal; that all members of the committee on the conference are, and all members on the committee and not in the conference that the chairman had access to indicated approval of this proposal.

Mr. LONG. Let me say we felt that it will take almost unanimous consent to pass this bill tomorrow. But the Senator from Nebraska (Mr. Curtis) felt he could persuade the overwhelming majority of conservative members to do that, and the Senator from Minnesota, (Mr. MONDALE) felt he could persuade the liberal members to do that, and I would hope to persuade those who now straddle both sides.

Mr. GRIFFIN. Perhaps I misunderstand. The unanimous consent request related only to the amendment——

Mr. LONG. To be offered by me.

Mr. GRIFFIN. That the Senator from Louisiana is going to offer on the bill. But if other amendments would be offered——

Mr. LONG. There would be no limitation.

Mr. GRIFFIN. The majority leader is correct in that the ranking Republican member (Mr. CURTIS), in the absence of the Senator from Utah (Mr. BENNETT), agreed to this, and in view of the fact there is not an absolute time limit on the whole subject and amendments can be offered without limitation, I will not object.

Mr. LONG. I thank the Senator. I feel confident he will not regret giving consent, and if he does, I will find a way to accommodate him.

Mr. MANSFIELD. I understand this is the only way, and it almost calls for unanimous consent, in which anything can be done by means of which an agreement could be reached between the two Houses which would be of benefit to the people on social security beginning the first of next year.

Mr. LONG. It is just about that way, I would say to the distinguished majority leader.

Mr. MANSFIELD. It is a skeletal bill compared with the Senate-passed bill.

Mr. LONG. That is the point. It is very much a skeleton version, including the items which must be passed before we adjourn sine die, without which there would be a lot of hardship on many people.

Mr. JAVITS. Will the House have passed this bill by the time it gets here in the morning with the amendments of the Senator from Louisiana, or will it take the House bill as we amended?

Mr. LONG. We would hope the House will accept the House bill as it will be amended by the Senate.

Mr. JAVITS. Fine.

Mr. LONG. We have been conferring with the House, and we know which items the House conferees on H.R. 3153 would be willing to recommend that the House accept at this time. It will take a two-thirds vote over there, but they think they can persuade the House to do that. We have high hopes we can persuade the House to vote this stopgap legislation through so that we can go home in a responsible fashion and continue to work on the big items in conference.

Mr. JAVITS. The only point of the limitation is that the Senator from Louisiana, the chairman of the committee, is limiting himself, really. Is that right? The Senator gets 1 hour on the bill and 1 hour on the amendments. It would limit everybody on the bill but not on the amendments.

Mr. LONG. I would like a limitation on the amendments I am offering en bloc. I am trying to indicate to Senators who have a special interest, like the Senator from New York, what the situation is. I am asking for a limitation on my amendment, but not on amendments by other Senators.

Mr. ALLEN. Mr. President, reserving the right to object, I have always felt the conference committee on the bills performs a great service in taking a Christmas tree bill and trimming it down considerably. I had anticipated that would be the case here if they considered it as part of one package. But what is being considered now is that certain goodies will be taken from the tree and put in a package, and we are supposed to accept that sight unseen.

I feel the proposal by the distinguished Senator would probably work to the detriment of the rest of the bill because the veto-proof matters would be passed on this new bill that is being brought up and would not be in the bill that is now in conference to guarantee its signature. Has the Senator considered that?

Mr. LONG. I have some familiarity with the ability of the Senator from Alabama and others in this body to prevent the Senate from passing the measure when they think it would be a very bad idea. I can assure the Senator that the parliamentary rights he has with respect to this bill greatly exceed the rights he would have from a parliamentary point of view if we were bringing back a conference report, which I wish we could. I am trying to offer to the Senate the bill that the conference report would be if we were able to bring one back now.

Mr. ALLEN. But what occurs to me is that the distinguished Senator from Louisiana is asking the Senate, to use an expression used down our way, to buy a pig in a poke because we do not know what is being suggested by the distinguished Senator from Louisiana from his sketchy recital of it.

Mr. LONG. All I am asking is that the Senate accord those of us who are conferees of the Senate the opportunity to have a vote on this amendment, and if the Senate, having agreed on it, is dissatisfied or if any one Senator feels sufficiently unhappy with it that he wants to kill the bill, he has all the power he needs to offer amendments and to discuss the matter and bring the whole thing to a halt. But I do not think the Senate is going to want to do that.

Mr. ALLEN. Mr. President, reserving the right to object, since the Senator wants to place a limitation on his amendment, why cannot unanimous consent be given to that, and leave the bill wide open?

Mr. MANSFIELD. Mr. President, what was the request?

Mr. ALLEN. Put the 1-hour limitation on the Senator's amendment and have no limitation on the bill itself.

Mr. MANSFIELD. Very well.

Mr. President, I make that request.

The PRESIDING OFICER. Is there objection? Without objection, it is so ordered.

REPORT TO THE PEOPLE OF MISSISSIPPI FOR 1973

Mr. STENNIS. Mr. President, at the end of each session of Congress, and as the calendar year draws to a close, it has been my practice to make a report to the people of Mississippi concerning the matters which have received my particular attention during the year, and which I believe are of special interest to the citizens of our State. They have entrusted me with heavy responsibilities to act in their behalf, and I would like to tell them what has been accomplished.

In past years I have commented that to me making this report is a privilege. This year to be able to make the report is a particular privilege. I have recovered from the gunshot wounds that I received from armed robbers in January, and have returned to my duties as your Senator. I am deeply grateful to have been spared, and to resume a full daily schedule. During my convalescence in the hospital I made full use of the telephone to confer with colleagues, constituents, and officials from the executive departments of the Government. Many came to the hospital to visit me and to confer on matters of mutual interest. I directed the activities of my staff, of course, and kept well informed as to daily occurrences. Much was accomplished during this period, but it was a truly wonderful experience for me when I was able to return to my office and the Senate floor on a full-time basis.

I cannot adequately say how grateful I am to all the Mississippians who told me that I was in their thoughts and in their prayers during the critical period of my illness. I know that this had a direct effect on my recovery, and I am deeply grateful. I want to thank each one for every prayer and every message. Every card and letter, gift, or flowers, or other expression of support was of great help to me. These to me were expressions of confidence that inspired strength and determination. To have so many do so much for me, and for my recovery, is such a tribute and a challenge that I know I cannot repay it, but with all my ability, I will try.

During the course of the year, both when I was ill or convalescing and when I was at my office, I received many courtesies and much help from the other Members of the Mississippi delegation in Congress, and I want to thank them warmly for this. My colleagues in the Senate have been very kind to me also, and generous in their support of legislation that is helpful to our State. My office staff has worked with dedication and has tried hard to help in the many thousands of cases where my constituents have asked for assistance in trying to resolve a personal problem involving some Federal agency.

This has been a difficult year for me, of course, because of my injury. I missed a number of votes on the Senate floor, which I greatly regret, but I am pleased to be able to say that these are the first votes that I have missed because of illness since June 23, 1949. I have been fortunate to have such good health over the years.

In spite of the difficulties, however, much constructive work has been accomplished during 1973. I will report on it, under the following headings, to the people of Mississippi.

FORESTRY

I am certainly pleased that my Forestry Incentives Act, which I introduced again in this Congress, was passed first by the Senate and then the House, and was signed into law on August 10 of this year. It provides incentives to small landowners to plant seedling trees and to improve their existing stands of timber. This law will mean a great deal to the State of Mississippi, where our forests are producing the second crop and must now produce their third, which will largely come from privately owned small nonindustrial tracts.

At the turn of this century, beautiful forests of pine and hardwood spread from border to border of Mississippi. They were not to last long. In the next 20 years they were, to a large degree, harvested or cleared and burned in conversion to cropland. Between 1900 and 1910, Mississippi was the third leading State in the country in timber production.

In the late 1920's there began a gradual trend toward reforestation. In 1926, the State Forestry Commission was established, on a very moderate scale. Its first budget was $7,500 in State funds. In 1940, the ad valorem tax on standing timber was repealed, and the Timber Severance Tax Law was enacted. In 1942, Gov. Paul Johnson, Sr., accepted the lands for the Kurtz State Forest. In 1944 the Forest Harvesting Act governing the leaving of seed trees was passed, as was the bill modernizing the Forestry Commission. Mississippi was on its way back toward revival of its lost forests.

Until 1944, a total of only 173,000 acres in the State had been replanted with trees, but in the 25 years thereafter, up to 1969, more than 1.7 million acres were planted.

There is a total of a little more than 30 million acres of land in Mississippi. More than half our area, 17 million acres, or about 56 percent, is in forest lands. Let me emphasize that. More than half our natural assets, in terms of land area, is devoted to the raising of forests. Of the forest land, about a quarter is in Federal, State, and industrial ownership. Generally speaking, timber production on these lands is quite good. The other three-quarters of the forest land is in small private ownerships. This is about 12.5 million acres, and there are about 133,000 owners, with holdings averaging 95 acres each.

Of this, 12.5 million acres in private ownership, almost 7 million acres is classed by State or Federal studies as being in only poor or fair condition, based on the present stand of timber. Of all the forest land in Mississippi that is classified in this low category of timber production, about 82 percent is in private ownership. There are tremendous opportunities for increased production on private forest lands.

The importance of the forest industry is measured only in part, of course, by the area of forest land, and its productivity. The harvesting and processing of the timber is obviously of tremendous importance, and these operations will stand or fall, now and in the future, on the rate at which timber is grown. There are 350 sawmills in our State, and of course, many pulpwood, plywood, and veneer mills. We have more than 450 commercial operations of various kinds which are based primarily on the use of wood. Obviously, it is important that our timber production keep up with the requirements of the future.

The demands for wood in our Nation are expected to double in the next 30 years. The most informed opinions and projections show that a very large part of it must be grown in the pine and hardwood forests of the South. So the demands for Mississippi timber are going to be very large. This being the case, it seems clear that the increased production will have to come, for the most part, from the forest lands in small, privately owned tracts. If this is to come about, there will have to be a program which will provide the small owner with the incentives that have so far been lacking, and which account for the relatively low production on these kinds of lands. This was what led to my bill, the Forestry Incentives Act of 1973.

The bill establishes a forestry incentives program, to be carried out under the Secretary of Agriculture, to encourage and assist landowners to plant seedlings and to develop their forest lands to produce timber, expand recreational facilities, protect the land from erosion, improve fish and wildlife conditions, and enhance environmental values. For private, nonindustrial lands, the Federal Government would pay up to 75 percent of the costs of this reforesting and land management program.

To comment briefly on what this program can accomplish in Mississippi, the people of our State can reforest about 5 million acres that are now idle, and they can greatly improve another 6.5 million acres. Average yield per acre throughout the State can be raised.

In addition, there will be environmental dividends. Trees not only are a pleasure to the eye, but they help to filter and clean the air, reduce noise, contribute to the beauty and usefulness of recreation areas, and improve fish and wildlife conditions.

Great opportunities await Mississippi in the forestry field. We are endowed with the land and water conditions suited to the purpose. The fine, constructive efforts of the State forestry commission, the State forester and his assistants and the State and county ASCP committees have contributed greatly toward maintaining and improving the potential of our forest lands. The economic growth projections of our country make inevitable the requirement for vast additional amounts of raw forest products. And the geographic factors of land, water, and climate make it certain that a substantial part of that increased forest production is going to have to come from Mississippi.

After the authorization for this program became law, in August, I made it my firm resolve to try to see that money would be provided at the earliest opportunity to carry out this program. I determined from discussions with the Department of Agriculture that if money were appropriated in this session, the program could start about January or February of next year, and that $10 to $15 million would provide the means to carry on the work between then and the end of the fiscal year.

I am glad to say that this month I have been assured by the Secretary of Agriculture that he intends to utilize funds which he presently has at hand to operate the Forestry Incentives program during the period January through June 1974.

Turning to another aspect of forestry matters, our State contains six national forests, containing 1,134,238 acres. This is almost 4 percent of our total land area, and about 6 percent of our commercial forest land, so the national forests are very important to Mississippi. Almost a fifth of our saw timber is growing on national forest land, and of the amount that grows each year, about 60 percent is harvested.

The Federal Government expends very sizable amounts of money each year to operate and maintain these forests, and all of this money flows into our economy in terms of payrolls, supplies and services, and payments to the State and counties. The money spent by the U.S. Forest Service in Mississippi in 1973 is $10,948,000. Almost $6 million was spent for forest protection and utilization, which includes management; protection against fire, insects and disease; forest research; and State and private forestry cooperation. Another $1,662,000 was paid to the State, and large amounts were expended to develop and protect water resources, provide recreation areas, build forest roads and trails, and other similar endeavors, frequently in a mutual effort with other agencies. The U.S. Forest Service in our State has over 200 full-time employees and a similar number of part-time workers.

It should be recognized that the national forests also provide very extensive recreation opportunities for our citizens. There are some two dozen specially developed recreation areas that receive heavy usage. All of the national forest lands, except the 400 acres in the recreation areas, is open to hunting, and the Forest Service takes special care to try to develop and maintain good wildlife habitat. Special care is also taken to prevent erosion, and to restore and reforest eroded watersheds that were the result of heavy timber cutting in the earlier third of this century.

The U.S. Forest Service does a fine job of managing our national forests. They believe firmly in the multiple use of these beautiful forest lands, and our citizens therefore are able to enjoy the benefits of this policy.

I have continued this year to give my support to the funding of the four federally funded forest laboratories in our State—at Stoneville, State College, Oxford, and Gulfport. This year I had a part in increasing appropriations for research work at Stoneville on southern hardwoods and on improving forest wildlife habitat.

I have mentioned before in this report my strong interest in cooperative forestry research, where the Federal Government's money is matched equally by

State or industrial money, and the work is carried out in the forestry schools of colleges and universities. I am proud that the legislation that established this program 11 years ago—the McIntire-Stennis Act—bears my name, and I have taken particular care over the years to try to see that it is properly funded. This year, as a member of the Agriculture Appropriations Subcommittee, I was able to see that the money was increased from $3.94 million in the budget to $6.2 million.

Needless to say, there is very careful coordination of all the Federal forestry efforts in Mississippi with our State forestry commission and our State forester and his staff.

THE FLOOD OF 1973

On April 27, I accompanied the President on an inspection from the air of the flooded areas of the State of Mississippi. The damage was awesome, and my heart felt heavy for those many thousands of our people who have suffered such extreme hardships and disastrous economic losses.

As the rains continued and the waters reached high on our levees it was increasingly clear that flood protection for our Lower Mississippi River Valley must receive a higher national priority for work in the field of water resources.

This is the third great flood in 50 years. The flood of 1927 inundated 26,000 square miles in the Lower Mississippi Valley, displaced over 600,000 people, did damage which in terms of today's values would be over a billion dollars, and 214 people lost their lives. Since then some $1.7 billion dollars have been expended to help protect the area from such floods. Much has been done, but there is much left to be done.

Over the years, I made a joint effort with the late Senator Ellender and Senator McCLELLAN, as fellow members of the Senate Appropriations Committee, to increase the funds appropriated for necessary flood control work. From year to year we were frequently able to increase the amount of money provided by the budget. All too often, however, the additional amounts were frozen in budgetary reserve and not expended. It took much effort and many frustrations to get the project up to a consistent budget level of $110 million. This is not enough.

In the Yazoo basin—our Mississippi Delta region—a total of $307 million worth of flood control work has been authorized by Congress in the Yazoo basin. Funds totaling $165 million were appropriated through fiscal year 1973 to carry out the work. This is not enough.

In the eastern part of our State, channel improvements for flood control along 22 miles of tributary streams of the Tombigbee River were authorized by the Congress. The total cost of the work is estimated to be $52 million. Through fiscal 1973, $5.7 million have been made available for the work. This is not enough.

Over 3 million acres of land were flooded this year in Mississippi, and damages were over $100 million in our State alone. Thousands of people were driven from their homes. Prime croplands were saturated or completely under water; 37 of our counties were declared a part of the flood disaster area.

I want to make the point very strongly that the levees, flood control dams on the tributary rivers, flood walls, and other completed works all paid off. The projects of the Corps of Engineers prevented $3.9 billion in damages in this one flood. The forethought shown in the planning of these projects over the years has been so effective that the Engineers are entitled to be commended very highly. The overall project for the Mississippi River and tributaries is only about half completed, but its effectiveness has prevented what otherwise would have been an infinitely greater disaster throughout the central region of our Nation.

I also want to compliment the Army Engineers for their work during the flood. They led the emergency flood fight and they labored tirelessly. The people of Mississippi are greatly indebted to the personnel of the Corps of Engineers, military and civilian, who did such a fine job.

While the protection afforded by the flood control projects that have been completed to date spared us the devastating losses and suffering of 1927 and 1973, still the damage was tremendous and it was clear that more must be done to protect our people.

I resolved that several important steps must be taken in looking to the future. The existing flood control project authorizations in the Yazoo Basin must be reviewed to see what additional authorizations are appropriate, based on the new flood data. The review study of the Tombigbee River and its tributaries, which is now in progress, must be completed as soon as possible. The administration must be convinced of the absolute necessity for increased appropriations for flood control.

I devised and sponsored a short-range program and a long-range program to increase flood protection in our State.

The short-range program would set maximum possible goals for fiscal 1974 to accomplish work on projects that are authorized for flood control, but are not completed. In other words, the maximum capability of the Corps of Engineers to construct the projects would be determined and funds would be provided to cover the full capability.

Under the long-range program a restudy of the areas subject to flooding would be carried out, to determine what additional work should be authorized.

As a part of both the long- and short-range programs, the funds for the Mississippi River and tributaries project would have to be substantially increased over the level of $110 million that I mentioned previously. This is necessary in order to see that the main levee system along the river receives the attention that it should.

I am glad to say that for this fiscal year I have accomplished what is necessary to carry out the short-range and long-range plans.

As chairman of the Public Works Subcommittee of the Senate Appropriations Committee I was able to see that in the Public Works appropriation bill for fiscal 1974 all Mississippi flood control projects were funded to the maximum capability of the Corps of Engineers.

I obtained a resolution from the Senate Public Works Committee authorizing a restudy of the entire Yazoo basin. The capability of the Engineers to work on this study this year is $100,000, and this amount was provided in the appropriations bill.

A full study of the Tombigbee River and its tributaries is already in progress. The Army Engineers have been urged to expedite its completion, and all the money they can use on it this year has been provided.

The budget request for the Mississippi River and tributaries project was $110 million and this was increased to $150 million in the appropriations bill. Later, in a supplemental appropriation, another $7 million was added to raise levees. This $157 million is the largest amount ever provided in 1 year for this work.

The people of the Lower Mississippi Valley have learned again the power of a flood on the great Mississippi River, pushing against the levees that line its banks and backing into the tributary streams to wreak havoc. The river is again very high this winter. We must press forward with determination for the completion of the flood control projects that can spare us from the great misfortune that so many of our citizens underwent this year.

WATER RESOURCES PROJECTS

Our State is a water-rich State. That is, compared to many others we have an abundant supply of water, it is well distributed through the State, and for the most part it has been kept clean and preserved for constructive uses. As I have discussed elsewhere in this report, however, we know from the experiences of this year that our rivers and streams can flood quickly and heavily, and it is necessary that our economic and land-use planning take this into account. Nevertheless, our water resources are one of our finest natural assets, and they deserve our constant attention to improving them and maintaining their quality.

This can be done without detrimental environmental effects. In fact, properly planned water resource projects are environmental improvements. This is particularly true of flood control projects. As our people know from experience, a bad flood is an environmental catastrophe, and it leaves its scars as a reminder for many years.

I am privileged to be the chairman of the Public Works Subcommittee of the Senate Appropriations Committee. My subcommittee has jurisdiction over the funding of water resource projects that are built by the Army Corps of Engineers, the Tennessee Valley Authority, and for the arid regions of the West, the Bureau of Reclamation of the Department of Interior.

My subcommittee holds hearings regarding the water resource projects, and recommends to the full Appropriations Committee the amount that should be included for each project in the appropriations bill. When the bill is considered by the Senate I am the floor manager for the bill, and when a conference is held with the House to resolve differences with their bill, I am the chairman of the Senate conferees.

This year, during my illness, my colleagues on the subcommittee were kind enough to preside on my behalf. They were also kind enough to come to the hospital to confer with me and to obtain my views, in particular with respect to Mississippi projects. These views were reflected in the report of the subcommittee, the report of the full committee, the appropriation bill as it was passed by the Senate, and these views prevailed in the conference committee and have been signed into law by the President.

As I explained in the section of this report that discusses the great floods of this year, I made sure that each flood control project that is authorized but not completed, in our State, received the maximum amount that the Corps of Engineers can do on that project this fiscal year. I considered this to be particularly important in the Yazoo River Basin, encompassing our delta area, and in the Tombigbee River Basin.

The appropriations provided $8,150,000 for work in the delta, and $900,000 for the Tombigbee River and its tributaries. The bill also contained $350,000 for construction of Tallahala Creek Lake in south Jasper County, which was money carried over from the previous year. The money for the delta was about twice what had been contained in the budget. We also added $6,000,000 above the budget for improvement of the main levees on the Mississippi River. The amount of $46,000 was provided to complete a study of necessary navigation improvements in Pascagoula harbor, and in a supplemental appropriation bill; $10,000 was added to start a study on increased navigation depths in the Mississippi above Baton Rouge.

For the Tennessee-Tombigbee Waterway, which will be an extremely strong factor in the future economy of the eastern part of our State, the budget request was increased by $3,500,000 in both the House and the Senate, from $14,500,000 to $18,000,000. This will permit beginning work on the northern end of the project, when the project enters Pickwick Lake on the Tennessee River, and working south. At the same time, work will continue on the locks and dams on the southern part of the waterway.

While insuring adequate funds for projects that have been approved and are under way, it is also necessary to pay careful attention to providing for future needs. This means that new projects must be studied and presented to Congress for approval.

The law provides that for every expenditure of Federal funds there must be two legislative actions—one to authorize the expenditure and one to appropriate the money. Each of the projects I have discussed above with respect to appropriations had to be previously authorized. This was accomplished in a past Congress by including it in an omnibus rivers and harbors and flood control bill, which is an authorization bill that is normally considered by Congress every two years.

Before a project can be included in the authorization report, it must be studied and fully justified on a benefit-to-cost basis, by the Federal agency that will build the project. This study is called a survey report. After a survey report is completed it must be commented upon throughout the executive branch, by all offices that have an interest, and it must be approved by the Office of Management and Budget before it can be sent to Congress for consideration. These procedures can be very time consuming and frustrating to those of us who are attempting to get forward with developing water resources in Mississippi.

For the last year and a half I have been following diligently the progress of three survey reports, for projects at Greenville, Vicksburg, and Natchez. They were finally sent to Congress on August 31. This followed many months of delays in the various departments which had to comment on the reports, and in the Office of Management and Budget. I sent letters, telegrams, and made repeated phone calls to keep the reports moving.

The Vicksburg and Natchez projects deal with providing flood protection to areas between the east bank of the Mississippi River and the bluffs farther to the east. The area investigated extended from Warren County on the south. Two areas were recommended for construction. The Vicksburg area project would provide leveed flood protection to 10,000 acres, at a cost of $7,760,000. Local interests would be required to provide lands and rights-of-way, and operate and maintain the project after completion. This area is generally north of the present Vicksburg Harbor area, which is currently without room for expansion, because of flood hazards in remaining lands below the bluff level.

A similar area near the Natchez port is recommended in the Warren to Wilkinson County report for flood protection at a cost of $11,100,000. This would protect 16,000 acres just south of the Natchez Harbor.

The Greenville Harbor project consists of widening and extending the channel into Greenville Harbor from the Mississippi River, and depositing the excavated material in such a way as to create landfill at an elevation above flood height. The estimated cost is $17,100,000. Local interests are required to provide lands and easements, and maintain the project after construction. The project has the very fine benefit to cost ratio of 3.4 to 1.

These three projects are in an area of the State which is experiencing a very rapid growth of industrial development. The projects will generate very large benefits and will return to the United States large returns in the form of taxes, as well as providing general public benefits substantially in excess of costs.

The Senate Public Works Committee has legislative jurisdiction over the authorization. I presented statements to the committee on behalf of the projects, and made my views known to the chairman as to the importance of their inclusion in the authorization bill this year.

Last year there were two major dam and reservoir projects that were included in an omnibus bill that was passed by Congress but then vetoed by the President. These were Edinburg Dam and Lake on Bowie Creek near Hattiesburg. Among the first actions of the Senate this year was to again pass this same bill, including these two projects.

A sixth project of interest in our State is for bank erosion and flood control in the Delta. This provides for a pilot program to test various types of bank stabilization methods. The intent is to reduce bank caving and land losses in the very productive agricultural lands in the Yazoo Basin.

I am glad to say that all of the above water resources projects are being included in the omnibus rivers and harbors and flood control bill as it is reported by the Senate Public Works Committee. I anticipate that this authorization bill will be sent to the President in January or February, and should he sign the bill, as I hope he will, it will become public law. Initiation of design, as a preliminary to construction, will depend upon future appropriations, which will receive my careful attention.

RURAL DEVELOPMENT

In my report for 1971 I told you that I intended to continue to press for legislation aimed at the revitalization of rural areas. I was the cosponsor of several related measures aimed at that purpose. As I reported to you last year, out of those measures came the Rural Development Act of 1972, which the Congress passed and the President signed in August, 1972.

That act put new authorities into the hands of the Secretary of Agriculture to promote economic growth into rural areas without taking anything away from existing agricultural programs, and without doing away with any of the existing programs of the Farmers Home Administration, such as rural water systems and rural housing, that have been so effective in rural areas.

The Rural Development Act recognized that financing is the main problem in developing rural areas. It authorized guaranteed loans for commercial and industrial enterprises, and for community facilities, such as utilities, industrial parks, and fire protection to attract and support such enterprises.

In my 1972 report I said that I was pleased with the authorizations provided in the Rural Development Act. I added, however, that this was only the first step and that after the necessary funds were provided, Congress would have to continually followup to see that the intent of the legislation is carried out. This has certainly proved to be the case.

I think that all the Members of Congress who are interested in the progress of rural areas have been disappointed in the slow preparation of detailed policies and regulations to carry out the intent of the Rural Development Act. This work, carried out by the Department of Agriculture under the guidance of the Office of Management and Budget, has taken an unconscionably long time to accomplish. It is even yet substantially incomplete. It has been complicated by the fact that the administration originally intended to use a concept of general and special revenue sharing throughout Federal programs. The Congress accepted general revenue sharing, which was to be new money for States, counties, and towns to use in running their governments, and this concept was passed into law. The Congress consistently rejected special revenue sharing, which was to be a series of lump-sum grants, each replacing a group of existing specialized programs. One of the special revenue sharing categories was to be rural revenue sharing, replacing many ongoing programs of the Farmers Home Administration.

As I said, the Congress rejected this concept. Then the administration concluded that rural revenue sharing could, in effect, be carried out under the Rural Development Act. As a consequence, the administration terminated some ongoing programs, such as grants for rural water systems, by freezing the money. This was not only contrary to the express intent of Congress, but has complicated and delayed the regulations to carry out the law as passed. Hopefully this footdragging is beginning to come to an end, but we will have to see, and continue to press for the actions contemplated when the act was passed.

Funding for the Rural Development Act is provided for the first time in the appropriation bill passed this fall. For grants there is a total of $163 million, and for loans there is authority for $720 million. Congress will now have to try to see that this money is used and not impounded; that the policies and regulations under which it is used are in compliance with the intent of the act; and that programs previously established under earlier laws are not stopped under the guise of replacing them with the Rural Development Act, contrary to the intent of Congress. There is much work to be done if the rural areas of our Nation are to receive the attention and assistance that they must have and that they fully deserve.

HIGHWAYS AND AIRPORTS

The Federal highway trust fund receives very substantial amounts of money from taxes levied on highway users, and from this fund money is apportioned to States as matching funds for the construction and improvement of the Federal-aid highway system. The latter consists of interstate, rural-primary, rural-secondary, urban, and forest highways.

In recent years there have been intensive efforts made within Congress, on behalf of the major metropolitan areas, to divert money from the highway trust fund and use it for urban mass transit—primarily for rail mass transit, but also for subsidizing bus transportation in big cities. I think this is a poor use of tax money intended for highways and I have consistently opposed it. Unfortunately, this year for the first time some money was diverted for these purposes. It was not a great amount, on a comparative basis, but substantial when viewed in itself, and most importantly it is a foot in the door for future raids on the highway fund. This money is extremely important to all States, and particularly to rural States, and I will continue to oppose its use to pay for mass transit in urban areas. This money is too important to our Mississippi highway system.

During the first half of calendar 1973, the Federal funding for highways in our State was $10,273,000. Together with State matching funds, this money was used for construction and improvement of 95 miles of highway and 34 bridges. Detailed data are not yet available for the second half of the year. However, for fiscal year 1974, which includes that 6 months of 1974, the apportionment of Federal funds to Mississippi totals another $49,958,000. Of this apportionment, $22.5 million is to be used for interstate highways, $12.6 million for rural-primary, $7.2 million for rural-secondary, and $6.1 million for urban highways.

I am particularly pleased that this year, as in past, rural secondary roads are receiving a substantial amount of this money. Beginning with a bill that I introduced in 1949, I have made strong efforts to strengthen the Federal program to build and improve the rural roads that serve the Nation's farmers and rural population. Every year, beginning in 1950, an average of about 350 miles of secondary rural roads have been built or improved in our State, at costs of over $10 million a year, of which about half was in Federal funds. Last year, for example, 263.2 miles were improved, at a total cost of $17,520,000, and a Federal cost of $7,688,000. Detailed figures for this year are not yet available but will be generally similar.

The National Highway Traffic Safety Administration was established by Congress to reduce the number of traffic deaths, injuries, and property losses on our highways. It establishes safety standards for motor vehicles. It also works directly with the States by providing Federal matching grants for State and local driver safety programs. In Mississippi this year these grants total $965,000. Activities carried out with this money include additional police traffic services, and various other educational and enforcement programs aimed at increased safety for highway users. A similar kind of effort aimed at safe boating practices is administered by the Coast Guard and brought a $95,000 matching grant to our State this year.

Also, in the field of transportation, the Federal Aviation Administration makes grants to assist public agencies in the planning and development of public airports, in particular those features aimed at increased safety for airplane passengers. Fifteen of our Mississippi airports received such grants this year, in a total amount of $4,293,000. The largest amounts went to Bay St. Louis, Jackson, Booneville, Indianola, Batesville, and Corinth. Typical purposes for which this money is spent are for extending or strengthening runways, runway lighting, and fire and crash rescue vehicles. Such vehicles are in the program this year for Oxford, Columbus, Meridian, and Natchez.

EDUCATION AND HEALTH FUNDS

As a member of the Senate Appropriations Subcommittee for Health, Education, and Welfare, I have an opportunity to participate in decisions that involve large amounts of money for Mississippi for education and health programs. The HEW appropriations bill is larger than any other appropriation except that for national defense. It is a very complex bill because of the wide variety of subjects that it covers, and the technical nature of many of them. It is also a very controversial bill because of the large amount of money, about $31 billion this year, and because there are pronounced differences of opinion about many of the subjects that are covered in the bill.

The controversies between the Congress and the administration about HEW money have been especially strong the past 2 years. Because of vetoes, we have not had an HEW appropriation bill for 2 years, and the programs have been operated by a series of continuing resolutions. Each successive continuing resolution also sparks controversy of one kind and another, just as the regular bill does, and requires time and attention.

This year, for example, the Senators from the smaller and more rural States have had to fight hard to protect their schools from heavy losses of money for elementary and secondary schools—the so-called title I money—because the formula under which it is divided would otherwise act heavily in favor of large urban areas.

There are many other programs that have to be watched carefully to see that they are well funded, usually because the administration is opposed to them. Typical examples this year are representative of the problems that come up each year, and were resolved favorably this year. The administration was attempting to end assistance to schools in areas with large numbers of students from Federal installations, which would have had very serious effects on the budgets of many of our school districts. There would have been no money for hospital construction under the Hill-Burton program, and we need this very much in our State. There would have been no money for construction and operation of public libraries, and not enough money for grants for educational television broadcasting. Both are very important in a State where most of the population is in relatively small communities. I had to watch carefully the funding for vocational and technical education, vocational rehabilitation, community mental health centers, family physician training, and many others. It is time very well spent, for these funds are extremely important to us.

This year the Department of Health, Education, and Welfare is expending in Mississippi alone the sum of over $950 million.

In the field of education, more than $84 million is involved. More than half of this is for elementary and secondary schools, but there are substantial sums for occupational, vocational, and adult education; special assistance for the handicapped; educational professions development; and more than $13 million for higher education.

The Health Resources Administration and the Health Services Administration between them are spending over $20 million in the State this year. The amount for all the health agencies is almost $26 million. The Office of Human Development is spending about $40 million, most of this under the Head Start program.

The largest expenditures in the State are by the Social and Rehabilitation Service and the Social Security Administration. The amount by the Social and Rehabilitation Service is $218 million, most of which is for grants for public assistance. The Social Security Administration expenditures in Mississippi in calendar year 1973 is the tremendous sum of $581 million. Social security payments to retired workers, their dependents and survivors total $386 million. Another $83 million goes to disabled workers and their dependents. The costs of the medicare program are $96 million.

The above amounts of money, when considered as pertaining to just one State, give an idea of how much of the Federal budget goes to health, education, and welfare programs. They show how carefully these programs must be watched to see that they do not get out of hand, in relation to the Federal income, and that the very worthy education and health programs receive a proper priority in comparison with less effective programs intended to improve social conditions in general. It must be remembered, too, that the social security program is extremely large with respect to others; that it is a fixed commitment that cannot be reduced to economize; but that in contrast to many other programs, it is paid for by taxes levied for that specific purpose from those who will later be recipients; and that what a person receives is established according to the work he has done during his working years.

RURAL WATER WORKS

For rural areas, one of the best Federal programs has been for many years the rural water works program of the Farmers Home Administration. Nonprofit organizations and local public governments have been able to obtain loans and grants to construct such systems in rural communities and in towns of less than 5,500 population. Such a system might consist of a developed water source, such as wells, elevated water tanks for storage and water pressure, water treatment facilities, and the pipeline distribution system. These facilities promote the health and prosperity of the communities they serve, and they are essential in attracting industry to rural areas.

Beginning in fiscal year 1973, the administration has consistently refused to make any grants for rural water works, even though they are authorized by law and money has been appropriated by Congress for that purpose. In several prior years the administration impounded and refused to spend a part of the money appropriated for rural water grants, but this is the first time that no grants have been made, and that the Farmers Home Administration has been allowed to make only loans for this purpose.

It is a very heavy burden for small rural communities to completely finance water systems on a fully repayable basis. It frequently makes the projects impossible. The administration has taken the position that towns and counties can use general revenue sharing funds to supplement the loans, but those funds were not supposed to be in lieu of existing categorical programs, such as water system grants. The Congress refused to make this change, preferring the assurance of the old programs. Then the administration spoke of the rural development programs being available, but again, here Congress made it very clear when the Rural Development Act was passed that it was based on the continuation of the existing categorical programs in rural areas.

Congress is continuing to insist that rural water grants be made. As a member of the Agriculture Appropriations Subcommittee I advocated again appropriating funds for this purpose. The Senate provided $30 million for such grants, and reappropriated $120 million of previously appropriated but frozen funds, making a total $150 million for rural water system grants in fiscal year 1974. Strong language appears in the committee reports, directing that this money be spent, and not impounded again.

In spite of the fact that this program has been handicapped this calendar year by not receiving grants, much progress has been made by only using loans. There have been 124 loans made by the Farmers Home in Mississippi for rural water works, totalling $20,651,200. Some counties had as many as five or six different loans to community systems. Some of the largest enterprises undertaken under this program were the East Lowndes Water Association, the Lincoln Rural Water Association, the town of Marion in Lauderdale County, the D'Iberville Water and Sewer District in Harrison County, the Tallahala Water Association in Jasper County, and the Kossuth Water Association in Alcorn County.

I intend to continue to press for more money for rural water works and waste systems. They are an investment that pays off for our rural communities in terms of health, slowing down the tendency of people wanting to move to the cities, and attracting industry and jobs to the rural areas. They also are a part of the environmental effort that we must recognize will be a part of life for American people from now on.

URBAN WATER AND WASTE SYSTEMS

I have been very disappointed this year with the extremely slow progress of two Federal programs intended to provide water and waste treatment facilities in towns and cities, to help keep our streams clean and to provide good potable water systems.

Under existing law the Department of Housing and Urban Development is authorized to provide grants and loans for urban water and sewer systems. Last year under this program Mississippi communities received about $3 million in grants and $750,000 in loans for these necessary public facilities. Congress appropriated money to continue this work. However, in January of this year HUD decided, without consulting Congress, that the program would be terminated. Consequently no grants or loans have been made this calendar year. The ostensible reason given was the money would be used later as a part of special revenue sharing for community development. The fact is that there is no legislative authorization for such revenue sharing, and there is not likely to be, as Congress has continued the authorization and funding of the existing categorical programs, instead. General revenue sharing, which has been passed by Congress and put in effect, was announced by the administration as new money that would not replace any categorical Federal programs. Here again, when local governments complain about funds for previous programs that have been cut off, there is a tendency in the Federal agencies to point to the availability of general revenue sharing money. This money was intended to supplement rather than replace the existing Federal assistance.

The other program I refer to is under the Environmental Protection Agency, and is intended as matchnig grants for construction of waste treatment plants, under the clean water program. In the last Congress good legislation was passed to strengthen this program, and a substantial amount of money was appropriated for the purpose.

The length of time that it has taken for the Environmental Protection Agency to prepare and issue the regulations to administer this program is unconscionable. The processing of projects for approval has been interminable in time consumed. The net effect has been that the funds simply have been as unavailable as if they had been frozen in budgetary reserve. This fact has not been lost upon the communities which are dependent upon these grants to make sewage treatment plants financially feasible.

Last year 26 Mississippi cities and towns used these grants for treatment plants, sewers, and pump stations. The Federal funds involved were over $16 million. This year there is one new construction grant, as this is written, in the amount of $38,700, for Delta City. Nine other grants were made, for 75 percent of the costs of plans and specifications only, with no construction authorized, and five grants from previous years received supplemental amounts. The total amount of money involved is about 6 percent of what Mississippi received last year.

These are good programs, essential for environmental and health reasons, that are being frustrated by administration action. Congress is continuing to attempt to see that the money voted for these purposes is spent as intended and not impounded.

ECONOMIC DEVELOPMENT PROJECTS

The Economic Development Administration was established by the Economic Development Act of 1965 to work on long-range measures to improve economic conditions in areas which have been experiencing severe unemployment conditions or persistent low-income levels. To do this the EDA uses grants and loans to build public facilities or to assist private enterprise to create new job opportunities. The agency also provides planning grants and technical assistance, working through multicounty economic development districts.

Mississippi has ten such planning and

development districts, encompassing all 82 counties. Seven districts receive their planning grants from EDA and three in the northeast part of the State form the Appalachian Commission.

So far in 1973, as this report is written, EDA grants received in Mississippi total $8,624,422, and loans total $1,721,722.

There are 75 different endeavors involved throughout the State, and more applications are pending. As an example of the variety of these endeavors, there are 3 water systems, 17 water and sewer improvements, 9 industrial parks, 2 access roads, 3 improvements to harbor facilities, 6 waste treatment plants, 1 water treatment plant, 4 cases of assistance to industry, 13 planning grants, and 9 public buildings.

Some of the largest projects for which EDA grants have been received are for water and sewer improvements in Wayne County, Tate County, Covington County, and Holmes County, and at Waveland, Quitman, Houston, Prentiss, and Philadelphia. Other large improvements are the Laurel water system and the industrial port development at Bay St. Louis.

Economic Development grants and loans bring lasting economic benefits in the form of permanent payrolls and an increased local tax base. These benefits in turn grow into increased tax receipts by the Federal Government, as an indirect return of its investment. It is a progressive and useful program to enable the people and the communities in which they live to have better economic and health conditions, and I will continue to give my support to the program. I will also press for approval of the EDA project applications that are now pending but have not yet been approved.

APPALACHIAN COMMISSION PROGRAMS

Under the Appalachian Regional Development Act of 1965, programs are sponsored by the Appalachian Commission to further economic development, and educational improvement, and health care within the 13-State Appalachian Region. As originally passed, this act did not include any part of Mississippi, but an amendment I sponsored in 1967 resulted in the inclusion of the 20 northeast counties of our State in the area eligible to participate in projects sponsored by the Appalachian Commission.

Since my amendment was signed into law, very significant progress has been made in these programs, all aimed at health, education, and job development. We are in the 6th fiscal year of that period, and projects have been completed or approved that now have a dollar total of $103,223,765. Of this money $34,336,641 came from grants from the Appalachian Regional Commission, $18,630,090 came from funds appropriated for other Federal programs, and $50,257,034 was from matching funds of State and local money.

In the last fiscal year alone, ending June 30, 1973, approvals totalled $33,512,425. For the current fiscal year, proposed projects will receive approval by the Appalachian Commission in the coming weeks, so the totals I have given above do not include any fiscal 1974 money.

I take particular satisfaction in the projects that are completed under the Appalachian program. As the chairman of the Public Works Subcommittee of the Senate Appropriations Committee, it is my duty to conduct the hearings that examine into the budget requests for this work, and to recommend the amounts that shall be appropriated. Some of the larger projects that have received approval by the Commission this calendar year include the extension of the Tupelo Appalachian Access Road, the Baldwin sewer extension in Prentiss County, the Corinth water system, expansion of the Itawamba County Hospital and the North Mississippi Medical Center, West Point sewer improvements, and facilities for vocational and technical training in Itawamba County, Tippah County, Webster County, and Noxubee County. These are just some of the larger projects of the 36 that have been approved this calendar year.

The Appalachian Regional Development Act of 1965 established authority for a system of so-called corridor highways—major multiple lane highways through the Appalachian States linking population centers and connecting with the interstate highway sytsem. Because Mississippi was not included in Appalachia until 1967, we did not receive an allocation of corridor highway, nor did Alabama and South Carolina.

This has been a matter of concern for several years, and I am glad to say that a resolution of the problem has been reached this year, and this situation is being remedied.

I am pleased that our State has taken full advantage of the Appalachian programs, within the 20 counties that are eligible, and I intend to press for continuation of adequate authorizations and funding for this work. It is important to our State.

WATERSHED PROJECTS

The Soil Conservation Service of the Department of Agriculture carries out a national program to conserve our soil and water. The SCS works with landowners by giving technical assistance through the more than 3,000 conservation districts throughout the Nation. It also works through community planning agencies, regional resource groups, and local governments.

Of particular importance to Mississippi are the Federal funds provided for watershed projects under Public Law 566 of 1954, and flood protection projects under the Flood Control Act of 1944.

During 1972, $2,781,000 is being expended on 32 watershed projects distributed through 28 of our counties. Chickasaw County has three such projects, and Bolivar and Rankin Counties each have two. The largest expenditures this year are for Town Creek watershed in Lee County, Second Creek in Adams County, Chuquantonchee in Chickasaw County, Big Creek in Jones County, Muddy Creek in Tippah County, Standing Pine Creek in Leake County, Tuscumbia River in Alcorn County, and Upper Leaf River in Smith County.

There are two major flood prevention projects presently underway, on which a total of $4,027,000 is being expended this year. The Little Tallahatchie project, which involves eight counties, was funded at $681,000. The Yazoo project received $3,346,000, and encompasses parts of 21 counties. This flood control work on tributary streams is an essential part of an overall flood control plan which includes major works on larger streams by the Army engineers. It deserves continued strong support and will receive it from me. We learned again this year how crucial this work is to the citizens of these areas.

The Soil Conservation Service plays a prominent planning role in many activities of special interest in our rural areas, working closely with units of local government and with landowners to establish resource conservation and development programs. I have been concerned at the fact that the administration has not been more interested in pressing forward with these programs. The SCS has been placed under rather severe personnel and expenditure limitations, which I hope can be eased. Our basic natural resources in Mississippi—our soil and our water—cannot be replaced if once lost, and everything possible should be done to see that they are protected for future generations.

NATIONAL PARKS IN MISSISSIPPI

Our State has been making fine progress over the years toward achieving a balanced economy—one that has a balance between agriculture and industry, and that is diversified as to the sources of payrolls and inflow of money into our local enterprises. A growing factor in our economic progress is the increasing numbers of visitors from other areas that visit our State as tourists. They enjoy our beaches and lakes, our forests and campgrounds, our parks and historic sites.

Among the leading attractions to tourists are the national parks in Mississippi. We have three main parks, the Vicksburg National Military Park, the Natchez Trace Parkway, and the Gulf Islands National Seashore. The latter is relatively new, having been created 2 years ago by legislation which I helped to sponsor. It encompasses some of the islands off the gulf coast, with a headquarters and operating base on the mainland. These parks are operated in a superior manner by the National Park Service. I would like to say that the Park Service employees are a very dedicated group who are outstanding in their ability to provide courteous and efficient treatment of the public.

I wish to say also that the National Park Service brings to our State a very substantial payroll, which contributes in itself toward our economy. The Natchez Trace Parkway office, which also includes operations at Tupelo National Battlefield and Brices Crossroads National Battlefield Site, has 107 employees, and will spend about $2 million this calendar year on park operations and management. Another $600,000 will be spent on construction.

At the Vicksburg National Military Park there are 22 employees, and that office will spend $443,000 this year. The Gulf Islands National Seashore has 34 employees and a budget of $650,000 for this calendar year.

Last year I was able to have money put in an appropriation bill to enable the National Park Service to establish another facility in Mississippi. This is their Regional Environmental Laboratory, now in operation at the Mississippi Test Facility in Hancock County. This laboratory works on effects of diseases and pollution on plant life in national parks, and on effective park management. It has 10 employees and a budget of $750,000 for this year.

I have reported to you the last 2 years on progress being made toward the reconstruction and display of the Gunboat Cairo at the Vicksburg Military Park. Authorization was obtained in legislation passed last year for the National Park Service to undertake this project. This year the budget contained $21,100 for maintenance of the vessel, but no money for reconstruction of the Cairo, or preparation of the display site. However, an amendment—proposed on the Senate floor by Senator EASTLAND and me—added $150,000 for this purpose, and I am glad to say that this amendment prevailed in conference and became part of the bill signed into law.

Over the years I have worked toward getting more money each year for construction of the Natchez Trace Parkway, which is always difficult to do because the Natchez Trace is competing for the money with eight other national parkways. Last year we were able to obtain $1.4 million in a supplemental appropriations bill, and this together with similar amounts carried over from the regular appropriations of fiscal 1972 and fiscal 1973 will permit a reasonable amount of construction.

The administration's budget for fiscal year 1974 did not contain any request for money for the Natchez Trace, although they had been strongly urged to speed up the construction. Our Mississippi congressional delegation, however, was able to see that authority was given to obligate for fiscal 1974 $2,560,000 for planning and construction of portions of the Natchez Trace, which means that contracts can be let this fiscal year for that much more work.

I have again begun a strong effort to get enough money included in the budget for fiscal year 1975 to start a 5-year program to finish all the remaining work on the parkway, now estimated to cost about $80 million. I have been joined in this effort by all of the Senators from the three States involved—Alabama, Tennessee, and Mississippi—and the Mississippi delegation in the House has undertaken similar efforts. I intend to continue to pursue this effort to see that delays in construction are minimized.

For the Gulf Islands National Seashore I was able to get an increase into the Senate appropriations bill of $250,000 for stabilization work to help protect old Fort Massachusetts from wave damage, $200,000 was retained in conference and signed into law.

Our people enjoy our fine national parks, and they are an attraction to others to come and visit our State, so I am going to continue to try to see that their operations are adequately funded.

THE RESPONSIBILITY OF THE CONGRESS IN DECLARING WAR

In May of 1971 I introduced legislation which reaffirmed the constitutional power and duty of the Congress to pass on the question of a declaration of war. This is a policy question that has concerned me for many years—whether or not we shall return to the mandate contained in the original text of our Constitution which provides that Congress shall have the power to declare war.

When I introduced this bill, I specified that it should not apply to the Indochina war, which of course was still going on at the time. I wanted to insure that the subject would be considered as a policy matter, for I felt we would soon be entering a postwar era, and should do so with a clear understanding of the respective powers of the President and the Congress in case of a future international crisis.

It was, and still is, my firm belief that before our Nation can be committed to a state of actual war, the Congress, representing the people, must so declare. We have learned that unless this course is followed the people as a whole do not feel committed and obligated. Also, the decision is too big for one mind to make, and too awesome a responsibility for one man to bear. It demands collective judgment and collective responsibility.

In February of 1972 my bill was favorably reported by the Senate Committee on Foreign Relations, and it was passed by the Senate in April. The House passed a somewhat similar measure in August of 1972, but the legislation was still in conference when the 92d Congress adjourned on October 18 of last year.

It was necessary, therefore, to start over this year in the 93d Congress, so I reintroduced the bill. It passed the Senate in July, and a generally similar bill was passed by the House in that same month. After extended periods in conference to reconcile the differences, agreement was reached by the conferees. The Senate passed the conference report on October 10, and on October 12 the House also approved the measure, clearing it to be sent to the White House.

The President found it necessary, in his view, to veto this legislation, as being too restrictive on executive powers. I think any man who is President would oppose a bill of this kind. It would be in the nature of things for him to do so. He is in good faith espousing the cause of the executive branch.

It takes a two-thirds vote, rather than just a majority to override a veto. On November 7 the House voted to override, by a vote of 285 to 135. Later that same afternoon I led the debate on the majority side in the Senate.

The Senate also voted to override, by a vote of 78 to 18, and the measure became public law.

The language in this legislation protects the emergency powers of the President, and at the same time recognizes a need for the constructive judgment of both the President and the Congress. This Nation is not going into a war without the President taking the lead in advocating to Congress that it also meet its responsibility by a declaration of war. This legislation in fact clarifies the emergency powers of the President as pertaining to situations wherein there is a national emergency created by an attack upon the United States, its territories or possessions, or its Armed Forces.

Just that fact within itself is a real contribution to our constitutional history, clearing up and not unduly restricting, in my humble opinion, the Chief Executive of the United States. He must have the power to act. He must have the power to act quickly. Someone has to make a judgment on that. I never want to restrict it. It is a matter of restricting, though, the committal of the Nation, its manpower, its worldly goods, and its future existence, to an all-out war.

The legislation includes provisions urging consultation between the President and the Congress before U.S. Forces are introduced into hostilities, or situations where hostilities appear imminent. This is a particularly important provision because it emphasizes that it is only as a result of both of these branches of the Federal Government working together and accepting their responsibilities that the Nation should be committed to war.

This was a carefully thought out, bipartisan effort to restore the constitutional balance of power between the President and the Congress. I am thankful that is was successful.

THE ALL-VOLUNTEER ARMY

I want to include in this report a section on the transition of our Armed Forces to an all-volunteer basis after many, many years of the national draft. I do this because it is a matter of interest to the people of Mississippi, and of all States, because we depend on our Armed Forces for our national survival in the troubled world in which we live.

Recently I visited several Armed Forces bases and personally interviewed about 200 enlisted men and some 10 enlisted women from all four of the military services. My specific purpose in talking with these people was to obtain a frank appraisal on the question of how to get men to enlist for the first term and then to learn what were the determining factors in getting them to enlist a second time.

All of the interviews were held behind closed doors with no one present except the men themselves and me, and I believe the answers I received were sincere and truthful. I talked with every person involved, generally opening the discussion by asking each one to make an observation or ask me a question and by stressing that I was not looking for shortcoming or wrongdoings. All of the discussions were full and frank, probably in part because of my promise not to individually quote them and/or use their names.

Based upon my discussions with these people, I think it will be a severe but not impossible problem for all four services to fill their ranks with volunteers if the necessary quality of personnel is maintained. I advised against relying entirely on a voluntary army because I did not feel we could get the numbers and quality of men we need. But this is the only method we have now and we must do everything we can to make it work. Unless we rigidly maintain the quality of our military personnel, we will not have many dependable units of military strength. That is just commonsense. Some of the enlistees never will be reliable and responsible military men, and any unit that has an appreciable number of them is not going to be a dependable military unit.

I am willing to spend the same amount of money—even more, if necessary—on fewer men than we have now, if the quality is actually maintained.

The difficulty of filling the ranks with all volunteers will be experienced by the four services in the following order:

First, the Army.

Second, the Navy.

Third, the Air Force—the Air Force is by no means immune from this problem. I base that on what these men told me in the privacy of these conversations.

Fourth, the Marines.

In virtually all cases, whether they plan to reenlist or not, enlistees say that their period in the service has been helpful to them, and most of them voluntarily expressed appreciation of the good that the service has brought them. There is a very slight dissent from this position, even though different enlistees assigned different reasons for this result.

In this partial examination of the way the Volunteer Army concept is working, I saw some signs of encouragement, but there has not yet been time for a full trial. I think that it will require 2 to 3 years more time to give a full test and fair trial to the plan.

Patience and hard work by all the services will be required. It is essential that all this effort by all the services be based on the idea that quality manpower must be maintained. Quality must not be sacrificed to other considerations.

We can yield some on the number of personnel required, but we cannot yield on quality. Any service that does yield on these quality requirements renders a serious disservice to the Nation and will destroy itself.

I think young women who are willing to go into the service should be encouraged. It seems to me that they should be given more and more places and used more and more by the services—especially in the Air Force and the Army—but, of course, not for combat. They are an abundant source of talent.

I do not think that the Congress can or should pass any selective service legislation for at least 2 more years. Having gone as far as we have, we must be certain that this system of relying on voluntary enlistments in the military is given a real chance and, to that end, all commissioned officers and noncommissioned officers must make a special effort to see that they have done their best to make it work. I refer particularly to those in command at every level in every service.

THE ENERGY CRISIS

Recent rapid changes in the situation with respect to international oil purchases have precipitated what is referred to as the energy crisis. These reductions in imported oil have of course created a very serious and immediate problem. The United States, however, was already on a head-on collision course with an energy crisis.

In April 1972, in my capacity as chairman of the Public Works Subcommittee of the Senate Appropriations Committee, I received testimony from the heads of the three Federal agencies most directly involved in electric power matters: The Federal Power Commission, the Atomic Energy Commission, and the Tennessee Valley Authority. From their comments it became clear that from a national point of view the energy situation was approaching a condition of crisis.

In a speech on the Senate floor on May 4, 1972, I reported this conclusion. I quoted the Chairman of the Federal Power Commission, Mr. Nassikas, as follows:

> The demand for energy in this country continues to grow at a relentless pace. Our domestic proven reserves of gas and oil are being depleted faster than they are being replaced by new discoveries. The search for new hydrocarbon reserves is becoming more difficult and costly. The resolution of environmental issues has slowed the development of energy resources such as off-shore oil and gas, as well as the siting of new power plants and high voltage electric transmission lines. Scheduled additions of nuclear power plants have been delayed by environmental review procedures, related factors and technical problems. As a result, our power reserve margins have been reduced below adequate levels to assure reliable power supply in all regions of the country.

In my "Report to the People of Mississippi for 1972," I discussed this problem at length.

The embargo by the Arab Nations on oil shipments to the United States, superimposed on a situation that already was of crisis proportions, has created economic problems so complex as to defy reliable analysis and prediction. There are varying opinions among experts in this field. We are hearing some very grim predictions, however, which include a temporary halt to economic growth, and rapidly rising unemployment.

It is clear the Nation is in a belt-tightening situation. I think it is also clear that it was a serious mistake to let ourselves become partially dependent upon the Arab States for our annual fuel requirements, with this dependency growing each year. It is my firm opinion that we must establish as a goal for our Nation to become totally independent of all other nations as to energy and sources of energy. We should not be forced to depend for our energy supplies on any nation, even our close friend Canada.

To achieve independence in fuels will require a concentrated technical effort equivalent to the space program that culminated in the landing by our astronauts on the Moon. Most informed estimates of the time this will take range from 8 to 12 years. I supported the legislation passed by the Congress which calls for a 10-year energy research and development program estimated to cost $20 billion, and designed to make the U.S. self-sufficient by 1983.

The research and development effort to achieve self-sufficiency in fuels will, of course, consider all potential sources of energy, such as processing oil shale, and use of solar and geothermal power. The United States has, however, two proven energy sources that are available to us in quantity. These are coal and nuclear power generation. The greatest stress should be placed on full development of the potential of these two fuels. We already have highly developed techniques in these two fields, and should improve and exploit them for long-range purposes.

As to coal, the U.S. Geological Survey estimates our U.S. resources as 3.2 trillion tons, of which 150 billion tons are recoverable with present techniques. This would last us 200 years. Actually, today coal supplies a smaller part of our energy use than it did 20 years ago. Yet 90 percent of our fossil fuel resources are coal.

As to nuclear power, U.S. plants which enrich uranium for use in nuclear reactors presently provide this service not only for our own needs, but for the free world, for which, of course, we are paid. We have 1.6 million tons of uranium, and assured low-cost amounts for the next 15 years or so. Under development, and proceeding well, are * * * generation provides only 4 percent of our energy today, so there is much to be done in this field.

There has been frequent mention in the press of the possibility of applying sanctions on the export of our agricultural products, as a means of dealing with the Arab nations. The American farmer should not be inhibited in the export of his products. He is the man who takes the chances in crop production, and when there are opportunities for reward, he is entitled to them. American agriculture appears to be standing on the brink of a new era of expansion and development. In this situation, inhibitions on export would be unbearable.

American agriculture is the greatest strength this Nation has in our relationships with the rest of the world. We are the greatest producer of the food reserve that the rest of the world must have in order to live. There are only four nations that produce substantially more food than they need themselves and, therefore, can export. They are the United States, Canada, Australia, and Argentina. Of the four we are preeminent, for we export more than the other three together. Of all the wheat exported in the world, averaged over the years, half comes from the United States. Of exported soybeans, over 80 percent is from the United States. For feedgrains the figure is 60 percent. What we raise that is surplus to our needs often means literally the difference between starvation and survival for people elsewhere in the world. There are only three things completely essential for humans to survive. They are air, water, and food. Oil is not one of them. With the lion's share of the surplus food in the world, the United States is in a very strong position. But it would be very shortsighted to use this strength hastily, by export limitations, thereby cutting back production and surpluses, and blunting our strongest weapon.

Over the long pull in our Nation's future, the best prospects for energy are coal and nuclear power. But this is not to say that there is not a lot that can be done to increase petroleum production from our own resources and contribute in this way also toward our independence in energy sources of fuel and energy where we can. Some of these proven and unproven reserves are in our Continental Shelf, the undersea ledge that extends out for many miles from our coastline in the Pacific, the Atlantic, and the gulf. It has been said by some experienced geologists that there is almost as much oil under the Continental Shelf as has been found to date in our land areas. Drilling on the shelf started almost 20 years ago, but relatively little has been accomplished. There is production only in Louisiana, Texas, and California. It is hard to believe, but after all of this time, less than 2 percent of the Continental Shelf has been leased for exploration and production. How many exploratory wells have been drilled in our Atlantic Continental Shelf? None. Not one. Yet a group of European nations have joined together to produce oil from the depths of the North Sea, hundreds of feet down. We can do more to help ourselves, now that we are threatened with the loss of cheap Middle East oil.

When the Arab oil embargo was announced, and a progressive cutback in production of Arab oil scheduled and announced, there was some early comment and speculation about retaliation. To retaliate quickly is to select confrontation versus negotiation, and to do so without being sure where the confrontation might lead. The negotiations in the Middle East have not yet started in earnest, and the final stages of negotiations probably will not start until after the elections in Israel the end of the year. As a prelude to the negotiations, the Arab nations have met to demonstrate their unity, and have announced the oil embargo and production cutback to demonstrate their ability to use in concert their single economic leverage against the Western World. Mr. Kissinger has noted publicly that this is different than sitting down at the conference table to negotiate the terms of a peace settlement between nations, and using threats of economic sanctions to influence the peace terms.

There is a point beyond which the Arab oil threat will not be acceptable, and it is to be hoped that the negotiations will reveal that all parties have some reasonably common understanding of where that point is.

Even after a negotiated peace settlement in the Mideast is an accomplished fact, there should be no relaxation of our national determination to achieve our energy independence. There should be no undue optimism about having access to foreign oil to meet our imbalance in fuel requirements. It should be remembered that it was in the economic self-interest of the Arab Nations to reduce production. It was convenient to do so in conjunction with the war with Israel and the cease-fire. After a peace settlement it will still be in the economic self-interest of the Arabs to hold down production, for many reasons. There is a finite limit to the number of years those wells can be pumped, which can be great or small, depending on the rate of production. The Arabs naturally would like this period to be as long as possible, for oil is their only asset. As production is cut, scarcity drives the price up on the world market, so the flow of dollars to the Arab Nations is not drastically reduced. There is also a finite limit to the rate at which dollars can be usefully spent by the Arab rulers to improve their undeveloped countries. They already have a greater flow of dollars than they can use, and have billions of them in banks around the world. Now that the dollar is floating in currency markets, they can suffer great losses in dollar value, as they did not long ago. So they naturally have concluded that it is safer to have the oil in the ground than the dollars in the bank. There is little room for optimism about Arab oil in the future. The United States has to knuckle down and solve our own fuel problems.

COMMITTEE WORK

The preceding sections of this report have been devoted primarily to matters that have direct effects on the people of Mississippi, and that I believe are of the most interest to them. For this reason they are of intense interest to me, and they receive my careful attention and a large measure of my time and effort.

In addition to this work, I also have, as do all Senators, legislative responsibilities of a national nature. Most of this work is done in committees. As a body, the Senate represents the union of 50 States, each State having equal rights. In national matters a Senator is speaking for his State, and when legislation is passed into law, that law becomes binding upon the people of his State, so this is a responsibility that is taken very seriously indeed.

The work that is done in Senate committees ultimately is considered on the Senate floor as legislation, so it is important that this work receive careful attention. The assignments of Senators to the various standing, or permanent, committees and to the various special, select, and joint committees are of course of great significance, for they delineate the particular broad subjects in which each Senator will do most of his work which is of a national nature.

I believe in a strong America—strong in ability to defend the Nation against military aggression; strong by having financial policies that will result in balanced budgets; strong in protecting and developing our resources in ways that will protect the coming generations; and strong in moral fiber. I am particularly fortunate in my committee assignments, in that they enable me to reflect these views in committee deliberations and in the preparation of legislation of a national nature.

It is my privilege to serve as chairman of the Senate Armed Services Committee, a major committee which deals with all military matters involving the security of our Nation and of our national support of the security of the free world. This is a very broad field of activity, because it is related to so many other aspects of our society and so closely interrelated with other national and international endeavors. Each year the Armed Services Committee, after months of hearings and detailed investigation and examination of the facts, draws up the bill that will authorize the procurement of major weapons systems and set the personnel strengths of the Armed Forces. In doing so, I as chairman endeavor to see that not a dollar is wasted but that a strong national defense is insured.

Usually I serve as floor manager for the consideration of the military procurement bill by the Senate, and this involves many vigorous hours of debate over days and even weeks on the Senate floor. This year, because of my injuries, I returned to my Senate duties after the committee work on the bill and just as it was being considered on the floor. I did not attempt the floor manager's work on the bill, but participated fully in the extensive debate, and I was generally pleased with the bill that the Senate passed. I accepted and carried out the duties of the leader of the Senate conferees when the bill was sent to conference to resolve the differences between the House and Senate bills. We had some lengthy and intensive discussions in conference, and I believe we evolved an eminently satisfactory bill which was accepted on the floor by the House and Senate and signed into law by the President.

Although the military procurement bill is the main reponsibility of the Armed Services Committee, we also deal with other matters connected with national defense, including the conservation of strategic and critical materials, jurisdiction over the Panama Canal and the Canal Zone, and military applications of the space program.

My second major committee assignment is on the Senate Appropriations Committee, where I am the third ranking Democrat. I serve on six subcommittees: Agriculture, Defense, Housing and Space, Labor-HEW, Public Works, and Transportation. Of the 26 Members of the Congress, only three of us serve on as many as six subcommittees. As I mentioned previously, I am chairman of the Public Works Subcommittee.

I am particularly gratified to have the opportunity to serve on the Appropriations Committee, for it has the duty of passing on every proposed expenditure of money by the Federal Government. The committee reviews the budget proposal of the President, and any proposal that may originate within Congress. There are, of course, differences of opinion at times between the House and Senate as to the amounts and purposes of appropriations, and these must be resolved in conference committees, which in effect, write the bills in their final form. My seniority on the committee privileges me to participate frequently as a member of these conference committees.

I also serve as a member of the Aeronautical and Space Committee, which is a major committee, and I am honored to be chairman of the Senate Select Committee on Standards and Conduct for the Senate.

Last year I was appointed a member of the Joint Committee on Reduction of Federal Expenditures. This committee has six members each from the House and the Senate, and two members from the Administration, the Secretary of the Treasury and the Director of the Office of Management and Budget. This is a permanent committee that monitors expenditures. Although it does not have legislative authority, it can and does study the expenditure problems and make recommendations to Congress.

Prolonged discussion in the last session regarding the debt ceiling impoundment of appropriated funds, and expenditure limitations culminated last December in the establishment of a temporary committee to recommend procedures for better congressional controls on the annual budget. It is called the Special Joint Committee on Budget Control, and I was honored to be one of the members of the Senate Appropriations Committee designated to serve on this Joint Study Committee. Unfortunately, I was unable to attend the meetings of the committee after I was injured and to contribute as much as I would have liked to the work it accomplished. However, I kept in touch with the work of the committee and conferred during the course of the work with several of my fellow Members of the Congress. The committee issued a preliminary report in February, held hearings, and issued a final report in April, recommending to the House and Senate legislation to establish firm procedures for continuous budget controls. This bill was referred to the appropriate standing committee, the Committee on Government Operations, and following some revision has been reported and will be considered early in the next session.

I studied carefully the preliminary draft of the committee report, and discussed its contents with one of the cochairmen. I was kept informed by the cochairmen of the modifications subsequently adopted by the committee. I endorse the concept that the primary responsibility lies with the Congress to set a ceiling on expenditures for each fiscal year and to provide for the apportionment of funds among the purposes for which appropriations are made. I endorse the findings of the joint committee and the proposed legislation to set in motion the processes recommended by the joint committee.

It is my firm opinion that the finances of our Nation must be placed in sound order, and that this action is essential to counter the inflation that goes with financial irresponsibility. These are the most demanding domestic issues facing our country today. It is absolutely essential that inflation be checked, for the future of our Nation.

The relationship between the Federal income and annual expenditures must be monitored by Congress. This must be done by systematic procedures carried out within the rules of the Senate and House, amended or added to as may be necessary to carry out that purpose.

The report of the Joint Study Committee and the bill introduced in the Senate this session are the product of a great deal of hard work on the part of the committee members and the staff assembled to assist in this problem, and the members and staff of the Government Operations Committee. I particularly wish to commend the efforts of my friend, Congressman JAMIE WHITTEN, who was cochairman of the Joint Study Committee. His long experience on the House Appropriations Committee and his broad grasp of the financial problems of Government enabled him to make an outstanding contribution toward this bill. In the Senate the bill will be voted upon early in 1974.

Committee work is demanding, and takes time, but in my judgment it is time well spent. My assignments give me many opportunities to look out for the interests of Mississippi, and its people, in the formulation and enactment of the public laws that apply across the Nation.

CONCLUSION

The year 1973 has been a difficult one for the American people. There have been regrettable and shocking occurrences in the Government in Washington that captured national attention for an extended period. Our Nation is faced with a crisis in the energy field, especially in petroleum, and the implications are going to be serious for many years to come. American families have experienced this year increases in the necessities of life that are unprecedented in memory. All of the developed nations in the world are suffering from inflationary trends in their economies. Although the United States is relatively low in the rate of inflation compared with many other countries, nevertheless every American family has seen the buying power of the dollar drop at an alarming rate. We have seen a sudden and violent war break out in the Middle East, an area strategic in the national interests of all the major nations of the world.

These developments have been disturbing and discouraging to all Americans. A people of lesser strength of character might well have been thrown into a state of chaos. Yet our people show a determination to get on with the solving of our problems. Our processes of Government have responded ably to the responsibilities and functions established under the Constitution.

There have been encouraging developments which our people have accepted gratefully. The United States has disengaged itself from a painfully long and costly war in Southeast Asia. Domestic programs aimed at the health and economic and social progress of the people have taken a leading place in our Government expenditures, succeeding defense costs. Unemployment has been kept within bounds that can be considered very reasonable based on our national experience. The real income of American families—that is, the purchasing power based on income and allowing for price rises—is advancing markedly. Our Government has entered into meaningful discussions and advantageous trade arrangements with the U.S.S.R. and mainland China which may lead to a better world. And finally, we are at peace. We have much for which we must be very grateful.

This has been a very difficult year for me as an individual, as I said at the beginning of this report. But I have been fortunate enough to recover fully, and I am indeed deeply grateful. I am intensely grateful to the people of Mississippi for their support and loyalty throughout the year. I intend to have my work on their behalf show my gratitude and demonstrate my total loyalty to them. I look forward to 1974 with great anticipation. The work of 1973 is behind us; I hope that my part of it has been helpful to you. Much remains to be done in the coming year. It will be a challenge to you, to me, and to all the American people. I would like you to give me your constructive criticisms and let me have the advantage of always knowing your views and having your suggestions.

AUTHORIZATION FOR SECRETARY OF THE SENATE TO RECEIVE MESSAGES AFTER ADJOURNMENT TONIGHT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to received messages from the House following the session of the Senate today and until the Senate convenes tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO FILE CONFERENCE REPORT AND ACCOMPANYING PAPERS ON S. 2589 UNTIL MIDNIGHT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the conference report and accompanying papers on S. 2589 be permitted to be filed until midnight tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 8:30 A.M.

Mr. MANSFIELD. Mr. President, if I have not forgotten anything—and I think I have covered all the angles—I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until the hour of 8:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I do so because three Senators wish to be recognized for special orders at that period.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2491) to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains.

The message also announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 2482) to amend the Small Business Act.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 1316) for the relief of Claude V. Alcorn and 21 others.

The message also announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 88) authorizing certain printing for the Committee on Veterans' Affairs.

The message further announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 369) to print as a House document House committee print on "Impeachment, Selected Materials."

The message also announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 375) providing for the printing as a House document the booklet entitled "The Supreme Court of the United States."

The message further announced that the House had agreed to the amendments of the Senate numbered 1 and 2 to the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions; and that the House had agreed to the amendment of the Senate numbered 3 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

STATEMENT OF SENATOR ROTH BEFORE WILMINGTON ROTARY CLUB

Mr. CASE. Mr. President, I was fortunate enough to receive a copy of a statement made by our colleague the Senator from Delaware (Mr. Roth) today at the Rotary Club in Wilmington. Knowing how much all of us respect his intelligence, his sound judgment, and wait upon his words, I ask unanimous consent that a copy of those remarks be placed in the Record so that all of us may have the advantage of reading them, and perhaps others besides.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Statement of William V. Roth, Jr., U.S.S. Before the Wilmington Rotary Club

December 20, 1973

Ladies and gentlemen, it is a great pleasure to be with you this afternoon. I was particularly pleased to accept your invitation to speak today because it provided me with an opportunity to express some of my thoughts on our nation's foreign policy. There is probably no better audience for this topic than you of the Rotary. Rotary is, of course, many things, but one of the most important of these is that it is a great experiment in international cooperation. It bridges many countries—in fact, it is my understanding that there are now Rotary Clubs in 149 different countries and territories throughout the world.

One of my major criticisms of the style of American politics has been our tendency to act and react according to the mood of the moment quite divorced from a careful long-range perspective. It has always seemed to me that in addressing current problems or in initiating new policies, we should review the lessons of past experience and assess possible future consequences. Too often we return to an approach that has been tried before and failed. Or we create a new problem because we fail to account for all possible consequences.

This is true of our foreign policy as well as to other public policies. I think our changing views on detente is a particularly apt case in point. Recently, until present the Middle East crisis, it was fashionable to assume that a whole new chapter had been opened up in our relations with the Soviet Union. It was popular to talk about an end of the Cold War, about a new Soviet attitude toward the West, and about enormous cuts in the defense budget. But immediately after the Arab attack, when Soviet reluctance to assist in achieving a cease-fire was most marked, attitudes changed dramatically. In the general disillusionment many said that detente was bankrupt.

Actually, the Middle East situation provides an excellent opportunity to assess both the limitations as well as the merits of detente. It is clear that detente has been oversold. At the same time we should not take the other extreme, because it is important to try to work with the Soviets to limit and contain whatever crisis do occur. I think we do both share an interest in preventing a military confrontation between our two countries because in such a confrontation there could be no winners. We must be realistic about detente. Too many had been too ready to equate detente with entente. Detente in the language of diplomacy signifies a relaxation in tensions whereas entente refers to a positive, friendly, cooperative relationship.

Detente does not mean that the Soviet Union will necessarily live up to the spirit or the letter of the agreements that have been signed by President Nixon and Chairman Brezhnev. As you may recall, one of these agreements stated that both countries "attach major importance to preventing the development of situations capable of causing a dangerous exacerbation of their relations." It went on to say that the two superpowers "have a special responsibility . . . to do everything in their power so that conflicts or situations will not arise which would serve to increase international tensions."

Obviously, the Soviet Union knew in advance of the Arab attack and made no move to stop it or to consult with us. Nor did they seek an early end to the hostilities as long as the Arabs were doing well. At the same time, the links that have been established did help facilitate the reaching of a cease-fire once it was in the interest of both sides to have a cease-fire.

Walter Laqueur made what I consider to be one of the soundest assessments of what should be our future approach to detente in an article which appeared in this last Sunday's New York Times Magazine. He said that detente will "have to be negotiated not on the basis of trust but on its absence, on the assumption that the political aims of the two sides are in some respects compatible and that, in these fields, it may be possible to cooperate."

In other words, we should move forward with detente but we must do so with strength and with realism. Strength in this context consists of two principal elements. First we must maintain a strong United States. Secondly, we must maintain a strong Western alliance.

My principal topic today is the second point, but let me speak briefly about the first. A strong United States requires both and adequate defense posture as well as a renewal of confidence and pride in our public institutions. I have been concerned by the widespread anti-defense mood in this country today. As many of you know, I have supported a number of cutbacks in defense programs where I believed that hasty and imprudent spending would actually harm our defense effort, for example, in the acceleration of the Trident nuclear submarine program. I have been and am, however, a firm believer that our peace and security must be rooted in a defense posture second to none. There is great danger that in reacting to the mood of the moment, the pendulum will swing too far in the direction of reducing the military establishment. We may be sorry later.

We must recognize that although the danger of nuclear war has receded, we still live in a tough world. We need to be powerful, but at the same time we must use our power wisely. This is one reason why I co-sponsored and supported the War Powers legislation. When the public is being asked to support the defense establishment, they must also be assured that our military power will be used wisely. I think the best way to restore that confidence is to have constitutional procedures which require that if we use our military power in hostilities, it represents the combined judgment and wisdom of both the President and the Congress that we must do so.

Renewed public confidence in our public institutions requires more than just a clearing up of the Watergate affair—although this is certainly an essential element. It also requires permanent legislation to curb excessive secrecy in government—both in the Executive branch and in the Congress, to reduce waste and unnecessary spending, and to show the people that they are getting something for their hard-earned tax dollars. As those of you know who follow my activities closely—and I hope you all do, I have introduced legislation to review and reform classification rules and to open most Congressional Committee meetings to the public, and I have fought for fiscal responsibility and for significant reform in the Congressional budget review process.

Now let me turn to the second element of strength—the Western alliance. I entitled this speech "The United States, Western Europe and Japan: Trilateralism as a New Dimension in International Relations." By "trilateralism" I am referring to the three-sided cooperative relationship between the United States and the other two great industrialized democratic regions of the globe the countries of Western Europe and Japan. My thesis is quite simple. It is that our most vital international interest is to maintain our access to and friendship with Western Europe and Japan. If either Japan or Western Europe become hostile to us, we will be facing an international situation every bit as bleak and as dark as in the days just before the last World War or at the height of the cold war.

You may ask—and very legitimately ask—what is so new about this dimension. After all, Western Europe and Japan have been our major allies for more than two decades—in NATO in the case of the former and in the bilateral U.S.—Japan Security Treaty in the case of the latter.

The answer is that trilateralism denotes a new emphasis on consultation and equality within the Western entente (and here the word "entente" is quite appropriate). This new emphasis is required because of a lessening of disparities between the three regions. Twenty years ago, because of the abnormal situation resulting from World War II we were by far the predominant partner in these alliances. Today we are still the leading country and should remain so, but the income disparities have been sharply altered. Let me use some figures to illustrate. In 1952 the *combined* gross national product of Japan and all the countries of Western Europe was only 75% of ours, even though our population was less than half as much. By 1962, this figure had risen to 97% and last year it stood at 115% of ours. Per capita incomes in most of these countries remain substantially below our own, but as economic prosperity has returned to our alliance partners, each has sought to play a more independent role in international relations.

In addition, a host of new problems have arisen, particularly in the trade and monetary fields and on the subject of our relations with the communist world and the developing world. It is to be expected that the perspective and interests of great countries will diverge, but we cannot allow these divergences to overshadow the many interests and concerns that we, the Europeans, and the Japanese all share. Fortunately in the non-communist world we have a vast network of non-governmental ties—those provided by tourism, by educational and cultural exchanges, by international corporations and by groups such as the Rotary—which link and bind our countries in a very genuine way. But we cannot sit passively by and hope for the best. Good relations—like good gardens—require tending. We will require new modes of doing business with our allies in order to accommodate their legitimate desires to play more independent roles in international affairs and at the same time maintain and strengthen the ties between us. This is where trilateralism becomes important.

One of the principal elements of trilateralism is consultation. It is one thing to say that consultation is important and necessary and quite another to put it into practice. Consultation often seems to be tantamount to delay, to "leaks" that might cripple a new policy initiative, or to the appearance of indecision. Consultation, as an on-going process is probably particularly difficult for us and the Japanese because it involves procedures quite foreign to our long traditions of isolationism and independent action. Our experience with alliances—particularly alliances of relatively equal partners—is a relatively limited one.

Consultation does not mean that we allow our allies to determine our foreign policy. Nor does it mean that we should not be hard bargainers in our relations with our allies. I have often criticized our policy-makers, particularly in the field of trade, for not bargaining as hard as we should. What consultation does mean is that when we find we must take an action that will significantly affect our allies we consider their interests, solicit their views, and give them adequate time to adjust even when we cannot accommodate these views. Of course, we expect the same from them. To illustrate, although I strongly supported the President's initiatives with respect to China, I believed he should have given the Japanese adequate notice of what he intended to do, especially since such notice was implicit in the U.S.-Japan Security Treaty as well as innumerable joint communiques between the leaders of the two governments. Another example which readily comes to mind is the export controls we applied to soybeans this past summer. Without passing judgment on the merit of this action, I think we should have given Japan and Western Europe, who are our principal customers, adequate notice and the assurances, which we later provided, that the action would not void existing contractual relationships. Our failure to provide notice caused unnecessary alarm and confusion in these countries. The unilateral nature of our action certainly did not enhance our image.

The second element of trilateralism is a new emphasis on the equality of the partnership. In the past, the non-communist alliance has consisted of two main bilateral links—one between Japan and us, the other between Europe and us. Now we should make an effort to promote a more triangular structure.

This task will constitute a true test of the mettle of our diplomacy. There has traditionally been concern in Europe that the United States pays too much attention to Asia, and concern in Japan that our diplomacy is essentially still centered on Europe. Europeans have a tendency to discuss how Europe and the United States should jointly face the challenge of Japan's industrial growth. Japanese have a tendency to regard European markets as relatively closed and to concentrate on continued penetration of the American market.

We must frankly recognize that the potential for trilateralism is more developed in some fields than in others. In the case of international monetary arrangements, Europe, Japan and the United States all have a vital stake in preventing destabilizing flows of speculative capital, in minimizing the transfer of inflationary forces from one economy to the next, and in developing new arrangements to maximize balance of payments equilibrium. The dollar, the pound sterling, the yen, the mark, and the franc all play an important role in the world economy and the countries to which these currencies belong must all play an important part in shaping a new international monetary system.

In the defense area, I think the potential for a trilateral approach is quite limited. Both Western Europe and Japan still tend to have limited regional security perspectives. Each are basically quite pleased with their present bilateral relations with the United States; neither yet sees the security of the other as fundamentally and intimately related to its own security.

One area where I think trilateralism is especially relevant is in the area of energy cooperation and particularly international cooperation in research and development into new energy technologies. I have long been a strong believer that we need a massive R & D program equivalent to the space program or the Manhattan Project to develop new, clean, cheap sources of energy. I also think that this is an area where there can be some real honest.to-goodness burden-sharing by our allies. We all face the same fundamental problem—our industrialized economies require more energy than we produce domestically. Western Europe and Japan, of course, are much more dependent upon foreign supplied petroleum than we are, and therefore, have an even greater stake in seeking to assure cheap, abundant, and environmentally clean energy for their industries. I hope they will join with us in helping to harness the many alternative forms of energy that are being discussed today—solar energy, geothermal energy, coal gasification and liquification and use of the winds and tides.

The slow realization of those in government to recognize the importance of energy research and development and international energy cooperation is another indication of the tendency to react only after the crisis has occurred rather than beforehand. As some of you may recall, in 1970 I introduced a bill in the House of Representatives that would have estabilshed a commission to review our fuel and energy needs and recommend measures to counter what I referred to then as a forthcoming "energy crisis of unprecedented proportions." In the spring of 1972, when I visited both Europe, as a participant in the Ditchley Conference on Trade and Investment, and Japan, as the leader of the U.S.—Japan Parliamentary Exchange mission, I raised the question of energy cooperation and found there was almost no interest. As late as this spring, when I structured my annual Youth Leadership Conference around our energy problems, the major policy speech which I gave calling for a massive R & D program and warning of possible oil blackmail by the Middle Eastern countries received very little attention.

To bring together the themes of detente and trilateralism, I strongly believe that while we move forward with detente, we should do so within a trilateral framework in concert with our principal allies. This is an essential part of moving forward with strength.

In closing, I would like to emphasize the importance of private groups, like Rotary, in helping to maintain the close relations within the non-communist world. I have recently accepted an invitation to be one of the American Commissioners in another new group known as the Trilateral Commission. The Trilateral Commission is composed of Americans, Europeans, and Japanese who are dedicated to fostering the links between our three great regions. Other American Commissioners include former Governor Scranton of Pennsylvania, Congressman Wilbur Mills, I. W. Abel and Leonard Woodcock for Labor, and David Rockefeller and David Packard among those in business. Each of us, of course, has individual ideas and approaches to the problems, but the point is that there should be outside the usual governmental institutions to bring together nationals of all countries for a penetrating dialogue on the issues we face together. Recently, for example, the Trilateral Commission released studies on international monetary problems and political problems. Europeans, Americans, and Japanese all contributed to these studies. By working together, we understand and appreciate each other's points of view even if we cannot always agree.

Trilateralism is not something that will grow like a weed. It is a rare flower that requires good soil and constant tending. The similarities in our economic, social and political values and institutions provide the good soil. You and I in groups like the Rotary, the Trilateral Commission and the Government must do the tending.

In less than two weeks we will be celebrating a new year. As we end the current year, we are deeply concerned for our country, for the democratic institutions of which we are so proud, and for our American way of life. Major scandal overhangs our government. The energy emergency threatens our prosperity. We may see the return of rationing for the first time in a quarter century. Many essential goods are in short supply and inflation is still at some of the highest levels in our history. We have ended our military involvement in Southeast Asia, but we were witness to another tragic and senseless war in the Middle East.

There are very formidable challenges to America—no question about that. But America has faced formidable challenges before and has emerged triumphant. As we go forward into the new year, this is not the time to dwell on the past; it is the time to work together in the spirit which is and has always been our country's greatest asset to reflect soberly on our problems and move forward with determination to resolve them. Let us recall for a moment the story of our National Anthem and the inspiration and joy that filled Francis Scott Key as he beheld the flag atop Fort McHenry in the early light of dawn. Again we are under seige, but we have the strength and the spirit to overcome the challenge. I am confident that we will emerge at the dawning as strong and as proud of our country and our people as ever. I hope that it is with this spirit of resolve and hope that all of us will enter the new year.

RELEASE OF IMPOUNDED HEW FUNDS

Mr. JAVITS. Mr. President, I wish to make a statement on the release of impounded funds by the President.

The announcement by the President of the release of $1.1 billion in impounded education and health funds is a welcome indication that the White House is recognizing that impoundment of appropriated funds is not a proper device to make budget adjustments.

I first called attention to these impoundments on the first continuing resolution on Labor and HEW early this year and urged the Senate to act and to require the expenditure of the funds already appropriated by the Congress.

A series of court decisions and congressional enactments has given special emphasis to the view in which my colleagues and I have persisted, that the Federal budget and appropriations must necessarily be a product of a decision reached, through law, by the Congress and the President, and once an appropriation has been signed into law, the President is obliged, except in exceptional nonbudgetary circumstances, to commit the funds appropriated.

I am hopeful that this release of impounded funds presages renewed close cooperation between the President and the Congress on budgetary matters.

AMERICAN BAR ASSOCIATION ENDORSES ANTITRUST REVISION COMMISSION

Mr. JAVITS. Mr. President, the American Bar Association, section of antitrust laws, has enacted a resolution which it seems to me is a very, very favorable one to a matter which I have been pursuing, which is the expression of support for S. 1196, introduced by my colleagues Senators HRUSKA, MCGEE, and TOWER, as well as S. 2659, introduced by the Senator from Maryland (Mr. MATHIAS), and the bill in the other body, all of which seek, by an appropriate commission, a review of the antitrust laws. This really should be one of the highest priority matters in our whole effort to deal with the business system of the United States.

I commend the resolution to my colleagues and ask unanimous consent that the recommendations be made a part of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

AMERICAN BAR ASSOCIATION, SECTION OF ANTITRUST LAW

RECOMMENDATIONS

The Section of Antitrust Law recommends adoption of the following:

Be it resolved, that the American Bar Association, without specifically supporting any particular legislation, approves in principle a study of the antitrust and other laws of the United States which have a significant competitive impact, by a broad-based commission of Senators, Congressmen, Government officials, and private persons.

Be it further resolved, that the Section of Antitrust Law be authorized to appear before the appropriate committees and subcommittees of Congress to present their views with respect to the creation of appropriate legislation for the development of a comprehensive study of antitrust laws, to submit written statements in support of such views, and to testify with regard thereto, subject to the following terms and conditions:

1. That none of the views presented shall be in conflict with any position previously adopted by the Association;

2. They shall at all times make it known that the Association's support of specific legislation on this matter will require further approval of such general principles and specific legislation by the Board of Governors or the House of Delegates;

3. At least fourteen (14) days prior to the submission of any written statement to any legislative committee a draft thereof shall be submitted to the President and Secretary of the Association, to the Chairman of the House of Delegates, to the chairman of each other interested section or committee of the Association, and to the Executive Director of the Association with a list of the other sections and committees to which such distribution is being made;

4. The Section will coordinate its statements, testimony and activities with such other sections and committees, as well as with the Association's Washington Office, and no statement as to which timely written objection is received from the chairman or other proper officer of any such other Section or Committee shall be filed unless approved by the Board of Governors or by the President in advance of filing;

5. The President of the Association or the Chairman of the House of Delegates may require the Section to withhold publication or action until the next meeting of the Board of Governors or the House of Delegates;

6. No statement shall be submitted to any legislative committee unless it has been approved in writing by the Chairman of the Section and unless it is stated that the views presented are those of the section and do not represent the views of the Association until approved by the House of Delegates or Board of Governors;

7. A copy of any statement filed pursuant to this resolution shall be submitted to the Board of Governors and House of Delegates not later than the next succeeding annual report of the Section.

REPORT

S. 1196 (Senators Javits, Hruska, McGee and Tower), S. 2659 (Senator Mathias) and H.R. 1016 (15 Congressmen), while differing from one another in significant respects, have a similar objective—the creation of bodies comprised of Senators, Congressmen, Government officials and private persons to conduct a thorough and objective study, and then report to the Congress, on the antitrust laws.

The Antitrust Law Section of the American Bar Association, through its committee structure, has considered comparable proposed legislation from time to time during the past several years, and most recently, beginning in the Spring of 1973, has intensively reviewed the current proposals. After receiving a report from its Committee on Prosecution and Adjudication of Trade Regulation Litigation in August of 1973, and thereafter soliciting the views of Committee and Subcommittee Chairmen on that report, the Council of the Section, at a meeting on November 9, 1973, unanimously adopted the first resolution set forth above, which it now recommends for adoption by the American Bar Association.

Since the first antitrust statute was enacted in 1890 (followed by others in 1914, 1936 and 1950), there have been a number of official and quasi-official studies of various aspects of those statutes. The latest group would include the Senate Subcommittee on Antitrust and Monopoly, which studied the laws but never adopted a report (1955–1958); the Attorney General's Committee to Study the Antitrust Laws (1955); President Nixon's Stigler Commission (1969); President Johnson's Neal Commission (1969); the Ash Council (1971); and the ABA Commission to Study the Federal Trade Commission (1969).

The current proposals are substantially different from the foregoing types of review in important respects which compel the conclusion that the proposed study could make a contribution to the development of a coherent competitive policy. Thus, a broadly representative group, with remuneration to an expert staff, and time for in-depth analysis and discussion, indicate a scope of analysis never before undertaken, leading to a thorough document which can be a foundation for legislative and administrative programs, to the extent recommended. The composition of the body assures a needed interaction between public officials (Legislative and Executive) and the private sector—that is responsible public officials with an understanding of the legal, economic, political and social ramifications of their recommendations, advising their fellow public officials on future directions concerning competitive policy. It will constitute the first public assessment of the administration of the antitrust laws and resulting competitive policy.

There is a need for such an assessment. The American economy and the nature of competition have changed since 1890. International trade, the nature of industrial organizations (including labor), the role of the Government as buyer, seller and regulator of many competitive relationships and also as a time to time controller of wages and prices, the relationship between regulated and non-regulated sectors of the economy, the availability of essential raw materials, the concern for consumer and environmental matters, among other things, are significantly different from what they were at the end of the Second World War, let alone in 1890. The public is entitled to the best informed thinking on whether such changes have affected or been affected by existing laws dealing with competition, and whether modification or change in such laws is warranted.

Among the specific subjects which could be studied as the group proceeds to consider changing circumstances and judicial, administrative and executive interpretations of competitive policy, are: the existence and objectives of competitive policy; the use of *per se* rules and economic evidence in interpreting competitive policy; the effect on international trade—both flowing in as well as well as out of the United States; piece-meal and special exemptive legislation; the delineation of relevant markets; and methods of measuring competition.

It should be noted that the proposed resolution specifically does not support any particular legislative proposal, but simply endorses the principle of a study. The reasons for this are that a number of key questions are not yet adequately dealt with in the existing proposals. For example, existing legislation appears to be restricted to the antitrust laws, while the section believes that all laws affecting competitive policy should be considered; the precise composition of the body to conduct the study requires more careful scrutiny and thought; the powers of the body to obtain data and maintain its confidentiality are not yet adequately dealt with; and the staffing and length of time to be allotted to the study requires additional consideration.

Nevertheless, because the section believes such a study should be conducted, and because it believes it has the expertise to assist in the creation of appropriate legislation, the section now seeks the foregoing resolution so that the American Bar Association can contribute its professional expertise to the development process.

When the section believes that appropriate precise legislation has been developed, it will seek specific approval of such legislation from the American Bar Association.

The need for immediate action is occasioned by the fact that the Consent Decree Procedure Bill—(H.R. 9203, S. 782 (Tunney Bill))—which has already passed the Senate, is being considered and revised in Subcommittee 5 of the House Judiciary Committee, and we understand that there will be a title IV to the S. 782 submitted by members of the Subcommittee which will deal with the establishment of some form of antitrust law study commission. Accordingly, if the American Bar Association is to begin to participate in the development of a study commission it must do so promptly.

CLASS ACTIONS

Mr. TUNNEY. Mr. President, on Monday of this week the U.S. Supreme Court handed down a decision, which in my opinion, will have an unnecessary, undesirable, and unintended effect on the administration of justice in this country. The decision, *Zahn* v. *International Paper Co.*, No. 72–888, decided December 17, 1973, will require that both a State and a Federal court will have to receive substantially the same evidence and export testimony in order to resolve a case which is in reality only one single legal dispute. The decision will place substantial unanticipated burdens on the State court system by bucking to those courts large segments of cases which would otherwise be the responsibility of the Federal courts to decide. This procedure will be uneconomic both from the point of view of the citizen seeking redress and from the perspective of the administration of justice. I cannot believe that the result is one Congress intended. Because the Court felt that this question might be appropriate for congressional action, I feel that it would be desirable to bring the case to the attention of my colleagues.

The suit was commenced by lake front property owners in Vermont who felt that their property had been damaged by the defendant's unwarranted polluting. The four named plaintiffs each claimed that his or her damage exceeded $10,000. They banded together with the over 200 property owners along the lake front and brought a class action.

The Zahn decision found that the case could not be maintained as a class action because not every member of the class could claim that the amount of his or her damage exceeded the $10,000 jurisdictional amount in controversy required by title 28, United States Code, section 1332(a). The decision furthers neither the purpose of that statute nor the purpose of the class action vehicle as a method to redress citizens' grievances.

As Justice Brennan said, writing for the dissent:

> Class actions were born out of necessity. The alternatives were joinder of the entire class, or redundant litigation of the common issues.

In addition to the efficient administration of justice, class actions allow citizens to band together for the collective good. This is necessary, for as in the instant case, there may be no single citizen sufficiently damaged to justify his outlaying the high cost of litigation.

The class action vehicle allows these neighbors in Vermont to get together and share the expenses of litigation, and at the same time condense over 200 separate claims into one single case. As a result of the Court's decision the four named plaintiffs can proceed in Federal court while the other plaintiffs must go to State court, introduce the same evidence and expert testimony and try the issue again. Therefore, the State courts will be burdened by unnecessarily having to repeat the Federal courts' work. This does not seem like an efficient use of our judicial machinery.

Moreover, the decision will not streamline but will exacerbate the problems inherent in the administration of Federal class actions. Upon claim of a defendant in a class action that one or more members of the class lacks a claim in excess of $10,000, a complicated and cumbersome pretrial discovery procedure will follow in order to determine if any member does not have the requisite jurisdictional amount in controversy. This seems to run counter to the mandate of Federal Rules of Civil Procedure: Rule 23 which requires a determination of the members of the class as soon as practicable. This discovery procedure will make class actions even more difficult to administer.

In addition to undermining the efficiencies of a class action the decision does not seem to achieve a result consistent with the purpose of title 28 of United States Code, section 1332. That section requires that—

> The matter in controversy . . . (must exceed) the sum or value of $10,000.

Although Congress has from time to time increased the jurisdictional amount upward, it has left the wording of the statute untouched from the time of its enactment in 1789. Legislative history shows that the purpose of requiring a jurisdictional amount is to insure that only matters of a substantial nature are before the Federal courts.

But can it be doubted that where four named plaintiffs each present a claim to a Federal court involving an amount in controversy exceeding $10,000 that the entire case is substantial enough for Federal concern? Four years ago the Court decided *Synder* v. *Harris*, 394 U.S. 332 (1969), which held that where no single party to a class action claimed damages in excess of $10,000, the Federal courts would not have jurisdiction over the action. That decision, however, did not compel the result in *Zahn*. Each of the four named plaintiffs in Zahn presents a substantial case which will be determined by a Federal court. Since their aspect of the case will be before a Federal court, the efficient administration of justice would seem to require, and the notion of ancillary jurisdiction allow all the claims to be heard at once.

While class actions have been the subject of abuse by lawyers, it is the job of the courts to check these abuses on a case-by-case basis. The class action is an extraordinarily good vehicle from the point of view of judicial administration and the economics of citizen redress. The *Zahn* decision is unsatisfactory to the extent it causes redundant litigation. Fortunately, Congress has in great measure reduced the significance of the amount in controversy requirement by providing, in various environmental, consumer, antitrust, and civil rights legislation for jurisdiction in Federal court without regard to amount in controversy. But there can be no doubt that the inability to aggregate claims, or employ ancillary jurisdiction in a case like *Zahn* will set back the cause of justice.

As chairman of the Judiciary Subcommittee on Representation of Citizen Interests, at a hearing on November 13, 1973, together with the Commerce Subcommittee for Consumers we received the report of the National Institute for Consumer Justice, affiliated with the Administrative Conference of the United States. That report recommended strongly that Congress change, by legislation, the construction of the amount in controversy requirement given in Snyder against Harris. It recommended that consumers be allowed to aggregate their claims to achieve the $10,000 jurisdictional requirement.

The *Zahn* decision represents a step backward from meaningful reform. It is time Congress began a meaningful look at class actions, eliminating artificial barriers erected by the Court, while at the same time insuring that the class action vehicle is responsibly used to the benefit of all citizens' interests.

SENATE COMMITTEE REPORT ON SUPPLEMENTAL APPROPRIATIONS

Mr. MONTOYA. Mr. President, the Senate committee report accompanying H.R. 11576, making supplemental appropriations for fiscal year ending June 30, 1974, states that funds provided the Economic Development Administration of the Department of Commerce for industrial development loans and guarantees, a supplemental appropriation now set at $15 million, is to be used "to pay off the outstanding loan balances of a reasonably sound venture threatened by foreclosure and assist the borrower in obtaining new financing." This language is also used in the report accompanying H.R. 8916, the original appropriations bill for fiscal year ending June 30, 1974, and accompanies an appropriation level of $5 million for loans and guarantees, as recommended by the administration.

The report accompanying H.R. 11576 fails to explain that the $15 million in supplemental funding are to be used to provide new loans. In recommending additional funding for the Economic Development Administration, I expressed concern that given the current economic situation—particularly with regard to the adverse impact caused by recent defense realinements and the ensuing energy crisis—and given the continued need to address the problems of low income and high unemployment in the Nation's distressed areas, the funding levels suggested by the administration were insufficient.

The programs authorized by the Public Works and Economic Development Act are well suited to help meet the impending economic emergencies that may cause unemployment rates of 6 percent next year. We must utilize them. These programs call for coordinated action at various levels of government to combine limited resources and to provide needed jobs and income.

Additional appropriations were requested because initial levels would not allow for a proper transition into new regional and economical development programs now being considered by Congress and the administration. Rather, they would have led to a phaseout of existing programs with no acceptable alternatives to replace them. For example, initial appropriations for loans and guarantees authorized under title II of the Public Works and Economic Development Act of 1965—$3 million for development facility loans and $5 million for industrial development loans and guarantees—represented a phaseout of these critical programs. Congress in extending the programs authorized under the 1965 act and in appropriating funds for these programs did not call for a phaseout. Indeed, Public Law 93–162, signed by the President on November 27 of this year, states that—

> None of the funds appropriated in this Act or otherwise available for expenditure by the Department of Commerce shall be used to discontinue or phase out the economic development assistance programs (including Regional Action Planning Commissions) undertaken under the Public Works and Economic Development Act of 1965, as amended.

Clearly, funds provided in the supplemental appropriations are not to be used simply to phase out these programs. They are to be used to maintain the national effort to provide timely economic assistance to those who find themselves, by no fault of their own, in temporary need of a helping hand.

THE NEW YORK AREA—A LOW ENERGY CONSUMER

Mr. JAVITS. Mr. President, I would like to bring to the attention of my Senate colleagues the results of some important studies recently conducted by the Census Bureau and the New York Regional Plan Association. They bring to light the important connection between mass transit use and energy consumption, and thereby illustrate the urgent need for maintaining and expanding mass transit systems in our Nation's cities.

The Census Bureau study found that only 27 percent of workers who live in the New York metropolitan area drive to and from work, which is the smallest percentage of any metropolitan area in the country. The study, entitled "Journey to Work," shows that in New York City, where mass transit facilities are plentiful, an even smaller percentage of people use the private automobile for commuting.

The New York Regional Plan Association statistics conclude that the New York urban region, taking all energy uses into account, consumes less energy per capita than any other in the country. This, of course, includes New York's relative independence of the private automobile.

Although New York has been maligned for its brightly lighted office towers—now likely to be much restrained—it is a tribute to the region that its total energy consumption is so low as to be applauded.

Mr. President, I ask unanimous consent to print in the Record, an article appearing in the New York Times on Tuesday, December 17, and an editorial of that date in the Washington Post which elaborate on the points I have just made.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, Dec. 17, 1973]

Energy and Livability

For all its bright lights, traffic jams and screeching subway trains, New York City consumes only about half the energy per resident that the rest of the nation does. The entire New York Urban Region, in fact, requires less energy per capita than any other in the country. The region includes 26 counties in New York, New Jersey and Connecticut, inhabited by 9.7 per cent of the nation's population. These people earn 12 per cent of the nation's money income. Yet, they consume only 6.4 per cent of the nation's energy.

These perhaps surprising statistics, recently worked out by the New York Regional Plan Association together with Resources for the Future (a Washington research organization), point up a simple fact: Higher population density means lower energy consumption. Urban sprawl wastes not only land and time, but also energy.

People who live in cities, towns or planned communities like Reston and Columbia, where they can get around on foot or by public transportation to meet some of the necessities of life, obviously require less fuel than suburbanites who must mobilize 250 horsepower every time they need a loaf of bread or want to get the children to their music lessons, to say nothing of commuting. But the energy waste of suburbia—or, as urban sprawl is now more accurately described, "spread city"—is not only a matter of transportation.

Per dollar of income, "spread city" residents use up to three times more energy in their homes than people who live in high-density communities, according to the New York Regional Plan Association study. "Per dollar of income" is an important part of the statistic. It means that suburban energy waste is not only due to more affluence and electric gadgets. It is also a matter of heating, cooling and lighting free standing homes as opposed to townhouses and apartments. The use of electricity per employee in "spread city's" scattered commercial and public buildings is also higher than in urban concentrations. Except at the sacrifice of personal convenience, there is relatively little that can be done about the high energy consumption of "spread city," which is what we have built all over America in the past 30 years. This urban America is too sprawled out, by and large, to substitute public transport for the private automobile and make it pay. The best we can hope for is the use of smaller cars.

But what seems imperative is that we start immediately to arrest the spread of "spread city." We don't advocate more Manhattans or New York regions. But the nation, in our view, must start regional planning in earnest and concentrate new development in new communities served by public transportation. In the sprawling Washington metropolitan area, the proper organization to draw up such a comprehensive area-wide urban development plan would seem to be the Council of Governments, in which our various jurisdictions have finally learned to cooperate on matters of regional concern.

While COG is drawing up such a plan and developing the means to enforce it—i.e., laying the foundations for regional government, or something close to it—the suburban counties should be taking speedy action to inhibit free-standing shopping centers, "strip" development along our freeways, isolated office and educational campuses and other such elements of "spread city." With respect to new housing, as the Regional Plan Association points out, we will have to go back to homes on smaller lots, substituting siting and landscaping for space, and to cluster apartments around commercial, office and public buildings rather than allowing them to mushroom wherever their developers find a crack in the zoning pattern. The loss of private open space can and must be compensated by the provision of more public open space—playgrounds, walkways, bicycle paths and other public amenities.

All of this will not only help reduce our profligate demand for energy, but it will also result in greater convenience and livability. Better urban planning and land use, to be sure, won't help much to alleviate the present emergency. But if the experts are to be believed, the energy crisis will be with us for a long, long time.

[From the New York Times, Dec. 16, 1973]

Twenty-Seven Percent Here Drive to Work, Study Discloses

Washington, December 16.—Only 27 per cent of workers who live in New York City or Nassau, Suffolk, Westchester or Rockland Counties drive to and from work, a far smaller percentage than in any other metropolitan area, according to a Census Bureau study of commuting habits.

The 1,100-page report, "Journey to Work," points out that although New York's comparative plenitude of subway, bus and rail facilities for mass transit constitute a great advantage in facing the growing energy crisis, a large proportion of commuters in the outlying counties use the automobile to reach their jobs.

More than 80 per cent of commuters from Suffolk and Rockland Counties drive cars to work, while 72 per cent of those in Nassau and 63 per cent in Westchester use automobiles. And in the region as a whole, where 640,000 cars transport workers to their jobs each day, at least four-fifths carry only the driver.

125 CENTERS STUDIED

The Census Bureau's report, taken from a study of the social and economic characteristics of commuters on each of the 125 metropolitan areas in the country, covers the five counties of the city and the four nearest suburban counties in New York State.

Because of the way in which the report is arranged, detailed information is not available on New Jersey or Connecticut residents who work in New York City. However, the report does offer broad basic figures on commuters from these two states. It says that 22,500 Connecticut residents traveled to jobs each day in New York City in 1970, 22 per cent by automobile. Just over 20,000 of these came from Fairfield County.

New Jersey's commuting force constituted 192,600 people, with Bergen County workers making up 35 per cent of that total and Hudson County just under 20 per cent. Just under 30 per cent of those workers drove to their jobs.

By comparison, 67 per cent of the work force in the Chicago and Boston areas travels by automobile, while in the Los Angeles-Long Beach metropolitan area 86 per cent commute by car—and all but 3 per cent of the coast commuters drive alone.

Dr. William J. Ronan, chairman of the Metropolitan Transportation Authority of New York, commenting on the Census Bureau findings, said that they "point out once again that mass transportation in this region, especially in this period of crisis, is a major asset that many other areas do not have."

David A. Grossman, New York City's Budget Director, estimates that the subway system could handle a 50 per cent increase in riders with little difficulty. Subway ridership has been declining over the last several years.

But it may not be easy to persuade people who work in New York to form car pools as a means of cutting the use of gasoline.

"The ones driving to work are not the 8-to-5 employes, but the managerial and executive group," said Milton Musicus, chairman of Mayor Lindsay's Emergency Energy Committee. "They can afford to drive by themselves and pay for parking in the business district."

He noted that when department stores and other large employers tried to arrange car pools, they found that most of their rank-and-file employes already used public transportation to get to and from work.

56 PER CENT USE PUBLIC TRANSIT

The Census Bureau survey, which was taken from information in the 1970 census, found that public transportation—subway, bus or rail—was used by 56 per cent of the workers in New York City's five boroughs and by 47 per cent of those in the nine-county metropolitan area as a whole.

The survey dealt with many aspects of commuting and job habits other than the method of transportation. One was the level of workers' pay, and the Census Bureau figures indicated that workers who travel farther earned more than those who worked close to home.

Except for Manhattan, the lowest average pay for a worker—whether citydweller or suburbanite—was in the county in which he lived. For example, the average rate of pay for a resident of Brooklyn was lower if his job was also in Brooklyn than it was if he worked any place else in the statistical area.

Mr. Grossman said one possible explanation for this was that high-skilled workers were able to shop around for the job offer that best suited their demands. The mass transit system allowed them the mobility to seek distant employment.

A worker with low skills, on the other hand, does not need to travel since he will not increase his earnings, regardless of location. Thus, Mr. Grossman speculated, he finds a job as close to home as possible.

MEDIAN AVERAGE USED

A median average was used by the Census Bureau in reporting earnings. Such an average divides the distribution into two equal parts, half the cases being above the average and half below. The Census Bureau disclosed that there were 775 farm workers living in New York City, and 305 of them work somewhere in Manhattan.

The census figures also disclose a greater use of the automobile for commuting to a job within one's home county than for traveling to a different county. This may be a statistical illusion, however. Mr. Grossman suggested that the out-of-county figures might be unusually depresed because of the large number of workers in Manhattan who use public transportation to get there.

Another theory was offered by Richard Forstall of the Census Bureau's population division. He said that many local jobs might be too far from the worker's home to walk but inconvenient to the flow of public transportation.

Mr. Forstall forsees the data contained in "Journey to Work" as receiving "very intensive use locally," particularly by city and traffic planners. Much of the information in the volume was collected for the first time during the 1970 census.

MANHATTAN

Of those Bronx, Brooklyn, and Queens residents who worked in Manhattan in 1970—and there were 865,000 of them—81 per cent used the subway to reach their place of employment.

Only 9 per cent of Manhattan's residents drove to work, and 6 per cent of those who lived and worked in the borough drove to their jobs. It is the only borough where residents used the automobile less to get to work in the borough than outside it.

One reason for this minimal use of the auto is that 87 per cent of Manhattan's workers have a job in the borough, and the subway-bus system had enough appeal to lure 65 per cent of them to use it for commuting. Twenty per cent did not have to choose between auto and mass transit—they walked to work.

BRONX

The Bronx has a greater exodus of workers each weekday—64 percent—than any other borough. Half of the entire Bronx working force heads south for Manhattan, while Westchester County to the north receives more Bronxites than do any of the three other boroughs.

Bronx commuters showed less dependence upon cars than the rest of the city outside of Manhattan, with only 24 per cent traveling to work by auto.

The worst pay went to those who lived and worked in the borough, an average $5,813. The Bronx also had the lowest average income of any county in the statistical area, $6,219.

BROOKLYN

The major export of Brooklyn in 1970 could well have been clerical workers. Of all workers leaving the borough, 38 per cent went to jobs as secretaries, receptionists, clerks, bookkeepers and the like. And 29 per cent of all Brooklyn workers were in clerical jobs.

Half of all Brooklyn workers left the borough to go to their jobs in 1970.

Brooklyn is very dependent upon public transportation, with half its workers using the subway to reach their jobs and almost two-thirds using mass transit in general. Of the Brooklynites who worked in Manhattan, 87 per cent chose the subway as their means of transportation.

QUEENS

A greater percentage of workers commute to the suburbs from Queens than from any other borough—7 per cent. Each work day saw 63 per cent of Queens workers leave the borough for jobs elsewhere. Thirty-six per cent of all the workers used a car to reach their destination, but mass transit remained in great demand, with 53 per cent of Queens workers using it.

Wholesale and retail trade and manufacturing accounted for 42 per cent of the employment for Queens workers in 1970. And 182 Queens residents, 26 of whom commuted to Manhattan, told the Census Bureau they were employed as farm workers.

STATEN ISLAND

Half of all Staten Island workers used the car to reach their employment, while 31 per cent of the residents working in Manhattan indicated they used "other means" to get to work. "Other means," in this case, would mostly include the Staten Island Ferry.

SUBURBAN COUNTIES

The New York suburbs have apparently surpassed the stage of being largely bedroom communities. Just under 60 per cent of Nassau workers remained in their home counties to work, while 70 per cent of Westchester's workers have found employment in their own county. Rockland and Suffolk each keep about two-thirds of their resident workers at home.

As might be expected, automobile use for traveling to employment is substantially greater for suburbanites than city dwellers, although the percentage is still lower than the national average.

Almost 72 per cent of Nassau workers use the automobile to get to jobs in the New York statistical area, higher than Westchester's 63 per cent, but still less than Rockland and Suffolk Counties' 80 per cent plus figures.

In the suburbs, 5.6 per cent of the workers walk to their jobs, compared with New York City's 9.5 per cent, but more suburbanites than city workers work at home.

No figures are available on one important segment of suburban commuting, the railroads, because of an error in Census Bureau tabulations.

THE ENERGY CRISIS

Mr. CRANSTON. Mr. President my mail this month contains many agonized letters from working people facing the very real possibility of gasoline rationing or a huge new fuel tax or sky-high retail prices on gas at the pump, or all of these. A typical letter comes from Mrs. Judy Litly, of San Diego:

> Please, for the sake of middle-income famillies ($6,000–$8,000), don't let them pass along another gas hike to us. We can't take it. It's sad when you can't afford to drive to work.

L. W. Stump, of Redwood City, asks:

> Who was the idiot who proposed a 30–40 cent-a-gallon gas tax? Even if you could deduct it at the end of the year, most of us don't have the capital and would simply have to stop working. If we must have severe control, let it be rationing.

Indeed, those are the alternatives to rationing: Either a huge tax to discourage consumption or retail prices at $1 per gallon or more, forcing many people to abandon their cars. The problem with these approaches is that only middle- and low-income working families would suffer. Certainly the well-to-do would not be deprived. They could pay the taxes and buy all the gasoline and fuel oil they need for pleasure and for business even at prices that would be prohibitive for working families. This is the plan the administration is talking about. I reject it as discriminatory and unfair.

The third alternative—rationing is also undesirable. But it is the only fair system for allocating scarce fuel supplies. I do not like it any more than you do. But we already have delayed far too long in taking action to alleviate the fuel shortage.

This administration has all the facts and figures on our growing energy problems for some time. But it has not acted decisively. And I would add, in fairness, that the Congress has also been slow to respond. Now the Nation is in a spot. If we are going to await worsening economic crisis the administration is going to have to bite the bullet and begin rationing fuel oil and gasoline immediately. I believe the administration will finally be driven—by the facts—to rationing. If they delay too long, the energy shortage could totally wreck the American economy and throw an estimated 2 million workers out of jobs. We can only avoid rationing if the Arabs lift the oil embargo. I hope they do—but we cannot count on it actually happening.

I would like to cite, at this time, some additional questions that have been raised in my mail, and my answers to them:

POSTAL RATES

Don't let them raise the postal rates to 10¢ for first class and 13¢ air mail. Instead raise rates on junk mail, tons of which are tossed in the trash every day. If there were less junk mail, perhaps the first class would be delivered on time.—Nellie Schnitman, Covina, California.

Sure, costs have risen but only 15 years ago it cost 3¢ to mail a letter. The new rates represent a 333% increase over that! There is no other product or service that has increased so much over the same period—Jay Patterson, San Francisco.

Why should it take five days to get an air mail letter from here to Salt Lake City?—Mrs. Rae O. Cady, San Bernardino.

We are retired and operate a magazine subscription service out of our home to augment our income. First class mail is our biggest expense, running into hunderds of dollars a year. Does a 25% or more increase in rates meet the Cost of Living Council guidelines?—Byron and Lorene Tarr, Grass Valley.

The only contact a lot of us older people have with children, etc., is by mail. What with utilities, gasoline and food so high, don't let us be cut off from our families more than we already are.—Mrs. Florence Harris, Corcoran.

The performance of the reorganized Postal Service is a national disgrace. Many of us in Congress, speaking on behalf of millions of people already strapped by higher prices on just about everything have condemned the latest proposal for raising rates. Nevertheless the Cost of Living Council will probably approve the 10 cent postage stamp. Yet all we have gotten in return for steadily rising rates are later deliveries, more damaged parcels, fewer postal outlets, and generally poorer service than at any time since I can remember.

In addition, there are reports of contract irregularities, misuse of taxpayer's moneys and special breaks for some "junk" mailers. I have asked the General Accounting Office, which is the investigating arm of Congress, to investigate. If the Postal Service can not operate properly in its present capacity then perhaps it is time for Congress either to turn it over to private enterprise totally or else bring it back under complete government supervision.

DAY CARE CENTERS

I am a factory worker and bring home $100 a week. I pay $50 a month to put my two young boys in federally funded nursery schools in Long Beach. Now I am told they are no longer eligible because we are not welfare recipients. Either I quit my job and go on welfare or just lay down and die. Do you know what this means to women who are trying to support their families and maintain a little self-respect? Please continue the funds. So we may continue to work—Beverly Lerell, Long Beach.

Nearly 30,000 California youngsters will be ineligible for day care if harsh new social services regulations proposed by the U.S. Department of Health, Education, and Welfare take over State eligibility rules. I have been protesting to HEW about this for a full year. Last month the Senate passed legislation that would keep eligibility rules in the hands of the State. The issue will ultimately be decided by a Senate-House conference as part of this year's omnibus social security bill. In the meantime, California is one of several States that is keeping all day care children enrolled.

Exports and Shortages

As someone who is living on a fixed income and feeling inflation and shortages keenly, I protest the export of grains and other foods out without regard for the shortage it creates for our own people.—Mrs. Alice Sitron, Los Angeles.

We are older folks. We don't have enough to eat. We are sick. My husband is totally disabled. All our lives we have tried to be good citizens always helping the poor and ailing. Then we become one of the poor. We can't afford what we need while our country cares for foreign countries and sells them our heating oil and foods. Can't you in the Senate force the President to take care of our people first?—Mrs. M. J. Grimm, San Jose.

Unhappily, crop reverses, inept handling of agricultural resources, mismanagement of foreign sales and too much farm land left out of production have hit us all at once. I think our country is big enough and inventive enough, though, to take care of Americans at the same time that we contribute to the economic vitality of the rest of the world. We must, of course, make sure first of all that there is enough food for Americans at decent prices. Our capacity to produce food is enormous, however. Our reservoir of technology, trained manpower scientific brains and energetic intelligent people is without parallel.

The new farm bill is one of many steps Congress has taken to enable us to provide abundant goods at home and abroad. Beginning next year when the crops come in, there should be more food—hopefully at good prices—for all of us, at home and abroad too.

Supplemental Security Income

I get state assistance because I'm blind and have no other income. I understand the federal government is going to make these payments now. What do I have to do to make sure my payments continue?—Floyd Johnson, Huntington Park.

Starting in January 1974, the Federal Government will make monthly supplemental security income—SSI—payments to people in financial need who are 65 or over, or who are blind or disabled. Since you are now getting public assistance, you do not have to apply now for the Federal payments. The social security people say that before Federal payments actually start, they will be sending you more information and instructions.

My neighbor is 68. He owns the little house he lives in, and he's worried whether he'll be able to get payments under the new Federal Supplemental Security Income program because he owns his own home. Will he be able to get federal payments?—Ariel McKenna, Oakland.

He should. Owning a home of reasonable value should not rule out Federal supplemental security income payments to older people who have limited assets and little or no cash income. I wrote an amendment to this year's social security bill directing the Secretary of Health, Education, and Welfare to be flexible in determining what constitutes the "reasonable value" of a home, stating he must take into consideration regional and area differences—factors like the inflated housing market especially in California. I have also asked Secretary Weinberger to undertake a massive public information program on this complicated new social security income law.

Pension Reform

I have worked for an aircraft factory here in Southern California for 30 years. There isn't a thing I can do if they change their mind and stop paying my pension. Isn't there some kind of a law that can be passed to protect us?—Vincent Bourassa, Lakewood.

Yes, there is. The Senate recently passed a pension reform bill (H.R. 4200) that would provide the kind of Federal backup for private plans that American workers deserve. The House Ways and Means Committee is considering several bills and will probably have settled on one soon after the first of the year. There probably will be some kind of pension reform legislation in 1974 and I intend to fight to see that it is the strongest, most comprehensive bill possible.

School Lunch

I am very concerned about the rising price and lowering quality of our school lunches. It is a terrible thing for our economic problems to be inflicted on children in this way. I urge you to do everything in your power to stop the price of food and milk from increasing in school cafeterias. Surely there must be money somewhere to feed these children.—Ruth Hartman, Berkeley.

You are absolutely right. If phase IV has been rough on adults, it has been just plain disastrous for kids. During the 1972-73 school year, Los Angeles schoolchildren paid a nickel for a half-pint of milk. This year they are paying 10 cents—a 100-percent increase—and some children cannot buy it any more. To try to keep the price of school lunches down, I and others in Congress advocate raising the contribution from the Federal Government.

Tax Surcharge

Help! Have just learned from my local TV station that the President is considering an income tax raise of 10%—to be returned in four or five years—kind of a pay now and eat later deal. In our family we have found it more and more difficult to buy the morning cornflakes. We worry over gasoline. The low-income worker on the bottom rungs is denied a raise due him and the minimum wage is vetoed. So we hit these people to fight inflation? I could go on but I can't afford to buy more paper.—Mrs. Margaret Johnston, Torrance.

I hope what I heard on the radio isn't true. A 10% surcharge tax? Man, right now 20% of my check goes to the Federal government. And you want another 10%? This is too hard to comprehend. Don't let it happen, please.—Eddie Dow, Bakersfield.

Please, please *do not* let them take more federal tax out of my husband's paycheck. We are just barely able to make it now. Since I can't work he is even working two jobs just to live!—Mrs. F. L. Briggs, Los Angeles.

I am flatly opposed to a personal income tax rise at this time. If the administration insists on raising taxes, I will fight to make sure it is imposed on profits of large corporations only, and not on individual income taxes. Profits of many of the large corporations are booming, and in fact are contributing to inflation. A number of businessmen have told me they would go along with a temporary, refundable corporate tax hike if it would really help put a brake on inflation. I vigorously oppose the suggestion that individual income taxes should be increased as well.

Minimum Wage

Not all people earning the minimum wage can meet their rents or buy adequate food—and I'm not talking about people in the fields living in tents. I'm talking about nurse's aides. We have uniforms that must be clean. We should be well fed. But how can a woman live on $1.65 an hour? My God, Mr. Cranston, do something to try and make people understand.—Marg Mefford, Richmond.

Please override President Nixon's veto of the minimum wage increase. With these high prices it is just impossible to live on $1.65 an hour. Persons on a fixed income, or at the bottom of the wage bracket, really have a rough time.—Mrs. Norman Leon, Paramount.

I planned to vote to override President Nixon's veto of the recent minimum wage bill, but I never got the chance. The House failed to override and the issue never got to the Senate. The good news is that Senator Harrison Williams—Democrat of New Jersey—has authored a new minimum wage increase (S. 2747) and the outlook for its enactment is good. It would raise the minimum hourly wage to $1.80 this year, then to $2 the second year and to $2.20 the following year. But unfortunately, Congress may have to compromise with the White House on such things as coverage and effective dates in order to stave off another presidential veto.

Miscellaneous Inflation

As an avid sports fan I want to thank you for the fast action lifting the blackout on professional sports events. But why couldn't the same senatorial precision be used to push a bill through that would slow up, if not reverse, the current price trends?—Dave Hoffman, La Habra.

Lifting the sports blackout was not accomplished as quickly as it may have seemed. Years of study, debate, and public hearings preceded final congressional action, which I was happy to support. We have already had too many attempts at easy, quick solutions to our economic problems. They have not worked. Nevertheless, Congress has moved speedily and decisively when the inflationary crunch called for it. We acted quickly in 1971 to grant the President emergency power to control wage and prices. This authority has been extended twice and will be considered again this April.

We have also enacted a comprehensive new farm bill which will utilize farm land to produce bumper crops in the years ahead. This is the best possible way to achieve an ample food supply at the lowest possible prices. Also budget control legislation is in the final stages of Senate action. By setting an annual ceiling on Government spending, reexamining priorities and cutting out waste, I believe we can go a long way toward reducing inflation. We also need to cut out wasteful and extravagant defense spending—particularly the $30 billion we now spend to maintain more than half a million American troops overseas. This particular expenditure hurts the dollar, and contributes greatly to inflation. Congress this year began to cut back on the size of our Armed Forces in terms of manpower—and this will be a significant contribution to the war on inflation.

NATIONAL BELLAMY AWARD

Mr. MONTOYA. Mr. President, each year the National Bellamy Award selection board selects one State in the Nation and one public high school in that State to receive the annual Bellamy Flag Award.

The award, which consists of a U.S. flag which has flown over the Capitol, honors a public high school for the excellence of its staff, for the achievements of its faculty and for the academic excellence of its student body. Moreover, and equally important, the award recognizes the level of community support given the school.

For 1974, the Los Alamos High School in Los Alamos, N. Mex., has been chosen to receive the award. This is, naturally, a matter of great pride to me and to the people of Los Alamos.

I ask unanimous consent, Mr. President, that an article from the Los Alamos Monitor of June 8, 1973, announcing the granting of the award to Los Alamos High School be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Los Alamos High School Awarded Bellamy Flag

Los Alamos High School has been designated the "standard bearer" for all High Schools in New Mexico as winner of the 33rd annual Bellamy Flag Award.

The announcement of the award was made last night by LAHS Principal Robert L. Loar during commencement exercises for 390 seniors. The formal presentation of the award will be made in the high school auditorium Oct. 11, 1974.

LAHS will retain the honor for a 50-year period "in the distinguished group of outstanding and representative secondary schools throughout the nation."

Each year, the National Bellamy Award selection board selects one state in the nation and one high school in that state to receive the award. For 1974, New Mexico was chosen as the state and LAHS as the school to receive the award.

The Bellamy Flag award is a large outdoor United States Flag that has flown over the Capitol in Washington, D.C., and honors Francis Bellamy, minister, journalist and advertising man, who authored the Pledge of Allegiance to the Flag of the United States of America in 1892. He wrote the pledge for the National Public School Celebration of Columbus Day and commemorating the nation's quadro-centennial.

"The National Bellamy Award gives conspicuous acknowledgement to the vital role the public schools, an instrument of the American ideal, plays in helping to mold and to realize the ideals and goals of our country," Dr. Margarette S. Miller, director of the award program, said in a letter to LAHS Principal Robert L. Loar announcing the award.

"This honor is not one obtained by the mere efforts of administration, faculty and students during the year of study," she said. "The school is chosen for its history of accomplishment along with its continuous accumulation of awards, honors, innovation in teaching, the accomplishments of the alumni, faculty and the present student body. It is anticipated that these accomplishments will continue and grow in the future.

"Fine schools take the concerted effort of every member of the school system and the community. The educational experiences and training gained at Los Alamos High School should produce a strong foundation for the young people to mature into responsible adult citizens," the letter said.

Los Alamos High School was selected on the basis of ten areas of accomplishments. "Los Alamos High School will receive the coveted honor for these specific reasons:

"The Proficient Performance of Duty by the Administration: Robert L. Loar, principal, and Dr. Duane W. Smith, superintendent, are cited for leadership, inaugurating and establishing innovative techniques, and "constantly moving forward in varying levels, with methods and theory, along the path of true individualization."

"Individual and Enormous Achievements of the Faculty—surpassing any in the history of the National Bellamy Award—who "exhibit outstanding technical competence, a great desire to be of service and hold the highest level of professionalism." This calibre staff in a highly intellectual environment enables Los Alamos to be termed the "nation's best educated" city by the U.S. Census.

"Absolute and Definite Concern for National and International Standards—"a parochial, local view of the responsibility of education is totally inadequate and would threaten the school system with the error of trying to do well that which is not worth doing at all."

"Encouragement in Furthering Student and Idea Exchange—through athletics, the arts, programs of study "in order to foster students' awareness of people . . ."; the acceptance of "speakers on timely topics, including representatives of political, ethnic, and religious groups"; controversial subjects and individuals are not outlawed.

"A Student Body Excelling Academically—more than two dozen students honored by National Merit this year alone; National French Council achievements with 5 national and 11 regional winners; the National Science Foundation; lauded by the Commission on Presidential Scholars, and the National Council of Teachers of English. NCTE (National Council of Teachers of English) ". . . have never known a school which so supported a national institute."

"An Accomplished Alumni—on national and international levels exhibiting excellence in the fields of creative arts, education, science, medicine and engineering.

"A Responsive Community Eager for Constant Improvement in the Schools—that any superior educational system may still be surpassed. The business community works closely with the school through the Alternatives Program lending added experiences in medicine, criminology, silversmithing and forestry, among other specialized interests.

"Free Thought and Honest in Publications—La Loma 1972 yearbook—creative and thought-provoking: the right and wrong of the nation in its introductory pages:

We die in Vietnam and walk on the moon.

We pave the desert and high plateau and fly through sky faster than the sun.

We take the power of atoms to make a bomb, and to probe the darkness of disease.

We find a mountain paradise and build our city there.

We are alone and we are together.

"The School Philosophy—in part—which recognizes "that because of the insular nature of Los Alamos, our students need additional association with people of diverse racial and socio-economic backgrounds . . ." A Student Attitude Survey, prepared by Associated Public Schools Systems (Teachers College, Columbia), dealing partially with

Peer Group Relations, brought to light "there were no distinct ethnic groups in the minds of Los Alamos students."

"A Cooperative, Supportive Local Press—interested in carrying school activities and accomplishments; in promoting the plus side of education.

DOUBLE TROUBLE—BUY 10 GALLONS TWICE, RATHER THAN 20 GALLONS ONCE

Mr. ROBERT C. BYRD. Mr. President, of all the questionable proposals put forth for combating the energy crisis, limiting gasoline purchases to 10 gallons at a time seems to me the most futile.

What can such a limit accomplish, except to double the trouble for drivers and those who work in filling stations? I fail to see how the administration expects to save any significant amount of gasoline by this awkward device. What difference is there between a trip to the gas station once a week for 20 gallons and two trips a week to the station for 10 gallons—except in the extra gas used for the added trip?

Persons with medium sized and larger cars will be penalized most by this action, inasmuch as a number of smaller cars have only 10-gallon tanks. Nothing will change for smaller car owners. But as sensible as the trend to smaller cars is—and it is sensible—everyone who drives a larger car cannot be expected to immediately go out and trade his vehicle for a compact or a subcompact.

The 10-gallon limit seems to me another piece of evidence that the administration is floundering badly in its belated efforts to deal with a crisis that the administration was warned months ago was coming.

OUR FORGOTTEN MISSING

Mr. HARTKE. Mr. President, the saga of the American still missing in action in the Southeast Asia theater has not ended. While the administration gave the returning prisoners of war a deserved gala festival, they have failed in their duty to those Americans who were left behind. At last count, there are still some 1,300 Americans unaccounted for in Indochina. The Department of Defense has failed to carry out its obligations under the treaty as negotiated by now Secretary of State Kissinger. I ask unanimous consent that an article entitled "Jaycees Ask Congress for MIA Probe," appearing in the Voice of POW's and MIA's, October issue, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Jaycees Ask Congress for MIA Probe

The U.S. Jaycees has called on Congress to investigate what efforts have been made by civilian and military agencies in the government in "obtaining and verifying" an accounting of the MIAs.

The Jaycees, at their annual meeting held in Minneapolis, unanimously recommended the strong action because of what they termed "a lack of adequate action" by the government in seeking to obtain an accounting.

The organization also criticized North Vietnam for not complying with provisions of the Paris Agreement, pointing out that there were substantial reports that some MIAs may still be held captive in Southeast Asia.

They further noted that "there is reason to suspect that agencies of the United States Government may make blanket changes in status from Missing in Action to Killed in Action." The Jaycees recommended the government stop the changing of statuses of all MIAs to killed-in-action for the next five years unless there is positive proof of death.

Through a class action suit MIA families have temporarily enjoined the government from making status changes without the permission of the family. The constitutionality of the suit will be ruled on later this month.

Mr. HARTKE. Mr. President, there seems to be some confusion within the administration in this matter concerning the policy which the families of the MIA's should be taking. I believe the administration must be aware of the emotional stake which the families have in this important policy of the United States. We are all aware that article 8B of the agreement signed by the parties on January 27, 1973, and paragraph 8b of the Joint Commique of June 13, 1973, contained procedures for the parties to "Help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action."

I ask unanimous consent that an article appearing in the same issue of the Voice, entitled "DOD Statements Contrary to Administration Policy," be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

DOD Statements Contrary To Administration Policy

Mrs. Gloria Coppin of the National Advisory Board of VIVA and George Brooks, Vice Chairman of the Board of Directors of the National League of Families, stated at a New York press conference that statements made by members of the Department of Defense regarding the negotiations in Saigon are contrary to the statements of those actually involved in the negotiations and are destructive to the efforts of POW–MIA families.

According to the two spokesmen, Deputy Assistant Secretary of Defense in Charge of Public Affairs, General Daniel (Chappie) James, has been urging returned POWs, POW-MIA families, and concerned citizens to leave the issue solely to the government "experts" in order that they not hinder the delicate negotiations that are in progress.

Mrs. Coppin, who has just returned from a two-month trip to Asia, stated "I met with Col. Tombough, who heads the American delegation to the negotiations, as well as General Kingston and most of his staff who are charged with accounting for the missing. These men all admitted that the negotiations are not going well nor did any of them feel that public awareness would hinder the negotiations. Quite the contrary, most admitted that world public opinion might be the only weapon left. We were also assured by Melvin Laird that the administration policy is to support efforts to broaden public awareness of the failure of North Vietnam to comply with the peace agreement. It is difficult to understand why Gen. James is not required to comply with this policy.

"The POW-MIA families and thousands of concerned citizens have been working to inform the public that all our POWs did not return home. Although there is no evidence as to what the Communists have done with these prisoners, over 50 men who are known to be captive and are still listed as POWs by our government, neither returned nor were listed as dead by the Communists. Until the Communists account for the men they have held captive, none of the over 1200 Pow-MIA families will find peace."

Mr. Brooks said, "As our government has retained little or no leverage, a world wide public opinion campaign, which proved successful in gaining improved treatment for our prisoners, may be the only weapon we have left. This weapon is being rendered less effective by public statements such as the one made by Assistant Secretary of Defense William Clements in which he labeled those who distribute bracelets and bumper stickers as charlatans. It is difficult to understand how our government can maintain it is doing everything possible for us and yet use stronger language against us than they do against the Communists.

"Mr. Clements also maintained "There is not a single shred of evidence that any men are alive.' Where is there a shred of evidence that the men who were alive are now dead? For our government to presume that men who were known to be captive are no longer alive relieves Hanoi from the responsibility of any accounting and we will be left just as the families were in Korea—never knowing what happened to our loved ones. The President promised that he would not leave the return of our prisoners and accounting of MIAs to the good will of the enemy. Who decided the number of known captives who were not accounted for was a small enough number to make them dispensible so our government could maintain that all the POWs were home?

"General James said public discussion of the issue may give false hopes to the families. As an MIA father, I know that if this government continues to hinder our efforts to arouse public opinion by statements of that kind, they will eventually destroy not our hope for our men, but for the integrity and future of the country our men unselfishly served."

Mr. HARTKE. Mr. President, the National Board of Directors of Voices in Vital America sent a letter to the President pleading for a free voice in their quest for the truth:

> Please, Mr. President, don't allow anyone in our government to render less effective the only weapon the POW/MIA families may have left—that of public opinion.

This letter was published in the Voice, October issue, and I ask unanimous consent that it be published in the Record at this point in my remarks, for the information of my colleagues.

There being no objection, the letter was ordered to be printed in the Record, as follows:

An Open Letter to the President

Hon. Richard M. Nixon,
The White House,
Washington, D.C.

Dear Mr. President: We would like to express our thanks publicly for the concern you have shown for the POW/MIAs and their families. We have not forgotten it was under your administration the Defense Department reversed its policy and allowed POW/MIA families to discuss the plight of their men.

Once informed the American people joined in the largest and most dramatic display of brotherhood in our history to help men they had never met. This power of public opinion influenced the Communists to improve the treatment of our men, to which many returned POWs attribute their very lives.

Unfortunately, the Communists are still perpetrating a barbaric form of mental cruelty on almost 1200 POW/MIA families. This inhumanity may never be ended unless the American people are again informed and utilize the power of public opinion.

Many have said that all the POWs are home. Yet more than 50 men, who were known to be prisoners and are still officially listed as POWs by our Government, did not return home nor were they listed as dead by the Communists. Their capture was substantiated by evidence such as a letter written home, photos in captivity, propaganda broadcasts, etc.

Mr. and Mrs. Sparks have a letter from their son Don which says he is in fine health and has been held for ten months without seeing another prisoner. Is it fair that because no returned prisoner saw Don that the responsibility now falls on Mr. and Mrs. Sparks to prove that Don is still alive in order to prevent our own government spokesmen from saying. "All POWs are home and all MIAs are dead," thereby relieving the Communists from their obligation to account for Don and hundreds like him?

To presume that the Communists could possibly acount for all MIAs is ludicrous, but to presume that it takes over seven months for them to account for men who were known to be captured is just as ludicrous. Would our outrage have been demonstrated more vocally if only 50 POWs had returned and 500 known POWs had not been accounted for?

We are aware of the ability, sincerity and dedication of our delegation to the Four Party Military Team responsible for handling the negotiations and the men of the Joint Casualty Resolution Center who seek to account for the missing. These men acknowledge there has been little success in encouraging the Communists to live up to the Peace Agreement and that perhaps public awareness is the only weapon left. We have also been assured by Melvin Laird that the administration supports efforts to broaden public awareness of the failure of North Vietnam to comply with the Paris Agreement.

We can only assume, therefore, that it has not been brought to your attention that the Defense Department has been hindering the effective use of this weapon rather than supporting efforts to broaden public awareness.

This is evidenced by public statements such as the one made by Assistant Secretary of Defense William T. Clements who labeled everyone who distributes bracelets and bumper stickers "charlatans". It is also evidence by the fact that a spokesman for the Department of Defense uses every possible opportunity to urge returned POWs, POW/MIA family members, and concerned citizens to refrain from making public statements on the issue and leave it to the government "experts" lest they harm the negotiations in progress.

Such actions negate the efforts toward awakening public awareness and are completely contrary to the statements of Mr. Laird's and those actually involved in the negotiations.

Although only the Communists know whether any of them are still alive, all POWs did not return home, nor were they accounted for.

Please, Mr. President, don't allow anyone in our government to render less effective the only weapon the POW/MIA families may have left—that of public opinion.

Please grant representatives of the national organizations directly involved with this issue a meeting to clarify these discrepancies in order that your pledge of support to the POW/MIA families be fulfilled.

Respectfully,
National Board of Directors,
VIVA—Voices in Vital America.

Mr. HARTKE. Mr. President, the fate of these individuals as determined by the U.S. Government has touched every corner of America. The unaccounted for individuals come from the cities and towns of our country. The men who are missing are not without the support of their families. The Indiana coordinator for the Association of POW/MIA Families, Mr. Robert Ammon, the brother of an Air Force captain missing for more than 7 years, is a printer for the Evening Press in Muncie, Ind. On Thursday, November 1, 1973, the Muncie Evening Press carried a story of the plight of the National League of Families of American Prisoners and Missing in Southeast Asia in its urgent plea for assistance in securing the release of information concerning these Americans. There are many thought provoking questions posed in that article, which I ask unanimous consent to have printed in the Record at this point for the consideration of my colleagues.

There being no objection, the article was ordered to be printed in the Record, as follows:

MIA Families Pleading Against "Strange Silence"

(Note.—This urgent plea for public support by the National League of Families of American Prisoners and Missing in Southeast Asia, it is published in its entirety:)

At the time the United States signed the Paris Peace Conference Agreement on Jan. 27, 1973, almost 2,000 Americans—1,925 members of the Armed Forces and 52 civilians—were missing in action (MIA) or being held as prisoners of war (POW) in Southeast Asia.

Today, more than eight months after the peace agreement was signed, more than two-thirds of these men are still missing, and there has been no information of any kind concerning their fate.

The question that continues to plague the wives, parents, and children of these men is this: Is it possible that any of the missing men are still alive and in Communist hands?

There is only one logical answer: "Yes, it is possible." No one can dispute certain facts:

Some of the men who are still missing are known to have been alive and in Communist hands at one time.

Some of the men were photographed in captivity. The U.S. Government has copies of the photographs.

In other cases, the enemy issued propaganda releases including photographs of the official Armed Forces I.D. cards of certain men, stating that the men had been taken prisoner. Our government also has this information in is possession.

In still other instances, the enemy made radio broadcasts announcing the capture of American servicemen. The United States monitored these broadcasts.

But when the peace agreement was signed, and the other side handed our government a list of Americans who were to be repatriated (together with a list of 60 men who had "died in captivity"), more than 50 men previously identified as prisoners of war did not appear on either list. The Communists have since provided no information about any of them.

Similarly, many Americans who had been listed as "missing in action", but never classified as POWs, disappeared in the combat zone under circumstances that point to the strong possibility that they might have been taken prisoner. Yet, when the Communists listed the Americans who were to be repatriated, the lists included only 47 men (out of a total of 1,334 missing) who were to be repatriated. Ten other men previously identified as missing also were included on the list of those who died in captivity. This means that a total of 57 MIAs (or less than four per cent of all of the missing) were accounted for.

What happened to all of the others?

The men Hanoi claimed to capture are either still alive or they are dead. If alive, they are still being held captive. If dead, there would be no apparent reason for the other side not to list them among the 60 other Americans who they admit died in captivity. But one thing is certain, since some of the men were photographed in captivity; since the North Vietnamese took ID cards from other men; and since Hanoi claimed the capture of other specific individuals . . . HANOI HAS TO KNOW IF THEY ARE ALIVE OR DEAD.

And what happened to all of the other "missing?" When they disappeared under circumstances that pointed to the strong possibility of their capture—and their bodies were not recovered in subsequent searches of the area—it is difficult to believe they just disappeared into thin air.

In Laos alone, 317 American servicemen were listed as missing in action or as prisoners of war. But when Americans were repatriated, only six men captured in Laos (all of whom had been held captive in the city of Hanoi) were released. There was no information of any kind about the other 98 per cent. And after more than eight months of waiting, there is still nothing.

When the Paris Agreement was signed, North Vietnam agreed to assume responsibility for the release and accounting of all missing and captured Americans (and members of allied forces) throughout Southeast Asia. Article 8B of the agreement also stipulates that all parties to the agreement will "help each other" obtain information about the missing, determine the location of graves of the dead, and facilitate the exhumation and repatriation of remains of the dead.

But even though the U.S. government has given the other side complete lists of missing American personnel and requested information about these men, no information has been provided. Similarly, the U.S. government has repeatedly sought to arrange the repatriation of remains of the 60 Americans the other said claims died in captivity. But not one body has been returned.

And yet America's leaders and the American people have remained strangely silent. We have heard no great cry of public outrage. We have waited in vain for our President, our Secretary of State, our Secretary of Defense, the elected leaders of the House and Senate, the Governors of our States, our mayors, and other officials holding positions of responsibility and trust, to charge the North Vietnamese with gross deception and to demand, in the strongest possible terms, that our dead be returned and our missing accounted for.

Only since the Paris Agreement was signed last January, has the United States government issued any kind of formal protest—and this was done only after the board of directors of the National League of Families made a stern, face-to-face representation to Dr. Henry Kissinger concerning the growing dissatisfaction of the families of these men.

But this protest, when it was finally made in a formal note to the North Vietnamese from the U.S. government, on July 30, 1973, was little more than a gentle, diplomatic prod. It did not even stir the curtain of silence that continues to shroud the fate of our men.

The League of Families is now more deeply disturbed than ever that our elected and appointed leaders are not making strong public demands that the North Vietnamese and their allies account for our missing, return our dead, and explain the discrepancies that exist with respect to men who we know were captured but who were neither released nor accounted for.

The American people must be made aware that even though some of our prisoners and missing men were returned, the vast majority were not, and that more than 1,200 families all across the country continue to live in the agony of not knowing the fate of their husbands, sons and fathers.

We want our elected officials and our fellow citizens to start asking about these men.

Where are those men who were captured, who we know were captured, and who were not returned to us, who were not listed among the dead, and about whom the other side has furnished absolutely no accounting of any kind? Where are they?

Why have the bodies of the 60 men the other side identified as having died in captivity not been returned to their families? Why can't immediate arrangements be completed to return these bodies? Why?

Where are the more than 300 men listed as missing in Laos, about whom we have no information of any kind? Why has no information been provided on those taken prisoner in Laos and of whom we have capture-photographs the strongest possible evidence that they were, indeed, captured? Where are they?

Why are our search and investigating teams being denied the right to enter areas where most of the missing disappeared? Why can't they be given immediate access to these areas where the men were last seen alive? Why?

These are a few of the question we want our fellow countrymen to start asking—loud and clear.

And we want to hear them repeated at the White House, in the U.S. State Department, at the Defense Department, on the floor of the House and Senate, in Congressional hearings, in our Embassies abroad, in the chambers of our State Capitals by our Governors, our mayors, and by our representatives at the United Nations.

And we want, and demand, that these questions be asked again and again in every public forum until they have been satisfactorily answered.

Mr. HARTKE. Finally, Mr. President, this Congress must not allow the status of these individuals to go unaccounted for. The 1,300 Americans still missing are double the number of prisoners who returned home earlier from that tragic war. We must be ever cognizant of the emotions which these families possess, and must urge the Secretary of State to avail himself of every diplomatic means available to secure further information leading to the identification of those who have died, and those who may still be alive somewhere in Indochina. The plight of these men is no less than that of those we saw come home to a joyous celebration.

ENERGY CRISIS

Mr. MONTOYA. Mr. President, in the last few weeks the Congress has met the challenge of the energy crisis head on. The severity of the Arab oil embargo became clear to the Nation in October and since that time the House of Representatives and the Senate have set a remarkable legislative record by considering legislation to: First, provide emergency powers to the President; second, impose year-round daylight savings time; third, lower speed limits on interstate highways; fourth, promote energy conservation; fifth, delay clean air standards; and sixth, improve energy research and development.

Unfortunately, during this time of crisis, many people have tried to place the blame for energy shortages on certain segments of our society. Specifically, considerable criticism has been voiced against environmental groups. Some critics maintain that environmentalists are to blame for the present energy crisis and that we need to drastically roll back environmental standards to resolve the energy crisis.

Mr. President, we should not listen to those critics. While environmental statutes have had an impact on the present energy crisis, they are not the only factor behind our troubles. In addition, if we unreasonably relax environmental standards, we will lose all the gains we have made in the last several years.

The immediate cause of our energy supply crisis is the Arab oil embargo. While there is debate about the severity of this embargo, it is safe to assume that demand will exceed supply by 17 percent this winter. Shortages of heating oil, diesel fuel, residual fuel oil, jet fuel, and gasoline will be especially severe. We can only hope that the steps we have taken in the last few weeks, and the steps that will be taken in the near future, will lessen the impact of the anticipated shortages.

It is important to point out, however, that an energy supply shortage was predicted for this winter before the Arab oil embargo. In addition, many energy experts were forecasting continued supply problems for the next few years.

These shortages were the result of several complex and interrelated factors. First, there has been a rapid rise in total and per capita energy demand. Second, we have failed to use existing energy resources wisely; energy waste, not energy conservation has been our hallmark. Third, there has been a failure, for a number of reasons, of domestic energy sources to keep pace with demand. Fourth, conflicting Government policies have deterred our ability to meet demand. Fifth, the rapidly changing international situation with respect to the pricing and reliability of imported oil and gas has caused instability in our energy industries. Finally, the pursuit of environmental goals has affected energy supply and demand.

The latter problem, the pursuit of environmental standards, has had an impact on energy supply and demand. For example, many industries and utilities have had to switch from dirty fuels—such as high-sulfur coal or fuel oil—to clean fuels—such as low-sulfur fuel oil or natural gas. This has significantly increased the demands for clean fuels which were already in short supply. In addition, our attempts to improve the exhaust emissions from automobiles has slightly decreased gas mileage for most cars. Catalytic converters to be used to meet 1975 emission standards will actually increase gas mileage, however.

However, I think it is important to note that we knew improving the quality of our environment would not be easy. We knew that changes in our life style would be necessary and that certain goods and services might be more expensive. Even with these risks, the American people supported the environmental statutes recently enacted by Congress.

Several months ago, the Administrator of the Environmental Protection Agency, Mr. Russell Train, cautioned against making the environment a "whipping boy" for energy problems. As he noted:

> Environmental considerations are a part of our energy difficulties but only a part.

I could not agree more. It is important that we avoid placing the blame for highly complex energy problems on one factor such as environmental goals. The problem is much more complex than that.

On the other hand, I also think it is important that we recognize the contribution environmental goals have made to our problems and act accordingly. This is what the Congress has done. Both the House and Senate have enacted measures to temporarily modify the Clean Air Act during the present energy emergency. This legislation makes good sense, since it recognizes the problem and seeks to resolve the issue in a rational and workable fashion.

Mr. President, in the next few years we must meet both our energy supply needs and environmental goals. This task will require the United States to avoid being rigid and inflexible. Rigidity and inflexibility seldom produce reasonable solutions; indeed, they usually produce conflict. At times we will encounter problems such as the Arab oil embargo and energy shortages, but we must continue to work toward the broad national goals, such as environmental quality, we have set over the last few years.

The next few years will be important ones. We have embarked on a real challenge to continue to supply our energy needs, but to do so with environmental safeguards. The task is a large one, and there will be be setbacks and delays. In addition, the choices we will have to make will be difficult. Indeed, this problem may prove to be the most important issue we face for the remainder of the decade. I welcome this challenge.

THE ENERGY CRISIS AND CALIFORNIA JOBS

Mr. CRANSTON. Mr. President, thousands of jobs in California and elsewhere may be lost if energy and fuel shortages impact on American business and industry as many economists predict.

The new mandatory fuel allocation program gives us some breathing room. But only a little. Without it Los Angeles County could lose from 100,000 to 200,000 jobs almost immediately.

Here is how: Contingency plans drawn up by the administration in event of severe fuel shortages include limiting industrial operations to 50 hours a week. The ripple effect of massive layoffs could create social and economic chaos with many thousands more unemployed, and incredible hardships for workers, families, and businesses.

Fortunately that will be forstalled by the allocation program which will insure that Los Angeles gets its fair share of whatever fuels are available. We must add additional supplies of oil for consumer use and new sources of usable energy.

Just before the Christmas recess, the Senate passed a measure opening up the Elk Hills Naval Petroleum Reserve near Bakersfield to supply 160,000 barrels of oil a day for civilian use. Both Senator TUNNEY and I have long fought for this move. I think we can take this amount from our military and defense supplies for 1 year without adversely affecting overall defense needs. Producing oil from from Elk Hills in the amount I mentioned for a year would deplete the total supply by less than 5 percent of its total 1 billion barrels in reserve.

A bonus with the Elk Hills oil is that it is low in sulfur and will not aggravate the smog problem in the Los Angeles basin.

There are already mounting layoffs in many southern California industries, particularly in plastics and other "petrochemical" dependent enterprises. There will probably be many more layoffs next year, with or without an Arab oil boycott.

We must make proper use of the conventional fuels in reserve. And we must begin a crash program for developing new sources of energy. I am particularly interested in the potential of solar and geothermal energy.

Most important, we must keep our factories and manufacturing producing at full capacity to avoid a terrible wave of joblessness on top of an energy crisis.

DR. C. G. MELTON, SR.

Mr. FULBRIGHT. Mr. President, Dr. C. G. Melton was one of the leading citizens of Fayetteville, Ark., and his recent death represents a great loss not only for his family but for the entire community.

Dr. Melton was a leader in many civic activities, and among his many contributions was 18 years of service on the Fayetteville Board of Education. He was also a leader in the optometric profession.

As the Northwest Arkansas Times said in an editorial:

> The list of achievements that grace Dr. Melton's name is awesome.

I concur with the Times editorial's conclusion:

> His sort is all too rare, and he will be missed.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Northwest Arkansas Times of December 1 and an editorial from the Times of December 3.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DR. C. G. MELTON SR. KILLED IN ASH FLAT HIGHWAY CRASH

Dr. C. G. Melton, 73, Fayetteville optometrist, was killed and two other persons suffered minor injuries Friday in a two-vehicle crash at the intersection of U.S. Hwys. 167 and 62 near Ash Flat (Sharp County), State Police said.

Injured were Dr. Melton's wife, Mrs. Josephine Melton, 69, of Fayetteville, and Ronald J. Yates, 33, of Ash Flat. Neither was believed seriously injured. Mrs. Melton was returned to Fayetteville following the accident.

State Trooper Bill Couch said the accident occurred when a car driven by Dr. Melton pulled into the path of a pickup truck driven by Yates.

YELLVILLE NATIVE

Dr. Melton was born April 28, 1899 in Yellville, the son of William T. and Ruby Sims Melton. He was educated in the Yellville Public Schools, attended Hendrix College and was graduated from Northern Illinois College of Optometry. He had practiced optometry in Fayetteville since October 1923.

He had been a member of Central United Methodist Church for 48 years, was a past chairman of the Board of Stewards and held innumerable other leadership positions. He served as a member of the Board of Education of Fayetteville for 18 years and was a member of the Huntsville State Vocational School Board.

Dr. Melton was the first president of the Fayetteville Community Chest, now the United Fund, and served on the first Arkansas Economic Council. He was also active in the Fayetteville Lion's Club and served as a past deputy district governor. He was a 32nd degree Mason.

MANY HONORS

He was named an "Arkansas Traveler" in 1949 and was the recipient of many honors in his profession, including an honorary degree conferred by Southern College of Optometry in 1970.

He is survived by his widow; a son, Dr. C. Garland Melton Jr. of Fayetteville; a daughter, Mrs. James Bennett of Orange, Tex.; two brothers, Oscar and W. O. (Doc), both of Jonesboro; a sister, Mrs. Zol Pulliam also of Jonesboro; and four grandchildren.

Funeral services will be conducted 3 p.m. Monday at Central United Methodist Church by Bishop Paul Galloway and the pastor, Dr. Joe Cooper. Burial will be in Fairview Memorial Gardens under direction of Moore's Chapel.

DR. C. G. MELTON SR.

Dr. C. G. Melton Sr., 73, was in every sense of the word a good citizen. Every roll call of residents, on behalf of community projects, has found Dr. Melton prominently in the vanguard. His death last weekend is a tragedy not only for the family, but for this community as well.

The list of achievements that grace Dr. Melton's name is awesome. He has served with distinction in educational, church, civic, professional and business leadership circles. The Fayetteville school system, among other local facilities, owes a considerable debt of thanks for Dr. Melton's sagacious leadership during a period of more than a generation ago when planning for an uncertain future was less rewarding a task than in today's fast pace of events.

Another area where Dr. Melton will be missed, particularly by those with whom he took time to share his thoughts, is in local, state and national affairs of government. Dr. Melton nurtured an uncommon interest in public affairs of all sorts, and the "politics" of Fayetteville's water and sewer "growth area" was just as welcome grist for his mill as political ambitions at the state level among his personal acquaintances, or even Watergate. He had an extraordinary sense of history, current as well as influentially from the past, which, in our view, was an asset to his community leadership.

His sort is all too rare, and he will be missed.

MUSEUMS

Mr. PELL. Mr. President, I wish to call to the attention of my colleagues a survey recently published on museums by the National Endowment for the Arts.

The survey is a synopsis of a much more detailed analysis scheduled for publication this coming spring. I commend Miss Nancy Hanks, chairman of the endowment, and her staff and the National Council on the Arts for the initiatives they have taken, with congressional encouragement, for this comprehensive documentation of an area in our cultural life which needs our best attention—the museums of our Nation, which serve both to enrich our lives and to educate us. They face critical problems and they have urgent needs, if they are to fulfill their potentials as the reservoirs of our national heritage and as sources which increase pleasure and abiding knowledge.

Mr. President, in this Congress, as well as during the 92d Congress, I have introduced legislation to assist museums so that they can better meet the increasing demands our people are placing on them. As described in a recent article in U.S. News and World Report, museum attendance in our country has increased fivefold in just 10 years—from 200 million annual visits by individuals to more than 1 billion. In applauding such a rapid growth rate, we must recognize that it means greatly added costs for museums, and that these costs also reflect a time of inflation.

The survey conducted by the National Endowment for the Arts covers 1,821 museums throughout the country, in the 50 States and the District of Columbia. It covers museums both large and small. Criteria governing the survey include stipulations that the particular institution has permanent facilities open to the public on a regularly scheduled basis and an operating budget of at least $1,000 per month while the museum is open, plus at least one full-time paid employee with academic training or special knowledge relating to the major subjects represented in the museum's collection. For purposes of the survey operating budgets do not include money spent on major capital improvements of acquisitions for collections. Institutions covered are nonprofit and tax-exempt.

Mr. President, I intend to discuss this survey again at a later time, but I would like to point out to my colleagues now some most interesting conclusions:

One. Operating costs have increased markedly in 90 percent of the museums surveyed.

Two. Annual operating expenditures for the museums surveyed total close to $480 million—$478,912,000. Again, not included in these figures are major capital expenditures.

Three. Two-thirds of the museums surveyed find their current budgets do not enable them to provide adequate services.

Four. To achieve proper utilization of their facilities, museum directors report that a median budget increase of 45 percent will be required within the next 2 to 3 years.

Translating these findings into specific and conservative amounts we can see that increased museum needs—only for operating expenditures as defined—will total approximately $144 million within the above time span. Two-thirds of $480 million is $320 million, and a 45-percent increase of this latter figure is $144 million.

Mr. President, the Museum Services Act, S. 796, which I introduced on February 7 of this year, provides for a new program of assistance to museums, especially in the important area of operational and administrative costs. This legislation calls for authorizations beginning at $25 million for the first fiscal year of the new programs and $30 million in succeeding fiscal years, through 1977. In light of the survey I have described, these authorizations can be considered modest in terms of needs.

I am very pleased that this legislation has been cosponsored by Senators KENNEDY, PASTORE, HUGH SCOTT, MONDALE, MOSS, RIBICOFF, SCHWEIKER, HUMPHREY, MANSFIELD, MATHIAS, and INOUYE.

Comprehensive hearings were held in July on this legislation under my chairmanship. Museum leaders from all sections of our country testified enthusiastically in favor of the concepts I had proposed. The hearings, dealing with all aspects of museum needs, have been published in a volume of almost 1,200 pages. I recommend this volume to the attention of my colleagues, for I believe the hearings contain the most detailed information on museum needs and potentials ever assembled in the Senate.

Unfortunately, the present administration has taken a very negative view on the proposed legislation, indicating that museum needs are being met by the National Foundation on the Arts and the Humanities and by the more modest programs, primarily of technical assistance, conducted by the Smithsonian Institution.

Mr. President, exemplary as are the programs conducted by the foundation and its two endowments, and by the Smithsonian, these programs fall far short of meeting the needs I have outlined. Moreover, there is a philosophic difference of viewpoint. Essentially, both the National Endowment for the Arts and the National Endowment for the Humanities concentrate on programs and projects to assist museums which relate to an expansion of services and greater community service. Welcome as is this support, repeatedly during the hearings museum leaders testified concerning the difficulty of expanding services when financial stringencies dictate a curtailment rather than an expansion of endeavors, and when endowment procedures do not include general operational support.

Mr. President, I intend to pursue the goals I have prescribed in S. 796 in the next session of the 93d Congress. Particularly do they appear relevant as we prepare for our Bicentennial Celebration, when our Nation's museums can play a major role in providing our Nation and its visitors with the very best possible services, and with exhibitions and programs which will truly reveal our heritage and our important cultural contributions.

Particularly, do these goals seem relevant to the future beyond 1976 and to the ever-growing numbers of our people who find in museums new sources of knowledge, enrichment, and entertainment.

In addition, 82 percent of the museums surveyed emphasize the need for conservation and preservation of the objects their museums contain. As I pointed out in the July hearings, "virtually all our museum directors preside at the moment over deteriorating collections" and "unless we act with dispatch the hundreds of millions of people who now visit our museums annually will have much less to see and appreciate and know and understand by the end of this century."

Conservation and preservation assistance is also implicit in the Museum Services Act.

Mr. President, two recent articles—one I have mentioned from U.S. News & World Report, and one from the Washington Post—deserve our attention as we consider museum potentials and museum needs.

I ask unanimous consent that both articles be printed in full in the RECORD at the conclusion of these remarks.

There being no objection, the articles were ordered to be printed in the RECORD as follows:

PACKING THEM IN—"NEW LOOK" MUSEUMS

A new kind of museum—part university, part theater, and part carnival—is now emerging in hundreds of cities and towns across the U.S.

Offering attractions from colonial villages to simulated space flights, America's 5,000 museums are moving away as never before from the musty, formal institutions of the past.

As a result, museums are packed with unprecedented crowds.

On one day recently, the buildings of the Smithsonian Institution in Washington, D.C., were jammed with 84,000 people. In California, visitors were lined up for blocks to view an art exhibit at the Los Angeles County Museum of Art. In Chicago, throngs totaling 15,000 at a time are common at the Museum of Science and Industry.

"It's really incredible," said John E. Peetz, director of the Oakland, Calif., Museum. "We're packing them in—all kinds of people who wouldn't have gone anywhere near a museum a few years ago."

In just over a decade, attendance nationwide at such institutions has climbed from about 200 million annually to a projected total of more than 1 billion this year. Among reasons cited for the boom are the increase in leisure time, growing curiosity about the nation's history, and a greater awareness of science and culture.

BARGAIN ENTERTAINMENT

Also a factor is free or low-cost admission to most museums—one of the biggest bargains in education and entertainment left to the public. At a time when most other activities are expensive, many museums have resisted pressures to raise prices.

It's the dramatic shift in the approach to exhibits, however, that is regarded as a primary reason for the boom in visitors.

One of the biggest changes is the growing emphasis on "total immersion" exhibits which often include working models, movies and tape recordings to give the visitor the impression that he is participating in an event.

Banished to the basements in some museums are many of the old-style glass-top showcases which used to be the standard for displaying most items from Civil War uniforms to rare stamps.

The "new look" is typified in a huge new hall soon to be opened in the Smithsonian Institution's Museum of Natural History.

Containing such elements as a four-stories-high "rain forest"—actually trees made of fiber glass and plastic—the exhibit adds to a lifelike quality with a wide variety of recorded sounds, including the howling of a tropical storm and a cheetah's cry.

Movies, slides and a recorded narration help to explain the interrelationship of all forms of life and man's impact on the environment.

THE AGE OF FLIGHT

Many other new techniques are being tested in anticipation of the opening of the Smithsonian's National Air and Space Museum scheduled in 1976.

Three blocks long and six stories high, the 40-million-dollar building in the nation's capital will contain 27 major halls utilizing virtually every device known to technicians to recreate the days of flight from balloons to spacecraft.

Among main attractions planned for the edifice: a chamber inside a mock space ship which will give the visitor the impression that he has embarked on a flight to the moon.

"We want this to be one of the most exciting and educational experiences available to museum visitors anywhere," said Melvin B. Zisfein, deputy director of the new facility.

Another approach is that of the Oakland Museum, which is capitalizing on events such as folk festivals and craft shows to attract wider audiences. The four-year-old museum has increased attendance from 40,000 a month in 1970 to more than 100,000 by such means as celebrations that include exhibits of art, singing and dancing and meals—all reflecting a particular heritage. American Indians and citizens of Chinese, Mexican, African and Greek ancestry are among groups that have participated. Explained John Peetz, museum head:

"We want this building to seem like an extension of the people's culture, and to get away from the idea that it is a stuffy, forbidding place for the elite only."

SEEING—BY HAND

In Louisville, the J. B. Speed Art Museum has opened a "touch and see" gallery for blind people. Six especially trained guides lead visitors through displays of sculpture and paintings, explaining the significance of what the hands feel.

Attendance at the Louisville institution has increased almost 100 per cent since 1960 to a projected total of about 65,000 this year.

Another increasingly successful operation is the Museum of Fine Arts in Houston, which is scheduled to open a 4-million-dollar addition Jan. 15, 1974.

Smaller museums, too, have expanded their activities in many areas. Although it is off the most heavily traveled tourist circuits, the Norwegian-American Museum in Decorah, Ia., has added considerably to its inventory, and is enjoying a modest boom.

Featuring art work, buildings and costumes of Norwegian settlers in the U.S., the organization has expanded from a three-story building into additional structures including a nineteenth-century church and a stone mill. The number of visitors has risen to 25,000 annually from 10,000 a decade ago.

Said Mrs. Betty Seegmiller, an official of the museum:

"One of the main reasons for our growth is greater interest in national heritage. Lots of people—not only Norwegian Americans—come here to see how our forefathers built a new nation."

Many museums, recognizing that some people can't travel far from their homes, have assembled small art and science collections that are transported from neighborhood to neighborhood and town to town.

Permanent exhibitions have been established in outlying areas by some major museums. One such operation is the Studio Watts Workshop in the Watts community of Los Angeles, a predominantly black neighborhood, which was swept by rioting in 1965.

The activity is sponsored jointly by such organizations as the Los Angeles County Museum of Art, the De Young Museum of San Francisco, and the National Endowment for the Arts. Much of the emphasis is on encouraging local youngsters to produce their own art works.

FRIENDS AND HELPERS

Many museums encourage direct community support through membership programs that provide money as well as volunteer labor for hundreds of projects.

The Smithsonian Associates, for example, is a group of 35,000 dues-paying contributors, and the Norwegian-American Museum has 2,200 members.

Despite such efforts, many curators complain that they are unsure of what the public really wants in museums. To provide more information, several organizations have undertaken surveys to help offer guidance. For instance, the Smithsonian is investigating the effects of crowded and uncrowded galleries on the visitor's receptivity.

Scientists also are studying such phenomena as finger marks on display cases for clues about what is interesting and what is not.

A display of historical surgical instruments, for example, was recently graded zero for interest when it was discovered that the cases containing them were totally unblemished. Exhibits of old guns and dolls, on the other hand, rate high on the "smudge scale."

Some institutions are investigating ways of involving the visitor more directly in the activity he is viewing. The Smithsonian is considering machines which will allow a viewer to punch buttons for tape-recorded answers to questions which still puzzle him after he has seen a scientific display.

THE MONEY PROBLEM

Many of these innovations are expensive and strain the financial resources of institutions which often rate low on the priorities of local, State and federal budgets. The situation, in many cases, is even more serious for privately financed organizations dependent on investments which have not kept pace with inflation.

All told, America's museums cost an estimated 3 billion dollars a year to run—far more than revenues from visitors. Officials of the American Association of Museums have warned the U.S. Congress that substantial aid from the Federal Government will be necessary to keep many institutions in operation.

Other problems include maintenance of historical materials—many of which are falling victim to increased pollution in America's cities, and the crush of larger crowds filling the museums.

In the Smithsonian alone, there are 75 million objects—many of which require constant custodial attention.

Estimates are that there will be a need in the U.S. over the next decade for nearly 400 conservators—highly skilled technicians who can restore everything from Egyptian mummies to old radio sets—compared with a prospective inflow of only about 220 of such experts.

Over all, however, most administrators believe the problems can be solved, and that museums will play an increasingly important role in the education and entertainment of all kinds of Americans.

Observed Paul N. Perrot, who is assistant secretary of the Smithsonian:

"We have become a university complementing the other institutions of learning. Seeing and understanding historical objects has become a very important part of American life."

Museums: Profiling an Ailing Institution

(By Jean M. White)

Here is a half-billion-dollar-a-year industry, staffed two-thirds by volunteers, housed in aging facilities (one in five in buildings over a half century old), forced (36 per cent) to cut back services in face of a rising demand (308 million visits a year).

This is the profile of the nation's hard-pressed museum system that emerges from the most comprehensive study ever made in the field.

A summary of the key findings was released yesterday in "Museums USA: Highlights" by the National Endowment for the Arts. A report providing detailed figures and an analysis of the study is being prepared by Sen. Claiborne Pell (D-R.I.) to authorize

Altogether, the survey covers 1,821 of the nation's museums, nearly all those that are open at least three months a year for a minimum of 25 hours a week, are non-profit, tax-exempt and have at least one full-time paid employee with professional knowledge or training.

Their annual budgets range from $3,700 to $20 million, and the museums vary in size from a small county historical museum to the Smithsonian Institution and the Metropolitan Museum of Art.

Since the survey does not provide figures on individual institutions, there are no specific statistics on Washington's family of museums. The situation here is hardly representative, with federal subsidies helping the large government museums.

The preliminary study makes no recommendations and does not attempt to pull together an analysis of the statistics. But the bare figures point up starkly the ailing condition of the nation's museums. Here are some of the findings:

Over the last five years, more than one-third of the museums have been forced to curtail services or staff under financial pressures. Some museums have closed off whole wings; others have shortened hours.

The primary facilities of 41 per cent of the nation's museums are 30 or more years old. One in five of the museums is using facilities that are more than 50 years old.

Of the 110,000 museum work force, nearly two-thirds are unpaid volunteers. There are 30,400 full-time paid personnel and 18,700 part-timers.

The public is using the nation's museums more and more. A total of 308,205,000 visits were made to the museums surveyed in the last fiscal year.

During fiscal 1971–72, the 1,821 museums spent $478,912,000 for operating expenses exclusive of major renovations and acquisitions. Fifty-nine percent of this went for personnel.

Sixty-three percent of the income ($513,341,000) for the museums came from the private sector. The federal government provided 12 percent (or $60,778,000) last fiscal year. But that figure must be viewed in the perspective that most (all but $13.5 million) went to support federal museums, including the Smithsonian.

The year-long $350,000 survey is the first major research project undertaken by the National Endowment for the Arts.

Nancy Hanks, the endowment's chairman, has emphasized the need for solid data to fashion the most effective programs to help museums. Many of these needs, she also emphasizes in the report's forward, "can be put in the perspective of the needs of all cultural institutions . . ."

Under Miss Hanks, the Arts Endowment launched a million-dollar pilot program of assistance to the nation's museums in January, 1971. By fiscal 1973, the program had grown to $4.6 million, with grants mainly for special exhibits, catalogs, acquisitions, preservation and training.

But the American Association of museums is pressing for direct federal aid to museums with money primarily for maintenance, operation and major renovation where necessary. These are the areas where museums are hurting the most, AAM director Kyran McGroth says.

The association is backing a bill introduced by the endowment for spring publication.
up to $30 million a year in direct federal grants to help museums operate and renovate.

Museums are worried now that the energy crisis will curtail operations. But apart from the cost of heating, the real worry is being allocated enough fuel to maintain climate control. Humidity and temperature must be carefully maintained to preserve paintings and precious objects of art.

Beyond the statistics on finances and staff, the endowment's survey touched on the views of directors on what they think are the most important functions performed by museums.

In putting priorities on 10 given museum functions, 84 percent of the directors listed exhibiting cultural and/or scientific heritage for the public as very important. At the same time, nearly the same number (82 percent) also gave priority to conservation and preservation of objects.

There has been an increasingly fierce debate in museum circles over whether emphasis should be on reaching out to the community and attracting crowds with showmanship or on the function preserving and extending a scholarly and cultural resource.

The endowment's survey was supervised by Ana Steele, the director of budget and research, and her assistant, Anne Clark, Judith Smith prepared the highlights report.

NATIONAL GROWTH POLICY

Mr. HARTKE. Mr. President, for the last 2 years I have endeavored to make the Congress, Federal, State, and local officials and the public aware of the need to formulate a national growth policy to fulfill the need for a blueprint for our Nation's domestic policy. In the 92d Congress I sponsored the National Growth Policy Planning Act of 1972. Senator Tunney joined in cosponsoring that measure. In the 93d Congress I introduced the National Growth Policy Planning Act of 1973, a more broad and complicated prodigy of the first bill. I also introduced the National Growth Policy Employment Act of 1973.

As part of my effort to not only lead but to generate sufficient public support for the development of a national growth policy, I undertook an extensive public information program. I responded to the scores of letters concerned with my three proposals with a cogent analysis published in the Catholic University Law Review entitled, "Toward A National Growth Policy." In the last few months we have all seen the fruition of those efforts. The Congressional Research Service will soon hold its second series of seminars on national growth policy. A recent "National Conference on Managed Growth" attracted more than 400 people, most of them planners and local government officials from across the Nation. Several Senators have circulated memoranda discussing the possibility of the development of a Select Committee on National Growth Policy, and Governor Rockefeller of New York will soon unleash a National Commission on the Future of America to gather data and recommendations for public policy not in 1 or even 3-year spans but for decades and generations to come.

All of these events lead to the conclusion that the time is ripe for Congress to act. The needs of the Nation in housing, environment, education, rural development, and equal opportunity require us to undertake a concerted look at our Nation's growth.

Mr. President, I ask unanimous consent that an article on "no-growth zoning" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 18, 1973]

PLANNERS WARNED ON NO-GROWTH ZONING

(By Susanna McBee)

CHICAGO, Sept. 17.—A Washington lawyer who specializes in urban planning cases warned today that courts are going to look closely and skeptically at community efforts to slow growth.

Many local localities across the country are adopting no-growth or slow-growth policies.

"Judges will be especially skeptical of policies that don't come from well thought out plans that address themselves both to community and regional needs," said Herbert M. Franklin of the Frosh, Lane & Edson law firm.

Franklin, who is handling the legal challenge to the federal government's moratorium on housing subsidies, spoke to the National Conference on Managed Growth. The three-day session has drawn more than 400 people, most of them planners and local government officials, from 42 states.

"Zoning controls are not contraceptives," Franklin said. "Their proper role is to channel growth, not prevent it."

He noted that Boca Raton, Fla., decided by referendum last November to limit its population, now 40,000, to about 100,000 and that it now is about to undertake a study to show that the "population cap" is reasonable because of environmental factors.

"It seems to me that a population cap unsupported by any rationale cannot pass a court's test of reasonableness," he said.

Franklin, recalling a recent Michigan case in which a court struck down a locality's exclusion of mobile homes, said the burden of proving that an ordinance is valid may be shifting to the community. In the past, challengers had the burden of proving it unreasonable.

He also cited a case last year in which the U.S. Supreme Court upheld the timed-development plan of Ramapo, N.Y., which tied growth to a capital improvement program and had the effect of halting some development for as long as 18 years.

The Ramapo case shows a properly constructed plan may persuade the courts, Franklin said, but he argued that a population cap law without such a plan "should fail."

He referred to another 1972 case in which the U.S. Court of Appeals for the First District reluctantly upheld the efforts of Sanbornton, N.H., to stop the Steel Hill Development Corp. from building a big second-home community by rezoning certain land for six-acre lots.

In that case, the court chastised the town for not adequately planning for growth and made it clear that restrictive zoning merely to stop population expansion would not be permitted.

However, Franklin said, the court confessed it had been caught between ecological and population pressures and had opted for ecology.

He said referendums to cap growth present a conflict between "community self-determination and certain values we hold dear as a nation. I guess I don't subscribe to the idea that the right to travel and to seek a better livelihood and a better home should be put to a referendum."

Another speaker—Dennis L. Meadows, who teaches at Dartmouth and who wrote a book last year called "The Limits to Growth"—suggested that communities may have to stop trying to provide the best of everything for their citizens.

California once thought it could provide the best schools, jobs, health services, and recreation areas, and now, because of taxes, congestion, crime, and the welfare load, its attractiveness has been reduced, Meadows said.

"We have to be a little more philosophical about what our options are and stop reaching for Utopia," he said, citing the state of Vermont, which rates low in job opportunities and average income but high in open space and personal safety.

OCEANS POLICY RESOLUTION

Mr. FULBRIGHT. Mr. President, yesterday approximately 55 Senators cosponsored the Senate oceans policy resolution (S.Res. 222). I was quite pleased to be included in that distinguished group.

The oceans and marine-related activities are destined to play an important role in the future of man's world. The manner in which we utilize the seas will have a profound effect on the world's economy, its ability to meet increasing demands for food and raw materials, and the quality of its environment. For example, the explosive growth in the world's population is creating enormous demands for protein. It has been estimated that the world's oceans could provide an annual yield of approximately 300 to 400 million tons of fish, which if properly distributed, could meet most of the protein needs of 6 billion people. However, this goal is impossible to achieve without effective national and international arrangements for the rational management of the world's fish resources.

Similar arrangements are needed to develop fully and wisely the mineral wealth of the seas. This is particularly true in view of our current energy crisis. However, as vital as this development is to our national economy, it must be tempered by strong environmental considerations. Man's destruction of the environment is all too often ignored because of immediate economic advantage.

For these reasons and many more, it is essential that our country develop a strong, coordinated policy with respect to the oceans. However, our country's marine interests are vast and complex. The accommodation of these varied interests requires a unified plan for both national and international action. This plan must provide for an immediate attack on present problems along with a long-range program to develop a framework of laws and institutions which will create a foundation for future productive marine activities.

The Foreign Relations Committee, through the Subcommittee on Oceans and International Environment, under the able chairmanship of Senator PELL, has been concerned with our country's international oceans policy for a number of years. The hearings conducted before this subcommittee have attempted to provide the executive branch with congressional guidance in this area. In a continuation of this process, I look forward to cooperating with the study committee proposed by this resolution. Hopefully, this committee will come forth with recommendations designed to develop a uniform and coordinated national policy which can effectively deal with the problems associated with the various uses of the oceans.

In conclusion, I urge my fellow Senators to support this resolution and to give the problems of ocean space the attention they deserve.

EMBOSSED MONEY FOR THE BLIND

Mr. HARTKE. Mr. President, on November 20, I introduced, with the cosponsorship of Senator ABOUREZK, S. 2733 which calls for the embossing of our paper currency with numerals which can be "read" by the blind. Representative RARICK has introduced a similar proposal in the House of Representatives.

Many have thought it impossible to create an identification on our currency which would benefit the blind. I, therefore, am pleased to inform my colleagues that I have received from Mr. F. Morton Reed of Wooster, Ohio, an example of monetary embossing which has been suggested to the Bureau of Engraving.

Under Mr. Reed's creativity, the numbers in the corners of our currency would also contain a braille number raised for easy identification. The number "1" on a $1 bill, for instance, would contain three vertical rows of dots within its borders; the number "5" would be overprinted with a "V"; the number "10" with an "X"; the number "20" with two horizontal parallel lines through its center; the number "50" with an "L"; and the number "100" with a "C". Each of these embossed numbers would be easily identified by a blind person. An illustration of Mr. Reed's proposal can be found in the August 4, 1971 edition of "Coin World."

Mr. President, we can help those without sight to live in a world created by and for sighted people by adopting S. 2733. I urge my colleagues to give this measure serious consideration.

HENRY BRADLEY

MR. EAGLETON. Mr. President, last week Missouri lost one of its greatest newspapermen and civic leaders. Henry D. Bradley, publisher of the St. Joseph News-Press and Gazette for 17 years, died last Friday.

Mr. Bradley was not only a pillar of fairness and objectivity in the news business, but a man who considered the news more important than the expense it took to gather it. His leadership was valued greatly not only by his associates in the newsroom, but also by the Associated Press, which he served as director and vice president.

Mr. Bradley's journalistic accomplishments were equalled by his civic accomplishments, for which he will be missed by the people in St. Joseph. Just 20 years ago he helped organize the "Citizens' Improvement Association," which successfully guided bond issues for needed improvements through to passage.

St. Joseph and the State of Missouri will feel for a long time the loss of this great newspaperman and community leader.

Mr. President, I request unanimous consent that a newsstory and an editorial from the St. Joseph News-Press about Mr. Bradley be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HENRY D. BRADLEY

Sometimes an adopted son turns out to be a more dutiful and loyal member of his family than some of his natural brothers and sisters.

Such a man was Henry D. Bradley, who came to St. Joseph on Dec. 1, 1939 and immediately entered into the community spirit and activity of the city.

The news accounts of his death on Friday have told his life story and his accomplishments. Actually, he needs no tribute here because his deeds themselves have become a monument to him.

But because he was the head of this newspaper for so many years it is only fitting that he be mentioned in these editorial columns.

It is not easy to write of the death of a person with whom one has worked for a long time. It is difficult from an emotional standpoint.

If we were asked to state the one word that best described Henry D. Bradley it would be "integrity." Here was a man whose opinion was respected and who never went back on his word.

He left the News-Press and Gazette a larger and stronger organization than he found it. He left St. Joseph a better city than when he arrived. He also served the state of Missouri and the Associated Press well.

What more can be said?

PUBLISHER HAD MAJOR ROLE IN CITY GROWTH

Recognition of the role Henry D. Bradley played in redirecting the civic and industrial thinking of St. Joseph from inaction toward betterment and growth was expressed in a number of ways Friday by associates of the former St. Joseph publisher.

And from offices of the Associated Press in New York, N.Y., came an expression of the contribution he had made in the field of journalism during his 65 years as a newspaperman.

Mr. Bradley, 80, publisher of The News-Press and Gazette about 17 years, died Friday afternoon after an illness of two and a half years.

Funeral services will be at 1:30 Monday afternoon at Christ Episcopal Church, 7th and Francis streets. The Rev. Howard C. Rutenbar will officiate and burial will be in Memorial Park Cemetery.

Mr. Bradley was active in a number of newspaper organizations, linking the newspapers here to other sections of the country and other newspapers.

His associates in the newsroom in St. Joseph were especially proud of Mr. Bradley's association with the worldwide news-gathering organization, the Associated Press, as both director and vice-president.

An expression of his value to that organization was voiced Friday in this message from Wes Gallagher, president and general manager of the association in New York. Said Mr. Gallagher:

"The Associated Press feels a deep sense of loss for the death of Henry D. Bradley who served for many years on the board of directors.

"His views on news and business affairs were extremely valuable to the Associates Press board and its members. His lifelong friendship with the AP was deeply valued."

Speaking for Mr. Bradley's newspaper associates here, Merrill Chilcote, editorial page editor and former managing editor of The News-Press; said Friday night:

"Mr. Bradley was always thinking of the reader and spared no costs in providing the best possible news sources for The News-Press and Gazette.

"At a time when other newspapers our size had only a single Associated Press wire, Mr. Bradley insisted we carry five Associated Press wires, plus International News Service and United Press.

"Even during World War II when newsprint was scarce and newspapers small, he wanted the St. Joseph subscribers to have the very best available in news sources. He did this at considerable expense.

"Today, following his policy, we still have much more news come into the newsroom each day than could ever be published in a single paper. Mr. Bradley wanted to be sure the newspapers were not scooped," Mr. Chilcote said.

It was just short of 20 years ago, Jan. 9, 1954, that Mr. Bradley and other St. Joseph business and civic leaders organized the "Citizens' Improvement Association." It was an organization whose aim was to promote city improvements and was patterned after its forerunner "Citizens for Improvement," an unincorporated organization of citizens which Mr. Bradley had organized for a successful 1953 improvement bond campaign.

Its bylaws read in part: "to promote plans for bettering the St. Joseph metropolitan area, assisting public officials with those plans, getting the people to participate in this program, and doing all this in a 'non-political' manner."

The original incorporators of the organization were Francis Smith, C. A. Semrad, Henry D. Bradley, Warren S. Welsh, A. J. McNally, Orwin O. Anderson, E. W. Stimble Jr., Joseph Bushman, Leroy Mead, Gilbert Burnham, Walter A. Bauer, Robert B. Chesney, True Davis Jr., Robert E. Douglas, M. Karl Goetz, E. Y. Lingle, Arthur J. Loutch and Don Spalding.

It was this group which subsequently guided the bond issues which financed the lighting of city streets in many unlighted areas, extending new sewers and improving city streets in older sections of the city as well as the area annexed in 1954–58. The organization is no longer active.

St. Joseph's mayor at the time was Stanley I. Dale, a young attorney. Still active as a practicing attorney and as an observer and sometimes critic of municipal affairs, Mr. Dale said Friday that St. Joseph "has lost one of its greatest champions."

He said further: "Mr. Bradley and I worked together closely while I was mayor. His leadership of Citizens for Improvements campaign was an example of his sincere dedication to public service. He sought no personal recognition for his tireless endeavors and his friendly personality caused tension to evaporate at any meeting. In his death, we have lost a truly great citizen."

Emphasizing the influence of Mr. Bradley's efforts toward industrial growth of the city, Clint Coons, former Chamber president and long an active worker in search for new industry here, described Mr. Bradley's work in that area of community betterment.

"He was the sparkplug of an industrial effort that was started about 20 years ago which has blossomed out so much in recent years." Mr. Coons said. "Henry Bradley was a very dedicated man, and certainly was a tireless worker in industrial development and in seeking new payrolls in the community. He was a man of trust and integrity who could represent St. Joseph and gain the respect of the highest leaders of industry. His passing is a great loss to the community."

Clovis McWilliams, insurance executive who was president of the Chamber of Commerce in 1954 during the expanding influence of the improvement group, said Friday night:

"I remember Henry Bradley very vividly for the tremendous amount of work he did at that time. I know that Citizens for Improvements looks like a small start for a turn-around in the thinking of St. Joseph and the direction toward what it will someday be. In those days, we were wishing and working for some of the things which are happening now.

"Always at the meetings for civic improvements, whenever the issue arose—as it almost always did—that a 'clique' was running the Chamber of Commerce, Henry Bradley would good-naturedly suggest to critics that anyone who wanted to join the clique had only to raise his hand and roll up his sleeves. 'Then you'll be a part of the clique' he would tell them."

In addition to civic and business affairs, Mr. Bradley was deeply involved in Masonic activities of St. Joseph and Northwest Missouri. Elton Klamm, also a former potentate of Moila Shrine here, said Friday that "Brad," as Mr. Bradley was known by close friends, was never halfway in his approach to any undertaking.

"Not only in business but socially and fraternally, 'Brad' was a prime mover in everything he believed in—as a servant of the readers of his newspapers, as a business-industrial development booster, as a worker for our city and our state, his church and the Masonic fraternity he loved. He attained the highest rank in Masonry, said Mr. Klamm. "I valued his comradeship and his counsel, as he was a wise, thoughtful and considerate man."

Following his stepping down in 1956 from the post of publisher of the St. Joseph newspapers, Mr. Bradley was active as president of the firm until his illness July 1, 1971.

RETIREMENT OF THOMAS J. SCOTT, STAFF DIRECTOR, COMMITTEE ON APPROPRIATIONS

Mr. McCLELLAN. Mr. President, on the occasion of the retirement of Thomas J. Scott from the staff of the Senate Appropriations Committee, I deem it appropriate to say a few words in recognition of the outstanding service that he has rendered to the committee and to the Senate over a period of three decades.

In an age when superlatives are frequently used with relative abandon, it is difficult to convey with the sincerity intended the high regard with which I hold Tom Scott, both as staff director of the committee and as a man. I am confident that this feeling is shared by all the members of the committee as well as those members of the Senate who have been fortunate enough to know him. In 1964 Senator Carl Hayden, the then chairman of the committee, referred to Tom's service with the committee as constituting—and I quote—

> The most outstanding performance by a member of any congressional staff that I have observed during my 50 years of service in the Congress.

I am not certain just when it was that I first became aquainted with Tom. It may well have been in 1943, when I came to the Senate from the House and he was detailed to the Senate Appropriations Committee from the Federal Bureau of Investigation. We were in the midst of World War II and the work of the committee had increased markedly as a result. Senator Kenneth McKellar, who was then acting chairman of the committee, recognized the urgent need for additional staff personnel to assist Everard Smith and Cecil Tolbert, the two principal clerks, who had handled practically all of the appropriations bills prior to that time. Senator McKellar asked FBI Director J. Edgar Hoover if he might borrow one of his best men.

Tom had worked for the FBI since 1934, first in a clerical position, later as a special agent, and still later in a supervisory role in the Washington headquarters, where his fine work had come to the attention of the Director. In fact, when Tom had been with the FBI 10 years, Mr. Hoover wrote to him glowingly, stating:

> The Bureau has grown greatly during these years, and you may well take pride in the knowledge that your efforts have contributed much to our present success. The personal sacrifices that you have been called upon to make from time to time have been reflected in the efficient operation of the Bureau.

In detailing Tom Scott to the Senate committee, even Mr. Hoover, fine judge of character and ability that he was, could hardly have been able at that time to assess fully the monumental favor he was doing for the committee, for only rarely, in my judgment, does one find a man so admirably fitted for the responsible position he has held as does Tom Scott.

Tom quickly demonstrated his ability to assimilate needed information, assess its value through accurate appraisal, and thus expedite the staff work needed to speed vital war measures through the committee and Senate. In 1945 he resigned from the FBI to accept a permanent position with the committee. During the years that followed, he was responsible for the staff management of a number of appropriation bills. And when an emergency arose, it was usually to Tom Scott that we turned for effective staff coordination. He never failed us. On January 1, 1966, he became staff director of the committee, which position he has held since that time. During his tenure on the committee he has served under seven different chairmen—Senators Glass, McKellar, Bridges, Hayden, Russell, Ellender, and the present speaker, all of whom held him in high esteem.

As a staff member he demonstrated a profound depth of knowledge and understanding of both the appropriations and legislative processes, thus enabling the committee to act expeditiously and with full knowledge of the facts on which to base judgments. As staff director of the committee he has provided a high capacity of leadership, a breadth of appreciation and understanding of governmental machinery, and an unerring judgment that have been of great assistance to the various chairmen and members of the committee as well as to the Senate itself. Whether it be during our hearings, on the Senate floor, or in conference with House Members, Tom has always been able to furnish the factual information necessary to support the committee and the Senate position. He has an almost uncanny capability to foresee difficult legislative problems and to suggest possible solutions, an area in which his value has been inestimable. His background of experience, gleaned through the years, has made him a virtual storehouse of facts and precedents, always accurate, always most helpful, in deciding a course of action. I know that these attributes are not only the product of inborn ability, they are also the result of dedicated hours of hard work. And despite the rigors of long sessions and extreme pressures, he has invariably presented a calm demeanor and a reasoned approach.

Such unusual characteristics are combined with a personality that has endeared him to us all. His natural warmth, frank objectivity, thoughtfulness, modest demeanor and cooperative attitude are constantly so much a part of his outgoing nature that one tends to accept them unnoted. His sincerity is a manifestation of his unquestioned integrity, both in word and deed. As a consequence, his advice on appropriations matters has been widely sought and appreciated on both sides of the aisle. That he enjoys the respect, admiration, and confidence of the staff of the committee speaks for the warmth of his personality and the quality of his character. When people refer to dedicated public servants, Tom Scott is the type of individual they have in mind. Ever responsible, ever dependable, never forward or presumptuous, but ever available—this is the story of Tom's relation to the committee.

And now Tom is about to retire. We shall miss him for the many contributions he has made, not only to the committee and the Senate, but also to the welfare of the country. For all that he has done for us individually and collectively we express our heartfelt gratitude. We know that he will be successful in whatever fields he chooses to employ his many talents. And with his wife Mary and their children we wish him long years of happiness along the road ahead.

Yesterday the Committee on Appropriations unanimously adopted a resolution in recognition of Tom's outstanding work for the committee. I ask unanimous consent to have a copy of that resolution, duly inscribed by all 26 members of the Committee printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE COMMITTEE ON APPROPRIATIONS OF THE U.S. SENATE, ADOPTED, IN RECOGNITION OF THOMAS J. SCOTT

Whereas, Thomas J. Scott, as the extremely able Staff Director of the Senate Committee on Appropriations for the past eight years, as a most highly valued member of the staff for the past thirty years and as a devoted public servant for forty years, has demonstrated at all times a tireless dedication to the timely and successful accomplishment of the work of the Committee, a profound understanding of the legislative process, and a unique and outstanding administrative and advisory capability; and

Whereas, Thomas J. Scott has steadfastly exhibited an integrity of character, a full appreciation of human values, and an unswerving loyalty and devotion to the Committee and to the Senate; and

Whereas, in his association with seven Chairmen and 89 members of this Committee, Thomas J. Scott, through his wealth of technical knowledge, unerring judgment, cooperative manner and impartial approach, has been of immeasurable assistance in the formulation, consideration and resolution of Committee activities and to the individual members of the Committee and their staffs; now, therefore,

Be it resolved that the Committee on Appropriations and the individual members thereof hereby express our most sincere appreciation to him for his countless invaluable contributions to the Committee, to the Senate, and to the welfare of the United States.

PAST AND PRESENT MEMBERS OF THE COMMITTEE ON APPROPRIATIONS WITH WHOM THOMAS J. SCOTT SERVED

1. Glass
2. McKellar
3. Hayden
4. Thomas
5. Tydings
6. Russell
7. McCarran
8. Overton
9. Bankhead
10. O'Mahoney
11. Truman
12. Green
13. Maloney
14. Chavez
15. Mead
16. Maybank
17. Nye
18. Bridges
19. Lodge
20. Holman
21. White
22. Gurney
23. Brooks
24. Reed
25. Burton
26. Ball
27. Murdock
28. Willis
29. Ferguson
30. Wherry
31. Cordon
32. Saltonstall
33. Young
34. Knowland
35. Dworshak
36. Ellender
37. Hill
38. Kilgore
39. McClellan
40. Robertson
41. Thye
42. Ecton
43. McCarthy
44. Mundt
45. Smith
46. Dirksen
47. Magnuson
48. Holland
49. Stennis
50. Clements
51. Potter
52. Johnson
53. Pastore
54. Ives
55. Kefauver
56. Monroney
57. Bible
58. Byrd (W. Va.)
59. Dodd
60. McGee
61. Kuchel
62. Hruska
63. Allott
64. McGee
65. Humphrey
66. Schoeppel
67. Cotton
68. Case (N.J.)
69. Javits
70. Mansfield
71. Bartlett
72. Proxmire
73. Yarborough
74. Montoya
75. Fong
76. Boggs
77. Pearson
78. Inouye
79. Hollings
80. Percy
81. Brooke
82. Hatfield
83. Stevens
84. Bayh
85. Eagleton
86. Chiles
87. Mathias
88. Schweiker
89. Bellmon

LOBSTER, A CREATURE OF THE CONTINENTAL SHELF

Mr. KENNEDY. Mr. President, I am delighted that the Senate has unanimously approved today an amendment to the Brazilian Shrimp Agreement legislation which declares the lobster, a creature of the Continental Shelf. This declaration, if enacted into law will have the effect of providing Federal protection for this dwindling marine resource off the New England coast. As the Commerce Committee report points out:

> The lobster, now threatened by foreign fishing, will be better protected from foreign encroachment.

Since 1964 at the International Convention on the Continental Shelf coastal nations have had the opportunity of exclusive jurisdiction over those marine resources that are creatures of the seabed. The National Oceanic and Atmospheric Administration has not declared the lobster a creature of the Shelf and I ask unanimous consent to print in the Record at this point the letter from Dr. Robert M. White, Administrator, discussing that decision and a letter sent by Dr. White to Governor Sargent of Massachusetts.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Department of Commerce,
National Oceanic and
Atmospheric Administration,
Rockville, Md.

Hon. Edward M. Kennedy,
U.S. Senate,
Washington, D.C.

Dear Senator Kennedy: I am aware of your great interest in marine resources, the U.S. fishing industry, and management of the American lobster. For this reason I am enclosing a copy of my recent letter to Governor Sargent of your State setting forth my decision to recommend against declaring the American lobster a creature of the Continental Shelf at this time and the basis for this decision.

Sincerely,
Robert M. White, *Administrator.*

Enclosure.

U.S. Department of Commerce,
National Oceanic and Atmospheric Administration,
Rockville, Md.

Hon. Francis W. Sargent,
Governor of Massachusetts,
Boston, Mass.

Dear Governor Sargent: The National Oceanic and Atmospheric Administration of the Department of Commerce has been working with Mr. Frank Grice of your State Division of Marine Fisheries in developing a State/Federal cooperative management plan for the American lobster to insure its continued conservation as a viable resource. This valuable resource is now subject to great fishing pressure which is likely to become more intense in the next few years, with attendant danger to the stocks.

A lobster management Policy Committee consisting of the directors of the fisheries agencies of 11 North Atlantic States, including Massachusetts, and a National Marine Fisheries Service official agreed upon some 13 recommendations which can serve as a basis for a State/Federal lobster management program. Such a program can provide a uniform system of management of the lobster resource by the States with the cooperation of the Federal Government.

One of the recommendations called for the declaration of the lobster as a creature of the Continental Shelf, thereby securing for the United States the exclusive right of exploitation of this resource in accordance with the 1958 Geneva Convention on the seabed resources. The Policy Committee has correctly identified one of the central problems in the management of this resource, i.e., to gain effective control of the total resource so as to insure its conservation and protect the interests of U.S. fishermen. Effective control is not possible unless we are able to control the foreign catch. The recommendation was aimed at this problem.

I have reviewed this recommendation and find that while it gives the appearance of achieving effective control, in fact it does not do this; it creates many additional difficulties, and would have an uncertain legal and biological basis. I have, therefore, decided that alternative methods of securing effective control would be more desirable and offer the possibility of achieving our mutual goals more directly. In particular, I believe that we can secure the necessary restrictions on foreign catches of American lobster through agreements with the principal nations fishing off our coast.

We have succeeded already in obtaining agreement from the Japanese Government that there will be no Japanese fishery for lobsters and that Japanese fishermen will take all reasonable precautions to reduce their incidental catch of lobsters from waters traditionally fished by U.S. vessels. Meetings are planned in the next couple of months with the Soviets and Canadians looking toward similar agreements. We will seek a similar agreement with the Government of Poland early in the summer, and with other governments thereafter.

The United States is also sponsoring initiatives in multilateral forums which could have beneficial effects for the lobster resource. One of these is a U.S. proposal which will be debated this month at a special meeting of the International Commission for the Northwest Atlantic Fisheries to reduce sharply overall levels of foreign fishing effort in waters off our North Atlantic coast. For the long term, the United States is seeking, as I am sure you know, to establish through agreement at the United Nations Conference on the Law of the Sea the authority of coastal countries to manage resident coastal species.

I have, therefore, decided not to recommend at this time that the U.S. Government declare the American lobster a creature of the Continental Shelf. I will, of course, review this decision very carefully in the light of the outcome of the negotiations which I propose be undertaken.

Even though the proposal of the Policy Committee to declare the lobster a creature of the shelf has not been adopted, in favor of other alternatives to reach similar ends, it is my sincere hope that the proposed coordinated management program for American lobster will move forward with the full participation of the officials of the States concerned. It is essential that we cooperate to the fullest extent in working speedily to preserve the lobster resource and its rich yields.

I think it no exaggeration to say that the actions taken now to conserve the lobster resources will determine the future of the fishery for years to come. Cooperation of all in pursuing a landmark State/Federal cooperative fisheries program for lobster is essential.

Because of the intense interest in this question, I am enclosing a detailed rationale for my decisions which I hope will clarify many points which may remain in your mind.

Sincerely,
Robert M. White, *Administrator.*

Mr. KENNEDY. In March of this year the New England Governors Conference passed a resolution urging the declaration of the lobster as a creature of the Shelf and I would like to include that resolution in the Record at this point.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

March 23, 1973.

New England Governors Conference,
Prudential Center,
Boston, Mass.

CONSERVATION OF OFF-SHORE LOBSTER RESOURCES

Whereas a lack of adequate conservation measures for the preservation of off-shore stocks of the American lobster has been clearly documented by both state and federal fishing agencies and,

Whereas there are presently no effective controls with regard to lobsters on the growing foreign fleet off New England and,

Whereas our own New England lobster fishermen are subject to many landing laws imposed by the several states to protect undersized and egg-bearing lobsters

Now, therefore, be it resolved that the New England Governors urge the administrator of the National Oceanic and Atmospheric Administration to declare the American lobster a creature of the shelf and therefore subject to United States control and ownership.

Kenneth M. Curtis, *Maine.*
Thomas Meskill, *Connecticut.*
Philip W. Noel, *Rhode Island.*
Thomas P. Salmon, *Vermont.*
Francis W. Sargent, *Mass.*
Meldrin Thomson, *New Hampshire.*

Mr. KENNEDY. As the Commerce Committee under the distinguished leadership of Senator Magnuson pointed out there is differing biological data on which supports this designation. And the reason this action by the Senate today is so important is a simple one: "The status of the American lobster is precarious."

Those who have watched the rising prices of lobster recently can attest to the fact that this resource which produces more revenue than any other single species of North Atlantic fish or shellfish is in sharp demand with decreasing availability. The National Geographic in its outstanding survey of the status of the American lobster said: Talk to any lobsterman about the vanishing lobster and he will say: "Disappearin'? The bottom is crawlin' with snappers," the term for immature, not yet legal lobsters. And every year fishermen take 90 percent of the lobsters of legal size.

With the declaration of the lobster as a creature of the Continental Shelf we can begin to renew this resource, and we can give new hope to the lobster fishermen of New Bedford, Mass. and all along the New England coast that there will be lobsters to take in the years to come.

THE ENERGY CRISIS

Mr. TUNNEY. Mr. President, in California, as throughout the Nation, 1974 may be more devastating to our economy and our daily lives than any year in recent memory. At least it will begin with massive uncertainty brought on by the energy crisis.

With each day, predictions become more dire about the crisis and its effect on our economy.

The National Petroleum Council is particularly grim. It predicts a shortage, in 1974, of up to 4 million barrels of oil a day in the United States, and it offers a detailed analysis of the impact in the western petroleum allocation district, principally California, if the shortage is only 2 million barrels a day.

The economic dominoes would fall thusly:

There would be 10 percent less energy usage. This would reduce gross national product in the area by a thumping 6 percent. In pocketbook terms, this means a $12.5 billion loss—$7 billion, the council estimates, for the transportation industry and $5 billion in the household, commercial and industrial sectors. Nationally, the loss in gross product would be $48 billion.

I report these statistics quite deliberately because at any time of great emergency one factor that can be more debilitating than any other is ignorance.

As a nation, we must face the burgeoning implications of the energy crisis.

As we move through this December of discontent, we simply cannot bury our heads in the sands of half-truths and half measures.

As seldom in our history, our Nation faces a new year with uncertainty and the blunt cogency of another anxious era—"the only thing we have to fear is fear itself."

As yet, no one has fully measured the probable effect of the energy crisis on our country, on our industry and, indeed, on our daily lives.

Beyond the loss of energy for our cities and our factories and farms is the loss of confidence in our Government. This particularly applies to the President, caught as he is in the quagmire of Watergate.

Also, it can apply to a Congress paralyzed, as it sometimes is, by its own parochialism. Nonetheless, Congress, over the years, has anticipated the crisis and has enacted some bold legislation, and in fact, gave us early as 1950, in the Defense Production Act, authorized Presidential authority for fuel allocations and even rationing measures reconfirmed in recent legislation.

The administration, meanwhile, fiddled while thermostats were turned down.

On May 6, 1972, the President told us:

> All the evidence shows that we are going to have a major energy crisis in this country in the eighties.

On April 18 of this year in his White House energy message, the President characterized the energy situation as "a problem, but not a crisis."

Just weeks ago, the President told the Seafarers Union that this Nation will be able to ride out the energy crisis in less than a year.

The performance of his administration has been one of delay and distortion; of administrative chaos and bureaucratic bloodletting; of opposition to congressional initiatives—even today $20 million of urgently needed research and development funds stand under Presidential impoundment—of acting only when backed to the precipice by the crisis of events.

Most of all, the missing element in the performance of this administration has been leadership—leadership capable of unifying a nation, rallying its people to hardship and challenge, mobilizing its human and scientific resources to face and surmount the difficulties.

Given the President's record of complacency, timidity and failure, I have little confidence in the bland assurances of his economic advisors that the energy crisis will pass with little hardship.

The evidence I see tells me something quite different.

I suspect we may well be in for one of the worst economic and social upheavals since the great depression of the 1930s and the days of shortage and sacrifice of World War II.

INFLATION

The price of nearly every commodity in our economy is tied to the price and availability of energy supplies. And growing shortages in those supplies inevitably will drive prices up.

Already, the trucking industry is clamoring for higher rates to offset increased fuel costs. Similar pleas are coming from public utilities, airlines and other heavy energy users. Increased federal and state gasoline taxes are under intensive discussion within the Federal administration and in State capitols across the Nation.

Food prices in 1973 soared by an incredible 25 percent—an all-time record. But even that devastating record will be broken in 1974 if adequate fuel is not available to every link along the food production and distribution chain.

One frightening harbinger of higher food prices was announced last week by the administration when it downgraded the agricultural priority for mid-distillate fuels.

I believe this could prove a blunder equal in magnitude to the disastrous Soviet wheat deal. Its likely result will be lowered production, and skyrocketing food prices triggered by the scarcities.

The fact is that energy supplies are at the heart of our hopes to keep the cost of living manageable. Scarcities can send a tidal wave of inflation through every economic sector.

Most economists are predicting a tremendous slowdown in new construction. And they expect the average cost of a new house to go up by at least 10 percent with rents generally following suit.

Massive curtailment of operations seems inevitable in a number of transportation industries, in the multimillion-dollar recreation business, and in such key industries as petrochemicals, where there is likely to be a multiplied ripple effect.

The petrochemical industry, for example, produces products for a wide range of other industries, including the automotive industry, textiles, packaging, furniture, construction, agriculture and pharmaceuticals. As petrochemicals become scarcer, shortages in the dependent industries could well encourage consumers to join in a price-exploding competition for what supplies remain available.

UNEMPLOYMENT

Optimistic economists are forecasting a 1974 unemployment rate of under 6 percent. But they are basing that forecast on the hope that the administration will develop the kind of tough, effective program needed to minimize economic disruption.

Some suggest unemployment could reach a depression level of 10 percent. Clearly, millions of Americans will be colder this winter and in winters to come. Millions of Americans will find their mobility drastically restricted.

Beyond inconvenience and sacrifice will be the jolting economic reality of curtailed working hours, slashed paychecks, and, for hundreds of thousands, the loss of their jobs and livelihoods.

The big daily headlines portending such things as the layoff of 50,000 workers in the airline industry may be just the tip of the iceberg.

Job layoffs will be a cruel holiday present for uncounted workers in transportation, in transportation-related businesses and scores of other energy-intensive industries.

Let me again cite the petrochemical shortage as just one example of what the energy shortage could mean in unemployment.

The respected research firm of Arthur D. Little, Inc. projects that a reduction in petrochemical output of just 15 percent could throw between 1.6 and 1.8 million Americans out of their jobs in dependent industries.

Action should include steps to increase food stamps and to provide unemployment compensation for those who have exhausted benefits and reemployment and relocation aid, or are otherwise ineligible.

In addition, any tax revenues derived from a surtax on excess energy consumption or other conservation measures should be used, in part, to provide a vastly expanded public service employment program for individuals dislocated by the fuel shortage. And, in part, to provide adequate public transportation.

Few are blameless in the failure to anticipate the current energy dilemma, but there were pointed warnings.

LEGISLATION

In 1970, Senator JENNINGS RANDOLPH introduced bipartisan legislation to establish a National Commission on Fuels and Energy. The administration opposed it.

We authorized money for research and development into the fuels and energy sources of the future. The President impounded the funds.

The Senate has approved the national energy emergency bill, the trans-Alaskan pipeline bill, the national energy research and development bill, calling for a 10-year, $20 billion research and development program.

We have passed the National Fuels and Energy Act and we have given the administration the authority and the guidelines to manage and allocate our energy resources.

We are attempting to do more. For example, I have joined with a number of my colleagues in cosponsoring a bill to allow partial deregulation of natural gas prices for independent producers in order to stimulate exploration.

Thus a cutback of just 15 percent in a single industry could increase our present unemployment by well over one-third.

Economists can and do cite other industries where the "ripple" or multiplier effect could be similarly severe.

In my own State, the Los Angeles Department of Water and Power has already warned the city of Los Angeles to expect "rolling blackouts" and other major restrictions on electricity usage by industrial consumers.

The inevitable result will be layoffs, perhaps on a massive scale.

It is imperative that the administration act to ensure that these victims of the energy crisis are compensated.

With many of my colleagues, the energy crisis has consumed most of my personal attention in recent months—both on the legislative front and in fighting for the rights of my constituents in the face of bureaucratic bungling in the administration's fuel allocation program.

I personally am pleased that two of my proposals were adopted by the Senate when it passed Senator JACKSON's National Fuels and Energy Act.

One calls for an intensive research and development program to produce a clean, quiet, economical, and energy-efficient alternative to the internal combustion engine, which now consumes—wastefully and at an enormous cost in air pollution—incredible amounts of scarce petroleum.

The other will require manufacturers to label major energy-consuming products with data on energy consumption and dollar-and-cent operating costs. Experts believe this requirement will spur manufacturers to produce appliances that are one-third to one-half more energy efficient than present wasteful models.

Both measures, incidentally, were proposed long before the energy crunch made itself felt. So were the others, by Senator JACKSON and other colleagues who have done so much to awaken the Nation to the dimensions of the crisis.

I am not arguing that any of these measures will instantly resolve our difficulties. I am arguing that we have taken some important and specific steps.

FUEL ALLOCATION

Our pressure also has had an effect in bringing some rationality into the administration's chaotic mismanagement of the fuel allocation program.

It was only after many of us forcefully demanded some priorities that the administration's energy policymakers began to make some sense out of the confusion.

We insisted and won priority status for agriculture, for mass public transit, and for essential municipal services such as police and fire protection.

Nonetheless, the allocation program remains in disarray, and we will be paying the bill for months, even years, to come.

Specifically, the present regulations:

Put agriculture in a secondary priority category for middle distillates. Agriculture should have top allocation priority and should be given a quarterly or annual base period.

Restrict middle distillates for emergency services and sanitation to monthly fuel use in 1972, without regard to population increases.

Place utilities in a secondary category for residual fuel.

Require a 10-percent cutback by industry in propane and certain other petroleum products.

All of these could prove economically disastrous.

What of the future? No one can trace with certainty the hardships and the social and economic dislocations ahead. I believe they could be more severe than we have allowed ourselves to think, and almost certainly far more intense than the administration has led us to believe.

Let us meet the energy crisis with the hard-headed realism, the sacrifice, the determination the crisis demands.

But let us not discard the values we all share or the goals that we in the Senate have worked so hard to achieve.

Let us not, for example, panic into degrading and destroying our land, our water, and our air out of some misguided belief that panic will somehow solve our problems.

Let us design solutions that distribute whatever hardships are involved among all sectors of our economy and on the shoulders of the wealthy as well as working people.

And finally, let us resolve to talk clearly and plainly to the American people, where the administration has refused; and let us seek to provide the leadership, where the administration has failed.

ENVIRONMENT

We will face difficult choices where we find environmental values in conflict with our energy needs.

We have the largest coal reserves of any country in the world, and the Senate has approved important safeguards to control the way we get that coal.

Surely a nation capable of conquering space and of developing awesome weapons of destruction has the technology and the will to secure needed resources without irreparably devastating our physical environment. In recent years, a score of laws have been carefully drafted to protect our natural resources from air, water, and noise pollution. Some revision in these laws may be necessary, but we should exercise caution and good sense before acting on any changes.

But let us also act to protect a person's living and working environment—his job, his home, his schools and hospitals, the essential services such as police and fire protection that are his right.

The U.S. Geological Survey has estimated that there are nearly 500 billion barrels of oil onshore and offshore of the United States.

Accordingly, I am introducing a bill to ensure that the acceleration of offshore oil and gas production will be done with maximum safety and protection against blowouts and spillages.

The technology to do this has improved vastly since the Santa Barbara disaster of 1969, but the legislation I am introducing will require constant use of the best available technology in offshore drilling and prohibits drilling in geologically unstable and unsafe areas. It also provides for government and industry efforts to speed the pace of research and development of better safety equipment.

The bill also provides for upgrading of the inspection and enforcement functions of the Interior Department, to insure that every offshore well adheres to the most rigorous safety standards.

Finally, to provide economic inducements for safety, the bill will slap stiff fines on companies which violate safety regulations, or allow oil spillages, and make companies strictly liable for damages resulting from any oil spills.

DISTRIBUTING THE BURDEN

In dealing with the energy crisis, our policies must be evenhanded. We must not ask the average working family to carry the entire burden of sacrifice and in effect subsidize the affluent and the wealthy. And we must recognize geographical differences—the relative lack of public transit in some areas, for example—in our policies.

Unpalatable as it may be, I believe gas rationing—gas rationing that is fair and equitable—is inevitable.

Some have suggested that higher gasoline prices and higher gas taxes alone will act as an effective rationing scheme and serve as a brake on fuel consumption.

I believe we must reject that solution. It is regressive. It would penalize middle- and lower-income earners who depend on personal transportation for their livelihoods. It would permit the wealthy in their gas guzzlers to consume as much fuel as they wish without hardship.

Instead, I believe we must make a basic allotment based in part on the availability of public transportation to all Americans, regardless of income. Extra needed supplies could be bought at a higher price, with the revenues going to a special energy fund for research, development, mass transit, and the like.

A fair gas rationing plan should base a national, intermediate allocation system on historical gasoline consumption patterns. Californians, for example, in the first 3 months of 1973, consumed 15 percent of the Nation's gasoline. The supply of gasoline made available to California drivers in the first 3 months of 1974, were rationing in effect, should equal 15 percent of the estimated national gasoline supply for that period. In general, each State should receive an allocation equal to its proportional share of national consumption for the equivalent period in the previous year.

High priority users must be supplied first of all: police, fire protection, and other vital public services.

I believe a rationing plan should:

Recognize the differential availability of public transportation, and provide incentives for increasing public transit.

Assure that all licensed drivers will have access to a minimum supply of gasoline at reasonable prices.

Provide access to additional gasoline for anyone willing to pay the going rate for ration tickets.

Provide the States with additional revenue to offset the loss of state gasoline taxes.

Minimize the regressive effects of price or tax rationing while retaining the flexibility of market allocation and avoiding the perils of massive bureaucracy.

Lend itself to implementation without a long and wasteful delay.

Finally, we must seek to provide the leadership in this national crisis that has not been forthcoming from those the people traditionally look to for leadership.

That task will require all of us—in the Congress, in the State capitols, in the city halls, in the board rooms of industry and the meeting halls of labor. It will require imagination and the bold application of science and technology. It will require sacrifice and cooperation. It will require uncommon courage.

The American people always have pulled together in times of crisis. Given straight talk, policies that are fair and policies that deserve their confidence, they will pull together now.

The alternative is wrenching crisis for years to come in our time, and leaving our planet drained of resources and the knowledge and the means of securing new resources for future generations.

Mr. President, the State Assembly of California has done an outstanding job of analyzing the effect of the energy shortage in California. I ask unanimous consent that the report of the Assembly Office of Research, "The Winding Down of the West," be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE WINDING DOWN OF THE WEST—WHAT THE ENERGY CRISIS MEANS TO CALIFORNIA

(By R. William Hauck)

CALIFORNIA LEGISLATURE,
Sacramento, Calif., December 3, 1973.

Hon. BOB MORETTI,
Speaker of the Assembly,
Sacramento, Calif.

DEAR MR. SPEAKER: At your request, the Assembly Office of Research has prepared the enclosed report. The report indicates the current impact of fuel shortages on different parts of the state's economy. In addition, the report summarizes the reserve and production picture, and provides information on the impact of the Mideast embargo in California. Sources for this report include the U.S. Department of Interior, the California Resources Agency, the State Division of Oil and Gas, the Rand Corporation, and the *National Journal Reports*.

Hopefully, this commentary will be useful to you as you consider energy issues in the days and weeks ahead.

Sincerely,

R. WILLIAM HAUCK,
Director.

THE IMPACT OF SHORTAGES

*A. Agriculture in California**

Gasoline

1969–70—58,117,000 gallons.
1970–71—56,732,000 gallons.
1971–72—56,234,000 gallons.
1972–73—38,897,000 gallons.

The above chart concerning gasoline is very similar to figures concerning diesel fuel. The importance of the chart is that if a national allocation program is implemented in California as written, our agriculture fuel allocations will be based on the 1972–73 figure. Because of exceptional weather conditions that existed in 1972–73, fuel consumption was only 68.2% of the 1971–72 figure.

California agriculture is very machine intensive. The harvest requires considerable heavy machinery which figures indicate is underused.

For example: A rice combine on a national average should be able to harvest 400 acres. Figures for California indicate that rice combines harvest about 200 acres per year. The reason for this is that the California rice farmer harvests his rice in a very short period of time and this demands a great deal of very expensive equipment. The farmer has devoted 80% of the net gross to product expenses. Should a fuel shortage occur at harvest time of the farmer's crop, the margin is so narrow that his economic viability can be destroyed very quickly.

According to models prepared by graduate students at the University of California at Davis, a fuel cut to the farmer of 25% would mean a production loss in a particular crop of 5%. Considering his expenses, the farmer would be in a very difficult situation in terms of making a living. If there is a 50% cut of fuel (direct to the farmer) there would be a 15% loss of production. This would almost represent an impossible situation in terms of survival of the farmer.

The most serious area affected to date by energy shortages is in the area of transportation from the field to the processor. The trucks used in this operation consume on the average of 1 gallon of gasoline for every 4.5 miles driven. Extreme shortages exist now in different parts of the state and truckers agree the situation is becoming worse. In the opinion of experts in Davis, there is a tremendous waste of energy in the transportation of products from the field to the processor.

CROP STATISTICS

Crop and year	California, total acreage	Harvest period
Wheat:		
1972	483,000	
1973	575,000	June 15 to Aug. 15.
Corn:		
1972	58,000	
1973	412,000	Sept. 15 to Dec. 1.
Sorghum:		
1972	242,000	
1973	290,000	Sept. 15 to Nov. 20.
Rice:		
1972	331,000	
1973	403,000	Apr. 10 to May 1; Sept. 1 to Oct. 31.
Cotton:		
1972	863,000	
1973	935,000	Oct. 1 to Nov. 30.
Tomatoes:		
1973	(1)	Continuous harvesting.

[1] Figures indicate 42 percent increase over 1972.

Note: Other crops in California stayed about the same in acreage.

OBSERVATION

The rapid increase in acreage indicates a significant increase in demand for fuels. This situation, coupled with the available resources (under the national fuel allocations program) indicates that a crisis will occur in agriculture caused by fuel shortages of very serious proportions.

Current Impact:

The mid-distillate allocation program is administered at the state level by the Oil and Gas Division. The Division reports that it receives 2–300 calls per day from farmers unable to secure needed fuel. The Division reports that these farmers have been satisfied to date by direct requests of the Division to distributors and suppliers for reallocation of fuels between customers.

The Division also reports that the impact on western refineries of the mideast embargo is beginning to be felt. Both Standard and Phillips report cutbacks in refinery runs because of lack of crude.

The Division predicts that serious shortages in fuel to Agriculture can be expected at once. The effect of this situation if not remedied will be as follows:

1. Failure to harvest crops will increase at a dramatic rate.

2. In January farmers will decide on what crops to plant for harvest in Spring. Vegetables and perishable crop decisions are made at this time. It can be expected that farmers will opt for crops that have longer harvest periods. Consequently, the fuel shortage now could dramatically and adversely affect vegetable and other perishable crops.

*B. The impact of shortages on the utilities in California**

Owing to a 1971 decision by the Federal Power Commission curtailing use of natural gas as a boiler fuel for electricity generation and an embargo on gas exports by the Canadian Energy Board, the California utilities have been scrambling to convert their facilities to burn oil and to find oil to burn. As of November 1, the utilities were reporting the following conditions:

1974 TOTALS (ALL IN MILLIONS OF BARRELS)

	Oil requirement	Firm contracts, negotiations and probable	Storage drawdown	Deficiency	Deficiency with storage refill
P.G. & E.	45	36	[1] 5.9	4	19.6
LADWP	28	21	[1] .4	6	6.8
SCE	63	54	2.9	6	6.0
S.D.G. & E.	13	13	(.4)	0	0
Total				16	32.4

[1] To zero storage.

These figures are somewhat misleading since the "deficiency" includes only oil for which the utilities have been able to find absolutely *no* source of supply. A substantial portion of the figures in the second column represents oil which may not materialize either because negotiations fail or Mideast supplies are cut off. LADWP has half of its oil listed above now in doubt because of the Mideast situation. To interpret these concerns, consider the following:

SHORTAGE DATE (1974)

	Total Mideast cutoff	Partial restoration by February	Total known supplies
P.G. & E.	April	June	September.
LADWP	March	July	October.
SCE	June	August	Do.
S.D.G. & E.	December	No problem.	No problem.

Note: SMUD is not included in these figures because their resources are almost totally hydroelectric; only 2½ percent of their capacity depends on oil and is purchased from P.G. & E.

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*Division of Oil and Gas.

*Assembly Planning and Land Use Committee.

Analyses are also being prepared for industry, transportation, education, and the automotive industry.

*C. Transportation**

The largest user of energy resources and the sector to feel the energy squeeze most severely will be transportation. This sector also affects every other sector of the economy thereby causing spin-off losses when supplies dwindle.

The shortage in fuel has been created by a cutoff of some 170,000 barrels per day of Mideast oil. However, some shortage would have occurred had the Mideast oil continued to flow because of a shortage of refining capacity. Gasoline will fall 12 to 15% below demand and diesel fuel will fall 10 to 12% below demand.

Monthly sample	1972	1973
Gasoline sales (total 1972, 10,040,176,808 gallons):[1]		
August	904, 561, 975	935, 960, 962
July	852, 301, 302	909, 151, 553
June	870, 644, 578	876, 970, 959
Diesel fuel sales (total 1972, 694,236,983 gallons):[2]		
June	75, 919, 214	82, 955, 314
May	53, 523, 643	63, 904, 899
April	50, 754, 957	59, 318, 113

[1] Does not account for approximately 300,000,000 gallons not subject to motor vehicle tax. Shortage of 12 to 15 percent by January 1974.

[2] Shortage of 10 to 20 percent by December 1973.

Diesel fuel is particularly critical to California's economy. Under the mid-distillate allocation program of the federal government, the users of mid-distillate (including diesel and jet fuel) will be held to their 1972 usage levels. This creates a severe problem for transit districts, agriculture, and the trucking industry which have all experienced a significant increase in demand or production.

Under the federal mid-distillate allocation program, the state has 10% of the 1972 total to use on its priority basis. This program is administered by the Division of Oil and Gas within the Resources Agency. However, because of the great increase in demand over 1972 the state's share has been reduced 3 to 4 percent.

APPROXIMATE FUEL USED BY TRANSPORTATION MODES

Railroads

Southern Pacific (California only):

Total fuel used (system-wide): 10 million barrels/year.

Cost increase: 10 to 14 cents—37%.

Traffic increase: 5%.

1972 allocation level will be 5% short this year.

Santa Fe:

Total fuel used (system-wide): 1 million gallons/day.

Cost increase: There has recently been a 35% increase.

Shortage of 3 million gallons/month expected within the next four months.

Western Pacific:

Total fuel used (system-wide): 27 million gallons/year.

1972 allocation level will be 10% short and suppliers have only 90% of the 1972 level.

Union Pacific: (No figures yet available.)

Air Carriers

(Intrastate)

Air California: Total 1972 fuel used: 18,837,713 gallons.

Sample Month: August, 1972—1,775,476, and 1973—1,980,313.

Shortage: 8 to 10%. Shortage will result in a reduction of service.

Pacific Southwest:

Total 1972 fuel used: Approximately 149,000,000 gallons.

PSA uses approximately 11.5 million gallons/month.

1972 allocation will be 10 million gallons/month.

Cost increase: 2 cents/gallon—estimated by Spring 1972, 7 to 8 cents/gallon.

Fuel shortage will force a reduction of service.

Transit districts

Alameda-Contra Costa Transit: 1972 allocation will mean the following shortages:

Shortage of fuel by month if limited to 1972

November—28,000 gallons.
December—31,000 gallons.
January—57,000 gallons.
February—2,700 gallons.
March—17,000 gallons.
April—75,000 gallons.
May—102,000 gallons.

Fuel cost increase: 50 to 100%.

Cost now 12 cents/gallon; will increase to 18 cents/gallon.

Shortage will mean a reduction in routes or cuts in days of operation.

Southern California Rapid Transit District: 1972 allocation will mean a shortage of fuel by the following amounts:

December—120,000 gallons.
January—160,000 gallons.
February—116,000 gallons.

Cost has increased from 12 cents/gallon to 19.5 cents/gallon.

Shortage will mean service cutbacks, fewer routes, and perhaps a discontinuance of weekend service.

Santa Clara Transit District (Did not exist last year):

Use: 30,000 gallons/month—propane and 45,000 gallons/month—diesel.

Allocation of propane will force severe cuts in service.

Sacramento Regional Transit District:

1972 Fuel Used: 70,000 gallons/month.

1973 Fuel Used: 100,000 gallons/month.

Contract with Shell Oil expires next month. If held to 1972 level, reduction of service will occur.

Trucks

There are no detailed figures on the fuel use level of trucks or the amount of any shortages. However, individual trucking companies have reported shortages of up to 25%. Many lines are being held to 1972 fuel usage levels and yet their business has increased by as much as 40%.

Buses

Greyhound:

1972 Total Fuel Used: 13,290,552 gallons.

Total miles driven for 1973 is remaining approximately the same due to some cuts made in unprofitable runs.

Standard Oil has cut their fuel allotment by 5% and they are forced to buy at retail levels.

In addition, due to the impending closure of gas stations on Sundays, the level of service may have to increase to accommodate recreational traffic.

Continental: Figures are in process of compilation.

Automobiles

Fuel shortages in the automobile sector are also difficult to assess. The shortage figures range from 10 to 15%. The shortages are also sporadic. Many retail gasoline stations are being held to their monthly 1972 consumption levels. However, new roads, such as Interstate 5, have created demand where little had existed previously. Therefore, it will often happen that stations along new freeways will be out of gasoline and stations away from the roads will have more than sufficient supply.

*D. Industry**

The industrial sector will not only feel the fuel shortage in terms of oil, but will also have to contend with a shortage of natural gas. Many large industrial firms, chemical, fiberglass, metals, utilities, etc., use natural gas to fire their boilers. Those that use over 200 million cubic feet/day are called "interruptibles." There are customers that will be cut off from natural gas in the event of a shortage. Such a cutoff has already occurred in Pacific Gas & Electric's service area this year.

Since they can be cut off from natural gas these firms have a capacity to burn either diesel fuel or heating oil (both mid-distillates). Both these fuels are in increasingly short supply.

These "interruptibles" account for over half the natural gas load in California. Natural gas shipments from El Paso Natural Gas were cut back last year and the cutback has increased this year. This has resulted in increased curtailment of natural gas to interruptible users:

Curtailment 1972: 809 million cubic feet.

Curtailment 1973: 1 billion 633 million cubic feet.

The largest percentage of this cutback will be borne by electric utilities which will be forced to use oil as boiler fuel.

Firm customers are primarily residential customers. This group will not feel the effect of the shortage until 1982 when, if no new sources of supply are found, Southern California will experience a shortage in this sector. However, new sources are expected from Alaska and Canada, but these sources must be available by 1978.

The following figures illustrate the extent of the shortage for both firm and interruptible customers.

1972–73 MMCF/D—million cubic feet per day

Northern California:	
Total supplies	2, 746. 4
Total firm requirements	1, 082. 9
Total interruptible requirements	1, 889. 8
Total demand	2, 972. 7
Curtailment: Interruptible	226. 3
Level of service: Interruptible as percent	88%
Southern California:	
Total supplies	2, 669. 8
Total firm requirements	1, 617. 2
Total interruptible requirements	1, 889. 8
Total demand	4, 077. 1
Curtailment: Interruptible	1, 407. 3
Level of service: Interruptible as percent	43%
Total California:	
Total supplies	5, 416. 2
Total firm requirements	2, 700. 1
Total interruptible requirements	4, 349. 8
Total demand	7, 049. 8
Curtailment: interruptible	1, 633. 6
Level of service as percent	62%

Natural gas shortage 1977–78—MMCF/D

Northern California:	
Total supply	2, 003. 9
Total firm requirements	1, 281. 1
Total interruptible requirements	1, 890. 2
Total demand	3, 171. 3
Curtailment—firm	1, 167. 4
Curtailment—Interruptible level of service as percent	38%

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*Senate Public Utilities and Corporations Committee.

*Senate Public Utilities and Corporations Committee.

Southern California:	
Total supply	1,986.2
Total firm requirements	1,774.5
Total interruptible requirements	3,283.8
Total demand	5,058.3
Curtailment—firm	3,072.1
Curtailment—Interruptible level of service as percent	6%
Total California:	
Total supply	3,990.1
Total firm requirements	3,055.6
Total interruptible requirements	5,174.0
Total demand	8,229.6
Curtailment—firm	4,239.5
Curtailment—interruptible level of service as percent	18%

BACKGROUND—RESOURCES AND PRODUCTION

A. California

1. *Oil*

California dominates District 5[1] in production and refining (35 of the 45 refineries in District 5 are in California) of oil. In addition, imports to California are chiefly from Asia, the Mideast, and certain Western South American countries. Washington and Oregon receive imports chiefly from Canada.

(a) California Production:

Since 1968, production has declined rapidly at about 3% per year. The Department of Conservation predicts that if current trends continue, production will drop by 50% by 1985.

Average daily oil production in California[2]

[Millions of barrels]

1962	0.81
1963	.82
1964	.81
1965	.86
1966	.94
1967	.98
1968	1.2
1969	1.0
1970	.96
1971	.89
1972	.88

(b) California Reserves:

Enormous reserves of petroleum exist in California. According to a 1973 report by the Resources Agency, it is estimated that there are 36.345 billion barrels of petroleum resource left in California. Only 5.2 billion of this amount is currently recoverable under active operations. 700 million barrels of proven reserve are in state and federal lands offshore. It is estimated that there may be as much as 4 billion barrels of oil extracted offshore.

Another, perhaps more realistic, way of looking at the California crude picture can be suggested. At the current rate of production we have enough crude supply of proven reserves in existing fields to last for 15 years. If these same fields are technologically stimulated, we gain another three years. In addition, it is estimated that we have 88 years of crude available in undiscovered reserves presumed to exist due to favorable geology.[3]

Although California has a large potential reserve of oil and gas, there has been a drastic decline in exploratory well drilling since 1964. Geophysical exploration has also been on the decline. Since exploratory efforts are needed to make discoveries, it is easy to understand why there have been no significant oil discoveries in California in recent years. Thirty-one percent of the oil was discovered prior to 1910 and 91 percent prior to 1940. The oil companies explain this situation by arguing that the price of crude is too low to justify exploration. Consequently, foreign sources and markets have been developed.

2. *Natural Gas in California*

A parallel situation with the oil picture exists for California natural gas reserves.

3. *Coal*[4]

Coal occurrences have been reported in 43 counties in California, but only at a few locations is the coal of sufficient quantity and quality to warrant consideration for commercial development. Most of the coal beds in California are apparently of limited extent, and few seams have been traced more than a few square miles. By comparison, coal fields in the eastern United States and in the Rocky Mountains are known to underlie hundreds and even thousands of square miles.

4. *Geothermal*[4]

In 1970, this source accounted for 0.3 percent of the total energy used in the state. At present the real nature of the resource is not well known; also, to what ultimate extent it can be exploited is unknown. In the one productive geothermal area (The Geysers) the electrical generating capacity in 1970 was 82.5 megawatts; by 1985, California's total capacity, assuming technical difficulties will be overcome, might be 5,000 megawatts, or about 3 percent of the total energy needed.

5. *Hydroelectric*[4]

In 1970, hydropower accounted for nine percent of the total energy supply required in the state. Production of hydroelectricity is expected to increase in the future at almost a negligible amount (8.2% over present amounts by 1985) because of the scarcity of available sites and a rapid decline of imported electricity from this source.

6. *Nuclear Fuel*[4]

Uranium is the principal fuel used in the nuclear generation of electric power. Currently all this fuel is imported from other states. In 1970, it supplied 0.7 percent of the total energy requirements of the state and 3.0 percent of the electric utility market. By 1985 nuclear power may furnish as much as 13 percent of the total energy demand and 40 percent of the electric utility market.

7. *Miscellaneous*

Other sources of energy discussed nationally include tar sands and oil shale. Little of these resources have been found in California.

New types of energy, particularly solar energy, could be exploited in California.

8. *Imports*[5]

District 5 during the four-week period ending October 19th had a domestic production rate of 1,126,000 bbls/day. This represents a decline of 24,000 bbls/day from the same period in 1972. Total imports (crude and products) increased from 804,000 bbls/day in 1972 to 1,133,000 bbls/day in 1973. Combined available crude and foreign products in District 5 during this period in 1973 was 2,259,000 bbls/day.

Imported crude to California refineries originates throughout the world, but chiefly comes from Indonesia (200,000 bbls/day) and the Arab countries[6] (150,000 bbls/day). Thus, Mideast input to California refineries represents about 7% of total supplies; Indonesia, nearly 9%.

Looking to the future, we can expect from 1.2 to 1.6 million bbls/day to arrive from Alaska in California by perhaps as early as 1977. Similarly, production off-shore in California could produce up to 750,000 bbls/day by 1980. The Elk Hills reserve could be brought into production of up to 200,000 bbls/day for a limited time within six months.

The impact of the current Mideast crisis on California should be viewed as a warning of difficult problems ahead. Beside Mideast oil, California is now receiving 200,000 bbls/day from Indonesia, 75,000 bbls/day from Equador, 60,000 bbls/day from Iran, etc. Unforeseen events in any of these countries can have serious repercussions in California in terms of supply for current legitimate demands.

B. National reserves and production[7]

1. *Reserves*

U.S. proven reserves are enormous:
Crude oil: 50 billion barrels.
Natural gas: 290.7 trillion cubic feet.
Coal: 390 billion tons.
Oil shale: 80 billion barrels of oil.
Uranium: 250 million tons.

Estimated U.S. ultimate reserves are much larger:
Crude oil: 3,033 billion barrels.
Natural gas: 7,070 trillion cubic feet.
Coal: 3,200 billion tons.
Oil shale: 26,050 billion barrels of oil.
Uranium: 1,600 million tons.

If we use existing technology, the recoverable amounts of fuels from the ultimate reserves are as follows:
Crude oil: 617 billion barrels.
Natural gas: 2,740 trillion cubic feet.
Coal: 1,600 billion tons.
Tar sands: 16 billion barrels of oil.
Uranium: 750 million tons.

2. *Production*[8]

(a) Oil:

Consumption of oil in the U.S. is currently running at about 17 million barrels per day. The U.S. produces domestically between 14 and 15 million barrels of oil per day. From 2 to 3 million barrels per day are imported. It has been estimated that if current trends continue, domestic production will drop to 43% of consumption by 1985.

(b) Natural Gas:

While domestic production of natural gas has been increasing, its rate of increase has dropped alarmingly in the last few years while imports to meet consumption have increased.

[In billion cubic feet]

Year	Domestic production	Net imports	Total consumption
1967	18,358	483	18,841
1968	19,332	558	19,890
1969	20,636	679	21,315
1970	21,816	794	22,610
1971	21,923	980	22,903

It is estimated that by 1985, if existing trends continue, domestic production will meet only 53% of total demand.

(c) Coal:

Total demand for U.S. coal, in the 15-year period since 1956 has increased from 531 million tons to 569 million tons. Domestic consumption declined each year between 1956 and 1961; however, consumption has increased steadily, as electric utility demand for coal increased rapidly. Exports of coal in recent years has been relatively stable, ranging between 50 to 70 million tons. Total demand for coal is expected to increase from 569 million tons in 1971 to 980 million tons by 1985. Electric utility demand and production of synthetic gas by then, it is estimated will account for 71 percent of total coal demand.

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[1] District 5 includes Alaska, Arizona, California, Nevada, Oregon, Washington, and Hawaii.

[2] Division of Oil and Gas.

[3] Senate Office of Research.

[4] Resources Agency.

[5] American Petroleum Statistics and the Rand Corporation.

[6] Does not include Iran. Iran imports to California about 60,000 bbls/day.

[7] U.S. Department of Interior

[8] U.S. Department of Interior.

(d) Miscellaneous:

Extraction of petroleum from oil shale and tar sands is insignificant at the moment. Further research in methods of extraction is required.

Uranium production continues on an "as needed" basis for domestic use.

3. *International Reserves of Petroleum* [9]

The proven crude oil reserves in the world are as follows:

[In billions of barrels]

U.S.A	39
Canada	8
Mexico	3
North America	49
Venezuela	14
Equador	6
Miscellaneous	5
South America	25

The Arab embargo countries acting as a unit have decided that their primary objective in global politics is to isolate Israel from its supporters in order to force Israel to discuss a permanent peace in the Mideast.

The method developed is the embago or partial embargo of petroleum or petroleum products. The direct and complete embargo method has been applied to the U.S., Holland, South Africa, and Portugal. This approach is reinforced by complex computer systems that not only track crude oil distribution from Arab fields, but also track indirect shipments through European and Asian refineries.

An equally effective tool is the limited reduction of supplies to nations considered neutral (i.e. the rest of Europe excluding France, and Japan). The objective here is to force these allies of the U.S. to employ pressure to change attitudes in the U.S. This method has been successful to the point that even the threat of further reductions sends diplomats scurrying to U.S. embassies asking for relaxation of our pro-Israel position.

The latest manifestation of this method was reported on November 25th when reliable sources said that Japan had been told that it must break diplomatic and economic relations with Israel or face "severe consequences." (In 1972, 83.5% of energy needs were supplied by foreign imports. Of this amount 81% of the oil requirements came from the Mideast.)

Europe and Japan have responded to the shortages (not entirely caused by Mideast cutbacks) with severe cutback of consumption steps. Seven nations in Europe have banned Sunday driving; Holland is about to start gas rationing; Italy has banned television transmission after 10:45 p.m., closed bars and restaurants at midnight, and will ban Sunday driving December 1st; and Japan by December 31st will reduce allocations of fuel to industry by 10%, impose a 50 mile-per-hour speed limit, close 43,000 gasoline stations on weekends, cut domestic flights by 10% and overseas flights by 50%. (As a result, it is estimated that steel production will drop 20% and paper production 18%.)

As documented earlier, the U.S. is suffering from about a 17% shortfall of needed petroleum, with a little over 50% of this amount expected from the Mideast. In the West, our loss of Mideast oil amounts to about 7% of our daily requirements (daily imports from the Mideast are about 170,000 bbls/day) [10] most of which is refined in California.

Should the Arab states decide to invoke other sanctions, either in conjunction with or in addition to petroleum embargos or reductions, other important possibilities exist.[11]

Over the next ten years, a handful of oil-producing nations will earn more money than they can spend.

The huge oil revenues of producers could create chronic global balance-of-payments disequilibrium, imposing a severe strain on the international monetary system and adjustment process. This problem would be heightened because the normal working of the adjustment process would increase rather than decrease imbalances.

The prospect of huge payments deficits could touch off destructive competition among consuming countries to boost export earnings through subsidies.

Large balancing flows of investment funds from producer countries back to consumer countries could raise the spectre of foreign control of crucial domestic industries. Estimates of the excess revenue which Saudi Arabia alone might have available for investment in 1980 range as high as $47 billion, nearly enough to buy all the shares traded on the American Stock Exchange.

A final danger is that excess revenues of Arab producers might be used to finance a resumption of military conflict in the Middle East, a conflict which could divide the consuming countries and jeopardize everyone's access to oil.

WILLIAM SAXBE

Mr. GRIFFIN. Mr. President, the Senate as a whole and each of us individually will experience a deep loss when our friend and colleague, BILL SAXBE, leaves us to become Attorney General of the United States.

While we are proud that this recognition has come to one of our Members, we are all sorry to see him go for our own selfish reasons. In the 5 years, come January, that he has served in this body, he has demonstrated a keenness of mind, a sense of fairness and an independence of spirit that have contributed greatly to the effective work of the Senate.

Without question BILL has the ability and experience to step in and get on with the work of the Nation's chief law enforcement officer. For 5 years—from 1963 to 1968—he was Attorney General of Ohio, and we know he will meet the challenge of the larger responsibilities he is to assume.

We wish him well and we know that as Attorney General, as he has in the Senate, he will continue to exercise what the poet Robert Burns extolled as "the glorious privilege of being independent."

ORDER FOR RECOGNITION OF SENATORS AND TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. MATHIAS, Mr. THURMOND, and Mr. HARRY F. BYRD, JR., be recognized, each for not to exceed 15 minutes and in the order stated, at the conclusion of which there be a period for the transaction of routine morning business for not to exceed 10 minutes, with statements therein limited to 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Mr. President, after the conclusion of the morning business tomorrow, for which there will be, I assume, about 15 minutes, it is the intention at that time to call up the conference report on the Northeast railroad bill; following that the conference report on the supplemental appropriation bill; following that, H.R. 11333, the so-called social security bill; and following that, when available, the conference report on the energy bill.

That, insofar as I know, will conclude the business of the Senate for this session; but whether or not we can get out tomorrow night remains to be seen. I devoutly hope so.

Mr. CASE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. CASE. Mr. President, I ask the majority leader whether we might assume there would not be any rollcall vote until about 10:30 in the morning?

Mr. MANSFIELD. I could not say. It will be a tough day, and if any Senator wants to ask for a rollcall, of course the leadership has no control of it. I would doubt it. I cannot say definitely.

Mr. CASE. The Senator's doubt is as good as my fear.

ADJOURNMENT TO 8:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 8:30 a.m. tomorrow.

The motion was agreed to; and at 5:39 p.m. the Senate adjourned until Friday, December 21, 1973, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate, December 20, 1973:

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Alfred, Shelby G., [redacted].
Arnaldo, Ernest C., [redacted].
Binkley, George W., [redacted].
Bogolub, Milton, [redacted].
Bradley, James E., [redacted].
Brant, Charles E., [redacted].
Burch, Donald H., [redacted].
Burner, David M., [redacted].
Caron, John A., [redacted].
Carroll, James L., [redacted].
Cate, George H. Jr., [redacted].
Chandler, Thomas V., [redacted].
Clapp, Edward D., [redacted].
Cowey, Felix F. Jr., [redacted].
Davidson, Jules L. Jr. [redacted].
Fleissner, Louis F., [redacted].
Forslin, Eric E., [redacted].
Hargrove, Keith L., [redacted].
Head, Jimmy H., [redacted].

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[9] Source: The National Journal Reports, p. 1546.

[10] Rand Corporation.

[11] The National Journal Reports.

Jones, Richard L., Jr., [redacted].
Jones, Ted L., [redacted].
Keene, Richard C., [redacted].
Mendez, Frank S., [redacted].
Miller, James D., [redacted].
Miyasaki, Shuichi, [redacted].
Morana, Nicholas J., [redacted].
Morgan, Keith A., [redacted].
Morris, Lawrence W., [redacted].
Moss, William W., [redacted].
Myers, Robert E., [redacted].
Neideigh, Robert G., [redacted].
Oswalt, Barney L., [redacted].
Pittman, Jerold F., [redacted].
Rodriguez, Balinas A., [redacted].
Rucker, Talmadge R., [redacted].
Teeters, Jack E., [redacted].
Todd, Carl H., [redacted].
Van Horn, Edward J., [redacted].
Walton, Walter W., Jr., [redacted].
Whisnant, Charles J., [redacted].
Wilson, Dale E., [redacted].
Wilson, Theodore D., [redacted].
Worcester, Ronald D., [redacted].

CHAPLAIN

To be colonel

Stuebben, George H., [redacted].

MEDICAL CORPS

To be colonel

Baker, Eugene M., Jr., [redacted].

MEDICAL SERVICE CORPS

To be colonel

Joye, Milbourne L., [redacted].

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, sections 3366, 3367, and 3383:

ARMY PROMOTION LIST

To be lieutenant colonel

Adams, Don T., [redacted].
Adkins, James S., [redacted].
Adler, Manfred, [redacted].
Agee, James D., [redacted].
Aiken, William R., Jr., [redacted].
Anderson, Henry, [redacted].
Anderson, John T., [redacted].
Anderson, Robert N., [redacted].
Andrews, Joseph K., [redacted].
Annette, William H., [redacted].
Arcuri, Rosario V., [redacted].
Arledge, R. R., Jr., [redacted].
Arlook, Martin M., [redacted].
Armstrong, Richard, [redacted].
Arnold, Peter E., [redacted].
Atwell, Charles A., [redacted].
Aviles, Dionel E., [redacted].
Axe, Norman G., [redacted].
Bachus, Littleton J., [redacted].
Badger, Daniel D., [redacted].
Bailey, Paul F., [redacted].
Baird, Robert L., [redacted].
Baird, Walter B., [redacted].
Banks, Hartley G., Jr., [redacted].
Banks, Robert C., [redacted].
Banks, William F., [redacted].
Banta, George C., [redacted].
Barclift, Robert W., [redacted].
Barker, George E., [redacted].
Barlow, Anthony H., [redacted].
Barnes, Carl A., [redacted].
Barrett, Billy G., [redacted].
Barringer, John L., [redacted].
Barton, William C., [redacted].
Bauersfeld, V. L., Jr., [redacted].
Baylor, James B., [redacted].
Beaver, Newton J., Jr., [redacted].
Becker, John A., [redacted].
Beers, Ray Jr., [redacted].
Begeman, Arthur L., [redacted].
Behnke, Ervin F., [redacted].
Bender, Robert M., [redacted].
Bengtson, Donald W., [redacted].
Bernard, Richard T., [redacted].
Bernick, Herbert J., [redacted].
Berry, David A., [redacted].
Berryman, William C., [redacted].
Bess, Carl F., [redacted].
Bess, Frederick G., [redacted].
Betts, Thomas M., Jr., [redacted].
Bice, Jack G., [redacted].
Bielen, Joseph M., [redacted].
Bishop, Lawrence H., [redacted].
Bishop, Ronald E., [redacted].
Black, Robert R., Jr., [redacted].
Blanchfield, Thomas, [redacted].
Blodget, David P., [redacted].
Bluestone, Allan B., [redacted].
Bobo, William S., Jr., [redacted].
Bottomley, Ernest, [redacted].
Bourgeois, G. J., [redacted].
Bove, Charles A., [redacted].
Bowling, Rodney I., [redacted].
Bowman, Thomas M., [redacted].
Bradley, W. G., Jr., [redacted].
Braund, Richard I., [redacted].
Brick, Ralph P., [redacted].
Brinkley, Carson M., [redacted].
Bronocco, Dick, [redacted].
Brough, Charles W., [redacted].
Broughton, Herbert, [redacted].
Brower, Madison Z., [redacted].
Brown, Charles C., [redacted].
Brown, Harold, [redacted].
Brown, James R., [redacted].
Brown, Leonard S., Jr., [redacted].
Brown, Robert A., [redacted].
Brown, Stephen M., [redacted].
Brubaker, William, [redacted].
Bryant, James C., [redacted].
Bryant, Rudolph V., [redacted].
Buchan, James D., [redacted].
Buckles, Barton B., [redacted].
Buggy, Clair B., [redacted].
Burchill, Kenneth Q., [redacted].
Burgess, Robert C., [redacted].
Burke, Bernard J., [redacted].
Burkett, Charles E., [redacted].
Burkett, William E., [redacted].
Burnett, Edwin E., Jr., [redacted].
Burnette, Luther, [redacted].
Burson, John H., III, [redacted].
Busaker, Earl F., [redacted].
Butler, Thomas P., Jr., [redacted].
Buxton, Howard R., [redacted].
Byrd, Robert G., [redacted].
Cahill, Gerard M., Jr., [redacted].
Caldwell, Allen C., [redacted].
Caldwell, Darrol D., [redacted].
Caldwell, John B., [redacted].
Calhoun, Evans C., [redacted].
Campbell, Alex B., [redacted].
Campbell, Glenden D., [redacted].
Campbell, James W., [redacted].
Canby, Steven L., [redacted].
Cannon, Douglas C., III, [redacted].
Cantrall, Murray E., [redacted].
Capellen, Earle M. V., [redacted].
Carew, William L., [redacted].
Carlton, Mason G., [redacted].
Carney, Charles, [redacted].
Carpenter, Donald B., [redacted].
Carr, John W., [redacted].
Carroll, Raymond L., [redacted].
Carrol, Robert D., [redacted].
Carson, Jack R., [redacted].
Carter, John L., [redacted].
Carville, Linwood L., [redacted].
Casaleggio, Carl, [redacted].
Case, Caleb B., [redacted].
Casey, Patrick A., [redacted].
Cautero, Gerard S., [redacted].
Cauthen, M. B., Jr., [redacted].
Cawley, William O., [redacted].
Chalmers, William G., [redacted].
Chamberlain, Ray W., [redacted].
Chamberlain, Robert, [redacted].
Chandler, Carl E., [redacted].
Chase, Frank N., [redacted].
Cherberg, Clyde R., [redacted].
Chesnutt, John L., [redacted].
Chin, Thomas, [redacted].
Cieslik, Charles R., [redacted].
Clardy, William B., [redacted].
Clark, Gerald S., [redacted].
Clark, Richard L., [redacted].
Clark, Wendell P., [redacted].
Clark, William L., Jr., [redacted].
Cleghorn, Harold H., [redacted].
Clement, Daniel, Jr., [redacted].
Clement, Donald N., [redacted].
Clements, Erwin F., [redacted].
Clemmons, Joel T., [redacted].
Cline, Dexter V., [redacted].
Clorman, Irving M., [redacted].
Clysdale, Edward G., [redacted].
Codino, Albert F., [redacted].
Cofino-Perez, Thomas, [redacted].
Cohen, Victor L., [redacted].
Coker, Ralph G., [redacted].
Coldren, James R., [redacted].
Cole. John C., [redacted].
Coleman, Vance, [redacted].
Coles, Bruce O., [redacted].
Collins, Philip J., [redacted].
Collins, Thomas E., [redacted].
Coltrin, Byron R., [redacted].
Conaway, Kenneth E., [redacted].
Concannon, W. L., [redacted].
Conley, Robert H., [redacted].
Connell, Robert M., [redacted].
Cook, William A., [redacted].
Cooper, John A., [redacted].
Coristine, Thomas F., [redacted].
Coruthers, John M., [redacted].
Couture, Bertrand L., [redacted].
Cowan, Donald, [redacted].
Crair, Morton L., [redacted].
Cretecos, George A., [redacted].
Croak, Francis R., [redacted].
Crofoot, Warren R., [redacted].
Cronin, John D., [redacted].
Cross, Howard P., [redacted].
Cross, Julian F., [redacted].
Cuddy, John P., [redacted].
Culmer, James D., [redacted].
Culver, Joseph H., [redacted].
Cummings, David W., [redacted].
Cummings, Jeff R., [redacted].
Curry, Glenn H., [redacted].
Dale, Clifford H., [redacted].
Daly, Jeremiah F., [redacted].
Damon, William B., [redacted].
Daniels, Tolbert A., [redacted].
Danko, John G., Jr., [redacted].
Davis, Charles D., [redacted].
Davis, Ollie, Jr., [redacted].
Dechambeau, James H., [redacted].
Decker, David W., [redacted].
Dehlinger, Robert J., [redacted].
DelGianni, James L., [redacted].
Detjen, James E., [redacted].
Devine, Donald P., [redacted].
Dewalt, Harry A., Jr., [redacted].
DiFiore, John M., Jr., [redacted].
Dilts, Robert L., [redacted].
Dimke, Robert L., [redacted].
Dimmick, Paul V., Jr., [redacted].
Dines, Gerald A., [redacted].
Dixon, Cloyce I., Jr., [redacted].
Dixon, Jeremiah D., [redacted].
Dollar, Jerry L., [redacted].
Dollard, Robert L., [redacted].
Donald, Robert G., [redacted].
Donner, Arvin N., Jr., [redacted].
Donohue, Donald J., Jr., [redacted].
Dooling, Francis D., [redacted].
Doty, Kie O., [redacted].
Douthit, Floyd, [redacted].
Dowling, James W., Jr., [redacted].
Doyle, John R., [redacted].
Drews, Frederick R., [redacted].
Dubois, Dean C., [redacted].
Durham, Courtney B., [redacted].
Dwyer, Eugene M., [redacted].
Dye, Melvin C., [redacted].
Dykes, Glenn M., Jr., [redacted].
Earnshaw, David G., [redacted].
Eaton, John L., [redacted].
Eickhoff, Leo E., Jr., [redacted].
Elam, John G., Jr., [redacted].
Elias-Caballe, Angel, [redacted].
Ellis, Carl T., Jr., [redacted].
Ellis, James V., Jr., [redacted].
Ellis, John H., Jr., [redacted].
Ellis, Roy H., [redacted].
Ellis, William E., [redacted].
Engelmeier, Paul C., [redacted].
Engle, Robert B., [redacted].
Enos, Warren B., [redacted].

Ent, John W., [redacted]
Epstein, Sanford J., [redacted]
Erdman, Anthony W., [redacted]
Erlandson, Dale L., [redacted]
Evans, Raymond E., [redacted]
Evans, Thomas J., [redacted]
Farmer, Robert P., [redacted]
Fase, Robert E., [redacted]
Fasolino, Rosario P., [redacted]
Fauntleroy, H. E., Jr., [redacted]
Feir, Larry E., [redacted]
Feldt, Robert J., [redacted]
Fellinger, P. J., [redacted]
Ferguson, James T., [redacted]
Ferreira, Clarence, [redacted]
Ferroli, Robert J., [redacted]
Ficken, Harry A., Jr., [redacted]
Field, Thomas F., [redacted]
Figueroa, Jose R., [redacted]
Fink, David H., [redacted]
Finn, John J., [redacted]
Fisher, Edward S., [redacted]
Fitz, Loren E. M., [redacted]
Fleming, Bill A., [redacted]
Foley, Robert P., [redacted]
Fong, Albert C., [redacted]
Fontanilla, James E., [redacted]
Foster, Perry G., Jr., [redacted]
Franklin, Chester A., [redacted]
Freeman, Darold R., [redacted]
Frey, Julius M., [redacted]
Frink, Frank M., [redacted]
Frye, William V., [redacted]
Fuller, Frank B., Jr., [redacted]
Fullerton, Ralph O., [redacted]
Funk, Raymond R., [redacted]
Gabriel, Anthony J., [redacted]
Galbreath, Bobby N., [redacted]
Galik, Michael, [redacted]
Gansereit, Ernest J., [redacted]
Gant, Daryal T., [redacted]
Gay, Donald J., [redacted]
Gaydos, Theodore, [redacted]
Geraci, Joseph T., [redacted]
Gile, Rexford R., [redacted]
Gillard, Richard C., [redacted]
Ginn, Hal G., [redacted]
Gladin, Collier B., [redacted]
Glasscock, Loren T., [redacted]
Goebel, Werner W., [redacted]
Goedde, William R., [redacted]
Gonzalez, Carlos, [redacted]
Gonzalez, Jose, [redacted]
Gonzalez, Silvestre, [redacted]
Gooskos, Daniel, [redacted]
Governale, Russell, [redacted]
Gray, Edward R., [redacted]
Gray, Joe E., [redacted]
Greco, Gerard F., [redacted]
Greco, Leonard C., [redacted]
Green, Glenn H., [redacted]
Greene, Duane E., [redacted]
Greenwell, William C., [redacted]
Grens, Edward A., II, [redacted]
Greve, Einar, [redacted]
Grey, James W., [redacted]
Grier, Julian J., [redacted]
Griffin, Hal C., [redacted]
Griffing, John A., Jr., [redacted]
Grimmett, Robert G., [redacted]
Grunfeld, Frederic, [redacted]
Gucker, Richard A., [redacted]
Gunn, Robert L., [redacted]
Gutierrez, Benito, [redacted]
Haas, Wolfgang, [redacted]
Hadley, Robert V., [redacted]
Hall, David H., [redacted]
Hall, Roscoe M., Jr., [redacted]
Hallett, Albert F. E., [redacted]
Hamel, Francis G., [redacted]
Hansen, Joe B., [redacted]
Hanser, Harold F., [redacted]
Harden, Richard W., [redacted]
Hardy, Morris S., [redacted]
Haronian, Howard R., [redacted]
Harral, Williard R., [redacted]
Harrington, David E., [redacted]
Harris, Bobby L., [redacted]
Harris, David A., [redacted]
Harris, Jack A., [redacted]
Harris, Joe N., [redacted]
Harrison, Eddie E., [redacted]
Hart, John N., [redacted]
Hartig, Alvin E., [redacted]
Hass, John C., [redacted]
Hassler, John M., Jr., [redacted]
Hauffe, Paul O., [redacted]
Haugen, Raymond C., [redacted]
Haugh, Harold H., [redacted]
Haverly, Harry C., [redacted]
Hawk, Mervin C., [redacted]
Hawke, Wilmer M., [redacted]
Haygood, J. R., [redacted]
Hays, William L., [redacted]
Hazen, Robert D., [redacted]
Headrick, Brian S., [redacted]
Hemerling, Harry W., [redacted]
Henderson, Charles, [redacted]
Henderson, Hernon, [redacted]
Hennigan, Leonard W., [redacted]
Henry, Charles L., [redacted]
Herndon, Paul R., Jr., [redacted]
Herrick, Robert T., [redacted]
Heyward, James R., [redacted]
Hill, James D., [redacted]
Hill, Robert L., [redacted]
Hinkel, Vernon W., [redacted]
Hoar, Joseph V., [redacted]
Hockman, John R., [redacted]
Hoelscher, James E., [redacted]
Hoffman, William H., [redacted]
Hoidal, Lars R., [redacted]
Holland, Herbert, [redacted]
Hollstein, Elmer J., [redacted]
Holmes, Robert A., [redacted]
Holzgruber, Alfred, [redacted]
Hood, Charles F., Jr., [redacted]
Hopkins, James B., [redacted]
Horan, Robert P., [redacted]
Howard, George J., [redacted]
Howard, Lawrence, [redacted]
Hromas, Ernest L., [redacted]
Hubbard, William S., [redacted]
Huddleston, C. R., [redacted]
Hudson, William R., [redacted]
Huestis, Charles D., [redacted]
Huff, Hugh M., III, [redacted]
Hunter, James H., [redacted]
Hurlebaus, John F., [redacted]
Hutchinson, George, [redacted]
Hynes, James R., [redacted]
Ikeda, Moss M., [redacted]
Irvin, Robert J., [redacted]
Ivy, Billy C., [redacted]
Jackola, Arthur S., [redacted]
Jackson, Bobby J., [redacted]
Jackson, John R., [redacted]
James, Charles D., [redacted]
Janas, Edward M., [redacted]
Japp, Jack W., [redacted]
Jarvis, Joe D., [redacted]
Jenkins, Edwin K., II, [redacted]
Jenkins, Robert D., [redacted]
Jennison, Dick M., [redacted]
Jensen, Donald E., [redacted]
Jensen, Ronald S., [redacted]
Jenson, Richard M., [redacted]
Jent, William P., Jr., [redacted]
Johnson, Arthur J., [redacted]
Johnson, Leo P., [redacted]
Johnson, Mark A., [redacted]
Johnson, Richard L., [redacted]
Johnson, Samuel L., [redacted]
Johnston, Dale E., [redacted]
Johnston, Donald A., [redacted]
Jones, Charles S., Jr., [redacted]
Jones, Edsel G., [redacted]
Jones, Fred R., [redacted]
Jones, Hershel G., [redacted]
Jones, Louis C., Jr., [redacted]
Jones, Robert G., [redacted]
Jones, Ronald R., [redacted]
Jones, Stanley C., [redacted]
Jones, Thomas R., Jr., [redacted]
Jones, Vernon R., [redacted]
Jones, Walter R., [redacted]
Jones, William D., [redacted]
Jung, James G., [redacted]
Jung, Lincoln, [redacted]
Jurgens, Hilary W., [redacted]
Kaelin, Billy J., [redacted]
Kaiser, Clarence J., [redacted]
Kane, John J., [redacted]
Kano, Clarence K., [redacted]
Kaplan, Robert L., [redacted]
Kawaguchi, Masaru, [redacted]
Keckeissen, Joseph, [redacted]
Keene, Marcus L., [redacted]
Kellogg, Jimmy R., [redacted]
Kelly, Samuel P., [redacted]
Kendall, James J., [redacted]
Kessler, Joseph F., [redacted]
Kilbourne, John W., [redacted]
Killen, Donald J., [redacted]
King, Donald B., [redacted]
King, Dwight E., [redacted]
King, Peter C., [redacted]
King, Richard P., [redacted]
Kirchner, Harry F., [redacted]
Kirkland, Wesley R., [redacted]
Kirkpatrick, Joseph, [redacted]
Koenigsmark, Edward, [redacted]
Koster, Leslie N., [redacted]
Kozak, Walter P., [redacted]
Kreutzer, Robert H., [redacted]
Kubala, Lowell M., [redacted]
Kuhnel, Edward E., [redacted]
Kunioka, Robert T., [redacted]
Lambertson, John P., [redacted]
Lamphere, Howard W., [redacted]
Lander, James A., [redacted]
Lane, Marion A., [redacted]
Lanier, Jack D., [redacted]
Larkin, Donald J., [redacted]
Larrabee, Robert W., [redacted]
Laskoe, Robert, [redacted]
Latterell, Gerald W., [redacted]
Lau, William K., [redacted]
Lavin, Richard P., [redacted]
Lawrence, G. T., IV, [redacted]
Layman, Jackie J., [redacted]
Lechner, Charles D., [redacted]
Lee, Robert C., [redacted]
Leek, William A., Jr., [redacted]
LeGrand, Talmadge M., [redacted]
Leong, Richard W. Y., [redacted]
Lewis, Jackie L., [redacted]
Lewis, Kenneth E., [redacted]
Lewis, Richard M., [redacted]
Libertine, Rocco W., [redacted]
Lindeman, Jack E., [redacted]
Lingenfelter, George, [redacted]
Lockhart, Jack C., [redacted]
Lohr, Atwell C., [redacted]
Lombardo, Anthony H., [redacted]
Lowell, James B., Jr., [redacted]
Lucas, Clarence A., [redacted]
Lundberg, Leonard V., [redacted]
Lundgren, John A., [redacted]
Luttinen, Sidney R., [redacted]
Luzier, William H., [redacted]
Lytton, Victor H., [redacted]
Mackay, Raymond G., [redacted]
Mackenzie, Charles, [redacted]
MacMillan, R. H., Jr., [redacted]
Macon, David R., [redacted]
MacPherson, George, [redacted]
Maddox, Milton E., [redacted]
Malcolm, John B., Jr., [redacted]
Maldonado, Edwin G., [redacted]
Maloney, Joseph T., [redacted]
Manbert, Rush M., [redacted]
Mangham, John H., [redacted]
Mann, James E., [redacted]
Mannel, William M., [redacted]
Manthey, Philip S., [redacted]
Marks, Richard E., [redacted]
Marotta, Francis X., [redacted]
Marr, Clayton E., [redacted]
Marshall, Harry P., [redacted]
Martin, Bobby J., [redacted]
Martin, Emmor G., Jr., [redacted]
Massengale, A. E., Jr., [redacted]
Mayo, Ollie K., Jr., [redacted]
McAlerney, John K., [redacted]
McCafferty, Orland, [redacted]
McCann, William L., [redacted]
McCarty, John E., [redacted]
McCoy, James L., Jr., [redacted]
McCubbin, Thomas L., [redacted]
McCutcheon, James E., [redacted]
McFarlane, James A., [redacted]
McFee, Alfred F., [redacted]

McGarr, Elbert L., [redacted].
McGoffin, James L., [redacted].
McGrath, Edward P., [redacted].
McIntosh, Gordon Y., [redacted].
McIntyre, Bruce H., [redacted].
McKinney, W. M., III, [redacted].
McKinnon, Charles M., [redacted].
McMullen, Michael W., [redacted].
McNair, Edward P., [redacted].
McNeese, Maurice W., [redacted].
McRee, Griffith J., Jr., [redacted].
McSweeney, Arthur P., [redacted].
Meissner, Martin C., [redacted].
Merchant, Donald N., [redacted].
Michaud, Ted C., [redacted].
Middleton, P. G., Jr., [redacted].
Miller, Jimmie J., [redacted].
Miller, John K., [redacted].
Mills, Jerry O., Jr., [redacted].
Minchin, Gerald R., [redacted].
Mitchell, James K., [redacted].
Mitchell, Joe F., [redacted].
Mohr, George R., [redacted].
Monahan, Neil F., [redacted].
Monsen, Monrad H., [redacted].
Montgomery, John W., [redacted].
Moore, Carl G., [redacted].
Moore, James R., [redacted].
Moore, Jere N., Jr., [redacted].
Moore, Malcom E., [redacted].
Moore, William D., [redacted].
Morris, James R., [redacted].
Morton, Sanford B., [redacted].
Muchow, Ray H., [redacted].
Mueller, Gene W., [redacted].
Mulkey, Dick E. S., [redacted].
Mura, Ronald A., [redacted].
Murakami, Roy K., [redacted].
Murfee, James T., III, [redacted].
Myers, Harry G., [redacted].
Nardone, Arthur S., [redacted].
Neale, Robert K., [redacted].
Neel, Billy W., [redacted].
Negus, Sidney S., Jr., [redacted].
Nelligan, Peter, [redacted].
Nelson, Earl L., Jr., [redacted].
Newell, Robert W., [redacted].
Newman, Wesley W., [redacted].
Nicholson, James R., [redacted].
Nicosia, John W., [redacted].
Nix, James E., [redacted].
Nolan, John J., [redacted].
Nolley, Edwin F., [redacted].
Norman, Bethel A., [redacted].
Norton, James W., [redacted].
Norton, Neville G., [redacted].
O'Connor Robert D., [redacted].
Ogden, Seward J., Jr., [redacted].
Ohlman, Kenneth H., [redacted].
Oliver, Michael W., [redacted].
Oppler, Edward P., [redacted].
Orr, Joseph L., [redacted].
Overdank, Louis, [redacted].
Owen, Richard H., [redacted].
Owens, Wamul R., [redacted].
Ownby, Robert G., [redacted].
Ozawa, Gordon I., [redacted].
Padget, Heber N., [redacted].
Panchuk, Stephen L., [redacted].
Pandure, Joseph F., [redacted].
Parker, Charles D., [redacted].
Parks, John R., [redacted].
Patrick, Robert A., [redacted].
Patrick, William S., [redacted].
Patsis, Nicholas M., [redacted].
Pavlow, George, [redacted].
Payne, William G., [redacted].
Payte, Roy F., [redacted].
Pearce, Oscar J., Jr., [redacted].
Pearl, Jason E., [redacted].
Pearson, John C., [redacted].
Peery, William D., [redacted].
Pellegrino, Vincent, [redacted].
Penberthy, James F., [redacted].
Penwright, Bill M., [redacted].
Perry, Charles R., [redacted].
Peterfy, Frank A., [redacted].
Peters, Grover C., Jr., [redacted].
Peterson, Harold D., [redacted].
Peterson, Richard W., [redacted].
Petillo, Ralph J., [redacted].
Petrover, Lothar L., [redacted].
Petty, James E., [redacted].
Pfaff, David H., [redacted].
Phillips, Weldon H., [redacted].
Pickard, Thomas J., [redacted].
Pitcher, James R., [redacted].
Ploetz, Raymond C., [redacted].
Poche, John E., [redacted].
Politano, Pascal R., [redacted].
Polito, Dominic R., [redacted].
Popovich, Walter M., [redacted].
Porter, George W., [redacted].
Poshusta, Allyn D., [redacted].
Post, John L., [redacted].
Potter, Mark W., Jr., [redacted].
Powers, Robert M., [redacted].
Pratt, Marion E., [redacted].
Presswood, John K., [redacted].
Price, Gerald L., [redacted].
Prince, William R., [redacted].
Protheroe, Maurice, [redacted].
Pulda, Joseph A., [redacted].
Pulsipher, Guy R., [redacted].
Purtle, Herbert G., [redacted].
Qua, George F., II, [redacted].
Radaker, Herbert E., [redacted].
Rarig, David A., [redacted].
Rayburn, Bruce A., [redacted].
Read, James W., Jr., [redacted].
Reasoner, Robert R., [redacted].
Redditt, Robert H. S., [redacted].
Reed, John H., [redacted].
Reese, Irving L., [redacted].
Reeves, Robert L., [redacted].
Reilly, Paul G., Jr., [redacted].
Renwick, Allen B., [redacted].
Reynolds, Edward A., [redacted].
Reynolds, Ralph E., [redacted].
Rhodes, Alfred H., [redacted].
Richardson, George, [redacted].
Richey, Clinton B., [redacted].
Richiardi, Robert L., [redacted].
Richmond, Henry J., [redacted].
Rickett, William F., [redacted].
Riddle, James M., [redacted].
Rist, John C., [redacted].
Ritter, Kenneth R., [redacted].
Rivera, Jesus M., [redacted].
Roach, Charles T., [redacted].
Roark, Richard D., [redacted].
Roberts, Richard C., [redacted].
Robichaud, Paul R., [redacted].
Robilotti, L. J., [redacted].
Robinson, Fred E., [redacted].
Robinson, James B. J., [redacted].
Robinson, William C., [redacted].
Rogers, James R., Jr., [redacted].
Rohena, Santos, Jr., [redacted].
Rome, Lloyd, [redacted].
Rorie, Euell R., [redacted].
Rosenblatt, David H., [redacted].
Ross, Sanford A., [redacted].
Rost, James W., [redacted].
Rothaus, William J., [redacted].
Rothleitner, Milton, [redacted].
Roukous, Maurice L., [redacted].
Row, Lathe B., [redacted].
Rowley, Alford H., [redacted].
Rugheimer, E. W., Jr., [redacted].
Rung, John P., [redacted].
Runken, Roy G., [redacted].
Ruple, Robert E., [redacted].
Rusk, Edward E., [redacted].
Russell, Christopher, [redacted].
Russell, George R., [redacted].
Russell, Gordon C., [redacted].
Russell, Oscar G., [redacted].
Russo, Richard S., [redacted].
Ryan, Herbert F., [redacted].
Salamy, Henry G., [redacted].
Sanders, Robert J., [redacted].
Sanderson, Don N., [redacted].
Sands, Laverne C., [redacted].
Sanford, Robert A. T., [redacted].
Sappington, Frederick, [redacted].
Sato, George M., [redacted].
Saunier, Robert M., [redacted].
Savwoir, Richard A., [redacted].
Scaringi, Louis T., [redacted].
Scent, Richard K., [redacted].
Schaffer, Donald D., [redacted].
Schrowang, Augustus, [redacted].
Schulman, Ellsworth, [redacted].
Schultz, Jackson K., [redacted].
Schwab, Harold D., [redacted].
Schwartz, R. K., [redacted].
Scott, Frank W., [redacted].
Scott, George L., [redacted].
Scott, Harold T., [redacted].
Seaver, William R., [redacted].
Seidel, Walter R., [redacted].
Sessions, Jerrald M., [redacted].
Shafferman, Frederick, [redacted].
Sheehan, Howard P., [redacted].
Sheffer, William F., [redacted].
Shideler, J. H., Jr., [redacted].
Shields, Allan L., [redacted].
Shim, Casey N. E., [redacted].
Shroyer, Terry W., [redacted].
Sieg, Reno S., [redacted].
Siembor, Eugene T., [redacted].
Sigler, Bernard J., [redacted].
Silverman, Melvin, [redacted].
Simons, Charles J., [redacted].
Sims, Ernest T., Jr., [redacted].
Sisson, Phillip R., [redacted].
Slocum, Donald H., [redacted].
Slocum, William F., [redacted].
Smith, Carroll D., [redacted].
Smith, Fletcher B. J., [redacted].
Smith, Gary S., [redacted].
Smith, James L., [redacted].
Smith, Raymond D., [redacted].
Smith, Richard M., [redacted].
Snider, Howard A., [redacted].
Snow, James A., [redacted].
Snyder, Gardiner W., [redacted].
Snyder, Russell A., [redacted].
Sohn, Russell L., [redacted].
Spak, Michael I., [redacted].
Spradlin, Billie C., [redacted].
Squire, Edward C., [redacted].
Stejskal, Allen G., [redacted].
Stemmons, Perry W., [redacted].
Stephens, Carl M., Jr., [redacted].
Sterr, Ronald M., [redacted].
Stewart, Arthur L., [redacted].
Stewart, William H., [redacted].
Stickles, Milton J., [redacted].
Stickney, James H., [redacted].
Stiles, Donald J., [redacted].
Stobie, Harry D., [redacted].
Stonisch, Jerry A., [redacted].
Strain, Joseph F., [redacted].
Struss, Herbert E., [redacted].
Stucker, Robert B., [redacted].
Sullivan, James E., [redacted].
Surber, Darrell B., [redacted].
Swan, John G., Jr., [redacted].
Swedenburg, Clifford, [redacted].
Sweeney, Daniel J., [redacted].
Sweet, Robert G., [redacted].
Szaj, Arnold P., [redacted].
Talbow, William T., [redacted].
Tavarez, Luis A., [redacted].
Taylor, Doyle D., [redacted].
Taylor, John M., [redacted].
Taylor, Robert P., [redacted].
Tenori, Serafino B., [redacted].
Terry, Albert L., [redacted].
Thames, Lee D., [redacted].
Thomas, David L., [redacted].
Thompson, Earl N., [redacted].
Thompson, James D. J., [redacted].
Thrash, Melvin C., [redacted].
Todd, Clarence E., [redacted].
Tomlinson, James L., [redacted].
Toporowski, Stanley, [redacted].
Trenchard, Kendall, [redacted].
Truitt, George W., [redacted].
Turner, Murray N., [redacted].
Turney, John L., [redacted].
Turnipseed, Ned L., [redacted].
Tutchton, Joseph T., [redacted].
Tryra, Thomas O., [redacted].
Ungs, Duane C., [redacted].
Unverricht, Hellmut, [redacted].
Uram, Peter, [redacted].
Urruela, Mario L., [redacted].
Uttech, Ralph O., [redacted].
Vaccarino, Isadore, [redacted].
Vanderstraeten, Vincent, [redacted].

Vanhart, David C., [redacted].
Vanhoozer, William, [redacted].
Vankeuren, Charles, [redacted].
Vankirk, Marvin L., [redacted].
Vaught, Thomas M., III, [redacted].
Veach, Colin B., [redacted].
Vidal-Delgado, David, [redacted].
Viner, Myron P., [redacted].
Vorpahl, Donald B., [redacted].
Vroman, Hugh E., [redacted].
Wahlgren, Harold E., [redacted].
Walker, Ceasar A., [redacted].
Walker, Jack W., [redacted].
Walker, Paul D., [redacted].
Wallace, George N., [redacted].
Wallace, Marsh, Jr., [redacted].
Wallace, Robert T., [redacted].
Wallis, Thomas W., [redacted].
Walsh, Paul R., [redacted].
Walters, John F., II, [redacted].
Walton, Kirk D., [redacted].
Ward, Billy J., [redacted].
Ward, Don D., [redacted].
Ward, John J., Jr., [redacted].
Ware, Archie L., Jr., [redacted].
Warfield, Melvin P., [redacted].
Wark, William J., [redacted].
Waterman, Robert M., [redacted].
Watling, Robert C., [redacted].
Weaver, Byron E., [redacted].
Webb, Kenneth R., [redacted].
Weber, Andrew E., [redacted].
Webster, John J., [redacted].
Weckstein, Donald T., [redacted].
Weinberg, William A., [redacted].
Werthan, George B., [redacted].
West, Lowry L., [redacted].
Whitaker, Howard M., [redacted].
White, Raymond E., [redacted].
Whittemore, Olin S., [redacted].
Wickizer, Charles D., [redacted].
Widener, Larry E., [redacted].
Widrig, Frank C., Jr., [redacted].
Wiebke, Eugene F., [redacted].
Wiegand, Francis P., [redacted].
Wilfong, Vernon E., [redacted].
Wilkerson, Lonnie O., [redacted].
Wilkie, Richard L., [redacted].
Willer, Donald E., [redacted].
Willey, William W., [redacted].
Williams, Lynn L., [redacted].
Williams, Quay, [redacted].
Williams, Stanley A., [redacted].
Willis, Alvie J., [redacted].
Willman, William J., [redacted].
Wilson, James E., [redacted].
Wilson, Robert A., [redacted].
Wilson, Robert O., [redacted].
Wire, Donald C., [redacted].
Wise, Russell E., [redacted].
Witcher, Len O., [redacted].
Witten, James M., [redacted].
Wolf, David B., [redacted].
Wong, Robert L., [redacted].
Wood, Richard A., [redacted].
Wood, Richard J., [redacted].
Woodward, Leigh S., [redacted].
Woodward, Richard B., [redacted].
Woollen, James M., [redacted].
Woywod, George M., [redacted].
Wren, Nelson E., Jr., [redacted].
Wrenn, Charles P., [redacted].
Yamashiro, Isao, [redacted].
Yates, Iva C., Jr., [redacted].
Young, James M., [redacted].
Zacharakis, A. C., [redacted].
Zachos, John K., [redacted].
Zachritz, Roger N., [redacted].
Zane, Lawrence, [redacted].

CHAPLAIN

To be lieutenant colonel

Anderson, Harold E., [redacted].
Bohannon, Kenneth L., [redacted].
Byrne, William T., [redacted].
Calato, Joseph J., [redacted].
Campbell, David A., [redacted].
Dunn, Billy D., [redacted].
Eastham, Frederick, [redacted].
Epps, Bryan C., [redacted].
Fagan, Walter G., [redacted].
Fields, George D., Jr., [redacted].
Flathmann, H. K. G., [redacted].
Hallanger, F. T., [redacted].
Hansen, Paul R., [redacted].
Hyatt, James T., [redacted].
Jaeger, James C., [redacted].
Jones, John P., [redacted].
Keefe, Francis L., [redacted].
Lantz, Donald L., [redacted].
Leath, James A., Jr., [redacted].
Lowery, Frederick C., [redacted].
Malone, Robert A., [redacted].
McGuire, Charles L., [redacted].
Nesko, Milan A., [redacted].
Sharp, James C., [redacted].
Smith, Ralph L., Jr., [redacted].
Stadtmauer, Murray, [redacted].
Uhl, Edward G., [redacted].
Verseput, Theodore, [redacted].
White, Edward O., [redacted].

WOMENS ARMY CORPS

To be lieutenant colonel

Freytag, Elizabeth, [redacted].

DENTAL CORPS

To be lieutenant colonel

Lude, John C., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Busch, George J., [redacted].
Giulian, Karl A., [redacted].

MEDICAL SERVICE CORPS

To be lieutenant colonel

Clardy, Monroe F., Jr., [redacted].
Dumont, Roland R., [redacted].
Josehart, Harold E., [redacted].
Kicklighter, John D., [redacted].
Rosenthal, Charles, [redacted].

VETERINARY CORPS

To be lieutenant colonel

Keagy, Richard H., [redacted].

The following named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., sections 591, 593, and 594:

MEDICAL CORPS

To be lieutenant colonel

Nunn, Stewart L., [redacted].
Strain, James R., [redacted].

The following-named officers for appointment in the Army of the United States, under the provisions of Title 10, U.S.C., Section 3494:

MEDICAL CORPS

To be lieutenant colonel

Bergom, Ronald O., [redacted].

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., section 3385:

ARMY PROMOTION LIST

To be colonel

Barnthouse, William R., [redacted].
Damewood, Thomas C., [redacted].
Holloway, Balfour, Jr., [redacted].
Jackson, Curtis H., [redacted].
Keeling, John O., Jr., [redacted].
Kneip, James F., [redacted].
Leverett, Lewis C., Jr., [redacted].
Pearson, Homer G., [redacted].
Price, Gerald F., [redacted].
Shoob, Stuart J., [redacted].
Verbeck, Karl C., [redacted].

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of Title 10, U.S.C., Section 3385:

ARMY PROMOTION LIST

To be lieutenant colonel

Ashley, Alvin K., [redacted].
Bennett, John H., Jr., [redacted].
Bowden, Reuben L., [redacted].
Bryan, Curtis H., Jr., [redacted].
Bryant, William F., [redacted].
Burkett, William E., [redacted].
Carlone, Frank L., [redacted].
Cole, Marion B., [redacted].
Collins, Paul G., [redacted].
Demers, Norman R., [redacted].
Episcopo, Leonard M., [redacted].
Fisher, Glenn A., [redacted].
Ford, Howard F., [redacted].
Fuller, Louis W., Jr., [redacted].
Hallmark, Estle H., [redacted].
Hansen, Harry S., Jr., [redacted].
Hennelly, William P., Jr., [redacted].
Herbert, Curtis B., III, [redacted].
Holmsen, Raymond H., Jr., [redacted].
Hooper, Johnnie P., [redacted].
Hullum, Douglas F., [redacted].
Kale, Donald W., [redacted].
Kinon, Marion H., [redacted].
Layton, Gary E., [redacted].
Lopez, Marcelino, [redacted].
Maskell, William L., [redacted].
McCain, William D., Jr., [redacted].
McKinney, Charles R., [redacted].
Mitchell, James L., [redacted].
Paul, James R., [redacted].
Reid, Benjamin H., [redacted].
Russell, Lee V., III, [redacted].
Schultz, Joseph W., [redacted].
Smith, Jerald G., [redacted].
Tarrant, Joseph W., Jr., [redacted].
Thalhofer, Joseph J., [redacted].
Waters, William H., [redacted].

HOUSE OF REPRESENTATIVES—*Thursday, December 20, 1973*

The House met at 10:30 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Fear not: for behold, I bring you good tidings of great joy, which shall be to all people.—Luke 2: 10.

O Thou who art the source of light and life and the inspiration of every noble endeavor, draw us into a deeper unity of spirit as we lift our hearts unto Thee and as we seek to serve our country by doing Thy will.

During this time which calls for greatness save us from littleness of mind and poverty of spirit which makes us unwilling to pay the price of better things for the best values.

By the light of a shining star, by the song of the heavenly host, by the lure of a child in a manger make known to us the unworthy pride that inflates our little selves and give to us the genuine spirit which enables us to love mercy, to do justly, and to walk humbly with Thee.

So may we play our full part in lifting the world to the higher ground of faith in Thee, hope for the future and good will among men: to the glory of Thy holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 865. Joint resolution authorizing the President to proclaim March 29, 1974, as "Vietnam Veterans Day."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, concurrent resolutions of the House of the following titles:

H. Con. Res. 88. Concurrent resolution authorizing certain printing for the Committee on Veterans' Affairs.

H. Con. Res. 369. Concurrent resolution to print as a House document House committee print on Impeachment, Selected Materials.

H. Con. Res. 375. Concurrent resolution providing for the printing as a House document the booklet entitled "The Supreme Court of the United States."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5874) entitled "An act to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 14) entitled "An act to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1983) entitled "An act to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House with an amendment to a bill of the Senate of the following title:

S. 2482. An act to amend the Small Business Act.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 620) entitled "An act to establish within the Department of the Interior an additional Assistant Secretary of the Interior for Indian Affairs, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Jackson, Mr. Metcalf, Mr. Abourezk, Mr. Bartlett, and Mr. Stevens to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 176. Joint resolution to authorize and direct the development of and the production of petroleum from Naval Petroleum Reserve Numbered 1, and to direct the exploration of Naval Petroleum Reserves Numbered 1 and 4, and for other purposes;

S. Con. Res. 59. Concurrent resolution authorizing the printing of the compilation entitled "Disclosure of Corporate Ownership" as a Senate document; and

S. Con. Res. 56. Concurrent resolution authorizing the printing of additional copies of Senate hearings on the Child Abuse Prevention Act, 1973.

PROVIDING A POSTAGE STAMP ALLOWANCE FOR THE CHAPLAIN OF THE HOUSE OF REPRESENTATIVES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93–743) on the resolution (H. Res. 427), providing a postage stamp allowance for the Chaplain of the House of Representatives, and ask for immediate consideration of the resolution.

The Clerk read the resolution as follows:

H. Res. 427

Resolved, That (a) until otherwise provided by law, the Clerk of the House of Representatives shall procure and furnish to the Chaplain of the House United States postage stamps in an amount not exceeding $200 for the remainder of the first session of the Ninety-third Congress, and for each succeeding regular session of Congress, to expedite the conduct of the official business of the office of the Chaplain of the House of Representatives.

(b) The contingent fund of the House of Representatives is made available to carry out the provisions of this resolution.

Mr. HAYS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PAYMENT FOR A LIMITED PERIOD IN 1974 AND ON THE SAME BASIS AS IN 1973 OF CERTAIN HOUSE COMMITTEE EXPENSES BEFORE ADOPTION OF APPLICABLE 1974 COMMITTEE EXPENSE RESOLUTIONS

Mr. HAYS. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 748) authorizing payment for a limited period in 1974 and on the same basis as in 1973 of certain House committee expenses before adoption of applicable 1974 committee expense resolutions.

The Clerk read as follows:

H. Res. 748

Resolved, That there shall be paid out of the contingent fund of the House of Representatives, in the period beginning January 1, 1974, and ending at the close of March 31, 1974, to the extent that funds are not otherwise available, such sums as may be necessary for the continuance of the same necessary projects, activities, operations, and services by contract or otherwise (including payment of staff salaries for services performed), and for the accomplishment of the same necessary purposes, undertaken by each standing or select committee of the House in the calendar year 1973 on the same basis and at not to exceed the same rates applied and used in 1973. Payments of salary under this resolution for services performed in the period beginning January 1, 1974, and ending at the close of March 31, 1974, shall be made to each person at a rate not exceeding the rate he was receiving on December 31, 1973, or, in the case of a person appointed after December 31, 1973, to fill a vacancy existing on or occurring after December 31, 1973, at a rate not exceeding the final rate paid to the last incumbent of the vacant position.

Sec. 2. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with law.

Mr. HAYS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. Is a second demanded?

Mr. FRENZEL. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HAYS. Mr. Speaker, this is the normal continuing resolution that we put in at the beginning of each session, actually both the first and second sessions, to allow the committees to pay their staffs at the rate and not to exceed the number that they have on the payroll as of now. The only other person they can put on the payroll is if there is a vacancy, they can fill a vacancy, but they cannot add any new staff.

The reason I am introducing this today and calling it up for consideration is because I understand we will not meet until the 21st of January, and it might delay the processing of payrolls for January.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What is the continuing date of the resolution?

Mr. HAYS. Until the 31st of March.

Mr. GROSS. I thank the gentleman.

Mr. HAYS. I have no requests for time, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. Hays) that the House suspend the rules and agree to the resolution (H. Res. 748).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING ADMINISTRATOR OF VA TO CONTINUE EDUCATIONAL ASSISTANCE AND SUBSISTENCE PAYMENTS

Mr. DORN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2794) to amend chapter 36 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to continue making educational assistance and subsistence allowance payments to eligible veterans and eligible persons during periods that the educational institutions in which they are enrolled are temporarily closed pursuant to a policy proclaimed by the President or because of emergency conditions, and ask for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

S. 2794

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1780(a) of title 38, United States Code, is amended by adding at the end thereof the following new sentence: "Notwithstanding the foregoing, the Administrator may, subject to such regulations as he shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) and (2) of this subsection during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2).".

Mr. DORN. Mr. Speaker, I will be happy to explain the purpose of this bill and the urgency involved which requires its immediate consideration.

In view of the current national energy crisis, a substantial number of educational institutions are arranging to temporarily close their schools for a longer than usual period this winter to conserve fuel. This immediately raised the question as to the authority to continue the payment of educational allowances to students in training who would be affected.

Authority existed in the Veterans' Administration to take care of this problem by regulation with respect to institutions of higher learning, and the Administrator has so regulated effective December 4. However, in view of certain restrictive language now in the statute, the Administrator found legislation would be required to extend the same relief to veterans who are pursuing courses below the college level; that is, technical and vocational-type training institutions. I introduced H.R. 11915 for this purpose, and the Veterans' Administration has reported favorably on the objective but suggested an alternative draft approach to correct certain technical aspects. Yesterday the Senate passed S. 2794, a bill designed to achieve the same purpose, and the bill is now pending before this body for action.

I am pleased to find that the Veterans' Administrator has taken such prompt relief action by modifying his regulations to take care of this problem with respect to veterans who are training in colleges and other institutions of higher learning. Our prompt action on the pending bill will round out the relief which should be provided for all veterans and other eligible persons pursuing courses in schools below the college level. We have received information from the Veterans' Administration that it is of the opinion that enactment of this bill would have no significant cost impact. Under these circumstances I strongly urge approval of S. 2794.

Before closing, I would be remiss if I failed to call attention to the great interest of our colleague, Mr. CLEVELAND of New Hampshire, who called this problem to my attention a short time ago. As a matter of fact, I feel that it was the result of his personal concern and initiative that brought about, first, prompt VA action toward revising its regulations, and second, this supplementary legislation which has been so necessary to achieve uniform treatment of all veterans attending the various types of training institutions. I commend him for his positive and aggressive action, and assure him that our committee was most responsive to this problem that he brought to our attention in such a timely manner.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of S. 2794, a Senate-passed bill that will authorize the Administrator of Veterans' Affairs to continue paying educational assistance allowances to veterans pursuing programs of education and training during periods when the educational institutions in which they are enrolled are temporarily closed because of emergency conditions.

The energy crisis, Mr. Speaker, has, in many instances, created unusual situations that existing laws did not anticipate. For example, the extended holiday or between term closings of educational institutions that will occur during the next 4 to 6 weeks will result in a suspension of educational allowances to veterans participating in programs of education or training. The language of existing law permits the Veterans' Administrator to promulgate regulations that will prevent the reduction of monthly assistance payments for extended school closings resulting from the energy crisis in institutions of higher learning. Administrator Johnson acted promptly to issue new regulations on December 4, 1973, that will permit the continued payment of educational allowances to veterans enrolled in institutions of higher education, notwithstanding the extended closing.

Unfortunately, the language of existing law does not permit the Administrator to draft similar regulations to cover institutions below the college level. Thus veterans, eligible wives, widows, and children attending vocational, technical, or trade schools face the possibility of the suspension of their monthly allowances should the extended closing of the institution in which they are enrolled cause their absence to exceed 30 days in a 12-month period. In order to provide equitable treatment for those attending schools below the college level and to permit the Administrator of Veterans' Affairs to issue regulations for such institutions similar to those already issued for institutions of higher learning, the immediate approval of the legislation before the House is essential.

This bill, Mr. Speaker, simply stated will permit the Administrator to promulgate such regulations as he shall prescribe, notwithstanding the provisions of existing law, that will permit the continued payment of educational allowances during periods when schools are temporarily closed under an established policy based upon an Executive order of the President or because of an emergency situation. These allowances, Mr. Speaker, represent the only income received by most of the veterans enrolled in educational institutions. If their payments are permitted to lapse, even temporarily, for circumstances beyond their control, it will create hardships that need not be created.

I shall support this legislation, Mr. Speaker, and urge that all Members do the same. I hope that it will be speedily approved so that veterans attending school may receive their monthly educational allowances without interruption.

Mr. CLEVELAND. Mr. Speaker, I rise in support of S. 2794 as a measure to assure fairness in treatment of veterans enrolled in institutions forced to reschedule classes due to the energy crisis, regardless of the type of training they are pursuing.

A particular word of appreciation is due to my good friend and colleague on the Public Works Committee, WILLIAM JENNINGS BRYAN DORN, chairman of the Committee on Veterans' Affairs, and to the staff of his committee.

When a number of Northern colleges decided to extend vacations or otherwise suspend classes as an energy-conservation measure, thousands of veterans stood to lose benefits under VA regulations basing eligibility on attendance. In my own State of New Hampshire alone, 1,200 to 1,300 veterans faced potential loss of at least $180,000 if classes were suspended more than a calendar month.

Chairman DORN and his staff were most helpful in our efforts to persuade the Veterans' Administration to take whatever action was necessary administratively to amend the regulations so that a long break in classes would not jeopardize veterans' benefits. VA Administrator Donald E. Johnson responded with commendable speed, but was limited in his discretion to changing the rules affecting college-level enrollees.

This bill grants the VA similar discretion in the case of vocational and technical institutions below the college level. While institutions in New Hampshire are not greatly affected, this change will benefit countless veterans enrolled in such institutions elsewhere in the country. Here again, the chairman and the committee are to be commended for bringing this measure before us so that it can be disposed of before the recess.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Senate bill, S. 2794, just passed.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

TAX FUNDS USED TO FINANCE DANCING OSTRICHES

(Mr. ROBERT W. DANIEL, JR., asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, the wire services carry an account of a theatrical event entitled "The Life and Times of Joseph Stalin," staged in New York City by one Robert Wilson. The so-called opera consumes over 13 hours in its presentation and involves a cast of over 100 adults, 18 children, a 4-month-old baby, a number of gorillas, a goat, a dog, a sheep, and 32 dancing ostriches, whose performance the critic described as "sensational." It is reported that many members of the audience spent much of the night asleep under their seats.

Now I would ordinarily defend the right of Americans to engage in this sort of madness except, in this case, for one thing: part of the tab for staging this production has been picked up by the long suffering U.S. taxpayers, through the National Endowment for the Arts.

I contend, Mr. Speaker, that we have better things to do with our tax funds than to finance dancing ostriches, however sensationally they perform.

CANADA AND THE ENERGY CRISIS IN THE UNITED STATES

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, people in the Greater Boston area have been receiving advertisements of the following type:

> With the energy crisis foremost on everyone's mind, we would like to reassure you that we, in the province of Quebec, are fortunate to have adequate supplies of fuel and electricity.
>
> In Canada, we do not foresee that our operations will be affected in any way and we will be providing a complete series of ski week programs.
>
> Supplies of gasoline throughout the province are ample as well as the reserves on hand at our service stations. Consequently, guests travelling by car should have no problem.
>
> Should the United States Government prohibit road travel on Sunday, we would suggest that you enter Canada on Saturday. We can make arrangements to accommodate you on the Saturday night prior to your ski week provided you give us sufficient notice.
>
> Guests arriving in Montreal by air or rail will find the usual methods of transportation to and from the hotels fully operational.
>
> We hope your visit to Canada will be relaxing and enjoyable.

Mr. Speaker, it is only a few months ago that Canada was threatening to shut off the flow of any gasoline or petroleum to the United States and then threatening to limit it to those of us who live in the northern section of the United States. So, while our friendly neighbor to the north has frequently indicated she does not want to give us any power or petroleum, she certainly has encouraged Americans to spend their dollars at Canadian ski resorts. As my dear old grandmother used to say:

> There is a long road that has not got an ash barrel in it.

CONFERENCE REPORT ON S. 1559, COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, I call up the conference report on the bill (S. 1599) to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

CALL OF THE HOUSE

Mr. GROVER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 708]

Alexander
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Aspin
Blatnik
Bolling
Brooks
Burke, Calif.
Burton
Butler
Carey, N.Y.
Clancy
Clark
Clay
Collins, Ill.
Conyers
Danielson
Delaney
Dellums
Dennis
Dent
Diggs
Drinan
Dulski
du Pont
Esch
Evins, Tenn.
Foley
Ford, William D.
Fraser
Frelinghuysen
Fulton
Gray
Green, Pa.
Griffiths
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hébert
Heckler, Mass.
Jarman
Jones, Ala.
Jones, N.C.
Keating
Kyros
Landrum
Leggett
Lott
McCloskey
McCormack
Macdonald
Madigan
Mailliard
Maraziti
Martin, Nebr.
Meeds
Metcalfe
Michel
Mills, Ark.
Moakley
Moorhead, Calif.
Murphy, N.Y.
Nelsen
Nichols
Parris
Patten
Podell
Pritchard
Randall
Rarick
Reid
Reuss
Rhodes
Riegle
Rodino
Rooney, N.Y.
Rose
Rosenthal
Ryan
St Germain
Scherle
Schneebeli
Seiberling
Shipley
Shriver
Sisk
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Waggonner
Walsh
Wilson, Charles H., Calif.
Wright
Zion
Zwach

The SPEAKER. On this rollcall, 326 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON S. 1559, COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 18, 1973.)

Mr. DOMINICK V. DANIELS [during the reading]. Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I am happy to yield.

Mr. DE LA GARZA. In reading the report I see that the conference comes back with a $100,000 limit or a $100,000 combination in the public works area. Is that not correct?

Mr. DOMINICK V. DANIELS. No, that is not correct. I will cover that in my statement.

Mr. Speaker, I am pleased to bring to the House floor the conference report on S. 1559, the Comprehensive Manpower and Training Act of 1973. When we went to conference there were approximately 90 differences between the House- and Senate-passed bills. I am particularly pleased to report to my colleagues that, in most cases, these differences were resolved consistent with the House version and that the conference report reflects the basic features of the House bill.

The purpose of the Comprehensive Manpower and Training Act of 1973 is to provide a modern charter for manpower programs previously operated under the authority of the Manpower Development and Training Act of 1962, the Economic Opportunity Act of 1964, and the Emergency Employment Act of 1971. The legislation reported from the conference eliminates the numerous categorical programs which were authorized under these separate pieces of legislation and substitutes instead a decentralized and decategorized program that can be more responsive to the diversity of local needs.

Both the Senate and House bills provided for financial assistance to State and local prime sponsors to plan and implement comprehensive manpower programs. Both bills also vested responsibiilty for certain manpower programs and functions in the Secretary of Labor. In addition, both bills provided an open ended authorization through fiscal year 1977. Although this general framework has been retained, the following major points of difference were resolved in conference:

PRIME SPONSORSHIP

The House bill provided that any unit of general local government with a population of 100,000 or more is eligible to be a prime sponsor. The Senate, on the other hand, provided that cities with a population of 100,000 and counties with a population of 150,000 would be eligible. The Senate receded to the House provisions on prime sponsorship. The House bill also provided that regardless of population, the largest unit of general local government in any State is eligible. The Senate bill provided that any consortium of adjoining units which includes an eligible city or county could qualify as a prime sponsor. The House bill contained a similar provision. The Senate receded to the House language with an amendment requiring such units comprising the consortium to be in reasonable proximity to one another.

The Senate bill contained a provision that any unit or consortium of units regardless of population might become a prime sponsor if the Secretary of Labor determined that such unit or units: First, serve a substantial portion of a labor market or a rural area of high unemployment; and second, have demonstrated competence, a special need for services and the effectiveness comparable or superior to that of the State in which they are located. Such units might qualify under the House bill only if they serve rural areas having substantial outmigration and high unemployment. The House, in order to provide the Secretary some flexibility in a limited number of cases, receded to the Senate with an amendment limiting the application of the provision to exceptional circumstances.

Additionally the House bill provided that a limited number of existing CEP grantees serving rural areas could be eligible prime sponsors if designated by the Secretary. The Senate receded on this provision.

The House bill provided that one unit of local government may not qualify as a prime sponsor for another unit within its geographical jurisdiction unless such other unit has failed to submit a plan to the Secretary. The comparable Senate provision stated that the Secretary may choose from among the competing plans. The Senate receded.

ELIGIBLE ACTIVITIES

Both the Senate and House bills describe eligible activities under the act. The provisions of the House bill described in general terms the kinds of programs and services contemplated under title 1. The Senate bill, in addition to such a general description, also included specific references, by name, to individual manpower programs such as Mainstream, New Careers, OIC, Neighborhood Youth Corps, Jobs for Progress—SER—and Job Opportunities in the Business Sector—JOBS.

The Senate receded with an amendment adding to the description of programs and activities a new section including programs conducted by "community based organizations," which are defined to mean organizations which are representative of communities or some significant portions thereof, for example, opportunities industrialization centers, operation SER, Mainstream, and community action agencies.

GRANTS FOR VOCATIONAL EDUCATION

The House bill provided that 5 percent of title I funds are to be made available for grants to State boards of vocational education to provide, by agreement with local prime sponsors, vocational education within the local sponsors' area. The Senate had no comparable provision and receded with an amendment requiring that the Secretary make the grants to the Governors so that they might provide financial assistance, through State boards of vocational education, for needed vocational education services in areas served by prime sponsors.

COMMUNITY ACTION AGENCIES

The Senate bill provided that 17.5 percent of the funds appropriated shall be available only for grants to prime sponsors for community service programs for the disadvantaged of the kind now carried out by community action agencies under section 221 of The Economic Opportunity Act. The House version had no similar provision. The Senate receded.

CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE

Both the Senate and House bills required as a condition precedent to the receipt of financial assistance for any year that the prime sponsor submit a plan or statement to the Secretary of Labor for approval. The conference compromise adopts the general structure of the House provision, as well as some specific Senate language on establishing goals and a provision requiring, wherever possible, that training lead to employment providing economic self-sufficiency.

The House version requires the prime sponsor to utilize services and facilities available from other State and Federal agencies to the extent deemed appropriate by the prime sponsor. The Senate amendment requires such use to the extent feasible. The Senate receded.

In addition to meeting the requirements for local prime sponsors, the House bill requires the State to provide for the participation of State agencies in the implementation of local plans, promote the coordination of all manpower plans in the State, and establish a State manpower service council to review and comment on plans and to monitor their operation. The Senate receded to the House provision.

The House bill specifies that the Secretary shall not approve a plan until he determines that it meets the statutory requirements and that an opportunity to comment has been given to specified officials. The Senate bill provided that the plan or program statement cannot be disapproved until certain procedures have been complied with and an opportunity for comment has been given to the officials specified in the House bill and to area planning councils. Both bills require notice and opportunity for hearing before final disapproval. The Senate also requires an opportunity for the prime sponsor to submit corrective amendments.

The conference agreement retains the House language and adds the provision of the Senate bill requiring the Secretary to revoke a prime sponsor's plan if he determines the sponsor has failed to meet specified requirements of the act.

LOCAL PLANNING COUNCILS

The Senate bill required the State prime sponsor to designate planning areas encompassing the entire State and to establish area planning councils for each area with designated functions and composition. The House bill did not mandate such a structure. The Senate receded with an amendment requiring all prime sponsors to establish representative planning councils.

SPECIAL FEDERAL RESPONSIBILITIES

Both bills give the Secretary of labor special responsibility to provide manpower programs to serve those segments of the population most in need of them. Included among these persons are those of limited English-speaking ability, Indians, migrants and seasonal farmworkers, youth, offenders and other persons determined by the Secretary to have particular disadvantages in the labor market. The House amendment provided that the Secretary shall take into account the need for funding programs of demonstrated effectiveness. The Senate receded to the House language with certain amendments, one of which would authorize the Secretary under section 307(a)(7) to provide financial assistance to programs conducted by community based organizations.

The House bill also provided for the incorporation of title I-A of the EOA into the Manpower Act to assure the continuation of the Job Corps. It also makes certain powers contained in title VI of the EOA and currently available to the Secretary by delegation from the Director of OEO applicable to his administration of the Job Corps. The Senate receded to the House provision which became title IV of the conference report.

In addition the conferees agreed that the Secretary should be responsible for the conduct of programs of research, training, labor market information collection, and a computerized job bank.

PUBLIC SERVICE EMPLOYMENT—ELIGIBLE APPLICANTS

The House bill included as eligible applicants for public service employment funds under title II prime sponsors under its title I, units of general local government with a population of 50,000 or more, combinations of units of general local government with an aggregate population of 50,000 or more and Indian tribes on Federal or State reservations. The Senate bill named any unit of Federal, State, or general local government, any public agency which is a subdivision of such government, and Indian tribal organizations. The conference agreement incorporates the House provisions, except that units and combinations of units of general local government with populations of 50,000 or more—but not eligible to be prime sponsors under title I—qualify as program agents who will administer the title II funds in their areas of substantial unemployment.

In addition to the program agent concept the bill provides assurances that jobs will be allocated equitably to such local governments and agencies taking into account the number of unemployed within their jurisdictions and their respective needs. Priority in employment is given to those unemployed persons who are most severely disadvantaged and special consideration is to be given to veterans. The remainder of the conference report in most other respects follows the provisions of the House bill.

AREAS OF SUBSTANTIAL UNEMPLOYMENT

The Senate bill defined an "area of substantial unemployment" as one having an unemployment rate of 6 percent or more. The House version required 7-percent unemployment in the designated area. The conference report adopted a rate of 6½ percent.

ELIGIBILITY

The House bill required that a person be unemployed for at least 30 days in order to qualify for public service employment under title II. The Senate limited eligibility to those persons who have been unemployed 15 weeks or more. The Senate receded to the House position.

FUNDING

Both the House and Senate bills provided for an open-ended authorization for fiscal years 1974 through 1977. The House amendment provided that the Secretary shall reserve and make available for public service employment programs $250,000,000 in fiscal year 1974 and $500,000,000 for fiscal year 1975. The Senate receded with an amendment setting aside not less than $350,000,000 for fiscal year 1975, and providing an open-ended authorization for public employment programs on top of the set asides for fiscal year 1974 and fiscal year 1975.

ALLOCATION FORMULA

The Senate bill provided that the funds for comprehensive manpower programs should be allocated on the basis of a two part formula: First, unemployment and second, the number of adults below the BLS lower living budget. It also provided for a "hold harmless" for the first 3 years of the bill.

The House version provided for the allocation of funds by a formula consisting of two parts: First, prior year's manpower allotment and second, the number of unemployed.

The Congress adopted a compromise three part formula based upon prior year's manpower allotment—given 50 percent weight—unemployment—given 37½ percent weight—and adults in low income families—given 12 percent weight. The conference report also includes a "hold harmless" at 90 percent of the previous year's funding with a limit on gains at 50 percent of the prior year's funding.

Under the House bill the allocation formula was applicable to 80 percent of the funds available for grants to prime sponsors under title I. The remainder was allocated in the Secretary's discretion taking into account the need for continued funding of programs of demonstrated effectiveness. The Senate bill applied the allocation formula to all the funds allotted to prime sponsors. The Senate receded.

The Senate bill provided that 15 percent of the funds allocated to the States—including local prime sponsors—should be available to the State to provide employment and training-related services throughout the State, to provide incentives to form consortia of local prime sponsors, to develop and publish information regarding labor market and other relevant conditions, to provide technical assistance and to operate manpower programs for offenders.

The House bill stated that 1 percent of the allocated funds are available to the States to fund the State manpower council. The Senate receded with an amendment which would make 4 percent of the funds available to the States to provide State manpower services.

The House bills provided that 5 percent of title I funds are available to the Secretary as incentive to form consortia of prime sponosors. This provision is retained in the conference report.

In addition, the House bill stated that 80 percent of the funds available for public service employment programs are allocated among areas of substantial unemployment on the basis of the number of unemployed residing in the area compared to the number residing in all such areas. The remainder is distributed in the Secretary's discretion taking into account the severity of unemployment in the area. The Senate bill contained no allocation formula for public service employment funds. The Senate receded.

NATIONAL COMMISSION FOR MANPOWER POLICY

The Senate bill provided for a Presidentially appointed national employment opportunities council composed of representatives of interested groups. The House bill provided for a national commission for manpower policy in the Executive Office of the President composed of specified Federal department and agency heads, and representatives of interested groups, including the general public. The Senate receded.

This conference report reflects the concept that reasonable men and women working together toward a common goal can compromise their differences. I am pleased that this important legislation is supported by the administration, the National Governor' Conference, the league of Cities, Conference of Mayors, the National Association of Counties, the AFL-CIO and the Leadership Conference on Civil Rights. I urge my colleagues to support the conference report.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Speaker, as far as the amendment ordered by the House wherein a combination of 50,000 could be a prime sponsor, it is my understanding of the conference report that in it we negated that in effect and the combination of 50,000 cannot be a prime sponsor, although we add some language that they would handle the funds but they cannot be a prime sponsor. Is that correct?

Mr. DOMINICK V. DANIELS. The gentleman is not correct. We retained the House language and in addition thereto any units of local government or a combination of units of 50,000 or more may be designated as a program agent by the eligible prime sponsor. In other words we went a step further and compromised with the Senate on that.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield further?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Speaker, using the language commonly used here I want to make it perfectly clear the gentleman is telling me on the record that any unit of government of 50,000 or a combination of 50,000 can be a prime sponsor. Is that what the gentleman is telling me?

Mr. DOMINICK V. DANIELS. No, I did not say that.

Mr. DE LA GARZA. Then what did the gentleman say about 50,000?

Mr. DOMINICK V. DANIELS. What I said was this.

The conference agreement incorporates the provision of both bills that prime sponsors are eligible applicants, and provides, that unit and combination of units of general local government with populations of 50,000 or more—but not eligible to be prime sponsors under title I—qualify as program agents who will administer the funds but not as eligible applicants.

Mr. DE LA GARZA. Can they apply as a prime sponsor?

Mr. DOMINICK V. DANIELS. No, they may not.

Mr. DE LA GARZA. Therefore they have to go find somebody with 100,000 people to be the prime sponsor and we are back to where we started from when the House added the 50,000. I do not have a city over 100,000. How in the world can we get a prime sponsor when we do not have a unit of 100,000?

Mr. PERKINS. Mr. Speaker, will the distinguished chairman of the subcommittee yield to me briefly?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, let me say that the gentleman from New Jersey is correct. When the House bill was passed we had 100,000 in it. That language remains in this bill intact for title I; it is exactly what we had for title I, and that is where the bulk of the money is to be dispatched.

Title II, the public service employment section, is where the gentleman refers to the 50,000 figure. We keep that figure. Different units of government may get together to constitute that 50,000 and become a program agent, in this conference report.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Texas.

Mr. DE LA GARZA. The chairman of the committee says, and I am going to hold the agency to that, that a combination of governmental units of 50,000 can be a prime sponsor for the public service jobs?

Mr. PERKINS. They can be a program agent.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Michigan.

Mr. ESCH. The gentleman is incorrect. They cannot be a prime sponsor. What the conference did is this, that in title II only they provided that and the Senate compromised to this point; they provided in title II that jurisdictions and combinations of jurisdiction leading up to 50,000 in member could be program agents.

What would be the authority of the program agents? They would administer the job employment funds within their jurisdictions under the prime sponsorship, in this case it would either be the county or the entire State that would be the prime sponsor; however, it is clearly spelled out in the bill that the combinations of units of 50,000 will be the program agents; so that the gentleman's concern about the local communities, the smaller communities not having specific responsibility in the conduct of title II programs should be relieved.

There is a clear indication that they will be allowed to be program agents and they will be responsible for the determination of how those funds are spent within the local jurisdiction.

If the gentleman will recall the debate on the floor, that was the basic concern. I appreciate the gentleman yielding.

Mr. DE LA GARZA. Mr. Speaker, if the gentleman will yield further, I do not want to prolong this, but I am telling my friend from Michigan, all the conference did was they went and made inoperative the amendment of 50,000 put on by the House.

Nonetheless, Mr. Speaker, the need is such in my area that even though the conference did not uphold the position of the House, I will support the bill because of the necessity; but it still places us in the rural areas, in the small areas, in the position of having to find 100,000 to be the prime sponsor.

I do not care how we color the rest of it, saying he will be the program agent; program agent means nothing if we do not get a prime sponsor on 100,000. We are back to where we started.

But not to prolong the issue and because of the need for this legislation, I will support the chairman and say that I am very dissatisfied that we cannot uphold the position of the House with respect to the public service area.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Michigan.

Mr. ESCH. I will state there will be automatically a prime sponsor in the area. There will be no difficulty working through that; but specifically the determination of how the funds will be spent will be done at the local jurisdiction level.

So the gentleman is incorrect. He will have no trouble getting funds into the small communities in the State, through the State; but the administration will be done locally.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Ohio.

Mr. HAYS. The gentleman makes a bland statement that the local subdivision will have no trouble. How does he know it will have no trouble? Obviously, the prime sponsor is going to take all the dough for itself. They will not hand down anything to anyone. The gentleman is pretty naive. He is not taking a long view on this. I have had a lot of experience with these prime sponsors and with the State getting money and it never dribbles down to the small community.

Mr. ESCH. Mr. Speaker, will the gentleman from New Jersey yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Michigan.

Mr. ESCH. If we read carefully in the legislation and the conference report, it states specifically that funds will be spent within those areas of unemployment in title II.

Secondly, that within title II those prime sponsors will have a responsibility for the administering of the act; so the local units of government are very clearly protected, not just in the conference report, but in the legislation itself.

I would say to the gentleman that if the Labor Department does otherwise, then they clearly are not following the specific language of the bill; so the gentleman from Ohio is incorrect. The language is in the bill.

Mr. HAYS. Mr. Speaker, this gentleman is not incorrect, because the Labor Department never follows the specific language of anything and the gentleman ought to know that as well as I do. The bureaucrats run it to suit themselves.

Mr. Speaker, I do not have a single county, except one, in my nine-county district that has over 100,000 people, so that means that no county in my district except one can become a prime sponsor, and it does not have any unemployment. So in effect, in counties with heavy unemployment, they are going to have to go to the State and ask for a handout.

Mr. Speaker, I might say that I am going to nominate Senator JACKSON for the First Annual George III Award, because he has done more in this so-called energy bill to destroy the liberties of English-speaking people than anybody in a thousand years, and more than George III could do in 30 years. Maybe I had better add some other people to it.

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. Mr. Speaker, I yield to the gentleman from California.

Mr. HAWKINS. Mr. Speaker, may I direct the gentleman's attention to the amount of money available under this provision in this report for youth jobs programs? As I read it, none of the money would be available under title III, and it seems to me that there is not a specific earmarked amount for that, but there is anticipated a supplemental appropriation particularly for jobs programs for the summer.

Mr. Speaker, I wonder if the gentleman can clarify what amounts will be made available for youth programs, including those for the summer months?

Mr. DOMINICK V. DANIELS. Mr. Speaker, I say in response to the gentleman that there is not an earmarked amount. We will have to get that from the appropriations committee.

Mr. HAWKINS. Under title III, approximately $360 million, as I read it, will be made available for various programs. These would include jobs for migrant programs and many other programs, and the balance left over, which is about $91 million, which would, as I read it, be only the approximate amount which would be set aside for summer programs.

I anticipate, therefore, that the committee—and I assume the conferees discussed this—was there any agreement to make a supplemental program, particularly for this summer, which would be made available for youth programs? Without that, there would be no specific amount made available, and we would have a manpower bill being passed without any earmarked amount made available for the summer programs that have always been available to the youth of America.

It would seem to me that this summer would be one of those critical summers where some appropriation would have been made.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I would say that was discussed in conference and that we felt that the program should be continued this summer and that we would apply to the Appropriations Committee for a specific sum of money to be set aside for that purpose.

Mr. HAWKINS. Mr. Speaker, was there any particular amount discussed as to what is in it now?

Mr. DOMINICK V. DANIELS. No, we did not mention any particular amount.

I think we should wait and see what conditions are?

Mr. HAWKINS. Mr. Speaker, I think it is critical deficiency in the report. I think, in view of the fact we have had many problems in our communities throughout America, and certainly I think that the House Committee has pointed out the danger of not providing adequately for our use and essentially contributing to the disorders and to the problems that are related to the failure to plan for the summer months, and particularly to plan for youths the year round. I would hope that this is only a base on which we can build and that there is a commitment on the part of the gentleman from New Jersey, as chairman of the subcommittee, for a review of this and that we will do something to plan for the youth.

Without that planning, it seems to me this report is terribly inadequate and certainly should be described as not a real, honest effort; a real sincere effort to do something.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, perhaps the most essential element in this legislation is the concept of the role of prime sponsors. It is not correct that for the purposes of political accountability, the prime sponsor is presumed to be the chief elected official within an eligible jurisdiction—for instance, the mayor, Governor, or county executive?

Is it not correct that for the purposes of political accountability the prime sponsor is presumed to be a chief elected official with the proper eligible jurisdiction, for instance, the mayor of a city, Governor of a State, or county executive, or administrator of a political subdivision?

Mr. DOMINICK V. DANIELS. Mr. Speaker, that is essentially correct.

Mr. STEIGER of Wisconsin. Mr. Speaker, I rise in enthusiastic support of the adoption of the conference report on S. 1559, the Comprehensive Employment and Training Act of 1973.

This legislation represents the culmination of nearly 5 years of effort in this area by the Committee on Education and Labor, and is a major personal achievement for the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) and the gentleman from Michigan (Mr. ESCH) as well as Chairman PERKINS and ranking minority member, AL QUIE. These members and the committee staffs can take justifiable pride in the fact that the legislation before us today represents a truly bi-partisan effort that is in keeping with the history of manpower legislation.

This legislation also reflects the positive and sophisticated efforts over the past 3 years of the manpower projects of the National Governors' Conference, the National Association of Counties and the National League of Cities—U.S. Conference of Mayors.

As my colleagues may remember, in my remarks urging passage of House bill on November 28, I outlined a number of specific reservations I had about that bill's provisions. I was particularly concerned that the bill failed to provide for an adequate and meaningful role for the Governor in the delivery of manpower services. Specifically, I objected to the fact that, as originally drafted, the bill mandated the Secretary of Labor to encourage the formation of consortia, but failed to include the Governor in any way in this process. To have retained this provision would have been entirely inappropriate and totally inconsistent with the very essence of decentralization.

I am pleased, therefore, that the legislation before us today corrects this deficiency by requiring that the Secretary consult with the Governor prior to the formation of consortia. The addition of this provision paves the way for Governors to assume a proper leadership role in achieving the coordination of manpower efforts in labor market areas throughout the State, while preserving the rights of independent local prime sponsors at the same time.

With respect to the allocation of funds for vocational education, the original bill again failed to adequately account for the ultimate responsibility of the Governor for the success or failure of the State's manpower program. Once again, in my judgment, the conference committee has acted wisely and with foresight in moving to correct a potentially weak link in the overall manpower delivery system by directing that the 5 percent of funds set aside for vocational education be routed through the Governor.

It is certainly my hope and expectation that existing vocational education facilities will continue to play an essential role in a decentralized manpower delivery system.

Finally, with respect to the creation of a meaningful role for the Governor, I am pleased by the decision of the conferees to set aside approximately 5 percent of all funds for use by the Governor for planning and program implementation. Four of this 5 percent comes out of the Secretary's discretionary money and is to be used for statewide programs and administration. An additional 1 percent of the 80 percent allocated to prime sponsors is specifically earmarked for use by the Governor in fostering coordination through the State Manpower Services Council.

The setting aside of funds for the Governor's use is a recognition of the importance of retaining some authority for program administration at the State level. For in talking about comprehensive manpower reform, we are not talking about single programs but rather about a network of programs—programs which must combine outreach, counseling, public service employment, one-the-job training, job development, job placement and followup. The State is in a unique position to provide the necessary linkage of these programs and services.

By increasing the role of the Governor in the delivery of manpower services, we do not suggest that the Governor should be able to exercise veto power over the efforts of local prime sponsors. To do so would be totally inconsistent with the principles of decentralization. It is to suggest, however, that the Governor must be given the tools with which to play a leadership role in the effective coordination of the State's overall manpower program.

My final concern about the original House legislation stemmed from the total absence of any provision for local manpower services councils to insure access at the local level to the planning process for those whose interests are directly affected—labor and industry groups, clients, and citizen-taxpayer groups. I feel the inclusion of a provision for advisory councils at the local as well as State level is an important step toward preserving citizen input.

The legislation before us represents the cutting edge of New Federalism in its emphasis on the development of a strong intergovernmental delivery system. The success of this bill will, in no small part, be determined by the extent of the working relationship which is ultimately developed between governmental units for the purpose of coordination.

It is my belief that we have before us a means of rationalizing the incredible mess of Federal contracts which currently comprises our manpower delivery system. However, given the size, scope, and complexity of this legislation, it can be expected that its implementation will not be without certain problems.

I am therefore pleased indeed by the intent of Chairman DANIELS to hold oversight hearings within a year. The history of this manpower legislation has been one of bipartisan cooperation and I look forward to working with the Committee on Education and Labor in its continued efforts to assure an effective national manpower policy.

Let me, Mr. Speaker, refer to the debate which has taken place regarding the opportunity for smaller communities to participate in title II programs. Under the conference report agreement in section 204(d) (1) and (2) a smaller jurisdiction "shall" be delegated the function of program agent as defined in 204(d) (2). Thus the State is required as prime sponsor for balance of State to work directly with smaller communities who might be eligible as a result of substantial employment.

In addition, section 205(c) (3) requires that persons hired "shall" be residents of the area qualifying for assistance. Thus, Mr. Speaker, it is clear that the interests of those who reside in smaller towns are protected and enhanced as a result of this conference report.

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I will yield briefly to the gentleman.

Mr. HAWKINS. Mr. Speaker, in elaboration of my other question, may I direct this question: I have some questions that may be more directly answered.

In the bill, as I read it, under title II, there is an amount of not less than $350 million earmarked for public employment programs under title II. This is to be compared with the $500 million which was in the bill when the bill left the House. That was the House version.

Now, may I ask whether or not the provision which says that such sums as may be necessary to carry out public service employment means that in addition to the $350 million, the report in a sense recommends that an amount which is more geared to the needs of the country than the $350 million should be considered by the Committee on Appropriations?

Mr. DOMINICK V. DANIELS. Mr. Speaker, I think I should point out the $250 million for fiscal year 1974 and the $350 million for fiscal year 1975 for public service employment represent nothing but a floor.

Mr. HAWKINS. Mr. Speaker, if the gentleman will yield just for a final statement, I hope that in view of the fact, since we in this House were forced to reject an amendment by which we would have increased that floor to $500 million, and the Bureau of Labor Statistics having indicated that 200,000 persons have lost their jobs since that action took place, this providing of only an amount on a floor of some $40,000 to $50,000 should certainly be considered inadequate and that this House would reverse its earlier position and make this manpower bill meet more realistically the needs of the American people, 200,000 of whom have lost their jobs while this bill was being considered.

Mr. DOMINICK V. DANIELS. Mr. Speaker, if I may make a brief reply to the gentleman, in conference the Senate desired to make it an open-ended authorization for both fiscal years. The House stood its ground and insisted on its language, and asked for a specific set-aside amount for both fiscal years 1974 and 1975.

The SPEAKER. All time of the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) has expired.

The Chair recognizes the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is frequently said that legislation is landmark legislation. However, I believe the Comprehensive Manpower Act—representing the culmination of 4 years of work—does indeed deserve that description for at least three reasons.

First, it embodies for the first time in any legislation passed by this Congress the manpower revenue sharing concept that is a move toward decategorization and decentralization. And if you believe as I do that government is best which is closest to its people, then you will subscribe to the philosophy behind this legislation.

Second, the Manpower Act is significant in that it proves what can be accomplished when we overcome the adversary relationship that has existed between the White House and the Congress. This legislation was developed with the strong cooperation of the legislative branch, the White House staff, the Office of Management and Budget, the Assistant Secretary of Labor for Manpower, as well as representatives of the Governors' Conference, National Association of Counties, the mayors, and those representing the labor community. It is a specific example of what can occur when all of us work cooperatively for the public good.

Third, the legislation deserves to be called "landmark" in scope since it is prospective. In this act, Congress is developing the programs to meet upcoming problems in our economy. It recognizes that there will be possible major displacements in our economy within certain areas of the country directly attributable to the energy crisis. This bill will rifle funds into such localities, assisting in development of retraining programs or public employment programs to help relieve the hardships found in pockets of high unemployment.

Mr. Speaker, this legislation in coming years will serve as an important tool for allowing localities to use Federal manpower funds to help meet unemployment problems. It also provides the needed flexibility at the local level to allow officials to determine the programs that best fit their needs.

However, there are certain matters the legislation does not take into account. It is my hope that this Congress will move effectively to bring together job training and related efforts found in the social security legislation, the Wagner-Peyser Act, and the vocational education programs into a unified attack on the problems of poverty and unemployment in this country.

This conference report represents the culmination of 4 years of work on a comprehensive manpower bill. It began with a recommendation of President Nixon that we move to a system of administering manpower programs which he called manpower revenue sharing. The heart of that proposal was that we enact a broad, flexibile authority and decentralize the administration of it to States and major cities and counties. This legislation accomplishes that purpose.

But this is not the revenue sharing bill originally sent to us. The Congress has worked its will on the proposal in a cooperative effort with the administration. The legislation before us contains a very significant Federal role, not only in assuring that the purposes of this act are carried out by those who administer programs at the State and local levels but in the assignment of special responsibilities to the Secretary of Labor for such groups as youth and older workers, persons of limited English-speaking ability, Indians, and migrants. Throughout the bill there are assurances that programs of demonstrated effectiveness will be continued both by State and local prime sponsors and by the Secretary in the use of funds at his disposal. The bill mentions some of these by way of example in defining community-based organizations—specifically OIC, SER, and Mainstream. But as one of the sponsors of the bill I want to make clear that these are only some examples used in the particular context of community-based organizations. There are other effective programs—such as that of the National Alliance of Businessmen—operating at the national and at the community level. We are equally committed to the continuation of such programs.

I think this bill represents a dynamic federalism which utilizes fully the competence of various levels of government in assuring that the needs of people are met.

The bill also establishes a National Commission on Manpower Policy which for the first time can begin to consider national manpower needs and the impact of all existing Federal programs in helping to meet those needs. This is an idea that I have been promoting for several years because it is apparent to me that the Federal efforts have been badly fragmented in this vital field and that, in actual fact, we have nothing resembling a national manpower policy.

The need for such a policy—which inherently involves in its formulation the process of looking as far into the future as possible and examining prospects in the light of possible situations which might arise—has been illustrated quite dramatically by the energy crisis. Had we have had a National Commission on Manpower Policy in place and functioning over the past several years it very likely would have examined the probability of diminishing energy reserves and have formulated both short-term and long-term measures to deal with manpower and employment problems which would ensue. In fact, such a process is one of the specific charges of this legislation to the Commission. It certainly does not come altogether late, because the problems of energy and alternative sources of energy are going to be with us well into the next century.

This legislation, as the Members well know, is complicated in its structure and involved the accommodation of many competing interests. I think the Conference did a good job of putting together two versions in such a manner that the legislation is strengthened in the process. Let me use an example involving the formula.

Previously, at least half of the manpower funds have been distributed under the Economic Opportunity Act on a poverty formula which favors southern and rural States over northern and industrialized States such as Michigan. The other half was distributed under the Manpower Development and Training Act on the basis, very largely, of the relative number of unemployed persons—which is favorable to heavily industrialized States. The final formula arrived at would—after about 4 years when all the "hold harmless" features had ceased to be a factor—distribute funds on a formula weighted 75 percent on relative unemployment and 25 percent on a low-income factor adjusted upward annually on the basis of changes in the cost-of-living index. This means that

States such as Michigan will get a fair share of funds primarily designed to provide training and retraining for unemployed workers, but that Southern and rural States will be able to meet their needs both for training and the creation of employment opportunities where they may not otherwise exist. It is a very good compromise.

There were other problems in working out a formula. We have a hold harmless provision at 90 percent of each prior year's manpower allocation. In order for this to work, it was necessary to say that no prime sponsor could get more than 150 percent of its prior year's allocation—a so-called stop-gain provision. However, we recognized, and this was a particular concern of mine, that a number of cities and counties either would be coming into the program for the first time or would have had a very small manpower allotment in fiscal 1973. A 150-percent limitation on these governments would either give them nothing or very little increase over the small amount they had before. So we placed a floor under the amount an eligible prime sponsor would be entitled to receive—one-half of the amount they are entitled to under the formula, even though the sum would exceed 150 percent of the prior year's allocation.

This is an example of the kind of problems the conferees had to struggle with, and the manner in which such problems were resolved. I think we have an excellent piece of legislation.

There still remains in this complex bill a good many things which need clarification. For example: the language which appears in title II and title IV of the bill relative to the rights of public employees already holding jobs with States and cities and other governmental entities. As one of the sponsors of the bill, and a conferee, I am confident that the intent of the conferees was to approve language which does several things. First, we wanted to insure that no employee is replaced by anyone funded under a program authorized by this act. Second, we wanted to make sure that no public employee is deprived of seniority or advancement opportunities by any program funded under this bill. Finally, we wanted to insure that criteria establishing whether persons are unemployed and eligible for assistance shall not be applied differently on account of a person's previous employment. In other words, Mr. Speaker, this language is designed to insure that Federal money under this act cannot be used by State and local officials to discriminate against public employees or to interfere with their job rights.

In the course of the general debate on H.R. 11010 I expressed my appreciation to the other Republican members of the select subcommittee, who also served effectively on the conference committee—the gentleman from Wisconsin (Mr. STEIGER), the gentleman from New Jersey (Mr. FORSYTHE), the gentleman from New York (Mr. PEYSER), and the gentleman from Connecticut (Mr. SARASIN). They have each played an active part in achieving this good result. And of course, I again want to thank the gentleman from Minnesota (Mr. QUIE), our ranking Republican member on the full committee, for his astute and statesmanlike negotiations on many of the most difficult issues in this legislation, and the distinguished chairman of our committee (Mr. PERKINS) who also chaired the difficult conference sessions. Without their help there would have been no bill.

But I want to save a very special expression of appreciation for the leadership, sagacity, and tenacious spirit of the chairman of the Select Subcommittee on Labor, DOMINICK V. DANIELS. He is a man who very literally makes his word his bond and for whom an agreement with a colleague is an irrevocable trust. He is a great legislator and it is a privilege to work with him on matters of high national interest.

This bill represents a high national interest—the formulation of national manpower policy effectively translated into programs working for people who need help in finding and holding a decent job at a decent wage. I urge adoption of the conference report on S. 1559.

Mr. ESCH. Mr. Speaker, I yield such time as he may consume to the ranking member of the committee, the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I urge adoption of the conference report on S. 1559. As a House conferee, and as a cosponsor of the companion bill in the House—H.R. 11010, I am very pleased with the outcome of this conference. The conference committee did its work on this long and detailed bill in the best spirit of compromise—that designed to produce the best possible legislation.

In my opinion, the bill which emerged from the conference is a better product than either the House-passed or Senate-passed versions. I could cite many examples of changes to support this view, but a few should suffice. The Senate bill, for example, contained a title that would have established a bob-tailed version of the OEO community action program under the Department of Labor. I think most would agree that this is not the appropriate legislation to deal with that issue, and the Department of Labor is not the proper agency to administer such a program. That title was dropped in conference.

The House bill, on the other hand, contained a very meagre role for State governments as compared with the Senate bill, even though we should be looking increasingly to the services provided by State government, with Federal assistance, to help solve local problems. The conference report language considerably strengthens the State role in the provision of services and in coordinating programs, and it earmarks 4 percent of the funds allocated to each State for administrative costs in carrying out this role. There was no comparable provision in the House bill, and it should significantly strengthen the overall program.

There were, of course, dozens and dozens of compromises. A number of them did not turn out as I had hoped they might. For example, we still mandate the expenditure of $350 million—as opposed to $500 million in the House bill—for programs under title II of the act which largely will be public service employment in areas having substantial unemployment. While we may very well spend more than that amount for title II, I still feel that it is unwise in principle to mandate expenditures for particular programs in future fiscal years. I would have preferred a simple authorization "of such sums as may be necessary" for title II in fiscal 1975, which the conference report contains in addition to the mandated amount. Still the very nature of a conference means that everyone does not get everything they want, and this is a provision which I can live with, and which in my judgment does no lasting damage to a very good piece of legislation.

Mr. Speaker, I want to pay particular tribute to my colleagues, DOMINICK V. DANIELS and MARVIN ESCH, who respectively as chairman and ranking Republican member of the Select Subcommittee on Labor, persevered through some very difficult times for this legislation and never stopped working together to resolve problems. Chairman PERKINS and I did what we could to help, but without the work of the gentleman from New Jersey and the gentleman from Michigan, this bill very likely would not have been possible.

This is landmark legislation in the sense that it points a new direction not only in the administration of manpower programs at all levels of government, but in the evolution of national manpower policies designed to meet the needs of the final quarter of this century. The possible impact of the energy crisis on the economy, with all of its implications for employment trends, is but one example of the need for a coherent national approach to manpower problems which do or might confront us. We needed this legislation which ties together a number of the basic manpower programs and lays the basis for a better coordination of efforts at all levels.

One of the several notable contributions of the gentleman from Michigan (Mr. ESCH) to this legislation was the creation of a National Commission for Manpower Policy which, effectively administered, could begin to provide much needed government-wide program coordination at the Federal level while taking a close look at our long-range needs in manpower training and employment opportunities.

Finally, this bill sets an example for the Congress in other policy areas where consolidation of existing programs and more decentralization of decisionmaking authority to State and local levels is needed. The administration has made proposals along these lines in a number of fields, including education, and I think they deserve the kind of consideration we gave the manpower proposal. Incidentally, I wish also to express my appreciation to the Department of Labor, and particularly to

Assistant Secretary William Kolberg and his colleagues in the Manpower Administration who worked closely and cooperatively with our members and staff in putting together the House bill and smoothing out problems in the conference. This bill is a good example of the executive branch and the Congress working cooperatively in the public interest. I think that the quality of the final effort reflects that cooperation.

Mr. Speaker, I urge adoption of the conference report.

Mr. ESCH. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho (Mr. Hansen).

Mr. HANSEN of Idaho. Mr. Speaker, I rise in support of the conference report and urge its adoption.

The Comprehensive Manpower Act of 1973 provides a worthwhile and needed program that will bring important benefits to the Nation. The bill is the result of a spirit of reason and willingness to compromise. It is worthy of prompt passage by the Congress this year. The bill reported by the conferees is superior to that passed by either the House or Senate.

Employment is a critical issue. Because of the energy crisis there are likely to be areas of greater unemployment in the coming year. Provision should be made early, in advance, so we can move quickly with the necessary programs in order to handle any displacement of workers due to energy shortages. I am pleased to note that this bill contains provisions that respond to this need.

In addition to the scaled-down public employment plan contained in the present bill, the general provisions of the manpower plan permit the State and local authorities to use other funds provided by the legislation for public employment plans if they see fit to do so. Thus, the people closest to the problem could decide on the best way to use the funds provided to create jobs where needed and thereby reduce temporary unemployment and contribute to the public services provided by the local government.

But the real significance of the legislation lies in the future direction of our manpower policies and philosophies concerning job training programs. Having authored manpower legislation of my own earlier this year, I would especially emphasize the benefits of a concept which it contained that has been incorporated in the bill under final consideration today. For the first time, Congress and the administration recognize that if we are to have an effective administration of manpower programs, we must give increased responsibility to officials at the State and local levels of government, and have a flexible program to meet the differing needs throughout the country.

There are several other provisions in the Comprehensive Manpower Act that I have long believed would be the means of providing greater service to those who are the intended beneficiaries of our efforts. I will vote for the bill and hope that it will receive an overwhelming vote of approval.

Mr. ESCH. I yield such time as he may consume to the gentleman from New York (Mr. Peyser).

Mr. PEYSER. I also rise to lend my support to this conference report, and I urge its adoption.

Mr. ESCH. Mr. Speaker, I yield such time as he may consume to the gentleman from Nevada (Mr. Towell).

Mr. TOWELL of Nevada. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, I urge support of the conference report and congratulate the conferees. As the gentleman from Minnesota (Mr. Quie) stated, this is an instance in which the final product is probably an improvement over the version of the bill that passed in the House and in the Senate.

As one example, the House version of the bill made a specific mention of bilingual programs, whch are extremely important in the Spanish-speaking community which constitutes a significant portion of the citizens of Nevada, and of course is even a larger part of the population of States such as California and Texas. The House bill also clearly authorized continuation of one of the most vital and effective manpower programs—Jobs for Progress—SER—which serves the Spanish-speaking community, but did not specifically mention them in the statute itself. The conference report considerably expands and amplifies the language of the bill relating to programs for persons of limited English-speaking ability, and specifically mentions SER as an example of a community-based organization which should be utilized by State and local prime sponsors in the provision of manpower services. I think this is an improvement on the language of the House-passed bill, in that it gives a much-needed emphasis to programs which serve important segments of our population whose needs too often have been ignored. Of course, persons of limited English-speaking ability are by no means limited to those whose primary language is Spanish—and the bill is not so limited, either. But this is a large—and a fact that is not widely appreciated, growing—number of our fellow citizens.

This bill truly begins to bring responsibility for important programs back to the State and local level where the needs are best known and where individuals can best be served. At the same time, it in no way relinquishes Federal responsibility to assure that the terms of the act are met. Rather, it frees the Federal Government from a large part of the administrative burdens so that—hopefully—it can concentrate its efforts on a broad consideration of national manpower needs and provide guidance, special help, and technical assistance to State and local governments in meeting those needs. The aim is to avoid "big government" in favor of responsive government, with each level—local, State, and Federal—doing those things it is best equipped to do, and doing it in a coordinated manner.

That is the promise of this legislation. I am confident that the promise can be fulfilled, and that after 4 years of effort the Congress and the executive branch, with the help and advice of our Nation's Governors, mayors, county officials, and other interested parties, have achieved legislation in which we can all take considerable pride.

Mr. ESCH. Mr. Speaker, I yield such time as he may consume to the chairman of the committee, the gentleman from Kentucky (Mr. Perkins).

Mr. PERKINS. Mr. Speaker, I rise in support of the bill and the conference report.

I do wish to state that we have improved the formula, taking it out of the figures of the Senate formula. Under title I, the bulk of the money is stated to be 50 percent of the amount allotted in previous years, and from the allocation 37½ percent is allotted on the basis of unemployment and the remaining 12.5 percent is allotted on the basis of the low-income factor. This improved the situation and in my judgment made the House bill much better.

Mr. Speaker, we are bringing back to the House the conference report on the manpower bill, now known as the Comprehensive Employment and Training Act of 1973. The conference report follows closely the version passed by the House just a few weeks ago. The provisions from the other body's bill that were incorporated were good provisions and strengthened the bill we now have under consideration. This is a bipartisan bill, supported by the minority, the majority and the administration. This widespread support did not come about easily. It was the result of long, hard hours of work and persuasion. Many people have made important contributions, but none have contributed more than the gentleman from New Jersey (Mr. Dominick V. Daniels) and the gentleman from Michigan (Mr. Esch) the two principal authors of this legislation. In fact, this bill really ought to be called the Daniels-Esch Act. As much as these two men have done, we still would not be here today if it were not for the cooperation and assistance rendered by three other men: the gentleman from Minnesota (Mr. Quie), the gentleman from Pennsylvania (Mr. Gaydos), and the gentleman from Wisconsin (Mr. Steiger).

All of these men were major contributors to the bill before us today, and to the realization of comprehensive manpower reform.

As I said when this legislation first passed the House, the chief accomplishment of this bill is that it continues to authorize public service employment programs providing jobs for the unemployed. It has never made any sense to train people for jobs that did not exist. Yet in many parts of the country that is exactly what manpower programs were doing until we passed the Emergency Employment Act in 1971. That act authorized $1 billion to be spent for public service jobs when the nation unemployment rate was 4.5 percent or greater and an additional $250 million for jobs in areas of substantial unemployment when the local jobless rate was 6 percent or more.

The conference agreement guarantees at least $250 million for public service employment in this fical year and $350 million for next year. There are additional open-ended authorizations, so if unemployment rises it will be possible to increase the level of funding for jobs.

I would have to say that, in my judgment, we can use far more public service employment than we have seen up to now. This is as much as we were able to persuade the President to sit still for now and so we are in the well-known position of having to take half a loaf or no loaf at all. But I want to give notice to this House that if the energy crisis produces the kind of unemployment that is being projected by various business leaders, we may very well have to come back before this body to get more for public service jobs. I have seen several predictions of 8 percent unemployment and I just want my colleagues to know that this would mean 7,200,000 people out of a job.

It is important for us to act now, though, to prevent the shut-down of the PEP program. The Emergency Employment Act expired on June 30 of this year. The only reason that there is still money being spent for public service jobs is due to the fact that the Labor Department has not yet spent all the money that was appropriated in fiscal year 1973 and obligated before that year expired. But even the money still in the pipeline will be gone by late February. We really do not have any time to lose. This is, in fact, the major reason I am supporting this bill. I am just afraid that shifting over to a completely new system of prime sponsors will only confuse things and create even bigger delays in providing these essential services to needy people. If this result does occur, and I hope that it does not, we may have to go back to existing law to see that everyone gets served.

Let me now describe briefly how funds are allocated and distributed under the Daniels-Esch Act. Twenty percent of the total amounts appropriated are reserved for the Secretary to run the job corps, Indian and migrant programs, summer youth job programs, special programs for older workers, and so forth, and to conduct research and evaluations. As I have stated, at least $250 million will be allocated to public service jobs under title II. The rest will be for State and local sponsors for manpower programs under title I. Under the agreement 80 percent of the funds for title I are distributed in accordance with the following formula: 50 percent of the funds will be allocated in accordance with the prior year's allotment of manpower funds; 37½ percent will be allocated on the basis of the number of unemployed and 12½ percent will be allocated on the basis of the number of adults in low-income families. Low-income families are defined as families with an income of below $7,000 in 1969, adjusted upward in accordance with increases in the consumer price index, rounded to the nearest thousand.

No State or local prime sponsor under the agreement shall receive less than 90 percent of its previous year's allotment, more than 150 percent of the amount of its allotment in the prior fiscal year, or less than 50 percent of the amount to which it is entitled under the allocation formula, whichever is greater. The funds that are saved by the application of the maximum are to be reallocated to those areas which, under the formula, suffer a loss of more than 10 percent of the prior year's allotment. If additional funds are needed to reach the 90 percent hold harmless level, they will be taken from the Secretary's discretionary funds under title I.

Many Members spoke to me about the need for recognition of underemployment in the formula. I am pleased that the conference agreement includes a low-income factor which will benefit those States with a serious underemployment problem.

Overall, the authorization for the bill is open-ended—such sums as may be necessary—for this and the 3 succeeding fiscal years. We estimate that the first-year cost of the bill will be $1.8 billion. If you add up the amount of money spent in fiscal year 1973 under the Manpower Development and Training Act and the manpower portions of the Economic Opportunity Act—$1.55 billion—and the Emergency Employment Act—$1.25 billion—you get a total of $2.8 billion. So this bill represents a cut in manpower programs of $1 billion. On the other hand, at the $1.8 billion level it is significantly higher than the President's budget of $1.34 billion, and it will go up by another $100 million in estimated costs in fiscal year 1975 because we increase the mandatory funding for the title II public service employment program from $250 to $350 million. This means the bill will be at the level of $1.9 billion during the next fiscal year.

Since the overall authorization is open-ended, and the budget figure is only $1.34 billion, it may be asked how we arrive at an estimate of $1.8 billion. The answer is simple. The Appropriations Committee has in its continuing resolution, kept manpower programs—excluding the Emergency Employment Act—funded at a level of $1.55 billion. We think that is the appropriate figure and hope they will stick to it in the regular or supplemental bill. In addition, as part of the compromise, we have received a commitment from the administration to seek an additional $250 million targeted for title II. These two figures, when added, come to $1.8 billion.

I want to say one more thing about the level of appropriations. It is essential that we appropriate at least $1.8 billion for manpower programs and public service employment. If we do not, we will not be able to honor our commitments to hold everyone harmless at 90 percent of his previous year's level. Since we are cutting back by $1 billion no one can be accused of "budget-busting" if he supports funding at $1.8 billion.

There was one point which may create problems and that is the 50,000 population figure for program agents under title II. If this provision is administered as it was intended the money will be passed along to local units of government and they will decide who should be hired and for what job. This pass-through of money is mandatory in the legislation but it is not possible to tell now just how it will be implemented. I will be following this provision most carefully to see that our intent is carried out and effectively monitored by the Labor Department.

Finally, I have heard this bill described as "special revenue sharing" by some people downtown. Let me say flatly that it is not.

This bill is a compromise between those who favored the so-called revenue-sharing approach and those who believe in a strong Federal role and responsibility. The compromise was to decentralize the planning and administration of manpower programs to State and local governments, but to require a careful Federal review and approval of the local plans and to place squarely with the Secretary of Labor the responsibility for seeing that the conditions and special requirements of the law, as well as its general purposes, are in fact being carried out. The ultimate responsibility for success or failure rests with the Secretary and we will hold him strictly accountable.

I would not agree to this bill if there was no Federal involvement and I think that view is stated by everyone on both sides of the aisle who worked closely with this legislation. Mr. Speaker, I urge the adoption of this report.

Mr. FISH. Will the gentleman yield?

Mr. ESCH. I am happy to yield to the gentleman.

Mr. FISH. I thank the gentleman for yielding.

I just want to compliment the chairman of the subcommittee and the ranking Republican member for the many months of hard and painstaking effort they have given to this legislation.

Mr. GROSS. Will the gentleman yield?

Mr. ESCH. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. What is the total funding authorized by this conference report?

Mr. ESCH. I will say to the gentleman that the total funding is open ended. It will be such sums as the Committee on Appropriations may determine are necessary.

Mr. GROSS. What is the gentleman's best guess as to the funding required?

Mr. ESCH. It is my understanding that the funding this fiscal year will be in the neighborhood, depending on how much is in the supplemental, of $1.5 billion to $1.8 billion.

Mr. GROSS. $1.5 billion to $1.8 billion? B-i-l-l-i-o-n?

Mr. ESCH. I say to the gentlemen from Iowa that is slightly less than in previous years.

Mr. MEEDS. Will the gentleman yield?

Mr. ESCH. I am happy to yield to the gentleman.

Mr. MEEDS. Mr. Speaker, I shall vote against the conference report on H.R. 11010, the Comprehensive Manpower Act of 1973. I shall do so because it fractionalizes and disperses the Federal responsibility for manpower programs and it sharply reduces our national commitment to public service employment at a time when we should be increasing that commitment.

I have been an early and strong supporter of public service employment. The Emergency Employment Act of 1971 has proven to be one of the most successful programs to alleviate short-term unemployment we have had since the Great Depression of the 1930's. Under EEA, Federal funds have made it possible for local communities to hire persons who need jobs to work on public service jobs that needed doing.

While EEA was grossly inadequate to solve the entire job shortage during the 1971 recession, it played an important role in helping ease unemployment in local communities. Last year we authorized $1.25 billion for the program and President Nixon requested the full amount, which was appropriated. But under H.R. 11010 we are cutting the authorization down to $250 million, one-fourth the original authorization.

This decapitation of the authorization would be justified if the Nation had achieved full employment. In fact, EEA contained a self-destruct mechanism so that money could not be spent after employment had climbed back to respectable levels. But the most respected economists in the Nation now agree that our economy is in trouble right now because of the energy shortage.

National employment stood at 4.7 percent in August but a sharp rise is imminent. Herbert Stein, chairman of the President's economic advisers, predicts unemployment will rise to 6 percent next year and his is among the most conservative estimates. But at the same time, in this bill, Congress is cutting down on the kind of machinery we should be gearing up to handle increased unemployment. We are locking ourself into reduced spending on a program that could alleviate next year's joblessness.

I think it a cruel hoax to cut back public service jobs at a time of increasing unemployment. Even though I was one of the original sponsors of the public service jobs program, I cannot bring myself to lend my vote for this hoax.

There are other important reasons to vote against the conference report. The overriding rationale for this bill is to provide authority for consolidation of uncoordinated and multitudinous existing manpower training programs. I agree that the number must be reduced. There are altogether too many departments, agencies, bureaus, and offices involved in manpower training. They should be consolidated under one department or agency. But this bill actually increases the number of program sponsors by 550.

Some categorical programs will be eliminated. But when you multiply the number of new prime sponsors by the number of remaining programs, you have a new multiplicity or bureaucratic growths. I believe that within 2 or 3 years of implementing this bill, the entire manpower program will be in such confusion that our problems now will seem like a Sunday school picnic.

The final reason I must vote against this bill is because it is manpower revenue sharing in disguise. Revenue sharing sprang from the concept that local people know best how to deal with local problems. And I agree, up to a point. But that does not mean local people are knowledgeable and qualified to deal with all the problems facing our country.

There is a difference between involving local officials in decisionmaking and turning over all our decisions on local, regional, State, or National problems.

Frankly, there are some problems that affect localities but are of such magnitude that they cannot be handled except on a national level. The founders of the United States realized this in their creation of a Congress to deal with national problems.

The danger in revenue sharing is that we are carrying the concept of "local people know best" beyond its logical extreme: A parceling out of our own prerogatives and responsibilities.

Job training and placement may have been a local problem in those peaceful days when a worker was pretty much dependent on one community. But mobility has now widened the job search area of our unemployed into a national problem. An unemployed aerospace worker is as much a problem to Kansas, where he goes, as he is in Seattle where he was laid off.

The decision to lay him off in the first place probably was not made in his locality.

In these days of corporate empires and interdependent economies, very few people and local communities have any control over national decisions on money, government, spending, taxes, and energy allocations that have sweeping local effects all across the country.

Similarly, manpower training decisions must have overall coordination, which I believe is impossible under the bill as it is written.

Manpower training has become a relatively sophisticated and technical undertaking in our complex economy. Existing and potential skills must be matched with existing and potential job openings. It requires a knowledge of the ability of trainees and trends in a fast-changing job market. There has been far too much training of people for jobs that are obsolete and have disappeared before the applicants are ready. The job market is no longer one of a single community but one of an entire State or Nation.

A local community simply cannot be expected to anticipate the decisions and job needs stemming from decisions made thousands of miles away.

A computerized job bank in the Department of Labor would help, but it is not required in this bill, only authorized.

The entire bill constitutes an abdication of responsibility by the Federal Government to try and shift national problems off onto local shoulders. By the same argument, one could propose making local communities responsible for national defense. Congress in this case would be taxing a national constituency in order to attack a national problem—then turning the money over to States and local governments with little or no control over how it is spent.

It is the basic fallacy in the revenue sharing theory: Separating the power to tax from the responsibility to spend wisely. To whom can the Federal taxpayer turn if the local program is a failure and the money squandered? A taxpayer in Tennessee cannot hold a mayor in Texas responsible for wasting his taxpayer's money. He may blame his representative in Congress, but we in Congress are already relinquishing our control over this spending of Federal money.

There are those who will contend this is not a revenue sharing bill. But it reads like a revenue sharing bill, it works like a revenue sharing bill, it comes from the same people who brought you general revenue sharing—the Nixon administration. Some people on the other side of the aisle are already calling it manpower revenue sharing and proclaiming a victory. There is no victory in H.R. 11010—only further abdication by the Congress of its responsibility.

Mrs. MINK. Will the gentleman yield?

Mr. ESCH. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Do I understand correctly that the conferees are now reporting a bill back which negates the vote which this House took with regard to the eligibility of communities of 50,000 and more population to qualify as a prime sponsor?

Mr. ESCH. The gentlewoman is incorrect in substance, because the conference was able to work out, in spite of strong objections from the Senate, a provision that those units of government that had a consortium of up to 50,000 or more would qualify as program agents, and they will fulfill the same responsibilities, in effect, as the prime sponsors will have, but they will not have the administrative costs that the prime sponsors will have. So in this case the benefits to those local jurisdictions under title II will accrue. However, they will be under the general administration of the prime sponsor.

Mrs. MINK. Where in this legislation, if the gentleman will yield further, is there a mandate that a community or a consortium of communities with 50,000 or more will be allotted these funds under title II? As I read it, there is a clause in title II which absolutely prohibits these communities from operating as prime sponsors. The money therefore goes to the State or to a unit that qualified under title I, which has 100,000 or more population. Therefore the smaller communities such as those I represent have absolutely no guarantee under the legislation we are now considering, neither do we have an opportunity to come together to present a program and qualify for these funds. My counties are at the complete mercy of the State or the city of Honolulu which qualifies under the 100,000 population category.

Mr. ESCH. With all due respect for the gentlewoman from Hawaii, I decline to yield further, because if she would read carefully, in the report on page 15, and I quote, it says:

> The eligible applicant shall delegate to such unit or units of general local government the functions of program agent with respect to the funds allocated to such eligible applicant on account of such area of substantial unemployment.

So, if the Members of the House will carefully read the committee report, they will see it is a mandatory delegation to such units.

I think the discussion has been full in the House. I think we have many other matters before the House, and I think we ought to move on to a vote.

It is very clearly and explicitly spelled out in the committee report that no local unit will have any difficulty whatsoever.

Mr. BIAGGI. Will the gentleman yield?

Mr. ESCH. I am happy to yield to the gentleman.

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the conference report to accompany the Comprehensive Manpower Act of 1973. This report represents an effective and realistic compromise between the House and Senate versions, with the ultimate beneficiaries rightfully being the American people.

At the time the House version was considered and passed on November 28, I indicated my strong support of that legislation. I am especially pleased to see so many of the excellent provisions of the House bill in this report we are considering today. It is a fitting tribute to the conferees, but especially to the distinguished chairman of the Education and Labor Committee (Mr. PERKINS).

Since the time we considered H.R. 11010, there have been growing indications that the unemployment picture in 1974 will be the worst in modern times. The combination of the energy crisis and continuing inflation may result in a nationwide unemployment rate of 6 percent, which would be a tragic situation for this country.

In light of these bleak probabilities it is imperative that the Congress pass legislation in this session, which would aid the millions of Americans who stand to become further casualties to this present administration's misguided and futile economic policies. This report today represents the culmination of many months of work aimed at producing this type of responsible legislation. What is being proposed today is a broad, comprehensive national commitment, the kind we need to undertake if we are to get people off the unemployment lines and back to work.

One of the more outstanding features of this bill are titles II and III. In those sections we come to grips with the serious problems which certain areas and groups in our Nation face with respect to employment. Title II of this bill would provide a comprehensive program of financial assistance for programs of public service employment in areas with a rate of unemployment of 6½ percent or more for 3 consecutive months.

Title II would deal directly with those disadvantaged groups who have particular difficulty obtaining employment. In my home city of New York one of these groups are youths seeking summer employment. Their numbers and their problems in obtaining temporary employment have grown enormously in magnitude. Thousands of these young Americans desperately want to work during the summer months, but are turned away time and again. For many of them the idleness that results causes them to turn to other less desirable ways of spending their time. Title III of this report will correct this by restoring adequate levels of funding for such important programs as the job corps and the public employment program, as well as other summer youth manpower programs.

Beyond providing for the immediate needs of this Nation with respect to employment, the report also provides for the establishment of a National Commission on Manpower Policies. This agency under the auspices of the Secretary of Labor would constantly reassess the employment needs of the United States, and would have as its ultimate objective, keeping our employment levels the highest possible.

I am also pleased to see that the funding for the Manpower Act will remain an open ended authorization through 1977. The $250 million we are providing for fiscal year 1974, and the $350 million for fiscal year 1975, represent the kind of financial commitment we as a nation must donate if we are to find the immediate and long-range solutions to our unemployment problems.

Mr. Speaker, we stand on the threshold of disaster as we approach 1974. The problem of unemployment in this Nation threatens to reach unprecedented proportions. The key to a stable and healthy economy is full employment. Our economy is far from healthy, it is gradually being infected by the cancer of unemployment. We must keep it from spreading. It is apparent that unless the President is willing to fully reappraise his economic priorities, our economy may yet fall victim to this disease. I am heartened today that we in the Congress have taken the initiative to stem the malignancy. The American Nation has thrived through the years on the sweat and toil of millions of its hard-working citizens. Americans today still adhere to the principle and hard work, yet for many of them the opportunities are not there. Let us today begin to give them these opportunities. We will be a better nation for our efforts.

Mr. BRINKLEY. Mr. Speaker, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Georgia.

Mr. BRINKLEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, do I understand that the conference report retains the allocation formula based on the same previous year's funding, 37.5 percent unemployment basis and 12.5 percent on the basis of local incomes of families?

Mr. ESCH. The gentleman is correct, there are two other provisions also applicable, but that is the general formula.

Mr. BRINKLEY. Does this represent a movement toward what the position of the Senate was?

Mr. ESCH. It does represent a movement toward what the position of the Senate was.

Mr. BRINKLEY. I thank the gentleman for yielding.

Mr. HAWKINS. Mr. Speaker, while I intend to support this bill because it is the best we can get under the Presidential threat that a better one will be vetoed, I must point out some of its deficiencies.

Unemployment is increasing while this bill makes specific plans for less than 50,000 jobs in the current fiscal year, an even smaller number than currently operated.

It also sets 6.5 percent unemployment rate as a cutoff period before special funds can be released for areas of high unemployment. This is entirely unrealistic and requires a major recession before action can be taken.

Most dangerous of all defects, however, is the failure to deal with youth programs, particularly jobs and including a summer jobs program. In this respect it is essential that the Congress insist on a supplemental program and appropriation and early enactment of a comprehensive youth bill that I am sponsoring.

Mr. Speaker, among some of the positive parts of this bill I am pleased to see the definite inclusion of Dr. Leon Sullivan's remarkable Opportunities Industrialization Centers—OIC—program.

As to this specific authorization, let me make the following statements:

The mayors of the many cities and communities need to know that 10 years' experience in working with low-income citizens and motivating them as well as training them to make their way into the mainstream of the American economy, should be useful to prime sponsors—especially those who have not had time to develop plans or machinery for manpower training and job development.

Prime sponsors who have had a long history and experience in manpower training and job development need to know the unique contribution that the OIC method of providing a one-door operation for poor people and minorities in the ghettos, barrios, and the hollows of America have had. For example, the comprehensive nature of the program which recruits from the bars and grills and lodge halls and street hangouts with indigenous leadership from the community in which the residents live doing the recruiting and with a community-based Board of Directors including residents from the community on the Board, then providing counseling before the training begins, conducting counseling during the motivational attitudinal training and the skill training, and then providing counseling after placement on the job for at least 6 months, has produced a retention rate of 87 percent which is unusually high.

The track record of OIC with reference to reaching the unreached is matched by the track record of enlisting the cooperation of business and industry and OIC can be helpful to any prime sponsor in this direction because of the Industrial Advisory Council working with Dr. Leon Sullivan, representing more than 30 of America's largest corporations.

The problem of polarization in the American community between white and black, Chicano and Afro, haves and have-nots, has been reduced in communities where OIC has built bridges of cooperation because of the nature of its self-help philosophy and providing a mechanism for coordinated effort to secure green power by combining black power, white power, brown power, and red power.

Let me now point out certain positive values:

First. A special value of this program is its involvement in the planning process to make possible the development of jobs through the cooperation of industry so that specific training on specific equipment for specific jobs is encouraged.

Second. Ways and means of using the OIC experience to retrain persons uprooted by technological change and who have not yet started out with the handicap of being economically disadvantaged, have been tested by OIC and could conceivably prove to be an asset to the Secretary in meeting the new needs created by the energy crisis.

Third. Since more than 100,000 unemployed citizens from low-income communities of all races have been served and more than one-third of those served have come off the welfare rolls, this project has proven its effectiveness as an integral part of the Nation's manpower delivery system and can prove a valuable asset to the Prime Sponsors as they plan ways of reaching those populations that are normally unreached.

Fourth. The Opportunities Industrialization Centers (OIC), founded by Dr. Leon Sullivan in 1964, has become a national system of proven effectiveness providing comprehensive training and employment service which include recruitment, pretraining counseling, motivational and attitudinal training, skills training, job placement, on the job counseling, job development, and other appropriate services.

Fifth. OIC should be seen as supplementary to other training programs such as Mainstream, Vocational Education Boards, National Alliance of Businessmen and community-action agencies. Since OIC has developed a special expertise in motivational and attitudinal training as a preparation for the skills training that is of proven effectiveness. The pride, the self-help concept, and the desire to achieve which IOC has generated, is an excellent undergirding for other training programs, although OIC itself provides comprehensive training for those persons who it reaches directly.

Mr. LANDGREBE. Mr. Speaker, I rise in opposition to the conference report on the Comprehensive Employment and Training Act of 1973 for reasons which I believe to be important and would like to make clear.

The stated purpose of the act is to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible and decentralized system of Federal, State, and local programs.

The first thing to be noted about this statement of purpose is that it conflicts with article I of the Constitution which enumerates the powers delegated by the States to Congress. As every literate person should know, there is no clause delegating the power to Congress to enact a law such as this, and that Congress will be acting beyond its legitimate functions if it passes this bill as reported from conference. In short, the bill is unconstitutional.

Second, the purpose as stated in the bill cannot be achieved by the passing of another law, but only by the cooperation of free men in a free market. By enacting numerous other laws which were putatively designed to ameliorate undesirable conditions in the economy, the Government itself has been the principal cause of the ills which this bill is designed to cure. By its minimum wage laws, the Government has established unemployment as a permanent institution of the American economy. The minimum wage laws have prevented businesses from hiring applicants at decreased wages in order to train them on the job as apprentices. The minimum wage laws, which might more truthfully be called maximum unemployment laws, have led to underemployment, which means—if the term has any intelligible meaning at all—that the abilities of employed persons are not utilized to their fullest, because the employer finds it uneconomical to do so. By forcing an employer to hire an applicant at a higher-than-market wage, the Government simply insures that that person will work for fewer hours, or that fewer persons will work normal hours. If the Congress truly wanted to correct the defects in the economy it could do so very simply and very quickly by simply repealing those laws that have caused those defects and maladjustments. The fact that the Congress does not seek to repeal noxious laws, but only to enact more such laws is remarkable. It makes one wonder whether the stated purpose of the measure is entirely accurate, or whether its actual purpose is simply to enlarge an already bloated central government.

The third reason for my opposition to this bill is that the authorization for funds made in section 4 is without limit. The appropriation of a definite huge sum would be bad enough—as in the House bill—but to authorize unlimited sums of other people's money is intolerable. It is but another abdication of responsibility on the part of Congress at a time when Congress cannot afford to default on any of its responsibility in fiscal matters. By using the conviction phrase "such sums as may be necessary," the bill empowers someone other than Congress to decide what "necessary" means, in addition to relieving Congress of its responsibility to act wisely and prudently with other people's money. This also belies the bill's claim to establish "a flexible and decentralized system," for as further reading of the bill will reveal, power is concentrated, not dissipated; consolidated, not separated; centralized, not decentralized, by the provisions of this bill. The bill is riddled with phrases such as "determined by the Secretary of Labor," "as the Secretary shall prescribe," "distributed in the Secretary's discretion," "the Secretary determines," "as the Secretary deems necessary"; all of which serve to indicate the tremendous powers Congress will be granting to the executive branch. The Executive is not usurping these powers, but is receiving them from an irresponsible and panic-stricken Congress.

My fourth reason for opposing this bill is that is provides for a massive collection of data about private citizens and the establishment of a computerized data bank to handle the information gathered. This sophisticated system is to be used "for the purpose of identifying sources of available persons and job vacancies, providing an expeditious means of matching the qualifications of unemployed, underemployed, and economically disadvantaged persons with employer requirements and job opportunities, and referring and placing such persons in jobs."

The purpose of using computers to match persons and positions is simply to try to replace the operation of the free market in which persons may accept and reject job offers until they believe they are matched with their jobs. The proper matching can only be accomplished by free men freely negotiating with each other in a free market.

I think it significant that at the same time the United States is trying to rectify the maladjustments in the free market induced by Government intervention, by the use of computers, the Soviet Union is seeking to make its centralized economy more efficient by the use of computers. Is not this development ominous and a sign that freedom is in danger in these United States? Three recent articles in the New York Times indicated the eagerness of Communist planners to use computers so that they might manage the centralized economy of the Soviet Union more proficiently.

But even computers cannot direct an unfree market; nothing can. Economic planning can lead only to planned chaos. In the second of the three Times articles mentioned above it was noted that—

> American experience with even less ambitious computer systems [than that proposed for the Soviet Union] has been marked by severe headaches.

And the Academician of the Ukrainian Academy of Sciences was quoted as saying:

> We must create a system that combines both centralization and decentralization.

The statement is, of course, good Marxist logic; but it, like many similar statements made by bureaucrats in this country, makes little sense. The purpose of such nonsense is, of course, to obscure the fact that Government operated computer banks are one of the greatest and most dangerous tools of modern dictatorships.

The fifth reason I oppose the bill is that it extends a totally useless and an incredibly extravagant program, the Job Corps, previously established by the Economic Opportunity Act of 1964.

In the joint explanatory statement of the committee of conference the statement appears that—

> The conferees are concerned with the critical unemployment problems of the Nation's youth and recognize a special Federal responsibility for alleviating youth unemployment. . . ."

Now such a feeling of responsibility is quite in order, for it is the Federal Government which has succeeed, by means of myriads of regulations, guidelines, restrictions, controls, and other devices, in creating unemployment among the youth. The Federal Government may soon succeed in creating unemployment among currently employed Americans, and that, I suspect, is the reason appropriations for this bill have been left completely open-ended. But Federal spending, no matter how great, cannot succeed in increasing employment. As I said in my minority views on H.R. 11010:

> Government cannot create jobs; it can only destroy certain jobs created by businessmen operating in the free market and establish positions for bureaucrats and/or those whom they are "helping". Government by its nature does not produce; it taxes. Because government bureaucracy is inherently less efficient than private enterprise, what such programs as this bill proposes will result in is a net loss of jobs.

Mr. Speaker, I trust that I have made my reasons for opposition to this bill quite clear. It is unconstitutional, extravagant, incipiently totalitarian, and cannot achieve its stated purposes. I hope that it will not be passed into law by this body.

PUBLIC SERVICE EMPLOYMENT: HALF A STEP

Mr. REUSS. Mr. Speaker, I commend the conferees on S. 1559 for the hard work they have put in to get this complicated Comprehensive Employment and Training Act through Congress before the recess. I am generally in support of the conference report, as I was of the House bill, and shall vote for it.

However, the act is "comprehensive" in name only. It lacks an adequate public service employment component.

The House bill made provision for a very modest public employment program: $250 million in fiscal 1974, and $500 million in fiscal 1975. These sums were defended by the bill managers against those who wanted to see them higher as the maximum amounts acceptable to the administration.

It was therefore surprising to learn that the conferees' version authorizes only $350 million, plus "such sums as may be necessary," for fiscal 1975, again under the by now routine threat of a Presidential veto. I think that this further concession was unwise, and hope that "such sums as may be necessary" to deal with increasing unemployment may indeed be forthcoming.

The conferees did improve the House version in one respect. The House bill allowed set-aside public service funds to be used only in areas where unemployment had reached 7 percent and stayed there for at least 3 months. This was a nonelessly high trigger, in terms of both the personal suffering and the deflationary economic spiral which it would have produced. With my colleague, Mr. HAWKINS, I attempted unsuccessfully to lower this trigger to 6 percent. I am glad to see that the conferees have at least reduced it to 6.5 percent.

But the bill still fundamentally neglects public service employment. To understand how great the shortfall, we must look back to the Emergency Employment Act of 1971, which set up the first major public service employment program. The EEA authorized public service employment funds totaling $1.25 billion for fiscal 1973, of which $250 million went for "special employment assistance" to hard-hit areas—defined as areas with 6 percent unemployment—and $1 billion for national allocation to be triggered by a 4.5 percent overall unemployment rate. The present bill authorizes less than one-third that amount.

It is easy to see why the current bill places so little emphasis on public service jobs. When the Comprehensive Employment and Training Act was in the making, the unemployment outlook differed considerably from what it is today. At the beginning of 1973, seasonally adjusted unemployment had declined from near 6 percent a year earlier to 5 percent. Unemployment continued to decline throughout the summer, until it reached 4.5 percent in October.

But unemployment is on the way up again, thanks primarily to the energy crisis. Herbert Stein, Chairman of the President's Council of Economic Advisors,, told the Joint Economic Committee last week that unemployment could rise to 6 percent in calendar 1974.

Private forecasters using econometric models—Wharton, Chase Manhattan, Data Resources—show more severe unemployment continuing into 1975. Certain industrial research groups, the Petroleum Institute among them, have estimated that unemployment could rise to 8 percent or more.

If we take the brightest picture, that of Mr. Stein, we are still going to have 5.3 million people looking for work next year, in a stagnant, if not actually contracting, labor market. We are going to see workers at all skill levels—pilots, technicians, machine operators, production line workers, construction workers, unskilled laborers—out of work. Employment will shrink not only in industries directly dependent upon petroleum—petrochemicals, plastics and synthetics, textiles—but also in industries secondarily affected by the petroleum shortage—automobiles, tourism, various services.

What are these unemployed to do? In some cases, the problem will be lack of proper skills, and can be remedied through training. But in most cases, the problem will simply be lack of jobs.

Can the Comprehensive Employment and Training Act, with its $250 million for public service employment in fiscal 1974, deal with unemployment on that scale? I fear not. This sum is enough to fund perhaps 35,000 jobs. In fiscal 1975, $350 million could pay for perhaps 50,000 jobs—less than 1 percent of the total number of projected unemployed. Even these small sums will not be available to many areas with considerable unemployment, but less than the statutory 6.5 percent.

With unemployment rising, a stable, nationwide public service jobs program, with money authorized and appropriated well in advance, a steady, fixed supply of funds assured, planning completed before the worst of the crunch is upon us, is required. This is not what the Comprehensive Employment and Training Act gives us. In light of the most recent unemployment forecasts, the act is outdated before it is even signed—poor little thing that it is—by the President.

The arguments for public service employment—the valuable social functions such jobs could fill, the benefits through the multiplier to the entire economy—have been made too often to need repeating here. Congress has expressed its support for the principle of public employment in passing the Employment and Training Act. But we must be a little bolder in our convictions. Severe unemployment will be upon us before we have even the rudiments of an effective program in place.

I hope that early next year a major public employment bill can be considered—one improving on the Employment and Training Act in both size and detail, one which will measurably reduce unemployment. As the need for such a substantial program becomes more clear, I hope to see today's conferees among the advocates of tomorrow's expanded and improved public service employment program.

Mr. ESCH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

MOTION TO RECOMMIT OFFERED BY MR. ROBERTS

Mr. ROBERTS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ROBERTS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The clerk read as follows:

> Mr. ROBERTS moves to recommit the conference report to the committee of conference.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. ROBERTS. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

The SPEAKER. The question is on the motion to recommit.

The question was taken.

Mrs. MINK. Mr. Speaker, on the motion to recommit, I make the point of order that a quorum is not present, and I object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

PARLIAMENTARY INQUIRY

Mr. DEVINE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. DEVINE. Mr. Speaker, is my understanding correct that the Chair had announced that the motion to recommit had failed?

The SPEAKER. The Chair will state that the Chair had not made such an announcement. The Chair was putting the question, and the Chair was not going to announce the result of the vote on whether the motion to recommit had been agreed to until the vote had been taken, the Chair had to wait until the vote had been taken.

In response to the parliamentary inquiry of the gentleman from Ohio, the answer to it is that we had reached that stage when the Chair recognized the gentlewoman from Hawaii who stated her objection and made the point of order that a quorum was not present.

PARLIAMENTARY INQUIRY

Mr. STEIGER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. STEIGER of Wisconsin. Mr. Speaker, is the vote which we are about to take on the motion to recommit, or is it on the adoption of the conference report?

The SPEAKER. The Chair will state that the vote we are about to take is on the motion to recommit.

Mr. STEIGER of Wisconsin. I thank the Speaker.

The SPEAKER. The gentlewoman from Hawaii (Mrs. MINK) has objected to the vote on the ground that a quorum is not present, and has made the point of order that a quorum is not present, and evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 93, nays 264, not voting 75, as follows:

[Roll No. 709]

YEAS—93

Abdnor
Anderson, Calif.
Archer
Armstrong
Bafalis
Bauman
Bennett
Blatnik
Boggs
Breaux
Breckinridge
Brinkley
Burke, Fla.
Burleson, Tex.
Camp
Casey, Tex.
Chappell
Clawson, Del
Daniel, Dan
Davis, Ga.
de la Garza
Denholm
Dorn
Downing
Fisher
Flood
Flynt
Fountain
Fuqua
Ginn
Goldwater
Gross
Haley
Hammerschmidt
Harsha
Hays
Henderson
Hicks
Hungate
Ichord
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
King
Kuykendall
Landgrebe
Litton
Long, La.
McSpadden
Mahon
Mathis, Ga.
Meeds
Milford
Miller
Mink
Mizell
Montgomery
Passman
Patman
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Randall
Roberts
Robinson, Va.
Roe
Rose
Ruth
St Germain
Sebelius
Shuster
Sikes
Skubitz
Slack
Spence
Steed
Stuckey
Symms
Taylor, N.C.
Teague, Tex.
Tiernan
Waggonner
Whitten
Wilson, Charles H., Calif.
Young, Fla.
Young, Tex.
Zion

NAYS—264

Abzug
Adams
Addabbo
Andrews, N.C.
Annunzio
Ashbrook
Ashley
Badillo
Baker
Barrett
Beard
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Boland
Bowen
Brademas
Brasco
Bray
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Cederberg
Chamberlain
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Dellenback
Dellums
Dennis
Derwinski
Devine
Dickinson
Dingell
Donohue
Drinan
Duncan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flowers
Foley
Forsythe
Fraser
Frenzel
Frey
Froehlich
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Goodling
Grasso
Green, Oreg.
Grover
Gude
Gunter
Guyer
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Hastings
Hawkins
Hechler, W. Va.
Heinz
Helstoski
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hunt
Hutchinson
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
Kluczynski
Koch
Kyros
Latta
Lehman
Lent
Long, Md.
Lott
Lujan
McClory
McCollister
McDade
McEwen
McFall
McKay
McKinney
Madden
Madigan
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Melcher
Mezvinsky
Minish
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mollohan
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Neill
Owens
Parris
Patten
Pepper
Perkins
Peyser
Pike
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Rangel
Rees
Regula
Reuss
Rinaldo
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Sandman
Sarasin
Sarbanes
Satterfield
Schroeder
Seiberling
Shoup
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, S.C.
Zablocki

NOT VOTING—75

Alexander
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Blackburn
Bolling
Brooks
Burke, Calif.
Burton
Carey, N.Y.
Clancy
Conyers
Delaney
Dent
Diggs
Dulski
du Pont
Evins, Tenn.
Ford, William D.
Frelinghuysen
Fulton
Gettys
Gray
Green, Pa.
Griffiths
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hébert
Heckler, Mass.
Jarman
Keating
Landrum
Leggett
McCloskey
McCormack
Macdonald
Mailliard
Martin, Nebr.
Metcalfe
Michel
Mills, Ark.
Moakley
Moorhead, Calif.
Moss
Murphy, N.Y.
Nichols
O'Hara
Podell
Rarick
Reid
Rhodes
Riegle
Rooney, N.Y.
Rosenthal
Ryan
Scherle
Schneebeli
Shipley
Shriver
Sisk
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Walsh
Wright
Young, Ill.
Zwach

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Rhodes against.

Mr. Conyers for, with Mr. Dent against.

Mr. Rarick for, with Mr. Rooney of New York against.

Mr. Taylor of Missouri for, with Mr. Nichols against.

Mr. Scherle for, with Mrs. Heckler of Massachusetts against.

Mr. Zwach for, with Mr. Frelinghuysen against.

Mr. Andrews of North Dakota for, with Mr. Fulton against.

Mr. Blackburn for, with Mr. Clancy against.

Mr. Martin of Nebraska for, with Mr. Green of Pennsylvania against.

Until further notice:

Mr. Stubblefield with Mr. Arends.

Mr. Macdonald with Mr. Diggs.

Mr. Podell with Mr. Hanna.

Mr. Delaney with Mrs. Hansen of Washington.

Mr. Metcalfe with Mr. Burton.

Mr. Moakley with Mr. du Pont

Mr. Moss with Mr. Reid.

Mr. Murphy of New York with Mr. Moorhead of California.

Mr. O'Hara with Mr. Harrington.

Mrs. Griffiths with Mr. Gubser.

Mr. Alexander with Mr. Steiger of Arizona.

Mr. Brooks with Mr. Michel.

Mr. McCormack with Mr. Dulski.

Mr. Sisk with Mr. Harvey.

Mr. Shipley with Mr. Shriver.

Mr. Ryan with Mr. Anderson of Illinois.

Mr. Rosenthal with Mr. Evins of Tennessee.

Mr. Stephens with Mr. Mailliard.

Mr. Van Deerlin with Mr. Mills of Arkansas.

Mr. Vigorito with Mr. Walsh.

Mr. Wright with Mr. Schneebeli.

Mr. Landrum with Mr. Riegle.

Mr. Jarman with Mr. McCloskey.
Mr. Leggett with Mr. Young of Illinois.
Mr. Carey of New York with Mr. Aspin
Mrs. Burke of California with Mr. Ford.
Mr. Gray with Mr. Gettys.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ESCH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 330, nays 33, not voting 69, as follows:

[Roll No. 710]

YEAS—330

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Armstrong
Ashley
Badillo
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Butler
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Derwinski
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Duncan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Melcher
Mezvinsky
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Sebelius
Seiberling
Shoup
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—33

Archer
Ashbrook
Bafalis
Broyhill, Va.
Burleson, Tex.
Byron
Camp
Clawson, Del
Collins, Tex.
Crane
Daniel, Dan
Devine
Fisher
Flynt
Goodling
Gross
Landgrebe
Meeds
Mizell
Patman
Poage
Powell, Ohio
Roberts
Robinson, Va.
Rousselot
Ruth
Satterfield
Shuster
Spence
Steed
Symms
Teague, Tex.
Young, Fla.

NOT VOTING—69

Alexander
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Blackburn
Bolling
Brooks
Burke, Calif.
Burton
Carey, N.Y.
Clancy
Conte
Conyers
Delaney
Dent
Dulski
du Pont
Evins, Tenn.
Ford, William D.
Frelinghuysen
Fulton
Gray
Griffiths
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hébert
Heckler, Mass.
Jarman
Keating
Landrum
Leggett
Macdonald
Mailliard
Martin, Nebr.
Metcalfe
Michel
Mills, Ark.
Mitchell, Md.
Moakley
Moorhead, Calif.
Moss
Murphy, N.Y.
Nichols
Podell
Rarick
Reid
Riegle
Rooney, N.Y.
Rosenthal
Ryan
Scherle
Schneebeli
Shipley
Shriver
Sisk
Staggers
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Walsh
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.
Mr. Rooney of New York with Mr. Vigorito.
Mr. Gray with Mr. Zwach.
Mr. Evans of Tennessee with Mr. Taylor of Missouri.
Mr. Fulton with Mr. Walsh.
Mr. Dulski with Mr. Schneibell.
Mr. Carey of New York with Mr. Shriver.
Mr. Dulski with Mr. Schneebeli.
Mr. Shipley with Mr. Steiger of Arizona.
Mr. Reid with Mr. Mailliard.
Mr. Podell with Mr. Clancy.
Mr. Rarick with Mr. Martin of Nebraska.
Mr. Alexander with Mr. Michel.
Mr. Brooks with Mr. Blackburn.
Mr. Burton with Mr. du Pont.
Mr. Delaney with Mr. Anderson of Illinois.
Mr. Dent with Mr. Andrews of North Dakota.
Mr. Conyers with Mr. Leggett.
Mr. Murphy of New York with Mr. Frelinghuyser.
Mr. Sisk with Mr. Conte.
Mr. Ryan with Mr. Keating.
Mrs. Burke of California with Mr. Ford.
Mr. Harrington with Mr. Gubser.
Mrs. Hansen of Washington with Mrs. Heckler of Massachusetts.
Mr. Hanna with Mr. Scherle.
Mrs. Griffiths with Mr. Moorhead of California.
Mr. Mitchell of Maryland with Mr. Van Deerlin.
Mr. Aspin with Mr. Jarman.
Mr. Landrum with Mr. Macdonald.
Mr. Moakley of Airzona with Mr. Mills, of Arkansas.
Mr. Moss with Mr. Staggers.
Mr. Stephens with Mr. Riegle.
Mr. Nichols with Mr. Stubblefield.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on December 18, 1973, the President approved and signed a bill of the House of the following title:

H.R. 8877 An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

GENERAL LEAVE

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks on the conference report just agreed to and, further, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PROVIDING FOR AGREEMENT TO SENATE AMENDMENT WITH AN AMENDMENT TO H.R. 8449, TO EXPAND NATIONAL FLOOD INSURANCE PROGRAM

Mr. PATMAN. Mr. Speaker, I move to suspend the rules and agree to the House resolution (H. Res. 753) to take from the Speaker's table the bill (H.R. 8449) to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes, with Senate amendment thereto, and agree to the Senate amendments with an amendment to strike out title III of the Senate amendment in the nature of a substitute.

The Clerk read as follows:

H. Res. 753

Resolved, That immediately upon the adoption of this resolution the bill H.R. 8449, together with the Senate amendment thereto be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendment be, and the same is hereby, agreed to with an amendment as follows:

"Strike out title III of the Senate amendment in the nature of a substitute."

The SPEAKER. Is a second demanded?

Mr. WIDNALL. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, H.R. 8449, as amended, is considerably improved over the bill that was passed by the House on September 5, 1973.

The basic provisions of the bill remain the same, significantly increasing limits of subsidized coverage and creating incentives for communities to enter the flood insurance program and for individuals to purchase available coverage.

Aside from minor technical changes, the bill as passed by the Senate differs in the following respects:

First. Section 110 would consolidate the appeals procedures voted on the House floor into a more equitable, comprehensive, and manageable format. The new appeals language is acceptable to the administration, unlike the language adopted on the House floor which would result, so I have been told, in a veto of the bill. The revised appeals provisions would work as follows:

Upon completion of the rate study in consultation with the local community, the Secretary must notify the community of the proposed elevation standard by both publication in the Federal Register and twice in a local newspaper during the 10-day period following Federal Register publication. During the 90-day period following the notification, property owners within the community can appeal the Secretary's proposed determination to the local government on the ground that the elevation being proposed is scientifically or technically incorrect. Upon any such appeal, the community must review the appeal and consolidate it with any other similar appeals, issuing a written opinion on whether the evidence justifies an appeal by the community in its own name. Copies of individual appeals must be sent to the Secretary as they are received by the community.

The Secretary then reviews the individual appeal, together with the community's appeal, if any, and must make modifications of the proposed determinations if they are warranted. The Secretary's evaluation of the appeal must be based upon consultation with local officials, administrative hearing, or the views of an independent scientific body or appropriate agency. His decision on the appeal must be in written form, and copies must be sent both to the chief executive officer of the community and to individual appellants.

Flood insurance continues to be available within the community until the Secretary's determination on the appeal. Any appellant aggrieved by the Secretary's final determination may then appeal the determination to the U.S. district court within 60 days.

Second. The Senate language with respect to the problem treated by the gentleman from Louisiana, Mr. LONG's amendment, is adequate and specific enough to solve the problem he addressed.

Third. Special provisions have been added to make increased limits of coverage available in Alaska, Hawaii, and Guam. This is consistent with other legislative approaches to high construction costs in these areas.

Fourth. The Senate has broadened the provisions of the amendment, offered by the gentleman from Louisiana (Mr. TREEN) to extend until December 31, 1974, or the establishment of flood plain elevations, whichever is later, the date before which new construction need not pay actuarial rates. This provides an additional year for communities to the requirements of the act with respect to new construction.

Fifth. The Senate substituted a June 30, 1977, termination date for program contracting authority, in lieu of the $10 billion ceiling in the House version.

Finally, Mr. Speaker, there were two additional amendments added to the bill on the Senate floor, the first of which would permit national banks to invest in agricultural credit corporations and an amendment giving the Secretary of Housing and Urban Development flexible interest rate authority on title I FHA-insured mobile home loans.

The amendment that I am offering to the bill would strike title III of the Senate-passed bill which would have provided Federal reimbursement to the citizens of South Dakota and Nebraska for losses suffered as the result of the so-called Wounded Knee occupation.

Mr. Speaker, I reserve the balance of my time.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the gentleman for yielding.

Mr. Speaker, I want to be absolutely sure that we understand the net effect of following the committee recommendation and striking title III. I believe the gentleman covered it in his last sentence of his statement.

But am I correct in assuming that by striking title III we completely remove from the bill, which the gentleman recommends we now pass, that portion of the bill which has to do with the Senate amendment proposed by Senator McGOVERN which proposed compensation for the supposedly innocent victims injured as a result of the disturbances in South Dakota?

Mr. PATMAN. Yes, that is correct. It was not related to this bill and besides we could not get the bill through if we had that amendment in the bill.

Mr. WAGGONNER. Mr. Speaker, if the gentleman will yield further, I think the committee is deserving of our appreciation for recognizing the nongermaneness of this amendment. Not only is it nongermane, it is also without merit and without precedent, for that matter of fact, and I would recommend that the House concur in the recommendation of the commmittee by passing the bill and striking title III.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. GROSS. I wish to join in commending the gentleman from Texas and the members of the House Committee on Banking and Currency for taking this action to drop title III of the bill, the nongermane amendment that was placed in the bill by the other body.

It seems to me that it takes an inordinate amount of gall to attach an amendment to which no previous attention had been given, which is completely wide open as to funding, and which sets no guidelines or criteria for the payment of claims. The amendment has no place in this bill. The subject matter properly belongs before the House Committee on Interior and Insular Affairs for hearings to determine whether any payments are justified.

Again, Mr. Speaker, I commend the committee for this action.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I thank my chairman for yielding.

I understand, and I want to emphasize this, that an aggrieved community can go to a U.S. district court within 60 days if they feel a determination by the Secretary of Housing and Urban Development has been incorrect. Is that correct?

Mr. PATMAN. That is correct.

Mr. ROUSSELOT. I thank the chairman for insisting that the House position be retained. I think it is an additional protection to a small community that we as legislators tried to achieve in the House position. I compliment the chairman for insisting on that position, and I thank the gentleman for yielding.

Mr. WIDNALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to fully support the measure before us as described by our able chairman, Mr. PATMAN. This body has given careful study and expeditious attention to this legislation.

The bill incorporates the primary features of the House bill. It improves upon certain administrative features and strengthens the program through three substantive changes.

These substantive changes are:

First. The monetary limit on the amount of insurance coverage which can be written has been replaced with a program expiration date of June 30, 1977. In order for insurance to be written after June 30, 1977, congressional oversight and extension of underwriting authority will be required. This is a sound provision which will avoid artificial constraints imposed by undeterminable measures of demand for flood insurance.

Second. Deadlines for local acceptance and—the implementation of conditions to be applied in the case of nonparticipation—have been extended. The proposed new dates acknowledge the delays already experienced and make the program implementation schedule more realistic; and

Third. Specific procedures are provided to insure participation by private citizens and local officials and to guarantee full review and appeal in the determinations to be made by the Secretary.

I consider all of these substantive changes to be in the best interest of the program and urge enactment of the bill.

Mr. PATMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. BARRETT).

Mr. BARRETT. Mr. Speaker, I rise in wholehearted support of H.R. 8449, the Flood Disaster Protection Act of 1973, as amended. With enactment of this legislation, we will have, for the first time, the tools necessary to establish a truly effective national flood disaster protection program. A program which, once the provisions of this legislation are fully implemented, will result in net savings of a substantial amount to the Federal Government.

Section 110 of this bill, dealing with appeals from determination of the Federal Insurance Administrator, was the subject of more testimony, discussion, coordination, and committee debate than any other provision in the bill—both in this body and in the Senate. I believe that the appeals provisions that finally resulted represent a major accomplishment which, while doing full justice to the legitimate interests of communities and individuals who may feel aggrieved at a particular determination of the Administrator, permits an effective and efficient administration of the flood insurance program.

I believe that section 110 is responsive to the major objections that have been raised concerning this legislation. It consolidates the appeals procedures earlier voted on the House floor into a more equitable, comprehensive, and manageable format—one which, while carefully protecting the interests of those affected, avoids the pitfall of permitting those unnecessary delays and self-interested procrastinations which would make the flood insurance program unworkable.

I think that one other provision in this legislation also deserves special mention. Section 208 of the amended legislation permit the Secretary of Housing and Urban Development to set interest rates with respect to FHA mobile homes loans at levels needed to meet the current mobile home loan market. As a practical matter, low cost new housing—that is, housing which a lower income family can afford to purchase without subsidy, means a mobile home in today's housing market. Until our housing subsidy programs again become operational, it is essential that credit at affordable rates remain available for the purchase of mobile homes by such families. Section 208 would make this possible.

Mr. Speaker, I most strongly urge the prompt enactment of this legislation.

Mr. WIDNALL. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Speaker, I rise in support of the Senate amendment to the Small Business Act. The bill to which this amendment was added in the Senate deals with disaster protection. This amendment addresses itself to a single disaster. A disaster that is perhaps more familiar to millions of Americans than any similar incident in our history because of the media coverage accorded it due to the romantic nature of its historical setting. To my knowledge, no single destruction of property nor transgression of rights has been so publicized as that which took place in my district, on Pine Ridge Indian Reservation in South Dakota between the dates of February 27, 1973, and May 8 of this year. It is most apt to refer to what happened at Wounded Knee as a disaster. Much has already been said about the damage that has been done to respect for order and the rule of law on Indian Reservations and elsewhere. Less emphasis, however, has been given to the physical destruction which occurred when armed militants occupied the small community of Wounded Knee, forcibly occupying churches, a museum and trading post and private residences there, and during and at the end of the confrontation burning and destroying that property. That which was destroyed was in many cases the sole possession of its owner.

This amendment, through the Small Business Administration's natural disaster program, would provide innocent victims who suffered losses through no fault of theirs some relief. To better appreciate the need for this legislation, allow me to put this "disaster" in its proper context. Just over a year ago there was another disaster and great destruction of property—destruction of the taxpayers property—that took place when militant members of the American Indian Movement occupied and wrecked the Bureau of Indian Affairs Building here in Washington. The damage coming from that disaster has been cited at over $2 million.

That is the damage to the BIA building, the lost records and the artifacts which the militants took or destroyed. They were not punished, however, rather they were paid tax dollars to go on their way. These were not South Dakota Indians for the most part, and not, for the most part, even reservation Indians. But they did take the Federal payment of over $60,000 and many of them ended up at Wounded Knee. Having met with such success in Washington, these militants resumed their ways of destruction. In this case, however, what they destroyed was not Government property, however, but property which in most cases belonged to Indian citizens in and near Wounded Knee. Indian citizens who were property owners and who were earning their own livings. These were people who were successful, people who followed the pattern that billions of dollars have been spent to promote by the Bureau of Indian Affairs and other Government agencies who attempt to upgrade the economic and social standing of our Indian population.

No wealthy people resided at Wounded Knee. Life there was simple, and material goods were scarce; nonetheless, when militant, armed members of the American Indian Movement, and their supporters entered the community and sealed it off from the rest of the world, the owners of these possessions continued to believe that they could expect protection of their property and civil rights. This they did not receive. Because they did not receive police protection which was so desperately needed, and the need for which was so evident, the few possessions many of the people in Wounded Knee had were lost. The destruction was wrought at the hands of lawless men who proclaimed their contempt for our Government, it is, of course, with these lawless parties that the ultimate responsibility for the losses lie. This is of little comfort, however, to those who lost their possessions—their homes and their cattle herds that represented a life's hard work on the rugged plains of the Pine Ridge Reservation. The responsible renegades are now scattered, and in most cases are judgment proof. Their many sympathizers who helped prolong the confrontation have not come forward to make whole those who lost so much.

While the destruction—destruction many of us helplessly witnessed on our television screens—was not the result of action of our Government, it was, to a degree a result of the inaction of our Government.

I have talked with Indian ranchers near Wounded Knee who found that their herds were being raided and that their homes and families were being threatened by the outlaws at Wounded Knee; when they asked U.S. Federal marshalls to protect them and their property, the Marshals replied that they could give no help because those ranchers were in the "demilitarized zone" which surrounds the community of Wounded Knee. With no choice but to flee for their lives, these people watched their homes burn and their cattle herd scattered and destroyed. These people are Indians who worked long and hard to break from the patterns of unemployment and dependency which are so prevalent on our reservations even today. They saw all that they had destroyed, as Federal "law enforcement" officials looked on. All, I might add, in spite of the willingness of local law enforcement officials to enforce the law and protect property rights.

The Federal policy, of course, was justified as being one designed to avoid bloodshed and loss of life and limb. Although some of the insurgents were eventually killed by gunfire, and Federal officers were wounded and crippled in the firefights that eventually took place, we can speculate that the restrained policy of Federal officials prevented some unnecessary suffering and death. This is of little comfort, however, to those who found themselves homeless, and found their life's savings to have gone up in smoke.

Now, we have an opportunity to compensate in part those who lost so much. They can never be compensated in full for the suffering and terror they experienced, but by this amendment we can provide them with payments for the losses of property they experienced. The exact amount required to fund this amendment is unknown. But it cannot be great. The population of Wounded Knee is only less than 100. Ranchers surrounding the area lost cattle and had fences and buildings destroyed, but this is sparcely settled country and the actual numbers are few.

But to those few who are involved, this bill is everything. Imagine what this compensation will do to restore confidence in Government for those who suffered losses and those who observe their pitiful plight. Given this opportunity during this Christmas season, we must take advantage of it and, in part, right a serious wrong.

Mr. WIDNALL. Mr. Speaker, I want to thank the gentleman from South Dakota for his comments. I am sure that the Congress will, in the future, do what should be done to correct the situation out in his area.

Mr. Speaker, I have no further requests for time.

Mr. PATMAN. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. PATMAN) that the House suspend the rules and agree to the resolution (H. Res. 753).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SECOND ANNUAL REPORT ON OCCUPATIONAL SAFETY AND HEALTH—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-65)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered printed with illustrations:

To the Congress of the United States:

It was just three years ago that I signed into law the Occupational Safety and Health Act of 1970. Since that time, we have made significant progress toward our goal of a safe and healthy workplace for every worker in America.

Today, I am submitting the second President's Report on Occupational Safety and Health, outlining the activities which have taken place under that new Act in calendar year 1972. The achievements of that year indicate that the goals of the Act are becoming realities.

For example, many States have developed or are now in the process of developing their own occupational safety and health plans in accordance with the Act. As these plans are approved and carried out, enforcement will begin to shift from the Federal Government to the States with no loss in effectiveness.

Because public cooperation is vital to the success of the program, I am gratified by the support which has been extended to this program by the news media, by the professions, and by the general public. I am particularly pleased to note the cooperation and support which industry and labor organizations have given to these efforts.

The breadth and complexity of the Occupational Safety and Health Act have inevitably made it the focal point for controversy and criticism. I believe, however, that such criticism can be helpful as we work to improve our programs and as we modify and update its standards and regulations.

This year's report includes preliminary data from the first occupational injury and illness survey conducted under the new record-keeping procedures required by the Act. This data will be helpful in providing a basis upon which to judge the effectiveness of our efforts to reduce work-related injuries, illnesses and fatalities.

This report also reflects the added emphasis which has been placed on occupational health during the past year. Research in this area has increased in response to a growing awareness of the tragic toll taken by employee exposure to toxic substances and unhealthful physical environments.

Also included is the first report of the Occupational Safety and Health Review Commission, a wholly independent agency created by the Act to adjudicate citations and proposed penalties issued by the Department of Labor when they are contested by employers and employees.

This detailed account provides a useful overall view of the program and its accomplishments in 1972. It offers, too, a glimpse of what lies ahead as we work to assure safe and healthful working conditions for all of our country's working men and women.

RICHARD NIXON.

THE WHITE HOUSE, *December 20, 1973.*

ANNOUNCEMENT BY THE CHAIR

The SPEAKER. The Chair wishes to announce that the House will proceed with the consideration of conference reports on appropriation bills, and to do so on all of those which are ready, before the House goes to any other legislative business.

CONFERENCE REPORT ON H.R. 11575, DEPARTMENT OF DEFENSE APPROPRIATION FOR FISCAL YEAR 1974

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on yesterday, I call up the conference report on the bill (H.R. 11575) making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 19, 1973.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers be dispensed with, since it is rather extensive.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks on the conference report on the defense appropriations bill, and I also ask unanimous consent that all Members be permitted to include extraneous excerpts, and I ask unanimous consent for myself to also include tables relating to this conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, in considering a bill of any magnitude, one ought to take into consideration the fiscal picture confronting the United States. In considering a bill of the magnitude of the defense appropriations bill, it is very important to look at the entire fiscal situation confronting the Nation.

Mr. Speaker, we did that in the formulation of the Defense conference report which is before us. I think, therefore, it might be of interest for me to capsule what the fiscal situation is from the standpoint of the Federal Treasury.

There were many predictions at the beginning of this session and at different times during the session as to what the Congress might do in relation to the present January budget, and the supplemental budget estimates of the President of November 15.

CONGRESS REDUCES APPROPRIATIONS BILLS

It is now apparent since we have agreed in conference on all appropriation bills that in this session of Congress on all appropriation bills we have reduced the President's request by $3 billion. It is rather a notable thing that this marks the 21st year that the Congress has not exceeded the President's budget in appropriation bills.

Now, as the Members know, about 40

percent of spending is represented by expenditures mandated through legislation other than appropriation bills. Budget authority becoming available automatically under permanent legislation for the social insurance trust funds, interest on the debt, and general revenue-sharing accounts for the lion's share of this spending.

THE REVISED NOVEMBER 15 BUDGET

The President in his updated budget on November 15 estimated that the spending for this year would be about $270 billion, including $0.6 billion in spending related to the budget amendment providing assistance to Israel.

The Executive had made a number of erroneous projections as to the fiscal situation. In other words, a very bad guess was made with respect to interest on the public debt. The interest on the public debt skyrocketed to a very much higher figure than had been anticipated. And there were certain other increased costs. So, there were some black aspects to the picture.

But revenues as of November 15 were estimated to be about $14 billion greater than had been estimated last January, so this was a plus.

But now in view of the energy crisis and the possible slowdown of the economy, it may be that this estimate may prove to be a bit too high.

SPENDING IMPACT OF CONGRESSIONAL ACTIONS

With respect to all spending in appropriation bills and in nonappropriation measures and in mandated spending otherwise—and I am talking of spending now, not appropriations—with respect to all spending of the Federal Government for fiscal year 1974, it now appears that spending will be approximately at the level of $270 billion, as estimated by the President on November 15 of this year.

Now, there is a caveat to that. If Congress today or tomorrow provides for the increased social security payments, that will add $1 billion above the President's budget. If the energy bill, which provides for certain mandatory benefit payments to unemployed workers, is approved by Congress today or tomorrow or before we adjourn, that will add another one-half billion dollars.

So it would appear, Mr. Speaker, that based upon the President's November estimate, spending may exceed that figure by about $1½ billion, which certainly, in the context of the magnitude of Federal spending, is not too uncomplimentary of the Congress.

Of course, I think we must all agree that the executive and the legislative branches of the Government have in many instances been overspending in recent years, including this year, and there are many of us who have opposed many of these spending programs.

Nevertheless, the total picture as to the actions of the administration and the Congress is about as I have stated.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, that figure representing the estimated spending is considerably above the estimate as of last January, is it not, when the budget was submitted?

Mr. MAHON. Mr. Speaker, the estimate of spending as of last January was, as the gentlemen will remember, $268.7 billion. As a result of the increase in the interest on the debt and as a result of congressional addons, as well as other matters, the President in his revised estimate in November estimated that the spending figure would be increased from $268.7 billion to about $270 billion.

Mr. GROSS. Mr. Speaker, I assume the gentleman is taking into consideration the $1 billion that was impounded and, according to what was stated this morning in the newspaper, has now been released.

Mr. MAHON. That figure should be taken into consideration. Insofar as I know, this does not negate the statements I have just made. However, the gentleman has raised a valid point.

Mr. GROSS. If the gentleman will yield further, has the gentleman heard the reports that I have heard that the Office of Management and Budget is having difficulty with the 1975 budget, to wit, holding it at $300 billion?

Mr. MAHON. I have heard it said with considerable authority that the budget will undoubtedly go up. The President submitted a budget for fiscal year 1974, I believe, $19 billion above fiscal year 1973. If the budget should go up another $19 billion in this coming year, it will be pushing toward the $300 billion figure. However, I would hope that the fiscal year 1975 budget which will be submitted in January or soon thereafter will be under $300 billion.

However, it is a very serious and sobering aspect of our political life that our budgets tend to get larger from year to year. Somehow or other we have to do a better job of dealing with this problem than we have in the past.

Mr. Speaker, I am going to place in my remarks at this point a well prepared statement with regard to the budget situation, and a table setting forth the appropriations business of the session:

CONGRESSIONAL ACTION ON THE FISCAL YEAR 1974 BUDGET

I. HIGHLIGHTS

Appropriation Bills Reduced in Excess of $3.0 Billion

Congress, in its actions on appropriation bills, reduced budget requests for fiscal year 1974 in excess of $3.0 billion.

A Standoff on Total Spending

It seems rather clear at this point that completed congressional action at the conclusion of this session will result in about a standoff with the revised Executive budget estimate for total spending of $270 billion. But if Congress before adjournment approves the proposed Social Security increases and approves the mandatory unemployment benefit provisions of the energy legislation, that would add about $1.5 billion to the $270 billion.

II. CONGRESS REDUCES APPROPRIATION BILLS FOR 1974

The $3.0 billion congressional reduction of the budget in appropriation bills includes the effect of the conference agreements on the Defense, Foreign Assistance, and the 1974 Supplemental Appropriations Bills. It is a remarkable fact that with these actions Congress will have reduced the budget through the appropriations process in each of the last 21 years.

House and Senate Action on Appropriation Bills

House-approved appropriation bills for fiscal year 1974 were under the budget by $3.5 billion. Senate-approved appropriation bills for fiscal year 1974 were under the budget by $2.6 billion.

Priority Setting in Appropriation Bills

The total figures on congressional action on appropriation bills reflect literally thousands of changes in the budget, both increases and decreases. But it is easy to see that Congress did set priorities through the appropriations process. The largest increases were $1.4 billion on the Labor-Health, Education, and Welfare bill and about $440 million on the HUD-Space-Science-Veterans bill. The largest decreases were about $3.5 billion for Defense and $1.2 billion for Foreign Assistance.

III. TOTAL SPENDING FOR FISCAL 1974

The President's January estimate for total Government spending was $268.7 billion. On November 15 that figure was revised upwards to $270 billion.

The revised November 15 outlay estimate included the effect of the following and other developments:

(In billions)

1) Budget amendment for assistance to Israel	+$0.6
2) Congressional increases	+2.9
3) Significant increases in uncontrollables:	
Interest on the debt	+2.9
Medicaid cost increases	+.6
Disaster assistance	+.6
4) Significant decreases in uncontrollables:	
Outer Continental Shelf rents and royalties (offset against outlays	−2.9
Farm price supports	−1.2
Sale of financial assets	−.9
Stockpile sales	−.9

Impact of Congressional Actions on Spending

During the session the President has signed into law legislation including certain congressional additions to the budget. The November 15 estimate of $270 billion included $2.9 billion in congressional increases. Since November 15 the net effect of completed Congressional action on the budget has been a reduction of about $100 million in outlays for fiscal year 1974. So, actions by Congress to date have not exceeded the $270 billion figure.

There are pending, however, certain nonappropriation bills that would mandate spending of more than $2 billion—most significantly the Social Security increases and the unemployment provisions of the energy legislation. Pending legislation will carry over to next session, and it may be that much of it will be enacted. It should be made clear, however, that such increases would be over and above the $270 billion.

IV. SPENDING INCREASES IN NONAPPROPRIATION BILLS

Spending was, of course, reduced through congressional action on appropriation bills. The spending increases that resulted from congressional action have been due to actions on nonappropriation bills. Significant examples of such actions are included in the following list:

(In millions)

Food stamp amendments (P.L. 93–86)	+724
Repeal of "bread tax" (P.L. 93–86)	+400
Federal employee pay raise, Oct. 1, 1973 (S. Res. 171)	+358
Welfare—medicaid amendments (P.L. 93–66)	+122

Unemployment benefits extension (P.L. 93–53)	+116
Veterans national cemeteries (P.L. 93–43)	+110
Social Security—liberalized income exemption (P.L. 93–66)	+100

V. DRAMATIC INCREASE IN REVENUES

The most dramatic shift in the budget has been on the revenue side. The President has revised his $256 billion January estimate by $14 billion up to $270 billion. This turn of events wiped out the original Unified Budget deficit of $12.7 billion projected in January. The November 15 budget revisions indicate a balanced unified budget for fiscal 1974, reflecting a federal funds deficit of $15 billion, offset by a trust fund surplus of $15 billion.

VI. WORD OF CAUTION

It is clear from the figures I have cited that the budget is subject to constant, sometimes sharp, change, even without considering the actions of Congress. As a result of economic conditions interest payments on the debt alone went up as much as the net congressional increase to spending. And the $14 billion swing in revenues dwarfs the $1.3 billion net change in total spending estimates during the year.

What should concern us all is the possible budget impact of the economic slowdown many are predicting. Fiscal year 1974 is by no means over, and a balanced Unified Budget is not yet a fact.

ACTIONS ON BUDGET ESTIMATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY CONSIDERED IN APPROPRIATION BILLS, 93D CONG., 1ST SESS.—REVISED TO DEC. 20, 1973

Does not include any back-door type budget or spending authority in legislative bills; or any permanent (Federal or trust) authority, under earlier or permanent law,[1] without further or annual action by the Congress]

Bill and fiscal year	House actions				Senate actions			Final action	
	Budget requests considered	Reported by committee	Approved by House	Compared with budget requests	Budget requests considered	Approved by Senate	Compared with budget requests	Reported by conference	Compared with budget requests
A. Bills for fiscal 1974:									
1. Legislative (H.R. 6691)	$566,945,389	$550,044,940	$550,044,940	−$16,900,449	$677,150,959	$640,558,952	−$36,592,007	$605,189,933	−$71,961,026
2. Agriculture-Environmental and Consumer Protection 3. (H.R. 8619)	9,505,750,600	9,385,750,600	9,385,737,600	−120,013,000	9,519,550,600	10,176,926,500	+657,375,900	9,927,667,000	+408,116,400
District of Columbia (Federal funds) (H.R. 8658)	432,998,000	427,717,000	427,717,000	−5,281,000	432,998,000	417,717,000	−15,281,000	417,717,000	−15,281,000
4. Transportation (H.R. 8760)	[5] 2,892,732,006	[5] 2,752,631,006	[5] 2,753,231,006	−139,501,000	[5] 3,010,732,006	2,968,451,006	−51,381,000	2,898,446,006	−112,286,000
5. HUD-Space-Science-Veterans (H.R. 8825)	18,617,453,000	19,070,954,000	19,070,954,000	+453,501,000	18,617,453,000	19,118,373,063	+500,920,063	19,056,500,000	+439,047,000
6. Labor-HEW (H.R. 8877)	31,544,954,000	32,816,467,000	32,816,467,000	+1,271,513,000	31,549,953,000	33,396,379,000	+1,846,426,000	32,926,796,000	+1,376,843,000
7. Interior (H.R. 8917)	2,274,431,300	2,269,554,200	2,269,554,200	−4,877,100	2,370,367,300	2,488,773,700	+118,406,400	2,443,137,200	+72,769,900
8. State-Justice-Commerce-Judiciary (H.R. 8916)	4,235,080,000	4,150,143,000	4,152,946,000	−82,134,000	4,522,901,000	4,459,478,250	−63,422,750	4,466,012,000	−56,889,000
9. Public Works—AEC (H.R. 8947)	4,757,469,000	4,671,695,000	4,676,395,000	−81,074,000	4,757,469,000	4,772,982,000	+15,513,000	4,749,403,000	−8,066,000
10. Treasury-Postal Service-General Government (H.R. 9590)	5,073,345,000	4,843,698,000	4,844,723,000	−228,622,000	5,373,345,000	5,123,352,000	−249,993,000	5,233,189,000	−140,156,000
11. Defense (H.R. 11575)	77,250,723,000	74,106,309,000	74,101,309,000	−3,149,414,000	77,250,732,000	73,264,627,000	−3,986,096,000	73,714,930,000	−3,535,793,000
12. Foreign Assistance (H.R. 11771)	6,866,567,000	5,833,912,000	5,833,912,000	−1,032,655,000	6,992,917,000	5,593,440,000	−1,399,477,000	5,780,434,000	−1,212,483,000
13. Military Construction (H.R. 11459)	2,944,900,000	2,609,090,000	2,609,090,000	−335,810,000	2,944,900,000	2,670,972,000	−273,928,000	2,658,861,000	−286,039,000
14. Special Resolution, Gold Devaluation (H.J.R. 748)	[4] 2,250,000,000	[4] 2,203,000,000	[4] 2,203,000,000	−47,000,000	[4] 2,250,000,000	[4] 2,203,000,000	−47,000,000	[4] 2,203,000,000	−47,000,000
15. Supplemental (H.R. 11576)	1,428,790,218	1,432,685,718	1,433,035,718	+4,245,500	1,534,183,886	1,888,425,386	+354,241,500	1,703,125,386	+168,941,500
Total, bills for fiscal 1974, to date	170,642,138,513	167,123,651,464	167,128,116,464	−3,407,809,049	171,804,643,751	169,183,455,857	−2,621,187,894	168,784,407,525	−3,020,236,226
B. Bills for fiscal 1973:									
1. Urgent Supplemental (H.J. Res. 496)	1,366,800,000	494,800,000	[2] 1,368,600,000	+1,800,000	1,366,800,000	1,368,600,000	+1,800,000	1,368,600,000	+1,800,000
2. 2d Supplemental (H.R. 7447, vetoed)	[3,162,880,434]	[2,855,542,209]	[2,855,542,209]	[−307,338,225]	[3,607,105,504]	[3,699,239,279]	[+92,133,775]	[3,362,845,279]	[−244,260,225]
3. 2d Supplemental (H.R. 9055)	3,607,105,504	3,362,845,279	3,362,845,279	−244,260,225	3,607,105,504	3,362,845,279	−244,260,225	3,362,845,279	−244,260,225
Total, bills for fiscal 1973	4,973,905,504	3,857,645,279	4,731,445,279	−242,460,225	4,973,905,504	4,731,445,279	−242,460,225	4,731,445,279	−242,460,225
C. Cumulative totals for the session to date:									
1. House	175,616,044,017	170,981,296,743	171,859,561,743	−3,650,269,274					
2. Senate					176,778,549,255	173,914,901,136	−2,863,648,119		
3. Enacted								173,515,852,804	−3,262,696,451

[1] The Budget for 1974, as submitted Jan. 29, 1973, tentatively estimated total new budget authority for 1974 at $288,029,000,000 gross ($256,761,000,000 net of some $31,268,000,000 interfund and intragovernmental transactions and certain so-called proprietary receipts handled as offsets for budget summary purposes only). Of this total, an estimated $146,477,000,000 does not require current action by Congress; it involves so-called permanent appropriations such as interest, and various trust funds, already provided for in other basic laws. The remainder, $172,820,000,000 is for consideration at this session (mostly in the appropriation bills). About $8,600,000,000 of the $172,820,000,000 was shown in the January budget as being for later transmittal for supplemental requirements under present law, new legislation, and allowances for contingencies and civilian pay raises, and $49,534,408 of the remainder requires legislative reauthorization through various annual authorization bills or where the authorization expires periodically.

[2] $873,800,000 was added on the House floor as a committee amendment and was covered by a budget estimate.

[4] Not to exceed.

[5] Includes $90,360,000 in advance 1975 appropriations.

DEFENSE APPROPRIATIONS BILL

As I said, in determining our actions on the Defense bill we did take into consideration the fiscal situation and we also took into consideration the military needs of the Nation and the security of the country.

I could talk to you at very great length about what we did in the Defense bill. There were not hundreds but thousands of issues involved when you get down to each and every item that was before us in the consideration of this measure.

Let me say we have reduced the total funding available by about $3 billion. The new budget obligational authority reduction is $3,535,793,000, but some of this reduction, $503,300,000, is offset by the reappropriation or reapplication of funds heretofore provided. So I will not undertake to go into too great detail at this time. It will all be explained in the table I will insert in the Record.

MILITARY PERSONNEL

A total deduction of $331,504,000 was made in the requests for military personnel. The amount appropriated is $22,374,996,000. For the most part, the position of the House with regard to specific personnel reductions made by the House was upheld in the conference. The House receded on proposed reductions in the movement of household goods to Alaska and Hawaii and the consolidation of chaplain schools. The Senate receded in areas, such as reductions in graduate training, in the number of career counselors, in consolidation of race relations schools, and in medical training for active duty officers. While it is difficult to estimate the exact effect of an appropriations reduction on military and strengths, it is estimated that the bill will result in an end strength reduction of about 62,000.

This compares with a mandated authorization reduction of 43,000 personnel and a reduction of about 53,000 in the bill as it passed the House.

MILITARY ASSISTANCE SERVICE FUNDED PROGRAMS

The House provided just over $1,000,000,000 for support of South Vietnam and Laos in the MASF program. The Senate reduced that amount to roughly $650 million. The conference agreement provides some $900 million for this support. The House conferees felt that a reduction of the magnitude proposed by the Senate when one-half of the fiscal year is over would abruptly curtail our aid to South Vietnam and lead to serious destabilization in Southeast Asia. We believe that the amount agreed to will be reasonably adequate.

OPERATION AND MAINTENANCE

In the operation and maintenance area, reductions totaling $624,516,000 were made. A total of $22,340,807,000 is provided. Most of these reductions were not in conference. In large part, the reduction is related to manpower strength reductions. The Senate receded on House reductions made in space available transportation and air defense units. The House receded on amounts for overseas dependents education, camouflage screens, and in Senate reductions related to energy conservation and the executive development program.

PROCUREMENT

The conference agreement provides $16,225,822,000 for procurement of military hardware. This is $2,144,278,000 less than the budget amount. A number of reductions were mandated by the authorizing legislation.

In the conference the House agreed to a Senate reduction of $10.5 million in the A-4M aircraft of the Navy and $4.9 million for a medium transport aircraft for the Marine Corps. The Senate receded on a $66 million reduction for the S-3A Viking antisubmarine warfare aircraft. Under the total package contract under which this aircraft is being procured, the reduction proposed by the Senate would have had the effect of seriously increasing the unit cost of the aircraft.

One of the major items in conference in the procurement area was the proposed new sea control ship. The sea control ship would be a relatively small ship, capable of carrying helicopters and vertical take off and landing aircraft and would be used primarily for escort service. The House deleted the funds for the ship and the Senate included the funds. Under the conference agreement, the funds for the sea control ship are agreed to, but none of the funds can be obligated until a further study is made by the Appropriations Committee of the need for this ship and until both Appropriations Committees give their specific approval for the obligation of the funds.

The conference agreement includes $70 million for the procurement of A-7D aircraft for the Air Force as proposed by the Senate and not included by the House. The House had included $151.6 million for procurement of F-111F aircraft which was deleted by the Senate. The conference agreed to the inclusion of funds for this aircraft. We feel that it would be a serious mistake to close the production line of our only long-range bomber.

The Senate deleted $50 million of the amount provided by the House for the F-15 aircraft of the Air Force. The conference restored $22 million of this amount. A total procurement of 62 F-15 aircraft is provided.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

The bill as agreed to in conference appropriates $8,088,405,000 for research, development, test, and evaluation. This is $411,895,000 less than the budget request.

A major issue in this area was the site defense antiballistic missile program of the Army. The House had deleted funds for continued development of this antiballistic missile system at this time believing that continued development of the present Safeguard ABM system along with a vigorous technology program provided sufficient effort in this area. The Senate provided $135 million for the site defense program. The Senate took the position that the site defense program is necessary to future success in the strategic arms limitation talks and that a more capable system than Safeguard is needed. The conference agreed on the appropriation of $110 million.

In the Navy, a major issue was Project Sanguine, a proposed new system for use in communicating with submerged submarines. The program has been under fire from residents of areas in which it was tested or proposed to be deployed. Environmental and health hazards were cited. The committee has heard from many residents in Wisconsin who complained of the effect of Project Sanguine's tests conducted in that State. When it was proposed that Sanguine be deployed in central Texas a number of people of that area became fearful of possible harmful effects of such deployment. With this in mind and in view of the fact that there are other means both in being and under development for communicating with submarines the House deleted all funds for Sanguine. The Senate restored the funds. In conference, $8.3 million was provided. This will permit the continuation of test activities in Wisconsin but will not provide for initiating the full scale development of the system. The Navy should carefully study the need for the system and the harmful effects alleged.

The conference agreed to provide $25 million for continued development of the advanced medium STOL transport aircraft. The conference agreement was a compromise between the Senate recommendation of $65 million and the House position that all funds should be deleted. It is probable that at this point most of the money provided has already been obligated.

GENERAL PROVISIONS

The House included a limitation in the bill which would have limited the number of non-high-school graduates and so-called category IV personnel inducted into the military service. The Senate deleted the House provision but agreed in conference to include the restrictive language. We feel that this is important in maintaining a highly qualified military force.

The House included a limitation by grade on the number of officers in the military services. The Senate deleted the provision and the House reluctantly receded in the conference. The managers are in agreement that the limitation as proposed by the House should be maintained by the Department but felt that the language should be deleted at this time in order to give the Committees on Armed Services an opportunity to enact legislation in this area.

The Senate included a provision which would have denied any funds for the furnishing of petroleum products to Southeast Asia. The House conferees were in agreement with the intent of the Senate amendment but felt that it was unnecessarily restrictive. The language was amended to prohibit the procurement of petroleum fuels produced in the United States and to permit the provision of such fuels for U.S. nationals.

A table summarizing the actions of the conference follows:

DEFENSE APPROPRIATION BILL 1974—SUMMARY OF APPROPRIATIONS

[In thousands of dollars]

Functional title	Appropriation, fiscal year 1973 (new obligational authority)	Revised budget estimate, fiscal year 1974 (new obligational authority)	Passed House	Passed Senate	Conference action	Conference action compared with—			
						1973 appropriation	Budget estimate	House	Senate
Title I—Military personnel	23,718,395	22,706,500	22,432,641	22,363,096	22,374,996	−1,343,399	−331,504	−57,645	+11,900
Transfer from other accounts	(21,550)					(−21,550)			
Title II—Retired military personnel	4,441,684	4,705,900	4,681,900	4,681,900	4,681,900	+240,216	−24,000		
Title III—Operation and maintenance	21,461,726	22,965,323	22,504,223	22,240,426	22,340,807	+879,081	−624,516	−163,416	+100,381
Transfer from other accounts	(200,000)					(−200,000)			
Title IV—Procurement	17,799,870	18,370,100	16,513,422	15,872,502	16,225,822	−1,574,048	−2,144,278	−287,600	+353,320
Transfer from other accounts	(1,055,900)		(387,300)	(499,800)	(499,800)	(−556,100)	(+499,800)	(+112,500)	
Title V—Research, development, test, and evaluation	7,959,498	8,500,300	7,966,523	8,103,353	8,088,405	+128,907	−411,895	+121,882	−14,948
Transfer from other accounts	(60,000)			(3,500)	(3,500)	(−56,500)	(+3,500)	(+3,500)	
Title VI—Special foreign currency program	3,400	2,600	2,600	2,600	2,600	−800			
Title VII—General provisions (additional transfer authority, sec. 735)	(750,000)	(1,000,000)	(500,000)	(750,000)	(625,000)	(−125,000)	(−375,000)	(+125,000)	(−125,000)
Title VIII—Defense Manpower Commission				750	400	+400	+400	+400	−350
Total, Department of Defense (NOA)	75,384,573	77,250,723	74,101,309	73,264,627	73,714,930	−1,669,643	−3,535,793	−386,379	+450,303
Transfer from other accounts	(1,337,450)		(387,300)	(503,300)	(503,300)	(−834,150)	(+503,300)	(+116,000)	
Total funding available	76,722,023	77,250,723	74,488,609	73,767,927	74,218,230	−2,503,793	−3,032,493	−270,379	+ 50,303
Transfer authority	(750,000)	(1,000,000)	(500,000)	(750,000)	(625,000)	(−125,000)	(−375,000)	(+125,000)	(−125,000)

DEFENSE APPROPRIATION BILL 1974—SUMMARY OF APPROPRIATIONS—Continued

[In thousands of dollars]

Functional title	Appropriation, fiscal year 1973 (new obligational authority)	Revised budget estimate, fiscal year 1974 (new obligational authority)	Passed House	Passed Senate	Conference action	Conference action compared with—			
						1973 appropriation	Budget estimate	House	Senate
Distribution by organizational component:									
Army	20,712,158	20,238,959	19,230,999	18,978,401	19,157,304	−1,554,854	−1,081,655	−73,695	+178,903
Transfer from other accounts	(441,000)		(116,500)	(232,500)	(232,500)	(−208,500)	(+232,500)	(+116,000)	
Navy	24,662,834	25,849,400	24,800,565	24,668,681	24,707,708	+44,874	−1,141,692	−92,857	+39,027
Transfer from other accounts	(330,550)		(156,800)	(156,800)	(156,800)	(−173,750)	(+156,800)		
Air Force	23,694,194	24,345,800	23,132,873	22,872,353	23,106,656	−587,538	−1,239,144	−26,217	+234,303
Transfer from other accounts	(558,200)		(114,000)	(114,000)	(114,000)	(−444,200)	(+114,000)		
Defense agencies/OSD	1,873,703	2,110,664	2,254,972	2,062,542	2,060,962	+187,259	−49,702	−194,010	−1,580
Transfer from other accounts	(7,700)					(−7,700)			
Retired military personnel	4,441,684	4,705,900	4,681,900	4,681,900	4,681,900	+240,216	−24,000		
Defense Manpower Commission				750	400	+400	+400	+400	−350
Total, Department of Defense (NOA)	75,384,573	77,250,723	74,101,309	73,264,627	73,714,930	−1,669,643	−3,535,793	−386,379	+450,303
Transfer from other accounts	(1,337,450)		(387,300)	(503,300)	(503,300)	(−834,150)	(+503,300)	(+116,000)	
Total funding available	76,722,023	77,250,723	74,488,609	73,767,927	74,218,230	−2,503,793	−3,032,493	−270,379	+450,303
Transfer authority	(750,000)	(1,000,000)	(500,000)	(750,000)	(625,000)	(−125,000)	(−375,000)	(+125,000)	(−125,000)

Mr. WYMAN. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. WYMAN. I would like to ask the chairman whether he feels that the $400,000 in this bill for the Defense Manpower Committee will produce any results in perhaps getting a little different perspective as to how we can save money on the amount for personnel and the amount for hardware in the military to which the gentleman made reference and which we so urgently need.

Mr. MAHON. I am hopeful this commission would prove to be meaningful. I am not too sanguine about it.

But we will hope that some success can come. I am sure that those who serve on the Commission will work diligently toward coming up with some suggestions that will be worthwhile. This is an area where there could be considerable improvement.

Mr. WYMAN. Mr. Speaker, if the genteman will yield still further, there are other places where there is work that is being done at the present time to see whether reductions in personnel can be achieved in order to lower the 57 percent of this budget going toward personnel.

Mr. MAHON. The gentleman, of course, knows that we are dealing with this problem in the committee. We have tried to improve the techniques for recruiting personnel, and we are trying to prevent the practice of recruiting people, keeping them a few weeks or a few months, and then having to discharge them. We are trying to improve the quality of the personnel entering the military service in the first instance. We have made some reductions in personnel in the Department of Defense, as my friend, the gentleman from New Hampshire, knows.

Mr. WYMAN. Is the chairman sanguine about the prospects of being able to perhaps get the defense costs on personnel for the United States down to a figure of about 50 percent.

Mr. MAHON. I would hope we could do something like that. After all, we cannot go on forever at the present balance, as I see it. The gentleman has raised a very valid point, and I thank the gentleman for his contribution.

Mr. WYMAN. I thank the chairman.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Speaker, first I want to express my gratitude to the House conferees, and certainly to the chairman for sticking to the position of the House in connection with the Pacific Missile Range, which is in my district, or close to it. And the language contained at page 25 of the report makes it very clear that the House position will be maintained, and the Navy shall continue to operate the Pacific Missile Range with Government military and civilian personnel.

Does the gentleman consider that to be mandatory upon the Navy?

Mr. MAHON. I do consider that to be mandatory. We are unalterably opposed to contracting out this operation. We want to proceed in accordance with the present procedure that the gentleman from California is aware of.

I wish to say, Mr. Speaker, that the members of the Subcommittee on Appropriations and the members of the full Committee on Appropriations owe a debt of gratitude to the Members of the House generally who are not members of the full committee and the subcommittees for the contributions which they have made. The members of this committee have worked many, many months, all of them on the Democratic side and all of them on the Republican side of the subcommittee headed by the gentleman from Ohio (Mr. MINSHALL). I believe we have really done the very best we could. The bill is not perfect, but I am of the opinion that the bill comes before the House as the best that could be done under the circumstances.

I hope that the Department of Defense can take this money and continue to keep us No. 1 militarily, maybe by a small margin, but No. 1. We must remain No. 1 in military power and national security.

Mr. TEAGUE of California. I thank the gentleman.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, I do not find the usual table in the report showing the total amount of this bill.

Would the gentleman please state the total cost of this bill as it now stands?

Mr. MAHON. The total is $73,714,930,000. The amount agreed to is $3.5 billion less than the budget estimate.

Mr. GROSS. How does it compare with the bill as it left the House?

Mr. MAHON. It is below the bill as it left the House. The House had provided more than $74.1 billion, so at $73.7 billion it is lower than it was when it left the House, $386 million less than it was when it passed the House. It is $450 million more than the appropriation recommended by the U.S. Senate.

Mr. GROSS. How much lower is it than the bill that passed the House?

Mr. MAHON. $386,379,000.

Mr. GROSS. There is no funding in this bill for the replacement of the arms and munitions that were taken out of our inventory and given to Israel in the recent Middle East war; is that correct?

Mr. MAHON. No. That comes in the foreign aid bill which should follow this bill.

Mr. GROSS. No. The replacement will not be made there.

Mr. MAHON. Not directly. We will provide funds in the foreign aid bill to reimburse the Department of Defense for the contributions made to Israel. That is the way it is handled.

Mr. GROSS. The Deputy Secretary of Defense, Mr. Clements, told us in the Committee on Foreign Affairs that there would probably be a bill of between $2 and $3 billion in addition to the money that was requested by authorization through the Committee on Foreign Affairs for the $2.2 billion.

Mr. MAHON. For the most part, that would be for hardware for U.S. forces and not directly related to the replacement of weapons given Israel.

Mr. GROSS. The replacement of the arms and planes that were taken out of the U.S. inventory by President Nixon given to Israel will have to be financed next year through another bill; is that correct?

Mr. MAHON. No. The gentleman is not correct on that. In the foreign aid bill we are providing $2.2 billion for Israel, part of which will be used to reimburse the Department of Defense for the ammunition and airplanes and military support otherwise that was provided for Israel, or that is being provided. There are some additional costs since the value of the material given Israel is less than the replacement cost of some items.

Mr. GROSS. The gentleman from Texas is demonstrating some new-found optimism, I find, because Israel was already in debt to the United States to the extent of $1 billion before the October war ever started.

Mr. MAHON. I do not mean that Israel will pay back the $1 billion which is now owed, and I do not mean that Israel will pay back the $2.2 billion. Some of it is to be loan money, and some of it will be grant money, and whether any of it would be returned, I do not know. But I would say that up to date Israel has reimbursed the United States in its payments to the extent of about $250 million.

Mr. GROSS. If we keep pumping economic aid to them they will be able to go through the motions of paying it, but it is our people who are out of pocket. The taxpayers are out of pocket. I predict that the gentleman will be back with a bill next year for more arms as a result of the Middle East war.

Mr. MAHON. I do not foresee that at this time, but it is true that we need modernization of our forces. We need more in quantity of military equipment by way of newer planes, and so forth. We are producing a minimum of new aircraft and new ships and new weapons.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. McFALL. I thank the gentleman for yielding.

Mr. Speaker, I ask unanimous consent that the permanent Record be corrected to show that the gentleman from Connecticut (Mr. Giaimo) except as to amendment No. 77 of the Defense appropriation bill and that I did not.

The Record of December 19, 1973, on page 42539 in listing the managers on the part of the House indicates that I excepted as to amendment No. 77. I did not. However, the gentleman from Connecticut (Mr. Giaimo) did and I ask unanimous consent that the permanent Record be corrected.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MINSHALL of Ohio. Now, I should like to tell the gentleman from Iowa that this bill is below last year's budget by $1,60,0000,000. It is less than the House-passed bill, as the gentleman from Texas (Mr. Mahon) has emphasized, by $386,379,000.

The appropriation we passed in the House was $1.3 billion below last year's appropriation. The conference action results in a bill which is about $1.6 billion below last year, and is about $3.5 billion below the budget estimate for this fiscal year.

I would also like to point out to the gentleman from Iowa that there were many items in this bill that all of us are not completely satisfied with, but that is the nature of any conference report, any kind of compromise. But the conferees met for 10 straight hours, with a little time for lunch. I think we have come up with good compromises and fair compromises and a bill that will make for a strong defense for our country. I hope the House will go along with the bill.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MINSHALL of Ohio. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman yielding.

I want to express my unhappiness over the fact that the conference agreed to stay by the House provision on section 718. The conferees in accepting the House position, and I recognize this matter was not discussed greatly when it was before the House, I am afraid we will have the Army in a shortfall position of an additional 5,000 to 15,000 men, and it is an unwarranted interference in my judgment in the management capacity of the Defense Department, the idea that we somehow want to limit nonhigh school graduates, because about 25 percent of them are not eligible to make it in the first 18 months service or limit category 4 to a percentage lower than was achieved in the draft. I simply do not understand it.

I hope the Appropriations Subcommittee on the Defense Department in the months ahead will be willing to take a close look and make an analysis of this kind of management decision before undertaking it.

I would simply say to the gentleman from Ohio I am grateful to him for his willingness to yield to me so that issue might be raised, and next year you can be sure it will be raised again if the committee intends to continue this kind of operation.

Mr. MINSHALL of Ohio. I appreciate having the gentleman's remarks.

The Army has had a great deal of difficulty with its all-volunteer program. We are trying to keep the armed services combat ready as much as we can and that is why we took the action we did.

Mr. YATES. Mr. Speaker, will the gentleman yield for a question?

Mr. MINSHALL of Ohio. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, will the gentleman state to the House whether there are funds in here for the AMB?

Mr. MINSHALL of Ohio. There is $110 million in here for the site defense ABM.

Mr. YATES. Is that for the first installation or the total amount for the program?

Mr. MINSHALL of Ohio. That is for the first installation.

Mr. YATES. How much will the total program cost?

Mr. MINSHALL of Ohio. That is the site defense?

Mr. YATES. I wonder how much it will cost in total?

Mr. MINSHALL of Ohio. That depends on how far we carry the development.

Mr. YATES. For what site will this be the defense?

Mr. MINSHALL of Ohio. This is a development program. No sites have been selected. The full development cost will be close to a billion six hundred million dollars.

Mr. YATES. That is correct.

I have been opposed to the ABM and I am sorry the conference saw fit to put money into this program for the ABM again and I would hope they would take another look at it.

Mr. KASTENMEIER. Mr. Speaker, will the gentleman yield?

Mr. MINSHALL of Ohio. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Speaker, I just want to express my own disappointment that the House position failed as opposed to that of the Senate in the determination of the U.S. Armed Services Institute in Madison, Wis., a 30-year institute. I take it that the Senate failed to put forward the arguments of the Defense Department in their desire that this institute be continued and be given an ample opportunity to be literally reconstructed during the next year to follow the needs of the armed services in connection with the education of our military personnel.

In this connection I hope something is salvable, but insofar as the House position prevailed there does not seem to me to be much hope.

Mr. DAVIS of Wisconsin. Mr. Speaker, if the gentleman will yield, I share the concern of my colleague from Wisconsin on this subject. I think it was developed at the hearings that the USAFI did deserve some major surgery. There is a question, however, whether that should extend to decapitation and that was the provision that was in the House bill.

I think the gentleman from Wisconsin put his finger on the situation as it was in the conference, that it was not appropriate for the House conferees to raise the issue in contravention of the House action; that the only way this could have been adequately brought before the conference is if someone of the Senate conferees had spoken up and raised an issue, so that the cards could have been laid on the table. That did not take place, so there was really no practical way in which this matter could adequately be discussed in the conference, so the House position did continue.

Mr. KASTENMEIER. Mr. Speaker, if the gentleman will yield further, I want to comment that I had very grave questions about whether the best interests were being served by the Defense Deparment in terms of education.

It will be a poor Christmas present for those employees in Madison, Wis. There are some 200 people that will be involved.

Mr. DAVIS of Wisconsin. If the gentleman will yield further, I want to comment on the discussion by Mr. STEIGER of Wisconsin, with respect to this subject.

I think there was rather strong feeling in our subcommittee that this figure should have been perhaps higher than the 45 percent that remained in the House bill and is continued in this conference report.

We were concerned that in their efforts to get numbers, in light of their difficulties in recruiting, that people who could not make a satisfactory contribution to the Defense Department or to the Army in particular would be enlisted in the recruiting program. So because we had before us the history of problems created by people of the capacities shown in their particular categories, we did agree on a figure of 45 percent, which was lower than some of the members of the subcommittee wanted to go. It was put in there to protect the particular level of the caliber of the people being taken into the Army. That is the basis of the 45 percent.

Mr. STEIGER of Wisconsin. Mr. Speaker, if the gentleman will yield, I am grateful to my colleague from Wisconsin for his comment.

I would say if we look back to June 1972, the figures, as I recall, supplied by the Defense Department were that 56 percent of the Army career soldiers just a year ago in June were non-high-school graduates when they entered the armed services; so this decision to use, in effect, an artificial criteria, of high school graduation, for the basis of determining whether a man or woman makes a good career soldier, I find very difficult to justify. During the draft era, the proportion of mental IV's who entered each year exceeded the proposed legislative limit of 18 percent in one or more of the services. The proportion of mental IV's who entered the Army, the chief user of the draft, in selected typical years, are shown below:

Mental IV's as percent of Army accessions

Fiscal year:	*Percent*
1954	29.8
1959	20.9
1964	19.0
1966	23.4
1969	27.5
1972	18.8

One of the key factors in this regard is that high school graduation is not used to determine a person's ability to perform a job but is rather a general index as to whether or not an individual will make it through his first 18 months of service. Approximately one-fourth—25 percent—of the non-high-school graduates fail to make it through their first 18 months of service, whereas 9 percent of the high school graduates fail. This difference has encouraged the armed services to seek high school graduates. But any policy restricting non-high-school graduates, is obviously counterproductive for at least 75 percent of them make good soldiers. All entries are qualified by aptitude tests as well, regardless of whether they are high school or non-high-school graduates.

What the Army has now done in this new 179-day provision, so they can get a man or a woman who is not a good soldier out of the Army before they become eligible for benefits means we ought to be able to get anybody in that wants to come in, that wants to volunteer, and then make the judgment as we go along, without making the artificial judgment of high school graduation.

Mr. DAVIS of Wisconsin. Mr. Speaker, if the gentleman will yield further, we are not talking about high school graduation. We are talking about category 4. The record of recruitments in recent months indicates that the Army has been overloading itself and people in these categories, experience shows, have not been able to make the contribution that we ought to expect from the money we are expending; this is the basis of that action in that regard.

Mr. Speaker, if the gentleman from Ohio will yield for a couple minutes more, I want to say it is important that this conference report be approved, in spite of the misgivings on individual items that all of us who are House conferees did have.

But it is costing us money every day that we fail to have the 1974 Defense Appropriations Act on the books. That is true because we have directed a number of savings in this bill, in matters which are now going forward, at the old, higher rate in the continuing resolution under which the Department of Defense is operating, and it does cause grave problems of management when the Defense Department, with this amount of money, is required to operate under a continuing resolution.

So, I urge that the House will now adopt this conference report.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I have a couple of questions concerning the problems of Project Sanguine Submarine Communications program in amendment 79.

The report says that funds provided are to be available for continuation of effort at the Wisconsin test facility. Is the interpretation of the gentleman from Texas that this does not imply in any way that the primary site is moved back to Wisconsin?

Mr. MAHON. The committee felt that the Sanguine program had not progressed to the point where it should be firmed up as an operational unit, and that the tests and evaluations which had begun and had been in progress in Wisconsin for years could be continued; but not the full-scale development of the system.

Mr. OBEY. Mr. Speaker, my point is that there is nothing in this language which implies the primary site for further development of Sanguine has been moved back to Wisconsin?

Mr. MAHON. Mr. Speaker, the gentleman is correct.

Mr. OBEY. Also, it says that none of the funds were to be applied to any full-scale development. Does that language imply any expansion of the Wisconsin facility at Clam Lake would be in order?

Mr. MAHON. Mr. Speaker, I would not interpret the report language in that manner. It provides for study, experimentation, and additional study, but I do not think the gentleman from Wisconsin, whom I know is apprehensive about this project, should be too greatly concerned about it at this stage. There are so many other ways of communication that we do not want to go too far with Sanguine at this point. That is the attitude of the committee.

Mr. OBEY. Mr. Speaker, I thank the gentleman and I agree with the chairman.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Mississippi (Mr. MONTGOMERY) for a question.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I would like to commend the chairman and the conferees on the handling of the reserve part of this bill, which is a large share of the money. Even though the committee has given us a tight budget to work with in the reserves, I believe in my opinion that the reserve can continue to be a vital part of this Nation's defense and continue an outstanding job.

Mr. Speaker, I am a little concerned about the cutback of funds for Virginia Army ROTC units in high schools, and also the Navy Virginia high school ROTC units. In my opinion, these have been very good, workable units. I hope the committee does not act in haste and cut out the units down the line.

Mr. MAHON. Mr. Speaker, I thank the gentleman for his contribution, and I will place in the RECORD at this point a statement in regard to the Reserves and the Junior ROTC.

As my good friend from Mississippi has indicated, the Reserve components and the National Guard were well provided for in this bill. The original Defense Department request for Guard and Reserve forces was over $4.4 billion compared with $4 billion provided in fiscal year 1973. This represents a 10-percent increase in funding despite generally declining manpower strengths.

Actions on the part of the Congress have reduced this $4.4 billion request less than $100 million leaving a net increase of over $300 million. Nearly all of the reduction was related to the difficulties the Reserve components are having in obtaining nonprior—first term—recruits. Most of these individuals were scheduled to undergo from 4 to 8 months of active duty for training. Thus, this category of personnel require proportionately more money than do regular reservists who drill only one weekend a month and are paid accordingly. Accordingly when shortfalls occur large dollar savings are generated.

I would also point out that this conference report agrees to the restoration of some of the specific units which were deleted in the House version. For example, the Navy will be permitted to continue the operation of 30 system analysis divisions and all of the phased force components companies if the Navy desires to do so. You are aware of the fact that the committee questions the need and expenditure for these units.

The conference report also restored 100 technician positions in both the Air Force Reserve and Air Force National Guard. The original bill deleted 200 positions from each. The committee also restored one half of a $10 million reduction in fuel for the Air National Guard made by the Senate.

I also want to point out that the committee did not reduce or eliminate any junior ROTC units. The committee looked into the matter of the numbers of ROTC units which are not meeting the mandated strength requirement of 100 students. The committee feels that additional units should not be organized until many of the units which are not meeting required strength levels are either disestablished or brought to the mandated strength.

Mr. MONTGOMERY. Mr. Speaker, I thank my colleagues also.

Mr. HARSHA. Mr. Speaker, I have no further requests for time.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. Mr. Speaker, all of the conferees have signed this conference report. Two of the House conferees excepted as to amendment No. 77 proposed by the Senate. One of the Senate conferees excepted as to another section of the conference report.

Mr. Speaker, I take this time to explain our exception to the amendment No. 77.

Amendment No. 77 is the research, development, test, and evaluation, Army section of the bill and the conference report. This program, as has been stated earlier during the debate on this conference report, proposes a total program expenditure before any procurement, according to the House report, of $1,650,000,000 for a site defense antiballistic missile system, or a site defense ABM system, as it is commonly called.

In the past I have always supported ongoing research and development into an effective ABM system, and I still support that concept. However, I oppose the provision in the conference report to build an extravagant and expensive ABM system which cannot be deployed and probably would not work if it could be deployed.

In the House language of the defense appropriation bill, the House proposed $111,100,000 for continuation of research and development of the antiballistic missile defense. We proposed and the House passed $20 million for exploratory ballistic missile defense R. & D. and $77.7 million for advanced ballistic missile defense R. & D. which latter figure is $25 million over the budget and above the amount requested by the Department of Defense.

The Defense Appropriations Subcommittee added that $25 million over and above the budget request, because the subcommittee and the full committee and the House denied the budget request of $170 million to continue the prototype building of the site defense ABM system. We thought then and two of us think now that this is the more reasonable approach to this item in the bill.

The Senate restored $135 million and the committee on conference reduced that figure to $110 million.

Bare in mind that $110 million is only 1 year's annual increment of the total cost. We have during fiscal year 1973 appropriated and the Department of Defense has expended approximately $165 million toward this. This $170 million which the Department of Defense asked for this year was to be the second annual increment into the site defense ABM program which would require over $850 million for the prototype development and an additional $815 million for full engineering.

Mr. Speaker, we held extensive hearings on this in the subcommittee. As a result of those hearings, the subcommittee and the full committee deleted the entire amount requested by the Defense Department for site defense ABM.

The Senate saw fit to restore $135 million as a part of a $1.65 billion site defense ABM program. In the event the prototype is developed and full engineering follows, this system, even if it works, will not be deployable, because of the provisions of the SALT I agreements to which we are signatory.

This is a provision in the bill and in the conference report on which reasonable men can disagree. Those who support it think it is a viable program and that it can be deployed and when deployed will work. On the other hand those of us who oppose this program do so, because we cannot deploy it without abrogating the SALT I agreement and because even if we deployed, it will not be effective for its intended purpose.

It is the same old story of hitting a high velocity bullet with another high velocity bullet: You might hit one with one, or even five with five, but when the number of incoming ballistic missiles is increased to 20, 50, 100, or more under the present state of the art the radars and computers cannot differentiate sufficiently to achieve 100-percent effectiveness or anywhere near that. What we need to do is to do further research before proceeding to prototype.

The subcommittee and full committee were unanimous when we marked up this bill and the House passed it. We feel we are going too far, too fast on the unnecessary building of a prototype which, according to the testimony of the project manager of the program, General Leber, this prototype development plus full engineering will cost the $1.6 billion to which we have referred and which some of us feel should be deleted.

I shall seek recognition to offer a motion to recommit with instructions and such motion will read as follows:

Mr. FLYNT moves to recommit the conference report on the bill (H.R. 11575) to the committee on conference with the following instructions to the managers on the part of the House: To disagree to Senate amendment No. 77.

Mr. Speaker, let me emphasize that this motion to recommit would be totally consistent and compatible with the previous unanimous action of the House, the Committee on Appropriations and the Subcommittee on Defense Appropriations.

The action previously taken by the House was not considered in haste. It was not an arbitrary reduction but on a decision based on the realities of the state of the art and the foreseeable new developments within the time frame between now and the completion of the nearly $1 billion prototype.

The committee report on this subject consists of nearly three full pages, and I quote from parts of it:

> SITE DEFENSE
>
> The Army requested in the January budget $170,070,000 for advanced development of a new antiballistic missile system referred to as "Site Defense". The Site Defense system is a new ABM system separate and apart from the presently deployed Safeguard system. Prior to the treaty limiting the deployment of ABM systems, the name of the system was "Site Defense Minuteman". The basic difference in the Site Defense system and Safeguard system is that Site Defense system is a point defense system essentially and the Safeguard system is an area defense system. The Site Defense system would use greater numbers of smaller, less powerful radars and only short range missiles. It would be deployed in close proximity to Minuteman missiles and would provide a point defense of the Minuteman silos.
>
> The treaty limiting the deployment of antiballistic missile systems precludes the deployment of a Site Defense system in the role for which it was designed, the protection of Minuteman missiles, as long as the treaty is in effect. The only location at which the Site Defense system could be deployed under the provisions of the ABM treaty is at the National Command Authority or Washington, D.C. If Site Defense were to be installed at our single ABM site which defends ballistic missiles, Grand Forks Air Force Base, Safeguard missiles would have to be removed. Since we are now in the final stages of installing the Safeguard missiles after the expenditure of $5 billion, it is not reasonable to propose such a course at this point in time.
>
> * * * * *
>
> The Committee recommends an additional reduction of $135,000,000 in the Site Defense line item and a partially offsetting $25,000,000 increase in the amount provided for Advanced Ballistic Missile Defense, a net reduction of $110,000,000. The purpose of the recommended reduction is the termination of the prototype demonstration of the Site

> Defense System. The $25,000,000 transferred to Advanced Ballistic Missile Defense is for advanced development efforts on such components of the Site Defense system as might be considered useful by the Army. If additional funds are required in this area, the funds in advanced development and exploratory development related to ballistic missile defense can be utilized for this purpose if the Army feels that Site Defense technology is of a higher priority than other efforts proposed in these areas.
>
> The Committee does not believe that we should at this time freeze on the design for our next generation antiballistic missile system. If, in 1977, the arms limitation treaty is not renewed, we could take advantage of the state of the art at that time to fully develop a new system. The technology included in the Site Defense system may be far surpassed at that time. If we decide at some point in time that additional antiballistic missile systems are required rapidly, we can further extend the Safeguard system with additional deployments as was previously planned.
>
> * * * * *
>
> The Site Defense program as now envisioned is a program without a home. Under the Arms Limitation Treaty, the system could not be deployed at a Minuteman site where it was designed to be placed. In an effort to find a home for Site Defense, the Army included $5,000,000 in the budget to study the deployment of such a system at Washington, D.C. Since the Site Defense system involves relatively low level interceptions and nuclear detonations, it is not appropriate for the defense of a city or of an area of population. The funds requested for studies related to Washington, D.C. deployment were specifically deleted in the authorization act.
>
> * * * * *
>
> The estimated cost of the proposed prototype demonstration program for the Site Defense system rose from an estimate of $794 million late last year to a new estimate of $850 million given this year. The Committee believes that if the program were allowed to continue, these costs would continue to rise. In addition, if the prototype demonstration program were successful, it would only lead to a request for a full engineering development effort which would cost at least another $800 million. Thus, a total of $1.65 billion is estimated to be required to complete research and development on the Site Defense system.

This indicates that at the present rate of escalating costs, the total development costs would probably rise from $1.65 to $2.4 billion between now and the estimated date of completion of the prototype. This figure, regardless of whether it is $1.65 or $2.4 billion is solely for prototype development and full engineering development. It does not include any procurement of the end item. The cost of the total procurement cost is estimated to be $8 billion or more with the maximum figure to be determined by how many additional sites are defended. The report continues:

> Another factor which mitigates against the proposed Site Defense system is that the Site Defense system with its necessary radars is a softer target than is the Minuteman missile in its silo. Many of the Site Defense interceptor missiles would have to be used to protect the Site Defense system itself if the system were to be deployed.
>
> Estimates of the total cost of deploying a useful Site Defense system are from between $8 and $10 billion. The Committee believes that the time to look at expenditures of this magnitude is relatively early in the development stage. Having done this, the Committee has concluded that an investment of this kind is not warranted.

Mr. Speaker, that is precisely my position today, and all I am asking for. The report concludes:

> We have spent some $5 billion in bringing the Safeguard system to the stage of deployment which it has presently reached. For this expenditure, we are protecting one Minuteman installation only, and estimates are that the system would at best save only a small percentage of the missiles deployed at that installation. At the present state of the art, **ABM systems just do not appear to be cost effective.**

This was the unanimous recommendation of the Subcommittee on Defense Appropriations, the Committee on Appropriations and was sustained without protest or objection by the House of Representatives. Nothing has changed or intervened since November 26, 1973, the date of the report, to change these facts or my views.

I urge the adoption of an appropriate motion to recommit, in an effort to sustain the House position and at the same time to terminate an ill-advised and extravagantly expensive development of a site defense antiballistic missile system which we cannot deploy under present treaty obligations and which would not be effective for the purpose for which it is intended, even if deployment should become possible by reason of treaty expiration or abrogation of the treaty.

Mr. MAHON. Mr. Speaker, I yield the remaining time to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Speaker, I cannot say much in 1 minute about the ABM site defense program which contains $110 million in this bill but which will commit us to an expenditure of $1.5 billion. We are talking about building phase II of an antiballistic missile system known as site defense. We are committing ourselves in this bill to an expenditure of $850 million for a prototype program and it will cost another $800 million for engineering and another $8 billion to $10 billion to deploy.

Our position in this committee and in the House was not to fund the prototype program now but, rather, to continue their money for research and development at least for another year or two until we knew better where we were with regard to the SALT agreements.

Instead of that, as a result of the conference, we are going to give the Department of Defense the go-ahead signal to begin the site defense system, which is a prototype system to be built in Kwajalein and which cannot under the agreement be deployed anywhere in the United States.

I think this is a mistake and a waste of over $1.5 billion at this time. I urge that the Defense appropriation bill be recommitted to the conference committee with instructions to delete the fund for the antiballistic system known as site defense.

Mr. SIKES. Mr. Speaker, I, too, had misgivings about the funding of the site defense program. It is another payment and $110 million is a very substantial payment on a program which, if completed, will cost $1.6 billion. Whether we can continue to justify these large annual increments is debatable. Nevertheless, I voted in conference for the restoration of money for the site defense program.

Had we been able to proceed on our planned program of 12 antiballistic missile sites, there would have been no doubt in my mind for the need of the site defense program. It is a program to make the ABM system more effective. The sad fact is that the SALT talks agreement largely killed off the U.S. ABM program. Instead of 12, we are now limited to 2. One of these is in being at Grand Forks. One, which was well along toward construction at Malmstrom, has been dismantled. We can, under the SALT talks agreement, build another around Washington, the Nation's Capital. There is no indication that we plan to do so. So I am not optimistic about the value of our ABM system. The principal justification for the site defense program is to provide an improved capability in case an expanded ABM system is required at some time in the future.

It is my personal belief that the best defense is a strong offense. There may not be a meaningful defense against intercontinental ballistic missiles. A retaliatory capability is what will count most. I think that the $110 million carried in this bill for site defense could be spent better for offensive weapons. But there are no plans to spend this money for additional or improved offensive capability.

It is site defense or nothing, at least for the present. The administration and the Pentagon strongly urge approval of the system. They consider it will be an important asset in future SALT talks and they are optimistic about its value to our ABM capability. Consequently, I support the system. I feel that we should proceed for another year on the program. Then we can take a closer look at its status.

Ms. ABZUG. Mr. Speaker, I am voting against this bill because I bitterly object to ever-increasing funding for the Military Establishment while our citizens are being asked to make sacrifices comparable to those of World War II.

The conference committee has reduced the administration's request by only $3.5 billion, a paltry sum compared to the $73.7 billion they ask us to appropriate. The cut was mere tokenism.

I also find it appalling that, after the House had voted to terminate the development of Safeguard missile sites, the conferees put back $110 million for this purpose. This means a minimum of $1 billion in the very near future for a totally obsolete and counterproductive notion.

Equally disturbing is the fact that $900 million is specifically appropriated for military aid to South Vietnam and Laos. If the American people are under the impression that the United States is out of Southeast Asia, they should take a long hard look at that item. The money is used to perpetuate President Thieu's dictatorship, to jail and terrorize thousands of political opponents, and thus to prolong the conflict and prevent a negotiated settlement of the war. This is a violation of the Paris agreement, and we have no right to encourage it by continuing our military support.

There are many other objectionable features to this bill, but my chief concern is that we are being asked, for no logical reason, to continue handing the Pentagon everything it wants, while denying our citizens heat, light, gasoline, education, even food. This shows very little change in our sense of priorities.

Mr. TALCOTT. Mr. Speaker, I have consulted with the conferees and written Members of the other body. I am discouraged and disappointed with the conference report for several reasons, but principally the $20,190,000 reduction in "graduate training."

This cut is devastating in both the current academic year and in the long-term competence of our defense forces.

Because of the lateness of the passage of this bill, the fiscal year is almost half completed. The academic year began in September. A 20-percent cut in academic load will necessarily require that many students, teachers, and professors be withdrawn from schools immediately and even larger withdrawals made at the semester break.

This imposes bad personnel management upon the academic institutions. This reduction, the necessary withdrawal of students, the turbulence in personnel assignments, the degradation in learning, and the lowering of the academic level of the services will cause a vacuum of talent that will cause sequential acceleration of the education gap that is developing fast in our defense forces.

The committees of Congress should know by now that superior modern weaponry will not be enough to win future wars or to keep the peace or to defend freedom. We are in, and will continue to be in, a battle of concepts, wars to win minds and contests to convince, which will be more important, and difficult, than the conventional wars of brute force and attrition. We will not win or even compete well unless our defense personnel have superior educations and training. We are losing the education battle fast.

A grave debacle for the services is certain to result from the severe cut in appropriations for "graduate training."

One evident reason why the services cannot presently compete with their civilian and governmental counterparts is their educational deficiency. This educational deficiency begins at the recruit level and maintains throughout the officer corps. The deficiency curve rises until the disparity becomes most critical at the junior officer level.

Neglect at the graduate level will most adversely affect the leadership and managerial capability of the services.

In spite of this worrisome comparative deficiency in educational levels, the defense appropriation bill cuts graduate training by more than $20 million. This is less than a drop in the ocean in a $74 billion budget, but it will be a cut that devastates the military services.

This cut in budget and training load will cause more family turbulence, more dissatisfaction among career-oriented personnel, and more disillusionment among our most outstanding upward-bound young officers than any other budget cut.

Families already en route to graduate schools must be reassigned, all graduate courses must be reprogramed by January 1, 1974, and many careers must be abruptly revised. These personal disappointments, inconveniences, and added costs are insignificant, of course, when compared to the comprehensive loss and the prospective degradation of the educational level of the defense forces.

We must pay more attention to education, particularly graduate education, which is the most cost-effective expenditure in the whole defense budget.

Admittedly, the Congress cut the budget and must assume its share of the blame for the consequences of its mistake, but the services failed to justify the urgent need of graduate training for their key officers.

No university, business, industry, or other nation would pay so little attention or apply so little of its resources to graduate education and training without succumbing to its competitors, let alone its enemies.

It may be easy to cut and simple to explain to constituents the mathematical equation of dollars divided by persons and flail away at a large dollar-per-officer expenditures, but we should understand better the value of education, especially a graduate education, in the complicated and sophisticated function of successfully managing the personnel, weapons, and facilities of our defense forces and pursuing the tenuous national policy of peace with freedom in these perilous times.

Although I regret casting a vote that might appear opposed to a strong national security and peace with freedom, I intend to vote against the conference report as a protest against excellence and against the degradation of the educational level of defense forces personnel.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT

Mr. TALCOTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. TALCOTT. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TALCOTT moves to recommit the conference report on the bill H.R. 11575 to the Committee on Conference.

Mr. MAHON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. GIAIMO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 88, nays 280, not voting 64, as follows:

[Roll No. 711]

YEAS—88

Abzug
Adams
Anderson, Calif.
Ashley
Badillo
Bergland
Bingham
Blatnik
Brademas
Breckinridge
Brinkley
Brown, Calif.
Chisholm
Clay
Cohen
Culver
Davis, Ga.
Dellenback
Dellums
Donohue
Drinan
Eckhardt
Edwards, Calif.
Evans, Colo.
Flynt
Foley
Ford, William D.
Fraser
Frenzel
Giaimo
Ginn
Green, Oreg.
Green, Pa.
Gude
Hamilton
Hawkins
Hechler, W. Va.
Helstoski
Hicks
Holtzman
Hungate
Johnson, Colo.
Karth
Kastenmeier
Kyros
Lehman
Long, La.
McCloskey
McCormack
Mathis, Ga.
Mazzoli
Meeds
Mezvinsky
Mink
Mitchell, Md.
Moorhead, Pa.
Mosher
Nedzi
Obey
Owens
Pritchard
Quie
Rangel
Rees
Reuss
Robison, N.Y.
Rodino
Rooney, Pa.
Rosenthal
Roy
Roybal
St Germain
Sarbanes
Schroeder
Seiberling
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Stuckey
Studds
Talcott
Thompson, N.J.
Tiernan
Waldie
Whalen
Yates
Young, Ga.

NAYS—280

Abdnor
Addabbo
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bevill
Biaggi
Biester
Blackburn
Boggs
Boland
Bowen
Brasco
Bray
Breaux
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Denholm

Dennis
Derwinski
Devine
Dickinson
Diggs
Dingell
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Fascell
Findley
Fish
Fisher
Flood
Flowers
Forsythe
Fountain
Frey
Froehlich
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Grasso
Gross
Grover
Gunter
Haley
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Heckler, Mass.
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Landgrebe
Latta
Lent
Litton
Long, Md.
Lujan
McClory
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Melcher
Milford
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nix
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Railsback
Randall
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Roe
Rogers
Roncallo, N.Y.
Rose
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Sebelius
Shoup
Shuster
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Stratton
Sullivan
Symington
Symms
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—64

Alexander
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Bolling
Brooks
Burke, Calif.
Burton
Carey, N.Y.
Clancy
Clausen, Don H.
Collins, Ill.
Conyers
Delaney
Dent
Dulski
Evins, Tenn.
Frelinghuysen
Fulton
Gray
Griffiths
Gubser
Guyer
Hanna
Hansen, Wash.
Harrington
Harvey
Hébert
Heinz
Jarman
Keating
Kuykendall
Landrum
Leggett
Lott
Mailliard
Martin, Nebr.
Metcalfe
Michel
Mills, Ark.
Moss
Nichols
Podell
Rarick
Reid
Riegle
Roncalio, Wyo.
Rooney, N.Y.
Ryan
Scherle
Schneebeli
Shipley
Shriver
Sisk
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Walsh
Zwach

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Conyers for, with Mr. Hébert against.

Mrs. Collins of Illinois for, with Mr. Carey of New York against.

Mr. Riegle for, with Mr. Rooney of New York against.

Mr. Harrington for, with Mr. Dent against.

Mr. Metcalfe for, with Mr. Arends against.

Until further notice:

Mr. Rarick with Mr. Aspin.

Mr. Shipley with Mrs. Burke of California.

Mr. Stubblefield with Mr. Mills of Arkansas.

Mr. Nichols with Mr. Andrews of North Dakota.

Mr. Podell with Mr. Heinz.

Mr. Hanna with Mr. Keating.

Mrs. Hansen of Washington with Mr. Harvey.

Mr. Brooks with Mr. Don H. Clausen.

Mr. Burton with Mr. Michel.

Mr. Dulski with Mr. Guyer.

Mr. Fulton with Mr. Roncallo of New York.

Mr. Evins of Tennessee with Mr. Lott.

Mr. Gray with Mr. Clancy.

Mrs. Griffiths with Mr. Kuykendall.

Mr. Landrum with Mr. Zwach.

Mr. Moss with Mr. Frelinghuysen.

Mr. Ryan with Mr. Scherle.

Mr. Sisk with Mr. Anderson of Illinois.

Mr. Stephens with Mr. Taylor of Missouri.

Mr. Vigorito with Mr. Mailliard.

Mr. Van Deerlin with Mr. Schneebeli.

Mr. Alexander with Mr. Gubser.

Mr. Leggett with Mr. Walsh.

Mr. Jarman with Mr. Martin of Nebraska.

Mr. Delaney with Mr. Steiger of Arizona.

Mr. Reid with Mr. Shriver.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

RECORDED VOTE

Mr. DELLENBACK. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 336, noes 32, not voting 64, as follows:

[Roll No. 712]

AYES—336

Abdnor
Adams
Addabbo
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, William D.
Fountain
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Regula
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schroeder
Sebelius
Shoup
Shuster
Sikes
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Wis.
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Waggonner
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion

NOES—32

Abzug
Anderson, Calif.
Badillo
Bingham
Chisholm
Clay
Dellums
Drinan
Edwards, Calif.
Forsythe
Fraser
Green, Pa.
Gross
Hawkins
Hechler, W. Va.
Helstoski
Holtzman
Kastenmeier
Mitchell, Md.
Mosher
Obey
Rangel
Rees
Reuss
Roybal
Seiberling
Stark
Stokes
Talcott
Thompson, N.J.
Waldie
Young, Ga.

NOT VOTING—64

Alexander
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin

Bolling
Brooks
Burke, Calif.
Burton
Carey, N.Y.
Clancy
Clausen, Don H.
Collins, Ill.
Conyers
Delaney
Dent
Dulski
Evins, Tenn.
Frelinghuysen
Fulton
Gray
Griffiths
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hébert
Jarman
Keating
Landrum
Leggett
Mailliard
Martin, Nebr.
Metcalfe
Michel
Mills, Ark.
Moss
Nichols
Podell
Railsback
Rarick
Reid
Rhodes
Riegle
Rooney, N.Y.
Ryan
Scherle
Schneebeli
Shipley
Shriver
Sisk
Skubitz
Staggers
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Walsh
Young, Tex.
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Matcalfe against.

Mr. Podell for, with Mr. Conyers against.

Mr. Dent for, with Mrs. Collins of Illinois against.

Mr. Rooney of New York for, with Mr. Riegle against.

Mr. Rhodes for, with Mr. Harrington against.

Until further notice:

Mr. Brooks with Mr. Gray.

Mr. Rarick with Mr. Young of Texas.

Mr. Nichols with Mr. Jarman.

Mr. Moss with Mr. Walsh.

Mr. Carey of New York with Mrs. Burke of California.

Mr. Burton with Mr. Taylor of Missouri.

Mrs. Hansen of Washington with Mr. Arends.

Mr. Stubblefield with Mr. Steiger of Arizona.

Mr. Fulton with Mr. Frelinghuysen.

Mrs. Griffiths with Mr. Andrews of North Dakota.

Mr. Vigorito with Mr. Skubitz.

Mr. Van Deerlin with Mr. Anderson of Illinois.

Mr. Stephens with Mr. Scherle.

Mr. Staggers with Mr. Delaney.

Mr. Sisk with Mr. Railsback.

Mr. Shipley with Mr. Clancy.

Mr. Ryan with Mr. Michel.

Mr. Hanna with Mr. Shriver.

Mr. Alexander with Mr. Don H. Clausen.

Mr. Reid with Mr. Schneebeli.

Mr. Landrum with Mr. Keating.

Mr. Leggett with Mr. Harvey.

Mr. Evins of Tennessee with Mr. Gubser.

Mr. Dulski with Mr. Mailliard.

Mr. Mills of Arkansas with Mr. Martin of Nebraska.

Mr. Aspin with Mr. Zwach.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 2, line 15, insert ", of which not to exceed $9,900,000 shall be transferred to appropriate accounts under this head for the fiscal years 1969, 1971, and 1972 but only in such amounts as are necessary for payments to the Internal Revenue Service for unpaid withholding taxes, and the accounts in such fiscal years shall be adjusted accordingly.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 6, line 2, strike out "$1,808,832,000" and insert "$1,807,832,000;".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$1,802,832,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 6, line 8, strike out "$6,133,747,000" and insert "$6,153,747,000:"

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$6,214,697,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 6, line 18, insert ": *Provided further*, That the Secretary of the Army may transfer up to 5 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 10 per centum and the Secretary of the Army shall notify the Congress promptly of all transfers made pursuant to this authority.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert ": *Provided further*, That the Secretary of the Army may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of the Army shall notify the Congress promptly of all transfers made pursuant to this authority.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 7, line 14, strike out "$6,023,200,000" and insert "$6,013,683,000:".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$6,004,950,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: Page 8, line 4, strike out the word "more" and insert "less".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 26 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 8, line 6, insert "and not less than $359,919,000 shall be available for the performance of such work in private shipyards:".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 28: Page 8, line 12, insert ": *Provided further*, That the Secretary of the Navy may transfer up to 5 per centum of the amount of any subdivisions of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 10 per centum and the Secretary of the Navy shall notify the Congress promptly of all transfers made pursuant to this authority.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 28 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert ": *Provided further*, That the Secretary of the Navy may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of the Navy shall notify the Congress promptly of all transfers made pursuant to this authority."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: On page 9, after line 7, insert ": *Provided further*, That the Secretary of the Navy may transfer up to 5 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 10 per centum and the Secretary of the Navy shall notify the Congress promptly of all transfers made pursuant to this authority.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert ": *Provided further*, That the Secretary of the Navy may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of the Navy shall notify the Congress promptly of all transfers made pursuant to this authority."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: On page 9, line 18, strike out "$1,124,154,000" and insert in lieu thereof "$117,192,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$1,108,442,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: On page 9, line 20, strike out "$1,014,091,000" and insert in lieu thereof "$1,014,082,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendments of the Senate numbered 36 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$1,006,332,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: On page 9, line 23, strike out "$2,318,938,000" and insert in lieu thereof "$2,311,568,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein with an amendment as follows:

In lieu of the sum proposed, insert "$2,304,868,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: On page 10, line 7, insert ", to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government:".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert ", to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes:".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: Page 10, line 14, insert ": *Provided further*, That the Secretary of the Air Force may transfer up to 5 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 10 per centum and the Secretary of the Air Force shall notify the Congress promptly of all transfers made pursuant to this authority.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert ": *Provided further*, That the Secretary of the Air Force may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of the Air Force shall notify the Congress promptly of all transfers made pursuant to this authority.".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 49: Page 11, line 12, strike "$450,859,000" and insert in lieu thereof "$448,159,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$446,859,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 11, line 13, strike "$1,650,408,000" and insert in lieu thereof "$1,456,198,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$1,454,898,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: Page 11, line 16, insert ", to be expended on the approval or authority of the Secretary of Defense, and payment may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government:

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert ", to be expended on the approval or authority of the Secretary of Defense, and payment may be made on his certificate of necessity for confidential military purposes".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: Page 11, line 23, insert ": *Provided further*, That the Secretary of Defense may transfer up to a 5 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 10 per centum and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 52 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert ": *Provided further*, That the Secretary of Defense may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 55: Page 13, line 19, strike "$223,000,000" and insert in lieu thereof "$222,800,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$221,900,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 56: Page 14, line 12: Strike "$524,000,000" and insert in lieu thereof "$523,839,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 56 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$524,400,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 58: Page 16, line 9, insert:

CONTINGENCIES, DEFENSE

For emergencies and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense and such expenses may be accounted for solely on his certificate that the expenditures were necessary for confidential military purposes; $5,000,000: *Provided*, That a report of disbursements under this item of appropriation shall be made quarterly to Congress.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 58 and concur therein with an amendment, as follows:

In lieu of the matter proposed, insert:

CONTINGENCIES, DEFENSE

For emergencies and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense and such expenses may be accounted for solely on his certificate that the expenditures were necessary for confidential military purposes; $5,000,000.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 62: On page 19, line 14, strike out "$46,100,000 which shall be derived by transfer from 'Procurement of Ammunition, Army 1973/1975' " and insert in lieu thereof: "$146,000,000, of which $100,000,000 shall be derived by transfer from the Army Stock Fund, and $46,100,000 which shall be derived by transfer from 'Procurement of Ammunition, Army, 1973/1975',".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 62 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 71: On page 24, line 30, strike out "$2,693,800,000" and insert in lieu thereof "$2,470,900,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offei a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 71 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$2,720,400,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 75: On page 26, line 14, strike out "$1,605,600,000" and insert in lieu thereof "$1,589,300,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 75 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$1,542,700,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 78: On page 27, line 18, insert "and in addition, $3,500,000 to be derived by transfer from 'Research, Development, Test, and Evaluation, Army, 1973/1974',".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 78 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 79: On page 28, line 2, strike out "$2,616,065,000" and insert in lieu thereof "$2,647,945,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 79 and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert "$2,651,805,000".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I would like to amend the unanimous-consent request which I made earlier and ask unanimous consent that all Members be permitted to have 5 legislative days in which to revise and extend their remarks on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON H.R. 11771, FOREIGN ASSISTANCE APPROPRIATIONS, FISCAL YEAR 1974

Mr. PASSMAN. Mr. Speaker, pursuant to the unanimous-consent request that was granted yesterday, I call up the conference report on the bill (H.R. 11771) making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 19, 1973.)

Mr. PASSMAN (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement of the managers be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, in my considered judgment, this is the best balanced foreign aid bill it has been my privilege to bring back to this House since I became chairman 19 years ago.

I am sure that Members would like to know that the conference report is $53,478,000 below the House bill that we passed with a very substantial margin a few days ago.

The conference report is $1,212,483,000 below the budget request. This is a large reduction.

There are one or two things I would like to bring to the attention of the Members and that is, in the conference we had a determined group of conferees on either side trying to streamline this bill—not to wreck it, but to streamline it; and make the administrators just as responsible as could be.

I stated in the committee, and of necessity I must restate for the record at this time, that we have actually reduced the administrative expense of AID far too low. They just cannot operate the AID program and administer the program with the administrative expenses we have allowed.

Therefore, I contend that any other accounts can be used to supplement the administrative expenses and other operating costs if justified to the Committee on Appropriations of the House and the Senate.

This is in keeping with the intent of the House and the Senate conferees. I mentioned the Appropriation Committees, because the authorizing committees had previously authorized a higher figure for administrative expenses than that agreed upon by the House and the Senate conferees handling the appropriation.

Furthermore, the authorizing legislation permitted transfers, as mentioned above. In the conference of December 19, I stated categorically that we were denying the administration sufficient funds for the administrative expenses for the AID program.

Today I discussed this matter again with Senator INOUYE, and it is my understanding he concurs with my views, that if the AID Agency can establish that the amount appropriated is insufficient and can justify additional funds for the administrative expense by transfer, that he would have no quarrel with this procedure.

Now, there is one other significant change that we made in conference, and that is, with respect to the aid for Israel. Members may recall that the House bill called for $2.2 billion in emergency military assistance for Israel, with $1 billion being on a grant basis. After, I am assured, long deliberations in the other body, the Senate provided that $1.5 billion should be on a grant basis and the other $700 million on credit terms that can be worked out according to the legislation on the books.

I certainly supported this amendment in conference, because when I look at the amount of military assistance we have given world-wide and I look at the very fact that we have never given Israel any grant military assistance as such, I think this is fair compromise. We have made sales to Israel and the record indicates they have never been delinquent on the repayment of any of their obligations covering these credits; so the conference committee went along with this proposal.

I thought we were right, because this nation is, indeed, an ally of the United States.

As I said when I reported the bill, and I repeat here, if Israel should go down the drain, that in my considered judgment it is just a matter of time until all the Arab nations, including 150 million people, would come under the domination of the Russians. With that would go a great portion of the Mediterranean, the Suez Canal, and 70 percent of the known oil reserves of the world.

So in reality, in providing ample military assistance for Israel, I think we are putting an umbrella over the entire Arab world and in due time, I believe it would be accepted on that basis.

At this time I will yield to the distinguished gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Speaker, did I understand the gentleman to say a few moments ago that in his view there is an adequate funding for the administration of the AID programs? Because of that aid, the administrator would be able to take moneys from other areas of appropriations to use in the administration of the program?

Mr. PASSMAN. The authorizing legislation had transfer authority, but in conference we locked it up to where they could not draw on other funds if they should become short. Knowing something about what it costs to administer the program, I felt we had cut it too low, that we had locked them out and they would not be able to administer the program on the amount of funds we had provided in conference.

I further stated, and I think that is the way the record reads, at a subsequent date if and when they feel that they must have additional funds, then they must be justified to the Appropriations Committees of the Congress. If they can justify additional funds, the agency may draw those funds from other sources.

Mr. SHUSTER. But, they have already justified those to the Committees of the Congress, and this House would not have an opportunity to vote on the matter, is that correct?

Mr. PASSMAN. Not on that part of it. It is very minor, compared with the overall bill, and I think the members of the conference agree with me that we have cut it to the extent that they just cannot administer the program. I am not a foreign aid enthusiast, but I am a realist, and we cannot expect them to administer the program unless they get sufficient administrative funds.

I think the case is well made, and I am sure that when they come before the Congress, they will have to have very good justifications because Senator INOUYE is just as determined as I am that we should streamline the program.

If I may return briefly to the question of Israel, I would not want to mislead the Members. We also provided $50 million in the bill for Israel under supporting assistance; $36,500,000 for the Soviet Jewish refugees, and $300 million for military credit sales. So, all in all, Mr. Speaker, may I repeat that I think this is a well balanced bill. The conferees worked very hard to balance the bill out, to bring a conference report back which the Members could support.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, I would like to draw the attention of the distinguished chairman of the subcommittee to page 11 of the report, amendment 44. It has language that is unusual, not without precedent put nevertheless unusual. It makes the availability of funds for Israel contingent upon the enactment of authorizing legislation.

Mr. PASSMAN. That is correct, and the legislation is on the Senate floor at this time, and it is my understanding, and we were assured yesterday by the conferees from the Senate, that this legislation would be enacted into law.

Mr. FINDLEY. Mr. Speaker, the reason I draw the gentleman's attention to this language is in the hope that a clarification can be made in the event that the authorizing legislation has a figure in it lower than the amount authorized to be appropriated by this conference report.

Mr. PASSMAN. Mr. Speaker, may I respond to the gentleman? If the House and the Senate voted $2,200,000,000, it is locked in at that figure. The only question is as to whether or not we have an authorization bill. If we do not get an authorization bill, of course, none of the funds can be spent.

Mr. FINDLEY. But suppose the authorization bill in its final form as signed by the President has a figure, let us say, of $1 billion as opposed to $2.2 billion. Which will be the limit on appropriations?

I raise that question because in the normal rationale of our legislative processes, the authorization figure is a limitation on the Congress, not on the executive branch.

So, if the limitation placed in the authorization bill is lower than that in this conference report——

Mr. PASSMAN. Mr. Speaker, inasmuch as we waive the provision in the bill and the House bill was handled by a rule on this floor, then of course we would have to abide by whatever is in the authorizing legislation, because we agreed in conference that we would have to abide by the authorization bill. If they cut the authorization bill to $200 to Israel, then $200 is exactly what they will get. They will never do that, though; they will never go that low.

Mr. FINDLEY. Mr. Speaker, my second question—and I am glad to have that clarification—there is also a provision in it which purports to establish a limit on grants considerably higher in the House version.

Mr. PASSMAN. No, it does not say that. It says, "not more than" so much will be available for grants. I think that is the way it reads.

Mr. FINDLEY. There is a limitation on grants of $1.5 billion, as proposed by the Senate, instead of $1 billion, as proposed by the House.

Now, here again, let us speculate and assume that the authorizing language holds to the lower figure.

Mr. PASSMAN. Then we would have to abide by the lower figure.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for his clarification.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa for a question.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I believe the gentleman said something about $700 million being subject to terms and conditions. What kind of terms and what kind of conditions are we talking about?

Mr. PASSMAN. Under the regular military credit sales program, as I understand it, 10 years is the maximum length of the credits at the ongoing rate of interest. Let me just refer to the report and see if there has been any modifications in that.

The House committee in reporting this bill out, on a motion made by my good friend, the gentleman from Massachusetts (Mr. CONTE), agreed that we extend the terms to Israel to 25 years, and let me say to the gentleman that I supported it, because around the world we will find that many nations, conducting their business, even for commodities, are going up to 25 years. I think it was a good motion, and I hope it can soon be put into effect.

The report language says that in view of the predicted economic difficulties of the State of Israel, the committee recommends a maximum credit repayment period of 25 years for that nation.

I hope that can be implemented fully so that it may be carried out.

Mr. GROSS. Does that provide a grace period, 10 years with no interest?

Mr. PASSMAN. No. There is no concession marked out as such in this bill.

Mr. GROSS. But it is a 25-year loan; is that right?

Mr. PASSMAN. It can go up to 25 years.

Mr. GROSS. It can go up to 25 years.

Mr. Speaker, I will ask the gentleman, is it not true that Israel owes the United States $1 billion as of now?

Mr. PASSMAN. Mr. Speaker, I do not know just what the total indebtedness is.

I can state to the gentleman that over a period of years we made military loans to Israel for military equipment. The terms have been lower in some instance, but they have never been delinquent on one dollar.

I checked the figures recently, and I found they paid $218 million to the United States on their indebtedness up to last year.

Mr. GROSS. Mr. Speaker, I misspoke myself. I said, "As of now." They owed us $1 billion before the war broke out in the Middle East; is that not correct?

Mr. PASSMAN. My guess is that it is even greater than $1 billion.

Mr. GROSS. It is greater than that amount now, that is for sure.

Mr. PASSMAN. They have been able to pay their indebtedness up-to-date.

Mr. Speaker, the gentleman has a right to be critical of this, but I will tell the gentleman that we have a true ally in Israel, and if we ever let Israel go down the drain, we will find that 150 million Arabs and all of the Arabian nations will come under the domination of the Soviets and Soviet Russia will gain all of those oil reserves, as well as the Suez Canal.

Mr. GROSS. That is, of course, an assumption made by the gentleman. He is entitled to his opinion concerning what will happen, and I am entitled to my opinion concerning what will happen.

Mr. PASSMAN. It is only an assumption on the gentleman's part, and it is based on observation.

Mr. GROSS. The gentleman does not have a scintilla of evidence to back up what he says.

Mr. PASSMAN. The gentleman from Iowa and I do have a lot of fun arguing about these things.

Perhaps I should simply wish the gentleman a Merry Christmas and terminate the discussion.

Mr. GROSS. I did not think the gentleman would want to continue it very long.

Mr. PASSMAN. Mr. Speaker, I thank the gentleman, if that is the way he wishes to leave it.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Maryland for a question.

Mr. LONG of Maryland. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from Louisiana feels as I do, am I correct, that it is very important that 70 percent of the world's oil supply should not fall under the control of Russia or even under the influence of Russia; is that not so?

Mr. PASSMAN. Mr. Speaker, let me say that I have led the fight for the funds for Israel. Of course it is important to keep the oil supplies free from Russian domination.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I will yield to the gentleman later, but first I will yield for a question to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Speaker, I had always hoped the interest of the gentleman from Louisiana in Israel and in safeguarding the territory in the Far East was a genuine interest, and not based on political considerations.

Mr. PASSMAN. Of course, that is true. Everything I do is based entirely on principle and sincerity.

Mr. LONG of Maryland. I hope the gentleman's feelings were that way both before and after.

Mr. PASSMAN. Everyone knows we must protect the Middle East.

Mr. LONG of Maryland. Let me compliment the gentleman from Louisiana on this report. I think he has done a very fine job, as he has always done. I have had my differences with him, but I have supported him, especially in restoring the $2.2 billion for Israel. I want to compliment the gentleman.

Mr. PASSMAN. Mr. Speaker, I want to return the compliment. This is a very dedicated committee. Of course, we move entirely on facts and principles. I think all along so many people thought that we picked Israel out as a favored nation, so we had to do an even better job to establish a need for it. We were quite sincere and all worked together on this.

I know of no disagreement on this report along the way. It was pure necessity that we provide these funds.

Mr. GIAIMO. Will the gentleman yield to me?

Mr. PASSMAN. I yield to the distinguished gentleman from Connecticut.

Mr. GIAIMO. Mr. Speaker, on page 12 I notice there is an item regarding the original Rail Reorganization Act of 1973, and that applies, I am sure, to the Northeastern railroad situation. Yet I find it in the foreign aid bill. I hope there is no implication here that the Northeast is no longer a part of the United States. Can someone give me some assurances on that?

Mr. PASSMAN. The distinguished gentleman from Massachusetts can clear that up.

Mr. CONTE. If the gentleman will yield, yes, sir. The way we have been treated lately on energy it almost seems as though the gentleman is right and that they do not consider us to be a part of the country any more.

I can assure the gentleman the reason why it is in the foreign aid bill is when the budget request for this came up on December 14 the supplemental had already gone through the Senate, so the last bill was the foreign aid bill and they tacked it on there.

I will try to explain that when I get the floor.

Mr. GIAIMO. I thank the gentleman for his reassurances.

Mr. PASSMAN. Mr. Speaker, I believe I should state that there are over $200 million in budget requests for our friends in the Arab States. We tried to be fair about this. It is a well-balanced bill. I think close scrutiny of the record will indicate that it is a well-balanced bill and one that even the critics of foreign aid could support if they would look at it objectively.

Mr. GROSS. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. The reason why the Northeast rail corridor is on this bill is because it is all a great big fat giveaway. Is it not?

Mr. PASSMAN. I cannot comment on that observation.

Mr. CEDERBERG. Will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I wish the gentleman from Iowa and the gentleman from Louisiana a very Happy Hanukkah.

Mr. PASSMAN. I thank the gentleman. At this point in my remarks, I would like to insert in the RECORD a table comparing the conference agreement total with the fiscal year 1973 funding level, the fiscal year 1974 budget request, the amount in the House bill and the amount in the Senate bill. The table follows:

FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATION BILL, FISCAL YEAR 1974

Item	New budget (obligational) authority, fiscal year 1973 under a continuing resolution (includes supp.)	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conference action	Conference action compared with—			
						New budget (obligational) authority, fiscal year 1973	Budget and estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—FOREIGN ASSISTANCE ACT ACTIVITIES									
FUNDS APPROPRIATED TO THE PRESIDENT									
Economic Assistance									
Worldwide, technical assistance	[1] $155,000,000					−$155,000,000			
Alliance for Progress, technical assistance	[2] 77,500,000					−77,000,000			
Programs relating to population growth	[3] 100,000,000					−100,000,000			
Alliance for Progress, development loans	150,000,000					−150,000,000			
Development loans	[4] 250,000,000					−250,000,000			
Subtotal, technical assistance, development loans, population program	732,500,000					−732,500,000			
Loans	(400,000,000)					(−400,000,000)			
Grants	(332,500,000)					(−332,500,000)			
Food and nutrition, development assistance		$211,679,000	$277,000,000	$291,000,000	$284,000,000	+284,000,000	+$72,321,000	+$7,000,000	−$7,000,000
Population planning and health, development assistance		146,517,000	[20] 125,000,000	145,000,000	135,000,000	+135,000,000	−11,517,000	+10,000,000	−10,000,000
Education and human resources development, development assistance		94,778,000	88,000,000	90,000,000	89,000,000	+89,000,000	−5,778,000	+1,000,000	−1,000,000
Selected development problems, development assistance		118,671,000	52,000,000	29,000,000	40,500,000	+40,500,000	−78,171,000	−11,500,000	+11,500,000
Selected countries and organizations, development assistance		147,505,000	38,000,000	35,000,000	36,500,000	+36,500,000	−111,005,000	−1,500,000	+1,500,000
Subtotal, development assistance		719,150,000	580,000,000	590,000,000	585,000,000	+585,000,000	−134,150,000	+5,000,000	−5,000,000
Loans		(351,400,000)	(280,000,000)	(250,000,000)	(285,000,000)	(−115,000,000)	(−66,400,000)	(+5,000,000)	(+35,000,000)
Grants		(367,750,000)	(300,000,000)	(340,000,000)	(300,000,000)	(−32,500,000)	(−67,750,000)		(−40,000,000)
International organizations and programs	105,000,000	124,800,000	[21] 105,000,000	[26] 127,822,000	125,000,000	+20,000,000	+200,000	+20,000,000	−2,822,000
United Nations Environment Fund		10,000,000	5,000,000	10,000,000	7,500,000	+7,500,000	−2,500,000	+2,500,000	−2,500,000
American schools and hospitals abroad	25,500,000	10,000,000	19,000,000	10,000,000	19,000,000	−6,500,000	+9,000,000		+9,000,000
American schools and hospitals abroad (special foreign currency program)		(6,500,000)	(6,500,000)	(6,500,000)	(6,500,000)	(+6,500,000)			
Indus Basin Development Fund, grants	10,000,000	15,000,000	9,000,000	9,000,000	9,000,000	−1,000,000	−6,000,000		
Indus Basin Development Fund, loans	12,000,000	2,200,000	2,000,000	2,000,000	2,000,000	−10,000,000	−200,000		
United Nations Relief and Works Agency (Arab refugees)			2,000,000	2,000,000	2,000,000	+2,000,000	+2,000,000		
National Association of the Partners of the Alliance				934,000	750,000	+750,000	+750,000	+750,000	−184,000
Albert Schweitzer hospital				1,000,000	1,000,000	+1,000,000	+1,000,000	+1,000,000	
Contingency fund	25,000,000	30,000,000	30,000,000		15,000,000	−10,000,000	−15,000,000	−15,000,000	+15,000,000
International narcotics control	([5])	42,500,000	42,500,000	42,500,000	42,500,000	+42,500,000			
Refugee relief assistance (Bangladesh)	100,000,000					−100,000,000			
African Sahel famine relief assistance			25,000,000	25,000,000	25,000,000	+25,000,000	+25,000,000		
Administrative expenses:									
AID	[6] 50,000 000	53,100,000	45,000,000	24,000,000	40,000,000	−10,000,000	−13,100,000	−5,000,000	+16,000,000
State	[7] 4,321,000	[15] 5,432,000	5,432,000	4,800,000	4,800,000	+479,000	−632,000	−632,000	
Subtotal, economic assistance	1,064,321,000	1,012,182,000	869,932,000	849,056,000	878,550,000	−185,771,000	−133,632,000	+8,618,000	+29,494,000
Military Assistance									
Military assistance	[8] 550,900,000	685,000,000	500,000,000	300,000,000	450,000,000	−100,900,000	−235,000,000	−50,000,000	+150,000,000
Regional naval training	2,500,000					−2,500,000			
Indochina Postwar Reconstruction Assistance									
Indochina postwar reconstruction assistance	[9] (445,000,000)	[16] (632,000,000)	500,000,000	400,000,000	450,000,000	+450,000,000	+450,000,000	−50,000,000	+50,000,000
Security Supporting Assistance									
Security supporting assistance	[10] 600,000,000	732,000,000	[22] 125,000,000	[23] 100,000,000	112,500,000	−487,500,000	−619,500,000	−12,500,000	+12,500,000
Subtotal	2,217,721,000	2,429,182,000	1,994,932,000	1,649,056,000	1,891,050,000	−326,671,000	−538,132,000	−103,882,000	+241,994,000
Overseas Private Investment Corporation									
Overseas Private Investment Corporation, reserves	12,500,000	72,500,000	50,000,000		25,000,000	+12,500,000	−47,500,000	−25,000,000	+25,000,000
Inter-American Foundation									
Inter-American Foundation (limitation on obligations)	(5,000,000)	(15,000,000)	(7,500,000)	(12,500,000)	(10,000,000)	(+5,000,000)	(−5,000,000)	(+2,500,000)	(−2,500,000)
Total, title I, new budget (obligational) authority, Foreign Assistance Act Activities	[11] 2,230,221,000	[17] 2,501,682,000	[11] 2,044,932,000	[11] 1,649,056,000	1,916,050,000	−314,171,000	−585,632,000	−128,882,000	+266,994,000

Footnote at end of table.

TITLE II—FOREIGN MILITARY CREDIT SALES									
Foreign military credit sales	400,000,000	525,000,000	[23] 325,000,000	[23] 325,000,000	325,000,000	−75,000,000	−200,000,000		
Total, titles I and II, new budget (obligational) authority	2,630,221,000	3,026,682,000	2,369,932,000	1,974,056,000	2,241,050,000	−389,171,000	−785,632,000	−128,882,000	+266,994,000
TITLE III—FOREIGN ASSISTANCE (OTHER)									
INDEPENDENT AGENCY									
Action—International Programs									
Peace Corps	[12] 81,000,000	77,001,000	76,000,000	76,000,000	76,000,000	−5,000,000	−1,001,000		
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE									
Assistance to refugees in the United States (Cuban program)	145,000,000	90,000,000	129,000,000	129,000,000	129,000,000	−16,000,000	+39,000,000		
DEPARTMENT OF STATE									
Migration and refugee assistance	[13] 9,100,000	[18] 9,504,000	9,100,000	9,504,000	9,504,000	+404,000		+404,000	
Assistance to migrants from the Soviet Union	50,000,000		36,500,000	36,500,000	36,500,000	−13,500,000	+36,500,000		
FUNDS APPROPRIATED TO THE PRESIDENT									
International Financial Institutions									
Asian Development Bank (special funds)		100,000,000	25,000,000	100,000,000	50,000,000	+50,000,000	−50,000,000	+25,000,000	−50,000,000
Inter-American Development Bank:									
Paid-in capital	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000				
Callable capital	168,380,000	168,380,000	168,380,000	43,380,000	168,380,000				+125,000,000
Fund for special operations	225,000,000	500,000,000	425,000,000	350,000,000	225,000,000		−275,000,000		−125,000,000
Subtotal, IDB	418,380,000	693,380,000	418,380,000	418,380,000	418,380,000		−275,000,000		
International Development Association	320,000,000	320,000,000	320,000,000	320,000,000	[8] 320,000,000				
Total, title III, new budget (obligational) authority, Foreign Assistance (other)	1,023,480,000	1,289,885,000	1,013,980,000	1,089,384,000	1,039,384,000	+15,904,000	−250,501,000	+25,404,000	−50,000,000
Total, titles I, II, and III, new budget (obligational) authority	3,653,701,000	4,316,567,000	3,383,912,000	3,063,440,000	3,280,434,000	−373,267,000	−1,036,133,000	−103,478,000	+216,994,000
TITLE IV—EMERGENCY SECURITY ASSISTANCE AND DISASTER RELIEF ASSISTANCE									
Emergency security assistance for Israel		[19] 2,200,000,000	[24] 2,200,000,000	[24] 2,200,000,000	2,200,000,000	+2,200,000,000			
Emergency military assistance for Cambodia		[19] 200,000,000	150,000,000	100,000,000	150,000,000	+150,000,000	−50,000,000		+50,000,000
Disaster relief assistance		[14] 150,000,000	100,000,000	[26] 150,000,000	150,000,000	+150,000,000		+50,000,000	
Total, title IV, new budget (obligational) authority, Emergency security assistance and disaster relief assistance		2,550,000,000	2,450,000,000	2,450,000,000	2,500,000,000	+2,500,000,000	−50,000,000	+50,000,000	+50,000,000
TITLE V—EXPORT-IMPORT BANK OF THE UNITED STATES									
Limitation on program activity	(7,323,675,000)	(7,650,000,000)	(7,650,000,000)	(7,650,000,000)	(7,650,000,000)	(+326,325,000)			
Limitation on administrative expenses	(8,438,000)	(8,655,000)	(8,655,000)	(8,655,000)	(8,655,000)	(+217,000)			
Total, title V, Export-Import Bank of the United States, limitations on use of corporate funds	(7,332,113,000)	(7,658,655,000)	(7,658,655,000)	(7,658,655,000)	(7,658,655,000)	(+326,542,000)			

Footnotes at end of table.

FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATION BILL, FISCAL YEAR 1974—Continued

Item (1)	New budget (obligational) authority, fiscal year 1973 under a continuing resolution (includes supp.) (2)	Budget estimates of new (obligational) authority, fiscal year 1974 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	New budget (obligational) authority recommended by conference action (6)	Conference action compared with— New budget (obligational) authority, fiscal year 1973 (7)	Conference action compared with— Budget and estimates of new (obligational) authority, fiscal year 1974 (8)	Conference action compared with— New budget (obligational) authority recommended in House bill (9)	Conference action compared with— New budget (obligational) authority recommended in Senate bill (10)
TITLE VII—RAIL SERVICES ACT OF 1973[27]									
DEPARTMENT OF TRANSPORTATION									
Office of the Secretary									
Emergency Rail Services Assistance		$85,000,000		$60,000,000	$(35,000,000)	(+$35,000,000)	−$85,000,000	(+$35,000,000)	−$60,000,000
Salaries and expenses		15,350,000		7,000,000	(3,000,000)	(+3,000,000)	−15,350,000	(+3,000,000)	−7,000,000
Government National Railway Association									
Administrative Expenses		26,000,000		13,000,000	(6,000,000)	(+6,000,000)	−26,000,000	(+6,000,000)	−13,000,000
Total, Title VIII, new budget (obligational) authority, Rail Services Act of 1973		126,350,000		80,000,000	(44,000,000)	(+44,000,000)	−126,350,000	(+44,000,000)	−80,000,000
Grand total, new budget (obligational) authority, titles I, II, III, IV, and VII	$3,653,701,000	6,992,917,000	$5,833,912,000	5,593,440,000	5,780,434,000	+2,126,733,000	−1,212,483,000	−53,478,000	+186,994,000
Reappropriation of unobligated balances:									
(a) Economic assistance	(28,820,000)	(26,641,000)	(26,641,000)	(26,641,000)	(26,641,000	(−2,179,000)			
(b) Military assistance	(2,300,000)	(8,716,000)	(8,716,000)	(8,716,000)	(8,716,000)	(+6,416,000)			
(c) Security supporting assistance	(4,614,000)	(2,396,000)	(2,396,000)	(2,396,000)	(2,396,000)	(−2,218,000)			

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[1] Excludes transfer in of $2,111,520 as provided in the 2d supplemental, 1973.

[2] Excludes transfer in of $270,300 as prov ded in the 2d supplemental, 1973.

[3] Excludes transfer in of $193,980 as provided in the 2d supplemental, 1973.

[4] Excludes transfer out of $47,915,000 to various other accounts.

[5] Funded at a level of $17,906,000 during fiscal year 1973 from development loans. Authority was contained in reports of both Houses on the continuing resolution.

[6] Excludes transfer in of $1,233,840 as provided in the 2d supplemental, 1973.

[7] Includes $100,000 but excludes transfer in of $78,000 as provided in the 2d supplemental, 1973.

[8] Includes $300,000 as provided in the 2d supplemental, 1973.

[9] In fiscal 1973, this item was included in the "security supporting assistance" program.

[10] Excludes transfer in of $1,304,860 as provided in the 2d supplemental, 1973. Includes $50,000,000 earmarked for Israel and $50,000,000 earmarked for Philippines disaster relief.

[11] Prior year unobligated balances reappropriated.

[12] Excludes transfer out of $269,260 to domestic programs, Action for pay raise costs.

[13] Includes $600,000 as provided in the 2d supplemental, 1973.

[14] Submitted as a budget amendment in H. Doc. 93–169.

[15] Includes an increase of $332,000 contained in H. Doc. 93–104.

[16] Included under the "secur'ty supporting assistance" i tem.

[17] Prior year unobligated balances requested to be reappropriated.

[18] Includes an increase of $704,000 contained in H. Doc. 93–104.

[19] Submitted as a budget amendment in H. Doc. 93–168.

[20] Not more than $100,000,000 for population programs.

[21] Earmarks $15,000,000 for UNICEF.

[22] Earmarks $50,000,000 for Israel.

[23] Earmarks $300,000,000 for Israel out of total aggregate credit ceiling.

[24] Not more than $1,000,000,000 may be used for grants. Any funds appropriated in excess of $1,700,000,000 requires a Presidential determination and detailed justification submitted to Congress ten days prior to any obligation of such funds.

[25] Earmarks $18,000,000 for UNICEF and $14,300,000 for the United Nations Relief and Works Agency (UNRWA).

[26] Earmarks $85,000,000 for Pakistan, $50,000,000 for the Sahel region of Africa and $15,000,000 or Nicaragua.

[27] Title VI is "General Provisions."

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Mr. PASSMAN. I yield to the gentleman from Massachusetts (Mr. CONTE).

Mr. MILLER. Will the gentleman yield to me?

Mr. CONTE. I yield to the gentleman.

Mr. MILLER. Mr. Speaker, to the $158,537,100,000 this country has already spent on foreign aid over the past 26 years, today we add another $5.7 billion; 128 countries and 7 territories in the world have been the beneficiaries of this incredible generosity. I know of no other governmental program in which the cost is so high and the return so low. In fact, just to give all this money away, we have had to borrow $94 billion, leaving a grand total cost for foreign aid of $253 billion. An overhaul of the foreign-aid concept is long overdue. It should be a two-way street. The American people should get something of value in return for their tax money that is shipped overseas. Foreign aid, I firmly believe, can serve as a tool or vehicle to help bolster our future national economy by helping to replenish our depleting natural resources.

The current energy crisis which has been called the most critical economic problem the Nation has ever faced is but a part of a much larger problem that looms ominously before us. Very simply, the United States is running short of basic materials and minerals that form the foundation of our industrial economy. The mineral crisis could well overshadow the fuel shortage in economic dislocation and disruption.

Last Tuesday, I stated during the debate on the trade reform bill that—

> If we do not act soon, the United States will face a mineral crisis as devastating as the current energy crisis in terms of unemployment, product shortages, inflation and public hardship. The American people are vulnerable to mineral embargoes and price gouging unless we secure assured access to foreign mineral resources.

I have been deeply concerned that our rapid depletion of our irreplaceable natural resources, inadequate domestic mineral production to meet industrial requirements, and a growing dependency on foreign imports have not received more attention by the Congress or the Administration. However, I was pleased to hear that at his press conference this week, Secretary of the Interior Rogers Morton pointed out the seriousness of the situation and urged that we become mineral self-sufficient and start stockpiling minerals for future needs. According to a Washington Star-News report, Secretary Morton stated:

> There's no reason why a group of countries that supply most of our bauxite, for example, could get together in the same way the Arab countries got together on the price of oil.

The Secretary further commented:

> We have got to get ourselves in a situation where we can produce enough basic materials and have enough stockpiled so we can resist any efforts by groups to gang up.

The National Commission on Material Policy recently reported that all U.S. requirements for raw materials are expected to exceed what we are able to produce in this country by the year 2000. In addition, the U.S. Geological Survey has concluded that all our known raw mineral resources are seriously depleted.

To help defuse this ticking timebomb, I proposed an amendment to the foreign assistance bill last July that would allow the President to enter into agreements to furnish foreign aid in exchange for strategic raw materials, minerals, and fossil fuels that are in short supply or cannot be produced in this country.

Many nations that receive U.S. aid have great reserves of minerals that they cannot possibly use themselves. In fact, much of the world's mineral wealth is still undeveloped. By providing the U.S. foreign aid money and expertise to these countries, the United States could not only satisfy its growing mineral requirements, but help provide internal development and employment in the recipient nation. To me, this makes better sense than merely giving our money away with no strings attached.

I would again refer the House's attention to the House committee report on this bill. The committee feels that the barter or exchange proposal I have advanced should be considered. Moreover, the leadership of the House Foreign Affairs Committee has stated that the committee will hold hearings on this proposal.

In conclusion, foreign aid exchanges make eminent sense and it is going to make even more sense as we begin to feel the real crunch of the mineral crisis. The time for recognizing that we have a critical mineral problem is here. Action to gain access to supplies so that they may be used to satisfy current needs or stockpiled for the future is going to have to be taken very soon. I hope that the Congress will face up to this issue and reform the foreign aid program so that the United States would receive from the underdeveloped countries the natural resources we so badly need.

Mr. CONTE. Mr. Speaker, I want to say I went on this committee back in 1959, and was on it for about a dozen years and then was off for a couple of years and then came back on it again.

I want to take this opportunity to say that this was a very difficult conference. We met for 9 solid hours, and I want to take this opportunity to commend the gentleman from Louisiana for the wonderful leadership he exhibited. It was a very difficult job, but he handled it excellently, with kid gloves, and was very articulate throughout. Of course, government is the art of compromise, and as a result of his laborious work and his patience, we brought this bill out today.

Mr. PASSMAN. Mr. Speaker, I want to thank the distinguished gentleman from Massachusetts (Mr. CONTE), who has been sitting by my side for about 9 hours, backing me up all the way through the conference. Of course, when the gentleman thought I was wrong he was just as vocal as to that as the gentleman was in pointing to the good things when he thought I was right. We worked together in a fine way. The gentleman made a beautiful contribution in this matter, and again I want to thank him for the help that he has given me.

I would also like to apply that to all of the members of the conference. I will not single them out, but I wish to thank them all for their cooperation. I will just thank the gentleman from Massachusetts (Mr. CONTE) at this time, and then I will try to thank the others in my remarks in the RECORD.

Mr. CONTE. Mr. Speaker, we meet today on the threshold of, what could be, an historical occasion of great magnitude. For tomorrow, in Geneva, the Middle East peace conference between Israel and the Arab States commences. We have the opportunity here today of offering a significant investment toward the success of that meeting with the emergency security assistance contained within this foreign assistance appropriations bill. The figures have already been detailed for you. I would only like to briefly stress the need for immediate passage.

Israel faces the unenviable prospect of entering these meetings more diplomatically isolated than at any time in its short history as an independent state. Nine members of the European Common Market have gone on record supporting the Arab position calling for Israel to withdraw from all Arab territories occupied since the 1967 war. All black African countries, save four, have broken diplomatic relations with Israel. The Soviet Union remains adamant in its refusal to resume diplomatic relations with Israel since first they were severed in 1967. Lastly, Japan, under pressure of the Arab oil boycott has slowly shifted from the middle of the fence to a pro-Arab posture.

Taking all of this and much more into stock, it must be reiterated that this $2.2 billion is essential, not only to insure the survival of the Israeli State, but also to reserve the balance of power in the Middle East. A genuine peace can be obtained if the Arabs and Israelis can sit together, in cooperation rather than competition.

The remainder of this appropriations bill has been carefully studied and debated by both Chambers, pruned or increased where it was felt necessary. What we are now deciding is whether the United States will play its part in meeting international responsibilities toward poor countries. Behind all the rhetoric, no one can dispute the one practical goal that we have had in mind since foreign aid was first instituted—to promote some economic development. We have not failed in this endeavor; we have succeeded tremendously. Developing countries achieved a growth rate of 5 percent per year during the 1960's. This is a phenomenal achievement. It was a greater sustained leap forward than either the United States or Western Europe had ever achieved in any 10-year period of their development. There is still much work to be done, in Latin America, Africa, the Near East, and South Asia.

Wiring flowers to these people will not help their circumstances. Poverty will not disappear with good wishes. Not all of our foreign aid in the past has been good, there has been waste and mismanagement but by and large we have made great strides throughout the world.

Our contribution is small, and yet the results have been astounding in the numbers of children educated, the clean drinking water provided, roads and bridges built. The United States ranks 12th out of the world's 16 wealthiest countries in the percentage of gross national product devoted to economic aid.

This bill provides the means to achieve that through humanitarian programs, economic assistance grants channeled through multilateral agencies, and bilateral programs which are an integral part of our foreign policy. It is a complex measure. The result of much compromise. It cannot please everyone. All will agree that there are good portions and bad, but such is the case with all comprehensive bills of this type.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I will be glad to yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, I would just like to express my disagreement to the remarks made by the gentleman from Massachusetts concerning the great accomplishments that we have made in foreign aid.

Much of foreign aid has been a failure, in my judgment. However, I think that both the gentleman in the well and I could agree that our aid to Israel has been one of the best investments in our whole foreign aid experience.

For a relatively small investment, in comparison to the hundreds of billions that we have spent elsewhere, we have enabled a small, brave, and gallant people to defend themselves.

Would the gentleman agree with that?

Mr. CONTE. Certainly. If we did not do that, I do not see how they could go to the Geneva Conference tomorrow, with their hands tied behind their backs.

Mr. LONG of Maryland. Would the gentleman also agree with the importance of having the Arab countries and Israel sit down and come to some sort of agreement between themselves? Would the gentleman not agree that it is very important that Arabs and Israelis negotiate without being forced into an agreement, and that the aid to Israel in this bill is a major factor enabling the two parties to come to an agreement without being forced to do so?

Mr. CONTE. That is the point I tried to make in my speech precisely.

I should like to explain amendment No. 54 which provides an emergency appropriation contingent upon enactment of legislation designed to provide for the restructuring of the rail system in the Northeast and Midwest. I feel these funds are urgently needed to initiate the planning and restructuring process for the seven class I bankrupt railroads in the Northeast and Midwest region. The judge overseeing the reorganization of the largest of these—the Penn Central—has had under advisement since October 12 motions to liquidate that railroad. The Department of Transportation believes he has delayed action on those motions, at least in part, in order to allow the Congress time to pass legislation and initial funding to deal with the restructuring of all the bankrupt carriers. However, if Congress adjourns before taking such action, he may conclude that the time has come when he must order liquidation to protect the constitutional rights of the Penn Central creditors. We do not want a special session of Congress before January 21, because the Penn Central has run out of operating funds. This appropriation is urgently needed to cover expenses during the first few months after enactment of the authorizing legislation. Any delay in providing such funds would delay the rapid implementation of the planning process and could prevent the completion of the requirements called for by the legislation.

This amendment provides interim operating assistance of $35 million to be derived by transfer from the urban mass transportation fund, $3 million for salaries and expenses to be derived by transfer from planning and research and development funds available to the DOT Office of the Secretary, and $6 million for the administrative expenses of the U.S. Railway Association to be derived by transfer from railroad research funds and high-speed ground transportation research and development funds available to the Federal Railroad Administration. Each of these amounts is to remain available until expended, but is contingent upon enactment into law by the 93d Congress of H.R. 9142 of similar legislation.

The $35 million is for emergency assistance payments to the bankrupt railroads to cover their cash deficits during the 20-month restructuring process so they can continue to operate during that period. The $3 million is for the Department of Transportation to carry out the study and reporting requirements in the legislation and to cover certain preliminary expenses tied to the startup of the new rail corporation. The new U.S. Railway Association is provided $6 million to cover its personnel and administrative expenses and to pay for the many planning and engineering studies that will have to be completed within 300 days of enactment of the authorizing legislation.

Although the conferees agree that it is an undesirable procedure to fund new programs without detailed hearings by both the House and Senate Appropriations Committees, it is felt that the Northeast and Midwest rail situation is of such urgency that action is essential before the next session of Congress. In providing that the funds be derived by transfer, it is not the intention of the conferees to reduce any essential programs of the Department. If restoration to those appropriations from which funds are transferred is required, the Department should request restoration and the conferees agree that they will consider such a request next session. In the interim, the conferees believe that funds provided should be adequate until such time as hearings can be conducted by both the House and Senate Appropriations Committees.

Mr. Speaker, I urge the Members' support and immediate passage of this vital measure.

Mr. Speaker, I might note here that the chairman of the Subcommittee on Transportation of the Committee on Appropriations, the gentleman from California (Mr. McFall), is solidly behind these amendments and concurs with what I have said here.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I concur with the gentleman from Massachusetts in urging support for this measure providing emergency security assistance for the State of Israel.

I, too, would like to join with my colleagues in congratulating the distinguished chairman, the gentleman from Louisiana, for guiding this measure through some very tedious negotiations in the committee of conference. I believe it is of the utmost importance at this time as these nations embark upon a peace conference in Geneva that we understand that Israel is prepared to negotiate from a posture of strength rather than weakness, for true peace comes from a position of strength and being able to bargain from a position of strength rather than being forced into negotiations emanating from weakness.

I congratulate the committee. I strongly support this measure. I urge my colleagues to support the passage of this measure in the interest of true peace.

Mr. GILMAN. Mr. Speaker, I join my colleagues in complimenting the distinguished chairman from Louisiana for his competent and diligent guidance in bringing this measure to the floor after arduous negotiations in conference.

If we are truly concerned about a lasting peace in the Middle East, then we must also be concerned about Israel's military strength. Just as we are dependent upon our military strength for bargaining for world peace so too is Israel dependent upon its military strength in order to negotiate a successful peace in the forthcoming Geneva peace talks. Our support of this legislation is not intended to resupply Israel for a renewed outbreak of hostilities, but rather to assure the necessary military balance needed to deter aggression.

In considering this proposal, I call to the attention of my colleagues two thoughts concerning this appropriation.

Israel initially requested assistance totaling $3.2 billion. Our military experts, after scrutinizing their request, recommended a "bare bones" authorization of $2.2 billion. Of that amount $1 billion will pay for military equipment which our Nation has already supplied to Israel during the October 1973 war and another $17 million of this appropriation will pay for our Nations' share of the costs of the U.N. peacekeeping force.

Let us also bear in mind that Israel has never requested military grant assistance from the United States prior to this recent conflict. In the period from 1946 to 1972, our Nation has provided over $55 billion in military assistance to other nations. In that same period, while we have not given Israel 1 cent, we have sold the Israelis millions of dollars of military equipment, all of which was promptly paid for.

The economic burdens confronting Israel would be overpowering even to a wealthy nation. The cost of the October war was equal to Israel's gross national product for 1 year. While Israel is a young, active state, it cannot bear the impossible costs of maintaining defense against countries who are being continually armed by massive shipments of military equipment from the U.S.S.R.

If we are truly interested in global peace, I urge my colleagues to support this measure so that a semblance of military balance will be maintained, thereby assuring equitable negotiations at Geneva.

Mr. CONTE. Mr. Speaker, I thank the gentleman for his fine contribution.

Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I hope that when the Members of the House and Senate go home for Christmas they will be sure to tell their constituents that one of their last acts before adjournment was to approve a foreign giveaway program of almost $6 billion for this fiscal year. It is one of the fattest in my time in Congress and at a time when fiscal sanity dictated a reduction, not a multibillion-dollar increase. Moreover, it is some $200 million more than the Senate bill. In other words, the House Members have now upped the Senate. The Senate now is no longer the upping body when it comes to foreign aid. That is a most interesting development.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield for a correction?

Mr. GROSS. For a correction, yes.

Mr. PASSMAN. This bill is $53 million below the bill that passed the House.

Mr. GROSS. I did not say anything about economy by the House committee. I said it was almost a $6 billion giveaway program and that it was nearly $200 million over the Senate figure.

Mr. PASSMAN. Will the distinguished gentleman yield for one further observation?

Mr. GROSS. Of course, but I would rather the gentleman did not correct me on something that appears in his own report.

Mr. PASSMAN. I will be happy to be corrected if I am in error.

Let me state to the gentleman as we think in terms of foreign aid that the title I funding level is one of the lowest that ever passed the House.

Mr. GROSS. Mr. Speaker, will the gentleman from Massachusetts yield me a couple of additional minutes?

Mr. CONTE. I yield to the gentleman from Iowa 2 additional minutes.

Mr. GROSS. I thank the gentleman from Massachusetts and yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Speaker, the reason this bill is high is because this committee made it an all-inclusive bill. We consolidated the regular foreign aid authorization items that came from the gentleman's committee, and included the multilateral organizations, and likewise put in our bill the $2.2 billion for Israel, the $150 million for emergencies requested for Pakistan, Nicaragua, and the Sahel region of Africa. Also, of course, we included the Cambodian request. So these special requests have made the bill higher. I repeat, it is higher because we made it an all-inclusive bill and did not let it go out fragmentized this time.

Mr. GROSS. Mr. Speaker, I would ask the gentleman, and he can answer yes or no, does the bill provide $5,883,912,000, nearly $6 billion?

Mr. PASSMAN. In an all-inclusive bill; loans, good and bad, and grants; yes.

Mr. GROSS. Is this bill $186,994,000, almost $200 million more than the Senate figure? The gentleman can answer that yes or no.

Mr. PASSMAN. Yes; we have made revisions from one category to the other. It is still $53 million below what the House passed.

Mr. GROSS. Mr. Speaker, will the gentleman yield me 3 more minutes?

Mr. CONTE. Mr. Speaker, I yield 3 additional minutes to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, it is intriguing that this foreign handout bill carries the Northeast rail corridor money.

Mr. PASSMAN. That is true. Mr. Conte, I am sure, would be glad to comment on that.

Mr. GROSS. I was not aware that I had yielded.

Mr. PASSMAN. It is true the bill contains that item. I think it necessary that this be included.

Mr. GROSS. So we have a gravy train provided for in this bill that runs from Louisiana to Israel, Timbuktu, and way points.

Mr. PASSMAN. I do not know where the rail line is the gentleman refers to. It is no part of foreign aid.

Mr. GROSS. The gentleman from Louisiana seems to be pleased that he is aboard this gravy train.

Mr. PASSMAN. I do not think the gentleman owes any apologies for being accommodating to another committee in putting an essential item in this bill. If there were other items that were justified, I would insist they also be included.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. GROSS. If the gentleman feels he can contribute anything to this discussion.

Mr. LONG of Maryland. The gentleman, I believe, is complaining that the northeast railroad section is part of the foreign aid bill. A prominent member of the gentleman's party who ran for President once said that we ought to cut off the eastern part of the United States and ship it out to sea and apparently the Senate took his word for it and shipped it out there.

Mr. GROSS. Where is Maryland located? It is, of course, in the northeast rail corridor.

Mr. LONG of Maryland. Under the terms of the gentleman from Iowa, it would be regarded as a foregin country.

Mr. PASSMAN. Would the gentleman yield further?

Mr. GROSS. I yield to the gentleman.

Mr. PASSMAN. I want to say that the gentleman from Iowa is one of the greatest Members of this House. I do not know how we could get along without H. R. Gross.

Mr. GROSS. Just a minute, just a minute.

Mr. PASSMAN. I do not think anyone has made a greater contribution to the American people than H. R. Gross.

Mr. GROSS. Mr. Speaker, that will get the gentleman nowhere in Louisiana.

Mr. PASSMAN. The gentleman from Iowa has a lot of friends in Louisiana.

Mr. GROSS. I am not here to back-scratch or be back-scratched. The people of this country deserve better treatment than this. I say again that I hope when the Members go home they will tell their people that one of their last acts in this session of Congress was to vote nearly $6 billion to be dished out to foreigners.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. PASSMAN. The gentleman from Iowa has his style and I have mine. If he would change his style, I would have to change mine.

The gentleman knows that I am not a foreign aid enthusiast. I have consistently voted against the foreign aid authorization bills, but when the Congress in its wisdom authorizes foreign aid I have no veto power so it becomes my responsibility to handle the funding request. I have been consistent during the 19 years that I have chaired the subcommittee in pointing out the pitfalls in the aid program and the record will show that the 19 annual funding bills from the subcommittee have been reduced in total funds appropriated by approximately $15 billion below the budget requests.

As I pointed out earlier, the conference report before the House is $1,212,483,000 below the budget request. The total funds in the bill are higher than recent years because the $2.2 billion emergency military assistance request for Israel is included.

We should all keep in mind, with privileges come responsibilities. May I conclude by saying that there is no Member of the House that has been any more complimentary to the gentleman from Louisiana than the gentleman from Iowa (Mr. Gross).

I want again to wish the gentleman Merry Christmas and a Happy New Year and my compliments for not back-scratching. These wishes are sincere. Inasmuch as the gentleman cannot help me in my district and I cannot help him in his district, why should my remarks be not accepted at face value?

Mr. GROSS. Let me say that I have appreciated the searching inquiries the gentleman from Louisiana has made into the operation of the so-called foreign aid program.

In the report accompanying this bill

he has brought together the figures to show that an estimated $253 billion have been tossed out over the world since the program began in 1947.

That is a staggering amount of money. It has made a monumental contribution to this country's huge national debt; to the unbearable mortgage we are loading on the backs of our children and grandchildren, and to the inflation that threatens to plunge the Government into bankruptcy.

Our irreconcilable difference is that under no circumstance can I now support or be a party to expending another $6 billion, the largest single year appropriation in many years, when in all conscience the program ought to have been ended years ago.

The SPEAKER. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 216, nays 149, not voting 67, as follows:

[Roll No. 713]

YEAS—216

Abzug
Addabbo
Andrews, N.C.
Annunzio
Ashley
Badillo
Barrett
Bell
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Brademas
Brasco
Breaux
Breckinridge
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Buchanan
Burke, Mass.
Carney, Ohio
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clay
Cohen
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dingell
Donohue
Dorn
Drinan
du Pont
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Foley
Forsythe
Fraser
Frenzel
Gettys
Giaimo
Gilman
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gude
Gunter
Guyer
Hamilton
Hanley
Hansen, Idaho
Hawkins
Hays
Heckler, Mass.
Heinz
Helstoski
Hogan
Holifield
Holtzman
Horton
Hosmer
Howard
Hunt
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jordan
Karth
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Lehman
Lent
Long, La.
Long, Md.
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Mathias, Calif.
Matsunaga
Mayne
Meeds
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Natcher
Nix
O'Brien
O'Hara
O'Neill
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roybal
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Sikes
Slack
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Tiernan
Towell, Nev.
Udall
Ullman
Vander Jagt
Vanik
Waldie
Ware
Whalen
Widnall
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NAYS—149

Abdnor
Adams
Anderson, Calif.
Archer
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Blackburn
Bowen
Bray
Brinkley
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Casey, Tex.
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Derwinski
Devine
Dickinson
Downing
Duncan
Eckhardt
Edwards, Ala.
Eshleman
Flowers
Flynt
Ford, William D.
Fountain
Frey
Froehlich
Fuqua
Gaydos
Gibbons
Ginn
Goldwater
Goodling
Gross
Haley
Hammerschmidt
Hanrahan
Harsha
Hastings
Hechler, W. Va.
Henderson
Hicks
Hillis
Hinshaw
Holt
Huber
Hudnut
Hungate
Hutchinson
Ichord
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Ketchum
Landgrebe
Latta
Litton
Lott
Lujan
McSpadden
Maraziti
Martin, N.C.
Mathis, Ga.
Mazzoli
Melcher
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Nedzi
Obey
Owens
Parris
Pettis
Pike
Poage
Powell, Ohio
Price, Tex.
Randall
Robinson, Va.
Rogers
Roncalio, Wyo.
Roush
Rousselot
Roy
Runnels
Ruth
Satterfield
Sebelius
Shoup
Shuster
Skubitz
Snyder
Spence
Staggers
Stark
Steed
Stuckey
Symms
Talcott
Taylor, N.C.
Thone
Thornton
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Charles H., Calif.
Wyatt
Wylie
Young, Alaska
Young, Fla.
Young, S.C.
Zion

NOT VOTING—67

Alexander
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Boland
Bolling
Brooks
Burke, Calif.
Burton
Camp
Carey, N.Y.
Clancy
Collier
Collins, Ill.
Conyers
Delaney
Dent
Diggs
Dulski
Evins, Tenn.
Frelinghuysen
Fulton
Griffiths
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hébert
Jarman
Keating
Landrum
Leggett
Mailliard
Martin, Nebr.
Metcalfe
Michel
Mills, Ark.
Minshall, Ohio
Moss
Nelsen
Nichols
Podell
Quillen
Rarick
Reid
Riegle
Rooney, N.Y.
Ryan
Scherle
Schneebeli
Shipley
Shriver
Sisk
Smith, Iowa
Smith, N.Y.
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Treen
Van Deerlin
Veysey
Vigorito
Walsh
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Fulton against.

Mr. Rooney of New York for, with Mr. Nichols against.

Mr. Frelinghuysen for, with Mr. Rarick against.

Mr. Anderson of Illinois for, with Mr. Alexander against.

Mr. Shriver for, with Mr. Conyers against.

Mr. Mailliard for, with Mr. Jarman against.

Mr. Smith of New York for, with Mr. Stephens against.

Mr. Walsh for, with Mr. Aspin against.

Mr. Dent for, with Mr. Andrews of North Dakota against.

Mr. Burton for, with Mr. Camp against.

Mr. Nelsen for, with Mr. Clancy against.

Mr. Stubblefield for, with Mr. Martin of Nebraska against.

Mr. Brooks for, with Mr. Quillen against.

Mr. Metcalfe for, with Mr. Taylor of Missouri against.

Mr. Arends for, with Mr. Zwach against.

Mr. Diggs for, with Mr. Steiger of Arizona against.

Until further notice:

Mr. Evins of Tennessee with Mr. Ryan.

Mr. Dulski with Mr. Shipley.

Mrs. Hansen of Washington with Mr. Carey of New York.

Mr. Harrington with Mr. Collier.

Mr. Hanna with Mr. Podell.

Mr. Boland with Mr. Gubser.

Mr. Landrum with Mr. Schneebeli.

Mr. Reid with Mr. Harvey.

Mrs. Collins of Illinois with Mr. Leggett.

Mr. Delaney with Mr. Michel.

Mrs. Griffiths with Mr. Minshall of Ohio.

Mrs. Burke of California with Mr. Scherle.

Mr. Moss with Mr. Smith of Iowa.

Mr. Mills of Arkansas with Mr. Treen.

Mr. Riegle with Mr. Van Deerlin.

Mr. Sisk with Mr. Vigorito.

The result of the vote was announced as above recorded.

Mr. STARK. Mr. Speaker, I inadvertently voted "nay" on the conference report to accompany the bill H.R. 11771, foreign assistance appropriations. I most definitely intended to vote "yea," as I have done on both the authorization and appropriation bills that passed this House just weeks ago.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: On page 4, line 20, insert "and of which $36,500,000 shall be available only for the United Nations Relief and Works Agency".

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: "and of which $14,300,000 shall be available only for the United Nations Relief and Works Agency".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: On page 14, lines 7 through 14, strike section 114.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: Page 14, line 24, insert:

SEC. 113. It is the sense of the Congress that excess foreign currencies on deposit with the United States Treasury, having been acquired without the payment of dollars, should be used to underwrite local costs of United States foreign assistance programs to the extent to which they are available. Therefore, none of the funds appropriated by this title shall be used to acquire, directly or indirectly, currencies or credits of a foreign country from non-United States Treasury sources when there is on deposit in the United States Treasury excess currencies of that country having been acquired without payment of dollars.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: Page 15, line 10, insert:

SEC. 114. None of the funds made available under this Act for "Food and Nutrition, Development Assistance," "Population Planning and Health, Development Assistance," "Education and Human Resources Development, Development Assistance," "Selected Development Problems," "Development Assistance," "Selected Countries and Organizations, Development Assistance," "International Organizations and Programs," "American Schools and Hospitals Abroad," "International Narcotics Control," "Contingency Fund," "Indochina postwar reconstruction assistance," "Security supporting assistance," "Military assistance," or "Migration and refugee assistance" shall be available for obligation for activities, programs, projects, countries, or other operations not justified or in excess of the amount justified to the Committee on Appropriations of the Senate and House of Representatives for funding under any of these specific headings for fiscal year 1974.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 114. None of the funds made available under this Act for "Food and Nutrition, Development Assistance," "Population Planning and Health, Development Assistance," "Education and Human Resources Development, Development Assistance," "Selected Development Problem, Development Assistance," "Selected Countries and Organizations, Development Assistance," "International Organizations and Programs," "American Schools and Hospitals Abroad," "International Narcotics Control," "Indochina postwar reconstruction assistance," "Security supporting assistance," "Military assistance," or "Migration and refugee assistance" shall be available for obligation for activities, programs, projects, countries, or other operations unless the Committees on Appropriations of the Senate and House of Representatives are previously notified five days in advance.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 44: Page 19, line 14, insert "That the funds appropriated in this paragraph shall be available only upon enactment into law of authorizing legislation: *Provided further*,".

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 20, line 13, insert ": *Provided further*, That the funds appropriated in this paragraph shall be available only upon enactment into law of authorizing legislation.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: Page 20, line 22, insert ": *Provided*, That the funds appropriated in this paragraph shall be available only upon enactment into law of authorizing legislation.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: Page 23, line 21, insert:

SEC. 605. None of the funds appropriated in this bill shall be used to supply petroleum products for Southeast Asia when the result of the use of such funds would be to reduce either directly or indirectly the supply of petroleum products available to the United States civilian sector of the economy.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 604. None of the funds contained in this Act shall be used to furnish petroleum fuels produced in the continental United States to Southeast Asia for use by non-United States nationals.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 54: Page 24, line 1, insert:

TITLE VII—RAIL SERVICES ACT OF 1973

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

Emergency Rail Services Assistance

For necessary expenses of carrying out the provisions of section 213 of the Rail Services Act of 1973, $60,000,000 to remain available until expended: *Provided*, That this appropriation shall become effective only upon enactment into law by the Ninety-third Congress of S. 2767 or similar legislation.

Salaries and Expenses

For an additional amount for "Salaries and expenses", $7,000,000, to remain available until expended: *Provided*, That this appropriation shall become effective only upon enactment into law by the Ninety-third Congress of S. 2767 or similar legislation.

GOVERNMENT NATIONAL RAILWAY ASSOCIATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of carrying out the provisions of titles II and III of the Rail Services Act of 1973, $13,000,000, to remain available until expended: *Provided*, That this appropriation shall become effective only upon enactment into law by the Ninety-third Congress of S. 2767 or similar legislation.

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 54 and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

TITLE VII—REGIONAL RAIL REORGANIZATION ACT OF 1973

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

Interim Operating Assistance

For necessary expenses for Interim Operating Assistance under the Regional Rail Reorganization Act of 1973, $35,000,000, to remain available until expended and to be derived by transfer from the Urban Mass Transportation Fund: *Provided*, That this appropriation shall become effective only upon enactment into law by the 93d Congress of H.R. 9142 or similar legislation.

Salaries and Expenses

For an additional amount for "salaries and expenses," $3,000,000, to remain available until expended and to be derived by transfer from the appropriation for transportation, planning, research and development, Office of the Secretary: *Provided*, That this appropriation shall become effective only upon enactment into law by the 93d Congress of H.R. 9142 or similar legislation.

UNITED STATES RAILWAY ASSOCIATION

Administrative Expenses

For necessary administrative expenses to enable the United States Railway Association to carry out its functions under the Regional Rail Reorganization Act of 1973, $6,000,000, to remain available until expended and to be derived by transfer from the appropriations for railroad research and high-speed ground transportation research and development, Federal Railroad Administration: *Provided*, That this appropriation shall become effective only upon enactment into law by the 93d Congress of H.R. 9142 or similar legislation.

Mr. ROBINSON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. ROBINSON of Virginia. Will the gentleman from Louisiana describe to those of us who were not present at the time that the general debate occurred on this the circumstances under which this amendment just read occurred?

Mr. PASSMAN. I would like to yield to the distinguished gentleman from California to answer the gentleman's question.

Mr. McFALL. Mr. Speaker, this was added by the Senate in order to take care of the funding for the new Railroad Act which will be coming to the House in a conference report very shortly. We received from the administration a budget request of some $126,300,000 for these items. We cut the budget request in each instance so that we are providing a total of $44 million to be derived by transfer. This includes $35 million for grant assistance for railroads, $3 million for the Department of Transportation, and $1.5 million of that will be for computer work and about $1.5 million for salaries and so forth, and $6 million for the new railway association which will be working on the organization of the new railroad plan.

We did it this way, provided temporary funding, so that we in the Appropriations Committee and the House could have a look at it early in the next session.

We did not use appropriated funds. We did the funding by transfer because we were assured by the Department of Transportation that in each instance there were funds there that were unexpended and unobligated which were available for this purpose.

Mr. ROBINSON of Virginia. If the chairman would yield further, may we infer that the reason this particular item is attached to this bill is because it is the last one to which it could be attached?

Mr. McFALL. That is correct. The Senate used the foreign aid bill as a vehicle for providing the absolutely essential funding for this new railroad agreement.

Mr. ROBINSON of Virginia. I thank the gentleman for yielding.

Mr. CONTE. In answer to that the administration sent this up on December 14 and the supplemental had already gone through the Senate.

The SPEAKER. Without objection, the motion is agreed to.

There was no objection.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

GENERAL LEAVE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that I may include extraneous matter and tables with my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to, H.R. 11771.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

NONCONSERVING CROP FAILURE PAYMENT

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2491) to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. TEAGUE of California. Mr. Speaker, reserving the right to object, and I shall not object because I support this bill, I do this for the purpose of asking the chairman to explain the bill and give our friend from Iowa (Mr. GROSS) a chance to interrogate, if he desires to do so.

Mr. POAGE. Mr. Speaker, I will be glad to do so if the gentleman will yield.

This bill does nothing more than take from the language of the general farm bill the words "or other nonconserving crop plant instead of wheat."

The reason for that is that in the writing of that bill there was a provision for payment of indemnities where there were failures of a crop by reason of natural catastrophe and nobody recognized at the time that we had made a slight change in regard to wheat that allowed them to plant nonconserving base crops on the land in lieu of wheat.

Now the Department has no records of the normal production from the nonconserving crops. To the extent that cotton or feed grains; that is, corn, barley or grain sorghum are planted, they do have records.

The payments are one-third of the amount that would have been normally produced if there is a loss of more than one-third of the crop.

Obviously, the Department cannot figure these other crops and if they had to take these other crops, they figured it would be an unnecessary cost of between $10 million and $15 million to the Government.

The bill is recommended by the Department of Agriculture. It has the approval of the administration. It was reported favorably by a unanimous vote of the Committee on Agriculture. We think it is nothing in the world except enabling us to operate in a bookkeeping manner.

Mr. TEAGUE of California. Mr. Speaker, I think we all want to save money, instead of spending money, and therefore I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2491

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 107(c) of the Agricultural Act of 1949, as amended, is amended by deleting the parenthetical phrase "(or other nonconserving crop planted instead of wheat)" wherever it appears therein and inserting in lieu thereof "(or of cotton, corn, grain sorghums, or barley planted in lieu of wheat)".

(b) Section 105(b)(1) of the Agricultural Act of 1949, as amended, is amended by deleting the parenthetical phrase "(or other nonconserving crop planted instead of feed grains)" wherever it appears therein and inserting in lieu thereof "(or wheat, or cotton planted in lieu of the allotted crop)".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GUYER. Mr. Speaker, on Rollcall No. 711, the motion to recommit the conference report on the Department of Defense appropriations bills, I am recorded as not voting. I have been present in the Chamber since the House convened today and have voted on each rollcall called for to this time. I voted "nay" on Rollcall 711 and apparently the machine failed to record my vote. I wish the RECORD to so note my statement.

CONFERENCE REPORT ON S. 1983, ENDANGERED SPECIES ACT OF 1973

Mrs. SULLIVAN. Mr. Speaker, I call up the conference report on the Senate bill (S. 1983), to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 19, 1973.)

Mrs. SULLIVAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, the report of the conferees which is now before the House for approval deserves the support of every Member. The conferees have managed to produce a compromise bill, within the rules of both Houses, which is in most respects an improvement over both bills. It represents a sensible and sound approach to a very serious problem: The protection of endangered and threatened species which, without that protection, might disappear. I am persuaded that this is an important problem, and that the solution of this problem proposed by the conferees is fair, workable, and desirable.

Time is very much a consideration in this bill. We have adopted language which encourages the States to participate fully in endangered species programs. Within a certain period of time after passage of our bill, the States must have adopted adequate conservation programs in order to preseve their initiative in this area. Unless this bill is signed into law before the 1st of January, State and Federal timetables may be seriously and adversely affected.

Earlier this year, an international treaty was negotiated to establish a worldwide system of protection for these species. The Senate has approved the treaty, and I understand that there is no obstacle to formal ratification by this country. Approval of the conference report will set in motion the remaining steps that can and should be taken by this country to implement the treaty and to create a strong but fair regulatory system upon U.S. citizens.

Mr. Speaker, I urge approval of the conference report.

Mr. GOODLING. Mr. Speaker, I wish to associate myself with the remarks of my distinguished coconferees, the gentlewoman from Missouri and chairman of the Committee on Merchant Marine and Fisheries, Mrs. SULLIVAN, and the chairman of our Fish and Wildlife Subcommittee, Mr. DINGELL, in support of the action of the conference committee in resolving the differing versions of this important legislation.

One of the principal issues confronting the conference committee centered around the responsibilities to be vested in the Secretaries of Interior and Commerce as a result of Reorganization Plan No. 4 of 1970, which transferred to the Secretary of Commerce authority for the protection of endangered species which inhabit the oceans or whose environment is predominantly marine-oriented. The conference committee decided, I believe wisely, that there should be only one list of endangered species and one list of threatened species to be maintained by the Department of Interior. The ministerial duties associated with formal promulgation of these lists will be handled by the Secretary of the Interior, but so far as the listing of species under the authority of the Secretary of Commerce is concerned, the Secretary of the Interior will have no discretion but will merely carry out the mandate of the Secretary of Commerce. Procedurally, the Secretary of Commerce will be responsible for all steps necessary leading to the listing of a specie under his jurisdiction on either the threatened or endangered list. Once he has made that decision or decides to upgrade the listing of a specie from threatened to endangered status, he shall so inform the Secretary of the Interior who will immediately take the necessary steps to see that the listing is effectuated.

The conference committee determined that with respect to the downgrading of a listing from endangered to threatened status, or in the case of removal totally, the Secretary of the Interior should have the final authority with respect to all species, including those otherwise under the jurisdiction of the Secretary of Commerce. In such a case, the Secretary of Commerce will transmit his determination that a specie should be downgraded or removed by way of recommendation to the Secretary of the Interior, and if the Secretary of the Interior concurs in the recommendation he shall implement the action. The determination to downgrade or remove a specie under the authority of the Secretary of Commerce may only, however, be initiated by the Secretary of Commerce.

The vesting of this veto power over the downgrading or delisting of species under the authority of the Secretary of Commerce was a reasonable compromise between those who advocate no role whatsoever for the Commerce Department in the protection of endangered species and those who favored a fully separate role for each department in the management of the species under their respective jurisdictions. In practice, I am confident that this arrangement will work quite satisfactorily. We fully expect the Secretaries of Interior and Commerce to work together harmoniously so that the objectives of this legislation will be realized, and I can assure my colleagues that we will be watching their performance very closely.

The second principal issue which confronted the conference committee involved the role of the States in the protection of the endangered and threatened species of resident wildlife. While the House placed the fundamental responsibility for establishing and overseeing programs for the protection of endangered and threatened species in the Federal Government, the other body has substantially amended the legislation to shift the basic responsibility for endangered species programs to the States. The conference committee retained language giving the States an opportunity to participate in the protection of endangered and threatened species in cooperation with the Federal Government.

The conference committee bill provides a transition period of up to 15 months following enactment during which time the prohibitions of this act will be held in abeyance pending the adoption by States and approval by the Secretary of cooperative management agreements. Where cooperative agreements have been entered into, they will control. We are confident that the States will take advantage of this opportunity to avoid Federal preemption. It should be noted that during the transitional period, the Federal Government may step in to enforce the act when requested to do so by a State, or when the Secretary determines that an emergency exists requiring full application of the act to protect a species.

Finally, Mr. Speaker, I wish to stress that the success of this program will depend not only upon the cooperation between the Secretaries of Interior and Commerce and upon cooperation between the Federal Government and the States, but also upon funding by the Federal Government of its share of the cost of management programs and the willingness of the States to bear their share of these costs. We are all too prone to decry the centralization of authority in Washington to the detriment of States, and yet when it comes down to specific proposals which would preserve State initiative, there seems to be a reluctance to assume the even relatively modest financial burden that is an essential ingredient in the exercise of authority. As in the case of the interrelationship between the Federal departments involved in this program, we will be closely watching the performance of the States, and we will be monitoring the budgetary process to see that this program is fully funded. Mr. Speaker, I urge the adoption of the conference report on the Endangered Species Act of 1973.

Mr. BERGLAND. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. Mr. Speaker, I yield to the gentleman from Minnesota.

Mr. BERGLAND. Mr. Speaker, I ask for this time only to ask the gentlewoman some questions on this report, particularly as it affects the species normally known as the eastern timber wolf, which is an animal that has inhabited my State of Minnesota for literally thousands of years. This animal has, in the last 8 years, according to our State management experts, enlarged its range to about 25,000 square miles of land in the northern part of Minnesota.

In some instances, I am told by management experts, the population has reached the saturation level in the main range, with wolves numbering as many as one per 10 square miles.

This timber wolf is a problem for livestock producers in that region of the State and has caused great concern among sportsmen who are concerned about the maintenance of the deer herd. The wolf is known to consume about 20 deer per year, and our State has struggled for years in developing management programs to enlarge the herd of white-tailed deer. The wolf is a problem.

Mr. Speaker, I have some questions of the gentlewoman, if she would be so kind. I read the committee report, and I notice a distinction between endangered species and threatened species. My question, If the Secretary of the Interior were to designate the eastern timber wolf as an endangered species could a State such as Minnesota have that species classified as a threatened species and, therefore, treat it differently?

Mrs. SULLIVAN. Mr. Speaker, may I say that we have had a lot of discussion about the timber wolf. I would like to yield to the distinguished gentleman from Michigan (Mr. DINGELL) to answer that.

Mr. DINGELL. Mr. Speaker, the answer is that the determination of whether a species is threatened or endangered lies in the hands of the Secretary of the Interior in the case of land species, and in certain respects in the case of marine species. In certain other instances with regard to marine species, in the hands of the Secretary of Commerce. The State would not have any discretion to reclassify species designated by the Secretary of the Interior as endangered. The State would have an opportunity to come forward with an appropriate management program, in the form of a cooperative agreement with the Secretary.

It would have a period of 15 months or 120 days after the legislative session of the State Legislature had ceased in which to develop a program governing the taking of resident species.

Mr. BERGLAND. Mr. Speaker, if the gentlewoman will yield further, could the Secretary, under the terms of this conference report, designate the timber wolf as an endangered species in all States of the Union except Minnesota?

Mr. DINGELL. Mr. Speaker, if the gentlewoman from Missouri will yield, the answer to that question is that it could so do, if the population of wolves in question were to be found in Minnesota. His responsibility and discretion would extend to particular species, subspecies or populations of wolves and other kinds of endangered or threatened animals.

Mr. BERGLAND. Mr. Speaker, this has to do with similarity of appearances cases. On page 6, the report refers to protection of species similar to those that appear on the endangered list or on the threatened list.

In my State we have a species, commonly known as a brush wolf; also known as a coyote. It takes an expert to distinguish between the two species of wolves. The coyote and the brush wolf are a threat to the livestock production and deer management project as in other regions of the United States.

Will the gentlewoman explain this provision for me please?

Mrs. SULLIVAN. Mr. Speaker, again I will refer the question to the gentleman from Michigan (Mr. DINGELL) to answer.

Mr. DINGELL. Mr. Speaker, I would like to disagree with my good friend, the gentleman from Minnesota, in that the coyote or the brush wolf can be distinguished from the gray wolf or the Eastern wolf. The answer is that hunters and experts in this matter can and do make the distinction.

The legislation provides that where there is a strong similarity of appearance between the species and where there is such a close resemblance in appearance that only under the most difficult circumstances or under the most expert study can the difference be ascertained, and if that confusion poses an additional threat to the endangered species, then the Secretary may require the protection of both the endangered species and the species which resembles it.

I do not happen to believe, on the basis of my own information and knowledge—and I am familiar with both the coyote and the wolf—that this provision would come into play with regard to the coyote and the wolf. There are very visible differences in the characteristics of the two species.

Mr. BERGLAND. Mr. Speaker, I, like my friend and colleague, the gentleman from Michigan, have hunted deer for the past 25 years, and there have been many instances when I caught a fleeting glimpse of an animal which I knew was some type of a wolf or coyote, and I was never been able to distinguish the difference.

I am wondering if the Secretary would designate the coyote or the brush wolf to be on the endangered or the protected list.

Mr. DINGELL. Mr. Speaker, the answer for the gentleman's question is that the coyote is not foreseeably going to be put on the endangered species list or on the threatened species list under this legislation. It simply will not happen.

Mr. BERGLAND. How about what we call the brush wolf?

Mr. DINGELL. That is the coyote. It is not likely to be put on the endangered species list, I can assure the gentleman of that. We have plenty of coyotes.

Mr. BERGLAND. Mr. Speaker, I am relieved to hear that. On page 14 of the committee report, under the general heading, "Exceptions," I notice it says in the bottom paragraph, as follows:

> The Secretary may make further requirements for a showing of undue economic hardships as he deems fit.

Mr. Speaker, will the gentlewoman or her designee, the gentleman from Michigan, please explain this to me?

Does this apply only to those exceptions that are provided for in the State of Alaska?

Mr. DINGELL. No. If the gentlewoman will yield further, the provision to which the gentleman refers alludes to the species which are endangered internationally, in other words, in other countries and on the high seas, and also to domestic species.

As a general rule, however, the hardship exemption applies mostly to importation and commercial activities. Usually it relates to commercial activities. However, it is conceivable that under certain circumstances it could also apply to takings of domestic animals.

Mr. BERGLAND. Mr. Speaker, the Department of Conservation in my State of Minnesota has developed a plan, with the advice and counsel of representatives of the U.S. Forest Service and the representatives of the Bureau of Sports Fisheries and Wildlife within the Department of Interior. This is commonly known as the Tri-Agency Plan.

It provides for a sanctuary in the northeast corner of Minnesota, where 2,500 miles of territory are provided in which the wolf will be protected, and in other areas, for instance, areas adjoining the northeastern corner, it would provide for some management and under some circumstances it would authorize some harvesting if the wolf was doing damage to the deer herd or to livestock or to farms in that general region.

I would certainly hope that the Secretary would accept that "Tri-Agency" plan, once authorized by the Minnesota Legislature.

I notice that the conference committee has recognized the need to have State input in the management of these kinds of problems. Does the gentlewoman have any comments on that plan?

Mrs. SULLIVAN. Yes. I understand the Department of the Interior is one of those agencies, so there would have to be that cooperation.

Mr. BERGLAND. I thank the gentlewoman for yielding.

Now, I certainly hope the Secretary of the Interior will accept that plan. It is terribly important, I think, if we are to protect the species that are truly in danger of extinction and, on the other hand, find a way of managing the predators so they do not destroy other of our valuable wildlife resources.

Mrs. SULLIVAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I urge approval of the conference report on this measure. Our committee has held many days of hearings on this matter, and has considered it extensively in open executive session. The bill is strongly supported by the conservation community, by wildlife groups and hunters, and by the administration. It would be no exaggeration to say that scarcely a voice has been heard in dissent. The report of the conference committee represents a substantial effort, and a successful effort, to blend the best features of both bills and deserves the support of the House.

The major issue before the conference was probably the assignment of responsibilities between the Interior Department, which is currently responsible for the endangered species program, and the Commerce Department, which has responsibility for certain species under the Reorganization Plan No. 4 of 1970. The issue was settled by assigning to Interior the overall responsibility for maintaining the lists of endangered and threatened species, and by requiring that each agency have primary jurisdiction for determining the status of species within their areas of responsibility. An exception to this rule was provided in the case of species assigned to the Department of Commerce, which is permitted to propose that species be added to the list, or upgraded from threatened to endangered status in which case Interior must so amend the list. In order for such a species to be removed or downgraded, however, it will be necessary for both agencies to agree.

A case in point, outlining this division of responsibility, might be the status of whales. If Commerce were to propose that another species than those now listed should be included, such as the minke whale, it could make the determination on the basis of the record, after complying with the procedural requirements of the act, and then inform Interior of that determination. Interior would have to comply, as promptly as possible.

If, on the other hand, Commerce were to propose that a whale now on the list, such as the humpback whale, should be taken off, or downgraded in status, it would go through the same procedural steps and then so recommend to Interior; in this case, however, Interior could either agree or disagree. In the latter case, the disagreement would create an impasse, and no action would be taken with respect to the species unless one agency receded.

The effect of this resolution of differences will be to make it somewhat easier to list species than it will be to take them off. We assume that in clear cases, there will be little or no disagreement; that any disagreement will take place, if at all, only in the close or difficult cases. In this situation, it seems appropriate that we should act cautiously—certainly the conservative thing to do would be to withhold action until the picture becomes clearer.

I am convinced that this will result in better decisions by both agencies.

Also added to the bill as it passed the House is a provision allowing Alaskan Natives a qualified exemption from the requirements of the act, in order to allow them to hunt for subsistence purposes. While I expect that their dependence upon these species will diminish with the passage of time, I also recognize that there may be particular problems at the moment which would make it inequitable to halt all taking at once. We have provided adequate flexibility in the act, however, to allow the Secretary or the State fish and game agency to step in and impose additional restrictions upon native taking, and I am satisfied that these powers are ample to protect the further endangerment of any species which might otherwise be subject to unrestricted native taking in Alaska.

In recent oversight hearings on the Marine Mammal Protection Act, representatives of the State of Alaska testified that they found similar provisions in that act to be offensive and perhaps even violative of the Alaska constitution, which forbids discrimination among classes of Alaska citizens. If they continue to feel so with respect to endangered or threatened species, the bill allows that State to establish further restrictions upon native taking, as a part of or independent from a comprehensive endangered species conservation program. State laws may not be more lenient than the Federal law, but they can be more strict. Also, the bill specifically indicates that if there were to be any conflict between the requirements of this act and those of the Marine Mammal Protection Act, the stricter of the two will prevail.

Another important step which we have taken in this bill—and in this regard the two bills are virtually identical—is that we have substantially amplified the obligation of both agencies, and other agencies of Government as well, to take steps within their power to carry out the purposes of this act. A recent article in the Washington Post, dated December 14, illustrates the problem which might occur absent this new language in the bill. It appears that the whooping cranes of this country, perhaps the best known of our endangered species, are being threatened by Air Force bombing activities along the gulf coast of Texas. Under existing law, the Secretary of Defense has some discretion as to whether or not he will take the necessary action to see that this threat disappears—I hasten to say that I believe that Secretary Schlesinger, who I know to be a decent and honorable man, will take the proper steps whether or not the law is amended, but the point that I wish to make is that once the bill is enacted, he or any subsequent Secretary of Defense would be required to take the proper steps. I ask that the article be included at the conclusion of my remarks as exhibit I.

Another example has recently crossed my desk, having to do with the continental population of grizzly bears which may or may not be endangered, but which is surely threatened. An article by Michael Frome on this subject is printed in the current edition of Field and Stream and is included as exhibit II. It points out certain steps that should be, but are not being, taken to see that these magnificent animals do not go the way of the passenger pigeon. Once this bill is enacted, the appropriate Secretary, whether of Interior, Agriculture or whatever, will have to take action to see that this situation is not permitted to worsen, and that these bears are not driven to extinction. The purposes of the bill include the conservation of the species and of the ecosystems upon which they depend, and every agency of Government is committed to see that those purposes are carried out. It is a pity that we must wait until a species is faced with extermination before we begin to do those things that we should have done much earlier, but at least when and if that unfortunate stage is reached, the agencies of Government can no longer plead that they can do nothing about it. They can, and they must. The law is clear.

Another important step taken in this act is the requirement that the decision-making process be opened up to public review and participation. On the whole, I believe that these programs have been reasonably open in the past, but I also believe that agency performance can be improved. Under the provisions of this legislation, the public will be specifically allowed to propose the listing or delisting of species, or to petition the Secretary to step in and declare an emergency requiring immediate Federal action in order to protect an endangered or threatened species. Hardship exemptions are permitted, under stringent controls, and here again the process will be opened up to public review. These requirements will do much to increase the confidence of the public in the working of their Government—a confidence which today is somewhat shaken with respect to many programs and officials.

The enforcement provisions of this legislation are extensive. It forbids taking and importing or exporting of endangered species as well as a number of other activities. The conference committee was concerned with the position of an innocent common carrier or other bailee who might be in possession of unmarked or mismarked packages containing endangered species or parts or products from such species and we developed language which we believe adequate to cover this situation.

With respect to the civil penalties which may be assessed under section 11(a), the Government must show, in order to validly assess a penalty of over $1,000, that the person charged with violating the act knew the essential facts of the violation. It is not necessary for the Government to show that the person charged knew that he was in violation at the time the offense was committed.

If a common carrier is told by a shipper that the goods contained in the shipment are something other than animal parts or products, and has no reason to believe otherwise, the carrier cannot be assessed a penalty under this section. If it is told that the goods are animal skins, then he has an obligation to make a reasonable inquiry to satisfy himself that the skins are not from endangered species; if he does so, he is once again shielded. If, on the other hand, he knows or in the circumstances can reasonably be expected to know that these are forbidden goods, then penalties may be assessed against him.

Similarly, the term "knowingly violates," as used in this section, is intended to refer to a conscious act or a conscious omission of the offender which amounts to a violation. It does not require that the offender know that the act which he consciously commits or omits constitutes a violation.

This question has been discussed with the Senate and it is my clear understanding that they are in entire agreement with this interpretation of the language of the bill.

Mr. Speaker, this legislation was considered at length by the House earlier this year. At that time it was overwhelmingly approved by a vote of 390 to 12, in substantially the same form. I ask that the House once again declare its support for this important legislation, and approve the conference report.

The articles follow:

EXHIBIT 1

BOMB RUNS THREATEN CRANES—INTERIOR

(By Michael Getler)

Defense Secretary James R. Schlesinger, one of the country's most devoted bird watchers, has been told by the Interior Department that his "birds"—B-52 bombers and smaller attack jets—are endangering the survival of real and increasingly rare birds—whooping cranes.

The damage is being done, Interior says, at an Air Force practice bombing range along a portion of the barrier island of Matagorda off the Gulf Coast of Texas.

The island and a nearby wildlife refuge are also the winter home for virtually all of the remaining 50 or so whooping cranes outside captivity.

Furthermore, an Interior Department investigation of the situation at Matagorda sent to Schlesinger reported that whatever actual value the island has as a bombing range, "it is widely and quasi-officially held in the state that Matagorda is first and foremost an officer's country club."

The Air Force sharply disputes this characterization of its bombing range and also challenges many of the statements made in the Interior study produced by Andrew Sampson, a special assistant to Interior Secretary Rogers C. B. Morton.

Morton sent a copy of the investigation along with a letter to Schlesinger last month asking the Pentagon to at least restrict the usage of Matagorda if an alternative can't be found. The Air Force says a reply from the Secretary of Defense is now being worked on.

The Interior Department reports claims that "a primary use" of the island is as a well-equipped recreation, hunting and fishing area for the brass.

Among the facilities maintained by some 125 personnel of the 4004th Air Base Squadron on Matagorda, the report states, are:

A distinguished visitors' quarters with deluxe rooms; a motor pool of 50 vehicles for use in hunting and fishing expeditions; 1,255 quail shelters and 38 turkey roosts; a storage facility for hunting and fishing equipment, and another facility for cleaning and freezing waterfowl, fish or deer. Airmen are also reportedly available to serve as guides or aides.

The Interior Department survey claims that the hunting activities are not well regulated, raising the prospect that some of the spectacular 5-foot-tall whooping cranes could also be lost to unsupervised hunting.

The Matagorda issue has become a touchy one in Texas, especially around nearby Corpus Christi, where there is interest in preserving the unusual birds and in gaining public access and use of the beach and wildlife areas contained in the 50,000-acre, 5-mile-long island.

The Air Force says all 211 people assigned to the range (52 reside on the island) are communicators who work for the radar-scoring system used in bombing practice. It says the facilities are far from plush and that the hunting and fishing activities were set up because there is not much else to do there.

Over the past three years, Air Force reports 950 hunters have used the facilities, including 68 generals, 30 visiting civilians, and the rest divided roughly evenly between officers and enlisted men.

The bombs used for practice are ones that don't explode, and the Air Force claims that the actual drop area is only 100 by 100 yards and is five miles from the nearest place that a whooping crane has been spotted.

There are fewer than 80 whooping cranes left in the world, including 21 in captivity. Last year 55 were spotted in the Arkansas national wildlife range on the Gulf Coast and on nearby Matagorda Island. This year, only 46 have been seen and the Interior Department study says it is "reasonable to assume" that the practice bombing and high-speed, low-level flights may be the culprits.

EXHIBIT 2

DO GRIZZLIES FACE A GRISLY FUTURE?

(By Michael Frome)

The North American grizzly bear as a living species is in serious trouble. Once, about 1.5 million of these giants ruled a vast domain extending from the Mississippi River to the Pacific Ocean. Now there are no more than a thousand in the United States south of Alaska. There are said to be several thousand still remaining in western Canada and Alaska, but change is coming on very fast in those regions. Can the grizzly be destined, in our own time, to follow the passenger pigeon into oblivion?

The grizzly bear is really the greatest animal on the North American continent. The intelligent, powerful grizzly walks with dignity, lordliness of carriage. It embodies the spirit of wilderness, the natural grandeur of the West. The loss would be a national calamity that future generations would find difficult to accept.

Reports suggest that during the early stages of contact in the 19th century grizzlies were not hostile, so long as men exercised caution and restraint. The legendary beaver trappers, however, were deadly enemies of the big bear. They led the way into grizzly territory, overcoming its size and strength with repeating rifle and trap. And within seventy-five years of their first encounter with the covered-wagon pioneers, these mighty carnivores of the West, monarchs since the Ice Age, were virtually wiped off the map.

Yes, there are a few remaining, but separate regional populations, sometimes referred to as "subspecies" have already been extirpated. A species must be saved in many places if it is to be saved at all. "There seems to be a tacit assumption that if grizzlies survive in Canada and Alaska, that is good enough," as Aldo Leopold wrote. "It is not good enough for me. The Alaska bears are a distinct species. Relegating grizzlies to Alaska is about like relegating happiness to heaven: one may never get there."

Where are grizzly bears found today? Most are in the national forests and national parks of the northern Rockies. The Forest Service recently furnished me with a roughly educated estimate of 763 grizzlies in sixteen national forests of Idaho, Montana, and Wyoming. The largest numbers are in the north-south corridor extending from Glacier National Park at the Canadian border to Yellowstone and Grand Teton national parks, and embracing the surrounding national forests. By far the greatest concentration is in the "Yellowstone ecosystem"—the largest of our national parks, plus four bordering national forests (Gallatin, Shoshone, Teton, and Targhee). Here lies the grizzly's last major stronghold.

Now heed these words of Dr. John Craighead from his report delivered at Yellowstone on September 19, 1972:

"In two years, 1971 and 1972, we have recorded ninety-one grizzly bear deaths from all causes within the Yellowstone ecosystem. The death rate according to our data has been more than double the birth rate. Our conclusion is that this population is in very serious trouble and a change in management practices is strongly indicated."

John Craighead and his twin brother Dr. Frank Craighead are noted natural scientists and conservationists with accomplishments of merit on many fronts. From 1959 through 1968 they conducted an intensive research project, funded by various public and private agencies, on the lives and habits of Yellowstone bears.

During this period the Craigheads and their student associates handled over 600 grizzlies. They tracked bears, shot them with immobilizing drugs, measured, weighed, and examined them. They gathered thousands of observations of marked and unmarked animals, and animals fitted with radios, covering movements of as much as fifty to sixty airline miles, revealing home ranges as well as social and denning behavior.

Not everyone approves of the idea of bears running around a national park with tagged ears or radio attachments. The National Park Service, in fact, has essentially barred the Craigheads from further independent research in Yellowstone. On the face of it, however, their work appears to represent the most comprehensive grizzly bear study ever undertaken, the first time such vital statistics have been collected for a living population of large mammals. The Park Service in its own research has fallen far short.

The disagreement between the Craigheads and the National Park Service centers on the earth-fill garbage dumps located in the park. Over the past century the bear's habits changed so they depended on food in the dumps. The dumps became part of their lives. Actually, grizzlies have an uncommon predilection for human foods, whether in the form of garbage or groceries in a cabin. Accessible garbage is the chief cause of "bear trouble."

As Adolph Murie, on of the foremost naturalists of our time, explains, garbage first attracts bears, then it continues to hold them in an area so they become unafraid and are soon breaking into tents, trailers, or cabins in search of more food. Human contacts follow, and incidents occur in which people are harmed, sometimes seriously. The bears become pests, no longer interesting wild creatures with natural habits. The usual ending is damage to property, injury to humans, and death to the bear.

In 1967, the Park Service prepared to close the dumps in order to keep the bears away from people and to restore the natural environment of Yellowstone. It was a laudable idea. The Craigheads concurred, recommending a gradual phase-out over eight to ten years, while supplementary rations of elk carcasses were provided. By so doing, they reasoned, grizzles would be kept away from campgrounds, reducing danger to both campers and bears.

The Park Service decided instead to shut the dumps quickly. This may or may not have been the right approach, but apparently the bears moved into the campgrounds and the number of injuries rose. The first time a troublesome bear is captured the standard procedure in such cases is to transplant it to the back country, but for the second offense the miscreant is "dispatched" or "removed from the population"—permanently.

The big question, as I see it, is: How many bears can the park afford to "dispatch" to grizzly heaven?

According to new computer data prepared by the Craigheads, the Yellowstone grizzly is on a collision course with early extinction as a direct result of the park management plan.

However, Glen Cole, the park biologist, has declared the computer analysis to be "completely false." He and other officials claim that if they had closed the dumps gradually, the bear concentration would have continued, with competition for decreasing amounts of food, and that young bears would become addicted to the garbage. Moreover, the officials insist that there really are two separate populations of Yellowstone grizzlies—one that feeds at garbage dumps, the other a healthy, wild, free-roaming population.

"Reproduction of about thirty cubs per year will more than compensate for past removals of incorrigible bears, and the necessity for removals will probably decline toward a near zero rate in future years," confidently declared Superintendent Jack Anderson in December of 1971. As if to support this prediction, the Park Service asserts there were no grizzly mortalities in Yellowstone during this past year.

If you take the official view, all goes well. But if you take the skeptical view, you might wonder whether the traffic in troublesome grizzlies is down because the bears have really scattered in the back country or because there are simply fewer bears. What if the Craigheads are right, or are not all wrong? Considering their experience and competency as research scientists, this possibility can hardly be ruled out. Then, it seems to me, management must be cautious, hewing to the safe side in order to avoid pressing the biological point of no return.

"The responsibility of the National Park Service in this case is to the grizzly first and the people second," Dr. A. Starker Leopold, who has long been familiar with Yellowstone, declared early this year. "And where conflicts occur, then the Park Service should adjust the people to maintain a healthy, permanent grizzly population."

This strikes me as a fundamental and urgent management proviso. Unfortunately, I fear it does not reflect the philosophy prevalent in national parks today. "Parks are for people" has been the watchword, and where the choice must be made as between people and wildlife—well, bears and bison have no votes.

In 1967, two campers in Glacier National Park were pulled from sleeping bags, dragged off into the woods, and killed by grizzly bears. These tragic events resulted in the summary execution of two bears, alleged to be responsible, but without significant evidence against them. Then followed a flood of demands for total extermination of grizzlies in Yellowstone and Glacier, though the parks constitute the last undefiled habitat of these native animals. There were no declarations from administrators that man is more dangerous to bears than bears to man, or that national parks deserve to be treated as wild places, rather than as zoos.

As conditions now stand in Yellowstone and Glacier, grizzly-human confrontations are inevitable. They are apt to continue as long as visitor numbers rise in bear country. The wilderness traveler who has studied bear habits knows enough to make his way cautiously. But the gravest apprehension among conservationists is that Yellowstone and Glacier may be sterilized of the great bear in order to accommodate the mass of other travelers who are unprepared.

The national parks at their very best do not suffice as a means of perpetuating the larger carnivores, such as the grizzly (as well as the wolf and mountain lion). These areas can be feasibly enlarged, however, through the "ecosystems approach" embracing the surrounding national forests. This accounts no doubt for the highly significant resolution recently adopted by the International Association of Game, Fish and Conservation Commissioners, citing the existence of nine million acres of potential grizzly habitat on national forest land and urging the early appropriation of Federal funds to determine exactly which areas are most suitable.

This resolution and the concern displayed by the International Association represent an exercise of initiative by state agencies in grizzly country, supported by state conservation officials everywhere. It comes at the most opportune time, in view of the degree to which Federal agencies have lagged in their responsibility.

Spurred by the state officials and by public interest, the Forest Service, I believe, is at last ready for serious action. Certainly this is true of the biologists in the ranks. They recognize that permanent grizzly ranges and permanent wilderness areas are two names for one problem. According to their calculations, grizzlies now occupy, at varying population densities, about 6.7 million acres of national forest lands in the northern Rockies, while another 2.17 million acres are unoccupied but contain suitable habitat. These areas have been carefully designated—they are not heavily used by hikers and backpackers, or close to livestock and ranching.

However, only 4.1 million acres are classified as wilderness or primitive, while the remainder of the grizzly country is unclassified, or in "de facto wilderness" status. It would not be too much to ask the Chief of the Forest Service to defer all development in the areas involved pending completion of studies and a coordinated grizzly program. Foresters recognize that costly mistakes have been made through roading and logging, particularly in the untouched upper drainages, destroying the bears' isolation and disrupting their food sources. If the grizzly is to be saved, now is the hour for commitment and serious restraints.

Idaho has placed in effect a closed season on bears. Wyoming operates on a system of limited permits. Montana has steadily tightened its regulations over the years (eliminating spring hunting, closing areas for varying periods, requiring a special license), but there is still no limit on the number of licenses issued. The Montana Wilderness Association feels the state should go further.

"The status of the grizzly could be more critical than anyone realizes," Loren Kreck, of Columbia Falls, a prominent Montana conservationist, told me on the telephone as I began to write this column. "Allowing an unlimited harvest is like drawing on the checkbook without knowing how much money there is in the bank."

As a member of the Montana Wilderness Association's grizzly bear committee, Loren is pressing for a system of permits of modest number, to be issued by draw, with the Fish and Game Department then directing sportsmen into areas that can be hunted. It's the same pattern Montana already employs successfully in hunting mountain goats.

It might even be appropriate, in the Yellowstone ecosystem, for the states of Wyoming and Montana, in cooperation with the Forest Service, to close the season on grizzlies until their survival is unquestionably assured. Let's not allow this great animal to go down the drain while the experts are collecting and debating their data.

Grizzlies and man have coexisted, sharing the same natural environment. There is no reason they should not continue to do so, given maturity and sensitivity on man's part.

Adolph Murie for years conducted wildlife ecological studies in the national parks. His approach (which I discussed with him on visits to Alaska and Wyoming) was based on living with the animals, trying to think as they do, establishing an intimate relationship with the creatures that reveals their motivations in all they do. "When camping in bear country I have always burned all garbage and all cans that have contained food, to destroy the food odors," he said. "With these precautions, I have had very little trouble . . . Wilderness recreation and grizzlies are compatible."

There is need for independently funded research in the national parks. The people should know all the available facts, not simply those a Federal agency chooses to make available. There is need, also, for an open door of communication among all concerned. That's what Field & Stream is about, I suppose. We write in words people can read, and think about the future of bears.

Mrs. SULLIVAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. Breaux).

Mr. BREAUX. I thank the distinguished chairman of my committee for yielding to me.

I would like to ask a question of the chairman or the distinguished chairman of the Subcommittee on Fish and Wildlife.

It is my impression under the presently existing law provisions that exist only allow the Department of the Interior to list species of one category that is the endangered species. This legislation allows the Department of the Interior, through the Secretary, to set up a second category of species that are a threatened species. Am I correct in that understanding?

Mrs. SULLIVAN. That is correct.

Mr. BREAUX. Is this a provision that will affect the international treaty presently being considered and allowed us to have the species removed from the endangered category if it is shown to be necessary to place it in the second category?

Mrs. SULLIVAN. Our understanding is it implements the international convention.

Mr. BREAUX. I thank the gentlewoman.

Mrs. SULLIVAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. BELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 355, nays 4, not voting 73, as follows:

[Roll No. 714]

YEAS—355

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Badillo
Bafalis
Baker
Barrett
Bauman
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Derwinski
Devine
Dickinson
Diggs
Donohue
Dorn
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Latta
Lent
Litton
Long, La.
Long, Md.
Lott

Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Sebelius
Seiberling
Shoup
Shuster
Sikes
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—4

Beard
Gross
Landgrebe
Price, Tex.

NOT VOTING—73

Alexander
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Bolling
Brooks
Burke, Calif.
Burton
Camp
Clancy
Collier
Collins, Ill.
Collins, Tex.
Conyers
Danielson
Delaney
Dent
Dingell
Dulski
Evins, Tenn.
Frelinghuysen
Froehlich
Fulton
Gray
Griffiths
Grover
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Jarman
Keating
Landrum
Leggett
Lehman
Mailliard
Martin, Nebr.
Metcalfe
Michel
Mills, Ark.
Minshall, Ohio
Moss
Nichols
Pepper
Podell
Quillen
Rarick
Reid
Riegle
Rooney, N.Y.
Ryan
Satterfield
Scherle
Schneebeli
Shipley
Shriver
Sisk
Smith, Iowa
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Ullman
Van Deerlin
Veysey
Vigorito
Walsh
Wright
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Arends.

Mr. Hébert with Mr. Aspin.

Mr. Dent with Mr. Taylor of Missouri.

Mr. Podell with Mr. Landrum.

Mr. Nichols with Mr. Steiger of Arizona.

Mr. Hays with Mr. Shriver.

Mr. Stubblefield with Mr. Martin of Nebraska.

Mr. Harrington with Mr. Mailliard.

Mrs. Hansen of Washington with Mr. Froehlich.

Mr. Hanna with Mr. Conyers.

Mr. Burton with Mr. Minshall of Ohio.

Mr. Metcalfe with Mr. Riegle.

Mrs. Burke of California with Mr. Michel.

Mr. Sisk with Mr. Anderson of Illinois.

Mr. Shipley with Mr. Frelinghuysen.

Mr. Lehman with Mr. Danielson.

Mr. Brooks with Mr. Andrews of North Dakota.

Mr. Fulton with Mr. Gubser.

Mr. Rarick with Mr. Camp.

Mr. Alexander with Mr. Grover

Mr. Stephens with Mr. Collins of Texas.

Mrs. Collins of Illinois with Mr. Jarman.

Mr. Delaney with Mr. Clancy.

Mr. Reid with Mr. Zwach.

Mrs. Griffiths with Mr. Quillen.

Mr. Moss with Mr. Collier.

Mr. Dulski with Mr. Harvey.

Mr. Evins of Tennessee with Mr. Scherle.

Mr. Dingell with Mr. Schneebeli.

Mr. Gray with Mr. Walsh.

Mr. Leggett with Mr. Mills of Arkansas.

Mr. Pepper with Mr. Ryan.

Mr. Satterfield with Mr. Smith of Iowa.

Mr. Van Deerlin with Mr. Ullman.

Mr. Vigorito with Mr. Wright.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report (S. 1983) just agreed to.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO HAVE UNTIL MIDNIGHT, JANUARY 2, 1974, TO FILE REPORT ON H.R. 11793

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that the House Committee on Government Operations have until midnight, January 2, 1974, to file a report on H.R. 11793.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

IMPLEMENTING SHRIMP FISHING AGREEMENT WITH BRAZIL

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8529) to implement the shrimp fishing agreement with Brazil, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 17, strike out lines 12 and 13, and insert:

SEC. 13. The provisions of this Act, except section 15, shall expire June 15, 1975.

Page 17, after line 19, insert:

SEC. 15. Subsections (a) and (b) of section 5 of the Act of May 20, 1964 (78 Stat. 196), are amended to read as follows:

"(a) As used in this Act, the term 'Continental Shelf fishery resource' means living organisms belonging to sedentary species; that is to say, organisms, which at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil of the Continental Shelf, including the following species:

"CRUSTACEA

"Tanner Crab—Chionoecetes tanneri;
"Tanner Crab—Chionoecetes opilio;
"Tanner Crab—Chionoecetes angulatus;
"Tanner Crab—Chionoecetes bairdi;
"King Crab—Paralithodes camtschatica;
"King Crab—Paralithodes platypus;
"King Crab—Paralithodes brevipes;
"Stone Crab—Menippe mercenaria;
"Lobster—Homarus Americanus;
"Dungeness Crab—Cancer magister;
"California King Crab—Paralithodes californiensis;
"Golden King Crab—Lithodes aequispinus;
"Northern Stone Crab—Lithodes maia;
"Stone Crab—Menippe mercenaria; and
"Deep-sea Red Crab—Ceryon quinquedens.

"MOLLUSKS

"Red Abalone—Haliotis rufescens;
"Pink Abalone—Haliotis corrugata;
"Japanese Abalone—Haliotis kamtschatkana;
"Queen Conch—Strombus gigas;
"Surf Clam—Spisula solidissima; and
"Ocean Quahog—Artica islandica.

"SPONGES

"Glove Sponge—Hippiospangia canaliculata;
"Sheepswool Sponge—Hippiospongia lachne;
"Grass Sponge—Spongia graminea;
"Yellow Sponge—Spongia barbera.

"(b) The Secretary of Commerce, in consultation with the Secretary of State, is authorized to publish in the Federal Register additional species of living organisms covered by the provisions of subsection (a) of this section."

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

Mr. GOODLING. Mr. Speaker, I reserve the right to object.

Mrs. SULLIVAN. Mr. Speaker, on December 4, 1973, by voice vote, the House passed H.R. 8529, a bill to implement the agreement between the United States and Brazil concerning shrimp. The agreement establishes a basis for regulating the conduct of shrimp fishing by American fishermen in a defined area off the coast of Brazil.

Mr. Speaker, on that same day, by voice vote, the House passed H.R. 6074, a bill to declare the American lobster a creature of the Continental Shelf. This legislation would have the effect of making it unlawful for foreign fishing vessels to take the American lobster, thereby reserving it for the exclusive taking by U.S. fishermen.

Mr. Speaker, the Senate, in its wisdom, decided to merge these two bills and in accomplishing this purpose, added the language of the lobster bill as a new section 15 to the language of the shrimp bill.

In addition, a conforming technical change was made to section 13 of the bill to exempt section 15—the lobster provision—from the expiration date of the act, June 15, 1975.

Finally, a technical amendment was made to the title of the bill to more accurately reflect the contents of H.R. 8529, as amended.

Mr. Speaker, I might add that the amendments of the Senate would not result in any additional cost to the Federal Government.

Mr. Speaker, since H.R. 8529, as amended, is in essence identical to the language of the shrimp and lobster bills as previously passed by the House, I see no objection to the way in which the Senate handled this legislation, therefore, I urge my colleagues to concur in the Senate amendments.

Mr. GOODLING. Mr. Speaker, I withdraw my reservation of objection. I did so to give the gentlewoman from Missouri an opportunity to explain what we were doing and she has done that.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Senate amendments were concurred in.

The title was amended so as to read: "An act to implement the shrimp fishing agreement with Brazil, and for other purposes."

A motion to reconsider was laid on the table.

FOR THE RELIEF OF NICOLA LOMUSCIO

Mr. EILBERG. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7684) for the relief of Nicola Lomuscio.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. DEVINE. Mr. Speaker, reserving the right to object, I thought perhaps the gentleman from Pennsylvania wanted to make a statement. I was going to reserve the right to object, for that purpose, Mr. Speaker.

This is H.R. 7684, for the relief of one Nicola Lomuscio in which they seek to waive the immigration and naturalization laws on a man that has been convicted of a couple of felonies in Italy and omitted this information on his application for a visa to this country.

This is one of these cases where he would then qualify for second preference visa which could be converted into a first preference visa for immediate admission.

This is inherently unfair to many fine, respectable, honest Italian families who are begging to get into America, and have no criminal record.

Mr. Speaker, we have enough crime in this country without importing more, and I think it is indefensible for the Congress to pass a law to waive the provisions of our Immigration Act, and admit a twice-convicted felon.

This guy Lomuscio, on three separate occasions, stole 14,000, 16,000 and 14,000 Italian lire. He also was convicted of housebreaking and stole 350,000 Italian lire from a private residence, and he was over 18 years of age at the time of his trial and conviction.

Then, he willfully concealed these convictions on his visa applications, which is a further violation of the law.

Therefore, Mr. Speaker, I object.

The SPEAKER. Objection is heard.

EXTENDING DATES FOR 1974 ECONOMIC REPORT AND JOINT ECONOMIC COMMITTEE REPORT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate joint resolution (Senate Joint Resolution 182) extending the dates for the transmission of the 1974 economic report and the report of the Joint Economic Committee.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. Res. 182

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of section 3(a) of the Employment Act of 1946 (15 U.S.C. 1022 (a)), the President shall transmit the 1974 Economic Report to the Congress not later than February 1, 1974, and (b) notwithstanding the provisions of clause (3) of section 5(b) of such Act (15 U.S.C. 1024(b)), the Joint Economic Committee shall file its report on the President's 1974 Economic Report with the Senate and the House of Representatives not later than March 13, 1974.

Mr. PATMAN. Mr. Speaker, traditionally the Congress has adopted a resolution such as this when the Congress does not begin its session on January 3 of a given year.

This joint resolution merely extends the time for the filing of the economic report to the Congress by the President and the Joint Economic Committee's report on the economic report of the President.

Under law, the economic report of the President must be filed no later than January 20 of each year and the Joint Economic Committee report no later than March 1 of each year. Under this resolution, given the fact that the Congress will not be in session on January 3, the time is extended for the filing of the President's economic report until no later than February 1, 1974, and the Joint Economic Committee's report is extended until no later than March 13, 1974.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

AMENDING SMALL BUSINESS ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2482) amending the Small Business Act, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill, the Senate amendment, as follows:

The Clerk read the Senate amendment to the House amendment as follows:

Page 6, of the House engrossed amendment, strike out all after line 16 over to and including line 10 on page 7.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. J. WILLIAM STANTON. Mr. Speaker, I reserve the right to object for the purpose of asking the chairman to explain quickly to the Members what this is.

Mr. PATMAN. Mr. Speaker, the Senate passed S. 2482 on Wednesday, December 19 in the same form as the bill passed the House on Monday except the Senate deleted one House amendment.

This amendment would have made it a criminal offense for any Member of Congress or employee of the U.S. Government to attempt to improperly influence the official conduct of any officer or employee of the SBA with respect to the entering into by the SBA of any loan, loan guarantee, or other agreement.

The bill provided a fine of $10,000 or a jail sentence of up to 1 year or both for each offense. In addition the application before the SBA would be null and void.

The Senate rejected this amendment on the grounds that its intent was unclear and it possibly could not stand a constitutional test.

Other than this one change the Senate amended bill is identical to the bill this body passed on Monday of this week.

Mr. J. WILLIAM STANTON. Mr. Speaker, I thank the Chairman for that information. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment to the House amendment was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR AGREEMENT TO SENATE AMENDMENTS WITH AN AMENDMENT TO H.R. 6186, AMENDING THE DISTRICT OF COLUMBIA REVENUE ACT OF 1947

Mr. DIGGS. Mr. Speaker, I move to suspend the rules and agree to the House resolution (H. Res. 754) to take from the Speaker's table the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions, with Senate amendments thereto, and agree to the Senate amendments numbered 1 and 2 and agree to Senate amendment numbered 3, with an amendment.

The Clerk read as follows:

H. Res. 754

Resolved, That immediately upon the adoption of this resolution the bill H.R. 6186, with the Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table to the end that (1) Senate amendments numbered 1 and 2 be, and the same are hereby, agreed to; and (2) Senate amendment numbered 3 be, and the same is hereby, agreed to with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

AMENDMENT TO THE SENATE AMENDMENT NO. 3 TO H.R. 6186

In lieu of the matter proposed to be inserted by Senate amendment numbered 3, insert the following:

SEC. 3. (a) Part C of title VII of the District of Columbia Self-Government and Governmental Reorganization Act is amended by inserting at the end thereof the following:

"POLITICAL PARTICIPATION IN THE FIRST ELECTION HELP UNDER THIS ACT

"SEC. 724. (a) In order to provide continuity in the government of the District of Columbia during the transition from the appointed government to the elected government provided for under this Act, no person employed by the United States or by the government of the District of Columbia (including the Commissioner of the District of Columbia and the Chairman, Vice Chairman, and members of the District of Columbia Council established under Reorganization Plan Numbered 3 of 1967) shall be prohibited by reason of such employment—

"(1) from being a candidate in the first election held under this Act for, or

"(2) if such a candidate, from taking an active part in political management or political campaigns in such election which relate to, the office of Mayor or Chairman or member of the Council of the District of Columbia provided for under title IV of this Act.

"(b) The provisions of this section shall terminate as of January 2, 1975."

(b) The table of contents for part C of title VII of such Act is amended by inserting at the end of that part the following new item:

"SEC. 724. POLITICAL PARTICIPATION IN THE FIRST ELECTION HELD UNDER THIS ACT."

SEC. 4. (a) Section 741 of the District of Columbia Self-Government and Governmental Reorganization Act is repealed.

(b) The table of contents for part D of title VII of such Act is amended by striking out the item relating to section 741.

Mr. DIGGS (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Is a second demanded?

Mr. DELLUMS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Michigan (Mr. DIGGS).

Mr. DIGGS. Mr. Speaker, this is the Nelsen amendment which we discussed yesterday, which will temporarily provide an opportunity for all Federal and District employees who are residents of the District to be candidates for office, Mayor, chairman, and members of the Council.

The ranking member of the House District Committee, the gentleman from Minnesota (Mr. NELSEN) and I have reached what we think to be a viable and effective agreement on the solution to the Hatch Act problems posed by the District of Columbia home rule bill. Under the home rule legislation, the Civil Service Commission has advised us that both the current appointed Mayor and City Council members would be required to resign from office in order to run for either the mayoralty or membership on the Council. The Hatch Act prohibits employees of the District of Columbia government from participating in political campaigns and political management. The Civil Service Commission's opinion indicates that both the Mayor and the members of the City Council are considered to be employees of the District of Columbia and therefore would fall within the proscriptions of the Hatch Act.

The accommodation which we have reached achieves basically three goals. Initially it will prevent a hiatus in the District of Columbia government. This will be effectuated by granting an exemption from the Hatch Act for the current appointed Mayor and City Council members—10 people—to allow them to be a candidate in the first election held for Mayor, Chairman, and members of the Council. Therefore none of the current officials will have to resign in order to run for office. Second, in order to encourage the widest range of possible candidates, the accommodation exempts any person employed by the United States or the government of the District of Columbia from the proscriptions of the Hatch Act insofar as such persons may become a candidate for office and may be involved in taking an active part in political management and political campaigns. The effect of this provision is to allow any person who works for the Federal Government or any person who works for the District of Columbia government to choose to be a candidate for one of the 14 positions created under the home rule bill. His candidacy will be unhampered in that he may do all of the things which are normally concomitant with the political elective process. It should be noted, however, that the proscriptions of the Hatch Act will still apply to all employees of the United States or the government of the District of Columbia who are not candidates. The third aspect of the compromise is that the exemptions created will terminate as of January 2, 1975. The purpose of this is to deal with the complicated Hatch Act problems posed by the home rule legislation for the first election and then to allow the Congress to work its will to deal with the Hatch Act for future elections. This gives the Congress ample time to analyze and assess the problem and to create effective legislation to remedy it.

The solution that Mr. NELSEN and I have agreed upon therefore prevents any hiatus in Government from occurring, expands the number of persons who may become candidates for the first election and provides the Congress with ample opportunity to deal with this problem in the future. Mr. Speaker, I would like to yield to the distinguished gentleman from Michigan for any further comments he might wish to make.

Mr. NELSEN. Mr. Speaker, I thank the gentleman for yielding.

I am not so sure that I am proud of the fact that this amendment is necessary and I must support it. I want to point out that the bill that came over from the Senate had to be amended, for the reason that it specifically exempted the mayor and the council only.

Mr. Speaker, it seems to me, in the interest of orderly legislation, that we should agree to this amendment at this time.

I had a discussion with the gentleman from California (Mr. DELLUMS) who objected previously under unanimous consent, and I think he, perhaps, should have had more information prior to the discussion the other day. We sat down and went over this, and I think we both agree that an amendment such as this one was almost a necessity.

Mr. Speaker, I hope that the gentleman from California may have a comment or two which he will make, relative to this, later on.

Mr. Speaker, I support the amendment, a copy of which is at the desk, which has been made by Chairman DIGGS that would constitute an amendment to the Senate amendment No. 3 to H.R. 6186. This further House amendment would delete a section 741 from the home rule bill, S. 1435, section 741, which would permit Federal employees to run in local elections for the offices of mayor, chairman, and member of the council of the District of Columbia. However, the further House amendment would also permit all Federal and District employees to participate as candidates in the first election provided for under the home rule bill, assuming the charter is approved in the referendum which will be conducted in May, 1974. Assuming that referendum is approved by the voters of the District of Columbia, the further House amendment which I support to H.R. 6186 would provide continuity in the government of the District of Columbia during the transistion period from an appointed government to an elected government.

I must confess that I am placed in a somewhat awkward position on this matter. Basically, I am opposed to any inroad on the Hatch Act and I am opposed to partisan elections in the District of Columbia.

Well unfortunately despite my advice to the conferees and continued argument in the conference, in the conference report No. 93–703 on home rule the conferees provided for partisan elections and an open-ended, indefinite exemption to the Hatch Act so as to permit Federal employees residing in Washington to be candidates for the offices of mayor, chairman and member of the council.

The thrust of the amendment is as follows:

First. Because of the unique and unusual circumstances that the home rule bill imposes on the District of Columbia going from an appointive government to an elected government, we are faced with the situation where if the incumbent Mayor and Council Members, as well as other employees of the District of Columbia, were not to violate the Hatch Act, they would have to resign their positions to run for office.

Second. Because section 741 of the Home Rule or Self-Government Act exempts Federal employees for all time, those individuals would be able to run for the office of Mayor and Council Member without resigning their Federal positions, which I strongly object to because it constitutes a continuing and pervasive amendment to the Hatch Act.

This amendment would permit Federal employees to run for office in the local government—as is true in the home rule bill which we passed in adopting the conference report on home rule on December 17, 1973. However, it is clearly distinguishable in that it limits the exemption for the first election, and the first election only, and does not, therefore, constitute a prospective amendment to the Hatch Act for all time as it relates to Federal employees involving themselves as candidates in local District of Columbia partisan elections.

Thus, perhaps the most important feature of this amendment deleting the Senate language, which in turn amends H.R. 6186—and inserts new language in the Home Rule Act—is that it has a termination date of January 2, 1975. Thus, it clearly applies to the first election and the first election only as it relates to the newly elected government as provided for in the Home Rule Act. This will permit the Congress in the next session to take up the matter of a more permanent solution to this problem, and we will not be taking action with a gun to our head, so as to avoid mass resignations from the local governments so that individuals may participate as candidates in the first election.

Thus, the effect of the amendment is to recognize the unique and unusual circumstances that arise by reason of the fact that the Senate insisted on partisan elections and the fact that all District of Columbia employees and all Federal employees who reside in the District of Columbia are under the Hatch Act and are prohibited from participating in this election, unless some provision similar to this amendment is adopted by the Congress.

In the next session of Congress or in the very near future I am sure that a new and fresh look will be required to determine whether or not we should go back to nonpartisan elections or some other provision is to be adopted. Frankly, I prefer nonpartisan elections. I have always urged them upon the conferees and the House in treating with this home rule legislation, and I deplore the fact that I am placed in the unusual and somewhat embarrassing position of having to support an amendment of this sort. However, to be realistic I think all of us in the House, given the unfavorable circumstances we now find ourselves in, must act responsibly given the fact partisan elections are provided for in the home rule bill, S. 1435, which is now on the President's desk for signature.

I might point out that my principal reason for supporting this amendment as it relates to Federal employees is the reason that we are transferring a substantial number of Federal employees to the local government under the provisions of the home rule bill. The National Capital Housing Authority, the District of Columbia Redevelopment Land Agency, and the District of Columbia Manpower Authority are all Federal or quasi-Federal agencies that are scheduled to be transferred to the District under the home rule bill, and those employees on the rolls of those agencies may be said to be either Federal or quasi-Federal employees. Under the circumstances, if all District of Columbia employees are to be given an opportunity to run in this first election, then certainly those employees working for those Federal or quasi-Federal agencies should not be denied the right to run for office also. Also, the amendment narrows the exemption—section 741—which now appears in the home rule legislation.

One principal reason I favor the amendment offered here, given the unusual circumstances, is that I view calendar year 1974 as a critical one as respects the action by the District government in adopting the recommendations of the Nelsen commission, which I headed. That commission made over 450 recommendations in a 3-volume report to the Congress filed August 17, 1972.

I fear that the implementation of those recommendations may be hampered enough by the involvement of the local citizenry and the local government officials in partisan elections. I think they would be further endangered were the sitting Mayor and the sitting members of the City Council and perhaps other key District employees forced to resign so that they may run for office in the new government. For this additional reason I favor giving these appointed officials as well as other key District employees, an opportunity to remain on the job during the period of this first election so that they may give the Nelsen commission recommendations close attention and an impetus toward their implementation that I believe they deserve and which I submit to the Members of the House is in the interest of economy, efficiency and improved operation of the local government. Accordingly, in the interest of this Congress and all their constituents throughout the country I strongly suggest to the District government that they move forward aggressively in implementing the recommendations of the Nelsen commission.

In conclusion, I wish to insert in the Record at this point a pertinent portion of a statement of my colleague from the Senate side, Senator Domenici, made on the Senate floor yesterday when the conference report on home rule was debated in that body wherein he deplored the fact that the home rule legislation provided for partisan elections:

> Mr. Domenici. Mr. President, I thank the distinguished Senator from Maryland.
>
> * * * * *
>
> I have only one concern, which is not sufficient to cause me to vote against the bill, but it is sort of a red flag, in that I predict we will have some problems because we decided to have partisan elections.
>
> As some Senators know, I was a mayor before I came to the Senate. I served a community that did not have partisan elections. It was a community that had many Federal employees in its environs, perhaps as many as 12 to 15 percent. We went through a charter revision. As we looked at all the facts, we determined that if we turned our elections into partisan elections, there were certain advantages, indeed, the advantages inherent in the two-party system, but there would be disadvantages, too, because we would be saying to many leading citizens and activists who wanted to participate, "You cannot participate because of the Hatch Act."
>
> In this instance, the alternative was to have nonpartisan elections and all residents of the community who otherwise qualified could participate because the Hatch Act would not preclude their activity.
>
> By going partisan here in the District of Columbia, we run into very serious problems with the Hatch Act. I voice this concern, because in the District of Columbia, of the approximate 305,000 registered voters, 135,141 or 40 percent would be subject to the Hatch Act and thus unable to actively participate in the election process. Chairman Eagleton has attempted to remedy this situation in a separate amendment by excluding the present Mayor and all bona fide City Council candidates from Hatch Act provisions. It would seem, however, that this will only reach a small percentage of this 40 percent and thus will eliminate by law the active participation of many others in the election process of this new form of government.
>
> I sincerely believe that by adopting a partisan election process you will inherently exclude many from the right of self-government. I voice this objection, because this bill comes very close to offering the needed provisions for self-government, but this one provision will deny such a large percentage of their right to participate in a complete home rule.
>
> I think we should have faced up to the issue and asked whether Congress wanted people participating in partisan elections removed from the Hatch Act; and, if not, we should have decided to make this a nonpartisan city election. Participation would not have been minimized. I can cite numerous cities in this country that have nonpartisan elections, with tremendous participation and no problem with the Hatch Act, among them Houston, Dallas, and Albuquerque, N. Mex. Most California communities have nonpartisan elections.
>
> So we would have had activity and participation, and we would not have had the problem of basically eliminating, in this instance, about 40 percent of the electorate of the District which cannot participate actively because they are "hatched," so to speak.
>
> I do not want to change the Hatch Act to let them participate, unless we are willing to do this for all citizens across this land, in all cities, and I do not favor that.
>
> So I indicate my concern and predict a rather serious problem, when the citizens find out that they are indeed given participation with the left hand and that it is taken away with the right hand of the Hatch Act. I hope it does not prove to be too onerous a burden. I hope that participation is maximum and that all citizens who are interested will work toward making home rule actually function on a day-to-day basis in this community. I hope that what I have predicted will not come true.
>
> I thank the distinguished ranking member of the committee for yielding to me.

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on yesterday, I objected to this provision coming up under unanimous consent. I have since talked with the distinguishd chairman of the committee, and the distinguished ranking minority member.

My concern yesterday was that perhaps we were about to pass a piece of legislation that I considered elitest, at best and certainly unconstitutional, in that it would have provided for the Mayor and the City Council to be exempt from the Hatch Act.

I understand now that we have worked out a parliamentary situation under which the gentleman from Minnesota (Mr. Nelsen) will offer an amendment which would extend this exemption to all Government employees.

I think that is satisfactory at this moment, although I do not believe it is a long-term solution.

Mr. Speaker, I also received guarantees that we will consider this matter with serious deliberation in order to try to resolve it over a longer period of time.

For those reasons, I will not object today, Mr. Speaker, and I urge my colleagues to agree to the resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DIGGS) that the House suspend the rules and agree to the House resolution, House Resolution 754.

The question was taken.

Mr. BELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were ayes 319, noes 26, answered "present" 1, not voting 86, as follows:

[Roll No. 715]

AYES—319

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashley
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Derwinski
Diggs
Donohue
Dorn
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fountain
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hutchinson
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Roybal
Ruth
St Germain
Sandman
Sarbanes
Schroeder
Sebelius
Seiberling
Shoup
Shuster
Sikes
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, S.C.
Zablocki
Zion

NOES—26

Ashbrook
Blackburn
Burleson, Tex.
Burlison, Mo.
Casey, Tex.
Clawson, Del
Crane
Davis, S.C.
Devine
Dickinson
Eshleman
Flynt
Gettys
Goodling
Gross
Ichord
King
Landgrebe
Moorhead, Calif.
Price, Tex.
Runnels
Symms
Wilson, Charles H., Calif.
Wydler
Young, Fla.
Young, Tex.

ANSWERED "PRESENT"—1

Dellums

NOT VOTING—86

Alexander
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Boland
Bolling
Brooks
Burke, Calif.
Burton
Camp
Clancy
Collier
Collins, Ill.
Collins, Tex.
Conyers
Danielson
Delaney
Dent
Dingell
Dulski
Edwards, Calif.
Esch
Evins, Tenn.
Fraser
Frelinghuysen
Fulton
Griffiths
Grover
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Hunt
Jarman
Jones, Ala.
Kastenmeier
Keating
Landrum
Leggett
Lehman
McCormack
McEwen
Madigan
Mailliard
Martin, Nebr.
Metcalfe
Michel
Mills, Ark.
Minshall, Ohio
Moss
Nichols
Parris
Podell
Quillen
Railsback
Rarick
Reid
Riegle
Rooney, N.Y.
Rosenthal
Rousselot
Ruppe
Ryan
Sarasin
Satterfield
Scherle
Schneebeli
Shipley
Shriver
Sisk
Smith, Iowa
Stark
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Walsh
Wilson, Bob
Zwach

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.
Mr. Rooney of New York with Mr. Aspin.
Mr. Dent with Mr. Esch.
Mr. Podell with Mr. Landrum.
Mr. Nichols with Mr. Andrews of North Dakota.
Mr. Hays with Mr. Arends.
Mr. Stubblefield with Mr. Riegle.
Mr. Harrington with Mr. Frelinghuysen.
Mrs. Hansen of Washington with Mr. Grover.
Mr. Hanna with Mr. Conyers.
Mr. Burton with Mr. Harvey.
Mr. Metcalfe with Mr. Danielson.
Mrs. Burke of California with Mr. Martin of Nebraska.
Mr. Sisk with Mr. Camp.
Mr. Shipley with Mr. Clancy.
Mr. Stark with Mr. Mailliard.
Mr. Lehman with Mr. Gubser.
Mr. Brooks with Mr. McEwen.
Mr. Fulton with Mr. Collier.
Mr. Alexander with Mr. Hunt.
Mr. Stephens with Mr. Keating.
Mrs. Collins of Illinois with Mr. Minshall of Ohio.
Mr. Delaney with Mr. Mills of Arkansas.
Mr. Reid with Mr. Madigan.
Mrs. Griffiths with Mr. Michel.
Mr. Moss with Mr. Collins of Texas.
Mr. Dulski with Mr. Quillen.
Mr. Evins of Tennessee with Mr. Rousselot.
Mr. Leggett with Mr. Parris.
Mr. Van Deerlin with Mr. Ruppe.
Mr. Vigorito with Mr. Railsback.
Mr. Jarman with Mr. Sarasin.
Mr. Dingell with Mr. Shriver.
Mr. Boland with Mr. Scherle.
Mr. Edwards of California with Mr. Walsh.
Mr. Fraser with Mr. Schneebeli.
Mr. Jones of Alabama with Mr. Taylor of Missouri.
Mr. Kastenmeier with Mr. Bob Wilson.
Mr. McCormack with Mr. Rarick.
Mr. Rosenthal with Mr. Ryan.
Mr. Satterfield with Mr. Smith of Iowa.
Mr. Steiger of Arizona with Mr. Zwach.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DIGGS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just passed (H. Res. 754).

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FOR THE RELIEF OF CLAUDE V. ALCORN AND 21 OTHERS

Mr. DONOHUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1316) for the relief of Claude V. Alcorn and 21 others, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, lines 18 and 19, strike out "transportation on board the vessels at the recomputation,".

Page 3, lines 1 and 2, strike out "subsection (a) of this section" and insert "this Act".

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING CERTAIN PRINTING FOR COMMITTEE ON VETERANS' AFFAIRS

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Concurrent Resolution 88, authorizing certain printing for the Committee on Veterans' Affairs, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

On page 1, beginning with line 10, insert:

SEC. 2. After the conclusion of the first session of the Ninety-third Congress there shall be printed for the use of the Committee on Veterans' Affairs of the United States Senate twenty thousand copies of a publication similar to that authorized by the first section of this concurrent resolution, but with emphasis upon matters relating to veterans' affairs considered by the Senate or by the Committee on Veterans' Affairs of the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Senate amendment was concurred in.

The title was amended so as to read: "Concurrent resolution authorizing the printing of summaries of veterans legislation reported in the House and Senate during the 93d Congress, first session." session."

A motion to reconsider was laid on the table.

PRINTING AS HOUSE DOCUMENT COMMITTEE PRINT ON "IMPEACHMENT, SELECTED MATERIALS"

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Concurrent Resolution 369, to print as a House document committee print on "Impeachment, Selected Materials" with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

On page 1, beginning with line 9, insert:

SEC. 2. There shall be printed two thousand thirty additional copies of the document authorized by section 1 of this concurrent resolution, of which one thousand copies shall be for the use of the Senate Document Room and one thousand thirty copies shall be for the use of the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PRINTING AS HOUSE DOCUMENT BOOKLET ENTITLED "THE SUPREME COURT OF THE UNITED STATES"

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Concurrent Resolution 375, providing for the printing as a House document of the booklet entitled "The Supreme Court of the United States," with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

On page 1, beginning with line 9, insert:

SEC. 2. There shall be printed for the use of the Senate ten thousand three hundred additional copies of the document authorized by section 1 of this concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RESIGNATION FROM A COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 20, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
The Capitol, Washington, D.C.

DEAR MR. SPEAKER: This morning, at a meeting of the House Republican Conference, it was recommended that I be elected to membership on the House Committee on Appropriations to fill the vacancy created by the election of the Honorable John J. Rhodes to be Minority Leader of the U.S. House of Representatives.

It is with regret that I must therefore tender my resignation as a member of the House Committee on Armed Services. Service on this important Committee has been a rewarding and challenging experience. I extend to the Chairman, ranking Minority Member, the entire membership of the Committee and the staff, my appreciation for their cooperation and friendship through the years.

Respectfully,
C. W. BILL YOUNG,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON APPROPRIATIONS

Mr. DEVINE. Mr. Speaker, I offer a privileged resolution (H. Res. 755) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 755

Resolved, That the following-named Member be, and is hereby elected a Member of the following standing committee of the House of Representatives:

C. W. Bill Young of Florida: Committee on Appropriations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS FLOOR ASSISTANT TO MINORITY SERGEANT AT ARMS

Mr. DEVINE. Mr. Speaker, I offer a privileged resolution (H. Res. 756) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 756

Resolved, That pursuant to the Legislative Pay Act of 1929, as amended, effective immediately, Walter P. Kennedy is hereby designated floor assistant to the minority (Minority Sergeant at Arms) to receive gross compensation of $36,000 per annum until otherwise ordered by the House.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SELECTION OF CONGRESSMAN MOSHER TO BE VICE CHAIRMAN OF THE TECHNOLOGY ASSESSMENT BOARD

Mr. RHODES. Mr. Speaker, pursuant to Public Law 92-484, House Members of the Technology Assessment Board, Congressmen DAVIS of Georgia, TEAGUE of Texas, UDALL, GUBSER, and HARVEY, have unanimously selected the distinguished Congressman from Ohio (Mr. MOSHER) to serve as Vice Chairman of the Technology Assessment Board for the duration of the 93d Congress.

The Senate Members of the Board have unanimously selected the distinguished Senator from Massachusetts (Mr. KENNEDY) as Chairman.

CHANGES NEEDED IN PEANUT PRICE SUPPORT PROGRAM

(Mr. SYMMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYMMS. Mr. Speaker, one of the greatest tragedies being put over on the American consumer and taxpayer is found in the permanent peanut legislation.

Peanuts are an allotment crop. In other words, an allotment or "right" to produce was given by the action of Congress to those farmers who grew peanuts back in 1938.

The Government supports the price of peanuts to farmers by establishing a dollar value per ton. The Government acquires the peanuts as security for loans when the producer offers them to the Government.

For the past decade, the "loan price," which is fixed by law, has replaced the regular, normal market price. In fact, it is true that for nearly a full generation, peanut farmers do not know or care what the market price is for peanuts. Their price is the Government loan price. As a consequence, the taxpayers end up buying a substantial portion of each year's total peanut crop, and then have to watch the Government dump or sell its peanuts at whatever price dealers or manufacturers will pay. Needless to say, the Government over the years has not received many bids above the support or loan level. Consequently, GAO has now provided Congress with two warning reports that changes need to be made in this program. Congress has not acted to alleviate the two provisions—mandatory high support level and a guaranteed acreage to be planted—

which cost taxpayers nearly $100,000,000 annually for fewer than 80,000 farmers.

In addition, Mr. Speaker, there is a more basic flaw in this program that needs a change and its need is far more pressing than the above two items. I am referring to the Government-sponsored monopoly of franchise that was issued at that time for the benefit of the Nation. Mr. Chairman, with farming technology having advanced so far in 35 years, with the needs and desires of the public being better fed from other crops, this program of governmental franchise is now for the benefit of only a few vested interests—at a disservice to the public.

Price supports are provided only to those who have an allotment. Farmers who do not have such an allotment have to go find one by leasing it from a franchise holder who prefers not to grow peanuts, especially if he can find someone who will pay him 5 cents a pound just for the right to grow.

Mr. Speaker, we have nearly 25,000 franchised holders who do this annually and pocket $100 to $110 an acre. These people can truly be said to be "farming the Government program." Why—because they have a piece of the monopoly issued by Government.

I can think of nothing more discouraging to young farmers, or nothing so contemptuous to the taxpayer—to learn that a Government program adds 5 cents or better to the cost of raising this price-supported crop, and that this program has now become a governmentally approved monopoly to the disservice of the vast majority of the taxpayers.

I have been advised of situations where young farmers are forced to pay over $100 an acre in order to have the protection of a "loan" guarantee, while neighboring but older farmers, using their own allotment, do not have the additional $100 cost.

In addition, there is a very severe penalty for growers who raise peanuts without an allotment. This penalty is 75 percent of the loan rate. This means that young farmers must either pay the $100 to $150 an acre for a lease, or if they are unable to purchase a lease, they are then penalized 75 percent of the loan rate or about $240 for every ton of peanuts that they raise without an allotment. Is it any wonder that this whole program is costing the Government money; that the commodity is not actively competing in the market; and that young farmers are very distressed about the outlook of getting into peanut production?

Americans have never condoned blackmail, bribery, falsehoods, stealing, or use of monopolies, except Government monopolies; that is—public schools, post offices, and so forth. Yet, here we are—actually condoning a true monopoly, by Government edict.

I urge my colleagues to help make this program more in tune with our basic philosophy of competition and free enterprise in this Congress.

CONFERENCE REPORT ON H.R. 9142, NORTHEAST REGION RAIL SERVICES ACT, 1973

Mr. STAGGERS submitted the following conference report and statement on the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northeast region; to provide financial assistance to certain rail carriers; and for other purposes:

CONFERENCE REPORT (H. REPT. No. 744)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northern region; to provide financial assistance to certain rail carriers; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following—

That this Act, divided into titles and sections according to the following table of contents, may be cited as the "Regional Rail Reorganization Act of 1973".

TABLE OF CONTENTS

TITLE I—GENERAL PROVISIONS

Sec. 101. Declaration of policy.
Sec. 102. Definitions.

TITLE II—UNITED STATES RAILWAY ASSOCIATION

Sec. 201. Formation and structure.
Sec. 202. General powers and duties of the Association.
Sec. 203. Access to information.
Sec. 204. Report.
Sec. 205. Rail Services Planning Office.
Sec. 206. Final system plan.
Sec. 207. Adoption of final system plan.
Sec. 208. Review by Congress.
Sec. 209. Judicial review.
Sec. 210. Obligations of the Association.
Sec. 211. Loans.
Sec. 212. Records, audit, and examination.
Sec. 213. Emergency assistance pending implementation.
Sec. 214. Authorization for appropriations.
Sec. 215. Maintenance and improvement of plant.

TITLE III—CONSOLIDATED RAIL CORPORATION

Sec. 301. Formation and structure.
Sec. 302. Powers and duties of the Corporation.
Sec. 303. Valuation and conveyance of rail properties.
Sec. 304. Termination of rail service.

TITLE IV—LOCAL RAIL SERVICES

Sec. 401. Findings and purposes.
Sec. 402. Rail service continuation subsidies.
Sec. 403. Acquisition and modernization loans.

TITLE V—EMPLOYEE PROTECTION

Sec. 501. Definitions.
Sec. 502. Employment offers.
Sec. 503. Assignment of work.
Sec. 504. Collective-bargaining agreements.
Sec. 505. Employee protection.
Sec. 506. Contracting out.
Sec. 507. Arbitration.
Sec. 508. Acquiring railroads.
Sec. 509. Payment of benefits.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Relationship to other laws.
Sec. 602. Annual evaluation by the Secretary.
Sec. 603. Freight rates for recyclables.
Sec. 604. Separability.

DECLARATION OF POLICY

SEC. 101. (a) FINDINGS.—The Congress finds and declares that—

(1) Essential rail service in the midwest and northeast region of the United States is provided by railroads which are today insolvent and attempting to undergo reorganization under the Bankruptcy Act.

(2) This essential rail service is threatened with cessation or significant curtailment because of the inability of the trustees of such railroads to formulate acceptable plans of reorganization. This rail service is operated over rail properties which were acquired for a public use, but which have been permitted to deteriorate and now require extensive rehabilitation and modernization.

(3) The public convenience and necessity require adequate and efficient rail service in this region and throughout the Nation to meet the needs of commerce, the national defense, the environment, and the service requirements of passengers, United States mail, shippers, States and their political subdivisions, and consumers.

(4) Continuation and improvement of essential rail service in this region is also necessary to preserve and maintain adequate national rail services and an efficient national rail transportation system.

(5) Rail service and rail transportation offer economic and environmental advantages with respect to land use, air pollution, noise levels, energy efficiency and conservation, resource allocation, safety, and cost per ton-mile of movement to such extent that the preservation and maintenance of adequate and efficient rail service is in the national interest.

(6) These needs cannot be met without substantial action by the Federal Government.

(b) PURPOSES.—It is therefore declared to be the purpose of Congress in this Act to provide for—

(1) the identification of a rail service system in the midwest and northeast region which is adequate to meet the needs and service requirements of this region and of the national rail transportation system;

(2) the reorganization of railroads in this region into an economically viable system capable of providing adequate and efficient rail service to the region;

(3) the establishment of the United States Railway Association, with enumerated powers and responsibilities;

(4) the establishment of the Consolidated Rail Corporation, with enumerated powers and responsibilities;

(5) assistance to States and local and regional transportation authorities for continuation of local rail services threatened with cessation; and

(6) necessary Federal financial assistance at the lowest possible cost to the general taxpayer.

DEFINITIONS

SEC. 102. As used in this Act, unless the context otherwise requires—

(1) "Association" means the United States Railway Association, established under section 201 of this Act;

(2) "Commission" means the Interstate Commerce Commission;

(3) "Corporation" means the Consolidated Rail Corporation required to be established under section 301 of this Act;

(4) "effective date of the final system plan" means the date on which the final system plan or any revised final system plan is deemed approved by Congress, in accordance with section 208 of this Act;

(5) "employee stock ownership plan" means a technique of corporate finance that uses a stock bonus trust or a company stock money purchase pension trust which qualifies under section 401(a) of the Internal Revenue Code of 1954 (26 U.S.C. 401(a)) in connection with the financing of corporate improvements, transfers in the ownership of corporate assets, and other capital requirements of a corporation and which is designed to build beneficial equity ownership of shares in the employer corporation into its employees substantially in proportion to their

relative incomes, without requiring any cash outlay, any reduction in pay or other employee benefits, or the surrender of any other rights on the part of such employees.

(6) "final system plan" means the plan of reorganization for the restructure, rehabilitation, and modernization of railroads in reorganization prepared pursuant to section 206 and approved pursuant to section 208 of this Act;

(7) "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth;

(8) "Office" means the Rail Services Planning Office established under section 205 of this Act;

(9) "profitable railroad" means a railroad which is not a railroad in reorganization. The term does not include the Corporation, the National Railroad Passenger Corporation, or a railroad leased, operated, or controlled by a railroad in reorganization in the region;

(10) "rail properties" means assets or rights owned, leased, or otherwise controlled by a railroad which are used or useful in rail transportation service; except that the term, when used in conjunction with the phrase "railroads leased, operated, or controlled by a railroad in reorganization", shall not include assets or rights owned, leased, or otherwise controlled by a Class I railroad which is not wholly owned, operated, or leased by a railroad in reorganization but is controlled by a railroad in reorganization;

(11) "railroad" means a common carrier by railroad as defined in section 1(3) of part I of the Interstate Commerce Act (49 U.S.C. 1(3)). The term includes the Corporation and the National Railroad Passenger Corporation;

(12) "railroad in reorganization" means a railroad which is subject to a bankruptcy proceeding and which has not been determined by a court to be reorganizable or not subject to reorganization pursuant to this Act as prescribed in section 207(b) of this Act. A "bankruptcy proceeding" includes a proceeding pursuant to section 77 of the Bankruptcy Act (11 U.S.C. 205) and an equity receivership or equivalent proceeding;

(13) "region" means the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, Ohio, Indiana, Michigan, and Illinois; the District of Columbia; and those portions of contiguous States in which are located rail properties owned or operated by railroads doing business primarily in the aforementioned jurisidictions (as determined by the Commission by order);

(14) "Secretary" means the Secretary of Transportation or his delegate, unless the context indicates otherwise; and

(15) "State" means any State or the District of Columbia.

TITLE II—UNITED STATES RAILWAY ASSOCIATION

FORMATION AND STRUCTURE

SEC. 201. (a) ESTABLISHMENT.—There is established, in accordance with the provisions of this section, an incorporated nonprofit association to be known as the United States Railway Association.

(b) ADMINISTRATION.—The Association shall be directed by a Board of Directors. The individuals designated, pursuant to subsection (d)(2) of this section, as the Government members of such Board shall be deemed the incorporators of the Association and shall take whatever steps are necessary to establish the Association, including filing of articles of incorporation, and serving as an acting Board of Directors for a period of not more than 45 days after the date of incorporation of the Association.

(c) STATUS.—The Association shall be a government corporation of the District of Columbia subject, to the extent not inconsistent with this title, to the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29–1001 et seq.). Except as otherwise provided, employees of the Association shall not be deemed employees of the Federal Government. The Association shall have succession until dissolved by Act of Congress, shall maintain its principal office in the District of Columbia, and shall be deemed to be a resident of the District of Columbia with respect to venue in any legal proceeding.

(d) BOARD OF DIRECTORS.—The Board of Directors of the Association shall consist of 11 individuals, as follows:

(1) the Chairman, a qualified individual who shall be appointed by the President, by and with the advice and consent of the Senate;

(2) three Government members, who shall be the Secretary, the Chairman of the Commission, and the Secretary of the Treasury, or their duly authorized representatives; and

(3) seven nongovernment members, who shall be appointed by the President, by and with the advice and consent of the Senate, on the following basis—

(A) one to be selected from a list of qualified individuals recommended by the Association of American Railroads or its successsor who are representative of profitable railroads;

(B) one to be selected from a list of qualified individuals recommended by the American Federation of Labor and Congress of Industrial Organizations or its successor who are representative of railroad labor;

(C) one to be selected from a list of qualified individuals recommended by the National Governors Conference;

(D) one to be selected from a list of qualified individuals recommended by the National League of Cities and Conference of Mayors;

(E) two to be selected from lists of qualified individuals recommended by shippers and organizations representative of significant shipping interests including small shippers;

(F) one to be selected from lists of qualified individuals recommended by financial institutions, the financial community, and recognized financial leaders.

As used in this paragraph, a list of qualified individuals shall consist of not less than three individuals.

Except for the members appointed under paragraphs (1) and (3) (A), (B), (E), and (F), no member of the Board may have any employment or other direct financial relationship with any railroad. A member of the Board who is not otherwise an employee of the Federal Government may receive $300 per diem when engaged in the actual performance of his duties plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

(e) TERMS OF OFFICE.—The terms of office of the nongovernment members of the Board of Directors of the Association first taking office shall expire as designated by the President at the time of nomination—two at the end of the second year; two at the end of the fourth year; and three at the end of the sixth year. The term of office of the Chairman of such Board shall be 6 years. Successors to members of such Board shall be appointed in the same manner as the original members and, except in the case of government members, shall have terms of office expiring 6 years from the date of expiration of the terms for which their predecessors were appointed. Any individual appointed to fill a vacancy occurring prior to the expiration of any term of office shall be appointed for the remainder of that term.

(f) QUORUM.—Beginning 45 days after the date of incorporation of the Association, six members of the Board, including three of the nongovernment members, shall constitute a quorum for the transaction of any function of the Association.

(g) PRESIDENT.—The Board of Directors of the Association, upon the recommendation of the Secretary, shall appoint a qualified individual to serve as the President of the Association at the pleasure of the Board. The President of the Association, subject to the direction of the Board, shall manage and supervise the affairs of the Association.

(h) EXECUTIVE COMMITTEE.—The Board of Directors of the Association shall have an executive committee which shall consist of the Chairman of the Board, the Secretary, the Chairman of the Commission, and two other members who shall be selected by the members of the Board.

(i) MISCELLANEOUS.—(1) The Association shall have a seal which shall be judicially recognized.

(2) The Administrator of General Services shall furnish the Association with such offices, equipment, supplies, and services as he is authorized to furnish to any other agency or instrumentality of the United States.

(3) The Secretary is authorized to transfer to the Association or the Corporation rights in intellectual property which are directly related to the conduct of the functions of the Association or the Corporation, to the extent that the Federal Government has such rights and to the extent that transfer is necessary to carry out the purposes of this Act.

(j) USE OF NAMES.—No person, except the Association, shall hereafter use the words "United States Railway Association" as a name for any business purpose. No person, except the corporation directed to be established under section 301 of this Act, shall hereafter use the words "Consolidated Rail Corporation" as a name for any business purpose. Violations of these provisions may be enjoined by any court of general jurisdiction in an action commenced by the Association or the Corporation. In any such action, the Association or the Corporation may recover any actual damages flowing from such violation, and, in addition, shall be entitled to punitive damages (regardless of the existence or nonexistence of actual damage) in an amount not to exceed $100 for each day during which such violation was committed. The district courts of the United States shall have jurisdiction over actions brought under this subsection, without regard to the amount in controversy or the citizenship of the parties.

GENERAL POWERS AND DUTIES OF THE ASSOCIATION

SEC. 202. (a) GENERAL.—To carry out the purposes of this Act, the Association is authorized to—

(1) engage in the preparation and implementation of the final system plan;

(2) issue obligations under section 210 of this title and make loans under section 211 of this title.

(3) provide assistance to States and local or regional transportation authorities in accordance with section 403 of this Act;

(4) sue and be sued, complain and defend, in the name of the Association and through its own attorneys; adopt, amend, and repeal bylaws governing the operation of the Association and such rules and regulations as are necessary to carry out the authority granted under this Act; conduct its affairs, carry on operations, and maintain offices;

(5) appoint, fix the compensation, and assign the duties of such attorneys, agents, consultants, and other full- and part-time employees as it deems necessary or appropriate; except that (1) no officer of the Association, including the Chairman, may receive compensation at a rate in excess of that prescribed for level I of the Executive Schedule under section 5312 of title 5, United States Code; and (2) no individual may hold a position in violation of regulations which the Secretary shall establish to avoid conflicts of interest and to protect the interests of the public;

(6) acquire and hold such real and personal property as it deems necessary or appropriate in the exercise of its responsibilities under this Act, and to dispose of any such property held by it;

(7) consult with the Secretary of the Army and the Chief of Engineers and request the assistance of the Corps of Engineers, and the Secretary of the Army may direct the Corps of Engineers to cooperate fully with the Association, the Corporation, or any entity designated in accordance with section 206(c)(1)(C) in order to carry out the purposes of this Act;

(8) consult on an ongoing basis with the chairman of the Federal Trade Commission and the Attorney General to assess the possible anticompetitive effects of various proposals and to negotiate provisions which would, to the greatest extent practicable in accordance with the purposes of this Act and the goal set forth in section 206(a)(5) of this title, alleviate any such anticompetitive effects;

(9) consult with representatives of science, industry, agriculture, labor, environmental protection and consumer organizations, and other groups, as it deems advisable; and

(10) enter into, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), such contracts, leases, cooperative agreements. or other transactions as may be necessary in the conduct of its functions and duties with person (including a government entity).

(b) DUTIES.—In addition to its duties and responsibilities under other provisions of this Act, the Association shall—

(1) prepare a survey of existing rail services in the region, including patterns of traffic movement; traffic density over identified lines; pertinent costs and revenues of lines; and plant, equipment, and facilities (including yards and terminals);

(2) prepare an economic and operational study and analysis of present and future rail service needs in the region; the nature and volume of the traffic in the region now being moved by rail or likely to be moved by rail in the future; the extent to which available alternative modes of transportation could move such traffic as is now carried by railroads in reorganization; the relative economic, social, and environmental costs that would be involved in the use of such available alternative modes, including energy resource costs; and the competitive or other effects on profitable railroads;

(3) prepare a study of rail passenger services in the region, in terms of scope and quality;

(4) consider the views of the Office and of all government officials and persons who submit views, reports, or testimony under section 205(d)(1) of this title or in the course of proceedings conducted by the Office;

(5) consider methods of achieving economies in the cost of rail system operations in the region including consolidation, pooling, and joint use or operation of lines, facilities, and operating equipment; relocation; rehabilitation and modernization of equipment, track, and other facilities; and abandonment of lines consistent with meeting needs and service requirements; together with the anticipated economic, social, and environmental costs and benefits of each such method;

(6) consider the effect on railroad employees of any restructuring of rail services in the region;

(7) make available to the Secretary, the Director of the Office, and appropriate committees of the Congress all studies, data, and other information acquired or developed by the Association.

(c) INVESTMENT OF FUNDS.—Uncommitted funds of the Association shall be kept in cash on hand or on deposit, or invested in obligations of the United States or guaranteed thereby, or in obligations, participations, or other investments which are lawful investments for fiduciary, trust, or public funds.

(d) EXEMPTION FROM TAXATION.—The Association, including its franchise, capital reserves, surplus, security holdings, and income shall be exempt from all taxation now or hereafter imposed by the United States, any commonwealth, territory, dependency, or possession thereof, or by any State or political subdivision thereof, except that any real property of the Association shall be subject to taxation to the same extent according to its value as other real property is taxed.

(e) ANNUAL REPORT.—The Association shall transmit to the Congress and the President, not later than 90 days after the end of each fiscal year, a comprehensive and detailed report on all activities of the Association during the preceding fiscal year. Each such report shall include (1) the Association's statement of specific and detailed objectives for the activities and programs conducted and assisted under this Act; (2) statements of the Association's conclusions as to the effectiveness of such activities and programs in meeting the stated objectives and the purposes of this Act, measured through the end of the preceding fiscal year; (3) recommendations with respect to any legislation or administrative action which the Association deems necessary or desirable; (4) a statistical compilation of the obligations issued and loans made under this Act; (5) a summary of outstanding problems confronting the Association, in order of priority; (6) all other information required to be submitted to the Congress pursuant to any other provision of this Act; and (7) the Association's projections and plans for its activities and programs during the next fiscal year.

(f) BUDGET.—The receipts and disbursements of the Association (other than administrative expenses referred to in subsection (g) of this section) in the discharge of its functions shall not be included in the totals of the budget of the United States Government, and shall be exempt from any annual expenditure and net lending (budget outlays) limitations imposed on a budget of the United States Government. The Chairman of the Association shall transmit annually to the Congress a budget for program activities and for administrative expenses of the Association. The Chairman shall report annually to the Congress the amount of net lending of the Association, which would be included in the totals of the budgets of the United States Government, if the Association's activities were not excluded from those totals as a result of this section.

(g) ACCOUNTABILITY.—(1) Section 201 of the Government Corporation Control Act (31 U.S.C. 856) is amended by striking out "and" at the end of clause (6) and by inserting immediately before the period at the end thereof the following: ", (8) the United States Railway Association".

(2) The Chairman of the Association shall transmit annually to the Office of Management and Budget a budget for administrative expenses of the Association. Whenever the Association submits any budget estimate or request to the Office of Management and Budget, it shall concurrently transmit a copy of the estimate or request to the Congress. Within budgetary constraints of the Congress the maximum feasible and prudent budgetary flexibility shall be provided to the Association to permit effective operations.

ACCESS TO INFORMATION

SEC. 203. (a) PLANNING.—Each railroad operating in the region shall provide such relevant information as may be requested by the Secretary, the Office, or the Association in connection with the performance of their respective functions under any provision of this Act. No information may be requested under this subsection after the effective date of the final system plan.

(b) OTHER.—Each railroad or other person or government entity seeking financial assistance from the Association shall maintain and make available such records, make and submit such reports, and provide such data, materials, or other relevant information as may be requested by the Association.

(c) ENFORCEMENT.—Where authorized under subsection (a) or (b) of this section and upon presenting appropriate credentials and a written notice of inspection authority, any officer or employee duly designated by the Secretary, the Office, or the Association may, at reasonable times, inspect records, papers, processes, rolling stock, systems, equipment, or facilities and may, in furtherance of their respective functions under this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or other order the attendance and testimony of such witnesses and the production of such information as is deemed advisable. Subpoenas shall be issued under the signature of the Secretary, the Director of the Office, or the Chairman or President of the Association and may be served by any duly designated individual. In case of contumacy or refusal to obey such a subpoena or order by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such district court shall, upon petition, have jurisdiction to issue to such person an order requiring him to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

(d) CONGRESS.—Nothing in this section shall authorize the withholding of information from any duly authorized committee of the Congress.

REPORT

SEC. 204. (a) PREPARATION.—Within 30 days after the date of enactment of this Act, the Secretary shall prepare a comprehensive report containing his conclusions and recommendations with respect to the geographic zones within the region in and between which rail service should be provided and the criteria upon which such conclusions and recommendations are based. The Secretary may use as a basis for the identification of such geographic zones the standard metropolitan statistical areas, groups of such areas, counties, or groups of counties having similar economic characteristics such as mining, manufacturing, or farming.

(b) SUBMISSION.—The Secretary shall submit the report required by subsection (a) of this section to the Office, the Association, the Governor and public utilities commission of each State studied in the report, local governments, consumer organizations, environmental groups, the public, and the Congress. The Secretary shall further cause a copy of the report to be published in the Federal Register.

RAIL SERVICES PLANNING OFFICE

SEC. 205. (a) ESTABLISHMENT.—There is established on the date of enactment of this Act, a new Office in the Commission to be known as the Rail Services Planning Office. The Office shall function continuously pursuant to the provisions of this Act, and shall cease to exist 5 years after the date of enactment of this Act. The Office shall be administered by a director.

(b) DIRECTOR.—The Director of the Office shall be appointed by the Chairman of the Commission with the concurrence of 5 members of the Commission. The Director of the Office shall administer and be responsible for the discharge of the functions and duties of the Office from the date he takes office unless removed for cause by the Commission. He shall be compensated at a rate to be set by the Chairman of the Commission without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, classification, and General Schedule pay rates, but at a rate not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title.

(c) POWERS.—The Director of the Office is subject to the direction of, and shall report to, such member of the Commission as the Chairman thereof shall designate. The Chairman may designate himself as that member. Such Director is authorized, with the concurrence of such member or (in case of disagreement) the Chairman of the Commission, to—

(1) appoint, fix the compensation, and assign the duties of employees of the Office without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and to procure temporary and intermittent services to the same extent as is authorized under section 3109 of title 5, United States Code, but at rates not to exceed $250 a day for qualified experts. Each department, agency, and instrumentality of the executive branch of the Federal Government and each independent regulatory agency of the United States is authorized and shall give careful consideration to a request to furnish to the Director of the Office, upon written request, on a reimbursable basis or otherwise, such assistance as the Director deems necessary to carry out the functions and duties of the Office. Such assistance includes transfer of personnel with their consent and without prejudice to their position and rating; and

(2) enter into, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the functions and duties of the Office, with any person (including a government entity).

(d) DUTIES.—In addition to its duties and responsibilities under other provisions of this Act, the Office shall—

(1) study and evaluate the Secretary's report on rail services in the region required under section 204(a) of this Act and submit its report thereon to the Association within 120 days after the date of enactment of this Act. The Office shall also solicit, study, and evaluate the views with respect to present and future rail service needs of the region from Governors of States within the region; mayors and chief executives of political subdivisions within such States; shippers; the Secretary of Defense; manufacturers, wholesalers, and retailers within the region; consumers of goods and products shipped by rail; and all other interested persons. The Office shall conduct public hearings to solicit comments on such report and to receive such views;

(2) employ and utilize the services of attorneys and such other personnel as may be required in order properly to protect the interests of those communities and users of rail service which, for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the hearings and evaluations which the Office is required to conduct and perform under other provisions of this Act;

(3) within 180 days after the date of enactment of this Act, determine and publish standards for determining the "revenue attributable to the rail properties", the "avoidable costs of providing service", and "a reasonable return on the value", as those phrases are used in section 304 of this Act, after a proceeding in accordance with the provisions of section 553 of title 5, United States Code; and

(4) assist States and local and regional transportation agencies in making determinations whether to provide rail service continuation subsidies to maintain in operation particular rail properties by establishing criteria for determining whether particular rail properties are suitable for rail service continuation subsidies. Such criteria should include the following considerations: Rail properties are suitable if the cost of the required subsidy for such properties per year to the taxpayers is less than the cost of termination of rail service over such properties measured by increased fuel consumption and operational costs for alternative modes of transportation; the cost to the gross national product in terms of reduced output of goods and services; the cost of relocating or assisting through unemployment, retaining, and welfare benefits to individuals and firms adversely affected thereby; and the cost to the environment measured by damage caused by increased pollution.

FINAL SYSTEM PLAN

SEC. 206. (a) GOALS.—The final system plan shall be formulated in such a way as to effectuate the following goals:

(1) the creation, through a process of reorganization, of a financially self-sustaining rail service system in the region;

(2) the establishment and maintenance of a rail service system adequate to meet the rail transportation needs and service requirements of the region;

(3) the establishment of improved high-speed rail passenger service, consonant with the recommendations of the Secretary in his report of September 1971, entitled "Recommendations for Northeast Corridor Transportation";

(4) the preservation, to the extent consistent with other goals, of existing patterns of service by railroads (including short-line and terminal railroads), and of existing railroad trackage in areas in which fossil fuel natural resources are located, and the utilization of those modes of transportation in the region which require the smallest amount of scarce energy resources and which can most efficiently transport energy resources;

(5) the retention and promotion of competition in the provision of rail and other transportation services in the region;

(6) the attainment and maintenance of any environmental standards, particularly the applicable national ambient air quality standards and plans established under the Clean Air Act Amendments of 1970, taking into consideration the environmental impact of alternative choices of action;

(7) the movement of passengers and freight in rail transportation in the region in the most efficient manner consistent with safe operation, including the requirements of commuter and intercity rail passenger service; the extent to which there should be coordination with the National Railroad Passenger Corporation and similar entities; and the identification of all short-to-medium distance corridors in densely populated areas in which the major upgrading of rail lines for high-speed passenger operation would return substantial public benefits; and

(8) the minimization of job losses and associated increases in unemployment and community benefit costs in areas in the region presently served by rail service.

(b) FACTORS.—The final system plan shall be based upon due consideration of all factors relevant to the realization of the goals set forth in subsection (a) of this section. Such factors include the need for and the cost of rehabilitation and modernization of track, equipment, and other facilities; methods of achieving economies in the cost of rail operations in the region; means of achieving rationalization of rail services and the rail service system in the region; marketing studies; the impact on railroad employees; consumer needs; traffic analyses; financial studies; and any other factors identified by the Association under section 202(b) of this title or in the report of the Secretary required under section 204(a) of this title.

(c) DESIGNATIONS.—The final system plan shall designate—

(1) which rail properties of railroads in reorganization in the region or of railroads leased, operated, or controlled by any railroad in reorganization in the region—

(A) shall be transferred to the Corporation;

(B) shall be offered for sale to a profitable railroad operating in the region and, if such offer is accepted, operated by such railroad; the plan shall designate what additions shall be made to the designation under subparagraph (A) of this paragraph in the event such profitable railroad fails to accept such offer;

(C) shall be purchased, leased, or otherwise acquired from the Corporation by the National Railroad Passenger Corporation in accordance with the exercise of its option under section 601(d) of this Act for improvement to achieve the goal set forth in subsection (a)(3) of this section;

(D) may be purchased or leased from the Corporation by a State or a local or regional transportation authority to meet the needs of commuter and intercity rail passenger service; and

(E) if not otherwise required to be operated by the Corporation, a government entity, or a responsible person, are suitable for use for other public purposes, including highways, other forms of transportation, conservation, energy transmission, education or health care facilities, or recreation. In carrying out this subparagraph, the Association shall solicit the views and recommendations of the Secretary, the Secretary of the Interior, the Administrator of the Environmental Protection Agency, and other agencies of the Federal Government and of the States and political subdivisions thereof within the region, and the general public; and

(2) which rail properties of profitable railroads operating in the region may be offered for sale to the Corporation or to other profitable railroads operating in the region subject to paragraphs (3) and (4) of subsection (d) of this section.

(d) TRANSFERS.—All transfers or conveyances pursuant to the final system plan shall be made in accordance with, and subject to, the following principles:

(1) All rail properties to be transferred to the Corporation by a profitable railroad, by trustees of a railroad in reorganization, or by any railroad leased, operated, or controlled by a railroad in reorganization in the region, shall be transferred in exchange for stock and other securities of the Corporation (including obligations of the Association) and the other benefits accruing to such railroad by reason of such transfer.

(2) All rail properties to be conveyed to a profitable railroad operating in the region by trustees of a railroad in reorganization, or by any railroad leased, operated, or controlled by a railroad in reorganization in the region, shall be conveyed in exchange for compensation from the profitable railroad.

(3) Notwithstanding any other provision of this Act, no acquisition under this Act shall be made by any profitable railroad operating in the region without a determination with respect to each such transaction and all such transactions cumulatively (A) by the Association, upon adoption and release of the preliminary system plan, that such acquisition or acquisitions will not materially impair the profitability of any other profitable railroad operating in the region or of the Corporation, and (B) by the Commission, which shall be made within 90 days after adoption and release by the Association of the preliminary system plan, that such acquisition or acquisitions will be in full accord and comply with the provisions and standards of section 5 of part I of the Inter-

state Commerce Act (49 U.S.C. 5). The determination by the Association shall not be reviewable in any court. The determination by the Commission shall not be reviewable in any court.

(4) Where the final system plan designates specified rail properties of a railroad in reorganization in the region, or of a railroad leased, operated, or controlled by a railroad in reorganization in the region, to be offered for sale to and operated by a profitable railroad operating in the region, such designation shall terminate 30 days after the effective date of the final system plan unless prior to such date, such profitable railroad has notified the Association in writing of its acceptance of such offer. Where the final system plan designates specified rail properties of a profitable railroad operating in the region as authorized to be offered for sale or lease to the Corporation or to other profitable railroads operating in the region, such designation and authorization shall terminate 60 days after the effective date of the final system plan unless, prior to such date, a binding agreement with respect to such properties has been entered into and concluded.

(5) All properties sold by the Corporation pursuant to sections 206(c)(1)(C) and 601(d) of this Act shall be transferred at a value related to the value received for the transfer to the Corporation of such properties.

(e) Corporation Features.—The final system plan shall set forth—

(1) pro forma earnings for the Corporation, as reasonably projected and considering the additions or changes in the designation of rail properties to be operated by the Corporation which may be made under subsection (d)(4) of this section;

(2) the capital structure of the Corporation, based on the pro forma earnings of the Corporation as set forth, including such debt capitalization as shall be reasonably deemed to conform to the requirements of the public interest with respect to railroad debt securities, including the adequacy of coverage of fixed charges; and

(3) the manner in which employee stock ownership plans may, to the extent practicable, be utilized for meeting the capitalization requirements of the Corporation, taking into account (A) the relative cost savings compared to conventional methods of corporate finance; (B) the labor cost savings; (C) the potential for minimizing strikes and producing more harmonious relations between labor organizations and railway management; (D) the projected employee dividend incomes; (E) the impact on quality of service and prices to railway users and (F) the promotion of the objectives of this Act of creating a financially self-sustaining railway system in the region which also meets the service needs of the region and the Nation.

(f) Value.—The final system plan shall designate the value of all rail properties to be transferred under the final system plan and the value of the securities and other benefits to be received for transferring those rail properties to the Corporation in accordance with the final system plan.

(g) Other Provisions.—The final system plan may recommend arrangements among various railroads for joint use or operation of rail properties on a shared ownership, cooperative, pooled, or condominium-type basis, subject to such terms and conditions as may be specified in the final system plan. The final system plan shall also make such designations as are determined to be necessary in accordance with the provisions of section 402 or 403 of this Act.

(h) Obligational Authority.—The final system plan shall recommend the amount of obligations of the Association which are necessary to enable it to implement the final system plan.

(i) Terms and Conditions for Securities.—The final system plan may include terms and conditions for any securities to be issued by the Corporation in exchange for the conveyance of rail properties under the final system plan which in the judgment of the Association will minimize any actual or potential debt burden on the Corporation. Any such terms and conditions for securities of the Corporation which purport to directly obligate the Association shall not become effective without affirmative approval, with or without modification, by a joint resolution of the Congress.

ADOPTION OF FINAL SYSTEM PLAN

Sec. 207. (a) Preliminary System Plan.—(1) Within 300 days after the date of enactment of this Act, the Association shall adopt and release a preliminary system plan prepared by it on the basis of reports and other information submitted to it by the Secretary, the Office, and interested persons in accordance with this Act and on the basis of its own investigations, consultations, research, evaluation, and analysis pursuant to this Act. Copies of the preliminary system plan shall be transmitted by the Association to the Secretary, the Office, the Governor and public utility commission of each State in the region, the Congress, each court having jurisdiction over a railroad in reorganization in the region, the special court, and interested persons, and a copy shall be published in the Federal Register. The Association shall invite and afford interested persons an opportunity to submit comments on the preliminary system plan to the Association within 60 days after the date of its release.

(2) The Office is authorized and directed to hold public hearings on the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of the preliminary system plan, not later than 60 days after the date of release of such plan.

(b) Approval.—Within 120 days after the date of enactment of this Act, each United States district court or other court having jurisdiction over a railroad in reorganization shall decide whether the railroad is reorganizable on an income basis within a reasonable time under section 77 of the Bankruptcy Act (11 U.S.C. 205) and that the public interest would be better served by continuing the present reorganization proceedings than by a reorganization under this Act. Within 60 days after the submission of the report by the Office, under section 205(d)(1) of this title, on the Secretary's report on rail services in the region, each United States district court or other court having jurisdiction over a railroad in reorganization shall decide whether or not such railroad shall be reorganized by means of transferring some of its rail properties to the Corporation pursuant to the provisions of this Act. Because of the strong public interest in the continuance of rail transportation in the region pursuant to a system plan devised under the provisions of this Act, each such court shall order that the reorganization be proceeded with pursuant to this Act unless it (1) has found that the railroad is reorganizable on an income basis within a reasonable time under section 77 of the Bankruptcy Act (11 U.S.C. 205) and that the public interest would be better served by such a reorganization than by a reorganization under this Act, or (2) finds that this Act does not provide a process which would be fair and equitable to the estate of the railroad in reorganization in which case it shall dismiss the reorganization proceeding. If a court does not enter an order or make a finding as required by this subsection, the reorganization shall be proceeded with pursuant to this Act. An appeal from an order made under this section may be made only to the special court. Appeal to the special court shall be taken within 10 days following entry of an order pursuant to this subsection, and the special court shall complete its review and render its decision within 80 days after such appeal is taken. There shall be no review of the decision of the special court.

(c) Adoption.—Within 420 days after the date of enactment of this Act, the executive committee of the Association shall prepare and submit a final system plan for the approval of the Board of Directors of the Association. A copy of such submission shall be simultaneously presented to the Commission. The submission shall reflect evaluation of all responses and summaries of responses received, testimony at any public hearings, and the results of additional study and review. Within 30 days thereafter, the Board of Directors of the Association shall by a majority vote of all its members approve a final system plan which meets all of the requirements of section 206 of this title.

(d) Review of Commission.—Within 30 days following the adoption of the final system plan by the Association under subsection (c) of this section and the submission of such plan to Congress under section 208(a) of this title, the Commission shall submit to the Congress an evaluation of the final system plan delivered to both Houses of Congress.

REVIEW BY CONGRESS

Sec. 208. (a) General.—The Board of Directors of the Association shall deliver the final system plan adopted by the Association to both Houses of Congress and to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Commerce of the Senate. The final system plan shall be deemed approved at the end of the first period of 60 calendar days of continuous session of Congress after such date of transmittal unless either the House of Representatives or the Senate passes a resolution during such period stating that it does not favor the final system plan.

(b) Revised Plan.—If either the House or the Senate passes a resolution of disapproval under subsection (a) of this section, the Association, with the cooperation and assistance of the Secretary and the Office, shall prepare, determine, and adopt a revised final system plan. Each such revised plan shall be submitted to Congress for review pursuant to subsection (a) of this section.

(c) Computation.—For purposes of this section—

(1) continuity of session of Congress is broken only by an adjournment sine die; and

(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 60-day period.

JUDICIAL REVIEW

Sec. 209. (a) General.—Notwithstanding any other provision of law, the final system plan which is adopted by the Association and which becomes effective after review by the Congress is not subject to review by any court except in accordance with this section. After the final system plan becomes effective under section 208 of this title, it may be reviewed with respect to matters concerning the value of the rail properties to be conveyed under the plan and the value of the consideration to be received for such properties.

(b) Special Court.—Within 30 days after the date of enactment of this Act, the Association shall make application to the judicial panel on multi-district litigation authorized by section 1407 of title 28, United States Code, for the consolidation in a single, three-judge district court of the United States of all judicial proceedings with respect to the final system plan. Within 30 days after such application is received, the panel shall make the consolidation in a district court (cited herein as the "special court") which the panel determines to be convenient to the parties and the one most likely to be able to conduct any proceedings under this section with the least delay and the greatest possible fairness and ability. Such proceedings shall be conducted by the special court which shall be composed of three Federal judges who shall be selected by the panel, except that none of the judges selected may be a judge assigned to a proceeding involving any railroad in reorganization in the region under section 77 of the Bankruptcy Act (11 U.S.C. 205). The special court is authorized to exercise the powers of a district judge in any judicial district with respect to such proceedings and such powers shall include those of a reorganization court. The special court shall have the power to order the conveyance of rail properties of railroads leased, operated, or controlled by a railroad in reorganization in the region. The panel may issue rules for the conduct of its functions under this subsection. No determination by the panel under this subsection may be reviewed in any court.

(c) Delivery of Plan to Special Court.—Within 90 days after its effective date, the Association shall deliver a certified copy of the final system plan to the special court and shall certify to the special court—

(1) which rail properties of the respective railroads in reorganization in the region and of any railroad leased, operated, or controlled by such railroads in reorganization are to be transferred to the Corporation, in accordance with the final system plan;

(2) which rail properties of the respective railroads in reorganization in the region or railroads leased, operated, or controlled by such railroads in reorganization are to be conveyed to profitable railroads, in accordance with the final system plan;

(3) the amount, terms, and value of the securities of the Corporation (including any obligations of the Association) to be exchanged for those rail properties to be transferred to the Corporation pursuant to the final system plan, and as indicated in paragraph (1) of this subsection; and

(4) that the transfer of rail properties in exchange for securities of the Corporation (including any obligations of the Association) and other benefits is fair and equitable and in the public interest.

(d) Bankruptcy Courts.—Within 90 days after its effective date, the Association shall deliver a certified copy of the final system plan to each district court of the United States or any other court having jurisdiction over a railroad in reorganization in the region and shall certify to each such court—

(1) which rail properties of that railroad in reorganization are to be transferred to the Corporation under the final system plan; and

(2) which rail properties of that railroad in reorganization, if any, are to be conveyed to profitable railroads operating in the region, under the final system plan.

OBLIGATIONS OF THE ASSOCIATION

Sec. 210. (a) General.—To carry out the purposes of this Act, the Association is authorized to issue bonds, debentures, trust certificates, securities, or other obligations (herein cited as "obligations") in accordance with this section. Such obligations shall have such maturities and bear such rate or rates of interest as are determined by the Association with the approval of the Secretary of the Treasury. Such obligations shall be redeemable at the option of the Association prior to maturity in the manner stipulated in each such obligation, and may be purchased by the Association in the open market at a price which is reasonable.

(b) Maximum Obligational Authority.—Except as otherwise provided in the last sentence of this subsection, the aggregate amount of obligations of the Association issued under this section which may be outstanding at any one time shall not exceed $1,500,000,000 of which the aggregate amount issued to the Corporation shall not exceed $1,000,000,000. Of the aggregate amount of obligations issued to the Corporation by the Association, not less than $500,000,000 shall be available solely for the rehabilitation and modernization of rail properties acquired by the Corporation under this Act and not disposed of by the Corporation pursuant to section 206(c) (1) (C) of this Act. Any modification to the limitations set forth in this subsection shall be made by joint resolution adopted by the Congress.

(c) Guarantees.—The Secretary shall guarantee the payment of principal and interest on all obligations issued by the Association in accordance with this Act and which the Association requests be guaranteed.

(d) Validity.—No obligation issued by the Association under this section shall be terminated, canceled, or otherwise revoked, except in accordance with lawful terms and conditions prescribed by the Association. Such an obligation shall be conclusive evidence that it is in compliance with this section, has been approved, and is legal as to principal, interest, and other terms. An obligation of the Association shall be valid and incontestable in the hands of a holder, except as to fraud, duress, mutual mistake of fact, or material misrepresentation by or involving such holder.

(e) The Secretary of the Treasury.—If at any time the moneys available to the Secretary are insufficient to enable him to discharge his responsibilities under subsection (c) of this section, he shall issue notes or other obligations to the Secretary of the Treasury in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such obligations shall bear interest at a rate to be determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such obligations. The Secretary of the Treasury is authorized and directed to purchase any such obligations and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended. The purposes for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under this subsection. At any time, the Secretary of the Treasury may sell any such obligations, and all sales, purchases, and redemptions of such obligations by the Secretary of the Treasury shall be treated as public debt transactions of the United States.

(f) Authorization for Appropriations.—There are hereby authorized to be appropriated to the Secretary such amounts as are necessary to discharge the obligations of the United States arising under this section.

(g) Lawful Investments.—All obligations issued by the Association shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority and control of the United States or any officer or officers thereof. All such obligations issued pursuant to this section shall be exempt securities within the meaning of laws administered by the Securities and Exchange Commission.

LOANS

Sec. 211. (a) General.—The Association is authorized, in accordance with the provisions of this section and such rules and regulations as it shall prescribe, to make loans to the Corporation, the National Railroad Passenger Corporation, and other railroads (including a railroad in reorganization which has been found to be reorganizable under section 77 of the Bankruptcy Act pursuant to section 207(b) of this title) in the region, for purposes of assisting in the implementation of the final system plan; to a State or local or regional transportation authority pursuant to section 403 of this Act; and to provide assistance in the form of loans to any railroad which (A) connects with a railroad in reorganization, and (B) is in need of financial assistance to avoid reorganization proceedings under section 77 of the Bankruptcy Act (11 U.S.C. 205). No such loan shall be made by the Association to a railroad unless such loans shall, where applicable, be treated as an expense of administration. The rights referred to in the last sentence of section 77(j) of the Bankruptcy Act (11 U.S.C. 205(j)) shall in no way be affected by this Act.

(b) Applications.—Each application for such a loan shall be made in writing to the Association in such form and with such content and other submissions as the Association shall prescribe to protect reasonably the interests of the United States. The Association shall publish a notice of the receipt of each such application in the Federal Register and shall afford interested persons an opportunity to comment thereon.

(c) Terms and Conditions.—Each loan shall be extended in such form, under such terms and conditions, and pursuant to such regulations as the Association deems appropriate. Such loan shall bear interest at a rate not less than the greater of a rate determined by the Secretary of the Treasury taking into consideration (1) the rate prevailing in the private market for similar loans as determined by the Secretary of the Treasury, or (2) the current average yield on outstanding marketable obligations of the Association with remaining periods of maturity comparable to the average maturities of such loans, plus such additional charge, if any, toward covering costs of the Association as the Association may determine to be consistent with the purposes of this Act.

(d) Modifications.—The Association is authorized to approve any modification of any provision of a loan under this section, including the rate of interest, time of payment of interest or principal, security, or any other term or condition, upon agreement of the recipient of the loan and upon a finding by the Association that such modification is equitable and necessary or appropriate to achieve the policy declared in subsection (f) of this section.

(e) Prerequisites.—The Association shall make a finding in writing, before making a loan to any applicant under this section that—

(1) the loan is necessary to carry out the final system plan or to prevent insolvency;

(2) it is satisfied that the business affairs of the applicant will be conducted in a reasonable and prudent manner; and

(3) the applicant has offered such security as the Association deems necessary to protect reasonably the interests of the United States.

(f) Policy.—It is the intent of Congress that loans made under this section shall be made on terms and conditions which furnish reasonable assurance that the Corporation or the railroads to which such loans are granted will be able to repay them within the time fixed and that the goals of the final system plan are reasonably likely to be achieved.

RECORDS, AUDIT, AND EXAMINATION

Sec. 212. (a) Records.—Each recipient of financial assistance under this title, whether in the form of loans, obligations, or other arrangements, shall keep such records as the Association or the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance and such other records as will facilitate an effective audit.

(b) Audit and Examination.—The Association, the Secretary, and the Comptroller General of the United States, or any of their duly authorized representatives shall, until the expiration of 3 years after the implementation of the final system plan, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Association, the Secretary, or the Comptroller General may be related or pertinent to the loans, obligations or other arrangements referred to in subsection (a) of this section. The Association or any of its duly authorized representatives shall, until any financial assistance received under this title has been repaid to the Association, have access to any such materials which concern any matter that may bear upon—

(1) the ability of the recipient of such financial assistance to make repayment within the time fixed therefor;

(2) the effectiveness with which the proceeds of such assistance is used; and

(3) the implementation of the final system plan and the realization of the declaration of policy of this Act.

EMERGENCY ASSISTANCE PENDING IMPLEMENTATION

Sec. 213. (a) Emergency Assistance.—The Secretary is authorized, pending the implementation of the final system plan, to pay to the trustees of railroads in reorganization such sums as are necessary for the continued provision of essential transportation services by such railroads. Such payments shall be made by the Secretary upon such reasonable terms and conditions as the Secretary establishes, except that recipients must agree to maintain and provide service at a level no less than that in effect on the date of enactment of this Act.

(b) Authorization for Appropriations.—There are authorized to be appropriated to the Secretary for carrying out this section such sums as are necessary, not to exceed $85,000,000, to remain available until expended.

AUTHORIZATION FOR APPROPRIATIONS

Sec. 214. (a) Secretary.—There are authorized to be appropriated to the Secretary for purposes of preparing the reports and exercising other functions to be performed by him under this Act such sums as are necessary, not to exceed $12,500,000, to remain available until expended.

(b) Office.—There are authorized to be appropriated to the Commission for the use of the Office in carrying out its functions under this Act such sums as are necessary, not to exceed $5,000,000, to remain available until expended. The budget for the Office shall be submitted by the Commission directly to the Congress and shall not be subject to review of any kind by any other agency or official of the United States. Moneys appropriated for the Office shall not be withheld by any agency or official of the United States or used by the Commission for any purpose other than the use of the Office. No part of any other moneys appropriated to the Commission shall be withheld by any other agency or official of the United States to offset any moneys appropriated pursuant to this subsection.

(c) Association.—There are authorized to be appropriated to the Association for purposes of carrying out its administrative expenses under this Act such sums as are necessary, not to exceed $26,000,000, to remain available until expended.

MAINTENANCE AND IMPROVEMENT OF PLANT

Sec. 215. Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization) for the acquisition, maintenance, or improvement of railroad facilities and equipment necessary to improve property that will be in the final system plan. Agreements entered into pursuant to this section shall specifically identify the type and quality of improvements to be made pursuant to such agreements. Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. However, the Association may not issue obligations under this section in an aggregate amount in excess of $150,000,000. The Secretary may not enter into any agreements under this section until he issues regulations setting forth procedures and guidelines for the administration of this section. The Corporation shall not be required under title III of this Act to compensate any railroad in reorganization for that portion of the value of rail properties transferred to it under this Act, which is attributable to the acquisition, maintenance, or improvement of such properties under this section.

TITLE III—CONSOLIDATED RAIL CORPORATION

FORMATION AND STRUCTURE

Sec. 301. (a) Establishment.—There shall be established within 300 days after the date of enactment of this Act, in accordance with the provisions of this section, a corporation to be known as the Consolidated Rail Corporation.

(b) Status.—The Corporation shall be a for-profit corporation established under the laws of a State and shall not be an agency or instrumentality of the Federal Government. The Corporation shall be deemed a common carrier by railroad under section 1(3) of the Interstate Commerce Act (49 U.S.C. 1(3)), shall be subject to the provisions of this Act and, to the extent not inconsistent with such Acts, shall be subject to applicable State law. The principal office of the Corporation shall be located in Philadelphia in the Commonwealth of Pennsylvania.

(c) Incorporators.—The members of the executive committee of the Association shall be the incorporators of the Corporation and shall take whatever steps are necessary to establish the Corporation, including the filing of articles of incorporation. The incorporators shall also serve as the Board of Directors of the Corporation until the stock and other securities of the Corporation are distributed to the estates of the railroads in accordance with section 303(c) of this title and shall adopt the initial bylaws of the Corporation.

(d) Board of Directors.—The Board of Directors of the Corporation shall consist of 15 individuals selected in accordance with the articles and bylaws of the Corporation: *Provided*, That so long as 50 per centum or more, as determined by the Secretary of the Treasury, of the outstanding indebtedness of the Corporation consists of obligations of the Association or other debts owing to or guaranteed by the United States, three of the members of such board shall be the Secretary, the Chairman and the President of the Association and five of the members of such board shall be individuals appointed as such by the President, by and with the advice and consent of the Senate.

(e) Initial Capitalization.—In order to carry out the final system plan the Corporation is authorized to issue stock and other securities. Common stock shall be issued initially to the estates of railroads in reorganization in the region in exchange for rail properties conveyed to the Corporation pursuant to the final system plan. Nothing in this subsection shall preclude the Corporation from repurchasing the common stock initially issued through payments out of profits in order to establish an employee stock ownership plan; and nothing in this subsection shall preclude the recipients of common stock initially issued from establishing an employee stock ownership plan.

(f) Audit and Expenditures.—So long as 50 per centum or more, as determined by the Secretary of the Treasury, of the outstanding indebtedness of the Corporation consists of obligations of the Association or other debts owing to or guaranteed by the United States, the Corporation shall be subject to the provisions of the Government Corporation Control Act for the purposes of a Federal Government audit. Section 201 of the Government Corporation Control Act (31 U.S.C. 856) is amended by inserting at the end thereof the following: ", and (9) the Consolidated Rail Corporation to the extent provided in the Regional Rail Reorganization Act of 1973.".

(g) Annual Report.—The Corporation shall transmit to the Congress and the President, not later than 90 days after the end of each fiscal year, a comprehensive and detailed report on all activities and accomplishments of the Corporation during the preceding fiscal year.

POWERS AND DUTIES OF THE CORPORATION

Sec. 302. The Corporation shall have all of the powers and is subject to all of the duties vested in it under this Act, in addition to the powers conferred upon it under the laws of the State or States in which it is incorporated and the powers of a railroad in any State in which it operates. The Corporation is authorized and directed to—

(a) acquire rail properties designated in the final system plan to be transferred or conveyed to it;

(b) operate rail service over such rail properties except as provided under sections 304(e) and 601(d)(3) of this Act;

(c) rehabilitate, improve, and modernize such rail properties; and

(d) maintain adequate and efficient rail services.

So long as 50 per centum or more, as determined by the Secretary of the Treasury, of the outstanding indebtedness of the Corporation consists of obligations of the Association or other debts owing to or guaranteed by the United States, the Corporation shall not engage in activities which are not related to transportation.

VALUATION AND CONVEYANCE OF RAIL PROPERTIES

Sec. 303. (a) Deposit With Court.—Within 10 days after delivery of a certified copy of a final system plan pursuant to section 209(c) of this Act—

(1) the Corporation, in exchange for the rail properties of the railroads in reorganization in the region and of railroads leased, operated, or controlled by railroads in reorganization in the region to be transferred to the Corporation, shall deposit with the special court all of the stock and other securities of the Corporation and obligations of the Association designated in the final system plan to be exchanged for such rail properties;

(2) each profitable railroad operating in the region purchasing rail properties from a railroad in reorganization in the region, or from a railroad leased, operated, or controlled by a railroad in reorganization in the region, as provided in the final system plan shall deposit with the special court the compensation to be paid for such rail properties.

(b) Conveyance of Rail Properties.—(1) The special court shall, within 10 days after deposit under subsection (a) of this section of the securities of the Corporation, obligations of the Association, and compensation from the profitable railroads operating in the region, order the trustee or trustees of each railroad in reorganization in the region to convey forthwith to the Corporation and the respective profitable railroads operating in the region, all right, title, and interest in the rail properties of such railroad in reorganization and shall itself order the conveyance of all right, title, and interest in the rail properties of any railroad leased, operated, or controlled by such railroad in reorganization that are to be conveyed to them under the final system plan as certified to such court under section 209(d) of this Act.

(2) All rail properties conveyed to the Corporation and the respective profitable railroads operating in the region under this section shall be conveyed free and clear of any liens or encumbrances, but subject to such leases and agreements as shall have previously burdened such properties or bound the owner or operator thereof in pursuance of an arrangement with any State, or local or regional transportation authority under which financial support from each State, or local or regional transportation authority was being provided at the time of enactment of this Act for the continuance of rail passenger service or any lien or encumbrance of no greater than 5 years' duration which is necessary for the contractual performance by any person of duties related to public health or sanitation. Such conveyance shall not be restrained or enjoined by any court.

(3) Notwithstanding anything to the contrary contained in this Act, if railroad rolling stock is included in the rail properties to be conveyed, such conveyance may only be effected if the profitable railroad operating in the region or the Corporation to whom the conveyance is made assumes all of the obligations under any conditional sale agreement, equipment trust agreement, or lease in respect to such rolling stock and such conveyance is made subject thereto; and the provisions of this Act shall not affect the title and interests of any lessor, equipment trust trustee, or conditional sale vendee or assignee under such conditional sale agreement, equipment trust agreement or lease under section 77(j) of the Bankruptcy Act (11 U.S.C. 205(j)).

(4) Notwithstanding anything to the contrary contained in this Act, if a railroad in reorganization has leased rail properties from a lessor that is neither a railroad nor controlled by or affiliated with a railroad, and such lease has been approved by the lessee railroad's reorganization court prior to the date of enactment of this Act, conveyance of such lease may only be effected if the Corporation or the profitable railroad to whom the conveyance is made assumes all of the terms and conditions specified in the lease, including the obligation to pay the specified rent to the non-railroad lessor.

(c) FINDINGS AND DISTRIBUTION.—(1) After the rail properties have been conveyed to the Corporation and profitable railroads operating in the region under subsection (b) of this section, the special court, giving due consideration to the findings contained in the final system plan, shall decide—

(A) whether the transfers or conveyances—

(i) of rail properties of each railroad in reorganization, or of each railroad leased, operated, or controlled by a railroad in reorganization, to the Corporation in exchange for the securities and the other benefits accruing to such railroad as a result of such exchange, as provided in the final system plan and this Act, and

(ii) of rail properties of each railroad in reorganization, or of each railroad leased, operated, or controlled by a railroad in reorganization, to a profitable railroad operating in the region, in accordance with the final system plan,

are in the public interest and are fair and equitable to the estate of each railroad in reorganization in accordance with the standard of fairness and equity applicable to the approval of a plan of reorganization or a step in such a plan under section 77 of the Bankruptcy Act (11 U.S.C. 205), or fair and equitable to a railroad that is not itself in reorganization but which is leased, operated, or controlled by a railroad in reorganization; and

(B) whether the transfers or conveyances are more fair and equitable than is required as a constitutional minimum.

(2) If the special court finds that the terms of one or more exchanges for securities and other benefits are not fair and equitable to an estate of a railroad in reorganization, or to a railroad leased, operated, or controlled by a railroad in reorganization, which has transferred rail properties pursuant to the final system plan, it shall—

(A) enter a judgment reallocating the securities of the Corporation in a fair and equitable manner if it has not been fairly allocated among the railroads transferring rail properties to the Corporation; and

(B) if the lack of fairness and equity cannot be completely cured by a reallocation of the Corporation's securities, order the Corporation to provide for the transfer to the railroad of other securities of the Corporation or obligations of the Association as designated in the final system plan in such nature and amount as would make the exchange or exchanges fair and equitable; and

(C) if the lack of fairness and equity cannot be completely cured by reallocation of the Corporation's securities or by providing for the transfer of other securities of the Corporation or obligations of the Association as designated in the final system plan, enter a judgment against the Corporation.

(3) If the special court finds that the terms of one or more conveyances of rail properties to a profitable railroad operating in the region in accordance with the final system plan are not fair and equitable, it shall enter a judgment against such profitable railroad. If the special court finds that the terms of one or more conveyances or exchanges for securities or other benefits are fairer and more equitable than is required as a constitutional minimum, then it shall order the return of any excess securities, obligations, or compensation to the Corporation or a profitable railroad so as not to exceed the constitutional minimum standard of fairness and equity.

(4) Upon making the findings referred to in this subsection, the special court shall order distribution of the securities, obligations, and compensation deposited with it under subsection (b) of this section to the trustee or trustees of each railroad in reorganization in the region who conveyed right, title, and interest in rail properties to the Corporation and the respective profitable railroads under such subsection.

(d) APPEAL.—A finding or determination entered pursuant to subsection (c) of this section may be appealed directly to the Supreme Court of the United States in the same manner that an injunction order may be appealed under section 1253 of title 28, United States Code: *Provided,* That such appeal is exclusive and shall be filed in the Supreme Court not more than 5 days after such finding or determination is entered by the special court. The Supreme Court shall dismiss any such appeal within 7 days after the entry of such an appeal if it determines that such an appeal would not be in the interest of an expeditious conclusion of the proceedings and shall grant the highest priority to the determination of any such appeal which it determines not to dismiss.

TERMINATION OF RAIL SERVICE

SEC. 304. (a) DISCONTINUANCE.—Except as provided in subsections (c) and (f) of this section, (1) rail service on rail properties of a railroad in the region which transfers to the Corporation or to profitable railroads operating in the region all or substantially all of its rail properties designated for such conveyance in the final system plan, and (2) rail service on rail properties of a profitable railroad operating in the region which transfers substantially all of its rail properties to the Corporation or to other railroads pursuant to the final system plan may be discontinued to the extent such discontinuance is not precluded by the terms of the leases and agreements referred to in section 303(b)(2) of this title if—

(A) the final system plan does not designate rail service to be operated over such rail properties; and

(B) not sooner than 30 days following the effective date of the final system plan the trustee or trustees of the applicable railroad in reorganization or a profitable railroad give notice in writing of intent to discontinue such rail service on a date certain which is not less than 60 days after the date of such notice; and

(C) the notice required by paragraph (B) of this subsection is sent by certified mail to the Governor and State transportation agencies of each State and to the government of each political subdivision of each State in which such rail properties are located and to each shipper who has used such rail service during the previous 12 months.

(b) ABANDONMENT.—(1) Rail properties over which rail service has been discontinued under subsection (a) of this section may not be abandoned sooner than 120 days after the effective date of such discontinuance except as provided in subsections (c) and (f) of this section. Thereafter, except as provided in subsection (c) of this section, such rail properties may be abandoned upon 30 days' notice in writing to all those required to receive notice under paragraph (2)(C) of subsection (a) of this section.

(2) In any case in which rail properties proposed to be abandoned under this section are designated by the final system plan as rail properties which are suitable for use for other public purposes (including roads or highways, other forms of mass transportation, conservation, and recreation), such rail properties shall not be sold, leased, exchanged, or otherwise disposed of during the 180-day period beginning on the date of notice of proposed abandonment under this section unless such rail properties have first been offered, upon reasonable terms, for acquisition for public purposes.

(c) LIMITATIONS.—Rail service may be discontinued and rail properties may be abandoned under subsections (a) and (b) of this section notwithstanding any provision of the Interstate Commerce Act (49 U.S.C. 1 et seq.) or the constitution or law of any State or the decision of any court or administrative agency of the United States or of any State. No rail service may be discontinued and no rail properties may be abandoned pursuant to this section—

(1) after 2 years from the effective date of the final system plan or more than 2 years after the final payment of any rail service continuation subsidy is received, whichever is later; or

(2) if a shipper, a State, the United States, a local or regional transportation authority, or any responsible person offers—

(A) a rail service continuation subsidy which covers the difference between the revenue attributable to such rail properties and the avoidable costs of providing service on such rail properties plus a reasonable return on the value of such rail properties;

(B) a rail service continuation subsidy which is payable pursuant to a lease or agreement with a State, or a local or regional transportation authority, under which financial support was being provided at the time of the enactment of this Act for the continuance of rail passenger service; or

(C) to purchase, pursuant to subsection (d) of this section, such rail properties in order to operate rail service over such properties.

If a rail service continuation subsidy is offered, the government or person offering the subsidy shall enter into an operating agreement with the Corporation or any responsible person (including a government entity), under which the Corporation or such person (including a government entity) will operate rail service over such rail properties and receive the difference between the revenue attributable to such properties and the avoidable costs of providing service on such rail properties and the trustee of any railroad in reorganization shall receive a reasonable rate of return on the value of any rail properties for which a rail service is operated under such subsidy.

(d) Purchase.—If an offer to purchase is made under subsection (c) (2) (C) of this section, such offer shall be accompanied by an offer of a rail service continuation subsidy. Such subsidy shall continue until the purchase transaction is completed, unless a railroad assumes operations over such rail properties on its own account pursuant to an order or authorization of the Commission. Whenever a railroad in reorganization in the region or a profitable railroad gives notice of intent to discontinue service pursuant to subsection (a) of this section, such railroad shall, upon the request of anyone apparently qualified to make a purchase offer promptly make available its most recent reports on the physical condition of such property together with such traffic and revenue data as would be required under subpart B of part 1121 of chapter X of title 49 of the Code of Federal Regulations and such other data necessary to ascertain the avoidable costs of providing service over such rail properties.

(e) Abandonment by Corporation.— After the rail system to be operated by the Corporation under the final system plan has been in operation for 2 years, the Commission may authorize the Corporation to abandon any rail properties as to which it determines that rail service over such properties is not required by the public convenience and necessity. The Commission may, at any time after the effective date of the final system plan, authorize additional rail service in the region or authorize the abandonment of rail properties which are not being operated by the Corporation or by any other person. Determinations by the Commission under this subsection shall be made pursuant to applicable provisions of the Interstate Commerce Act (49 U.S.C. 1).

(f) Interim Abandonment.—After the date of enactment of this Act, no railroad in reorganization may discontinue service or abandon any line of railroad other than in accordance with the provisions of this Act, unless it is authorized to do so by the Association and unless no affected State or local or regional transportation authority reasonably opposes such action, notwithstanding any provision of any other Federal law, the constitution or law of any State, or decision or order of, or the pendency of any proceeding before any Federal or State court, agency, or authority.

TITLE IV—LOCAL RAIL SERVICES

FINDINGS AND PURPOSES

Sec. 401. (a) Findings.—The Congress finds and declares that—

(1) The Nation is facing an energy shortage of acute proportions in the next decade.

(2) Railroads are one of the most energy-efficient modes of transportation for the movement of passengers and freight and cause the least amount of pollution.

(3) Abandonment, termination or substantial reduction of rail service in any locality will adversely affect the Nation's long-term and immediate goals with respect to energy conservation and environmental protection.

(4) Under certain circumstances the cost to the taxpayers of rail service continuation subsidies would be less than the cost of abandonment of rail service in terms of lost jobs, energy shortages and degradation of the environment.

(b) Purpose.—Therefore, it is declared to be the purpose of the Congress to authorize the Secretary to maintain a program of rail service continuation subsidies.

RAIL SERVICE CONTINUATION SUBSIDIES

Sec. 402. (a) General.—The Secretary shall provide financial assistance in accordance with this section for the purpose of rail service continuation subsidies. For purposes of subsection (b) (1) of this section the Federal share of a rail service continuation subsidy shall be 70 per centum and the State share shall be 30 per centum. For purposes of subsection (b) (2) of this section a State receiving discretionary assistance shall be required to contribute at least 30 per centum of the cost of the program for which the Federal assistance is provided.

(b) Entitlement.—(1) Each State in the region is entitled to an amount for rail service continuation subsidies from 50 per centum of the sums appropriated each fiscal year for such purpose in the ratio which the total rail mileage in such State, as determined by the Secretary and measured in point-to-point length (excluding yard tracks and sidings), bears to the total rail mileage in all the States in the region, measured in the same manner, except that the entitlement of each State shall be no less than 3 per centum, and the entitlement of no State shall be more than 10 per centum, of 50 per centum of the funds appropriated. In the event that the total amount allocated under this formula, due to the application of the maximum and minimum limitations which it establishes, is greater or less than 50 per centum of the funds appropriated, the excess or deficiency, as the case may be, shall be added to or deducted from the Secretary's discretionary fund provided for in paragraph (2) of this subsection. The entitlement of any State which is withheld in accordance with this section and any sums not used or committed by a State during the preceding fiscal year shall be paid into the discretionary fund provided for in paragraph (2) of this subsection.

(2) The Secretary is authorized to provide discretionary financial assistance to a State or a local or regional transportation authority in the region for the purpose of continuing local rail services, including assistance for the purposes enumerated in section 403 of this title.

(c) Eligibility.—A State in the region is eligible to receive rail service continuation subsidies pursuant to subsection (b) of this section in any fiscal year if—

(1) the State has established a State plan for rail transportation and local rail services which is administered or coordinated by a designated State agency and such plan provides for the equitable distribution of such subsidies among State, local, and regional transportation authorities;

(2) the State agency has authority and administrative jurisdiction to develop, promote, supervise, and support safe, adequate, and efficient rail services; employs or will employ, directly or indirectly, sufficient trained and qualified personnel; and maintains or will maintain adequate programs of investigation, research, promotion, and development with provision for public participation;

(3) the State provides satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this title to the State; and

(4) the State complies with the regulations of the Secretary issued under this section.

(d) Regulations.—Within 90 days after the date of enactment of this Act, the Secretary shall issue, and may from time to time amend, regulations with respect to basic and discretionary rail service continuation subsidies.

(e) Payment.—The Secretary shall pay to each State in the region an amount equal to its entitlement under subsection (b) (1) of this section. Any amounts which are not expended or committed by a State pursuant to subsection (b) during the ensuing fiscal year shall be returned by such State to the Secretary, who may use such amounts in accordance with subsection (b) (2) of this section.

(f) Term.—A rail service continuation subsidy between a State, or a local or regional authority, and the Corporation or other responsible person (including a government entity) may not exceed a term of 2 years.

(g) Record, Audit, and Examination.—(1) Each recipient of financial assistance under this section, whether in the form of grants, subgrants, contracts, subcontracts, or other arrangements, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives shall, until the expiration of 3 years after completion of the project or undertaking referred to in paragraph (1) of this subsection, have access for the purpose of audit and examination to any books, documents, papers, and records of such receipts which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, contracts, or other arrangements referred to in such paragraph.

(h) Withholding.—If the Secretary, after reasonable notice and opportunity for a hearing to any State agency, finds that a State is not eligible for rail service continuation subsidies under subsections (c) and (d) of this section, payment to such State shall not be made until there is no longer any failure to comply.

(i) Authorization for Appropriations.—(1) There is authorized to be appropriated to carry out the purposes of this section such sums as are necessary, not to exceed $90,000,000 for each of the 2 fiscal years including and following the effective date of the final system plan. Such sums as are appropriated shall remain available until expended.

(2) One-half of the sums appropriated pursuant to the authorization of this subsection shall be reserved for allocation to States in the region under subsection (b) (1) of this section. One-half of the sums appropriated pursuant to the authorization of this subsection shall be reserved for distribution by the Secretary under subsection (b) (2) of this section.

(j) Definition.—As used in this section, "rail service continuation subsidies" means subsidies calculated in accordance with the provisions of section 205(d) (3) of this Act to cover costs of operating adequate and efficient rail service, including where necessary improvement and maintenance of tracks and related facilities.

ACQUISITION AND MODERNIZATION LOANS

Sec. 403. (a) Acquisition.—If a State which is eligible for assistance under section 402(c) of this title or a local or regional transportation authority has made an offer to purchase any rail properties of a railroad pursuant to section 304(c)(2)(C) of this Act or other lawful authority, the Secretary is authorized to direct the Association to provide loans to such State or local or regional transportation authority not to exceed 70 per centum of the purchase price: *Provided, however,* That any recipient of such loan is no longer eligible for a rail service continuation subsidy pursuant to section 402 of this title.

(b) MODERNIZATION.—In addition to such acquisition loans, the Secretary is authorized to direct the Association to provide additional assistance not to exceed 70 per centum of the cost of restoring or repairing such rail properties to such condition as will enable safe and efficient rail transportation operations over such rail properties. Such financial assistance may be in the form of a loan or the guarantee of a loan. The Association shall provide such financial assistance as the Secretary may direct under this section and shall adopt regulations describing its procedures for such assistance. With the approval of the Secretary, a State may expend sums received by it under section 402 of this title for acquisition and modernization pursuant to this section.

TITLE V—EMPLOYEE PROTECTION

DEFINITIONS

SEC. 501. As used in this title unless the context otherwise requires—

(1) "acquiring railroad" means a railroad, except the Corporation, which seeks to acquire or has acquired, pursuant to the provisions of this Act, all or a part of the rail properties of one or more of the railroads in reorganization, the Corporation, or a profitable railroad;

(2) "employee of a railroad in reorganization" means a person who, on the effective date of a conveyance of rail properties of a railroad in reorganization to the Corporation or to an acquiring railroad, has an employment relationship with either said railroad in reorganization or any carrier (as defined in parts I and II of the Interstate Commerce Act) which is leased, controlled, or operated by the railroad in reorganization except a president, vice president, treasurer, secretary, comptroller, and any other person who performs functions corresponding to those performed by the foregoing officers;

(3) "protected employee" means any employee of an acquiring railroad adversely affected by a transaction and any employee of a railroad in reorganization who on the effective date of this Act have not reached age 65;

(4) "class or craft of employees" means a group of employees, recognized and treated as a unit for purposes of collective bargaining, which is represented by a labor organization that has been duly authorized or recognized pursuant to the Railway Labor Act as its representative for purposes of collective bargaining;

(5) "representative of a class or craft of employees" means a labor organization which has been duly authorized or recognized as the collective bargaining representative of a class or craft of employees pursuant to the Railway Labor Act;

(6) "deprived of employment" means the inability of a protected employee to obtain a position by the normal exercise of his seniority rights with the Corporation after properly electing to accept employment therewith or, the subsequent loss of a position and inability, by the normal exercise of his seniority rights under the applicable collective bargaining agreements, to obtain another position with the Corporation: *Provided, however,* That provisions in existing collective bargaining agreements of a railroad in reorganization, which do not require a protected employee, in the normal exercise of seniority rights, to make a change in residence, in order to maintain his protection, will be preserved and will also be extended and be applicable to all other protected employees of that same craft or class. It shall not, however, include any deprivation of employment by reason of death, retirement, resignation, dismissal or disciplinary suspension for cause, failure to work due to illness or disability, nor any severance of employment covered by subsections (d) and (e) of section 505 of this title;

(7) "employee adversely affected with respect to his compensation" means a protected employee who suffers a reduction in compensation.

(8) "transaction" means actions taken pursuant to the provisions of this Act or the results thereof; and

(9) "change in residence" means transfer to a work location which is located either (A) outside a radius of 30 miles of the employee's former work location and farther from his residence than was his former work location or (B) is located more than 30 normal highway route miles from his residence and also farther from his residence than was his former work location.

EMPLOYMENT OFFERS

SEC. 502. (a) APPLICABLE LAW.—The Corporation and, where applicable, the Association shall be subject to the provisions of the Railway Labor Act and shall be considered employers for purposes of the Railroad Retirement Act, Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act. The Corporation, in addition, shall, except as otherwise specifically provided by this Act, be subject to all Federal and State laws and regulations applicable to carriers by railroad.

(b) MANDATORY OFFER.—The Corporation shall offer employment, to be effective as of the date of a conveyance or discontinuance of service under the provisions of this Act, to each employee of a railroad in reorganization who has not already accepted an offer of employment by the Association, where applicable, or an acquiring railroad. Such offers of employment to employees represented by labor organizations will be confined to their same craft or class. The Corporation shall apply to said employees the protective provisions of this title.

(c) ASSOCIATION.—After the transfer of rail properties pursuant to section 303, the Association, in employing any additional employees, shall give priority consideration to employees of a railroad in reorganization and the provisions of this title shall apply to any such employees employed by the Association as if they were employees of the Corporation.

ASSIGNMENT OF WORK

SEC. 503. The Corporation shall have the right to assign, allocate, reassign, reallocate, and consolidate work formerly performed on the rail properties acquired pursuant to the provisions of this Act from a railroad in reorganization to any location, facility, or position on its system provided it does not remove said work from coverage of a collective-bargaining agreement and does not infringe upon the existing classification of work rights of any craft or class of employees at the location or facility to which said work is assigned, allocated, reassigned, reallocated, or consolidated and shall have the right to transfer to an acquiring railroad the work incident to the rail properties or facilities acquired by said acquiring railroad pursuant to this Act, subject however, to the provisions of section 508 of this title.

COLLECTIVE-BARGAINING AGREEMENTS

SEC. 504. (a) INTERIM APPLICATION.—Until completion of the agreements provided for under subsection (d) of this section, the Corporation shall, as though an original party thereto, assume and apply on the particular lines, properties, or facilities acquired all obligations under existing collective-bargaining agreements covering all crafts and classes employed thereon, except that the Agreement of May 1936, Washington, D.C. and provisions in other existing job stabilization agreements shall not be applicable to transactions effected pursuant to this Act with respect to which the provisions of section 505 of this title shall be superseding and controlling. During this period, employees of a railroad in reorganization who have seniority on the lines, properties, or facilities acquired by the Corporation pursuant to this Act shall have prior seniority roster rights on such acquired lines, properties, or facilities.

(b) SINGLE IMPLEMENTING AGREEMENT.—On or before the date of the adoption of the final system plan by the Board of Directors of the Association as provided in section 207(c) of this Act, the representatives of the various classes or crafts of the employees of a railroad in reorganization involved in a conveyance pursuant to this Act and representatives of the Corporation shall commence negotiation of a single implementing agreement for each class and craft of employees affected providing (1) the identification of the specific employees of the railroad in reorganization to whom the Corporation offers employment; (2) the procedure by which those employees of the railroad in reorganization may elect to accept employment with the Corporation; (3) the procedure for acceptance of such employees into the Corporation's employment and their assignment to positions on the Corporation's system; (4) the procedure for determining the seniority of such employees in their respective crafts or classes on the Corporation's system which shall, to the extent possible, preserve their prior seniority rights; and (5) the procedure for determining equitable adjustment in rates of comparable positions. If no agreement with respect to the matters referred to in this subsection is reached by the end of 30 days after the commencement of negotiations, the parties shall within an additional 10 days select a neutral referee and, in the event they are unable to agree upon the selection of such referee, then the National Mediation Board shall immediately appoint a referee. After a referee has been designated, a hearing on the dispute shall commence as soon as practicable. Not less than 10 days prior to the effective date of any conveyance pursuant to the provisions of this Act, the referee shall resolve and decide all matters in dispute with respect to the negotiation of said implementing agreement or agreements and shall render a decision which shall be final and binding and shall constitute the implementing agreement or agreements between the parties with respect to the transaction involved. The salary and expenses of the referee shall be paid pursuant to the provisions of the Railway Labor Act.

(c) RELATIONSHIP TO OTHER PROVISIONS.—Notwithstanding failure for any reason to complete implementing agreements provided for in subsection (b) of this section, the Corporation may proceed with a conveyance of properties, facilities, and equipment pursuant to the provisions of this Act and effectuate said transaction: *Provided,* That all protected employees shall be entitled to all of the provisions of such agreements, as finally determined, from the time they are adversely affected as a result of any such conveyance.

(d) NEW COLLECTIVE-BARGAINING AGREEMENTS.—Not later than 60 days after the effective date of any conveyance pursuant to the provisions of this Act, the representatives of the various classes or crafts of the employees of a railroad in reorganization involved in a conveyance and representatives of the Corporation shall commence negotiations of new collective-bargaining agreements for each class and craft of employees covering the rates of pay, rules, and working conditions of employees who are employees of the Corporation, which collective-bargaining agreements shall include appropriate provisions concerning rates of pay, rules, and working conditions but shall not include any provisions for job stabilization resulting from any transaction effected pursuant to this Act which may exceed or conflict with those established or prescribed herein.

EMPLOYEE PROTECTION

SEC. 505. (a) EQUIVALENT POSITION.—A protected employee whose employment is governed by a collective-bargaining agreement will not, except as explicitly provided in this title, during the period in which he is entitled to protection, be placed in a worse position with respect to compensation, fringe benefits, rules, working conditions, and rights and privileges pertaining thereto.

(b) MONTHLY DISPLACEMENT ALLOWANCE.—A protected employee, who has been deprived of employment or adversely affected with respect to his compensation shall be entitled to a monthly displacement allowance computed as follows:

(1) Said allowance shall be determined by computing the total compensation received by the employee, including vacation allowances and monthly compensation guarantees, and his total time paid for during the last 12 months immediately prior to his being adversely affected in which he performed compensated service more than 50 per centum of each of such months, based upon his normal work schedule, and by dividing separately the total compensation and the total time paid for by 12, thereby producing the average monthly compensation and average monthly time paid for; and, if an employee's compensation in his current position is less in any month in which he performs work than the aforesaid average compensation, he shall be paid the difference, less any time lost on account of voluntary absences other than vacations, but said protected employee shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of his average monthly time, *Provided, however,* That—

(A) in determining compensation in his current employment the protected employee shall be treated as occupying the position, producing the highest rate of pay to which his qualifications and seniority entitle him under the applicable collective bargaining agreement and which does not require a change in residence;

(B) the said monthly displacement allowance shall be reduced by the full amount of any unemployment compensation benefits received by the protected employee and shall be reduced by an amount equivalent to any earnings of said protected employee in any employment subject to the Railroad Retirement Act and 50 per centum of any earnings in any employment not subject to the Railroad Retirement Act;

(C) a protected employee's average monthly compensation shall be adjusted from time to time thereafter to reflect subsequent general wage increases;

(D) should a protected employee's service total less than 12 months in which he performs more than 50 per centum compensated service based upon his normal work schedule in each of said months, his average monthly compensation shall be determined by dividing separately, the total compensation received by the employee and the total time for which he was paid by the number of months in which he performed more than 50 per centum compensated service based upon his normal work schedule; and

(E) the monthly displacement allowance provided by this section shall in no event exceed the sum of $2,500 in any month except that such amount shall be adjusted to reflect subsequent general wage increases.

(2) A protected employee's average monthly compensation under this section shall be based upon the rate of pay applicable to his employment and shall include increases in rates of pay not in fact paid but which were provided for in national railroad labor agreements generally applicable during the period involved.

(3) If a protected employee who is entitled to a monthly displacement allowance served as an agent of a representative of a class or craft of employees on either a full- or part-time basis in the 12 months immediately preceding his being adversely affected, his monthly displacement allowance shall be computed by taking the average of the average monthly compensation and average monthly time paid for of the protected employees immediately above and below him on the same seniority roster or his own monthly displacement allowance, whichever is greater.

(4) An employee and his representative shall be furnished with a protected employee's average monthly compensation and average monthly time paid for, computed in accordance with the terms of this subsection, together with the data upon which such computations are based, within 30 days after the protected employee notifies the Corporation in writing that he has been deprived of employment or adversely affected with respect to his compensation.

(c) DURATION OF DISPLACEMENT ALLOWANCE.—The monthly displacement allowance provided for in subsection (b) of this section shall continue until the attainment of age 65 by a protected employee with 5 or more years of service on the effective date of this Act and, in the case of a protected employee who has less than 5 years service on such date, shall continue for a period equal to his total prior years of service: *Provided,* That such monthly displacement allowance shall terminate upon the protected employee's death, retirement, resignation, or dismissal for cause; and shall be suspended for the period of disciplinary suspension for cause, failure to work due to illness or disability, voluntary furlough, or failure to retain or obtain a position available to him by the exercise of his seniority rights in accordance with the provisions of this section.

(d) TRANSFER.—(1) A protected employee who has been deprived of employment may be required by the Corporation, in inverse seniority order and upon reasonable notice, to transfer to any bona fide vacancy for which he is qualified in his same class or craft of employee on any part of the Corporation's system and shall then be governed by the collective-bargaining agreement applicable on the seniority district to which transferred. If such transfer requires a change in residence, any such protected employee may choose (A) to voluntarily furlough himself at his home location and have his monthly displacement allowance suspended during the period of voluntary furlough, or (B) to be severed from employment upon payment to him of a separation allowance computed as provided in subsections (e) and (f) of this section, which separation allowance shall be in lieu of all other benefits provided by this title.

(2) Such protected employee shall not be required to transfer to a location requiring a change in residence unless there is a bona fide need for his services at such location. Such bona fide need for services contemplates that the transfer be to a position which has not and cannot be filled by employees who are not required to make a change in residence in the seniority district involved and which, in the absence of this section, would have required the employment of a new employee.

(3) Such protected employee who, at the request of the Corporation, has once accepted and made a transfer to a location requiring a change in residence shall not be required again to so transfer for a period of 3 years.

(4) Transfers to vacancies requiring a change in residence shall be subject to the following:

(A) The vacancy shall be first offered to the junior qualified protected employee deprived of employment in the seniority district where the vacancy exists, and each such employee shall have 20 days to elect one of the options set forth in paragraph (1) of this subsection. If that employee elects not to accept the transfer, it will then be offered in inverse seniority order to the remaining qualified, protected employees deprived of employment on the seniority district, who will each have 20 days to elect one of the options set forth in paragraph (1) of this subsection.

(B) If the vacancy is not filled by the procedure in paragraph (4)(A) of this subsection, the vacancy will then be offered in the inverse order of seniority to the qualified protected employees deprived of employment on the system and each of such employees will be afforded 30 days to elect one of the options set forth in paragraph (1) of this subsection.

(C) The provisions of this paragraph shall not prevent the adoption of other procedures pursuant to an agreement made by the Corporation and representative of the class or craft of employees involved.

(e) SEPARATION ALLOWANCE.—A protected employee who is tendered and accepts an offer by the Corporation to resign and sever his employment relationship in consideration of payment to him of a separation allowance, and any protected employee whose employment relationship is severed in accordance with subsection (d) of this section, shall be entitled to receive a lump-sum separation allowance not to exceed $20,000 in lieu of all other benefits provided by this title. Said lump-sum separation allowance, in the case of a protected employee who had not less than 3 nor more than 5 years of service as of the date of this Act, shall amount to 270 days' pay at the rate of the position last held and, in the case of a protected employee having had 5 or more years' service, shall amount to the number of days' pay indicated below at the rate of the position last held dependent upon the age of the protected employee at the time of such termination of employment:

60 or under	360 days' pay
61	300 days' pay
62	240 days' pay
63	180 days' pay
64	120 days' pay.

(f) TERMINATION ALLOWANCE.—The Corporation may terminate the employment of an employee of a railroad in reorganization, who has less then 3 years' service as of the effective date of this Act: *Provided, however,* That in such event the terminated employee shall be entitled to receive a lump sum separation allowance in an amount determined as follows:

2 to 3 years' service	180 days' pay at the rate of the position last held.
1 to 2 years' service	90 days' pay at the rate of the position last held.
Less than 1 year's service	5 days' pay at the rate of the position last held for each month of service.

(g) MOVING EXPENSE BENEFITS.—Any protected employee who is required to make a change of residence as the result of a transaction shall be entitled to the following benefits—

(1) Reimbursement for all expenses of moving his household and other personal effects, for the traveling expense of himself and members of his family, including living expenses for himself and his family, and for his own actual wage loss, not to exceed 10 working days: *Provided,* That the Corpora-

tion of acquiring railroad shall, to the same extent provided above, assume said expenses for any employee furloughed within 3 years after changing his point of employment as a result of a transaction, who elects to move his place of residence back to his original point of employment. No claim for reimbursement shall be paid under the provisions of this section unless such claim is presented to the Corporation or acquiring railroad within 90 days after the date on which the expenses were incurred.

(2) (A) (i) If the protected employee owns, or is under a contract to purchase, his own home in the locality from which he is required to move and elects to sell said home, he shall be reimbursed for any loss suffered in the sale of his home for less than its fair market value. In each case the fair market value of the home in question shall be determined as of a date sufficiently prior to the date of the transaction so as to be unaffected thereby. The Corporation or an acquiring railroad shall in each instance be afforded an opportunity to purchase the home at such fair market value before it is sold by the employee to any other person.

(ii) A protected employee may elect to waive the provisions of paragraph (2) (A) (i) of this subsection and to receive, in lieu thereof, an amount equal to his closing costs which are ordinarily paid for and assumed by a seller of real estate in the jurisdiction in which the residence is located. Such costs shall include a real estate commission paid to a licensed realtor (not to exceed $3,000 or 6 per centum of sale price, whichever is less), and any prepayment penalty required by the institution holding the mortgage; such costs shall not include the payment of any "points" by the seller.

(B) If the protected employee holds an unexpired lease on a dwelling occupied by him as his home, he shall be protected from all loss and cost in securing the cancellation of said lease.

(C) No claim for costs or loss shall be paid under the provisions of this paragraph unless the claim is presented to the Corporation or an acquiring railroad within 90 days after such costs or loss are incurred.

(D) Should a controversy arise with respect to the value of the home, the costs or loss sustained in its sale, the costs or loss under a contract for purchase, loss or cost in securing termination of a lease, or any other question in connection with these matters, it shall be decided through joint conference between the employee, or his representative, and the Corporation or an acquiring railroad. In the event they are unable to agree, the dispute or controversy may be referred by either party to a board of competent real estate appraisers, selected in the following manner: One to be selected by the employee or his representative and one by the Corporation or acquiring railroad, and these two, if unable to agree upon a valuation within 30 days, shall endeavor by agreement within 10 days thereafter to select a third appraiser, or to agree to a method by which a third appraiser shall be selected, and, failing such agreement, either party may request the National Mediation Board to designate within 10 days a third qualified real estate appraiser whose designation will be binding upon the parties. A decision of a majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

(h) Application of Title.—Should a railroad rearrange or adjust its forces in anticipation of a transaction with the purpose or effect of depriving a protected employee of benefits to which he otherwise would have become entitled under this title, the provisions of this title will apply to such employee.

CONTRACTING OUT

Sec. 506. All work in connection with the operation or services provided by the Corporation on the rail lines, properties, equipment, or facilities acquired pursuant to the provisions of this Act and the maintenance, repair, rehabilitation, or modernization of such lines, properties, equipment, or facilities which has been performed by practice or agreement in accordance with provisions of the existing contracts in effect with the representatives of the employees of the classes or crafts involved shall continue to be performed by said Corporation's employees, including employees on furlough. Should the Corporation lack a sufficient number of employees, including employees on furlough, and be unable to hire additional employees, to perform the work required, it shall be permitted to subcontract that part of such work which cannot be performed by its employees, including those on furlough, except where agreement by the representatives of the employees of the classes or crafts involved is required by applicable collective-bargaining agreements. The term "unable to hire additional employees" as used in this section contemplates establishment and maintenance by the Corporation of an apprenticeship, training, or recruitment program to provide an adequate number of skilled employees to perform the work.

ARBITRATION

Sec. 507. Any dispute or controversy with respect to the interpretation, application, or enforcement of the provisions of this title, except section 504(d) and those disputes or controversies provided for in subsection (g) (2) (D) of section 505 and subsection (b) of section 504 which have not been resolved within 90 days, may be submitted by either party to an Adjustment Board for a final and binding decision thereon as provided in section 3 Second, of the Railway Labor Act, in which event the burden of proof on all issues so presented shall be upon the Corporation or, where applicable, the Association.

ACQUIRING RAILROADS

Sec. 508. An acquiring railroad shall offer such employment and afford such employment protection to employees of a railroad from which it acquires properties or facilities pursuant to this Act, and shall further protect its own employees who are adversely affected by such acquisition, as shall be agreed upon between the said acquiring railroad and the representatives of such employees prior to said acquisition: *Provided, however,* That the protection and benefits provided for protected employees in such agreements shall be the same as those specified in section 505 of this title: *And provided further, however,* That unless and until such agreements are reached, the acquiring railroad shall not enter into purchase agreements pursuant to section 303 of this Act.

PAYMENTS OF BENEFITS

Sec. 509. The Corporation, the Association (where applicable), and acquiring railroads, as the case may be, shall be responsible for the actual payment of all allowances, expenses, and costs provided protected employees pursuant to the provisions of this title. The Corporation, the Association (where applicable), and acquiring railroads shall then be reimbursed for such actual amounts paid protected employees, not to exceed the aggregate sum of $250,000,000, pursuant to the provisions of this title by the Railroad Retirement Board upon certification to said Board by the Corporation, the Association (where applicable), and acquiring railroads of the amounts paid such employees. Such reimbursement shall be made from a separate account maintained in the Treasury of the United States to be known as the Regional Rail Transportation Protective Account. There is hereby authorized to be appropriated to such protective account annually such sums as may be required to meet the obligations payable hereunder, not to exceed in the aggregate, however, the sum of $250,000,000. There is further authorized to be appropriated to the Railroad Retirement Board annually such sums as may be necessary to provide for additional administrative expenses to be incurred by the Board in the performance of its functions under this section.

TITLE VI—MISCELLANEOUS PROVISIONS

RELATIONSHIP TO OTHER LAWS

Sec. 601. (a) Antitrust.—(1) Except as specifically provided in paragraph (2) of this subsection, no provision of this Act shall be deemed to convey to any railroad or employee or director thereof any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

(2) The antitrust laws are inapplicable with respect to any action taken to formulate or implement the final system plan where such action was in compliance with the requirements of such plan.

(3) As used in this subsection, "antitrust laws" includes the Act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended; the Act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended; sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570), as amended; the Act of June 19, 1936 (ch. 592, 49 Stat. 1526), as amended; and the antitrust laws of any State or subdivision thereof.

(b) Commerce and Bankruptcy.—The provisions of the Interstate Commerce Act (49 U.S.C. 1 et seq.) and the Bankruptcy Act (11 U.S.C. et seq.) are inapplicable to transactions under this Act to the extent necessary to formulate and implement the final system plan whenever a provision of any such Act is inconsistent with this Act.

(c) Environment.—(1) The provisions of section 102(2) (C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2) (C)) shall not apply with respect to any action taken under authority of this Act before the effective date of the final system plan.

(d) Northeast Corridor.—(1) Rail properties designated in accordance with section 206(c) (1) (C) of this Act shall be leased or may (at its option) be purchased or otherwise acquired by the National Railroad Passenger Corporation. The Corporation shall negotiate an appropriate sale or lease agreement with the National Railroad Passenger Corporation as provided in the final system plan.

(2) Properties acquired by purchase, lease, or otherwise pursuant to this subsection shall be improved in order to meet the goal set forth in section 206(a) (3) of this Act, relating to improved high-speed passenger service, by the earliest practicable date after the date of enactment of this Act.

(3) The Secretary shall begin the necessary engineering studies and improvements upon enactment.

(4) The final system plan shall provide for any necessary coordination with freight or commuter services of use of the faciilties designated in section 206(c) (1) (C) of this Act. Such coordination may be effectuated through a single operating entity, designated in the final system plan, or as mutually agreed upon by the interested parties.

(5) Construction or improvements made pursuant to this subsection may be made in consultation with the Corps of Engineers.

(e) Emergency Service.—Section 1(16) of the Interstate Commerce Act (49 U.S.C. 1 (16)) is amended by inserting "(a)" before the word "Whenever" in the first sentence and adding the following new paragraph:

"(b) Whenever any carrier by railroad is unable to transport the traffic offered it because—

"(1) its cash position makes its continuing operation impossible;

"(2) it has been ordered to discontinue any service by a court; or

"(3) it has abandoned service without obtaining a certificate from the Commission pursuant to this section;

the Commission may, upon the same procedure as provided in paragraph (15) of this section, make such just and reasonable directions with respect to the handling, routing, and movement of the traffic available to such carrier and its distribution over such carrier's lines, as in the opinion of the Commission will best promote the service in the interest of the public and the commerce of the people subject to the following conditions:

"(A) Such direction shall be effective for no longer than 60 days unless extended by the Commission for cause shown for an additional designated period not to exceed 180 days.

"(B) No such directions shall be issued that would cause a carrier to operate in violation of the Federal Railroad Safety Act of 1970 (45 U.S.C. 421) or that would substantially impair the ability of the carrier so directed to serve adequately its own patrons or to meet its outstanding common carrier obligations.

"(C) The directed carrier shall not, by reason of such Commission direction, be deemed to have assumed or to become responsible for the debts of the other carrier.

"(D) The directed carrier shall hire employees of the other carrier to the extent such employees had previously performed the directed service for the other carrier, and, as to such employees as shall be so hired, the directed carrier shall be deemed to have assumed all existing employment obligations and practices of the other carrier relating thereto, including, but not limited to, agreements governing rate of pay, rules and working conditions, and all employee protective conditions commencing with and for the duration of the direction.

"(E) Any order of the Commission entered pursuant to this paragraph shall provide that if, for the period of its effectiveness, the cost, as hereinafter defined, of handling, routing, and moving the traffic of another carrier over the other carrier's lines of road shall exceed the direct revenues therefor, then upon request, payment shall be made to the directed carrier, in the manner hereinafter provided and within 90 days after expiration of such order, of a sum equal to the amount by which such cost has exceeded said revenues. The term 'cost' shall mean those expenditures made or incurred in or attributable to the operations as directed, including the rental or lease of necessary equipment, plus an appropriate allocation of common expenses, overheads, and a reasonable profit. Such cost shall be then currently recorded by the carrier or carriers in such manner and on such forms as by general order may be prescribed by the Commission and shall be submitted to and subject to audit by the Commission. The Commission shall certify promptly to the Secretary of the Treasury the amount of payment to be made to said carrier or carriers under the provisions of this paragraph. Payments required to be made to a carrier under the provisions of this paragraph shall be made by the Secretary of the Treasury from funds hereby authorized to be appropriated in such amounts as may be necessary for the purpose of carrying out the provisions hereof."

ANNUAL EVALUATION BY THE SECRETARY

SEC. 602. As part of his annual report each year, the Secretary shall transmit to Congress each year a comprehensive report on the effectiveness of the Association and the Corporation in implementing the purposes of this Act, together with any recommendations for additional legislative or other action.

FREIGHT RATES FOR RECYCLABLES

SEC. 603. The Commission shall, by expedited proceedings, adopt appropriate rules under the Interstate Commerce Act (49 U.S.C. 1 et seq.) which will eliminate discrimination against the shipment of recyclable materials in rate structures and in other Commission practices where such discrimination exists.

SEPARABILITY

SEC. 604. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the House bill and agree to the same.

HARLEY O. STAGGERS,
JOHN JARMAN,
JOHN D. DINGELL,
BROCK ADAMS,
BERTRAM L. PODELL,
RALPH H. METCALFE,
DAN KUYKENDALL,
J. SKUBITZ,
LOUIS FREY, Jr.,
DICK SHOUP,
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN PASTORE,
VANCE HARTKE,
RUSSELL LONG,
ROBERT P. GRIFFIN,
MARLOW W. COOK,
J. GLENN BEALL, Jr.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northern region; to provide financial assistance to certain rail carriers; and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill, and the House disagreed to the Senate amendments.

The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the text of the House bill, with an amendment which is a substitute for both the text of the House bill and the Senate amendment to the text of the House bill. The committee of conference also recommends that the House recede from its disagreement to the amendment of the Senate to the title of the House bill.

The differences between the text of the House bill, the Senate amendment thereto, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

STRUCTURE OF ASSOCIATION TO PLAN AND FINANCE AND CORPORATION TO OPERATE NEW RAIL SERVICE SYSTEM IN THE REGION

Both the House bill and the Senate amendment established a new nonprofit Association to prepare and implement the final system plan for rail service in the Northeast and Midwest and to provide financial assistance for the acquisition and improvement of rail properties of railroads in reorganization in the region. Both the House bill and the Senate amendment also established a new for-profit Corporation to operate rail service in the region as designated in the final system plan.

House bill

The House bill provided for the establishment of a Federal National Railway Association and a Federal Rail Corporation.

The Association was to have a 9-member Board of Directors, consisting of a chairman appointed by the President by and with the advice and consent of the Senate, the Secretary of Transportation, the Chairman of the Interstate Commerce Commission, the Chairman of the Federal Reserve Board, and five nongovernment members consisting of one member representative, respectively, of shippers by rail, railroads not in reorganization, State Governors, cities and Mayors, and organized labor, to be appointed by the President (from not less than 2 individuals recommended in each case by the Governors, Mayors, and labor) by and with the advice and consent of the Senate, for a 3-year term. The Association was to have an executive committee consisting of the chairman of the Association, the Secretary of DOT, and the Chairman of the ICC. No restriction was placed on the compensation that could be paid to employees of the Association; members of the Board of Directors were to receive $150 for each meeting attended. The Association's financial transactions were authorized to be audited by the Comptroller General of the United States The Association was directed to submit a comprehensive and detailed annual report of its activities and attainments to the President and Congress. It would be a violation for any other person or entity to use the Association's official name as the name under which he or it shall do business.

The House bill authorized and directed the Corporation to be established, with the members of the executive committee of the Association as the incorporators and initial Board of Directors. The Corporation was to be a private entity with its principal office in Philadelphia, Pennsylvania and to be organized under the laws of any State. So long as more than one-half of the Corporation's indebtedness was from the Association or guaranteed by the Secretary of Transportation, no individual could be a director of the Corporation without being approved by the Board of Directors of the Association. No restriction was placed on the compensation that could be paid employees of the Corporation. The Corporation's financial transactions could be audited by the Comptroller General of the United States for any year during which Federal financial assistance was used to finance any portion of its operations. The Corporation was directed to transmit a comprehensive and detailed annual report of its activities and attainments to the President and Congress.

Senate amendment

The Senate amendment provided for the establishment of a Government National Railway Association and a United Rail Corporation.

The Association was to have a 13-member Board of Directors, consisting of a chairman appointed by the President by and with the advice and consent of the Senate, the Secretary of Transportation, the Chairman of the Interstate Commerce Commission, the Secretary of the Treasury, the Administrator of the Environmental Protection Agency, and eight nongovernment members, consisting of two members representative of shippers, and one member representative, respectively, of profitable railroads, organized labor, State Governors, cities and Mayors, consumer organizations, and the financial community, to be appointed by the President (from lists of no less than 3 qualified individuals recommended by the group to be represented) by and with the advice and consent of the Senate for initial staggered terms of 2, 4, and 6 years as designated by the President at the time of nomination and thereafter for 6 years. The Association was to have an executive committee consisting of the Chairman of the Association, the Secretary of DOT, and 3 other members selected by the members of the Board of Directors. The Board was to appoint a President of the Association upon DOT's recommendation. No officer of the Association could receive compensation in excess of that prescribed for level I of the Executive Schedule (currently $60,000 per annum); members of the Board of Directors were to receive $300 per day when performing official duties plus expenses. The receipts and disbursements of the Association were not to be included in the totals of the Federal Government's budget, and the Association was added to the list of entities regulated pursuant to section 201 of the Government Corporation Control Act. The Association was directed to submit a comprehensive and detailed annual report to the Congress and the President with 8 items specifically listed to be included in each report. It would be a violation for any other person or entity to use the Association's name in doing business.

The Senate amendment directed a for-profit Corporation to be established within 300 days after enactment, with the members of the executive committee of the Association as the incorporators and initial Board of Directors. The Corporation was to be a private entity with its principal office in Philadelphia, Pennsylvania and to be organized under the laws of any State. The Corporation was to have a 15-member Board of Directors. So long as a substantial amount, as determined by the Secretary of the Treasury, of the indebtedness of the Corporation was owed to or guaranteed by the United States, the Board of Directors would include the Secretary of Transportation, the Chairman and President of the Association, and 5 individuals appointed by the President by and with the advice and consent of the Senate; the Corporation would be barred from paying any officer compensation in excess of that prescribed for level I of the Executive Schedule (currently $60,000 per annum); and for purposes of a Federal audit, the Corporation would be subject to section 201 of the Government Corporation Control Act. The Corporation was directed to transmit a comprehensive and detailed annual report of its activities and accomplishments to the Congress and the President. It would be a violation for any person to use its official name for any business purpose.

Conference substitute

The conference substitute essentially follows the Senate version, except as follows:

(1) There shall be established a United States Railway Association and a Consolidated Rail Corporation.

(2) The Association is to have an 11-member board of directors, consisting of a Chairman appointed by the President by and with the advice and consent of the Senate, the Secretary of Transportation, the Chairman of the Interstate Commerce Commission, the Secretary of the Treasury, and seven nongovernment members consisting of two members representative of shippers, and one member representative, respectively, of profitable railroads, organized labor, State Governors, cities and Mayors, and the financial community, to be appointed by the President (from lists of no less than 3 qualified individuals recommended by the group to be represented) by and with the advice and consent of the Senate for staggered terms of 2, 4, and 6 years as designated by the President at the time of nomination. Beginning 45 days after the date of incorporation six members, including 3 nongovernment members, will constitute a quorum of the board for the transaction of any function.

(3) The Association is to have an Executive Committee consisting of the Chairman of the Association, the Secretary of DOT, the Chairman of the ICC, and 2 other members of the Board selected by the Board of Directors.

(4) The receipts and disbursements of the Association, except for administrative expenses, are not to be included in the totals of the budget of the United States Government. An annual submission is to be made to the Office of Management and Budget as to administrative expenses. A detailed annual report, including all of the specifically listed items in the Senate amendment except paragraph (7), is to be submitted to the Congress and the President by the Association.

(5) The Corporation is to have a 15-member board of directors. So long as 50 per centum of the indebtedness of the Corporation is owed to or guaranteed by the United States, the Board of Directors would include the Secretary of Transportation, the Chairman and President of the Association, and 5 individuals appointed by the President by and with the advice and consent of the Senate. The Corporation would not be barred from paying compensation to any officer in excess of the Executive Schedule Level 1.

EMPLOYEE STOCK OWNERSHIP PLAN

House bill

No provision.

Senate amendment

The Senate amendment required that the final system plan adopted by the Association evaluate the practicability and the manner in which, if practicable and recommended, employee stock ownership plans were to be used by the Corporation for meeting its capitalization requirements. Special consideration was to be given to railroads requesting loans from the Association if they have an employee stock ownership plan. Such a plan was defined in the Senate amendment as a corporate finance technique that uses a tax-code-qualified stock bonus trust or company stock money purchase pension trust in connection with any capital requirements of a corporation and which is designed to build a stockholder interest in the employer corporation into each of the employees in relation to their incomes but which does not require the employees to make any cash outlay or to suffer any reduction in pay or other benefits or rights.

Conference substitute

The conference substitute adopted the Senate definition of employee stock ownership plan, but made clear that the Association's study of the practicability of such a plan for the new Corporation does not require that any such plan be established. The conference substitute amended the House-adopted section on initial capitalization of the Corporation to permitting it to repurchase common stock initially issued through payments out of profits in order to establish an employee stock ownership plan. The conference substitute does not require that special consideration be given to railroads requesting loans from the Association which have an employee stock ownership plan.

POWERS AND DUTIES OF ASSOCIATION AND CORPORATION

In addition to functions specifically relating to planning and implementation of the new rail service system in the region and other specific powers and duties which are noted below, both the House bill and the Senate amendment conferred certain general powers and duties on the Association and the Corporation.

House bill

The House bill authorized the Association to adopt and amend bylaws; to issue necessary rules and regulations; and to have such officers as the Board of Directors may appoint except that no such officer may have, during the time of his employment by the association any direct or indirect employment or financial relationship with any railroad. Further, no individual could be an officer of the Association if at any time he had any direct or indirect employment or financial relationship with any railroad in reorganization. The Association was granted all of the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act. Its moneys could be kept as cash on hand, deposited, or invested in investments lawful for fiduciary trust or public funds. The Association was exempted from all taxation, except local real property taxation.

The Corporation was to have the powers to carry out its purpose to acquire the rail properties of railroads in reorganization under this Act; to operate, rehabilitate, and modernize those rail properties included in the Corporation's rail system under the final system plan; and to contract for the operation of rail lines not included in its system under the final system plan. It was further authorized to have the powers conferred under the laws of any States in which it is incorporated and the usual powers of a railroad under the laws of any State where it and any subsidiary created by it are operating.

Senate amendment

The Senate amendment authorizes the Association to adopt, amend, and repeal bylaws; to adopt, amend, and repeal necessary rules and regulations; to sue and be sued in its name; to appoint, fix the compensation, and assign the duties of such employees as it deems necessary or appropriate except that no individual may hold an employment position in violation of regulations to be established by the Secretary of Transportation to avoid conflicts of interest and to protect the interests of the public; to acquire and dispose of property; to consult with and request the assistance of the Army Corps of Engineers with respect to improvements to rail properties financed by any obligations issued or loans made by it; to consult with representatives of science, industry, and other groups as it deems advisable; and to enter into contracts and do all things necessary, appropriate, or incidental to the proper management of its affairs. The Association was further authorized to consult on an ongoing basis with the Attorney General and the Chairman of the Federal Trade Commission to assess the possible anticompetitive effects of various proposals regarding the rail reorganization; the FTC and the Attorney General were required to prepare and transmit various specific reports etc. regarding potential anticompetitive effects. The Association was made subject, to the extent not inconsistent with this proposed Act, to the D.C. Nonprofit Corporation Act; its moneys could be deposited or invested in investments lawful for fiduciary trust, or public funds; and the Associaton was exempted from all taxation except local real property taxation.

The Corporation was to have all the powers vested in it under this proposed Act, including the authority to take all steps necessary to acquire rail properties in accordance with the final system plan; to operate, rehabilitate, and modernize such rail properties; and to maintain adequate and efficient rail service in the region. It was further authorized to have the powers conferred under the laws of any States in which it is incorporated and the powers of a railroad in any State in which it operates. So long as a substantial amount, as determined by the Secretary of the Treasury, of its indebtedness consisted of obligations of the Association or other debts owing to or guaranteed by the United States, the Corporation would not be permitted to engage in nontransportation related activities.

Conference substitute

The conference substitute follows the provisions of the Senate amendment with the following changes:

(1) The general power to execute contracts and do all things necessary to the management of Association affairs is not included. The substitute inserts in lieu thereof a provision permitting it to enter into contracts and other transactions necessary to the conduct of its functions and duties without regard to section 3709 of the Revised Statutes (in competitive bidding);

(2) The provisions requiring the Attorney General and the Chairman of the FTC to prepare reports and granting them access to information were deleted. The Attorney General and Chairman of the FTC are authorized to consult regarding possible anticompetitive effects;

(3) The Corporation will be prohibited from engaging in nontransportation related activities so long as 50 per centum of its indebtedness consists of obligations of the Association or other debts owing to or guaranteed by the United States.

ACCESS TO INFORMATION

House bill

Each railroad operating in the region prior to the effective date of the final system plan was required to provide the Association and the Secretary of Transportation with such information as may be requested in connection with the performance of any function under this Act. This information could be obtained by subpoena; a refusal to obey such a subpoena could be punished by the Federal district courts as contempt. The provisions were not to be construed to authorize the Association or the Secretary or any railroad in the region to withhold any information from the duly authorized committees of Congress.

Senate amendment

The Senate amendment required each railroad (both in and outside the region) to maintain such records and provide such information as the Secretary of DOT, the Planning Office of the ICC, or the Association shall reasonably require or request which is relevant to any function under this Act without regard to when such request was made. Inspection authority and enforcement by subpoena was provided. Contumacy or refusal to obey such a subpoena or order was to be treated by the appropriate Federal district court as a contempt of court upon the petition of the appropriate official.

Conference substitute

The conference substitute grants the Secretary, the Office, and Association authority to obtain relevant information from each railroad operating in the region in connection with the performance of their respective functions under this Act. No such information, however, may be requested after the effective date of the final system plan.

In addition, each railroad or other person or government entity seeking financial assistance from the Association is required to make available such records and information as the Association may request. Inspection, hearing, and enforcement authority, including subpoena powers, are granted for access to information and violations are to be treated as contempt of court. Nothing shall authorize the withholding of information from any duly authorized committees of the Congress.

THE PROCESS OF PLANNING AND APPROVING THE NEW RAIL SERVICE SYSTEM IN THE REGION

Both the House bill and the Senate amendment contemplated a planning process involving the Department of Transportation, the Interstate Commerce Commission, and the Association. Under both versions, 450 days after the date of enactment of this Act, the Board of Directors of the Association, by majority vote, would be expected to adopt and submit to Congress for its approval a final system plan.

House bill

Within 60 days after enactment, each U.S. district court having jurisdiction over a railroad in reorganization was to decide whether that railroad could be reorganized on an income basis. As to any railroad which was found not to be so reorganizable, the court was to enter an order directing the railroad to be reorganized under this Act or it could entertain a motion to dismiss the reorganization proceedings under section 77 of the Bankruptcy Act. Within 30 days after enactment, the Secretary of Transportation was to prepare and submit a preliminary report containing his recommendations for the identification of geographic zones in the region within which rail freight service should be provided. Within 30 days after this DOT study was completed, the Director of the special Office in the ICC was to solicit comment, data, and argument on the Secretary's core rail service report from all interested parties, and to hold public hearings thereon in at least 12 different locations in the region. Within 90 days after enactment (or 30 days after solicitation of comment has been completed), the Director of the Office was to submit to the ICC and the Association his recommendations for the preparation of a final report on core rail service together with a summary and analysis of the recommendations of those who commented on the DOT report. Within 120 days after enactment, the Commission was to submit a final report on core rail service, which was to be submitted to the Board of Directors of the Association. Within 30 days after receipt of that report (150 days after the date of enactment), the Board of Directors of the Association, by majority vote, was to approve a final report on core rail service which would be consistent with the goals for the final system plan which are mandated in the Act.

Within 300 days after enactment the executive committee of the Association was to prepare and submit to the Office in the ICC a preliminary system plan, with copies to be made available to interested parties, the States and public utility commissions in the region, local governments, and consumer groups. Upon receipt of the preliminary system plan, the Office was to hold public hearings on it in at least 12 different locations in the region, and within 60 days after receipt the Director of the Office was to submit to the association's executive committee a summary of the recommendations of those who commented on the preliminary system plan.

Within 60 days after receipt of this summary of recommendations from the Office (420 days after the date of enactment of this Act), the executive committee of the Association was to prepare and submit to the Board of Directors of the Association a final system plan. Within 30 days thereafter, the Board, by majority vote, was to approve a final system plan that was consistent with the requirements of this Act and which included substantially all the rail service envisioned in the final report on core rail service.

The Directors were to submit the final system plan adopted by them to both Houses of Congress. The final system plan would become effective at the end of the first period of 60 days of continuous session of Congress after the date of transmittal of this plan, unless prior to the end of that period either House of Congress passed a resolution stating in substance that it did not favor the final system plan. If rejected, the Board of Directors of the Association would deliver a revised final system plan to the Congress in the same manner, subject to review in the same manner as the original final system plan. The final system plan which became effective in this manner could not be reviewable by any court or body, except as provided in this bill.

Senate amendment

Under the Senate amendment, the planning process similarly started immediately upon the date of enactment of the Act. The Secretary of Transportation would prepare and within 30 days submit a comprehensive report containing his conclusions and recommendations with respect to rail services in the region. At the same time, the ICC would organize a special Office known as the Rail Emergency Planning Office to be administered by a Director. Within 240 days after enactment, the Office would submit a comprehensive report surveying needs and possibilities for rail services and cost savings in the region. Within 300 days the Office would submit its proposal and recommended plan for the new rail system, a proposal meeting all requirements for a final system plan.

These investigation results and reports would be submitted to the Association which would simultaneously be undertaking similar activities. Within 300 days after enactment, the Association would be required to adopt and release a preliminary system plan, on the basis of its own investigations, consultations, research, evaluation, and analysis and on the basis of reports and other information submitted to it by the Secretary, the Office, the Chairman of the Federal Trade Commission, and Attorney General, and interested persons. For the next 60 days interested persons would be invited to submit comments on this plan, and the Secretary, the Office, and the Association were authorized to hold public hearings on the preliminary system plan. Within 60 days after the end of this comment period, the Secretary and the Director of the Office were required to submit to the Association a summary and analysis of these comments.

Within 90 days after the release of the preliminary system plan (that is, 390 days after enactment), each U.S. district court having jurisdiction over a railroad in reorganization was to decide whether such railroad should be reorganized pursuant to the provisions of this legislation. Each such court was directed to order reorganization under this Act, unless it found that the railroad subject to its jurisdiction was reorganizable on an income basis within a reasonable time under section 77 of the Bankruptcy Act and that the public interest would be better served by such a reorganization than by one under this Act, or, alternatively, that reorganization under this Act is not possible on terms that would be fair and equitable to the estate of such railroad.

Within 420 days after enactment, the President and the executive committee of the Association were to submit to the Board of Directors the final system plan. Within 30 days thereafter, the Board would be required to approve a final system plan meeting all of the requirements for such a plan.

The Directors were to submit the final system plan adopted by them to both Houses of Congress and the Commerce committees of the House of Representatives and the Senate. The final system plan is to be deemed approved (except as to maximum obligational authority) at the end of the first period of 60 calendar days of continuous session of Congress after the date of transmittal, unless either the House of Representatives or the Senate passes a resolution during that period stating that it does not favor the final system plan. If thus disapproved, the Association, with the cooperation and assistance of the Office, would be required to prepare and adopt a revised final system plan, to be submitted for congressional approval in the same manner as the initial final system plan. The obligational authority of the Association would not become effective unless approved as submitted or with modification by joint resolution of Congress. The final system plan which was adopted by the Association and which became effective after such congressional review could not be reviewed by any court except in accordance with this proposed Act.

Conference substitute

The conference substitute is the same as the Senate amendment with the following changes:

(1) the study functions assigned to the ICC special office in the Senate amendment have been assigned to the Association in order to avoid duplication of effort in designing the final system plan;

(2) the Office is specifically assigned the responsibility properly protecting the interests of communities and user of rail services who might not otherwise be adequately represented in the course of the hearings and evaluations which the Office is required to conduct;

(3) the Office is directed to study and evaluate the Secretary's report on rail services in the region and submit a report thereon to the Association within 120 days after the date of enactment; and

(4) the timing for decisions by the reorganization or other courts with regard to whether a railroad is reorganizable on an income basis or whether the "this Act does not provide a process which would be fair and equitable to the estate of the railroad in reorganization" has been modified. The conference substitute provides that, within 120 days after date of enactment, the reorganization or other court must decide whether a railroad in reorganization is reorganizable on an income basis within a reasonable period of time and that the public interest would be better served by continuing the present reorganization proceedings than by a reorganization under this bill. If the court decides that a railroad is not so reorganizable, the court is then required to order the railroad to proceed with reorganization pursuant to the bill. This court determination is to be submitted 60 days after the Office submits its study and evaluation of the Secretary's report on rail services in the region (180 days after the date of enactment), unless the court finds that the legislation does not provide a process which would be fair and equitable to the estate of the railroad in reorganization. If the court makes such a finding it is directed to dismiss the reorganization (or other) proceedings. Under the House bill the decision to proceed with reorganization under this legislation was to be made within 60 days after enactment in order to give the planners as much advance notice as possible as to those railroad properties which could be included in the final system plan. In the Senate amendment the decision was to be made within 390 days after enactment in order to give the court as much information about the reorganization process as possible. The conferees decided that a decision within 180 days after the date of enactment would provide the planners with adequate time to make their planning decisions, while simultaneously providing the court sufficient information concerning the process of reorganization under this legislation. For example, before the court is required to order a railroad to proceed in reorganization pursuant to this legislation, it will have the benefit of the Secretary's report on rail services in the region, the Office's public hearings and its study and evaluation of that report, and study information and preliminary planning endeavors of the Association to consider if any person tries to sustain the burden of showing that the process of reorganization pursuant to this legislation would not be fair and equitable.

THE FINAL SYSTEM PLAN

Under both the House bill and the Senate amendment, the final system plan is the basis for the reorganization of the railroads in the region.

House bill

The House bill declared that the final system plan should be formulated in light of 8 enumerated goals. The final system plan was to designate which rail properties of bankrupt railroads (railroads in reorganization determined not to be income reorganizable) should be conveyed to the Corporation and which should be offered for sale to nonbankrupt (railroads in reorganization determined to be income reorganizable) or profitable railroads; which rail properties of nonbankrupt railroads should be offered for sale to another nonbankrupt, a profitable railroad, or to the Corporation, or abandoned; which rail properties in the Northeast Corridor would be acquired by the Corporation for lease to the National Railroad Passenger Corporation (Amtrak); which rail properties should not be operated by the Corporation or any other railroad but which would be suitable for use for other public purposes; and which rail properties of profitable railroads should be recommended for transfer to the Corporation, nonbankrupt railroads, or other profitable railroads.

A provision of the House bill set forth terms and conditions in accordance with which such authorized conveyances would be carried out. All rail properties of a bankrupt railroad conveyed to the Corporation were to be conveyed in exchange for common stock of the Corporation and, if necessary, other securities of the corporation (which might include obligations of the Association). All other conveyances by a railroad in reorganization were to be conveyed in exchange for obligations having a value equal to the fair and equitable value of those rail properties. A profitable railroad could not acquire any rail properties under this Act without a prior determination that such acquisition would not materially impair the profitability of any other profitable railroad or the Corporation. A profitable railroad was defined, with respect to 11 States and the District of Columbia in the region, as a railroad operating substantially in that area and which is not undergoing reorganization; with respect to the other 6 States in the region the term was defined as a railroad operating in the State and which is not undergoing reorganization. In the case of a nonbankrupt railroad offering to sell rail properties, it was required to make an irrevocable offer to sell within 60 days after the effective date of the final system plan, with the approval of the court having jurisdiction over its reorganization, and this offer had to be accepted within 75 days after such effective date; otherwise the offer lapsed. Nonbankrupt railroads and profitable railroads were required to enter purchase agreements with bankrupt railroads directed to offer rail properties for sale to them within 75 days of the effective date of the final system plan; otherwise the authorization to offer lapsed.

The House bill further required the final system plan to set forth reasonably projected pro forma earnings for the Corporation and the capital structure of the Corporation based on such reasonably projected earnings and including such debt capitalization as shall reasonably conform to the requirements of the public interest respecting railroad debt securities. Further, the final system plan was to designate the fair and equitable value of all rail properties to be conveyed or which might be conveyed under the final system plan and the value of the securities and obligations to be exchanged for these properties. Fair and equitable value was defined as either the fair liquidation value or the going concern value of the rail properties as of September 30, 1973, except that in no event should they be valued at more than the constitutional minimum required for their acquisition. The final system plan could also recommend arrangements for joint use, ownership, or operation of rail properties among various railroads on terms and conditions to be specified in the plan.

Finally, the final system plan was to set forth the maximum amount of obligations issued by the Association which should be outstanding at any one time to enable the Association to carry out the purposes of the Act.

Senate amendment

The Senate amendment declared that the final system plan be formulated in such a way as to effectuate the 8 enumerated goals. The final system plan was to designate the transfers of rail properties to be made to implement the new rail system: which rail properties of a railroad in reorganization (or one leased, operated, or controlled by such a railroad) should (1) be owned and operated by the United Rail Corporation; (2) be offered for sale to a profitable railroad, and if purchased, operated by it, or if purchase is declined, be acquired and operated by the Corporation; (3) be purchased or leased from the Corporation by Amtrak or a regional transportation authority for improvement to achieve one of the goals of the final system plan (improved high-speed rail passenger service in the Boston-Washington, D.C. corridor as outlined in the Secretary's report of 1971 entitled "Recommendations for Northeast Corridor Transportation"; (4) may be purchased or leased from the Corporation by a State or regional transportation authority to meet the needs of commuter and intercity rail passenger service other than the properties referred to in paragraph (3); (5) should not be operated by the Corportion or any other railroad but which are suitable for public purposes other than rail transportation. The plan was also to designate which rail properties of profitable railroads "shall be offered" to the Corporation—i.e., upon which properties negotiations for purchase must proceed—and which properties "may" be offered to other profitable railroads. All rail properties of railroads in reorganization in the region which were not designated to be conveyed to the Corporation for operation by it or for transfer by it to Amtrak or a regional authority or to be offered for sale to a profitable railroad were eligible for discontinuance and abandonment pursuant to the provisions of the Act.

The Senate amendment also set forth a series of rules to govern transfers or conveyances of rail properties designated or authorized to be transferred or conveyed under the Act.

All rail properties to be transferred to the Corporation by a railroad in reorganization were to be transferred in exchange for value in the form of stock and other securities of the Corporation (including obligations of the Association). All rail properties to be conveyed to a profitable railroad operating in the region by a railroad in reorganization were to be conveyed in exchange for compensation.

No acquisition may be made by a profitable railroad other than a profitable railroad "operating in the region". Such an acquisition could not take place unless (1) the Association made a determination "upon adoption and release of the preliminary system plan" that this acquisition "will not materially impair the profitability of any other profitable railroad or of the Corporation" and (2) the ICC made a determination within 90 days after the preliminary system plan is adopted and released that this acquisition "will be in full accord and comply with the provisions and standards" of section 5 of the Interstate Commerce Act. If rail properties are designated in the final system plan for sale or authorized to be offered for sale by or to a profitable railroad operating in the region, the designation would lapse unless a binding purchase agreement were entered into and concluded by the parties within 60 days after the effective date of the final system plan. With respect to Northeast corridor rail properties, they would be transferred by the Corporation at a value related to the value received for the transfer of such properties to the Corporation.

The Senate amendment further required the final system plan to set forth the pro forma earnings for the Corporation as reasonably projected; to set forth the capital structure of the Corporation, based on the pro forma earnings and reasonable debt capitalization; and to evaluate the practicability and the manner in which, if recommended, an employee stock ownership plan should be used by the Corporation. Further, the final system plan was to designate the value of all rail properties to be transferred under the final system plan and the value of the securities and other benefits to be exchanged for these properties. The final system plan could also recommend arrangements among various railroads for joint use or operation of rail properties on a shared ownership, cooperative, or condominium-types basis, subject to terms and conditions in the plan.

The final system plan was to set forth the amount of obligations of the Association necessary to enable it to implement the final system plan. The plan could also include terms and conditions for any securities of the Corporation which in the judgment of the Association could minimize any actual or potential debt burden of the Corporation; such terms and conditions could not become effective without affirmative approval by Congress.

Conference substitute

The conference substitute adopted a combination of the goals enumerated in the House bill and the Senate amendment. The final system plan is to be formulated in such a way as to effectuate those goals, and is to be based upon the factors listed in the Senate bill. The designations to be made by the Final System Plan were adopted from the Senate bill, except that designation relating to the implementation of improved high speed rail passenger service in the northeast corridor. Here the conferees allowed the planners to additional flexibility in designating the type of transfer of the properties required to implement improved high speed rail service in the corridor to the National Railroad Passenger Corporation. (e.g., it was felt that there might be some instances in which joint trackage rights or other arrangements might be desirable because of multiple usage of northeast corridor facilities.) The conferees also deleted an option contained in the Senate bill; i.e., transferring the corridor properties for improvement to a regional transportation authority.

The requirement in the Senate bill that the final system plan be formulated to effectuate the establishment of improved high speed rail passenger service as recommended by the Secretary of Transportation in his September 1971 report "Recommendations for Northeast Corridor Transportation" was modified to require establishment of improved high speed rail passenger service consonant with the Secretary's recommendations.

The Senate provisions setting forth rules governing transfers or conveyances of rail properties were adopted, with minor technical and conforming changes. The Senate provisions regarding appeals from the determinations of the Association and the Commission that must occur before a profitable railroad may acquire property under the Act were stricken. The Senate provisions setting forth the termination of the designation of properties of a raiload in reorganization in the region of a railroad leased, operated, or controlled by a railroad in reorganization in the region was modified by the conferees to provide that such designation shall terminate 30 days after the effective date of the final system plan unless prior to that time there is written acceptance of such offer given to the Association. The provision allowing the final system plan to include terms and conditions for securities was modified to apply only to those securities of the Corporation issued as consideration for the transfer or conveyance of rail properties to the Corporation, and to require a joint resolution by Congress before any terms or conditions which purport to directly obligate the Association can be undertaken. The conferees agreed that the arrangements recommended by the planners under section 206 (i) shall not include any form of Federal guarantee of the value of the Corporation stock.

IMPLEMENTATION OF THE FINAL SYSTEM PLAN AND JUDICIAL REVIEW

Both the House bill and the Senate amendment provided that within a specified period of time after the effective date of the final system plan, designated rail properties of railroads in reorganization in the region were to be conveyed or transferred and conveyed to the new rail corporation and other railroads in exchange for stock and other securities, obligations, and consideration. Both the House bill and the Senate amendment limited the availability and extent of and the time for judicial review of the determinations made in the implementation of the final system plan.

House bill

The House bill declared that the final system plan which became effective after congressional review would not be reviewable by any court or body, except as to matters concerning the value of the rail properties to be conveyed under the plan and the value of the consideration to be received in exchange for those properties. A special 3-judge consolidated district court would be established to make such determinations by the judicial panel on multidistrict litigation, upon application by the association, 45 days after the public release of the preliminary system plan. The Association was directed to deliver a copy of the final system plan and certify the exchanges that are to take place under it within 90 days after (but not earlier than 75 days after) the effective date of the final system plan. The consolidated district court would make specific findings after the securities and obligations were deposited with it, and after the designated rail properties were conveyed to the Corporation, nonbankrupt railroads, and profitable railroads designated to acquire them. The special court was to make a finding whether the securities and obligations had a value which was equal to the fair and equitable value of the rail properties conveyed in exchange therefor; make a determination as to the fair and equitable value of the rail properties conveyed; make a determination as to the fair and equitable value of the rail properties conveyed by each respective railroad in reorganization to a nonbankrupt railroad, to a profitable railroad, or to the Corporation, and the value of the obligations deposited by each with the special court. Then, the special court was to order distribution of the securities and obligations to the estates of the railroads in reorganization. It was directed to return any excess obligations to the appropriate railroad and to enter a judgment against the appropriate railroad in such a way as the special court found necessary to make the exchanges of the rail properties and the securites and obligations equal.

In the case of the Corporation, the special court was authorized to enter a judgment against the Corporation for the amount of the deficiency; the judgment was to be paid in securities of the Corporation (which may include obligations of the Association) in such amount and with such terms as the special court prescribed as necessary to equal the fair and equitable value of the rail properties conveyed. The Association would make a similar delivery of the final system plan and certifications to each district court having jurisdiction over a railroad in reorganization.

Each order of the consolidated district court with respect to these values could be appealed unless the court determined in writing, within 7 days after the order is entered, that such an appeal would not be in the interest of an expeditious conclusion of the proceedings. The appeals from these orders would go directly to the United States Supreme Court.

The House bill also permitted an appeal from a determination with respect to whether a railroad in reorganization could be reorganized on an income basis under section 77 of the Bankruptcy Act. Such a finding would be appealable in the same manner as a preliminary injunction under the Federal Rules of Civil Procedure and 28 U.S.C. 1292, and the appeals court was directed to conclude such proceeding on an expedited basis.

Senate amendment

The Senate amendment limited judicial review of the final system plan which became effective after review by the Congress to questions with respect to matters concerning the value of the rail properties to be conveyed under the plan and the value of the consideration to be received for such properties. Within 180 days after enactment, the Association was directed to apply to the panel on multi-district litigation which in turn, was directed within 30 days thereafter to set up a consolidation in a 3 judge district court (the special court). The special court was to have all the powers of a reorganization court as well as the authority to exercise the powers of a district judge in any judicial district with respect to these proceedings.

The Association was directed, within 90 days after the effective date of the final system plan, to deliver a certified copy of the plan and to certify which rail properties and the securities and other benefits would be involved in the exchanges. The Association was to make a similar delivery and certifications to the respective district courts having jurisdiction over each over the railroads in the region in reorganization proceedings under section 77 of the Bankruptcy Act. Within 10 days after the delivery of the certified copy, the Corporation and every profitable railroad operating in the region that was to acquire rail properties pursuant to the plan were to deposit with the special court the consideration specified in the final system plan to be paid or exchanged for those properties. Within 10 days after this deposit of consideration, the special court was to order the respective trustees of the railroads in reorganization to convey their rail properties, pursuant to the plan designations, to the Corporation and the profitable railroads.

The special court then would examine and make determinations as to whether all of the conveyances of rail properties of railroads in reorganization made pursuant to the final system plan were fair and equitable to the estates of those railroads. The standard of fair and equitable was specifically defined as encompassing the standard of fairness and equity applicable to the approval of a plan of reorganization, or a step in such a plan under section 77 of the Bankruptcy Act. The court was directed, in passing on the fairness and equity of conveyances and transfers, to consider not merely the value of the securities received by the trustees but also the other benefits accuring as a result of the exchange, by virtue of reorganizing under the

Senate amendment. If the special court found that the terms in the plan for a particular exchange with the Corporation were not fair and equitable to the estate of the applicable railroad in reorganization, it was to reallocate the Corporation's common stock among the various railroads reorganizing under the Act or it was to order the Corporation to transfer additional securities of the Corporation or obligations of the Association as would make the exchange in question fair and equitable to the estate of the railroad in reorganization. If the special court found that the terms for a particular exchange with a profitable railroad were not fair and equitable to the estate of the applicable railroad in reorganization, it was authorized to enter a judgment for the difference against that profitable railroad.

Each order of the special court could be appealed as of right to the United States Supreme Court, but the appeal was required to be filed within 5 days of the special court's decision and the Supreme Court was directed to give the highest priority to its determination.

The Senate amendment also permitted an appeal to the special court, sitting as an appellate court, from any determination of a U.S. district court that a railroad in reorganization under section 77 of the Bankruptcy Act and subject to its jurisdiction was to be reorganized under the Senate amendment. The district court was directed to make such a determination unless it found, within 90 days after the Association's release of the preliminary system plan, that the railroad subject to its jurisdiction was reorganizable on an income basis within a reasonable time and that in such case the public interest would be better served by a section 77 reorganization than one under this bill, or unless it found that reorganization under this bill was not possible on terms that would be fair and equitable to the estate of the debtor railroad. On such an appeal, the special court was directed to make its determination within 30 days after the decision of the district court.

The Senate amendment also permitted an appeal to the special court from a determination by the Interstate Commerce Commission as to whether a profitable railroad operating in the region could, in compliance with section 5 of the Interstate Commerce Act, acquire rail properties pursuant to the final system plan. Such an appeal was required to be taken within 10 days after the ICC's determination, and the court was to render its decision within 20 days after the appeal was taken.

Conference substitute

The conference substitute follows the Senate amendment subject to technical and clarifying changes except as discussed below. The conference substitute now covers railroads leased, operated, or controlled by a railroad in reorganization. It should be noted that the conference substitute uses the term "transfer" with regard to the rail properties of railroads in reorganization and of railroads which are not themselves in reorganization, but are leased, operated, or controlled by railroads in reorganization; and the term "convey" with regard to the rail properties of profitable railroads. All rail properties are to be transferred and conveyed free and clear of any liens or encumbrances. Liens and encumbrances do not include leases; leases are rights which, if owned, leased or otherwise controlled by a railroad in reorganization (as defined in the bill) can be directly transferred.

Under the conference substitute, the special court must find that all transfers and conveyances of rail properties are in the public interest and are fair and equitable to the estates of the railroads in reorganization, and to any railroads not in reorganization that are leased, operated or controlled by a railroad in reorganization. The standards to be applied by the court to railroads in reorganization proceedings are derived from section 77 of the Bankruptcy Act (11 U.S.C. 205). If the court finds that the terms are not fair and equitable, it shall first order a reallocation of the securities of the Corporation. If a reallocation cannot completely cure the lack of fairness and equity, the court shall order the transfer of additional securities of the Corporation or obligations of the Association. If the foregoing measures cannot completely cure the lack of fairness and equity, then the court shall enter a judgment against the Corporation. If the court finds, on the other hand, that the terms of any conveyance or exchange are fairer or more equitable than is required as a constitutional minimum, then it shall order the return of any excess securities, obligations, or compensation. The court is to make separate findings as to profitable railroads. Upon making its findings, the court shall order distribution of the securities, obligations, and compensation to the trustees of the railroads in reorganization.

The conference substitute provides for a direct appeal to the Supreme Court within 5 days after the special court enters its finding or determination. In order to expedite these proceedings, the conference substitute directs the Supreme Court to dismiss such appeal within 7 days if it determines that it "would not be in the interest of an expeditious conclusion of the proceedings". The Court should grant the highest priority to the appeals which it does accept.

The conference substitute also makes special provision for those rail properties which are leased by a railroad in reorganization from a lessor that is neither a railroad nor controlled by or affiliated with a railroad, when the lease has been approved by the reorganization court before enactment of this Act. Conveyance or transfer of such a lease must preserve all the terms and conditions specified in the lease, including the obligation to pay the specified rent to the non-railroad lessor.

MAXIMUM OBLIGATIONAL AUTHORITY

House bill

The Association was authorized to issue and have outstanding at any one time obligations in an amount not exceed $1 billion. Of the aggregate amount of obligations issued by the Association, not less than $500 million was to be available solely for the rehabilitation and modernization of rail properties acquired by the Corporation and not more than $200 million for acquisition by the Corporation of rail properties of railroads in reorganization. No other obligations were authorized to be issued by the Association. The final system plan was required to set forth the maximum amount of obligations issued by the Association under this provision which should be outstanding at any one time to enable the Association to carry out its purposes.

Senate amendment

Except for an authorization for the Association to issue up to $150 million in obligations for interim acquisition, maintenance, and improvement of rail properties prior to implementation of the final system plan, the Senate amendment did not authorize any specific amount of obligational authority. The final system plan was required to set forth the amount of obligations of the Association which would be necessary to enable the Association to implement the final system plan.

The Association's obligational authority, however, could not exceed that which was affirmatively approved by joint resolution of the Congress setting the amount of such authority.

Conference substitute

The conference substitute follows the provision in the House bill, except that the maximum obligational authority of the Association is $1.5 billion, of which not more than $1 billion is to be for the Corporation. Any modification of the initiatives on the Associations obligational authority shall be made by joint resolution adopted by the Congress. The increase in the total aggregate obligational authority over the amount in the House bill is intended primarily to permit improvement of the Northeast Corridor. The conferees deleted a $200 million limitation on obligational authority which could be used by the Corporation for acquisition of property. The conferees believed that the need for obligations for such purposes would be minimal, and the planners should have as much flexibility as possible.

LOANS BY ASSOCIATION TO RAILROADS OUTSIDE THE REGION

Both the House bill and the Senate amendment authorize the new Association to provide financial assistance under certain conditions and in the form of loans to railroads outside the region.

House bill

The House bill authorized the Association to provide assistance in the form of loans to any railroad which (a) connects with a railroad in reorganization, and (b) is in need of financial assistance to avoid reorganization proceedings under section 77 of the Bankruptcy Act.

Senate amendment

The Senate amendment authorized the Association to make loans to railroads outside the region which are threatened with insolvency in the absence of such loans.

Conference substitute

The conference substitute is the same as the provision in the House bill.

The conferees agreed that under this provision, loans could be extended to such connecting railroads as the Chicago, Rock Island, and Pacific Railroad Company and the Missouri-Kansas-Texas Company (KATY) if they otherwise qualify.

INTERIM FINANCIAL ASSISTANCE AND EMERGENCY OPERATING AUTHORITY

House bill

The House bill authorized an appropriation of 85 million dollars for payment to trustees of bankrupt railroads to insure continued operation of those railroads between the date of enactment and the date for conveyances pursuant to the final system plan. The grants were to be made by the Secretary of Transportation by way of agreements with the respective trustees under which the latter would agree to make every reasonable effort to maintain and operate the railroad at its current level of service.

Senate amendment

The Senate amendment authorized the appropriation of 85 million dollars to keep the railroads in reorganization operating until the final system plan was completed, adopted, became effective after congressional review, and was implemented through the transfers and conveyances of rail properties pursuant to the plan. Recipients of such interim assistance from DOT would be required to agree to maintain and provide service at a level no less than that in effect on September 30, 1973.

The Senate amendment further authorized the Secretary of Transportation, with the approval of the Association, to enter into agreements with railroads in reorganization for the acquisition, maintenance, and improvement of railroad facilities and equipment. The Association was authorized to issue obligations, up to a maximum of $150,000,000 to finance these efforts.

Conference substitute

The conference substitute is the same as the Senate amendment, except that—

(1) As a condition for interim operating grant payments, the trustees must agree to maintain and provide service at a level no less than that in effect on the date of enactment of this Act; (2) the Secretary must limit the use of obligational authority for interim financing agreements to those properties which will be in the final system plan; and (3) the amount of obligations issued for acquisition, maintenance, or improvement shall become a debt of the Corporation.

DISCONTINUANCE AND ABANDONMENT

Both the House bill and the Senate amendment provided, as part of the reorganization of the railroads in reorganization in the region, for expedited procedures with respect to discontinuance of rail service and abandonment of rail properties.

House bill

The House bill provided that all rail service over properties of railroads in reorganization, other than those specifically set forth in the Final System Plan, could be discontinued upon 90 days notice to the governors, state transportation agencies, community governments, and to each shipper who had utilized the facilities during the previous 12-month period. No such abandonment could take place until after six months from the effective date of the final system plan. Thereafter, such property could be abandoned after 30 days notice to the governor, state transportation agency, affected shippers, local communities affected, and the Secretary of Transportation, except that no rail service could be discontinued or abandoned pursuant to authorization under the Final System Plan after two years from the date of the plan (procedures then were to revert back to the Interstate Commerce Act) and/or if a shipper, local authority or state agrees to subsidize the difference between the revenue attributable to such lines and the fully distributed costs of handling traffic on such lines plus a reasonable return on the fair liquidation value on such line or offers to purchase such rail properties for their fair liquidation value. The Interstate Commerce Commission by regulation was to set forth the definition of the terms "revenue attributable" and "fully distributed costs of handling traffic" and a "reasonable return on the fair liquidation of value".

The sale, lease, exchange, or other disposal of any properties designated under the Final System Plan as properties suitable for use for other public purposes during the six-month period beginning on the date of notice of proposed abandonment was prohibited unless the property had first been offered upon reasonable terms for acquisition by the state or local community in which they were located and such offer had been refused. Offers of purchase could be made by State or local authorities, shippers, or other responsible persons for to-be-abandoned rail property, and such offers of purchase were to be accompanied by an offer of an operating subsidy which had to continue until consummation of the purchase, unless the ICC allowed a railroad to assume operations over such properties for its own account.

The Commission could, under regular abandonment procedures, authorize abandonment of any line in the region under the final system plan only after two years following the effective date of that plan.

Senate amendment

The Senate amendment set forth procedures for expedited discontinuance of rail service on rail properties which were not designated in the final system plan to be operated by the Corporation or other railroad. The special discontinuance of service (and abandonment of rail properties) procedures were available only to railroads in reorganization that transferred or conveyed all or substantially all their rail properties to the Corporation or to profitable railroads operating in the region pursuant to the final system plan.

Before rail service could be discontinued, a notice of discontinuance was required to be sent by certified mail to the Governor and transportation agencies of the affected State, each affected political subdivision, and shippers who patronized the line involved during the preceding 12 months. The notice was to be sent not earlier than 30 days after the effective date of the final system plan and service could be discontinued not less than 90 days after the date of the notice.

Rail properties could be abandoned 180 days after rail service was discontinued over such properties, upon the sending of 30 days' notice of proposed abandonment, except where such rail properties were designated in the final system plan as suitable for use for other public purposes. In that situation, the rail properties could only be sold or otherwise disposed of for such a public purpose until 270 days after the end of the 180-day period after discontinuance.

These discontinuance and abandonment procedures were declared to supersede the provisions of the Interstate Commerce Act and other laws restricting discontinuance and abandonment for a period of 2 years from the effective date of the final system plan or 2 years from the final payment of any rail service continuation subsidy applicable thereto, whichever was later. No rail service could be discontinued if a shipper, a State, the United States, a local or regional transportation authority, or any responsible person offered: (1) to pay a rail service continuation subsidy covering the difference between the expected revenue from such rail service and the avoidable costs of providing such service plus a reasonable return of the value of the properties; or (2) to purchase, for their minimum constitutional value, the rail properties in order to operate rail service over them. The government entity or person offering the subsidy was to enter into an operating agreement with the Corporation or any responsible person to operate rail service over such rail properties and was to be paid in accordance with determinations to be made in accordance with standards to be set by the Interstate Commerce Commission. Where an offer to purchase was made, the offer was to be accompanied by an offer of a rail service continuation subsidy.

Whenever a railroad in reorganization in the region or a profitable railroad gave notice of intent to discontinue rail service, it was required, upon the request of anyone apparently qualified to make a purchase offer, to make available promptly relevant reports and data on physical condition of the property, traffic and revenue, and costs. The Corporation was authorized to abandon rail properties in its system after its rail system had been in operation for more than 2 years, upon a determination by the Interstate Commerce Commission that rail service over such properties was not required by the public convenience and necessity.

The Senate amendment did not permit any railroad in reorganization to discontinue or abandon any line of railroad after the date of enactment other than in accordance with its provisions, unless no affected State or local or regional transportation authority opposed such action. Within 90 days after the date of enactment of this Act, the Interstate Commerce Commission was directed to submit to the Congress a comprehensive report on the anticipated effect, including the environmental impact, of abandonments in States outside the region; during a period of 730 days from enactment, no carrier subject to part I of the Interstate Commerce Act would be permitted to abandon any portion of a line of railroad or operation thereof outside the region if such abandonment was opposed by any passenger, consignor, or consignee served by that line during the 18 preceding months or by any State, county, or municipality served by that line.

Conference substitute

The conference substitute is the same as the Senate amendment, except that—

(1) there will be no 2-year moratorium under this Act on abandonments outside the region;

(2) rail properties over which rail service has been discontinued pursuant to this Act may be abandoned, 120 days after the effective date of the discontinuance, upon proper notice, unless such rail properties were designated in the final system plan as suitable for use for other public purposes in which case they are not permitted to be sold, leased, exchanged, or otherwise disposed of until after the 180 day period that begins on the date of notice of proposed abandonment under this Act; and unless offered, upon reasonable terms, for acquisition for public purposes; and

(3) operating agreements for rail service to be maintained under a rail service continuation subsidy may be entered into with a government entity as well as with the Corporation or any responsible person, at the option of the government or person offering the subsidy.

The conference substitute shortened the period of notice of discontinuance from 90 to 60 days.

AMERICAN RAILROAD CONSOLIDATION COMMISSION

House bill

No provision.

Senate amendment

The Senate amendment provided for the establishment of an American Railroad Consolidation Commission. The Commission was to consist of 9 members, two representing, respectively, railroad management, railroad labor organizations, and appropriate Government departments and agencies, and three other qualified individuals, to be appointed by and serve at the pleasure of the President. The Commission was directed to investigate, formulate, and submit to the President and Congress a plan for the consolidation of all Class I railroads in the United States into a single new private corporation. The Commission was further directed to investigate and recommend measures to correct the adverse consequences found to be attributable to diversification by railroads into businesses not traditionally considered part of railroad operations. The plan and recommendations were to be submitted not later than 1 year, unless an extension was granted by Presidential order.

Conference substitute

The provision of the Senate amendment is omitted from the conference substitute.

OTHER RAIL SERVICE AND TRANSPORTATION STUDIES

House bill

No provision.

Senate amendment

The Senate amendment directed the Secretary of Transportation to prepare and submit, within 300 days after enactment, a comprehensive report containing his conclusions with respect to essential rail services outside the region. The Secretary was further directed to formulate and submit to Congress, within 180 days after enactment, a national transportation policy based on consideration of all relevant factors including the need for coordinated development of all modes of transportation.

The Senate amendment required the Secretary of Transportation to prepare within 360 days after enactment a comprehensive report to Congress on the feasibility and desirability of nationalization of rail passenger service in the United States, including an evaluation of the relative efficiency and transportation effectiveness of such a step.

Within 180 days after the date of enactment of the legislation, the Secretary of Transportation was required to prepare and submit to Congress a comprehensive report on the feasibility and desirability of expanding service by the National Railroad Passenger Corporation (Amtrak), particularly in light of the current and projected shortage of refined petroleum products.

Within 300 days after the effective date of the final system plan (810 days after enactment at the earliest), the special Planning Office in the Interstate Commerce Commission was directed, with the assistance of the DOT and the Association, to make the same kinds of studies, evaluations, surveys, studies, and reports with respect to rail service outside the region as the Office made in the planning process that led to the final system plan for the region.

Conference substitute

The provision of the Senate amendment is omitted from the conference substitute.

The conferees agreed, however, that they felt strongly that the Secretary of Transportation should, at the earliest practicable date, undertake a comprehensive study with respect to essential rail services outside the region, and with respect to the feasibility and desirability of expanding service by Amtrak. The conferees looked upon each of these two studies as necessary, especially in light of the energy crisis confronting the Nation at this time.

SYSTEM OF SUBSIDIES TO MAINTAIN AND CONTINUE RAIL SERVICE

Both the House bill and the Senate amendment established a limited subsidy program, involving matching Federal grants to States, local or regional transportation authorities for continuance of rail service over rail properties that otherwise would be discontinued or abandoned.

House bill

The House bill authorized the Secretary of Transportation to reimburse a State or local or regional authority within the region for 70% of the amount paid by it to continue rail service on rail properties where service would otherwise have been discontinued or abandoned in accordance with this bill and the final system plan.

The Secretary was to prescribe regulations, within 3 months after the date of enactment, governing the procedure for application for such reimbursement of operating subsidies, the criteria to be used in deciding upon such applications, and the terms and conditions to be included in all contracts or other arrangements for operating subsidy.

An operating subsidy contract could not exceed a term of 2 years. A State or local or regional authority could apply to the Secretary of Transportation for continued reimbursement under the terms of a new contract or the line could be abandoned. No operating subsidy reimbursement payment could be made unless requisite legislation had been adopted by a State extending authority to the Governor or other appropriate State, local, or regional official or agency to perform its obligations under the bill and the Secretary's regulations. The House bill provided that the Secretary was not authorized to obligate the United States for such operating subsidies in excess of $50 million in any fiscal year.

Senate amendment

The Senate amendment directed the Secretary of Transportation to provide financial assistance to any State (both within and without the region) for rail service continuation subsidies. Both nondiscretionary grants, computed on the basis of a formula relating the number of miles of actually or constructively abandoned rail properties to the total number of such miles in all States, and discretionary assistance were authorized, with the discretionary aid limited to 25 per centum of the amount appropriated in any fiscal year for rail service continuation subsidies. The Federal matching share would be 75 per centum.

In order to be eligible for rail service continuation subsidies under the Senate amendment, a State would have to establish a State plan for rail transportation and local rail services which is administered or coordinated by a designated State agency; this State agency must develop, supervise, and support safe and adequate rail services and perform other specified functions, including providing or assuring adequate fiscal control and fund accounting. The State also must comply with regulations, to be issued by the Secretary within 90 days after enactment. The Senate amendment authorized not to exceed $200 million to be appropriated for rail service continuation subsidies for each of the first two fiscal years including and following the effective date of the final system plan. A definition was included to indicate that these subsidies were to be computed in such a way as to cover all operating costs of adequate and efficient rail service, including necessary improvement and maintenance of tracks and related facilities.

Conference substitute

The conference substitute limits assistance to the region and adopts the findings and purposes of the Senate amendment. The conference substitute further provides that 50 percent of the funds appropriated for rail service continuation subsidies shall be discretionary funds to be provided by the Secretary to the States in the region. The States in the region are entitled to the remaining 50 percent of appropriated funds.

The conferees agreed upon a formula under which each State receives no less than 3 percent, and no more than 10 percent, of the entitlement funds appropriated in a given year. If the application of this formula results in the allocation of more or less than 50 percent of the appropriated funds, the excess or deficiency is to be added to or deducted from the discretionary funds. Similarly, if a State's entitlement is withheld, or is not used or committed by a State, then the amount is added to the discretionary funds.

The conference substitute provides that the Federal share of all subsidies shall be 70 percent and the State share shall be 30 percent. In order to receive subsidies, the State must establish a plan for rail transportation and local rail services to be administered or coordinated by a designated State agency. The plan also must provide for the equitable distribution of subsidies among State, local, and regional authorities. The State agency must meet other specific requirements, such as providing assurance of fiscal control, and complying with regulations issued by the Secretary of Transportation.

The conferees adopted the provisions of the Senate amendment on records, audits and examinations, and on withholding of funds by the Secretary.

There is authorized to be appropriated for subsidies not more than 90 million dollars for each of the two fiscal years from the effective date of the final system plan, with half of the sums reserved for allocation to the States under their entitlement, and half for discretionary distribution by the Secretary. The statutory definition of rail service continuation subsidies is the same as the Senate amendment.

FEDERAL AID IN ACQUISITION AND MODERNIZATION OF RAIL PROPERTIES

Both the House bill and the Senate amendment authorized limited Federal financial assistance to States or local or regional authorities with respect to the purchase and/or restoration or repair of rail properties.

House bill

The House bill authorized the Secretary of Transportation to make a loan to reimburse a State or local or regional authority, or to guarantee a loan entered into by a State or authority equal to 70% of the amount paid by it as the purchase price for rail properties acquired by such State or authority pursuant to this Act to prevent discontinuance of rail service or abandonment of rail properties. The Secretary was further authorized to loan or guarantee a loan to such an entity equal to 70% of the amount paid by it which the Secretary agreed was necessary to restore or repair rail properties which it purchased to such condition as to enable railroad operations over such properties at a speed of 25 miles per hour. No such loan or loan guarantee could be made by the Secretary or continued in effect with respect to any State or any local or regional authority at the same time that it was receiving an operating subsidy under this Act. The House bill further provided that the initial costs of restoring or upgrading rail properties to serviceable condition could not be included in an operating subsidy contract or other arrangement, but that the prorated portion of such costs over the life of such line or facilities could be included as part of such subsidy contract or arrangement.

Senate amendment

The Senate amendment provided that if any State eligible for rail service continuation subsidies under this Act, or a local or regional transportation authority, has made an offer to purchase rail properties under this Act or other lawful authority, the Secretary of Transportation could direct the Association to provide loans to such State or local or regional authority for not to exceed 75% of the purchase price. The Secretary was also authorized to direct the Association to provide additional assistance, not to exceed 75% of the cost of restoring or repairing such rail properties to such condition as will enable safe and efficient rail transportation operations over such properties; the financial assistance for restoration or repair to permit safe and efficient rail service could be in the form of a loan or a loan guarantee. With the Secretary's approval, a State could expend sums received by it under its allotment under the rail service continuation subsidies program for acquisition and modernization.

Conference substitute

The conferees adopted the Senate amendment's provisions on acquisition loans, with two modifications. Loans may not exceed 70 percent of the purchase price, and a recipient of such a loan is no longer eligible for a rail service continuation subsidy. The conferees also adopted the provisions of the Senate amendment on modernization loans, but reduced the percentage of such loans from 75 to 70 percent.

NORTHEAST CORRIDOR

Both the House bill and the Senate amendment recognized railroad passenger service in the Northeast Corridor as an integral part of rail reorganization in the region.

House bill

The House bill directed that the final system plan designate which rail properties in the area between Boston, Massachusetts and the District of Columbia, the area generally described as the Northeast Corridor, should be acquired by the Corporation for lease to Amtrak in order to provide rail passenger service. It further provided that not less than $500,000,000 in obligations of the Association should be available solely for the rehabilitation and modernization of rail properties acquired by the Corporation. The Association was further authorized to make loans to carry out the final system plan, one of the goals of which was defined as "the major upgrading of rail lines for high-speed passenger operation which would return substantial public benefits."

Senate amendment

The Senate amendment declared in the third of its eight enumerated goals that the final system plan shall be formulated in such a way as to effectuate the establishment of improved, high-speed rail passenger service, as recommended by the Secretary of Transportation in his report of September 1971, entitled "Recommendations for Northeast Corridor Transportation." The final system plan was required to designate which rail properties should be purchased or leased from the Corporation by Amtrak or a regional transportation authority for improvement to achieve that goal. The Corporation was required to sell or lease the appropriate properties pursuant to the final system plan. The Senate amendment further placed a duty upon the National Railroad Passenger Corporation or the regional transportation authority, whichever was designated under the final system plan, to acquire these rail properties, to effectuate IHSR. The properties were directed to be improved in accordance with the Secretary's report by the earliest practicable date, but in no event later than 6 years after the date of enactment of this Act. The Secretary of Transportation was directed to begin the necessary engineering studies upon enactment. Coordination of necessary freight or commuter services with the improved high-speed rail passenger service was directed, and the U.S. Army Corps of Engineers was identified as the group under the supervision of which the construction or improvements were to be made. Both the National Railroad Passenger Corporation and any regional transportation authority were made eligible to receive guaranteed loans from the Association in order to purchase or lease and improve the properties designated in the final system plan. The transfer, whether by purchase or lease, was to be at a price "related to the value received for the transfer to the Corporation of such properties." The amount of the obligational authority required was to be recommended by the Association in its final system plan and approved by the Congress by joint resolution.

Conference substitute

The conference substitute is the same as the Senate amendment, except that (1) The Secretary of Transportation is directed to begin improvements in the Corridor, as well as engineering studies, immediately upon enactment; (2) The option contained in the Senate bill which allowed purchase and upgrading of northeast corridor facilities by a regional transportation authority was deleted; (3) The six year maximum for finishing the project was deleted from the Senate bill since it was felt that it could be completed in less time. The conferees feel that complete implementation of improved high speed rail passenger service in the corridor should be completed within five years after enactment; (4) additional flexibility was provided in the transfer of corridor properties to Amtrak (e.g. it was felt that there might be some instances in which join trackage rights or other arrangements might be desirable because of multiple usage of northeast corridor facilities); (5) Amtrak's duty to acquire northeast corridor properties for improvement in accordance with the final system plan is not operative where the final system plan designates a purchase (i.e., purchase of the properties, as opposed to leasing, would be optional with Amtrak); and the improvements to the properties may, but need not be under the supervision and direction of the Corps of Engineers. The method of financing improvements remains the same (i.e., guaranteed loans), but because of the adoption of a compromise provision on the obligational authority of the Association which raised the maximum authority specified in the House bill by $500,000,000, the conferees wanted to make clear that the use of this additional obligational authority is intended primarily for effectuation of improved high speed rail passenger service in the corridor, (see discussion of section 210). The conferees adopted the Senate provisions regarding the value to be paid by Amtrak for acquisition of any interest in the corridor with a conforming change, (i.e. the deletion of regional transportation authority).

The conferees also envisage that any such acquisition of Northeast Corridor properties could include joint trackage use and that the mortgage on which a guaranteed loan is provided, should be paid out of profits from operation in the Corridor.

The conferees deleted the regional transportation authority, believing that such service should be operated by *Amtrak*, and if need be, in conjunction with cities or affected regions.

REGULATORY AGENCY FOR RAILROAD SECURITIES

House bill

The House bill removed the exemption for securities of carriers under the Securities Act of 1933, except for securities of a motor carrier subject to section 214 of the Interstate Commerce Act. It repealed the provision under the Securities Act of 1933 that Securities and Exchange Commission rules shall not apply to carriers subject to section 20 of the Interstate Commerce Act so long as those rules on accounts were not inconsistent with the rules of the Interstate Commerce Commission. A provision of the House bill repealed the provision of the Securities Exchange Act of 1934 permitting carriers to file ICC reports with the SEC in place of report otherwise required by the latter agency. It further amended other exemptions for carriers under the Investment Company Act of 1940.

Senate amendment

No provision.

Conference substitute

The House provision was deleted, but the Senate conferees agreed to introduce legislation on this subject early in the second session of the 93rd Congress, and to hold hearings on such legislation.

OBLIGATION GUARANTEES FOR ROLLING STOCK, EQUIPMENT OF FACILITIES AND INCENTIVES TO IMPROVED UTILIZATION

House bill

No provision.

Senate amendment

The Senate amendment set up a program to increase the available supply and to improve the rate of utilization of general service freight cars and other rolling stock and equipment or facilities related to the use of rolling stock. Equipment obligations used to finance the acquisition or lease of rolling stock or equipment or facilities could be guaranteed as to interest and principal (up to 80% except in extreme cases) by a new Obligation Guarantee Board established within the Department of Transportation. The Board could not guarantee or enter a commitment to guarantee such an equipment obligation unless it was secured by the rolling stock or facilities; was required to be paid within 15 years; was needed to meet demonstrable needs for rail services and to provide shippers with improved service; would be economically and efficiently utilized by the applicant for the guarantee; was justified by present and probable future demand for rail services to be rendered by the applicant; would have a value in case of default and repossession sufficient to give the United States reasonable security and protection; and would result in a new increase in the total load-carrying capacity of the rolling stock of the applicant for the guarantee. No such guarantee or commitment could be extended unless the obligor agreed in writing to certain limitations on the payment of dividends and the use of railroad assets or revenues in nonrailroad enterprises. The Board was specifically authorized to guarantee lease obligations for the same purposes, except that no lease obligation could be guaranteed until the Board found, after notice and opportunity for interested persons to comment, that no other reasonable means of equipment financing or refinancing was reasonably available to the applicant and that approval of the guarantee application would serve the public interest. The aggregate unpaid principal amounts of equipment obligations and interest thereon which could be guaranteed by the Board were limited to $2 billion; of which at least 70% were to guarantee equipment obligations financing or refinancing rolling stock.

The Senate amendment, to improve the utilization of existing rolling stock, also authorized an appropriation of $10,000,000 to the Secretary of Transportation and directed him to take steps to establish a national rolling stock information system capable of furnishing such information as he determined to be necessary for the expeditious utilization of freight cars and other rolling stock. In developing this plan or plans for a national rolling stock information system, the Secretary was directed to consult with the Secretary of Defense, the Administrator of N.A.S.A. and others likely to be able to make a useful submission regarding such a system. The Secretary and the ICC were further required to develop and report on, respectively, an index measuring the rate of utilization of rolling stock. The Attorney General was directed to assist in enforcement action.

If, notwithstanding the foregoing program, the current and chronic freight car shortage persisted, there was authorized to be established a government car-pooling corporation to be known as the Railroad Equipment Authority. The Authority could not be established absent detailed findings over a period of years by the Secretary and the Commission and an affirmative concurrent resolution of Congress. The Authority was directed to acquire and manage, using innovative methods, a national fleet of rolling stock. As soon as practicable, and as soon as a market is found to exist for its stock, the Authority was to be converted from government to private ownership.

Conference substitute

The provisions in the Senate amendment were deleted. The House conferees agreed that the first order of business for the Subcommittee on Transportation and Aeronautics of the House Interstate and Foreign Commerce Committee in the second session of the 93rd Congress would be to hold hearings and report legislation dealings with shortages of railroad rolling stock. The House conferees agreed that this bill would be a separate piece of legislation dealing only with the problem of availability and utilization of rolling stock.

PROTECTION OF EMPLOYEES ADVERSELY AFFECTED BY RAIL REORGANIZATION

Both the House bill and the Senate amendment provides benefits and protections for protected employees, who are defined as employees of railroads in reorganization who have not reached age 65 on the effective date of this Act and employees of railroads (other than the Corporation) acquiring rail properties from railroads in reorganization.

House bill

The House bill made the Corporation and the Association subject to various railway labor laws; required the Corporation to offer employment to each employee of a railroad in reorganization who has not already accepted an offer of employment by the Association or an acquiring railroad and to apply the protective provisions to them; and required the Association to offer employment to such employees.

The Corporation was granted the right to assign, allocate, reassign, reallocate, and consolidate work formerly performed on rail properties conveyed to it from a railroad in reorganization to any location, facility, or position on its system so long as the work is not removed from the coverage of a collective-bargaining agreement and provided existing work rights classifications are not infringed. The Corporation was directed to assume all obligations under existing collective-bargaining agreements; to negotiate with the representatives of the various classes or crafts of the employees of the railroads in reorganization conveying properties under this Act a single implementing agreement establishing the procedures by which employees of such railroads will become employees of the corporation; and 60 days after the effective date of any conveyance under this bill to commence negotiations of new collective-bargaining agreements for each class and craft of employees covering the rates of pay, rules, and working conditions of employees of the Corporation.

The House bill provided the following benefits for protected employees deprived of employment or adversely affected as a result of an action taken pursuant to the provisions of the rail reorganization legislation: (a) a monthly displacement allowance computed on the basis of longevity of service; (b) a separation allowance for a protected employee who voluntarily furloughs himself instead of transferring to a bona fide vacancy, or who is severed from employment in a lump sum computed on the basis of longevity of prior service; and (c) moving expense benefits for employees transferred to a new job location requiring a change of residence. The Corporation was prohibited from contracting work out beyond that which had been so done by practice or agreement; provision was made for arbitration of disputes; and no railroad other than the Corporation could enter into a purchase agreement for rail properties of a railroad in reorganization until it had first completed negotiations for labor protection agreements with the labor organizations representing the involved employees. These benefits were to be paid by the Corporation, Association, and acquiring railroads, as the case may be. Upon certification of the amounts paid, they were to be reimbursed for the actual amounts paid protected employees under this title by the Railroad Retirement Board from a special account to be maintained in the U.S. Treasury. The sum of $250,000,000 was authorized to be appropriated to such special account to meet these obligations for reimbursement.

Senate amendment

The Senate amendment contained comparable provisions.

Conference substitute

The conference substitute follows the provisions of the House bill with the following changes:

(1) The definition of "change in residence" is modified by adding the qualification that the new work location be farther from the employee's residence than was his former work location;

(2) The provision on the Association's obligation to offer employment follows the Senate amendment;

(3) With respect to the obligation to pay moving expense benefits, the phrase "or an acquiring railroad" is added at appropriate points;

(4) The provision of the Senate amendment regarding the maximum compensation to be paid managerial or executive employees was adopted;

(5) The Senate provisions placing a maximum possible cost exposure of the Federal Government was adopted. The conferees did so in order to provide an incentive to the Corporation not to exceed the amount authorized to be appropriated for reimbursement, with the intent that if exceeded, the Corporation, not the Federal Government, would be required to bear such expense.

The conferees wished to make clear that section 505(b) (1) (A) requires any employee receiving a monthly allowance based on former earnings pursuant to the Act to exercise seniority to an available position producing compensation equal to or in excess of his monthly allowance.

LABOR STUDIES

House bill

No provision.

Senate amendment

The Senate amendment directed the Secretary of Labor, in consultation with the Secretary of Transportation, the Chairman of the ICC, and other interested persons, to study and make findings and recommendations on the basis of such study with respect to the effect of existing work rules on the consolidation of the operations of the railroads in reorganization under its provisions. The Secretary of Labor was to submit this report no later than the date of the submission of a final system plan to the full Board of Directors of the Association for approval and adoption.

The Senate amendment further directed the Secretary of Labor, within 1 year after the Corporation was operating, to study and report each year for 4 years on the extent of the displacement of railroad employees. The annual reports to the President and Congress were also to study the extent to which the railroad industry as a whole and each individual carrier contributed to the solution of the displacement problem by employing workers displaced as a result of the rail reorganization. Such sums as are necessary were authorized to be appropriated for the work rules and employee displacement studies.

Conference substitute

This provision of the Senate amendment is omitted from the conference substitute.

REGULATION OF TRANSPORTATION OF EXPLOSIVES BY RAIL

House bill

The House bill directed the Secretary of Transportation, as soon as practicable after the date of enactment of this Act, to issue regulations governing the rail transportation of explosives. The regulations of the Secretary were to require that in the transportation of explosives, railroads must (1) use railroad cars with roller bearings and which have either composition brake shoes or spark shields; (2) place at least one spacer car between each car containing explosives; and (3) inspect the railroad cars selected to carry explosives and the process of loading each car and periodically inspect each such car in the course of its movement from the point of origin to the point of destination.

Senate amendment

No provision.

Conference substitute

This provision of the House amendment is omitted from the conference substitute. The Conferees agreed that the Department of Transportation has been less than diligent in living up to its mandate under the Federal Railroad Safety Act of 1970, particularly regarding the provisions relating to the Transportation of Hazardous Materials, that new regulations need to be promulgated in order to alleviate the serious problems involved in the transportation of explosives and the consequent danger to communities across the Nation, and that the appropriate committees of the House and Senate shall watch closely the developments in this area.

FREIGHT RATES FOR RECYCLABLES

House bill

No provision.

Senate amendment

The Senate amendment directed the Interstate Commerce Commission and the Federal Maritime Commission to effect such changes in the rate structures of carriers, subject to their respective jurisdictions, as would promote the movement in commerce of recyclable materials at the lowest possible rates consistent with adequate service. Procedures, presumptions, and other provisions were set forth to effectuate the intent of this provision of the Senate amendment that common carriers not discriminate in freight rates against recovered and in favor of virgin natural materials. A civil penalty of not more than $5,000 was provided for each violation.

Conference substitute

The conference substitute requires the Interstate Commerce Commission, by expedited procedures, to adopt rules which will eliminate discrimination against the shipment of recyclable materials in rate structures.

AUTHORIZATIONS FOR APPROPRIATIONS

House bill

The House bill authorized the appropriation to the Secretary of Transportation of $85,000,000 for payment to trustees of bankrupt railroads to insure the continued operation of rail service by such railroads pending the reorganization. The Secretary was further authorized to receive an appropriation of $10,000,000 to meet necessary expenses in carrying out his functions, including the expense of organizing the Corporation. The House bill also authorized $26,000,000 to be appropriated to the Association and authorized $500,000 to be appropriated to the special Office in the Interstate Commerce Commission for the performance of their respective functions. $50,000,000 was authorized to be appropriated to the Secretary for each of 2 years for making grants to States or local or regional authorities for operating subsidies.

The House bill authorized $250,000,000 to be appropriated to the Regional Rail Transportation Protective Account in the Treasury of the United States, and such sums as might be necessary to the Railroad Retirement Board for carrying out its additional administrative functions under the employee protection provisions.

Senate amendment

The Senate amendment authorized the following appropriations: $85,000,000 to the Secretary of Transportation for emergency assistance to the trustees of railroads in reorganization to maintain essential services; $15,350,000 to the Secretary for the performance of his functions under this Act; $12,500,000 to the special office in the ICC for the performance of its functions; $26,000,000 to the Association for the performance of its functions; $200,000,000 to the Secretary for each of the first 2 fiscal years for making grants for rail service continuation subsidies; $250,000,000 to the Regional Rail Transportation Protective Account; such sums as necessary to the Railroad Retirement Board for carrying out its additional administrative functions under the employee protection provisions; such sums as necessary to the Secretary of Labor and the Railroad Retirement Board to conduct the work rules and employee displacement studies; and $500,000 for the American Railroad Consolidation Commission.

Conference substitute

The conference substitute authorizes to be appropriated and to remain available until expended, not to exceed, the following;

$85,000,000 to the Secretary of Transportation for emergency assistance pending implementation of the final system plan;

$12,500,000 to the Secretary of Transportation for preparing required reports and other functions;

$5,000,000 to the Interstate Commerce Commission for functions of the special Office;

$26,000,000 to the Association for its administrative expenses; and

$90,000,000 for each of two fiscal years for rail service continuation subsidies.

The conference substitute also authorizes to be appropriated not to exceed the aggregate sum of $250,000,000 for the Regional Rail Transportation Protective Account, plus such sums as may be necessary for additional administrative expenses of the Railroad Retirement Board. This authorization was contained in both the House bill and the Senate amendment.

Harley O. Staggers,
John Jarman,
John D. Dingell,
Brock Adams,
Bertram L. Podell,
Ralph H. Metcalfe,
Dan Kuykendall,
J. Skubitz,
Louis Frey, Jr.,
Dick Shoup,
Managers on the Part of the House.
Warren Magnuson,
John Pastore,
Vance Hartke,
Russell Long,
Robert P. Griffin,
Marlow W. Cook,
J. Glenn Beall, Jr.,
Managers on the Part of the Senate.

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northeast region; to provide financial assistance to certain rail carriers; and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see prior proceedings of the House today.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I might say that this is a very important bill to the northeastern part of the United States, and not only to the northeastern part of the United States, but to all of America, because, as we know, our railroads have been in difficulty, and I think we have come up with the best solution that is possible.

This is almost identical to the bill that was debated on the floor 2 or 3 weeks ago, and we have practically everything that was contained in the House bill. There are some amendments that we put in from the Senate, but very few, and it is mostly the House bill.

Mr. KUYKENDALL. Mr. Speaker, I concur with the remarks of the Chairman of the full committee in that I believe we are most fortunate in retaining a vast majority of the House language here. Let me say at the beginning that the labor section of this bill, which created quite a bit of controversy in the House, was not a subject of the conference except in a couple of very minor points. The labor section of the bill, the Members will remember, had a rather interesting and lengthy debate, which was not a part of this conference, so it is not mentioned to any extent in any of the colloquy here.

To me the most important single factor to be protected in this piece of legislation was that the new corporation be given every possible guarantee of viability by assuring that there be retained House language which put a severe limitation on the ability of the court to subject this new corporation to a debt that it could not manage. The language of the bill protects this by what I consider a very ingenious legal method. There was an increase in the amount of total authorization of the lending organization, which has a new name, being called the U.S. Railway Association.

There was an increase given in the total ability of this organization to make loans. However, there was no increase given in the ability of this organization to make loans to the Consolidated Rail Corporation. These loans will fall in several different categories.

One of the categories would be a loan that probably would be necessary for the Rock Island and the Katy Railroads to prevent them from bankruptcy. Other loans would be for commuter service in the Northeast corridor, for the improvement of Amtrak, and these different things, but the creation of the new Consolidated Rail Corporation for the Northeast, I think, is, as nearly as is possible in any sort of compromise, protected in this language.

There are a few minor additions such as an amendment that was placed in by the gentleman from Michigan (Mr. Dingell) concerning recyclable materials. There was a portion of the Senate bill that had to do with a look at the whole problem of the availability of rail cars, and we, as the managers on the part of the House, gave our word that it would be one of our first orders of business to discuss in the new year. It is not included in this bill. It was in the Senate bill. We have given our word that the whole matter of the terrible railroad car shortage situation and the handling of these cars will be handled as one of our first orders of business.

I think the conference was able to maintain really the guts of the future of this new corporation.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield 2 minutes to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

Mr. Speaker, I should just like to express appreciation to the chairman and the members of the conference committee for the fact that this bill now contains language which I originally offered as an amendment to the Emergency Energy Act and which was adopted by the House by a vote of 349 to 9, but for good and sufficient reason, I guess, was dropped out in this conference report on the Emergency Energy Act, but has been included now in this act, which will direct the Interstate Commerce Commission to, by expedited proceedings, end the discrimination in rate structure and other practices that they have engaged in the past against recyclable commodities.

I should just like to say I am delighted, and I express my appreciation to the chairman and to the members of the conference committee for including this language in this bill.

Mr. STAGGERS. I might say to the gentleman I am very happy to do it because it was a good contribution the gentleman made to the other bill and we thought it was a fine contribution to be included in this bill.

Mr. BINGHAM. I thank the gentleman from West Virginia.

Mr. MORGAN. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Speaker, I would like to direct one or two questions concerning certain provisions of this legislation to the distinguished chairman of the committee. I would first like to compliment the chairman and the members of the conference for their prompt and diligent efforts in bringing this conference report to the floor. This legislation is very important to the whole country as well as to the people in the Northeast.

There are several profitable railroads operating in the Northeast region. The bill treats those rail systems differently than the bankrupt systems, as it should. There are, however, several smaller railroads which operate within the systems operated by the major railroads in reorganization. There are also, some smaller railroads which operate profitably and independently but are associated with a railroad in reorganization due to direct or indirect stock ownership by the bankrupt railroad company. The definition of "profitable railroads" in the Senate bill did not make it clear that these smaller independent railroads, not operated as part of a railroad in reorganization were in fact to be treated as "profitable railroads."

There are two independent class I railroads, for instance, that appear to fall in this latter category. One is the Pittsburgh and Lake Erie Railroad Co. Over 92 percent of its common stock is owned by Penn Central Transportation Co., but it is not part of the Penn Central system, it has independent management and in fact directly competes with the Penn Central for traffic. It is not leased, operated or controlled by the Penn Central, nor is it wholly owned by the Penn Central.

Another such railroad is the Detroit, Toledo and Ironton Railroad. A substantial portion of its stock is held by the Pennsylvania Co., which is an investment company, not a railroad, which is a wholly owned subsidiary of the Penn Central Transportation Co. It is not part of the Penn Central system. It also operates independently, has independent management and competes directly with Penn Central. Only one member of the Penn Central sits on D.T. & I's board of directors. In addition, the ICC has specifically upheld D.T. & I's independent status in proceedings at the time the Pennsylvania Co. acquired its stock. It is not leased, operated, controlled or wholly owned by a railroad in reorganization.

It was our clear understanding at the time the House passed H.R. 9142 that the legislation did not require the transfer of rail properties of independent, profitable railroads. The language in the Senate bill was somewhat different but I understand that the intent was the same.

Mr. Speaker, it is my understanding that the conference amended the definition of "rail properties" in section 103 of this legislation to make it clear that independent, profitable class I railroads are not required to transfer assets to the new corporation.

Mr. STAGGERS. That is correct.

Mr. MORGAN. Mr. Speaker, is it a correct interpretation of this provision that rail properties owned, leased or otherwise controlled by class I railroads such as P. & L. E. and D. T. & I. cannot be required to be transferred to the new corporation since they are not railroads wholly owned, operated or leased by a railroad in reorganization?

Mr. STAGGERS. The gentleman from Pennslvania is correct. This is the intent of these provisions of the legislation.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I want to address myself to something that is not in this conference report. But it should be.

I refer to title V of the Senate bill guaranteeing $2 billion in guaranteed loans to rejuvenate our Nation's supply of freight cars.

If there was ever needed legislation, Mr. Speaker, it was the section for loan guarantees for freight cars.

I am extremely disappointed that the conferees dropped this provision included in the Senate bill.

I understand that the Senate conferees got an iron-clad, "Sears and Roebuck" guarantee from the House conferees that action would be taken next month on freight car legislation by the House. Apparently, it will be involved in the proposed Surface Transportation Act—but that bill is a long way from being enacted.

Mr. Speaker, the freight car shortages hurt every American where it hurts the most—right in the pocketbooks. It hurts the consumers a great deal.

Transportation snarls translate into one thing—higher prices.

In July and October of 1971, our subcommittee held hearings on this matter in Great Falls, Mont., Fargo, N. Dak., and Houston, Tex. In April of 1972, I presided over 2 days of hearings on the problem here in Washington, D.C. After the massive sale of grain to Russia in the summer of 1972—a bad deal for the American people from start to finish—the freight car problem was severely exacerbated.

Thus, on March 26, 1973, our panel held discussion on the problem with shippers, carriers, labor, government, and port authority officials present.

With more massive exports of grain, I brought this problem to the floor of the House on October 2, 1973.

Mr. Speaker, after all this, many of us are a little leery of talking and promising.

Today, we face an even graver situation with the shortage of freight cars.

The energy situation demands that more coal be shipped by rail.

Coal is shipped in open hopper cars.

This past winter coal cars were pressed into duty to move grain.

Now what? It cannot move one commodity and not the other. Both must be moved. I see nothing but more inflation due to transportation if the status quo is allowed to stand.

Thus legislation must be enacted. Title V gave us a golden opportunity to do so.

In conclusion, if the House keeps its promise to work on freight car legislation next month, I want to urge adoption of two other proposals I have proposed. One is to give the Interstate Commerce Committee authority to act before an emergency shortage exists.

I introduced such legislation on April 19, 1973. So far no action has been taken on my bill, H.R. 7161.

Second, I want to have some kind of transportation planning with regards to the use of rail cars. Let us make sure the available supply of rail cars is divided equally among shippers and that they are not all clogged up in one port.

I introduced the general outline for such planning on October 2, 1973. No action has been taken on my bill H.R. 10694.

I urge that these concepts be included in the freight car bill the House Commerce Committee is to report early next year. And I mainly urge quick action.

Mr. KUYKENDALL. Mr. Speaker, if the gentleman will yield, there will be separate legislation on this subject rather than consideration of it with the Service Transportation Act. This is also a promise.

Mr. Speaker, I will assure the gentleman the promise will be kept. The Chairman has said very strongly on this bill that we will keep this promise. The provision which the Senate had was larger than the whole bill and they had more money than for the Northeastern Railroad bill. We are as concerned as the gentleman and he has our assurance.

Mr. PICKLE. I thank the gentleman.

Mr. ROBISON of New York. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from New York.

Mr. ROBISON of New York. Mr. Speaker, there are several small but profitable railroads in the Northeast that no doubt will become a part of the total system contemplated under this bill, but which will not become a part of the federally funded rail Corporation.

These railroads should not be placed in an unequal competitive position by the federally funded rail Corporation, and I would like to have the distinguished chairman of the committee clarify for me how this bill will attempt to insure equal competitive opportunity for such railroads. How will these railroads be handled as compared to those in the Corporation? My specific question is in connection with the preservation of the existing through routes.

Mr. Speaker, my specific question is in connection with the preservation of existing through routes. My understanding of this bill is that it provides a means by which the bankrupt carriers in the Northeast region will be restructured. But it certainly should not provide a means by which presently profitable railroads in the region would be adversely affected. For, if this giant corporation which we are creating is able to route traffic away from these small railroads to its own financial benefit, then the whole purpose of the bill could be defeated. I inquire if the Chairman concurs with my interpretation of the committee's intent that this Corporation will be required to continue, to the fullest extent practicable, the existing patterns of routing of traffic to and from these existing, profitable railroads?

Mr. STAGGERS. I concur with the interpretation of the gentleman as to the intent of the committee, that to the fullest extent possible it should be concurred in.

Mr. KUYKENDALL. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman.

Mr. KUYKENDALL. Mr. Speaker, I would like to give this assurance to the gentleman from New York (Mr. ROBISON) that the system plan, meaning the railroad plan for the entire Northeast, includes not only the new corporation, but the existing profitmaking corporations. They are included in the plan. For instance, in Amtrak, the Southern Railroad did not give up their passenger service. That is part of Amtrak.

Even the Southern Railroad, as well as the Chesapeake & Ohio and some of these railroads have been the sources of our greatest concern. They are, incidentally, eligible for loans under this new legislation, just because they are part of this program. Believe me, these people have some terrific representatives and I can assure the gentleman of that.

Mr. ROBISON of New York. Mr. Chairman, I appreciate the comments of the gentleman and of the chairman. I congratulate both the gentleman and the chairman for bringing this legislation to us.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, this is just a question to the chairman. This was mentioned earlier in the questionnaire.

Mr. Speaker, there is one relatively small matter in this bill, however, to which I would direct your attention. It is the matter relating to the board of directors of the United Rail Corp.—section 301(d).

It being the expressed intent of the Congress that the affairs of the corporation be managed in the public interest and that no stockholder or group of stockholders with common, identifiable economic interests, such as, but not limited to, stockholders consisting of former creditors of a single railroad in reorganization, be permitted to control the corporation through the nomination of election of directors.

The taxpayers of the country are committing substantial funds to the corporation; the entire northeast region, and indeed the entire country, will have a substantial stake in seeing that directors of the highest possible quality are nominated so that, among other things, key corporation personnel will be of the highest quality.

There is a tendency in many corporations, not least amongst which are railroads, to elect directors, and through directors to hire key personnel, with an overemphasis on "cronyism." Moreover, since the bill creates a 17-plus State regional railroad system, a total lack of supervision over directors could result in financial interests in one subregion of the region obtaining control and directing that the system be operated for the benefit of that particular subregion, perhaps overlooking other subregions.

Additionally, it would be a dreadful mistake if a board of directors were to end up hiring as key corporation officers the same type of individuals whom many believe are at least in part responsible for having placed the present bankrupts in reorganization.

The list of reasons for continuing public scrutiny of the corporation's directors, and thus its chief personnel, could be extended for pages. We recognize that the eventual goal of this corporation is that it become a for-profit corporation like any other for-profit corporation, and be managed by the same principles as would other corporations. Yet the public investment and public interest in this particular railroad giant is so great that the public is entitled to retain some degree of supervision over the corporation. And, as we assume the Secretary will exercise these responsibilities diligently, supervision should have no adverse effect whatsoever upon the stockholders' investment.

Therefore, Mr. Speaker, may I ask the manager of this bill if he would state whether that is his interpretation of section 301(d) as well?

Mr. STAGGERS. In my opinion, this is correct.

Mr. KUYKENDALL. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. Mr. Speaker, I include in my remarks pertinent material:

Feldmann and Ciotola,
Attorney at Law,
Hazleton, Pa., December 14, 1973.

Re S2767 (Calendar 575 and as amended on Floor of Senate).

To Hon. Warren Magnuson, Chairman of the Commerce Committee; Hon. Vance Hartke, Chairman of Subcommittee on Transportation; Hon. Robert P. Griffin, Ranking Minority Member; Hon. Harley O. Staggers, Chairman of Interstate and Foreign Commerce; Hon. James Harvey, Ranking Member of Subcommittee on Transportation; Hon. John Jarman, Chairman of Subcommittee on Transportation.

Dear Senators and Congressmen: I am writing this letter on behalf of the Railroad Task Force of Northeastern Pennsylvania which is chaired by the Honorable William W. Scranton, former Governor of Pennsylvania.

This Task Force is vitally interested in the subject matter, since we have had a real renaissance of industrial development in this area changing it from a badly depressed area to a rather prosperous one. This, together with the fact that we are in the very heart of the Anthracite Coal Region where there are sufficient reserves to meet the needs of this Country for up to one hundred years, adds to our interest in the midst of the energy crisis.

We read with interest the statement by Senator Hartke (as the Floor Manager) in the Senate, and we would heartily agree with the statement that he made. We do want to congratulate both Houses of the Congress on the splendid job that has been done on this Bill in the comparatively short period of time.

There is one matter in this Bill, however, that we feel must be corrected, or Congress may be charged with having made a serious mistake. That is Section 301(d) relating to the Board of Directors of the United Rail Corporation—"so long as a substantial amount—of outstanding indebtedness of the Corporation consists of obligations of the Association . . .".

The clear intent of this Section is to give the Government the control during this period by appointing three specific members of the Government to the Board and having five other members appointed by the President "by and with the advice and consent of the Senate".

We respectfully suggest that this control is only theoretic and not real. The only thing the seven remaining Directors have to do to gain control of the Board is to persuade one of the five members appointed by the President to come over to their side. They then will have an eight-to-seven margin.

This situation could be very embarrassing to the Congress, since there are seven Railroads under Chapter 77, and one of those seven Railroads, the Penn Central, will hold more stock under the formula than all of the other six Railroads combined. If ordinary corporate practice is used, "they" will elect (Penn Central,) and their creditors will elect seven members of the Board. The remaining six Railroads will elect none.

Should a large mass of Penn Central's Management continue to remain in control and if this procedure is a failure, as so many seem to predict, then Congress and the Government will be seriously criticized.

We respectfully suggest, therefore, that the Bill should be amended to clearly state that no more than four members will be elected to the Board, which represents any one Railroad or any one interest.

We respectfully submit that if this is done, it will give the other Railroads, other than the Penn Central a chance to have representation on the Board, making it far more democratic and hopefully more workable and certainly less chance of creating a monolithic monopoly of Penn Central Power even in bankruptcy.

We respectfully request that the Conference Committee consider this matter in the hope of strengthening the Bill so that it may be for the best interest of all the people.

Sincerely,

Louis G. Feldmann,
Counsel for the Railroad Task Force.

P.S. For your convenience we are attaching a proposed Amendment and explanation.

Calendar 575

Section 301, Page 54, Line 24, change the period to a semicolon and insert "And Provided Further, that, at such time as no substantial amount, as determined by the Secretary of the Treasury, of the outstanding indebtedness of the Corporation consists of obligations of the Association or other debts owing to or guaranteed by the United States, the Secretary shall be given the opportunity, and shall have the authority, to veto the nomination of any person or persons to serve as a member of the Board of Directors. It being the expressed intent of the Congress that the affairs of the Corporation be managed in the public interest and that no stockholder or group of stockholders with common, identifiable economic interests, such as, but not limited to, stockholders consisting of former creditors of a single railroad in reorganization, be permitted to control the corporation through the nomination or election of Directors.

EXPLANATION. The taxpayers of the country are committing substantial funds to the Corporation; the entire northeast region, and indeed the entire country, will have a substantial stake in seeing that Directors of the highest possible quality are nominated so that, among other things, key Corporation personnel will be of the highest quality.

There is a tendency in many corporations, not least amongst which are railroads, to elect Directors, and through Directors to hire key personnel, with an overemphasis on "cronyism". Moreover, since the bill creates a 17 plus State regional railroad system, a total lack of supervision over directors could result in financial interests in one subregion of the region obtaining control and directing that the system be operated for the benefit of that particular subregion, perhaps overlooking other subregions.

Additionally, it would be a dreadful mistake if a Board of Directors were to end up hiring as key corporation officers the same type of individuals whom many believe are at least in part responsible for having placed the present bankrupts in reorganization.

The list of reasons for continuing public scrutiny of the Corporation's Directors, and thus its chief personnel, could be extended for pages. We recognize that the eventual goal of this Corporation is that it become a for-profit Corportaion like any other for-profit corporation, and be managed by the same principles as would other corporations. Yet the public investment and public interest in this, particular railroad giant is so great that the public is entitled to retain some degree of supervision over the Corporation. And, as we assume the Secretary will exercise these responsibilities diligently, supervision should have no adverse effect whatsoever upon the stockholders' investment.

Mr. STAGGERS. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Speaker, if I could have the attention of the gentleman from Pennsylvania (Mr. Flood) this was the subject of quite a bit of discussion in the committee. Frankly, we did not want the same people messing up the new railroad that messed up the old one. That is what we discussed, so we provided that as long as half the indebtness of the new corporation is guaranteed by the Federal Government, the Corporation shall be subject to Federal audit and no major changes may be made in the operating board of this Corporation without the approval of the President and the Senate.

Mr. FLOOD. Mr. Speaker, the gentleman knows exactly what I am talking about, without naming names. He knows exactly what I am talking about.

Mr. KUYKENDALL. It is definitely in here, I assure the gentleman.

Mr. FLOOD. They ruined the railroad in the first place. That is why we are here.

Mr. KUYKENDALL. Yes, that is correct.

Mr. FLOOD. We should have this entire question in the Record.

Mr. Speaker, I ask unanimous consent to submit the entire question for the record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HEINZ. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Speaker, if the gentleman from West Virginia will remember he and his committee were wise enough and kind enough to accept an amendment to section 503 of the bill when we had the bill on the floor back on November 8, 1973. That amendment provided for hearings by the Commission prior to discontinuance. It was on page 87, line 22 of the original bill.

Since the bill is barely available—I understand there are only three or four copies of it on the floor—I was wondering if the chairman could indicate to us the fate of that amendment which was very important to us in Pennsylvania and which the chairman, I know, supported on the floor and I know was important to him and to the others who would be affected by this language.

Mr. STAGGERS. Mr. Speaker, I did support it, and I assure my colleague from Pennsylvania that it is in the bill as printed in a different section. I am in support of what the gentleman says and agree with him wholeheartedly, and it is in the bill.

Mr. HEINZ. Mr. Speaker, I want to take this opportunity to thank the chairman for those assurances. I assume I will be enlightened from the debate by the other fine qualities of the conference report, but I know the gentleman from West Virginia and the gentlemen from Tennessee and Montana worked long and hard on the conference report. They have my congratulations.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Washington, a member of the committee on conference.

Mr. ADAMS. Mr. Speaker, I think the chairman of the conferees and the gentleman from Tennessee have explained the bill very well. I just want to confirm with the chairman that the conferees did reach an agreement on the meaning of section 206(i) of the act, particularly with regard to the fact that the association does not have authority to recommend any form of Federal guarantee of corporation stock.

Mr. STAGGERS. Mr. Speaker, the gentleman is correct. The conferees agreed that the planners of the association do not have the authority to recommend and plan the Federal guarantee on the value of corporation stock under section 206(i) of the bill.

Mr. ADAMS. Mr. Speaker, I thank the chairman. I think the gentleman from Tennessee explained it very well and I wanted to confirm that again.

Mr. Speaker, I would be very happy to answer any questions, but basically the House bill was followed. As the gentleman from Tennessee stated, we removed from the bill the maximum items. I hope the conference report will be adopted.

Mr. KUYKENDALL. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Speaker, I would like to ask the gentleman from Washington to clarify one point, and that is the matter of the deficiency judgment. There was a lot of colloquy in the original debate which expressed fears that the Federal court had the key to the Treasury.

Will the gentleman give us his interpretation of the guarantees we have to keep that from happening in the court proceedings?

Mr. ADAMS. Mr. Speaker, there is a definite limitation on the total amount that can be authorized under this bill. Any amounts that go beyond that, or the shifting of the way in which it is spent, is to be approved by an act of Congress, to be signed by the President. It is defined as a joint resloution in the bill, and the statement of the managers, and it was the clear intent of the managers that any amount other than common stock was to be at the lowest possible limit to meet the constitutional guarantees.

Mr. KUYKENDALL. Mr. Speaker, is it not true, I will ask the gentleman from Washington (Mr. Adams) that the creditors, of course, are given protection, and that the Board of Directors, under the control of Government officials, is the owner of the entire block of stock of 100 million shares, whatever it is?

Mr. ADAMS. The gentleman is correct. It is controlled by the United States, so long as the Secretary determines that there is an amount of obligation funds which the United States might, in any way ever, have to have anything to do with.

During that period of time, it is controlled by a board of directors which consists of Government officials.

Mr. KUYKENDALL. There is no way the Federal court may assess the taxpayers or this Congress on the judgments of the creditors; is that correct?

Mr. ADAMS. The gentleman is correct.

Mr. KUYKENDALL. There is no way they can assess the Congress for the money?

Mr. ADAMS. The gentleman is correct.

Mr. KUYKENDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, I would like to ask my colleague this question:

The language of the bill itself is not quite clear as to whether the Missouri-Kansas-Texas and the Rock Island are both connecting lines. As I understood it, the report went into that matter.

Has the report cleared this point up?

Mr. KUYKENDALL. Yes, it has. We have specifically instructed on that point.

Mr. Speaker, in this part of the report there has been specific instruction on that point and we say, as an example, with regard to the Rock Island and the Missouri-Kansas-Texas, that that assurance has been made. This specific language was inserted in the report at the request of the gentleman from Kansas (Mr. Skubitz) and the Senator from Kentucky (Mr. Cook).

Mr. SKUBITZ. And they are designated as connecting lines?

Mr. KUYKENDALL. Yes, they are.

Mr. SHOUP. Mr. Speaker, will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Speaker, as the gentleman will recall, during the previous discussion of item 42, the specter of a possible Presidential veto reared its ugly head several times.

I have received assurance from the Department of Transportation that with the provisions of the bill that is now before the House, they have no objections and will recommend signature by the President.

Mr. Speaker, I wonder if the gentleman has received similar assurances.

Mr. KUYKENDALL. All I can say, I will reply to the gentleman from Montana, is that I cannot imagine that the President will veto the bill.

Mr. SHOUP. Mr. Speaker, if the gentleman from Tennessee will yield further, may I ask the gentleman from Washington (Mr. Adams) has he received any such assurances?

Mr. ADAMS. Yes. Mr. Speaker, I have information that they were satisfied as of last night, and that we can be assured that this legislation will be signed.

Mr. BAUMAN. Mr. Speaker, I have had occasion to examine the conference report on H.R. 9142, the Northeast railroad bill. I have also discussed the contents with the gentleman from Montana (Mr. Shoup) one of the principal authors of the legislation.

Although this bill is in some respects a departure from my belief in the general principle that Government should not interfer in the private economic sector, it does recognize the dire emergency facing the citizens and businesses dependent on rail service in the First District of Maryland and throughout the Northeastern United States. This is particularly true of users of the Penn-Central.

Hopefully, this legislation will allow the Penn-Central and other railroads to get back on their feet, and I therefore fully support the conference report.

Mr. STAGGERS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 284, nays 59, not voting 89, as follows:

[Roll No. 716]

YEAS—284

Abdnor
Abzug
Adams
Addabbo
Andrews, N.C.
Annunzio
Ashbrook
Ashley
Badillo
Barrett
Bauman
Bell
Bergland
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Denholm
Dennis
Dingell
Donohue
Dorn
Downing
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Gude
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hutchinson
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lent
Litton
Long, La.
Lott
McClory
McCloskey
McCollister
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Metcalfe
Mezvinsky
Milford
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Preyer
Price, Ill.
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
St Germain
Sandman
Sarbanes
Sebelius
Seiberling
Shoup
Shuster
Skubitz
Slack
Smith, N.Y.
Snyder
Stanton, James V.
Steed
Steele
Steelman
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Udall
Ullman
Vander Jagt
Vanik
Waggonner
Waldie
Ware
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NAYS—59

Archer
Armstrong
Bafalis
Baker
Beard
Bennett
Bevill
Brown, Mich.
Burleson, Tex.
Burlison, Mo.
Clawson, Del
Conlan
Crane
de la Garza
Dellenback
Derwinski
Devine
Dickinson
Duncan
Edwards, Ala.
Flynt
Froehlich
Gibbons
Gross
Gunter
Hammerschmidt
Hechler, W. Va.
Hicks
Huber
Ichord
Johnson, Colo.
Landgrebe
Latta
Lujan
McEwen
Martin, N.C.
Melcher
Miller
Mizell
Obey
Powell, Ohio
Price, Tex.
Pritchard
Roberts
Robinson, Va.
Runnels
Ruth
Satterfield
Schroeder
Sikes
Spence
Stanton, J. William
Steiger, Wis.
Symms
Treen
Wampler
Wiggins
Young, Fla.
Young, S.C.

NOT VOTING—89

Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Bolling
Brooks
Burgener
Burke, Calif.
Burton
Butler
Camp
Clancy
Collier
Collins, Ill.
Collins, Tex.
Conyers
Danielson
Delaney
Dellums
Dent
Diggs
Dulski
Erlenborn
Evins, Tenn.
Frelinghuysen
Fulton
Gray
Griffiths
Grover
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Hunt
Jarman
Jones, Ala.
Keating
Landrum
Leggett
Lehman
Long, Md.
McCormack
Mailliard
Martin, Nebr.
Michel
Mills, Ark.
Minshall, Ohio
Moss
Nelsen
Nichols
Peyser
Poage
Podell
Quillen
Rarick
Reid
Riegle
Roncalio, Wyo.
Rooney, N.Y.
Rousselot
Roybal
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Shipley
Shriver
Sisk
Smith, Iowa
Staggers
Stark
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Teague, Tex.
Tiernan
Van Deerlin
Veysey
Vigorito
Walsh
Whitten
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.

Mr. Rooney of New York with Mr. Teague.

Mr. Dent with Mr. Tiernan.

Mr. Podell with Mr. Harvey.

Mr. Hays with Mr. Camp.

Mr. Nichols with Mr. Gubser.

Mr. Stubblefield with Mr. Butler.

Mr. Harrington with Mr. Shriver.

Mrs. Hansen of Washington with Mr. Grover.

Mr. Burton with Mr. Schneebeli.

Mr. Conyers with Mr. Danielson.

Mrs. Burke of California with Mr. Peyser.

Mr. Sisk with Mr. Anderson of Illinois.

Mr. Shipley with Mr. Martin of Nebraska.

Mr. Stark with Mr. Erlenborn.

Mr. Lehman with Mr. Anderson of California.

Mr. Brooks with Mr. Mailliard.

Mr. Fulton with Mr. Sarasin.

Mr. Alexander with Mr. Clancy.

Mr. Stephens with Mr. Scherle.

Mrs. Collins of Illinois with Mr. Keating.

Mr. Delaney with Mr. Andrews of North Dakota.

Mr. Reid with Mr. Ruppe.

Mrs. Griffiths with Mr. Frelinghuysen.

Mr. Roybal with Mr. Collier.

Mr. Hanna with Mr. Michel.

Mr. Long of Maryland with Mr. Quillen.

Mr. McCormack with Mr. Burgener.

Mr. Moss with Mr. Minshall.

Mr. Ryan with Mr. Hunt.

Mr. Riegle with Mr. Dellums.

Mr. Jarman with Mr. Nelsen.

Mr. Jones of Alabama with Mr. Collins of Texas.

Mr. Rarick with Mr. Roncalio of Wyoming.

Mr. Sandman with Mr. Rousselot.

Mr. Dulski with Mr. Diggs.

Mr. Evins of Tennessee with Mr. Steiger of Arizona.

Mr. Gray with Mr. Taylor of Missouri.

Mr. Leggett with Mr. Walsh.

Mr. Aspin with Mr. Zwach.

Mr. Mills of Arkansas with Mr. Smith of Iowa.

Mr. Staggers with Mr. Vigorito.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDING INTERSTATE COMMERCE ACT TO REMOVE CERTAIN RESTRICTIONS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2267) to amend section 303(b) of the Interstate Commerce Act to remove certain restrictions upon the application and scope of the exemption provided therein, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2267

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 303(b) of the Interstate Commerce Act, as amended (49 U.S.C. 903(b)), is amended to read as follows:

"(b) Nothing in this part shall apply to the transportation by a water carrier of commodities in bulk. This subsection shall apply only in the case of commodities in bulk which are (in accordance with the existing custom of the trade in the handling and transportation of such commodities as of June 1, 1939) loaded and carried without wrappers or containers and received and delivered by the carrier without transportation mark or count. This subsection shall not apply to transportation subject, at the time this part takes effect, to the provisions of the Intercoastal Shipping Act, 1933, as amended.".

SEC. 2. Sections 2 and 3 of the Act of December 28, 1970 (84 Stat. 1587), are hereby repealed.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRIBUTE TO ERNEST PETINAUD

The SPEAKER. The Chair recognizes the gentleman from Illinois (Mr. FINDLEY) who has a very important statement which we have been trying to get a chance for him to make for some time.

Mr. FINDLEY. Mr. Speaker, this is a notable day in the history of the House of Representatives. It marks the final day in a very long and distinguished career of public service—one perhaps without parallel.

Ernest Petinaud, the able, diligent, and kindly maitre d' of the House Restaurant this week closes a career of service that began about a half century ago.

Ernie, as he has been known affectionately by thousands of Congressmen over the years, began his career with the House of Representatives on March 4, 1925, the day Calvin Coolidge was inaugurated to his elected term as President. He treasures the card given him that day to admit him to the Capitol Building where he began to work as a busboy in the restaurant.

He continued until 1930 working in the restaurant. At that time he was not yet a U.S. citizen. He was born in Jamaica. His father was a native of the British West Indies. His mother was a native of Panama.

During the early 1930's he worked in New York and aboard ships.

In 1938 he returned to the House of Representatives as a U.S. citizen and has worked continuously for the House with great distinction ever since.

Well known is his friendly, affable, kindly, considerate public life. He has been the great warm ambassador of goodwill for the House.

Little known is his equally splendid private life. His devotion to his mother must be an inspiration to everyone. His mother was an invalid for 25 years. And until her death in 1936 he devoted his care and love to her comfort and well-being.

Not until her death did he enter into matrimony.

He is happily married and has been since 1938. He and his wife live at 4923 New Hampshire Avenue NW., in Washington, D.C.

Besides remembering Members of Congress with Christmas greetings each, and many of them with birthday greetings, his interest in other people has been deep and abiding. One of his hobbies has been writing cards and letters for handicapped people.

In retirement he will be engaged heavily in social work, especially helping the needy.

He is a leader in lodge work. He is in Victory Lodge in Free Masonry, and in the Jonathan Davis Consistory in the Scottish Rite.

He is fluent in three languages—French and Spanish as well as English—this talent made him a valuable member of a study mission overseas several years ago.

He has welcomed future Presidents to public service. Among the thousands of freshmen Congressmen he has made to feel at home here in the Capitol were Congressman Lyndon B. Johnson, Congressman John F. Kennedy, and Congressman Richard Nixon.

Under the rules I cannot mention people in the gallery, but on this occasion how splendid it would be if all of us would rise and show our affection to Mr. and Mrs. Petinaud.

GENERAL LEAVE

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on the life, character, and public service of Ernest Petinaud.

The SPEAKER pro tempore (Mr. WILLIAM D. FORD). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the distinguished Speaker.

Mr. ALBERT. Mr. Speaker, I want to join the gentleman from Illinois in his remarks.

I want personally to thank Ernest Petinaud for the kindness that he has shown me. I know that what I say could be echoed by every single Member of the House of Representatives.

I wish him and Mrs. Petinaud a long, useful and happy retirement, as we say to him adios, adieu and farewell, all three words of which he can understand in the appropriate language.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, history is written in Washington every day and, indeed, it is written in this Chamber every day; but in my 21 years in Congress this is the greatest honor that I have ever seen an individual receive from this body, the honor that was just paid our dear friend, Ernest. Through the years this kind of honor has been reserved for people associated with the President, mostly the President's wife, or on occasion a high monarch who would be visiting this body. So Ernest has received, indeed, a rare privilege which all of us will always remember.

I have been fortunate to be Ernest's friend through the years, and he has been a friend to me.

There is nothing more pleasing than when one goes into the restaurant in the morning, and is met by the effervescent personality of Ernest. He starts your day off right; he has respect for the Congress and everything that it stands for. He is indeed a great man, a great American.

I join all my fellow colleagues in wishing him Godspeed. May he be blessed with every happiness.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, this is a very proud moment in the history of the House of Representatives. We are here to honor one of the fine men, one of the fine employees of the House, a man who has been with us these many years.

We will miss Ernest Petinaud when he leaves. We will miss him not only for the fine way in which he handles his job, but for the kind of man that he is, the ready smile with which he always greeted people when they came into the dining room and the ability to remember names. He can remember the name of every former Member, and the wife of practically every Member present and past. All in all he has been a great asset to the historic institution which we call the House of Representatives. He is a fine man in every way, and a good friend to all of us.

I wish to Ernie and Mrs. Petinaud the best of everything in their retirement.

He has often told me that my Spanish is not very good, but nevertheless I would like to close by saying, "Vaya con Dios, Ernesto, mi amigo."

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Illinois.

Mr. TEAGUE of California. Mr. Speaker, Ernesto, mi amigo. Vaya con Dios por muchos anos.

Mr. FINDLEY. Mr. Speaker, would the gentleman give an English translation for us?

Mr. TEAGUE of California. "Go with God, Ernesto." Vaya con Dios por muchos anos. "Many years."

Mr. MAHON. Mr. Speaker, I wish to join in paying well deserved tribute to Ernest Petinaud, a great American and a warm personal friend of the Mahons, GEORGE and Helen.

The spontaneous tribute to Ernest and his wife this afternoon has been heartwarming. They deserved the standing ovation and the enthusiastic cheers of the Members of the House of Representatives.

In my early years in Congress it was not the custom for iced tea to be served by the House restaurant in the wintertime. Mrs. Mahon explained to Ernest on one occasion that iced tea, her favorite dinner drink, was served the year round in Texas. Ernest thought well of the suggestion and ever thereafter and until this day, whenever Mrs. Mahon walks into the restaurant and is seated at a table, Ernest brings her a glass of iced tea—even before she has studied the menu and made her order.

This little personal joke is just another bit of evidence reflecting the good will that is so typical of this wonderful man. Mrs. Mahon and I are very happy to join in the warm sentiments and good wishes that are being expressed here today for Ernest Petinaud and his wife, Jeanette.

Mr. ROGERS. Mr. Speaker, will the gentleman yield

Mr. FINDLEY. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I am sure every Member would like to stand up and pay their respects to Ernest. A lot of Members think we have hard jobs, a lot of chairmen of committees think they have hard jobs. The most difficult job in the Congress is the job Ernest Petinaud has had and served so well, by trying to satisfy Members of Congress when they come in at a time when everyone thinks they should be seated first; yet Ernest has made everyone think they are going to be taken care of and did that so well.

Ernest is one of the finest gentlemen I have known.

He has been a genuine friend to me and my family and to my father before me, so it is with sincere regret that I see that Ernest is going to leave us.

I wish him Godspeed with his fine wife, Jeannette.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. Mr. Speaker, I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, I would like to join in paying tribute to Ernest. I have not known him very long because I am a newer Member of this august body, but it is difficult for a new Member, especially when he is following a chairman who had served so long in this House before him, to really have his constituents and family and close friends know he is in fact a Member of Congress. In fact, I have had difficulty with some of the chairmen here.

But, I can tell the Members that the most encouraging thing that has happened to me in reaching this House of Representatives, as well as with other newer Members, is that when we went into the House dining room, Ernest was there to greet us along with our loved ones, our family, friends, and constituents, to reaffirm to them that we are Members of the House of Representatives.

Mr. Speaker, I just hope that God gives him all his fondest dreams and hopes, both for him, his family, his loved ones, as he made our beginning days easier.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. Mr. Speaker, I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, as the holder of the undisputed record for having the greatest number of guests in the House restaurant and having given Ernie Petinaud the biggest problems, I join in paying tribute to our beloved major domo of the House restaurant.

What the gentleman from Illinois (Mr. FINDLEY) failed to say was that Ernie also speaks Hawaiian.

When I first met Ernie in the House restaurant, I looked at him and said, "You look very much like Prince Kuhio, who served in the House as Hawaii's Delegate to Congress many years ago.

Ernie refused to believe me and said, "Oh, you are just kidding me."

I said, "No, I am not kidding. In fact, you have the same mustache and the same physical features as the Prince." This was about 11 years ago when Ernie used to wax his mustache and it stuck out handsomely on both sides. A few days later I brought in a picture of Prince Kuhio and showed it to Ernie and said, "Here is the evidence." He looked at Prince Kuhio's photo and exclaimed, "Good Heavens, he sure looks like me."

I said, "Heavens, what do you mean, 'he looks like me'? It is you who look like him; he is the Prince." [Laughter.]

A few years ago, when Ernie visited Hawaii on his second honeymoon with Jeannette, we named him "Prince Ernie." Judging from the tribute and tremendous applause accorded him today, he should be more fittingly called, "King Ernie," as he departs from the House he loved so dearly. So to "King Ernie" I say, may you enjoy long-postponed pleasureable pursuits in your retirement in the loving company of "Queen Jeannette." Mahalo nui loa, meka aloha pumehana!

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, as one ham to another, Ernie, we can play it all the way across this hall, but people have wondered down through the years how in the world he has kept that mustache the way it is and kept that vitality, and there is only one reason.

Ernie, bon voyage, mon ami, bon voyage. May flights of angels light your way.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. Mr. Speaker, I yield to the gentleman.

Mr. HALEY. Mr. Speaker, we have heard many Members of Congress talk about the great service of Ernie, and I thoroughly agree with them. There is one thing that has not been mentioned here, because Ernie, I think, knew practically every wife of a Member of Congress. He was always gracious to them and he always saw that they had excellent service.

In his retirement, I say we are losing an outstanding man and an outstanding administrator, a man who has served the Congress well. Especially, I think, if we had a vote here from the wives of the Members of Congress whom he has served so graciously, it would be a unanimous vote.

Mr. Speaker, I wish he and his wife well in their retirement.

Mr. CARNEY of Ohio. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. CARNEY of Ohio. Mr. Speaker, I do not know if any of the Members know, but Ernie gave up a great opportunity and made a great sacrifice to take this job he had in the House of Representatives restaurant for so many years.

Mr. Speaker, I came down here before I was a Congressman with my predecessor, Michael J. Kirwan, who was a great friend of Ernie's. He let me know that Congressman JAMES DELANEY at one time was a wrestling promoter, and Ernie was his top middleweight wrestler.

They called him "Kid Molasses"—sweet but slow and sticky.

I have always greeted him in that way, the same as everybody else.

Mr. Speaker, I wish him good luck and bon voyage.

Mr. CHAMBERLAIN. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Michigan.

Mr. CHAMBERLAIN. Mr. Speaker, I would like to join my colleagues in tribute to Ernie Petinaud.

As was mentioned earlier, Ernie won international fame when he accompanied our NATO delegation a few years ago on a trip to Paris. The gentleman from Ohio (Mr. HAYS) was kind enough to extend an invitation to Ernie. We had plenty of seats aboard the aircraft, and I felt our colleague from Ohio was indeed thoughtful to include Ernie. Before he returned home, he had been the subject of several columns and, in my opinion, treated rather unfairly. I would like to relate an incident that occurred at that NATO meeting to my colleagues.

One morning Ernie and I had arrived at the conference quite early, and we found that we were for the moment the U.S. delegation present. A French delegate had started to make a point rather contrary to the position that had been taken by the chairman of our delegation, the gentleman from Ohio (Mr. HAYS) in his opening remarks, the day before, and I thought it would be well to quote Mr. HAYS in response to him at that particular time.

I called Ernie and I said, "Ernie, I don't know where I am sending you. I don't know whether they have anything like it here or not, but go out and try to find the document room and get Mr. HAYS' remarks of yesterday."

He was back in minutes. He somehow found Mr. HAYS remarks and he brought them back. He was there, and he was on the job helping our U.S. delegation although he was on his annual leave.

Mr. Speaker, the people who attempted to discredit Ernest's presence on that trip simply did not know the facts. Along with my colleagues I say it has been a great privilege to know Ernest Petinaud. The best to you, Ernie.

Mr. VANIK. Mr. Speaker, I would like to join with my colleagues today in paying tribute to Ernest Petinaud, who has served the House of Representatives faithfully and ably for these many years.

Ernie's warm smile was often the best part of a difficult day. His great qualities of kindness to every Member of the House and to everyone who worked in the House was a gift that he distributed equally to the great, near-great, and all the rest of us.

I wish Ernie and his bride-like wife a lifetime of good health and happiness.

Mr. DONOHUE. Mr. Chairman, I want to join with all the Members here in this well-deserved tribute to a good and great gentleman, my long and dear friend, Ernie Petinaud.

Volumes of praise could be written and spoken about Ernie's superior competence, dedication and loyalty in his outstanding career of incomparable service to Members of Congress, their families and their friends. Such volumes, however, could never adequately express our individual and combined gratitude and appreciation of his unparalleled contribution to the well being of the Members of the House of Representatives and the Nation throughout his long tenure here.

In simple summary, let me suggest that, beyond his competence, Ernie is beloved by all of us because his consistent exercise of the basic virtues of understanding, concern, geniality and warmth in welcoming and attending us in what we might very truly describe as "his dining room." His everready smile, his choice comments, his sparkling spirit, his genuine friendship have all provided real inspiration to countless numbers of weary, discouraged and hunger-stricken men and women who, after Ernie's revival treatment, went forth from his dining room with renewed vigor and restored resolve to more effectively deal with the complex problems afflicting a distressed Nation and a confused world.

It is almost impossible to think of entering our Members dining room without the customary greeting from Ernie and he will be, indeed, sorely missed by all of us.

However, we can well understand his desire to at long last pursue some of his hobbies with his charming and gracious wife and I sincerely pray that the Good Lord will bestow His fullest blessings upon these two wonderful persons through many, many more years of good and happy living.

Mr. FLYNT. Mr. Speaker, I too wish to pay my tribute to Ernest Petinaud and to express my high regard for him. He has served the House well for these many years and in so doing he has exemplified the qualities and the characteristics of a true gentleman.

He is one of the most courteous men I have ever met and at the same time is effective and efficient in performing a very difficult function, accompanied by his ever-present smile.

I know that I speak for the other members of my family as well as many visiting friends from home as I take this opportunity to express my appreciation for the many courtesies he has extended to us.

As he enters his voluntary retirement I wish for him and Mrs. Petinaud Godspeed and many more years of continued good health and happiness. I regret his decision to leave the House of Representatives where he has worked so long and so well, but I respect that decision. I only wish that we could wind him up and start him all over again for another 48 years of service to the House of Representatives and its Members.

Mr. GILMAN. Mr. Speaker, as a freshman Member of Congress permit me to add my voice to those Members who have expressed their appreciation and gratitude for their association with our good friend, Ernie Petinaud.

During my first days in Congress, it was a plesant welcome as a freshman to be greeted by name and by the warm hand and cheerful smile of Ernie—something we all will remember. In his 35 years of faithful service as our congenial ambassador of good will, Ernie has become an integral part of the tradition and history of the House and I am pleased to have enjoyed a part of that tradition.

I join with my colleagues in wishing Ernie and Mrs. Petinaud good health, happiness and success in all of their new endeavors.

Mr. BRADEMAS. Mr. Speaker, I want to join the gentleman from Illinois (Mr. FINDLEY) and other Members of the House in paying tribute to our common friend, Ernest Petinaud.

The spontaneous and prolonged applause which greeted Ernest during these tributes represents, in a most vivid way, the warm affection and high regard which, I am sure, every Member of the House of Representatives feels for Ernest Petinaud.

Certainly, Ernest has been unfailingly kind in every instance in which I have sought his assistance, and I am going especially to miss the opportunity to practice my Spanish with him. As has already been pointed out by other Members, Ernest is fluent in the tongue of his birthplace, Panama.

So, Mr. Speaker, to Ernest and his lovely wife, I too want to extend my most sincere good wishes for a long and happy life together. Of one thing, Mr. Speaker, I am certain and that is that whatever Ernest Petinaud chooses to do in his retirement years, he will be serving others.

Mr. BOLAND. Mr. Speaker, I wholeheartedly join in this magnificent tribute to Ernest Petinaud. I know of no one who so richly deserves the praise that is being heaped upon him by the Members of the House of Representatives. He deserves it for the tremendous love he holds for this House. He has earned it by the splendid demeanor he has always maintained in dealing with the Members. It has not always been an easy lot for often Members are so frequently caught up with pressing problems and business, that they do not always find themselves in the best of spirits. But somehow by shear force of his own personality, Ernest has always bridged the gap. Always patient, considerate, courteous and proper in his handling of the sometimes tortuous task that was his in the House dining room, he has won, not alone the esteem, but the love of all with whom he came in contact.

I personally thank him for the many kindnesses he has shown to me during my service in this body. The majority leader, Mr. O'NEILL and I have been almost daily users of the House dining room since coming to the Congress in 1953. Ernest was one of the first House employees that we met. Constantly and consistently he has put himself out to give us the best of treatment. He has, indeed, made our service in this great body much more pleasant and a little easier.

I wish for him and his charming wife many years of continued health and happiness. They deserve it immensely.

Mr. CAREY of New York. Mr. Speaker, throughout my years in the House. Ernest Petinaud has been one of my closest and dearest friends.

During his years as head of the House restaurant, he has been able to change the formal atmosphere of that Capitol restaurant into a place that is warm and friendly. You would think you were at your hometown beanery if you did not know better. Every day was a Broadway show with Ernie's wit and warmth.

Few men are so versatile, so capable. He is an "homme gallant," a "bon vivant," he is black beautiful.

I know for a fact that we in the House are not the only ones who respect and admire him. I have heard of him in Paris and met him in Honolulu and seen people acknowledge the ability and charm of both he and Mrs. Petinaud.

If we ever choose a roving Ambassador, a man who could represent the better qualities of this country and its people, I would choose Ernest. He is that special type of person and I will miss him—but I shall not really because I shall continue our friendship any time we can have lunch at his convenience. After all, he has always done the most to suit my conveniences. From Mrs. Carey and the family to Ernest and Mrs. Petinaud, "au revoir."

Mr. BENNETT. Mr. Speaker, Ernest Petinaud, just now retiring from his long service in the House restaurant, is a remarkable man; and one I cherish as a friend. To know him is to love him. There is a man of whom I can warmly say: There is my brother.

He has the facility of sharing friendship and brotherhood more easily than any man I know.

We will all miss him on Capitol Hill; but as I look back on my 25 years here, there is one period of that time when his help was particularly appreciated. In that period I was confined to a wheelchair for many months; and my beloved mother, now deceased, would push me about to my work and to my meals. In those trying times for my elderly mother, Ernest was particularly helpful to me and to her. I shall never forget it.

As he sits in the gallery tonight with his beloved wife I am honored to have this opportunity to pay tribute to this fine and thoughtful man, whose friendship I shall always treasure. May God bless him and all his loved ones.

Mr. MONTGOMERY. Mr. Speaker, I join others in paying tribute to Ernest Petinaud. He is a dear friend of mine as he is to all Members. Ernest has that gift of remembering names and making all of us feel at home when we would come to the Members' dining room.

He is a thoughtful man and we can all learn much from the way Ernest has handled his life.

The best to you Ernest, and we will all miss you.

Mr. CEDERBERG. Mr. Speaker, I am delighted to join my colleagues in a well deserved tribute to Ernest. He is a gentleman in every sense of the word. I wish him well in his retirement. Ernest, be sure to return and visit with us as often as you can. You will always be welcome. Good luck for a happy future.

Mr. WHITTEN. Mr. Speaker, I join in the tributes which have been paid here today to our friend, Ernie Petinaud. Truly Ernie deserves the many fine things which have been said, always courteous, always in good spirits, he has set a fine example as he went far beyond the call of duty for the Congress of which he has been a real part.

My son, my wife, and daughter would like to have me express their appreciation to Ernie for his friendly manner and friendship, for his courteous attention to all visitors who have come to the restaurant of the House of Representatives.

Ernie is a true friend, and worthy ambassador of good will for our body and our country. We wish for him and his family many more happy and prosperous years.

Mr. HOGAN. Mr. Speaker, I join my colleagues in paying tribute to my friend, Ernest Petinaud.

As a relatively new Member of Congress, I have always been impressed with his phenomenal memory. He calls every Member, past and present by name. He always is pleasant and in frequent chaotic conditions at the House dining room, he never loses his cool.

I wish him and his wife all possible happiness in the years ahead.

Mr. STEIGER of Wisconsin. **Mr. deserved tribute** to Ernie Petinaud. Few men have so pleasantly and gracefully aided Members and their families and constituents. I am deeply grateful to Ernie for all he's done. His is a record of service to the House as an institution and to its members which we all shall miss. Mrs. Dempsey, Janie, and Billy join with me in saying thank you Ernie and Godspeed in your retirement. All the best.

Mr. FINDLEY. Mr. Speaker, on that happy note, I am sure that all of my colleagues join me in wishing Ernie and his wife a Merry Christmas and many Happy New Years to come.

A TRIBUTE TO THE HONORABLE SENATOR SAM J. ERVIN, JR.

(Mr. FOUNTAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOUNTAIN. Mr. Speaker, I want to call to the attention of my colleagues in the House that the senior Senator from the State of North Carolina, the Honorable SAM J. ERVIN, JR., yesterday announced that he does not plan to seek reelection to the Senate of the United States at the conclusion of his present term of office in January, 1975.

Senator ERVIN has had a long and distinguished career in the Senate, preceded by service in this House in the 79th Congress—a career highlighted time and time again by his strict adherence to the basic constitutional principles which made this Nation what it is today.

The Senator's reputation as the Nation's foremost constitutional authority is richly deserved and is the result of his devotion to and lifetime study of the most precious document in the archives of the American people.

A man of strict rectitude, of absolute sincerity, of complete openness and honesty, of honor and of integrity, and of strong Christian faith, Senator ERVIN's departure from the hallowed halls of the U.S. Capitol will be keenly felt.

His quick perception of the core of a problem—and our beloved Nation has many—and his everready willingness to tackle problems and overcome them, will be greatly missed.

Those of us from North Carolina, who have observed his lifelong devotion to advancing the cause of freedom, and his dedicated service to mankind, will miss his counsel in the seat of Government, but we know that his retirement from public office to private life is well earned and richly deserved.

Senator ERVIN has labored long and hard in the vineyard of public service to his community, to his State, to his Nation and, yes, to the people of the world, and he has clearly earned the right to take his ease amongst the beautiful scenery of western North Carolina from whence he came.

Born at Morganton, N.C., North Carolina's senior Senator earned his A.B. degree from the University of North Carolina at Chapel Hill, N.C., which is located in the congressional district I have the honor to represent, and then went on to receive his LL.B. degree at Harvard University.

Many other distinguished institutions of higher education have honored themselves as well as the Senator down through the years with honorary degrees, including: the University of North Carolina; Western Carolina University; Suffolk University; Wake Forest University; George Washington University; St. Andrews Presbyterian College; and Davidson College.

During the First World War, Senator ERVIN served with great distinction in the American Expeditionary Force to France, where he was twice wounded in battle and twice cited for gallantry.

The Government of the Republic of France awarded him the French Fourragere. His American decorations include the Silver Star, the Distinguished Service Cross, and the Purple Heart with Oak Leaf Cluster.

A practicing attorney in Morganton, having been admitted to the bar of the State of North Carolina in 1919, Senator ERVIN served as the representative of Burke County, N.C., in the State's general assembly in 1923, 1925, and 1931.

Senator ERVIN was the able judge of the Burke County Criminal Court from 1935 to 1937, and ascended to the superior court bench in 1937, where he served with distinction until 1943.

As I mentioned earlier, he ably served in the House of Representatives in the 79th Congress, representing the 10th Congressional District of North Carolina.

From 1948 until 1954, Senator ERVIN served his State as associate justice of the North Carolina supreme court, until such time as he assumed his seat in the U.S. Senate—an office of highest public trust to which the people of our State have returned him each time he offered for election.

Senator ERVIN's distinguished career in the Senate needs no amplification from me at this time. As "Senator Sam," he is known to countless millions of Americans all across our great land.

No higher accolade could be paid to any American than by saying that he devoted his life to duty, honor, and country.

Such can truthfully be said of Senator SAM J. ERVIN, JR. It is the mark of the man he is.

GENERAL LEAVE

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent that all Members who may care to do so may have 5 legislative days in which to revise and extend their remarks in relation to the proposed retirement of SAM ERVIN.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ON THE RETIREMENT OF SAM ERVIN

(Mr. PEPPER asked and was given permission to address the House for 1 minute.)

Mr. PEPPER. Mr. Speaker, in the warmest way I want to associate myself with the eloquent tribute to Senator SAM ERVIN which was just made by the able gentleman from North Carolina (Mr. FOUNTAIN).

FURTHER CONFERENCE REPORT ON H.R. 11576, SUPPLEMENTAL APPROPRIATIONS, 1974

Mr. MAHON submitted the further conference report and statement on the bill (H.R. 11576) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93–745)

The Committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11576) "making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes," having met, after further full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 4, 25, 39, 44, 69, 78, 85, 88, 93, 96, 99 and 101.

That the House recede from its disagreement to the amendments of the Senate numbered 6 8, 10, 11, 12, 16, 20, 23, 27, 28, 30, 32, 33, 46, 49, 59, 61, 62, 63, 65, 66, 72, 73, 76, 77, 79, 81, 82, 98, 105, 106, and 107; and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,300,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,450,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$125,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,670,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$29,100,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,960,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"HEALTH SERVICES DELIVERY

"For an additional amount for 'Health services delivery', for carrying out section 4(c) of Public Law 93-53, $7,000,000".

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$725,668,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$630,000,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: Strike out the matter as proposed by said amendment and insert "and section 110(b)," and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$47,857,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,300,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$15,000,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$15,000,000"; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,250,000"; and the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,000,000"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,000,000"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$105,000,000"; and the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$17,000,000"; and the Senate agree to the same.

Amendment numbered 97: That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$90,400,000"; and the Senate agree to the same.

Amendment numbered 102: That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,500,000"; and the Senate agree to the same.

Amendment numbered 103: That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,100,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 7, 14, 15, 18, 21, 22, 24, 29, 31, 35, 36, 38, 43, 47, 48, 50, 51, 52, 53, 54, 55, 56, 57, 58, 64, 70, 71, 74, 75, 80, 86, 90, 91, 94, 95, 100, 104, 108, 109, and 110.

GEORGE MAHON,
JAMIE L. WHITTEN,
(except as to amendment No. 5),
JOHN J. ROONEY,
JOE L. EVINS,
EDWARD P. BOLAND,
DANIEL J. FLOOD,
TOM STEED,
JOHN M. SLACK,
JULIA BUTLER HANSEN,
JOHN J. MCFALL,
E. A. CEDERBERG,
ROBERT MICHEL,
SILVIO O. CONTE,
GLENN R. DAVIS,
HOWARD W. ROBISON,
JOSEPH M. MCDADE,
Managers on the part of the House.

JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
JOHN C. STENNIS,
JOHN O. PASTORE,
ALAN BIBLE,
ROBERT C. BYRD,
GALE W. MCGEE,
WILLIAM PROXMIRE,
JOSEPH M. MONTOYA,
DANIEL K. INOUYE,
THOMAS F. EAGLETON,
MILTON R. YOUNG,
ROMAN L. HRUSKA,
NORRIS COTTON,
CLIFFORD P. CASE,
HIRAM L. FONG,
MARK O. HATFIELD,
TED STEVENS,
CHARLES MCC. MATHIAS, Jr.,
RICHARD S. SCHWEIKER,
HENRY BELLMON,
Managers on the part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11576) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The following provision in the opening paragraph of the Senate bill, "and shall be made available for expenditure except as specifically provided by law" was not agreed to by the conferees because it was deemed to be an unnecessary restatement of existing provisions of law. It was therefore deleted without prejudice.

CHAPTER I

Department of Agriculture

Agricultural Research Service

Amendment No. 2: Deletes appropriation in the amount of $500,000 proposed by the Senate to carry out a comprehensive study and investigation to determine the reason for the extensive loss of livestock through injury and disease while such livestock is being transported in interstate commerce for commercial purposes.

The conferees are in agreement that this is an essential study that needs to be initiated immediately and direct the Department to proceed without delay. In the opinion of the conferees, the cost of this study for the remainder of the 1974 fiscal year can be absorbed within available funds.

Foreign Agricultural Service

Amendment No. 3: Appropriates $1,300,000 for "Foreign Agricultural Service" instead of $1,000,000 as proposed by the House and $1,628,000 as proposed by the Senate.

Forestry Incentive Program

Pending hearings on the next regular appropriation, the incentives for tree planting for the remainder of the current fiscal year shall be financed under the cooperative tree-planting program of R.E.A.P., where up to 80 per cent of the cost has been paid by the United States and more than 5.5 billion seedlings have been set out.

Environmental Protection Agency

Research and Development

Amendment No. 4: Restores House language deleted by the Senate. The House language prohibits the Environmental Protection Agency from using funds to administer any program to tax, limit, or otherwise regulate parking facilities.

CHAPTER II

Department of Defense—Military

Operation and Maintenance, Navy

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide $72,000,000 for the exploration, development, and production of petroleum products at Naval Petroleum Reserves Number 1 and 4.

CHAPTER III

Amendment No. 6: Changes chapter number.

Veterans Administration

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to insert language requiring independent audit and approval through the appropriations process of Veterans Administration contract settlements, with an amendment to exclude settlements of $1,000,000 or less. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Although this provision confirms current understandings of reprogramming authority, the conferees recognize that it could place a hardship on contractors who have recently negotiated a settlement with the Veterans Administration, but have not been paid by the agency. The conferees agree that a secured advance payment in an amount not to exceed $6,000,000 can be made in such situations prior to the effective date of this bill, provided that such payment is formally approved by the Office of Management and Budget, with the understanding that an independent audit will ultimately be performed and that final payment will be subject to Congressional approval.

It is the sense of the conferees that all claims against the Veterans Administration should be processed through the agency board of contract appeals unless there is adequate legal analysis, audit information, and claim documentation to show that settlement outside the board of contract appeals is in the best interests of the Government. This procedure should be taken into consideration when appropriations are requested to fund such claims. It is further the sense of the conferees that when funds are requested to settle such claims, the sum should include funds to pay interest on the claim settlement.

CHAPTER IV

Amendment No. 8: Changes chapter number.

Department of the Interior

Bureau of Land Management

Amendment No. 9: Appropriates $8,450,000 for management of lands and resources instead of $8,150,000 as proposed by the House and $8,500,000 as proposed by the Senate. The increase above the amount proposed by the House includes $300,000 for coal leasing activities.

Amendment No. 10: Appropriates $500,000 for construction and maintenance as proposed by the Senate. The managers on the part of the House and Senate are in agreement that the House limitation of $29,000 on the unit cost of employee housing shall not apply to the temporary housing to be constructed by funds appropriated under this paragraph.

Bureau of Indian Affairs

Amendment No. 11: Inserts heading as proposed by the Senate.

Amendment No. 12: Appropriates $2,240,000 for education and welfare services as proposed by the Senate.

Amendment No. 13: Appropriates $125,000 for resources management instead of $197,000 as proposed by the Senate.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $1,020,000 for construction and which provides that $2,700,000 of the amount appropriated under this heading in the Department of the Interior and Related Agencies Appropriation Act, 1974, shall be available for assistance to the Ramah Navajo School Board, Incorporated, New Mexico, for the construction of school facilities.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides an additional $1,000,000 advance to be disbursed, at the discretion of the Secretary of the Interior, among the Regional Corporations established under the Alaska Native Claims Settlement Act.

Territorial Affairs

Amendment No. 16: Appropriates $10,110,000 for Trust Territory of the Pacific Islands as proposed by the Senate instead of $8,410,000 as proposed by the House.

Bureau of Mines

Amendment No. 17: Appropriates $5,670,000 for mines and minerals instead of $4,170,000 as proposed by the House and $6,170,000 as proposed by the Senate. The increase above the amount proposed by the House includes $1,500,000 for construction of the Mine Health and Safety Academy, Beckley, West Virginia.

The managers on the part of the House and Senate are in agreement that, of the funds appropriated to the Bureau of Mines for petroleum research, $1,300,000 shall be for contract research on non-nuclear explosive fracturing to stimulate the production of oil and gas wells.

Amendment No. 18: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which provides that $1,500,000 of the amount appropriated for mines and minerals shall remain available until expended instead of $2,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Office of Coal Research

Amendment No. 19: Appropriates $29,100,000 for salaries and expenses instead of $26,100,000 as proposed by the House and $30,200,000 as proposed by the Senate. The increase above the amount proposed by the House includes $1,000,000 for system studies, and $2,000,000 for research on magnetohydrodynamics.

Amendment No. 20: Provides language as proposed by the Senate which provides that the appropriation for salaries and expenses remain available until expended.

Office of Oil and Gas

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment providing $33,545,000 for salaries and expenses instead of $21,145,000 as proposed by the House and $75,576,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The increase above the amount proposed by the House includes additions of $2,600,000 for assistance to States under the authority of the Economic Stabilization Act; $10,000,000, contingent upon enactment of S. 2589 or similar legislation, to be available as follows: $5,000,000 for a State grant program and $5,000,000 for implementation of other emergency energy programs authorized by such legislation; and a reduction of $200,000 for the Mandatory Petroleum Allocation program.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which provides that $10,000,000 of the funds made available for salaries and expenses shall be set aside as a contingency reserve and shall be available for obligation only upon the enactment into law of S. 2589, Ninety-third Congress, or similar legislation, instead of $52,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Bureau of Sport Fisheries and Wildlife

Amendment No. 23: Appropriates $450,000 for resource management as proposed by the Senate instead of $500,000 as proposed by the House.

National Park Service

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $12,000 for planning and construction.

Office of Saline Water

Amendment No. 25: Deletes language as proposed by the Senate. The conferees agree that closure by the Office of Saline Water of the Roswell, N. Mex., Test Facility is contrary to the intent of congressional appropriations to keep this facility operating and direct that no funds be used to close or deactivate this facility.

Office of the Secretary

Amendment No. 26: Appropriates $8,960,000 for salaries and expenses instead of $8,595,000 as proposed by the House and $9,445,000 as proposed by the Senate. The decrease below the amount proposed by the Senate includes a reduction of $485,000 for energy conservation research related to mobile homes.

Amendment No. 27: Appropriates $543,000 for departmental operations as proposed by the Senate instead of $400,000 as proposed by the House.

Office of the Solicitor

Amendment No. 28: Appropriates $999,000 for salaries and expenses as proposed by the Senate.

Related agencies—Department of Agriculture

Forest Service—Forest Protection and Utilization

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment providing $9,890,000 for forest land management instead of $8,590,000 as proposed by the House and $8,550,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The increase above the amount proposed by the House includes $1,300,000 for timber salvage and rehabilitation work in the Northwest where the tussock moth has caused widespread damage.

Amendment No. 30: Appropriates $240,000 for forest research as proposed by the Senate.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides language which prohibits abolishing any region, moving or closing any regional office for research, State and private forestry, and national forest system administration of the Forest Service, Department of Agriculture, without the consent of the Committees on Appropriations and Committees on Agriculture and Forestry in the U.S. Senate and U.S. House of Representatives.

American Revolution Bicentennial Administration

Amendment No. 32: Appropriates $7,100,000 for salaries and expenses as proposed by the Senate.

CHAPTER V

Amendment No. 33: Changes chapter number.

Department of Labor

Manpower Administration

Amendment No. 34: Appropriates $10,000,000 for "Community service employment for older Americans", instead of $40,000,000 proposed by the Senate.

Department of Health, Education, and Welfare

Health Services and Mental Health Administration

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, which appropriates $36,500,000 of which $9,500,000 shall remain available until expended for "Health services planning and development", instead of $9,500,000 to remain available until expended as proposed by the House.

It has come to the conferees' attention that the Department of Health, Education and Welfare is planning to further decentralize and regionalize vital drug, alcohol and mental health programs administered by the recently organized Alcohol, Drug Abuse and Mental Health Administration. Because of the possibility that further decentralization of program decisions to the ten regional offices involves implementation of a plan for de facto revenue sharing of questionable legality which could retard development of consistent policies and frustrate current efforts to develop a more coherent administration of drug, alcohol, mental health and other health programs, the conferees expect the Secretary to defer any final decision on this matter until the appropriate Committees of Congress have had an opportunity to carefully review the decentralization and regionalization proposals.

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will provide that $10,000,000 of the $27,000,000 earmarked for carrying out the provisions of Public Law 93–154 shall be derived by transfer from funds previously appropriated for emergency medical services activities, instead of a transfer of $7,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers are agreed that, of the funds previously appropriated to the National Heart and Lung Institute for the purpose of conducting emergency medical services, $3 million is transferred to the "Health Services Planning and Development" appropriation to carry out the program authorized by the Emergency Medical Services Systems Act and $7 million may be redirected to continue other Heart and Lung Institute research grant programs.

Amendment No. 37: Appropriates $7,000,000 for "Health services delivery", instead of $30,105,000 proposed by the Senate, and adjusts legal citation.

National Institutes of Health

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates an additional amount of $5,000,000 for "Health manpower", to be available only upon enactment into law of authorizing legislation.

Office of Education

Amendment No. 39: Deletes appropriation of $12,447,000 for "Emergency school assistance", proposed by the Senate.

Social and Rehabilitation Service

Amendments Nos. 40, 41 and 42: Appropriate $725,668,000 for "Social and rehabilitation services" instead of $707,538,000, as proposed by the House, and $752,668,000, as proposed by the Senate, and provide that $630,000,000 shall be for grants under sections 110 (a) and (b) of the Rehabilitation Act of 1973, instead of $609,000,000 for grants under section 110(a) and $6,870,000 for grants under section 110(b), as proposed by the House, and $650,000,000 for grants under section 110(a), as proposed by the Senate.

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will provide that $4,000,000 to remain available until expended shall be for facilities construction as authorized by section 301 of the Rehabilitation Act of 1973, instead of $6,000,000, proposed by the Senate. The managers are agreed that $1,000,000 is to be used for the construction of a new rehabilitation center in Arkansas, and $3,000,000 is for upgrading and improving facilities at the West Virginia Rehabilitation Center.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 44: Deletes appropriation of $7,500,000 for "Multidisciplinary centers of gerontology", proposed by the Senate.

Related agencies

Action

Amendment No. 45: Appropriates $47,857,000 for "Operating expenses, domestic programs", instead of $46,319,000 as proposed by the House and $49,395,000 as proposed by the Senate.

Administrative provisions

Amendment No. 46: Inserts heading, as proposed by the Senate.

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will insert a new section, appropriating funds necessary for full obligation of fiscal year 1973 appropriations found by courts to have been illegally impounded, as proposed by the Senate, with a technical change in the number of the section.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will insert a new section providing continuing appropriations for activities of the Cabinet Committee on Opportunities for Spanish-speaking People and manpower training programs of the Department of Labor, as proposed by the Senate, with technical changes in the language of the Senate amendment to assure continuation of various other ongoing activities of the Manpower Administration, and to change the section number.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CHAPTER VI

Amendment No. 49: Changes chapter number.

Legislative Branch

Amendment Nos. 50 through 56: Reported in technical disagreement. Inasmuch as these amendments relate solely to the Senate and in accord with long practice, under which each body determines its own housekeeping requirements, and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in the Senate amendments Nos. 50 through 56.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $117,000 for "Senate Office Buildings".

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $20,900,000 for "Construction of an Extension to the New Senate Office Building".

CHAPTER VII

Amendment No. 59: Changes chapter number.

Atomic Energy Commission

Operating Expenses

Amendment No. 60: Appropriates $11,300,000 instead of $5,500,000 as proposed by the House and $16,500,000 as proposed by the Senate. The managers are agreed that the funds provided above the House Bill are for energy related research for the Civilian Reactor Research and Development and Reactor Safety Research Programs.

Department of Defense—Civil—Department of the Army

Corps of Engineers—Civil—General Investigations

The managers are in agreement that the amounts for the studies provided for in the Senate Report are to be allocated within available funds.

Construction, General

The managers are agreed that the language included in the House and Senate reports relating to the Tennessee-Tombigbee Waterway is not intended and shall not operate to slow down in any way the construction of this project.

Flood Control, Mississippi River and Tributaries

Amendment No. 61: Appropriates $14,600,000 as proposed by the Senate instead of $7,600,000 as proposed by the House.

Revolving Fund

The managers agree that the Corps of Engineers shall proceed with the immediate planning in connection with the modification and rehabilitation of hopper dredges. These plans are to be submitted to the Committees on Appropriations of the House and Senate for approval. Otherwise the moratorium shall continue.

CHAPTER VIII

Amendment No. 62: Changes chapter number.

Department of State

International Organizations and Conferences

Amendment No. 63: Inserts headings.

Contributions to International Organizations

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $17,337,000 to be available without regard to the ceiling set in the Department of State Appropriation Act, 1973 and to be available only upon the enactment of authorizing legislation.

International Conferences and Contingencies

Amendment No. 65: Appropriates $1,700,000 as proposed by the Senate.

Department of Justice

Legal Activities and General Administration

Salaries and expenses, community relations service

Amendment No. 66: Appropriates $500,000 as proposed by the Senate.

Department of Commerce—Economic Development Administration

Development Facilities

Amendment No. 67: Appropriates $15,000,000 instead of $38,900,000 as proposed by the Senate.

Industrial Development Loans and Guarantees

Amendment No. 68: Appropriates $15,000,000 instead of $28,700,000 as proposed by the Senate.

Planning, Technical Assistance, and Research

Amendment No. 69: Appropriates $6,500,000 as proposed by the House instead of $13,900,000 as proposed by the Senate.

Amendment No. 70: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: "which shall be available for extension of grants to existing Economic Development Districts and planning organizations, including administrative expenses, and to fund new districts which meet the requirements of 42 U.S.C. 3171, as amended."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that no restrictions be imposed in the authorization, designation, and funding of new economic development districts which meet the requirements of 42 U.S.C. 3171, as amended.

Domestic and International Business Administration

Salaries and Expenses

Amendment No. 72: Appropriates $2,100,000 as proposed by the Senate instead of $1,953,000 as proposed by the House.

Participation in United States Expositions

Amendment No. 73: Appropriates $150,000 for Federal participation in the 1974 Arctic Winter Games as proposed by the Senate.

U.S. Travel Service

Salaries and Expenses

Amendment No. 74: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $2,000,000 instead of $2,344,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Related Agencies—Equal Employment Opportunity Commission

Salaries and Expenses

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment increasing the limitation for payments to State and local agencies to $2,500,000 instead of $3,700,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Foreign Claims Settlement Commission

Salaries and Expenses

Amendment No. 76: Appropriates $105,000 as proposed by the Senate.

International Radio Broadcasting

Amendment No. 77: Inserts heading.

Board for International Broadcasting

Amendment No. 78: Appropriates $125,000 as proposed by the House instead of $150,000 as proposed by the Senate.

CHAPTER IX

Amendment No. 79: Changes chapter number.

Department of Transportation

National Highway Traffic Safety Administration

Amendment No. 80: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which will appropriate $30,335,000 for traffic and highway safety instead of $30,570,000 as proposed by the House and $31,585,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that no funds are to be allocated to the crash recorder fleet test program.

Amendment No. 81: Deletes language proposed by the House making the appropriation for traffic and highway safety contingent upon the enactment of authorizing legislation by the Ninety-third Congress.

CHAPTER X

Amendment No. 82: Changes chapter number.

Department of the Treasury

Bureau of Alcohol, Tobacco, and Firearms

Amendment No. 83: Appropriates $2,250,000 for salaries and expenses instead of $2,000,000 as proposed by the House and $2,525,000 as proposed by the Senate.

United States Customs Service

Amendment No. 84: Appropriates $5,000,000 for salaries and expenses instead of $7,000,000 as proposed by the House and $2,300,000 as proposed by the Senate.

Amendment No. 85: Restores language proposed by the House which would make funds available for payment for rental space in connection with Customs preclearance operations.

Amendment No. 86: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to change the word "Committee" in the proviso to "Committees". The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Internal Revenue Service

Amendment No. 87: Appropriates $26,000,000 for accounts, collection and taxpayer service instead of $26,800,000 as proposed by the House and $25,000,000 as proposed by the Senate.

Presidential Election Campaign Fund

Amendment No. 88: Deletes language proposed by the Senate which would appropriate to the Presidential Election Campaign Fund amounts designated to such fund by individuals under section 6096 of the Internal Revenue Code of 1954.

United States Postal Service

Amendment No. 89: Appropriates $105,000,000 for payment to the Postal Service Fund instead of $110,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

Executive Office of the President

Council on International Economic Policy

Amendment No. 90: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds one word for clarity.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would provide that the Council be exempt from the provisions of law regulating the employment and compensation of persons in the government service, and would provide $1,000 for official entertainment expenses.

Economic Stabilization Activities

Amendment No. 92: Appropriates $17,000,000 for salaries and expenses instead of $20,700,000 as proposed by the House and $10,000,000 as proposed by the Senate.

The White House Office

Amendment No. 93: Appropriates $1,500,000 for salaries and expenses as proposed by the House instead of $1,250,000 as proposed by the Senate.

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the language proposed by the Senate, insert the following:

"*Provided*, That of the amount heretofore and herein appropriated for 'Salaries and expenses' for the current fiscal year, the limitation for personal services as authorized by title 5, United States Code, section 3109, at such per diem rates for individuals, as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service is $3,850,000 and the limitation on travel is $100,000."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Federal Energy Office

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would appropriate $9,360,000 for salaries and expenses for the newly established Federal Energy Office.

Independent agencies—Civil Service Commission

Salaries and Expenses

Amendment No. 96: Appropriates $760,000 for salaries and expenses as proposed by the House instead of $500,000 as proposed by the Senate.

General Services Administration

Public Buildings Service

Amendment No. 97: Appropriates $90,400,000 for operating expenses instead of $82,400,000 as proposed by the House and $91,000,000 as proposed by the Senate.

Amendment No. 98: Appropriates $21,683,000 for repair and improvement of public buildings as proposed by the Senate instead of $19,000,000 as proposed by the House.

Amendment No. 99: Deletes language proposed by the Senate, which would make funds available until expended in connection with repair and improvement of public buildings.

Amendment No 100: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would reappropriate $1,290,000 for additional funding for the Federal Office Building project at Elkins, West Virginia.

National Archives and Records Service

Amendment No. 101: Deletes language proposed by the Senate which would make certain funds available until expended.

Property Management and Disposal Service

Amendment No. 102: Appropriates $3,500,000 for operating expenses instead of $3,000,000 as proposed by the House and $4,000,000 as proposed by the Senate.

Administrative Operations Fund

Amendment No. 103: Provides for an increase in the limitation on the Administrative Operations Fund of $1,100,000 instead of $1,000,000 as proposed by the House and $1,200,000 as proposed by the Senate.

General Provisions—General Services Administration

Amendment No. 104: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter proposed by the Senate, insert the following:

"SEC. 1001. No appropriated funds shall be available for the purpose of defraying any expenses (including expenses for the payment of the salary of any person) incurred in connection with the transfer of title of all (or any portion) of the Sand Point Naval Facility, Seattle, Washington, to any person or entity for aviation use unless and until (A) the Administrator of General Services has transferred to the National Oceanic and Atmospheric Administration title to that portion of such facility as has been requested by the National Oceanic and Atmospheric Administration; and (B) the City of Seattle, Washington, and the County of King in the State of Washington, and the State of Washington have each approved a plan for aviation use of a portion of such facility."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CHAPTER XI

Amendment No. 105: Changes chapter number.

Claims and judgments

Amendment Nos. 106 and 107: Add the citation to include claims and judgments contained in Senate Document Numbered 93–49 as proposed by the Senate; and appropriate $57,352,301 for claims and judgments as proposed by the Senate instead of $47,011,168 as proposed by the House.

CHAPTER XII

General provisions

Amendment No. 108: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment to change the chapter number from XI to XII as proposed by the Senate, and correct the section numbers in said chapter to read Sec. 1201 instead of 1101, and Sec. 1202 instead of 1102. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 109: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides language limiting the log export prohibition to the contiguous 48 States. The managers are in agreement that a recently reported practice among some producers of giving a log two or more cuts, reassembling it and exporting it does not meet the domestic primary manufacturing requirements and is contrary to the letter and spirit of the Congressional restrictions on log exports. The Secretaries of Interior and Agriculture are directed to take appropriate steps to halt this practice.

Amendment No. 110: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides language that the limitation on log exports shall not apply to specific quantities of grades and species of timber which the Secretaries of Interior and Agriculture determine are surplus to domestic lumber and plywood manufacturing needs.

Conference total—with comparison

The total new budget (obligational) authority for the fiscal year 1974 recommended by the committee of conference, with comparisons to the budget estimate total, and the House and Senate bills follows:

Budget estimates	[1] [2] $1,534,183,886
House bill	1,433,035,718
Senate bill	[2] 1,888,425,386
Conference agreement	[2] 1,703,125,386
Conference agreement compared with:	
Budget estimate	+168,941,500
House bill	+270,089,668
Senate bill	−185,300,000

George Mahon,
Jamie L. Whitten
(except as to amendment No. 5),
John J. Rooney,
Joe L. Evins,
Edward P. Boland,
Daniel J. Flood,
Tom Steed,
John M. Slack,
Julia Butler Hansen,
John J. McFall,
E. A. Cederberg,
Robert H. Michel,
Silvio O. Conte,
Glenn R. Davis,
Howard W. Robison,
Joseph M. McDade,
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John C. Stennis,
John O. Pastore,
Alan Bible,
Robert C. Byrd,
Gale W. McGee,
William Proxmire,
Joseph M. Montoya,
Daniel K. Inouye,
Thomas F. Eagleton,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Clifford P. Case,
Hiram L. Fong,
Mark O. Hatfield,
Ted Stevens,
Charles McC. Mathias, Jr.,
Richard S. Schweiker,
Henry Bellmon,
Managers on the Part of the Senate.

Mr. MAHON. Mr. Speaker, pursuant to the order of the House of Wednesday, December 19, 1973, I call up the further conference report on the bill (H.R. 11576) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see prior proceedings of the House today.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement of the managers be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I desire to make some references to the final supplemental.

Mr. Speaker, this bill is the same bill that we had before us yesterday, and which was recommitted because of a problem involving the Elk Hills naval petroleum reserve. The committee has of course been compelled to bow to the will of the House and concur to the Senate amendment in this matter.

Mr. Speaker, there are 41 amendments in disagreement. The bill is now about $1.7 billion. Copies of the report are available. It is the identical report considered yesterday except for one provision that was before us in the previous effort to pass the conference report.

So I see no need to pursue the matter further at this time.

I wish to say again, because there may be some Members here who were not here earlier today when we took up the defense conference report, that when we consider these money bills I think it is good to look at the whole picture. We talk about budget control and a better picture of the whole fiscal situation. I pointed out earlier today that in appropriation bills for this session we are below the budget in excess of $3 billion. Maybe that is not the best record in the world, but it is certainly a respectable record.

From the standpoint of expenditures, it will be maintained by some that we are not in such bad shape. But if we approve the energy bill before we adjourn, a bill which has certain unemployment features under some circumstances, and if we approve the amendments relating to social security, we will be approximately $1.5 billion above the President's November 15 estimate on Federal spending. I made more complete reference to this subject earlier today.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the second supplemental, and that I may have consent to insert extraneous material and appropriate tables.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I have no requests for time and plan to move the previous question on the conference report after the distinguished gentleman from Michigan (Mr. Cederberg) uses some time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I appreciate the gentleman yielding to me, and I have asked the gentleman to yield for just one brief observation.

Of course, the budget is the asking price, and with the passage—and the final passage, apparently—of the foreign giveaway program, the highest in many years at $6 billion, that just shoots down, as far as I am concerned, the balloon known as the tight budget.

I thank the gentleman for yielding.

Mr. MAHON. I thank the gentleman for his contribution.

Mr. Speaker, I now yield to the gentleman from Michigan (Mr. Cederberg).

Mr. CEDERBERG. Mr. Speaker, the gentleman from Texas, the chairman of the committee (Mr. Mahon) has already indicated that the matter was resolved in the recommittal motion yesterday. That has already been resolved, and I see no reason to take any more time.

Mr. Speaker, I yield back the balance of my time.

Mr. HANLEY. Mr. Speaker, a supplemental appropriations request has been sent to Congress in which, once again, the Office of Management and Budget has overridden the recommendations of the Postal Service and broken faith with the users of the mail who supported the Postal Reorganization Act. The Postal Service plans to put an enormous rate increase into effect in January on a temporary basis pending Rate Commission consideration. It properly has asked for supplemental appropriations to compensate for the phasing of this increase—a phasing which was written into the Postal Reorganization Act expressly to lighten the impact of large rate increases such as that scheduled for January. But OMB wants Congress to deny these appropriations for third-class mail so that there will be no phasing, as it has since 1971. If OMB can do this to one class of mail, it can in the future affect any other class of mail as it sees fit.

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[1] Includes $105,393,668 not considered by the House.

[2] Includes $75,000 for fiscal year 1973.

If OMB has its way, the total rate increase for third-class mail in less than 2 years will average almost 60 percent. This will be true although, as the Postal Service has repeatedly said, this class of mail more than paid its way even before any of this increase took effect.

There is a basic issue of fairness and a violation of clearly stated congressional intent involved. As chairman of the House Postal Service Subcommittee, I can assure OMB that I will continue to protest its continued abrogation of congressional policy.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the "ayes" appeared to have it.

Mr. DELLENBACK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 329, nays 10, not voting 93, as follows:

[Roll No. 717]

YEAS—329

Abdnor
Abzug
Adams
Addabbo
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashley
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Duncan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hutchinson
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Latta
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Mathias, Calif.
Ruth
St Germain
Sandman
Sarbanes
Schroeder
Sebelius
Seiberling
Shoup
Sikes
Skubitz
Slack
Smith, N.Y.
Spence
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—10

Ashbrook
Conlan
Crane
Gross
Ichord
Landgrebe
Runnels
Satterfield
Shuster
Symms

NOT VOTING—93

Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Bolling
Brooks
Burgener
Burke, Calif.
Burton
Butler
Camp
Clancy
Collier
Collins, Ill.
Collins, Tex.
Conyers
Danielson
Delaney
Dent
Diggs
Dulski
du Pont
Evins, Tenn.
Frelinghuysen
Froehlich
Fulton
Griffiths
Grover
Gubser
Hanna
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Holt
Hunt
Jarman
Johnson, Colo.
Keating
King
Landrum
Leggett
Lehman
Long, Md.
McCormack
Mailliard
Martin, Nebr.
Michel
Milford
Mills, Ark.
Minshall, Ohio
Moss
Nelsen
Nichols
Peyser
Poage
Podell
Quillen
Rarick
Reid
Riegle
Roe
Rooney, N.Y.
Rousselot
Roybal
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Shipley
Shriver
Sisk
Smith, Iowa
Snyder
Staggers
Stark
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Van Deerlin
Vander Jagt
Veysey
Vigorito
Walsh
Widnall
Wiggins
Wilson, Bob
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Aspin.
Mr. Hébert with Mr. Arends.
Mr. Dent with Mr. Diggs.
Mr. Podell with Mr. Harvey.
Mr. Hays with Mr. Camp.
Mr. Nichols with Mr. Gubser.
Mr. Stubblefield with Mr. Butler.
Mr. Harrington with Mr. Shriver.
Mrs. Hansen of Washington with Mr. Grover.
Mr. Burton with Mr. Schneebeli.
Mr. Conyers with Mr. Danielson.
Mrs. Burke of California with Mr. Peyser.
Mr. Sisk with Mr. Anderson of California.
Mr. Shipley with Mr. Martin of Nebraska.
Mr. Stark with Mr. du Pont.
Mr. Lehman with Mr. Anderson of Illinois.
Mr. Brooks with Mr. Mailliard.
Mr. Fulton with Mr. Sarasin.
Mr. Alexander with Mr. Clancy.
Mr. Stephens with Mr. Scherle.
Mrs. Collins of Illinois with Mr. Andrews of North Dakota.
Mr. Delaney with Mr. Ruppe.
Mr. Reid with Mr. Frelinghuysen.
Mrs. Griffiths with Mr. Collier.
Mr. Hanna with Mr. Michel.
Mr. Long of Maryland with Mr. Quillen.
Mr. McCormack with Mr. Burgener.
Mr. Moss with Mr. Minshall of Ohio.
Mr. Ryan with Mr. Hunt.
Mr. Reigle with Mr. Nelsen.
Mr. Jarman with Mr. Collins of Texas.
Mr. Evins of Tennessee with Mr. Rousselot.
Mr. Rarick with Mr. Steiger of Arizona.
Mr. Landrum with Mr. Taylor of Missouri.
Mr. Dulski with Mr. Walsh.
Mr. Vigorito with Mr. Froehlich.
Mr. Leggett with Mrs. Holt.
Mr. Milford with Mr. King.
Mr. Mills of Arkansas with Mr. Roe.
Mr. Roybal with Mr. Smith of Iowa.
Mr. Snyder with Mr. Staggers.
Mr. Van Deerlin with Mr. Vander Jagt.
Mr. Widnall with Mr. Zwach.
Mr. Bob Wilson with Mr. Wiggins.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: On page 2, line 17, insert the following:

CHAPTER II—DEPARTMENT OF DEFENSE

Operations Maintenance, Navy

For the exploration, development, and production of the Naval Petroleum Reserves $72,000,000: *Provided*, That, subject to such authorization of production of Naval Petroleum Reserve Numbered 1 as may be granted in accordance with chapter 641, title 10, United States Code, no less than $13,000,000 shall be available for the operating expenses incurred in producing from that reserve: *Provided further*, That no less than $47,500,000 shall be available to permit the development of the productive capacity of that reserve so as to permit production at such a level as may be authorized by Congress and in a manner which is consistent with sound engineering and economic principles: *Provided further*, That no less than $11,500,000 shall be available for the conduct of programs of exploration for oil and gas on Naval Petroleum Reserves Numbered 1 and 4.

LEGISLATIVE PROGRAM

Mr. MAHON. Mr. Speaker, I ask for recognition.

The SPEAKER. The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Arizona, the distinguished minority leader.

Mr. RHODES. Mr. Speaker, I thank the gentleman from Texas for yielding to me.

Mr. SPEAKER. I would like to inquire of the distinguished majority leader if he could inform the House as to the program for the rest of the day and for tomorrow.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield to me so that I may respond?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, as the Members know, there are 41 amendments with regard to this matter before the House which will have to be read for acceptance or rejection. That is all that is scheduled for this evening. Whether there will be any rollcall votes on any of them, I really do not know. I do not think the Chairman anticipates any, but there could possibly be something in disagreement which I do not know about.

Mr. Speaker, the program for tomorrow will be a motion to agree with the Senate amendments on H.R. 11333, the social security bill. Also, we will have the conference report on the National Emergency Energy Act, S. 2589.

Mr. Speaker, those are the only items I know of at this time which are scheduled for tomorrow.

Mr. Speaker, it is my understanding that the Senate is going to meet at 9 o'clock tomorrow morning, and will take up the Senate amendments on the Social Security Act which they have discussed in part this afternoon. It is our hope that this matter will be before us at 10 o'clock tomorrow morning.

It is anticipated that this will be the first item on the schedule for tomorrow.

Mr. RHODES. Mr. Speaker, if the gentleman from Texas (Mr. MAHON) will yield further, is it also the understanding of the distinguished majority leader that upon the completion of the business that the distinguished majority leader has mentioned, the House may then adjourn sine die?

Mr. O'NEILL. The gentleman is correct.

HOUR OF MEETING ON FRIDAY, DECEMBER 21, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. tomorrow, Friday, December 21, 1973.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: on page 3, line 17, insert:

VETERANS' ADMINISTRATION

ADMINISTRATIVE PROVISIONS

SEC. 201. No funds appropriated in this or any other Appropriation Act for any fiscal year shall be used to make a settlement of any construction contract by the Veterans' Administration in an amount which has not been audited independently as to the reasonableness and appropriateness of expenditures and which has not been provided for specifically in an Appropriations Act.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate number 7 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

VETERANS ADMINISTRATION

ADMINISTRATIVE PROVISION

SEC. 301. No funds appropriated in this or any other Appropriation Act for any fiscal year shall be used to make a settlement of any construction contract by the Veterans Administration in an amount in excess of $1,000,000 which has not been audited independently as to the reasonableness and appropriateness of expenditures and which has not been provided for specifically in an Appropriations Act.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: On page 4, line 17, insert:

CONSTRUCTION

For an additional amount for "Construction", $1,020,000, to remain available until expended: *Provided*, That $343,000 shall be available to assist the Pyramid Lake Paiute Tribe of Indians in the construction of a fish hatchery and related facilities for the restoration of the Pyramid Lake fishery pursuant to the Washoe Act (43 U.S.C. 614): *Provided further*, That $320,000 shall be available to assist the Wind River Education Association in the construction of facilities at the Ethete, Wyoming, High School: *Provided further*, That $2,700,000 of the amount appropriated under this heading in the Department of the Interior and Related Agencies Appropriation Act, 1974, shall be available for assistance to the Ramah Navajo School Board, Incorporated, New Mexico, for the construction of school facilities.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 15: On page 5, line 7, insert:

ALASKA NATIVE FUND

In addition to any advances heretofore authorized to be made from the Alaska Native Fund, an additional $1,000,000 shall be available during the current fiscal year and prior to the first regular distribution pursuant to section 6 of the Alaska Native Claims Settlement Act of December 18, 1971 (Public Law 82–203), for distribution by the Secretary of the Interior among the Regional Corporations established pursuant to section 7 of said Act, which the Secretary shall determine to be necessary for the organization of such Regional Corporation and the Village Corporations within such region, and to identify land for such Corporations pursuant to said Act, and to repay loans and other obligations incurred prior to May 27, 1972, for such purposes: *Provided*, That such advances shall not be subject to the provisions of section 7(j) of said Act but shall be charged to and accounted for by such Regional and Village Corporations in computing the distributions pursuant to section 7(j) required after the first regular receipt of moneys from the Alaska Native Fund under section 6 of said Act: *Provided further*, That no part of the money so advanced shall be used for the organization of a Village Corporation that had less than twenty-five Native residents living within such village according to the 1970 census.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 18: On page 6, line 18, insert: "of which $2,000,000 shall remain available until expended.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert: ", of which $1,500,000 shall remain available until expended.".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 21: On page 7, line 4, strike out "$21,145,000" and insert "$75,576,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$33,545,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: On page 7, line 4, insert ": *Provided*, That $52,000,000 of the funds made available in this paragraph shall be set aside as a contingency reserve and shall be available for obligation only upon the enactment into law of S. 2589, Ninety-third Congress, or similar legislation".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment., as follows: In lieu of the matter proposed by said amendment, insert ": *Provided*, That $10,000,000 of the funds made available in this paragraph shall be set aside as a contingency reserve and shall be available for obligation only upon the enactment into law of S. 2589, Ninety-third Congress, or smilar legislation".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 24: On page 7, line 13, insert:

National Park Service

PLANNING AND CONSTRUCTION

For an additional amount for "Planning and Construction", $12,000, to remain available until expended: *Provided*, That this amount shall not be available for obligation except upon the enactment into law of legislation authorizing the addition of the names of the States of Alaska and Hawaii to the list of States inscribed upon the walls of the Lincoln National Memorial.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29:

On page 8, line 19, strike "$8,590,000" and insert "$8,550,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$9,890,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: Page 9, line 21, insert ": *Provided*, That none of the funds made available in this paragraph shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, and national forest system administration of the Forest Service, Department of Agriculture, without the consent of the Committees on Appropriations of the United States Senate and the House of Representatives and the Committee on Agriculture and Forestry of the United States Senate and the Committee on Agriculture of the House of Representatives.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: Page 10, line 23, insert "$36,500,000 of which $9,500,000 shall remain available until expended".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: Page 11, line 1, strike out "$9,500,000 to remain available until expended." and insert "and $27,000,000 for carrying out the provisions of Public Law 93-154, of which $7,000,000 shall be derived by transfer from funds previously appropriated for emergency medical services activities.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein with an amendment, as follows in lieu of the sum of $7,000,000 named in said amendment insert "$10,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

National Institutes of Health

HEALTH MANPOWER

For an additional amount for "Health manpower", $5,000,000, to be available for obligation only upon enactment into law of authorizing legislation.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 43: Page 12, line 4, insert "$6,000,000 to remain available until expended shall be for facilities construction as authorized by section 301,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$4,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 12, line 19, insert:

IMPOUNDMENT OF APPROPRIATED FUNDS

Sec. 401. Any funds necessary to be appropriated for full obligation of a fiscal year 1973 appropriation determined to have been unlawfully impounded by the executive branch of the United States Government in a civil action filed on or before June 30, 1974, are hereby appropriated out of any money in the Treasury not otherwise appropriated. Such appropriations shall remain available for obligation through the later of the day on which a final judicial determination finding the impoundment legal is made or one year following the day on which the impoundment is found illegal.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment insert "501".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 13, line 6, insert:

CONTINUING APPROPRIATIONS

Sec. 402. For continuing through June 30, 1974, the activities of the Cabinet Committee on Opportunities for Spanish-speaking people and activities under the Manpower Development and Training Act of 1962, as amended, and title I and title IIB of the Economic Opportunity Act of 1964, as amended, for which provision was made under the joint resolution of July 1, 1972, Public Law 92-334, as amended, and the Supplemental Appropriations Act, 1973, Public Law 92-607, such amounts as may be necessary but at a rate for operations not in excess of the current rate: *Provided*, That the current rate for operations shall be defined as that permitted by such appropriations for fiscal year 1973: *Provided further*, That expenditures made pursuant to this section shall be charged to the applicable appropriation fund, or authorization whenever a bill in which such applicable appropriation fund, or authorization is contained is enacted into law: *Provided further*, That section 103 of Public Law 93-52 shall apply to this appropriation.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

CONTINUING APPROPRIATIONS

Sec. 502. For continuing through June 30, 1974, the activities of the Cabinet Committee on Opportunities for Spanish-speaking people and activities under the Manpower Development and Training Act of 1962, as amended, and title I and title IIB of the Economic Opportunity Act of 1964, as amended, and for necessary expenses for the activities of the Manpower Administration, for which provision was made under the joint resolution of July 1, 1972, Public Law 92-334, as amended, and the Supplemental Appropriations Act, 1973, Public Law 92-607, such amounts as may be necessary but at a rate for operations not in excess of the current rate: *Provided*, That the current rate for operations shall be defined as that permitted by such appropriations for fiscal year 1973: *Provided further*, That expenditures made pursuant to this section shall be charged to the applicable appropriation fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law: *Provided further*, That section 103 of Public Law 93-52 shall apply to this appropriation.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 14, line 3, insert:

SENATE

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: On page 14, line 4, insert: Salaries, officers and employees

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: On page 14, line 4, insert:

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", $36,480: *Provided*, That effective December 1, 1973, the allowance for clerical assistance and readjustment of salaries in the Disbursing Office is increased by $62,415; *Provided further*, That effective July 1, 1974, the allowance for clerical assistance and readjustment of salaries in the Disbursing Office is decreased by $17,100.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 52 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as fellows:

Senate amendment No. 53: On page 14, line 13, insert:

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For an additional amount for "Office of Sergeant at Arms and Doorkeeper", $46,055: *Provided*, That effective December 1, 1973, the Sergeant at Arms may appoint and fix the compensation of one additional senior programer analyst at not to exceed $22,515 per annum, two additional programer analysts at not to exceed $17,385 per annum each, and two additional mail specialists at not to exceed $10,830 per annum each.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 54: On page 14, line 22, insert:

CONTINGENT EXPENSES OF THE SENATE

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 54 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 55: On page 14, line 23, insert:

MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous Items", $115,000.

For an additional amount for "Miscellaneous Items", fiscal year 1973, $875,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 56: Page 15, line 3, insert:

ADMINISTRATIVE PROVISIONS

Section 105(e) of the Legislative Branch Appropriation Act, 1968, as amended and as modified by the order of the President pro tempore of the Senate of October 4, 1973, is amended as follows:

(1) In paragraph (1), strike out "ranging from $18,525 to" and insert in lieu thereof "at not to exceed".

(2) In paragraph (2)(A), strike out "$8,265 to" each place it appears therein and insert in lieu thereof "not to exceed".

(3) In paragraph (2)(B), strike out "$18,240 to", "$14,250 to", and "$8,265 to" and insert in lieu thereof in each place "not to exceed".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 56 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: On page 17, line 3, insert:

SENATE OFFICE BUILDINGS

For an additional amount for "Senate Office Buildings", $117,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 57 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 58: On page 17, line 6, insert:

CONSTRUCTION OF AN EXTENSION TO THE NEW SENATE OFFICE BUILDING

For an additional amount for "Construction of an Extension to the New Senate Office Building", including extension of the Senate subway transportation system, construction of additional floor levels on the rear center wing of the Dirksen Office Building, changes to the Dirksen and Russell Office Buildings to provide improved means of circulation to, in, and through those buildings and the extension, and other changes required to properly correlate use of the three buildings, $20,900,000, to remain available until expended.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 58 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 64: On page 19, line 18, insert:

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", to be available without regard to the provision under this heading in the Department of State Appropriation Act, 1973, $17,337,000: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 70: On page 21, line 19, insert "of which $6,500,000, shall be expended for extension of grants to existing Economic Development Districts and planning organizations, including administrative expenses, and to fund new districts which meet the requirements of 42 U.S.C. 3171, as amended".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "which shall be available for extension of grants to existing Economic Development Districts and planning organizations, including administrative expenses, and to fund new districts which meet the requirements of 42 U.S.C. 3171, as amended".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 71: On page 21, line 23, insert ": *Provided*, That no restrictions shall be imposed in the authorization, designation, and funding of such new Economic Development Districts which meet the requirements of 42 U.S.C. 3171, as amended.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 71 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 74: On page 22, line 14, insert:

UNITED STATES TRAVEL SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $2,344,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 74 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$2,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 75: On page 23, line 10, insert:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

The figure of $1,700,000 contained in the paragraph "Equal Employment Opportunity Commission, Salaries and Expenses", in Public Law 93-162, making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 3, 1974, is hereby increased to $3,700,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 75 and concur therein with an amendment, as follows: In lieu of the $3,700,000 named in said amendment, insert "$2,500,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 80: Page 24, line 8: Strike out "$30,570,000" and insert in lieu thereof "$31,585,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 80 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert the following: "$30,335,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 86: Page 24, line 23, insert ": *Provided,* That none of the funds made available under this or any other Act shall be obligated or expended to change the boundaries of the Pembina, North Dakota Customs District (Region IX), without the consent of the Committee on Appropriations of the United States Senate and House of Representatives.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 86 and concur therein with an amendment, as follows: In lieu of the word "Committee" in said amendment, insert "Committees".

Mr. BLATNIK. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. BLATNIK. I thank the distinguished and respected chairman of the full committee for yielding.

Mr. Speaker, I am puzzled by the language which the other body put in this bill. The language reads as follows in this amendment, with which the House is in technical disagreement, that it would prohibit the expenditure of funds to change the boundaries of the Pembina, N. Dak., customs district without the consent of the Committees on Appropriation of the Senate and the House of Representatives. I would like the RECORD to show that the Pembina District of North Dakota now has 23 custom ports of entry under its jurisdiction. Five of these are in Minnesota, and the Commissioner of Customs, to carry out an efficient reorganization plan, would place these five with the other four already in Minnesota and put them under the jurisdiction of their existing office in Duluth, so nine would, therefore, be properly under the Duluth jurisdiction, both within the State of Minnesota, and my congressional district and the Seventh District, which is Mr. BERGLAND's. This reorganization would in no way impair the operation of the Pembina customs district; it would in no way interfere whatsoever. No additional funds whatever are required for this reorganization.

I should like to have an explanation. I do not understand the reason for this language which I feel is meaningless, unnecessary and irrelevant and has caused confusion in the Customs Bureau and which may prevent this reorganization.

Mr. MAHON. Mr. Speaker, this language was put in the bill in the other body. The House conferees steadfastly opposed the language and sought to eliminate it from the bill. We were unsuccessful in doing so. The conferees on the part of the Senate were unmovable on this issue, so we have brought this amendment back under these conditions.

The chairman of the appropriations subcommittee, dealing more precisely with customs, is the gentleman from Oklahoma (Mr. STEED).

Mr. BERGLAND. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I will be glad to yield to the gentleman from Minnesota.

Mr. BERGLAND. I thank the distinguished chairman of the Committee on Appropriations for yielding. I want to associate myself with the remarks of my colleague from Minnesota, the chairman of the Committee on Public Works. He is absolutely right.

This amendment frustrates a plan that had been developed in consultation with the Department of the Treasury and the Bureau of Customs on the 12th of September. They published in the Federal Register the plan to put this realinement into effect and bring these customs entry points under the Duluth, Minn., district. This had been sought by the shippers and users and others who felt it would be in the interest of all concerned to have the management of these points brought under the Duluth district. It had been endorsed by the Bureau of Customs and the Treasury Department and lo and behold we find the other body inserts a hooker which subverts the plan which had been agreed to by all those directly affected.

Mr. MAHON. I am glad to have the views of the gentleman from Minnesota. I had not been aware of the points the gentleman has mentioned.

Mr. STEED. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Oklahoma.

Mr. STEED. Mr. Speaker, the matter came up in the other body in a conference and since we had two other amendments affecting Customs it was finally agreed on as a package matter to accept this amendment. In so doing, since we had absolutely no information on this matter at all prior to the conference, we took the attitude that this does not constitute any permanent settlement on this issue but instead only delays it until we come back in January. Then the subcommittee will have time to go into the matter and become thoroughly advised, and we will be expecting the cooperation of the gentleman from Minnesota.

We assure the gentleman that this matter will be thoroughly gone into so that when it comes up again, if it does, then we will be in a position to insist on the proper settlement. The matter here applies only to this part of the Customs appropriation between now and the first of next July. We will have time to get the facts and have full hearings. I assure the gentleman we will be in touch with him when we get back in January and afford him an opportunity to make a presentation before the subcommittee.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Minnesota (Mr. BLATNIK).

Mr. BLATNIK. Mr. Speaker, I thank the gentleman for yielding.

I thank the subcommittee chairman for his offer of assistance. It will delay the reorganization by about 6 months but certainly I express my appreciation to the chairman, and to the chairman of the full committee (Mr. MAHON) for your understanding of the issue and for your strong support.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 90: On page 25,

line 25, before the word "services" insert the word "personnel".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 90 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 91: On page 25, at the bottom, strike out "as authorized by 5 U.S.C. 3109" and insert the following: "without regard to the provisions of law regulating the employment and compensation of persons in the Government service, and not to exceed $1,000 for official entertainment,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 91 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 94: In page 26, line 12, insert "*Provided*, That of the amount heretofore and herein appropriated for "Salaries and expenses" for the current fiscal year, the limitation for personal services as authorized by title 5, United States Code, section 3109, at which per diem rates for individuals, as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service is $3,850,000 and the limitation on travel is $100,000: *Provided further*, That the Committees on Appropriations of the Senate and House of Representatives shall be furnished quarterly with a detailed accounting of all expenditures made from this account.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 94 and concur therein with an amendment, as follows: In lieu of the matter proposed, insert the following: ": *Provided*, That of the amount heretofore and herein appropriated for "Salaries and expenses" for the current fiscal year, the limitation for personal services as authorized by title 5, United States Code, section 3109, at such per diem rates for individuals, as the President may specifiy, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service is $3,850,000 and the limitation on travel is $100,000.".

The motion was agreed to.

The SPEAKER. The clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 95: On page 27, line 1, insert:

FEDERAL ENERGY OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Office established by Executive Order Numbered 11748, dated December 4, 1973, including hire of passenger motor vehicles, reimbursements to the Emergency Fund of the President for allocations to the Office, and services as authorized by title 5, United States Code, section 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS–18, $9,360,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 95 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 100: On page 28, line 5, insert:

CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

An amount of $1,290,000 heretofore appropriated under this heading shall be available until expended for construction, pursuant to the Public Buildings Act of 1959, as amended (40 U.S.C. 601–615), of the Post Office, Courthouse, and Federal Office Building, Elkins, West Virginia, in addition to the amount appropriated in the Treasury, Postal Service, and General Government Appropriation Act, 1972; for this project: *Provided*, That this amount may be increased by not to exceed 10 per centum to the extent that savings are effected in other projects.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 100 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 104: Page 29, line 9, insert:

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 901. No appropriated funds shall be available for the purpose of defraying any expenses (including expenses for the payment of the salary of any person) incurred in connection with the transfer of title of all (or any portion) of the Sand Point Naval Facility, Seattle, Washington, to any person or entity for aviation use unless and until (A) the Administrator of General Services has transferred to the National Oceanic and Atmospheric Administration title to that portion of such facility as has been requested by the National Oceanic and Atmospheric Administration; and (B) the City of Seattle, Washington, and the County of King in the State of Washington, and the State of Washington have each approved a plan for aviation use of a portion of such facility.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 104 and concur therein with an amendment, as follows: In lieu of the matter proposed, insert the following:

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 1001. No appropriated funds shall be available for the purpose of defraying any expenses (including expenses for the payment of the salary of any person) incurred in connection with the transfer of title of all (or any portion) of the Sand Point Naval Facility, Seattle, Washington, to any person or entity for aviation use unless and until (A) the Administrator of General Services has transferred to the National Oceanic and Atmospheric Administration title to that portion of such facility as has been requested by the National Oceanic and Atmospheric Administration; and (B) the City of Seattle, Washington, and the County of King in the State of Washington have each approved a plan for aviation use of a portion of such facility.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 108: On page 30, line 21, insert "XII"

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 108 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "XII"; and in said chapter strike out "SEC. 1101" and insert "SEC. 1201"; and strike out "SEC. 1102" and insert "SEC. 1202".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 109: On page 31, line 5, insert: "in the contiguous forty-eight States".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 109 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 110: Page 31, line 8, insert: "*Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 110 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

CONGRATULATIONS TO THE HONORABLE GEORGE MAHON AND HIS WIFE ON THEIR GOLDEN WEDDING ANNIVERSARY

(Mr. CONTE asked and was given permission to address the House for 1 minute.)

Mr. CONTE. Mr. Speaker, I want to take this opportunity to say that tomorrow is a very, very important day for a Member of the House of Representatives. Our very able chairman, who has done such a great job this year on appropriations bills, and especially this very difficult supplemental appropriations bill here, he and his lovely wife, Helen, will celebrate their 50th wedding anniversary.

I wish him and Helen well. May they have many decades of happiness and good health together; so that in the golden years of life they may harvest the rich dividends and spiritual satisfactions which they have so ably earned in a lifetime of dedicated service to the great State of Texas and to this great country of ours.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11575) entitled "An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House 9, 13, 15, 23, 28, 34, 35, 36, 39, 44, 45, 49, 50, 51, 52, 55, 56, 58, 71, 75, and 79 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1559) entitled "An act to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes".

The message also announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title:

S. 1191. An act to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to a bill of the Senate of the following title:

H.R. 8449. An act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 58. Concurrent resolution authorizing the printing of additional copies of the Report of the Commission on the Bankruptcy Laws of the United States for the use of the Senate Committee on the Judiciary.

PERMISSION TO EXCUSE MANAGER AT CONFERENCE ON BILL S. 2589

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the gentleman from California (Mr. Moss) be excused as a manager on the part of the House at the conference on the bill S. 2589.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

APPOINTMENT OF MANAGER ON THE CONFERENCE ON THE BILL S. 2589

The SPEAKER. The Chair appoints the gentleman from Michigan (Mr. Dingell) as a manager on the conference on the bill S. 2589.

NADER'S LAWYER AND THE WATERGATE TAPE

(Mr. DEVINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEVINE. Mr. Speaker, I cannot let the opportunity pass to comment on the fact that when one of Nader's lawyers subpenaed a tape from the White House, and then used the very, very poor judgment to "yuk" it up and laugh it up at a cocktail party in Georgetown, the Washington Post in all its fairness put it on page 10–A. I must say that the Washington Star did give it the front page last night.

However, Mr. Speaker, this is another reason why the President did exercise his right of Executive privilege and tried to protect the confidentiality of the White House papers and White House tapes. I think the House of Representatives and the Public should know that Sam Dash, the counsel of the Watergate Committee, has now exercised his prerogative and is subpenaing over 500 tapes from the White House.

This probably ought to take care of all of the holiday parties in Georgetown and around Washington, so that they can play one of each at each party.

SAVING ENERGY IN THE SCHOOLS

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, many Members of Congress, I am sure, have heard from school officials in their home district acknowledging the problems of the existing fuel shortage and reporting how the situation is being met. Recently, in a telephone conversation with the superintendent of the West Elk Unified District in Howard, Kans., Mr. Hulen Howe, I asked him to forward to me proposals that could be taken by the schools without affecting the quality of education and would save energy. Mr. Howe's letter sets these forth concisely and because they may be instructive to other school officials throughout the country, I ask that his letter be reprinted in the Congressional Record. I commend Mr. Howe and his colleagues for their resourcefulness and ingenuity in helping meet our national problem.

The letter follows:

West Elk Unified
School District 282,
Howard, Kans., December 13, 1973.

Hon. Joe Skubitz,
House of Representatives,
Washington, D.C.

Dear Mr. Skubitz: In regard to our telephone conversation on December 12th, relating to the energy crisis: I feel that each school could add anywhere from ten to fifteen extra minutes per academic class period each day and thereby reduce the school week from five days to four. We would also operate on daylight saving time.

The next step that could be taken is to set up all kindergarten classes on two full days one week and three days the following week and then repeat. (I understand this has been done in Western Kansas). At the present time, we are picking up the kindergarten children with the regular students in the morning and then at 11:30 a.m. we run six or seven special buses throughout the district to return the children to their homes. We have 585 square miles in our district and the kindergarten children are scattered throughout the district.

In our school district alone, if we make the above changes, we would cut down on energy and expenditures in the approximated amounts:

Kindergarten—use 15 gallons less gas per day per bus—6 buses times 15 gallons equals 90 gallons of gas per day—90 gallons of gas times 5 days equals 450 gallons saved per week—450 gallons times 40 cents per gallon equals $180 saved—1,800 gallons of gas would be saved every 20 days, plus labor hours.

Elementary and Secondary Schools—we use approximately 30 gallons of gas per day for 15 buses equals 450 gallons per day—we could save 450 gallons of gas per week on a 4-day week schedule—$688 (approximately) would be saved on gas and salaries, not including wear and tear on the buses.

If we operate on a four day week, we would also be able to turn down thermostats to a minimum temperature the 3 days school is closed each week (Sat., Sun. and Mon.). There would also be a saving of energy and expenditures in the school cafeterias, of food, heat and labor.

If I can be of further assistance, please feel free to call upon me.

There are other possibilities of shortening school days, such as floating periods. I'm sure these efforts could all meet with State approval in trying to meet the energy crisis,

Respectfully,

Hulen R. Howe,
Superintendent.

P.S.—We fellow Kansas School Superintendents have read this letter and feel that we can fully endorse these changes to help meet the energy crisis.

Superintendent	USD No.	Town	County	Enrollment
Dr. Leo M. Schreimer.	471	Dexter	Cowley	206.0
William Gossett	283	Longton	Elk	198.0
Cleo Wallace	285	Cedarvale	Chautauqua	225.5
Larry L. Gul	492	Rosalia	Butler	285.0
William R. Cleary	462	Burden	Cowley	391.0
H. R. Howe	282	Howard	Elk	710.0

MARINE RESOURCES AND CONSERVATION AND DEVELOPMENT ACT

The SPEAKER pro tempore (Mr. Mazzoli). Under a previous order of the

House, the gentleman from Florida (Mr. GUNTER) is recognized for 5 minutes.

Mr. GUNTER. Mr. Speaker, I am introducing today the Marine Resources Conservation and Development Act which was recently introduced by my good friend and colleague, Senator LAWTON CHILES of Florida in the U.S. Senate.

The demands caused by the present energy crisis have placed a particular burden on coastal States along the Atlantic and Pacific Oceans as well as the Gulf of Mexico. These States must now deal with the tremendous pressure to begin rapid oil exploration in our two oceans and in the gulf. Aside from the pressures to extract oil from under our waters to help deal with the present shortage and ease our dependence on foreign sources of energy, other pressures have been brought to bear. The revenues from the leases for these offshore wells will produce a bonanza income for the general treasury. This will help offset projected deficits and make an unbalanced budget look balanced.

I cannot and will not participate in such a program which I sincerely believe has two basic flaws.

First, if we are to solve our budgetary problems, we should do it from within. Hopefully, the recent passage of H.R. 7130 is a step in the right direction. I feel that it is. We should not look to offshore drilling revenues as a windfall, so that we can run home and claim that we have, indeed, balanced the budget. Obviously, those revenues will not last forever.

Second, and just as importantly, the money generated from these leases should be used in a manner directly connected with the generation of the revenue. I feel that we in the Congress have a moral obligation to so act.

I know in the State of Florida there is real concern about the overconsumption and dwindling supply of our current energy resources. However, there is also significant concern over the environmental risks to Florida and other coastal States created by the proposed lease sales for offshore drilling. These concerns have led me and Senator CHILES to introduce the Marine Resources Conservation and Development Act.

The purpose of this legislation is twofold. First, if we are going to take energy resources from a marine environment, the financial gain to the Government should be directed at least in part toward marine resources conservation. These programs should include fresh water and salt water aquaculture; prevention of beach and soil erosion; protection from hurricanes, flood and other natural disaster damages; aid to sea-grant colleges; fresh water and fisheries development; development and maintenance of waterfront recreational facilities; and oceanographic research and development. Under this legislation, a fund would be established and the Secretary of Interior would be mandated to carry out these objectives. I am proposing that 70 percent of the revenues from offshore lease agreement be paid into this fund.

Second, this legislation permits adjoining coastal States who bear disproportionate environmental risks to share in revenues generated by the drilling. Equally important, those States that are affected, are mandated to use the revenues for conservation purposes including prevention and abatement of marine and fresh water pollution in coastal waters.

Considering the possible environmental hazards, as well as the need for these States to deal with the attendant problems, I believe that such an approach to offshore drilling in the face of our current energy crises, is the only sensible solution.

A number of my colleagues from the State of Florida have joined me in cosponsoring this bill, and I am hopeful that in the days ahead other Members of the House of Representatives will look favorably upon this legislation.

STRIP MINING AND THE ENERGY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 60 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, the energy crisis has called for many demands to increase strip mining as a means of meeting that crisis. It has been contended that the strip mining of coal is cheaper, safer, and more efficient, and that increased coal production can be achieved quickly by this means of mining.

It is about time that these arguments and contentions are analyzed critically. I want to present these facts to the House, Mr. Speaker, not only in terms of economics, but also in terms of the concern of every Member of this House for the future of our Nation.

West Virginia is the largest coal-producing State in the Union.

The Fourth Congressional District, which I represent, is the largest coal-producing district in West Virginia. There are more coal miners working in mines located in my congressional district than in any district in the Nation.

I am a politician.

As such, I try very conscientiously to represent the coal-oriented people in my district. As with all the Members of the House, the nature and quality of that representation is subjected to a pair of biennial tests in the primaries and general elections. No human being could survive these tests if he took public positions on the coal industry and its development which are irresponsible, inaccurate, untruthful, or without factual basis.

I sketch in this background because many of my colleagues raise questions like these:

First. How can you represent a large coal district and be in favor of the abolition of strip mining?

Second. In the light of the energy crisis, why do you advocate wiping out 50 percent of the Nation's coal production by banning strip mining?

Third. How can you favor abolishing the jobs of thousands of miners who work in the strip mines?

Fourth. Since the coal industry is about all that sustains your economy, would you further impoverish your State by wiping out a large industry?

Fifth. You have already driven the price of deep-mined coal way up by pushing for coal mine health and safety; why do you want to ruin the coal industry even more by banning strip mining and making the energy crisis even worse?

Sixth. Strip mining is so much cheaper and more efficient, so why do you want to drive the price of electricity up so it is out of the reach of most Americans?

Seventh. Even though strip mining has caused some damage by irresponsible strip miners in the past, modern strip mining can be and is being done with modern methods of reclamation, so why not allow stripping and simply enforce reclamation?

Eighth. Some damages may have occurred in mountainous areas, but why do you want to have a nationwide ban on strip mining in areas where the coal is in 50-foot-thick seams and there is very little rainfall and, therefore, not much water pollution on the arid and unusable land?

Ninth. The people demand more electricity, we cannot depend on Arabian oil imports, and coal is essential for the near-term energy needs, so why cut the throat of your own State by denying it the chance to use its great resources of strip minable coal?

Tenth. The experts from both the executive branch and the coal industry have rejected a ban on strip mining as impractical and unrealistic, so why do you want to stick your neck out and try and dispute all the recognized energy experts?

DRAMATIC INCREASE IN STRIP MINING

In recent years, the strip mining of coal has been skyrocketing upward. On the eve of World War II, only 10 percent of our total coal production was strip mined. Then by the time of Korea in 1951, the percentage had doubled to 22.7 percent. Ten years later when President Kennedy took office in 1961, the percentage of strip mined coal was up to 32.3 percent. Even more dramatic increases have occurred in recent years. In 1969, the percentage of stripped coal was 38.1, in 1970 it was up to 43.8, and in 1971 the percentage rose to exceed 50 percent.

What are the reasons for the rapid increase in strip mining? The development of the huge stripping machines made strip mining cheaper, and the passage of the Federal Coal Mine Health and Safety Act of 1969 made deep mining more expensive. The big strip mining machinery also caused greater damage to the land and the people, the trees, the soil, the water, and the property values of those living in strip mined communities. Consider for a moment that huge machine known as "Big Muskie" which strips away the overburden above the coal seam at the rate of 325 tons per bite. "Big Muskie" stands 20 stories high, and lifts a boom 310 feet long. It can swallow up several Greyhound buses and toss them around with ease just as King Kong used to do in the movies.

One of the additional reasons for the widening cost margin between strip mining and deep mining is the failure to internalize the damage done to whole communities and people, and the soil and water resources. In other words, the real costs of strip mining are not computed when you shift these costs to the community or on the backs of future generations who must live in these areas.

I want to be sure that every Member understands that I have not mentioned the aesthetic features of strip mining. Even though this form of mining has the same effect on the landscape as a knife slash through a painting, I am not in any way stating that we should abolish strip mining simply because it is unsightly. I am dealing here in hard and realistic facts and figures which relate to the energy demands of the Nation and how we are to meet these demands, while conserving the essential and limited resources which we possess in a world troubled by war as a result of which the Arab Nations have imposed an embargo on oil shipments.

HOW MUCH COAL WILL WE NEED?

In round figures, we are now mining about 600 million tons of coal per year, of which about 10 percent is exported. Rising demands for energy, along with the development of the technology for coal gasification and liquefaction, project that this Nation's needs for coal will increase to something over 700 million tons in 1980, 800 to 900 million tons in 1985, and will top 1 billion tons as we approach the turn of the century. As a result of the energy crisis, these tonnages may increase even more rapidly.

In charting the course which this Nation should take toward strip mined coal, it is extremely important to assess what are the actual reserves and resouces of coal, the quality and sulfur content of that coal, and how it is to be mined and transported to serve our energy demands.

The most recent objective analysis of coal reserves and resources was published by the Senate Committee on Interior and Insular Affairs in 1973, and entitled "Factors Affecting the Use of Coal in Present and Future Energy Markets." This document comprises an independent study from official sources. Based on estimates of the U.S. Geological Survey—

> The total coal resources of the United States amount to more than three trillion tons. Of these total coal resources, some 50 percent, or 1.5 trillion tons of bituminous coal and lignite, are considered to be recoverable reserves (i.e., minable under current economic conditions with present technology, or technology that may be available in the foreseeable future.) At current levels of output and recovery, these reserves can be expected to last more than 500 years.

RATIO OF DEEP TO STRIPPABLE RESERVES

The U.S. Bureau of Mines has estimated that approximately 45 billion tons of this are strippable. The ratio of the deep minable reserves to the strippable reserves, according to these figures, would seem to indicate that there is over 30 times as much deep minable coal as there is strippable coal. I sharply disagree with my environmental friends who have been bandying about this figure of 30-to-1, and I prefer to rely on the far more conservative statistics supplied by the U.S. Bureau of Mines, which indicate that of the 1.5 trillion tons, we should really pare that down to the very bare minimum of what we know we can recover economically with presently available technology.

The U.S. Bureau of Mines sets the figure of deep minable coal at about 356 billion tons, as against 45 billion tons of strippable coal. This is an extremely conservative analysis of the amount of underground coal this Nation possesses, but even using the most conservative figures you can see that the ratio is about 8 to 1 in terms of the larger supply of deep minable coal.

One of the first questions which naturally arises—since these hearings relate to environmental standards, stack gas emissions, and the EPA standards—how much of this coal is low-sulfur coal? You hear a lot of uninformed comment today from those who imagine that we only strip mine because deep mining produces coal with a lot of sulfur and a lot of smoke. You also hear a lot of comment that we had better open up the western coal fields of Wyoming, Montana, Colorado, and New Mexico for some quick and unregulated strip mining, because all that coal out there is low sulfur.

What are the facts?

Again, using the most conservative U.S. Bureau of Mines estimates, here are the actual statistics on availability and geographic location of both deep minable and strippable coal, as well as the sulfur content:

ECONOMICALLY RECOVERABLE COAL RESERVES USING PRESENT TECHNOLOGY

[In billions of tons]

	Deep-minable	Strippable
All reserves:		
Appalachia	67.6	5.1
Midwest	49.8	7.3
West	238.3	32.6
Total, United States	355.7	45.0
Low sulfur reserves:		
Appalachia	18.6	1.8
Midwest	.2	0
West	202.7	29.9
Total, United States	221.5	31.7

Note: Library of Congress had indicated that 11.5 of the 45.0 billion tons of strippable coal can also be deep-mined.)

SEVEN TIMES AS MUCH DEEP AS STRIPPABLE LOW-SULFUR COAL

What conclusions can be drawn from these statistics?

First. Quoting the Senate report—

> It is obvious that the sheer physical availability of coal will not be a limiting factor in its use as a fuel in the next few decades.

Second. Most of the midwestern coal in Illinois, West Kentucky, Missouri, and Ohio is high sulfur, with sulfur content of more than 2 percent. This would seem to limit the usefulness of the strippable coal in the Midwest.

Third. the huge bulk of low-sulfur reserves of coal are in the Western States of Montana, Wyoming, and New Mexico, yet there is also a large supply of low-sulfur reserves in West Virginia, Kentucky, and other States of the eastern Appalachian coal fields.

Fourth. In both the huge western coal fields and the Appalachian area, the amount of low-sulfur coal which is deep-minable exceeds the surface minable coal by a total ratio of over 7 to 1.

Therefore, if the decision were made solely on the issue of how much deep minable versus strippable coal we have, it is my conclusion that we ought to shift our concentration away from strip mining toward deep mining. After all, we are concerned with the availability of total resources. If we continue to strip mine at the increasing rate which current trends indicate, the reserves of strip minable coal will be exhausted, perhaps by the end of this century.

The demands on strippable coal will shoot up even more by the decade of the 1980's, when the technology for coal gasification and liquefaction is perfected. At that point, when the reserves of strippable coal run out, the radical shift over to deep mining will impose drastic dislocations on our economy in terms of capital, machinery and equipment, trained manpower, and the other complex factors necessary to make the abrupt transition.

WHY NOT STOCK-PILE STRIPPABLE COAL IN PLACE?

As an alternative, because strip minable coal is so valuable and essential in meeting the energy crisis, it would be preferable to stockpile the strippable coal in place and undisturbed below the surface. Then, if the need arises after the seams of deep minable coal are exhausted, the Nation could quickly turn to strip mining to meet energy needs without the economic dislocations caused by a shift in the other direction from strip mining to deep mining.

PEOPLE

Human beings are a resource.

Although inflation has probably increased the value of all the chemicals in the human body, nobody has effectively quantified the human suffering caused by strip mining. To be sure, there have been very strong contentions that without strip mining, coal and electricity would be priced out of the market and those in poverty-ridden areas would be deprived of the burden-lifting advantages of electricity and appliances. It has also been contended that without strip mining there would ensue brownouts and blackouts, cold homes in the winter, widespread and disastrous effects on jobs and people. These contentions have never been scientifically measured, or the alternatives of deep mining and other forms of energy considered.

All I want to do here today is to raise the issue among my colleagues on this committee. I am not here to contend that the people of West Virginia, Kentucky, Montana, and Wyoming deserve to be treated any differently than the people in the rest of the Nation. I just want to be sure that when you listen to the stories about blackouts and brownouts and say you have to continue strip mining, just listen also to people like Mrs. Bige Richie of Knott County, Ky., whose baby's grave was ruthlessly violated, the casket thrown over the hill and piled over with boulders and dirt by a strip mining company. It is about time that the Congress listen to Mrs. Harvey Kincaid of Fayette County, W. Va., whose home and property were invaded by the silt, sediment, polluted water and boulders from a strip mine. So she and her family had to move several miles away, only to have the same strip-mining company start the same destructive process all over again above their new home.

Lots of people ask: Why do not those who are damaged go to court and collect if their property is affected? The Kincaids did go to court and were awarded $10,000 after a lengthy and expensive legal process. But a great deal of the damage is rather subtle and difficult to prove, like the hundreds of West Virginians who are gradually finding that their water wells are getting filled with brackish, metallic, and ill-smelling water—frequently some miles downstream from where the strip miners are operating. Furthermore, the community whose jobs and prosperity depend on the coal industry is slow to speak out against the damages caused by strip mining. Soon the lawyers, the judges, the bankers, the businessmen, the ministers, the newspapers, and the politicians go easy on King Coal and the people suffer even more.

HUMAN DAMAGES CAUSED BY STRIP MINING

How do you measure human suffering? Most of the scientific studies of the effects of strip mining deal with highly impersonal, almost heartlessly neutral factors. We know, for example, that the U.S. Geological Survey made a painstakingly thorough 10-year study entitled "Influences of Strip Mining on the Hydrologic Environment of Parts of Beaver Creek Basin, Ky.," published in 1970. The study made the startling conclusion that 30,000 tons of silt per square mile were discharged from a strip mined area in eastern Kentucky, while close by in a timbered valley where there was no strip mining only 27.9 tons per square mile annually were discharged. Scientific studies like that abound, but who speaks for the human beings who live in these valleys? The strip miners tell me that the people ought to move out so they can get on with their business, and when they are talking with the people they blame the people for causing their own problems by throwing trash in the streams.

One such study was completed in June, 1973, at the University of Tennessee. It is entitled "Benefit/Cost Approach to Decision Making: The Dilemma With Coal Production," by F. Schmidt-Bleek and J. R. Moore. This study, made over a 10-year period from 1962–72, surveyed all floods occurring in Ohio, Tennessee, and Virginia. Comparing the flood damages in 122 counties, of which 51 counties had strip mining at the time of flooding, the study found the level of damages in strip mined counties approximately double the level in those counties which did not have strip mining.

An October 1973 study, entitled "Strip Mining Increases Flood Potential of Mountain Watersheds," by Willie Curtis of the Forest Service, offers further evidence of how strip mining increases flooding. In examining numerous small watersheds in eastern Kentucky, Curtis found that the "peak flow rates increased by a factor of 3 to 5 after surface mining" along the streams. He also found that the rate at which flood peaks moved downstream was greatly increased in watersheds where strip mining had occurred. Clearly, people living in strip mined areas can expect more floods, greater damage, and less time to escape.

In Farmington, W. Va., the conscience of the Nation was aroused as a result of the death of 78 coal miners in the explosion which occurred on November 20, 1968. As a result, Congress responded to the disaster and enacted the very tough Federal Coal Mine Health and Safety Act of 1969, which the coal industry insists is driving the price of coal upward. Strip mining is a slow disaster: It is continuous, without the single, searing flash of blinding light to arouse the Congress and the Nation. This is best illustrated by what happened in the 17-mile valley called Buffalo Creek in my congressional district. For years, I have been attempting to call attention to the serious damage to people's homes, property, and water supply from the strip mines high above Buffalo Creek. To be sure, a 76-year-old man from Amherstdale, W. Va., was trapped in some mud which came down from a strip mine, and when they found him the next morning he was dead. But that was only one life. Then the troubles caused by strip mines in Buffalo Creek were forgotten on the morning of February 26, 1972, when water behind a coal waste pile broke through and swept a 30-foot wall of water down the valley, killing 125 people. The people forgot about the strip mines when they were engulfed by a tragedy of that magnitude.

ALL HUMAN BEINGS ARE CREATED EQUAL

I am not suggesting that the problems of the urban electricity user are more important or less important than those of the Appalachian housewife, or the rancher in Montana who finds his land threatened. All I am saying is that this committee should weigh the fact that all human beings are created equal and energy is a problem which is a very human one involving all types of people.

I would also plead, Mr. Speaker, to keep your options open. I do not believe that unchallengable conclusions or rigorously factual information necessarily emanate from those who have a clear economic stake in the results. Why should the Congress accept what the National Coal Association tells us is essential for the prosperity and well-being of this Nation? I trust that due consideration will also be given to those human beings who are affected adversely by strip mining, and whose lives are being ruined by what is happening to their land and water supply.

TIMETABLE ON ABOLITION OF STRIP MINING

The reason we are so dependent on strip-mined coal today is that the Nation failed to plan 10 years ago for today's energy needs. This is to say that the Committee on Science and Astronautics should have created the Subcommittee on Energy in 1963 instead of 1973, and comparable high-level attention should have been focused on energy requirements by the executive branch. If strip mining of coal had been banned 10 or 20 years ago, we would still be producing the same amount of coal from the underground mines of the Nation. It will be contended that the price per ton of coal would then be higher, yet I say it realistically should be higher. The present price of strip-mined coal conceals the actual social costs of this form of mining, and in effect society is subsidizing the profits of the strip-mining industry by enabling the industry to destroy the soil and water.

Prof. William H. Miernyk, Benedum Professor of Economics and director of the Regional Research Institute of West Virginia University, testified on March 15, 1973, before the Senate Committee on Interior and Insular Affairs:

> Clearly, if surface mining were to be abolished tomorrow the Nation would be faced with a severe energy crisis. But even those who advocate complete abolition of surface mining, such as Congressman Ken Hechler from my state, would allow for an adequate period of adjustment.

What is an adequate period of adjustment?

THE SHIFT TO DEEP MINING IS INEVITABLE

In 1971, I first testified before committees of the House and Senate to urge that strip mining of coal be phased out, and very little or no effort has been made in the coal industry to plan and adjust to the inevitable which will result when strippable coal is exhausted. In fact, huge funds have been spent on public relations campaigns in an attempt to prove that stripping is not so bad, that there are many hidden evils in underground mining, and that any shift away from strip mining would be catastrophic for the Nation. The executive and legislative branches have done very little to discourage this concept. But the facts speak loudly and eloquently that we must plan and act decisively.

The changeover from strip mining to deep mining, as stipulated in legislation which I have introduced, would occur within 6 months where the stripping is done on relatively steep slopes—"contour stripping" where the slope exceeds 20 degrees—and within 18 months where "area stripping" occurs where the slope is less than 20 degrees. In addition, in those Western areas like Four Corners and the Black Mesa where the annual stripping production of individual mines exceeds 500,000 tons, an additional, graduated 3-year extension is provided so that the supply of coal to southwest utilities is not precipitously affected.

Here is how the timetable will work under the phasing-out proposal which I am supporting:

ABOLITION AND THE SHIFT TO DEEP MINING

Key facts (1972):	Million short tons
Strip and auger coal production	291
Strip coal supplied to electric utilities (Federal Power Commission)	214
Contour and auger coal production (approximate, CEQ) [1]	74
Contour strip coal supplied to utilities (Bureau of Mines)	35-52

	Total 1972	Plus 6 mo	Plus 18 mo	Plus 30 mo
Strip production (million tons)	(214) 291	(162) 217	(55) [2] 55	(43) 43
Quantity to be replaced by deep mining		(52) 74	(159) 236	(171) 248
Sources for replacement:				
1. Unused underground capacity		137-214	137-214	137-214
2. Reopening recently closed deep mines			30	30
3. Introduction of longwall equipment			30	45
4. Production from new deep mines			(3)	(4)
5. Short run limits on exports		[5] 56	[5] 56	[5] 56

[1] 1972 figure represents adjustment from 1971 figure cited by CEQ (Appalachian strip production fell 7 percent between 1971 and 1972).

[2] This figure represents a projected 25 percent growth in strip production on existing large western strip mines over the 1972 production level.

[3] Some production likely.

[4] Significant number should be in full operation.

[5] Up to 56.

Note: Numbers in parentheses represent strip coal supply to utilities.

In 1972, the total strip and auger coal production amounted to 291 million tons.

Of this 291 million, 214 million tons of stripped coal was supplied to electric utilities, according to the Federal Power Commission.

How much of this 291 million tons of stripped coal came from contour stripping—on steep slopes over 20 degrees?

About one-fourth or 74 million tons.

How much of the steep slope 74 million tons of stripped coal was supplied to electric utilities?

According to the Bureau of Mines, from one-half to two-thirds, or 35 to 52 million tons.

In the first 6 months, during which steep-slope stripping is being gradually reduced, the shift to deep mining would not be done by opening new mines which of course takes more than 6 months. But this shiftover could be accomplished by short-run limits on our exports of coal, and also by utilizing fuller capacity of existing underground mines, as described in the accompanying chart.

WORKING FULLER CAPACITY

Using U.S. Bureau of Mines figures, if you worked all deep mines on a three-shift, 5-day-a-week basis instead of at the present rate, this would produce 137 million additional tons of underground coal per year. If the deep mines were worked on a 6-day basis, this would produce 214 million additional tons—but, of course, the need would not be that great when a limit on exports is considered. The Bureau of Mines estimates that the addition of a sixth day's production with no change in the existing number of shifts could add 42 million tons of deep mined coal a year.

Steve Liming, safety director for the United Mine Workers of America, has noted that there are already quite a few mines which are presently operating three shifts per day, or on a 6-day week, and that three shifts per day or a 6-day week present no unusual safety problems. Mr. Liming indicated that the chief need in such speeded-up operations is for sufficient mechanics and electricians to make repairs quickly when mining machinery breaks down. In the interim or pending receipt of new machinery, crews can always be shifted to the type of jobs which are necessary but not immediate, that is, preparing new sections for future mining, or shifting to another area to work on an idle section.

Mr. Liming also added that recruiting new miners is becoming less and less of a problem, and cited the large number of returning Vietnam veterans who are making very good miners with many others eager to go into the mines when needed.

In addition, the available labor pool of able-bodied men in the Appalachian region is very large. According to Census Bureau statistics, in 1970 in the coal mining counties of Appalachia, there were 232,145 men between the ages of 16 and 65 who were not employed, not in school, and not in hospitals or other institutions. Given the fact that wages in the deep mining industry are higher than in any other major industry, many of these men could be attracted to an expanding underground industry. Also, with the competition of strip mining eliminated, operators could concentrate on safety, thus attracting workers who might otherwise be reluctant to go into the deep mines.

From 1966 to 1971, the number of deep mines in this Nation declined from 4,741 to 2,268. It has been like pulling teeth to get either the Bureau of Mines or anyone to analyze how many of these closed mines were simply worked out, or how many closed because coal companies found it more profitable to strip mine instead. But we did discover that there are at least 750 deep mines which closed for reasons other than they had exhausted their reserves of coal, and an additional 275 mines just would not report why they had closed. If we could conservatively assume that only 300 of these 1,025 mines could be reopened within 18 months, with an average production of 100,000 tons annually, this would produce an additional 30 million tons of deep mined coal.

AVAILABILITY OF MINING ENGINEERS

I have an article from Engineering and Mining Journal for February, 1973, entitled "What Is Ahead for New Miners in 1973", and subtitled:

> The employment picture looks bright for this year's bumper crop of mineral graduates: Engineering and Mining Journal survey reviews the reasons behind the recent surge in enrollments at mining schools.

The first sentence of the article reads as follows:

> The largest number of graduates since 1955 will enter the mineral industry in 1973—294 students with majors in mining and mineral engineering from 19 schools in the U.S.

One subhead in the article reads, "Big Opportunities in Coal Mining."

LONGWALL MINING

The longwall form of mining, recently introduced, also will expand underground coal production. Longwall mining means removing the coal by a cutting machine which travels from one end of the coal face to the other, biting several feet into the coal seam with heavy steel cutting picks. This is in contrast to the current method of tunneling in with machines like the continuous miner which attacks the face directly at a 90-degree angle.

The introduction of longwall equipment and techniques could expand deep mining production by 30 million additional tons in 18 months. For example, one of West Virginia's largest producers, Eastern Gas & Fuel Associates, has introduced six new longwall machines in 1973. Company officials have predicted that these new machines will expand their production from 12 million tons in 1972 to 14.5 million tons in 1973.

Longwall mining is not only safer; it is also more efficient in the amount of coal recovered. A row of hydraulically operated steel roof supports—like gigantic jacks—move forward with the cutting machine and the conveyor belt as the coal is sliced from the seam. Longwall mining accounts for 92 percent of the underground coal production in Great Britain, but is only used now in 25 to 30 mines in this country.

The annual report of the Kentucky Division of Reclamation for 1972 pointed out that—

> Longwall mining is a much safer method . . . Savings are made in the areas of roof support, ventilation and rock-dusting which can amount to more than 50 cents a ton.

While the longwall equipment is expensive, it offers 85- to 95-percent recovery in contrast to the 57-percent characteristic of the conventional forms of mining.

HALTING COAL EXPORTS

In 1972, 56 million tons of American-produced coal was exported; 86 percent of this tonnage, 48.1 million tons, was produced in deep mines, and this coal could be shifted to replace production eliminated by a ban on strip mining. Almost all of this 48.1 million tons was low sulfur, low ash, high Btu coal—the best quality coal our Nation produces. Keeping this coal here at home would have two advantages: It would ease the shift to deep mining and it would provide a much cleaner coal than the strip coal presently burned by utilities.

The coal industry has argued that this coal is too expensive to use in utilities. This is a truly specious argument. On the one hand, I find it hard to believe that any American industrialist would contend that the quality of an American product is "too good for Americans."

Furthermore, the high cost of this coal results not from higher production costs but rather from the realities of the marketplace. The Germans and Japanese have been willing to pay very high prices for this top grade metallurgical coal while domestic utilities have been content to purchase lower quality, dirtier coals rather than bidding against the foreign steel companies.

As the recent Senate Interior Committee study entitled "Factors Affecting the Use of Coal in Present and Future Energy Markets," states:

> The average cost of unwashed steam coal is under $6 per ton while cleaned metallurgical coal costs more than $12 per ton. The difference in cost attributable to cleaning is about $1 per ton; the rest is due to the fact that the low ash, low sulfur, and higher Btu content of the metallurgical coal makes it a more desirable commodity.

Domestic price controls on such coal, while cutting the huge profits enjoyed by the coal industry in the export market, would insure the availability of this coal to utilities at a reasonable price. Metallurgical grade coal is currently burned in powerplants run by Duke Power in North Carolina and Alabama Power Co.

WESTERN VERSUS EASTERN COAL

Western strippable coal, of which there is an ample supply of 29.9 billion tons of the low-sulfur variety, is a very attractive market. The huge coal seams, the cheapness of the land, and the susceptibilty to extraction by gigantic machines would combine to lower the f.o.b. mine price to the $2- up to $5-per-ton range. What a fantastic bargain.

In another section of my testimony, I shall analyze in depth the issue of reclamation of strip mined lands in the West as contrasted with the Appalachian region.

For the moment, let us examine the quality and attractiveness of western strippable coal. Unfortunately, western strippable coal has a much lower Btu level and high ash and water content. This was discovered when the TVA purchased a large quantity of western coal for its Johnsonville, Tenn. plant. On November 12, 1972, the TVA issued a public statement that the high water content of the western coal "has shown major operating problems in addition to the very high transportation cost involved." In short, the large amount of water in western stripped coal gummed up the TVA boilers, and henceforth they contracted for coal shipped from underground mines in Indiana. Most eastern plants are also equipped to burn low-water content coal, so this problem is likely to recur if massive shipments are contemplated.

TRANSPORTATION COST OF WESTERN COAL PROHIBITIVE

West Virginia utilities have experienced similar problems with western coals. Although attempts have been made to dry the water-laden coal, it has been found that the drying process reduces the mass and consequently increases the percentage of sulfur content above acceptable levels. The drying process is itself costly, and by reducing the mass of coal the price per ton goes up. Boilers could be retrofitted to accommodate the high water content, western stripped coal, but the cost of transportation provides by far the strongest argument against its extensive use in the East.

A recent study for the Appalachian Regional Commission by Charles River Associates estimated the average cost of shipping coal by rail at 8 mills per ton per mile. This means that shipping costs for coal freighted to the East from Montana would be $15 to $20 per ton, which when added to the f.o.b. mine price would make such western coal noncompetitive.

COST OF OPENING NEW UNDERGROUND MINES

The time required and the cost involved for the development of a new deep mine vary widely because of the number of factors involved. The major factors are depth of the coal seam, thickness of the seam, uniformity, and quality of the seam, roof characteristics, and amount of methane gas likely to be liberated during mining. Depth of the seam determines whether the mine will be a drift, slope or shaft mine. Costs vary widely on this issue alone—National Economic Research Associates cited development costs for a drift mine ranging from $50,000 to $150,000, for a slope mine $300,000 to $400,000, and for a shaft operation up to $1 million. Entrance costs ranged from $60,000 for a drift mine to up to $4 million for a shaft mine. Development time from start of planning to full production can vary widely from relatively short spans for small drift mines to longer times for large shaft operations. However, some production can be expected within a matter of months after excavation has begun.

Comprehensive data on mine costs for new mines has recently been developed by the Bureau of Mines and published in two reports entitled, "Cost Analyses of Model Mines for Strip Mining of Coal in the United States" and "Computer Program for Economic Evaluations of Underground Bituminous Coal Mines." The costs for strip and deep mines for smaller seam sizes and output levels follow:

COMPARATIVE COSTS OF DEEP AND STRIP MINES

	Initial capital investment	Operating cost per year	Cost per ton
Annual output—			
3,000,000 tons:			
Seam size—72 in:			
Strip	$28,005,000	$9,167,100	$3.06
Deep (slope)	20,830,000	14,800,000	4.93
1,000,000 tons:			
72 in:			
Strip	12,727,500	4,146,400	4.15
Deep (slope)	7,950,000	5,510,000	5.40
3,000,000 tons:			
Strip (66 in)	24,870,000	7,748,400	2.58
Deep (54 in) (shaft)	23,760,000	16,560,000	5.54

Source: Bureau of Mines Information Circular 8535.

The data reveal a most surprising fact, one which runs counter to all the propaganda of the strip industry: new strip mines require a larger initial capital investment than do new deep mines—the economic advantages of strip mining result not from capital requirements but solely from labor costs—output per man-day in strip mines is three times that of deep mines. This fact has rather important implications for the question of availability of capital for a shift to deep mining after stripping has been abolished. Clearly, the money slated for the development of the huge western strip mines could easily be shifted to cover the capital requirements of new deep mines. This would be true as well for strip mines planned in other areas. Moreover, banning strip mining would shift demand to the extensive deep mine coal reserves. It is a time tested fact that capital will flow wherever a sound rate of return can be expected. The costs cited in the Bureau of Mines study all assumed a 12-percent annual return—more than enough to encourage development of new deep mines. Given the high projected future demand for coal, the expected annual return would become higher and long term utility contracts would become available. Hence investment in deep mines will become very attractive.

The coal industry itself could be expected to come up with major amounts of capital investment. We must remember that 12 of the 15 largest coal producers are subsidiaries of larger conglomerates—primarily oil and steel companies. The 1972 profits picture for the coal companies and their parent corporations was outstanding; 1972 profit levels ranged from a low of $2.6 million registered by North American Coal to a high of $28 million chalked up by Pittston. The parent corporations did even better with Gulf Oil, the parent of Pittsburg and Midway, racking up an amazing $447 million in profits; Continental Oil—Consol—$170 million; United States Steel $156 million and Bethlehem Steel $134 million. In addition, all of the subsidiaries showed increases in profits in the first quarter of 1973. The profits picture leaves no doubt that the capital is readily available for a shift to deep mining.

Nor is there a lack of expertise for this shift either on the management level or the operations level. Of the 15 largest coal producers, 14 operate underground mines—only Utah International is purely a strip mining outfit. A ban would simply mean that these major producers would expand their deep mine operations.

LEADTIMES FOR STRIP AND DEEP MINES

It is often assumed that new strip mines can be opened much faster than new deep mines. However, according to research conducted by the Library of Congress, this is not the case. The Library study cites strip mine leadtimes of 4 to 5 years as compared with 2 to 4 years for new deep mines. Backlogs of orders for the giant shovels and draglines—which are manufactured by only two companies in the United States: Marion Power Shovel and Bucyrus Erie—and the time required to assemble the equipment once the parts are delivered to the mine site were listed as major factors in the long strip mine leadtimes

In contrast, a second Library of Congress survey found that deep mining equipment leadtimes ranged from a few months up to 1 year depending on whether or not the equipment was custom made. Joy Manufacturing Co., the leading underground mining manufacturer, indicated 5 to 6 months delivery times. The difference in leadtimes for equipment demonstrates that short-run expansion of existing operations could also be achieved more quickly in the deep mining industry than in stripping.

RECLAMATION IN GREAT BRITAIN AND GERMANY

There have been many studies of reclamation in Germany and in Great Britain, where strip mined coal constitutes less than 10 percent of the total coal production, in contrast to over 50 percent in the United States. There are some clearcut differences between the land use ethics of Great Britain and Germany, where long and careful public planning precedes any attempt at strip-mining—the pell-mell rush to strip which occurs in this country is unknown in Europe.

Under our cowboy capitalist approach to mining, we have placed heavy emphasis on how you extract the minerals from the ground in the quickest and cheapest fashion. Coming from a State which specializes in extractive industry, I regret we also have had a few extractive politicians, as in Maryland, who took out more than they put in, with very little reclamation, but that is another story. Throughout the mining industry, "reclamation" has become a recent craze, but it is sharply different in outlook than in Great Britain and Germany where true reclamation means reforestation and a thorough and intelligent restoration of the land. All too often esthetics are the ruling yardstick of reclamation success in this country.

The extensive study, "Surface Mining and Land Reclamation in Germany," by E. A. Nephew of the Oak Ridge National Laboratory indicates that costs of reclamation in Germany amount to between $3,000 and $4,500 per acre, while in Great Britain they may run as high as $7,179 per acre but average out close to $4,000 an acre. The cost per ton ranged from 63 cents to $4.24/ton and averaged $1.35/ton for all British reclamation efforts. The topsoil and subsoil is carefully segregated, and later replaced, and rehabilitation of the land by experts in agriculture and forestry may take as long as 5 years following the mining operation.

DISMAL RECORD OF RECLAMATION IN UNITED STATES

The record for reclamation in this country is a dismal one. This is not due entirely to the lack of effort on the part of those operators and specialists charged with reclamation. There are a number of very serious problems with reclamation in this country which are not encountered in Germany and Great Britain. The critical environmental variables for reclamation are slope, sulfur content of coal and shales, acid-alkali balance in spoils, amount of rainfall, depth and thickness of the coal seam, and thickness of the coal seam, and amount and quality of the topsoil. In Appalachia, the combination of steep slopes, pyritic shales, heavy rainfall and thin topsoil combine to create monumental problems of erosion, sedimentation, landslides and acid drainage. The relatively flat, acid-free lands of Germany and Britain present no such difficulties.

Dr. Robert L. Smith, professor of wildlife biology, Division of Forestry, West Virginia University, recently stated:

> In the southern mountains, it is obvious to anyone who views strip mine reclamation that reclamation is not successful, nor is the land being restored. It is impossible to put the excavated material back and to re-establish any semblance of previous ecological conditions.

Dr. Smith points out that hydroseeding and heavy fertilization can produce some vegegation, but this is generally short-lived. He states that "on no slopes can grass stabilize the soil." Reforestation is not even attempted on the steep slopes.

WEST VIRGINIA RECLAMATION

A great deal of the land in West Virginia and Central Appalachia consists of steep slopes, heavy rainfall, thin top-soil, with acid from pyritic shales more serious in northern than southern West Virginia. The Stanford Research Institute was commissioned to study strip-mining by the West Virginia State Legislature, and this study did not recommend abolition but pointed out some significant facts. Analyzing the 248,078 acres of land "disturbed" by strip-mining as of October 1971, the report estimated that only 69,648—slightly over a quarter of the acreage—had achieved 75 percent vegetative cover. Even more significantly, the study indicated that if the acreage which had not achieved 75 percent vegetative cover, 60 percent had at one time been reclaimed to this standard either by the operator, the U.S. Soil Conservation Service of the reclamation fund maintained by the State. This means that nearly two-thirds of all reclamation in West Virginia has failed to maintain itself. This means that of the most barren lands which lack 75 percent vegetative cover, 6 out of every 10 acres had once been "officially reclaimed" but backslid into barren lands.

In its final report to the State legislature, the Stanford Research Institute grimly concluded the following about the cost of reclamation in West Virginia:

> Returns for such expenditures have been disappointing in the past, as reclamation work has not eliminated environmental effects of surface mining from most areas.

It was further concluded that so-called reclaimed land still held the danger of landslides, and yielded "from 400 to 600 tons of sediment per acre of spoil bank—annually." It was calculated that each new year of strip mine production in West Virginia adds 6 to 10 million tons of new sedimentation into the State's streams and rivers.

The study concluded:

> By 1980, the cumulative effect of leaching could yield roughly 3 million tons of dissolved solids from spoil banks.

ACID DRAINAGE PROBLEMS

In flatter areas, vegetation can be partially successful and could be a step in the process back to forestation. However, the basic problem with flatland reclamation in the East and the Midwest remains that of controlling acid drainage and the leaching of toxic materials. Dr. Moid Ahmad of Ohio University, an eminent hydrologist, has shown conclusively, that so long as acid-causing pyrites are present in the overburden, no reclamation procedures can successfully stop acid drainage. Vegetation in no way insures an end to the acid drainage problem. A 1970 study conducted by Dr. Sutton of the Ohio Department of Natural Resources entitled, "Reclamation of toxic Coal Mine Spoil Banks" has found that even the heavy use of fertilizers was ineffective in neutralizing acidity. Lime applied at a rate of 42 tons per acre was ineffective. Unless the acid can be eliminated, vegetation will decline and reclamation will be reversed thus creating a new orphaned land, complete with all the original environmental problems of unreclaimed land.

A 1971 Case Western Reserve University study entitled, "Ecological Effects of Strip Mining, A Comparative Study of Natural and Reclaimed Watershed" compared two watersheds in Belmont County in southeastern Ohio, one of which had not been stripped, the other which had been stripped and reclaimed in 1968 by the Hanna Coal Co. The report states:

> The water draining from the mined and reclaimed watershed is highly acidic, having an average pH of 3.5. In contrast, the water draining from the natural system is neutral or slightly basic, having an average pH of 7.9. . . . In the affected system, Fe (iron) was found in concentrations greater than 400 times that found in the natural system, SO_4 (sulfate) averaged 56 times that of the natural system, K (potassium) 2.8 times, Ca (calcium) nine times, Mg (magnesium) 30 times, Mn (manganese) over 1,320 times, and Al (aluminum) was found to be over 3,000 times that of the natural system. These large amounts of ions produced high concentrations of dissolved solids. Average dissolved solids of the affected systems were 90 times that of the natural system.

CHEMICALS RELEASED BY STRIP MINING

The report drew the following conclusions:

> 1. Three years after reclamation one finds that the affected area cannot support plant or animal life.
>
> 2. Geologic formations high in sandstone must be reclaimed by better methods or should not be strip-mined at all.
>
> 3. The acid condition produced by strip-mining releases amounts of minerals and nutrients which are toxic to plant-life.
>
> 4. The highly dissolved chemical load entering Piedmont Lake from the affected area is rapidly increasing the eutrophication processes in the lake, and thus it is altering and destroying lake habitats.

HIGH COST OF "RECLAMATION"

In short, good reclamation like that found in Germany can only be accomplished on flat areas free of pyritic and other acid-causing materials. And, this can only be accomplished through careful, comprehensive land use planning, strict performance standards for the reclamation process, full public access to the planning process, a continuing program for revegetation and forestation over a 5- to 10-year period after completion of initial reclamation efforts, and above all a major commitment of money in the neighborhood of $4,000 per acre, such as the Europeans have put forth.

Nephew sums up the German approach philosophically:

> Probably the most compelling reason for farmland restoration, however, is the prevail-

> ing conviction that to allow valuable soil to be irrevocably destroyed by a strictly temporary land use—mining—would present extreme folly.

RECLAMATION IN PENNSYLVANIA

The Pennsylvania law and the Pennsylvania reclamation methods have been widely touted as the solution to the Nation's strip mining and reclamation problems. The slopes are not as steep in Pennsylvania as in West Virginia. Even though the State law requires backfillings of strip-mined areas to their original contour and enforcement of the strip mining law seems to be more stringent than most States, reclamation has been largely a failure in dealing with the problem of acid pollution from strip mining spoils.

A study completed by the Pennsylvania State University College of Earth and Mineral Sciences shows that a majority of strip mines in seams surrounded by highly acid shales discharge acid water in excess of the State water quality standards, regardless of the method of reclamation employed—50 to 67 percent of such strip mines which were regraded to original contour failed to meet water quality standards; 71 to 94 percent of such strip mines which were partially regraded failed to meet water quality standards.

THE BLOCK-CUT TECHNIQUE OF STRIP MINING

Pennsylvania has introduced a new form of stripping known as the "block cut," which is designed to restore the mined land to its original contour by dumping the first cut on the downslope and then dumping subsequent cuts into the hole created by the first cut. This technique involves the segregation of the topsoil and the burial of the most toxic and acid producing strata in an effort to minimize their adverse effect. Reclamation is attempted concurrent with the mining operation.

The major advantage offered by the block-cut technique is that it can eliminate a majority of the downslope spoil dumping, thus cutting down on landslides. However, the first cut is still placed on the downslope and this cut must be quite large to allow space for the equipment to operate. Dumping of this first cut creates a large spoil bank which is subject to the monumental problems of landslides, erosion, and heavy sedimentation.

It should be recognized that the block cut is basically an earth moving technique. As such, it cannot overcome the very serious problems of slippage, acid drainage and the leaching of toxic materials. While it can reduce general erosion and sedimentation, it does not eliminate these problems nor does it insure revegetation. It has never been proven feasible in the steep slope areas of central Appalachia—only on the shorter, more gentle slopes of Pennsylvania has it been at all successful. Although a modified block cut has been attempted by Hobet Mining Co. in my congressional district—Mingo County—it is done while retaining the high wall. In fact, both coal operators and State officials have indicated that the block-cut method is too expensive in the steep mountains of West Virginia. At best, the block cut is an improvement over other reclamation techniques, but it falls far short of being a solution to the problems of reclamation.

RECLAMATION OF WESTERN STRIPPED LAND

The western lands are characterized by very thin topsoil, low rainfall, alkali and sodic spoils—no acid-producing materials—and the general scarcity of water. This has led many to the false conclusion that without much rainfall or acid-producing material, and fairly level land, strip mining in the West does not face the gigantic problems of reclamation confronted in Appalachia.

Dr. Robert Curry, assistant professor of geology at the University of Montana, testified before the Senate Committee on Interior and Insular Affairs that—

> The ground surface, once disturbed in the West, cannot recover to its present state of succession or vegetation without extremely long periods of geologic time—many times longer than we might expect man to inhabit the earth.

He added:

> In the West, unless precious water is imported and the sites are watered on the order of 200 to 2,000 years to simulate the naturally wetter conditions during the soil-forming periods, reclamation to the point of self-sustenance is impossible . . . When one considers the rising costs of water and fertilizer, and the rising values of sustained water quality, I estimate that ultimate costs of reclamation in the West are 10 to 100 times as great as those on steep, contour-stripped lands in the southeast.

I will now quote the final statement of Professor Curry in which he took a swipe at me, demonstrating that reclamation of strip mined land in the western States is far more serious than in my Appalachia:

> The oft-spoken threat that Colorado, Wyoming and Montana coal areas will become another Appalachia, as Representative HECHLER said the other day, is, I believe, a deceptive statement because the situation in the Western States is, in fact, somewhat worse from the standpoint of reclamation alternatives, economic base, potential losses of water and land value.

NATIONAL ACADEMY OF SCIENCES STUDY

"Rehabilitation Potential of Western Coal Lands" is a landmark study prepared under the auspices of the National Academy of Sciences. This study underlines the danger of launching a big coal rush to strip mine western lands. It also indicates the very real threat which coal gasification plants will pose to the limited water supply in these western areas. Plans have been rushed forward to combine massive strip mining with giant coal gasification plants in the West.

When Dr. Philip Handler, president of the National Academy of Sciences, testified before the Energy Subcommittee of the Committee on Science and Astronautics on October 4, he stated:

> This study examines the capabilities for reclaiming strip-mined lands in the arid West, and is somewhat disconcerting.

I might interject here that it is always disconcerting when we discover through sound scientific investigation that what we have come to accept as true, may not be true. We have heard and read so many coal industry officials state that reclamation is possible after strip mining, that it must be an accepted fact. We have also heard many experts state that reclamation may be difficult in the steep slopes of Appalachia, where landslides occur, but surely there are fewer strip mine reclamation problems in the West, where the land is level, there is not much water, and there are no pyritic shales to produce acid mine drainage. I do not find the National Academy of Sciences study "disconcerting"; In fact, it fits in precisely with what I have been contending—that in both Appalachia and farther west, you cannot strip mine and expect to reclaim the land.

Dr. Handler was asked, before this committee, by Congressman BROWN to expand on his characterization of the National Academy of Sciences study, and he gave this reply:

> It really has to do with the fact that the rehabilitation of those lands is in considerable measure a function of not only how much effort goes into it, how careful we are, how stringently we demand it be done, but also the water supply, and the water supply in the areas in question is rather meager.
>
> Secondly, if we ever want to switch over and use some of that coal for industrial processes, such as converting it into pipeline quality gas, then there would be a large demand for water which certainly cannot be met.

The National Academy of Sciences study concludes:

> 1. "Pertinent data for rehabilitating mined land are virtually nonexistent. The necessary research has barely begun."
>
> 2. "Because water requirements are a major problem in western areas, water consumption and related on and off site environmental impacts that would result from conversion of coal by gasification, liquefaction or its use for electricity generation could far exceed the impacts from coal mining alone . . . . not enough water exists for large-scale conversion of coal to other energy forms. The potential environmental and social impacts of the use of this water for largescale energy conversion projects would exceed by far the anticipated impact of mining alone. We recommend that alternate locations be considered for energy conversion facilities and that adequate evaluations be made of the options (including rehabilitation) for the various local uses of the available water."
>
> 3. "The time required for this process of succession to heal the scars of a severe disturbance in desert and sage brush foothill areas may be decades and even centuries. Even when the best of proven techniques are applied in such desert areas, the potential for approaching the conditions and values of the original ecosystems is low."
>
> 4. (In foothill zone of the Rocky Mountains), "Steep slopes, south and west exposures and infertile soils can present insurmountable rehabilitation problems even when the best methods are diligently followed."
>
> **5. (With respect to desert areas, broad valley basins and local areas among low hills, ridges and mesas), "The probability for successfully rehabilitating such areas is extremely low . . . Disturbing such areas for surface mining of coal amounts to sacrificing such values permanently for an economic award."**
>
> **6. "The chances of approaching the original ecosystem are only moderate even on the best of sites and there is no probability of complete restoration anywhere."**
>
> **7. "For much of the western coal region, the rates of erosion are among the highest in**

> the nation, and soil is commonly lost through erosion and flash flooding."
>
> 8. "Surface mining activities may disrupt ground water flow patterns and interrupt traditional sources of water supply."

DEEP MINING WESTERN SEAMS OF COAL

It has been contended by the strong advocates of strip mining in the West that it would be impossible to deep mine the very thick seams of coal which are plentiful in western States.

At present, underground mining being carried out in Utah in the Kaiparowitz field is in thick seams of up to 30 feet. Conventional techniques are used, and the coal is mined on several levels. Experience in India, Czechoslovakia, and Germany indicates that there is no major problem with deep mining very large seams. In Czechoslovakia, both longwall and room and pillar methods are used to mine these large seams on several levels. The primary method is room and pillar using continuous mine equipment. The mining of a thick seam can be done in either ascending or descending order by mining 6-foot sections at a time. These methods prove out to be safer than small seam mining.

SAFETY RECORD IN UNDERGROUND MINES

To be sure, there are more accidents in deep mines, but a close look at the accident records of the major companies proves that this does not have to be the case. U.S. Steel, which operates only captive mines and produces 99 percent of its coal through deep mining, has by far the best safety records of any coal company. Similarly, Bethlehem Steel, which operates largely deep mines, ranks second in injuries and third in fatalities. This shows clearly that if a commitment is made to safety, deep mines can become safe. Here are the data on the 10 biggest producers from 1968 to 1971:

INJURIES PER MILLION MAN-HOURS

(Numbers in parentheses refer to rank of largest producers)

U.S. Steel mines (4)	2.72
Bethlehem Steel mines (10)	12.27
Consolidation Coal (2)	18.68
General Dynamics mines (6)	38.74
Peabody Coal (1)	46.91
Old Ben Coal (9)	47.40
Amax Coal (8)	48.23
Pittston (5)	56.57
Eastern Associated Coal (7)	62.51
Island Creek Coal (3)	72.13

The differences are less marked but still significant when fatality rates are compiled.

FATALITIES PER MILLION MAN-HOURS

U.S. Steel mines (4)	0.28
Amax Coal (8)	0.35
Bethlehem Steel mines (10)	0.44
Eastern Associated Coal (7)	0.53
General Dynamics mines (6)	0.72
Island Creek Coal (3)	0.85
Peabody Coal (1)	0.94
Old Ben Coal (9)	1.07
Pittston (5)	1.10
Consolidation Coal (2)	1.52

Particular note should be made of the Peabody figures: 80 percent of their coal production comes from surface mining, yet their accident record is poor. The good safety record of the captive mines stems from the fact that they have a strong commitment to safety—which is exhibited in their steel operations as well—and they are free from the competitive pricing pressures of the marketplace which push other deep mine companies to cut corners on safety. Abolition of strip mining would eliminate these pressures particularly in the case of marginal operators. It thus would allow deep mine operators to make the necessary financial commitment to safety.

Data for 1972 follow basically the same pattern as that for the period 1968–71. Again U.S. Steel and Bethlehem Steel underground mines rank one and two in lowest frequency of injuries per million man-hours, 5.30 and 8.97 respectively—note that for 1972 data was available separating deep and strip operations of the major producers. In comparison, Consolidated Coal's strip mines which ranked first among strip mines in lowest frequency of injuries, 18.31 per million man-hours, lagged well behind the steel company deep mines record. Of particular interest is the fact that Bethlehem's strip mines registered a 29.61 injuries per million man-hours rate, nearly four times higher than that compiled by their sister deep mines.

In the fatalities per million man-hours rankings, seven of the top nine underground mining companies showed lower fatality rates than the two leading strip producers, Peabody and Consolidated—Peabody and Consolidated strip mines had identical 0.61 fatalities per million man-hours rates which were exceeded only by Old Ben deep mines—0.62 and by Consolidated's own deep mines—1.14—which were the most dangerous mines in the industry from a fatalities point of view. These statistics certainly cast doubt on the common assumption that strip mining is much safer than deep mining. Moreover, the combination of the good safety record of captive deep mines and the good safety records of European underground mines shows that deep mining can become a much safer operation.

EFFICIENCY IN COAL RECOVERY: DEEP AND STRIP

Strip mines are not necessarily more efficient in recovering all the coal in the area disturbed. Directly beneath the cut, strip mines will characteristically recover 90 percent of the coal. However, side effects, particularly in contour stripping, greatly reduce this efficiency. When auger mining is associated with strip mining, the augering recovers only 30–50 percent of the coal, reducing overall efficiency to around 60 percent. Whether or not augering is used, a solid block of coal must be retained between the strip cut and any future deep mine, further reducing efficiency. Even in area stripping, such solid blocks are commonly left where the overburden becomes too deep. Therefore, strip mines may range in efficiency of coal recovery from about 40 to 90 percent, with contour stripping on steep slopes being the least efficient.

In other ways, strip mining may directly injure the efficiency of subsequent deep mining. Heavy blasting characteristically associated with strip mining in rocky terrain may fissure rock strata above deeper coal seams and create new roof support and water drainage hazards for subsequent underground mining. Extensive strip mining of near-surface seams may so disfigure and destroy an area as to make future access and future human habitation difficult or impossible. This is a distinct threat in areas like Boone County, W. Va., where removal of the 6.5 percent of the coal which can be strip mined would leave the land surface totally destroyed, making subsequent deep mining of the remaining 96 percent of the coal reserves difficult and in some cases impossible.

The U.S. Bureau of Mines estimates that underground mining recovers 57 percent of the coal affected by mining. However, new technologies, particularly "longwall mining" can increase that recovery rate to 85–95 percent. The application of these technologies in the United States has been slowed by the stagnation and price pressures on underground mining for which strip mining is primarily responsible.

STRIP MINING IS INCOMPATIBLE WITH REGIONAL ECONOMIC DEVELOPMENT

The debate on strip mining has concentrated on the energy and environmental areas to the exclusion of one very important area, economic development. Prof. William Miernyk, director of the Regional Research Institute at West Virginia University, in a definitive study entitled: "Environmental Management and Regional Economic Development," has established that "the environmental damage from strip mining may undermine the entire regional economic development effort." Miernyk points out that in the case of Appalachia, the Appalachian Highway Development System is designed to open up possibilities for tourism and light industry as well as facilitating transportation of timber and coal. Miernyk concluded:

> The continued expansion of strip mining could easily offset the developmental impact of the Appalachian Highway System.

This analysis clearly has application in other areas threatened by strip mining. Few industries are likely to relocate in areas with contaminated water supplies, continual dangers of flooding, and blighted landscapes.

A recent study entitled: "Opportunity Costs of Land Use: the Case of Coal Surface Mining" by Robert Spore, an economist at the Oak Ridge National Laboratory, underlines Miernyk's conclusions. The study found that the value of strip mining all the coal along the Big South Fork of the Cumberland River in eastern Kentucky and Tennessee would total $13,906,000 while the recreational value of this area totaled $42,620,000. In short, the costs in terms of lost opportunities for recreation and tourism would be more than three times the value of all the coal in the area. All of this economic and recreational benefit to the people would be lost forever if stripping were permitted. This pattern of lost opportunities is already the rule in some parts of Appalachia—only abolition will stem the tide.

Dr. Robert Smith of the West Virginia University School of Forestry in testimony before the Senate Interior Committee last March, pointed out how strip mining is running the hardwood timber industry in Appalachia. Smith stated that strip mining—

> So disrupts the environment that it appears impossible for any forest regrowth in the foreseeable future. The rich sites are

> either destroyed directly by strip mining or else they receive the brunt of overburden and siltation from the stripping at higher elevations.

In short, strip mining is totally incompatible with timber, tourism, and industrial development. It is crucial to note that deep mining is quite compatible with these alternate land uses, while at the same time offering more plentiful supply of coal.

The situation in the West adds still another lost alternate land use to this equation. As I demonstrated in my analysis of the possibilities for western reclamation, the lands of the West will no longer be useful as grazing land once they have been stripped—this will have a very important and oft overlooked impact on our supply of beef. The loss of these lands will undoubtedly result in a cutback on beef and grain production. At a time of growing worldwide food shortages, we must ask whether we can afford to strip these lands—especially, when the coal could be mined through underground methods without sacrificing the productive value of this land.

ABOLITION OF STRIP-MINING AND THE COST OF ELECTRICITY

The Cost of Living Council announced new retail price ceilings for gasoline prices on October 15, 1973, that permitted many service stations to raise prices by as much as 1.5 cents per gallon immediately.

What is the effect of such a price increase in gasoline to the average American family, as contrasted with the increase in the price of electricity which would result from the abolition of strip mining?

I have asked the Congressional Research Service of the Library of Congress to prepare an analysis of this comparison in rising costs, which follows:

> A ban on contour and auger mined coal would require the replacement of 50 million tons of such coal currently supplied to utilities (source: Bureau of Mines). A ban on all strip-mining would require the replacement of 214 million tons of strip mined coal currently supplied to electric utilities. According to the Federal Power Commission, during the third quarter of 1972, the delivered price to utilities of deep mined coal was $9.40 per ton; the delivered price of strip-mined coal was $7.71. Thus, replacing the 214 million tons of strip-coal supplied to utilities in 1972 with deep mined coal would mean an increase of $361.7 million in delivered fuel costs to utilities, assuming that alternate fuel sources are either more expensive or unavailable. If this increase were all passed on to consumers of electricity, what would it mean to the average family's electric bill? Just under one third of all electricity was consumed by residential users in 1972. Assuming that all rate payers are equally affected—which is an over-simplification, approximately $120 million of the increase in fuel cost will be passed on to residential users. There were more than 65 million residential users in 1972. Therefore, a ban on strip-mining would mean—taking the above assumptions in consideration—that the average family's electric bill would rise $1.80 annually or 15 cents per month.
>
> In contrast, a recent decision by the Cost of Living Council to allow a 1.5 cent hike in gasoline prices will cost the average family (one or two cars, 15,000 miles annually), $15 per year or $1.25 per month in additional expenditures for gasoline.
>
> Of course, more recent increases in gasoline prices will far exceed the increases in the family budget caused by the abolition of strip mining.

ENVIRONMENTAL DAMAGE: DEEP AND STRIP

In every respect, strip mining is clearly more devastating to the environment than underground mining. Given the vast areas of land affected and the long term of the effects, this is the most significant comparison.

Strip mining characteristically involves the near-total destruction of the land surface throughout the area mined, and the spread of destruction through siltation, pollution, flooding, and so forth, far beyond the mined area. Underground mining potentially affects less surface since it characteristically removes coal from multiple underground seams in the same location rather than a single surface seam over a broader area. And in fact 95 percent of the surface undermined is not materially affected at all. The two principal exceptions are the undermining of towns which may lead to dangerous subsidence and the deposition of mine refuse on the surface. Undermining of towns can and should be prohibited to prevent future damage in this manner. Under better economic conditions and a stronger regulatory framework, mine refuse could be reintroduced into the mine void or handled on the surface in a manner analogous to sanitary landfills to eliminate 75 percent of the potential surface disturbance.

WATER POLLUTION

The principal environmental characteristic which underground and strip mining clearly have in common is the production of acid and toxic water through the exposure of acid and mineral bearing shales to a combination of air and water. The strata of shale which are characteristically directly above and beneath the seam of coal are generally heavy producers of sulfuric acid when exposed to a combination of air and water.

In underground mines, water seeping through the roof and flowing out cracks and mine openings carries poisonous waters into streams—a major source of water pollution throughout the Appalachian region. This condition can be corrected in part by purposely caving in the mine roof following extraction of coal, by flooding the mine to the roof—which prevents access of air necessary for acid formation—by sealing all mine outlets, or by "back-filling" the mine with spoil material. All of these measures can reduce the problem, although frequently they do not cure it altogether.

In strip mines, the shale directly above the seam of coal is pulverized by the process of removal and cast on the spoil pile where it is exposed to air and rain water. Characteristically, since this strata is the last to be removed before the coal is reached, it reposes on top of the spoil pile. The strata of shale below the seam of coal is also exposed to air and water until it is recovered in the reclamation process.

The strip mine spoil banks have several characteristics which make them far more potent generators of acid than underground mines. First, the spoils are more directly exposed to air and water, both of which percolate to depths of 10 feet or more in the loose spoil material to generate acid water, which then runs out into surface watercourses or down into underground watercourses. Second, acid production is directly proportional to the surface area of the shales exposed to air and water; the pulverized shales in the spoil pile expose many more surfaces than do the solid shales underground. Third, acid production is also proportional to temperature, doubling for every 10° C rise in temperature. In summer months, shale exposed to air and water on spoil piles at 90° F will produce four times as much acid as shale underground at a constant 50° F.

Finally, acid production by strip mines is a greater problem because the acid water flows in all natural directions down off and down through the entire strip mine spoils, rather than through a few discrete openings as in underground mining.

Even though strip mining can be expected to produce more acid water than underground mining, this is not the major water pollution problem associated with strip mining. The major problem, particularly in mountainous areas, is sedimentation. Strip mined areas continuously erode, filling streams and rivers with sediment which impedes the flow of water, fills the stream channels and promotes flooding, coats stream bottoms and prevents the growth of aquatic plant and animal life, fills reservoirs and impoundments, clogs public water systems, and transmits pathogenic viruses. Erosion and sedimentation rates 500 times that of neighboring unstripped land are common, documented by the U.S. Geological Survey and many other studies.

Sedimentation problems are not significantly associated with underground mining.

Erosion from strip mined land also loads water with toxic quantities of other minerals such as manganese, aluminum, ammonium, magnesium, calcium, potassium, sodium. Not only does the erosion of these minerals from stripped spoils prevent revegetation in the soil of these spoils, but the toxic concentrations of these minerals in the run-off water inhibit life in the areas to which these waters flow.

The heavy blasting characteristically associated with strip mining also has adverse effects on underground watercourses in many areas—diverting underground water, opening fissures to pollute underground water with acid and toxic surface waters, etc.

Therefore, although the water pollution consequences of underground mining have been and continue to be serious, the water pollution consequences of strip mining are far more serious relative to acid production, sedimentation, toxicity, and destruction of underground watercourses.

AIR POLLUTION

Air pollution is occasionally a problem with either mining method, though it is not of the magnitude of the other problems. "Noxious gases," testifies Hollis M. Dole, "are emitted from the 292 burning coal refuse banks and the 289 known coal outcrop and mine fires," resulting from underground mining. These are extremely difficult to control once under way, but adequate environmental regulation can largely prevent this problem with future underground mining. "Backfilling" of mine spoils into the mine or depositing them between layers of earth as in sanitary landfills can prevent future gob pile fires. Coal outcrop fires can also be prevented by back-filing spoils against coal seams left exposed.

Strip mining, like other earth-moving processes, can produce some air pollution problems through creation of dust during the mining process. This can be controlled in part by watering and is rarely serious unless the strip mine is very close to inhabited areas. More serious is the wind-erosion of strip mine spoils in arid regions. This is already contributing to dust storms in the Black Mesa and Four Corners areas of Arizona and New Mexico.

THE MOMENT OF DECISION

I would hope that one lesson would be learned as a result of the current energy shortage. We must plan for the future in our handling of energy; we can no longer muddle through or leave the crucial energy decisions to the big oil conglomerates who are motivated by profits, not by any concern for what is best for the people. We have come up short in this crisis, and if we deal with this crisis by stepping up strip mining we will come up short again in the 1980's when all our eastern strippable reserves will be exhausted. At that point, industry will finally turn to deep mining, but it is likely that the deep mining industry will be virtually extinct and the economic dislocations will be catastrophic. Furthermore, vast acreages of land will be devastated and precious water polluted beyond reclamation.

I can see only one positive result of our present energy problem. It has focused attention on coal and forced a decision on the abolition of strip mining. Many people have asked me: "How can you favor phasing out strip mining now?" The answer is simple: This is the last chance to make that decision. If Congress allows the administration and the energy conglomerates to increase strip mining as the answer to the energy crisis, we will have committed the Nation to a catastrophic and virtually irrevocable course. I discussed earlier several approaches to making the shift to deep mining, utilizing unused deep mine capacity, reopening closed deep mines, halting coal exports, expanding longwall mining. These can and must be implemented immediately. In addition, efforts are being made to lineup long term contracts for coal and to pump major amounts of investment into the coal industry. The prerequisites for a massive commitment to deep mining are in place. All that is needed is the commitment by Congress to phase out all strip mining of coal.

Congressional indecision on this question will be fatal.

We must save the land and the people by stopping the destruction caused by strip mining.

THE NATIONAL HEALTH POLICY AND HEALTH DEVELOPMENT ACT OF 1974, H.R. 12053

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. ROGERS) is recognized for 60 minutes.

Mr. ROGERS. Mr. Speaker, I am introducing today for the consideration of the House of Representatives important new legislation, The National Health Policy and Health Development Act of 1974, H.R. 12053, designed to create effective health planning and development programs throughout this country. I am joined in this effort by Mr. ROY of Kansas, and Mr. HASTINGS of New York members of the Subcommittee on Public Health and Environment of the Committee on Interstate and Foreign Commerce.

As the Members know, the current legislative authority for our existing health planning and development programs—comprehensive health planning, regional medical programs, and Hill-Burton—will expire at the end of this fiscal year. The proposal which I am proposing today will combine the best features of these three programs during the next 2 years into a new and more effective system for the planning and development of health services.

We are all aware of the health care crisis in this country. Many people are unable to obtain care when they need it. When they do obtain care, it is often fragmented and usually extremely expensive. In many areas certain specialized services are simply unavailable. People have pointed out that the goal of solving these problems can only be attained by effective planning for the development of health services and by a careful investment of Federal, State, and local money in the development of services which will implement the plans which are prepared. The legislation which we are introducing today seeks to achieve this great goal. It will do this by creating coordinated programs of action at the Federal, State, and local level. At the Federal level a National Council for Health Policy would be created to give guidance to the program, and the Secretary of HEW would be given a new mandate for providing States and areas with assistance in health planning and development. At the State level State Health Commissions responsible for statewide planning and regulatory activities would be developed and designated. At the local level new health service agencies would be created with broad responsibilities for planning and development of health services.

This legislative proposal is lengthy and complex. It contains many provisions which the public and concerned professional associations will wish to examine and comment on in detail. I do not anticipate that everybody will agree with all of what is proposed but hope, by putting forward a complete proposal, to engender a thorough debate of these issues so that the subcommittee may later rewrite the proposal as much as necessary to achieve the best possible approach to the problems of health service availability and cost which we all wish to solve.

It is my hope that the Subcommittee on Public Health and Environment will be able to hold extensive hearings on this proposal during February and March so that it can be enacted by the end of this fiscal year.

My cosponsors, Mr. HASTINGS and Mr. ROY, are also including remarks in the RECORD on the proposal.

Mr. Speaker, at this point in the RECORD I include a short summary of the act:

BRIEF SUMMARY OF THE NATIONAL HEALTH POLICY AND HEALTH DEVELOPMENT ACT OF 1974, H.R. 12053

The proposed Act has four principal parts. Part A would establish a National Council for Health Policy. Part B would create a system of Health Service Agencies (HSAs) responsible for areawide health planning and development throughout the country. Part C would assist State governments in the creation of State Health Commissions (SHCs) responsible for State-level health planning and regulatory activities. Part D would create a new Federal program of construction assistance for health facilities based on loans, loan guarantees, and interest subsidies. The new programs would commence during the present fiscal year, thus overlapping with the authorities for CHP, RMP, and Hill-Burton. The Secretary would be responsible for assisting the existing agencies under the latter programs in their transition into the new programs, and then at the end of the present fiscal year the legislative authorities for CHP, RMP, and Hill-Burton would be terminated. The provisions of the new programs are based on the extensive experience now available with the existing programs and combine the most effective and successful features of each of them.

The *National Council for Health Policy* would be established in the Executive Office of the President. It would have five members appointed by the President with the advice and consent of the Senate, and suitable staff and support for performing its functions. It would be responsible for assessment of the nation's health; assessment of Federal and other health programs; assessment of the need for health resources, services, and financing; developing recommendations for a national health policy; issuing guidelines on the appropriate supply, distribution, and organization of health resources and services; and conducting studies and analyses concerning its recommendations for a national health policy. The Council would be required to submit an annual report to the public on the work it has done. In developing policy the Council would be required to give priority consideration to national health priorities specified in the legislation.

In creating a system of *Health Service Agencies* (HSAs) the Secretary would first be responsible for dividing the nation into health areas for planning and development purposes. He would then designate in each health area a private nonprofit corporation as the HSA responsible for planning and development in that area. The legislative proposal specifies minimum criteria for the legal structure, staff, governing body, and functioning of the HSAs. They would be broadly responsible for preparing and implementing plans designed to improve the health of the residents of their health areas; increasing the accessibility, acceptability, continuity, and quality of the health care provided the residents; and restraining increases in costs of such care. In performing these functions, HSAs would be required to gather suitable data; prepare long-range goal plans and short-term priority plans; provide assistance of either a technical or financial nature to people seeking to implement provisions of the plans; coordinate activities with PSROs, SHCs, and other appropriate planning and regulatory entities; review and approve or disapprove proposed uses of Federal health funds within the area; assist States in the performance of capital expenditure reviews under the Social Security Act; and assist the SHCs in certifying as needed health services offered in the area. Procedures and criteria for use by HSAs and SHCs in their performing of reviews required by the legislation are detailed.

Authority is given to the Secretary for providing assistance to organizations seeking to be designated as HSAs during their development, for providing technical assistance of various kinds to HSAs and SHCs, for making planning grants to designated HSAs to fund part of the cost of their planning programs, and for making development grants for HSA use in implementation of their plans. The Secretary is required to perform annual and triannual reviews of the activities and quality of HSAs to assure that they perform their functions in a satisfactory fashion.

The Secretary would also be required to designate in each State a *State Health Commission* (SHC) meeting criteria for its composition, staffing, and functions which are specified in the legislation. In order to receive designation, a SHC would need to submit to the Secretary an approvable administrative program for carrying out its functions. The SHCs would be responsible for annual review and approval or disapproval of the plans of the HSAs, annual review and comment on the budgets of the HSAs, review of applications submitted by HSAs for assistance from the Federal government, commenting on disapproved applications for Federal funds, performance of capital expenditure review functions under the Social Security Act, certification as needed of health services offered within the state, regulation of health care costs within the state, and (if they so desire) licensure and quality activities. Provision is made for the Secretary to provide financial assistance in the development and operating costs of SHCs. In addition the Secretary would be required after the expiration of the fourth fiscal year after enactment of the leigslation to perform the functions of SHCs in any State in which one was not designated.

Mr. ROGERS. Mr. Speaker, when Congress reconvenes, I will include tables and a section-by-section analysis of the bill on a daily basis.

I now yield to the gentleman from Kansas (Mr. Roy).

Mr. ROY. Mr. Speaker, there is today a national consensus that we have problems in our health care system. Based on this consensus, the Congress has taken significant steps within the past year to resolve these problems. The provisions of Public Law 92-603 to reform the medicare and medicaid programs are noteworthy. The passage of the HMO assistance legislation, emergency medical services systems legislation, and the community mental health legislation are important—and there are more.

But there is much yet to be done. There are basically three problems in our health care system. These are interrelated, of course, but for purposes of discussion today, I should like to take note of them separately. The problems are:

First. The escalating costs of health services;

Second. Problems with the availability of health services; and

Third. The variable quality of health services.

ESCALATING COSTS

The escalating costs of health services is the first problem to which attention must be paid. Over the past two decades, the cost of health care has increased dramatically. Health expenses in fiscal year 1972 equalled $83.4 billion—more than 5 times those of 20 years ago. As a percentage of the gross national product, health services costs have increased from 4.6 percent of the GNP in 1950 to 7.6 percent of a much larger GNP in 1970.

The costs of Federal health programs have also increased greatly during this time. The cost, for instance, of hospital insurance for medicare beneficiaries increased from $1.6 billion in 1966 to $6.7 billion in 1973. And medicare benefits now fall far short of covering all expenditures for people over age 65—meeting only 60 percent of their total health care bills.

AVAILIBILITY OF HEALTH CARE SERVICES

The problem of the availability of health services focuses on the inability of American people to receive care when they need it, where they need it, and how they need it.

The problem is basically one of manpower and facilities. In simplest terms, it means that there are men, women, and children for whom doctors, nurses, clinics, and hospitals do not exist. One way to describe the problem is in terms of physician/population ratios. The national average is one physician for about 665 persons. In South Chicago, in the South Bronx, in Harlem, in East Los Angeles, and in Central St. Louis, the ratios are all worse than one physician for every 2,000 people. In one five-county area of my district in Kansas, the ratio is even worse than this—and the average physician age there is over 55 years of age. There are literally hundreds of innercity and rural areas of the Nation where health services are unavailable to large numbers of Americans.

QUALITY OF CARE

The third issue I want to raise is the one of greatest concern to health professionals themselves, that is the quality of health services provided. The quality of health services delivered in the United States varies widely. At its best, the system provides the highest quality of care in the world. In many geographic areas, however, providers are overworked, hurried, have little time for continuing education, and sometimes find themselves providing care of less than optimal quality. Audits of records, pathology reports, patient surveys all indicate that in some areas of the United States, the quality of services provided does not meet optimal professional standards.

GOVERNMENT ACTION

So these are the problems within the health care industry. But there is an additional problem which has developed over the past several years, a problem which may be described as governmental. It centers on the fact that, in an attempt to deal with the three problems in the health services system previously described, Government has acted in a centralized and rigid—even "monolithic"—manner to impose controls in the health care industry.

If we consider the situation, we find that the administration has consistently imposed cost controls within the health care industry, under the auspices of the economic stabilization program through Phases I, II, III, and now as a proposal for Phase IV. The Cost of Living Council regulations have been applied by edict. The regulations have applied impartially to all providers of the country. The controls are uniform. They are imposed with equal force in areas where health care costs are high and low. They apply equally to efficient and inefficient providers, to traditional and innovative systems, to the honest and the corrupt. Such controls are "monolithic," in that they have been issued nationwide from a single central bureaucratic office; and they are insensitive, for without extensive, elaborate, expensive appeals, they cannot be—and are not—varied.

A similar pattern of regulation is emerging to deal with the problems of availability of services. This pattern has at its heart the requirement for approval of construction of health institutions. To date, more than 20 States have adopted "Certificate of Need" legislation. Further, Public Law 92-603 moved the Federal Government into this area by requiring health institutions, in order to qualify for reimbursement by medicare, to have all capital expenditures of greater than $100,000 approved by a local planning agency.

Such approval, however, is basically negative. It may be withheld, but it cannot be transferred. It cannot say build here rather than there, or develop this service rather than that service. And perhaps more significantly, given the lack of resources committed to support real competent planning, such approval power has become the application of simple bed ratio formulas without regard to unique local needs or potentials. So "Certificate of Need" legislation—especially that administered by stunted, incompetent agencies—is essentially a rigid and insensitive program.

Finally, in the quality of care area, Public Law 92-603 mandates that care, in order to be reimbursed by medicare, must be certified by a Professional Standards Review Organization—PSRO. Again, this is basically a negative process. PSRO has as its basis the denial of payment for services which are not certified as "necessary and appropriate":

> Dear Doctor: This is to inform you that care provided . . .

We can all envision the letter. While there has been some discussion of the need to provide for positive aspects of the PSRO program, in reality action in this regard has been minimal.

So we see the development, in each of the areas of cost, availability, and quality, of regulatory systems which are essentially negative in concept, especially when administered by underfunded and so minimally competent agencies.

THE NATIONAL HEALTH POLICY AND HEALTH DEVELOPMENT ACT OF 1974

It is for these reasons—the problems within the health care system and the problems in the governmental responses to these problems to date—that I am pleased to join with my distinguished colleagues, Mr. Rogers and Mr. Hastings, in introducing the "National Health Policy and Health Development Act of 1974." This legislation establishes a program which will deal effectively with the problems in our health service system. And more importantly, it will deal effectively with those problems in a decentralized and sensitive manner.

The program described by the act is based on the establishment of area health services agencies and State health commissions.

AREA HEALTH SERVICE AGENCIES

Area health service agencies—AHSA's—would be not-for-profit private agencies whose primary role would be to plan and develop the health care system. Additionally, AHSA's would have responsibility for reviewing and making preliminary recommendations in the regulatory area. AHSA's would—

Serve health areas with a population of between one-half million and 3 million people. Health areas would generally follow State lines, and could be larger for large urban areas or smaller in the States with low populations. Health areas would, to the extent possible, be congruent with the areas recently designated for the PSRO program.

Have an adequately paid staff of reasonable size—staff member per 100,000 people in the area—to insure the competence of the agency.

Have responsibility for developing both a long-range goal plan—LPG—and a short-term priorities plan—SPP—for the area.

Have responsibility for providing technical assistance to entities within the area to develop programs and projects consistent with the plans of the agency.

Have funds—an "area health services development fund—to provide to entities within the area to assist them in developing projects and programs consistent with the plans of the agency.

Have the responsibility to consider all proposed construction projects within the area and make a recommendation to the State health commission that projects be approved or disapproved.

Consider periodically—at least every 3 years—the need for continued provision of certain services by institutions within the area and make a recommendation to the State health commission that such services be or not be recertified.

Have the responsibility to consider all expenditures of Federal funds for projects within the area and made a recommendation to the Secretary that such projects be approved or disapproved.

STATE HEALTH COMMISSION

State health commission—SHC—would be independent commissions within State government. SHC's would have either three, five, or seven commissioners, three of which may have a background in the health services industry. SHC's would have responsibilities to—

Review and approve LPG's and SPP's developed by AHSA's within the State.

Review and make a final determination with respect to construction projects within the health care industry within the State.

Review and make a final determination for recertification of services by health services institutions within the State.

Develop within 4 years, for the Secretary's approval, a program of rate review for health care institutions.

CONCLUSION

Mr. Speaker, the system described in H.R. 12053, combining a not-for-profit private agency—the area health service agency—with an independent commission within State government—the State health commission—provides a reasonable system for planning, for developing, and for regulating in a sensitive and decentralized manner, our health services system.

We do indeed have problems in our health care system. Over the past several years, the programs developed to deal with those problems have not always been in the best long-range interests of the American people—either health care providers or consumers. For this reason, the proposal which we have introduced today, the National Health Policy and Health Development Act of 1974, is important in that it provides a mechanism for dealing with the problems in our health care system in a reasonable manner.

Mr. ROGERS. I yield to the gentleman from New York (Mr. Hastings).

Mr. HASTINGS. Mr. Speaker, I am pleased to introduce H.R. 12052, the "National Health Policy Act of 1974."

I would like to emphasize that this provision is similarly drafted, and effectively the same, as title I of H.R. 12053, the "National Health Policy and Health Development Act of 1974," which I today joined in sponsoring with the distinguished gentleman from Florida (Mr. Rogers) chairman of the Subcommittee on Public Health and Environment.

The National Health Policy and Health Development Act of 1974 is an essential piece of legislation requiring timely consideration during the next session of Congress. It contains the core programs necessary for a coordinated effort in improving health care delivery.

Based on the Federal experience in both supply and demand oriented programs, clearly, more than money is needed. The massive infusion of Federal tax dollars has so far failed to produce adequate health care resources accessible to the Nation's population. We must strengthen and improve the structure of the health care system and anticipate increased demands.

Ideally this plan will compliment and strengthen, rather than disrupt, our present system of health care. The concepts and their implementation are open issues, but they deserve close study for application to our total health picture.

We have reached a point where hard choices in social programs are essential. We have discovered that even Federal resources have limits and if new programs are to begin, old ones must be reexamined. This is an excellent opportunity to study, overhaul, and redirect—as necessary—the Federal Government's role in the Nation's health care delivery system to meet the rapidly changing needs of the American people.

I will not make any more detailed remarks on the package because it will be amply discussed by my colleagues during its introduction. I have participated fully in its development and strongly support the need to examine the principles presented.

Although the majority of provisions represent necessary steps that should be taken to rationalize our health care delivery system, I feel strongly that the need for a national health policy is even more critical. That is why I have introduced this particular provision separately. H.R. 12052, the "National Health Policy Act of 1974" provides for a Presidential Council on Health Policy, responsible for assessing the Nation's health needs and resources. In doing so, it would make appropriate evaluations and recommendations to coordinate and improve the Nation's health care system.

It seems incredible that our Nation—a Nation deeply rooted in technology and science aimed at human progress—does not have a national health policy. I do not simply mean convenient rhetoric, but a quantifiable set of goals—supported by a quantifiable plan—including a timetable and cost estimates.

We call the Nation's health care system unresponsive, fragmented, inflationary—even a nonsystem. Its critics and criticisms are many. Yet, the Federal Government is at least partially responsible, I am sure, for exacerbating the situation.

We have not gone far enough in our reevaluation of health programs, nor have we been forward enough in our mandates. Fortunately the critical choices stil lie ahead: What will we do about manpower? What will we do to place continuity and responsibility in the delivery system? What will we do about improving financial accessibility for the American people? And what will be the ultimate policy and posture of the Federal Government in assuring that these needs are met in a timely and effective way?

The key to these questions lies in part, I think, in viewing the health care system as a whole. We need a national health policy to assure a coordinated approach to the problems of financial access to health care and sufficient health care resources to meet all the needs of all the people.

This system of goals and priorities, supported by an appropriate financial mechanism and dovetailed to a system of comprehensive health planning and development must be established and adhered to at the national, State, areawide, and community level. Only in this way can we hope to rationalize the health care system and insure that future legislation has some chance of taking us where we want to go.

I sincerely hope that we can develop a national health policy to which we can relate our health mandates. I should expect that in the time ahead, we will make certain that the whole is indeed equal to the sum of its parts—and that our policy and programs are equal to the task ahead.

In closing I would like to include two statements from organizations regarding the need for a national health policy:

ALEXANDRIA, VA.,
December 17, 1973.

Hon. JAMES F. HASTINGS,
House of Representatives,
Washington, D.C.

DEAR MR. HASTINGS: Clair Schroeder, President of the Association, has appointed an interdisciplinary committee, representative of a wide range of interests, to seek out consensus for development of a national health policy from all types of national organizations interested in the health of the American people.

The AACHP announced the campaign to work towards a Federal policy that would provide for all people equal rights and access to adequate health care regardless of social or economic circumstance on December 17, 1973.

Concern over rising costs of health care, inequities of the health system to adequately serve many of the nation's poor and the eminent passage of national health insurance within the next few years has prompted AACHP to work toward establishing the first nationwide consortium for health policy. A statement of the objectives is attached.

Sincerely,

LAWRENCE NEWELL,
Executive Director.

TOWARD THE DEVELOPMENT OF A NATIONAL HEALTH POLICY

The state of the nation's health should be determined a major consideration by the Congress and the American people. The capability of all people to achieve their maximum potential for happiness, success and productivity is directly affected by standards of personal, social and mental health within a quality of environment that makes these conditions possible. The vast wealth of resources of this nation are sufficient to make these goals attainable.

AACHP recognized the need for the formation of a national health policy in its December 6, 1972, proposal for Congressional consideration. This proposal recommended the establishment of a Presidential Report on the Nation's Health, a National Council on Health Policy Planning, to be located in the Executive Office of the President with an Advisory Committee broadly representative of the people and a Joint Committee on Health Policy Planning composed of representatives from the Senate and the House of Representatives.

The AACHP Board of Directors, at its meeting on December 8, 1973, re-affirmed its commitment to work towards the development of a national health policy by taking action to expeditiously seek support from leadership organizations and people to this end.

A National Heatlh Policy should include, among others, the following components or principles:

1. Adequate health care is a right of all people.
2. Elimination of ability to pay as a deterent to both receive and to seek out preventive, therapeutic and rehabilitative health services.
3. Equal access and availability to health services should be provided to all Americans with dignity and humanity.
4. The consumers of health services should be involved in health policy development and planning at all levels of government.
5. Public accountability must be assured in any method of governing the health system through adequate representation from consumers, providers, and elected officials.
6. Barriers to quality, effectiveness, acceptability, availability and accessibility of health services, to all people, must be removed.
7. Quality of the human environment must be considered an integral part of the preventive component of the health care system.
8. Society can only guarantee access to a health care system and knowledge of healthy behavior, personal health must remain a matter for individual decision and action.

It is from such principles as these that AACHP would wish to assess the attitudes of organizations across the nation to determine where consensus can be achieved towards the development of a national health policy.

AACHP is representative of a broad range of interest including consumers, providers and elected officials. It is because of this broad representation that the Association is taking the lead in providing a common meeting ground for all national organizations interested in strengthening the health care capabilities of the nation in serving the people.

In order for this to occur, AACHP believes two important steps should be taken.

1. Congress should enact legislation creating a Council on National Health Policy for the development of a meaningful national health policy for purpose of providing a framework for future health legislation.
2. Discussions should be commenced immediately between consumers, providers and elected officials for determining what characteristics should be included in such a national health policy.

LUTHERAN CHURCH IN AMERICA,
New York, N.Y., November 29, 1973.

Hon. JAMES F. HASTINGS,
House of Representatives,
Washington, D.C.

DEAR MR. HASTINGS: I have the privilege of reporting to you the action taken by a group of 52 people drawn from the major segments of the health care delivery system who in discussions over one weekend in October came to the conclusion that there is a critical need for the United States to adopt a broad policy on health care. Such a policy could then guide and help to integrate the various health programs that will be adopted in the years ahead. The enclosed Call for a National Health Policy is the product of their unanimous action.

I understand that you serve on the House of Representatives Sub-Committee on Public Health and Environment and that hearings on comprehensive health care bills may be held in the near future. This seems to me to be wise because the health care field is exceedingly complex. In your opinion would the development of a national health care policy statement be a helpful first step in the development of new legislation in this area of concern?

I would be pleased to receive any comments you care to make about the enclosed Call. I do want to make it clear that this is a statement of 52 individuals and not an official statement of the Lutheran Church in America. However, the Lutheran Church in America is deeply concerned about this issue and is calling a consultation to study it and propose a policy for adoption at a later time.

Sincerely yours,

HAROLD C. LETTS,
Secretary for Social Concerns—Faith and Life Institutes, Department of Church and Society.

A CALL FOR A NATIONAL HEALTH POLICY

The Faith and Life Institute on Health Care Delivery, meeting at Pheasant Run, St. Charles, Illinois, on October 19–21, 1973, adopted unanimously the following call for a national health policy. The 52 participants in this institute comprised a cross-section of the health care delivery system. Doctors, nurses, hospital and medical insurance administrators, chaplains and clients were represented. The institute was sponsored by the Lutheran Church in America and the American Protestant Hospital Association. However, the resolution adopted is the sole responsibility of the participants of the institute and should not be attributed to the sponsors.

Inquiries may be addressed to: The Reverend Harold C. Letts, Department for Church and Society, Division for Mission in North America, Lutheran Church in America, 231 Madison Avenue, New York, New York 10016.

Recognizing the Constitutional and historic intention of our society, to establish the equitable right to life, liberty and the pursuit of happiness; and

Recognizing the interdependence of all our people and resources to secure these rights; and

In order steadily to improve the access of all our people to needed health services;

We proclaim that the formulation of a National Health Policy is imperative, and that any such policy shall include the following characteristics:

1. Allocation of a consistent and reliable portion of our national resources to health programs.
2. Establishment of realistic goals for such programs, and schedules for progress toward their achievement.
3. Regular review of the spectrum of health needs and programs to continue the balanced development of such areas as personal health care, public health, health education and research.
4. Acknowledgement that our health care system is itself part of larger social-economic systems, both national and global.
5. Anticipation that dramatic technological and social changes will continue to occur, and must be creatively envisioned and planned for.
6. Informed and responsible participation of all elements of the system, including consumers, in planning and evaluation of national health policy structures and program effectiveness.

This bill is submitted for print in the RECORD:

H.R. 12052

A bill to provide for the development of a national health policy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Health Policy Act of 1974".

FINDINGS

SEC. 2. (a) The Congress makes the following findings:

(1) The achievement of equal access to quality medical care at a reasonable cost is a priority of the Federal Government.

(2) Massive infusion of funds into the existing health care system has failed to produce an adequate supply or distribution of health care resources and consequently has not made possible equal access to such resources by the total population.

(3) The many and increasing responses to these problems by the public sector (National, State, and local) and the private sector has not resulted in a comprehensive rational approach to the problems of—

(A) the lack of uniformly effective methods of delivering health services;

(B) the maldistribution of health care facilities and manpower; and

(C) the increasing cost of health care Services.

(4) Past and present increases in the cost of medical care, particularly of hospital stays, are excessive and inflationary, and there are presently inadequate incentives for the use

of appropriate alternative levels of medical care, and for the substitution of ambulatory and intermediate care for inpatient hospital care.

(b) In recognition of the magnitude of the problems described in subsection (a) and the urgency placed on their solution, it is the purpose of this Act to develop recommendations for a national health policy, to augment comprehensive planning for health services, manpower, and facilities. The recommendations for a national health policy are to specify national health goals to give direction to and coordinate public and private health planning and health services development programs.

ESTABLISHMENT OF COUNCIL ON HEALTH POLICY

SEC. 3. (a) There is established in the executive Office of the President a council to be known as the Council on Health Policy (hereinafter in this Act referred to as the "Council"). The establishment of the Council in the Executive Office of the President shall not be construed as limiting or otherwise affecting access by the Congress, or the committees of either House, (1) to information or documents in the possession of, or to studies conducted by, the Council, or (2) to personnel of the Council.

(b) (1) The Council shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. The members shall be persons who, as a result of their training, experience, or attainments, are exceptionally well qualified to assist in carrying out the functions of the Council. Not less than two of the members shall be persons who are not professionally engaged in any aspect of the delivery of health care. Not more than three members of the Council shall be of the same political party.

(2) The term of office of a member of the Council shall be six years, except that—

(A) of the members first appointed to the Council, two shall be appointed for terms of two years and two shall be appointed for terms of four years, as designated by the President at the time of appointment; and

(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term

A member may serve after the expiration of his term until his successor has taken office.

(3) The Chairman of the Council shall be selected by the members from among their number. The term of office of the Chairman of the Council shall be the lesser of three years or the period remaining in his term of office as a member of a council.

(c) The annual rate of basic pay of the Chairman of the Council shall be the annual rate of basic pay in effect for level II of the Executive Schedule, and the annual rates of basic pay of each of the other members of the Council shall be the annual rate of basic pay in effect for level III of the Executive Schedule.

(a) The Council may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to carry out its functions. In addition, the Council may procure the services of experts and consultants as authorized by section 3109 and title 5, United States Code, but without regard to the 1st sentence of such section.

FUNCTIONS OF COUNCIL ON HEALTH POLICY

SEC. 4. (a) The Council shall be responsible for the following:

(1) Assessment of the status of the Nation's health.

(2) Assessment of existing and proposed Federal and other health programs.

(3) Assessment of the need for health resources and services.

(4) Development of recommendations for a national health policy which are to include a quantifiable statement of national health goals developed after appropriate consideration of the priorities set forth in section 5.

(5) Issuing guidelines respecting the appropriate supply, distribution, and organization of health resources and services.

(6) Conduct of studies and analyses concerning recommendations developed under paragraph (4) for a national health policy.

(7) Examination of alternate means of achieving the goals developed under paragraph (4) including, but not limited to, other elements than the direct provision of health care services that impact on the health of Americans, such as housing, environment, education, nutrition, accident prevention, and other societal factors.

(8) Evaluation of the implications of developing medical technology on the health care delivery system.

In carrying out its responsibilities under this subsection, the Council shall seek the counsel of such advisory committees as necessary appointed by the Council.

(b) The Council shall submit annually a comprehensive report to the President and the Congress specifying the results of the activities undertaken by the Council to meet its responsibilities.

NATIONAL HEALTH PRIORITIES

SEC. 5. The Congress finds that the following deserve priority consideration in the formulation of a national health policy and in the development and operation of Federal, State and area health planning, development, and regulatory programs:

(1) The provision of primary care services in medically underserved areas, especially those which are rural or economically depressed.

(2) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services).

(3) The development of medical group practices, especially those whose services are appropriately coordinated or integrated with institutional health services.

(4) The training and increased utilization of physician assistants and nurse clinicians.

(5) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions.

(6) The promotion of activities to assure the quality of health services, including those identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

(7) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) to discourage wasteful and inappropriate use of services and promote uses that are economically justified in view of the relationships between costs incurred and benefits received;

(8) The adoption of uniform cost accounting systems and improved management procedures for health service institutions, including an evaluation of the productivity of health service institutions.

(9) The development of effective methods for regulating rates of payment and reimbursement for medical care, to assure those responsible for the provision of services with necessary revenue requirements for the provision of quality health services, and to distribute the burden of meeting these revenue requirements fairly among all those who pay for health services.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to insert their remarks during the special order which was previously granted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

WATERGATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Illinois. Mr. Speaker, for the last 8 months, the principal subject of headlines, the newscasts and conversation has been Watergate.

A Special Prosecutor was appointed with an ample budget and with an ample staff of more than 80 lawyers, investigators and secretaries to fully investigate any criminal wrongdoing. To date, this staff has expended over $1,000,000 and is continuing to expend funds at the rate of $150,000 per month.

The select Senate committee on the Watergate investigation has made an extensive investigation with a large staff of more than 80 and has also expended over $1,000,000 in its efforts to publicize and expose any and all wrongdoing or suggestions of wrongdoing. Additional funding of over $500,000 has been provided the select committee.

Literally, thousands of reporters have examined, reviewed, and critiqued almost every aspect of Watergate. Columnists, political scientists, and other students of the political and governmental scene have given great attention to the abuses and the excesses, both real and imagined, of Watergate.

The public is fed up. Those who feel that Nixon is guilty of impeachable offenses want him impeached. Those who do not, want Nixon's critics off his back.

The scene has now shifted to the Judiciary Committee of the House of Representatives. There is enough information available to the Judiciary Committee for it to make an up-or-down decision.

The Judiciary Committee has available to it an abundance of information obtained by the select Senate committee; information developed by the Special Prosecutor's investigation; research financed by Stewart Mott, the General Motors heir, who is reputed to have spent more than $200,000 in the preparation of a legal study supporting Nixon's impeachment; information from the American Civil Liberties Union which has investigated and can make its information available; information from the AFL–CIO in substantiation of its charges. In short, every enemy of Nixon can get his information to the Judiciary Committee.

The Judiciary Committee has a special and heavy responsibility to fully, deliberately, and speedily weigh all of this mass of information and put it into the record so that the Judiciary Committee can vote out a recommendation of "impeachment" or "no impeachment" by the first of March. This will require a great deal of work. It will require tremendous effort by the members of this committee. They can do the job if they will try. I am sure they will do the job. They owe it to the House of Representatives and the American people to get this job done now.

Let the House of Representatives then stand up and be counted on this urgent issue. The best interests of the country demand expedited action.

As a Congressman, I reserve any judgment, for or against impeachment, until the matter is fully presented and debated in the House of Representatives. I will then vote in accordance with my duty as a Representative of the people of the 10th District of Illinois. I have an obligation to fully weigh the evidence and to fully consider the House's responsibility under the Constitution. I intend to discharge that obligation. I will not shirk, whether my vote is popular or unpopular.

To conclude, I say to the Judiciary Committee and to my colleagues in the House of Representatives: "We must either impeach the President or get off his back." The taxpayers expect this and they should get it.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. COHEN) is recognized for 5 minutes.

Mr. COHEN. Mr. Speaker, unfortunately, I was not able to be present on the House floor yesterday evening for the vote on final passage of H.R. 11510, the Energy Research and Development Administration Act. Had I been present, I would have voted "yea" on final passage, and I am pleased that the House approved this legislation.

NATIONAL LAND USE POLICY NEEDED? ASK THE PEOPLE BACK HOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RONCALLO) is recognized for 5 minutes.

Mr. RONCALLO of New York. Mr. Speaker, this weekend we will be going home to spend the holidays with our families and friends in familiar surroundings and to enjoy a much-needed rest. One of the purposes of the recess, however, is to reacquaint ourselves with the needs and desires of our constituencies and learn their views on future legislation. One such measure which deserves this treatment is H.R. 10294, the Land Use Planning Act of 1973, which the Committee on Interior and Insular Affairs has unfortunately decided to pursue in the next session. As the passage of this legislation would significantly alter the processes of local home rule government in most States, this is one vote which every Member will have to live with for the rest of his political career.

Two misconceptions have grown up about this bill. First, it is labeled "environmental legislation" by some of those who are working or lobbying for its passage. Its provisions, however, permit it to be used either for or against the environment. It just depends on who is doing the using. I wish that some of the environmentally oriented organizations that are calling Members' offices would read the actual text of the bill, instead of just the statements, speeches, and other propaganda surrounding it. They might be in for a few surprises. This is a centralization bill, pure and simple, nothing else. Power is shifted upward from municipalities to the States and from the States to the Federal Government. If that is what you want, say so, and we can discuss the bill on its merits. But do not hide behind a misleading label.

The second misconception, arising from a "dear colleague" letter from the distinguished chairman of the Subcommittee on Environment, is that the Secretary of the Interior is restricted to a procedural review of State land use plans.

Nothing could be further from the truth, because the so-called procedures include compliance with the substantive sections 105 and 106. Under these sections, for example, the State must "assure that local regulations do not unreasonably restrict or exclude development and land use of regional or national benefit." The State must consider the need for a "full range of housing opportunities." Also, the State must be able to "prohibit the use of land" designated as areas of critical environmental concern, areas which may be impacted by key facilities, areas subject to development and land use of regional benefit and areas of large-scale development. Additionally, the State must not exclude any areas of critical environmental concern determined by the Secretary of the Interior to be of more than statewide significance. What could be more substantive than that? The Secretary, not the State, determines what areas will be protected, or the plan does not qualify under the act.

If the State is ineligible for a grant under this act, it loses up to 21 percent of its Federal highway, airport, and land and water conservation funds. Try that one on your constituents, if you dare. There are rumors that these sanctions will be deleted before the bill is reported, but their inclusion up until now is indicative of the whole mentality of this bill. I heard it said recently that the Land Use Planning Act would give the State Governors the weapon they need to increase their power against locally elected officials. That is none of the Federal Government's business. If the Congress wants to influence land use on federally owned lands or through the siting of military bases, VA hospitals or the like, we can do so. But we have no right to interfere with the balance of power in an individual State.

I cannot urge you strongly enough to take copy of H.R. 10294 home with you over the recess and read it word for word. At least have your legislative aide do so and provide you with a complete and accurate summary. Ignore the statements; look at the text. Then talk to your mayors, aldermen, and county executives. Many of you came up through the ranks of local government as I did. I am proud of it, and I am sure you are too. Would you have liked the State to say that you, as an elected official responsible to the people, no longer had the final say about zoning in your own community? I will grant that the State land use plan need not decide if a tavern can go up on a given corner, but it could reject your zoning map if you allow retirees to build A-frames around a given lake or if you have not included a large enough percentage of high-rise housing.

These locally elected officials are people you have to work with to properly represent your district. They have probably given you a lot of support for years. But don't you believe for a minute, however, that if you strip them of their power to determine how land will be used, they would not be the first to say "Do not blame me for your lower property values, your higher taxes, your regional development high rises. The Congressman voted for the bill that took the power from you, the people, and gave it to a bunch of bureaucrats in the State capital. Go ask him." And so they will.

Go home and talk, my friends, and then let us come back and defeat this bill and leave home rule intact.

TOM PELLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California, (Mr. DON H. CLAUSEN) is recognized for 5 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, I share the mournful feeling every Member of the House feels at the recent unexpected passing of Tom Pelly.

Tom was a very special friend to me. I mean that in the sense of our personal relationship as well as our professional relationship when we were working together in the House.

I felt we had that close rapport working together that enabled us to accomplish goals and to advance programs that might not otherwise have been accomplished.

His strong, effective, and intelligent leadership in the field of American fishery and marine resources was so great that I shall always think of the opportunity I had to work with this great man, in this area, as one of the high points of my service in the Congress.

Tom will be missed only because of his outstanding achievements but because he was a true gentleman always. He gave us an example to follow. I believe the House is a better institution for Tom Pelly having served here.

We shared many special moments together. He gave positive leadership and pragmatic direction to those of us who were deeply involved in the conservation and utilization of the vast resources of the oceans.

Tom had a fine grasp of legislation, rooted in a deep grounding in the best

American traditions. He knew his country and he loved it. And America has derived long-lasting benefits from Tom's long public service.

The loss of this competent and compassionate man can never be lessened but we can take solace in the fact that his legacy will go on forever and we must commit ourselves to continuing on in the directions he believed we should take.

EMPLOYER SUPPORT FOR GUARD AND RESERVE REACHES MAJOR MILESTONE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho, (Mr. HANSEN) is recognized for 10 minutes.

Mr. HANSEN of Idaho. Mr. Speaker, over a year ago on August 2, 1972, I had the privilege of informing the Members of this Chamber about the establishment of the National Committee for Employer Support of the Guard and Reserve. I rose then to applaud the action of the President in establishing the program and selecting the distinguished retired chairman of the board of General Motors, Mr. James M. Roche, as national chairman.

Today, I rise again, to advise my colleagues, with great enthusiasm, of the exciting and heartwarming response this committee has received from American employers during the past year. Those who are voluntarily participating in this program, and I am pleased to say I am one of them as a member of the committee's advisory council, have spent the year contacting employers throughout the Nation through various methods including direct mail, the media, personal presentations and appearances at various functions. Employers being contacted are asked to sign a statement of support which is a means of recognizing the National Guard and Reserve as essential to the strength of our Nation and the maintenance of world peace.

The statement also carries employer recognition of the personal sacrifice extended by members of the Guard and Reserve in their voluntary participation in this Nation's citizen-military forces. In signing the document, the employer pledges that employees' job and career opportunities will not be limited or reduced because of service in the Guard and Reserve; that employees will be granted leaves of absence for military training in the Guard or Reserve without sacrifice of vacation time; and that the agreement and resultant company policies will be made known throughout the organization and announced in company publications and through other existing means of communication.

The method of measurement of success for the program has been the number of employees covered through signed statements of support. On December 4, 1973, I had the pleasure of attending ceremonies at the Pentagon at which the Deputy Secretary of Defense, the Honorable William P. Clements, Jr., presided, and which commemorated the achievement of 50 percent employee coverage through this program.

At that ceremony, which was also attended by the Honorable STROM THURMOND of South Carolina, officials from the Department of Defense, and the chiefs of the Guard and Reserve forces, Mr. Harvey Hauser, president of Hauser Industrial Enterprises, Inc., of Brooklyn, N.Y., who signed a statement of support for his company bringing the program to this important halfway mark.

In addition to Mr. Hauser, over 170,000 employers have thus far added their signatures to similar statements to pledge their support to this important effort. And among them, I am pleased to state, are 92 Members of the House of Representatives who elected to sign statements of support as employers and thus helped achieve this significant milestone in the program. The following are the Members of this body who have signed statements up to this date:

The Honorables:
James Abnor (R-South Dakota).
Joseph P. Addabbo (D-New York).
Carl Albert (D-Oklahoma).
John B. Anderson (R-Illinois).
Mark Andrews (R-North Dakota).
Bill Archer (R-Texas).
LaMar Baker (R-Tennessee).
R. L. Beard (R-Indiana).
Charles E. Bennett (D-Florida).
Tom Bevill (D-Alabama).
Mario Biaggi (D-New York).
David R. Bowen (D-Mississippi).
Donald G. Brotzman (R-Colorado).
George E. Brown (D-California).
Clair W. Burgener (R-California).
M. Caldwell Butler (R-Virginia).
Tim Lee Carter (R-Kentucky).
Bill Chappel, Jr. (D-Florida).
D. Clawson (R-California).
Harold R. Collier (R-Illinois).
Silvio O. Conte (R-Massachusetts).
James C. Corman (D-California).
J. C. Culver (D-Iowa).
Robert W. Daniel, Jr. (R-Virginia).
W. C. (Dan) Daniel (D-Virginia).
Dominick V. Daniels (D-Virginia).
Frank E. Denholm (D-South Dakota).
J. H. Dent (D-Pennsylvania).
John J. Duncan (R-Tennessee).
Jack Edwards (R-Alabama).
Frank E. Evans (D-Colorado).
Daniel J. Flood (D-Pennsylvania).
Walter Flowers (D-Alabama).
Gerald R. Ford (R-Michigan).
Edwin B. Forsythe (R-New Jersey).
Donald M. Fraser (D-Minnesota).
Peter H. B. Frelinghuysen (R-New Jersey).
Benjamin A. Gilman (R-New York).
Bo Ginn (D-Georgia).
Charles S. Guber (R-California).
Gilbert Gude (R-Maryland).
James M. Hanley (D-New York).
Robert P. Hanrahan (R-Illinois).
Orral Hansen (R-Idaho).
F. Albert Hébert (D-Louisiana).
Andrew J. Hinshaw (R-California).
Marjorie S. Holt (R-Maryland).
Robert J. Huber (R-Michigan).
Harold T. Johnson (D-California).
Ed Jones (D-Tennessee).
James R. Jones (D-Oklahoma).
William J. Keating (R-Ohio).
Jack F. Kemp (R-New York).
Earl F. Landgrebe (R-Indiana).
Norman F. Lent (R-New York).
Gillis W. Long (D-Louisiana).
Trent Lott (R-Mississippi).
George H. Mahon (D-Texas).
William S. Mailliard (R-California).
Richard W. Mallary (R-Vermont).
James R. Mann (D-South Carolina).
Romano L. Mazzoli (D-Kentucky).
G. V. Montgomery (Sonny) (D-Mississippi)
John M. Murphy (D-New York).
Jerry L. Pettis (R-California).
Walter E. Powell (R-Ohio).
John J. Rhodes (R-Arizona).
Matthew J. Rinaldo (R-New Jersey).
J. Kenneth Robinson (R-Virginia).
Howard W. Robison (R-New York).
Tena Roncalio (D-Wyoming).
Angelo D. Roncallo (R-New York).
Edward R. Roybal (D-California).
Ronald A. Sarasin (R-Connecticut).
William B. Saxbe (R-Ohio).
William J. Scherle (R-Iowa).
Sam Steiger (R-Arizona).
Samuel S. Stratton (D-New York).
Burt L. Talcott (R-California).
Charles M. Teague (R-California).
D. C. Treen (R-Louisiana).
Victor V. Veysey (R-California).
Joe D. Waggonner, Jr. (D-Louisiana).
William F. Walsh (R-New York).
Charles E. Wiggins (R-California).
Lester L. Wolff (D-New York).
Antonio Borja Won Pat (D-Guam).
Jim Wright (D-Texas).
Chalmers P. Wylie (R-Ohio).
Louis C. Wyman (R-New Hampshire).
Gus Yatron (D-Pennsylvania).

I shall not reiterate what I said in August of 1972 concerning the essentiality of this Nation's Guard and Reserve Forces to our national security, except to emphasize the fact that these forces are designed to represent 30 percent of the military personnel of the total force while sharing only about 5 percent of the defense budget. Today's Guard and Reserve are composed of men and women who elect participation in a purely voluntary manner. They give of their time and effort at some personal sacrifice. In order to continue to participate they need the support of everyone including associates, family, friends, and employers. Surely, where such support does not exist the individual cannot feel free to continue to participate.

It is gratifying to me personally to have my faith in America's employers, as I expressed that faith a year ago, confirmed. The evidence exists in the achievement of the National Committee for Employer Support of the Guard and Reserve. I salute those employers who have signed statements of support, and I salute Mr. Roche and his committee for the excellent job they have done.

And now that one-half the job has been accomplished, I again take to this platform to urge employers and everyone else throughout this great land to give support to these fine men and women who help defend America and our sacred principles with unselfish dedication. Those employers who have not yet signed a statement of support should do so without delay so not only will the program reach its projected goal, but so that the members of the Nation's Guard and Reserve will know that their participation is appreciated and that the Nation is aware of their important contribution to the preservation of the security of our country.

PANAMA CANAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, one issue which continues to be discussed here and elsewhere is the control of the Panama Canal. I believe the United States must be firm on this subject. We must insist on security of passage through the canal. To achieve this security, nothing less than U.S. control and protection of the canal will do.

U.S. sovereignty over this waterway, our control and defense of the canal, must not be negotiated away. We should respect the rights and interests of the Panamanian people. But a continued American presence is vital. Removal of U.S. forces from the Isthmus of Panama would inevitably create a vacuum of instability which would be filled by the eventual takeover and possible closing of the canal.

The Panama Canal is located at the narrowest point between the Atlantic and Pacific Oceans and has been fittingly called the bridge of the world. The smooth flow of international commerce demands that this bridge be freely passable. And free passage requires U.S. control and protection.

I urge every Member of this body to support and safeguard U.S. interests in the Panama Canal.

CRIME CONTROL—ACTION BY THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. CHAPPELL) is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Speaker, we have been told that crime dropped by 2 percent in 1972, but I find in my own district that people are still very much concerned about the problem of crime. Perhaps this is because although the national figure dropped slightly, violent crime continued to rise. In the category of rape, there was an 11-percent increase over the year before; murders increased 5 percent and assaults 7 percent.

Not only are people concerned about the crime situation, many are willing to help in every way possible to help cut crime. In my own Fourth District of Florida, we have several citizens' committees which are actively studying various problems and making recommendations to me on how those problems might be solved. Two committees—our Crime Control Committee and a youth advisory committee both studied problems of crime for many months. From their recommendations, I have offered bills which deal primarily with strengthening Federal, State, and local correctional institutions; a plan for revamping the parole system—with a view to cutting the number of repeat offenders we now have; and legislation to upgrade the training opportunities for law enforcement officers.

Of the five bills introduced during this session, hearings have been held on two—the law officers' bill of rights and our bill to revise the codes relating to paroles. The Administrative Office of the U.S. Courts has endorsed the latter measure.

The people on these committees are continuing their work. At the same time, we are sending information to our Fourth Congressional District Action in the Community To Involve Our Neighbors Committee—ACTION—so they can explain and distribute information to their neighbors about how each individual can help combat crime and what each can do to help prevent drug usage. This committee, formed so we can have better communication from our citizens, indicated in a recent survey that one of their major concerns was the high rate of crime.

Mr. Speaker, the surest way for this country to solve its problems is to look to the man back home and what he can do to help. Our people are proving their willingness to participate in action to correct our ills. We should all be grateful to citizens like these who so willingly participate in the type of activity that will give us a better country and a better Government. They are the folks who make democracy really work.

RAW MATERIALS AND COMMODITY PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. TIERNAN), is recognized for 5 minutes.

Mr. TIERNAN. Mr. Speaker, In the past few months I have accumulated a thick file of correspondence with the Cost of Living Council and the Secretary of Commerce.

This correspondence relates to the problem which domestic manufacturers have been having obtaining sufficient supplies of raw materials during the current price control program. While prices for practically all raw materials have been frozen in the United States since March, the prices which these commodities command in foreign markets have risen dramatically. Often a domestic raw material supplier has been faced with the option of selling his product in the United States at a modest profit—or exporting it and reaping tremendous profits at the expense of the American manufacturer, the American worker and the American consumer.

I do not advocate building a trade wall around the United States. But I cannot condone this senseless policy of freezing prices at home and letting precious raw materials flow overseas.

Today the domestic manufacturer is faced with allocations of raw materials on a percentage basis from his supplier. This is true in steel, aluminum, copper and plastics as well as other raw materials. Yet while the American manufacturer has received only a fraction of what he got last year, exports have risen significantly.

For this reason, I am introducing a measure which provides criminal penalties for any person or company which sets up an allocation plan for domestic manufacturers and, at the same time while giving a smaller percent of his output to domestic producers, increases the percentage of raw materials which he exports.

If the Secretary of Commerce were performing his duty to protect the American worker, this legislation would not be necessary. I am offering it today because all evidence indicates that he is not doing that job.

PROPOSED EQUAL PAY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 5 minutes.

Ms. HOLTZMAN. Mr. Speaker, as result of a court decision, the Equal Pay Act now allows unjustifiable wage discrimination based on sex. I am introducing legislation today to eliminate this injustice.

The Third Circuit Court of Appeals in Hodgson against Robert Hall Clothes has construed the Equal Pay Act to permit an employer to pay different salaries to men and women even though they perform exactly the same services. In that case, the court allowed saleswomen who sold women's clothes to be paid a lower salary than salesmen who sold men's clothes in the same store.

In permitting this discrimination, the court relied on an exception to the Equal Pay Act which allows wage differentials when "based on any other factor other than sex." The "other factor" here was the claim that the sale of men's clothing was more profitable than the sale of women's clothing. The Supreme Court has recently refused to review this case.

I believe the Court's interpretation of the "other factors" clause is an unwarranted departure from the purpose of the Equal Pay Act: to require equal pay for equal work. It would allow wholesale sex discrimination simply on the assertion of vague, hard to ascertain "business reasons."

I, therefore, propose in my bill to eliminate this "other factors" section of the Equal Pay Act and prevent further wholesale abuses in sex discrimination. My bill would, however, retain the other exceptions to the Equal Pay Act which permit wage differentials based on merit or seniority systems or measures of quantity and quality of production. Thus, employers would remain free to establish reasonable, work-related or seniority-based pay scales.

Discrimination in wage practices is one of the fundamental abuses that must be ended in order to secure equal treatment for women in this country. By eliminating the "other factors" loophole in the Equal Pay Act we can prevent an array of justifications that have been used to disguise wage discrimination against women.

I urge my colleagues to support this important legislation.

PRESIDENTIAL GIFT OF PAPERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 5 minutes.

Mr. MEZVINSKY. Mr. Speaker, several weeks ago I wrote to the General Services Administration asking many questions about the President's gift of prepresidential papers to the United States. I also sent a copy of that letter to President Nixon asking for his comments. I have received responses from both the GSA and the President and will insert them, along with my replies, in the RECORD.

The GSA has refused to answer most of the questions raised on the grounds that the President has turned his tax matters over to the Joint Committee on Internal Revenue Taxation and, therefore, it would somehow be inappropriate for them to respond. I am very dissatisfied with that answer and have resubmitted my questions to GSA.

The GSA is the best qualified to clarify these issues and their answers should not be influenced by the committee's review of President Nixon's tax returns. The questions raised deal with GSA procedure, not the President's handling of his income tax.

I hope that GSA reconsiders my request and answers these important questions promptly.

GSA has informed me that the President's written permission is necessary for me to view the gift to the public. I have written to President Nixon today asking for his authorization and hope I receive a favorable reply soon.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., December 17, 1973.

Hon. EDWARD MEZVINSKY,
House of Representatives,
Washington, D.C.

DEAR MR. MEZVINSKY: This will acknowledge your letter of November 29, 1973, regarding certain questions you have concerning the gift to the United States by Richard M. Nixon of certain pre-Presidential papers.

As you recognize, the questions you pose are rather inumerous, and will require substantial staff effort in formulating an appropriate reply. Moreover, the actions taken by the President on December 8, 1973, subsequent to the date of your letter, in referring this matter to the Joint Committee on Internal Revenue Taxation, appear to have established that body as the appropriate forum for resolving the facts as they relate to the tax implications of this particular donation. We therefore believe it advisable to refrain from comments on these issues pending action by the Committee.

In the meantime, I can reply to your request to inspect the papers in question, for which our answer is necessarily rather clear. The authority of the General Services Administration (GSA) regarding the acceptance of such papers and the restrictions that may be placed upon their use is contained in chapter 21 of title 44, United States Code, Paragraph 1 of the Chattel Deed dated March 27, 1969 (copy enclosed), provides that "no person or persons shall have the right of access to such Materials except the undersigned and those who may be designated in writing by the undersigned" during President Nixon's term of office.

In view of the above, I regret we can not comply with your request.

Sincerely,

ARTHUR F. SAMPSON,
Administrator.

DECEMBER 20, 1973.

ARTHUR F. SAMPSON,
Administrator, General Services Administration, Washington, D.C.

DEAR MR. SAMPSON: Your letter of December 17, 1973, to me in response to my request for information from the General Services Administration was totally unsatisfactory.

I am aware that the President has turned over all his tax returns and related information to the Joint Committee on Internal Revenue Taxation and that the Committee will attempt to resolve the questions about the gift of Mr. Nixon's pre-presidential papers as well as other matters. I am following the Committee's activities with great interest.

However, I cannot accept your assumption that the President's action precludes the GSA from responding to questions relating to its role in the gift. The GSA's integral role in this gift makes it the best qualified source to answer the questions raised in my letter of November 29. I am enclosing a copy of that letter and would appreciate your answers to the questions contained therein as soon as possible.

In addition, I have written to the President and requested his permission to view the gift.

Sincerely,

EDWARD MEZVINSKY.

THE WHITE HOUSE,
Washington, D.C., December 14, 1973.

Hon. EDWARD MEZVINSKY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MEZVINSKY: In your letter to me of November 29, you asked for my views regarding a gift of my papers to the United States Government early in my Administration.

The tax lawyers and accountants who assisted me in the preparation of my Federal income tax returns advised me that this item was correctly reported to the Internal Revenue Service. Furthermore, when it conducted an examination of my tax returns for 1971 and 1972, the Internal Revenue Service reviewed this item and advised me that it was correctly reported.

Since the facts on this subject are complex and reports on it have sometimes been in conflict, I can understand that you and others may have questions. In order to answer those questions to the full satisfaction of all parties, especially the American people, I have asked the members of the Joint Congressional Committee on Internal Revenue Taxation to examine the procedures relating to this matter and to decide whether, in their judgment, my tax returns should have shown different results. I will abide by the Committee's judgment.

I hope you will agree that this is the fairest possible way to resolve this issue through an impartial review by a highly expert group in the tax field.

Sincerely,

RICHARD NIXON.

DECEMBER 20, 1973.

President RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR PRESIDENT NIXON: Thank you for your response to my letter concerning your gift of pre-presidential papers to the United States.

Mr. Arthur Sampson, Administrator of the General Services Administration, has informed me that Paragraph 1 of the Chattel Deed for the gift provides that "no person or persons shall have the right of access to such Materials except the undersigned and those who may be designated in writing by the undersigned" during your term of office. It is my understanding that GSA requires your written permission prior to granting access to the papers.

With these terms in mind, I am requesting your permission to view this gift.

Sincerely,

EDWARD MEZVINSKY.

WARN U.S. TRAVELERS ON DRUG ABUSE ABROAD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, there are presently 1,000 Americans being held in foreign jails for narcotics violations. Brazen drug peddling on the streets of Europe and Asia entices many Americans to use drugs while traveling. In many cases, penalties for the use of drugs can be much stricter overseas than in the United States, particularly for Americans. Law enforcement authorities overseas tend to punish young Americans caught violating drug laws much more severely than their own citizens, often because they believe this will demonstrate to the United States their strong commitment to wiping out drug traffic and drug abuse. Tragically, the commitment for many does not seem to extend beyond arresting American drug abusers. The real traffickers go free.

I am concerned that many young Americans are unaware of these facts, or begin to doubt them when they arrive overseas. Therefore, today I am introducing legislation which will educate Americans about the problems associated with drug use overseas before their departure. This bill requires the distribution of a warning in the form of a specially designed pamphlet outlining the laws and penalties relating to drug use in other nations. It will emphasize the inability of the United States to free an American tourist once he is arrested. This warning must be issued with all tickets for passage across international borders. Finally, these warnings will be displayed in poster form at all ticket counters and travel agencies. Presently information regarding hijacking and airline liability are required to be displayed at all ticket counters. The United States must inform our young Americans about their legal vulnerability when arrested for narcotics abuse in another country. We must meet our responsibility to these young men and women and warn them of the risks they take by becoming involved with drugs.

Many of the 1,000 Americans under detention for narcotics violations might not have become involved and be safe at home now if only they had been aware of the pitfalls of drug use in foreign countries before they left the United States.

I urge my colleagues' support for this measure, for it will remedy a serious situation which affects us all.

I insert the text of the bill at the conclusion of these remarks along with a newspaper article describing the plight of one young Long Islander currently incarcerated in Turkey on drug charges:

H.R. —

A bill to direct the Attorney General to prepare a pamphlet explaining the drug abuse laws of certain foreign countries and to require the distribution of such pamphlet to passengers traveling on an air or water carrier to foreign countries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Drug Abuse Law Information Act".

Sec. 2. For the purposes of this Act:

(1) The term "water carrier" means any person which holds itself out to the general public to engage in the transportation of passengers by water for compensation.

(2) The terms "air carrier" and "foreign air carrier" shall have the same meaning as is prescribed for those terms by section 101 of the Federal Aviation Act of 1958.

(3) The term "major foreign country" means a foreign country to which, as determined by the Attorney General, a significant number of United States citizens travel each year.

(4) The term "drug abuse law" means a law regulating the manufacture, sale, or possession of narcotic drugs, marihuana, and other depressant or stimulant substances.

Sec. 3. (a) The Attorney General after consultation with the Secretary of State shall prepare a pamphlet which shall include the following:

(1) A summary of the drug abuse laws of each major foreign country.

(2) An explanation of the assistance or lack of assistance that the United States Government can provide to a United States citizen arrested for a violation of the drug abuse laws of a foreign country. Such pamphlet shall be revised and updated every two years.

(b) The Attorney General shall have printed as many copies of such pamphlet as are necessary for the distribution required by section 4(a) of this Act.

(c) The Attorney General shall provide copies of such pamphlet to water carriers, air carriers, and foreign air carriers who are required to distribute copies of such pamphlet to certain passengers under section 4 (a) of this Act and who have submitted to the Attorney General an application therefor which shall be in such form, and submitted in such manner, as the Attorney General shall by regulation prescribe.

Sec. 4. (a) Every water carrier, air carrier, and foreign air carrier shall distribute a copy of the pamphlet printed under section 3(b) of this Act to each passenger boarding a plane or vessel operated by such carrier for transportation from a point within the United States or its territories or possessions to a point within a foreign country.

(b) Every water carrier, air carrier, and foreign air carrier which is involved in the transportation of passengers from points within the United States or its territories or possessions to points within foreign countries shall post a notice which shall contain an explanation of the assistance or lack of assistance that the United States Government can provide to a United States citizen who is arrested under the drug abuse laws of a foreign country. Such notice shall be posted in such place, and in such form, as the Attorney General shall by regulation prescribe.

(c) Copies provided to water carriers, air carriers, and foreign air carriers under section 3(c) of this Act shall only be used for distribution under subsection (a) of this section.

Sec. 5. Any water carrier, air carrier, or foreign air carrier which knowingly and willfully violates any provision of section 4 of this Act shall be subject to a civil penalty of not to exceed $5,000 for each violation, except that the maximum civil penalty shall not exceed $25,000 for any related series of violations.

Sec. 6. Sections 2 and 3 shall take effect on the date of enactment of this Act. Sections 4 and 5 shall take effect six months after the date of enactment of this Act.

HARD LINE ON DRUGS OVERSEAS

(By Kenneth J. Freed)

Washington.—July 17 was to have been a banner day for William Hayes of Babylon, LI. It was his release day after serving three years in a Turkish jail for possession of five pounds of hashish.

But instead of walking into freedom Hayes stayed in the Istanbul jail because a local court decided a mistake had been made.

The error was that Hayes had been wrongfully tried for possession. The court said he should have been charged with smuggling. The resulting trial ended in a new sentence of 30 years.

According to Turkish law, the young Long Islander cannot appeal and his lawyer says the only hope is for a commutation that would lower Hayes' time to 5 to 10 years.

The severity of Hayes' situation is not entirely typical of the problems faced by Americans picked up on drug and marijuana charges in foreign countries.

But it does underline a problem State Department officials say too many young Americans don't comprehend—other nations are not lenient in drug cases and being a U.S. citizen generally won't get someone out of a jam.

In fact, it may have the opposite effect. At least there is an indication of that in the Hayes case.

His lawyer in Istanbul said Hayes might be the victim of a backlash against U.S. demands for abolition of Turkey's formerly legal opium poppy crops.

Even if not always as a backlash, many foreign governments have toughened drug laws and stepped up enforcement; and that has sent more and more Americans, particularly young ones, to jails overseas.

The significant increase in Americans in trouble overseas on drug charges is reflected in the arrest figures for the month of July, the height of the tourist season for young U.S. citizens, starting with 1969.

In July 1969, 64 Americans were arrested in foreign countries on various charges relating to drugs and marijuana. The figure more than doubled, to 144, in July 1970.

At that point the State Department began a public relations campaign to warn citizens touring other countries that drug involvement could bring serious legal consequences.

This effort was low key at the beginning and it didn't pay off. The arrest records continued to climb.

In July 1971 there were 172 Americans arrested on drug charges and the figure went up to 189 in July 1972. Last July 261 Americans were picked up in foreign countries on drug-related charges.

The constant rise in arrests brought with it an increased State Department effort to warn Americans. In addition to the pamphlets circulated at the outset, the department began producing radio and television programs in 1971.

Officials appeared on broadcast, interview programs and letters were sent to magazines thought to be read by the so-called youth culture, including "Playboy."

The success of this slick public relations campaign appears to be marginal at best.

The only sign of improvement has been a drop in the number of U.S. citizens actually in jail at the end of July, compared to the same time last year.

As of July 31, 910 Americans were in foreign jails for drug offenses. Last year at the same time 946 Americans were behind bars on similar charges.

Barbara Watson, assistant secretary of state for security and consular affairs, said the "reduction hopefully indicates our message is getting through."

There are some other figures that may back up her hope. For example, in 1972 Americans were arrested on drug charges at a monthly average of 159. Through July this year, the monthly average was 144.

But other officials are far from certain these figures are valid indications of a permanent improvement in the situation.

They point out that the 1973 figures do not include August or September, both months during which large numbers of Americans tour abroad.

There also is a distinct likelihood that fewer Americans traveled overseas this year because of lessened value of the dollar.

Another statistical indication that the State Department's effort to warn Americans may not be paying off is seen in the percentage of drug offenses involved in the total number of foreign arrests involving Americans.

Last year 64 per cent of the U.S. citizens arrested in foreign countries were involved in drug cases. This year the figure is 75 per cent.

PRESIDENT'S "EXCESS PROFITS TAX" A SHAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Vanik) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the President has just recommended a proposal to reach "excess profits" in the oil industry. But the administration's proposal is a sham approach to the problem. It is hardly likely to reach excess profits.

Under the administrations scheme a base price for crude oil will be established. It is likely to be roughly $4.25 a barrel—the posted rate as of December 1, 1973. The President wants to impose a graduated tax on price increases over that base price. If the price rises $1, a tax of 7.5 cents a barrel is levied. The tax rate goes up so that an increase of $2.50 is taxed at a rate of 85 percent.

The President's proposal is not really an excess profits tax. It is a tax in the nature of a graduated excise tax. As an excise tax, it will be treated as an additional cost of production and passed on, dollar-for-dollar, to the consumer. It in no way will touch oil profiteering.

The revenue hopes of this proposal will remain only if the original base price remains the same. But as the base price is increased, the tax revenues will phase out. Prices to the consumer will spiral and the impact of the tax as a profit-controlling mechanism will be illusory.

The proposal is a flimsy smokescreen

in the name of an excess profits tax. It does not deal with the question of profits in the oil industry. It is an intricate device to sock the consumer and let the profits roll on. The oil industry itself could not have written a better proposal. I hope the Congress will see through this smokescreen.

FINDING A HOUSE IN WASHINGTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. STARK) is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, recently one of our colleagues has faced some criticism to which I would like to respond.

After nearly 3 years of searching and renting temporary houses, Congressman RONALD V. DELLUMS purchased a home here in Washington. The price of the house was $150,000. He now is being questioned and criticized by some of his constituents concerning this price and his life style.

Those of us who have recently searched for a home in the Washington area know that it is becoming increasingly difficult to find a large home in the District of Columbia for less than $100,000.

Congressman DELLUMS has told me that his primary criteria in searching for a home were two. First that it be in the District of Columbia, and second that it be large enough to share with others. He feels strongly that as a member of the District of Columbia committee he should participate in the life of the District. As chairman of the District Subcommittee on Education he feels it essential that his children attend a public school in the District.

The second criteria of size was important because the Dellums, a family of five, frequently share their home with others either temporarily in need of a home or visiting the Nation's Capital for a few days. Incidentally, Mrs. Dellums spends countless hours helping constituents when they come to the Capital.

Congressman DELLUMS' homebuying criteria are comment enough on his life style. He bought the home so that he and his family could share it and participate in the life of an often neglected city.

Based on my previous experience as a former banker, one other comment seems in order—Congressman DELLUMS has no other investments and only limited savings. He is purchasing the house by making payments on two mortgages. He makes the payment on the first mortgage and Mrs. Dellums has taken a job to make the payments on the second. The Dellums are a team making a personal investment, on which they can expect a 7 to 10 percent return per year. Though I am sure that investment was not uppermost in their thinking, a house in Washington seems to be a relatively secure investment during this time of economic uncertainty.

I am sure that my colleagues will join me in supporting Mr. DELLUMS on this matter.

Mr. Speaker, as I am certain you agree, his decision to invest his personal finances in his job as well as his humanity is a tribute to his dedication and wisdom.

MORATORIUM ON MILITARY CONSTRUCTION A MUST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CAREY) is recognized for 10 minutes.

Mr. CAREY of New York. Mr. Speaker, today, on behalf of myself and a number of colleagues, I introduce legislation calling on the Defense Department to suspend, during the duration of the energy crisis, military construction that is not essential to the direct security interests of the United States. I am joined in this effort by the following Members of Congress: BADILLO, BERGLAND, DULSKI, EILBERG, FRENZEL, HARRINGTON, HELSTOSKI, HOLTZMAN KASTENMEIER, LATTA, MITCHELL of Maryland, MOAKLEY, ROSENTHAL, and STARK.

The Defense Department has taken certain steps to conserve fuels and energy. I commend the Secretary for that. However, when one realizes the military, right now, are siphoning over 10,000,000 barrels a month from domestic, civilian purposes; and will continue to take even more in the months ahead, I believe the Department has an obligation to explore every possible fuel- and energy-saving avenue.

One of those avenues which could yield substantial savings, not only in fuel, but in dollars, would be for the Secretary of Defense to suspend construction, transfer and refurbishment of military facilities, and the transfer of personnel connected with this construction. While no specific figures are available at this moment, I have requested the GAO to conduct a pilot study to give us an idea of how much energy, fuel, and dollars could be saved through such a moratorium on military construction and transfer of facilities and personnel.

I feel that the Defense Department, particularly since they are using vast amounts of fuel originally designated for civilian use here at home, should accept this moratorium and make every effort to realize substantial savings in energy and fuels. This legislation asks the military to make no sacrifice that is not being asked of each American citizen. Incidentally, family-style housing and medical facilities are exempted from this moratorium.

Mr. Speaker, I make no blanket judgment concerning the validity or necessity of military construction generally. However, and I shall not list them here, we are all aware the record is replete with near-horror stories concerning the wastefulness of certain defense construction and procurement projects. It is for this reason, coupled with the energy and fiscal arguments mentioned above, that I ask the Defense Department to take a very close look at their construction plans and suspend projects that are not essential to the direct security interests of the Nation.

The language of the bill clearly leaves these discretionary decisions on security-priority to the Department. However, I am sure that the Military Construction Authorization and Appropriations Subcommittees, chaired by the distinguished gentleman from New York (Mr. PIKE) and the distinguished gentleman from Florida (Mr. SIKES) respectively, will be reviewing those projects to which the Secretary will have given the go-ahead, under parameters contained in the committee version of the bill.

Mr. Speaker, I include the text of the bill at this point in the RECORD:

A bill to provide for a temporary suspension of certain military construction projects to conserve energy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Military Construction Moratorium Act".

SEC. 2. The Congress finds and declares that—

(1) the United States is experiencing a serious energy shortage;

(2) the Department of Defense uses about 80 percent of all the energy which is used by the Federal Government; and

(3) a temporary suspension of military construction would help to ease the current energy shortage.

SEC. 3. (a) The Secretary of Defense shall suspend during the period of two years beginning with the date of enactment of this Act any construction, conversion, rehabilitation, or installation of a public work or facility in connection with a military construction project, unless—

(1) such construction, conversion, rehabilitation, or installation is being performed under a contract awarded before the date of enactment of this Act; or

(2) The Secretary of Defense determines that overriding considerations of national security require that such construction, conversion, rehabilitation, or installation not be suspended.

(b) As used in this section, the term "military construction project" shall include any construction, conversion, rehabilitation, or installation of any public work or facility which is currently authorized by a Military Construction Authorization Act or by chapter 133 of title 10 of the United States Code and a Reserve Forces Facilities Authorization Act; but such term does not include any construction, conversion, rehabilitation, or installation of any medical facility or military family housing.

CONGRESSMAN DRINAN ANALYZES THE REASONS FOR THE ENERGY SHORTAGE AND GIVES ANSWERS TO THE MOST FREQUENTLY ASKED QUESTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 2 minutes.

Mr. DRINAN. Mr. Speaker, even the best informed Americans seem bewildered today at the emergence of a severe energy crisis, the background and causes of which have been withheld from the American people. I think that it is essential that the people of America learn about three fundamental reasons for the present energy shortage: First, the oil depletion allowance; second, foreign tax credits; and third, the mandatory oil import program that existed from 1958 until its abolition on April 18, 1973. An exploration of these three factors will demonstrate that the consumers of America should not be persuaded that they themselves have been the cause of the energy shortage because they have been so profligate in the use of oil.

I. OIL DEPLETION ALLOWANCE

In 1913 Congress granted to oil and mining industries an exemption of 5 percent of their gross income from taxes. The purpose of this first depletion allowance was to compensate these industries for the reduction in their capital assets as the sources they were extracting became gradually depleted.

In 1926 Congress raised the depletion allowance from 5 to 27.5 percent. This means that the owner of an oil well can deduct annually from taxable income 27.5 percent of the selling price of the oil the well produces.

From 1926 to the present, Congress has reduced the depletion allowance on only one occasion. That was in 1969 when the allowance was established at 22 percent.

Since the depletion allowance is calculated at 22 percent of the selling price of crude oil, a producer who increases his selling price automatically raises his depletion deduction. In other words if a producer raises his selling price for oil from, for example, $2.70 to $3.30 a barrel, he automatically increases his depletion deduction from 59.4 cents to 72.6 cents. This is precisely what the oil companies did when the depletion allowance was reduced from 27.5 to 22 percent. In November 1970, the oil companies boosted the price of crude oil by 25 cents a barrel. In 1971 is is fair to say that the oil industry was able to recoup for itself what Congress had intended to take away.

The testimony against the fairness of the oil depletion allowance is overwhelming. President Harry Truman in 1950 asserted that "no loophole in the tax law is so inequitable." Around the same time Republican Senator Robert Taft protested that the oil depletion allowance was "to a large extent a gift, a special privilege beyond what anyone else can get."

President John Kennedy pledged to close loopholes in the tax laws and added that "among the most conspicuous loopholes are depletion allowances, which are inequitable."

A research study conducted by the U.S. Treasury Department found that there is little relationship between the tax incentive of the oil depletion allowance and an increase in the domestic production of oil. The Treasury Department's report found that in 1968 the preferential tax treatment amounting to $1.6 billion can account for additional mineral resources valued at only $150 million. To put this in another way, the oil depletion allowance means that for every dollar of Federal tax forgiveness, the United States gained only 0.09 cents worth of additional oil resource. The report also observed that the depletion allowance discourages the oil companies from an interest in the development of other sources of fuel.

In 1969 Senator WILLIAM PROXMIRE urged the abolition of the indirect subsidy of the oil depletion allowance and the granting by the Government of a direct drilling subsidy which would reward domestic exploratory drilling. Senator PROXMIRE felt that his proposal could save the taxpayer almost $300 million per year and would, in addition, increase incentives for the oil companies to increase total production of oil.

The depletion allowance or income tax deduction is applicable to both domestic and foreign production. This feature of the law, when added to the availability of tax credits for royalties paid in foreign nations, constitutes the basic reason why American oil corporations have neglected domestic production and have concentrated their exploratory operations abroad.

II. FOREIGN TAX CREDIT

In the United States it has long been the custom for oil producers to give to landowners a royalty or a fixed percentage of the value of the oil produced. A traditional royalty has been one-eighth of the amount for which the oil is sold. All of the payments by way of royalty are, of course, deductible as a cost of doing business.

In 1951 the oil industry was able to persuade the U.S. Internal Revenue Service (IRS) to change royalties paid abroad into taxes. As a result the tax paid, for example, in Saudi Arabia was more than the deduction from the gross income of the corporations; it was a tax which could be deducted dollar for dollar, from the U.S. taxes which this corporation would have to pay each year.

The consequences of this ruling have been catastrophic for the American consumer. The tax credit allowed to American oil corporations for foreign exploration encourages them to go abroad rather than to concentrate on domestic exploration of oil. Foreign tax credits enrich the petroleum companies and the host nations at the same time—while the American taxpayer picks up the bill. The bill is a very steep one: In 1970 foreign tax credits or royalty payments in disguise cost the U.S. Treasury more than $2.5 billion.

The fact that the petroleum companies can negate their taxes to the U.S. Government by whatever some foreign sheik charges them by way of royalty payments clearly diminishes their incentive to hold down the payments which they are required to make to the host nation.

In addition to the foreign tax credit, American oil companies operating abroad receive the depletion allowance. The combination of the depletion allowance and the ability to convert royalties into taxes means that the American consumer is subsidizing the recovery of petroleum products around the world. The consumer does this because the law relieves U.S. firms that produce oil in foreign countries of one of their major costs—income taxes—of doing business in the United States.

The actual cost to produce oil in the Middle East is about 20 cents a barrel or less than half a cent a gallon. Yet the selling price of a barrel of typical Middle East oil was about $3 prior to the recent explosion of prices on the world market of oil.

In 1970, the latest year for which figures are available, the IRS reported that oil companies claimed $1.3 billion in foreign tax credits.

The attractiveness of doing business abroad has made it such that in the years 1964 to 1971 American petroleum companies have invested in foreign operations at a rate that has been almost nine times greater than their domestic investments. The growth of investment of the petroleum companies abroad has also included the exportation of refining capacity. In 1972 only one U.S. refinery was under construction and none were planned for 1973 or beyond.

III. OIL IMPORT PROGRAMS

Until the late 1920's large amounts of foreign crude oil were imported into the United States. In 1921, 24 percent of our total demand came from abroad—without objection from the domestic oil industry.

In the late 1920's, however, the discovery of vast oil reserves in the United States prompted the oil companies to establish the Independent Petroleum Association of America for the specific and avowed purpose of reducing imports. In the years up to World War II imports were stabilized at a level slightly under 5 percent of domestic production. After World War II anti-import sentiment in the oil industry again became powerful. In 1949, an amendment to the Reciprocal Trade Act to limit oil imports to 5 percent of demand was defeated by only one vote in the U.S. Senate.

The oil industry finally secured the ban on imports which they desired when President Eisenhower in 1959 issued an Executive order imposing mandatory restrictions on all oil imports. The theory advanced by the oil industry for this ban on imports was that by keeping out foreign oil, domestic exploration would be stimulated. If this particular contention were disputed the oil industry and governmental officials argued that a ban on imported oil was desirable for reasons of national security lest the United States become dependent on oil from one country or one region of the earth.

The oil import quota survived during the 1960's until President Nixon, on February 20, 1969, announced that he was personally assuming "full responsibility for oil import policies." In February 1970, 10 of the 13 members of President Nixon's cabinet task force on oil import control found that the mandatory ban on foreign oil was costing American consumers $5 billion a year. President Nixon refused to take the advice of his own task force and created another group which turned up with the same conclusion.

The President's task force pointed out that the mandatory oil import program was in direct conflict with other Federal policies which provided enormous tax incentives to American oil companies to explore and produce in foreign countries. In other words, the American taxpayer had paid American oil companies to explore in foreign countries yet restricted the American consumer from buying much of this less expensive foreign oil.

President Nixon finally abolished the mandatory oil import program on April 18, 1973.

Even today, however, with a newly established license fee system the tax system of America is still working against the interests of American consumers who should be able to purchase the cheapest possible source of energy.

There are other reasons why America does not have a total energy policy with consistent components. Among these elements are the intangible drilling deduction available to oil companies and the massive trend toward mergers and acquisitions in the petroleum industry. On July 17, 1973, the Federal Trade Commission issued a complaint against the Nation's eighth largest petroleum companies. The complaint alleges that the companies "have combined or agreed to monopolize refining, to maintain monopoly powers over refining, and maintained a noncompetitive market structure in refining . . ."

There are many things that the Congress can do to stimulate domestic and worldwide production of oil. I and many Members of Congress are ever more determined to bring about a situation in which the energy needs of the American people are supplied at reasonable and competitive price levels.

Since the administration finally announced to the American people what they should have been told months or years ago many questions have come to me from constituents. The following series of questions and answers is an attempt to respond as accurately and as comprehensively as possible with the information available to the questions that have been asked most frequently:

QUESTION NO. 1

Why do we have an energy crisis?

Answer.—The present energy crisis arises from increasing scarcity of petroleum and natural gas, the two most important primary energy sources. Petroleum is scarce because domestic production has declined since 1970, demand has been increasing every year, and the international market, which is under the tight control of the Organization of Petroleum Exporting Countries (OPEC), has been sharply limited by recent Arab cutoffs. Similarly, natural gas supplies have not grown commensurate with demand, and this lack of growth has placed heavy demands on petroleum as an alternate energy source.

Unfortunately, what cannot be measured with any accuracy is the degree of U.S. dependence on Arab resources of petroleum and the effects that the loss in domestic production will have on the U.S. economy. According to the Bureau of Mines, in 1972, direct dependence on Arab crude oil amounted to only 3.4 percent of petroleum consumption in that year. For the 2nd quarter of 1973, that figure is estimated by the Bureau of Mines to be approximately 5 percent. We have received in the past few months, estimates of oil shortages ranging from 1.2 million barrels per day to 5 million barrels per day. Figures from the Treasury Department, the Office of Oil and Gas, the the Defense Department and federal energy officials have been inconsistent in the extreme.

It would appear that the Administration or the oil companies or both are in fact withholding information about the energy crisis. On October 12 the nation was told that the shortfall became 1.6 million. On October 24 the shortfall was 2 million and on October 30 the shortfall became 2.5 million. By November the figure had risen to 3 million barrels per day—over twice the initial estimate.

QUESTION NO. 2

Why has the energy shortage caught us by surprise?

Answer.—Since my arrival in Congress at the beginning of 1971, I have been aware of the impending energy crisis. I have supported legislation for the past three years directed at meeting the goals, as I see them, of an overall energy policy.

I have been studying the long-range solutions to the energy problem for several years, realizing that the problems which are now before us would eventually come.

For example, in 1971 I sponsored a bill to prohibit the export of domestically-produced crude oil and any petroleum products made from such oil without the express authorization of Congress. I spoke out frequently against the oil import quotas. It was clear then that there would be a shortage of petroleum products for consumers because of permitting exports and prohibiting imports. These two policies benefited only the major oil companies.

Also, in 1971, I sponsored legislation to authorize an investigation and study of coastal hazards from off-shore drilling on the Outer Continental Shelf in the Atlantic Ocean off of the New England coast. Many of the most profitable remaining oil and gas reserves of the United States may be located beneath the Outer Continental Shelf. Most of these lands are under federal control. Some have been drilled, with occasional disastrous environmental effects, such as have occurred off the California and Louisiana coasts. I am convinced that we possess the technology to reduce the dangers of oil spills to the point where environmental concerns can be satisfied.

I co-sponsored legislation in 1971 to reduce the number of automobiles coming into the cities. I have voted consistently for the last three years to upgrade and federally assist mass transit.

On January 24 of this year, I sponsored legislation to remove the ban on imported oil by terminating the oil import program. Seven days later I sponsored a resolution to authorize the emergency importation of oil into the United States.

On May 23 of this year, I sponsored legislation to provide for the continued supply of petroleum products to independent oil marketers. Independent oil and gas retailers, who depend upon the excess production of integrated oil company refineries for their supplies of oil are the hardest hit by shortages of crude oil. Major oil companies will sell to their own outlets prior to selling to independents. The provisions of this bill became the Emergency Petroleum Allocation Act of 1973.

Early in 1971, and again in 1973, I co-sponsored legislation to repeal the Connally Hot Oil Act by which states are empowered to control production levels of crude oil in order to maintain price levels for oil companies.

QUESTION NO. 3

What can be done for New England specifically during the coming winter, particularly with respect to heating oil?

Answer.—Unfortunately, figures compiled by the New England Congressional Caucus, of which I am a member, project a shortage of 590,000 barrels per day of heating oil. The reality is that the heating oil shortage is concentrated in New England. Also, a shortage of 790,000 barrels per day of residual oil, which is used for power generation is projected.

The most dangerous shortage is the nearly 800,000 barrels per day shortage of residual oil used by utilities and industry. This country needs to find more residual oil or substitutes. An increase in U.S. refinery production of residual and heating oil, coupled with shifts to coal, conservation of electricity and the use of heating oil to generate electricity could alleviate this shortage substantially.

I have been working with the New England Congressional caucus to develop initiatives to determine how New England can obtain increased heating oil supplies this winter, in contravention of the historical distribution patterns established by the major oil companies. I am hopeful that a mechanism can be developed which would reduce regional supply imbalances, and would create a framework for increasing fuel oil delivery to New England and the northeast.

QUESTION NO. 4

Why is it that the price somebody must charge for home heating oil is so much higher than the price charged by other dealers in the same area? Why is it that the price of my home heating oil has doubled in the last three months?

Answer.—The price of heating oil in New England, as elsewhere, is presently determined by where the dealer has obtained his fuel. The price of domestic fuel is controlled by the Cost of Living Council. Since profits are also regulated by the Cost of Living Council, your dealer, if he is supplying domestic oil to you, is supplying it to you at the lowest available price. Since the Cost of Living Council cannot control the cost of imports, if your dealer has obtained most of his oil from foreign imports, which is the case with virtually all independent dealers over the past many months, that oil will be much more expensive for you to buy. Even though both dealers have their prices controlled by the Cost of Living Council, the higher price for foreign oil is passed along to you, the consumer.

Your oil dealer may only raise his price to you once each calendar month and this raise must be in the precise amount which his costs have risen. If your prices have risen more than one in any month, or if you are not sure you are being charged the correct amount, you may call the Internal Revenue Service, Department of Wage and Price Control (617-223-4750) and register your complaint. That is the agency charged with investigating such complaints.

QUESTION NO. 5

What provisions have been made in Congress for the unemployment which may result from the energy crisis? What are the prospects for unemployment in New England as a result of the energy crisis?

Answer.—The energy shortage portends an economic slow-down which will mean less production and loss of jobs. It is absolutely clear that unemployment is growing as a result of the energy crisis. I have written to the President directly, urging an industry-by-industry study of the potential for job losses to be prepared by January and requesting the submission of plans for efforts to minimize unemployment.

The research of the Arthur D. Little Company projects that unemployment nationally could rise six to seven percent during 1974 from the present 4.5 percent, all as a result of the energy shortage. New England unemployment is already 1 to 1.4 percent higher than the national average, so higher unemployment in New England is not an irresponsible projection.

Already the plastic fabricators in Leominster Massachusetts have been severely injured by the energy problem. I have devoted considerable efforts, along with my entire staff, in working on solutions to the petrochemical industry's problems.

I have supported the new manpower legislation which has passed the House and Senate, and which will be signed by the President in the immediate future. I had hoped that the manpower program would be funded at much higher levels. We shall definitely need, and I shall support, a greater funding level for a comprehensive employment program, which provides increased funding for retraining and relocation costs, as well as an increase in workmen's compensation benefits.

I voted for an amendment to the Emergency Energy Act which provides that the new Federal Energy Administrator may restrict the exports of coal and petrochemical feed-stocks if such exports would result in unemployment in the U.S. I am pleased to say that an overwhelming majority of the House voted in favor of this amendment to protect jobs.

I have also written to the new Federal Energy Administrator urging that propane and diesel fuel be allocated on a priority basis to the construction industry in New England. The construction industry employs more than 200,000 people in New England, and 40,000 jobs are jeopardized because of the lack of this priority designation. Even with priority designation, the construction industry will have to cut back 10 percent on use of propane when compared with last year. Propane is used in construction principally to permit concrete to be poured in cold weather. Without adequate propane, performance of certain masonry work, plastering and glazing cannot be carried out and work has to be stopped.

I have also joined as an intervenor in a pending petition before the Federal Power Commission for permission to import and sell liquified natural gas from Algeria. This could have a beneficial effect on the economy and hence jobs in New England.

I support every possible remedy for small business enterprises that will be confronting severe strains because of the energy shortage. Small businesses should have their needs considered by all levels of government in the implementation of the energy programs which the Congress is presently working on. The Small Business Administration should provide full information concerning the provisions of all energy bills to any small business concern that might be affected. Small businesses account for an estimated 50 percent of the nation's jobs and almost 40 percent of the gross national product. I continue with my support to continued viability of small businesses.

QUESTION NO. 6

What has been done to protect the environmental advances made in recent years from being completely disregarded in the rush to enact emergency legislation?

Answer.—I have voted consistently to preserve and strengthen existing environmental safeguards and to preserve the effectiveness of the National Environmental Protection Act. I could give many examples of this. Some of the most important include my votes in the legislation authorizing the Alaska pipeline. I voted to force the Alaska Pipeline to comply with all of the provisions of the National Environmental Protection Act. I was in the minority, as the majority voted to exempt the Alaska Pipeline from the provisions of the Environmental Protection Act, the most important environmental statute on the books.

In the Emergency Energy bill recently passed, I voted against extending the date for compliance with the 1975 Auto Emission Standards beyond 1975. Again I was in the minority, as concern for the environment was overridden by a majority of the House. I vote against other amendments which sought to rescind the requirement for auto emission control devices on vehicles throughout the nation. In this case a majority of the House joined in rejecting the amendments. I voted also in favor of an amendment to provide for federally-sponsored incentives for the use of public transportation, again with the majority. My vote to eliminate rate discrimination against the shipment of recycled materials was also with a majority of the Members of the House.

I do not believe that environmental concerns should be sacrificed at the feet of quick energy solutions. It is no solution at all to have sufficient energy tomorrow at the price of a polluted and damaged environment.

Mr. Speaker, the Congress must swiftly enact measures to provide that the American people receive a fair deal from the oil companies. The large monopolies which are the oil companies have been permitted to become willful and selfish profiteers at the expense of the American people. I am hopeful that all Members of Congress are willing to face the hard questions concerning the oil depletion allowance, foreign tax credits, and licensing which confront them. There are difficult days ahead for the American people. There are also difficult days ahead for the Congress.

LEGISLATION INTRODUCED TO PRESERVE KUAPA POND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 10 minutes.

Mr. MATSUNAGA. Mr. Speaker, I am today introducing legislation which would preserve the nature of Kuapa Pond, located in my congressional district, by declaring it not to be a "navigable water" of the United States.

Since the days of the Hawaii monarchy, Kuapa Pond has been a private body of water, which originated as a fishpond. The State and, prior to that, the territory of Hawaii, have levied property taxes on the property continuously for generations. In fact, the pond was nothing but a large mudflat for years before 1961.

Then the area around the pond was converted to residential use. The developers dredged and improved the pond at a cost of millions of dollars, creating a marina, and waterfront homes were sold to hundreds of families on the understanding that the marina was privately owned, privately maintained, and privately patrolled. Homeowners still pay a monthly maintenance fee for the marina's upkeep.

Through all of this the Corps of Engineers raised no objections to any of the improvements the private developer was making. The corps recognized in various documents the fact that the marina was private. However, some 7 years after development of the pond into a marina began, the corps declared its intention to include the now-improved marina as a navigable water, thus ending its private status. A declaratory judgment of navigability is being sought in U.S. district court in Hawaii.

Mr. Speaker, if the corps should prevail, grave injustice would be foisted on the present owners of interest in the pond. The homeowners would lose something for which they had paid thousands of extra dollars when they purchased their homes. Furthermore, they have been unable to obtain any assurance from the corps that the maintenance, patrolling, and desilting now undertaken at private expense will be continued if Kuapa Pond is declared a public property. It is to prevent this perpetration of injustice that I am introducing this legislation. An identical measure is being introduced today by Hawaii's two Senators, DANIEL INOUYE and HIRAM FONG.

There is a great temptation, Mr. Speaker, to dismiss the concerns of the homeowners around Kuapa Pond with the assertion that opening it for public use will benefit more people. Such action, however, would be tantamount to condemnation of private property without just compensation, without even serving a desirable public policy. For if Kuapa Pond becomes public, and the private developers and homeowners lose the millions of dollars they have invested in it, what other private party will ever build such a marina? None will, I submit, and the result will be fewer private marinas and, ultimately, even more people forced to use existing public facilities.

In the hope for prompt action on this legislation, I include the text of the bill in the RECORD at this point:

H.R.—

A bill to declare Kuapa Pond, Hawaii, as not a navigable water of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, Kuapa Pond, Honolulu, State of Hawaii (also known as Hawaii Kai Marina and more particularly described in section 2), is declared to be not a navigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. Kuapa Pond, for purposes of this Act, shall be all that certain body of water lying inland of the road right-of-way known as Kalanianaole Highway, City and County of Honolulu, and being a portion of Royal Patent 4475, Land Commission Award 7713, Apana 30 to V. Kamamalu.

DEFERRAL OF MILITARY CONSTRUCTION WOULD BE A BLOW TO MORALE AND A DETRIMENT TO MILITARY EFFECTIVENESS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I have noted plans on the part of some of our colleagues to introduce legislation calling for the Department of Defense to suspend during the energy crisis military construction that is not essential to the direct security interests of the United States. Favorable consideration of such legislation would be unfortunate and ill-advised.

The proposal is based on conservation of fuels and energy. The fact is that no part of the defense program of the

United States requires less fuel and energy than military construction. On the other hand, a moratorium on construction could cause unemployment, hardship for military personnel and adversely affect vital military programs. It is equally important to note that inflation is increasing the cost of construction nearly 10 percent each year. A delay in military construction would mean taking another bite out of the taxpayer who must foot the bill when construction is resumed. A delay in construction would also mean an increase in maintenance cost with additional unnecessary expense to the taxpayer.

A significant portion of the recent military construction programs includes projects to assure compliance with current pollution control standards. These must be accomplished to assure compliance with Federal, State, and local air and water pollution control regulations.

All military construction is carefully screened and only the most essential items are recommended to Congress by the Department of Defense. It is further screened and additional cuts made during the authorization and appropriation process.

The Department of Defense military construction program is vital to the development of a strong and efficient logistical base structure in support of the President's strategy for peace. It is essential to our national security that this Nation increase the efficiency of the logistical base structure toward the provision of adequate military readiness of our defense forces.

While the proposed bill is motivated by the current energy crisis, we have had experience with similar construction freezes in the past. Deferral decisions impact for the most part upon our long-range goals for replacement and modernization of our aging facilities inventory—particularly in the troop housing and community support area. The deferral of such improvements must inevitably lead to reduced efficiency in our operations and weakening in the morale of our military forces. Such deferrals would have a substantial impact on our ability to maintain an all voluntary force.

Of the construction which would not meet the criteria of the proposed bill, many projects result in more energy efficient structures or provide utility distribution systems which result in more efficient distribution and utilization of energy consuming utility services. Deferral of these projects would result in continuing the use of inefficient structures and distribution systems.

Further, the military construction program includes projects which affect military readiness, but might not be considered overriding in the national security sense of the proposed legislation. Projects which fall into this category could include training facilities for which would correct potential hazards to Government installations and personnel, consolidations to increase efficiency of operations, and projects which provide security to stores of sensitive and hazardous materials. Deferral of such construction would not only affect the state of military readiness, but would continue hazardous and inefficient operations.

Finally, the proposed deferral of military construction would impact severely on the existing organizations of the Navy and the Army for construction execution. Once a deferral began, personnel reductions would have to be implemented and the resultant loss of critical expertise would be extremely difficult to replace.

In summary, the entire military construction program is a vital part of our national defense requirements. To cut back construction for so-called energy related reasons would not only impede realization of our defense program objectives, but also would weaken a principal thrust of the attainment of an efficient volunteer force structure. In addition, this proposal could have a devastating effect on the construction industry with corresponding effects on employment throughout the United States.

AT CHRISTMAS 1973

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, at a recent Christmas church service, the Reverend Billy Graham told of the significance of the birth and life of Christ. By way of illustration, he told his congregation the story of the mother who was trying to keep in her children's minds the image of their father who was away in military service. Each day she showed them his picture which hung on the wall and talked to them about him. On the day the husband and father came home one of the boys said: "It's just as though he stepped out of the picture frame."

Reverend Graham said the coming of Christ to the world at Bethlehem 2,000 years ago was just as though He had stepped out of the picture frame. People had been longing for the Messiah for untold centuries. They had expected a King and Savior. Jesus came into the world in God's appointed time. In His short stay on Earth He fulfilled God's appointments. He had stepped out of the picture frame.

The influence of this humble man can never be properly assessed. Some of His disciples later traveled through most of the known world. Jesus did not. Some of His followers were people of wealth and distinction. Jesus had neither wealth nor family influence. He had little training or education. Nothing in His background would indicate He was to be the greatest leader the world would ever know.

His life was one of unparalleled virtue. He healed multitudes without medicine. He never charged for His services. He spoke with compassion not with defiance. He kept the law. He did not organize mass marches to demand social reformation or acceptance of His beliefs. He did not lead demonstrations. He did not demand rights or privileges. He served God quietly and with dignity. He observed the traditions of courtesy, hospitality, and dignity. He spoke with compassion. But He provided a leadership which the world greatly needs.

Nearly 2,000 years have passed since His crucifixion. The records of the time in which He lived tell almost nothing about Him. What we have is from the writings of His disciples and those who kept His faith in later years. Yet each passing day reveals to more people the importance of what He taught and the need for acceptance by everyone of the principles for which he stood. These are the real reasons for the importance of Christmas.

In this season of the birth of our Lord, my family, my staff, and I wish for each of you, associated with this great deliberative body, the full measure of happiness and understanding and good will which should accompany this very important date in world history.

A MEMORIAL TO THE LATE HONORABLE JOHN P. SAYLOR

(Mr. HALEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HALEY. Mr. Speaker, I take this time to present to the House of Representatives a memorial to the late Honorable John P. Saylor and inform my colleagues of the contents thereof. By a letter dated December 10, 1973, there was transmitted to me a memorial adopted in public session of delegates of the 18 Western States at the annual convention of the National Water Resources Association in Phoenix, Ariz., on November 16, 1973, expressing their regard for the late Honorable John Phillips Saylor. The memorial is as follows:

MEMORIAL

On October 28, Representative John P. Saylor, Republican of Pennsylvania, died of a heart attack.

Congressman Saylor had served in the House of Representatives since 1949. As ranking minority member of the Interior and Insular Affairs Committee, he has been accorded a variety of National awards.

Our memorialization for him is in appreciation of his role as critic of Western water development. His criticisms were designed to aid effective water management, not to impede it. And while criticizing a proposal, Mr. Saylor often reminded his colleagues on the Committee that only one among them had voted for more Reclamation projects than had he.

The members of our Association join others across the Nation in tribute to John Phillips Saylor, of Pennsylvania.

ESTABLISHMENT OF THE KALAUPAPA NATIONAL HISTORIC SITE

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, one of the most striking statues in the halls of the Capitol is the figure of Hawaii's Father Damien. I am sure many Members and visitors are familiar with this handsome depiction of one of my State's most illustrious figures.

To further recognize the achievements of this noble humanitarian, I have introduced legislation to establish the Kalaupapa National Historic Site on the Island of Molokai, Hawaii. The site is where Father Damien, a Belgian priest, worked for 16 long years among leprosy victims until at last he died of this disease.

Father Damien, 1840–89, left a legacy of selfless service which made him a venerated figure worldwide, led to his being named one of the two great persons of Hawaii with a statue in the Nation's Capitol, and led to proceedings for his beatification by the Catholic Church. All of this focused unprecedented attention on the disease of leprosy and stimulated charity and significant scientific research toward its cure.

Under my bill, H.R. 12012, the Secretary of the Interior would be authorized to designate the site of the leprosy settlement at or near Kalaupapa on Molokai comprising approximately 2,500 acres together with such adjacent lands and water areas as he deems necessary, for establishment as the Kalaupapa National Historic Site. Within the area so designated, the Secretary may acquire lands, waters, and interests therein by donation, purchase, or exchange, except that any property owned by the State of Hawaii or any political subdivision thereof may be acquired only by donation. When the Secretary determines that he has acquired sufficient property to constitute an efficiently administrable unit, he would establish the area as the Kalaupapa National Historic Site by publication of notice to that effect in the Federal Register.

The promontory on which the site is located is among the most remote locations in all Hawaii. It has been the scene of much dedication by Father Damien and others at a time when the disease of leprosy was little understood. As modern methods have been developed for its control, the number of leprosy victims still living at the settlement has dwindled to no more than 150, most of whom currently live there by choice. In the foreseeable future, the settlement will have no one there. Current medical treatment is such that no new patients have within recent years been admitted. When the settlement closes, we will have two choices: to permit its development, possibly by commercial interests, or to preserve the area for its unique historic significance, as a treasure for the entire Nation.

In his book, "Holy Man," about Father Damien, Hawaii historian Gavan Daws describes how the Island of Molokai looked in Damien's time:

> At a distance, Molokai was gorgeous. Seen as the English lady traveler Isabella Bird saw it, from the tranquil deck of a passing steamer on a shimmering sunny day, the mountainous land floated "like a great blue morning glory on the yet bluer sea." Closer to, it was still an impressive sight, but of a less uncomplicatedly lyrical kind. Robert Louis Stevenson, coasting the north side on his way to visit the leprosy settlement, found the scenery "grand, gloomy and bleak. Mighty mountain walls descending sheer along the whole face of the island into a sea unusually deep; the front of the mountain ivied and furred with clinging forest; one viridescent cliff"; and midway along the coast, "a low, bare stony promontory edged in between the cliff and the sea." The "promontory" was Kalawao.

At Kalawao, the center of activity on the 4-square-mile area separated from the rest of Molokai by a 1,500-foot cliff, Father Damien spent most of his time. His church was there, as is his tomb. After his death the settlement gradually moved to Kalaupapa, by the coast, and today the whole promontory is referred to as Kalaupapa.

The legacy of Father Damien is immortal: it is part of our history and must be cherished in memory. Our dedication of Kalaupapa as a national historic site would help serve this objective.

The text of the bill follows:

H.R. 12012

A bill to provide for the establishment of the Kalaupapa National Historic Site in the State of Hawaii, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of preserving for the inspiration, education, and benefit of the public the site where Father Joseph Damien De Veuster (1840–1889) worked for sixteen years among leprosy victims until at last he died of their disease, leaving a legacy of selfless service which made him a venerated figure worldwide, led to his being named one of the two great persons of Hawaii with a statute in the nation's capitol, and led to proceedings for his beautification by the Catholic Church, all of which focused unprecedented attention on the disease of leprosy and stimulated charity and significant scientific research toward its cure, the Secretary of the Interior is authorized to designate the site of the leprosy settlement at or near Kalaupapa on the Island of Molokai, State of Hawaii, together with such adjacent lands and water areas as he deems necessary, for establishment as the Kalaupapa National Historic Site. Within the area so designated, the Secretary may acquire lands, waters, and interests therein by donation, purchase, or exchange, except that any property owned by the State of Hawaii or any political subdivision thereof may be acquired only by donation. When the Secretary determines that he has acquired property in an amount sufficient to constitute an efficiently administrable unit, he shall establish the area as the Kalaupapa National Historic Site by publication of notice to that effect in the Federal Register. Pending such establishment and thereafter the Secretary shall administer the lands, waters, and interests therein designated and acquired for the site in accordance with the Act of August 25, 1916 (63 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666).

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

RESTORATION OF OPTIONAL LIFE INSURANCE COVERAGE

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I have introduced legislation to provide for reinstatement of optional Federal insurance coverage under the Federal employees group life insurance program for certain individuals who canceled life insurance due to an increase in premiums, because of age which was then set at a lower amount later in the year of cancellation.

This bill is designed to correct what amounts to an inequity affecting employees who canceled their optional $10,000 insurance on January 1 following their 55th birthday, when coverage under the old system jumped from $5.5 biweekly to $17, or from $11.92 monthly to $36.83. Later in the same year, these premiums were reduced. Subsequently, however, the employees discovered that to keep the optional insurance after retirement the law requires such insurance to have been in effect for 12 years prior to retirement. Had the employees known beforehand they would be penalized for this break in coverage, or that their premiums would be reduced, they would have retained their coverage until retirement even if it meant an increased financial burden.

The situation arises because under the law, employees—and annuitants under age 65—must pay the full cost of the optional insurance and the Civil Service Commission must "from time to time" determine the cost. A premium reduction was ordered on July 1, 1973, based on a study in which the Commission determined that the mortality experience of the insured group had improved substantially. Optional insurance premiums were reduced in April 1970, as a result of a similar determination.

The law also provides that in order to continue the optional life insurance during retirement, an employee must, first, be eligible to continue the regular life insurance, and second, have had the optional insurance for all service during which it was available or for the last 12 years of service immediately before retirement. In imposing the 12-year requirement, the intent of Congress was to prevent an employee from enrolling in the program in the years just prior to retirement when the mortality rate is higher and he becomes a poorer insurance risk. The requirement does have the effect of maintaining the insurance premiums at a fairly low rate for all enrolled employees and annuitants.

At the same time, Congress did not intend that longtime employees should suffer the loss of their optional insurance, because of financial burdens resulting from increased premiums which are subsequently reduced, especially if such employees were unaware of the ineligibility for continued coverage resulting from the cancellation of their policies.

My bill would provide a reasonable means of helping a person who canceled his optional insurance, because of the increase in premiums resulting from having attained a particular age, only to discover that the increase was set at a lower amount later that year. Such an employee would be able to have his coverage reinstated under my bill upon the payment of an amount equal to the premiums that would have been paid if there had been no cancellation.

This legislation is designed to correct an injustice at no extra cost to the Government. I hope it will be enacted.

ELECTION REFORM

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, one of the tragic effects of the Watergate scandal is to diminish still further public respect for our elected officials in Government.

Congressional hearings, legal proceedings, and news exposes have painted a sordid picture of massive violations of the letter and spirit of laws in the last Presidential campaign. The gross improprieties and irregularities were of such extent they cast doubt on the integrity of the elective system. Had the voters known the nature and extent of the abuses I am certain the outcome of the Presidential election would have been different.

Truly, Congress faces no more important a mandate than to clean up our campaign practices to assure that the American people are never again deprived of the opportunity for a clean and fair election. We must restore integrity to the democratic process. This is imperative for the very survival of our Nation's system of government of, for, and by the people.

To reform our campaign laws I have introduced H.R. 11931, the "Comprehensive Campaign Financing Control Act." The bill would apply not only to the Federal offices of President, Vice President, Senator, and Representative, but to elections for Governor and all statewide offices, and to all municipal and other elections in which 300,000 or more individuals voted in the most previous balloting.

My bill would place absolute limits on the contributions candidates could receive and the expenditures they could make. In an election for the U.S. House, a candidate could spend no more than $50,000 in the primary and an equal amount in the general election. Furthermore, to be sure collections stop, contributions received also cannot exceed a $100,000 total for both.

For the U.S. Senate, and others, the limitations would be the greater of $200,000 or 10 cents per voter in the last election.

No funds could be spent in the Presidential general election by the two major party candidates except those received from the income tax checkoff, which would be doubled to $2 per individual and $4 per couple, or those spent by new parties.

The bill places an absolute limitation of an aggregate of $500 of contributions by any person to any candidate, with rigorous safeguards to prevent violation. No cash contributions in excess of $50 could be offered or received.

Campaign disclosure requirements would be tightened by provisions to prevent "laundering" of funds by routing contributions through dummy committees or foreign countries. A candidate would be required to establish only one campaign committee, and all funds would have to be routed through the committee so as to disclose aggregate contributions by individuals. No person other than such an authorized political committee would be allowed to accept or expend funds on behalf of a candidate.

Campaign funds could be raised only during the 12-month period immediately preceding an election, and any funds received in excess of expenditures would have to be returned to contributors on a pro rata basis within 6 months after the election, or donated to the U.S. Treasury.

Campaign funds could not be used to purchase services from family members of the candidate, and could not be transferred to the campaign of any other candidate.

To prevent violations, the bill sets penalties for campaign law violations up to 5 years in prison and $10, fine, and provides that any such punishment is to be levied on the individuals guilty of violations rather than on their companies, parties, or other organization.

Except for the provisions on Presidential and Vice Presidential campaign funding through the income tax checkoff, my bill does not provide for tax-paid financing of political campaigns. I am convinced that this would be injurious to the two-party system which in the past has been the mainstay of our stable political structure.

With strict limitations on the amount that can be raised and spent in all elections, and rigorous safeguards on the manner in which it can be collected and used, coupled with severe penalties for violations, I believe we can restore honesty financing, no additional taxes need be levied on our people for political purposes.

HIJACKING AND ARAB TERRORISM

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the most recent criminal action of the Arab terrorists that took 31 innocent lives at the Rome and Athens airports has brought forth condemnations by a number of world leaders. What is distressing is that the condemnations are not followed by action. Arab terrorism, and hijacking in particular, has been going on for years. The first Arab airplane hijacking in recent history occurred when an El Al airliner, ironically flying from Rome to Lydda, was diverted to Algeria. Attempts to have the U.N. deal with these hijackings through multilateral treaties have not succeeded because of the opposition of the Arab States which give the terrorists sanctuary and the cowardice of the European States willing to submit to Arab blackmail.

The Arab response to the latest atrocity involving the deaths of 31 innocent human beings was characterized by the Washington Post to wit.

> These responses are shameless. They deplore the particular act as a tactical error but they implicitly endorse the purpose of the act—to undo the state of Israel—as a strategic necessity. What troubles these Palestinian spokesmen is not that the slaughter was conducted but that the victims were not Israelis. They wish to preserve their claim to use violence to serve their cause, hoping that sympathy for their cause will sustain tolerance for terror—terror against Israeli—practiced in its name.

How long will it take before these terrorists are brought to justice? How many more passengers will die and planes be blown up before the terrorists and their host countries are brought to account? That to date few if any of those who have engaged in these criminal actions have been punished is clear from the chronology set forth in today's New York Times which I am appending.

A CHRONOLOGY OF ARABS' TERRORISM AND FATE OF COMMANDOS

(By John Sipley)

Although most Arab terrorists responsible for hijackings, kidnapings and the seizure and execution of hostages over the last few years have been captured or have given themselves up, few have suffered meaningful punishment. Following, in chronological order, is the eventual fate—as best can be determined—of Arab terrorists who preceded those who surrendered Tuesday in Kuwait.

July 23, 1968—Two Palestinians and one Syrian who hijacked an El Al Israeli airliner bound from Rome to Lydda airport in Israel were detained by Algerian authorities but soon released.

Dec. 26, 1968—An Israeli passenger and a stewardess were wounded in a gunfire attack on an El Al plane at the Athens airport. Two Palestinians were sentenced to 17 and 14 years' imprisonment but were freed after the hijacking of a Greek airliner to Beirut, Lebanon, on July 22, 1970.

February, 1969—Five Palestinians attacked an El Al airliner at the Zurich Airport, killing the co-pilot and wounding the pilot. One attacker was killed; the others were sentenced to varying jail terms but were subsequently released.

Aug. 29, 1969—Two Palestinians hijacked a Trans World Airlines plane from Los Angeles to Damascus but were not brought to trial.

Sept. 8, 1969—Two Arab boys hurled hand grenades into the El Al offices in Brussels. One escaped after taking refuge in the Iraqi Embassy; the other was not prosecuted.

Nov. 27, 1969—A hand grenade attack on the El Al office in Athens killed a Greek child and wounded 13 persons. Two Jordanian terrorists were sentenced to 11-year and 8-year jail terms but were freed after the hijacking of an Olympic Airways plane on July 22, 1970.

Dec. 17, 1969—Two Britons were arrested in an aborted conspiracy to blow up an El Al plane at Heathrow Airport, London. One was sentenced to 12 years in jail; the other went free after turning state's evidence.

Dec. 21, 1969—Three Lebanese were detained after an unsuccessful attempt to hijack a T.W.A. plane in Athens. They were freed after the hijacking of an Olympic Airways plane to Beirut on July 22, 1970.

Feb. 10, 1970—An attack on an El Al plane at Munich killed one passenger and wounded eight more. One Egyptian and two Jordanians were arrested but were set free after the Dec. 6 hijacking of three American airliners.

July 22, 1970—Six Palestinians hijacked an Olympic Airways plane to Beirut. None were brought to justice.

Sept. 6, 1970—Pan American, T.W.A. and Swissair planes bound for New York were hijacked by Arabs. The Pan American plane landed at Cairo, the others in Jordan, where all were blown up. None of the terrorists were arrested.

Sept. 6, 1970—A woman terrorist was wounded and her male companion killed in an attempt to hijack an El Al plane bound from London to New York. A steward was wounded. When the plane returned to England the woman was released because the crime had been committed outside British jurisdiction.

July 28, 1971—An attempt to blow up an El Al plane bound from Rome to Lydda with booby-trapped luggage given to a woman by an Arab boyfriend did not succeed.

Sept. 20, 1971—A similar attempt to blow up an El Al plane from London to Lydda with a booby-trapped suitcase given to a woman by an Arab friend also failed.

Nov. 29, 1971—Wasfi Tal, Premier of Jordan, was assassinated by four Palestinian guerrillas while entering his hotel in Cairo. The alleged killers were taken into custody but no prosecutions have been reported.

Feb. 22, 1972—A Lufthansa plane bound from New Delhi to Beirut was hijacked to Aden, where the hijackers were paid $5-million for its release. The hijackers went free.

May 8, 1972—Terrorists hijacked a Belgian Sabena airliner to Lydda. Two men were killed by Israeli security guards and two girls were subsequently sentenced to life imprisonment.

Aug. 16, 1972—A booby-trapped tape-recorder exploded in the luggage compartment of an El Al plane in flight from Rome to Lydda, causing slight damage. Two Arabs who gave the recorder to two apparently unaware British women were released by Italian authorities after a short detention.

Oct. 29, 1972—A Lufthansa flight from Beirut to Ankara, Turkey, was hijacked to Zagreb, Yugoslavia, where it was released after Arab terrorists responsible for the attack on Israeli athletes at the Munich Olympic games—11 were killed—had been freed by West Germany. The hijackers were never brought to justice.

April 4, 1973—Two Arabs made an unsuccessful attempt to attack passengers of an El Al plane at the Rome airport. They were arrested but later released and sent to Lebanon.

April 9, 1973—Arab terrorists attempted to attack an Israeli plane at Nicosia, Cyprus airport. Eight were arrested and sentenced to seven years' imprisonment. Later, the Cypriote President, Archbishop Makarios, quietly released them, saying he did not want Cyprus to become a battleground for Middle East conflicts.

April 27, 1973—An Italian employe was killed in the Rome office of El Al by a Palestinian Arab who is now under arrest in the psychiatric ward of an Italian institution. A magistrate's decision to place him under psychiatric observation is widely taken to mean he will never face trial.

July 19, 1973—After an aborted attack on the El Al office in Athens a terrorist took two hostages to an adjoining hotel but released them after negotiations with the police.

July 24, 1973—A Japanese jumbo jet, in flight from Amsterdam to Tokyo, was hijacked and blown up in Tripoli, Libya. Of five terrorists involved an Arab woman was killed by a grenade she was carrying. One terrorist was Japanese. None were brought to trial.

Aug. 4, 1973—Two Arab terrorists killed five and wounded 55 in a machine gun attack on passengers in the Athens airport lounge. The two were arrested, and Green authorities have not released them despite a demand by the hijackers in this week's incident.

Sept. 5, 1973—Five Palestinians plotted to shoot down an El Al plane near the Rome airport. The five went on trial—two in absentia—before an Italian court last week. Three defendants are in the dock; the two others have been in hiding, presumably abroad, since they were released in their own recognizance.

GUS HAWKINS GOES HOME

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, on December 3, one of our friends and fellow colleagues representing the 21st District of California returned to his boyhood home in Shreveport, La., and delivered a remarkable speech to the Negro chamber of commerce there. The gentleman to whom I refer is a compassionate man and a man of real understanding, who has been accomplishing a great deal through his legislative efforts in this body. I admire him because he has attempted to work within the system and get things done while there have been those who have taken to the streets and have advocated destroying the free enterprise system.

Gus Hawkins' visit and speech were warmly received in Shreveport; and I would like for the other Members of this body to read his speech, which I am including in the Record following my remarks.

The major problem of the Negro today, according to Gus, is "unemployment—not racial." He continues:

> The cause of the high rate of unemployment among blacks is not racial, although discrimination does contribute. More whites are unemployed than blacks. Surely none can say their problem is racial.

All society, including the Negro, will benefit with continued economic development within the United States.

According to Gus—

> If this is not to happen under modern technology, increased automation, and current economic policies much more than the bland cosmetic programs currently utilized is essential. Nothing short of basic structural transformations in our society are required.
>
> This is not to suggest radical or revolutionary changes alien to our private enterprise system or social order. Rather it is a matter of guiding current but indistinct trends into constructive goals based on the American ideals of "life, liberty, and the pursuit of happiness."
>
> Without denigrating the value of equal employment laws, it cannot be denied that our greatest progress is made in the atmosphere of an expanding economy.

In conclusion, our colleague observes—

> I believe that far more than civil rights legislation at this time, our greatest hope lies in such proposals as "full employment" in which both high levels of employment and business expansion are woven together to create new jobs in the primary labor market and to promote private enterprise activities that build a viable community structure.

SPEECH BEFORE THE NEGRO CHAMBER OF COMMERCE, SHREVEPORT, LA.

(By Hon. Augustus F. Hawkins)

I am proud to be in the congressional district of my friend and distinguished colleague, the Honorable Joe Waggonner. I want it fully understood I agree with my life time friend, Dr. Elbert Allen in describing Joe Waggonner as a "fearless, courageous, independent, and effective" leader. His warm introduction is deeply appreciated.

It is an honor to be invited to return to Shreveport, my native home, and I want to thank both the Shreveport Negro Chamber of Commerce and all of you for your cordial reception and numerous courtesies. Your southern hospitality has great meaning especially for me when I recall my boyhood experiences in Shreveport. Humorously, you might even say "the prodigal son returns".

On a more serious note, however, let me share with you some of my concerns about Negro Americans and the challenges of the twentieth century.

Since emancipation we have travelled through several historical developments: (1) the period of Reconstruction politics, (2) next we experienced the traditional civil rights battles of the first half of the 20th century, the decades which began with the NAACP and concluded shortly after the passage of the Civil Rights Acts, (3) Thirdly we have recently been exposed to a period of group identity and consciousness, the articulation of "black power", and an experience with newer as well as younger leaders, (4) and now in the 70's we can identify a turning to economics as the new thrusts.

There is unmistakably a new emphasis, not on rediscovering our past . . . but capturing a sense of direction as to where we are going. Our main objective is not to relieve the troublesome past but to bring ourselves into the new 20th century . . . that becomes the main issue.

Victory over legalized segregation brought many new opportunities, but it was the middle class who profited the most. For the vast majority of blacks, life is tenuous: the future hangs in the balance between technological advances and a shrinking polarized power base. Blacks must now learn how to be . . . and make friends . . . not lose them.

Sidney Willhelm and Edwin Powell in their study a few years ago raised the question "Who Needs the Negro?" They suggested "racial strife . . . is not between black and white, but is instead a search for human rights in a world of machines that make so many humans utterly dispensable."

Unemployment—not racial problem—is the Negro's major problem. The cause of high rate of unemployment among blacks is not racial, although discrimination does contribute. More whites are unemployed than blacks. Surely none can say their problem is racial.

The disproportionate growth of Negro's employment instability despite educational gains is largely due to automation. We have moved from cotton fields to assembly lines, and now we are being automated into menial jobs and high unemployment. By 1980 it is estimated there will be "more need for professional, technical and kindred workers, most of them with college or postgraduate degrees, than assembly-line production workers, common laborers, truck drivers and bus drivers."

Functional illiteracy among blacks is far too high, 23% compared with 7% among whites (1960). Even when blacks remain in school they benefit less, their lifetime earnings often do not justify the extra schooling. A rip off of this black economic insecurity is an abominable high rate of family disorganization. Too many black children grow up in poverty-stricken, broken homes without parental guidance, a father image, or the motivational force to succeed. The Negro's problem—if it can be so identified for discussion—is his short odds in life to earn as much as others, to obtain a decent education and to occupy a professional or skilled position, to live as long, and to enjoy a wholesome environment.

To identify the problem, however, is not to correct it. Too much of the so-called civil rights revolution, or protest movement of recent years in which militancy has often identified leadership—has been expended merely talking about the problems as if to enumerate our problems constituted their solution.

Obviously inequalities in opportunities based on past discrimination and injustices require some special programs that deal with target groups: compensatory education, equal employment opportunities, minority business assistance, and ghetto economic development.

But in the world today, policies and programs have broad application and implications. Inflation, devaluation, environmental control, rationing, price controls, etc., are just as much "Negro problems" as traditional civil rights and they are the concerns of all Americans.

Without denigrating special assistance programs let me discuss what I believe to be the broader methods of improving the economic status of Negro Americans at this juncture in our political and social life.

The late Whitney Young succinctly stated the Negro's dilemma in economic terms when he described the possibility of "Negroes with a mouthful of rights, living in hovels with empty stomachs."

If this is not to happen under modern technology, increased automation, and current economic policies much more than the bland cosmetic programs currently utilized is essential. Nothing short of basic structural transformations in our society are required.

This is not to suggest radical or revolutionary changes alien to our private enterprise system or social order. Rather it is a matter of guiding current but indistinct trends into constructive goals based on the American ideals of "life, liberty, and the pursuit of happiness."

What are some of these trends and what can we do about them?

One is the development of a new meaning of work. Currently what seems to be the American standard of an 8-hour day or a 5-day week is no more sacred than the 10 or 14 hour day a few years ago. With proper development of labor productivity we can achieve shorter work hours, eliminating monotonous and demanding work details, and assure employment at adequate wages.

Our present concept of "work" is filled with contradictions and inconsistencies. The worth of a job is correlated with pay . . . although the garbage collector may be performing a much more constructive job than some executives. His pay is based on our low esteem . . . not his real worth. Certainly, we might build a better case for paying the garbage collector more money. The housewife—with all of her duties as cook, babysitter, housecleaning, shopping, laundering, maid, hostess . . . is not even considered a worker, unless of course she leaves her own household to do these things for others. Apparently "pay" makes the difference and on this basis the lady at home is considered "worthless".

We must organize work to meet human capacities as we train persons to perform productively to their maximum potential. Everyone is capable of something despite race, age, education, or physical make-up. Work must be fashioned to employ people . . . not to create shortages.

It has been demonstrated that the very young, for example (5 to 13 year olds) can be used in classrooms as aides or that the very elderly make good foster grandparents. Many functions in a hospital can be performed by non-professionals, etc. Entry level jobs can be related to career ladders, etc.

Such a changing concept would begin to bring into the economy the service of many persons—minorities, women and elderly . . . now excluded or underemployed . . . or on the basis of present concept of work, considered "worthless".

Thus far our planning both by the private sector and government has been based on technological considerations. We have ignored the quality of life or ecological factors. consequently, our vast resources of energy, metals, and other raw materials are running out while our human energies are not fully used.

It is significant that three of the ten largest industrial firms are oil companies and three automobile manufacturers, are users of fuel. We are literally driving ourselves from an economy of abundance to one of scarcity. No wonder we have an energy crisis.

Let me refer again to the Willhelm and Powell study made in the sixties, in their paper "Who Needs the Negro?" They concluded: "With the onset of automation the Negro is moving out of his historical state of oppression into uselessness . . . he is not so much economically exploited as he is irrelevant . . . the Negro's anxiety . . . will spread to others . . . as automation proceeds."

Already this anxiety is upon us as the energy crisis deepens and as our society changes from a dominant goods-producing work force to a dominant human service orientation.

This change is signficant for those minorities and others who have become irrelevant in a massive goods-producing economy in which machines can do the work of the least educated and unskilled.

With the change, new opportunites, both employment and business, are opened in such human services as education, health, conservation, recreation, communications and community development.

As opposed to industrial output, the question may be raised as to whether this trend will lead us into activities requiring public investment and public control (some might call it state socialism), or whether the numerous services in question can be provided by private instead of public agencies.

It is unquestionable that even more than now, labor-intensive, human services will favor "private businesses" of the smaller type especially in such personal services as health, child care, food, light construction, home beautification, catering, personal grooming, etc. Just to mention a few of the less sophisticated opportunities.

Also, there is a current trend to combine public and private activities through contract work in which such activities as pollution control, landscaping, cleaning public relations, etc., are done by private firms on behalf of public agencies.

The important thing is as we move away from the main reliance on major enterprise to the development of human services those persons and groups left behind in the American Industrial Revolution will have a second chance.

It is this second time around opportunity to be pioneers that could aid most the disadvantaged persons and communities that now suffer high unemployment due to automation and traditional handicaps of earlier discrimination and injustices.

The prosperity of these areas—and their economic development—depends on increasing the economic status of the residents. The consumer that business helps to get a spendable income becomes its customers.

Because of their late start, negroes were denied opportunities to obtain the experience, education, and skills to compete in the industries and professional fields. They were foreclosed in skills and trades and denied seniority in unions. They were unable to assembly the capital to undertake vast businesses.

Without denigrating the value of equal employment laws, it cannot be denied that our greatest progress is made in the atmosphere of an expanding economy.

Stating it another way: widespread unemployment stiffens the resistance and widens the gap between those "inside" and those—such as minorities outside trying to get in.

Facts speak eloquently on this point. Between 1964 and 1969, the negro family income gained on the white family income, from 54% to 61%. Since 1969—with high unemployment—the black income has dropped to 59% of white income. The loss is sustained, not by both but by blacks.

It is for this reason I believe that far more than civil rights legislation at this time, our greatest hope lies in such proposals as "full employment" in which both high levels of employment and business expansion are woven together to create new jobs in the primary labor market and to promote private enterprise activities that build a viable community structure.

In addition this means that job gains for blacks would not involve white losses, or that preferential treatment would be necessary to provide job opportunities. A legalistic form of equality despite its moral justification has not produced the results we anticipated. Its implementation and endorsement have lagged and its political support has eroded.

A full employment proposal to provide jobs for all willing and able to work was fully contained in the Murray-Wagner bill in 1945. It provided jobs for all with decent pay and opportunities for advancement. It contained a national commitment or a guaranteed right to such employment. As emasculated it finally became the employment act of 1946.

The present crisis demands that again we consider such a far reaching solution and alternative to current economic and manpower policies that are clearly not working in anybody's best interest.

Instead of forcing people into demeaning jobs or onto welfare why can't we provide jobs that are meaningful, socially constructive, and remunerative. And at the same time encourage business expansion, through proper incentives if necessary, to employ the millions whose services can contribute to high production, economic growth, and improving the standard of living of all Americans.

This idea may seem idealistic or even radical to some. In view of contemporary events: controls, devaluation, inflation, and energy crisis . . . nothing should shock our sensibilities or be immune from national discussion.

President Nixon in recent times has been photographed raising cocktail glasses with Brezhnev in the Soviet Union and eating with chopsticks in Red China. Apparently doing business behind the iron curtain and with the communist outweighs ideological differences.

It is surprising how fast we lose our biases . . . when greenbacks change from white to black hands or vice versa—detente (they now have given it a fancy name). The relaxation of tensions is strongly supported by America's most powerful corporations, including General Electric, Xerox, IBM, and Pepsico.

Gene Bradley (formerly with GE, now a Washington public relations executive) is quoted as saying of detente: "it's a terribly exciting thing, moving out on the world and forging ties—raising the standards of living in the less developed world."

Perhaps, who knows, we can expect detente out of both business and humanitarian considerations, to help us raise the standards of the 85 million Americans in this country who live on incomes below a level of decency.

And in the spirit of detente, it is reasonable to presume—black and white—can apply the high principles of doing business together in the field of race relations.

Let me again ask who needs the Negro? And this time to provide an answer. We might do well to consider the fact . . . that what impoverishes so many blacks also accounts for the low-income and loss in gross national product for a larger number of whites. Consequently what helps the Negro benefits others even greater.

Secondly, if we were to treat blacks as a national group for a basis of comparison with other people of non-Communist nations—their contribution to the gross national product rank among the top 10 nations.

Thirdly, the 22 million-person black consumer market—simply cannot be ignored by businessmen—large or small black or white.

Detente is indeed a viable progressive force for application on the American scene . . . as abroad. It simply makes good business sense—to say nothing of national security—for us to foster good will and cooperation . . .

Dear friends, let me say again how pleased I am to have returned to Shreveport and to receive such a warm welcome. Yours is a great city. You have the leadership and determination to progress. Now, allow me to end on this personal note with words from Carrie Jacob Bond's lyrics,

"For memory has painted this perfect day with color that never fades" . . .

Certainly, this day will always live in my memories and may God bless all of you and speed your progress.

LEGISLATION INTRODUCED TO STRENGTHEN AND IMPROVE OPERATION OF THE FREEDOM OF INFORMATION ACT (5 U.S.C. 552)

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I am today introducing a bipartisan bill to strengthen and improve the operation of the Freedom of Information Act. It is also cosponsored by other members of the Foreign Operations and Government Information Subcommittee. This measure is what could be considered the final marked-up version of the legislation (H.R. 5425) on which the subcommittee held hearings earlier this year. We will meet after Congress reconvenes in January to formally report this clean bill to the full Government Operations Committee.

H.R. 5425 contained a number of amendments to the existing Freedom of Information Act (5 United States Code 552), enacted in 1966. H.R. 5425 was based on the results of extensive investigative hearings held by the Foreign Operations and Government Information Subcommittee in 1972. Those hearings and the attending Government Operations Committee report (H. Rept. 92–1419) disclosed serious deficiencies in the handling of information by the executive branch of the Government.

The deficiencies were not limited merely to obstruction of the intent and purposes of the Freedom of Information Act, but also included poor policy control of classified information resulting in massive overclassification with no concomitant declassification schedule and failure of the executive branch to provide needed information to Congress.

I have already sponsored legislation to address the security classification problem. That bill, H.R. 12004, would implement the recommendations contained in H. Rept. 93–221, unanimously adopted by the Government Operations Committee in May of this year. It was introduced on December 18, 1973, and my remarks explaining its provisions can be found on page 42297–42298 of the CONGRESSIONAL RECORD of that date.

The ranking minority member of the Foreign Operations and Government Information Subcommittee, the gentleman from Illinois (Mr. ERLENBORN), is also introducing bipartisan legislation today to insure a free flow of information to Congress. I am pleased to be a cosponsor of that measure.

As noted earlier, the bill I am introducing today makes a number of changes in the original measure, H.R. 5425. The original bill contained extensive revisions to the Freedom of Information Act, including a rewriting of a number of the permissive exemptions in subsection (b) of the act. During the five days of hearings held on H.R. 5425 in May of this year, persuasive testimony was given that dealt with the way in which the Federal courts were interpreting these exemptions in freedom of information cases. This subject was also discussed at length during the open markup sessions held by the subcommittee during this summer and fall. A majority of the subcommittee members have finally concluded that the best course to follow is to recommend enactment of a series of procedural amendments to the Freedom of Information Act, without substantive amendments to the exemptions as contained in subsection (b) of the act. We have concluded that the Federal courts have, after 6 years and well over 200 reported and unreported cases, adequately resolved many of the problems caused by the language in a number of the subsection (b) exemptions. We feel that the courts are, by and large, reflecting the intent of Congress in advancing the public's "right to know" and that changes in this subsection at this time might tend to confuse rather than to clarify and might close some avenues of judicial interpretation.

A description of the new FoI amendments follows:

Agencies would be required to "publish and distribute" their opinions made in the adjudication of cases, policy statements and interpretations adopted, and administrative staff manuals and instructions to staff that affect the public rather than merely making them "available for public inspection and copying," as provided in the present law.

Agencies would be required to respond to requests for records which "reasonably describes such records." This language is substituted for the term "identifiable records," which we discovered was used by the bureaucracy in many cases to avoid making information available.

Agencies would be required to respond to requests under the act within 10 days—excepting Saturdays, Sundays, and legal public holidays—after receipt of the request and within 20 days—with the same exceptions—on administrative appeals following denials to the requesting party. These time periods are the result of a 1971 study and recommendations on improving the operation of the act as adopted by the Administrative Conference of the United States and would provide a positive mechanism to correct one of the most glaring deficiencies uncovered during our hearings—that of agency stalling and foot-dragging tactics to avoid public disclosure.

The Government could be required by the courts to pay "reasonable attorney fees and other litigation costs" of citizens who successfully litigate cases under the Act. This amendment is directed toward another major deficiency of the present law revealed during our hearings—the high costs to the average citizen when attempts to obtain records under provisions of the act are frustrated by arbitrary or capricious acts of the bureaucracy or by foot-dragging tactics. Such assessment would be at the option of the court and has been successfully used in numerous civil rights cases in past years.

Agencies would be required to file a responsive motion to citizens' suits under the act within 20 days after receipt. Under normal rules of Federal civil procedure, the Government is given 60 days to file such responses, although the private citizen has only 20 days to respond to Government motions; this amendment would plug a major loophole used by the Government and revealed in our hearings, involving cases where repeated filing of delaying motions by the Government stalled court consideration of Freedom of Information Act cases for as long as 140 days. Such stalling tactics make a mockery of the law and often make the information, if finally made available to the citizen, virtually useless to him.

A new provision proposed to section 552(a) would clarify the original intent of Congress in connection with the interpretation of the "de novo" requirements placed on the courts in their consideration of cases under the act. Such amendment is made necessary by the Supreme Court's decision in the case of Mink versus EPA, decided on January 22, 1973, when the Court held that judges may not examine in camera documents in dispute where the Government claims secrecy by virtue of exemption 552(b)(1), dealing with the national defense or foreign policy, and are not required to exercise such in camera judgment in cases involving exemption 552(b)(5), dealing with interagency or intra-agency memorandums. The amendments make it clear that Congress intended and still intends that "de novo" as used in the law means that since the burden of proof for withholding is on the Government, courts must examine agency records in camera to determine if such records as requested by the plaintiff in a suit under the act, or any part thereof, should be withheld under any of the nine permissive exemptions of 552(b). It also makes it clear in cases where exemption 552(b)(1) is claimed by the agency, the Court must examine such classified records to see if they are a proper exercise of such Executive order classification authority and that disclosure of the information requested would actually be "harmful to the national defense or foreign policy of the United States."

New Section 552(D) establishes a mechanism for congressional oversight by requiring annual reports from each agency on their record of administration of the act, requiring certain types of statistical data, changes in their regulations, and similar types of information.

Finally, Mr. Speaker, the bill provides that these amendments shall take effect 90 days after enactment so as to provide adequate time for the executive agencies to promulgate necessary changes in their regulations and operational guidelines.

I am hopeful, Mr. Speaker, that the Government Operations Committee will act favorably to report this important measure to the House early in the next session so that we may act promptly to enact these meaningful amendments to the Freedom of Information Law to make it a more workable and effective instrument to help restore confidence in our governmental processes.

DEEP OCEAN FLOOR HARD MINERALS ACT

(Mr. DOWNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DOWNING. Mr. Speaker, early in the second session, I intend to introduce the Deep Ocean Floor Hard Minerals Act, which will promote the conservation and orderly development of the hard mineral resources of the deep ocean floor. This bill is similar in intent to H.R. 9, which I introduced at the beginning of the present Congress. However, the details of the bill have been substantially revised in accordance with the extended hearings that have been held on H.R. 9, together with hearings on the same subject in the 92d Congress.

Mr. Speaker, we are living in an energy crisis, which has been highlighted by the fact that certain foreign nations have decided to restrict the availability of their oil resources to the United States. Without getting into any discussion as to the merits of the resource policies of those countries, I would merely like to note that the United States cannot afford to rely entirely on the policies of other nations. We have discovered that when the perceived needs of differing nations come into conflict, even nations which have been considered "friendly" may not be entirely sympathetic to the national needs of the United States.

There is a similar situation which exists for the United States in its need for mineral resources. Despite the vast mineral resources available domestically, there is increasing evidence that the development of the domestic resources is not keeping pace with domestic demand. At the same time, this Nation is encountering steady increasing international competition in the acquisition of foreign raw materials.

In addition, expropriation, confiscation, and forced modifications of agreement have severely restricted the flow or increased the cost of some foreign materials and there is evidence that security of access to foreign minerals may increasingly be hostage to political accommodations unrelated to the best interest of this Nation. At the same time, there is an alternate source of mineral raw materials which are available to the United States in economically workable concentrations. That source lies in the ocean floor manganese nodules which are found in varying percentages up to several pounds per square foot and in varying assays. The prospect of realizing deep ocean mining is no longer illusory, but is now on the brink of reality. The purpose of this legislation is to bring that reality into being.

For the past few years, ocean mining technology has progressed to the point where private U.S. companies and foreign entities have become increasingly active in the ocean area. The foreign entities are often strongly and directly supported in their efforts by their governments.

The Mining and Minerals Policy Act of 1970 affirmed that it was in the national interest to foster and encourage private enterprise in the development of economically sound and stable domestic mining, minerals, metal and mineral reclamation industries. The bill which I am introducing is consistent with that affirmation.

Domestic mining interests in the United States engaged in the evaluation of deep sea mining of manganese nodules, which could provide the United States with a secure source of supply of several minerals including manganese, cobalt, nickel, and copper, are at the stage where large investments must be made in order to achieve the capacity for commercial exploitation. At the same time, there are problem areas of a legal and political character which represent serious impediments to the domestic development of seabed minerals. President Nixon recognized this fact in his statement of May 23, 1970, in which he called for an interim policy to promote the orderly development of seabed resources, pending international negotiations to arrive at international solutions to the problem. This legislation is very similar to the thrust of his proposal.

The major objection to the enactment of legislation of this type, as developed during previous hearings, rests on the fact that the United Nations is also concerning itself with this problem area and it is a matter which is proposed for resolution at the Law of the Sea Conference which is expected to take place during the course of the next 2 years. While I am entirely sympathetic with the solution of this problem on an international basis, I am somewhat less than optimistic as to the date of final international solution. The matter has been under detailed consideration in the United Nations Seabed Committee, in both its ad hoc and permanent status, since 1967. The work of that committee has still not produced sufficient agreement to encourage optimism for the Law of the Sea Conference. In that regard, I sincerely hope that I may be wrong, but in the meantime, I firmly believe that it is now time for this Nation to make a decision on how long we should wait before we begin the utilization of these available minerals which our economy may desperately need in the not too distant future.

With the introduction of this legislation, and with additional hearings on its detailed provisions, I feel certain that we can solve a national problem and at the same time make adequate provision for merging our national efforts into whatever international regime may be agreed upon in the future, whatever the exact date of that accomplishment.

I am hopeful that both this House and the other body can give early and favorable consideration to this proposed legislation early in the second session of the present Congress. We have thus far delayed action for 2 years in order to enable the international community to reach agreement. It seems to me that it is now time to put the international community on notice that the time for debate and rhetoric is drawing to a close, that the United States intends to continue the development of its technology in this area, and that unless an international agreement can be reached by the end of 1975, the United States intends to take independent action to insure that deep seabed minerals are utilized to satisfy pressing needs.

RETIREMENT OF ANDREW E. RUDDOCK FROM GOVERNMENT SERVICE

(Mr. BOLAND asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BOLAND. Mr. Speaker, I would like to take a few moments to recognize the outstanding contribution that Andrew E. Ruddock has given to Government service.

I first met Andy when he appeared to testify before the Appropriations Subcommittee on which I served years ago. The Congress was concerned at the time with the growing insolvency of the Civil Service Retirement and Disability Fund, and we were concerned with the long-range consequences of the escalating liabilities that surely would come in a relatively few years. I was impressed with his depth of understanding of complicated matters, and his ability to clearly explain and communicate this understanding.

In large measure through his efforts, at the urging of our committee and with the cooperation of the Post Office and Civil Service Committee, legislation was enacted to place the Federal retirement program on a reasonably sound financing basis.

Mr. Ruddock is taking the retirement he has so richly earned at the end of this month, after 34 years of Government service, and his good counsel and administrative ability will be difficult for the U.S. Civil Service Commission to replace. Without question, he is one of the Commission's most dedicated employees. In 1961 he was awarded the Commissioners' Award for Distinguished Service.

Mr. Speaker, it is a great pleasure for me to recognize the dedicated service of people like Andy Ruddock to the Government and the Nation. We wish him our sincere best wishes for many years of full and rich retirement and service in other areas in the years ahead.

ETHICS AND THE WHITE HOUSE TAPES

(Mr. RHODES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RHODES. Mr. Speaker, I am certain that many Members of Congress shared my extreme distress over the recent revelation that a lawyer associated with the well-respected Ralph Nader played one of the subpoened White House tapes at a Washington cocktail party.

The lawyer in question has admitted the folly of his action, and I have no reason to believe that his regret is insincere. However, we do well to reflect on this incident, as it underscores the importance for everyone connected with the Watergate investigation to proceed in a responsible manner.

The President of the United States has articulated effectively the need to preserve the confidential nature of conversations which take place between the President and other individuals. Without this confidentiality, it would be exceedingly difficult for any President to conduct the business of the people.

It was shocking and distressing that this position, which I feel that most Americans consider to be reasonable, was eroded through the actions of a member of the legal profession.

In my judgment, Mr. Speaker, it is absolutely essential that everyone connected with the Watergate investigation conduct his business in a responsible manner, not just the President of the United States.

I am inserting the Associated Press story which appeared in yesterday's Washington Post which details this unfortunate incident.

NADER LAWYER PLAYS NIXON TAPE "FOR FUN"

A White House tape turned over to a Ralph Nader lawyer last week was played "for fun" at a cocktail party Monday night, ABC News has reported.

The tape was one of those the Ralph Nader organization had sought in its legal battles with the Nixon administration charging favoritism to the dairy industry in exchange for campaign contributions.

After fighting subpoenas for the tapes for months, the White House released this copy last week to attorney William Dobrovir, a Nader lawyer.

ABC News said Tuesday that Dobrovir played the recording at a cocktail party, but refused to play it for ABC Tuesday.

Nixon Press Secretary Ronald L. Ziegler said Dobrovir's action sounded unethical or illegal. A spokesman for special prosecutor Leon Jaworski expressed outrage, ABC said.

"That's just what we were worried about. Watch what the White House does with this now," the spokesman said. Dobrovir could not be reached immediately for comment.

COORDINATION OF THE FINANCING AND DELIVERY OF HEALTH CARE

(Mr. ROGERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROGERS. Mr. Speaker, my distinguished and influential colleague and fellow member of the Public Health and Environment Subcommittee of the House Interstate and Foreign Commerce Committee, the Honorable Dr. William Roy, delivered a thought-provoking speech on national health policy before a meeting of the National Association of Blue Shield Plans on October 26, 1973, in Chicago. In his speech Dr. Roy, who often provides our subcommittee with alternate approaches and views on health issues, points out that for health reform to become a reality, greater coordination must take place between the financing and delivery of health care.

Mr. Speaker, I would like to insert a copy of Dr. Roy's speech in the CONGRESSIONAL RECORD for the benefit of my colleagues:

Mr. Chairman and Mr. Krizay, my distinguished colleague of the Senate, Senator Hansen, Ladies and Gentlemen: I am pleased to be here with you this morning. I have heard the jingle before about doctor, lawyer, Indian chief. I have also heard the rest of it, which is something about poor man, beggar man, thief—as I recall.

I appreciate Senator Hansen addressing me as Dr. Roy. I would be very comfortable if he addressed me as Bill. We all know it is a little difficult these days to be addressed as a politician. And I am well aware that physicians, thank God, for the most part still have the confidence of the people in the nation. Among the professions and occupations, physicians are well thought of by the people of this country.

I am often asked if I had any advantage going to the House as a physician, and I think I did have some advantage. I believe that because I am a doctor, the members of the House were somewhat curious to meet me when I went there three short years ago. I think, however, the Members of the House—who, as most of you know, are mostly male and mostly elderly—soon became disillusioned when they found out I was an obstetrician and gynecologist . . . and not a urologist. But you can't win them all.

I am pleased that I am not up here to represent, necessarily, the views of the House of Representatives, because I am uncertain what those views are. I am reasonably certain, however, that the views of the majority of members at this time do not concur with my views, and therefore I speak only for myself. I do not even claim to speak for the members of the Health Subcommittee, although I think that in a number of areas I will discuss there is a considerable sympathy in the House Health Subcommittee for the policies that I am going to state.

I have—over three years—begun to formulate some idea of what I think National Health Policy should be. This is a pretty presumptious thing to do from several viewpoints, but primarily because as the junior man on the Health Subcommittee, I certainly do not have any power to implement the things that I think should happen; I have to rely primarily on the power of persuasion. And as one who used to be able to get by simply by saying "it's a boy" or "it's a girl," it is somewhat difficult for me to make long speeches. But, let me take a shot at it, relatively briefly.

I believe that there are about four pieces of legislation that could very well fit together to form a reasonably attractive package of legislation as we try to move toward a National Health Policy.

PSRO Legislation. I think the legislation which created the Professional Standards Review Organizations, a law which is already on the books, is probably a good law. We hope it will be implemented and administered in such a way that we will be able to conclude that it is a good law. I have had little part in it. In the House, we just received the proposal as a part of a Conference Committee report.

But I believe the PSRO law does address itself to quality, and I think we would be sticking our heads in the sand if we did not also realize that it addresses itself—to some degree—to cost. I believe we all believe that when the government is paying the bill, or when other third-party payers are paying the bill, it is reasonable to ask whether or not the contract between the patient and the health professional is a necessary contract. I also believe it is also reasonable to ask whether or not the care was proper care for the diagnosis made. My understanding is that this is what we are to determine with Professional Standards Review Organizations. It is also my understanding that the foundation movement in this nation has found that about 5 to 12 per cent of care was either improperly rendered or was unnecessary. So I would think we can anticipate some decrease in the cost of care with the establishment of effective PSROs.

HMO Legislation. I think the HMO legislation which is now in conference is reasonably good legislation. I believe it is proper for the federal government to assist Health Maintenance Organizations. I think it is good for the federal government to define what we now think a Health Maintenance Organization is, because this is such a protean term . . . it is presently difficult to define an HMO.

I think wherever there have been prepaid practices, the balance of the medical care system—the private fee-for-service physician, the private voluntary hospital, the corner pharmacist, and so on—has done a better job of peer review and a better job of utilization review. I have total confidence that the system as we now know it can, with certain changes, do every bit as good a job as an HMO. Of course, in many instances, it will do a better job with HMOs, since health maintenance organizations introduce an element of competition at the proper point for competition.

May I also observe that among health professionals there is presently a great deal of good will. I also think that there is a great deal of innovation going an among groups of health professionals, among provider insurance groups, and among the other health interest groups. I believe this is a good time to harness the good will and the innovative ideas. The HMO bill moves in this direction without putting anyone in a bridle or a harness in such a way they cannot continue to move with some freedom.

Regional Health Authority Legislation. I now would like to discuss an important proposal about which I have been speaking for several months. It is not law. Some of the elements I have been talking about probably will not become law, but a number of the points will. The proposal deals with what I term Regional Health Authorities.

I believe that we cannot much longer go on with the horror stories that we all have heard about the duplication of facilities, about the under-utilization of services in many areas, about the fact that we just do not have good planning to bring primary care or often times secondary and tertiary care to the people of this country. It is apparent we need to do something more than we have been doing. Comprehensive health planning has been law for nearly six years. In many places there are good programs. States have taken initiatives in many areas, and many have done a good job. But this has not been enough.

CHPs have not worked well for several reasons. One very simple reason is that they have been underfunded. Another reason is that the salaries in CHP state agencies have been tied to State Civil Service salaries. You people here hire many of the good people, because you can pay the salaries. CHPs too often get what is left over among those technical experts that are necessary for health planning.

The B agencies have to come up with matching money—usually from a health interest group—to share the expenses with the federal government. Special interest groups may, in this way, capture the B agencies.

I would admit very freely that if I am severe in any area, I am severe in the area of planning. But I will remind you that what I am presenting is a legislative proposal, an idea we are submitting for hearing and for your contribution and the contributions of others. We are putting forth an idea for the consideration of the balance of the Congress. This is what I am doing as far as Regional Health Authorities are concerned. I feel strongly that we should plan regionally.

I understand it is probably best to change the word from regional to local. I am told that I have a very bad concept in Regional Health Authorities because region is a bad word, and authority is a bad word, and the only good word I have in the title is health. Probably we will end up calling these entities local health agencies. In the real sense they are local, but not quite as local as maybe the first perception of the word local might be.

I am talking about a Regional Health Authority for a geographic area containing a population of about one-half million to three million people. I would hope a Regional Health Authority would have excellent technical input.

I would like to see the agency be able to formulate a short-term priority plan outlining the things that are most needed within the geographic and population area. I would like to see the Authority also be able to set long-term goal plans for the area. Then I would like to see them have some power to implement those plans.

In other words, I do not think it is enough to just have the negative power of denying a certificate of need. Such legislation has been passed by a number of states, but that is not enough. I think the authority or agency should be able to reach out and help see that its plans are implemented.

In order for the RHA to have enough money to hire the experts, I would like to see an entitlement of 75 cents or one dollar per individual in the area. So if there are one million people in the region, there would be available one million dollars per annum for planning and implementation. This is very close, by the way, to an estimate study done in HEW which indicated that we needed probably at least $150 million for our present CHP program—a program which, as most of you know, got less than $30 million last year, and which is scheduled to get little more than $35 million this year, about a fifth of what is needed.

In addition, I would like to see the RHA do three other things. I would like to see all federal money granted to the region channeled through the RHA so that we do not go through what we have been through again and again; that is, having a federal health care program here and a federal health program there, and so forth. Frequently none of them knows that the others exist, and often does not speak to the others if it knows they exist. We went through this with drug programs; thirteen agencies and departments had drug programs—sometimes 400 yards apart—and often one did not know the other one was there. Consequently, I would like to see federal money channeled through this organization in order to coordinate and rationalize the expenditure of federal dollars.

I would also like to see this organization certify and recertify services within health care institutions. I am thoroughly convinced that in most metropolitan areas one will find 12, 15, or 18 OB services, for example, with under-utilization in a great number of them, delivering less than the 1,600 babies a year that the American College of Obstetrics and Gynecology says you must have to have efficiency for around the clock services. The Regional Health Authority could say: "Three years from now we are going to have only eight OB services, not 15 OB services. You folks get together out there and decide who is going to continue and who is going to discontinue services." In addition the RHA might stipulate that each one of these OB services would have an intensive care newborn service and would measure up to certain other standards. This could be done with emergency rooms, physical therapy departments, cardiac care units, and on down the line. I believe that it is absolutely necessary that this determination—called certification and recertification—be done.

In addition, I would like to see the regulation of institutional expenditures by the 100 or 200 Regional Health Authorities in this nation. Now no regulatory scheme is very good. All have dangers. But I believe my proposal is preferable to what we have faced and are facing at the present time.

We are facing the Cost of Living Council saying you can increase your expenditures in health care institutions only 7½ per cent per institutional stay. However, if you have some special reason, you can increase them by another per cent. States also propose to regulate rates and expenditures. We are seeing third-party carriers, I think very admirably, trying to regulate expenditures, or at least a contract, with health care institutions in order to have more predictable expenditures. And there are, of course, Medicare and Medicaid regulations. Right now, I do not know how a hospital accountant can do anything sensibly simply because he is bombarded with so many different rules and regulations.

We would like to see a prebudgeting process done by the RHA. I know this is putting a lot of eggs in one basket.

I would like to speak briefly about structure. Right now, we believe RHAs should be primarily intrastate, rather than interstate. I believe that if we did not have states at the present time we would have to discover them as governmental units. Therefore, powers should remain with states whenever possible.

I am thoroughly convinced that for RHAs to work we have to have excellent cooperation with state governments. And thirdly, I do not want another unit of quasi-government standing out somewhere by itself with no connections to anyone. I would support, by compact, the creation of interstate RHAs where such agreements are reached. I would like to see the regions be the same as PSRO regions, but I do not know at this time what PSRO regions are going to look like. If the regions were the same, we would be doing planning and quality evaluation within the same geographic unit. I would like to spend at least another 20 minutes talking about my ideas about RHAs, but I won't. I would like to speak briefly about National Health Insurance.

NHI Legislation. My overriding feeling in the national health insurance area is that I believe very firmly that we should not depend on federal dollars for purchasing health care services. If we depend on federal dollars for health care services, I am thoroughly convinced that we won't have enough dollars and we will have low quality health care. This is principle number one as far as I am concerned, and thus I would like to see the financing of health care come from many sources. Therefore, I would like to keep you people, Blue Shield, and I would like to keep the health insurance companies, to play an important role in national health insurance. I do not want to have Washington paying for or administering national health insurance.

I will propose a three-part National Health Insurance Plan covering the population under 65. I would leave Medicare in place. I would like to see mandated third-party coverage for employees. This means that every employee would have to have a certified policy. This policy would have to have minimal coverage and that minimal coverage must be broad enough to permit progressive care including pre-hospital and post-hospital care. We all know what has happened for the last 20 years. People were sent to the hospital because their insurance would not pay the bills elsewhere.

I would like to see a state-wide privately managed pool, for small employers, for the self-employed, for the uninsurable, and for the poor. This would require a lead insurance company, or a consortium of insurance companies.

Finally, I think we all know we have to do something about the poor. I would like to see the federal government pay the premium cost for the poor, and where necessary, the government should pay any coinsurance and the deductibles. I believe we will need coinsurance and deductibles. My bill would provide universal entitlement. It would not provide universal coverage. Our best estimates are that it would probably provide coverage in excess of 95 per cent. This is the basic principle that our National Health Insurance plan will follow.

Now, having discussed my proposal for National Health Insurance, I am going to make comments on, which I probably should not make on, the Long-Ribicoff proposal. The reasons I should not make comments is that Long-Ribicoff is probably the most politically attractive bill to come down the pike in a long time. The majority of the Senate Finance Committee is on the Long-Ribicoff bill.

My objections to this bill are at least twofold. My first objection is that while I recognize fully the need for catastrophic health insurance, in Long-Ribicoff catastrophic health insurance is going to be paid for out of the Social Security Trust Fund. We will be spending many more federal dollars for health care, and for the first time we will be paying bills for a population of all ages—almost regardless of their inability to pay.

The only qualification is that they have over $2,000 in expenses. My feeling is that this catastrophic eligibility figure will be lowered and lowered.

At the very least, it will never be decreased. We know what happens with inflation. $2,000 is not going to buy more than 70 per cent of the health care three or four years from now that it buys today. Without actually lowering the eligibility figures, we would effectively lower that figure under any circumstances and thus effectively increase the amount of health care that the federal government is paying for.

I am also convinced that one of the great reasons that you do not sell much catastrophic insurance—and nobody else does—is that our people are oriented to any payoff that comes frequently, that is, first dollar coverage. No one likes to hold insurance policies that never pay off and appear that they never are going to pay off.

With one family in 50—or one family in 20—receiving the Long-Ribicoff catastrophic benefit, after paying the increased payroll tax, there is going to be a demand from people that the eligibility be lowered to $1,800, $1,500, or $1,200.

I see it as being—indeed as it has been called—incremental. I see Long-Ribicoff being the final increment toward the federal government paying for 70, 80, 90, and someday 100 per cent of all health care services. I do not believe that we can afford to get ourselves in that position in this country or we will be certain to not have enough dollars to have quality health care.

These are my basic objections to the catastrophic proposal. Another objection is that free standing catastrophic places the emphasis on the wrong end of the health care spectrum. I know catastrophic insurance must come. But it should come as a part of a total payment mechanism. When I talk about a certified policy under our national health insurance proposal, this certified policy would include catastrophic coverage in addition to comprehensive coverage.

Let me add about two other things about Long-Ribicoff. Medicaid needs to be a federal program. But I think if we are ever going to have fairness and equity in programs for poor people, poor people are going to have to hold the same health insurance policies as everybody else. I agree with Wilbur Cohen when he said that programs for the poor are poor programs. And I am just as positive that if we have to go to the budgetary OMB-appropriation process—as we would under Long-Ribicoff—to get enough money for programs for the poor, we will never get it. It is the same principle as the earlier statement I made that if we look to the government for enough dollars for health care services, we will never have an adequate number of dollars. Thus, I am opposed to federalizing Medicaid as a separate program for the poor.

I agree with one of the better health care planners whom I saw the other day. He said to me: "If you set out to design the poorest legislative proposal possible, you would come up with Long-Ribicoff." This is true in the context in which he spoke—the content of the program. However, if you wanted to design the most politically attractive program in the world, you might well design Long-Ribicoff.

I am very much aware of the political future in the sense that Long-Ribicoff may become law. It would be liked very much by the people initially. There could be a bunch of my political opponents running around and saying here is Long-Ribicoff, which Dr. Roy did not want. But I just do not think it is a good program. And I think it needs a lot of opposition because of its political attractiveness, coupled with its potential disastrous results for the health care of the American people.

Having said those things, I will be looking forward to your questions. I want to say I respect you very much; I think you have done an excellent job through the years. The people who I work with in your organization—and I see several of them in the audience—have always leveled with me . . . maybe with a little bias—only a little bias.

SO-CALLED WATERGATE INVESTIGATION

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, now I know what the Senate Watergate Committee wants with 300 or 400 additional White House tapes, which the Washington Post reported would be subpoenaed by the committee.

After reading in the paper yesterday and today that one of the attorneys for Nader's Raiders played one of the subpoenaed White House tapes at a cocktail party, I can only conclude that there are going to be some 300 or 400 "out to get Nixon" cocktail parties in Washington during the holiday season; and the tapes would be used to furnish entertainment for the gatherings.

Can the American people feel confident that the so-called Watergate investigation is on the up and up? And that a fair and impartial investigation is being conducted? We have already learned that Archibald Cox was leaking confidential information to the press on the sly; the Senate Watergate Committee is like a sieve when it comes to confidential and classified information; and now confidential and personal tapes of the President are providing entertainment on the Washington cocktail circuit.

GENERAL AVIATION VERSUS VOLKSWAGEN

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, during the past few weeks, there have been numerous discussions, news articles, Presidential statements and speculations about fuel allocations to general aviation.

Many Members and most of the general public simply do not fully understand general aviation, its function, its mission, and its contribution to our economy. Furthermore, most do not know the true picture concerning the amount of fuel it uses.

Instead of wasting fuel, this segment of transportation is one of the most efficient—fuel wise—that we have.

I asked the General Aviation Manufacturers Association to contact all aircraft manufacturers and to render a report that would specifically detail each aircraft model's energy efficiency rating. I further asked them to specify and compare the efficiency, in seat-miles-per-gallon, with commercial airline-type aircraft.

Each Member can compare the efficiency of these airplanes with that of his own automobile.

The special report compiled by the General Aviation Manufacturers Association is included herein for the RECORD:

COMPARISON OF AIRCRAFT FUEL EFFICIENCY

[Definitions: SEP—Single-engine piston; TEP—Twin-engine piston; TP—Turboprop; TJ—Turbojet ("pure" jet); BUS—Business use; PER—Personal; AA—Aerial application; AT—Air taxi; IS—Industrial special; FT—Flight training]

Aircraft	Engine	Typical passenger seat configuration	Mi/gal	Seat mi/gal	Principal type of use
Cessna Turbo 210	SEP	6	13.4	81	BUS/PER.
Beech V35 Bonanza	SEP	6	13.3	80	BUS/PER.
Piper Cherokee "6"	SEP	7	11.4	80	BUS/PER/AT/IS.
Piper Twin Comanche	TEP	6	13.3	80	BUS/PER.
Beech Sierra 24R	SEP	6	13.2	79	BUS/PER.
Cessna Turbo 207	SEP	7	10.7	75	BUS/AT/PER.
Swearingen Metro	TP	22	3.3	72	AT/BUS.
Cessna 180 Skywagon	SEP	6	11.4	68	BUS/IS/AT.
Cessna 172 Skyhawk	SEP	4	17.0	68	FT/AT/PER/BUS.
Cessna 206 Stationair	SEP	6	11.2	67	BUS/AT/PER/IS.
Piper Arrow 200	SEP	4	16.5	66	BUS/PER.
Rockwell 112	SEP	4	16.2	65	BUS/PER.
Bellanca Viking Turbo	SEP	4	16.2	65	BUS/PER.
Cessna Skywagon 185	SEP	6	10.7	64	BUS/AT/IS.
Cessna Cardinal RG	SEP	4	15.8	63	BUS/PER.
Piper Navajo Turbo	TEP	9	6.9	62	BUS/AT.
Piper Seneca	TEP	7	8.9	62	BUS/AT/FT.
Piper Cherokee 235	SEP	4	11.1	62	BUS/PER.
Grumman Traveler	SEP	4	15.3	61	PER/FT.
Douglas DC-8-62		230	.26	60	Air carrier.
Piper Cherokee 140	SEP	4	14.7	59	PER/FT/BUS.
Beech Sport 19	SEP	4	14.6	58	PER/FT/BUS.
Piper Cherokee 180	SEP	4	14.3	57	BUS/PER/FT/AT.
Cessna 177/Cardinal	SEP	4	14.2	57	BUS/PER.

COMPARISON OF AIRCRAFT FUEL EFFICIENCY—Continued

[Definitions: SEP—Single-engine piston; TEP—Twin-engine piston; TP—Turboprop; TJ—Turbojet ("pure" jet); BUS—Business use; PER—Personal; AA—Aerial application; AT—Air taxi; IS—Industrial special; FT—Flight training]

Aircraft	Engine	Typical passenger seat configuration	Mi/gal	Seat mi/gal	Principal type of use
Cessna 402	TEP	8	7.1	57	BUS/AT.
Douglas DC-10		255	.22	56	Air carrier.
Beech Kingair 100	TP	15	3.6	54	BUS.
Beech Sundowner 23	SEP	4	13.2	53	BUS/PER.
Beech 99	TP	15	3.5	53	AT/BUS.
Boeing 737-200	TEP	109	.48	52	Air Carrier.
Cessna 414	TEP	7	7.4	52	BUS/AT.
Cessna Skymaster	TEP	6	8.5	51	BUS/AT.
Cessna 421	TEP	8	6.3	50	BUS/AT.
Beech B55 Baron	TEP	6	8.2	49	BUS/AT/FT.
Boeing 747-200		374	.13	49	Air carrier.
Cessna Turbo 310	TEP	6	8.1	49	BUS/AT/FT.
Piper Aztec Turbo	TEP	6	8.0	48	BUS/AT/FT.
Grumman AA-1B Trainer	SEP	2	22.3	45	FT/PER.
Cessna Skylane	SEP	4	11.2	45	BUS/FT/PER.
Cessna 340	TEP	6	7.4	44	BUS/AT.
Douglas DC-9-30		103	.42	43	Air carrier.
Boeing 727-200		131	.32	42	Do.
Rockwell Shrike 500S	TEP	7	6.0	42	BUS/AT.
Cessna 150	SEP	2	20.5	41	FT.
Boeing 707-300B		157	.26	41	Air carrier.
Beech King Air C90	TP		4.0	40	BUS.
Rockwell 690	TP		4.4	39	BUS/AT.
Swearingen IV	TP		3.3	39	BUS.
Bellanca Citabria	SEP		18.7	37	PER.
Beech Duke 60	TEP		6.3	37	BUS/AT.
Boeing 727-100		103	.35	36	Air carrier.
Boeing 707-120B		137	.22	30	Air carrier.
Swearingen Merlin III	TP	8	3.4	27	BUS.
Piper Supercub	SEP	2	12.8	26	IS.
Rockwell Sabre 75	TJ	12	2.2	26	BUS.
Boeing 720		131	.19	25	Air carrier.
Gates Learjet 25B	TJ	10	2.3	23	BUS.
Rockwell Sabre 40	TJ	9	2.5	22	BUS.
Cessna Citation	TJ	8	2.8	22	BUS.
Grumman GII	TJ	19	1.0	19	BUS.
AG Pickup	SEP	1	9.2	9	AA.
AG Wagon	SEP	1	8.8	9	AA.
AG Truck	SEP	1	8.8	9	AA.

Note: Airline fuel usage based on 1,000-mile trip (CAB block range). General aviation fuel usage based on point-to-point at 75 percent cruise power (or maximum recommended power for turbine aircraft) with no climb/decent allowance.

PRESIDENT'S EXCESS PROFITS TAX A SHAM

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, the President has just recommended a proposal to reach excess profits in the oil industry. But the administration's proposal is a sham approach to the problem. It is hardly likely to reach excess profits.

Under the administration's scheme a base price for crude oil will be established. It is likely to be roughly $4.25 a barrel—the posted rate as of December 1, 1973. The President wants to impose a graduated tax on price increases over that base price. If the price rises $1, a tax of 7.5 cents a barrel is levied. The tax rate goes up so that an increase of $2.50 is taxed at a rate of 85 percent.

The President's proposal is not really an excess profits tax. It is a tax in the nature of a graduated excise tax. As an excise tax, it will be treated as an additional cost of production and passed on, dollar-for-dollar, to the consumer. It will in no way touch oil profiteering.

The revenue hopes of this proposal will remain only if the original base price remains the same. But as the base price is increased, the tax revenues will phase out. Prices to the consumer will spiral and the impact of the tax as a profit-controlling mechanism will be illusory.

The proposal is a flimsy smokescreen in the name of an excess profits tax. It does not deal with the question of profits in the oil industry. It is an intricate device to sock the consumer and let the profits roll on. The oil industry itself could not have written a better proposal. I hope the Congress will see through this smokescreen.

U.S. NUCLEAR TECHNOLOGY ON THE INTERNATIONAL MARKET

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, recent media reports concerning decisions in the nuclear field bring back sharply a comment the President made when he met with some of the Members of Congress on November 7. He said that he could not understand why this Nation, which had invented nuclear power and has pioneered nuclear powerplants to generate electricity, is slower than other nations in applying nuclear power. He referred to a goal of cutting down the time of construction of nuclear powerplants from the present 10 years to 6 years. This still is greater than some of our foreign friends; for example, Japan has placed nuclear powerplants in commission in less than 5 years.

The media reports I referred to concern decisions by foreign nations in favor of U.S. nuclear power technology. For example, it has been reported that the British, who pioneered in the development of gas cooled reactor technology, are now shifting to the U.S. water cooled technology. In addition, the French, who also developed different technologies—both heavy water and gas cooled reactors—have apparently recently made a decision to build the U.S. type light water reactors. These nations joined a large number of other nations in adopting U.S. reactor technology.

I might add that European nations in general are greatly accelerating the construction of nuclear powerplants since they have faced the issue of growing oil shortages. As I stated last week—CONGRESSIONAL RECORD December 13, 1973, page 41329–41330—this Nation has no alternatives either but to build additional nuclear power and coal plants if we are to meet the energy requirements over the coming decade and beyond.

SALUTE TO CONGRESSMAN JOE MOAKLEY

(Mr. STOKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STOKES. Mr. Speaker, I have long maintained that our Nation's priorities are terribly displaced. And that this administration has not seriously addressed this displacement.

And so we have tried to do better for all Americans, regardless of race, color, or creed, who suffer from this distortion of priorities.

In this effort we have been joined by an ever-increasing number of concerned colleagues. This is especially true with regard to many first-term Congresspersons.

Mr. Speaker, it is rare to see a freshman Congressperson take an assertive role on so many matters of interest to the black community—both by his or her voting record on the floor of the House of Representatives and with the bills he or she has introduced, but we have certainly witnessed such an event with several freshmen Congresspersons in 1973.

One such concerned legislator is Joe Moakley of Boston.

Joe Moakley's Massachusetts Ninth District is probably one of the most ethnically, economically, and racially diverse congressional districts in the country.

When Joe Moakley campaigned for Congress in 1972, his message to the voters was simple: "I want to give everyone a fair shake."

Joe has been true to his words.

In only his first year as a congressman, Joe has worked hand-in-hand with my colleagues on the Congressional Black Caucus introducing major legislation which affects black Americans all over this great country.

On more than 50 major rollcalls of the House this year, Joe has clearly demonstrated that his heart lies in the right place—and his concern for the disadvantaged, the downtrodden and those who have not had the same opportunity as many other Americans.

From his vote to maintain the National School Lunch Act to his vote against the confirmation of Vice President Gerald Ford, Joe Moakley has consistently respected and met the legitimate needs and expectations of his black constituents.

Along with cosponsoring numerous bills with members of the Black Caucus, Joe has worked with national civil rights organizations ranging from the Leadership Conference on Civil Rights to the NAACP, as well as Boston's Action for Community Development—ABCD—program.

Granted Joe has not been with us on the issue of busing and several others, but on almost every issue that counts to black Americans—from voting against Gerry Ford to voting for school lunches—Joe has and will respect and meet the legitimate needs and expectations of his black constituents.

He was the first Congressman in Boston's history to open a district office in Roxbury, in order to more effectively service his black constituents. And he has five blacks on his personal staff.

By working closely with the Massachusetts Black Caucus and other community organizations and groups, Joe has shown his commitment to fair representation for all Americans and a deep inner sensitivity to black Americans.

I commend his record to my colleagues with a profound "thank you" to Congressman Joe Moakley.

During the first session of the 93d Congress, Joe sponsored more than 2 dozen bills and letters with members of the Congressional Black Caucus. That is a record that puts Joe in the top 1 percent of Congress. These actions include:

APPROPRIATIONS

H.R. 5122.—Letter urging President Nixon to release funds needed for summer neighborhood youth corps program with Congressman Louis Stokes of Ohio.

H.R. 8897.—Measure to authorize funding of the Office of Economic Opportunity at the same level as last year with Congressman Charles Rangel of New York.

CIVIL RIGHTS

H.R. 9642.—Establishment of voter registration administration with Congressman Charles Rangel of New York.

October 17.—Letter to Secretary of State Kissinger about repression in Chile with Congressman Parren Mitchell of Maryland.

H.R. 10602.—Reduction of crime by involving citizens in crime-prevention with Congressman John Conyers of Michigan.

COMMERCE AND TRADE

H.R. 8574.—Prohibition on exporting herbicides to South Africa and Portugal with Congressman Charles Rangel of New York.

H.R. 10541.—Reduction of air pollution in the airways with Congresswoman Yvonne Burke of California.

CRIME

H.R. 8498.—Provides penalties for robbery of narcotic drugs from drug stores with Congressman Robert Nix of Pennsylvania.

H.R. 10602.—Reduce crime by involving citizens of local community with Congressman John Conyers of Michigan.

EMPLOYMENT

H.R. 3984.—Continues the public service employment program with Congressman Augustus Hawkins of California.

H.R. 5707.—Continues the Office of Economic Opportunity program at the present level of funding with Congressman Augustus Hawkins of California.

FOREIGN AFFAIRS

House Joint Resolution 269.—Forbids any government contracts to U.S. firms whose subsidiaries engage in unfair employment practices in South Africa with Congressman Charles Diggs of Michigan.

H.R. 4209.—Forbids discrimination by foreign and domestic air carriers. Penalty: loss of license to operate in the United States—with Congressman Charles Diggs of Michigan.

GOVERNMENT OPERATIONS

H.R. 5398.—Prevent Office of Economic Opportunity dismantlement by suspending authority of OEO director with Congressman John Conyers of Michigan.

H.R. 6566.—Requires Congress to approve the Office of Economic Opportunity cuts before they are made by the Nixon administration with Congressman Augustus Hawkins of California.

House Concurrent Resolution 175.—Approves the continuation of Office of Economic Opportunity program with Congressman Augustus Hawkins of California.

HOUSING

June 29.—Letter urging defeat of the Widnall amendment which would increase public housing costs. Sent to the Banking and Currency Committee of the House with Congressmen Parren Mitchell of Maryland, Andrew Young of Georgia and Walter Fauntroy of the District of Columbia.

HOLIDAYS

H.R. 2267.—Make Dr. Martin Luther King, Jr.'s birthday a national holiday with Congressman John Conyers of Michigan.

IMPEACHMENT OF THE PRESIDENT AND OTHER RELATED MATTERS

House Resolution 597.—No action on confirmation of the Vice Presidential nominee until the matter of the White House tapes is finally resolved by the courts and the President has complied with that order with Congresswoman Yvonne Burke of California and Congressman Andrew Young of Georgia.

Similar measures introduced with Congresswoman Shirley Chisholm of New York, Congressmen Parren Mitchell of Maryland, William Clay of Missouri, Louis Stokes of Ohio and John Conyers of Michigan.

House Resolution 629.—Impeachment of the President of the United States with Congresswoman Barbara Jordan of Texas, and Congressmen Augustus Hawkins of California and Ralph Metcalfe of Illinois.

H.R. 11214.—Provides for a special election for President and Vice President should both posts become vacant with Congressmen Charles Rangel of New York, Parren Mitchell of Maryland and John Conyers of Michigan.

House Resolution 734.—Demands the resignation of the President of the United States with Congressman Charles Rangel of New York.

SOCIAL SERVICES

H.R. 3984.—Continues the public service employment program with Congressman Augustus Hawkins of California.

H.R. 6222.—Expands and increases money for the Family Planning and Population Research Act with Congressman Ronald Dellums of California.

SPORTS

H.R. 11140.—Requires educational institutions engaged in interscholastic athletic competition to employ certified athletic trainers with Congresswoman Cardiss Collins of Illinois, and Congressmen Ronald Dellums of California, Parren Mitchell of Maryland, William Clay of Missouri, Robert Nix of Pennsylvania, Charles Rangel of New York, John Conyers of Michigan, and Augustus Hawkins of California.

TRANSPORTATION

H.R. 4209.—Prohibits racial discrimination on transportation between the United States and another country with Congressman CHARLES DIGGS of Michigan.

On the following key votes affecting the black community, Joe voted with the Congressional Black Caucus each time:

Rollcall 32.—Bill amends the National School Lunch Act to assure that Federal assistance to each child is maintained for child nutrition programs for the coming fiscal year. March 5, 1973, yes vote.

Rollcall 45.—H.R. 71 strengthens and improves the Older Americans Act. March 13, 1973, yes vote.

Rollcall 105.—House Resolution 360 provides for consideration of a bill continuing the funding for the Emergency Employment Act for only 2 years. April 18, 1973, no vote.

Rollcall 108.—S. 50 strengthens and improves the Older Americans Act. Concurring in the Senate amendment to the less liberal House amendment. April 18, 1973, yes vote.

Rollcall 169.—H.R. 7806 extends through June 30, 1974, appropriations in the Public Health Service Act, Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act. May 31, 1973, yes vote.

Rollcall 190.—Bill increases the minimum wage rates under the act. Expands the coverage to include thousands of domestic workers as well as youths. June 6, 1973, yes vote.

Rollcall 197.—H.R. 2246 amends the Public Works and Economic Development Act to extend authorizations for a year. Agreement to the conference report. June 8, 1973, yes vote.

Rollcall 254.—Amendment that would have prohibited the Legal Services Corporation from giving contracts or grants for research, training, and technical assistance. This amendment would have gutted a major part of the Legal Services bill. June 21, 1973, no vote.

Rollcall 255.—Amendment that would permit individuals to bring suit against the Legal Services Corporation and recover costs in case of favorable rulings. This was clearly aimed at reducing the number of suits filed by legal services attorneys for fear of costs being levied against them if they lost the suit. June 21, 1973, no vote.

Rollcall 256.—Amendment that prohibits legal services attorneys from appearing before legislative bodies. Attorneys would not have had the right to represent the interests of their clients—the poor. June 21, 1973, no vote.

Rollcall 257.—Amendment to the legal services bill that restricts from partisan or nonpartisan activities all lawyers who earn 1.3 percent of their income from the program. Obviously, this would severely cripple those attorneys who were working part-time from getting in these activities. June 21, 1973, no vote.

Rollcall 260.—Amendment to legal services bill to send it back to committee, effectively killing the bill. June 21, 1973, no vote.

Rollcall 262.—On final passage of the Legal Services Corporation bill. June 21, 1973, yes vote.

Rollcall 271.—H.R. 8825, providing for appropriations for the Department of Housing and Urban Development. June 22, 1973, yes vote.

Rollcall 287.—House Resolution 455, provides appropriations for the Departments of Labor and Health, Education, and Welfare and related agencies including the Office of Economic Opportunity and Headstart programs. June 26, 1973, yes vote.

Rollcall 290.—H.R. 8877. Amendment to the HEW and Labor appropriations bill which seeks to reduce funds for OEO. June 26, 1973, no vote.

Rollcall 291.—H.R. 8877. Amendment to the HEW and Labor appropriations bill seeking to reduce funds in 26 sections of the bill, thus gutting it. June 26, 1973, no vote.

Rollcall 292.—H.R. 8877. Amendment to HEW and Labor appropriations bill seeking to increase funds for bilingual education programs. June 26, 1973, yes vote.

Rollcall 294.—H.R. 8877. Amendment to HEW and Labor appropriations bill which seeks to reduce funds in 26 sections of the bill by $600 million. June 26, 1973, no vote.

Rollcall 295.—H.R. 8877. On final passage of the bill making appropriations for the Departments of Labor and Health, Education, and Welfare and other agencies including the Office of Economic Opportunity and Headstart program. June 26, 1973, yes vote.

Rollcall 365.—H.R. 8538 would extend authorization for the Corporation for Public Broadcasting for television and radio broadcasting facilities and for other purposes. Clay amendment to insure compliance with civil rights regulations and forcing increased participation of minorities on boards and in station personnel. July 20, 1973, yes vote.

Rollcall 398.—H.R. 9360. Amendment by YOUNG of Georgia providing for a quarterly analysis of funds going to Portugal. This is to make sure that the President does not permit the money to be used for military purposes, especially against Portugal's African colonies. July 26, 1973, yes vote.

Rollcall 428.—Conference report on bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates and expand the coverage of the act. August 3, 1973, yes vote.

Rollcall 430.—Bill to amend an amendment to the Agriculture Act of 1970 to assure consumers of plentiful supplies of food and fiber at reasonable prices. August 3, 1973, yes vote.

Rollcall 441.—H.R. 8547, a bill to amend the Export Administration Act of 1969 to protect domestic economy from drain of scarce materials and commodities and to reduce the serious inflationary impact of abnormal foreign demand. September 6, 1973, yes vote.

Rollcall 449.—A vote to override the President's veto of the emergency medical services bill providing assistance in planning, research and training projects for systems for the effective provisions of emergency health care services. September 12, 1973, yes vote.

Rollcall 450.—H.R. 7974, a bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations. September 12, 1973, yes vote.

Rollcall 455.—An amendment to delete a section of the bill which raises reimbursement by the Federal Government for school lunches from 8 cents per lunch to 10 cents. September 13, 1973, no vote.

Rollcall 456.—H.R. 9639, an amendment to the National School Lunch and Child Nutrition Act for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs. September 13, 1973, yes vote.

• Rollcall 459.—A vote on the conference report on H.R. 8070 to authorize grants for vocational rehabilitation services. September 18, 1973, yes vote.

Rollcall 465.—A vote to override the Presidential veto of H.R. 7935 to amend the Fair Labor Standard Act of 1938 thereby increasing the minimum wage and expanding coverage under the Act. October 3, 1973, yes vote.

Rollcall 495.—Amendment to the Urban Mass Transportation Act to delete provisions for Federal funding of operating expenditures of mass transportation systems. October 3, 1973, no vote.

Rollcall 496.—H.R. 6452, provision to amend the Urban Mass Transportation Act of 1964 by increasing the total amount authorized for assistance, increasing the portion of project cost which may be covered by a Federal grant to authorizing assistance for operating expenses. October 3, 1973, yes vote.

Rollcall 544.—H.R. 10586, a bill to authorize use of health maintenance organizations in providing health care. October 23, 1973, yes vote.

Rollcall 552.—H.R. 10956, the Emergency Medical Services Systems Act of 1973. October 25, 1973, yes vote.

Rollcall 554.—H.R. 9456, the extension of the Drug Abuse Education Act of 1970 for 3 years. October 30, 1973, yes vote.

Rollcall 560.—H.R. 8219, authorizes the President to extend special privileges and immunities to the Organization of African Unity. November 6, 1973, yes vote.

Rollcall 561.—H.R. 10937, extends the life of the Watergate Grand Jury. November 6, 1973, yes vote.

Rollcall 563.—House Joint Resolution 542, override of President Nixon's veto of the War Powers resolution limiting the capacity of the administration to introduce, employ or commit U.S. Armed Forces into hostile areas. November 7, 1973, yes vote.

Rollcall 564.—H.R. 11104, adoption of an increased temporary limit on the public debt without consideration of an immediate 7 percent social security increase for the elderly. November 7, 1973, no vote.

Rollcall 577.—H.R. 8916 appropriates

funds for certain Federal agencies including the Commission on Civil Rights, Equal Employment Opportunity Commission and Small Business Administration. November 13, 1973, yes vote.

Rollcall 581.—S. 1570 authorizes the President to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardizes the public health, safety or welfare. November 13, 1973, yes vote.

Rollcall 585.—H.R. 11459 authorizes military construction appropriations. November 14, 1973, no vote.

Rollcall 592.—H.R. 11333 provides for a 7 percent increase in social security benefits beginning in March 1974, payable in April, and an additional 4 percent raise beginning in June 1974, payable in the July 1974 check. November 15, 1973, yes vote.

Rollcall 596.—House Resolution 718 provides for consideration of daylight savings time bill. November 27, 1973, yes vote.

Rollcall 597.—H.R. 11324 provides for daylight savings time on a year-round basis for a 2-year trial period. November 27, 1973, yes vote.

Rollcall 601.—H.R. 11010 authorizes increase in appropriations for Manpower training programs to $1 billion. These programs include public employment services, opportunities industrialization centers, and Office of Economic Opportunity job training programs. November 28, 1973, yes vote.

Rollcall 602.—H.R. 11010 assures opportunities for employment and training to unemployed and underemployed persons. November 28, 1973, yes vote.

Rollcall 603.—H.R. 11104, the public debt limit bill, with provisions on Campaign Reform provisions. November 29, 1973, yes vote.

Rollcall 609.—H.R. 11575, providing for a reduction of 22,000 Armed Forces military personnel. November 30, 1973, yes vote.

Rollcall 615.—S. 1191, provides financial assistance for the prevention, identification, and treatment of child abuse and neglect and establishes a National Center on Child Abuse and Neglect. December 3, 1973, yes vote.

Rollcall 622.—H.R. 8877, approves funding for Headstart, Office of Economic Opportunity programs and Departments of Labor and Health, Education and Welfare. December 5, 1973, yes vote.

Rollcall 628.—H.R. 7130, amendment would eliminate the anti-impoundment provisions from the Budget Control bill. December 5, 1973, no vote.

Rollcall 629.—H.R. 7130, amendment declares that both Houses of Congress must disapprove an impoundment action by the President. December 5, 1973, no vote.

Rollcall 631.—H.R. 7130 provides for a budgetary control system in the Congress with strong anti-impoundment provisions. December 5, 1973, yes vote.

Rollcall 634.—House Resolution 735 confirms the nomination of GERALD FORD as Vice President of the United States. December 6, 1973, no vote.

Although still a freshman Congressman, JOE MOAKLEY already has a distinguished record in offering and supporting legislation that directly affects lifestyles in black communities. In less than 11 months, JOE introduced over 100 measures of direct concern to blacks. Among them:

APPROPRIATIONS

May 22.—Letter urging the President to release funds needed for summer neighborhood youth corps program.

H.R. 8897.—Funds the Office of Economic Opportunity at the same level as last year.

CHILDREN AND YOUTH

H.R. 4242.—Extends for 5 years grants under the Social Security Act for maternal and child health and crippled children's services. Increases appropriation to $630 million from present $350 million.

H.R. 6818.—Establishes the National Center on Child Development and Abuse Prevention.

House Resolution 396.—Establishes the Select Committee on Children.

H.R. 10167.—Provides funds through the Law Enforcement Assistance Administration to State and local police to establish a communications and data network dealing with runaways. Authorizes $2 million annually for 3 years to assist local, State, and private organizations to establish and maintain halfway houses for runaways.

CIVIL LIBERTIES AND CIVIL RIGHTS

H.R. 8491.—Establishes Military Discharge Review Boards for less than honorable discharges for Vietnam veterans.

H.R. 9935.—Insures against invasion of private income tax returns by Government agencies.

H.R. 10232.—Protects the rights of privacy by forbidding the conditioning of Federal assistance for treatment of drug abusers or control of drug abuse on the recipient's furnishing any list or other means of identifying any person treated by such recipients.

H.R. 10440.—Prevents telephone harassment, threats and intimidation by debt collectors.

H.R. 10611.—Assures constitutional rights of privacy by regulating data banks with files on individuals.

House Resolution 712.—Provides for a comprehensive review of the country's national security and international policies regarding chemical warfare.

COMMERCE AND TRADE

H.R. 8235.—Amends the U.N. Participation Act to stop importation of Rhodesian chrome and restore the United States to its position as a law-abiding member of the international organization.

H.R. 8574.—Prohibits exportation of herbicides from the United States to Portugal and South Africa.

H.R. 7079.—Establishes a program to assist businesses and municipalities in urban industrial development and other matters.

CRIME

H.R. 10602.—Reduces crime by involving citizens as volunteers in all phases of the criminal justice system.

H.R. 10873.—Amends the Elementary and Secondary Education Act of 1965 to assist school districts to carry out locally approved school security plans to reduce crime against children, employees and facilities of their schools.

EDUCATION

H.R. 4055.—Strengthens and increases the Headstart program to provide quality day care and early childhood education for disadvantaged youngsters.

H.R. 4981.—Provides for the utilization of schools on full time operating basis providing social services and educational opportunities and programs for all members of the community.

H.R. 11065.—Amends the Elementary and Secondary Education Act of 1965 to assist school districts to carry out locally approved school security plans to reduce crime against students, employees and facilities of their schools.

ELDERLY

H.R. 2251.—Strengthens the Older Americans Service Act and provides for increased funds to states for a variety of services especially transportation, nutrition, recreation, housing and employment.

H.R. 4862.—Restores food stamps for elderly who wish to take advantage of the program.

H.R. 8546.—Provides an income minimum for the aged. Additional income payments under social security if they do not have $3,750 per individual or $5,000 per couple per year.

H.R. 9665.—Establishes an experimental social security program for subsidizing families of elderly dependents.

H.R. 10238.—Immediately increases social security payments for the elderly by 5.97 percent.

H.R. 10523.—Authorizes reduced fare transportation on space-available basis for persons 65 or older.

H.R. 10982.—Amends the National Housing Act to provide further assistance to public and private nonprofit corporations for the conversion of existing single family housing for occupancy by elderly persons of low or moderate income.

October 15.—Urges acceptance of the Senate's 7 percent social security increase.

H.R. 10983.—Provides for direct financing of low and moderate income housing programs under sections 235 and 236 of the National Housing Act.

H.R. 11006.—Provides for a 7 percent increase in social security benefits beginning with those payable in January, 1974.

H.R. 11124.—Provides for additional funding for the nutrition program for the elderly and authorizes increased appropriations.

ELECTIONS

H.R. 4847.—Establishes the National Voter Registration Administration within the Bureau of the Census. Gives monetary incentives to states to adopt more liberal registration practices, sets minimum residency requirements for federal elections.

H.R. 9642.—Creates the Voter Registration Administration to administer the voter registration program.

H.R. 9862.—Provides for limitations on contributions and encourages small contributions in bipartisan elections. Expands the Campaign Reform Act of 1971.

EMPLOYMENT

H.R. 1417.—Continues the public service employment program for unemployed persons and assists state and local communities in providing needed public service.

H.R. 3984.—Provides $10 billion annually for millions for public service and private sector jobs. Attempts to meet the enormous employment needs and corrects serious public service deficiencies.

H.R. 5707.—Authorizes the Labor Secretary to fund the Opportunities Industrialization Centers and provide training for 100,000 persons a year.

H.R. 10996.—Establishes a loan program to assist businesses and industry in areas of substantial unemployment to meet pollution control requirements.

H.R. 11070.—Establishes the national Office of Migrant and Seasonal Farm Workers within the Department of Health, Education, and Welfare. Coordinates administration of all programs of the department serving migrant and seasonal farmworkers.

FOREIGN AFFAIRS

House Joint Resolution 269.—Requires that any U.S. business in South Africa demonstrate fair employment practices. Voices concern over exploitation by U.S. business of South African labor and racial practices.

H.R. 4209.—Safeguards against U.S. citizens traveling abroad on air carriers that engage in racial or religious discrimination.

H.R. 8235.—Amends the U.N. Participation Act to stop importation of Rhodesian chrome by the United States.

H.R. 8573.—Prevents the exportation of herbicides from the United States and creates the Herbicide Export Control Act of 1973.

GOVERNMENT OPERATIONS

February 22.—Letter to Secretary of Health, Education, and Welfare protesting social services programs that were supposed to be cut.

House Concurrent Resolution 138.—Disapproves of the dismantling of the Office of Economic Opportunity program.

H.R. 5398.—Suspends the authority of the Office of Economic Opportunity Director to delegate any functions, powers, or programs for a year. Makes the President comply with the law by submitting reorganization plan to Congress.

H.R. 6210.—Removes the Office of Economic Opportunity from the Executive Office of the President and establishes it as an independent agency.

H.R. 6260.—Permits equipment at community action agencies to remain there if the program continues to serve as nonprofit organization and continues to receive public and private funds to pursue the antipoverty goals. Also allows the local agencies to continue receiving local funding despite administration cutbacks.

H.R. 6566.—Requires that any plan to reorganize the Office of Economic Opportunity be submitted to Congress first.

House Concurrent Resolution 175.—Determines that the President must continue the Office of Economic Opportunity program.

April 12.—Requires the Department of Health, Education, and Welfare to indicate the harm that would result from the proposed social service regulations.

HEALTH

H.R. 6622.—Extends the Migrant Health Act and increases the funding for the program.

H.R. 10985.—Provides for the continued operation of the Public Health Service Hospitals.

H.R. 11087.—Provides for a comprehensive program of health care by strengthening the delivery of health care and by making comprehensive health care insurance available to all Americans.

H.R. 11472.—Creates a national system of health security.

House Resolution 712.—Provides for a comprehensive review of international policies regarding chemical warfare.

H.R. 11828.—Establishes the Department of Health at a cabinet-level.

HOLIDAYS

H.R. 2267.—Makes Dr. Martin Luther King's birthday a national holiday.

HOME RULE

H.R. 10114.—Provides for Home Rule for the District of Columbia.

HOUSING

June 29.—Letter urging defeat of the Widnall amendment which would overturn the Brooke amendment, thereby lifting the 25 percent ceiling on public housing rents.

H.R. 10706.—Establishes a national homesteading program under which single family dwellings owned by the Secretary of Housing and Urban Development may be conveyed at a nominal cost to individuals and families who will occupy and rehabilitate them.

H.R. 10982.—Amends the National Housing Act by providing further assistance to public and private non-profit corporations for the conversion of existing single family housing for occupancy by elderly persons of low and moderate income.

H.R. 10983.—Provides for direct financing of low- and moderate-income programs under sections 235 and 236 of the National Housing Act.

H.R. 11183.—Regulates closing costs and settlement procedures in federally related mortgage transactions.

IMPEACHMENT, RESIGNATION OF THE PRESIDENT

House Resolution 648.—Provides for the impeachment of Richard M. Nixon as President.

H.R. 11214.—Provides for a special election in the event of vacancy in both the Presidency and the Vice Presidency.

House Resolution 734.—Requests the resignation of President Nixon.

LEGAL SERVICES

H.R. 4264.—Establishes a National Legal Services Corporation and removes the organization from political pressure which may threaten the program's effectiveness.

H.R. 6211.—Guarantees the continued operation of the Legal Services program.

RECREATION

H.R. 3498.—Expands Federal funds for urban parks and recreational facilities.

H.R. 4856.—Provides for year-round permanent recreational opportunities for inner city youth.

SOCIAL SECURITY

H.R. 4564.—Eliminates the outmoded requirements for social security requirements.

H.R. 10238.—Increases social security payments immediately to the elderly by 5.9 percent.

October 15.—Letter urging acceptance of the Senate's 7-percent social security increase.

H.R. 11006.—Provides 7-percent increase in social security benefits beginning with benefits payable in January 1974.

H.R. 11170.—Amends the Social Security Act to provide States with maximum flexibility in their programs of social services.

SOCIAL SERVICES

H.R. 1417.—Continue the public service employment program for unemployed and assists States and local communities in providing needed public services.

H.R. 2251.—Strengthens and expands the Older Americans Act by providing increased funds to States for transportation, nutrition, recreation, housing, and employment.

H.R. 2652.—Gives increased funding to States for various services to the aged.

H.R. 4055.—Strengthens and expands the Headstart program for day care and early childhood education for disadvantaged.

H.R. 4242.—Extends the provisions of the children and youth and maternal and infant care program to the working poor.

H.R. 4571.—Ensures that the 20-percent social security increase not be figured into other Federal benefits and makes sure that all social security recipients get full benefits of various programs such as food stamps, medicare, veterans pensions, and others.

February 21.—Letter protesting cuts in Health, Education and Welfare Department programs.

H.R. 6222.—Expands and improves the Family Planning Services and Population Research Act of 1970.

H.R. 6260.—Permits equipment to remain with Community Action Agencies if the goals remain the same under private or public funding for programs for the poor.

April 21.—Requests that the Department of Health, Education and Welfare make clear what harm proposed changes in social service regulations will do.

H.R. 10984.—Transfer to the Department of Commerce responsibility for carrying out Office of Economic Opportunity programs.

H.R. 10985.—Provides for the continuation of Public Health Service hospitals.

H.R. 11070.—Provides for the establishment of a national office for migrant and seasonal farm workers within the Department of Health, Education and Welfare.

H.R. 11087.—Provides for a comprehensive program of health care and strengthens the delivery of health care.

H.R. 11124.—Provides for funding for the nutrition program and authorizes appropriations for the program.

H.R. 11157.—Provides for extension of the community mental health centers.

H.R. 11170.—Allows the States maximum flexibility in social services program regulations.

H.R. 11525.—Makes compensatory payments to veterans, widows and heirs of the Brownsville, Texas, incident of August 13,1906.

TRANSPORTATION

H.R. 3449.—Permits States and communities to use highway trust funds to construct bike paths, traffic lanes and other paths.

H.R. 4209.—Prohibits racial discrimination on airline transportation between the United States and another country.

H.R. 4605.—Improves the Nation's highway system by permitting States and localities more flexibility in using highway trust funds.

H.R. 6452.—Provides for a substantial increase in the amount authorized for assistance for the Urban Mass Transportation Act.

VETERANS

H.R. 4259.—Promotes the employment of unemployed Vietnam veterans.

H.R. 8490.—Provides for the confidential protection of discharge codes.

H.R. 8491.—Establishes Military Discharge Review Boards to review less than honorable discharges for Vietnam veterans.

H.R. 8495.—Provides for additional educational benefits to Vietnam veterans.

H.R. 8496.—Creates a task force on veterans assistance and opportunities for Vietnam veterans.

H.R. 10882.—Initiates a special psychiatric, psychological, and counseling program for Vietnam veterans who are having psychological problems resulting from military service, especially Prisoners of War.

H.R. 10981.—Provides that compensation received by a veteran for a service-connected wartime disability will not be taken into account in determining his eligibility for Federal housing assistance or the amount of that assistance.

H.R. 10987.—Provides assistance in acquiring specially-adapted housing to additional groups of severely disabled veterans.

WOMEN

H.R. 9111.—Prohibits discrimination on the basis of sex or marital status in the granting of credit.

H.R. 9415.—Provides a remedy for sex discrimination by insurance companies with respect to the availability and scope of insurance coverage for women.

H.R. 9517.—Provides equality of treatment with respect to married women Federal employees in connection with compensation for work injuries.

H.R. 9832.—Eliminates discrimination based on sex with respect to appointment and admission of persons to service academies.

H.R. 9833.—Eliminates discrimination on basis of sex with respect to enlistment in armed forces.

H.R. 9914.—Allows a veterans' widow to remarry after 60 and still receive widow's benefits.

LEAVE OF ABSENCE

(By unanimous consent, leave of absence was granted as follows:)

Mr. Riegle (at the request of Mr. O'Neill) for December 20 and 21, on account of medical reasons.

Mr. Smith of Iowa, from 2 p.m. on December 20 until Saturday, December 22, on account of official business.

Mr. Moss, for 3 weeks beginning December 20, 1973, on account of illness and doctor's orders.

Mr. Butler (at the request of Mr. Rhodes), after 4:30 and the balance of the week, on account of illness in family.

SPECIAL ORDERS GRANTED

(By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:)

Mr. Hechler of West Virginia, for 60 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. Rogers, for 60 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Young of Alaska) to revise and extend their remarks and include extraneous material:

Mr. Young of Illinois, for 5 minutes, today.

Mr. Cohen, for 5 minutes, today.

Mr. Steele, for 45 minutes, today.

Mr. Roncallo of New York, for 5 minutes, today.

Mr. Don H. Clausen, for 5 minutes, today.

Mr. Symms, for 30 minutes, December 21.

Mr. Hansen of Idaho, for 10 minutes, today.

Mr. Edwards of Alabama, for 5 minutes, today.

Mr. Burke of Florida, for 5 minutes, today.

Mr. Brown of Ohio, for 10 minutes, December 21.

Mr. Miller, for 10 minutes, December 21.

Mr. Hogan, for 60 minutes, today.

(The following Members (at the request of Mr. Jones of Oklahoma) to revise and extend their remarks and include extraneous material:

Mr. Matsunaga, for 10 minutes, today.

Mrs. Sullivan, for 15 minutes, today.

Mr. Stokes, for 10 minutes, December 21, 1973.

Mr. Chappell, for 5 minutes, December 21, 1973.

Mr. Gunter, for 5 minutes, December 21, 1973.

Mr. Mann, for 5 minutes, December 21, 1973.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Stokes, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $783.75.

Mr. Haley, and to include extraneous matter.

(The following Members (at the request of Mr. Young of Alaska) and to include extraneous material:)

Mr. Heinz in three instances.
Mr. Myers in five instances.
Mr. Shuster.
Mr. Young of Illinois in two instances.
Mr. Wyman in two instances.
Mr. Rousselot in two instances.
Mr. Vander Jagt in two instances.
Mr. Bauman in five instances.
Mr. Bob Wilson in two instances.
Mr. Hosmer in two instances.
Mr. Cleveland.
Mr. Cohen.
Mr. Brotzman.
Mr. Derwinski in two instances.
Mr. Dellenback in two instances.
Mr. Keating.
Mr. Hudnut.
Mr. Horton in four instances.
Mr. Gilman in two instances.
Mr. Frenzel in six instances.
Mr. Talcott in three instances.
Mr. Miller in six instances.

The following Members (at the request of Mr. Jones of Oklahoma) and to include extraneous matter:

Mr. O'Hara.
Mr. Dan Daniel in two instances.
Mr. Minish.
Mr. Nichols.
Mr. Badillo.
Mr. O'Neill.
Mr. White in 10 instances.
Mr. Rarick in three instances.
Mr. Gonzalez in three instances.
Mr. Reuss in five instances.
Mr. de la Garza in five instances.
Mr. Vanik in five instances.
Mr. Pepper.
Mr. Ichord.
Mrs. Boggs.
Mr. Rosenthal in two instances.
Mr. Stokes in 10 instances.
Mr. Pike.
Mr. McKay.
Mrs. Chisholm.
Mr. Mazzoli in two instances.
Mr. Matsunaga in 10 instances.
Mrs. Sullivan.
Mr. Rogers in five instances.

SENATE JOINT AND CONCURRENT RESOLUTIONS REFERRED

Joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 176. Joint resolution to authorize and direct the development of and the production of petroleum from Naval Petroleum Reserve Numbered 1, and to direct the exploration of Naval Petroleum Reserves Numbered 1 and 4, and for other purposes; to the Committee on Armed Services.

S. Con. Res. 59. Concurrent resolution authorizing the printing of the compilation entitled "Disclosure of Corporate Ownership" as a Senate document; to the Committee on House Administration.

S. Con. Res. 56. Concurrent resolution authorizing the printing of additional copies of Senate hearings on the Child Abuse Prevention Act, 1973; to the Committee on House Administration.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and Joint Resolutions of the House of the following titles, were thereupon signed by the Speaker:

H.R. 5874. An act to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes;

H.R. 11575. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes;

H.J. Res. 736. Joint resolution to provide for a feasibility study and to accept a gift from the U.S. Capitol Historical Society; and

H.J. Res. 865. Joint resolution authorizing the President to proclaim March 29, 1974, as "Vietnam Veterans Day."

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 14. An act to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes;

S. 2166. An act to authorize the disposal of opium from the national stockpile;

S. 2316. An act to authorize the disposal of copper from the national stockpile and the supplemental stockpile; and

S. 2794. An act to amend chapter 36 of title 38, United States Code, to authorize the Administration of Veteran's Affairs to continue making educational assistance and subsistence allowance payments to eligible veterans and eligible persons during periods that the educational institutions in which they are enrolled are temporarily closed pursuant to a policy proclaimed by the President or because of emergency conditions.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 655. To provide for the naming of the lake to be created by the Buchanan Dam, Chowchilla River, Calif.;

H.R. 3334. For the relief of Maria Lourdes Rios;

H.R. 3758. For the relief of Isabel Eugenia Serrane Macias Ferrier;

H.R. 7352. To amend section 4082(c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners; and

H.R. 11441. To postpone the implementation of the Headstart fee schedule.

ADJOURNMENT

Mr. JONES of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 2 minutes p.m.) under its previous order, the House adjourned until Friday, December 21, 1973, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1648. A letter from the Assistant Secretary of Defense (Installations and Logistics) transmitting a report on Department of Defense procurement from small and other business firms for July–August 1973, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

1649. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to revise the procedural and administrative provisions of District of Columbia taxing laws, and for other purposes; to the Committee on the District of Columbia.

1650. A letter from the Administrator of General Services, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend and clarify the authority of the General Services Administration with respect to the protection of buildings and areas owned or occupied by the United States and under the charge and control of the Administrator of General Services, and for other purposes; to the Committee on Government Operations.

1651. A letter from the Acting Attorney General, transmitting a draft of proposed legislation to clarify the authority of the Attorney General of the United States to exclude and deport aliens for fraudulent entry; to the Committee on the Judiciary.

1652. A letter from the Secretary of Transportation, transmitting a report on the toll bridge at Chester, Ill., pursuant to section 133(a) of the Federal-Aid Highway Act of 1973; to the Committee on Public Works.

1653. A letter from the Administrator of General Services, transmitting a prospectus proposing renewal of the leasehold interest at 5611 Columbia Pike, Falls Church, Va., for the Department of Defense, pursuant to the Public Buildings Act of 1959, as amended; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS: Committee on House Administration. House Resolution 427. Resolution providing a postage stamp allowance for the Chaplain of the House of Representatives (Rept. No. 93–743). Ordered to be printed.

Mr. STAGGERS: Committee of conference. A conference report to accompany H.R. 9142 (Rept. No. 93–744). Ordered to be printed.

Mr. MAHON: Committee of conference. A further conference report to accompany H.R. 11576 (Rept. No. 93–745). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HASTINGS:

H.R. 12052. A bill to provide for the development of a national health policy; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. ROY, and Mr. HASTINGS):

H.R. 12053. A bill to amend the Public Health Service Act to assure the development of a national health policy and of effective State health regulatory programs and area health planning programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. BOGGS:

H.R. 12054. A bill to suspend for a 3-year period the duty on certain wire rods of iron or steel; to the Committee on Ways and Means.

By Mr. BREAUX:

H.R. 12055. A bill to amend the Economic Stabilization Act of 1970 to exempt stabilization of the price of oil country goods from its provision; to the Committee on Banking and Currency.

By Mr. CARNEY of Ohio:

H.R. 12056. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for the establishment of safety standards for the living quarters of recreational vehicles, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CULVER (for himself, Mr. BURKE of Florida, Mr. DAVIS of Georgia, Mr. GILMAN, Mr. VANDER JAGT, Mr. WHALEN, and Mr. YATRON):

H.R. 12057. A bill to amend the Foreign Assistance Act of 1961 with respect to the Overseas Private Investment Corporation; to the Committee on Foreign Affairs.

By Mr. FREY:

H.R. 12058. A bill to amend the Communications Act of 1934 to eliminate the equal broadcast opportunities requirement with respect to candidates for Federal office, to repeal the Campaign Communications Reform Act, to establish a Federal Election Commission, to impose limitations on political contributions and expenditures, to regulate the scheduling of primary elections, and for other purposes; to the Committee on House Administration.

By Mr. GILMAN:

H.R. 12059. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 12060. A bill to amend the District of Columbia Code to revise and modernize procedure relating to the administration and distribution of decedents' estates and for the proof of wills; to the Committee on the District of Columbia.

By Ms. HOLTZMAN:

H.R. 12061. A bill to amend the Fair Labor Standards Act of 1938 to narrow the circumstances under which an employer employing employees subject to that act may have wage differentials based on the sex of the employees; to the Committee on Education and Labor.

By Mr. KING:

H.R. 12062. A bill to suspend motor vehicle emission and fuel standards for the duration of the energy crisis in order to conserve fuel; to the Committee on Interstate and Foreign Commerce.

By Mr. MATSUNAGA:

H.R. 12063. A bill to declare Kuapa Pond, Hawaii, as not a navigable water of the

United States; to the Committee on Interstate and Foreign Commerce.

By Mr. MAYNE:

H.R. 12064. A bill to direct the Secretary of Commerce to research and develop new building designs and construction methods which utilize solar energy, and to increase the maximum amount of certain Federal housing loans for structures utilizing solar energy equipment; to the Committee on Banking and Currency.

By Mr. ROYBAL:

H.R. 12065. A bill to impose an excess profits tax on the income of corporations engaged in the production or distribution of energy during the present energy crisis; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H.R. 12066. A bill to regulate closing costs and settlement procedures in federally related mortgage transactions, and for other purposes; to the Committee on Banking and Currency.

By Mr. TIERNAN:

H.R. 12067. A bill to limit the exportation of raw materials from the United States whenever any domestic person or the United States establishes and operates a plan for the allocation of such raw materials; to the Committee on Banking and Currency.

By Mr. WOLFF:

H.R. 12068. A bill to direct the Attorney General to prepare a pamphlet explaining the drug abuse laws of certain foreign countries and to require the distribution of such pamphlet to passengers traveling on an air or water carrier to foreign countries; to the Committee on Interstate and Foreign Commerce.

By Mr. WRIGHT (for himself, Mr. Coughlin, Mr. Peyser, Mr. Gray, Mr. Ryan, Mr. Edwards of California, Mr. Sisk, Mr. Koch, Mr. Yatron, Mr. Ginn, Mr. Thone, Mr. Helstoski, and Mr. Waldie):

H.R. 12069. A bill to establish the Energy Conservation and Development Trust Fund, to impose new Federal taxes to provide revenues for such fund, and for other purposes; to the Committee on Ways and Means.

By Mr. CAREY of New York (for himself, Mr. Badillo, Mr. Bergland, Mr. Dulski, Mr. Eilberg, Mr. Frenzel, Mr. Harrington, Mr. Helstoski, Ms. Holtzman, Mr. Kastenmeier, Mr. Latta, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Rosenthal, Mr. Stark, Mrs. Chisholm, and Mrs. Green of Oregon):

H.R. 12070. A bill to provide for a temporary suspension of certain military construction projects to conserve energy; to the Committee on Armed Services.

By Mr. FOLEY (for himself, Mr. Teague of California, Mr. Ullman, Mr. Mathias of California, Mr. Don H. Clausen, Mr. Rousselot, Mr. Johnson of California, Mr. Hansen of Idaho, Mr. Dellenback, Mr. Goldwater, Mr. McCormack, Mr. Shoup, Mr. Melcher, Mr. Talcott, Mr. Roncalio of Wyoming, and Mr. Wyatt):

H.R. 12071. A bill to amend the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to enter into negotiated contracts for the protection from fires of lands under the jurisdiction of the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

By Mr. GILMAN:

H.R. 12072. A bill to amend the Consolidated Farm and Rural Development Act, to allow the Secretary of Agriculture to make loans to farmers and ranchers to refiance their debts secured by liens on their real property not to exceed the lesser of the market value of the property or $1 million; to the Committee on Agriculture.

By Mr. GUNTER (for himself, Mr. Bafalis, Mr. Bennett, Mr. Chappell, Mr. Fascell, Mr. Gibbons, Mr. Haley, Mr. Lehman, Mr. Pepper, and Mr. Sikes):

H.R. 12073. A bill to create a Marine Resources Conservation and Development Fund; to provide for the distribution of revenues from Outer Continental Shelf lands; and for other purposes; to the Committee on the Judiciary.

By Mr. HARRINGTON:

H.R. 12074. A bill to impose certain taxes on energy industries and create certain incentives for energy investment and for other purposes; to the Committee on Ways and Means.

By Mrs. HECKLER of Massachusetts:

H.R. 12075. A bill to provide a comprehensive child development program in the Department of Health, Education, and Welfare; to the Committee on Education and Labor.

H.R. 12076. A bill to amend the Internal Revenue Code of 1954, to establish a Federal Election Campaign Fund and to establish a Presidential Primary Matching Payment Fund; to the Committee on Ways and Means.

By Mr. HENDERSON:

H.R. 12077. A bill to provide that pay adjustments for Member of Congress take effect in the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

By Mr. KEATING:

H.R. 12078. A bill to improve the law in the District of Columbia with respect to the crime of rape, and for other purposes; to the Committee on the District of Columbia.

By Mr. McCORMACK (for himself, Mr. Teague of Texas, Mr. Mosher, Mr. Goldwater, Mr. Hechler of West Virginia, Mr. Bell, Mr. Davis of Georgia, Mr. Downing, Mr. Winn, Mr. Frey, Mr. Flowers, Mr. Camp, Mr. Cotter, Mr. Ketchum, and Mr. Wylie):

H.R. 12079. A bill to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling; to the Committee on Science and Astronautics.

By Mr. MOORHEAD of Pennsylvania (for himself, Ms. Abzug, Mr. Alexander, Mr. Erlenborn, Mr. Gude, Mr. Horton, Mr. McCloskey, Mr. Regula, and Mr. Thone):

H.R. 12080. A bill to amend section 552 of title 5, United States Code, known as the Freedom of Information Act; to the Committee on Government Operations.

By Mr. NELSEN:

H.R. 12081. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communications services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 12082. A bill to establish a national program for research, commercial development, and demonstration of coal gasification and coal liquefaction; to the Committee on Interior and Insular Affairs.

H.R. 12083. A bill to increase the production, transportation, and conversion of coal as a source of energy; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself and Mr. Charles H. Wilson of California):

H.R. 12084. A bill to provide for the development of a uniform system of quality grades for consumer food products; to the Committee on Agriculture.

H.R. 12085. A bill to amend the Economic Stabilization Act of 1970, to stabilize the retail prices of meat for a period of 45 days at the November 1972 retail levels, and to require the President to submit to the Congress a plan for insuring an adequate meat supply for U.S. consumers, reasonable meat prices, and a fair return on invested capital to farmers, food processors, and food retailers; to the Committee on Banking and Currency.

H.R. 12086. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve intergovernmental relationships between the United States and the States and municipalities, and the economy and efficiency of government, by providing Federal cooperation and assistance in the establishment and strengthening of State and local offices of consumer protection; to the Committee on Government Operations.

H.R. 12087. A bill to require that durable consumer products be labeled as to durability and performance life; to the Committee on Interstate and Foreign Commerce.

H.R. 12088. A bill to repeal the meat quota provisions of Public Law 88–482; to the Committee on Ways and Means.

H.R. 12089. A bill to amend the Fair Packaging and Labeling Act to require the disclosure by retail distributors of unit retail prices of packaged consumer commodities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12090. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on certain package goods to contain the name and place of business of the manufacturer, packer, and distributor; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. Biester and Mr. Charle H. Wilson of California):

H.R. 12091. A bill to amend the Fair Packaging and Labeling Act to require certain labeling to assist the consumer in purchases of packaged perishable or semiperishable foods; to the Committee on Interstate and Foreign Commerce.

H.R. 12092. A bill to require that certain durable products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12093. A bill to require that certain processed or packaged consumer products be labeled with certain information, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. Biester, Mr. Helstoski, Mr. Whitehurst, and Mr. Charles H. Wilson of California):

H.R. 12094. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients; to the Committee on Interstate and Foreign Commerce.

By Mr. SPENCE:

H.R. 12095. A bill to amend title 10 of the United States Code to provide that certain additional amounts received by retired servicemen employed in the Junior Reserve Officers' Training Corps shall be treated as subsistence or uniform allowances or as amounts received as commutation of quarters; to the Committee on Armed Services.

By Mr. STUDDS:

H.R. 12096. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE:

H.R. 12097. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12098. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BELL (for himself and Mr. FRASER):

H.J. Res. 866. Joint resolution to protect whales and certain other living marine resources; to the Committee on Foreign Affairs.

By Mr. FISH:

H.J. Res. 867. Joint resolution expressing the concern of the United States about American servicemen missing in action in Vietnam; to the Committee on Foreign Affairs.

H. Con. Res. 407. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia: to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. MINK:

H.R. 12099. A bill for the relief of Sylvia Dix; to the Committee on the Judiciary.

By Mr. SARASIN:

H.R. 12100. A bill for the relief of Lisa Blundon; to the Committee on the Judiciary.

H.R. 12101. A bill for the relief of Olegario Miranda DePina; to the Committee on the Judiciary.

SENATE—*Friday, December 21, 1973*

The Senate met at 8:30 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who art Emmanuel—"God with us"—make us aware of Thy presence this moment and in our work. As Thou didst come a child to our humanity, may our hearts admit Him in His fulness. Conform our lives more and more to His life.

We pray especially for those who this day in Geneva confer for the peace of the world, that all consultations may be lifted into the higher order of Thy kingdom and that justice, righteousness, and peace may prevail in the land of the Christ-child's birth.

O God of mercy, hear us as we pray for those for whom the joy of Christmas is shadowed—the poor, the cold, the hungry, the lonely, the unloved, the sad. Let those who know Thy love respond in kindness, that having freely received, they may also freely give.

When this day is done, accompany us on our journeys. Be in our homes, in our hearts, and in our churches to renew us. Redeem the Nation and bring the rule of righteousness to all mankind.

Through Jesus Christ our Lord. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the Northeast region of the United States; to designate a system of essential rail lines in the Northeast region; to provide financial assistance to certain rail carriers; and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11576) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 5, 14, 15, 24, 31, 35, 38, 50, 51, 52, 53, 54, 55, 56, 57, 58, 64, 71, 90, 91, 95, 100, 109, and 110 to the aforesaid bill and concurred therein; and that the House had receded from its disagreement to the amendments of the Senate numbered 7, 18, 21, 22, 29, 36, 43, 47, 48, 70, 74, 75, 80, 86, 94, 104, and 108 and concurred therein, each with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House had passed without amendment the bill (S. 2267) to amend section 303(b) of the Interstate Commerce Act to remove certain restrictions upon the application and scope of the exemption provided therein, and for other purposes.

The message further announced that the Speaker had appointed the gentleman from Michigan, Mr. DINGELL, vice Mr. Moss, excused, as a manager on the part of the House in the conference on the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, national, and international contingency plans; to assure the continuation of vital public services; and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 11575) making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. METCALF).

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, December 20, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE MEETING IN GENEVA ON ARAB-ISRAELI DISPUTE

Mr. MANSFIELD. Mr. President, today is a historic date in the history of this troubled year. A number of Arab States and Israel, plus the United States and the Soviet Union, are meeting in Geneva to consider the possibility of achieving a just and enduring peace. It is historic because for the first time in a generation, Arabs and Israelis are sitting down together, if not cheek by jowl, at least together and not divided by hotel corridors.

I would hope that out of this momentous gathering will come not rhetoric, but results. I would hope that the question of peace and withdrawal would be considered simultaneously and not separately. I would hope that a reasonable agreement could be reached on the question of the opening of the Suez Canal, the question of Sharm El Shiekh, the situation in the Golan Heights, the problem of the Sinai, and the matter of the holy city of Jerusalem.

It will be a time for testing, and I think that this country is extremely fortunate to have a man of the caliber and the ability of Secretary of State Henry Kissinger. He has worked with might and main to help bring the parties together to work toward a reasonable solution. To him must go great credit for the extraordinary efforts he has attempted and in which, hopefully at least in some part, he has succeeded.

So my prayers are with the conference in Geneva today and in the days and weeks to come. My hopes are for a just and durable peace which will allow Israel to maintain its entity and which will bring about a recognition on the part of the Arabs that Israel is here to stay.

Both peoples—of the same stock, incidentally—can make great contributions in the Midwest toward one another and with one another. Let us hope that this momentous meeting will achieve the desired results, so that the Middle East can take its rightful place in the affairs of the world and that the entity of Israel can be guaranteed and secured; so that peace, once again, will become a probability rather than a long-range possibility, as has been the case for too long over the past 25 or so years.

The ACTING PRESIDENT pro tempore. Does the Senator from Maryland desire recognition as acting minority leader?

Mr. MATHIAS. Mr. President, I should like to join the distinguished majority leader in his prayers for peace and in his prayers for the success of the conference in Geneva, which opens today.

His praise for the Secretary of State is proper and well deserved; but I think the praise the majority leader has given to Henry Kissinger this morning is all the more significant because of the majority leader's own long experience and his own great success in matters of foreign policy and international relations. When he speaks, he speaks with the voice of experience and knowledge, and his words are the more important.

I think it is interesting that the nations of the world gathered at Geneva today represent three of the great religions of the world—Christian, Muslim, and Jew—all of which stem from a common origin in the God of Abraham. For the God of Abraham, justice was a cardinal principle of virtue. Justice at Geneva, justice which I think the religions understand as the depth of their spiritual heritage—that justice may well bring about the peace that the majority leader has so eloquently called upon us to pray for today.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Maryland (Mr. MATHIAS) is recognized for not to exceed 15 minutes.

REFORM OF THE ELECTION PROCESS

Mr. MATHIAS. Mr. President, sessions of Congress always end with much work left undone and many jobs unfinished. That is in the nature of things and is not likely to change.

But there are some tasks that cannot be delayed and there are some times that cry for change. One of those tasks is the reform of the election process to correct the abuses rooted in money and secrecy. Congress must not go home without heeding a public outcry against failures of Government and without changing the patterns of the past.

No problem confronting our Nation today is greater than that of our steadily eroding confidence in our political system, and in ourselves. This erosion of confidence results from incontrovertible evidence that our current political campaign process corrupts our principles, our leaders, and ourselves. Reform of that system is essential to restoring confidence and self-respect, and this restoration is essential to mastering the other problems and challenges we face.

We all take the oath to support and defend the Constitution. Our constitutional processes have been under attack for the past few years. The spirit and intent of the law has been abused and in some instances the letter of the law has been violated. This is particularly so in our campaign and electoral processes.

Members of Congress must feel the weight of their responsibility for reform that bears not only upon the national legislature collectively, but upon each Member individually as elected representatives and as practicing politicians. If the Congress cannot now provide an institutional answer to election reform, there are, nonetheless, appropriate personal solutions that can be taken.

In 1973, the Senate passed a campaign reform act—the Federal Election Campaign Act Amendments of 1973. That bill contained many historic provisions which promise significant improvements in Federal election campaigns. Yet that bill now languishes in a House subcommittee.

It is dead for the 1974 campaigns. Its promises are empty.

In 1973, the Senate debated public financing of campaigns. A majority of Senators agreed that this step was necessary and proper to make our political system one in which we can all once again take pride. Yet public financing was filibustered to death on this floor. And while we have the firm promise of committee action within the Senate on public financing bills next year, we know such action cannot affect 1974 campaigns.

In 1974, we can accomplish much. In 1974, the Congress can enact public financing. In 1974, Congress can enact legislation to set ceilings on contributions and campaign expenditures. In 1974, the President can join with the Congress and the courts in seeking to insure that the abuses of the past are accounted for, and that our campaign system is modified so such abuses cannot recur. We must do all of this, even if we realize that the laws now in effect that proved so ineffective in 1972 will still be in effect in 1974.

And so, we contemplate what more we are able to do now.

Laws, as a general propositon, measure the outer perimeters of human behavior that are prohibited by society. Laws leave us freedom to choose the level of social attitudes that we will exhibit toward our fellow men. Thus the law prohibits mayhem and murder, but leaves us free to determine whether we will in fact live in love and charity with our neighbors. Thus the law exacts through taxes a minimum contribution for public welfare and defense, but leaves us free to volunteer personal work or gifts for the causes we think are also important to our community.

Why should we not then consider that the election laws, which prescribe minimum standards of conduct, should not be seen in the same light? If through opposition or inertia the general standards cannot be raised by revisions of the general law, what is to prevent those who are particularly concerned from doing more? The answer is, of course, nothing whatever except the well-trodden paths of politics that so many of us have followed with the best of motives and the highest of ideals to such shoddy destinations. I feel that I must seek a new road.

And so, I wish to tell the people of Maryland as well as the Senate some of the steps I personally plan to take in 1974.

First, I will accept no cash contributions for my campaign.

Second, I will permit no cash expenditures by my campaign organization by others on my behalf.

Third, I will solicit small contributions only.

Fourth, I shall not accept any contribution of more than $100 from any one individual.

Fifth, I will accept contributions from groups or organizations only if such contributions represents donations of $100 or less from specified individuals, or if the organization certifies that its contribution does not include more than $100 from any single individual.

Sixth, I will not accept the benefit of any donation in excess of $100 given to any group or organization and earmarked for my campaign.

Seventh, I will report every contribution—no matter how small—to the appropriate Federal and State authorities at regular intervals throughout the campaign.

Eighth, I will report every expenditure—no matter how small—to the appropriate Federal and State authorities at regular intervals throughout the campaign.

Ninth, I will establish one central campaign committee, and it will control all receipts and expenditures of my campaign.

Tenth, I shall abide by the expenditure ceilings—10 cents per voter in the primary and 15 cents per voter in the general election—which were passed by the Senate in July and now languish unattended in the House.

These are not the rules I have lived by in the past. They are different from the rules followed in 1960 when I was first elected to the Congress. They are different from 1968 when I was first elected to the Senate. Indeed, they are different from last May when many Members of the Senate honored me by their presence in Baltimore at a fundraiser pointing toward my 1974 campaign from which a balance remains. Perhaps we all should have been wiser in years past, but we cannot turn back the clock and start reform in 1960 or 1968 or even 7 months ago. What we can do is start now.

In seeking this new start and this new direction, it is necessary to make the goal clear. And that goal is not some exemplary degree of personal virtue. After all, it is our ancient prayer that the Lord should not weigh our merits, but pardon our offenses. What I am seeking is rather a new system, a new method, a new standard which will make our democracy more truly democratic. By adopting these voluntary limits it is obvious that new risks are incurred. The only way to surmount those risks is to meet the criticism raised by a public which has become distrustful of all politicians and is losing faith in all our political processes. To restore confidence in our political system and politicians will require a tremendous and vigorous effort on the part of every man and woman who supports my candidacy. But it will be a struggle that is invigorating and exciting, because it will explore new ways to fulfill old ideals.

None of the steps I have listed are currently required by Federal law. Some of them go far beyond any proposals which we have debated and supported. But in each case, those who have advocated such steps have been told that no candidate could run a credible campaign if he abided by such rules. We have been told that we were naive and unreasonably idealistic.

In each case, I have argued to the contrary. And so today, I pledge to test out my own beliefs. I am confident that the people of Maryland can demonstrate to the Congress that campaign reform can work. It is the road I feel I should take.

Mr. MANSFIELD. Mr. President, would the distinguished Senator from Maryland yield?

Mr. MATHIAS. I am happy to yield to the majority leader.

Mr. MANSFIELD. Mr. President, I commend the distinguished Senator from Maryland for the guidelines which he has established for himself.

I commend him for the example which, hopefully, he will set for the rest of us, at least in the Senate. The Senate has attempted to face up to the question of campaign reform. And I think that the bill passed by the Senate was, despite its weaknesses, a noteworthy advance in that direction.

I want to compliment the Senator, especially on the fact that on more than one occasion, in fact on many occasions, he has come forth with ideas which, I think, fit in with the needs and the moods of the people. And in a second respect he has become the conscience of the Senate.

With men like Senator Mathias serving in this body, it makes me feel proud to be a Member of this institution.

Mr. MATHIAS. I am deeply grateful to the majority leader for his kind words. Due to his leadership, the Senate has passed some of the significant campaign reforms that have been approved here, and I only hope that others will follow his example.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Carolina (Mr. Thurmond) is to be recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, how much time is left of the time of the Senator from Maryland?

The ACTING PRESIDENT pro tempore. The time of the Senator from Maryland has expired.

Mr. MANSFIELD. Then I suggest the absence of a quorum, with the time for the quorum call to be taken out of the time of the Senator from South Carolina.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. LONG. Mr. President, I ask unanimous consent that Lynn Sutcliffe, Robert Joost, Paul Cunningham, Arthur Pankopf, Jr., Malcolm Sterrett, David Clanton, and John Kirtland, of the Commerce Committee staff, may have the privilege of the floor during the consideration of the conference report on the Regional Rail Reorganization Act of 1973, H.R. 9142.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I make the same request for Charles Warren and Gary Klein of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, in view of the fact that the time of the Senator from Virginia (Mr. Harry F. Byrd, Jr.) has almost expired, I ask unanimous consent that the remainder of his time be vitiated at this time; and I can assure the distinguished Senator from Virginia that he will have no trouble getting 15 minutes later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 10 minutes, with statements therein limited to 2 minutes.

Is there morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Harry F. Byrd, Jr.). Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on December 20, 1973, he presented to the President of the United States the following enrolled bills:

S. 14. An act to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations and for other purposes;

S. 2166. An act to authorize the disposal of opium from the national stockpile;

S. 2316. An act to authorize the disposal of copper from the national stockpile and the supplemental stockpile; and

S. 2794. An act to amend chapter 36 of title 38 United States Code, to authorize the Administrator of Veterans' Affairs to continue making educational assistance and subsistence allowance payments to eligible veterans and eligible persons during periods that the educational institutions in which they are enrolled are temporarily closed pursuant to a policy proclaimed by the President or because of emergency conditions.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS (for himself, Mr. Hughes, Mr. Williams, and Mr. Cranston):

S. 2848. A bill to extend and improve the Drug Abuse Education Act of 1970. Referred to the Committee on Labor and Public Welfare.

By Mr. INOUYE (for himself, Mr. Cranston, Mr. Mansfield, and Mr. Metcalf):

S. 2849. A bill to amend the Social Security Act to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 10 years, shall be treated, for benefit purposes, as if such marriage had been legally valid. Referred to the Committee on Finance.

By Mr. NUNN (for himself and Mr. Talmadge):

S. 2850. A bill to authorize the Secretary of the Interior to assist in the commemoration of the Revolutionary War battle fought at Savannah, Ga., and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. COOK:

S. 2851. A bill relating to the Pioneer Weapons Hunting Area in the Daniel Boone National Forest, Kentucky. Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENSON (for himself, Mr. Magnuson, Mr. Bible, Mr. Gravel, Mr. Hugh Scott, Mr. Abourezk, Mr. Biden, Mr. Hartke, Mr. Humphrey, Mr. Hart, Mr. Jackson, Mr. Roth, Mr. Cook, Mr. Stevens, Mr. Mansfield, Mr. McIntyre, Mr. McGovern, Mr. Nelson, Mr. Huddleston, Mr. Tunney, Mr. Clark, and Mr. Cranston):

S. 2852. A bill to preserve local air service. Referred to the Committee on Commerce.

By Mr. HUGHES:

S. 2853. A bill to provide for the relief of Lt. (junior grade) Charles W. Baker, Medical Service Corps, U.S. Navy. Referred to the Committee on Armed Services.

By Mr. CRANSTON (for himself, Mr. Javits, and Mr. Williams):

S. 2854. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance a national attack on arthritis. Referred to the Committee on Labor and Public Welfare.

By Mr. ABOUREZK:

S. 2855. A bill for the relief of Mahmond Abdullah Naji; and

S. 2856. A bill for the relief of Maurice Y. Murad. Referred to the Committee on the Judiciary.

By Mr. JOHNSTON (by request):

S. 2857. A bill to amend the public assistance provisions of the Social Security Act to provide that benefits thereunder (including supplemental security income benefits) shall be made available and financed in the case of Guam and the Virgin Islands on the same basis as in the case of other States. Referred to the Committee on Finance.

By Mr. TUNNEY:

S. 2858. A bill to amend the Outer Continental Shelf Lands Act for the purpose of increasing the safety of offshore drilling and production. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (by request):

S. 2859. A bill for the relief of Marian Law Shale Holloway. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON (for himself, Mr. PELL, and Mr. HOLLINGS):

S.J. Res. 184. A joint resolution to protect whales and certain other living marine resources. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. HUGHES, Mr. WILLIAMS, Mr. CRANSTON, and Mr. DOMINICK):

S. 2848. A bill to extend and improve the Drug Abuse Education Act of 1970. Referred to the Committee on Labor and Public Welfare.

ALCOHOL AND DRUG ABUSE EDUCATION ACT AMENDMENTS OF 1974

Mr. JAVITS. Mr. President, drug abuse in our country has been increasing. We can no longer tolerate the continuation of what is basically a one dimensional response to a three dimensional problem.

We must continue to focus fiscal and human resources on clinically oriented programs such as methadone maintenance and therapeutic communities to combat heroin addiction. However, in the face of changing patterns of drug abuse, we are no longer justified in expending drug program resources in this singular area of heroin addiction.

We are seeing now, in this country, the development of a frightening pattern of poly-drug use. Young people, even at the junior and senior high school levels, are taking drugs in combination—amphetamines, barbituates, tranquilizers and others, frequently mixed with alcohol.

While we do need to develop some clinical treatment models for youngsters so deeply enmeshed in poly-drug use as to be rendered nonfunctional, we should not fail to heed the major lesson to be learned from our experience in dealing with the drug abuse problem over the past few years:

The drug abuse problem cannot be solved by our simply dealing with its ultimate manifestation in the individual, that is addiction or crippling poly-drug use. The abuse of any substance is complex human behavior which is influenced by many forces: School, family, church, community, media peer group pressure. We must undertake the development of educational program models that utilize the resources of all of these in order to affect drug taking behavior before it reaches the final stage; one where already overburdened and often still uncertain health professionals must be called upon again for a solution.

We must undertake early intervention and primary prevention activities, aimed at helping experimenters and users out of the "taken" category before taking becomes "abusing." And at helping the troubled youngster who, even though a nonuser, may be headed for trouble with drugs because of their abundance and easy accessibility, because of peer pressure to conform, to join, to belong, and because of the more general but equally strong overall pressure in our society to opt for the chemical solution to life's problems.

The community at large, and the schools particularly, are in the best position to focus on the causes of drug abuse rather than the symptoms, to reflect their own specialized needs, and to plan and develop responsive early intervention and prevention programing.

Criticisms of so-called drug education efforts have been leveled at programs which have focused for the most part on providing massive amounts of information, very often to bored or hostile audiences. Such criticism is well directed—but not because education does not work. Rather because information is not education.

Drug education should be a total process of interaction between individuals which emphasizes the effective as well as the cognitive approach; a process in which drug information is utilized as a nutritive ingredient for the mutualistic growth of teacher and student alike, to the end of involving the student in intellectual, cultural, and social alternatives to drug use.

That such programs can be run successfully has been demonstrated by several school team approaches now being utilized around the country. Not the least of these is one from my own State, the Spark program in New York City. Interestingly, its success is due in large measure to its meaningful use of students themselves as "teachers" in the overall educational process.

The U.S. Office of Education has been training community teams to develop intervention and prevention responses; it has provided special training workshops for teacher training institutions. It is trying to relate responsibility to a far broader approach to "the drug problem" than is manifested by a simplistic focus upon the individual already addicted to hard drugs.

We must relate to this broader approach as well. We need a drug education bill not because we have proved scientifically that drug education works; but rather because we hope that given adequate time and support it can. And because given the scope of our drug problem and the lessons of experience, we know it must.

To accomplish that goal I am introducing with Senators HUGHES, WILLIAMS and DOMINICK the "Alcohol and Drug Abuse Education Act," which provides as follows:

First—$90 million over 3 years is authorized for the Secretary to make grants and contracts with, institutions of higher education, State and local educational agencies, and public and private education or community agencies, institutions, and organizations to support and evaluate demonstration projects and to disseminate these nationally, to train educational and community personnel that have or should have an important influence on the behavior of young people and to provide technical assistance in program development.

Second. Authorizes such funds to be available for activities such as——

Comprehensive demonstration programs in school-communities which focus on the causes of drug and alcohol abuse rather than the symptoms; which emphasize the effective as well as the cognitive approach; which reflect the specialized needs of local communities and which involve, in planning and development, school personnel, the target population, community representation and parents;

Creative primary prevention and early intervention programs in schools utilizing an interdisciplinary "school team approach" to prepare educational personnel together with students better to respond to the drug and alcohol problems in the schools by developing in them skills in planning comprehensive school drug abuse prevention programs to include such activities as peer group and individual counseling, group leadership training, rap groups, training of drug and alcohol education specialists, student involvement in intellectual, cultural, and social alternatives to drug and alcohol use;

Grants to State educational departments to support specific projects for—inservice training of educational personnel—technical assistance to local school districts—creative leadership in programing for indigenous minorities—training of peer counselors;

Evaluations of the effectiveness of such programs;

Preservice and inservice training programs on drug and alcohol abuse prevention for teachers, counselors and other educational personnel, law enforcement officials and other public service and community leaders and personnel;

Training of educational personnel in the selection and use of support materials in drug and alcohol abuse prevention;

Community education programs on drug and alcohol abuse especially for parents and others, as appropriate, in the community;

Evaluations of such training and community education programs including the examination of the intended and actual impact of such programs, the identification of strengths and weaknesses in such programs and the evaluation of materials used in such programs;

Programs or projects to recruit, train, organize and employ professionals and other persons including former drug and alcohol abusers or drug and alcohol dependent persons to organize and participate in programs of public education in drug and alcohol abuse; and

Projects for the dissemination of valid and effective school-community drug and alcohol abuse education programs.

The bill is distinguished from the recent House-passed bill—except that it retains the same total 3-year authorization of $90 million and specifically includes alcoholism within drug abuse—as follows:

The title of the bill is amended to read "Alcohol and Drug Abuse Education Act" to reflect the focus of the inclusion of support for alcohol abuse and alcohol dependency within drug abuse.

In lieu of the $100,000 grants to each State Education Department and the funding priority provisions single grant authority is provided for educational entities and community programs. It includes authority to make grants to State Education Departments to support specific proposals, and other enumerated programs eligible for funding support to achieve the desired goals as set forth in sections 3 (a) and (b) of the bill.

The purpose clause of the Act is amended to conform to the grant authorities established by the bill.

I am concerned that drug abuse education has been professionally, politically and economically exploited and could be more so by the $100,000 grants to each State.

There have been numerous criticisms of prior drug abuse education activities, for example, the Department has identified States where all of the funds are channeled to individual communities to carry out programs with little direction or monitoring of results, and no technical assistance and no evaluation. In one instance the bulk of the funds has gone to support one big workshop for educational personnel during the summer with no subsequent follow-up. Some States are still plying the traditional cognitive approach to drug education with predictable results. In one instance a good portion of funds was spent on a TV series which was abandoned after production. Traditional workshops are still a basic part of some States' programs. There tend to be instances of political in-fighting and red-tape which can jeopardize funding effectiveness. A number have reported significant unspent funds at the end of a project year. Also, there is a need for well-trained leadership at the State as well as at the local level.

The bill I introduced today with Senators Hughes, Williams, and Dominick will provide the opportunity to avoid such problems by focusing limited resources where they can be most effective.

I ask unanimous consent that the full text of the bill be printed in the Record.

Also, I ask unanimous consent that a recent evaluation of the New York Spark drug education program, which in great measure contributed to the development for the criteria of this bill, be printed in the Record.

There being no objection, the bill and the evaluation were ordered to be printed in the Record, as follows:

S. 2848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alcohol and Drug Abuse Education Act Amendments of 1974".

Sec. 2. (a) Section 1 of the Drug Abuse Education Act of 1970 (21 U.S.C. 1001) is amended to read as follows: "This Act may be cited as the 'Alcohol and Drug Abuse Education Act'."

(b) Section 2 of such Act is amended to read as follows:

"Sec. 2. (a) The Congress hereby finds and declares that drug and alcohol abuse diminishes the strength and vitality of the people of our Nation; that an increasing number of substances, both legal and illegal, are being abused by increasing numbers of individuals; that abuse of any substance is complex human behavior which is influenced by many forces—school, family, church, community, media, peer groups; and that prevention and early intervention require cooperation and coordination of all of these in strategies designed to respond to carefully defined problems.

"(b) It is the purpose of this Act to provide leadership to schools and other institutions in the community by supporting projects to identify, evaluate, demonstrate and disseminate effective drug and alcohol abuse prevention and early intervention strategies and to provide training and technical assistance to schools and other segments of the community in adapting such strategies to identified local needs."

(c) Section 3 of such Act is amended to read as follows:

"Sec. 3. (a) The Secretary shall carry out a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, and public and private education or community agencies, institutions and organizations to support and evaluate demonstration projects and to disseminate these nationally, to train educational and community personnel that have or should have an important influence on the behavior of young people and to provide technical assistance in program development.

"(b) Funds appropriated for grants and contracts under this Act shall be available for such activities as—

"(1) comprehensive demonstration programs in school-communities which focus on the causes of drug and alcohol abuse rather than the symptoms; which emphasize the affective as well as the cognitive approach; which reflect the specialized needs of local communities and which involve, in planning and development, school personnel, the target population, community representation and parents;

"(2) creative primary prevention and early intervention programs in schools utilizing an interdisciplinary 'school team approach' to prepare educational personnel together with students better to respond to the drug and alcohol problems in the schools by developing in them skills in planning comprehensive school drug and alcohol abuse prevention programs to include such activities as peer group and individual counseling, group leadership training, rap groups, training of drug and alcohol education specialists, student involvement in intellectual, cultural and social alternatives to drug and alcohol use;

"(3) grants to State Education Departments to support specific projects for—

(A) inservice training of educational personnel,

(B) technical assistance to local school districts,

(C) creative leadership in programming for indigenous minorities, and

(D) training of peer counselors;

"(4) evaluations of the effectiveness of programs described in paragraphs (1), (2), and (3);

"(5) preservice and inservice training programs on drug and alcohol abuse prevention for teachers, counselors and other educational personnel, law enforcement officials and other public service and community leaders and personnel;

"(6) training of educational personnel in the selection and use of support materials in drug and alcohol abuse prevention;

"(7) community education programs on drug and alcohol abuse, especially for parents and others (as appropriate) in the community;

"(8) evaluations of the training and community education programs described in paragraphs (5) and (7), including the examination of the intended and actual impact of such programs, the identification of strengths and weaknesses in such programs and the evaluation of materials used in such programs;

"(9) programs or projects to recruit, train, organize and employ professionals and other persons, including former drug and alcohol abusers or drug and alcohol dependent persons to organize and participate in programs of public education in drug and alcohol abuse; and

"(10) projects for the dissemination of valid and effective school-community drug and alcohol abuse education programs.

"(c) There are authorized to be appropriated to carry out the purposes of this section $26,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $34,000,000 for the fiscal year ending June 30, 1976."

Sec. 3. The Drug Abuse Education Act of 1970 is further amended by striking out "drug abuse" each time it appears in section 5 and inserting in lieu thereof "drug and alcohol abuse".

PRELIMINARY REPORT—PHASE I OF SPARK PROGRAM ANALYSIS

(By Eugene P. Visco)

FOREWORD

Even at this early stage, it is important to recognize and acknowledge the participation of others without whose assistance this work would not be underway. First and foremost are key personnel at the New York City Board of Education: Arthur Jaffe, Director, SPARK Program, and Kathy Quaranta, Director of Training, SPARK Program. The teams at the schools, who remain anonymous because of the anonymity of their schools, gathered the data under painful and time-consuming circumstances.

The study is under the overall direction of Leon S. Pocinki, Director of Operations, GEOMET. Isadore Enger provides guidance on statistical matters. Computer programming and data management at GEOMET is the responsibility of Michel B. Rodante.

The Government Project Officer, overseeing the total study on behalf of SAODAP, is Bernard R. McColgan.

SECTION 1.0—INTRODUCTION

Background

This is the first report on the analysis of data representing the performance of the SPARK (School Prevention of Addiction through Rehabilitation and Knowledge) drug abuse program. The analysis is being carried out under the Basic Ordering Agreement 73–2 between the Special Action Office for Drug Abuse Prevention and GEOMET, Incorporated.

The New York City SPARK Program is: "The Nation's largest school-based program (approaching) addiction education and prevention through group and individual counseling, training of a peer leadership cadre, home visits, parent workshops, parent/child group sessions, community involvement, curriculum development, and in-service training for teachers."

Four major program goals have been established:

"Establishing a setting within each school where young people can go to learn to like themselves and cope with one another;

"Helping students to make decisions, solve problems, and in the process, to grow;

"Providing young people intellectual, social, cultural and recreational alternative to drug abuse; and

"Improving communication with the existing services within each school."

The program is operated by the New York City Board of Education within the school system. Doctrine, guidance and staff recruitment, training, and assignment, as well as overall coordination is the responsibility of the SPARK Program Management group, an element of the Board of Education. The direct on-the-scenes activity of the program, in the 94 high schools making up the New York City secondary school system is the responsibility of the individual high school principals. The SPARK teams located in the schools are members of the individual school faculty and are supervised by the principal.

Three different types of SPARK teams are represented in the school system. They are:

One Drug Education Specialist (DES) at each of 45 schools;

One DES and one Instructor/Addiction at each of 40 schools; and

One DES, two Instructors/Addiction, and three additional professionals (usually including a psychologist, guidance counselors, or attendance teachers) at each of the remaining nine schools.

The last type of team configuration is responsible for the operation of an intervention and prevention center.

The program got underway about 1970. A full description of its development, organization, and operations will be included in a subsequent report. It is sufficient to state here that a brief analysis carried out early this year under the auspices of the New York Addiction Services Agency (ASA), the general delegate agency for drug abuse funds, indicated striking changes in behavior among the students who participated in the SPARK program. A major limitation of that analysis was that it sampled only SPARK enrollees and did not include observations of behavior among students who were not associated with SPARK. The analysis included SPARK involvement data for only the first semester of the 1972–1973 school year, compared with "baseline" data on the same students for a comparable semester (the previous year) before they became involved in the SPARK program.

To augment the observations of the ASA-sponsored analysis and to probe somewhat deeper into the performance of the SPARK program, SAODAP asked GEOMET to carry out "an evaluation of the SPARK high school drug abuse program in New York City in terms of changes in the functional behavior of students in an experimental group, as compared with a control group."

Technical approach

The basic approach is to compare the behavior of students in the SPARK program with students not in the SPARK program. Behavior is represented by four parameters: referrals for drug-related activity, instances of misbehavior (referred to as "acting-out behavior"), truancy, and classroom grades. Samples of students have been drawn from three of the nine schools that have intervention and prevention centers. The objective sample distribution is 100 SPARK students per school for a total sample size of 300 "experimental" subjects and 100 non-SPARK students per school for a total of 300 "control" subjects. The control samples are to be matched or "paired" with the experimental samples. The matching will be done in terms of the four behavior variables plus sex (gender) on the basis of data representing the students during the period September 1971 to June 1972 (before the SPARK population enrollment).

The students are selected from the populations who were in the 9th and 10th grades during the baseline period; thus, they are in the 11th and 12th grades as of the beginning of the present school year. The matching will be done by computing the distributions of the various variables for the experimental group for the period prior to the group's entry into the program. Control samples will be selected on the basis of one-for-one pairing in terms of the same behavior characteristics for the same time period. In order to facilitate the data collection effort (carried out by members of the SPARK intervention and prevention center teams at the three schools), the same baseline period and first "treatment" period data were drawn for the experimental sample (100 students) and the larger control sample at the same time. The first "treatment" period is the period September 1972 to June 1973, or the first year of SPARK involvement for the experimental group.

Comparisons will be carried out covering the present school year (September 1973 to June 1974); plans also call for an interim data point at the end of the first semester (January 1974).

The behavior variables specifically represents:

The number of referrals for drug-related behavior from a wide range of sources including school security guards, professional staff members, family, and other students;

The number of reported instances of misbehavior including fighting, abusive oral language, and stealing;

The total number of absences, unexcused absences, class cuttings, and tardiness events; and

Grades on at least the five basic courses generally required.

Since the data to be used are as filed in the various schools and some variations in data recording systems is expected, the analysis will be adjusted to make maximum use of the data in their original form.

SECTION 2.0—STATUS AS OF 31 OCTOBER 1973

Three basic sets of data have been drawn, using random procedures, by the SPARK school staffs and are being processed at GEOMET. The data generally consist of the following information:

A student identification number (so the longitudinal data can be correctly drawn in the future);

Indication of the sample category (experimental or control);

The student's sex:

Whether or not the student is presently enrolled (for the data now in hand, all are still enrolled); and

The number of referrals for drug-related behavior from police, security guard, professional staff, self, family, other students, emergency room, and other medical facility.

The number of events of acting-out behavior, categorized as fighting with other students; fighting with staff, abusive oral language, disruption classroom activities; inappropriate conduct in lunch or recreational areas, damaging school property, stealing from school, other students, or faculty, setting fires, and setting false alarms.

The number of events associated with truant behavior as represented by total absences, classes cut, and tardiness.

Final grade on six courses.

Data were not available on all elements at all schools. For example, there appear to be no (or very few) instances of "setting fires" or "false alarms." Similarly, information on unexcused absences is not filed at some schools. The composition of the samples is indicated in Table 1 below:

TABLE 1.—SAMPLE SIZE AND COMPOSITION

Group	School 1		School 2		School 3	
	Male	Female	Male	Female	Male	Female
Experimental...	42	58	54	46	30	70
Control.........	111	90	81	75	60	140

As of this report, the data are in computer accessible form. The matching process, a somewhat tedious task, is underway. Initial frequency distributions have been computed for all the groups for Schools 1 and 2; the data for School 3 (slightly delayed) has only recently been prepared for entry into the computer and the distributions are not yet available. The preliminary results are presented in the next section.

SECTION 3.0—PRELIMINARY RESULTS: TWO SCHOOLS

This section presents the tentative results obtained by analysis of the available data for two schools.

The results of principal concern are those that indicate the change in the experimental group over time. In interpreting these results it is important to recognize that the control population has not yet been matched. Thus, on the basis of the statistics computed from the entire population, results are only preliminary. It may be expected that the differences between the experimental and control groups for the first "treatment" period (September 1972 to June 1973) will change, given that the two groups are about the same (matched) for the baseline period. Tables 2 through 5 summarize the observations and display the summary data by school, by time period, and by sample group.

TABLE 2.—AVERAGE NUMBER OF REFERRALS FOR DRUG-RELATED BEHAVIOR (ALL SOURCES)

Group	School 1		School 2	
	1971–72	1972–73	1971–72	1972–73
Experimental.....	3.88	2.83	3.31	1.33
Control..........	1.31	1.86	1.79	4.91

TABLE 3.—AVERAGE NUMBER OF MISBEHAVIOR EVENTS (ALL TYPES OF ACTING-OUT BEHAVIOR)

Group	School 1		School 2[1]	
	1971–72	1972–73	1971 72	1972–73
Experimental.....	12.84	6.06	14.28	3.89
Control..........	4.05	7.68	7.11	15.13

[1] Includes suspensions; data not available for School 1.

TABLE 4.—AVERAGE NUMBER OF TOTAL ABSENCES

Group	School 1		School 2	
	1971–72	1972–73	1971–72	1972–73
Experimental.....	21.15	19.16	17.87	12.06
Control..........	23.96	33.52	28.24	33.90

TABLE 5.—AVERAGE GRADES (5 COURSES)

Group	School 1		School 2	
	1971–72	1972–73	1971–72	1972–73
Experimental.....	64.18	69.32	60.86	70.29
Control..........	60.46	48.48	52.38	40.73

The preliminary data indicate that the number of referrals for drug related activity for members of the experimental group (in the SPARK Program) decreased, while the number of referrals for members of the control group (not in the SPARK Program) increased from the baseline period to the 1972–73 period. The same is essentially true for the number of absences. In the case of average grades, the grades for the members of experimental group were higher during the period they were in the Program than before, while the grades for the control group members dropped during the same period.

Although there are many factors that may influence the results presented here, we can tentatively conclude that there is an association between participation in the SPARK Program and improvement in the attributes of socially desirable behavior. In turn this result may mean that there is some "treatment" to which the SPARK-enrolled students are exposed that affects their behavior in a positive or "good" manner. Correspondingly, there is some influence or treatment to which the non-SPARK students are exposed that has the opposite effect. The data indicate these observations without exception.

Such consistency is quite rare in analyses of the present type.

The basic data compiled consists of the mean scores for each of the subvariables, defined in Section 2.0. Table 6 presents all the means for the two periods (September 1971 to June 1972 and September 1972 to June 1973) for the experimental group at School 1; Table 7 presents the same data for the control population at School 1. Tables 8 and 9 present the comparable data, respectively, for School 2.

TABLE 6.—MEAN SUBVARIABLE SCORES, SCHOOL 1, EXPERIMENTAL GROUP, SEPTEMBER 1971 TO JUNE 1972 AND SEPTEMBER 1972 TO JUNE 1973

Variable and subvariable	Average number of events or mean grade	
	1971–72	1972–73
Drug referrals:		
Police	0	0
Security guard	.85	.40
Professional staff	2.16	1.08
Self	.16	.80
Family	.30	.34
Other students	.34	.17
Emergency room	.06	.03
Medical facility	.01	.01
Acting-out behavior:		
Fighting with other students	1.33	.58
Fighting with faculty	.43	.15
Abusive language	3.38	1.83
Disrupting classrooms	4.67	1.97
Bad conduct in lunchrooms	2.92	1.53
Damaging school property	.07	0
Stealing	.04	0
Setting fires	0	0
False alarms	0	0
Absences:		
Total	21.15	19.16
Unexcused	10.40	5.22
Class cutting	11.14	4.96
Tardiness	5.69	4.30
Grades:		
Course 1	67.55	71.39
Course 2	67.30	65.99
Course 3	61.50	67.14
Course 4	63.10	69.99
Course 5	61.46	72.10

TABLE 7.—MEAN SUBVARIABLE SCORES, SCHOOL 1, CONTROL POPULATION SEPTEMBER 1971 TO JUNE 1972 AND SEPTEMBER 1972 TO JUNE 1973

Variable and subvariable	Average number of events or mean grade	
	1971–72	1972–73
Drug referrals:		
Police	0	0
Security guard	.26	.50
Professional staff	.92	1.23
Self	0	0
Family	0	.01
Other students	.02	.02
Emergency room	.12	.10
Medical facility	0	0
Acting-out behavior:		
Fighting with other students	.43	.75
Fighting with faculty	.09	.19
Abusive language	.88	1.78
Disrupting classrooms	1.41	1.95
Bad conduct in lunchrooms	1.24	2.73
Damaging school property	0	.26
Stealing	0	.02
Setting fires	0	0
False alarms	0	0
Absences:		
Total	23.96	33.52
Unexcused	6.38	14.83
Class cutting	11.24	23.44
Tardiness	6.12	4.52
Grades:		
Course 1	62.14	49.65
Course 2	62.66	48.54
Course 3	57.79	46.94
Course 4	58.14	47.94
Course 5	[1] 61.59	[2] 49.31

[1] Only 190 students took this course; mean computed on this number.

[2] Only 193 students took this course; mean computed on this number.

TABLE 8.—MEAN SCORES, ALL SUBVARIABLES, SCHOOL 2 EXPERIMENTAL GROUP, SEPTEMBER 1971 TO JUNE 1972 AND SEPTEMBER 1972 TO JUNE 1973

Variable and subvariable	Average number of events or mean grade	
	1971–72	1972–73
Drug referrals:		
Police	0.50	0
Security guard	.48	.08
Professional staff	1.45	.25
Self	.41	.68
Family	.08	.09
Other students	.80	.22
Emergency room	.04	.01
Medical facility	0	0
Acting-out behavior:		
Fighting with other students	2.24	.46
Fighting with faculty	.73	.19
Abusive language	3.97	1.51
Disrupting classrooms	1.95	.33
Bad conduct in lunchrooms	5.14	1.36
Damaging school property	.12	.01
Stealing	0	.01
Setting fires	0	0
False alarms	0	0
Suspensions	.13	.02
Absences:		
Total	17.87	12.06
Unexcused	(1)	(1)
Class cutting	(1)	(1)
Tardiness	8.18	3.73
Grades:		
Course 1	60.80	66.40
Course 2	64.60	68.70
Course 3	58.30	67.20
Course 4	62.10	70.55
Course 5	[2] 58.52	78.60

[1] No data.

[2] Only 99 students took this course; mean computed on this number.

TABLE 9.—MEAN SCORES, ALL SUBVARIABLES, SCHOOL 2, CONTROL POPULATION, SEPTEMBER 1971 TO JUNE 1972 AND SEPTEMBER 1972 TO JUNE 1973

Variable and subvariable	Average number of events or mean grade	
	1971–72	1972–73
Drug referrals:		
Police	0.03	0.08
Security guard	.22	.62
Professional staff	1.28	2.94
Self	.03	.26
Family	.04	.14
Other students	.19	.85
Emergency room	0	.01
Medical facility	0	
Acting-out behavior:		
Fighting with other student	1.16	2.69
Fighting with faculty	.22	.67
Abusive language	2.48	5.41
Disrupting classrooms	.92	1.98
Bad conduct in lunchrooms	2.15	4.11
Damaging school property	.08	.15
Stealing	.01	.01
Setting fires	0	.01
False alarms	.01	0
Suspensions	.08	.10
Absences:		
Total	28.42	33.90
Unexcused	(1)	(1)
Class cutting	(1)	(1)
Tardiness	11.54	4.52
Grades:		
Course 1	52.69	39.90
Course 2	51.83	41.06
Course 3	46.86	41.22
Course 4	57.24	38.88
Course 5	53.28	42.59

[1] No data.

By Mr. INOUYE (for himself, Mr. CRANSTON, Mr. MANSFIELD, and Mr. METCALF):

S. 2849. A bill to amend the Social Security Act to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 10 years, shall be treated, for benefit purposes, as if such marriage had been legally valid. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, today I am introducing a bill to amend the Social Security Act to provide that an individual who has innocently entered into a legally defective marriage to an insured individual, and who has lived with such individual as husband or wife for at least 10 years, shall be treated, for purposes of qualifying for benefits, as if such marriage had been legally valid.

This legislation was prompted by a problem which faces a constituent of mine. Mrs. X had lived with her husband for over 25 years, and then found that she was ineligible for social security benefits even though all agree that she had acted in good faith. To quote Acting Commissioner Hess, of the Social Security Administration:

> I would like to say at the outset that Mrs. X's case merits sympathy. . . . It would appear that she may have been grossly deceived in 1943, and was, in consequence, inveigled into an invalid marriage by deliberate misrepresentation. . . . Since it was determined in February, 1969, that Y is the legal wife of X, only she could be paid wife's benefits for months thereafter.

Thus, after living with her husband for over 25 years, Mrs. X found herself ineligible for social security benefits because she was not legally married.

Mr. President, in reviewing this bill, you will note that both wives will be treated as if their marriages were, in fact, valid. Accordingly, benefits paid to one would not affect the eligibility status or extent of coverage which the other is entitled to receive. Further, a clause is included which would penalize the individual responsible for this deception by reducing his old-age benefit by an amount equal to that paid to his "second" wife.

Mr. President, I hope you will recognize the need which is felt by those who would benefit by this legislation, and will assist in its speedy passage.

By Mr. COOK:

S. 2851. A bill relating to the Pioneer Weapons Hunting Area in the Daniel Boone National Forest, Ky. Referred to the Committee on Agriculture and Forestry.

Mr. COOK. Mr. President, on Monday, December 17, I withdrew the language of my amendment to S. 1983—the Endangered Species Act of 1973—so as to not jeopardize final passage of the conference report which we acted on Wednesday night.

The point of the amendment I submitted to S. 1983 was to preserve Kentucky's Pioneer Weapons Hunting Area in the Daniel Boone National Forest of eastern Kentucky while, at the same time, providing access to a recreation area at Cave Run Lake which will soon be Kentucky's fourth largest manmade lake.

The conference report on S. 1983, by my agreement with the House conferees at the Monday meeting states:

In light of the considerable controversy on the subject, the conferees felt that this issue ought not to be resolved by inclusion of this section in the bill, but that it would be more appropriate for full hearings to be held on the question by the proper committees of Congress. Accordingly the section was stricken from the bill with the understanding and hope that such hearings might be expeditiously completed.

As the first step in facilitating action on this agreement to hold hearings in both the Senate and House. I am sending to the desk, legislation stating that, notwithstanding any other provision of law, no department, agency, or other instrumentality of the United States shall take any action involving the construction, upon or through any of the approximately 7,300 acres of land comprising the Pioneer Weapons Hunting Area in the Daniel Boone National Forest, Ky., of an access road to the Zilpo Recreation area. In addition, the bill contains an exception stating that nothing in the bill shall be construed as precluding the construction of a Zilpo Recreation Site access road generally on a route extending northward from forest development road No. 129 generally skirting the eastern boundary of the Pioneer Weapons Hunting Area. I ask that this bill be appropriately referred and printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COOK. Mr. President, this matter of locating the Zilpo access road has been a subject of great concern to a large number of Kentuckians because the Pioneer Weapons Hunting Area, opened in July of 1962, was the first of its kind in the Nation and the focal point of attention for interested fish and game personnel from other States, departments, and Federal agencies.

I would like to submit for the Record an article from the November 1966 issue of Field and Stream magazine which accelerated the Pioneer Weapons Hunting Area into national prominence and explains in detail the area of interest. I ask that it appear at this point in my remarks and be labeled exhibit 1.

There being no objection, the article was ordered to be printed in the Record, as follows:

Exhibit 1

[From the Field and Stream magazine, November 1966]

Kentucky's Happiest Hunting Ground

(By Jim Hayes)

The sound of a shot from an oldtime muzzle-loading shotgun is distinctly different from that of a modern gun firing smokeless powder. Whereas the modern shotgun has a flat, slamming report, the black-powder scattergun touches off with a resonant, rolling *ka-boooooom.*

I'm accustomed to hunting with a 12-gauge Remington, so the difference was immediately apparent to me when the first grouse thundered out of a windfall and two of my hunting companions blazed away with their muzzle loaders. After the clouds of blue smoke lifted, we moved ahead and found the bird in the dry leaves.

We were hunting with muzzle loaders, not to give the grouse a better chance, which they hardly needed, but because they were our tickets to one of America's most unusual public hunting grounds, the Primitive Weapons Area of the Cumberland National Forest in northeastern Kentucky.

A cooperative development of the U.S. Forest Service and the Kentucky Department of Fish and Wildlife Resources, this 7,300-acre tract of forest land has been set aside for sportsmen who'd like the chance to hunt an abundance of game with the same weapons and under the same wilderness conditions that existed more than a century ago. The only weapons permitted here are longbows, crossbows, and muzzle-loading rifles and shotguns. The Primitive Weapons Area, which opened in July 1962, has been attracting hunters in increasing numbers ever since.

My hunting partners were Bill Zeedyk, John Nunan, and Bobby Durbin, all of Winchester, Kentucky. Bill is the U.S. Forest Service's wildlife staff officer assigned to the Cumberland National Forest and a dedicated career conservationist. Bobby and John are muzzle-loader enthusiasts. A month earlier, on November 10, the opening of deer season, Bobby had bagged a four-point, 125-pound buck on the Primitive Weapons Area. Hunting near a waterhole on the Tater Knob slope, he dropped it from 50 yards with one shot from his .43-caliber long rifle.

Although I had never hunted with a muzzle loader, I'd always been fascinated with the idea. When I heard of Kentucky's Primitive Weapons Area, I wrote to Bob Collins, Forest Service supervisor of the Cumberland National Forest, and asked to join in a hunt. Bill Zeedyk was assigned to organize the hunt, and we agreed on a date—Saturday, December 4, 1965. The day before, I drove from my home north of Pittsburgh and checked into a motel in Winchester. At 6 the next morning Bill and his friends routed me out for the forty-five-minute drive to the Cumberland National Forest.

The Cumberland National Forest lies between the Blue Grass country and the mountains of eastern Kentucky. Comprising 461,000 acres of the western foothills of the Allegheny Mountains, it extends 150 miles northeast from Tennessee to a point north of Morehead, Kentucky. The 7,300-acre Primitive Weapons Area, in Bath and Menifee Counties, is in the northern part of the forest, 15 miles southwest of Morehead. The best jumping off place is the crossroads village of Salt Lick. Virgil Caudill's gas station, at the junction of Routes 60 and 211, is a gathering place for many muzzle-loader hunters.

Terrain in this Primitive Weapons Area is really rugged. Geologically, the area is situated on an ancient plateau which was uplifted and later eroded, leaving an irregular mazework of razorback ridges, rounded knolls, and conical knobs. Drainages in the southern part of the tract are cliffbound by sandstone rimrock. The elevation varies from 630 feet in the valleys to 1,300 feet on the ridges. The highest point, Tater Knob, with an elevation of 1,390 feet, is the geographic center of the area. A Forest Service fire tower atop the knob commands a spectacular 10-mile view in all directions.

When we drove into the area, Bill pointed out for me some of the woodland features. "As you can see," he said, "the slopes and ridges are mature and intermediate hardwood forests of oak, beech, hickory, yellow poplar, basswood, and ash interspersed with Virginia pine, hemlock, and some red cedar. Sycamore, black walnut, and pine are common in the valleys. The understory is mostly fox grape, mountain laurel, rhododendron, sumac, sassafras, dogwood, and greenbrier.

"We have quail, dove, and rabbit in the overgrown fields along the riverbottoms bordering the area, but mostly we'll be hunting forest game—grouse and squirrel. The archery season is on for deer, so we'll probably be seeing hunters with the longbow and crossbow. This is one of the few places in the country where the crossbow is a legal hunting weapon."

I'm an ardent grouse hunter, so I was glad to hear that we'd be hunting my favorite game bird. Whether or not we could score on them with muzzle loaders was the big question. The answer came soon enough. We found grouse plentiful in the thickets in Buck Creek Valley, bagging two and missing several others. At least a half dozen birds flushed wild, affording no shooting. We caught up with them again in the oak slashings on the mountainside at the edge of the valley. John and I walked past the first grouse, and he roared out behind us. We spun, fired, and watched him glide into the valley, feathers unruffled.

"That's a smart old bird." John said. "He'll live a long time."

After reloading, we moved through the second growth angling across the slope, to where the brush began thinning into open woods. Suddenly two grouse went out. I swung on the closest bird, squeezed, and he folded in a burst of feathers. The other made the mistake of trying to circle back around Bill. He swung, let go, and the grouse tumbled into a vine tangle.

"With all the gunsmoke we're putting up," Bobby laughed, "the spotter in the Tater Knob fire tower will think there's a forest fire down here!"

We gathered in the open woods to catch our breath and reload. Bill and Bobby had 12-gauge Parker doubles, and John was shooting a 15-gauge single shot. My gun was a 14-gauge Belgian double with 28-inch barrels. We reloaded with small-game hunting loads of 3¼ drams of black powder and 1⅛ ounces of No. 6 shot. With these loads, the guns have an effective killing range of about 30 yards. Most muzzle loaders, unless they've been to a gunsmith to be choked, are open-bored. This makes for an uneven but wide-flung shot pattern, perfect for grouse.

Loading procedure is to pour the powder down the muzzle, followed by the powder wad, shot, and overshot wad. The charge is tamped firm with the ramrod, which fits under the barrel, held in place by a metal ring. The tamping end of the ramrod is blunt; the opposite end has a small corkscrew, called the worm, which is used to pull gunshot loads. Many hunters, instead of pulling the charge, fire off their loads when they are ready to quit. The final step in loading is to fit metal percussion caps over the breech nipples—either by hand or using a "capper"—and ease the hammers down to safe or uncocked position.

The remainder of a muzzle-loader hunter's equipment consists of a powder horn or metal flask containing the black powder, and a leather pouch with a shoulder strap to carry wads, shots, and percussion caps. John was carrying a belt pouch. Bill, Bobby, and John fill small plastic vials with powder and shot for each reload. This makes for faster reloading and enables them to leave the powder horns at the car.

With a single-shot gun, an experienced muzzle-loader hunter can get off about three shots a minute. But it is not precisely true, as great-granddaddy used to relate, that a hunter can miss a flushing grouse, reload, and down it on the second shot.

Being new to the game, I asked Bobby Durbin, our expert, if there were any special precautions to be taken.

"Just handle the gun as you would any other," he advised. "Keep the hammers on safe position, and keep the muzzle pointed toward the ground or the sky. If you should accidentally jar the hammer forward hard enough, you could touch off the percussion cap and fire the load.

"Before you reload a barrel, remove the caps from both barrels. That's important.

Also, if you've just fired a barrel, keep your face back from the muzzle when you pour the powder in. If there's a spark left in the barrel, you could get a flare out. That's about all."

"Suppose you put in too much powder?" I asked.

"Unless the gun has a defective barrel," Bobby replied, "the only damage will be to your shoulder. This black powder is not nearly so critical as smokeless powder. Your shoulder will cave in from the recoil before you damage a barrel."

Percussion-cap muzzle-loading shotguns are readily obtainable from antique gun dealers and private owners. Modern reproductions are made for hunters who want new guns in the old tradition. Du Pont sells black powder, and other supplies—shot, wads, caps, powder horns, and pouches—can be obtained from antique-gun-supply mail-order houses.

Percussion-cap muzzle loaders occupied a brief period of history, from about 1840 to 1880, bridging the gap between the end of the flintlock era and the development of the cartridge. Muzzle-loading-gun fanciers, I discovered, live in a world all their own, with their own national organization, state and local chapters, a monthly publication, and regularly scheduled shoots. The National Muzzle Loading Rifle Association, which includes shotgunners, has a membership of 8,500. Headquarters are in Shelbyville, Indiana. States leading in muzzle-loading interest, based on NMLRA memberships, are Ohio, Indiana, California, Michigan, and New York.

We hunted the Buck Creek Valley and lower slopes until noon, collecting three more grouse and a gray squirrel. Then, since Bobby and John had to work that afternoon in Winchester, we headed back for the cars. Harold Barber, chief forest game biologist for the Kentucky Department of Fish and Wildlife Resources, had agreed to meet Bill and me for the afternoon's hunting. Together with Bob Collins, supervisor of the Cumberland National Forest, he is credited with originating the idea for the Primitive Weapons Area. Primarily, they were interested in improving the quality of hunting by emphasizing tradition and sporting aspects.

"The way civilization is taking over this country," Harold told me, "we are running out of land, especially wilderness areas. This tract, being readily accessible, is not wilderness by any means. But we're trying to create the illusion. We feel that the area represents an approach to the hand-hewn-log-cabin, coonskin-cap pioneer days that a lot of people might enjoy."

Harold is typical of the Kentucky hill country and not given to making long speeches. But where the Primitive Weapons Area is concerned, natural reticence gives way to unabashed enthusiasm. "We've turned back the hands of time here," he went on. "At the same time, we're applying modern methods of forest and wildlife management. Through habitat improvement, we're trying to provide populations of forest game in the abundance that great-granddaddy used to brag about. The gunning, of course, is restricted to the same muzzle-loading weapons that the old timers used."

"Do you have a big deer herd?" I asked. "We saw a lot of deer trails and buck rubs."

"Not really big yet," Harold replied. "But it's building up. Hunters have taken at least fifteen deer that we know about so far this season. Muzzle-loader hunters took eleven and archers got four."

"Deer were extinct in this part of Kentucky for many years," Bill explained. "Since 1954, over a hundred deer have been stocked, and they're now plentiful enough to permit limited hunting. Wild turkey were stocked in 1960, and we hear a lot of sighting reports. We expect that a spring gobbler season will be opened this year or next."

"Deer hunting pressure is about right for the present size of the herd," Harold continued. "But we could accommodate a lot more muzzle-loader hunters for small game. Many of our grouse coverts and squirrel woods can take more shooting then they're getting."

Hunters do not have to come to the Primitive Weapons Area to hunt with bow and arrow or muzzle loaders. With the exception of the crossbow, these are legal hunting weapons anywhere in Kentucky and in many other states. Many hunters prefer the Primitive Weapons Area because of the abundance of game and the chance to get away from competition from hunters using modern arms. Also, they seem to be more attuned to the hunting tradition than the average hunter; although the shooting opportunities may be greater, the interest is more in spending a challenging day afield than in dragging home a handful of fur and feathers.

"The hunters who come here," Harold said, "are among the best shots, best woodsmen, and the finest sportsmen I've ever encountered. We've never had a hunting accident, and the only game-law violations have been by hunters with modern weapons wandering into the area by mistake. Up to now, we've sent them on their way without preferring charges."

The December sun was already behind the western ridge, leaving the valley floor in shadow, when we started up the old logging road to hunt the lower slopes of Tater Knob. Harold's setter, Lady, ranged ahead of us, eager for bird scent. After a ten-minute walk we turned up a thickly wooded hollow where Lady found her first point. For a moment we stood there admiring her. It was one of those points that grouse hunters dream about. Then we moved in, thumbing our hammers. The setter held beautifully as Harold routed the grouse from knee-high brush not 3 feet from her nose. The barrels of Harold's 12-gauge muzzle loader swung, steadied—and the grouse went down in a shower of feathers. Lady fetched and came strutting back with the bird, a black-ruffed cock, pleased as punch. We admired it and pushed on again.

As we hunted along the rocky slope, Bill paused to pick up something. "It's an Indian arrowhead," he said, holding it up. "If you're interested in Indian relics, this place is loaded with them."

He pointed to a sandstone outcropping high on chestnut cliffs, to the south. "There are Indian caves under those cliff overhangs," he added. "The rocks are still blackened from their campfires. And you can see hominy holes worn in the rocks where they ground corn. If you want, we can do some exploring tomorrow with Bob Reynolds, our District Forest Ranger. You can bring the gun, too. We have Sunday hunting in Kentucky."

Sunday gunning is typical of Kentucky's liberal regulations. Seasons are long and bag limits generous. Squirrel season runs from mid-August through October, and reopens in December. Rabbit and quail open in mid-November. Grouse hunting is underway from December through February. The best month for small game is December, when grouse, rabbit, quail, and squirrel are legal. Daily limits are four grouse, six squirrel, eight rabbit, and ten quail, which makes for a heavy although somewhat improbable game bag

Archery season on deer opens in October. Gunners get five days in November, and the Robin Hoods take over for another ten days in December. During gunning season deer may be taken on the Primitive Weapons Area with either muzzle-loading rifles or shotguns. The shotguns must be charged with No. 2 buckshot or larger. This is a hunter's choice season—buck or doe. Hunting licenses are $3.25 for residents, $15.50 for non-residents. Deer tags cost an extra $10.50.

The Primitive Weapons Area can be reached via Route 826, which cuts off Route 60 east of Salt Lick, or via Route 211 south of Salt Lick and east on Forest Service road 129. The turnoffs are well marked by Forest Service directional markers. The tract is bounded on the northeast by the Licking River and on the south by Leatherwood Creek. The northwest section, in the Trough Lick Branch area, is accessible only by walking. It draws little hunting pressure despite an abundance of deer, squirrel, and grouse.

To preserve the wilderness setting, camping is not permitted in the Primitive Weapons Area. Forest Service camping grounds have been established at four access areas—two along Route 826, one on Forest Service Road 129, and one on Bucks Creek. Another camping area, complete with tent pads, tables, fireplaces, and sanitary facilities is located at nearby Clear Creek Furnace campground on Forest Service road 129. Everything is open to the public with no registration or special permits required.

During our final hour of hunting, Bill, Harold, and I bagged two more grouse, missed several others, and Bill downed a gray squirrel. As we headed back for the parking area, we saw another hunter coming out of the woods. Bill had told me that some muzzle-loader hunters turned out in full regalia and this fellow was dressed for his sport. Attired in coonskin cap and buckskin, with a flintlock Kentucky long rifle cradled in his arm, he came striding out of the woods without a care in the world. It was like seeing a figure stepping out of a history book.

Mr. COOK. Mr. President, in addition to describing the rugged, natural beauty of the area, there is an account of the wildlife found in the Pioneer Weapons Hunting Area by Harold Barber, chief forest wildlife biologist of the Kentucky Department of Fish and Wildlife Resources.

He makes reference to the stocking of wild turkeys in the area. At a later date Mr. Barber wrote a progress report on the status of the wild turkey in Kentucky which I would like to submit for the Record as exhibit 2 at this point.

There being no objection, the report was ordered to be printed in the Record, as follows:

Exhibit 2

The Wild Turkey Under Siege

(By Harold Barber)

In the March 1966, issue of the *Happy Hunting Ground* magazine, a progress report was given on the status of the wild turkey in Kentucky. In that article the author related that a total of 400 live-trapped wild turkeys had been successfully transplanted and released on 17 restoration areas during the period from 1950 through 1965.

It was also reported that efforts to restore turkeys through the release of game farm stock had been discontinued, since no known establishment had resulted from the thousands of pen-reared birds released; while no known failures to establish wild turkeys had resulted where trapped wild stock had been released. Restoration through the use of wild stock was an outstanding success, and Kentucky's efforts along this line with both turkeys and deer comprise one of the outstanding wildlife achievements that have been recorded anywhere in the nation. Very few efforts of any kind can claim a record of 100 per cent success, but our turkey restoration efforts with genuinely wild birds can make that claim.

The purpose of this article is to relate some of the events of the last six years, to discuss the probable causes, and to suggest a future course.

POPULATION TRENDS

The number of wild turkeys present in Kentucky has declined since 1966, and several of the flocks appear to be in trouble. Two areas that recently supported exceptionally good turkey populations, the Beaver Creek and Sky Bridge vicinities, are almost devoid of turkeys today. Three other areas that also supported good flocks, the Robinson Forest, Ford Track, and Mill Creek vicinities, have experienced population declines.

These trends have caused concern, and some very serious and basic questions as to why. A turkey research study has now been started, admittedly somewhat belatedly, and it is hoped that this study will eventually reveal the specific limiting factors that are of primary importance in Kentucky, and the relative importance of each. A number of years will be required before this study is completed and the facts are documented, however, and we cannot just ignore the topic during that time.

In view of this, surely it is permissible at this stage to examine the situation as we now see it. The following discussion is based on some 20 years of field experience and observation by the author and by co-workers who have been involved with Kentucky's turkey restoration efforts since the beginning. We frankly admit that some of the comments are offered without documented evidence, and thus could perhaps be considered food for thought rather than firm conclusions. We do, however, have some facts in the form of survey data, and we believe that we also know some things that we cannot yet prove.

LEGAL HARVESTS

It is important to note that none of the areas where turkey populations have declined have been adversely affected by harvests during legal turkey hunting seasons. In fact, legal harvests have been so low as to be negligible. In addition, all except the 1962, 63, and 64 seasons have been for gobblers only, and have had no effect on the reproductive potential of the flocks.

Good turkey populations still exist on at least three areas: the Pioneer Weapons Hunting Area, the Land Between the Lakes, and the recently stocked Fort Knox Military Reservation. These three areas have one thing in common: all have special hunting restrictions or some type of protective measures in effect. None of these areas is a refuge, but neither do they receive heavy hunter concentrations during the squirrel season, nor extended periods of heavy hunter use during any season. Gun hunting on the LBL area and on Fort Knox is restricted to special shortened seasons, and the quota of hunters is controlled by a permit system. On the PWHA statewide hunting dates apply, and no restrictions are in effect regarding the number of hunters, but muzzle-loaders are the only firearms allowed.

During recent turkey hunting seasons, almost all of the known harvest has occurred on the LBL area and on or in the vicinity of the PWHA. The fact that these areas are the most heavily hunted during turkey seasons and still support good turkey populations is a strong indication that legal harvests have not been a decimating factor.

HABITAT CHANGES

As might be expected, habitat changes have occurred. On some areas timber harvests have removed vast acreages of the former turkey habitat, to be followed by a tangle of young-growth vegetation in which no turkey could live. Various types of construction and development have also taken place. These changes have been drastic on a few areas but only slight on other areas; while turkey populations have declined in both situations. Habitat destruction has undoubtedly played a part in the turkey decline, and there is no intent to minimize the effects of this factor; however, we must look further for the full causes.

Thus the pertinent question still remains: why have turkey flocks that were established only 15 to 20 years ago, and thriving and increasing at one stage, now shown a population decline? The answer is complex and involves a number of different factors, but it could probably be summed up in two words: poaching and harassment.

TURKEY DISTURBANCE

Turkey populations in some other states have shown an ability to survive on some rather scrubby habitat where an extensive area free from human disturbance is present. Throughout their range, however, wild turkeys have shown one characteristic in common: an inability to tolerate people.

In Kentucky, road construction and improvements have opened year-around access routes into publicly owned areas that were inaccessible 15 or 20 years ago, and have brought a vast increase in year-around visits by sight-seeing motorists, trout fishermen, picnickers, and campers. Some of these recently constructed roads have been routed through the very heart of the best remaining turkey areas. Many miles of foot trails have also been constructed on publicly owned lands, and in addition to bringing an increase in disturbance of remote areas by hikers, these trails have often been used illegally by motorized vehicles, especially trail bikes. In the total picture, the increase in turkey harassment would be difficult to exaggerate. It is believed to have been of key importance on some areas, and especially so during the seasons when turkeys were nesting and when broods were being reared.

POACHING

There is no diplomatic way to discuss poaching. It must be discussed bluntly and honestly or left undiscussed. It has been left undiscussed far too long, and when dealt with at all has generally been given something less than a frank and thorough examination.

Poachers possess two characteristics in common—an inability or unwillingness to obey the laws, and a childish need to eventually brag to somebody about what they did. The word has finally filtered all the way from them to us, and the word we receive is that the turkeys have been shot. They were reportedly killed when the turkey season was closed, but when people were in the woods with guns during open season on other game species, primarily during the squirrel and deer seasons. They were reportedly killed whenever and wherever an opportunity occurred.

This report is completely logical and there is no reason to doubt its basic accuracy. Turkey hunting, at best, results in a low rate of hunter success, and it is unlikely that very many turkeys have been killed illegally by hunters who set forth with this specific goal in mind. The person who flushes a turkey seldom even sees it, and when only a few people are in the woods the turkey's extreme wariness and keen eyesight give it an advantage in eluding a hunter. When the woods are full of hunters, however, a turkey has no place to hide, and in getting away from one hunter after another he will eventually blunder into shotgun range of someone.

PUBLIC ATTITUDES

Mankind has waged a ceaseless war on wild turkeys, a war which the gentle turkey has always lost. Their decimation on inhabited areas today is a tribute to an unchanging Kentucky attitude, an attitude that says: "If it's big enough, shoot it—you can go up later and see what it was." The turkey is big, a tempting target, and too many hunters who encountered one while afield with a gun have found that target irresistible. Current trends in the turkey population are probably due more to this attitude than to any other single factor, and are an illustration of the futility of attempting to manage the trophy species of wildlife without the support and backing of the general public.

The wild turkey decimation is also a tribute to weak and ineffective county courts, where the typical attitude is a concern for making friends rather than a concern for the enforcement of the commonwealth's laws. It is a reflection of conditions where the minimum fine is always levied, rather than an occasional maximum; and where fines even below the legal minimum are not unknown.

It is also a tribute to gun hunting seasons that open in mid-summer, with the opening of the squirrel season, and close six and one-half months later; and to a year-around legal season on hunting with dog; or "varmint" hunting with guns for foxes, crows and groundhogs. Public attitudes and public demands have dictated these seasons, in defiance of biological knowledge and sound game management principles.

The attitudes that create this situation are not restricted to any certain groups. Community leaders and professional people are among some of the worse violators of fish and game laws. They have set the example that young beginning hunters have followed. Can we expect a young hunter to regard an act as seriously criminal when the same act is regarded by his adult associates as socially and morally acceptable? No one should be surprised that the state does not have more wild turkeys—or deer, or black bear, or bobcats, or eagles.

A MATTER OF PRIORITY

Any game management endeavor must consider the importance of its objectives and purposes, since other objectives in the form of different game management endeavors or conflicting land uses are competing for the use of the same funds and the same tract of land. The question of turkey priorities presents something of a paradox, in that agencies and personnel who profess an interest in turkeys have always found some reason for placing turkey management at the bottom of the list when budgets were approved, personnel were assigned, and land use priorities were designated. In this regard, it is interesting to speculate on what the status of turkeys might be today if they had received a portion of the attention and funds that were given to other species during the last 20 years.

Turkey have always emerged as the losers whenever a timber harvest, a new camp site or recreational development, a reservoir, or a road was being located. Turkey habitat seems to be a magnet that draws these things into its very center. Then after the project has been completed and the crews of workers have departed, there are always some who express surprise that turkeys cannot survive on the altered habitat, or cannot cope with the sudden influx of human beings.

Turkeys are a popular topic of conversation, but most of those who like to talk about them seem to shy off when the topic turns to sacrificing any other value in their behalf. Turkeys are desirable as long as they don't interfere with anything else, and as long as they can survive on lands that are unfit for any other use. Perhaps it is time to ask ourselves whether we really want turkeys, or whether we merely wish to discuss them.

THE FUTURE

In looking back over some 20 years of turkey restoration experience, it appears that we have learned a few lessons. At least one fact has emerged very clearly: management efforts cannot succeed where public cooperation is lacking. As a wildlife administrator in a neighboring state once remarked, following a furor over the deer hunting regulations, "If we knew as much about managing people as we know about managing deer, our problems would dissolve." The same could be said for turkeys, or for any of the vulnerable trophy species of wildlife. It seems, therefore, that a portion of our future efforts must be expended on people if success is to attend the wildlife management effort.

The attempt must have an entirely new approach from that taken in the past. It cannot set public relations and education aside as topics separate and apart from widlife management, but must consider those efforts as an integral part of the entire wildlife management program.

If the effort is to succeed, we must also have fish, and game clubs that are willing and unafraid to except pressure on lax county officials, or to line up openly on the side of wildlife at trial time and election time. We need stiffer court penalties—and occasional moderate or maximum fine instead of the minimum. And in addition to punishment, we need a public attitude that recognizes an offender as the criminal that he is, instead of extending him misguided sympathy.

In short, without a change in attitudes and without involvement on the part of the state's citizens, the entire conservation effort is in trouble—whether the problem be turkey poaching, stream or air pollution, land despoilment by earth-moving machinery, or indiscriminate garbage littering. Without such a change in attitudes, we few who work with wildlife as a profession are in the position of attempting to force something on people that they apparently don't want and don't see any need for. We cannot do that.

The principles of game management have not been tried and found wanting. They have been found difficult and left untried. We have an organizational framework that is capable of getting the job done, and we have a management program that will succeed if given a chance. We can have trophy species of wildlife if we really want them badly enough to obey the laws for a few years. Why don't we give it a try? We have nothing to lose—and a whole state with its rich heritage and wealth of natural resources to gain.

Mr. COOK. Finally, Mr. President, Mr. Barber prepared a report in August 1972 which I also submit as exhibit 3, regarding specifically the pioneer weapons hunting area, its purpose, use, and the environmental impact of an excess road to the Zilpo Recreation Area on the wildlife of the area. I would call special attention to Mr. Barber's "considerations in regard to road construction" and his summation, which I ask unanimous consent to have printed in the Record at this point as exhibit No. 3.

There being no objection, the report was ordered to be printed in the Record, as follows:

Exhibit 3

The Pioneer Weapons Hunting Area

BACKGROUND

The Pioneer (originally Primitive) Weapons Hunting Area was established in July, 1962, by means of a cooperative agreement between the Kentucky Department of Fish and Wildlife Resources and the U.S. Forest Service. It contains 7,300 acres of land, located on national forest ownership west of and adjacent to the Licking River. Approximately 4,400 acres are located in Bath County, the remaining 2,900 in Menifee County. The area is administered by both agencies under a Cooperative Management Plan, with the plan currently in effect extending from January 1, 1965, to January 1, 1975.

PURPOSE OF AREA

Wildlife management objectives on the area are mainly as follows:

1. To provide above-average wildlife population levels, especially of deer, in order to furnish remunerative primitive weapons hunting;
2. To furnish hunting to a greater number of hunters and for a longer period of time than would be compatible with sustained-yield wildlife populations under the pressures of hunting with modern firearms;
3. To demonstrate, promote, and encourage primitive weapons hunting as a wildlife management technique that could be applied elsewhere, as a means of retaining recreational hunting in the face of increasing human populations and decreasing wildlife populations;
4. To aid the local economy by lengthening the period of time spent in harvesting surplus wildlife numbers, thus lengthening the period during which non-local hunters spend money in the vicinity.

REGULATIONS

The area has been open to uncontrolled hunting during regular statewide seasons on the various game species present. Statewide bag limits have applied, and the only special hunting restriction in effect has been in regard to the types of weapons used. Longbows, crossbows, and muzzleloading firearms have been permitted; this being the only area in Kentucky and one of the very few in the entire nation where crossbows are legal.

SOME RESULTS

1. *Public Use of Area.* During the first year or two after the area was established, some criticism was voiced in regard to "locking up" so much publicly owned land and excluding it from use by hunters. This criticism has not been heard during recent years, and those who originally voiced it are now among the strongest supporters of the area. The actual result has been the opposite of lessening hunter use. One proof of this can be observed during the spring turkey gobbler season, when the Kentucky Corps of Longriflemen hold their annual rendezvous at the Clear Creek camp grounds to coincide with the turkey hunt, and converge on the spot from all directions. Some even come from out-of-state. The PWHA thus receives heavy hunter use at a time when similar habitats a few miles away are completely devoid of hunters. Another example occurs during the October bow season, when many archers can be found camping on the fringe of the area during the first week of season and on later weekends.

The only significant loss of hunter use that has actually resulted from area establishment occurs during the squirrel season, and a surplus of woodlands open to squirrel hunters using modern firearms can be found in any direction. The increase in other forms of area use has far exceeded this loss, and the area annually receives several times as many man-days of hunter use as do similar habitats located only a few miles away.

2. *Wildlife Populations.* The area has served at least one refuge purpose, although it is definitely not a refuge. Area regulations and management have enabled the vulnerable trophy species, deer and turkey, to survive in greater numbers than on surrounding lands. In fact, this is apparently the only area in the state today where a thriving turkey population continues to exist under season-long hunting for all legal game species. Both deer and turkey have ranged freely into and out of the area, and have been subject to legal harvest by modern firearms when outside of area boundaries. A fairly good annual deer harvest has been sustained in drainages adjacent to the PWHA during a period of years when deer harvests were essentially nil ten miles away. Approximately five times as many turkeys have been harvested outside the area, by modern firearms hunters, as were harvested inside. It is possible that the area has actually been of greater value to hunters who used modern firearms than it has to hunters who used bows or muzzleloaders.

3. *Crossbows—A Myth Laid to Rest.* Past fears of the crossbow as an overly efficient means of poaching have proved to be purely imaginery, and completely without basis in fact. Crossbows have the same inherent limitations in regard to effective range, accuracy, and awkwardness as longbows, and they handicap the hunter to a comparable degree. Those who use either weapon must possess considerable skill or a good share of luck, or both, in order to harvest a deer. Crossbows have proved to be useful, however, in providing physically handicapped persons and elderly persons with an opportunity to participate in archery deer hunting.

CONSIDERATIONS IN REGARD TO AREA SIZE

Statements have been made to the effect that the PWHA is too large; that it contains too much to be set aside for use by a special-interest minority group. It is important to note here that such statements have not been made by hunters, but rather by a few who regard recreational hunting as a waste of time and space. It also seems pertinent in this regard to point out that Kentucky as a whole is 45% forested, with 11½ million acres of woodland. The PWHA, with 7,300 acres, contains less than one-tenth of one per cent of this total—a portion that hardly seems excessive.

In order to more fully achieve the objectives for which the area was established, the PWHA should ideally be increased to a minimum of 15,000 acres. Biologists in some states have set 15,000 acres as a minimum size unit for wild turkey management, and some authorities have said that even more acreage is needed.

Game harvests outside of the area boundaries have been good in one sense, but this feature has limited the wildlife population buildup on the area itself. The area is simply too small to encompass the annual home range of deer and turkey and to support those species independently of surrounding lands. If it could be increased to approximately double its present size, a considerably higher deer population level could be achieved and maintained; a necessary achievment if good archery hunting is to be provided. Such an increase would not adversely affect the users of modern firearms, but could actually benefit them by providing an increased length of area boundary and an increased amount of adjacent lands to be benefitted by game movements across area boundaries.

SCHEDULED LOSSES DUE TO LAKE CONSTRUCTION AND RECREATIONAL DEVELOPMENTS

When the Cave Run Reservoir is completed, approximately 300 acres of prime wildlife habitat within the eastern boundary of the PWHA will be covered with water. Another adverse effect on the area is scheduled for the west side: a small watershed project on Salt Lick Creek includes plans for a recreation lake on the Clear Creek tributary. This lake will be outside of the PWHA itself, but only one-half to three-fourths of a mile from the boundary, and located on national forest land in the center of the nesting area preferred by the turkeys. In addition to the critical loss of turkey nesting habitat, the disturbance resulting from such recreational construction and use can only have adverse effects. Water-retarding structures are scheduled to be built on several other tributaries of Salt Lick Creek, and any one of them could be made a recreation lake; but both of the federal agencies involved have endorsed the Clear Creek site.

Two of the three major recreation developments planned for the Cave Run Reservoir will also adjoin the PWHA. One will be located on Caney Creek, adjacent to the northern boundary; the other on the Zilpo peninsula, in close proximity to the eastern boundary. (See inclosed area map or Salt Lick and Bangor quadrangle maps.) Each of these will contain a launching ramp and eventually a marina, swimming beach, parking lots, roads, storage and maintenance buildings, caretaker's residence, camp sites for 1,200 people, and so forth.

CONSIDERATIONS IN REGARD TO ROAD CONSTRUCTION

The Clear Creek—Leatherwood Creek Road (FS 129), presently a gravel road, is scheduled to be reconstructed and modernized as a part of the comprehensive access plan for the Cave Run Reservoir. This road adjoins the southern boundary of the PWHA. A completely new highway is scheduled to be constructed to the north of the area, extending up White Sulphur Branch and into Caney Creek, parallel to and one-half to three-fourths of a mile from the PWHA boundary. Still another road, a modern two-lane blacktop, is planned for the Cedar Cliffs and Tater Knob ridges, cutting the PWHA in half. This road is the one that the Kentucky Corps of Longriflemen, the Eighth District Wildlife Federation, and the League of Kentucky Sportsmen have objected to.

The avowed purpose of this road is solely to provide access to the Zilpo recreation area, although it will also provide access to privately owned lands. These privately owned lands are presently remote and inaccessible and surrounded by national forest ownership. The reasons why they have not been purchased either as a part of the lands acquired for the reservoir or as a reduction of privately owned inholdings on the national forest have not been made public.

We have been asked what effect this road will have on wildlife populations and management objectives within the Pioneer Weapons Area. The question is reasonable, but impossible to answer: there is no way that we can do a study or survey of something that doesn't exist. After it is built, such a study would be pointless except perhaps for academic reasons. We can, however, call on more than 20 years of experience in dealing with similar situations elsewhere, and the prognosis is not good. Past experience reveals that conservation awareness nearly always comes too late, after the thing that was of value has already been destroyed. We know that we already have too many roads for the good of wildlife, and have very few areas left in Kentucky where the trophy species can exist on anything more than a marginal level. Increased use of the PWHA by motorists, hikers, picnickers, etc. is good in one sense—but it's possible to have too much of a good thing, especially if you have it everywhere.

Increased use of the PWHA by non-hunters during the turkey and deer breeding seasons is expected to produce an increase in various forms of wildlife harassment. The proposed road may prove to be a barrier to wildlife movements. It may also possess an attendant zone of influence, resulting in a reduction of the habitable wildlife range area.

The proposal in regard to road construction appears to be in conflict with the concept of Pioneer Weapons Area management as set forth in the Cooperative Management Plan. On pages 10 and 11 of that plan, under the heading of "Administrative Guidelines", the following is stated: ". . . C. Retain the remote pioneer atmosphere as an essential element of quality of experience; . . . H. Provide needed user facilities as required, but in such a manner as to preserve the essential element of remoteness." In the Appendix on page A–3, "Transportation Plan", the following is stated: "All other roads will be substandard and for logging use only, to be barred and/or gated when not in use." In a summary write-up dated May 19, 1964, under the heading of "Transportation System", the Forest Service stated that "The objective is to maintain a remote pioneer atmosphere while providing the minimum basic transportation system required to achieve sound resource use. Vehicular traffic by sportsmen is not encouraged, but foot travel is encouraged. . . ." No revisions in the Cooperative Management Plan have been made or proposed.

It sometimes helps to line ourselves up in relation to something solid, in order to see just how far and in what direction we have moved. In this instance, specifically recorded objectives provide such a milepost. The management plan for the Pioneer Weapons Area received a considerable amount of time and effort from both agencies, and was widely recognized only six years ago as one of the best efforts along this line that had yet been produced.

The justifications that have been offered for the whittling away process that started soon afterward and is seemingly about to be vastly accelerated are somewhat comparable to earlier references to "a little" stream pollution. Little effects have a way of becoming massive effects in the cumulative total. Good wild turkey flocks were present less than ten years ago on national forest lands in the Beaver Creek and Sky Bridge vicinities, but those flocks have now become almost exterminated by the cumulative effect of various factors related to increasing human harassment and decreasing habitat. President indications that wild turkeys on the PWHA are endangered and may soon follow the same route to oblivion are too clear to be doubted by anyone with a knowledge of wildlife biology and information regarding present plans for development on adjacent lands.

IN SUMMATION

In consideration of the various factors discussed above, it seems apparent that the continued existence of the Pioneer Weapons Hunting Area is seriously threatened. There is little cause for optimism that the area will survive in its present form, even without the proposed road. If the road is built, the attendant alteration in the character of the area may make it impossible to manage native wildlife so as to achieve the purposes for which the area was established. Consideration has been given to moving the area to publicly owned lands elsewhere, but no suitable alternative site has been found anywhere in northeastern Kentucky.

Mr. COOK. Mr. President, there has been a great deal of confusion surrounding the effort to preserve the Pioneer Weapons Hunting Area. The issue is whether the Pioneer Weapons Area will be environmentally damaged by a high-traffic access route planned by the U.S. Army Corps of Engineers bisecting the area or an alternate route which generally skirts the area will be built to preserve the area.

Given this introductory information, I would like to now carefully outline the purpose and intent of my legislation.

There have been charges by proponents of the corps planned road that outsiders are meddling in local affairs. But paraphrasing H. R. Gross, the able Congressman from Iowa who noted during House debate on this matter, the taxpayers of the United States are paying $25 million for a lake that is in the Seventh Congressional District of Kentucky. I ask, do we really have any outsiders in this matter of the administration of Federal funds?

I ask unanimous consent to have printed in the Record at this point an editorial from the Louisville Courier-Journal of October 16 on the matter as exhibit 4.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Exhibit 4

Taxpayers Aren't Really Outsiders at Cave Run

Complaining that "certain outside interests" are meddling in the controversy over construction of a road through the primitive hunting area near Cave Run Reservoir, Representative Carl Perkins has succeeded in amending a water development bill to make certain the road is built. One wonders which outsiders he is talking about.

It was outsiders—the American taxpayers—who put up most of the $45 million required to finance the Cave Run project, which should be a powerful economic stimulus to that region. Is it too much to ask that the general public's interest in this hunting area, of the Daniel Boone National Forest—with its unusual population of wild turkey, white-tail deer and grouse—be protected?

Such "outsiders" as Representative Gene Snyder and Senator Marlow Cook have opposed the U.S. Corps of Engineers' plan to build the road through the preserve, as have the League of Kentucky Sportsmen and various environmental groups. They vigorously insist that this unique facility for hunters using standard bows, crossbows and muzzle-loading rifles be protected from the intrusion of highway noise and fumes.

This broad opposition to the road should be considered in the future, as other attempts are made to force a congressional re-thinking of the route. The meddlesome outsiders who believe it is worth spending an extra $900,000 to build the road around the preserve, rather than through it, certainly have a right to their opinion. And Congress, after a more thorough study than has been conducted up to this point, just might buy their view.

Mr. COOK. Mr. President, there have also been several general comment editorials which my colleagues may find informative, and I ask unanimous consent that they be printed in the Record at this point as exhibit No. 5.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Louisville Courier-Journal,
Oct. 30, 1973]

Exhibit 5

Concrete and Nature Don't Mix

An interesting combination of forces is pushing against the Corps of Engineers and the Forest Service in their attempt to build a road through one of the most significant wildlife areas in the Daniel Boone National Forest.

Unfortunately for the wild turkeys and deer that nest and breed there, the Cave Run Reservoir is located nearby. And the development of the recreational potential of the lake requires a road for public access.

Most people take roads for granted, assuming that the neat application of a concrete ribbon through relatively untouched woodland will simply open up lovely vistas for the highway traveler. But roads do a little more than that. Their construction involves enormous disturbance of earth, and some inevitable erosion of soils. Vegetation is eliminated in the access, and much of it is not replaced in highway landscaping.

More important from the viewpoint of the wildlife in such areas, the normal grazing and nesting patterns of various species are disturbed. And any such disturbance sends a chain reaction of ecological consequences shuddering through the local environment.

Finally, the tourists with their noses pressed against the windows do not smell the auto exhausts that drift across nearby woodlands. Nor do they hear the full volume of highway noise which shatters the pastoral calm.

The conservative Representative Gene Snyder is as concerned about this kind of intrusion at Cave Run as are the more liberal environmentalists. Senator Cook and the League of Kentucky Sportsmen line up with the preservationists on this issue. That should tell the road planners something. And since there is an alternative route that would be substantially less offensive to all opponents of the road, it's hard to find much justification for sticking with the present plan.

[From the Lexington Herald, Sept. 20, 1973]

Save the Turkeys in Bath, Menifee

"Where have all the turkeys gone . . ."

That plaintive question may be a bit premature but it could happen if the U.S. Corps of Engineers goes ahead with its plans to build a highway through a unique hunting area in Eastern Kentucky despite a U.S. Senate vote to place the area off limits to any development.

The road under question is an eight-mile stretch through the middle of the Pioneer Weapons Area in Bath and Menifee counties, part of Daniel Boone National Forest.

Environmentalists and hunters, led by the League of Kentucky Sportsmen, are fighting the road because they believe it will virtually eliminate the wild turkey population in the 7,000-acre hunting area.

We're not opposed to needed roads, mind you, but the area at issue is a unique bit of wilderness. It is one of the few remaining places in Kentucky where wild turkeys actually exist.

U.S. Sen. Marlow Cook, R–Ky., led the effort in the Senate to get the site declared a national wilderness area but the House is still considering the proposal. Meanwhile, the corps has not abandoned its plan.

All is not lost, however. Hopefully the corps will select an alternative route for the blacktop road. Sportsmen say the wild turkey nesting grounds will not be disrupted if the road crosses the eastern tip of the hunting area.

This would mean an additional cost of about $900,000 on top of the original estimate of $1.9 million. But in our view it would be worth every penny of it to save this wildlife refuge. Every effort should be exerted to force the corps to select the alternate route.

[From the Louisville Courier-Journal, Dec. 19, 1973]

Endangered Species Come First

Though Senator Marlow Cook is right and Representative Carl Perkins is wrong on the question of a road through the Pioneer Weapons Area in the Daniel Boone National Forest, they both merit commendation for sidetracking their fight long enough to let the endangered-species bill move toward passage.

Senator Cook's amendment, which he has withdrawn on the promise of separate hearings, would have blocked construction of an access road through this 7,000-acre preserve—near Cave Run Reservoir in Bath and Rowan counties—where hunters use only crossbows, bows and arrows, muzzle-loading firearms or other primitive weapons.

The Senator has in mind a different route, which, though slightly more costly, is ecologically preferable. It would skirt the hunting area, leaving the wild turkey, grouse, deer and other wildlife undisturbed. And, before suspending his fight for this superior route, Mr. Cook won agreement for the issue to be thoroughly aired in House and Senate hearings next year. This was a proper quid pro quo.

To delay the endangered species bill any longer (it already has waited three years for passage) would be to expose large numbers of eastern timber wolves, Utah prairie dogs and Texas red wolves to human predators, unnecessarily. The votes are there to pass the measure now.

However, when the hearings on the primitive hunting preserve road are held next year, those who like Representative Perkins are promoting the road through the area should be made to explain just what benefits might accrue to private landowners along their route. And the sharply contrasting cost analyses offered by the U.S. Corps of Engineers and the through-route's opponents should be carefully explored.

If a road is built through the preserve, the fumes and noise of traffic seem likely to drive away the wildlife that construction activities didn't scare off. If that happens, there'll be no opportunity for a second try.

Mr. COOK. Mr. President, it seems to this Senator that the tragedy of building a road which bisects the Pioneer Weapons Hunting Area lies in the fact that a feasible alternative route to Zilpo is available. This road would generally skirt the Pioneer Weapons Area and would be substantially less offensive to all opponents of the presently proposed road. The alternative is a route recommended by the League of Kentucky Sportsmen extending northward from FDR No. 129 generally skirting the eastern boundary of the Pioneer Weapons Area and joining the alinement of the proposed FDR No. 918. I maintain that the League of Kentucky Sportsmen's route is much more realistic.

A comparison of this alternative plus two additional alternatives has been prepared by the Louisville district office of the Corps of Engineers for inclusion in their environmental impact statement due to be published in its final form in January. To facilitate comparison of the programs and for the convenience of reference by my colleagues, I ask unanimous consent that a copy of the relevant pages of the draft environmental impact statement discussing the various alternative routes appear at this point in my remarks as exhibit 6.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Exhibit 6

b. *Impact of the Proposed Action on Other Agency Projects.* Development of the project will directly or indirectly affect three other State or Federal agencies. These agencies are the U.S. Forest Service, the Commonwealth of Kentucky, Department of Fish and Wildlife Resources, and the Gateway Area Development District.

(1) The project area lies almost entirely within the proclamation boundary of the Daniel Boone National Forest; and under the terms of a memorandum of agreement between the Forest Service and the Corps of Engineers, all project lands, with the exception of those necessary for the operation of the dam will be transferred to the Forest Service for management. Some 30,668 acres of land will be transferred. The lake will inundate approximately 485 acres of Forest Service land at seasonal pool. The project will also affect portions of USFS lands through requirements for road relocations and access roads. One such road is the Zilpo access road or Forest Development Road No. 918. The Corps of Engineers Cave Run Lake Requirements Plan, Design Memorandum No. 5A and the U.S. Forest Service Composite Plan propose the use of the Zilpo site for camping, swimming, boat access and other uses. This site is located on a flood plain terrace which is bounded on the north and east by the proposed lake shore and on the south and west sides by the Pioneer Weapons Hunting Area. To reach the site, an adequate access road must be provided. Presently under consideration is a two lane, 20 foot wide 8½ mile long paved road which will bisect the Pioneer Weapons Hunting Area to reach Zilpo recreation site. Concern has been expressed by the League of Kentucky Sportsmen and various other organizations and individuals as to possible adverse effects to the area resulting from construction of the road. It should be noted that the Pioneer Weapons Hunting Area is not to be confused with a "wilderness" or "primitive" area. The area is essentially the same and is managed the same as other forest land in the Daniel Boone National Forest System. It differs only in that a State regulation restricts the use to particular types of weapons for hunting. A study is being initiated to determine the size and impact of the road on the turkey herd. Four major alternatives in the proposed road have been considered. (1) a shoreline route from State Highway 826 to State Highway 1274; (2) a proposal by the League of Kentucky Sportsmen recommending a route extending northward from FDR 129 generally skirting the eastern boundary of the Pioneer Weapons Hunting Area (PWHA) and then joining the alignment of FDR 918; (3) a route that would come from the north side of the lake across a bridge at a narrows near Zilpo to relocated Highway 1274 and from there along Wilson Hill a 1200 foot bridge span with fill approaches; (4) no action to build a road and access by boat only. Evaluation of these alternatives and their consequences indicated that the proposed location through PWHA best meets the multiple-use objectives and minimizes the adverse impacts to the surrounding area. A comparison of the effects of the alternatives considered on major areas of concern is summarized and shown in Exhibit 29 and Exhibit 30 in the Technical Appendix, pages 61 and 62.

Zilpo Recreation Site Access Road Alternatives

PROPOSED ROAD

Timber: Will provide best access for timber management activities.

Improvements: Will eliminate 5 miles of existing hiking trails and one wildlife waterhole.

Recreation: Will provide access for better utilization of the Zilpo recreation area.

Special Uses: Possible adverse impact from requests for access across rights-of-way into private tracts.

Wildlife: Will provide an increase in the diversity of habitat conditions; will result in an increase in vehicular accidents with wildlife.

Soil: Some soil displacement and erosion.

Water: Will adversely affect water quality during initial construction.

Fire: Will increase fire risk, and will provide best access for fire control.

Safety: Predominantly ridgetop location will provide a greater degree of safety.

Remoteness: Will bisect the pioneer weapons hunting area, adversely affecting its remote qualities.

Aesthetics: In some places the ridgetop landscape will be exposed; maximum opportunities for overlooks, vistas and scenic views provided.

Road Costs: $1,990,000.

Future Maintenance: Nominal cost based on ridgetop road with minimum cuts and fills.

Local Economy: Will provide nearby recreation oriented enterprises with additional revenue.

SHORELINE ROAD

Timber: Will provide limited access.

Improvements: No effect.

Recreation: Will provide access, but will disrupt Caney recreation area.

Special Uses: Possible adverse impact from requests for access.

Wildlife: Will provide an increase in the diversity of habitat conditions; will result in an increase in vehicular accidents with wildlife.

Soil: Greatest soil displacement and erosion due to more unstable soils and greater cuts and fills.

Water: Will result in greater water quality deterioration for a longer period of time.

Fire: Will increase fire risk, and will provide poor access for fire control.

Safety: Excessive cuts and fills, danger of falling rocks and debris.

Remoteness: Will provide access only to perimeter of the area, with less effect on remoteness.

Esthetics: Scenic benefits more than offset by scarred landscape caused by large cuts and fills required.

Road costs: $8,135,000.

Future Maintenance: Excessive cost due to major cuts and fills in unstable soils and large drainage structures.

Local Economy: Will have a greater influence on the economy due to heavier use and greater opportunity for development of private tracts.

LEAGUE OF KENTUCKY SPORTSMEN ROAD

Timber: Will provide limited access.

Improvements: No effect.

Recreation: Will provide access for better utilization of the Zilpo recreation area.

Special Uses: Possible adverse impact from requests for access.

Wildlife: Will provide an increase in the diversity of habitat conditions; will result in an increase in vehicular accidents with wildlife.

Soil: Soil erosion and slide potential greater than proposed road but less than shoreline road.

Water: Will have greater impact than the proposed road, but less than the shoreline road.

Fire: Will increase fire risk, and will provide poor access along much of the route.

Safety: Steep grades, cuts and fills with loose rocks and debris.

Remoteness: Will provide access only to perimeter of the area, with less effect on remoteness.

Esthetics: Scenic benefits diminished by scars from large cuts and fills.

Road Costs: $2,870,000.

Future Maintenance: Higher than normal cost due to large cuts and fills in unstable soils, several major drainage structures.

Local Economy: Will provide nearby recreation oriented enterprises with additional revenues.

CROSS-LAKE ROAD

Timber: Will provide limited access.

Improvements: No effect.

Recreation: Will provide access for better utilization of the Zilpo recreation area.

Special Uses: Possible adverse impact from requests for access.

Wildlife: Will provide an increase in the diversity of habitat conditions; will result in an increase in vehicular accidents with wildlife.

Soil: Soil erosion and slide potential greater than proposed road but less than shoreline road.

Water: Will have greater impact than the proposed road, but less than the shoreline road.

Fire: Will increase fire risk, and will provide poor access for fire control.

Safety: Excessive cuts and fills, danger of falling rocks and debris.

Remote-base: Will have least effect on remoteness of the area.

Esthetics: Scenic benefits diminished by scars from large cuts and fills and by a large bridge crossing the lake.

Road costs: $4,860,000.

Future Maintenance: Higher than normal cost due to large cuts and fills in unstable soils and major drainage structures.

Local Economy: Will provide nearby recreation oriented enterprises with additional revenue.

NO ROAD

Timber: Will restrict timber management activities.

Improvements: No effect.

Recreation: Will restrict the planned high level of development of the Zilpo site.

Special Uses: No effect.

Wildlife: Will limit opportunities for wildlife habitat development.

Soil: No effect.

Water: No effect.

Fire: Fire suppression would be most difficult with road.

Safety: No effect.

Remoteness: Area would become more remote with impoundment of the lake.

Esthetics: Will limit opportunities for utilization of the area.

Road Costs: Zero.

Future Maintenance: No cost.

Local Economy: No effect.

Mr. COOK. Mr. President, upon an analysis of the alternate roads in the environmental impact statement, one is compelled to conclude that the proposed road and the League of Kentucky Sportsmen's Road have virtually the same comparisons with the only minor differences in several categories. It should be emphasized, however, that both proposals will provide access for optimum utilization of the Zilpo Recreation Area. This is, of course, the entire purpose of any road that is to be built.

Many people, including myself, believe and have pointed out from time to time that several of the so-called adverse effects of the League of Kentucky Sportsmen's Road are subject to interpretation and can be sufficiently refuted. This is particularly true in the categories of timber management, fire prevention, and safety. For instance, the present fire road has been used since 1962 to move timber. This road has been sufficient to remove 4,210 million board feet in the past decade. I wonder how another road can be justified with the previous meager timber management efforts?

The Corps of Engineers estimates 1.2 million people will visit the Zilpo Recreation Area each year. They admit this increased traffic through the Pioneer Weapons Hunting Area "will increase fire risk and will provide poor access along much of the road." But for their proposed route, they believe it "will provide best access for fire control." This seems to be a distortion and misrepresentation. As for the safety predictions, with all the expertise and know-how in the corps, I am surprised they would admit they could not construct a safe road given the resources.

On the opposite side of the coin, the environmental impact statement admits advantages exist as to the League of Kentucky Sportsmen's route. The league route would not eliminate 5 miles of existing hiking trails and one wildlife waterhole. It also would not bisect the Pioneer Weapons Hunting Area adversely affecting its remote qualities.

The issue then left to be resolved and the one most often waved in the faces of opponents to the League of Kentucky Sportsmen's road focuses on the cost of actual construction of a road. But the grounds on which those favoring the proposed road stand appears to be shaky at best. The following explanation will clarify this belief.

Mr. President, a discussion of this point troubles me very much. It concerns the Corps of Engineers attempts which I describe as efforts to torpedo the League of Kentucky Sportsmen's proposal by means of juggling figures.

You will note from the above-mentioned fact sheet of the road alternatives in the environmental statement that the cost of construction of the proposed road is $1,990,000. This is compared to $2,870,000 for the League of Kentucky Sportsmen's road according to the August 1973 environmental impact statement. However, the juggling I refer to comes to light with knowledge that an earlier environmental impact statement dated November 1972 projected a cost of $2,055,000 for the League of Kentucky Sportsmen's road, a $65,000 difference rather than a difference of $880,000 which is now the case.

The additional cost increase of $814,000 has been justified by the corps as a necessary expense to upgrade the presently existing Leatherwood Road, FDR No. 129, which would be used for access to Zilpo if the League of Kentucky Sportsmen's proposal eventually prevails. Yet, the record will show that plans exist at this time to upgrade FDR No. 129 to provide access to a boat ramp that has been already constructed. The fallacy of this whole matter hinges upon the fact that since FDR No. 129 will be upgraded at a cost of $814,000 eventually, it is unfair to assess the additional cost to only the League of Kentucky Sportsmen's road. But of course, if one has made up his mind and never intended to consider a feasible alternative as I believe is the case with the corps, then I can understand this action to eliminate the competition. If justice is to prevail, at the very least the additional cost should be assessed to both road proposals. Thus we again arrive at the $65,000 difference in road costs.

Additionally, I must emphasize that endorsement of my bill by the Congress will allow access to both the Leatherwood boat ramp and the Zilpo recreation area immediately with one road. The proposed road, on the other hand, allows access to Zilpo immediately at a cost of $1,990,000 and eventual access to the Leatherwood ramp at a cost of $814,000.

The above figures are those prepared by the Corps of Engineers. However, an independent analysis of the costs to construct the League of Kentucky Sportsmen's proposal has been made and is cited in a letter from Mr. Reid Love, president of the League of Kentucky Sportsmen, to the Corps of Engineers. I ask unanimous consent that this letter be printed at this point as exhibit 7.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXHIBIT 7

THE LEAGUE OF KENTUCKY
SPORTSMEN, INC.,
Franklin, Ky., October 15, 1973.

Col. CHARLES J. FIALA,
District Engineer, Louisville District, Corps of Engineers, Louisville, Ky.

DEAR COLONEL FIALA: The League of Kentucky Sportsmen would like to comment o the Cave Run Environmental Impact Statement, of August 31, 1973. The League cannot accept your changes of cost on League of Kentucky Sportsmen's proposed access road to the Zilpo Recreation Site. In your original draft you stated a figure of $2,055,000 and now a few months later it becomes $2,870,000 while no other figures change.

The map of our proposed road does not match the Environmental Impact Statement's location of our proposed road. The location of our proposed road was given to your people at two different meetings in Winchester, Kentucky. We feel the Corps of Engineers is not giving us, the sportsmen of Kentucky an honest shake.

Enclosed you will find a map of our proposed road. The following are figures compiled by a Kentucky contractor in the business of constructing roads.

From FS 129 to Zilpo

Concrete culvert	$250,000
Road construction	875,000
Drainage and materials	40,000
Safety equipment (guard rails, etc.)	100,000
Right-of-way clearing	90,000
Up grading of FS 129	210,000
Cost, minimum	1,765,000
Special design requirements not to exceed	500,000
Cost, maximum	2,265,000

Thus our comment is that the Corps of Engineers or any other agency of our government cannot expect respect and cooperation when they run over people by this type of action, where wildlife is destroyed to pay a political debt.

Sincerely yours,

REID LOVE,
President.

Mr. COOK. Mr. President, at the very least these figures submitted by a bona fide contractor suggest that the corps' figures may not be as accurate as we have been led to believe, and that it may be in fact cheaper to build the League of Kentucky Sportsmen's road. I am confident the Congress will resolve this highly contested issue.

Mr. President, even if one grants that some disparity exists between the cost of the two proposals, I am convinced the Corps of Engineers wants to build the easiest road. I maintain that the easiest way is not always the best.

The benefits of maintaining the Pioneer Weapons Hunting Area in a natural state to preserve its remoteness and leave the wildlife habitat undisturbed clearly outweighs any rationalization for not spending additional money if in fact the League of Kentucky Sportsmen's road is determined to be more costly. To say we cannot afford an investment in environmental preservation considering what is at stake in the pioneer weapons hunting area would be a total sham.

I am convinced expeditious consideration of this matter will allow for the opportunity to put all the pieces together for the first time since the controversy began and allow for a just decision on the merits of the respective proposals. For my part, I would like to see the speedy completion of the Zilpo Recreation Area access road over a route that preserves the Pioneer Weapons Hunting Area.

EXHIBIT 8

S. 2851

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, no department, agency, or other instrumentality of the United States shall take any action involving the construction, upon or through any of the approximately seven thousand three hundred acres of land comprising the Pioneer Weapons Hunting Area in the Daniel Boone National Forest, Kentucky, of an access road to the Zilpo Recreation Area; except that nothing in this Act shall be construed as precluding the construction of a Zilpo recreation site access road generally on a route extending northward from Forest Development Road No. 129 generally skirting the eastern boundary of the Pioneer Weapons Hunting Area, or as affecting or modifying in any manner the 1962 Cooperative Management Plan between the Department of Fish and Wildlife Resources of the State of Kentucky and the Department of Agriculture.

By Mr. STEVENSON (for himself, Mr. MAGNUSON, Mr. BIBLE, Mr. GRAVEL, Mr. HUGH SCOTT, Mr. ABOUREZK, Mr. BIDEN, Mr. HARTKE, Mr. HUMPHREY, Mr. HART, Mr. ROTH, Mr. JACKSON, Mr. COOK, Mr. STEVENS, Mr. MANSFIELD, Mr. MCINTYRE, Mr. MCGOVERN, Mr. NELSON, Mr. HUDDLESTON, Mr. TUNNEY, Mr. CLARK, and Mr. CRANSTON):

S. 2852. A bill to preserve local air service. Referred to the Committee on Commerce.

Mr. STEVENSON. Mr. President, it is likely the Civil Aeronautics Board will allow the airlines to suspend or severely cut service to many small- and medium-sized cities. The justification will be the shortage of jet fuel, but a careful examination of the problem reveals many of these cuts need not occur.

The root of the problem is the failure of the CAB to announce standards by which to "maximize" and "ration" the air service available to the country.

The CAB's response has been virtually one dimensional—cut service. It has not given careful attention to alternate methods of saving fuel. It has not given careful attention to the air service needs of moderate-sized communities. It has not enunciated principles to guide the airlines in paring their fuel consumption.

There are other ways in which fuel can be saved, for example, by using the most efficient type of aircraft available for a given route, by changing operating procedures and by flying less circuitous routes.

The airlines have found it to be easier and more lucrative to waste fuel and cut the less profitable flights. The "energy crisis" now enables them to trim their route patterns in ways they knew were previously unacceptable.

Among the routes that are likely candidates for elimination are the smaller and medium-sized cities, the 206 cities served by only one certificated airline.

Already local service carriers have filed applications for authority to suspend service to 17 cities, including Wilmington, Del.; South Bend, Ind.; Lima, Ohio; Stillwater, Okla.; and Aberdeen, Wash. It may ultimately prove necessary to deprive some of these cities of their air service. But we should at least guarantee that no city loses its service unnecessarily.

I am, therefore, introducing legislation which would prohibit the CAB from authorizing a local service carrier to suspend, terminate, or reduce by 50 percent or more, air service to any point in a monopoly market unless the carrier shows that it is using the fuel available to it as efficiently as possible, and that such a curtailment is in the public interest.

The CAB must also find that the carrier has first cut back profitable long-haul, trunkline-type flights. We can no longer afford the luxury of allowing the local service carriers to compete on profitable long-haul routes with trunkline carriers. They must use their limited fuel supplies to achieve the purposes specified in their certificates of public convenience and necessity: "To offer short-haul, local or feeder, air transportation service."

The bill also requires a hearing to be held prior to curtailment of service, and gives the affected community a chance to argue its case before the CAB.

We are told that we must respond to an emergency, and, of course, we must. Yet "temporary" service curtailments have a way of becoming permanent. Markets are neatly shared, unprofitable routes are trimmed—regardless of local consequences—and profits increased. We should act to insure that the cuts are made in the public interest.

Mr. President, this bill could not be enacted by the time Congress adjourns. During the adjournment and by January 7, the CAB will act to authorize service curtailments. I believe it is necessary to demonstrate support for these moderate sized cities. This bill is intended to do that.

Mr. CLARK. Mr. President, I join with Senator STEVENSON in cosponsoring this legislation because I believe that air service to small- and medium-sized cities should be maintained whenever possible.

Reductions in fuel for airlines will require adjustment of schedules between now and January 7. These adjustments will entail a sharp cutback in the number of flights. Already carriers have filed with the Civil Aeronautics for authority to delete or suspend service to 17 cities.

Regional carrier service is an essential part of the transportation pattern of many areas. Residents of a number of Iowa cities—Clinton, Dubuque, Ottumwa, Mason City, Sioux City, Waterloo—are dependent on regional carriers.

It is the responsibility of local service carriers—aided by substantial Federal subsidies—to provide air service to small and medium-sized cities not served by trunklines. Yet many of these carriers have been given long-haul routes that duplicate routes served by other carriers. These routes provide greater profits than the shorter flights, but they do not provide essential service.

It may be necessary for regional airlines to cut their flights—but it should not be done before all the alternative methods of cutting fuel consumption are considered.

This bill requires that the CAB look carefully at applications that would result in cutting 50 percent or more of the service to any one city. Before permitting such cuts the CAB would have to determine that the airline is using fuel as efficiently as possible, that trunkline service has already been cut, and, with the information provided at a public hearing, that the reduction is not detrimental to the public interest.

It is possible that the CAB will consider these criteria when making its decisions in the next few weeks, and if this is done, there will be no need for this legislation. But if some adequate procedure for judging the merits of applications for suspension or deletion of service is not set up, then we should move forward quickly with measures requiring such a procedure.

Mr. ROTH. Mr. President, I am pleased to be a sponsor of the bill to insure that the Civil Aeronautics Board carefully considers the public interest and refrains from precipitous action on requests by airlines to suspend or dramatically curtail vital certificated air service to small- and medium-sized cities.

The bill would require that the CAB make a number of findings, and provide the affected community with notice and an opportunity for a hearing—vital components of due process fairness—before it grants a request by a federally subsidized airline to cut service to a community by 50 percent or more.

In order to permit such a suspension, the CAB would have to find that the airline had used its fuel allocation as efficiently as possible, that the airline had made fair cuts elsewhere in its service pattern, or that the affected community would continue to receive regularly scheduled air carrier service from another certificated carrier.

Mr. President, in November, Eastern and Allegheny Airlines applied to the CAB to terminate service to Wilmington, because of the fuel crisis. These two airlines have rejected offers from the community to assist in developing the great potential of the Wilmington air carrier market. I ask unanimous consent to insert in the Record at the conclusion of my remarks a copy of the letter the Delaware congressional delegation has addressed to the CAB in this matter.

Mr. President, already pending before the CAB are previous applications by Eastern and Allegheny to cut service to Wilmington and leave Delaware the only State in the Union without certificated air service. I ask unanimous consent to insert in the Record a copy of my statement filed with Administrative Law Judge Faulk, who has been conducting this continuing Wilmington service investigation. The point I made to the court is quite simple: Adequate air service is vital to the economy of a State. The public convenience and necessity will not be served if Delaware is denied such service.

Mr. President, the Senate recently confirmed Lee R. West and Richard J. O'Melia to be members of the Civil Aeronautics Board. With the kind consent of Senators Cotton and Cannon, I was permitted to submit to these nominees written questions. They responded in a most reassuring manner, Mr. President, and I ask unanimous consent that a copy of my questions and the responses of the nominees given before they were confirmed by the Senate be inserted in the Record following my remarks.

Basically, Mr. West and Mr. O'Melia agreed with my strong conviction that, first, the Civil Aeronautics Board must insure adequate air service to the Nation's smaller States; second, the CAB, in determining whether to continue air service to a particular point, should look into the degree to which the airlines serving it have made good faith efforts to develop its existing and potential market; third, that satellite airports should be retained; fourth, that CAB decisions should not discriminate against the commerce of the smaller States; and, fifth that air service is vital to communities which wish to attract and retain companies and jobs.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., December 13, 1973.

Hon. Robert D. Timm,
Chairman, Civil Aeronautics Board,
Washington, D.C.

Dear Chairman Timm: It has come to our attention that Eastern Airlines has requested authority to immediately cease all service to the State of Delaware and that Allegheny Airlines is limiting service. Both of these actions are being taken in the name of conserving fuel.

It is our considered view that good air transportation service is vital to the economy of Delaware. The provision of adequate service is a prerequisite to retaining existing companies and jobs in Delaware.

In view of the pending Wilmington Service Investigation conducted by Judge Faulk in which we have made our views known, perhaps you may deem it appropriate to make copies of this letter available to all interested parties. Naturally, you and your colleagues must decide all pending matters before you on the merits.

It has been revealed, by examination of the records of the air carriers, that over 500,000 air travellers and millions of pounds of air cargo originating in and destined to points in Delaware are required to assume the heavy additional burden and cost of moving via the Philadelphia International Airport because of inadequate air service at Wilmington. With the fuel crisis undoubtedly resulting in limitations in available automotive gasoline, the State of Delaware is faced with the plain inability to reach the air transportation system. If we do not have enough gasoline, we certainly cannot waste it on the roads to Philadelphia and add to the congestion and wasted fuel at that airport.

Rather than considering the reduction and elimination of air service at Wilmington in this time of limited energy supply, we urge you and your colleagues to use your existing powers, both formal and informal, to request the air carriers serving Wilmington to provide service at Wilmington's own excellent airport of sufficient volume and quality to permit the effective functioning of our economy during this time of crisis.

Sincerely,

William V. Roth, Jr.,
U.S. Senate.
Joseph R. Biden, Jr.,
U.S. Senate.
Pierre S. du Pont IV,
Member of Congress.

Wilmington Service Investigation, Docket No. 25009

(Prepared statement of position of Senator William V. Roth, Jr., Republican of Delaware, U.S. Senator, for presentation to Administrative Law Judge John E. Faulk)

Judge Faulk, I hope that the Civil Aeronautics Board will deny the petitions of Eastern Air Lines, Inc. and Allegheny Airlines, Inc. to suspend service to the Wilmington, Delaware airport.

Far from abandoning air service to Wilmington, these airlines should be increasing and improving service and scheduling. Many Delawareans are acutely aware of the need to improve location and time scheduling at the Wilmington Airport, not only for present users, but also for what appears to be a substantial market of potential air travelers. Local efforts are presently under way to tap this market. A preliminary study suggests that there would be considerable demand for a Washington-Wilmington-New York shuttle flight. Interest has also been expressed in the institution of flights to Chicago and Atlanta from Wilmington. It has been suggested—by attorneys representing the State of Delaware, the County of New Castle, and the Delaware State Chamber of Commerce—that a Wilmington-Atlanta-Houston service could expect perhaps 2000 passengers a week.

Delawareans are gravely concerned about the possible outcome of this service investigation. They hope, as I do, that these hearings will clearly demonstrate, once again, that the deletion of air service to Wilmington would not be in the public interest.

The United States and the State of Delaware have invested $6.47 million in the Wilmington airport in the past 5 years; this investment should not be wasted. Just recently, the Federal Department of Transportation approved a grant of $723 thousand to resurface six taxiways at the Wilmington airport. The terminal building at the airport has a capacity of 700,000 passengers a year; yet its annual use is only about 50,000. I wonder how many of those Delaware residents who now make the drive to Philadelphia airport would use the Wilmington airport if proper air service and scheduling were provided there.

The present Wilmington Service Investigation was adopted by the CAB on May 7, 1973. As CAB Member Robert T. Murphy pointed out in his dissent to that decision, this investigation represents the third time in a little over 7 years that the Delaware parties have been put to the task of defending certificated air services to the only airport in their State.

A CAB decision to continue service would indeed be backed by ample precedent. On September 21, 1970, the CAB denied applications by Allegheny Airlines and Eastern Airlines for authority to temporarily suspend service at Wilmington. In 1967, the CAB found that Allegheny's north-south service to Wilmington, in partial competition with Eastern, should be renewed on a permanent basis. And, in 1965, the CAB denied Eastern Airline's request to terminate its service at Wilmington.

If the present Eastern and Allegheny petitions are granted, Delaware will become the only State in the nation without certificated air service.

Wilmington serves as a reliever airport for Philadelphia and; as Member Murphy pointed out in his dissent, congestion at Philadelphia is imminent, and Wilmington will then have considerable value as a satellite airport.

Twice—once in the 1965 Eastern case, and once in the 1967 Allegheny case—the CAB hearings led to the Board's decision that air service should continue and traffic volumes would improve with improved scheduling. Like Member Murphy, I see no reason for the CAB to alter this view.

Let me add to these economic and administrative arguments that I would certainly oppose any decision as a result of this investigation which would have the effect of discriminating against the commerce of the State of Delaware. Such a result would be grossly unfair to all Delaware residents.

Your Honor, I call upon the Civil Aeronautics Board not only to deny these petitions, but also to investigate ways to improve air service to Wilmington.

STATEMENT OF WILLIAM V. ROTH, JR., U.S. SENATOR, IN SUPPORT OF THE NOMINATIONS OF LEE R. WEST AND RICHARD J. O'MELIA TO BE MEMBERS OF THE CIVIL AERONAUTICS BOARD, NOVEMBER 7, 1973

Mr. President, I support confirmation of Lee R. West and Richard J. O'Melia as Members of the Civil Aeronautics Board. Mr. West, who has served as a district judge in Oklahoma, would replace Robert T. Murphy on the five-member Board, if confirmed, and would serve a full 6 year term. Mr. O'Melia, a lawyer who has served on the staff of the CAB since 1957, would serve the remainder of the term of Secor D. Browne, who has resigned. As this term expires on December 31, 1974, Mr. O'Melia, if renominated, would come up for Senate confirmation again at that time.

I am grateful to Chairman Cannon of the Aviation Subcommittee of the Senate Commerce Committee for affording me the opportunity to propound questions to Mr. West and Mr. O'Melia, both orally and in writing, during their confirmation hearings.

QUESTIONS SUBMITTED BY SENATOR WILLIAM V. ROTH, JR., REPUBLICAN OF DELAWARE, TO CHAIRMAN CANNON OF THE SENATE COMMERCE COMMITTEE FOR WRITTEN RESPONSE BY CIVIL AERONAUTICS BOARD NOMINEES LEE R. WEST AND RICHARD J. O'MELIA, OCTOBER 30, 1973

Mr. O'Melia and Mr. West, I have a keen interest in a matter now pending before the CAB—the Wilmington Service Investigation. I have no intention of soliciting your views on this investigation, since it is possible you will ultimately be called upon to pass on the merits of whatever decision is taken. Nevertheless, I think it a proper exercise of the Senate confirmation function to ask each of you in a general sense these questions:

1. Do you agree that, in order to meet its mandate to serve the public convenience and necessity, the Civil Aeronautics Board must insure adequate air service to the Nation's smaller states?

2. Do you agree that the CAB, in determining whether or not air service should be continued to a particular location, should investigate and evaluate the extent to which the airlines which have been serving that location have made an effort to develop its existing and potential market?

3. Do you agree that, because of substantial projected expansion of passenger enplanements and cargo volume at this country's busiest airports during tht next 30 years, one proper method of helping our airport system meet these increased demands on interstate commerce should be the retention and improvement of satellite airports?

4. Do you agree that the CAB should not take decisions which have the effect of discriminating against the commerce of the smaller states?

5. Do you agree that air service is vital to communities which wish to attract or retain companies and jobs?

ANSWERS BY LEE R. WEST TO QUESTIONS SUBMITTED BY SENATOR ROTH

Question 1. Do you agree that, in order to meet its mandate to serve the public convenience and necessity, the Civil Aeronautics Board must insure adequate air service to the Nation's smaller states?

Answer. Yes.

Question 2. Do you agree that the CAB, in determining whether or not air service should be continued to a particular location, should investigate and evaluate the extent to which the airlines which have been serving that location have made an effort to develop its existing and potential market?

Answer. yes.

Question 3. Do you agree that, because of substantial projected expansion of passenger enplanements and cargo volume at this country's busiest airports during the next 30 years, one proper method of helping our airport system meet these increased demands on interstate commerce should be the retention and improvement of satellite airports?

Answer. Yes—in some circumstances.

Question 4. Do you agree that the CAB should not make decisions which have the effect of discriminating against the commerce of the smaller states?

Answer. Not if it unfairly discriminates.

Question 5. Do you agree that air service is vital to communities which wish to attract or retain companies and jobs?

Answer. Yes.

(NOTE.—Many factors bear on any decision involving these matters. Size, isolation and general economy are certainly included in these.)

ANSWERS BY RICHARD J. O'MELIA TO QUESTIONS SUBMITTED BY SENATOR WILLIAM V. ROTH, JR.

Question No. 1. Do you agree that, in order to meet its mandate to serve the public convenience and necessity, the Civil Aeronautics Board must insure adequate air service to the Nation's smaller states?

Answer. I fully agree. However, in making this affirmation I want to note that the public convenience and necessity criteria for air service are determined in reference to a point or city (including the surrounding population area), and city-pair markets, and not specifically in relation to state boundaries. The interstate system has been developed primarily in relation to actual or potential traffic flows in city-pair markets, including the relationship of such traffic to economic operations. For subsidized service at a point which, but for subsidy, would not receive air service additional factors traditionally considered are isolation, subsidy cost, and actual or potential patronage in relation to subsidy cost. Of course, any party is free to advance other criteria for determining need, and the hearing and adjudicatory process permits such claims to be evaluated by the Board in the context of an evidentiary record. I note in particular that there is nothing in the Act to prohibit the Board from considering service to a state in determining the need for service.

Question No. 2. Do you agree that the CAB, in determining whether or not air service should be continued to a particular location, should investigate and evaluate the extent to which the airlines which have been serving that location have made an effort to develop its existing and potential market?

Answer. My answer is clearly in the affirmative. As a matter of fact, parties to Board proceedings frequently present forecasts and other factual evidence, together with arguments, that traffic growth has been hindered because of the lack of development and promotional efforts on the part of the airlines serving the point. Moreover, the Board has, in some of its decisions, declined to delete air service on that ground, among others. This, of course, is not to say that in determining the weight to be given to such a factor, the Board should fail to take into account all other factors relating to the need for service, including economic consideration.

Question No. 3. Do you agree that, because of substantial projected expansion of passenger enplanements and cargo volume at this country's busiest airports during the next 30 years, one proper method of helping our airport system meet these increased demands on interstate commerce should be the retention and improvement of satellite airports?

Answer. In general, my answer is yes. However, the question of satellite airport service is very complex and, accordingly, limits the validity of a generalized response. In California satellite airport service has been expanding since the early 1960's. In Chicago, however, the Board's efforts to encourage the use of Midway for some years have not been exceptionally successful. Of course, if a main airport is in fact saturated, and additional traffic growth can only be accommodated at satellite airports, the carriers themselves generally seek to serve satellite airports. On the other hand, if this is not the case, the lack of high frequency and multidestination service tends to make the main airport so attractive to passengers that the satellite airport cannot sustain economic service. The facts of any satellite airport situation would therefore have to be evaluated at any given point in time to determine whether it is desirable to take steps to encourage the use of a given facility as a satellite airport to a main airport.

Question No. 4. Do you agree that the CAB should not take decisions which have the effect of discriminating against the commerce of the smaller states?

Answer. I agree that the Board should not, in applying the statutory and discretionary policies described in Answer No. 1, above, discriminate against the commerce of any state. This does not mean, however, that the Board should necessarily give overriding weight to service to a state, in contradistinction to evaluating the service requirements of a point or city plus its surrounding population area in the absence of some compelling argument as described in Answer No. 1.

Question No. 5. Do you agree that air service is vital to communities which wish to attract or retain companies and jobs?

Answer. Yes. The availability of convenient air service is vital to any community in attracting and retaining industry and related employment. There are, of course, situations where a city receives fully satisfactory (and sometimes superior) air service on an economic basis at a nearby airport, whereas economic service cannot be provided at its own airport. This possibility must be kept in mind in fully considering the best interests of both a particular community and the area in which it is situated. Again, the answer to this question turns on the various considerations set forth in Answer No. 1, above.

By Mr. CRANSTON (for himself, Mr. JAVITS, and Mr. WILLIAMS):

S. 2854. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic and Digestive Diseases in order to advance a national attack on arthritis. Referred to the Committee on Labor and Public Welfare.

THE NATIONAL ARTHRITIS ACT

Mr. CRANSTON. Mr. President, the cause of arthritis, the disease that affects over 50 million Americans, and results in severe pain and disability for more than 20 million Americans, is little understood.

We do not now have the capability to cure this widespread and serious disease problem. * * * And we do not now have the capability to prevent this widespread and serious disease problem.

Mr. President, there is an urgent need for a national campaign against arthritis and other related musculoskeletal diseases. I introduce today with the distinguished Senator from New York (Mr. JAVITS) the ranking minority member of the Labor and Public Welfare Committee and the distinguished chairman of that committee (Mr. WILLIAMS), the "National Arthritis Act," a bill to expand the authority of the NIAMDD in order to advance a national attack on arthritis.

Before describing the provisions of the proposed National Arthritis Act, I would like to talk briefly about arthritis, and about the economic cost to the Nation that results from this disease.

WHAT IS ARTHRITIS?

Arthritis is a blanket term covering more than 80 forms of diseases that attack the joint and connective tissues of the body. Over 50 million Americans have some form of arthritis. The two most common forms of arthritis are rheumatoid arthritis and osteoarthritis.

RHEUMATOID ARTHRITIS

Rheumatoid arthritis affects about 5 million people in the United States today, and is the most devastating and crippling form of arthritis.

It is a chronic disease that leads to permanent joint deformities and lifelong disability. Rheumatoid arthritis is especially insidious because it can also damage other organs, such as the eyes, heart, and lungs.

The majority of the victims of rheumatoid arthritis are young and middle-aged adults in their most productive years, between 20 and 45 years of age. Women, particularly, are victims of this disease, with an incidence triple that of men.

The cause of rheumatoid arthritis is unknown, Mr. President. Although currently available therapy and surgical techniques for improving the functional state of millions of arthritics are significantly more effective than those of a decade ago, they remain stopgap measures which neither prevent nor cure the disease.

Children are also a major and often overlooked factor in arthritis. Juvenile rheumatoid arthritis is estimated to afflict about 250,000 children in the United States. As in the case of cancer and heart conditions, when the chronic disease of arthritis strikes a child it can often be much more severe than an adult case. Juvenile rheumatoid arthritis can stunt growth, blind, cripple, deform, and disable, and, of course, it can kill since it is a systematic disease.

OSTEOARTHRITIS

Osteoarthritis is the most common form of arthritis. About 10 million Americans have osteoarthritis severe enough to cause painful problems severely affecting their ability to function fully as a member of society. Osteoarthritis is associated with aging and degeneration of joint tissues. It usually develops more slowly and, in comparison to the severity of rheumatoid arthritis, is milder and less painful, although it can in its later stages produce extreme pain and disability.

The cause of osteoarthritis is unknown. Treatment is directed at easing the pain of osteoarthritis, and protecting osteoarthritic joints from stress. As in the treatment of rheumatoid arthritis, orthopedic surgery has made great inroads as a procedure to correct damaged joints.

GOUT AND OTHER FORMS

Among other common forms of arthritis are gout, and many chronic joint disorders associated with overexertion, such as "tennis elbow," "football knee," and other "sports" ailments afflicting both weekend and professional athletes, as well as similar ailments characteristic of certain occupations, such as coal mining, the construction industry, farming, and others.

COSTS TO ECONOMY

In economic terms, the cost to the Nation that results from arthritis is staggering.

Arthritis accounts for nearly 10 percent of those receiving aid to the permanently and totally disabled, approximately 110,000 persons, which cost the Government $132,131,600 in 1970.

Medical care bills and lost wages from arthritis in 1970, totaled $9.2 billion. Over 14.5 million workdays were lost in 1970 due to disability caused by arthritis. And in the United States today, 1 of every 5 persons between the ages of 45 and 64—prime wage-earning years—is afflicted with arthritis.

While the monetary incentive to most individuals with arthritis works to encourage them to remain on the job as long as possible, the intense pain and physical limitations on their movement has forced some 138,000 workers disabled by arthritis to retire on disability at less than $200 a month. The annual cost to the Nation for these payments is $316 million in social security disability insurance.

NEEDS IN ARTHRITIS RESEARCH

A national committee composed of leading rheumatologists, orthopedic surgeons, and other leaders in the medical professions, developed a list of major research goals in the study of arthritis and related diseases, in a report made to the Arthritis Foundation in 1972.

The report began by stating that the initial step must be to find the underlying mechanisms which cause the disease, and recommended five major targets in accomplishing this. They are:

First. Identification of a possible viral agent as the cause of arthritis.

Second. Pinpointing the involvement of the immune system in the chain reaction processes of rhemumatoid arthritis.

Third. Clarification of the mechanisms of inflammation, the first major manifestation of most forms of arthritis.

Fourth. Broadening of techniques for joint replacement, by design of joints other than the hip and experimentation with new materials.

Fifth. Epidemiological studies of rheumatoid arthritis, systematic lupus, and osteoarthritis to compare characteristics of arthritis populations to those of nonarthritics, and to explain increased mortality rates in people with rheumatoid arthritis.

Another major target of research, Mr. President, is that of treatment of arthritis. A major effort needs to be undertaken in finding a successful drug therapy, as well as further research into surgical procedures which can reconstruct joints damaged by arthritis.

NEED FOR ARTHRITIS SCREENING, DETECTION, AND CONTROL PROGRAMS

Despite the widespread incidence of arthritis and our current inability to alleviate its pain and crippling effects, there have been a few pulses in treatment of arthritic conditions. One is successful treatment of gout—a common form of arthritis. Another is the promise held out by surgical procedures. Major advances have also been made in diagnosis of arthritis. And acupuncture for certain types of arthritis looks very promising as a therapy.

Much more needs to be done, however. The effects of physical measures and corrective exercises in interrupting the development of deformities and in correcting those already present must be evaluated in a systematic manner.

New scientific developments bring promise of effective screening programs to identify individuals with a susceptibility to developing arthritis. Early intervention in some forms of arthritis can alleviate the damage done by this disease. Better methods of identifying high risk individuals will result in more patients entering treatment programs, and providing a broader data base upon which to record remissions and exacerbations. This data can provide critically needed information on the natural history of these diseases and enable the medical community to evaluate the results of various treatment regimens.

NEED FOR TRAINING OF HEALTH PROFESSIONALS

To carry out these programs effectively, a broad range of health professionals need to be trained in the various disciplines involved in total treatment and rehabilitation programs for the arthritic patient. During training in the schools of the health professions, medical students should be made aware of the symptoms and treatment of arthritis and of the effectiveness of early treatment and therapy; postgraduate physicians should be trained in rheumatology, orthopedics, and rehabilitation.

Complex emotional and vocational problems, resulting from chronic disability, often require the attention of psychologists, social workers, vocational specialists, and, of course, there is a great need for physical therapists and occupational therapists in a comprehensive treatment program of an arthritic patient. In addition the family physician should be kept up to date on new treatment procedures and screening devices through continuing education programs.

In the overall management of the disease, all these specialists must work in close cooperation with each other if best results are to be achieved.

PROVISIONS OF THE LEGISLATION

The proposed National Arthritis Act, Mr. President, provides for the establishment of a task force to develop a national arthritis plan. The plan will include recommendations for utilization and organization of national resources in the campaign against arthritis, and a program for the National Institute of Arthritis, Metabolism, and Digestive Diseases.

As a result, arthritis research will have the potential to proceed, on a national scale, in an orderly fashion under a master plan, pointing out the areas to be pursued, the existing resources with which such activities can be undertaken, and the additional resources which are needed. Also, the arthritis plan will provide a targeted approach to reach specific goals.

The proposed legislation also establishes the position of Associate Director for Arthritis within the NIAMDD, who is given the responsibility of administering programs with regard to arthritis within that Institute.

Two committees are established which will insure that all Federal activities related to arthritis will benefit from the knowledge and experience gained in the various Federal programs having responsibilities in this area. These are the Interinstitute Arthritis Coordinating Committee at the National Institutes of Health, which will coordinate the work of the various Institutes relating to arthritis, and the Interagency Technical Committee on Arthritis, which will promote the coordination of all Federal health programs relating to arthritis.

The proposed "National Arthritis Act" also provides for the establishment of an arthritis screening, early detection, and control program, and national research and demonstration centers.

The screening, early detection, and control program provisions direct the director of the NIAMDD, after consultation with the Institute's National Advisory Council and consistent with the task force arthritis plan, to establish programs with other health entities—Federal, State, and nonprofit private—in screening diagnosis and treatment of arthritis.

We do not presently have the capability to cure or prevent arthritis. Thus, the screening, early detection, and control program—directed at improved diagnostic and treatment techniques—is crucial. Early detection of arthritis can save years of pain and disability through early treatment.

The director is also directed to develop research and demonstration centers, after consultation with the National AMDD Advisory Council and consistent with the task force arthritis plan.

The centers will provide an opportunity for intensive, interdisciplinary arthritis research and also training in, and demonstration of, advanced diagnostic, prevention, treatment, and control methods for arthritis.

To carry out the screening, early detection, and control program, there is authorized to be appropriated $5 million for fiscal year 1975, $10 million for fiscal year 1976, and $25 million for fiscal year 1977.

To develop the research and demonstration centers, there is authorized to be appropriated $10 million for fiscal year 1975, $15 million for fiscal year 1976, and $20 million for fiscal year 1977.

These appropriations authorizations are intended to be an augmentation of the presently funded NIAMDD grant program for intra- and extra-mural research and training related to arthritis, and are not to be considered as justification for reducing support to currently supported activities.

There are other critical activities supported by the National Institute of Arthritis, Metabolism, and Digestive Diseases, which I believe should continue to receive priority attention. Although this act is intended to meet the need for greater visibility and attention to research in methods of detection, treatment, and rehabilitation of arthritis, I do not believe such augmentation should be at the expense of the other important concerns of the Institute.

There is a close relationship between rheumatology and orthopedic surgery in the treatment of arthritis. I would hope this association could be strengthened and the potential contributions of each specialty be thoroughly explored in developing improved treatment and rehabilitation methods.

CONCLUSION

Mr. President, Dr. Kerr White, in an article introducing a special issue of Scientific American devoted to the topic "Life and Death and Medicine," September 1973, notes that—

> We should recognize that society is increasingly concerned with the problems of living, the quality of life and the burden of disability, distress and dependency.

The National Arthritis Act is directed at a disease problem that cuts viciously into the quality of life of 20 million Americans. When enacted and fully implemented, this act can help improve the lives of pain and disability for these 20 million Americans.

It can mean a future with prospects for full participation in everyday activities without the constant frustration of immobile joints and limitations on movement.

Mr. President, I request unanimous consent that a section-by-section analysis of the proposed legislation, as well as the full text of the bill be included at this point in the Record.

There being no objection, the analysis and bill were ordered to be printed in the Record, as follows:

Section-by-Section Analysis

Section 1. Establishes the title of the proposed Act as the "National Arthritis Act".

Section 2. Sets forth twelve findings and declarations by the Congress with respect to: the severity and prevalence of arthritis; the cost of arthritis to the national economy; the need for improved treatment, diagnostic procedures; training, and research in arthritis; the need for facilities with properly trained personnel to provide treatment and rehabilitation for persons suffering from arthritis; the need for public education programs; and the special potential and unique ability of the National Institute of Arthritis, Metabolic, and Digestive Diseases (NIAMDD) to play a major role in a national attack on arthritis.

Section 3. Amends Part D of title IV of the Public Health Service Act by adding new sections 435 through 439.

New Section 435 Subsection (a) directs the Secretary of Health, Education, and Welfare, to establish, within 60 days of enactment of the proposed National Arthritis Act, a National Task Force on Arthritis to formulate a long-range Arthritis Plan to combat arthritis. Specifies that the Plan shall include recommendations for the utilization and organization of national resources for the campaign against arthritis and a program for the NIAMDD to act as a major participant in the campaign against arthritis.

Subsection (b) of the new section 435 directs that the Arthritis Plan shall provide for investigation in the epidemiology and etiology of arthritis; research in the basic biological processes and mechanisms underlying arthritis, and in techniques of diagnosis, early detection, treatment, and prevention of arthritis, programs to evaluate and demonstrate preventive, diagnostic, therapeutic, rehabilitative, and control approaches to arthritis; programs for the education and continuing education of scientists, bioengineers, clinicians, other health and allied health professionals, and educators in the fields and specialties relating to arthritis; programs for public education relating to arthritis; the development of a common descriptive vocabulary in arthritis basic and clinical research; the development of a national data storage bank on arthritis research, diagnosis, and treatment; and a plan for international cooperation in and exchange of knowledge on all aspects of research, diagnosis, treatment, and prevention of arthritis.

Subsection (c) of the new section 435—provides that the membership of the Task Force shall consist of the Secretary or his designee, the Director of the National Institutes of Health or his designee, the Associate Director for Arthritis (established by the proposed Act) the Chief Medical Director of the Veterans Administration, and the Secretary of Defense or his designee, as ex officio members, and seven arthritis-oriented scientists or physicians (of whom at least 2 shall be practicing clinical rheumatologists), three representatives of the general public (of whom at least two are arthritis sufferers); and one member of the National Advisory Council of the Institute.

Subsection (d) of the new section 435 directs the Secretary to designate one member of the Task Force as Chairman, and provides that the Task Force shall first meet at the call of the Secretary and thereafter at the call of the chairman, and directs that the Task Force shall meet not less than three times.

Subsection (e) (1) of the new section 435 requires the Task Force to publish and transmit the Arthritis Plan to the Director of the Institute not later than nine months after the date of enactment of the new section.

Subsection (e) (2) of the new section 435 requires that, not later than 60 days after the Task Force transmits the Arthritis Plan to the Director, the Director shall submit the Plan to Congress with his proposals for Institute activities for the first five years under the Arthritis Plan, and an estimate of the additional staff and appropriations needed to carry out such activities. Provision is included that if the Plan is submitted for review by any Federal agency, the plan or report submitted to Congress shall specify any changes and the reasons for them made during any such review process, and, if review of the Plan delays its submission to Congress, the plan shall be submitted to Congress in the form it was submitted to such review process by the time specified in the new section 435.

Subsection (f) of the new section 435 authorizes the Task Force to hold hearings, take testimony, and sit and act at such times and places as the Task Force deems advisable in order to develop the Arthritis Plan.

Subsection (g) of the new section 435 directs the Director of the Institute to designate a member of the staff of the Institute to act as Executive Secretary of the Task Force and to provide the Task Force with such staff and information and the services of consultants as may be necessary to assist the Task Force to carry out its functions.

Subsection (h) of the new section 435 authorizes appropriate travel and a GS-18 rate of per diem compensation for members of the Task Force who are not officers or employees of the Federal Government.

Subsection (i) of the new section 435 authorizes the appropriation of $500,000 for

FY 1974 and FY 1975 to carry out the purposes of new section 435 and specifies that the sums shall remain available until expended and are in addition to amounts appropriated for arthritis research pursuant to the general appropriation to the NIAMMDD.

New section 436—Subsection (a) establishes, in the Institute, the position of Associate Director for Arthritis, who shall report to the Director of the Institute, and be responsible for programs with regard to arthritis within such Institute (including those carred out under preexisting NIAMDD authority).

Subsection (b) of the new section 436 directs the establishment of an Inter-Institute Arthritis Coordinating Committee composed of representatives of each of the Institutes and divisions involved in arthritis related research, to be chaired by the Associate Director for Arthritis. The Committee is to prepare an annual report for the Director of the National Institutes of Health detailing the work of the committee in coordinating the research activities of NIH relating to arthritis during the preceding year.

Subsection (c) (1) of the new section 436 establishes an Interagency Technical Committee on Arthritis which shall be responsible for promoting the coordination of Federal health programs and activities relating to arthritis.

Subsection (c) (2) of the new section 436 provides that the Director of the Institute and the Associate Director for Arthritis shall serve as chairman and cochairman respectively of the Committee and that the Committee shall include appropriate health official representation from the Veterans Administration, the Department of Defense, and all other Federal agencies with programs involving health functions or responsibilities, as determined by the Secretary.

Subsection (c) (3) of the new section 436 provides that the Interagency Technical Committee shall meet at the call of the Chairman, but not less often than four times a year.

New section 437. Subsection (a) provides for the establishment of arthritis screening, early detection, and control programs, in cooperation with other Federal health agencies, State, local, and regional public health agencies, and non-profit private health agencies.

Subsection (b) of the new section 437 specifies the activities which may be included under such programs.

These include:

(1) programs to develop improved methods of detecting individuals with a risk of developing arthritis;

(2) programs to develop improved methods of intervention against those factors which cause individuals to have a high risk of developing arthritis;

(3) programs to develop health professions and allied health professions personnel highly skilled in the control of arthritis including continuing education of such personnel;

(4) community consultative services to facilitate new and problem patient referral from local hospitals and physicians to Arthritis Consultation Boards of the centers for diagnostic workup, including laboratory analyses, and consultations with primary physicians on preferred rehabilitation management; and

(5) programs to disseminate the results of research and to develop means of standardizing patient data and recordkeeping.

Subsection (c) of the new section 437 provides that programs supported under new section 437 may also carry out projects and programs funded under other provisions of law related to programs and projects authorized under new section 437.

Subsection (d) of the new section 437 authorizes the appropriation of $5,000,000 for fiscal year 1975, $10,000,000 for fiscal year 1976 and $15,000,000 for fiscal year 1977 to carry out section 437, and specifies that such authorizations are in addition to sums appropriated for arthritis research pursuant to the general appropriation to the NIAMDD.

New Section 438. Subsection (a) directs the development of centers for basic and clinical research into, training in, and demonstration of advanced diagnostic, control, and treatment methods for arthritis, including research into implantable biomaterials and orthopedic procedures; and authorizes cooperative agreements with public or nonprofit private agencies or institutions to pay all or part of the cost of planning, establishing or strengthening, and providing basic operating support for, existing or new such centers.

Subsection (b) of new section 438 directs that centers developed under new section 438, in addition to carrying out research, training, and demonstration projects, shall carry out screening, detection, and control programs, as described in new section 437, and specifies that funds under new section 438 may be used for staffing and other basic operating costs, including such patient care costs as are required for research training; training for allied health professions personnel; demonstration purposes; and certain renovation of buildings and structures to the extent necessary to make them suitable for use as research and demonstration centers. Specifies that support may be for a period of not to exceed three years and may be extended for additional periods of up to three years each.

Subsection (c) of the new section 438 provides that centers supported under new section 438 may also carry out projects and programs funded under other provisions of law related to programs and projects authorized under the new section 438.

Subsection (d) of the new section 438 authorizes the appropriation of $10,000,000 for fiscal year 1975, $15,000,000 for fiscal year 1976, and $20,000,000 for fiscal year 1977 to carry out section 438, and specifies that such authorizations are in addition to sums appropriated for arthritis research pursuant to existing research authorities of the Public Health Service Act.

New Section 439 directs the Director of the Institute to submit an annual report to the President and to Congress which report shall include a proposal for the Institute's activities under the Arthritis Plan for the succeeding five years with an estimate of additional appropriations and staff positions, including increased appropriations authorizations, as may be required to pursue activities and a program evaluation of the activities of the Institute during the preceding calendar year, as measured against the proposal for that year for activities under the Arthritis Plan.

S. 2854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Arthritis Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2 (a) The Congress hereby finds and declares that—

(1) arthritis and related musculoskeletal and other related diseases represent one of the most serious and widespread health problems in the United States in that they afflict more than twenty million Americans;

(2) arthritis is the greatest single cause of chronic pain and disability;

(3) the complications of arthritis lead to many other serious health problems;

(4) uncontrolled arthritis significantly decreases the quality of life and has a major negative economic, social, and psychological impact on the families of its victims and society generally;

(5) the severity of arthritis in children and most adolescents is greater than in adults and this involves greater problems in the management of the disease;

(6) athletic and other types of joint injuries can lead to arthritis;

(7) the annual cost to the national economy in 1970 due to arthritis, in medical care bills and lost wages, was $9,200,000,000;

(8) the workdays lost due to disability caused by arthritis totaled over 14,500,000 in 1970;

(9) although today's currently available therapy and surgical techniques for improving the functional state of millions of arthritics are significantly more effective than those of a decade ago, they remain stopgap measures which neither prevent nor cure the disease; and therefore the attainment of better methods of diagnosis and treatment of arthritis through research and through education of health professionals and allied health professionals deserves the highest national priority;

(10) there are inadequate numbers of medical facilities and of properly trained personnel to provide treatment and rehabilitation for persons suffering from arthritis, and inadequate numbers of properly trained personnel to train other health personnel interested in pursuing either a research or clinical career in rheumatology;

(11) the citizens of the United States should have a full understanding of the nature of the human, social, and economic impact of arthritis and should be encouraged to seek early diagnosis and treatment to prevent or lessen disability resulting from arthritis; and

(12) there is great potential for making major advances against arthritis in the National Institute of Arthritis, Metabolism, and Digestive Diseases, in concert with other Institutes of the National Institutes of Health, and public and private organizations capable of necessary research and public education in arthritis.

(b) It is therefore the purpose of this Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance a national attack on arthritis.

NATIONAL ARTHRITIS PROGRAM

SEC. 3. Part D of title IV of the Public Health Service Act is amended by adding after section 434 the following new sections:

"NATIONAL TASK FORCE ON ARTHRITIS

"SEC. 435. (a) The Secretary, within sixty days after the date of enactment of this section, shall establish a National Task Force on Arthritis (hereinafter in this part referred to as the 'Task Force') to formulate a long-range plan (hereinafter in this part referred to as the 'Arthritis Plan') to combat arthritis and related musculoskeletal and other related diseases (hereinafter in this part referred to as 'arthritis'). The Arthritis Plan shall include recommendations for the utilization and organizations of national resources for the campaign against arthritis, and a program for the National Institute of Arthritis, Metabolism, and Digestive Diseases (hereinafter in this part referred to as the 'Institute') as a major participant in the campaign against arthritis.

"(b) The Arthritis Plan developed by the Task Force shall provide for—

"(1) programs for investigation into the epidemiology, etiology, and prevention and control of arthritis, including investigation into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, prevention, and control of arthritis;

"(2) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal phenomena associated with arthritis, including, but not limited to, abnormalities of the immune, musculoskeletal, cardiovascular, and nervous systems, the skin, the gastrointestinal tract, the kidneys, the lungs, and the eyes;

"(3) research into the development, trial, and evaluation of techniques, including surgical procedures and drugs, used in, and approaches to, the diagnosis, early detection, treatment, prevention, and control of arthritis;

"(4) establishment of programs that will focus and apply scientific and technological methodologies and processes involving biological, physical, and engineering science to deal with all facets of arthritis, including traumatic arthritis;

"(5) establishment of programs for the conduct and direction of field studies, large-scale testing, evaluation, and demonstration of preventive, diagnostic, therapeutic, rehabilitative, and control approaches to arthritis, including studies of the effectiveness of home-care programs, the use of mobile care units, community rehabilitation facilities, and other appropriate community public health and social services;

"(6) studies of the feasibility and possible benefits accruing from team training of health and allied health professionals in the treatment and rehabilitation of individuals suffering from arthritis;

"(7) programs to evaluate the current resources for the rehabilitation of the arthritis patient and establish criteria for the potential for rehabilitation of the patient;

"(8) programs to investigate alternative screening possibilities to define more adequately the arthritis population and to detect early cases of rehabilitative arthritis;

"(9) programs for the education and training of scientists, bioengineers, clinicians, surgeons, including orthopedic surgeons, and other health and allied health professionals and educators in the fields and specialties requisite to the conduct of programs regarding arthritis;

"(10) programs for the continuing education of health and allied health professionals in the diagnosis, treatment, and rehabilitation of individuals suffering from arthritis;

"(11) programs for public education relating to all aspects of arthritis;

"(12) programs to establish standards of measurement of the severity of disabilities resulting from arthritis;

"(13) the development of a common descriptive vocabulary in basic and clinical research in arthritis for the purpose of standardizing collection, storage, and retrieval of research and treatment data to facilitate collaborative and comparative studies of large patient populations;

"(14) the development of a national data storage bank on arthritis research, diagnosis, prevention, control, and treatment to collect and make available information as to the practical application of research and other activities pursuant to this part; and

"(15) a plan for international cooperation in and exchange of knowledge on all aspects of research, diagnosis, treatment, prevention, and control of arthritis.

"(c) The Task Force shall be composed of sixteen members who are eminently qualified to serve on such Task Force, as follows:

"(1) the Secretary or his designee, the Director of the National Institutes of Health or his designee, the Associate Director for Arthritis of the Institute (as established by section 436), the Chief Medical Director of the Veterans Administration, and the Secretary of Defense or his designee, who shall serve as ex officio members;

"(2) seven members who shall be scientists or physicians representing the various specialties and disciplines pertinent to arthritis, of whom at least two are practicing clinical rheumatologists;

"(3) three members from the general public, of whom at least two are arthritis sufferers; and

"(4) one member of the National Arthritis, Metabolism, and Digestive Diseases Advisory Council (hereinafter referred to as the National Advisory Council) whose primary interest is in the field of rheumatology.

"(d) The Secretary shall designate one member of the Task Force as Chairman of the Task Force. The Task Force shall first meet at the call of the Secretary, and thereafter at the call of the Chairman of the Task Force, and shall meet not less than 3 times.

"(e) (1) The Task Force shall publish and transmit to the Director of the Institute the Arthritis Plan not later than nine months after the date of enactment of this section.

"(2) Not later than sixty days after the Task Force transmits the Arthritis Plan to the Director of the Institute, the Director shall submit to Congress the Arthritis Plan, his proposals for Institute activities under this part for the first five years under the Arthritis Plan, and an estimate of such additional staff positions and appropriations (including increased appropriations authorizations) as may be required to carry out such activities. If the plan and subsequent reports to be submitted pursuant to subsections (e) (1) and (2) of this section are submitted, prior to submission to the Congress, for review by the Office of Management and Budget or any other Federal department or agency or official thereof, (1) the plan or report submitted to the Congress shall specify the changes and the reasons therefor made during any such review process, and (2) if any such review process delays the submission of such plan or report to the Congress beyond the date established for such submission by this section, the Director shall immediately on such date submit to the Congress the plan or report in exactly the form it was submitted to such review process.

"(f) The Task Force may hold such hearings, take such testimony, and sit and act at such times and places as the Task Force deems advisable to develop the Arthritis Plan.

"(g) The Director of the Institute shall—

"(1) designate a member of the staff of such Institute to act as Executive Secretary of the Task Force; and

"(2) provide the Task Force with such full-time professional and clerical staff, such information, and the services of such consultants, as may be necessary to assist the Task Force to carry out effectively its functions under this section.

"(h) Members of the Task Force who are not officers or employees of the United States shall receive for each day they are engaged in the performance of the functions of the Task Force compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703, title 5, United States Code, for persons in the Government service employed intermittently.

"(i) In addition to sums appropriated pursuant to section 301 and other sums appropriated for research on arthritis pursuant to title IV, part D, there is authorized to be appropriated $500,000 for the fiscal year ending June 30, 1974, and June 30, 1975, to carry out the purposes of this section, and such sums shall remain available until expended.

"ASSOCIATE DIRECTOR FOR ARTHRITIS AND ESTABLISHMENT OF COMMITTEES

"Sec. 436. (a) There is established within the Institute the position of Associate Director for Arthritis (hereinafter in this part referred to as the 'Associate Director'), who shall report directly to the Director of such Institute and who, under the supervision of the Director of such Institute, shall be responsible for programs regarding arthritis within such Institute.

"(b) In order to improve coordination of the total National Institutes of Health research activities relating to arthritis, the Director of the National Institutes of Health shall establish an Inter-Institute Arthritis Coordinating Committee to be composed of representatives who can make policy commitments for each of the Institutes and divisions involved in arthritis-related research. The committee will be chaired by the Associate Director and will prepare a report as soon (but not later than 60 days) after the end of each fiscal year as possible for the Director of the National Institutes of Health detailing the work of the committee in coordinating the research activities of the National Institutes of Health relating to arthritis during the preceding year.

"(c) (1) There is established within the Federal Government an Interagency Technical Committee on Arthritis which shall be responsible for promoting the coordination of those aspects of all Federal health programs and activities relating to arthritis to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities.

(2) The Director and Associate Director for Arthritis of the Institute shall serve as chairman and co-chairman, respectively, of such Committee, and such Committee shall include representation from the Veterans Administration, the Department of Defense, and all other Federal departments and agencies administering programs involving health functions or responsibilities as determined by the Secretary.

"(3) The Committee shall meet at the call of the chairman, but not less often than four times a year.

"ARTHRITIS SCREENING, EARLY DETECTION, PREVENTION, AND CONTROL PROGRAMS

"Sec. 437. (a) The Director of the Institute under policies established by the Director of the National Institutes of Health, and after consultation with the National Advisory Council and consistent with the Arthritis Plan, shall establish programs as necessary for cooperation with other Federal health agencies, State, local, and regional public health agencies, and nonprofit private health agencies, in the screening, detection, prevention, and control of arthritis which emphasize the development of new diagnostic and treatment methods for arthritis, and the dissemination of the knowledge about these methods to the health professions.

"(b) Screening, detection, prevention, and control programs under this part shall include—

"(1) programs to develop improved methods of detecting individuals with a risk of developing arthritis;

"(2) programs to develop improved methods of intervention against those factors which cause individuals to have a high risk of developing arthritis;

"(3) programs to develop health professions and allied health professions personnel highly skilled in the control of arthritis, including continuing education of such personnel;

"(4) community consultative services to facilitate new and problem patient referral from local hospitals and physicians to Arthritis Consultation Boards of the centers for diagnostic workup, including laboratory analyses, and consultations with primary physicians on preferred rehabilitation management; and

"(5) programs to disseminate the results of research and to develop means of standardizing patient data and recordkeeping.

"(c) The programs supported under this section may also carry out projects and programs funded under other provisions of law related to the programs and projects authorized under this section.

"(d) In addition to sums appropriated pursuant to section 301 and other sums appropriated for research on arthritis pursuant to title IV, part D, there is authorized to be appropriated to carry out this section $5,000,000 for the fiscal year ending June 30, 1975, $10,000,000 for the fiscal year ending June 30, 1976, and $15,000,000 for the fiscal year ending June 30, 1977.

"NATIONAL ARTHRITIS RESEARCH AND DEMONSTRATION CENTERS

"SEC. 438. (a) The Director of the Institute, under policies established by the Director of the National Institutes of Health, and after consultation with the National Advisory Council and consistent with the Arthritis Plan, will provide for the development of centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, control, and treatment methods for arthritis, including research into implantable biomaterials and orthopedic procedures; and may enter into cooperative agreements with public or nonprofit private agencies or institutions to pay all or part of the cost of planning, establishing or strengthening, and providing basic operating support for, existing or new such centers.

"(b) The centers developed under this section shall, in addition to carrying out research, training, and demonstration projects, carry out screening, detection, prevention, and control programs, as described under subsection (b) of section 437. Funds paid to centers under this section may be used for—

"(1) staffing and other basic operating costs, including such patient care costs as are required for research;

"(2) training, including training for allied health professions personnel;

"(3) demonstration purposes; and

"(4) the extension, alteration, remodeling, improvement, or repair of buildings and structures (including the provision of equipment) to the extent necessary to make them suitable for use as research and demonstration centers.

Support of a center under this subsection may be for a period of not to exceed three years and may be extended by the Director of the Institute, with the approval of the National Advisory Council, for additional periods of up to three years each.

"(c) The centers supported under this section may also carry out projects and programs funded under other provisions of law related to the programs and projects authorized under this section.

"(d) In addition to sums appropriated pursuant to section 301 and other sums appropriated for research on arthritis pursuant to title IV, part D, there is authorized to be appropriated to carry out this section $10,000,000 for the fiscal year ending June 30, 1975, $15,000,000 for the fiscal year ending June 30, 1976, and $20,000,000 for the fiscal year ending June 30, 1977.

"ANNUAL REPORTS

"SEC. 439. The Director of the Institute shall, as soon as practicable, but not later than sixty days, after the end of each calendar year, prepare, in consultation with the National Advisory Council, and submit to the President and to the Congress a report. Such report shall include (1) a proposal for the Institute's activities under the Arthritis Plan under this part and other provisions of law during the next five years, with an estimate for such additional staff positions and appropriations (including increased appropriations authorizations) as may be required to pursue such activities, and (2) a program evaluation section, wherein the activities and accomplishments of the Institute during the preceding calendar year shall be measured against the Director's proposal for that year for activities under the Arthritis Plan.".

Mr. JAVITS. Mr. President, I am proud to join with Senator CRANSTON and Senator WILLIAMS in the development and introduction of the "National Arthritis Act."

According to the most recent statistics, approximately 20,000,000 Americans are afflicted with arthritis—most requiring medical care—and the majority of rheumatoid arthritis victims are young and middle aged adults in their most productive years, between 20 and 45 years of age.

In addition to the human pain and suffering caused by arthritis its economic dimensions are staggering. The annual cost to the Nation due to medical care bills and lost wages caused by arthritis is $9.2 billion.

I am concerned that the needs of victims of arthritis—a major health problem in the United States—are not being met at the present time and I believe these needs cannot be met in the future unless the Federal Government expands its leadership role in this area. We must provide the financial support that is essential to combating arthritis and unnecessary crippling.

To establish a national commitment to launch an attack on arthritis the bill provides:

First. A National Task Force is established to develop a plan to combat arthritis. The plan to be developed within 9 months, will include prevention and control studies, research and data analyses, field studies, health manpower training, screening programs and home care policies.

Second. The task force is to be composed of 16 eminently qualified persons including at least 2 who are victims of arthritis, and $500,000 is authorized for the task force.

Third. The Arthritis Institute at NIH is also required to establish a screening, early detection and control program to combat arthritis, and $30 million over 3 years is authorized for this purpose.

Fourth. The Arthritis Institute is required to establish research and demonstration centers of excellence throughout the United States and $45 million is authorized for this purpose over 3 years.

I believe this bill will provide the necessary funding—a total of $75.5 million over 3 years—to assure the Federal Government mounts an effective attack on arthritis.

By Mr. JOHNSTON (by request):

S. 2857. A bill to amend the public assistance provisions of the Social Security Act to provide that benefits thereunder (including supplemental security income benefits) shall be made available and financed in the case of Guam and the Virgin Islands on the same basis as in the case of other States. Referred to the Committee on Finance.

Mr. JOHNSTON. Mr. President, the legislation that I am introducing today would amend those sections of the Social Security Act which limit Federal funding for the Virgin Islands and Guam, and would place the two territories on the same level with the 50 States and the District of Columbia. It would also make the new supplementary income program for the aged, blind, and disabed applicable to Guam and the Virgin Islands.

Existing law imposes several special provisions which apply only to Federal participation in the assistance programs of the territories. These discriminatory provisions restrict Federal matching to one Federal dollar for each territoy dollar as compared with a variable matching formula applicable in the continental United States. This formula matches four Federal dollars to each State dollar in approximately the first half of the grant, and then dollar for dollar thereafter. Likewise, absolute ceilings on Federal financial participation also limit the ability of the territories to provide social services and needed improvements to other welfare programs.

The problem is further complicated by the fact that the cost of living is estimated to be 30 percent higher in the Virgin Islands than in the continental United States because practically everything the territory uses or consumes must be brought by plane or ocean vessel. An acute housing shortage has forced rents to a higher level for all families. These higher rents have stimulated the construction of more houses for the rental market, but middle- and low-income families cannot find dwellings within their financial means. In addition, those forced to exist on 59 cents a meal or $1.77 per day suffer serious deprivation and become easy prey to ailments related to nutritional deficiency and this creates an increased medical care caseload.

To continue Federal assistance in the Virgin Islands and Guam at a lower level than on the continent, in effect, discriminates against the U.S. citizens living there, and lends substance to the periodic claims that the people of the territories are relegated to a colonial status.

Enactment of this legislation will enable the Virgin Islands and Guam to strengthen existing programs, raise assistance standards, supplement the incomes of the working poor, and make it possible for their people to better meet the high cost of living. This in turn will assist in enhancing family life, improving the level of health, and assuring the general well-being of these islands.

By Mr. TUNNEY:

S. 2858. A bill to amend the Outer Continental Shelf Lands Act for the purpose of increasing the safety of offshore drilling and production. Referred to the Committee on Interior and Insular Affairs.

OUTER CONTINENTAL SHELF SAFETY ACT OF 1974

Mr. TUNNEY. Mr. President, the Congress has just passed an Emergency Energy Act, which calls for accelerated development of our domestic energy resources. The Outer Continental Shelf Safety Act of 1974, which I introduce today, will enact leasing procedures so that only the safest areas of the OCS will be opened for drilling and production, and it will provide for new, improved safety regulations for all OCS operations, with increased enforcement of these regulations. I am convinced that we must consider the safety issues involved in increasing our offshore oil and gas production before major new projects are undertaken, so that the Congress and the people of our coastal areas can be assured that this endeavor will not entail unreasonable risks of accidents or oil spillages.

Clearly, the production from our offshore oil and gas reserves will be crucial to any attempt to attain energy self-sufficiency. These resources, including those in the shelf off Alaska, may equal all of the presently known onshore oil and gas reserves in the United States. But offshore drilling can be hazardous; accidents and spillages may occur which can cause enormous damage to the environment of the oceans and the coastline of our Nation. Major accidents in the Santa Barbara Channel in 1969, and in the Gulf of Mexico in 1970 and 1971 have focused attention on the dangers of offshore production.

The risk of blowouts such as occurred in Santa Barbara must and can be eliminated. Too often, remedial safety legislation is passed only after tragic disaster has drawn attention to the problem.

The Santa Barbara disaster led to improvements in safety practices, and some improvements in Government regulation. But the Interior Department's resources are very meager for this large task, and the oil companies have a great deal of influence in setting the degree of safety required for drilling and production.

I believe the Congress must act now, before offshore production is accelerated, to insure maximum safety for the protection of our environment and our coastal areas. Only then will this production be able to proceed in a socially acceptable manner to bring us the oil and gas we need. Soon offshore drilling will affect major population centers of the east coast, as well as southern California and the gulf coast. Indeed, the newspapers have reported just today that record sums were bid for new leases in the Gulf of Mexico.

Mr. President, to face this problem before it results in another avoidable disaster, I am sponsoring the Outer Continental Shelf Safety Act of 1973. This bill will insure that offshore drilling and production is commenced only in environmentally safe areas, and provides for rigorous new safety regulations which will be promulgated within the existing authority of the Secretary of the Interior. The bill also provides for strict enforcement of these safety regulations by the National Oceanic and Atmospheric Administration.

My bill will, first of all, require the Secretary of the Interior, through a rulemaking procedure, to produce a 5-year leasing schedule for proposed leasing of Outer Continental Shelf areas, and to make relative ranking of all such areas based on the hazard to the environment or to commercial or recreational uses of nearby ocean and coastal areas, of drilling and production in each area. Thus, we will know in advance which areas are planned to be leased, and of these areas, which ones pose the greatest danger of blowouts because of the geological, seismic, oceanographic, or other conditions of that area. The Secretary will then be required to lease areas in descending order of environmental hazard, according to his own listing.

This procedure is vitally needed. Presently, the Interior Department makes little effort and has insufficient resources to find out about the detailed geology of leasing areas until the actual leasing process is begun. This information is sought during the preparation of the environmental impact statement, but it is unrealistic to think that many leasing proposals will be stopped at such a late stage. Also, the present NEPA review does not allow comparison of the safety of drilling in different areas, as this bill will do.

It is essential for the Interior Department to have an overall view of the environmental hazards of offshore production on a comparative basis, to know that drilling in the Gulf of Mexico, will be inherently safer—assuming that the drilling will be done according to prescribed regulations—than, for instance, drilling off the Alaskan coast. Of course, the people of all areas affected by this kind of ranking should and will have an opportunity to participate in the process of creating this schedule. But once the schedule is agreed upon, it should be followed, and leasing commenced on the safest areas first.

I would expect such a procedure to delay further leasing in southern California, where geological conditions are not conducive to safe offshore operations, until other areas have been exploited. In later years, I would hope that new equipment can make drilling and production more foolproof and allow production without the risk of another Santa Barbara spill.

The second major function of the Outer Continental Shelf Safety Act of 1974 will be to mandate the Secretary of the Interior to review all present safety and operating regulations for offshore production and promulgate within 1 year a new, upgraded set of regulations. He will be aided in this process by a study to be performed by the new Office of Technology Assessment. These regulations should require the use of the best available technology in all new drilling and production, and upgrade any existing wells to meet increased standards for vital safety equipment, like blowout preventers.

My review of present problems in the safety field shows a number of areas where improvement must be made, and my bill will require an intense focus on these areas. Drilling equipment and techniques should be improved. Presently, there is 1 accident of significant proportions in every 500 wells drilled, and this figure should be greatly reduced.

Some safety equipment on producing wells has been shown to be quite unreliable. Immediate improvements in the design and testing of all these devices must be implemented.

Pipelines are a major source of pollution into the oceans, constituting 80 percent or more of the oil released into the water from offshore facilities. They must be built and laid with greater care, hopefully so that pipelines will last as long as a producing field is in operation. Also, we must have remote monitoring devices to detect leakages. One of the largest oil spills in history—160,000 barrels—was from a break in a pipeline caused by a ship anchor, which was not detected for 10 days.

Human factors are very important in offshore safety. More than half of all accidents and spillages in offshore drilling and production are caused by human error. It is imperative that the Interior Department institute minimum training requirements for the people who operate and supervise drilling rigs. Even sophisticated safety equipment is not helpful if it is not used in time, or used properly. Linked directly to the human factor is the need to design more reliable automatic safety devices, and to design equipment in such a way as to minimize the likelihood of misuse or human error.

Design and development of new equipment and new technology in the offshore oil and gas production industry has been slow, and it has responded to past crises. This must be changed. New technology must be planned for, and developed to meet desired goals. My bill will establish a new Government unit to focus on this area.

My bill will provide greatly increased enforcement of safety regulations, through frequent inspection and increased penalties for violations. Enforcement responsibility will be granted to the National Oceanic and Atmospheric Administration, an agency which already has considerable expertise in ocean science, management, and technology.

I have felt that it is very important to disassociate the enforcement agency from the agency which formulates policy and regulations for the Outer Continental Shelf. Repeated experience shows that enforcement suffers when all these functions are carried out by the same agency, and it is imperative to have the strictest possible enforcement of these safety regulations.

The bill will mandate the Administrator of NOAA to develop the capability to have frequent onsite inspections of all offshore operations which will include visual confirmation of the installation and testing of safety equipment, and inspection of all critical phases of the drilling and production process. The Administrator will also carry out, for the first time, formal investigations and reports of all fires and major accidents in the same manner as we now investigate transportation accidents.

Penalties are greatly increased in order to give the Administrator enough power to secure compliance with the safety regulations. Criminal fines are increased up to $50,000 per violation, and civil injunctions and fines of up to $25,000 per violation are authorized for the first time.

As another means of putting a direct economic incentive to the oil companies to maintain maximum safety, this bill will make the holder of any offshore lease strictly liable for all costs of cleaning up an oil spill, and liable for up to $15,000,000 in damages to any persons adversely affected by oil spills. This type of sanction has been adopted by the Congress already in legislation dealing with water pollution other than in the Outer Continental Shelf, and for the Alaska pipeline, and I believe it is quite appropriate for this type of activity, where there may be major losses and costs associated with a major accident or blowout.

Mr. President, we need the resources of the Outer Continental Shelf, but the longer we wait to enact safeguards and to plan for making drilling and production as safe as possible, the greater will be the risk of environmental and economic disasters. Blowouts or spillages not only foul beaches and kill marine life, but they also waste large amounts of oil, which we can no longer afford to lose.

California has already had a major oil spill. The environmental price was unprecedented and we must spare other coastal areas from California's experience. But if California and the rest of the Nation cannot, in the rest of this decade and beyond, get the fuel they need to survive, the national economic and social price will be equally great.

Mr. President, we can afford neither extreme. I believe this legislation will go a long way toward allowing safe production in our Outer Continental Shelf, and make such activity socially acceptable. Only by enacting really rigorous safeguards can we accomplish that end. The first steps must be begun immediately, and I am hopeful that this legislation will get us started without delay.

I request unanimous consent to print in the Record the text of the Outer Continental Shelf Safety Act of 1974.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Outer Continental Shelf Safety Act of 1974."

Sec. 2. Findings and Purpose—(a) The Congress hereby finds and declares that—

(1) Pursuant to the national energy emergency declared by the Congress, all available domestic sources of energy will be utilized and developed in an accelerated manner, including the great oil and gas resources in the Outer Continental Shelf;

(2) While accelerated development of the resources of the Outer Continental Shelf is important to our nation's future, it is also recognized that the long-term interests of the nation require that development of geologically unsafe areas should be delayed, and all drilling and production in the Outer Continental Shelf must be done with the utmost regard for prevention of spillages, blowouts, or other environmentally hazardous events, such as those which occurred in the Santa Barbara Channel in 1969, and the Gulf of Mexico in 1970 and 1971.

(3) Given the likelihood of accelerated development of the Outer Continental Shelf in the near future, it is feasible and necessary to implement and strictly enforce new, rigorout safety regulations for all operations;

(4) Improved safety of operations will lessen the waste of oil and gas which necessarily occurs in normal operations, as well as from accidents; and

(5) Existence of recognized, strict safety regulations will facilitate rapid exploration and production of offshore oil and gas resources.

(b) It is the purpose of this bill to enact procedures to lease only the least environmentally dangerous areas in the Outer Continental Shelf, to enact new and comprehensive safety regulations for operations in the Outer Continental Shelf, and to provide for strict enforcement of such regulations.

Sec. 3. Section 2 of the Outer Continental Shelf Lands Act is amended by striking the word "and" in clause (c), placing a semicolon at the end of clause (d), and adding the following clauses after clause (d):

"(e) The term 'operations' means all activities carried out for the purpose of exploring, producing, extracting, ceasing production, storing, transporting by pipeline, or transferring to any vessel the oil or gas resources in the Outer Continental Shelf;

"(f) The term 'OCS orders' means any regulations or standards concerning the equipment, apparatus, manner, or techniques to be used for operations in a region of the Outer Continental Shelf, or the equivalent thereof;

"(g) The term 'field rules' means any regulations or standards concerning the equipment, apparatus, manner, or techniques to be used for operations in specific or enumerated wells or lease sites in the Outer Continental Shelf, or the equivalent thereof;

"(h) The term 'safety regulation' means any regulation, OCS order, field rule, or other written or oral instruction or direction which fixes, limits, controls, or conditions the manner or techniques of performing any operations, or the equipment, apparatus, or technology to be used in any operations, or the training of personnel to perform any operations; and

"(i) The term 'Administrator' means the Administrator of the National Oceanic and Atmospheric Administration."

Sec. 4. The Outer Continental Shelf Lands Act is further amended by redesignating sections 9 to 15 and all references thereto as sections 13 to 19, respectively, and inserting the following new sections after section 8:

"Sec. 9. Further Requirements for Leasing—(a) (1) The Secretary shall, not later than six months after the enactment of this section, prepare a leasing schedule of all areas in the Outer Continental Shelf planned to be leased in the ensuing five years. Such leasing schedule shall include an assessment by the Secretary of the relative hazard to the environment, or commercial or recreational uses of adjacent ocean and coastal areas, of operations in each area, as compared to the environmental hazard in all other areas under consideration in the leasing schedule. Such assessment shall be based on consideration of the following factors, without being limited thereto: geological and geophysical conditions, seismic stability, oceanographic and meteorological conditions, biological data on existing marine and plant life, and commercial and recreational uses of nearby coastal and ocean areas.

(2) The Secretary is authorized to obtain from public or private sources, or through the U.S. Geological Survey, any surveys, data, reports, or other information which may be necessary to assist him in making the assessment of environmental hazard pursuant to paragraph (1) of this subsection. Any private person, company or association shall, upon request, provide the Secretary with any surveys, data, reports, or information, not containing evaluations, conclusions or other proprietary data, concerning proposed leasing areas, which are in the possession of such person, company or association. Any person, company or association which fails to comply with a valid request under this paragraph shall, upon conviction, be fined $10,000, or imprisoned for six months, or both, and failure to provide each separate document shall constitute a separate offense.

(3) The Secretary shall promulgate the five-year leasing schedule and assessment of environmental hazard in the same manner as provided for the promulgation of safety regulations in section 10(b)(1)(B) of this Act.

(b) Commencing one year after the enactment of this section, or upon the final promulgation of the five-year leasing schedule and assessment of environmental hazard, whichever occurs earlier, the Secretary shall not call for nominations or take any other steps to begin leasing of any area in the Outer Continental Shelf unless all areas contained on the Secretary's leasing schedule which have a lesser hazard to the environment or commercial or recreational uses have already been leased, or the leasing process for such areas has already begun.

(c) The Secretary shall issue a new five-year leasing schedule and assessment of environmental hazard at intervals of no more than five years, and whenever the leasing process for all areas in the previous effective leasing schedule has been commenced.

(d) Nothing contained in this Act shall be construed to amend, repeal, modify, or change in any way the requirements of section 102(2)(c) or any other provision of the National Environmental Policy Act of 1969.

"Sec. 10. Safety Regulations for Oil and Gas Operations—(a) Policy. It is the policy of this section to ensure, through improved techniques, maximum precautions, and constant use of the best available technology by well-trained personnel, the safest possible operations in the Outer Continental Shelf. Safe operations are those which minimize the liklihood of blowouts, loss of well control, fires, spillages or other occurrences which may cause damage to the environment, or to property, or endanger human life or health. Without limitation to these items, safe operations require the following:

(1) new permits for drilling or other operations should be based on use of the best available equipment and technology, and previously existing operations should be upgraded to use the best available equipment and technology to the maximum extent practicable;

(2) equipment used in offshore operations should be developed to conform to prescribed performance standards, which should provide for the greatest possible safety of operations;

(3) to the maximum extent practicable, including before exploratory drilling is performed, regulations or field orders concerning equipment and techniques to be used in drilling operations should be based on specific knowledge of geological conditions in the area of drilling;

(4) safety equipment, designed to prevent or ameliorate blowouts, loss of well control, or spillages, should be made as reliable as possible, including the use of fail-safe and redundancy devices, and should be regularly tested for reliability;

(5) blowout prevention equipment should contain features, including remote controls, which make such equipment useable and effective after well control has been lost;

(6) techniques and technology should be developed and implemented to provide complete monitoring of drilling operations, including downhole conditions, with remote recording of such data in a survivable unit;

(7) mandatory minimum training standards should be developed and enforced for all personnel in supervisory and control duties involving hazardous drilling and production operations;

(8) increasingly automated equipment, and equipment designed to minimize the risk of human error, should be developed and deployed;

(9) development of subsea production technology should be accelerated for safety and environmental reasons;

(10) in cooperation with the Coast Guard, safety factors on multi-well platforms should

be improved to lessen the risk of subsequent damage if one well loses control, and safety design and inspection of platforms, rigs, and artificial islands in the Outer Continental Shelf should be improved;

(11) in cooperation with the Office of Pipeline Safety, improved safety standards for pipelines should be developed and made applicable to all pipelines in the outer Continental Shelf, with the goal of having reliable pipeline lifetimes equal to the projected production lifetimes of oil or gas fields, and having pipelines with remote monitoring features to detect leakages;

(12) techniques, equipment, and personnel training for regaining control of blowouts, spillages, and fires, and removing pollutants, should be improved; and

(13) unreliable or inadequate safety equipment on existing wells should be replaced by the best presently-available equipment, and new equipment and technology should be applied to old wells and other facilities to the maximum degree practicable.

(b) Regulations; study. (1) (A) The Secretary shall develop, from time to time revise, and promulgate safety regulations for operations in the outer Continental Shelf, to implement as fully as possible the policy of subsection (a) of this section. Within one year after the enactment of this section, the Secretary shall complete a review of existing safety regulations, consider the results and recommendations of the study authorized in paragraph (3) of this subsection, and promulgate a complete set of safety regulations (which may include OCS orders) applicable to operations in the Outer Continental Shelf or any region thereof. Any safety regulations in effect on the date of enactment of this section which the Secretary finds should be retained, shall be repromulgated according to the terms of this section, but shall remain in effect until so repromulgated.

(B) (i) The Secretary shall promulgate safety regulations (other than field orders) pursuant to Section 553 of Title 5, and shall as part of such proceedings conduct a hearing pursuant to Section 556 of Title 5. Interested parties shall have a period of not less than 60 days in which to present oral or written comments or data on my proposed safety regulations.

(ii) Safety regulations promulgated pursuant to this subsection shall become effective not less than thirty days following final publication of such safety regulations in the Federal Register.

(iii) The Administrator shall submit written or oral comments on any proposed safety regulation proposed to be promulgated pursuant to this subsection within the time allotted therefor. Prior to final publication of such safety regulations, the Secretary shall publish in the Federal Register the comments of the Administrator, and an answer to all such comments or which are not accepted by the Secretary.

(iv) Any aggrieved party may seek judicial review of safety regulations promulgated pursuant to this subsection in the United States Court of Appeals for the District of Columbia, in proceedings pursuant to Chapter 7 of Title 5. All court proceedings concerning such safety regulations shall be expedited.

(C) No safety regulations (other than field orders) promulgated pursuant to this subsection shall reduce the degree of safety or protection to the environment afforded by safety regulations previously in effect.

(D) (i) All field rules must be published in the Federal Register not less than thirty days before the effective date thereof. Any modification of a field rule pursuant to a petition for review shall be published in the Federal Register no later than the effective date thereof.

(ii) Any person who objects to a field rule may petition the Secretary for review of such field rule not later than thirty days after the effective date thereof.

(iii) The Secretary shall promptly consider such petition, and take written or oral testimony, in his discretion. Not less than sixty days after receiving such petition, unless for good cause stated in the response, the Secretary shall respond to the petitioner stating whether or not and in what manner the field rule in question shall have been modified, and giving his reasons therefor.

(3) Upon the enactment of this section, the Office of Technology Assessment of the Congress shall conduct a study of the adequacy of existing safety regulations and technology, equipment and techniques for operations in the Outer Continental Shelf, including but not limited to the subjects listed in subsection (a) of this section. Not later than nine months after the enactment of this section, the results of the study and recommendations for improved safety regulations shall be submitted to the Congress and to the Secretary.

(4) The Secretary shall publish in the Federal Register a notice and description of every major variance, exception or exemption given from any safety regulation, not less than thirty days before the effective date thereof, *Provided,* That such period may be waived upon the certification of the Secretary, as part of such notice, of the existence and nature of an emergency justifying such waiver.

"Section 11. Enforcement of safety regulations; penalties—(a) Enforcement of safety regulations; inspections. (1) The Administrator shall have responsibility for rigorous inspection of all operations and enforcement of safety regulations promulgated pursuant to section 10 of this Act. All holders of leases under this Act shall allow access at the site of any operations subject to safety regulations to any inspector, and provide such documents and records as the Administrator may request.

(2) The Administrator shall promulgate regulations within sixty days of the enactment of this section, to provide for:

(A) physical observation by an inspector of the installation and testing at least once each year of all safety equipment designed to prevent or ameliorate blowouts, fires, spillages or other major accidents; and

(B) on-site inspection to assure compliance with safety regulations for at least some period of time during each important phase of operations, including but not limited to:

(i) exploratory drilling;

(ii) production drilling;

(iii) well completion and normal production of oil and gas;

(iv) capping or plugging of wells;

(v) major servicing or repairs or equipment and

(vi) laying of pipelines or installation of storage facilities.

(3) The Administrator shall make an investigation and public report on all fires and major oil spillages occurring as a result of operations pursuant to this Act. For the purposes of this subsection, a major oil spillage is any spillage in one instance of more than 200 barrels of oil over a period of thirty days, provided that the Administrator may make an investigation and report of lesser oil spillages in his discretion. All holders of leases under this Act shall cooperate with the Administrator in the course of such investigations.

(4) For the purposes of carrying out his responsibilities under this section, the Administrator may by agreement utilize with or without reimbursement the services, personnel or facilities of any Federal agency.

(b) Report. The Administrator shall make a report to the Congress within thirty days of the end of each fiscal year detailing enforcement activities under this Act for the previous year, and giving any recommendations for increasing safety of operations in the Outer Continental Shelf or increasing the effectiveness of enforcement of safety regulations. Such report shall state the number of violations of safety regulations found, the names of the violators, and the action taken thereon.

(c) Improvement of technology. The Administrator shall establish an Office of Marine Technology, and shall, through such office, (1) maintain a continuing study and assessment of the adequacy of equipment, technology and techniques of operations in the Outer Continental Shelf, with particular emphasis on safety of operations, and (2) conduct, accomplish or direct plans, designs, experiments, or studies for the development of advanced desirable equipment, techniques or technology for Outer Continental Shelf operations.

(d) Criminal penalties. Any person who knowingly and willfully violates any safety regulation issued under this Act shall be deemed guilty of a misdemeanor and punished by a fine of not more than $50,000 or by imprisonment of not more than six months, and each day of violation shall be deemed to be a separate offense. The issuance and continuation in effect of any lease, or of any extension renewal or replacement of any lease under the provisions of this Act shall be conditioned upon compliance with the safety regulations issued under this Act.

(e) Civil Penalties. The Administrator may institute a civil action for relief, including a permanent or temporary injunction, restraining order or any other appropriate order, including suspension of operations, in the district court of the United States for the district having jurisdiction over the site of the subject operation whenever there is a discharge or spillage of oil from an operation carried out pursuant to this Act, which poses an imminent or actual risk of harm to the environment, or commercial or recreational uses of nearby ocean and coastal areas, and whenever the holder of any lease under this Act (1) violates, fails or refuses to comply with any safety regulations issued under this Act;

(2) interferes with, hinders, or delays the Administrator or any authorized representative of the Administrator in carrying out his duties under this Act; (3) refuses to allow the inspection of the site of any operations; or (4) refuses to furnish any documents, records, logs, information or other materials lawfully requested by the Administrator. In addition, the Secretary may seek a civil penalty of not more than $25,000 for each violation of safety regulations issued under this Act, and each day of violation shall be deemed a separate offense.

(f) Petitions. The Administrator shall consider any petition from any person alleging the existence of a violation of any safety regulations issued under this Act. The Administrator shall answer such petition no later than ninety days after receipt thereof, stating whether or not such alleged violations exist and, if so, what action has been taken.

"Section 12. Liability for Oil Spills

(a) Any person in charge of any operations or facilities in the Outer Continental Shelf, as soon as he has knowledge of a discharge or spillage of oil from an operation which is not allowed by a permit issued pursuant to the Federal Water Pollution Control Act, shall immediately notify the appropriate agency of the United States Government of such discharge. Any person who fails to notify immediately such agency of such discharge or spillage shall, upon conviction, be fined not more than $10,000, or imprisoned for not more than one year, or both. Notification received pursuant to this paragraph, or information obtained by the exploitation of such notification shall not be used against any person in any criminal case, except a prosecution for perjury or for giving a false statement.

(b)(1) Except when the holder of a lease issued or maintained under this Act can prove that damages in connection with or resulting from the discharge or spillage of oil from an operation in the Outer Continental Shelf, not allowed by a permit issued pursuant to the Federal Water Pollution Control Act, were caused by an act of war or negligence of the United States, or other governmental entity, or the damaged party, such holder shall be strictly liable to all damaged parties, public or private, without regard to fault for such damages, and without regard to ownership of any affected lands, structures, fish, wildlife, or biotic or other natural resources relied upon by any damaged party for subsistence or economic purposes. Claims for such injury or damages may be determined by arbitration or judicial proceedings.

(2) Liability under paragraph (1) of this subsection shall be limited to $15,000,000 for any one incident. If there is more than one holder of a lease, the holders shall be liable for any claim allowed in proportion to their ownership interest in the lease. Liability of such holder for damages in excess of $15,000,000 shall be in accord with the ordinary rules of negligence.

(3) In any case where liability without fault is imposed pursuant to this subsection and the damages involved were caused by the negligence of a third party, the rules of subrogation shall apply in accordance with the law of the jurisdiction where the damage occurred.

(c) If any area within or without a lease granted or maintained under this Act is polluted by any discharge or spillage of oil from operations conducted by or on behalf of the holder of such lease, and such pollution damages or threatens to damage aquatic life, wildlife, or public or private property, the control and total removal of the pollutant shall be at the expense of such holder, including administrative and other costs incurred by the Administrator or any other Federal officer or agency. Upon failure of such holder to adequately control and remove such pollutant, the Administrator in cooperation with other Federal, State, or local agencies, or in cooperation with such holder, or both, shall have the right to accomplish the control and removal at the expense of the holder.

(d) The Secretary shall establish requirements that all holders of leases issued or maintained under this subchapter shall carry insurance in an amount sufficient to provide for clean-up of and adequate compensation for damages which may result from any discharge or spillage of oil resulting from operations in the Outer Continental Shelf.

(e) The provisions of this section shall not be interpreted to preempt the field of strict liability or to preclude any State from imposing additional requirements.

SEC. 5. Section 19 (as renumbered by this Act) of the Outer Continental Shelf Lands Act is amended to read as follows:

"SEC. 19. Annual report by Secretary to Congress—As soon as practicable after the end of each fiscal year, the Secretary shall submit to the President of the Senate and the Speaker of the House of Representatives a report on the leasing and production program in the Outer Continental Shelf, including a detailing of all moneys received and expended in connection with administration of this subchapter during such fiscal year, and recommendations to the Congress for improvements in management, safety and amount of production in leasing and operations in the Outer Continental Shelf."

SEC. 6. Section 8(g) of the Outer Continental Shelf Lands Act is amended to replace the words, "section 9 of this Act" with the words, "section 13 of this Act."

By Mr. MAGNUSON (for himself, Mr. PELL, and Mr. HOLLINGS):

S.J. Res, 184. A joint resolution to protect whales and certain other living marine resources. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, late last year Congress passed overwhelmingly, and the President signed, the Marine Mammal Protection Act of 1972, a landmark piece of legislation designed to conserve whales, dolphins, porpoises, seals, sea lions, sea otters, polar bears, walrus, manatees, and dugongs.

But of all the animals whose fate is affected by this bill, none was the object of more public concern, interest, and attention than the great whales. Although several groups appearing before our Committee on Commerce were in strong disagreement on major issues, virtually all of the conservation groups and governmental agencies that testified were in agreement that the world's whale population was in serious trouble, and that strong measures were needed to prevent their disappearance and allow their recovery.

However, of perhaps even greater importance is a fact that has recently become only too apparent: that the fate of the whales is tied closely to that of other marine life upon which our country is heavily dependent, and their disappearance is a harbinger of the looming crisis over the world's future food supply in the ocean. This grave and critical situation is being brought about by those very nations that are destroying the great whales, and threatening the existence of other life in the sea, such as the fish stocks off our east coast, the coasts of Alaska, and on the high seas.

Those nations responsible for this irresponsible conduct are Japan and the Soviet Union, which do not consume whale meat in any appreciable quantities, but slaughter them for frivolous and wholly unnecessary purposes, such as for use in dog, cat, and mink food, and for cosmetic additives for which there are readily available substitutes. But if we allow the whales—which are killed so unnecessarily—to disappear, can the halibut, the haddock, and the salmon—which are harvested for food—be far behind? Sooner or later we are going to have to draw the line and try to halt this greedy pillage of these international resources that belong to all the world. Instead of waiting until it is too late to save the species I have mentioned, action must be taken now to bring Japan and the Soviet Union to their senses. Since reason, persuasion, and pressure from the world community have failed, perhaps the time has come to consider new legislation designed to prevent another country from destroying important international resources.

Yet, even as we discuss this situation, the Japanese and Russian fleets are sailing for the Antarctic to proceed with the decimation of the remaining whale stocks there. This year there can be no excuse for this greedy and short-sighted policy. At the June 1973 meeting of the International Whaling Commission—IWC—in London, certain minimum and urgently needed quotas and conservation measures were agreed to which these nations—in full awareness of the disastrous consequences—are now openly violating. For example, the 14 nations composing the IWC agreed by a three-fourths majority vote to phase out the killing of the severely depleted Antarctic finback whales, bringing the slaughter to an end no later than June 30, 1976.

According to the best estimates available to the U.S. Government, fin whale stocks in the Antarctic have declined to one-fifth their former size: from an original 380,000 to only 77,000 today. Yet the slaughter still continues. And in September of this year, the Japanese Government notified the United States that it was rejecting the restrictions set on killing fin whales, and would set its own quotas "voluntarily" and in line with Japanese "interests." The damage done by this year's killing of fin whales will be irreparable; and according to Dr. Lee M. Talbot, senior scientist at the President's Council on Environmental Quality—CEQ, the fin whales may never recover after this year's hunt, even if given complete protection for a number of years.

Other measures agreed to at the IWC meeting, but which have been rejected by Japan—and the Soviet Union as well—include a quota on the killing of minke whales—agreed to by a vote of 13 to 1, with only Japan opposing—and the setting of area-by-area quotas for sperm whales to avoid over-killing or even complete extinction in certain areas.

Our Nation has an important stake in this tragedy, and I am proud of the role our representatives have played in the fight to prevent it. For 2 years, the U.S. delegation to the IWC has fought long and hard for a 10-year moratorium on commercial, nonaboriginal whaling. In 1972, the Honorable Russell Train—now Administrator of the Environmental Protection Agency—led the U.S. delegation in its fight, as the personal representative of the President. This year, the U.S. Whaling Commissioner—Dr. Robert M. White, Administrator of the Commerce Department's National Oceanic and Atmospheric Administration—NOAA—led the fight.

Because of the groundwork laid down the previous year, and the skillful efforts and vital work done by Dr. White and his team, including representatives of the Departments of State and Interior, CEQ, and private groups such as Friends of the Earth, the Society for Animal Protective Legislation, and the Fund for Animals, intense public pressure both in this country and abroad were mobilized; and the IWC voted 8 to 5—with 1 abstention—in favor of the 10-year moratorium. Unfortunately, the required three-fourths majority was not obtained. But our delegation was able to impress upon the other IWC nations the importance of this problem and the world community's concern with it. As a result, some urgently needed conservation measures were agreed to; but it is these minimal measures that the Japanese and

Russians are now so flagrantly violating.

The crisis we are now facing on the whale situation is clearly described in an October 22, 1973, press release sent out by Dr. Robert White, criticizing the policies of Japan and the Soviet Union in very candid—and I believe appropriately strong—language. Dr. White stated:

> The Governments of Japan and the Soviet Union have effectively refused to comply with vital conservation decisions taken by the IWC. The nations of the world have indicated their almost unanimous determination that the whales be protected . . . The action of Japan and the Soviet Union in ignoring the overwhelming sense of the Commission in which they sit, calls into question whether the IWC as presently constituted is capable of serving the cause of conservation, or only that of the whaling industry.

Another recent press release sent out by a coalition of conservation and environmental groups, operating under the name "Project Monitor," and including the Animal Protection Institute of America, the Animal Welfare Institute, Defenders of Wildlife, the Environmental Policy Center, Friends of the Earth, the Fund for Animals, and Let Live, Inc., called for a boycott of all Japanese goods sold in this country, a position later adopted by the National Wildlife Federation as well. As these groups have pointed out, a possible means of exerting economic pressure on Japan might be the "Pelly amendment" to the Fishermen's Protective Act of 1967, which permits the United States to embargo fisheries products from nations that flout international programs established for the conservation of marine resources.

In a subsequent press release issued after the Soviet Union followed Japan's lead in rejecting the major conservation measures agreed to by the IWC, the Monitor coalition observed that:

> The Russians were carrying out policies more greedy, imperialistic, and exploitative than any capitalist nation, with the exception of Japan . . . Russia is behaving in a most destructive and irresponsible manner, and is carrying out economic policies characterized by the same greed and shortsightedness which the Soviet Union attributes to the capitalist world . . . By helping wipe out this irreplaceable resource for the sake of an easy profit, thereby depriving the other nations of the world as well as future generations of this priceless heritage, Russia is violating its own Marxist-Leninst principles and is surpassing the worst excesses of capitalism.

I can easily understand why the above groups feel that such extreme measures may now be necessary. The campaign to save the whales involves more than preventing the near or actual extinction of the largest, and among the most intelligent, animals that have ever inhabited the earth, or of halting the incredible suffering we are inflicting upon these creatures.

The real danger is that in eliminating the leviathans, we are further upsetting the delicate balance of life in the world's oceans, ecosystems whose health and stability are fundamental to man's own survival. By further depleting the remaining whale stocks to obtain products for which there are readily available substitutes, it is not too farfetched to ask if man may be foolishly hastening his own doom.

We can no longer plead innocence. The history of whaling has been characterized by the destruction of one species after another: the blue whale, the largest animal that has ever lived; the right, bowhead, and humpback. There is serious concern that some of these species may be so depleted as to be already doomed, for it is possible that not enough males and females will be able to find one another over the vast expanse of the ocean to breed in sufficient numbers to perpetuate the species.

Although reduced to tiny fractions of their former size, the sei, sperm, and finback whales—all of which are on our endangered species list—are still heavily hunted, mainly by Japan and the Soviet Union, which together kill 85 percent of the whales taken each year. And now, with Japan and Russia's announced intention to ignore the most minimal conservation measures to prevent the extinction of these species, there can be little optimism for their chances of future survival.

But the tragic extinction of the great whales is not the only issue involved here; in fact, they represent the mere tip of an iceberg. If we allow the Japanese and Russians to destroy the last of these mighty creatures—in which there is such intense world public interest—what will stop these nations from depleting or destroying stocks of fish off our shores which are essential to our Nation's future food supply, but which are not the subject of such strong international pressures?

Let us take a brief look at what the Russians and Japanese are doing to the world's fish stocks and future food supply: Japanese and Soviet trawlers have caused the depletion of halibut stocks in the eastern Bering Sea, which has severely damaged the United States and Canadian halibut fishery in this sea, despite strict conservation measures adopted by us to prevent this; Japan has over-fished salmon and halibut in violation of the treaty provisions and conservation recommendations of the International North Pacific Fisheries Commission, and has resisted efforts to protect young halibut; and we are all too familiar with the predatory fishing practices of the Japanese and Soviet trawling fleets off the shores of New England, Alaska, and other areas of our country.

This is a problem in which all of our people—not just "conservationists"—have a stake, and should take an interest. I know from speaking with my distinguished colleagues from Alaska that the people of that State are just as enraged about the destruction of their fish stocks as environmentalists are about the extirpation of the great whales.

Mr. President, I ask unanimous consent that the joint resolution in its entirety appear in the RECORD immediately following my introductory remarks.

Mr. PELL. Mr. President, let me quote from the opening paragraphs of an article by John Neary in the Saturday Review World of December 4, 1973.

> Point Judith, Rhode Island: The reason you're not catching many fish, shrilled the wall poster in a local sea-food place, is because they are!
>
> They, the poster explained, are Soviet and other foreign trawlers—Twelve Miles Off Our Coast, and Sucking Up Everything That Swims, Crawls, or Hides in The Sand! The placard ended with a demand for a Two-Hundred-Mile Fishing Limit Now!

Let me also quote from the Book of Jonah in the Old Testament:

> But the Lord ordained that a great fish should swallow Jonah, and for three days and three nights, he remained in its belly.
>
> Jonah prayed to the Lord his God from the belly of the fish:
>
> I called to the Lord in my distress, and he answered me out of the belly of Sheol. I cried for help, and thou hast heard my cry.

As an aside, let it be said that the author of Jonah was not well up on his zoology, for the whale he was calling a great fish we know is really a mammal.

The joint resolution I am joining Senators MAGNUSON and HOLLINGS in introducing today is concerned with both these questions aimed at: first, to conserve the seriously threatened fish food stocks of North America, and second, to preserve the great ocean-going mammal who gave shelter to Jonah in his time of peril and distress.

First, let me address myself to the threatened irreversible depletion of our food fish stocks. The alarming situation in the coastal fishing waters of New England is symptomatic of what is going on throughout ocean space. The magnitude and urgency of the threat were clearly brought out in the testimony at the recent hearings Senator MAGNUSON held before the Commerce Committee.

As the energetic head of the Point Judith Fishing Cooperative, Jake Dykstra, accurately observes:

> The problem is that the pressures are moving faster than the diplomats. I am afraid if they don't evolve something in 1973, events will overtake them. Already various countries—35 of them in the first two years—have made some moves to extend unilateral jurisdiction.

Speaking from the world community viewpoint of protecting the "common heritage of man," Ambassador Arvid Pardo of Malta who seeks pacem in maribus, identifies a problem at the heart of the matter.

> We need management of ocean resources. This is essential because technology has brought about a situation where over fishing can take place. There must be certain minimal standards. We have to have a measure of authority.

The joint resolution calls upon the Secretaries of State and Commerce to respond to this food resource emergency in ocean space using all the authority that domestic law and international agreements place at their command. One area of diplomatic action, for example, would be high level bilateral talks with the Soviet Union, with Japan, with other involved countries, aimed at perfecting or ensuring the enforcement of multilateral agreements already in existence, such as those of the International Commission for the Northwest Atlantic Fisheries—ICNAF.

Ultimate solutions lie in the establishment of an orderly international regime for the oceans. This is the goal of the Third United Nations Conference on the Law of the Sea, which is already underway. The United States must make every effort to contribute to its successful outcome. Meanwhile, however, we must act to assure that when a regime of the seas comes into effect, food fish stocks will not have diminished to the point of no return.

In my remarks last week in Congressional Record, December 13, pages 41445–7, I outlined in some detail the circumstances surrounding the plight of the whale. At the heart of this problem lies the stubborn refusal of the two remaining major whaling nations, Japan and the U.S.S.R., to observe the 10-year moratorium on commercial whaling called for by the United Nations Conference on the Human Environment and to abide by conservation decisions taken by the International Whaling Commission in London last June. The United States through the Departments of State and Commerce has protested these refusals. In the private domain, a goods boycott has been launched. Whatever is possible must be done to preserve the family of whales, dolphins, porpoises, and other sea mammals in all their variegated branches.

From the belly of a whale came Jonah's anguished cry for help, and it was heard. Now out of the depths comes the cry of the whale that it may live. The song of the whale must not be a swan song.

I ask unanimous consent to have printed in the Record the third installment of "Chaos at Sea" by John Neary, appearing in the Saturday Review World and the text of the exchange of notes between the United States and Japan on the decisions of the International Whaling Commission.

There being no objection, the material was ordered to be printed in the Record, as follows:

Of Flounderburgers and the Fisherman's Dilemma

(By John Neary)

Point Judith, Rhode Island.—The Reason You're Not Catching Many Fish, shrilled the wall poster in a local sea-food place, Is Because They Are!

They, the poster explained, are Soviet and other foreign trawlers—twelve miles off our coast, and sucking up everything that swims, crawls, or hides in the sand! The placard ended with a demand for a two-hundred-mile fishing limit now!

As I sat thinking over the poster's message, the waitress arrived with a miserable, briquette-shaped object that looked nothing like the succulent, snowshoeshaped flounder I'd ordered. It looked, rather, like a slightly oversized Good Humor bar, minus its wooden stick and entombed under thick layers of jellied breadcrumbs. I smeared the "flounderburger" with tartar sauce and chomped away on it, glumly but gamely.

On the way out I looked again at that wall poster, with sharper interest: With all those foreign fleets out there scooping in fish and spewing out anonymous-looking briquettes, how can we sea-food buffs ever be sure again about the origins and contents of the cube-shaped objects dumped on our plates?

I figured, of course, that the poster's antipoacher message was probably exaggerated. But there is no doubt that the anger it reflects is genuine enough.

The flounder-briquette dinner I had just consumed attests to the fact that the Reds aren't getting quite everything out of the ocean. Still, I suspect that in the little Point Judith sea-food place, I stumbled on two solid clues—the flounderburger and the shrill poster—to what is nothing less than a radical change in the life of the American fisherman. Always before he had been thought of as a Winslow Homer like figure—solitary, taciturn, picturesquely resigned to life as the tides bring it to him. But the flounderburger and the poster reflect mass production, mechanization, a fiery new militance, and a high degree of politicization, fueled by a keen anger. The fisherman may even be as sore about the foreign poachers as I was about the plastic briquette.

My flounderburger and the American fisherman's dilemma have both been shaped by the same force: economics. Americans don't like fish very much to begin with: They consumed only 12.2 pounds of sea food per person last year, compared with 86.1 pounds per person in Iceland, where they can't seem to get enough of it. We Americans import vastly more sea food than our own vessels bring in each year. Those richly nutritious waters over our continental shelf, mixed with currents from the north and south, not only produce stupendous quanties of fish but also draw huge fleets of foreign fishing vessels to hunt them. More than 800 ships each year harvest the waters off the United States—Poles, Russians, Bulgarians, East Germans, West Germans, Italians, French, Norwegians, Japanese, Cubans, Greeks. Even Irish boats are out there, vying to fill their holds for tables back home. They all want sea protein far more keenly than do Americans—who make a sizable portion of what sea produce they do purchase into cat food and fertilizer, to the vast amusement of foreign fishermen. Many of the fleets competing are government subsidized, so that the independent U.S. fisherman simply cannot afford to compete with them. One result is that you will find packing plants in villages like proud old Gloucester slicing up fish caught by Polish boats, so as to supply the American fondness for fish sticks. Another result has been the imposition of quotas on coastal waters that U.S. fishermen have traditionally regarded as their own providentially granted fishing preserve. Enforcement of the quotas is vague and mostly voluntary. It is overseen only by a Coast Guard monitoring plane that carries a United States National Marine Fisheries Service spotter along on its weekly overflights. Some stocks have suffered near-mortal damage. Haddock, driven nearly to commercial extinction, cod, ocean perch, pollack, yellowtail flounder—all are now under some kind of formal quota.

This has been rough on many U.S. fishermen. Boston, heavily dependent on haddock, has seen its fishing fleet decline from seventy-nine vessels in 1958 to just thirty by 1970. Several years ago, for the first time, fish vendors at the city's wharf were selling fish, almost half a million pounds of it, that had been trucked in from as far away as Canada.

Other ports have resourcefully switched brands. Thus it is that flounderburgers much like the one that graced my plate in Point Judith begin their trip to the competitive marketplace on the first floor of a building that is the heart of Point Judith's economy: the fishermen's cooperative. When the flounder arrive here, they still look like fish. Fresh from the draggers that bring them in, they roll on a conveyor belt past a silent gantlet of knife-wielding men and women: The long blades flash just one per fish, and the de-filleted corpse ends up in a bin. The fillet, meanwhile, is shunted along toward flounderburgerhood and destiny.

The Point Judith co-op is one of more than 100 maintained by some 10,000 U.S., Puerto Rican, and Virgin Islands fishermen. For the men who sail from the tiny harbor each day, the co-op provides more than just an economic edge in their endless competition with the vagaries of water, weather, and the foreign fleets. It lends them political clout, too, in the form of one Jake Dykstra, burly president of the co-op. Dykstra's father came to Point Judith many years ago to continue the livelihood he had learned as an oysterman in West Sayville, Long Island. Jake himself has been going to sea ever since he can remember.

While he still tries to spend time fishing, Dykstra has in recent years devoted huge chunks of his life to seemingly endless negotiations on the law of the sea and on the fishing arrangements between the United States and foreign nations. Dykstra is a working fisherman co-op president. He is also a fishing industry adviser on the law of the sea and an advisory board member of the University of Rhode Island's Law of the Sea Institute. Above all, Dykstra stands four-square for the coastal fisherman. As one co-op member put it, "Jake's the king around here—he knows everything."

One thing Jake knows is that a 200-mile exclusive zone will never work. "For the average coastal fisherman it would be simplest and neatest just to say, "Stick the fence out there two hundred miles, and tell them to keep out." But it's not what we can sell. For instance, it doesn't protect the salmon fisherman on the west coast, in the northwest and Alaska. Their fish range beyond two hundred miles. It doesn't please the tuna fishermen, because it's what the South Americans are trying to do to them right now. And it doesn't please the shrimp fishermen, because we have a high-seas shrimp fleet that this runs into, smack, head on."

To Dykstra and his industry the answer is a proposal based not on geography but on biology: "We would like to see the resources that are dependent on our coastal environment declared the property of the coastal nation, just as oil and minerals have been. The fin fish of the ocean can be classified into roughly three categories: coastal varieties; varieties that spawn in fresh water and spend most of their lives at sea; and high-seas varieties such as tuna, which range the ocean and do not depend on a coastal environment. There are such fish as herring, which may range quite widely. But they need the coastal environment for food and reproduction.

"We are willing to make the provision that if we do not utilize the fish, if they are underutilized, an arrangement could be made so that someone can utilize them. In other words, we just don't build a fence around food that is needed by mankind and say, 'It's ours, you can't have it, let it die'—because many of these things are a matter of acceptability to the world community. What we're doing is trying to get some kind of compromise that people can live with and that will sell.

"Our biggest difficulty domestically," Dykstra says, "is with the military. They're very, very skeptical of anything that can lead to any country barring military hardware—airplanes and nuclear submarines—through any kind of excuse. They feel that if you draw lines in the ocean and say, 'Well, we have jurisdiction for fisheries out so far,' then this will quickly be expanded to other areas and will exclude military activities."

Against this tangled background, international agreement has not been proceeding with alacrity. "The problem is that the pressures are moving faster than the diplomats," Dykstra says. "I'm afraid if they don't evolve something in 1973, events will overtake them. Already various countries—thirty-five of them in the first two years—have made some moves to extend unilateral jurisdiction."

Dykstra is certain his industry eventually will get some sort of management or control over coastal fisheries, if only because the growing world employment of such zones "will demand this and the United States will go along."

Meanwhile, between now and a unilateral move or a ratified law of the sea treaty, a lot of fish are being grabbed off Point Judith. "The schedule might be," he says, "that we sign in 1975—but it might take another five years before there are enough ratifications to make it international law, seven years before we can go out and say to a foreign vessel, 'Okay, get off the fish!' This is just too long for us to wait. So we intend to ask the United States to move unilateraly in the interim."

Such proposals, backed by men like Dykstra and the industry's Washington lobby, the National Fisheries Institute, have been getting increasing attention in Congress. The proposals are, of course, woefully at odds with the ideal of a law of the sea that would be something more than the codification of the existing maze of treaties and fiats now in effect between nations. Demands such as Dykstra's evoke angry criticism from weary participants in the law of the sea controversy.

"There is, apparently, a belief that there is an opposition between pragmatism and idealism," growls Arvid Pardo, Malta's former ambassador to the United Nations. Pardo first articulated the beguiling phrase "common heritage of man" when he described in 1967 his vision of the ocean bed. "We need management of ocean resources," he told the participants in the University of Rhode Island Law of the Sea Institute's recent conference in Kingston, Rhode Island.

"This is essential because technology has brought about a situation where over-fishing can take place. There must be certain minimal standards. We have to have a measure of authority. If we have merely national management, this will bring about the destruction of fisheries for the simple reason that we will have different standards of management in different areas—with the effect that some states, with fish spawning in their areas of jurisdiction, will exploit fish in such a manner that there will be a few fish left to swim over to the jurisdiction of other States."

At the Kingston conference I listened while a United States participant in the negotiations, Leigh Retiner, director of the Interior Department's Office of Ocean Resources, approached the dilemma from the other direction. Retiner urged the establishment of an international tribunal for jurisdictional disputes. "A treaty," Retiner asserts, "has to be written that is sufficiently attractive on basic issues to most countries that those things that cannot be resolved are left to be resolved by wise men interested in making objective decisions. Problems should not have to be resolved by the use of force, which seems to be the way we now try to resolve our law of the sea disputes."

The outlook for a successful treaty next year, Retiner says, is far from hopeful. "My fear is that the law of the sea treaty on many important issues will, of necessity, be vague," he says. "And the question is, Will nations be prepared to sacrifice just a little of their selfish interests and take a chance on a new way of resolving disputes? Or are we going to write a treaty that will give rise to disputes and force us to negotiate another silly exercise in Geneva five, ten, fifteen years from now—after a few more cod and tuna wars?"

It seemed to me that this was where I came in; these discussions merely reflected conflicting demands instead of moving toward a rational resolution. It was as if the co-pilots of an airplane had a pleasant chat about the aerodynamics of flight while the plane hurtled toward the ground.

"As long as I see countries like the United States unable to sacrifice in their negotiations *that much* of their national interest in order to achieve the kind of broad international community I've just referred to," Retiner says, "I cannot be very hopeful that the Law of the Sea Conference will be successful."

What *is* the biggest problem, anyway? somebody asks. Oil, gas, minerals, fisheries, or what? And who really needs a law of the sea, anyhow?

Ambassador Pardo has an answer: "No one needs the conference right now—but if it is not successful, the consequences in ten years are likely to be disastrous. The situation right now is like sharks smelling blood in the water; they go crazy, attack the carcass, tear it to pieces—and kill each other, all at the same time. The states are trying to swallow the carcass of ocean space beyond national jurisdiction and, in the process, are very likely to inflict serious injury on themselves."

Is there no solution in sight?

"That," says Leigh Retiner glumly, "is what the Law of the Sea Conference is for—to have a solution to every single one of these problems and to have it as quickly as possible, or we're going to war with each other."

I was impressed by the American's forthright, cogent remarks. If America was coming across like this in the negotiating sessions, perhaps the outcome will not be as bleak as one might think. There it was, as blunt as Jake Dykstra and as urgent as the poster: a plea for genuine international effort to start taking care of our ocean.

ADDITIONAL COSPONSOR OF A BILL

S. 2744

At the request of Mr. Ribicoff, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 2744, a bill to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration, and in a Nuclear Energy Commission in order to promote more efficient management of such functions.

ADDITIONAL COSPONSOR OF A RESOLUTION

S. RES. 222

At the request of Mr. Magnuson, the Senator from Nebraska (Mr. Hruska) was added as a cosponsor of Senate Resolution 222, authorizing a National Oceans Policy Study.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 920

At the request of Mr. Kennedy, the Senator from Hawaii (Mr. Inouye) was added as a cosponsor of amendment No. 920 intended to be proposed to the bill (H.R. 8214) to modify the tax treatment of members of the Armed Forces of the United States and civilian employees who are prisoners of war or missing in action, and for other purposes.

NOTICE OF HEARING

Mr. CRANSTON. Mr. President, I rise in order to inform my colleagues that at the request of the distinguished Senator from Indiana (Mr. Hartke), the chairman of the Committee on Veterans' Affairs, I will chair a hearing during the week of January 14, most probably on January 17, in Los Angeles, Calif., in order to continue the investigation begun at a hearing I chaired in San Diego on August 29. The purpose of the coming hearing will be to discover the specific causes for the current crisis situation in the Los Angeles Regional Veterans' Administraton office, where there are 6,600 backlogged cases of veterans having difficulties with educational assistance payments.

I will address this problem in greater detail later today.

Mr. President, at the time, the subcommittee will receive testimony from witnesses who reside in the areas served by the Los Angeles VA office, from campus veterans affairs officers, and from the Veterans' Administration. In addition to discovering the causes of the current disaster in Los Angeles, we hope to come up with some viable suggestions for more effective processing procedures for the veterans education benefit program, and in general, for a more effective and responsive VA regional office in Los Angeles.

NOTICE OF HEARING

Mr. CRANSTON. Mr. President, I rise in order to inform my colleagues that as chairman of the Subcommittee on Health and Hospitals of the Committee on Veterans' Affairs, I will be holding hearings on January 15, in Los Angeles, and on January 18, 1974, in Sacramento, Calif., in order to conduct a review of the veterans' health care and the implementation of Public Law 93–82 at the Long Beach Veterans' Administration Hospital and at the VA hospitals at Livermore and Martinez, Calif.

Mr. President, at that time, the subcommittee will be receiving testimony from witnesses who reside in those regions and from veterans' group leaders as well, in order that we may have their unique insight into the problems which may be present in the carrying out of Public Law 93–82, the "Veterans' Health Care Expansion Act of 1973," which I authored as S. 59 and which was signed by the President on August 3, 1973. The subcommittee will also be looking into the general administrative practices admissions policies and medical school affiliations, as well as the possible need for further hospital or outpatient facilities in these areas.

ADDITIONAL STATEMENTS

RETIREMENT OF BEN J. GILLEAS, DIRECTOR OF INVESTIGATIONS, PREPAREDNESS INVESTIGATING SUBCOMMITTEE

Mr. THURMOND. Mr. President, at the end of this month Mr. Ben J. Gilleas, director of investigations of the Preparedness Investigating Subcommittee, will retire after 20 years service on that subcommittee and 32 years as an employee of the Government.

As a member of the Senate Armed Services Committee since January 14, 1959, and as ranking minority member of the Preparedness Investigating Subcommittee since January of 1969, it has been my pleasure to know and work with

Mr. Gilleas in many critical areas vital to our national defense.

During this period Mr. Gilleas was a valued member of the staff and earned the respect of all the committee members. A staff professional of exceptional ability, he faithfully and diligently served the members of the subcommittee and full committee.

Over the years many members came to rely upon his counsel and sound judgment and to call upon his vast store of knowledge. His work as Director of Investigations since 1965 resulted in his handling some of the most difficult tasks faced by this subcommittee. In each instance he performed in an exceptional manner and his objective and thorough investigations enabled the committee members to have available all of the facts before making final decisions.

His high caliber work has been particularly important in connection with his role as chief counsel of the Tactical Air Power Subcommittee for over 5 years. During this period he directed the staff in assisting the Members as they made decisions on requests totaling around $3 billion annually.

During the past few years he has handled, with great skill, the complex staff work on the Navy's new F-14 aircraft. Because of problems with the contract this procurement item has required detailed investigations and study.

Mr. Gilleas also played a key role in the muzzling of the military investigation which I initiated in 1961 and which consumed almost the entire time of the Preparedness Subcommittee in 1962.

Over the years he has served under three chairmen, Senator JOHN C. STENNIS, Lyndon B. Johnson, and Leverett Saltonstall. Many important investigations were directed by these Senators during the chairmanships. One which comes to mind is the investigation ordered by Senator Lyndon Johnson, which inquired into our lack of space technology after the Soviets orbited Sputnik I in 1957. Out of that investigation came the recommendation to establish the National Aeronautics and Space Administration and the Aeronautical and Space Sciences Committees now operating in both Houses of Congress.

Of recent importance has been Mr. Gilleas' work in the investigations directed by Senator STENNIS into the readiness of the Army's fighting divisions. This is a matter of utmost importance and carries out the charter of the Preparedness Subcommittee which is to assure the continuous preparedness of our national defense structure.

A graduate of Georgetown University's School of Foreign Service in 1948, Mr. Gilleas received a law degree from the Georgetown University Law School in 1952.

Besides his abilities as a legal expert and an investigator, Mr. Gilleas demonstrated personal qualities of character and integrity. He was always diplomatic and polite.

Mr. President, I know all of the members of our committee and my colleagues in the Senate will join with me in wishing for Mr. Gilleas continued success in whatever he might undertake.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Nevada.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR HOWARD CANNON

Mr. PRESIDENT, it is my pleasure at this time to give credit to a valuable staff member of the Senate's Armed Services Committee. I am speaking of Mr. Ben Gilleas, who has just retired after completing more than 32 years of federal government service. As most of my colleagues know, he has served as a member of the professional staff of the Senate's Armed Services Committee and additionally as the director of investigations of the Preparedness Subcommittee. He also performed yeoman service as the General Counsel of the Tactical Air Power Subcommittee and Close Air Support Subcommittee. Being Chairman of both of these committees, I had an excellent opportunity to watch this man function. I can unreservedly say that he is an energetic, imaginative and exceptionally capable person. I might also add that every once in a while a staff member surfaces head and shoulders above all others. Ben is this kind of an individual and it was my privilege to have him work for me. He shall not be forgotten, and I wish him well in whatever avocation he decides to follow.

BEN J. GILLEAS AND R. JAMES WOOLSEY DESERVE PLAUDITS FOR THEIR SERVICE TO THE ARMED SERVICES COMMITTEE

Mr. McINTYRE. Mr. President, two very able members of the staff of the Senate Armed Services Committee are leaving that committee and I want to join in paying tribute to their many contributions to the work of this committee and the fine record both of them have written.

Ben is retiring after 32 years of Government service, 20 years of these on the Preparedness Investigating Subcommittee.

During his two decades of work here in the Senate he has been associated with many of the major accomplishments of this major subcommittee of the Armed Services Committee.

He did much of the important work on investigating ammunition shortages in Korea during that difficult conflict.

For many years he has conducted annual investigations into the readiness of the Armed Forces and in the course of this made many trips to the battle fronts in Vietnam.

In addition to his work on combat readiness Ben has been conducting investigations into the overall manpower needs of the various headquarters commands and the justification for the number of personnel assigned. Many of his recommendations for reductions have been adopted by the Armed Services Committee.

A lawyer—he graduated from Georgetown Law School—he also has served for 5 years as chief counsel for the Tactical Air Power Subcommittee headed by my friend the distinguished Senator from Nevada (Mr. CANNON). He has particularly lent his talents to work on the complex F-14 program.

I thank Ben for the service he provided me and all the members of the Armed Services Committee.

I wish Ben well in the years to come as he gets some deserved respite from his years of serving his country.

And, while Ben is retiring, the other member of the staff who is leaving is going into private practice of law.

Jim Woolsey came to the Armed Services Committee only recently but he performed distinguished service during his 3 years working for the Senate.

A Yale Law School graduate, a Phi Beta Kappa, and a Rhodes Scholar, Jim brought to the Armed Services Committee experience as a staff member in the Pentagon and an adviser to the U.S. delegation to SALT.

On the committee Jim has provided invaluable staff work on the draft, voluntary military service, and many other important areas.

I want to thank Jim for the assistance he provided me and the other members of the committee and to wish him well in his new pursuits.

RETIREMENT OF BEN GILLEAS

Mr. STENNIS. Mr. President, I want to take a moment to say a word of commendation for Ben Gilleas, director of investigations for the Preparedness Investigating Subcommittee of the Senate. He is retiring at the end of this month after 20 years of subcommittee service.

As chairman of the subcommittee and as chairman of the Armed Services Committee, I think I am as well acquainted as anyone with Ben Gilleas and his service. He is a man of high integrity, and he has devoted great professional skill to his work. It is no exaggeration to say that he has made an important contribution to the national defense.

As a staff investigator and, more recently, as director of investigations he has inquired over the years into a number of important defense problems. His reports have been of great use to me and to members of the subcommittee and the full Armed Services Committee.

Mr. Gilleas, with a total of more than 30 years in Government, is fully deserving of retirement. I hate to see him leave, but I wish him well in the future. He has my thanks for a job well done.

RETIREMENT OF BEN GILLEAS

Mr. NUNN. Mr. President, during my first year of service on the Armed Services Committee, I have relied heavily on the expertise of committee staff members for guidance. None, however, was more helpful to me during this year, nor more consistent in his advice and counsel than Ben Gilleas.

My orientation to the many complex problems which daily absorb the Armed Services Committee was made easier by my close association with Ben. Ben is exceptionally bright and competent, and will be sorely missed by all members of the committee who relied on his experience and wisdom. I join all the committee members in regretting the loss of this knowledgeable individual from the Armed Services staff.

Ben certainly has my best wishes as he retires from Government work and goes into other endeavors at the end of this month, and I am certain all of my colleagues join me in wishing him great success in all future endeavors.

RETIREMENT OF BEN GILLEAS AND JIM WOOLSEY

Mr. JACKSON. Mr. President, as a member of the Armed Services Committee, I have over the years come to recognize the important service rendered to the Senate and to the American public by the dedicated and competent members of the staff. It was thus with great regret that I learned that Ben Gilleas, the staff director of the Preparedness Subcommittee, and Jim Woolsey, the committee's general counsel, would be leaving us at the end of the current session.

I know I speak for every member of the committee in pointing out the key role both Ben and Jim played in the orderly conduct of committee business. Whether in resolving the complex, technical, or legal problems present in every defense measure, or in making sure that all facets of a question were fully and knowledgeably explored, the vital legislation reported out by the committee has been far the better for their efforts.

In expressing my own appreciation for their dedicated work, I want to wish both Ben and Jim the best of success in their future endeavors.

THE UNFAVORABLE ECONOMIC IMPACT OF THE ENERGY CRISIS

Mr. SYMINGTON. Mr. President, the impact of the current energy shortage already has begun to chill potential business expansion in our State of Missouri.

Because of the energy squeeze, according to the Missouri Division of Commerce and Industrial Development, a larger manufacturer has postponed a decision to locate its $30 million facility in mid-Missouri.

The company, which could have employed some 1,000 people, explained to CID that they were impressed with the cooperation shown, and the interest generated by the citizens of that part of mid-Missouri; but the energy crisis, with its resulting problems, have delayed further decision on plant expansion.

I ask unanimous consent to print a news release on this matter in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

NEWS RELEASE

(Information Section, Missouri Division of Commerce and Industrial Development, Jefferson City, Missouri)

A major manufacturer has postponed any decision on the location of new facilities in Mid-Missouri because of the energy squeeze, according to Ray V. Jeffrey, director of industrial development for the Missouri Division of Commerce and Industrial Development.

Late in August of this year the Division had been asked by this manufacturer to document a labor supply of 1,000 people in the Mid-Missouri area. This company had plans to invest over $30 million. "With the cooperation of the news media and other interested people, we were able to show a labor pool of over 7,000 persons," Jeffrey explained.

When contacted about their decision to hold back on plans for the large manufacturing complex, company officials said, "We are extremely impressed with the cooperation shown and the interest generated in Mid-Missouri; however, due to the energy crisis and the resulting problems we have decided to delay any further decision on the matter until a definite solution can be worked out."

"This does not mean the company will locate in another area or that the work involved in providing the company with the labor information was not important; it means in this case that we are going to have to wait for a more favorable energy climate," Jeffrey concluded.

PLAY IT AGAIN, SAM

Mr. HUGH SCOTT. Mr. President, an editorial entitled "Play It Again, Sam," in last night's Washington Star-News deals accurately and directly with a recent incident involving a Ralph Nader lawyer and a White House tape. The editorial says what needs to be said. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PLAY IT AGAIN, SAM

Who said social life in Washington is dull since the Nixon administration came to town? We now have the ultimate in entertainment on the cocktail circuit: Tape recordings, straight from the Oval Office.

They may be scratchy and hard to hear but, gads, what great fun! If you listen closely—and who's going to engage in the usual cocktail party chit-chat when a Watergate tape is on?—you can hear President Nixon telling jokes, and heaven knows what else. And all courtesy of Nader's raiders, that super-duper group of reformers who engage in rooting out injustice, malfeasance, misfeasance, wrongdoing, and bad judgment of all description, from the corporate board rooms of America to the highest councils of government.

It is hard to imagine an instance of poorer judgment than that of William Dobrovir when he played a copy of a White House tape the other night at a cocktail party. It is particularly irresponsible conduct for a lawyer, who is considered an officer of the court.

The White House turned the tape over to Dobrovir as a result of a court order in a suit filed by Nader and a number of consumer groups, who have charged that milk subsidies were raised by the Nixon administration in return for campaign contributions. The playing of the tape at a cocktail party lends weight to Mr. Nixon's argument that executive confidentiality is being breached by requiring him to turn over Watergate tapes to courts and investigators.

It seems to us that Dobrovir also used bad judgment in getting the help of a network television correspondent to make two copies of the tape. That plays squarely into the hands of those at the White House who accuse Watergate investigators and the press of being in cahoots to get the President.

Dobrovir has acknowledged his error and has told the court he is sorry. But that hardly seems sufficient amends for such serious misconduct. We would think that the local Bar Association would at least want to look into the matter.

If this is an example of how the tapes are being handled once they get out of the White House, we wouldn't be surprised if copies of Watergate tapes show up next week in Christmas stockings around town. Ho, ho, ho . . . play it again, Sam . . er, Bill.

THE ENERGY CRISIS

Mr. ROBERT C. BYRD. Mr. President, in the almost 200 years of our existence as a nation, the United States has faced, and has overcome, some major national crises. Since the early days of this century, we have also been involved in international crises. So far, none of these domestic or foreign crises has seriously damaged the fabric of life in America, though there have been some that cost us dearly in lives and in treasure.

Today, and for the foreseeable future, the American people are faced with a crisis in the supply of the energy upon which so much of our lifestyle depends, and the ramifications of this crisis are such that the sacrifices that will be demanded of us will call for an understanding, as well as an acceptance, of their necessity. It is inevitable that there will be inequities. Honest administrative error, compounded by some instances of chicanery, will render a perfect distribution of the sacrifices an impossible task. We are a nation of human beings, not angels.

But because we are human, and because the gasless Sundays and lowered thermostats have come upon us with startling suddenness, we at once look around for somebody or something to blame for our straitened circumstances. At the moment, the leading candidates in the blame category are the Arabs, the Israelis, the major oil companies, and the Nixon administration, more or less in that order. While each of them bears a part of the responsibility for the suddenness, if not for the certainty of the crisis, we must always bear in mind the startling fact that while we Americans comprise only 6 percent of the world's population, we consume almost one-third of all the energy used in the world. Much of this energy use in the United States has been for nonproductive purposes, and we have long enjoyed a profligate use of energy. If the current crisis will teach us anything, it will be that the days of 40-cents-a-gallon gasoline are over—possibly never to return. We have been living in a cheap energy era—an energy Utopia. We have now entered upon an energy deficit era, where life will be bereft of a few of the creature comforts and luxuries that most Americans have taken for granted for decades.

The allocations plan announced on December 13 by the Federal Energy Office signals the beginnings of realization by the administration that, however unpalatable the diet may be, our energy appetites are going to have to be curbed. It is unfortunate that these steps are now in the category of the imperative and the unavoidable, whereas prudence and perspicacity a year or two ago would have cushioned the impact. But there is no use crying over spilt petroleum, and our national task now is to apply our genius to alleviating the effects of our social profligacy and our planning deficiencies. There is no reason why our current travail should be anything other than temporary, given our technological excellence, and our still abundant sources of basic energy fuels. What we need is the determination to apply this technology to the abundance, and a willingness to invest a great deal of money toward American self-sufficiency in the years to come. Nor is it fanciful to believe that the United States could go a long way toward that stage, if all we did were to eliminate the waste in energy that has plagued our industrial and social complexes for too long.

There are thousands of examples of the waste of precious energy caused by faulty or inefficient use, but perhaps the most striking is shown by the new World Trade Center building in New York City, where it is estimated that only 10-percent-use-efficiency is obtained in lighting, heating, and cooling the complex. This is roughly equivalent to a householder setting his thermostat at 90 degrees, opening all the windows and doors in the house, and paying a heating bill nine times higher than with the thermostat set at 68 degrees and every window and door closed. Nobody likes the energy shortage, except those who will reap handsome profits from it, but if it brings home to us the necessity to conserve energy, rather than waste it, it may yet prove to be a blessing. We have been far too wasteful for far too long.

It is perfectly natural that most Americans will think of the energy crisis in terms of how we will be affected at home—whether the corner gas station will run out of gas for the family car; whether the local power or gas company will run out of fuel for heating and cooling the house; whether the public transportation companies will be so restricted in their use of fuel that buses will not run or airplanes will not fly. And with these everyday, personal considerations in our minds, it is easy to overlook other implications of the fuel shortage which pose for the United States questions of deepening import. I refer specifically to the ability of this Nation to maintain adequate fuel supplies for our military forces at home and overseas. In Europe, in Japan and the Pacific, and in other areas of the world where our forces are performing peacekeeping duties, the shortages of fuel are even more acute than they are in the continental United States.

One does not have to be skilled in matters military to know that armor and aircraft that lack fuel, instantly lose their potency as a visible deterrent. One does not have to be skilled in economics to know that if and when the fuel that is now in such short supply worldwide once again becomes available, the price of that fuel will have skyrocketed, and the cost of maintaining the American forces overseas will become an even more serious drain on the Treasury than we have heretofore experienced.

It might behoove us to take a very critical look at our current commitments in Southeast Asia, where the American air presence in Thailand is a very significant weapon in the Government of South Vietnam's arsenal, despite the "peace with honor" that allegedly reigns in Vietnam. How will we fuel these aircraft? Or, for that matter, how will we continue to supply the South Vietnamese military forces that have been wholly dependent on American supplies for more than a decade? I, for one, cannot quite visualize the spectacle of tankers leaving our gulf coast or western ports with fuel loads for the Governments of Thailand and South Vietnam while American factories and foundries are laying off thousands of workers, or domestic airlines are furloughing thousands of pilots, flight attendants, and maintenance mechanics for lack of energy fuels.

Perhaps I am incapable of seeing the wider picture, but I feel a much closer kinship and sympathy with the people of Salem, W. Va., than I do with the people of Saigon. I am much more deeply concerned with the employment levels in Beckley, W. Va., than I am with fuel sufficiency in Bangkok. It may be thought that I am citing extremes, but these are matters that the administration is going to have to make perfectly clear to the American people, and matters for which the administration is going to have to find answers acceptable to the American people.

I am perfectly well aware of the breadth, and in most cases, the necessity of certain military commitments abroad, but I believe the time has come when the U.S. Government will have to make some very hard decisions on what our fuel priorities are as well as what our military commitment priorities are. The amendment proposed by the distinguished Senator from New Hampshire to cut off funds for Pentagon fuel shipments to Indochina, and adopted by the Senate by a vote of 60 to 33, is a straw in the wind. The vote was symbolic of the feelings of the large majority of Senators, on both sides of the aisle, and reflects what I believe are the feelings of the vast majority of the American people.

What was not included in the amendment offered by Senator COTTON, but which also will loom large in our future fuel plannings, is how we will handle the vast fuel requirements by our 7th Army in Europe. As long as the oil embargo by the producing states of the Persian Gulf continues, West Germany in particular will be severely restricted in its ability to provide fuel for our NATO forces. If the 7th Army, and its ancillary forces, are to continue to fulfill their roles as peace-keeping deterrents, adequate fuel supplies are an absolute necessity, and shipping that fuel from the United States is the only viable alternative. Apart from the bulk fuel itself, a substantial quantity will be necessarily used to transport the fuel to European ports, and at a significantly increased cost. The U.S. Government will have to make a hard decision, and quickly, whether to take such steps, or whether to appreciably reduce the U.S. military presence on the European Continent.

The Warsaw Pact nations, responsive as they are to the winds of Soviet Russian policy, are assuredly giving this weakening of the U.S. position in Europe a great deal of thought. Détente is a gossamer thing, when it is balanced against what appears to be national self-interest, or weighed against what would seem to be the potential rewards of territorial acquisition. I do not claim that Soviet Russia, or any of its satellite countries are poised to leap on any weakness in the NATO military alliance, but, taking the history of Europe as a guide, the possibility exists. It is, therefore, imperative that the United States immediately make a firm decision as to maintaining our presence in Europe at its current levels, regardless of domestic fuel requirements, or reducing our conventional military commitment, and replacing it by other deterrent means, of which any potential aggressor will be made fully aware.

Mr. President, I repeat that, while our everyday domestic energy shortages are the shortages which will most intimately affect the lives of Americans in the coming months and years, the administration has a solemn duty to the Nation to explain to the American people what could be the consequences of the global energy shortage, in terms of our national security. It is incumbent upon the U.S. Government to inform the people in terms they can respond to, whether pursuit of our current foreign policy in Europe, the Middle East, and in Asia, given the certainty of a continuation of current energy fuels shortages, contains the possibility of jeopardizing the future economic and, hence, military security of the United States.

It is time for the Government of the United States to decide whether to use its enormous international influence in an attempt to create an economic bloc comprised of the industrially developed countries of the Common Market, Japan, and the United States as energy fuels users in order to present a solid mutual-interest front to the energy fuels producers. A continuation of the fragmented one-for-one none-for-all attitudes currently prevalent among the oil-consuming industrial nations can only make easier and more effective the policy of sanctions against them now being followed by the Arab States.

The Arab/Israeli peace talks are most unlikely to have a bearing on the world oil situation for many months to come, if, indeed, any kind of peaceful agreement emanates from the Geneva conference. It would be foolish for the Government of the United States to place great reliance for a solution of the energy crisis upon a mutually satisfactory pact emerging from Geneva. There are too many imponderables in Arab/Israeli relationships for such blissful reliance.

President Nixon has declared "Operation Independence" by which it is planned that the United States shall be self-sufficient in energy needs sometime in the 1980's. This is a most laudable goal, and one for which this Nation must strive to the utmost. It is not possible at this time to conclude that this goal will be reached within the projected time frame. Presently, there is a divergence of opinion whether nuclear energy, upon which the current administration places heavy reliance, will be sufficiently developed to make a meaningful contribution to the national energy picture before the end of this century.

The fast breeder reactor process, which is the nuclear industry's ace in the hole, may well turn out to be thermodynamically impossible, and it will be wise that we concentrate much of our technological and financial efforts toward the refinement of less esoteric energy sources which we know will produce. I feel confident that the overwhelming vote in the Senate in favor of the National Fuels and Energy Act of 1973 will become an important milestone on the road to greater energy security for this Nation, and that those of us who voted for this measure will be able to look back with pride and satisfaction on our casting of that vote.

Mr. President, it is just within the bounds of possibility that the energy crisis we face is slightly less critical, and will be of shorter duration than is currently supposed, but until we can say with certainty that our domestic production of energy is at a stage where this Nation is impervious to external threat or sanction, at any time, or for any reason, we must not slacken the drive for self-sufficiency that has been generated. Nature has given America an abundance of the natural resources we need—let it not be said by succeeding generations that our ingenuity and determination were not equal to the task of properly utilizing that abundance and planning wisely for the Nation's future.

SENATOR JACOB K. JAVITS' 25TH ANNUAL REPORT, 1973

Mr. JAVITS. Mr. President, I am presenting my 25th annual report to the people of New York State on my own activities and the work of the first session of the 93d Congress.

In my view, the November 7 action of the Congress to override President Nixon's veto of the war powers resolution was the single most important action of the Congress in the 1973 session. The war powers resolution, of which I have the privilege to be the original author, should put an end to the post-World War II practice of unilateral Presidential exercise of the war power which culminated in the tragic U.S. involvement in the Vietnam war and should restore to the Congress and the people a meaningful role in the critical question of war or peace.

The war powers resolution establishes a methodology which must be observed in committing our Nation to war by assuring that Congress must concur in the transformation of an incident into a war. It is nonetheless true, as I have been the first to say, that the methodology cannot of itself guarantee that wisdom and prudence will prevail—any more than the due process of law and a jury trial can guarantee that justice will be done. The fruits of the war powers resolution will be no better or worse than the use which is made of it by future Congresses and future Presidents. But the vehicle is there to use, and that is a great innovation.

Much of the interest of the country this year has focused on the so-called "Watergate scandal," and that concern has, of course, been intense here in the Congress. We have viewed with mounting dismay the successive revelations of corruption and deceit which have brought our country to the brink of constitutional crisis. No matter what the personal consequences for any one man—even the President—this crisis will be a test of the strength and justice of our democratic system. Shaken by the resignation and plea to a criminal charge of the Vice President, the indictment of two Cabinet officers and of members of the President's own staff, and appalled at the apparent lack of moral sensitivity at the highest levels of government, we enter the new year with trepidation but hope, for while grinding slowly, the wheels of justice are turning and the American system is working.

During the year, I have followed closely and supported the work of the Senate Watergate Committee. Also, I early and strongly protested the firing of Special Prosecutor Cox and the forced resignations of Attorney General Richardson and Deputy Attorney General Ruckelshaus. Also, I cosponsored the legislation to allow the courts to appoint a new Special Prosecutor who could not be dismissed by the President. This bill was reported by the Senate Judiciary Committee but action by the full Senate was postponed temporarily in view of satisfaction with the work of Special Prosecutor Leon Jaworski.

I urged the President both publicly and privately to make the most complete disclosure of all Watergate tapes and documents of data on his personal finances.

Finally, now that we have a new Vice President, I believe the interests of the Nation are best served by having a vote in the House of Representatives on the impeachment question at the earliest time. Certainly this vote should take place no later than the end of March 1974, and I believe the House Judiciary Committee can issue its report well within that time. Also, indictments and other legal proceedings should be settled by the courts most expeditiously, for our country cannot move through a period of national emergency such as we face this winter while questions are pending about the President. Should the House vote a bill of impeachment it will then be sent to the Senate for trial. I stand ready and willing to hear the facts and the evidence without personal or political bias and to do my duty to judge fairly in the best interests of the Nation as the Constitution and my conscience demand.

WAR IN THE MIDDLE EAST

The outbreak of hostilities in the Middle East presented a great challenge to U.S. diplomacy which under Secretary of State Kissinger resulted in the cease-fire resolution adopted by the United Nations on October 22. During the fighting, the Senate adopted a resolution, of which I was a principal sponsor, expressing U.S. support for an end to the conflict and for a withdrawal to the previous positions of the parties before the 1973 Arab invasion began and calling upon the Arab States and Israel to negotiate an end to their conflict.

The military situation required that these diplomatic moves be effectively and immediately supplemented by significant U.S. assistance to restore Israel's arsenal of defense. On October 18, I joined with Senator HUMPHREY and 65 other Senators in introducing Senate Resolution 189 which urged the continued flow of Phantom aircraft and other equipment essential to enable Israel to defend itself and deter further aggression.

The administration subsequently requested congressional approval of $2.2 billion in emergency military assistance for Israel which I regard as one of the most crucial measures in the cause of freedom to come before this Congress and I am pleased that the funds have now been appropriated by the Congress.

Also, I strongly supported the earmarking of $300 million in military credit sales to Israel included in the Foreign Assistance Act as it was approved by the Senate on December 6 by a vote of 44 to 41 and sent to the President for his signature and enactment into law.

SOVIET JEWRY

In our search for stability in our relations with the Soviet Union we must not sacrifice our dedication to freedom and human dignity. Jews and other minorities in the U.S.S.R. still live under the gravest disabilities, including denigrating restrictions on emigration. Thus it is important that efforts continue in this Congress to approve the Jackson amendment to the East-West Trade Relations Act which would deny most-favored-nation treatment to the Soviet Union until the restrictions are ended. I am the principal author of the inclusion in the State Department authorization bill of $36.5 million in settlement assistance to Soviet Jews emigrating primarily to Israel. This legislation was signed into law on October 18 and the money has now been appropriated by the Congress. I joined with Senator JACKSON in reintroducing the Jackson amendment on April 10.

Also, the Congress adopted the resolution I sponsored commemorating the 30th anniversary of the Warsaw ghetto uprising.

EUROPE AND THE COMMITTEE OF NINE

The discordant notes during and just after the Yom Kippur war among the members of the North Atlantic Alliance have underlined most sharply the need for greater cooperation between the United States and our European allies. A major effort in this respect has been the Committee of Nine, of which I have had the honor to serve as Chairman. In September 1971 by order of the North Atlantic Assembly, the Committee of Nine was established to study and make recommendations on the future of the North Atlantic Alliance.

The Committee submitted its final report to the North Atlantic Assembly in its 18th annual session in Ankara, Turkey, on October 27. The final report was received by the Assembly which referred the report to the various NATO parliaments and the heads of numerous intergovernmental organizations of Europe.

The final report could play an important role in the formulation of a declaration of Atlantic unity, the subject of present United States-Europe negotiations, and the general composition of the North Atlantic Alliance in the decade ahead.

First priority in U.S. foreign policy still must be given to restoring our frayed relations with Europe, the central area of U.S. interests in the world. Western Europe is now in the process of working toward economic and some political unity within the expanded European Economic Community. The changed conditions in Europe, as well as the new shape of international alinements emerging in the post-Vietnam era, require a new kind of Atlantic partnership. Any new partnership must also involve a common approach to energy problems since Europe and the United States have such a large stake in finding solutions to this problem which will be with us for sometime.

INDOCHINA: THE SMOLDERING CRISIS

While an "Agreement on Ending the War and Restoring the Peace in Vietnam" was signed in Paris on January 27, 1973, the continued bombing over Laos and Cambodia had no legal or constitutional justification in my judgment, and, for that reason I strongly supported the May 31 vote of 63 to 19 by the Senate to bar the use of funds to support U.S. combat activities in, over, or from the shores of Laos, Cambodia, North Vietnam, or South Vietnam. That legislation was vetoed by the President on June 27 and the House of Representatives failed to override the veto by a narrow margin. On June 29, by a vote of 64 to 26, the Senate agreed to a compromise measure—which I helped to devise—barring funds for U.S. combat activities effective August 15. This was signed into law by the President on July 1.

With respect to the continuing tragedy of the 1,300 American servicemen still listed as missing in action and unaccounted for by the North Vietnamese and their allies, I have been in frequent contact with the State Department and the Defense Department, and I have been assured that the U.S. Government is meticulously exploring all avenues and will follow up all clues to account for each American lost in Southeast Asia. I support the administration decision that no funds for the reconstruction of North Vietnam will be requested and that negotiations on reconstruction will not proceed until the North Vietnamese and their allies adhere to the provisions of the Paris peace agreement respecting a strict accounting of the 1,300 American MIA's.

CHINA AND JAPAN

On the question of ending the isolation of the People's Republic of China from the West, a major step—which had my support—was taken this year: The exchange of liaison offices between Peking and Washington. That is continuing evidence of sophistication and maturity on the part of American policymakers and of the receptiveness of the American people to President's Nixon's initiative respecting United States-China relations.

Japan continues to be our most important ally in East Asia. A close, cooperative United States-Japan relationship is the cornerstone of our policy in Asia, a point which I have constantly emphasized. There remain outstanding differences respecting trade and monetary issues that must be resolved. President Nixon's second meeting with Prime Minister Tanaka and Secretary of State Kissinger's trip to Tokyo were important and constructive steps toward those ends.

I have reintroduced the Japan-United States Friendship Act to set aside a portion of the funds to be paid by Japan to the United States pursuant to the Okinawa Reversion Treaty to fund cultural, artistic, and scholarly exchanges between our two countries. This will help assure mutual understanding and cooperation between the United States and Japan—a precondition for continuing peace and security in Asia.

ARMS CONTROL AND NATIONAL DEFENSE

On March 11, 1973, the SALT II negotiations opened in Geneva. Although concrete results are not expected for some time, it is my hope that qualitative restrictions, such as the limiting of the MIRV, as well as permanent quantitative limitations, can be agreed upon, respecting offensive strategic weapons. With respect to the $81.1 billion fiscal year 1974 Department of Defense budget request, I believe that our Nation requires strong security, but that we need close scrutiny of all weapons systems and of defense spending. I supported those amendments to the military procurement authorization bill that, in my judgment, would have effectively followed these principles on defense expenditures without impairing our Nation's security.

On the other hand, I opposed attempts to reduce the level of U.S. forces in Europe under NATO because, in my judgment, to do so would signal a lessening of the U.S. commitment to Europe's continued stability and security and, therefore, that Europe will tend to lean over to the overwhelming presence of the Soviet Union, which could be very harmful to the United States.

SECRETARY OF STATE KISSINGER

On September 21, by a vote of 78 to 7, the Senate confirmed the nomination of Dr. Henry A. Kissinger to be Secretary of State. In my judgment, it is a great commendation of our country, its institutions, and its people that Dr. Kissinger, a naturalized citizen and a refugee from Hitler's Germany, could attain the highest office in the Cabinet. While I have not necessarily agreed with Dr. Kissinger on all matters of national policy, he has demonstrated a capacity and a conviction in the service of our Nation which has properly caused him to be hailed already as a most outstanding and successful American.

During Secretary Kissinger's confirmation hearings, considerable controversy arose over his role regarding wiretaps and other surveillance of 17 individuals in the executive branch and the news media. He was cleared, but in view of that I sponsored a resolution, adopted by the Foreign Relations Committee, to make a full examination of the use of electronic surveillance of U.S. citizens related to the conduct of foreign relations in order to establish more satisfactory guidelines and more effective congressional oversight.

ENERGY

The year 1973 can properly be termed the year the energy crisis surfaced in full flower. Unless the burdens of shortages in that field are equitably shared, our economy and lives will be seriously affected.

I have long advocated policies which would increase domestic energy resources. I supported the Alaska pipeline bill, now signed into law by the President. I worked to increase domestic refinery production and to speed the siting with adequate safeguards of nuclear powerplants long before this crisis came upon us. Last summer, I urged voluntary allocation of crude oil supplies in the interest of the fair sharing of home heating oil and industrial petroleum products. Faced with critical shortages of those supplies I supported mandatory allocations—now enacted—requiring that priority needs be met. I cosponsored the Emergency Energy Powers Act, S. 2589, which gives to the President the authority needed drastically to cut consumption and increase our energy supplies. I authored amendments to that act which would retain in Congress the authority to end the emergency measures if they prove unnecessary or unfair and which direct the United States to negotiate with other Western oil-consuming nations to develop a common front to meet the threat of the "oil weapon" of certain Arab States.

I have urged legislation that would lead to the United States becoming self-sufficient in energy as soon as possible. As examples, I cite S. 1283, a massive research and development proposal so that we may utilize our resources of coal, shale oil and geothermal energy, as well as S. 2560, a bill to begin development of solar power for heating and cooling. I am cosponsoring a bill to set up a corporation to develop areas that offer substantial potential energy conservation, S. 2462, and for energy conservation at the Federal level, S. 2479. Enactment of these measures would contribute greatly to the drive to make the United States self-sufficient in energy.

The new Federal Energy Emergency Administration constitutes the governmental machinery that will produce a national energy strategy to deal with the current nationwide energy emergency. The bill establishing the new administration, which was written in my committee, provides the FEEA with the manpower and expertise needed to develop a national energy policy designed to avert widespread hardship to our people and damage to our economy as a result of energy shortages. By requiring that Federal policies in this area be developed and executed in an environment of openness and public debate, under the highest standards of administrative due process and appeal, I have sought to assure full public accountability in the FEEA.

Beyond this important measure, the Senate Permanent Investigations Subcommittee—of which I am a member—has in the past and will continue in the future to conduct careful legislative oversight of all actions undertaken during the current energy crisis by both the oil industry and the executive branch of

Government. In addition, my committee has made substantial progress toward the enactment of a new Energy Research and Development Administration (ERDA) which will expend $22.5 billion in the next 10 years to enable the Nation to become self-sufficient in energy resource development.

Finally, I have made every effort to see that environmental standards are upheld as much as possible in the emergency situation. I have supported limited exceptions to laws such as the National Environmental Policy Act and the Clean Air Act only to carry us through the emergency. It is imperative that progress made in cleaning up our environment not be turned around because of the energy crisis.

The Senate and House have passed comprehensive legislation—which I supported—to aid the bankrupt Northeast railroads. This measure will help restore to the region a viable and efficient rail transportation system which we so urgently need. As a result of amendments that I introduced, small profitable railroads will be better able to survive this massive railroad reorganization and the New York City commuter railroads will be in a better position to provide economical and efficient service and will be entitled to subsidies from the Federal Government.

During consideration of emergency energy bill, I made further efforts to free up the urban portions of the highway trust fund for mass transit use during the energy emergency. Although this was defeated, the energy legislation does contain provisions authorizing the Administration to develop plans for mass transit aid as well as expanded intercity passenger rail service. I will continue to work for expanded Federal Government assistance to both of these areas of transportation.

DOMESTIC ECONOMY

The year 1973 produced two more "phases" of the President's economic stabilization program. Phase III was announced by the White House last January. It abandoned mandatory controls on all but three sectors of the economy and I stated then that I did not believe it was the time to abandon mandatory wage and price controls. Unfortunately, my predictions were true. For almost 6 months steep increases in food and industrial prices plagued the country leading to a freeze on all prices imposed on June 13. The freeze did not prove effective as food production was cut back with retailers, distributors, processors and food producers caught in a "crunch".

In August, phase IV was implemented. The end of the freeze produced an incentive for increased production by allowing a passthrough of costs. There were price increases, especially in food, but the American consumer appeared ready to pay more for available food rather than pay more when supplies were limited.

One of the major reasons for the sharp increase in food prices was the abnormal foreign demand for U.S. agricultural products, particularly grain. The undetected, or unnoticed and uncontrolled sale of one-quarter of our wheat crop to the Russians was a serious error which must not be repeated.

To prevent a recurrence of such a sale I introduced the Export Priorities Act, which would regulate the amount of U.S. agricultural exports through a licensing system. A sufficient supply to permit a stable American market and meet demands of U.S. consumption would first be set aside, with the remainder available for export. This proposal is currently before the Senate Banking Committee.

When the President announced phase IV, he again emphasized his desire to return to the free market system and set the end of this year as a goal for terminating controls. I stated then, and present conditions bear me out, that while I share the President's belief in a free market system under normal conditions, talk of early elimination of controls is not realistic and is a mistake. To live securely, we are going to have to live with controls.

INTERNATIONAL ECONOMY

This year I supported foreign aid legislation—which has been enacted—representing a new initiative in the U.S. effort to play a constructive role in developing nations. This legislation emphasizes funding in the areas of agriculture, population growth, health and education, designed to help the developing nations focus their resources on the problems that affect the vast majority of their citizens.

In 1973, committees in both Houses have held hearings on the Overseas Private Investment Corporation, a Government agency which insures development-oriented U.S. investments in developing nations. I sponsored the legislation which created this agency in 1969, and have actively participated in legislative oversight to insure that OPIC fulfills its proper developmental purposes and I am presently involved in legislation to provide for its future.

INTERNATIONAL MONETARY REFORM

In 1973, I strongly urged the United States to seek effective and practical international monetary reform because the present system of nonrules could hamper the growth of world trade. One step should be a gradual withdrawal of gold from the international monetary system so that it can take its proper place as a commodity, owned by Americans and others as is any other commodity. In connection with that proposal, I have urged that the U.S. Treasury begin the sales of some of its gold stocks to licensed domestic users. The recent decision by the central banks of several major industrial countries, to do away with the two-tier gold market, opens the way for the step I have urged.

TAX POLICY

I believe all of us agree that there are inequities in our tax system. It is especially disturbing to me that low- and middle-income Americans carry the heaviest burdens of those inequities which should be borne more ratably by those in the higher income brackets in better proportion to income. The Treasury Department indicates the aggregate of those advantages, at more than $40 billion annually.

I have urged that a Tax Reform Commission take a long-term look at our system and come up with suggestions for reform within a year of starting its work. I first made this proposal when the Secretary of the Treasury indicated the administration was working on its own reform proposals. When they were abandoned early this year, I introduced a Tax Reform Commission bill. Had it then been adopted, we would already have received an interim report and a set of final recommendations would be coming to us in a few months.

I supported a recent amendment to the debt ceiling legislation that would have strengthened the minimum tax which seeks to tax those with a high income who sometimes pay small taxes because of large deductions. This amendment was defeated but I continue to feel that some tightening up in the minimum tax is essential to increase the fairness of our tax system.

Nothing has taken place to reduce the need to look at our tax structure and determine how we can make it into a fair and flexible system.

REVENUE SHARING

As the Federal revenue sharing program has reached its first anniversary, I must report its performance is mixed. No sooner had the program begun than the Federal Government announced cutbacks in categorical grant-in-aid programs totaling billions of dollars. Many jurisdictions—including New York City—estimated that the cutbacks would come to more than they were getting under revenue sharing. Nor has the administration of revenue sharing been completely efficient. I was deeply concerned that the Treasury Department—which writes the revenue sharing checks—planned to assess—in 1 pay period—more than 1,000 counties, towns, and villages in New York State alone for overpayments made in previous pay periods. I led 23 Senators in urging the Secretary of the Treasury that the assessments be made more equitably—over a longer time period.

As one of the earliest proponents of legislation for Federal revenue sharing, I remain convinced that it must fulfill one of its clear purposes: to help heavily taxed industrial States. New Yorkers carry one of the heaviest self-imposed tax burdens in the Nation. They provide one of the most progressive systems of State education and other impressive State services as a direct result of that burden. But, New Yorkers give far more to the Federal Government than they receive. The disparity is natural but its size is inequitable and I shall continue to press to correct that situation.

It has been brought to my attention that, in some cases, Federal revenue sharing funds have not gone to the social service programs for which they were intended, but to high-visibility items such as police and fire vehicles and public buildings. The distribution of revenue sharing moneys is a Federal function, but the proper spending of these funds depends upon a vigilant and vocal local constituency.

CRIME AND DRUGS

I supported efforts designed to strengthen the capability of our police departments to obtain professional training assistance through the law-enforcement education program. I also worked to eliminate the paralysis in local criminal courts in many parts of the Nation, and similarly, sought to expand LEAA programs dealing with the reform of our corrections system.

During 1973, I introduced several bills designed to have a measurable impact upon the urban crime problem by concentrating $300 million for each of the next 3 years in the central cities having the highest crime rates in the country; developing a broad based methadone maintenance program; developing innovative manpower training and job placement programs in the rehabilitation of offenders; formulating national standards relating to the treatment and rehabilitation of inmates in correctional institutions throughout the Nation; and developing a national criminal justice professions development program to attract more qualified people to all of the professions involved in the work of criminal justice.

I also vigorously supported legislation to outlaw the so-called Saturday night special handgun which has been so instrumental in the commission of violent crimes and particularly in homicides against policemen. In this latter connection, I supported an important bill designed to provide compensation for the victims of crime as well as for the widows of law-enforcement officers who are killed in the line of duty.

I proposed and saw enacted legislation designed to improve Federal, State and local law enforcement in the drug area. Following introduction of my bill, President Nixon submitted to Congress a major plan designed to reorganize totally and upgrade the Federal drug enforcement agencies within the Department of Justice. The new Drug Enforcement Administration brings together the heretofor fragmented and competing efforts of the U.S. Bureau of Customs and the Bureau of Narcotics and Dangerous Drugs. This streamlined organization has already begun to deal more effectively with illicit drug trafficking and smuggling throughout this country and abroad.

In order to provide a legal remedy for innocent citizens who are victimized by illegal mistaken raids by Federal narcotics agents, I cosponsored legislation to enable future victims of such conduct to obtain redress in court in cases involving such deplorable conduct.

HOUSING

The year 1973 started with a freeze being placed by the administration on all subsidized housing programs and many community development programs. I strongly opposed this freeze and have worked hard during the year to try and get exceptions for meritorious projects throughout the State. Fortunately, quite a few projects have been given exceptions and are proceeding to construction. I have strongly supported an extension of the existing housing laws until such time as adequate substitutes are presented to the Congress. While there has been a temporary extension of these programs, major housing legislation will have to wait until 1974. We must see to it that adequate housing continues to be provided for all those who need it.

My bill to create a National Institute of Building Sciences which would help develop nationally accepted standards for local construction and which would serve as an authoritative source on the latest advances in construction has been included in an omnibus housing bill which will undoubtedly be passed by the Senate in 1974.

Another bill I have offered, the Neighborhood Conservation Act, seeks to stimulate the upgrading of existing low- and moderate-income housing and to generate private capital for housing repairs, maintenance and rehabilitation. I expect that this proposal will also be included in any omnibus housing legislation which is passed in 1974.

ENVIRONMENT

This year I have vigorously supported all measures which sought to strengthen environmental protection. I worked to see that new legislation which recently passed the Congress for allocation of grant money for sewage treatment plants dealt in a fair way with the problems and needs of New York State.

I cosponsored S. 268, the Land Use Policy and Planning Assistance Act, which passed the Senate earlier this year and which seeks to provide money for more comprehensive land use planning which is so desperately needed to make sure development is carried on in an orderly manner with proper concern for environmental balance.

I also supported a bill to curb the excesses of stripmining which passed the Senate earlier this year; a bill to provide for testing and establishment of programs for safe drinking water in communities across the State and country; and the bill recently enacted into law to protect endangered species.

I will continue to work for and support measures which seek to improve our environment and resist attempts unnecessarily to erode the progress that has been made in the last several years.

HEALTH

The year 1973 was an important year for health legislation. I introduced a national health insurance bill designed to provide health care to all Americans as well as to rationalize medical care service and facilities. I also introduced the administration's Health Maintenance Organization bill and authored an amendment to develop HMO's, which, in great measure forms the basis of the proposal supporting the creation of HMO's which is being enacted into law.

Two new laws—Public Law 93–45 and Public Law 93–154—assuring the continuation of the Public Health Service Act and developing emergency medical services are the result of bills I cosponsored and helped fashion.

The Senate-passed bill to safeguard and protect the rights of people involved in biomedical research, which will soon become law, was based upon bills I authored and introduced.

Other bills I have introduced in the field of health legislation would provide consumers increased protection from unfit and adulterated food, assure the safety and effectiveness of medical devices and require disclosure of ingredients on food labels.

I have also authored a bill of rights for the mentally retarded; and, another to establish a national commitment for the diagnosis, control, and prevention of a killer disease of children, the National Tay-Sachs Disease Act.

LABOR

The greatest disappointment in 1973 was our failure to enact into law legislation to raise the minimum wage to reflect the increase in the cost of living since 1968 when the present minimum wage of $1.60 an hour was set. I was chief cosponsor of a Senate-passed bill which would have immediately raised the minimum wage to $2 and expanded the scope of the law to cover additional low-income workers. I authored provisions which would have extended the prohibition against child labor to children working in agriculture. Although a conference reported legislation which received congressional approval, the measure was vetoed by the President and the House failed to override.

I was cosponsor of a successful amendment to the Taft-Hartley Act to permit joint administration by unions and employers of funds to defray the cost of legal expenses for employees.

The year 1973 also saw the beginning of a serious effort to enact Federal legislation to achieve workmen's compensation reform. In June, I introduced together with Senator HARRISON WILLIAMS of New Jersey, chairman of the Senate Labor Committee of which I am the ranking member, S. 2008, a bill designed to remedy the defects and inadequacies in existing State laws as documented in the recent report of the National Commission on State Workmen's Compensation Laws, a commission established as a result of legislation I authored. I expect this program to become law.

Finally, I was pleased that the recently enacted legislation granting a social security increase also contained my amendment which should make New York State workers eligible for an additional 13 weeks of Federal-State unemployment compensation in addition to the regular 26 weeks.

PENSION BENEFITS

On September 19, 1973, the Senate voted 93 to 0 to approve the Williams-Javits bill, a comprehensive pension reform bill which provides for pension vesting, funding, plan termination insurance, portability, fiduciary standards, disclosure and new tax deductions for employees to establish their own pension plans. Based upon bills I have authored since 1967, H.R. 4200 culminated a 3-year effort by the Senate Labor Committee to focus public attention on inequities in private retirement and welfare funds.

Unfortunately, due to committee jurisdictional problems in the House of Representatives, the House was unable to act on pension legislation this year. However, the House was unable to give this legislation top priority early next year, and I am confident pension reform will make history and will become law in 1974.

POVERTY AND WELFARE REFORM

This year was one of the most difficult and disruptive in terms of the Nation's efforts to eliminate poverty and provide training and jobs for unemployed and underemployed persons, as the administration sought to effect changes in programs unilaterally and almost "overnight" through administrative actions alone, often in definance of the express will of the Congress.

But these attempts were halted by intervention of the judicial or legislative branches insisting that the law be followed, and the year ended in a spirit of cooperation between the Congress and the Executive in these important areas that has already yielded positive results.

The administration sought early this year to dismantle OEO and the antipoverty program as we now know it, in violation of the Economic Opportunity Act Amendments of 1972, which I had coauthored, which provided for a 2-year extension through June 1974 of the programs; but the courts ordered this dismantlement action halted, as I and others had urged in a "Sense of the Congress" resolution and appropriations are now being made available for continuation of the agency and the programs through next June.

The essential current legal services program—especially the "backup" centers—were in this process subjected to "on again-off again" funding, but fortunately these programs too have been generally continued, and, in response to my request to OEO, the "backup" centers have been provided continued funding as well pending establishment of a new legal services corporation.

Similarly, the administration refused to spend funds appropriated by the Congress in 1972 for the Neighborhood Youth Corps summer job program for the summer of 1973. But again, based upon the intent of the Congress, as we had expressed it, the courts ordered that the funds be spent and the summer job program went forward, although at the last minute.

The administration also sought by regulation to change the focus of child care and other social services programs under the Social Security Act. But legislation which I cosponsored held off these changes until the Congress could act and forced a number of changes in the administration's approach.

By the close of the fiscal year 1973, it was quite clear that if the administration continued on an unilateral course, these actions would only undermine its own objectives of managerial efficiency, decentralization, and getting the most for the taxpayers' dollar; as I urged, on July 31, a course of "domestic rapprochement" was necessary.

Accordingly, I was very heartened when the President included in his second state of the Union address of September 10, 1973, a pledge to seek workable compromises with the Congress in a spirit of cooperation.

We took him up on that offer in the case of manpower training reform legislation, which had been stalled since 1969, and again where the administration had planned to carry out its plans unilaterally.

In a commendable implementation of the President's pledge, the administration held up on the implementation of administration regulations and agreed to work with the Congress on legislation.

The result is the Comprehensive Employment and Training Act of 1973, a bill based on S. 1559, which Senator NELSON and I introduced earlier this year.

This new act which is now becoming law authorizes "such sums as may be necessary" over a 4-year period for comprehensive manpower training, public service employment, and related services to be administered through a new decentralized system of State and local governmental sponsors; importantly, despite previous opposition, the administration has agreed to continue authorities for transitional public service employment, both generally and in especially hard-hit areas, such as exist in New York State, as Senator NELSON and I had urged in sponsoring S. 1560, a bill to continue the Emergency Employment Act of 1971. The new act also includes a number of special provisions which I sponsored or cosponsored to continue to provide authority for the summer job program for the coming summer, to give special attention to the training and employment needs of offenders, to experiment with voucher plans in the manpower field, and to provide for the continuation or expansion of opportunities industrialization centers and special programs for persons whose language is other than English.

Unfortunately, a filibuster blocked complete action this year on legislation reported by the Committee on Labor and Public Welfare, to establish a new legal services corporation, but I hope for it in 1974.

But in this case also, the committee bill is based upon the administration's own bill, which I introduced, and the administration has worked closely with us and it is the No. 1 priority for the coming year.

Other very important items of unfinished business remain, such as continuation of the antipoverty program beyond this June, child development legislation, community economic development efforts, welfare reform, and the need for a real "full employment policy."

But as we seek these authorities, as we shall do, the experience of this year suggests that the administration may join with us in these efforts and whatever the result, that the final will of the Congress and the Executive, written into the law, will be upheld by the courts.

In another area, my amendment to preserve and expedite Federal support for New York children living in foster homes and institutions was adopted by the Senate.

OLDER CITIZENS

This year, the Congress has taken several important steps on behalf of our Nation's senior citizens. I actively supported the 7-percent immediate increase and the 4-percent increase in social security benefits effective June 1974, as well as increased supplemental security income payments to the aged, blind, and disabled, which, beginning in January 1974, would go up to a monthly income of $206.85 in New York State for an individual.

I cosponsored the Older Americans Comprehensive Services Amendments of 1973 which was signed into law by the President—Public Law 93–29—which dramatically strengthens the Administration on Aging and provides extensive authority to improve social and nutritional services to the elderly. In addition, I cosponsored S. 775, the Research on Aging Act, which establishes a National Institute on Aging to study the biological and behavioral aspects of the aging process. That bill passed the Senate and is pending in the House.

VETERANS

With my full support, Congress passed important legislation improving the loan guaranty program for veterans, increasing the disability and death pension benefits for veterans, and establishing a national cemetery system within the Veterans' Administration. I shall continue to work for legislation to give today's veteran the same benefits as veterans of World War II.

Because I have been greatly concerned over the underutilization of their educational opportunities by our Nation's veterans, I sought the release of veterans cost of instruction funds by HEW authorized by the educational assistance allowance amendments, and cosponsored an amendment to the Education of the Handicapped Act, S. 896, which would permit colleges with a 10 percent veteran enrollment to participate in the veterans' cost of instruction allowance program. This amendment passed the Senate and is now pending in the House. I also supported S. 59, which would provide improved medical care to veterans, and S. 284, which would require the availability of comprehensive treatment and rehabilitative services for disabled veterans from alcoholism or drug problems. Both these bills passed the Senate.

AGRICULTURE

The Senate this year passed a comprehensive Agriculture and Consumer Protection Act, S. 1888. I strongly supported the provisions in the act that decreased limit farm subsidies to any farmer to a $20,000 maximum and that revise and extend the food stamp program to insure eligibility to all deserving recipients.

I have throughout the year closely followed the problems being confronted by our State's dairy farmers and have made every effort, including the introduction of an Export Priorities Act, discussed previously, which will help insure that our farmers can receive their feed grains and other agricultural supplies at reasonable prices.

In addition, I also established a farmers task force, composed of farmers and others in agriculturally related industries, to advise me on issues of direct concern to the farming community.

Another effort I am engaged in to assist farmers—and make rural life more attractive—is the Family Farm Inheritance Act, S. 204, of which I am a cosponsor. This bill would exclude the first $200,000 in value of the family farm from the taxable estate of those farmers who have managed their own farm during their lives and have willed it to relatives who plan to carry on this tradition. Estate tax is usually based on the higher real estate value of land, rather than on its far lower farming value of profitability, and this bill seeks to correct that valuation for family farms.

SMALL BUSINESS

As ranking member of the Senate Select Committee on Small Business, I supported the Senate-passed bill to increase the Small Business Administration ceiling by $2.3 billion to provide additional moneys to the small business community. The SBA has now been funded for the coming months of 1974.

I introduced the Domestic Enterprise Bank Act of 1973 to establish a corporation authorized, among other things, to make and participate in certain long-term low-interest loans and guarantees and to provide technical assistance to stimulate employment opportunities in labor surplus areas and to aid businesses seriously affected by foreign imports or technological obsolescence.

CONSUMER PROTECTION

This year I again sponsored the bill which would establish an independent Federal Consumer Protection Agency. Now supported in principle by the administration, the bill would give an independent advocate representing the consumer interest the right to intervene in all Federal regulatory agencies and in the courts. I expect this important bill to pass next year. I also cosponsored with Senator WILLIAMS legislation to insure equal access to commercial credit for women.

EDUCATION

The Congress this year has proceeded to fund landmark higher education legislation—of which I was a sponsor last year—which places special emphasis on providing assistance to individual students.

The Education Subcommittee, of which I am a member, is completing consideration of measures to expand and extend Federal programs in elementary and secondary education. The subcommittee has approved provisions of which I am the author giving new emphasis to high school equivalency programs, and programs for gifted and talented children, termed those most neglected in American education.

I was successful in opposing moves to cut back New York's share of education funds in favor of other States, moves based on the erroneous contention that New York now receives too large a share. I shall continue my efforts in that area.

Aware that 40 percent of the Nation's schoolchildren travel to school daily by schoolbus, I have authored a series of bills designed to assure the safety of those vehicles, and prevent repetition of tragedies such as the one at Congers, N.Y., in 1972 in which 5 lives were lost and 44 were injured.

I have introduced a civilian GI bill of rights to provide educational benefits to those who have served in the Peace Corps and similar volunteer organizations.

Happily, the Congress has enacted legislation, of which I was an author, to extend and expand arts and humanities programs which have enjoyed strong Presidential and public support.

The Senate passed amendments to the National School Lunch Act which will raise the Federal reimbursement level to federally aided breakfast and lunch programs for the poor. The original bill, because of a change in the formula for computation of the reimbursement rate, would have deprived New York school systems of about $2.4 million. However, I introduced an amendment, which was passed by both Houses, which insures that New York's funding will not be cut because of the formula change.

THE HANDICAPPED

A new Rehabilitation Act—Public Law 93–112—has been signed by the President following two vetoes. The bill contains my provisions to encourage hiring the handicapped in programs under Federal contract or receiving Federal grants and for the homebound.

Public Law 93–76 was also enacted, extending the Javits-Wagner-O'Day Act, which gives priority in Federal contracts to the blind and other severely handicapped.

I reintroduced my bill to give the severely handicapped the same tax deductions now given the blind.

ANNUAL REPORT EXCERPTS

BUDGET CONTROL

For years, it has been recognized that congressional procedures governing the Federal budget process have not been adequate for dealing with the establishment of national priorities. This year, the Senate Government Operations Committee—of which I am a ranking member—developed legislation designed to bring about fundamental reform of the budget process. This bill, which I cosponsored and which passed the Senate and is now in conference, requires the establishment by law of a firm overall spending ceiling on both outlays and new budget authority. The bill would also create standing committees on the budget in both Houses of Congress; establish a congressional office of the budget to assist the Congress in developing a coherent plan for identifying and funding national legislation priorities and require before April 15 of each year the enactment of a concurrent resolution establishing appropriations levels for major categories of spending. Enactment of this legislation will require the Congress to look at all spending and revenue actions together and to relate those decisions to each other. The new procedure would allow both Houses to consider carefully, early in the fiscal year the central issue of what our national priorities ought to be. It would simplify committee procedures and reduce the time consumed in the legislative process, as well as improve the flow of relevant information to Members of Congress on these hard questions. I authored an amendment to the bill which would require consideration of tax expenditures in each stage of the budget process. Tax expenditures are indirect expenditures by way of the tax system which must be compared with direct outlays to get a true budget picture.

THE IMPOUNDMENT ISSUE

The sharp controversy between the executive branch and the Congress over the impoundment of appropriated funds gave rise during the past year to a serious confrontation between the two branches of Government. The constitutional and legal issues were carefully developed in the Government Operations Committee which recommended to the Senate strong anti-impoundment legislation. The Senate passed the bill which requires the administration to expend or obligate impounded funds except those which under law would create deficiencies not intended by Congress, or which have been expressly ratified by congressional action during the 60-day period following receipt of a Presidential impoundment message. Estimates of the fiscal impact of Federal impoundments, upon local governments throughout our State have been extraordinarily high. The estimate for New York City alone is in excess of $400 million in lost Federal aid. This staggering economic loss to New York citizens and taxpayers would be alleviated under the anti-impoundment legislation which I helped to write.

EXECUTIVE PRIVILEGE

In view of the need of Congress to obtain important information from executive branch officials, I cosponsored legislation to establish ground rules for the two branches to observe in any future disagreements over the availability to Congress of information held by executive officials. These rules preclude officials withholding any information or testimony requested by a congressional committee for executive privilege unless the President is willing to intervene to defend the confidentiality of the materials sought. The bill makes it clear that when such a Presidential action occurs, the Congress will weigh the force of the President's claim against its need and that of the public interest for the information in question.

POST OFFICE AND CIVIL SERVICE

I have urged the U.S. Postal Rate Commission to hold the line on increasing postal rates and am continuing my support of legislation which would improve the chances of survival of publications threatened by increased postal rates.

I supported the pay increase for Federal employees under the 1970 Comparability Act, which took effect in October 1973 and actively supported the $20-per-month increase in annuities for Federal retirees who retired from Government service prior to October 20, 1969.

I also supported the Senate-passed bill to increase the Federal contribution to the costs of health benefits for Federal workers.

I have worked vigorously to keep open St. Albans Hospital in Queens. As an alternative to the Department of Defense proposal to close this vital health facility, I have urged that the Veterans' Administration maintain St. Albans as a health care facility. I am pleased that the Defense appropriations bill passed by the Congress just before adjournment provides that St. Albans shall remain open. I shall continue to do my utmost to prevent the closing of St. Albans.

CAMPAIGN FINANCING REFORM

I supported S. 372, the Federal Elections Campaign Act Amendments of 1973 which passed the Senate early this year. This bill makes improvements in the present, Public Law 92–225, after the Watergate experience. The bill repeals the equal-time provisions for all Federal offices and increases most of the criminal penalties in the existing law. The bill raises the amounts in the present law which candidates can spend out of their own or their family's funds. The amounts in the bill are $100,000 for President instead of $50,000 in present law, $70,000 for Senate instead of $35,000 in present law and $50,000 for Representatives instead of $25,000 in the present law. The bill also sets overall limitations on campaign expenditures which are basically 10 cents times the voting age population in the State or district involved for primaries, and 15 cents for general elections. The present law only provides for limits on media expenses. The last major change the bill makes is to establish an independent Federal Elections Commission which would receive all reports and look into violations of the law. This bill has not passed the House but I am hopeful we will see some action in 1974.

However, I have become more and more concerned that limitations on contributions and expenditures—no matter how stringent—will still not bring enough reform, and for this reason I have come around to the view that a substantial element of public financing is needed for all Federal elections. We have made a start with the taxpayers' checkoff system which will operate in the 1976 Presidential campaign. This provides for $1 out of the taxes of each taxpayer who checks the form at tax time to be used in the Presidential campaign in lieu of private money. Unfortunately, this checkoff has not been highlighted enough and was not extensively used on 1972 tax returns.

To encourage greater public financing, I cosponsored an amendment to the recent debt ceiling bill which would extend the tax check-off system to Senate and House general elections and public financing to Presidential primaries. The existing checkoff amount would be doubled from $1 to $2. Money collected would be apportioned to major parties, minor parties and any new parties that could qualify. While this amendment was not enacted into law, the prospects are quite good for some version of public financing legislation next year.

We have now reached a point where the need for campaign financing reform is so obvious that we cannot continue the status quo. I intend to do all I can to see that meaningful reform leading to some system involving public financing is enacted into law as soon as possible.

ASSISTING NEW YORK STATE

Functioning as full-time extensions of the operations of my Washington office, are offices maintained in Albany, Buffalo, and New York City. Through mail and personal inquiries to those four offices, as well as frequent trips back home, I have been made aware of areas in which I have been able to be of direct assistance to many constituents.

I was able to assist a company in a small community in an appeal to the Department of Defense for redress on a contract. Weighing the merits of the case, the Department of Defense paid the company over $1 million in contract adjustment fees, maintaining the life of the firm and the livelihoods of its employees and their families.

As the effects of Hurricane Agnes continue to be felt in New York, my activities have ranged from helping an upstate community secure an amphibious LARC V vehicle for its volunteer fire department to replace one lost in the Agnes calamity, to aiding farmers in their dealings with the Agriculture Department and the Small Business Administration as they sought assistance following the effects of Hurricane Agnes.

I have also been active in obtaining Federal assistance for projects ranging from the Rockaways Beach erosion project to the Great Lakes flood and erosion control project, among others.

The year 1973 has been a year of tremendous demands, and equally tremendous efforts to meet the needs which prompted those demands.

I have not completed all my set tasks—though I have completed many. But, I have identified them, attacked the obstacles in the way of completion and am working on the needed measures and therefore derive satisfaction as I hope will the people of my State from the accomplishments of the past year.

ACHIEVEMENTS OF THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS DURING THE 1ST SESSION OF THE 93D CONGRESS

Mr. SPARKMAN. Mr. President, during the 1st session of the 93d Congress the Senate acted favorably on 37 bills and resolutions which were handled by the committee. Of these, 14 have become public law. In addition, our committee reported 32 nominations and all were acted favorably upon by the Senate.

I am listing below information concerning each of the bills handled by the committee in this session, and ask unanimous consent that this résumé be printed in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

RÉSUMÉ OF BILLS HANDLED BY THE COMMITTEE

S. 356—Mr. Magnuson; passed Senate Sept. 12, 1973; provides disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes; (Commerce committee, S. Rept. 93–151) S. Rept. 93–280, June 28, 1973.

S. 386—Mr. Williams; passed Senate Sept. 10, 1973; amends the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes; S. Rept. 93–361, July 31, 1973; passed House Oct. 3, 1973.

S. 398—Mr. Sparkman; passed Senate March 20, 1973; Public Law 93–28; extends and amends the Economic Stabilization Act of 1970; S. Rept. 93–63, March 14, 1973; passed House April 16, 1973; approved April 30, 1973.

S. 421—Mr. Sparkman; passed Senate Jan. 23, 1973; provides that appointments to the Office of Director of the Cost of Living Council shall be subject to confirmation by the Senate; S. Rept. 93–1, Jan. 18, 1973.

S. 470—Mr. Williams; passed Senate June 18, 1973; amends the Securities Exchange Act of 1934 to regulate the transactions of members of national securities exchanges, to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define certain duties of persons subject to such act, and for other purposes; S. Rept. 93–187, May 31, 1973.

S. 513—Mr. Moss; passed Senate Nov. 30, 1973; amends sec. 232 of the National Housing Act to authorize insured loans to provide fire safety equipment for nursing homes; S. Rept. 93–580, Nov. 28, 1973.

S. 590—Mr. Percy; passed Senate May 9, 1973; requires that future appointments of certain officers in the Executive Office of the President be subject to confirmation by Senate.

S. 776—Mr. Cranston; passed Senate Mar. 14, 1973; P.L. 93–114; authorizes the striking of medals in commemoration of the 100th anniversary of the cable car in San Francisco; S. Rept. 93–57, Mar. 8, 1973; approved Oct. 1, 1973.

S. 1141—Mr. Sparkman; passed Senate July 11, 1973; P.L. 93–127; provides a new coinage design and date emblematic of the bicentennial of the American Revolution for dollars and half dollars; S. Rept. 93–244, June 25, 1973; approved Oct. 18, 1973.

S. 1264—Mr. Javits; passed Senate May 2, 1973; authorizes and directs the Secretary of the Treasury to make grants to Eisenhower College, in Seneca Falls, N.Y., out of proceeds from the sale of silver dollar coins bearing the likeness of the late President of the United States, Dwight D. Eisenhower; S. Rept. 93–134, May 1, 1973.

S. 1410—Mr. McIntyre; passed Senate June 27, 1973; Public Law 93–93; amends sec. 14(b) of the Federal Reserve Act, as amended, to extend for three months the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury; S. Rept. 93–248, June 25, 1973; approved Aug. 14, 1973.

S. 1636—Mr. Sparkman; passed Senate June 22, 1973; Public Law 93–121; amend the International Economic Policy Act of 1972; S. Rept. 93–190, June 4, 1973; approved Oct. 4, 1973.

S. 1672—Mr. Cranston; passed Senate May 17, 1973; vetoed; amends the Small Business Act; S. Rept. 93–132, Apr. 30, 1973.

S. 1697—Mr. Cranston; passed Senate May 21, 1973; requires the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California; S. Rept. 93–153, May 17, 1973.

S. 1752—Mr. Johnston; passed Senate May 10, 1973: prescribing the objectives and functions of the National Commission on Productivity and Work Quality; S. Rept. 93–138, May 8, 1973.

S. 1884—Mr. Bellmon; passed Senate June 28, 1973; permits national banks to invest in agricultural credit corporations; S. Rept. 93–265, June 27, 1973.

S. 1901—Mr. Sparkman; passed Senate June 27, 1973; amends the act of Aug. 20, 1963, as amended, relating to the construction of mint buildings; R. Rept. 93–243, June 25, 1973.

S. 1980—Mr. Sparkman; passed Senate

Aug. 2, 1973; amends the Defense Production Act of 1950, as amended; S. Rept. 93-364, Aug. 1, 1973.

S. 2058—Mr. Williams; passed Senate Aug. 1, 1973; amends the Securities Exchange Act of 1934 to provide for the regulation of clearing agencies and transfer agents, and for other purposes; S. Rept. 93-359, July 30, 1973.

S. 2101—Mr. Proxmire; passed Senate July 23, 1973; amends the Truth in Lending Act to protect consumers against inaccurate and unfair billing practices, and for other purposes; S. Rept. 93-278, June 28, 1973.

S. 2556—Mr. Sparkman; passed Senate Oct. 10, 1973; amends sec. 14(b) of the Federal Reserve Act, as amended, to extend for eight months the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury; S. Rept. 93-457, Oct. 10, 1973.

S. 2795—Mr. Sparkman; passed Senate Dec. 14, 1973; authorizes the Secretary of the Treasury to change the alloy and weight of the 1 cent piece; S. Rept. 93-622, Dec. 13, 1973.

H.R. 3841—Mr. Moorhead; passed Senate May 2, 1973; Public Law 93-33; provides for the striking of medals in commemoration of Roberto Walker Clemente; S. Rept. 93-133, May 1, 1973; approved May 14, 1973.

H.R. 4507—Mr. Camp; passed Senate Oct. 4, 1973; Public Law 93-132; provides for the striking of medals in commemoration of Jim Thorpe; S. Rept. 93-430, Oct. 4, 1973; approved Oct. 19, 1973.

H.R. 4738—Mr. Brotzman; passed Senate Dec. 20, 1973; provides for the striking of medals in commemoration of the 100th anniversary of the statehood of Colorado; S. Rept. 93-655, Dec. 19, 1973.

H.R. 5760—Mr. Foley; passed Senate Dec. 20, 1973; provides for the striking of medals commemorating the International Exposition on Environment at Spokane, Washington, in 1974; S. Rept. 93-656, Dec. 19, 1973.

H.R. 5874—Mr. Mills; passed Senate Nov. 7, 1973; establishes a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes; S. Rept. 93-166 on S. 925, May 21, 1973.

H.R. 6370—Mr. St Germain; passed Senate May 22, 1973; Public Law 93-100; extends certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans of certain State housing corporations, and for other purposes; S. Rept. 93-149 on S. 1798, May 14, 1973; approved Aug. 16, 1973.

H.R. 6912—Mr. Gonzales; passed Senate May 30, 1973; Public Law 93-110; amends the Par Value Modification Act, and for other purposes; S. Rept. 93-58 on S. 929, Mar. 8, 1973; approved Sept. 21, 1973.

H.R. 8449—Mr. Barrett; passed Senate Dec. 18, 1973; expands the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; S. Rept. 93-583, Nov. 29, 1973.

H.R. 10511—Mr. Wright; passed Senate Nov. 20, 1973; amends sec. 164 of the Federal-Aid Highway Act of 1973 relating to financial assistance agreements; S. Rept. 93-457, Nov. 16, 1973.

S.J. Res. 26—Mr. Sparkman; passed Senate Jan. 26, 1973; Public Law 93-4; amends sec. 1319 of the Housing and Urban Development Act of 1968 to increase the limitation on the face amount of flood insurance coverage authorized to be outstanding; S. Rept. 93-3, Jan. 23, 1973; approved Feb. 2, 1973.

S.J. Res. 93—Mr. Johnston; passed Senate Apr. 17, 1973; Public Law 93-34; provides a temporary extension of the authorization for the President's National Commission on Productivity; S. Rept. 93-124, Apr. 17, 1973; approved May 14, 1973.

S.J. Res. 112—Mr. Sparkman; passed Senate May 21, 1973; Public Law 93-38; amends sec. 1319 of the Housing and Urban Development Act of 1968 to increase the limitation on the face amount of flood insurance coverage authorized to be outstanding; S. Rept. 93-154, May 17, 1973; approved June 5, 1973.

S.J. Res. 128—Mr. Brooke; passed Senate June 28, 1973; Public Law 93-63; provides for an extension of certain laws relating to the payment of interest on time and savings deposits; S. Rept. 93-264, June 27, 1973; approved July 6, 1973.

S.J. Res. 144—Mr. Sparkman; passed Senate Aug. 1, 1973; Public Law 93-85; provides for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purpuses; approved Aug. 10, 1973.

S. Con. Res. 57—Mr. Brooke; passed Senate Nov. 20, 1973; expressing the sense of the Congress that housing, housing assistance, and community development programs authorized by Congress should be carried out at levels at least equal to the levels prevailing in calendar year 1972, until such time as funds appropriated for such programs are exhausted or the Congress enacts legislation terminating or replacing such programs; S. Rept. 93-518, Nov. 15, 1973.

THOSE TAPES AREN'T FOR FUN

Mr. HUGH SCOTT. Mr. President, an editorial in Thursday's Philadelphia Inquirer discusses the cocktail party use of the White House tape recording. This editorial says it all. I offer it for the interest of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THOSE TAPES AREN'T "FOR FUN"

The Watergate syndrome is catching. Now a lawyer for the Ralph Nader organization, following the pattern of those he is charging with high-level misbehavior, has behaved in an inexcusable and perhaps illegal way and then has denounced the media for reporting it.

The lawyer is William Dobrovir, who had possession of a White House tape which the Nader organization had been seeking as evidence that President Nixon gave the milk industry a financial bonanza two days after milk lobbyists paid a call on him at the White House.

After fighting subpenas for several months, the White House finally surrendered a copy of the tape, and Mr. Dobrovir promptly played it at a cocktail party in Georgetown "for fun." ABC News reported the incident Tuesday night, and now let's hear Mr. Dobrovir's explanation:

"I remember saying, I've got the tape in my pocket,' and they said, 'Let's play it,' and I said, 'Sure.'"

He goes on to declare: "I made a foolish mistake, but I consider the ABC story a gross breach of journalistic ethics. No longer can anyone in Washington speak freely in the presence of the media."

If anyone has committed a "gross breach" of ethics, it is Mr. Dobrovir. The tapes should be made public—confidentiality is no excuse for concealing evidence of alleged crimes—but by due process of law and in appropriate forums.

We don't think a Georgetown cocktail party is such a forum. We also don't think Mr. Dobrovir has any further place on the Nader team.

RETIREMENT OF JIM WOOLSEY

Mr. STENNIS. Mr. President, Jim Woolsey, general counsel for the Senate Armed Services Committee, has resigned to enter the private practice of law. His period of service to the Senate has been brief, but I believe it has been distinguished, and I want to commend him.

Shortly after his employment, about 3 years ago, our staff director and chief counsel became ill, and Mr. Woolsey assumed a heavy burden in consideration of a draft extension bill and a procurement bill. More recently, he had primary staff responsibility in inquiries into vital military and intelligence problems. To all his work he brought diligence and intelligence, and he will be missed by the committee and its individual members.

As a lawyer, I understand Mr. Woolsey's desire to enter legal practice. I am sorry, of course, to see him leave our staff, but I am confident that he will have a bright future. The country will be fortunate if he comes to serve again in some Government capacity.

Senator THURMOND, ranking Republican on the committee, thinks highly of Mr. Woolsey, and joins in these remarks.

HATS OFF TO NEW HAMPSHIRE'S POSTSECONDARY VOCATIONAL-TECHNICAL EDUCATION

Mr. McINTYRE. Mr. President, I want to take this opportunity today to share with my colleagues the accomplishments of New Hampshire's postsecondary vocational-technical education system.

This is an area which I have strongly supported. It pleases me that this excellent work is being done in my State.

I want to commend Charles H. Green, chief of the division of postsecondary education; Newell J. Paire, commissioner of education; Robert L. Brunelle, deputy commissioner of education; and the many others who have worked and contributed to postsecondary vocational-technical education in New Hampshire.

Mr. President, I ask unanimous consent that the following letter which puts forth in some detail the type of work being done in New Hampshire be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NEW HAMPSHIRE,
DEPARTMENT OF EDUCATION,
Concord, N.H., December 10, 1973.

Senator THOMAS J. MCINTYRE,
Laconia, N.H.

DEAR SENATOR MCINTYRE: Because of your interest in postsecondary vocational-technical education, I am sending you a copy of the 1974-76 New Hampshire Vocational-Technical College catalog. The catalog provides comprehensive information on thirty different one- and two-year occupational programs offered by the colleges at Berlin, Claremont, Laconia, Manchester, Nashua and Portsmouth. We believe it to be our finest college catalog publication to date.

Those of us working within the postsecondary system are extremely pleased with the support the State has given to its development. We believe that the Legislative charge made in establishing the system is being met. The following interesting and pertinent facts tend to support this opinion.

1. The Technical Institute and six Vocational-Technical Colleges offer one-year diploma and two-year associate degree occupational education programs designed to prepare graduates for skilled and semi-professional employment opportunities which exist within the State.

2. New programs and program revisions result from information supplied by business, industry, health, public and private agencies, local institute and college advisory committees, State Advisory Committees, State Board of Education, and national trends.

3. Students enrolled in skilled and industrial-technical programs have generally graduated from high school in a non-college preparatory program. They represent the middle group of college preparatory graduates.

5. In 1974–75, the Technical Institute and six Vocational-Technical Colleges will offer thirty-eight one- and two-year programs in industrial, business, health and service occupations. The programs are open to men and women.

6. A new day school enrollment record of 1,795 students was achieved in September of 1973. In September 1963, ten years ago, the enrollment consisted of 433 day students. Over a ten-year period, day school enrollment has increased 4.1 times.

7. During the 1972–73 academic year, an adult education enrollment of 5,608 students was recorded in courses offered by the Institute and six Vocational-Technical Colleges.

During the same year, an adult education enrollment of 6,543 students was recorded in courses, workshops and seminars offered by other educational institutions utilizing the Institute/College facilities.

8. In June 1973, a record number of 648 seniors graduated from the Technical Institute and six Vocational-Technical Colleges.

9. Of the 648 June 1973 graduates:

84% were employed full-time by October 15;

1% were employed part-time by October 15;

5% will continue education full-time;
1% entered service;
1% are not seeking employment;
6% are seeking employment; and
2% status is unknown.

10. Of the 541 June 1973 graduates employed full-time:

98% are employed in their major or related field of study;
91% are employed in-state; and
83% commute to work from their home town.

11. Based on reported income, the average yearly salary for graduates employed full-time by occupational major is as follows: Business and Management Majors, $6,168; Engineering Technology Majors, $8,560; Industrial and Manufacturing Majors, $7,406; Health and Medical Science Majors, $5,611; and Service Occupation Majors, $7,134.

12. Over 350 business firms were involved in interviewing graduates.

Young people and adults are developing salable skills which are enabling them to take advantage of skilled, technical and semiprofessional employment opportunities within the State. This in turn is assisting the economy of New Hampshire by creating additional demands for goods and services.

Cordially yours,
Charles H. Green,
Chief, Division of Post-Secondary Education.

MENTAL HARM: A THREAT TODAY

Mr. PROXMIRE. Mr. President, article II of the Genocide Convention states that:

> The crime of genocide shall include the act or the intent to cause serious bodily or mental harm to members of the group.

Originally, critics of article II simply did not understand the phrase "mental harm." However, as we have learned more about the tortures used during World War II, we have come to realize that mental harm is no less an evil than physical harm.

Other critics of article II maintain that the phrase "mental harm" is far too ambiguous for use in an international agreement. The implementing legislation for the treaty should dispel such doubts. Mental harm is described as:

> Any act which causes the permanent impairment of the mental faculties of members of the group by means of torture, deprivation of physical or psychological operation, introduction of drugs . . . or psychiatric treatment calculated to permanently impair the mental process.

Critics of article II can no longer state that the language of the Genocide Convention is ill-defined. Nor can they deny that mental harm remains a threat to humanity today. Therefore, I call upon the Senate to decrease the threat of mental harm and ratify the Genocide Convention without further delay.

ROBERT JORDAN WAGER

Mr. RIBICOFF. Mr. President, Robert J. Wager, a most able man, is leaving his position as staff director and general counsel of the Government Operations' Subcommittee on Reorganization, Research, and International Organizations of which I am chairman.

While I shall miss his wise counsel and valuable assistance, I am pleased that he has found a new and exciting opportunity.

Born in Rockford, Ill., in 1934, Bob Wager received his B.A. from Pomona College in 1956, his LL.B. from Stamford Law School in 1959, and an LL.M. from Harvard Law School in 1960.

Bob has devoted most of his professional life to public service. In 1960, when he came to Washington he joined the Justice Department. Later he spent 2 years at the National Labor Relations Board. In 1963 he first came to Capitol Hill, serving as a legislative assistant to Representative James C. Corman of California. He left the Hill in 1965 to assist the deputy chairman of the Democratic National Committee.

Bob joined the subcommittee's staff in 1966 as an assistant counsel and was appointed staff director in 1970.

Because the Reorganization Subcommittee has such wide-ranging responsibilities, Bob has had to cover many areas, and he has done so with distinction. He will be best remembered for his dedicated efforts in three areas—consumer affairs, environmental protection, and automobile safety.

Most recently, however, he did an outstanding job directing the staff work on the legislation creating the new Federal Energy Administration. His vast knowledge of reorganization procedure was an essential ingredient of the transfer and authority provisions of the act. Without his able assistance, it would not have been possible to hold hearings, draft amendments, report the bill, write the committee report, and achieve final passage of as fine an act as the Senate has produced. This was an outstanding achievement, and the entire Nation will benefit from his efforts during this time of energy emergency.

Bob Wager will be sorely missed by the members of the Subcommittee on Reorganization, Research, and International Organizations, and the other staff members he has worked with in the Senate. I am sure they all join with me in wishing him well in his new career.

FRIENDS COMMITTEE ON NATIONAL LEGISLATION

Mr. HUGHES. Mr. President, my colleague, the Senator from Oregon (Mr. Hatfield) recently spoke at the 30th anniversary celebration of the Friends Committee on National Legislation, held at Earlham College in Richmond, Ind. The Senator spoke forthrightly about concerns which I also hold; he stressed the need of repentance from national sins, including the psychology of violence so often manifested in our land. He also stressed the need for a whole new style of leadership that is rooted in sacrificial service, rather than the maintenance of power, and the Senator emphasized the spiritual dimensions to these issues. His remarks have a timely relevance for us all, particularly as this session of Congress and this year draw to a close. I ask unanimous consent that these remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Speech by Senator Mark Hatfield

INTRODUCTION

Thank you very much, Milo Ross, for your generous and kind introduction. Distinguished ladies and gentlemen all. You know, I feel very much at home here on this campus, having been a long-time admirer of many of the outstanding spokesmen who have articulated great causes from this campus and the leadership that they have given to these causes. I've been aware of its Quaker heritage, of its great and noble purpose.

FCNL THIRTIETH ANNIVERSARY

But I also tonight am aware of the difference that exists between the gentle, kind, loving Quakers and Friends and those of us who are called Baptists. I say that after watching Ed Snyder up here. Now Ed, typifying the gentle Quaker manner of, you know, urging you to give a little financial support and then giving you that option to escape the door without ever having been put on the spot. The Baptists would have had at least two collection plates at every table. We would have had a table chairman and we would have asked all the people to stand who were giving. It really comes down to a theological difference. You are people of faith.

Raymond Wilson, it's a delight always to be in your company. You're a very contagious man. Your spirit, your dynamism, and your faith is most infectious. It's always a pleasure to be in the same harness with you on causes, whether for amendments to end the war, or whatever it might be. I feel like this is sort of a harnessing up time again tonight as we observe the 30th anniversary of the FCNL.

SELECTIVE SERVICE OR DISCRIMINATORY SERVICE

We do have many unfinished tasks and I would not attempt to enumerate them all. I'd like to toss out a few to trigger your memory. I would like to ask you not to be misled that we have finished the task on compulsory military service. Because, dear friends, bear in mind that the so-called mechanism still exists, that odious law is still on the statute books called Selective Service—or as I prefer to call it, "discriminatory service." I do not believe that we can call the battle won until that law has been eradicated from the statute books and that machinery totally dismantled so that it cannot be used against us.

AMNESTY

There is a word which has been sort of a four-letter word in many circles, yet it has more letters than four, and it's one that I think will trigger the very conscience of all Quakers and Friends and those who are truly concerned about equity and fairness and justice. That's the word "amnesty." That task has not been really begun because we have yet to get any serious legislative proposal even introduced. I think this is the time to build the foundation, the climate, and the environment in which we can calmly—without emotion and yet very fairly and very accurately—focus on that serious unresolved problem.

SQUALOR OF REFUGEE CAMPS

Let us not forget also that there are many people who are living tonight in squalor and inhuman conditions in Mid-East refugee camps where the United Nations is trying to keep body and soul together for a miserly sum of ten cents per day per person. This kind of cesspool of human misery and deprivation is the breeding ground and the recruiting area for the terrorist organizations that have found their way into many parts of the world. I refer to the Palestinian refugee camps as but one kind of refugee camp amongst many in which human beings, creations of God, are forced into squalor. They are also a symbol of policy that this government has intended to follow toward the situation in the Middle East.

QUAKER RESOURCES

Tonight I'd like to share with you some of the concerns that are on my heart as I discuss some of our political, economic, and social problems. I look at you as people, not as citizens only, but people who have been committed to a cause. You have utilized your resources and have within your capacity tools and spirit which can help solve many of our problems. I saw the Indiana FCL statement that you have, I believe, at your plates. I thought that probably most pertinent of all of the concerns which I would enumerate tonight is the one which says: "Our primary purpose is the establishment of those conditions which will allow for the working of the Holy Spirit." It is obvious that we can't legislate that in Washington. To say the obvious in another way, we can't buy that condition in the marketplace. It is not a commodity for sale. But it comes out of the hearts and the minds and the lives of people who are committed to Christ. It is that instrument, it is that dimension, it is that perspective that I think will ultimately provide us with the opportunity to solve many of the problems facing our nation.

WATERGATE

Our nation and our people have been subjected to a series of shocking events that seem almost unparalleled in our history. I would like to enumerate some of the more infamous. Two former members of the President's Cabinet including the former Attorney General have been indicted. Several of the closest advisers of the President including a former Chief of Staff, domestic counselor, special counselor have resigned as a result of being under criminal investigation and some have been indicted. The Vice-President has resigned. The President has fired the Administration's Special Prosecutor who was appointed in accord with the presidential pledge "to see to it that all of those who are guilty are prosecuted and brought to justice." Former Attorney General, Mr. Richardson, described in his appointment by the President as "a man of unimpeachable integrity and rigorously high principle," with the presidential assurance that he would be "both fair and fearless in pursuing the truth wherever it leads," has resigned. Earlier we saw the evidence that the Committee to Re-Elect the President and the former acting director of the FBI shredded documents and destroyed potential criminal evidence.

LOW WATER MARK FOR POLITICIANS

Before any of these events occurred, in order to put them all into perspective, the public trust in politicians had already reached a low water mark. The University of Connecticut conducted a survey and found that amongst the twenty professions surveyed politicians ranked nineteenth out of twenty. Used car salesmen ranked twentieth.

As a Calvinist I would say it was predestined that I address the Oregon Association of Used Car Dealers right after the publication of this survey. You can imagine what my opener was on that one. It was very easy for me to identify with that audience.

We found in another survey that only 23% of the American parents would like to see their son or daughter enter a political career.

CENTRALIZATION OF POLITICAL AND ECONOMIC POWER

Far, far deeper is the question of the resilience of the republic, the viability of the government itself. We have seen abuses of power. We have seen breaches of promise and moral compromises at many levels of government. Our belief in the integrity of the government has been deeply shaken. I think history will regard the Watergate scandal as the symbolic culmination of an era of fundamental political estrangement between the people of our country and their government. But I would also quickly add that it is my opinion that Watergate is symptomatic of problems rather than the cause. It is a by-product of the centralization of political and economic power in this country. It is the product of executive autocracy under both Democratic and Republican presidents which has rendered the most basic and cherished checks and balances of our Constitution nearly inoperative. It is the result of believing that truth can be sacrificed at the altar of political expediency.

SOVEREIGNTY VESTED IN THE PEOPLE

And so our task, our corporate and individual task, is not only preserving the Republic but also insuring the credibility of a Constitutional system which will soon be celebrating a two hundredth anniversary. And in order to put a base to my comments tonight, I would like to suggest that the revolutionary understanding of the sovereignty that was established in this nation's birth was the idea that sovereignty was vested in the people. It was declared so in a very interesting way by those who wrote the Declaration of Independence. They did not credit the state as being the source of our freedom and liberty. Rather, these were bestowed by our Creator. The state was not deified. It was recognized that the Creator gave to us as human beings certain inalienable rights and liberties. In the Preamble it says, "We the people in order to establish a more perfect Union." We can see from this foundation that all political power has no end or justification in and of itself. It is accountable to the people.

I think it's well that we understand that basic origin, because the genius of the American experiment was that the power of the Executive was to be checked by the people through Congress and the people were to check the Congress. It was James Madison who made this observation when he said, "The truth is that all men having power ought to be mistrusted." Thomas Jefferson put it another way: "Let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution."

MISUSE OF UNCONTROLLED POWER

I think a wise distrust of centralized, uncontrolled power dominated the thinking of those who drafted the Constitution. Yet we have seen where that concept, so clearly established, has become distorted. Today we hear assumptions that a President can be above the law, that a law can be broken in order to protect what is called "national security," and that "national security" may be defined to mean whatever those in power want it to mean. "National security" has come to suggest one individual's political security. So power can be used to protect one's position in the name of protecting the state. What is more wrong in concept than that?

GOVERNMENT THE SERVANT, NOT THE MASTER

The ultimate solution to many of these problems that we are attacking on a single front really lies in a total readjustment in our attitudes toward the power of government and the political structures. I am afraid, as I speak tonight, that there are many Americans who look upon government as an instrument of domination. Therefore it is our task to recreate it, transform it into an institution of servanthood. This requires decentralization of both political and economic power. We must remember that the state does not sustain the people, but the people sustain the state. The people cannot merely react to the government's action any more than Congress can be content in simply reacting to Executive dominance. The people of this nation once more must feel that they can take the initiative and that they can make their voice and their will affect the common destiny of our people.

There are some hopeful signs.

We have become involved in a movement called neighborhood government which is really a revival of the ancient tradition of the New England town meeting. I wish some of you could have been with me in Still Rocks, Pennsylvania. In a small neighborhood of that city we found a group of people who have been funded by the Roman Catholic diocese to set up an elected assembly. For the first time that neighborhood has a library. For the first time that neighborhood has a health center. For the first time that neighborhood has a senior citizens' center. For the first time it has a credit union and it is now developing a transportation program for the poor. All of this is under their own control and their own direction. We have another neighborhood in one of the ghettoes of Washington, D.C., that is also assuming this manner of leadership.

DECENTRALIZATION

We have to talk honestly about decentralization. We can't talk about the myth and the fraud of tax revenue-sharing which is perpetrated upon the people in the name of decentralization. All it does is take more of your money, shuffle it through our bureaucracy in Washington, and return it to the local governments. We call that decentralization. No. Decentralization occurs only when the people can retain their resources in the first instance and themselves determine the programs they are going to institute and promulgate in their own areas.

An adequate program of decentralization of political power is absolutely essential if we're going to solve the corruption and mismanagement and abuse of power that we have all seen too often recently. It is not enough, my friends, merely to pass a reform bill in the Congress that says that from now on we're going to be honest or from now on we're only going to spend so much money in political campaigns. These may be directions, and they may help to accomplish the objective of forthright, honest politics. But they in themselves are not going to correct the situation. We must truly decentralize the tools of power. And in this world in which we live, the real tools of power are the vote and your money. Thus we're going to have to decentralize the economic corporations of this country as well, which have become so huge that they have almost destroyed the ability of a small entrepreneur even to engage, let alone survive, in the economic world.

THE SPIRITUAL DIMENSION

These are some of the real problems which we face that are only going to be solved when we introduce again the human factor. This is where the Friends and your commitment can become that very unique contribution that is so desperately needed for the full solution.

You see, all of this really comes back to a spiritual question. Modern America has almost lost its capacity for corporate repentance. It has so thoroughly evaded the awareness of corporate sin and personal sin. Today the average American in many instances finds it a very strange and weird word to hear the word "sin" mentioned. Dr. Karl Menninger has just written a book, a very interesting book. He is not a theologian, as you know, but a great psychiatrist of the Menninger Clinic. He entitled it, "Whatever Became of Sin?" Listen to this: "There is immorality. There is unethical behavior. There is wrongdoing and I hope to show that there is usefulness in retaining the concept and indeed the word 'sin.'" He's talking about restoring the nation to good health and the relationship of this thing we call sin. Now what is it really? It is accountability which I am referring to. It is personal accountability and corporate accountability, for our action, for our deeds, for our thoughts, for our attitudes.

A DAY OF NATIONAL HUMILIATION, FASTING AND PRAYER

It is very interesting that in the year 1863 on April 30, three months after the Emancipation Proclamation and three months before Gettysburg, at a time when no one knew which way the war was going to turn, Abraham Lincoln issued a proclamation. He started out this proclamation which he entitled, "A Day of National Humiliation, Fasting and Prayer," with these words: "Whereas it is the duty of nations as well as of men to owe their dependence upon the overruling power of God, to confess their sins and transgressions in humble sorrow, yet with assured hope, that genuine repentance will lead to mercy and pardon, it behooves us then to humble ourselves before the offended Power to confess our national sin and to pray for clemency and forgiveness."

FOUR BASIC SINS

How atypical was Lincoln's act! Could this even be conceived of today? Are we too infatuated with our own national self-righteousness to talk about our corporate sins? And what are they? Oh, they are many, but let me indicate as examples a few. I could almost wrap it up in one package: war, violence, nationalism, and militarism. They all feed on one another. But what is the essence of our faith? Listen to the words of the prophet, quoted by Zachariah who was father of John the Baptist, when he said, "He came to guide our feet into the way of peace."

WAR AND VIOLENCE

And yet tonight as we gather here we are beset with the psychology of war, we are overladen with the means of war, we are addicted with the ways of war, and we are enslaved in a belief in war. And all of this arises out of our own attitudes corporately and it is nourished by our individual hatreds and our individual violence. Alexander Solzhenitsyn observed, "Violence is brazenly and victoriously striding across the whole world. There was a time when violence was a means of last resort. Now it is a method of communication."

We also are aware that our arsenals of power are poised and ready to destroy millions of people several times over. And this must be identified as a sign of corporate sin. I would suggest in addition that whenever we hear and accept the admonitions about being the most powerful nation on earth, being number one in all that we do, and achieving a peace with honor, then the attitude of national exaltation and righteousness becomes further ingrained as the justification for power and violence.

That is why I say it comes back to a spiritual question. If those who are spiritual are not willing to stand forth and express themselves and give their witness, then we are denying the nation the most important instrument to understand ourselves and to develop the true solutions. Repentance today must include a call to turn from hatreds, personal and corporate, which have divided us from one another so that we can be remade and reinfused by Christ's love for all mankind.

HERE WAS A MAN I WAS TO LOVE

You've heard the story many times, probably, told by great Pastor Niemoller who was imprisoned and said that he had come to so hate everything that the Nazi system stood for, even the guard who brought him his food as he bore the swastika as a symbol of the Nazi state, until one day God spoke to him in a very unique and peculiar way. Martin Niemoller calls it his second conversion. He said, "I looked up into the guard's eyes and God spoke into my mind, 'Christ died for him.' And for the first time I realize that here was a man I was to love, even my jailer."

DANGERS OF AFFLUENCE

The poorest one-fifth in our nation today, as far as our families are concerned, receive only five percent of the national family total income, whereas the wealthiest one-fifth enjoy 42% of the total family income. That fact has not changed in twenty-five years. The Scripture teaches us that there is one term to describe this reality: sin.

We are approaching a one-trillion dollar gross national product. And yet there are still hundreds of thousands and even millions of people who are hungry and improperly nourished, who live with rats in shacks, who cannot afford medical care, who are afflicted with all the disabilities of opportunity and knowledge that poverty brings. If I were to ask this audience tonight what was the greatest sin of Sodom you would probably say sexual immorality. But listen what Ezekiel says was the greatest sin of Sodom: "This was the inquity of your sister Sodom: she and her daughters had pride and wealth aplenty, food in plenty, comfort and ease, and yet she never helped the poor and the wretched."

Our modern call to repentence must cause us to repent from the sin of neglecting the poor, both as a nation and as individuals. How easy it is to talk about the sins of commission. The millions of people that Adolf Hitler was personally responsible for having slaughtered. The millions of people that were slaughtered under the attacks upon the peasants and others who represented the early years of the Bolshevik regime. And so we say all those men, the Communist leaders and the Fascist leaders, will stand under the judgment of God. But my friends, this winter we are told sixteen million people will die in Africa and in the East and other parts of the world because of starvation. That's because of the sins of omission. We are going to stand before the judgment of God for permitting this to occur out of a land of plenty and affluence.

IDOLATRY OF POWER

Lastly we have, so obvious in our land today, the idolatry of power. Where people gain great power, they begin to think of themselves as idols. I can tell you from personal experience there is no profession that massages the ego complex in a man as much as that of the political. Because after a while you fail to distinguish between yourself and the issue and anyone who honestly disagrees with you on the issue. You begin to interpret it as a personal attack and you have to respond. You have to destroy him before he destroys you. The issue and the person become blurred, because you're protecting your ego and your pride and your power. To keep one's power one comes to believe that he can justify himself to others and never admit wrong, and confession of error becomes equated with weakness. So one comes to believe that he is immune from normal human fallibilities. He places himself even above the law in this self-exaltation. So power is held by any means, defended at any cost, and clung to for one's personal identity.

PERSONAL ACCOUNTABILITY

We must re-establish the element of personal accountability on the part of those who hold authority. Out of the spiritual world comes to us the refinement of leadership. We see it in Christ himself. We must somehow see that his leadership was demonstrated by a commitment to service, a commitment to truth, rather than to self-maintenance. It is openness, humility, sacrifice, putting the well-being of others ahead of one's own position. That is what is meant when Christ tells us that the exalted would be put down and the humbled will be exalted.

LEADER AS SERVANT

We are required today to employ all of the tools and power and spirit of God Himself as instruments of His will to solve national and world problems, within the context of love, humility, and compassion. Then we can turn from idolatry of power to the example of the servant leader. Leadership then would be defined by sacrificial giving marked by humility. This new leadership toward this new world which we are all helping to build can then truly bring forth that very great hymn of praise uttered by Mary when she was told that she was to give birth to a child. As we approach this Advent season I can think of no greater goal for all of us in our own individual leadership responsibilities and in our corporate relationship to one another. It is referred to as Mary's Magnificat. These are but a few of the words of the praise, the hymn that she at that time gave:

"He has scattered the proud in the imagination of their hearts. He has put down the mighty from their thrones, and exalted those of low degree."

VICE PRESIDENT FORD

Mr. HUGH SCOTT. Mr. President, Roscoe Drummond's recent article about Vice President GERALD FORD emphasizes the special and unique role which he is playing and will continue to play in our national history. The challenge to our new Vice President is a great one. Mr. Drummond feels he is up to this challenge and will serve as a source of strength and wise counsel to the administration. I heartily concur and ask unanimous consent that this article from the Christian Science Monitor be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Dec. 12, 1973]

Vice President in His Own Right

(By Roscoe Drummond)

Washington.—You are going to be hearing more about and from Gerald Ford than any previous vice-president.

He will be exercising unusual power and influence within the Nixon administration.

I doubt if any previous vice-president has entered upon his office with as much independence as Mr. Ford possesses.

A special combination of circumstances brings it about:

1. A big factor is that President Nixon cannot afford to alienate his Vice-President. It is not overstating it to say that Mr. Nixon needs Jerry Ford more than Jerry Ford needs the President. Mr. Ford can do more for the President than the President can do for Mr. Ford.

2. The new Vice-President will have unusual freedom to speak his mind in public and in private. He did so on significant occasions after he was nominated for the vice-presidency and he will have no reason to do otherwise now that he has been confirmed.

Examples of this independence on Watergate alone are these: He publicly advocated that Mr. Nixon be more forthcoming with full disclosure; he urged that the President forget about executive privilege as far as Watergate is concerned; he proposed publicly that Mr. Nixon appear before two or more members of the Ervin committee; he is advocating that the White House encourage the use of the impeachment process.

3. Since the American party system came into being shortly before the Civil War, no vice-president has been other than a one-man choice—the presidential nominee. In this instance Jerry Ford was recommended by the Democratic Speaker of the House of Representatives, nominated by a Republican President, and overwhelmingly confirmed by a Democratic Congress.

In a special sense Mr. Ford is Vice-President in his own right.

4. Jerry Ford will be an active Vice-President and not just in speech-making. There will be no "Berlin Wall" separating him from the Oval Office. He has been concretely assured of continuous communication on a daily basis with the President. He will be a special liaison between the White House and Congress and he will be an active participant in Cabinet and National Security Council meetings.

Richard Nixon and Jerry Ford came to the House of Representatives the same year—1948—and they have had a close and cordial relationship ever since. The Vice-President believes that the President did not know of Watergate in advance and did not participate in the cover-up. Mr. Ford will not be racing up and down the countryside defending the President, but he is not one of those Republicans who will be trying to hide from the President. If this is a political risk, he is willing to take it.

There could be circumstances under which Ford would be open to the presidential nomination in 1976, but it is evident that right now, at least, he is not setting his mind nor his ambition on anything other than being a worthy and valuable Vice-President.

I am convinced that Jerry Ford will be a source of strength and wise counsel to the administration. But only the President can extricate the President from his Watergate troubles. So far "Operation Candor" has not been good enough. Once the President could have believed that if there was not clear evidence that he himself had done wrong, the after-effects of Watergate would fade. But valid doubts remain in the minds of many who wish him well, and this means that Mr. Nixon will have to produce evidence which will enable him to recover credibility and confidence.

He has made a beginning, but more remains to be done if the presidency is not to be gravely weakened during a period of peril and opportunity.

STATEMENT ON EXPORT CONTROL LEGISLATION

Mr. STEVENSON. Mr. President, I had hoped that the Senate could complete export control legislation this week. Critical shortages of many essential commodities are appearing throughout the economy. Dwindling supplies of fuel, food, fertilizers, and petrochemicals are but a few of the examples.

Legislation is needed because export demand is a significant factor in today's shortages. And the shortages threaten recession coupled with inflation. Simultaneous economic expansion among the industrial nations has produced a scramble for raw materials as well as finished products. Price controls at home have diverted many U.S. goods to foreign markets. Industrial output is at an all-time high, but worldwide demand has simply outpaced productive capacity. All of this, of course, has been exacerbated by the oil embargo, which poses grave threats to economic prosperity and is causing serious rifts in U.S. foreign relations.

Some time ago, the administration sponsored S. 2053, a bill to expand the export control authority of the executive branch to deal with these problems.

It argued that existing law was too inflexible to permit an adequate response to developing short supply situations. It attributed its failure to act in time to control the massive outflows of agricultural products during the summer of 1973 to the rigidities of present law.

The Banking, Housing and Urban Affairs Committee acted expeditiously to deal with the matter. In June, July, and September of 1973, it held extensive hearings on S. 2053 and H.R. 8547, the House-passed version of S. 2053, as well as related matters.

It then reported out H.R. 8547 with an amendment in the nature of a substitute which had the effect of easing existing criteria for the exercise of export control authority. Subsequently, the committee indicated approval of a further change, which I advocated, to provide still greater flexibility in conformity with the House-passed bill.

All expectations last week were that the bill would come to the floor this week. We were told by the administration as far back as June that the need for action was urgent. Throughout the hearings, the administration testified at length that existing law did not give the executive branch the power to develop adequate information systems and other techniques for anticipating developing shortages and dealing with them effectively. Immediate legislative action was urged.

The inadequacies of present law were demonstrated during the summer of 1973. The administration stood by as shortages mounted. When further inaction could no longer be tolerated, the administration took the draconian step of a complete embargo on certain limited commodities. The consequent ill-will which such action generated abroad and the disruption which it caused to established trading relationships and carefully nurtured markets demonstrated the complete inadequacy of such methods.

That is why I urged action this week to remedy the defects of existing law. I believe that the administration wanted and needed such action without delay. H.R. 8547 as passed by the House would overcome most of the administration's objections to present law. It would permit the imposition of export controls if foreign demand causes either an excessive drain of scarce materials or serious domestic inflation because of abnormal foreign demand. Under present law, both must be present. Under the House-passed version with the further deletion of the word "abnormal" as it modifies "foreign demand," the executive branch would have had all the authority and flexibility it needs to develop an effective export policy to protect vital U.S. interests.

Yet suddenly, the administration turned the tables on the Congress. After months of urging immediate action, it took steps just last Friday, December 14, to block consideration of the legislation this session. When I learned of that action, I immediately wrote to Secretary Dent of the Department of Commerce for a clarification of the administration's position, pointing out that the success or failure of the legislation would depend in large part on the administration's attitude. Mr. President, I ask unanimous consent to print that letter in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

December 14, 1973.

Mr. Frederick B. Dent,
Secretary of Commerce,
Department of Commerce,
Washington, D.C.

Dear Secretary Dent: I am writing to inquire about the Administration's position on pending export control legislation. As you know, Senate floor action on such legislation is scheduled for early next week.

Every since last June, the Administration has argued that it needed expanded export control authority to deal with developing short-supply situations effectively. S. 2053, which would have greatly expanded such authority, was, in fact, sponsored by the Administration.

I understand, however, at a meeting with the Banking Committee staff today, the Department of Commerce indicated it may be reconsidering its support for broadened export control authority.

As you know, I support the broadened and more flexible export control authority proposed by H.R. 8547 as passed by the House. While it does not go as far as S. 2053, it goes considerably further than the bill reported by the Senate Banking Committee.

The Administration's position on export control legislation will have a significant impact on its chances for success when H.R. 8547 reaches the floor next week. If, in fact, the Administration is withdrawing its long standing support for broadened export control authority, I would greatly appreciate your letting me know as soon as possible and, in any event, before the Senate considers H.R. 8547.

Sincerely,

Adlai E. Stevenson.

Mr. STEVENSON. Mr. President, the Secretary telephoned to confirm that the administration was no longer supporting export control legislation and subsequently sent a letter responding to mine. I ask unanimous consent for inclusion of that letter in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., December 19, 1973.

Hon. ADLAI E. STEVENSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENSON: This is in response to your letter of December 14, in which you requested to be advised of the Administration's position on a proposed amendment to the Export Administration Act of 1969, which passed the House on September 6 and was reported, with amendment, as H.R. 8547 by the Senate Committee on Banking, Housing and Urban Affairs.

As noted in your letter, since June of this year the Administration has urged the Congress to amend the Export Administration Act to provide greater flexibility in dealing with situations where the domestic supply of particular commodities is inadequate to meet both domestic requirements and foreign demand.

The amendment as reported by the Senate Banking Committee would not provide the degree of flexibility which was contemplated under H.R. 8547, as passed by the House, or under S. 2053. In fact, the only change to existing law contemplated under the bill reported by the Committee would be to strike the word "abnormal", currently qualifying the term "foreign demand" in section 3(2) (A) of the Export Administration Act.

I understand that at a meeting on December 14th, Administration representatives were advised by Committee staff members that this bill is expected to be further amended on the floor of the Senate with provisions that would mandate export controls for specific commodities or otherwise unduly limit the discretion of the Executive in imposing and administering short supply controls under existing law. Faced with this prospect, and in light of the minimal increase in administrative flexibility contemplated under the bill as amended by the Senate Banking Committee, the Administration has concluded that it would be unwise to risk further impairment of existing authority under the Act by supporting Senate action on H.R. 8547 as reported.

In closing, I wish to express my appreciation for you efforts in seeking to provide the President with greater flexibility under the Export Administration Act of 1969. As you know, this Act is scheduled to expire on June 30, 1974, and it may be that the Congressional hearings which will precede the extension of the legislation will present a more propitious opportunity to reopen this matter.

Sincerely,

FREDERICK B. DENT,
Secretary of Commerce.

Mr. STEVENSON. Mr. President, concern was expressed over the possibility of floor amendments which the White House opposes. But rather than fight to keep them out of the bill, the administration chose to abandon the effort.

At this juncture, a cloud has been cast over the future of export control policy. The need for greater flexibility and clear legal authority has at no time been as imperative as it is today. Not since World War II has the prospect of shortages, coupled with inordinate demand abroad, been as severe as it is today. In the case of agricultural commodities, for example, wide fluctuations in production and demand have produced chaotic conditions in international markets. The Soviet grain purchases this past year demonstrated the vulnerability of the U.S. economy to substantial and secret purchases, particularly when negotiated by state trading monopolies. Reports of large Chinese wheat purchases are just beginning to filter through.

In other sectors as well, shortages are appearing throughout the economy. Manufacturers are unable to obtain essential raw materials at reasonable prices—sometimes at any price. In many cases, oil, gas, steel, cotton, fertilizer, reinforcing steel bars, paper, and ferrous and zinc scrap are simply unavailable. Wheat carryover stocks are at their lowest levels since 1948. Where available, the prices for raw materials put intolerable strains on producers and mean even greater costs for consumers.

The evidence is startling. The wholesale price index for November was almost 17.5 percent above its level just a year ago. Basic materials prices in October were more than 23 percent above last year's levels. In June, ferrous scrap prices were more than 34 percent above 1972 levels. Compared to last October, wholesale cotton prices were up more than 25 percent, grain prices were up almost 110 percent, and refined petroleum products increased by more than 40 percent. Fertilizer prices recently jumped 40 to 60 percent.

Price increases for producers inevitably mean price increases for consumers. By October of this year, the consumer price index was almost 8 percent above its level last October and was rising at a rate of 9.6 percent a year. Food prices alone were up more than 18 percent over last year. The worst is probably still ahead. Today's consumer prices reflect wholesale price increases which have already occurred. Wholesale price increases which are now occurring will inevitably boost future consumer prices.

In light of these increasing strains on the economy, the administration's abandonment of export control legislation this session is intolerable. The failure to act today will not make it any easier tomorrow. In fact, it will make it harder. Scarce commodities will continue to flow out of the country; contracts for further exports will be executed. Adequate information and licensing systems will be held in abeyance. In short, the United States will continue on the perilous course it has been on for the last 6 months: Ignorant of what is happening and powerless to do anything about it.

Export control legislation must take the highest priority early next session. H.R. 8547 is now scheduled for consideration on January 21, 1974. I urge its consideration without further delay at that time. In the meantime, the public should know that responsibility for the consequences caused by delay lies clearly on the steps of the White House.

A CANADIAN'S OPINION OF AMERICANS

Mr. MATHIAS. Mr. President, I am indebted to my friend of longstanding, Mr. E. Eugene Thomas, Jr., of Frederick, Md., for a copy of an editorial recently broadcast by Gordon Sinclair, a Canadian radio and TV commentator from Toronto.

It is factual, forceful, and food for thought, to know it will be welcomed in the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"LET'S HEAR IT!" FOR THE UNITED STATES

This Canadian thinks it is time to speak up for the Americans as the most generous and possibly the least appreciated people on all the earth. . . .

Germany, Japan and, to a lesser extent, Britain and Italy were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts. None of these countries is today paying even the interest on its remaining debts to the United States.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up, and their reward was to be insulted and swindled on the streets of Paris.

I was there. I saw it.

When distant cities are hit by earthquakes, it is the United States that hurries in to help. . . . This spring, 59 American communities (were) flattened by tornadoes. Nobody helped.

The Marshall Plan and the Truman Policy pumped billions upon billions of dollars into discouraged countries. Now newspapers in those countries are writing about the decadent, warmongering Americans.

I'd like to see just one of those countries that is gloating over the erosion of the United States dollar build its own airplanes.

Come on, let's hear it!

Does any other country in the world have a plane to equal the Boeing Jumbo Jet, the Lockheed Tristar or the Douglas 10?

If so, why don't they fly them? Why do all the international lines except Russia fly American planes?

Why does no other land on earth even consider putting a man or woman on the moon?

You talk about Japanese technocracy, and you get radios. You talk about German technocracy, and you get automobiles.

You talk about American technocracy, and you find men on the moon—not once but several times—and safely home again.

You talk about scandals, and the Americans put theirs right in the store window for everybody to look at.

Even their draft-dodgers are not pursued and hounded. They are here on our streets, and most of them—unless they are breaking Canadian laws—are getting American dollars from Ma and Pa at home to spend here . . .

When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the New York Central went broke, nobody loaned them an old caboose. Both are still broke.

I can name you 5,000 times when Americans raced to the help of other people in trouble. Can you name me even one time when someone else raced to the Americans in trouble?

I don't think there was outside help even during the San Francisco earthquake.

Our neighbors have faced it alone, and I'm one Canadian who is damned tired of hearing them kicked around.

They will come out of this thing with their flag high. And when they do, they are entitled to thumb their nose at the lands that are gloating over their present troubles.

I hope Canada is not one of these.

STRIPED BASS

Mr. RIBICOFF. Mr. President, fishing off our coast is a pleasure that millions of Americans take for granted. But the last decade has revealed that sport fishing in most of our Nation's waters is being threatened by environmental pollution.

A perfect case in point is the potential kill of striped bass and other fish that spawn in the Hudson River if the Storm King pumped storage hydroelectric powerplant, proposed by Consolidated Edison, is built as now planned.

Earlier this fall I asked the Atomic Energy Commission to assess the potential fish kill at the Storm King plant.

I ask unanimous consent that this report and speech be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR ABE RIBICOFF

The Atlantic Coast is fished by thousands and thousands of Americans. Some are just after a few flounders to put on the dinner table. Others—like many of you—set out to boat a striped bass of 30 or 40 pounds. (I'm sure I've seen some of you from my porch, heading for the Race off New London). But in the end fishing is an adventure—one of the precious natural enjoyments open to every kid with the price of a hand line, hook and sinker.

Our job today—and for the years to come—is to preserve this sport and the water it is played on for our children and their children. We must never let it be said that our generation turned our heads to warnings of scientists and naturalists who point out the threats to our coastal waters and the fish that swim them.

Too many of us who stand on the beach are deceived by the vastness of the Atlantic Ocean or Long Island Sound or the Chesapeake Bay. "What could possibly hurt the fish with all that water to move in?", we ask.

Four months ago Bob Boyle and Pat Carrol gave me just one of the many answers—Storm King. They described how one firm acting in the name of energy threatens to decimate the stock of striped bass from Maine to the Carolinas. Another, of course, is the Surrey Plant in the James River in Virginia.

I learned that a major part of Consolidated Edison's success in obtaining licenses from the Federal Power Commission lay in a limited study on potential fish kill on the Hudson River. Con Edison's consultants testified that the giant Storm King pumps would suck in and kill only two or three per cent of the striped bass eggs, larvae and fingerlings. Hardly worth the attention of men concerned with millions of kilowatts.

But there was reason to doubt these statistics. A number of concerned scientists and fishermen, including Bob and Pat, were convinced that data was available to reckon that the fish kill was not two or three per cent—but twenty to thirty per cent. "But 20 or 30 per cent of what?", I asked. They told me that the Hudson River produced most of the striped bass that ran the Southern New England coast.

I returned to Washington and wrote Dr. Dixie Lee Ray, the chairman—or chairperson—of the Atomic Energy Commission asking her if the AEC could provide any data on Storm King.

Yesterday, I received a preliminary report from a group of scientists who have been running tests on a mathematical model of the Hudson River at the AEC laboratory in Oak Ridge, Tennessee. The report can't be considered definitive, but the conclusions are important.

It states that no annual analysis can be drawn with the computation techniques used in the original study. Therefore, Con Edison's figure of 3 per cent is unfounded.

Though the data was good, the method of computation was not, and Dr. Ray said that the AEC scientists have already begun a profound six-month study to better define the impact of Storm King.

These early estimates, however, suggest that cumulative losses could run as high as 2.8 per cent of the eggs and larvae per day. And, depending on the distribution of eggs and larvae and the period of exposure during that spawning season, losses could range from 25 to 75 per cent.

These seem staggering to me, and I will wait anxiously for the final AEC report. But it appears obvious that the utility and the Federal Power Commission clearly underestimated the potential damage at Storm King.

I understand that these figures can't be projected into adult fish kill. But I think they can be translated into a deceptive legal argument by Con Edison's hired experts—and perhaps the grounds for reopening hearings on the Storm King project.

But trying to cut short any source of power these days is less popular than it was six months ago.

I don't have to tell any of you who run from marina to marina trying to gas up your boats, that America has been plunged into an energy crisis. The time has come for environmentalists to step down off their soapboxes. The time has come for the energy brokers—the industrialists and oil executives—to come out of their counting houses. To stop ramming through dirty energy in the name of crisis.

No one can convince me that there isn't room for the industrialists in the campaign to protect our skies and waters and forests. And no one can convince me that the conservationist has become a bothersome crank as the nation desperately looks for more power.

Just this week Senator Jackson and I put in a bill to create President Nixon's new super agency—the Federal Energy Administration. As you know, there was great pressure in this country to aim the federal machinery at every source of power, regardless of the environmental and safety hazards. We resisted this arm-twisting and guaranteed that the conservationist and safety experts will have a say on every energy decision.

The same guarantee is contained in my bill to establish the new Energy Research and Development Administration. The new agency has a broad charter to develop research and development relating to all foreseeable energy sources, like the liquefaction and gasification of coal and the development of a safe, efficient breeder reactor.

There is no necessary conflict between our need for energy and our need for a healthy environment. One of the most important considerations in developing a national framework is combining the intelligence of conservation and technology. Both bills bring in the environmentalist on the take-off—not just on the crash landing.

Had utilities and industry been more far-sighted we wouldn't be talking about magnitudes of fish kill here today. Con Edison and the Striped Bass Fund and the Atomic Energy Commission and the energy economists might have sat down at the same table back in 1964 and found a better way. They didn't. But don't think for a moment that such a meeting of minds and interests is impossible.

I have been working for years to clean up the Connecticut River and the Long Island Sound. And I still dream of the day when fisherman are casting for salmon in Haddam and oil slicks and bridge projects are chapters for historians.

The work has been slow and often frustrating. But today we have a cleaner river and a cleaner Sound. We're a long way from finished, but one thing the struggle has proved is worth noting today. And that is that the federal government—when pushed hard and with good reason—can help save the water we treasure. Some times the utilities and their consumers push harder—Storm King is a perfect case. But often the problem is that people don't use the federal machinery at their disposal.

I'm sure that there are scientists in each of your states who are studying the striped bass. They are trying to find out how many bass there are, where they go, where they are caught.

They are trying to find out who catches the bass and who—like Con Edison—simply threatens to kill them.

The catch is—that striped bass don't know state boundaries. The man fishing off Montauk may be waiting for a trophy fish spawned in the James River. And vice versa, the Delaware fisherman may hook a bass spawned in the Hudson.

If we don't have a good idea where the fish spawn and where they spend their adult lives and how many are taken—by both sport and commercial fishermen—then you and the striped bass are in trouble.

In Washington the Bureau of Marine Fisheries Services has been concentrating on commercial harvests of striped bass and other coastal fish. But I understand that not nearly as much emphasis has been put on assessing the sport harvest.

Tagging and scale sampling programs are in service all up the coast in an effort to survey the bass population. One of the speakers here today, Dr. Benjamin Florence, is particularly active in the Chesapeake area. I know that Pat Carrol is pressing Fund members to tag fish and send scale samples from this area. But the important question is, how much information flows between Maine and North Carolina? Are New York, Connecticut and Rhode Island developing common programs to measure and protect the bass in Long Island Sound?

How do you explain that Connecticut has one set of catch size laws and Maryland has another? In New York a fisherman has to throw back a bass of less than 16 inches. But a couple of miles down the coast in New Jersey, fishermen must throw back fish of less than 18 inches.

The point is, to save the bass we need interstate cooperation. And the natural place to look for that coordination is in a federal bureau already working with state governments and scientific ventures.

You know, every time you buy a surf rod or a Bunker spoon, you pay a 10 per cent excise tax to the federal government. And this money—millions of dollars—is returned to the states for research and development and protection of game, according to pre-determined ratios.

In essence, the federal government already determines to a great extent the money your state spends to better your catch. Without the excise tax returns, many scientific and public service projects would die.

But I see no reason why you striped bass fishermen can't push for broader federal allocation to common projects that insure conformity—not necessarily uniformity—to natural requirements all along the East Coast.

Some people have suggested uniform catch and size limits. Others believe that licensing salt water fishermen would ultimately bring a better catch. But decisions of this scope must be based on the results of massive research efforts. Not just in Maryland or New Jersey—but over every mile of our coast.

Take the example of a small group of avid Atlantic salmon fishermen. They spearheaded an international pact that limits the commercial catch of this gamefish. But first scientists had to combine efforts to find the source of the problem and propose a common solution.

If striped bass are threatened—whether by Storm King or the Surrey plant or commercial netters or sport fishermen—then we all are responsible for getting together and doing something about it.

Getting together in America today is becoming harder and harder. The taxpayers are against the tax collectors. The environmentalists are against the industrialists. The bass fishermen are against the Bunker fishermen. But, as we all know, getting together is what gives this nation its protection and its progress.

The sooner we all pull together, the sooner we can satisfy our obligation to future generations of striped bass fishermen.

Storm King Project Analysis Requested of Senator A. Ribicoff

Oak Ridge National Laboratory,
Oak Ridge, Tenn., December 3, 1973.
Attention: Mr. J. A. Lenhard.

Gentlemen: Per the request of Senator A. Ribicoff as transmitted by Dr. J. L. Liverman in his TWIX of 16 November 1973, the Environmental Sciences Division, Oak Ridge National Laboratory has completed a preliminary judgment of the impact of the Storm King Project on the striped bass population on the Hudson River. The analysis is as follows.

As indicated earlier, we cannot provide independent estimates of the potential impact of the Storm King Project until completing our evaluation. However, in response to your November 7 request, we are providing herein the best preliminary judgment our experts can give concerning the validity of various opinions that have been expressed in relation to the impact of the Storm King Project on the Hudson River striped bass population. Because of time constraints most effort has been exerted in analysis of the bases of the conclusions that support Consolidated Edison's position as expressed in the document entitled "Hudson River Fisheries Investigations, 1965–1968" (hereafter termed HRFI).

In brief, it was determined that the numerical values relied upon by Consolidated Edison as estimates of the annual losses of striped bass at Storm King were, in fact, estimates of the proportion of eggs and larvae which would be withdrawn daily during the two to three month period that these vulnerable developmental stages would be present. No analysis of the annual impact of Storm King was developed in the HRFI report. Thus, any assertion by Consolidated Edison that this study shows that the Storm King plant would remove only an insignificant 3% of the yearly striped bass hatch, as stated in your September 10 letter, should be considered unfounded.

The HRFI report resulted from a relatively intensive study of the distribution of larval and juvenile stages of fishes in the Hudson River and was supported by Consolidated Edison. An impressive amount of information was obtained during this study, particularly in relation to the life history of striped bass. In applying their findings, however, the authors of the HRFI report erred in their method of computing the percentage of eggs and larvae withdrawn at Storm King by omitting consideration of the bi-directional nature of the tidal flow, which leads to an underestimate of the daily proportion of larvae and eggs entrained. This error in formulation has served as the basis for much of the criticism of the conclusions expressed in the HRFI report.

A second and compensating error resulted, however, when volume of the Cornwall sector was equated with the volume assumed to have flowed past Storm King each day. The numerical effect of this error would be exactly compensated for by assuming an 8-hour daily mean pumping rate of 19,900 cfs, a value well below the maximum (21,600 cfs) of the proposed facility. Because of these factors, the estimates derived in the HRFI report are not obviously in error, when applied on a daily basis.

The real problem results from the integrated exposure of larvae and eggs over the entire period during which they are present. The importance of this fact is related to the magnitude of cumulative losses which would occur because the larval bass remain vulnerable to withdrawal over an extended period of time. The importance of this factor is illustrated in the enclosed figure which shows how the predicted daily withdrawal of 2.8% would accumulate during successive days of vulnerability. The period over which the 2.8% daily removal estimate should be applied is uncertain because it presumes that plant operation would not alter the larval distribution in a manner that would change the daily rate of removal. If the duration of this period is as short as 10 days, nearly 25% of the larval population would be withdrawn. If, on the other hand, the daily removal estimate is applicable over the entire seven week period that the young bass remain pelagic, then approximately 75% of the annual hatch might be destroyed.

Such losses would cause proportionately similar reduction in recruitment to striped bass stocks supported by Hudson reproduction. The numbers of bass available to fishermen along the Atlantic Coast from New Jersey northward would thereby be reduced although the effects would be most strongly felt in the New York Bight and Long Island Sound which depend almost entirely on the Hudson.

Very truly yours,

F. L. Culler,
Acting Director.

U.S. Atomic Energy Commission,
Washington, D.C., December 5, 1973.
Hon. Abraham Ribicoff,
U.S. Senate.

Dear Senator Ribicoff: This is in response to your recent letter requesting that AEC scientists at Oak Ridge perform a preliminary estimate of the potential damage to the striped bass in the Hudson that might result from operation of the Storm King Plant.

My response to your original request indicated that to do a critical analysis of this problem would take a minimum of six months and that unless more data were to become available even that period might not yield a reasonable, supportable conclusion. From a review of the enclosed Oak Ridge report, I continue to believe that my original speculation about the time needed and the probable absence of completely adequate data upon which to base an analysis was correct. Because of time constraints, the Oak Ridge group was able only to review the data found in "Hudson River Fisheries Investigations 1965–1968," a report which was submitted by Consolidated Edison in support of their application for the construction permit. The Oak Ridge group is quite frank in stating "we cannot provide independent estimates of the potential impact of the Storm King Project until completing our evaluaation . . . however, . . . we are providing . . . the best preliminary judgment our experts can give" based on the document mentioned above.

I am sure you recognize that the Oak Ridge preliminary estimate would be subject to revision as a result of further study. It is essential that there be more recent data than that gathered in 1968 before a reliable conclusion can be reached. There are a number of important factors which must be considered in reaching such a conclusion including the percentage of total population of striped bass which spawn upstream from Storm King; the residence time of the eggs and larva near the intakes; the degree of tidal movement; and the direction and volume of net water flow past the plant.

It is, therefore, with some reluctance that I forward to you the report of the Oak Ridge group. I urge you to use caution in drawing conclusions based on this preliminary analysis and strongly suggest that the apparent impact drawn from this preliminary data may be different from the real one. I hope that this effort on the part of our laboratories has been of value to you.

It seems to me that this whole matter points up sharply the need for very aggressive environmental studies on a regional basis. The $10 billion energy R&D study which I have just submitted to the President proposes major expansions of environment studies pointed in this direction.

Sincerely,

Dixy Lee Ray,
Chairman.

THE ENERGY CRISIS

Mr. HANSEN. Mr. President, one of the first Members of Congress to recognize the on-rushing energy crisis was the junior Senator from Idaho (Mr. McClure). I read recently a compilation of statements that Senator McClure has made on this subject over the years, from the time he was first appointed chairman of the House Republican Task Force on Energy in 1971 up through statements he has issued this month. I think that our colleagues would find this of interest and therefore request unanimous consent that it be printed in the Record.

There being no objection, the compilation was ordered to be printed in the Record, as follows:

McClure on Energy

Dec. 4, 1973 (at a press conference in Washington)—"Following two weeks' talks in the Middle East, I am convinced that our present policies there have put the U.S. on a collision course with disaster. Without an immediate change, we will find ourselves isolated—standing virtually alone against our former allies in Europe and Japan, and for no good reason . . . Israel should recognize that an America weakened by fuel shortages, economically crippled by industrial shut-downs, rising welfare roles, and reductions in tax receipts, would not be an America which could support Israel's just rights, including the right to existence."

Dec. 6, 1973 (on NBC's Today Show)—"I think if we can get a resolution of the conflict, then we will have made sure—as sure as it is possible to make—the supply of Arab oil. But I don't think Arab oil should be the foundation of our energy policy."

Dec. 13, 1973 (before the Senate Foreign Relations Committee)—"Israel should now recognize that they have won the legitimate goal, that the Arab Nations are now willing to recognize Israel's presence and real guarantees or security can be forged. Israel has bravely confronted the risks of war. She must now just as resolutely accept the risks of peace, if for no other reason than the fact that these risks are now less grave than the risk of prolonged military confrontations."

Dec. 17, 1973 (in a speech on the Senate Floor)—"The future security of Israel depends on her willingness to secure peace with her neighbors. The political situation within Israel, however, makes it extremely difficult for any Israeli leader to even discuss withdrawal from Arab lands occupied during the 1967 war. A refusal by the Senate to approve this $2.2 billion (military aid bill) would give Israeli leaders an incentive, allowing them to begin serious negotiations, leading to return of captured Arab lands and recognition of Israel as a sovereign nation."

Dec. 18, 1973 (following a meeting with President Nixon at the White House)—"I had a very good meeting with the President . . . I think it's absolutely imperative that we recognize that if the oil embargo were lifted, we could get by without gas rationing in this country . . . I think the whole question now depends on the willingness of Israel to compromise and to release some of the occupied territories that they seized in the 1967 war. The question is, of course, much deeper than that, but I do believe the entire issue of rationing is up to the Israelis at this time."

On March 17, 1971, then-Congressman McClure was appointed Chairman of the House Task Force on Energy and Resources. At a press conference that day he said, "The function of the Task Force on Energy and Resources will be to take a long-range look at the increasingly serious energy problem in the United States in hopes of developing a realistic program before a crisis situation forces precipitous legislative action."

June 13, 1971 (following a Task Force meeting with Hollis Dole, Assistant Secretary of the Interior)—"The problems of the 1970s have resulted from a lack of planning during the 1960s. This need for a national energy program, reflecting the diverse problems of all regions of our country, is one of the major reasons that we will continue these hearings."

June 22, 1971 (following a Task Force meeting with the staff of the Federal Power Commission)—"Once again we see the need for a national energy program. Environmental policies to ensure clean air, and regulatory policies to ensure fair prices and adequate supplies must be designed within the framework of an overall national program, a program built around the national goal of clean energy for the 1970s."

June 30, 1971 (following a meeting with environmentalist James H. Wright)—"Government programs dealing with energy, resource development, and environmental protection require detailed coordination. That is where the government has failed in the past—to see these problems as interrelated. The Administration is beginning to coordinate its efforts and hopefully Congress will do the same."

October 8, 1971 (following a Task Force meeting with officials of the natural gas industry)—"What is needed here is a Federal energy and fuels program, enabling the government to point out the consequences of short-term, spur-of-the-moment solutions to long-range, wide-impacting problems. How can the FPC decide that it is proper to curtail gas supply to a particular user, when it doesn't have authority to provide an alternate source of energy? If the user—for instance, a large industrial plant—switches from natural gas to No. 2 fuel oil, and creates a shortage of home heating oil, what has been accomplished?

January, 1972 (in a newsletter distributed throughout Idaho's First District)—"Some of the more critical energy issues facing the Congress have evolved just during the past few months. Questions such as rationing and end-use controls of fuels and energy by the Federal Government, allocation of natural gas supplies between states and even between cities—these have not arisen before in this country except during wartime and national emergencies. But, they are now questions that will be before the Congress and the American voter for at least the rest of the decade."

February 8, 1972 (in a speech on the Floor of the House of Representatives)—"American consumers may be reaching the end of cheap and plentiful energy in this country. The ultimate impact on the consumer will be severe, unless we can begin now to implement a national energy program for maintaining adequate supplies of energy at reasonable cost."

March 12, 1972 (following a meeting with officials of the Office of Emergency Planning)—"From an environmental viewpoint, this projected energy shortage has serious implications, along with the obvious impact on our foreign policy. General Lincoln and Mr. Bennett have added 'national security' to our list of concerns regarding energy and resource problems."

April 3, 1972 (in a speech before the Boise Kiwanis Club)—"Here in Idaho—because we are accustomed to cheap and plentiful energy—we are probably less prepared to face the grim reality of national energy shortages. But out there in the urban centers of this nation, they are indeed on the brink of a national energy crisis that will eventually affect us all."

April 26, 1972 (in testimony before the House Interior Committee)—"Testimony makes it evident that we need answers now—not 20 or 30 years from now. This country faces one of the most potentially critical situations we have yet seen . . . Rationing and end-use controls of fuels and energy are already a reality in this country . . . How do you justify blacking out people who have participated financially in the construction of new electric facilities in order to send the power to cities which have, in fact, prevented construction and operation of new plants and lines?"

May 19, 1972 (in a speech before the Northwest Public Power Association)—"The energy situation is a crisis, it is real, and it is now . . . I believe that we cannot afford to wait until January of 1973 to begin."

July 8, 1972, (in a speech in Payette)—"If we have learned one thing in our study of national energy resources, it is that a healthy economy depends upon adequate fuel supplies . . . Also, the scramble for existing energy supplies will begin to play a more intense role in international relations and could well threaten this country's national security if improperly managed."

August 14, 1972 (in a speech delivered to the Platform Committee of the Republican National Convention)—"Today, we face an energy situation that can best be described as extremely serious . . . Unfortunately, the term 'crisis' is much over-used in our modern society, but I believe that the facts substantiate its application in these instances."

(In October 1972, the Ralph Nader Congress Project released its political profile of Senator McClure, which criticized "McClure's pre-occupation with the pending energy crisis and his desire to see steps taken which will alleviate the crisis before it becomes serious.")

February 26, 1973 (in a statement before the Senate Interior Committee)—"Economically, the U.S. is facing the prospect of importing anywhere from $20 billion to $30 billion worth of oil, annually, within a short time of 10 to 15 years. From a foreign policy viewpoint, we have to understand that the bulk of this oil will come from, and the dollars will flow to, the Arab States to the Middle East, particularly those states bordering on the Arabian Gulf. At present, U.S. military and international policies do not appear to be considering the implications of these two facts . . . I urge consideration of immediate talks with those Arab States of the gulf region, concerning their future and ours . . . (we) have produced a foreign relations situation in which we are most dependent on the same nations on which our allies in the world are dependent . . . Our dealings with Arab Nations in the past seem to have been predicated on the simple slogan, 'They can't drink their oil.' Well that myth should not be around much longer."

April 26, 1973 (at an energy symposium in Boise)—"For this immediate period facing us, there are some simple, voluntary efforts which would definitely help. They include turning up your air conditioning in the summer, turning down your heating system in the winter, turning off unused lighting, buying appliances based more on efficiency of energy use rather than initial price, and buying small automobiles (and driving them easier) . . . Also, reduce airline flights, open up urban express lanes for commuter traffic using carpools, impose a nationwide maximum speed limit of 50 miles per hour, and relax air quality standards for sulphur. The energy crisis is forcing us to make unpleasant decisions—decisions concerning the ideal goals of a pure environment and low consumer prices which we have set for our society. But if we do not make these decisions, or as we have seen recently by Administration actions, we attempt half-hearted, 'politically-acceptable' solutions, then we will experience the final 'solution' to the energy crisis—rationing of fuels and energy by the federal government.

July 23, 1973 (in a speech on the Senate Floor)—"The American people are being duped. If we are to avoid crippling economic, environmental, and social disruptions in this society, it is essential that the hard, cold facts concerning our energy crisis be told."

(On October 6, 1973 the Middle East War began. On October 18, the Arabs began limiting oil shipments to the U.S. Between November 18 and December 2, Senator McClure toured five Arab nations.)

SHORTAGE OF PLASTICS RAW MATERIALS—THE IMPACT IN RHODE ISLAND

Mr. PELL. Mr. President, for several months now, I have been receiving correspondence from a number of Rhode Island firms unable to obtain sufficient quantities of various plastic raw materials from petrochemical suppliers. Most of the firms indicate they will have to cutback operations or close for periods of time until their stocks are replenished. As of today, these shortages are affecting several dozen firms in the State, employing more than 4,000 individuals.

I ask unanimous consent to have printed in the RECORD at the conclusion of my statement comments from some of the firms affected by this raw materials shortage.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PELL. These firms recognize the inability of their suppliers to meet the demand for plastic raw materials due to shortages of petrochemical feedstocks. However, they raise questions over the export of available plastics as well as the continuation of domestic price controls for these products which they argue only leads to increased export of the already scarce materials.

I have examined statistics from the Commerce Department covering the export of plastics materials for 1972 and 1973, and there is a significant increase in the trade of these critical items. The dollar value for all plastics exports amounted to $506 million in 1972 and that figure jumped to $710 million in 1973. These figures include the export of a number of the critical plastics raw materials Rhode Island firms desperately need.

Mr. President, I have written to Secretary Dent regarding the concern of these Rhode Island firms urging a careful examination of this situation and that appropriate action be taken under the Export Administration Act to insure an adequate supply of these critically needed

raw materials for domestic use. I want to call this serious situation to my colleagues' attention, many of whom may be faced with a similar problem, and again urge Secretary Dent to give most serious attention to this matter.

There are over 30,000 employees in the plastics field in Rhode Island, and unemployment among these workers in a State already severely affected economically by several military base closings, would be an even more serious setback to the economy of my State.

EXHIBIT 1

ATLANTIC TUBING & RUBBER CO.,
Cranston, R.I., September 24, 1973.
Senator CLAIBORNE PELL,
Providence, R.I.

DEAR SENATOR PELL: We are now unable to buy plant materials such as Vinyl Chloride Monomer, plasticizers and stabilizers from our petrochemical company suppliers. They, in turn, are unable to produce sufficient quantities of these needed materials due to shortages of their hydrocarbon feedstocks. The administration under Governor Love is proposing an allocation program affecting petrochemical feedstock. The petrochemical industry must be given priority. Our company employs 400 people whose jobs depend on our continued operations. We need your help with the Administration in its policy making to assure the petrochemical industry has feedstocks.

Trusting this letter lets you know the plight of our Company, which has suffered a number of weeks of complete shutdowns due to the lack of these raw materials.

Very truly yours,
CARL H. SWICK,
Executive Director.

ENGINEERED YARNS, INC.,
Coventry, R.I., October 5, 1973.
The Honorable CLAIBORNE PELL,
U.S. Senate,
Washington, D.C.

SIR: I believe it is my responsibility to let you know that our company has laid off 50 employees out of a total of 220 because we are unable to get the polyvinyl chloride plastic that we need for our operations.

It is my understanding that our operations could be still more severely curtailed because there is a possibility that the Government will take propane gas, which is used by our raw material suppliers to make PVC resin, for other uses. Please bear in mind that if the Government does take propane gas away from PVC producers such as B. F. Goodrich Chemical Company, we and hundreds of other companies throughout the United States are going to be severely hurt.

I trust that you will make this viewpoint known in the proper channels in Washington.

Sincerely yours,
J. PLATT OKIE, *President.*

OCTOBER 12, 1973.
Senator CLAIBORNE PELL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PELL: Due to the critical shortage of monomer and vinyl resins, industries such as ours in Rhode Island face serious curtailment or shutdown of operations.

It is our opinion that this shortage is due to a combination of factors including export sales or monomer, vinyl resins and vinyl scrap; the general energy crisis and particularly the energy crisis in Puerto Rico; the crude oil shortage—crude oil being the source of monomer; control which hindered new manufacturing facilities and associated chemical shortages.

We respectfully suggest that your office consider immediate legislation for an embargo on export sales of monomer, vinyl resin and vinyl scrap and emergency steps and definite positive action to assist American industry with regard to the other factors.

Loss of production and operational shutdown with their effect upon our employees and the citizens of Rhode Island will inevitably result if this situation does not change.

Thank you for your consideration and cooperation.

Sincerely yours,
VICTOR ELECTRIC WIRE & CABLE CORP.,
ABRAHAM R. GROBER, *President.*

CPL CORPORATION,
East Providence, R.I., November 21, 1973.
Hon. CLAIBORNE PELL,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

DEAR SIR: As a Rhode Island corporation deeply involved in the industrial coatings and plastic industry, we are compelled to write you with regard to the serious threat the current energy crisis poses for us and for many of our customers throughout the country. In particular, we are concerned with the petroleum feedstock situation which affects our sources of supply for the solvents and plastic resins we use.

The total demand on petroleum materials by the entire petrochemical industry, of which the plastics and coatings industries are a part, was of the order of 5% in 1972. The plastic resins industry required approximately 1.5% in that year. The seriousness exists in the fact that the indutsry has designed its production around very specific energy sources such as propane and the development of alternatives will take many months and millions of dollars if, in fact, such alternatives really exist for our suppliers.

Using 1970 as the base year, the Society of the Plastics Industry has calculated the impact of a 15% decline in production of petrochemicals on the various industries which use these materials. We enclose a photocopy of a page from the SPI's most recent publication "The Energy Crisis and the Plastics Industry".

It is apparent that we need a practical energy program right now and that program must take into account the strategic position which the plastics and coatings industries have in our state and country's total economy. The products involved are critical elements in manufacturing and a sharp reduction in their availability will have an incalculable effect on the nation's economy.

We hope this expression of our position will lend further impetus to any action you are now taking with respect to the current emergency.

Very truly yours,
GREGORY T. PARKOS, *President.*

FIGURE 6

IMPACT OF A 15-PERCENT DECLINE IN PRODUCTION OF PETROCHEMICALS

[1970 basis]

	15 percent decline in sales		Secondary market impact		Final market impact	
	Sales loss (million)	Employee layoff (thousand)	Sales loss (million)	Employee layoff (thousand)	Sales loss (million)	Employee layoff (thousand)
Plastics	$332		$645	12	$22,175	550
Synthetic fibers	155		425	10	4,390	110
Synthetic rubber and tires	44		150	2	580	15
Paint	33		510	11	6,000	150
Other	242		2,185	37	28,870	700
Total	806	15	3,915	72	62,015	1,525

PEARSON YACHTS DIVISION OF
GRUMMAN ALLIED INDUSTRIES,
Portsmouth, R.I., November 23, 1973.
Senator CLAIBORNE PELL,
Capitol Hill, D.C.:

As a manufacturer engaged in the production and distribution of fiberglass boats we wish to emphasis an impending crisis and threat to our industry. There is a distinct shortage in supplies of styrene and benzene both of which are critical and non replaceable components in polyester resin, the major base material in producting fiber glass boats. We need your help and positive action in releasing these components and resultant polyester resin from price controls in order to restore normal distribution patterns. Plant closings as a result of polyester resin shortages are eminent. Unless immediate release is obtained large and lengthy layoffs will result. We respectfully urge an immediate embargo on the exports of styrene, benzene, and polyester resin in order to protect our marine industry.

BILL SHAW,
Vice President.

W.A.Z. TOOL & DIE CO., INC.,
Rumford, R.I., November 29, 1973.
President RICHARD M. NIXON,
The White House,
Pennsylvania Ave.,
Washington, D.C.

DEAR MR. PRESIDENT: We are in the machine tool and plastic injection molding business and we are in need of your assistance because of the material shortages.

Due to Phase IV, plastic raw materials are being shipped out of the country at an alarming rate. If we are not able to buy the necessary raw materials, and fuel oil to run our machinery, we will be forced to close our doors.

We are a small business employing 45 people. Not only will these people be unemployed, but workers in this industry all over the country will be out of work.

We are very concerned with the various material shortages we are experiencing. We feel that we cannot afford to waste any materials and we would like to go into the recycling of plastics. Due to the size of this state, we feel that a recycling program could be started locally and serve as a model for the rest of the country.

Could such a program be set up and would the federal government help finance such a project? If this program is not started soon, we can see no future for the machine tool and plastic industries.

There are over thirty thousand workers in the plastic field in this state alone, and that many people unemployed will be a disaster to the economy of this state.

We have asked all our employees to save energy in every way possible and pledge our complete cooperation in this time of crisis, but we are asking your help to save our business and the plastic and related industries.

Very truly yours,
WILLIAM A. ZANGHI,
President.

AVID CORP.,
East Providence, R.I.,
November 29, 1973.
U.S. Senator, Rhode Island Office,
Providence, R.I.

DEAR SENATOR PELL: Plastics as you know is in critically short supply which means many jobs will be lost in all activities dependent in whole or in part on the end products of same.

It is our opinion that due to Phase IV controls the raw materials are being shipped out of the country at an alarming rate since higher prices are realized.

We should have legislation allocating a percentage of what was shipped in previous years to any plastics leaving this country, just as we manufacturers are allocated at approximately 70% of what we bought last year. In point of fact if you didn't buy from a company last year they won't accept your order.

I would appreciate your views on this.

Kindest regards,
THOMAS A. SCANLON,
President.

ZYLON PLASTICS, INC.,
East Providence, R.I.,
December 4, 1973.
Hon. CLAIBORNE PELL,
U.S. Senate,
Washington, D.C.

DEAR SIR: I am sure that you are well informed on the impact the current energy crisis has on the plastics industry.

First, we have an immediate problem that would appear to have resulted from price controls that make exports more profitable than domestic sales.

Second, the industry future will be controlled by the allocation of plastic feedstocks from the petroleum industry.

We are a small company, thirty-eight employees, but our product line is 100% plastic products. You can readily see how any effort you make to benefit the plastic industry also aids our future.

Very truly yours,
WALTER W. CHARBONEAU,
Vice President.

THE KNOBBY KRAFTERS, INC.,
Attleboro, Mass., December 11, 1973.
The HONORABLE CLAIBORNE PELL,
The U.S. Senate,
Washington, D.C.

DEAR SIR: I am a resident of Rhode Island employed by The Knobby Krafters, Inc. of Attleboro, Mass. who are custom molders of plastic products.

I am certainly aware of the present oil shortage as it affects our gasoline and fuel oil for heating.

With the powers that may be given to the President of the United States and the cooperation of the American people, we feel confident we can make it through the winter months.

What I am more concerned about is the small percentage of petroleum, 3%, which is used in the manufacture of plastic materials.

We are custom molders of plastic products and are already on allocations for some of our basic plastic materials. The future looks rather poor for us if we cannot get the necessary raw materials to satisfy our requirements.

Plastic raw material is a small percentage of our total cost of goods sold. Labor is the number one cost and although we employ only 50 to 60 people, we need to be assured of an ample supply to keep our factory operating on a profitable basis.

It is our understanding that exports of plastic material take the biggest bite of all. Manufacturers of raw plastic material are not hampered by price ceilings when they export to Hong Kong, Japan, Taiwan, etc. The molded plastic parts from this material are shipped back to this country to compete with our own products.

Plastic products have become a necessary component of many other products such as automobiles, televisions, electric equipment, furniture and most any product you might mention. A plastic shortage would slow down most other industries and have an adverse affect on the general economy.

I hope you will support any action that might help the plastic industry in this present emergency.

Very truly yours,
FRANCIS J. NARDOLILLO,
Superintendent.

PLASTIC MOLD AND ENGINEERING CO.,
East Providence, R.I., December 11, 1973.
The Honorable CLAIBORNE PELL,
Old Senate Office Building,
Washington, D.C.

DEAR SIR: We have turned down the thermostats.

We shut the lights off when they are not necessary.

We accept the fact that we can not buy gas on Sunday.

Maybe we will have to walk to work—but a job we must have, even if we do have to walk to it.

We are 160 people who are asking you to see that the Plastic Industry gets their fair share of the critical petroleum products needed to protect our livelihood.

Respectfully yours,
EDWARD C. SCANLON, *President.*

CUSTOMCOLOR, INC.,
Cumberland, R.I., December 12, 1973.
The Honorable CLAIBORNE PELL,
U.S. Senate, Washington, D.C.

DEAR SENATOR PELL: We wish to make you aware that our fair state is not exempt from the effects of the plastics raw material shortage, which already is having a cascading effect upon scores of industries, across the nation.

Our own company, having grown at the rate of 50% a year for the past five years, with employment increased from 8 to 80 over that period, is becoming a casualty of the shortage. The availability of polystyrene has been cut down to a trickle; our polyethylene allocation has been reduced to one third of what we consumed last year; polyvinyl chloride is almost unavailable and we are advised by our supplier that possibly some polypropylene will be delivered in the spring. Meanwhile Titanium Dioxide, the basic raw material for colors, is under such tight allocation that we can't purchase all we require to take care of normal needs.

The effect of these shortages will be catastrophic should they continue. Ironically we have been securing long term financing by means of an Industrial Foundation guaranteed by the State of R.I., designed to promote employment and growth.

We have resisted firmly frequent offers to sell overseas what raw materials are available to us at two, three, even four times the domestic price, cash at dockside. Our responsibility to our employees, our community, and our customers is foremost. But the fact of such offers, points up the error of our government's present policy.

Consequently we urge you to join our northern neighbors, Rep. Drinan and Sen. Kennedy, in advancing the removal of price controls on plastics raw materials. Such action, which has already been granted the fertilizer industry and others, will no longer make it more attractive to export materials. We also urge that the plastics industry be allocated its fair share of petroleum and natural gas supplies.

We furnish intermediate raw materials to most plastic fabricators in R.I. and throughout New England. Without our product our customer firms must slow down severely. The consequences of our plight could result in more than just increased unemployment, within our own organization. The effect could be devastating should the shortage continue to the extent that our customers' plastic processing operations are no longer able to supply vitally needed finished parts to dependent industries, from fibers to appliances to automobiles. We have 335 custom plastics processors in R.I. alone, involving 10,000 employees or 9.1% of total employment.

At this moment we sense an unresponsiveness of our government to our industry's plight. Please put forth your best effort to remedy this serious problem.

Sincerely yours,
HUGH AARON, *President.*

SCOTT LABORATORIES, INC.,
Fiskeville, R.I., December 13, 1973.
Hon. CLAIBORNE PELL,
U.S. Senator, Old Senate Office Building,
Washington, D.C.

DEAR SENATOR PELL: Thank you for your letter of November 26, 1973 and the enclosed form 17 for increasing allocation of middle distillate fuels. We have completed the forms and returned them to Mr. Charles J. Cullen, Chief of Operations: Office of Petroleum Allocation: United States Department of Interior: Washington, D.C. 20240. We appreciate your help in that regard.

Further to the difficulties we are experiencing in obtaining fuel oil is our difficulty in obtaining polystyrene, a raw material necessary for the manufacture of our products which is a sterile disposable medical diagnostic supply. I am sure you are aware of the difficulty facing the hospital disposable industry as these difficulties relate to the oil shortage: more specifically to shortages in high volatile petroleum distillates such as benzene. I am aware of a meeting that took place last week among representatives of the pharmaceutical industry and Governor John Love regarding the health care industry's difficulties as they relate to the shortages of petrochemical feedstocks. It is my understanding that subsequent to that meeting a preliminary plan had been arrived at in order to insure priority distribution of the high volatile distillates to the health care industry.

In this week's issue of "Science News" it was reported that the new Federal Energy Administration headed by Deputy Treasury Secretary William E. Simon was considering plans to grant high priority to specific petroleum byproducts necessary for the health care industry. I am enclosing a copy of that article.

I would appreciate your help in instructing us as to the mechanism whereby we might place ourselves on some type of list for priority in increasing our allocation of polystyrene so that we may meet our current demands for products. I am taking the opportunity to write to Deputy Treasury Secretary, William E. Simon with the same inquiry. However, if you can be of any specific help to us in this regard we would greatly appreciate your intervention at this point.

Very truly yours,
STEPHEN J. SCHULTE,
Executive Vice-President.

DAVOL, INC.,
Providence, R.I., December 14, 1973.
Senator CLAIBORNE PELL,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR PELL: The situation of shortages of plastic materials appears to be getting worse; and as a Purchasing Manager for my company, I am deeply concerned as to what remedies are being explored by the Congress to relieve the situation.

Our Company is in the hospital disposable products business; and it would appear that our failure to deliver critically-needed goods to hospitals could create a serious problem.

I would like to suggest some alternative solutions to the problem which might ease the situation.

1) Restriction on all exports of plastic materials and the feed stock necessary to produce them.

2) Elimination of all Phase IV controls so that prices could seek their competitive levels.

3) Some priorities established so that sensitive industries, important to the welfare of the people, can be best served.

There are many industries in Rhode Island that are directly affected by this problem; and any immediate action by the Congress to solve this problem will certainly be appreciated by industry, job holders, and the general economy of the community.

Very truly yours,
JOHN F. MURPHY, *Purchasing Agent.*

IMPACT OF CANADIAN OIL POLICY ON MAINE

Mr. MUSKIE. Mr. President, for as long as I can remember, the people of Maine have cherished a close feeling of friendship with our Canadian neighbors. There are strong cultural links between our peoples. Canadians helped settle and build my home State, and continue to make major contributions to Maine economic and social life to the present day.

This winter, Americans and Canadians alike are suffering the uncertainties and fears growing out of the fuel shortages which affect both our nations. These fears are increased on our side of the border by the concern that the Canadian Government will block the export of residual fuel oil vital to two major papermills in Maine, with the potential loss of 8,000 jobs.

At issue is the question whether the National Energy Board of Canada will grant export licenses for continued shipments of residual fuel to Georgia Pacific Paper Co. in Woodland, Maine, and Great Northern Paper Co., based in Millinocket.

This situation has the potential to seriously undermine not only the good relations we in Maine have always had with our Canadian friends, but also the diplomatic harmony between our two Governments.

I believe this must not come to pass, and I hope the Canadians will agree.

On behalf of our colleague, Senator HATHAWAY, and of Congressmen PETER KYROS and WILLIAM COHEN of Maine, I would like to pose two questions to the Canadian Government. We believe the answers to these questions are vital to the good health not only of our State of Maine, but of the traditional comity between our nations.

First. Is it in the Canadians' own best interest to stop the flow of oil to these companies?

Maine and Canada have strong economic ties. We buy goods from Canada and sell our products to Canadians in return. We employ Canadian workers in our factories, shops, and farms. Canadians harvest wood in our forests for both Maine and Canadian mills. The State o' Maine Wood Products Co., is located in Daquaam, Quebec. The Fraser Paper Co., a Canadian firm, has plants on both sides of the border.

In the first 11 months of this year, almost 6.5 billion gallons of crude oil have been pumped from Portland, Maine, to Montreal refineries by pipeline, with Maine assuming the environmental risk associated with oil transfers.

And the Canadian national railway system stretches for 200 miles across Maine linking Quebec to the Maritime Provinces. Clearly damage to the Maine economy will mean damage to the economy of nearby Canada.

Closing of these mills would have a direct impact on Canada. Great Northern alone pays $5 million annually in wages and salaries to Canadian workers; buys $10 million in pulpwood each year from Canada; ships 7,000 carloads of freight on Canadian railroads; and ships thousands of tons of newsprint from Canadian ports. Purchases in Canada by Georgia-Pacific last year amounted to over $5 million.

My colleagues from Maine and I feel these facts provide compelling evidence that it is in the best interests of the Canadians to continue shipments of oil to Maine. We hope the Canadians agree.

Second. Have the Canadians thought about the long-range consequences of their action?

The oil shortage can place a severe strain on our traditional friendship with Canada. Both Americans and Canadians should recognize this. Our countries share the longest unrestricted border between two nations in the world. Our two nations have prospered from this cordial and open relationship.

As an example of this relationship, I have the honor and pleasure of serving as chairman of the Roosevelt Campobello Island International Park Commission. This commission was established as a symbol of the traditional bonds of friendship between Canada and the United States.

It is imperative, then, that the decisions we reach separately to deal with our own problems do not add to our neighbor's problems.

The future of United States-Canadian relations depends on our ability in time of stress to seek cooperative resolutions of problems affecting both sides of the border.

Mr. President, I and the other members of the Maine congressional delegation are hopeful that the Government of Canada will respond to the strong bonds and cooperative spirit which have characterized its relations with our Government.

I find it difficult to accept the idea that we are entering a period in which we will see a retreat from these close ties.

To believe otherwise would be to dismiss the experience of my lifetime and of almost 200 years of our Nation's history.

Finally, Mr. President, I ask unanimous consent that a telegram I sent yesterday to Prime Minister Trudeau of Canada, be printed at the conclusion of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

DECEMBER 20, 1973.
THE RIGHT HONORABLE PIERRE ELLIOTT TRUDEAU, P.C., Q.C., M.P.
Prime Minister of Canada, Ottawa.

DEAR MR. PRIME MINISTER: Together with Senator William Hathaway, Congressman Peter Kyros and Congressman William Cohen, I met this afternoon with representatives of the Great Northern and Georgia-Pacific paper mills which are located in the State of Maine. We discussed the acute problem facing both of these mills in the absence of any assurances that the National Energy Board of Canada will be able to approve export licenses for residual fuel oil shipments after December 1973 from their traditional sole supplier in the Province of New Brunswick. After consulting with our State Department and our Federal Energy Administration, the Maine Congressional Delegation felt that I, as Chairman, should take the unusual step of addressing you directly in order to bring this most difficult situation to your personal attention.

We have been mindful of the public assurances you have given that your government, while necessarily giving first attention to Canadian needs, will do everything it can to take account, as well, of problems on our side of the border. Our particular concern is that in these two cases the criterion of Canadian needs may be construed so narrowly as to result in unnecessary harm to the interests of the economies on both sides of Maine's border with eastern Canada.

As I am sure you are aware, the economies of Maine and eastern Canada are so intimately related that the threatened closing of these mills will inevitably have prompt and unhappy consequences for the citizens of both countries. I am told, for example, that among the some 8000 jobs which depend upon these mills, more than 1000 are held by Canadians. As a further example, I understand that over 50 wood mills in southern Quebec and New Brunswick now thrive on raw materials from Maine forests, and wood pulp valued at millions of dollars is purchased annually from Canada for use in these two paper mills.

My point here is that so serious a disruption of the closing of Great Northern and Georgia-Pacific would inevitably have adverse effects across the border as well. I would earnestly hope, therefore, that your authorities could bear in mind that the problem is not simply the arithmetic of current residual fuel demands in both jurisdictions, but has broader implications of which I know neither government wants to be unmindful.

I understand that authorities of our two governments have been in touch with each other about the more general problem both of us face in this difficult period of acute energy shortages, and I am told further meetings are contemplated at an early date. This is encouraging and is in the traditional pattern of Canadian-American cooperation. I know, however, that both of us are struggling with new problems of massive dimensions and that it is going to take time for us to sort the ways in which we can best take account of each other's problems. My concern is that the establishment of the mechanics for such cooperation will inevitably take time and that meanwhile serious injustice may inadvertently be suffered in the two cases at hand.

I have long taken a special interest in our relations with Canada and indeed have been honored to serve on the Roosevelt Campobello International Park Commission. It is with this in mind that I have presumed to make this direct appeal to you and to ask you to do whatever you appropriately can to ensure that the applications for the mills in question are examined in the broad context of the need of both countries for continued cooperation.

I realize we are quickly approaching the Christmas Holiday Season, but the particular cases at hand are most urgent. If it would be helpful to your authorities, therefore, my colleagues in the Maine Congressional Delegation and I would be prepared to visit Ottawa within the coming week or ten days in order to help answer any questions, provide any further information and to explain more fully the depth of our concern as legislators.

With cordial best wishes,
Sincerely,

EDMUND S. MUSKIE,
U.S. Senator.

UNITED STATES-U.S.S.R. TRADE RELATIONS

Mr. CRANSTON. Mr. President, I ask unanimous consent to print in the RECORD a speech by Dr. Armand Hammer, chairman of the board and chief executive officer, Occidental Petroleum Corp. It was given at a Petroleum Club of Los Angeles lunch held in Los Angeles, Calif., on November 27, 1973.

The speech gives an interesting view of United States-U.S.S.R. relations by a man who has been developing trade between our country and the Soviet Union.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY DR. ARMAND HAMMER

Fellow Members of the Petroleum Club and Mutual Friends: I was very pleased to receive the invitation to speak before the Petroleum Club, where I have been a member more years than I care to remember. It brings back memories of 17 years ago, when Frank Barton, a well known petroleum attorney, invited me to lunch at the Petroleum Club. Frank tried to sell me some Occidental Petroleum shares. The stock was quoted 18 to 20 cents and there were 600,000 shares outstanding so the total market value was less than $120,000. I looked at the balance sheet and said "Frank, your shares are not worth 18 cents. Your total net worth is only $34,000. Besides you'll soon be insolvent as you have no working capital." Frank said they had picked up two leases which looked promising. I knew nothing about the oil business, in fact I literally would not at that time have known an oil well from a hole in the ground. However, I was in a high tax bracket and I was told dry holes were a good write off. So I loaned Oxy $50,000 to drill two wells for a half interest in the leases. With beginners luck both hit. One at Mountainview was fairly good and the other at Burrell brought in a little field. They said I brought them luck and they made me President. The rest is history and as you know Oxy is now the third largest corporation in California according to the Los Angeles Times.

To me the future looks bright . . . very bright . . . but I'll let the success we have had and the successes we hope to have speak for themselves.

We've weathered some bad storms . . . we've kept our eyes on the proper goals. We are clearly moving in the right direction . . . which, incidentally, reminds me of a story I heard in Europe about the pilot of a small European airline who announced to his passengers: "Ladies and Gentlemen, we have good news and bad news. The good news is that we are forty minutes early . . . the bad news is that we are lost."

I can assure you that Oxy has nothing but good news at present. For the first 9 months of this year our net income was 55 million or 74 cents a common share compared with a loss of 25 cents for the 9 months last year.

Since we are all petroleum people—and since many of you are well-respected competitors—I will not spend this half hour talking about my favorite subject, Occidental.

Those of you who know me will recognize how difficult this is.

That leads me into my subject matter, a venture which I'm sure many of you will pursue over new and different terrain; a controversial challenge of great magnitude—East-West trade.

I was in Moscow ten days ago and subsequently visited Warsaw, Geneva, London, Paris and New York, finally returning home late Sunday night . . . this is the first chance I've had to be warm and without an overcoat in nearly a month.

There are many doomsdayers around who are stating that "detente" has been a failure and that East-West trade is already suffering from the "morning after" effect of too many toasts and not enough meat and potatoes.

I have a little experience in this area and I am here today to tell you that those people are dead wrong. Detente *is* alive and well and East-West trade is *far* from crippled. Indeed, it is moving swiftly across the threshold of both our economies and could become one of the most important elements in international affairs.

In my opinion, trade between the United States and the Soviet Union is the cement, the linchpin, if you will, which helped to avoid a widening of the war during the recent crisis in the Mideast.

The leaders of the two countries—President Nixon and General Secretary Brezhnev—have seen what benefits can flow to the world from such trade and from such detente, the flow of which must now be considered irreversible in character.

They are political realists and they know that we must accept this chance for accommodation now . . . this year . . . or it may disappear and not emerge again for another decade—and the world does not need another ten years tension and cold war. There are some who approach detente in a euphoric manner. Others are more pragmatic. Give me the pragmatic ones every time. Euphoria passes swiftly, but the realist, the pragmatist, is able to recognize that precise moment when the forces of history combine to make possible what had previously seemed implausible.

As Victor Hugo once said: "Nothing is more powerful than an idea whose time has come." This is the time for the idea of detente-through-trade, and its powerful influence on the councils of the world is only now becoming evident.

I have not recently spoken to President Nixon about this, although I have closely observed his comments and those of such leaders as Secretary of State Kissinger and Secretary of the Treasury Shultz.

But I have spoken personally with General Secretary Brezhnev during a two-and-a-quarter hour meeting which took place in the Kremlin a week ago Friday.

At the end of the meeting Mr. Brezhnev graciously permitted Edwin Newman of NBC, who was travelling with me to prepare a documentary on my life to film our interview and to ask Mr. Brezhnev a series of questions. This film was transmitted for broadcast on the network that same day. Perhaps some of you saw it.

Newman reported:

"Leonid Brezhnev made it very plain that he vitally wants to do business with American companies and that he counts heavily on doing so. I have had a bumper crop this year," Brezhnev said. "First Secretary Shultz, then Kendall of Pepsi-Cola and now Hammer and other Americans have been to see me . . . and I want more."

Newman continued:

"Brezhnev had a sore throat and said his doctor had told him not to use his voice, but that this was so important that he would speak anyway. He sent personal greetings to the American people and President Nixon, whom he mentioned a number of times."

Newman added:

"It was obvious that Brezhnev's hopes of raising the standard of living of the Soviet people rests heavily with the understanding he has with Mr. Nixon. It also rests with other businessmen following Hammer's example. "Dr. Hammer has problems," Brezhnev said, "but I help him and he helps me."

Well, that sums up the Newman report.

Now, I'll give you the rest of it . . . the Hammer report.

This was the second meeting I have had with Mr. Brezhnev in the past year.

The first was also for two hours and I came away singularly impressed with the man. He has great wisdom, great empathy for the people of the world and very clearly has a great desire to lower the few remaining barriers of the cold war and introduce Russia and America into an era of peaceful coexistence through trade, based on economic conecessity.

Brezhnev has experienced war firsthand. He remembers the experience of the Soviet Union during that terrible period in World War II when over ten million people perished. War to Brezhnev—as it is to the Russian people—is still a live and vivid memory and one which they never want to undergo again.

Under Brezhnev's leadership, the Soviet people have begun to prosper. The average level of living has risen yearly by amounts that most westerns would consider exceptional. Diets have improved . . . more meat and more quality food and fewer starches are on the nation's tables . . . consumer durables are found in more homes . . . and Russian dress has clearly much improved. Per capita income has risen about 6.9 per cent annually. Housing is better.

Automobile production is beginning to grow. In 1970, only 344,000 cars were produced. This year they will produce about a million cars. Of course, at the moment there is only 1 car per 100 Soviet citizens, as compared to 1 for every 2 Americans, but as Will Rogers said during the depression, "We may be the first nation in the history of the world ever to go to the poorhouse in an automobile."

And the way the energy crunch has hit us, we might not even have gas for that.

Now, I don't recite these figures about the Soviet Union under Brezhnev as a litany praising their system. They have one concept of government and we have another.

Naturally, there will always be a difference in our ideologies. It remains for future generations to determine which social structure will be proven right.

But in the meantime, there is no valid reason why our two great peoples, with all the powers at our command, cannot work together as harmoniously as possible, confining our disputes to the ordinary matters of businessmen in competition, rather than in the zone of small wars conducted amidst the specter of nuclear arms.

I am an ardent capitalist. Anyone who knows me recognizes how strong I am in support of my country and its ideals. It is true that I was a friend to Lenin, which certainly does give me extra entree into the Soviet Union, but this was a friendship based on the humanitarian instincts of a very young physician-turned-businessman, who happened to be in the right place at the right time.

Some people recently have said, "Hammer has been a friend to Soviet leaders like Lenin and Brezhnev."

I answer, "Well, I've been a friend to every American president dating back to Herbert Hoover. Make something of that."

My point is that I think that I am also experienced enough in international affairs and pragmatic enough as a businessman to recognize the possibility of lowering the crisis-levels by communicating through trade.

This opportunity clearly is at hand. Recent events in the Middle East prove this. Brezhnev told me himself that the communications which had been established between our two governments as a result of the two Summits and the trade agreements were such that it made the dialogue that much easier during the October crisis.

He knew Nixon and Kissinger. They knew him. A foundation had been established between them. They were not strangers, suddenly disputing a volatile point in Mideast history. Instead, they were statesmen who had a personal reference point from which to begin . . . and a national promise that could be fulfilled by national solutions.

I am an optimist and believe we will have peace. I think a valuable lesson in the world of detente-through-trade has been learned.

Brezhnev was very emphatic in his comments about President Nixon. He has a respect and a warmth for our President, as he does for the American people.

He is serious about East-West trade and, in my judgment, he will be successful in furthering transactions with western businessmen.

He asked me specifically to move more swiftly in completing our international trade center in Moscow. As you know, we signed that agreement in late September. It is scheduled to be completed in 42 months, but Brezhnev wants it opened sooner in sections, to support the influx of businessmen who are streaming into his country.

Now you know me. No one has to tell me twice. So I have promised him that we will accomplish this much sooner, and I already have people hard at work on finalizing the details. As you know, all of the private part of the financing has been arranged for this, with the Chase Manhattan serving as the lead bank.

Incidentally, in conjunction with that, I told Mr. Brezhnev I would be glad to add a personal gift to help our weary executives—a golf course, the first in the Soviet Union.

He immediately accepted.

The idea came to me recently as I was flying into Moscow. The countryside a scant half hour's ride outside Moscow is beautifully suited to a country club. And I thought, "Well, why not?" I insisted that there had to be a relaxing indoor swimming pool in the new hotel we are building, and I've heard some of my executives complain that they never have enough time to play golf. So, we'll give them a chance to play in Moscow. Of course, a good part of the year winter rules will apply, but it will be one other small, but important gesture to help the ambiance of trading with the Soviet Union.

On behalf of your future landlord in Moscow, I'll extend a welcome right now. The food will be good, the beds will be comfortable and the rates will be right. Of course the competition will also be there—and not the least of it will come from Occidental Petroleum.

But a little competition doesn't harm any company. If nothing else, it keeps our executives a little thinner.

Of course, to you and me, the main areas of interest are in energy, as well they should be.

We worry about preserving our natural resources. So do many of the Russians. There are many in the Soviet Union who would rather "keep the resources for our grandchildren," as they say, than permit them to be expended in trade with the West.

But the West is short of raw materials and the Soviets are short of modern technology to extract their resources. That common denominator means that somehow these two powers are inevitably going to be interwoven in all manner of energy transactions, for despite the difficulties of Siberian extraction, the fact of the matter is that the Soviet Union—onshore and offshore—still has many of the untouched major basins in the energy world.

A good example of that interest is the list of the 189 American companies who were recently present at the Oil and Gas Show in Moscow. They recognize the possibilities . . . the demand is there, and where there is demand there is trade.

Energy, because of the massive amounts of money necessary, is naturally the focal point.

But detente-through-trade is a lot more than just energy. And it is the thousand other transactions that will take place which are going to solidify this detente.

We see evidences of it already in many investments being made in Russia—long-term loans and technical aid being proposed, in exchange for repayment in products or raw materials . . . of which the Occidental fertilizer agreement is a good example. We made a deal to sell them $200 million a year of phosphates from our Florida mines in the form of superphosphoric acid made under a patented process by our Garrett Research Corporation of LaVerne. We also agreed to purchase $200 million a year of ammonia and urea. Our country has a surplus of phosphates but a deficiency of ammonia and urea which are made of natural gas. Thus this deal will help our farmers and help our balance of payments.

We see evidences of what is to come in the recommendation of the Soviet Academy of Sciences to the GOSPLAN—the State Planning Committee—for the 15-year plan which is being readied for the period 1976–1990. That recommendation stresses trade with the West and particularly makes the point that complex trade is essential for long-term and binding transaction which will create, as they say, "a more intensive involvement with the West."

So it is all there my friends.

Detente is alive and trade will grow stronger and stronger.

There is much to do and there will be difficult times as well as good times.

It won't all be a bed of roses.

As Brezhnev said to me: "There are problems with Hammer."

He's right. There are, because I'm a businessman and I owe it to my shareholders to drive hard bargains.

Brezhnev is a businessman too. There is only one Chairman of the Board in the Soviet Corporation and he is it. He drives hard bargains, as some of you already know and as others will soon find out when they become involved.

It hasn't been easy—nothing this worthwhile ever is.

But the impossible dream is now a reality. A whole new area of world business is suddenly developing before our eyes.

Of course, there are hard-liners on both sides who will attempt to interfere with it.

There are as many Russians who don't want to make capitalists rich, as there are Americans who don't want to help Communists with U.S. technology.

But Henry Kissinger said recently: "It is essential that our two countries have mutual vested interests which will bring about mutual restraint."

George Shultz said: "We must seek to improve economic relationships with others, not only for economic but also for political gains. The world in which we live is now completely interdependent and no one can do it alone."

And Leonid Ilyich Brezhnev said: "I've had a bumper crop of Americans visiting me . . . and I want more."

I think those signals are clear enough. I look forward to the years ahead. We are involved in an important mission here, for in this instance we businessmen are also statesmen, and our efforts may be reflected in the peace of the world for years to come.

I can think of no greater challenge, one I readily accept, and one which in the spirit of friendly competition I also encourage to you.

Perhaps some of you know, 12 years ago I returned to Moscow for my first visit in some 30 years on a special mission for the Kennedy Administration, which asked me to explore the possibilities of developing trade with the Soviets and helping our balance of payments.

Kennedy at that time told a story I think appropriate today.

He said that the famous French Marshal Lyautey asked his gardener to plant a special tree.

"But Marshal, it takes 100 years for this tree to reach maturity," the gardener said.

"In that case," Lyautey answered, "there is no time to lose. Plant the tree this afternoon."

My friends, the tree is planted and the roots are deeper than we ever dared hope. Now it is up to us to bring it to flower.

When it starts to grow our world and the world of our grandchildren may indeed be a happier and better place. What a marvelous challenge that is for we ordinary businessmen who so seldom have the opportunity to share in the accomplishment of such a great dream—to bring peace to the peoples of this world.

FURTHER CHANGES STILL NEEDED IN FOREIGN AID

Mr. CHILES. Mr. President, as a member of the Foreign Operations Subcommittee of the Appropriations Committee, I have taken an active interest in what we call foreign aid. The trouble is that foreign aid is not just one thing but a whole lot of things. Sometimes it is credits and sometimes it is grants. Sometimes it helps people and other times it helps governments. Sometimes it is for disaster relief, other times for economic development, and still other times it is for military hardware. Sometimes we administer the money ourselves because we think we do it better, and other times we channel it through international institutions because we think they do it better.

Foreign aid is a confusing morass of different programs to serve different policies and purposes that we have. From the beginning of my concern with aid, I have felt that the more that the different programs are separate from each other the better it is for the Congress and the public. Then each program stands or falls on its own merits. Then we see each program in relation to its specific objective rather than talking about foreign aid as a single program supposedly serving a single purpose.

I voted against the foreign aid authorization conference report. I did this because after beginning the legislative process this year with two bills—one for economic assistance and one for military credit sales and assistance—the separate authorization bills were put back together again. I felt this to be a terrible setback for what seems to me to be a minimal starting point for congressional control over a program. To have bilateral economic assistance for disaster relief and economic development, aid to Israel, military credit sales, reconstruction assistance to Indochina and the U.S. contributions to the U.N., the Inter-American Development Bank, the World Bank, and the Asian Development Bank, all in one bill is a shambles. There is no way that a program can be voted on in terms of its own merits when they are all thrown together.

I am hopeful that next year we can at least separate the military and economic bills from each other as we legislate.

In our bilateral economic assistance program, five new categories were established to replace the old loan and grant authorities of the 1961 Foreign Assistance Act. Three of these new categories give emphasis to aid for poor people—food, nutrition, health, population planning, and education. These are priority areas which do respond to the desire of the American people to help the needy abroad. The more that the Agency for International Development—AID—specifies where the money is going the better.

The Congress of this country is in no mood to give away power of the purse by authorizing and appropriating money to general categories and vaguely worded line items where we are not sure what the money is going to be used for. That is why we cut back on items like "selected development problems" and "selected countries and organizations." It is also why we put tighter controls on the contingency fund and the transfer authority of the agency.

The Congress has been most responsive this year to the areas of innovation and change in the program of AID. The agency should take note of this and realize that coming to the Congress to get authority for new initiatives is not only the constitutional way of getting money but in the end I think will prove to be the more effective way of gaining support for the program than requesting money for undefined purposes and asking for the benefit of the doubt.

This same principle of separating out expenditures so we know how much is going for what purpose also applies to AID's administrative expenses. Here the practice has been that AID requests an arbitrary amount for administrative expenses and then makes up the rest by charging it against its grant program. This mixes up the two accounts. It means that we do not have a real handle on either administrative expenses or grants. I strongly urge the agency to separate out administrative expenses in its presentation next year and to include all these expenses in one category.

What I am arguing for really, is the kind of budget reform that I think is necessary throughout our Federal budget. We need a functional budget in this country which shows us how much we are spending according to the different goals that we have, rather than a bureaucratic budget which only shows us how much the different departments and agencies get, regardless of what purposes they serve.

My own feeling is that the changes in the bilateral program in this legislation can still go further in emphasizing people-oriented programs and disaster relief and getting away from a large financial role in promoting roads, dams, ports, and the like which are really the business of banks. This year I put forward the idea of a time limitation on AID's financial role as one means of moving the Agency away from its banking functions and toward its catalytic role of getting people to help themselves. This is an idea which needs more airing and attention. I plan to pursue it further next year, as I believe it to be responsive to the public's desire to end the notion of foreign aid as a giveaway.

Finally, I am greatly disappointed in the final determination of the appropriations for the Inter-American Development Bank's Fund for Special Operations. This is the window of the IDB which finances development projects in Latin America through soft loans. It is this window that makes the IDB a development bank, rather than a commercial bank. And it is the U.S. contribution to this window which the Latin Americans look at to see just how much we are willing to do on behalf of Latin American development. The Inter-American Development Bank was created, after all, as a vehicle for the United States to contribute to development in Latin America.

In April of 1970 the United States negotiated a $1.5 billion replenishment for the IDB Fund for Special Operations for 1971 to 1973 whereby the United States would put up $1 billion and the Latin American countries would put up $500 million. This reduced the U.S. participation in the replenishment to 66 percent from 75 percent in the previous round. As of the end of this month the Latin American countries will have paid up their $500 million. The United States is way behind on its contribution having put in only 50 percent of its contribution for the 1971–73 period including this appropriation.

I feel that the executive branch should be more prudent in making this kind of commitment when it cannot be sure what our economic situation will be or what the Congress will be willing to provide. But it also seems to me that we are again showing the Latin Americans that they are on the backburner by lagging behind in our contributions to the development window of the IDB. I would have preferred to see us budget less for the hard-loan windows of the IDB and raise the amount for the Fund for Special Operations. This would have sent a more positive message to Latin America than we have with this appropriation.

I am hopeful that over the next year Members of Congress will increasingly realize the importance of Latin America to us and the wisdom of paying closer attention to our neighbors. I think there has to be a closer scrutiny of IDB procurement practices and administrative expenses. If these can be cleared up, I believe the Congress should find the means to make a greater and more timely contribution to the development activities of the Inter-American Development Bank.

SENATOR RANDOLPH ACTED TO INSURE AN ENERGY POLICY 14 YEARS AGO BUT "NOBODY LISTENED"—CHARLESTON, W. VA., GAZETTE EDITOR COMMENDS FORESIGHT OF WEST VIRGINIA'S SENIOR SENATOR

Mr. NUNN. Mr. President, all of us in this body have the greatest respect and affection for our colleague and friend, Senator Jennings Randolph. For many years he has been an outstanding Senator. He advocated more than 14 years ago certain definite steps which all Americans certainly now agree should have been taken by our Nation.

I know that my colleague here in the Senate and all Americans who now ask "How did we get into this energy crisis?" will read with interest Harry Hoffmann's article which appeared in the Charleston Gazette on December 18, 1973. I believe that many persons who were not listening to Jennings Randolph's sound advice in the field of energy in the past will now turn an attentive ear to this knowledgeable and capable Member of the U.S. Senate.

I, therefore, ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Charleston, (W. Va.) Gazette, Dec. 18, 1973]

Nobody Listened

(By Harry Hoffmann)

So far as is known, no one has ever accused—or credited, as the case may be—West Virginia's Sen. Jennings Randolph of being either a prophet or a spreader of gloom and doom.

But the present energy crisis—which has a great many people at the point of panic, especially the Nixon administration—has firmly established Randoph as a prophet who was warning of the approaching dangers long before he could find anyone to listen to him.

Indeed, more than 14 years ago, Jennings Randolph was a lonely voice shouting in the wilderness—not only about the scarcity of energy sources and the need for a national fuels policy, but also the hazards of the United States depending upon foreign supplies.

In fact, on Aug. 18, 1959, Sen. Randolph introduced a Senate concurrent resolution calling for a creation of a Joint Committee on a National Fuels Policy—an effort which won the support of the Committee on Interior and Insular Affairs, but which was killed by the Senate Rules Committee in an action that now must be judged as nearsighted if not foolhardy.

But Randolph did not stop with that setback. Instead, he became even more determined to head off what he foresaw as a national calamity, highlighted by his effort in 1970 to establish a national commission on fuels and energy, only to be rebuffed by the Nixon administration.

Randolph's most far-reaching outlook on the approaching energy crisis, in light of present conditions, came however on June 12, 1961—more than 12 years ago—when, in testimony before the Senate Interior Committee, he observed:

"In June, 1961, the world—the United

States included, of course—has available more energy fuels in the form of coal, oil and natural gas than currently we can use. In reference to oil, the word, I think, is "glut." From recent oil discoveries in North Africa, it would appear that there are still vast sources of supply that have not yet been discovered. Who knows what the continent of Africa may hold in the way of energy?

"This is fine, but it is a small source of comfort and security to Americans living in Maine, Minnesota or Montana that what might become an anti-American land has in her earth unlimited quantities of the same kind of energy fuels that are the very lifeblood of America. What guarantee do we Americans have that the African continent, or Venezuela, or Kuwait, or any of the other prolific oil areas of the world will constantly make their riches available to us? What good will Venezuelan oil be to the United States if Latin America embraces communism, or if Africa turns against us or if the Soviet Union decides to effect a coup d' etat in the Middle East?

"Every year that passes, in which we become more and more dependent on foreign oil to buttress our national economy and security perhaps is one year nearer disaster. What makes this all the more tragic is that it is unnecessary. The United States of America, the richest country the world has ever known, is by its own complacency gradually placing itself at the mercy of those it should most diligently guard against. By neglecting to apprise ourselves of the true, unbiased, realistic picture of our own energy wealth and stability, we are gambling with our country's future.

". . . This nation has a foreign policy, a defense policy, a farm policy and the beginnings of a transportation policy. All are necessary and of first importance. But not one of them is so basic to our national security and economy as would be a national policy in respect to those energy fuels that make all of them possible and without which, or lacking an abundant available supply of which, would render all other national policies impotent and would disarrange our country industrially, economically and militarily."

These were words—a warning, if you will—spoken by West Virginia's Sen. Jennings Randolph as the United States and the world moved into the decade of the '60s.

If someone had listened, Secretary of State Henry Kissinger might not today be traveling through the Middle East trying to convince the Arabian countries that they should take a more brotherly stance in the distribution of their oil.

If Richard Nixon had paid attention to what Randolph was talking about 12 years ago, even 14 years ago, he might today be enjoying the rewards of statesmanship instead of telling the American people to turn down their thermostats and turn out their lights—and finding it necessary to plead that "I am not a crook."

If the Senate and the Congress had been guided by Jennings Randolph's perception in 1959, in 1961, or even in 1970, the American people today might not be inconvenienced by the unavailability of gasoline on Sundays, the prospect of gasoline rationing, and even the threat of economic recession or depression.

When one reviews the record of the foremost problem of the day, West Virginia's Jennings Randolph stands out as a man ahead of his time in setting a course for preventing what is now a plague on the nation.

Unfortunately, there were too few with the equal foresight to listen to his warnings. In his respect, he surely was a man ahead of his time, shouting loudly upon deaf ears.

THE ENERGY CRISIS

Mr. STEVENSON. Mr. President, I want to talk for a few minutes about the energy crisis; to ask several questions and suggest some answers:

What are the dimensions of the crisis?

How did it happen?

What can we do?

And I want to suggest, as strongly as I know how, that the Nixon administration, whose timidity and shortsightedness are in part responsible for the crisis, and the oil industry whose greed and irresponsibility are also in part responsible, must not be allowed to shift the entire cost of this crisis to the American people.

For years the Esso tiger, the Sinclair dinosaur, and their employers urged us to gorge on gas. Utility companies enticed us with energy-devouring appliances from electric toothbrushes to electric face cream dispensers. American architecture perfected the steel-and-glass skyscraper, hermetically sealed against the climate, designed to be artificially cooled in summer and heated in winter.

Thus we learned to live as if there was no end to the energy supply—and we in America came to consume about 30 percent of the entire world's energy output.

Now, it seems, the bubble has burst.

Suddenly we face the prospect of cold homes, disrupted factory schedules, shutdown schools, late deliveries of mail and commercial goods—even widespread layoffs and unemployment.

How did it happen?

The first thing to understand is that the energy crisis is not a crisis of nature's supply; there is plenty of petroleum in the Earth and under the sea. The energy crisis is not a crisis of nature, but of our economic and political machinery. The problem began with failures and misuse of that machinery—and we can find solutions only by changing that machinery.

We are being told that our own wastefulness is the reason for the energy crisis—our growing dependence upon the highway, the high rise and the high life.

But that is only partly true. And to change our habits, as we are being asked to do, will solve only part of the problem.

The stark fact is that we are in trouble, not only because of our high energy demands, but because the Federal Government—specifically the Nixon administration—has left the Nation to the whims of the big oil companies.

Last spring, for example, the oil companies contrived a "gasoline shortage"—at a time when they actually were holding the highest supplies of gasoline ever. They used this contrived shortage as an excuse to cut off supplies to their last remaining competitors—independent jobbers and dealers who sold gasoline at a discount. The Nixon administration not only went along with this pressure against the independents; it adopted controls which permitted the big oil companies to increase their prices, but caught the little dealer in a squeeze. About 3,000 of them were forced to close their doors this year.

With crude oil available these major oil companies, starting in 1972, operated their refineries at reduced levels and urged the public to buy more petroleum. What happened was a classic case of corporate profiteering. They then increased the price of gasoline some 39 percent, and their profits rose 63 percent in the first 9 months of 1973. Exxon, the country's largest oil company, increased its profits in the third quarter of this year 80 percent over the same quarter last year. The oil companies, abetted by the administration, have been fattening on the oil crisis—and they are hoping to fatten some more.

The stark fact is that oil—the Nation's largest and most pampered industry—has waxed larger and enjoyed more pampering under Mr. Nixon's administration.

For years, the profits of the oil industry have rested in part upon Government concessions: depletion allowances, import quotas, tax writeoffs for "intangible drilling costs."

What the major oil companies have given us for all these favors is promises—promises that concessions by Government would result in increased production and would lessen our dependence upon foreign suppliers.

But the promises did not come true. And now, ironically, we have the worst of both worlds. Despite all the concessions, domestic production is declining and we are more dependent upon foreign supplies.

Perhaps we should not blame the oil industry, whose concern, after all, is not for the national interest but for its own profits.

But what can we say of the Nixon administration, whose first concern should be for the many rather than the few?

When the administration's own commission urged 2 years ago that import quotas should be lifted to increase supplies, the administration—ever faithful to the industry—did nothing.

When the oil industry denied that a fuel crisis was in the offing—a denial that flew in the teeth of all the evidence—the administration did nothing. The President, in fact, sent his spokesman to Capitol Hill all through the spring to assure us that no extraordinary measures were needed.

When the Congress last spring gave the President emergency power to allocate fuels to ensure fair distribution—the administration did nothing.

And now, with the crisis upon us, the administration tells us that the key to adequate supply—the key to a solution—is higher prices and higher taxes.

Higher prices—for an industry whose profits are already derived in large part from tax advantages.

Higher prices—for an industry which, in spite of threatened shortages, failed to start construction on a single new U.S. refinery from 1969 to 1973. It built them in Europe.

Higher prices—for an industry whose profits are high and rising; an industry in which competition is at best a myth; an industry whose 20 largest operators control 86 percent of the Nation's refinery capacity, 70 percent of oil production and 93 percent of the pipelines through which all our petroleum flows.

The stark fact is that the people are being asked to pay the costs for the energy crisis—while the giants increase their profits.

And meanwhile, the President has sought to blame the American people, the Congress and the Arabs for a situation that is largely the result of his poor leadership.

We in the Congress have been concerned about the energy crisis for at least a year. We have been busy—and noisy—on the subject. But we have received little cooperation and little response from the opposite end of Pennsylvania Avenue.

I was part of a successful effort last spring to give the President authority to allocate petroleum products. Since then I have repeatedly urged him to use that authority—but with little success.

I also began an effort to increase Federal support for research on the mining of coal and its conversion into clean-burning gas and oil. We won that fight; in the Congress we doubled Federal support for coal research.

On December 7 the Senate approved a $20 billion, 10-year research and development effort. That legislation could lead to the development of not only coal, but geothermal and solar sources of energy, oil shale, tar sands, and others.

In all these efforts, we have had no inspiration, no direction, and no cooperation from the President—until only a few weeks ago when the crisis hit.

So efforts to affix blame upon the Congress will yield little but greater resentment. What is needed now is prudent planning—and prompt action.

What must we do?

In any moment of crisis, that is the paramount question. Research is for the long run. Additional oil will not come down from Alaska for another 5 years, and when it does, it will go primarily to the west coast. We lost the fight against the Nixon administration and the oil companies to route it to the Midwest where it is needed most. A resumption of Middle East oil production would certainly help, but not enough. We are in competition with Europe and Japan for Mid-East oil, and both Europe and Japan are more dependent on it than we are. Other countries, including the Soviet Union, will increase their demand for Mid-eastern oil.

In the short run—right now—we must conserve fuel. That means dialing down our thermostats, as the President has urged us to do. It means holding down highway speeds and burning fewer lights.

It also means that we must ration gasoline. If we are to increase the manufacture of essential petrochemicals and fuels like heating oil and diesel fuel, gasoline production must go down. If we are to avoid chaos in our industrial and agricultural life, the remaining supplies must be rationed according to the greatest need.

That is, to be sure, a disagreeable prospect. But it will be more disagreeable if we come to the problem once again with too little, too late.

How disagreeable will rationing be when it comes? The answer depends upon our national leaders; upon their ability to fashion a system that distributes gasoline according to need, rather than to those with the most money and the most influence.

But some form of gasoline rationing is inevitable. The alternative is a crisis of cold homes and closed factories.

Sacrifices like these will help to solve the problem. But the President is wrong to suggest that the crisis can be overcome if we, the people, tighten our belts.

Something more is needed: the changes in political and economic machinery that I mentioned earlier.

If anything is clear by now, it is this: energy policy in the United States must no longer be subject to the whims of the oil industry. The American people and the American economy must not be at the mercy of the oil industry.

Fortunately, the Nation still has very substantial oil and gas resources—how substantial no one can say because the Government maintains no inventory. It doesn't even check the unreliable figures of the oil and gas industry!

All we know is that our oil and gas resources are still substantial—and that some 60 percent of these resources are owned by the public in the form of lands on-shore and off-shore owned by the Federal Government. I have introduced legislation to create a Federal Oil and Gas Corporation to assure that these enormous resources are produced quickly and for the benefit of their rightful owners—the American public.

Such a public corporation would not only produce oil and gas for the benefit of the public—it would help keep the major oil companies honest. It would give them some competition. I have proposed many other courses of action, including regulation of the petroleum pipelines and regulation of the price of natural gas charged in intrastate commerce by the big oil companies.

I have urged the Justice Department to enforce the antitrust laws—while the administration has proposed exempting the oil giants from the antitrust laws.

I have urged that oil and gas wells on public lands either be produced or forfeited. Many are shut in now by oil companies waiting for higher prices.

How far will we get with all these efforts, I do not know. The administration and the giant oil companies continue, in unison, to oppose every measure that would render this giant industry accountable to the American people.

But I do know this. Some major changes are essential: changes that go beyond sacrifices by individual citizens. White House slogans like "Operation Independence" will not end the energy crisis. Hiring and firing energy czars every 6 months will not end it. Strong rhetoric coupled with weak decisions will not end it.

Only constructive change can end the crisis. The proposals I have described offer ways, not only to produce new energy, but to preserve our free enterprise system.

For this crisis—and the public and congessional outrage it has produced—are a kind of handwriting on the wall. And the message that is being written is this:

If this country is permitted to suffer at the hands of one large, highly concentrated, integrated, and unaccountable industry, that industry will someday be fully regulated—or broken up or nationalized. And I don't want to see it come to that.

So the issue is joined, and the battle is begun. I look forward to the fight—knowing that our ultimate well-being depends upon its outcome, and believing that, even against these great and powerful forces, our American qualities of good sense and fair play will prevail.

THE LAST OF THE BEST

Mr. McGEE. Mr. President, my chief adviser on environmental matters, Mike Leon, of Story, Wyo., has reached into his voluminous files, extracting a small but pointed bit of evidence to demonstrate how we have, for too long, neglected innovative thinking and imaginative applications of simple physics even while relying almost entirely on the burning of fossil fuels to energize our way of life.

Mr. Leon recently authored an article, which appeared in the Sheridan (Wyoming) Press, in which he quotes a 1942 news report by Scripps-Howard science editor Howard Dietz on "a new type of streamlined windmill" then in operation on a Vermont mountaintop. It sounds so familiar; very much like a device recently featured in a television report. And that is just the point of Mr. Leon's article: so much time elapsed and so little done.

Western man, and very notably the American man, has chained himself to the combustion process like, as Mr. Leon writes, "ancient mankind afraid to leave its campfire." Yet our planet and its atmosphere are bursting with other forms of energy as well, the wind included.

Mr. President, I ask unanimous consent that Mike Leon's article from the November 28 edition of the Sheridan Press be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Last of the Best

(By Mike Leon)

On the desk beside me on this late November morning of 1973 is a yellowing page from a Scripps-Howard chain newspaper dated Friday, May 1, 1942.

Ancient history? Indeed not. For in this relic of the journalistic past is an article that, in this fall of 1973, Time of Energy Crisis, has an oddly haunting, reproachful quality: so much time elapsed and so little done.

The article is by Howard Dietz, Scripps-Howard Science Editor and he began by saying that "A new type of streamlined windmill may become as familiar a sight in certain parts of America as the historic towering giants of the Dutch landscape."

Dietz pointed out that "thousands upon thousands of farmers and ranchers, in regions remote from electric-power lines," were using wind-powered generators to run their radios.

Much larger windmills, Dietz reported, after interviewing a Harvard University engineer, "may become an important source of energy."

As an example, Dietz cited a windmill which had just gone into operation on a Vermont mountaintop.

"Instead of the usual wheel with many blades, "Dietz wrote, "this windmill makes use of but two blades, appearing like a gigantic airplane propeller.

"These blades, designed in accordance with the latest knowledge of aerodynamic theory, are approximately 87 feet long and 16 feet wide at their widest portion. They sweep over a circle of 175 feet as they revolve.

"They have a variable pitch so that they maintain a constant speed of 30 revolutions per minute for any wind velocity from 15 to 70 miles an hour. The pitch of the blades is changed by automatic governors when the wind velocity changes.

Then the punch line:

"This mill is capable is delivering over 1300 horsepower, operating an electric generator which delivers 1,000 kilowatts.

1,000 kilowatts from one 1942 model windpower plant? In a time of energy shortage it boggles the imagination to think of what we could do with many thousands of such plants on a grid using today's rotating shaft technology and generating skills.

The mill, I believe, functioned well during World War II, was damaged in a storm and was never repaired. We may be sure it was not abandoned because it had been tried and found wanting, any more than Henry Ford's first creations were thrown out as having no future because they were unreliable. Doubtlessly, the mill served a purpose which seemed to lose its meaning as we plunged into our post-War revels, secure in the knowledge that oil and gas would last forever and that nuclear power was just around the bend.

The mistake is obvious now. We are chained to the combustion process, like ancient mankind afraid to leave its campfire. We cannot conceive of energy that does not come from the burning of fossil fuels. We are moles, frightened by the sun, offended by the wind. And yet, in the end, somewhere not far up the road, our fossil fuelishness must end, and we must make use of the alternatives. If later, why not now? Why not now when we still have a priceless reserve of fossil fuels that will make such a transition possible and afterwards provide essential feedstocks? It is already thirty years since the promise. It is time for the fulfillment.

Each time we lean against the Wyoming wind, cursing its malicious fury, we might remind ourselves that in its formidable potency may be an unperceived blessing.

LEGAL SERVICES

Mr. CRANSTON. Mr. President, efforts to pass legislation to establish a national Legal Services Corporation to insure an independent program of legal services for the poor were frustrated once again in the Senate just before the Christmas recess. A filbuster launched by opponents of the legal services bill prevented it from coming to a full vote of the Senate.

Had there been a vote on the merits, I am confident we would have adopted the legislation creating an independent, nonprofit legal services corporation which could be out of reach of partisan political interference. We will get another chance to pass it in late January of 1974.

The legal service program created out of the war on poverty in the 1960's has begun to give poor people the vital tools they need to gain full participation in our society. The program was one of the most successful to come out of the Johnson years.

In California, I have witnessed again and again the tremendous impact of the legal services program in securing justice under the law for the poor. Successful prodding of the establishment has resulted in making food available to hungry citizens in every county in the State; elderly persons have been afforded essential health care to which they are entitled; various consumer fraud schemes preying on the poor have been successfully halted; discrimination in employment is being challenged; and 80,000 Spanish-speaking citizens were enfranchised by the elimination of an English literacy requirement for voting.

These cases, among the 85 percent that are brought successfully on behalf of poverty clients, prove that our system of justice can be evenhanded and that those who seek to redress grievances against the establishment can obtain rights and benefits under the law by working through the system using the law courts and administrative tribunals of our justice system.

Legal services programs and legal services attorneys have earned the hostility of some people who want things to stay as they always have been. Some Government officials and some Government agencies have attempted to bring political pressure or to pass laws to prevent legal services attorneys from bringing lawsuits representing poverty clients in certain types of cases.

They have not been too successful generally, but have disrupted program efforts.

Legal service programs have many friends too. I was glad to join Senators GAYLORD NELSON, WALTER MONDALE, JACOB JAVITS, ROBERT TAFT, and EDWARD KENNEDY in the latest effort to enact legislation protecting the program from political interference. I look forward to entering the fight again in 1974.

MISSING IN ACTION

Mr. PELL. Mr. President, Christmas means something special to each of us. For the nearly 600 prisoners of war who returned from Indochina, and their families, this is a most special Christmas—the first since their return from captivity. I know all of us share the joy that this holiday season brings to these men and their families.

At the same time, at this holiday season, let us all remember that there remain some 1,300 families in our country of men listed as missing in action in Indochina, for whom Christmas holds no special promise this year. Some of the missing men have been gone for over 9 years; some were lost as recently as the early months of 1973. Their families continue to live with the anguish and uncertainty of not knowing the fate of their loved ones.

Under the Vietnam agreement of January 27, 1973, the Communist side is obligated to provide information on the missing and to return the remains of the dead. I deeply regret that the Communist authorities have refused utterly to live up to this humanitarian obligation. Not a single missing man has been accounted for. No remains have been returned.

Our delegation in the four party joint military team, which has met regularly in Saigon, has tried week after week to bring the Communist side into compliance on this subject. In May, the team traveled twice to North Vietnam to visit cemeteries where Americans were said to be buried, and some of us thought then that this might lead soon to the return of at least these remains. But even that small step did not take place.

In the meanwhile, search teams from our Joint Casualty Resolution Center have carried out their humanitarian mission to the extent possible in South Vietnam. The FPJMT informed the Communist side of each search mission before it took place.

Despite these arrangements, Vietcong forces ambushed the JCRC team December 15, killing an American officer and a Vietnamese pilot and wounding several others. I join in condemning this unprovoked, coldblooded murder of unarmed men whose sole purpose was the peaceful, open mission of searching for the missing and dead.

I hope Secretary Kissinger has made known the strong feelings of our country on this grave action. I hope he also has told Special Adviser Le Duc Tho of the concern felt by the American people about the lack of accounting for our missing men.

Among the 1,300 missing are a number of men for whom there are definite indications that they survived the shootdown of their aircraft, or, as a minimum, that the Communist authorities must know what happened to those men. These include cases in which photographs were subsequently published showing one of our men under guard in North Vietnam, clearly alive—but his name has not appeared on any list either as a POW or as having died. There are cases of men whose ID cards were seen or photographed in North Vietnam. In other cases there are eyewitness sightings of a man surrounded on the ground in North Vietnam, about to be captured.

We all recognize that we cannot hope for information on every one of our men who is missing. Some may have crashed in the sea or in a manner than left no trace.

But there are some cases in which information is available. And it is the height of cruelty for North Vietnam to withhold that information from the families who continue to wait, not knowing for certain what happened to their men.

International concern on this subject was expressed at the International Conference of the Red Cross in Tehran, Iran, November 8–15, 1973.

The conference unanimously adopted a resolution on accounting for the missing and dead in armed conflicts. From my contacts with the leadership of the International Committee of the Red Cross in Geneva, I know how seriously they take their responsibility for helping to search for and trace the missing in action after armed conflicts. I regret that North Vietnam has refused to cooperate with the ICRC on this humanitarian subject.

As a further indication of the seriousness with which we view this subject, I hope our representatives at further Red Cross meetings and at the forthcoming diplomatic conference on humanitaran law applicable in armed conflicts will seek to strengthen provisions on accounting for the missing and dead during and after armed conflicts in the Geneva Conventions of 1949. I would hope that such action would help convince North Vietnam even at this late date to take steps to live up to its humanitarian responsibilities.

Another measure that the United States can take to support the efforts of the International Red Cross on behalf of the Americans missing in action is promptly to increase our present meagre annual contribution to the International Committee—ICRC. On October 16, I introduced S. 2588 to increase this contribution from $50,000 to $500,000. I understand that the Department of State transmitted the bill with a strong endorsement to the Office of Management and Budget for review. OMB's reply is pending. This is a matter of too great urgency and consequence to permit delay or haggling.

In another area, too, of humanitarian assistance the ICRC is proving its value and need, namely, the assistance and relief of civilian war victims of both sides in the recent Middle East hostilities. These efforts are described in an article appearing in the New York Times of December 4.

I ask unanimous consent for printing in the Record the text of the resolution on missing in action adopted at the International Conference of the Red Cross at Tehran; the text of remarks by Dr. Frank Stanton, chairman of the American National Red Cross, introducing this resolution at the conference; and the text of the article in the New York Times on the ICRC.

There being no objection, the material was ordered to be printed in the Record, as follows:

Resolution on Accounting for the Missing and Dead in Armed Conflict

Adopted unanimously by 22nd International Conference of the Red Cross, November 14, Tehran, Iran.

The 22nd International Conference of the Red Cross, recognizing that one of the tragic consequences of armed conflicts is a lack of information on persons who are missing or who have died, including those who died in captivity, and

In conformity with the humanitarian traditions of the Red Cross and with the spirit of the Geneva Conventions of 1949,

Calls on parties to armed conflicts, during hostilities and after cessation of hostilities, to help locate and care for the graves of the dead, to facilitate the disinterment and return of remains, and to provide information about those who are missing in action;

And further calls on parties to armed conflicts to cooperate with protecting powers, with the ICRC and its Central Tracing Agency, and with such other appropriate bodies as may be established for this purpose, including National Red Cross societies, to accomplish the humanitarian mission of accounting for the dead and missing, including those belonging to third countries not parties to the armed conflict.

Introductory Remarks by ARC Chairman Stanton on POW-MIA Resolution

The search for information about those who are missing during and after armed conflicts is one of the most difficult responsibilities associated with the name of the Red Cross. The problem is present in the aftermath of virtually every armed conflict: We all recall pictures of relatives standing at train stations, or at dockside, as prisoners of war returned from captivity, with signs asking "Does anyone have information on my son?" or father or husband, as the case may be? The ending of armed hostilities is always welcome—but for the families of the missing it is a time of special difficulty. The certainty of knowing a loved one has died would seem preferable to the drawn-out anguish of not knowing the fate of one who is missing in action.

The Red Cross has a natural and traditional role to play in resolving this humanitarian problem. For over 100 years, information bureaus organized by the Red Cross have helped find and exchange information on those who died in captivity and others missing in connection with armed conflicts.

The purpose of the resolution we have joined in proposing is to remind the parties to armed conflicts—whatever the circumstance and wherever they may be—of the importance of this humanitarian problem, and to call attention to the role of the national societies, the ICRC, and the tracing agencies and the protecting powers in resolving it. The resolution calls on parties to armed conflicts to help locate and care for the graves of the dead, to facilitate the disinterment and return of remains, and to exchange information about those who are missing.

It applies equally to soldiers and civilians, including, for example, journalists. This resolution covers persons of all parties—including those not parties to the conflict.

These tasks are traditional responsibilities of the parties to armed conflicts—and it is a Red Cross tradition to help resolve them. There can never be 100 percent success. But there should be recognition of the humanitarian obligation of parties to armed conflicts. I hope this conference will support this resolution unanimously.

The resolution was sponsored by the governments of Denmark, Mexico, the Netherlands, Norway, Pakistan, and the United States and the Red Cross Societies of Australia, Brazil, Canada, Ethiopia, the German Democratic Republic, Great Britain, Iceland, the Netherlands, Pakistan, and the United States.

Red Cross Happy at Mideast Steps

Geneva, December 2.—The newly reorganized International Committee of the Red Cross underwent its first test in the Middle East war in October, and its officials have expressed satisfaction with the result.

They pointed, for example, to the call this private organization of Swiss citizens addressed to both Israelis and Arabs early in the war for the introduction of far-reaching new rules aimed at sparing civilians the horrors of battle.

They also cited the organization's public rebukes of Israel, Egypt and Syria for conditions they were attaching to their observance of obligations under the Geneva conventions protecting the victims of war.

A Red Cross source said that under the old committee structure the war might well have been over before a decision was made to send out an appeal for a trial of rules of warfare not yet ratified by the international community.

Similarly the committee, by promptly expressing the public's dissatisfactions with the conduct of nations, in an effort to bring pressure on them, departed from the more diplomatic approach of an earlier age.

"Call it a more aggressive information policy," one Red Cross official said.

REORGANIZED IN JULY

The reorganization, undertaken last July, has become necessary because the Red Cross, established to act as a neutral intermediary in conventional wars between European states, found itself ill-equipped to meet the calls on it since World War II.

The Congo and Nigerian civil wars, the Indochina conflict, urban guerrilla actions and plane hijackings by Palestinian commandos all placed heavy demands on and posed unexpected problems for what had been a relatively small and slow-moving organization.

Steeped in a European-oriented tradition, the committee was accustomed to taking a prudent, legalistic approach to its tasks, in keeping with the conservative outlook of its mostly elderly members. These, who may number from 15 to 25, often come from the highest levels of Swiss society.

Created on the initiative of five Geneva citizens in 1863 with the goal of relieving the suffering of battlefield wounded, the committee has always been identified with Geneva. Its headquarters here is a converted hotel overlooking the Palais des Nations, the sprawling building that the United Nations took over from the League of Nations after World War II.

The committee's membership has always been limited to Swiss citizens. The "international" in the title is derived not from its composition but from its purpose of relieving suffering the world over.

This purpose produced the four Geneva Conventions, or treaties, that codify international law concerning the treatment of sick and wounded army and naval personnel, prisoners of war and civilians who fall under the control of a foreign power as the result of war. These pacts were drafted by a 63-nation conference in 1949. Their origins can be traced to the first "Geneva Convention" written by 14 nations in 1864 at the behest of the founders of the Red Cross.

NEW EXECUTIVE SETUP

The new reorganization took from the committee and president virtually all the executive authority they exercised and placed it in the hands of the new executive board chief, Roger Gallopin, a 63-year-old native of Geneva who has been with the International Red Cross since 1936.

The committee now functions as an assembly that is called upon to deal primarily with broad policy questions, with the president's role being reduced largely to that of "first among equals." Marcel Naville, a Geneva banker, resigned the presidency when the new administrative organization was made effective on July 1. He remains a member of the committee.

His successor as president is Dr. Eric Martin, a former chancellor of the University of Geneva.

The fresh challenge that was presented by the October war just after the reorganization strengthened the hands of the staff and is said to have instilled a new spirit among the 220 men and women at the committee's headquarters. They believe that they responded as well as circumstances permitted to the events in the Middle East, where the committee has stationed 15 of the 80 "delegates" who are now on field assignments.

"We have a feeling of satisfaction over the exchange of 8,300 Egyptian prisoners and 240 Israelis held by Egypt that was carried out in 70 flights of the four planes the Swiss Government provided us," a Red Cross spokesman said.

"But there is still the refusal of Syria to abide by the conventions and the issue of the protection of civilians in the territories occupied by Israel," he noted.

APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE

Mr. McINTYRE. Mr. President, yesterday, the Senate adopted the conference report No. 93–741 on the fiscal year 1974 Department of Defense appropriations bill, H.R. 11575.

I would like to take this opportunity to congratulate the distinguished chairman of the Appropriations Committee, my good friend from Arkansas, on the excellent work of his committee.

In particular, the action taken in de-accelerating the pace of construction of the Trident submarine by denying $240 million requested advance procurement funding to start submarines 5, 6 and 7 will accomplish a major objective of the amendment which I introduced during the debate on the military procurement authorization bill. There was substantial support for that amendment and it failed by a margin of only two votes.

The effect of this action by the Senate will be more far reaching than the immediate savings of $240 million for the taxpayer. It will eliminate the unwarranted concurrency that would have resulted in all 10 of the submarines being in various stages of construction before the first one became operational. It will restore the program to a schedule that is more consistent with the Department of Defense "fly-before-buy" policy. It will reduce the substantial technical risks which the Navy was willing to assume. There now will be the opportunity to incorporate in later submarines the lessons learned in developing and building the earlier models. This will insure that the fleet will be more modern while at the same time minimizing the possibility of substantial cost overruns and costly modifications which have plagued us in the past.

As I have said before, the importance of this vital strategic weapon system is not at issue; and I am among its strongest supporters. However, it will bear continued close watching to insure that it progresses in a satisfactory manner.

The actions of the Appropriations Committee under the able leadership of Senator McClellan are completely consistent with this philosophy.

ATTORNEY GENERAL SAXBE

Mr. PELL. Mr. President, I was delighted to support the nomination for Attorney General of our colleague, the junior Senator from Ohio, William B. Saxbe.

He is a man who all of us have come to respect and admire. I am confident that he will do a fine job in the Justice Department. And his kind of direction and leadership is needed in the Department of Justice at this time. I wish him well in every way.

IRVING SHAPIRO

Mr. BIDEN. Mr. President, a significant segment of the population of my State of Delaware and a considerable part of its economic stability rely on the operations of the E. I. duPont de Nemours Co.

Soon the leadership of that corporation will come into the hands of a capable and respected Delawarean, Irving Shapiro.

The December 15, 1973 edition of Business Week magazine contains a profile of Mr. Shapiro.

My knowledge of "Irv" Shapiro coincides with the passage of that article:

> Shapiro is a very independent thinker who has the courage of his convictions. In the area of public affairs and national issues, and in the legal area, he has done an outstanding job. He is a good analyst and a good decisionmaker.

I would like to add my congratulations to Mr. Shapiro on his achievement and ask unanimous consent that the entire text of the Business Week article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Management Leapfrog at Du Pont

Some time very soon, the gaze on the portrait of Eleuthere Irenee du Pont de Nemours will look across the grandiose boardroom table of the giant chemical company that bears his name while Irving S. Shapiro, the 57-year-old son of a Lithuanian-born Jewish immigrant, is voted chairman and chief executive officer.

Shapiro's ascendancy to the top, replacing board chairman Charles B. "Brel" McCoy, shatters the 171-year tradition of closely tied family and Wilmington Brahmin control. McCoy, the son of a Du Pont executive, is expected to announce his retirement shortly, with Shapiro succeeding him as both board chairman and as chairman of Du Pont's all-powerful executive committee. The announcement will drop the curtain on a drama launched by McCoy last July, when he picked Shapiro, a junior member of the executive committee and a lawyer, to become vice-chairman.

In a company where top executives pride themselves on saying "there are no surprises here," Shapiro's promotion surprised almost everyone in Wilmington below the very top ranks of Du Pont. Even Shapiro was startled. He recalls being called in for what he thought was a routine meeting with McCoy a few days before the announcement: "I talked for maybe 10 minutes about things I was doing, then he chatted awhile. Abruptly, the conversation changed, and I didn't really grasp what he was saying. I asked for a pencil and paper and took notes."

The plan McCoy unfolded before the surprised, scribbling Shapiro had already been cleared with members of the board and Shapiro's colleagues on the nine-member executive committee, which guides Du Pont's destinies on a day-to-day basis:

McCoy would retire from the presidency, but stay on as chairman until no later than April, 1974, when he will become 65.

He would continue to hold the chief executive's rein, even though the title had traditionally been held by the president throughout Du Pont's history.

Shapiro would leapfrog from the junior spot on the executive committee to become vice-chairman and heir apparent to McCoy.

A new title, president and chief operating officer, would be created for Edward R. Kane, whose operating background contrasted with Shapiro's long service in Du Pont's legal department.

Kane, a 54-year-old chemist, had been the odds-on favorite for over a year to replace McCoy as chairman and chief executive because he was vice-chairman of the executive committee. But it did not work that way.

Instead, McCoy concluded that the complexities of running a vast, multinational business in today's environment could best be handled by two top executives sharing the load. McCoy, a very private and somewhat introspective man, picks his words carefully. "Times and problems change, so an organization keeps changing," he says. "It, too, changes with the character of its people. Many other companies have two men at the top. Timing is the variable, reflecting both internal and external conditions. You must have the nice coincidence of the right people at the right time."

THE SHAPER OF PUBLIC POLICY

Kane, the product of a classic Du Pont operating career, had climbed steadily through a series of technical and management jobs, working chiefly with nylon and Dacron, to general manager of a department and a slot on the executive committee in 1969.

But the top spot will now go to a man who has never held operating line authority with Du Pont or anywhere else.

"Shapiro is a very independent thinker who has the courage of his convictions," says Edwin A. Gee, a Du Pont executive committee member who is Shapiro's next door neighbor. "In the area of public affairs and national issues, and in the legal area, he has done an outstanding job for us. He is a good analyst and a good decision-maker."

Although Shapiro insists it is "too simplistic to call me Mr. Outside and Kane Mr. Inside," his more than 20 years of counseling Du Pont's top officers built him a reputation for a strong grasp of public policy as well as legal affairs. McCoy observes that "a great deal has to be done on the outside. As I analyzed the jobs to be done, and who could do them best, I came up with Shapiro's name."

The name McCoy came up with was that of the first-born son of a Minneapolis pants presser, Sam Shapiro. Irving Shapiro was born in 1916, only four years after his father arrived in this country.

In 1924, Sam Shapiro opened a dry cleaning shop in Minneapolis, still operated on Franklin Ave. by Irving's brother Jonas. A third son, Leonard, left the business to open a carpet store. But Irving was encouraged to study law by his father, who himself read law at home as an off-hours pursuit. Shapiro received his law degree with honors from the University of Minnesota in 1941, financed in part by a $200-a-year, interest free loan from a law school fund.

After graduation, Shapiro hung out his shingle in Minneapolis and spent much of his time searching titles. Early in 1942, on the recommendation of a law school professor, he was offered and accepted a job with the Office of Price Administration in Washington. There he occupied a desk next to another junior OPA functionary, Richard M. Nixon. With a salary of $2,000 a year, Shapiro felt affluent enough to marry his college sweetheart, Charlotte Farsht. He remembers co-worker Nixon as "charming, light-hearted, completely different from his later image."

Nixon soon left for the U.S. Navy. Asthma-sufferer Shapiro, 4F, moved on to the Justice Dept., where from 1948 to 1950 he was assistant prosecutor of the case against 11 Communist Party leaders, who were charged with failing to register as agents of a foreign government under the Smith Act. Shapiro won the case and a subsequent appeal.

WINNING THE GM STOCK CASE

Recalling his role in the much-published trial, Shapiro says that a Du Pont lawyer, Oscar A. Provost, read an article about him in the *New York Times* and invited him to lunch. "Out of that meeting came the idea that I might go to Wilmington," says Shapiro.

After joining the Du Pont law department in 1951, Shapiro worked his way up during the next decade to head the legal platoons Du Pont mustered to twice win trial court decisions that Du Pont need not divest itself of some 63-million shares of General Motors stock. Du Pont lost subsequent government appeals of those decisions in the U.S. Supreme Court, and at about the time that the last of the GM stock was distributed in 1965, Shapiro was named assistant general counsel.

Five years later, he took command of Du Pont's response to a summer-long interrogation by a seven-man team from Ralph Nader's Center for the Study of Responsive Law. Shapiro, the official contact, recalls that "when they came in, they thought they had the right to wander through the halls, walk into any man's office, and talk about anything they wanted. We said no dice."

Shapiro insisted on formal interviews, held in his presence and taped, averaging about two hours in length. In addition, the Nader group conducted hundreds of outside interviews. When the report, called *The Corporate State,* was published in 1971, it blasted the company. Shapiro now says of the interviews: "They were designed in the nature of cross-examination, to elicit factors adverse to the company. They were not designed to get any facts favorable to the company."

Deeply wounded, McCoy said at the time: "We would have welcomed constructive criticism of our role. But one looks in vain to find it. Every corporate action is attacked, even those in which the company expends large amounts of time and money on community projects.

Now, neither McCoy nor Shapiro wants to talk about the Nader report, which Shapiro terms "water over the dam." But Shapiro's meteoric rise at Du Pont paralleled the appearance in Wilmington of the Nader investigators, with all that they implied about new social and political demands impinging on the company.

In midsummer of 1970, Gee planned to be away on vacation at the time a new executive committee member was to be selected, so he wrote a letter to McCoy recommending Shapiro. "My recommendation is Shapiro," he wrote, "who has as high a level of admiration and acceptance by the departments as any man in the company. It would be a popular choice which could give the organization additional confidence in the flexibility of present management and in our merit system." The remark was about as close as anyone at Du Pont, excepting Shapiro, comes to referring to the fact that Shapiro is Jewish.

THEN THE EXECUTIVE COMMITTEE

Still, the appointment of Irving Shapiro to the Du Pont executive committee on Sept. 1, 1970, was at least as big a surprise to the rank and file at Du Pont as his later appointment as vice-chairman. The executive committee is the pinnacle of Du Pont. The men on it have traditionally spent their working lives with Du Pont and have proved their merit as general managers of an operating department before being allowed to guide corporate policy and oversee the operating departments.

Under McCoy, observes one senior executive, the committee shifted "from a judicial to a legislative body." Instead of each member giving advice to all Du Pont departments on specific areas of expertise, McCoy assigned each member liaison responsibility for specific departments. Richard E. Heckert, the newest member of the executive committee, was general manager of the fabrics and finishes department until October. There, his executive committee liaison was Shapiro, who was getting an inside view of the workings of an operating department for the first time. "He is a very sensitive and empathetic person," says Heckert. "I thoroughly enjoyed that relationship."

Says Shapiro, pondering his appointment to the executive committee: "The question I ask myself now is, would I have the guts to make the same kind of move? I won't know until I have the same kind of issue. But it was gutsy. I didn't even know McCoy well. We had only encountered each other from time to time on business. Here I was sitting down there as assistant general counsel. And he makes a move no one in the history of the company has made. First, picking a lawyer, then jumping a man a number of levels. If you want to measure a man's courage, that's the supreme test."

In many companies, such a move would not be a "supreme test." But at Du Pont, it was a shocking break with tradition that dramatized McCoy's flexibility. When McCoy became president and chief executive officer in December, 1967, Du Pont was having its troubles. Earnings were off 20%. Key patents, which had held an umbrella over the price of nylon and other big volume products, had expired, attracting many oil companies into the petro-chemical business, and opening opportunities for companies such as Celanese, Monsanto, and Allied to expand their fiber business. The result was overcapacity and plunging prices. The Kennedy Tariff Round cuts had opened the gates to imports that hurt Du Pont's biggest customer, the U.S. textile industry. That year, Du Pont plants ran at only 75% capacity and its average product sale price had dropped by 12% since 1962.

As McCoy took over in 1968, the nation was plagued by student unrest and anti-war riots. "We are citizens first and businessmen second," McCoy wrote at that time, "and neither we nor our organizations can service a crumbling social structure." This was a sample of the kind of thinking that would eventually lead to his choice of Shapiro as his successor.

M'COY'S MASTER PLAN

With the recession of 1969 and earnings again declining, McCoy began to implement the strategy his associates say he spent his first year coolly developing. He set a five-year annual profit growth target of 6% to 10%, and trimmed Du Pont's payroll by 12,000. He also approved a group of 24 new products targeted for quick profitability, including Qiana, a high-fashion fiber; Nomex, a flame-resistant nylon; Freon food-freezing systems; and a new line of electronic instruments. This year, the group will net Du Pont $71 million on sales of $500 million, although one new product, Corfam, became a highly publicized $100-million flop.

In addition, McCoy put a new stress on multinational operations, increasing Du Pont's overseas investments 60% to $1.6-billion and doubling international sales to $1.5-billion since 1968.

McCoy also cut basic research operations and redirected the R&D budget, which this year totals $270-million, so that two thirds is spent adding products onto established lines while one-third is earmarked to develop brand new businesses.

Until this year, Du Pont's profit performance had not improved materially under McCoy. But in 1973, earnings have increased more than 40% on a 21% sales gain over last year. "Any man hopes to leave a company in better shape than he found it," says McCoy, commenting on his own record. "But we'll need more time to judge. Perhaps we will have a better idea when Shapiro's time is up."

Shapiro is considerably less reticent. "I think Brel has accomplished one of the great business performances of our age. He doesn't seek publicity, but if you look at the company when he took over, there is simply a beautiful story to tell," he says. "McCoy conducted a quiet revolution and got the company back on its feet."

In the process, new men have been moved into 80% of the top management slots. Irenee du Pont, Jr., is the sole survivor of the executive committee McCoy inherited. For the first time, moreover, the board has two outside directors.

When McCoy leaves the executive committee, Irenee du Pont, the highest ranking of the eight family members working in the company, will be its senior member. He is one of Shapiro's strongest boosters. "Shapiro has a confidence about him and a willingness to talk with anybody who has a problem," he says. As for not succeeding himself to the post the family has controlled through most of the company's history, Irenee du Pont once told a visitor that, "as a stockholder, I wouldn't vote for me." He adds: "This company must be run by the best people able to run it. There are only 1,000 or so descendants, and half don't qualify because of age. It would be a remarkable quirk if among the blood relations there were several candidates with the immense mental ability needed to run this company."

The link between those descendants and the Du Pont company will be altered by their recent decision to merge the chemical corporation and Christiana Corp., a family holding company that controls 28.3% of its stock. The merger, which will be made through an exchange of stock, was stimulated, says Irenee du Pont, by "a growing feeling on the Christiana board that there was no reason to carry on this expensive operation." Because of double taxation about 7% of Christiana's net income goes to the government, he says.

The merger is now awaiting approval by the Securities & Exchange Commission. Shapiro observes that "in the days of identical management interest, having Christiana oversee Du Pont made a lot of sense." But, he says, "if the Du Pont family people are not as prominent, you have a situation in which the interests of the management of Christiana conceivably could be different than those of the management of Du Pont. There is some concern that if someone wanted control of Du Pont, the easy way would be to get a significant portion of the Christiana stock."

THE CHRISTIANA MERGER

Shapiro expects a favorable SEC ruling on the merger. Beyond that, however, there must be a tax ruling and the conclusion of a suit brought by Chicago attorney Lewis C. Murtaugh, who represents several Du Pont stockholders who object to the merger. The trial is scheduled for next February in Wilmington, where it was transferred from Chicago. The dissenters charge that the merger terms do not reflect the discounted market price of Christiana's stock, and that the deal would provide a windfall for the latter's shareholders.

If the merger goes through, Du Pont will get other Christiana holdings, including a little less than 1% of the company's $4.50 preferred stock, about 3.5% of the common of Wilmington Trust Co., and full control of Wilmington's two newspapers. Du Pont wants no part of the ownership of the papers, and Shapiro will sell them. "I can't do anything until the deal is completed," he says. "People contact me, I add them to the list." So far, there have been about 40 inquiries, he says, "not all of them in the U.S."

Shapiro and Kane are taking charge of a company that paradoxically is riding a crest of undreamed-of profitability while facing unexpected problems and uncertainties brought on by the energy crisis.

Last year for the first time, sales exceeded $4-billion; this year the volume is expected to reach $5.2-billion, while earnings are estimated at $600-million. Like the rest of the industry, Du Pont has been running all year at capacity—at times beyond the theoretical limit. But Dacron production has been cut 10% and nylon nearly 5% because of raw materials shortages. Other lines have been dislocated temporarily, either by feedstock or fuel shortfalls.

Until recently, analysts pointed to Du Pont's secure supply position as protection against such perils. Analysts point out that unlike other chemical companies, which typically buy 10% to 20% of their materials on spot purchases. Du Pont policy calls for long-term contracts for more than 90% of anticipated needs. Because of the length and size of those contracts—the company aims for terms of at least five years—suppliers will do their best to honor them, Du Pont has theorized.

Now the key question is how good the Du Pont's suppliers "best" will be. Suppliers can't sell what they haven't got. But Du Pont's size helps it to shift supplies internally to maximize output. Moreover, notes Goldman, Sachs analyst Jay R. Harris, "Du Pont has probably the highest value-added product line of any of the major chemical makers. They are in a good position to pay the price and outbid anybody for raw materials," either long-term or spot.

Shapiro says flatly, "No businessman has enough facts to make long-term judgments now based on the energy outlook. My guess is that a number of the problems will be worked out if everybody acts responsibly. But the facts aren't on the table. We're going to have an energy problem even after the Middle East is resolved."

Declares Shapiro: "What's needed now is solid public definition of every resource we have and how to use it. Then a study on how to get additional reserves. We must have facts and established public policy so that business can begin to make decisions."

Shapiro and his associates think they are making headway convincing both Washington and the public that the petrochemical industry must be assured the 5% of the nation's oil and 10% of natural gas that it consumes as feedstocks. They argue that an allocation plan is needed to protect the millions of "downstream" jobs in all the industries that use textile fibers, plastics, and chemical components and derivatives.

AND NOW THE ENERGY CRUNCH

Kane says that Du Pont has doubled its total production in the past decade with only a 50% increase in energy. "We now have a business selling energy conservation services to other companies," says Kane, "and the average saving is 25%. That's just based on what we have done. I think we can cut another 10%."

Kane has spent as much time outside of the office as has Shapiro since their new assignments were announced last summer. But while Shapiro was visiting plants for the first time and calling on top business leaders, Kane has been working with industry groups and Washington to sell the industry's supply message.

Kane agrees with Shapiro that the two will work both in and out of the company, wherever they are strongest. "The either-or-area will enlarge in the future, I believe," says Kane. Asked whether he was disappointed in not becoming chairman, Kane responds: "Mainly, I felt a sense of relief that we had the course set. My philosophy is that all the jobs I have had at Du Pont have been good ones."

Describing his new post as chief operating officer, Kane says: "I'm just one of the guys responsible for growth. Broadly speaking, it is extremely important to set the right course. Let's say that's pretty well set. Then our job is to keep it in tune and to keep our options open as the world scene shifts."

Shapiro agrees the course is pretty well set. "I would like to see the company move in the direction McCoy has pointed it," he says. "We are going to be a world company, not just an exporter, but a major factor in the world's fiber business. We are going to develop new businesses in pharmaceuticals, instrumentation, and electronics. And we are going to be closely attuned to the marketplace."

As he prepares to become chairman, Shapiro says that "it has been a strange period in my life." At first he tried to carry his regular workload, "but things have changed." One thing that may not change is his habit of answering his own telephone. He says he has sought opportunities to meet leading businessmen and has been pleased with his reception. Although, he says, "the title and the Du Pont oval on your back dresses you up in a way that gives you a tremendous acceptance."

Meanwhile, he is "working desperately to make sure that my private life isn't changed too much." He has been able to average two nights at home a week since July, plus weekends. "It's a seven-day-a-week job. Weekends are when you get ready for Wednesday's executive committee meeting," he says. On Sundays he enjoys a game of golf with his wife at Wilmington's Brandywine Country Club. According to his daughter Beth, 25, a legal secretary who lives at home, he is "happy to break 100." Shapiro says, "I'm a hacker." (The Shapiros also have a son, 29, who is a New York lawyer.)

Shapiro likes to putter around the three-acre tract on which his three bedroom, seven-year-old ranch style house stands. Neighbor Gee, however, says, "He's no outdoorsman. I saw him pulling some vines one day. He got a monumental case of poison ivy."

That itch pales beside Shapiro's urge to see an energy policy hammered out so that "we can begin to make decisions for growth." Adds McCoy: "When Shapiro and Kane take over, they don't start from scratch. The plants are here. The customers will be the same. They'll have the same men to work with."

"Nobody will be a hero on this energy crunch," McCoy thinks. "They'll use their best judgment to use the tools they have to solve their problems and seize their opportunities," and, he smiles, "to try to figure out what's being done wrong now."

HOW THE PRESIDENT CAN HELP IMPROVE VICE-PRESIDENTIAL SELECTION

Mr. HUMPHREY. Mr. President, last week the special Vice-Presidential Selection Commission of the Democratic National Committee, which I chaired, completed its work and recommended several changes in the Democratic Party's Vice-Presidential selection process.

In a moment I would like to share with my colleagues the recommendations of that commission.

But first, Mr. President, I wish to offer some observations on how the President of the United States can, if he chooses, take steps now to help improve future selections of vice presidential nominees in both parties.

The DNC's Vice-Presidential Selection Commission recognized fairly early in its year of study and debate that the political parties are able only partially to solve the problems that have plagued us recently in choosing candidates for the Nation's second highest office.

The parties cannot change the Constitution, or the primary election laws of the States. In the case of our Commission, we heard numerous proposals for such changes, but were obliged to dismiss them as being outside the scope of our authority and our mandate from the DNC.

We also heard proposals to change the nature of the job of Vice President. That, too, is outside the range of authority of the commission and party. But unlike the proposals for constitutional and State law changes, this is an area in which the President has direct and immediate authority to act.

The Vice President is, more than anything else, the creature of the President, in terms of his duties and authority. There is no detailed job description in the Constitution—only the provision that the Vice President presides over the Senate, and may break tie votes in this body. As President Harry S. Truman once observed, there is room for initiative here; it is one of the rare positions in which it is the man who makes the job, rather than the job making the man. But, outside the Senate, it is a job with much responsibility but little authority. The President giveth the Vice President his powers and duties, and can and often does taketh away.

That is a crucial point in understanding the Vice-Presidential selection process. The role of Vice President, and our perceptions of it, directly influence our attitudes as we choose men to fill this important position. It is well-known that many men, going back as far as Thomas Jefferson, have held the job and come to regard it as one of little importance. It is said, though seldom if ever proven, that some men have been offered the nomination for Vice President and turned it down.

I submit, Mr. President, that political party conventions and Presidential nominees would do a better job of choosing candidates for Vice President if the job were raised from this low level of esteem and elevated to one of greater prestige and authority. It is unlikely that many candidates will ever campaign as vigorously for the second place on the ticket as they do for the first. All the best men want to be President. That is as it should be and, given the nature of the political beast, probably as it shall remain.

But too often, when the nominee for President has been chosen, it is as if a great sigh of relief goes up from the convention, and the Vice-Presidential nomination is disposed of almost as an afterthought. The choice too often has been made on the basis of giving the ticket geographical balance, or appeasing dissident elements in the party, or other considerations. Only secondary regard is given to the nominee's qualifications, integrity, leadership ability and those other characteristics that should be uppermost in selecting the person who might suddenly become President.

If any President would seem to have a personal interest in helping improve the chances of first-rate Vice President being chosen in the future, it would seem to be the President who is in the White House now.

We have recently completed the arduous process of confirming a new Vice President under the 25th amendment's provisions. No man has ever undergone so rigorous an examination in running for an office, as Mr. Gerald Ford experienced before becoming the 40th Vice President of the United States.

But, if the President is disinterested in upgrading the job of Vice President as a precedent-setting means of assuring better choices in the future, then he should do so to make best use of the man whose talents and proven ability helped make it possible for him to get through such close congressional scrutiny.

Other Presidents, in recent years, have put their Vice Presidents to work to increasingly greater extents. Presidents Eisenhower and Kennedy—and as I can personally attest, President Johnson—each found new ways for their seconds-in-command to serve their administrations. I would hope the current President would follow and expand upon this precedent.

The selection of possible tasks for a Vice President is broad. As we all are aware, Mr. Ford has a very strong background in the legislative branch and its processes. He should be put to work as Presidential liaison with the Congress, a role that has needed strengthening lately and for which Mr. Ford is eminently qualified.

He could serve numerous other functions. I have long maintained, for example, that the Vice President should replace the President as chairman of the Domestic Council. He could serve as the link between the White House and the State and local governments. He could deal with the Federal departments and agencies. He could perform foreign policy duties abroad, and represent the President in public appearances at home.

He occupies a unique position, ranking higher than Cabinet officers while sitting as a Member of the Cabinet. He can thus perform duties which a Cabinet officer of ordinary rank could or should not undertake. These might include administrative, political, and ceremonial tasks.

He can, by getting around the country and dealing with State and local officials and citizens, serve the dual function of ombudsman for the public and political antenna for the President. He can help the people cut through the red tape of Federal bureaucracy, while picking up the mood of the people and relaying what he finds to the President. President Johnson saw fit, when I was his Vice President, to assign me just such a broad-ranging set of responsibilities, and it worked well.

Giving the Vice President a sizeable share of the burden that might otherwise fall upon the shoulders of the President could hold an added advantage—it could reduce the need for the kind of burgeoning bureaucracy we have seen of late in the Executive Office of the President.

Mr. President, I suggest that if we had a longer history of Chief Executives giving major shares of responsibility and authority to the Vice President, there might have been less of a tendency to fall into the troubles that have recently plagued the Vice-Presidency.

But, Mr. President, no matter how prestigious the office of Vice President might be made, nor how seriously we take the task of filling it, the process by which the parties select nominees for the second place on the ticket still needs improvement. I believe the DNC Vice-Presidential Selection Commission has produced a workable and reasonable reform in the selection system.

It is not dramatic. It is not radical. But it does what we viewed as our basic job—to provide the Presidential nominee and delegates to the National Convention with adequate time and maneuvering room, and greater accessibility to information about prospective nominees, so they might choose Vice-Presidential candidates on the basis of their qualifications for the job and their ability to take over as President if that sudden and profoundly serious situation arises.

We have attempted, Mr. President—and, I believe, we have succeeded—to produce a selection system that would serve the best interests not just of the Democratic Party, but of the Nation. I commend the result of the Commission's work to the opposition party, and offer it as an example for its leaders to follow. We have compiled a complete record of our work, including transcripts of four hearings and of the meetings of the commission and its executive committee, and hundreds of written comments. These are available through the DNC for use by scholars, politicians, and others interested in the subject.

The opposition party is, of course, also welcome to study these documents, which we on the commission believe make up the most comprehensive single collection of materials yet assembled on the subject of Vice Presidential selection.

Our recommendations, which have been submitted to the DNC to consider during the coming year, are based on several underlying principles and assumptions. We assumed first, that the old system was not the worst of all systems. We have not assumed that the whole selection process was a failure. After all, it gave us Vice Presidents Theodore Roosevelt, Harry Truman and Lyndon Johnson, who proved to be fully fit to succeed to the Presidency when called upon.

Another underlying principle is that we wanted a system that would produce winning candidates. We have had some people in American politics lately who would rather lose than win, because it was "the right thing to do." They have a martyr complex. They think that if they have put up the "right" candidate, even though he loses, they have done their job. They consider the nomination to be all-important, forgetting about the election.

But the important thing is winning the election. We on the Commission have sought to devise a system that permits that principle to operate—a system that permits selection of winning nominees.

The Presidential nominee will want a running mate with whom he is compatible, who would not cause him any trouble, and hopefully who can add another 10 percent or so to the vote returns. Our proposals attempt to limit the chance of the Vice-Presidential nominee being a liability, and enhance the chances that he will be an asset.

Some further principles underlying our recommendations include the belief that the national convention is the principal decisionmaking body in choosing nominees for President and Vice President; that the Presidential nominee also must have a significant role in choosing his running mate; but that any citizen should have the right to seek the vice Presidential nomination, regardless of the Presidential nominee's preference.

In addition, we concluded that time and timing are essential to choosing the best-qualified Vice-Presidential nominee who also best enhances the strength off the ticket; that, if given enough time, facts also must be readily available to the Presidential nominee in making his choice or choices for presentation to the convention; and that despite our wishes for harmony and tranquillity, nominating conventions are volatile creatures which can occasionally become explosive. To cope with this final consideration, we have offered a safety-valve mechanism for use in emergencies, an optional Vice-Presidential selection system to be employed when the Presidential nominee and the national convention agree that a cooling-off period is needed to put the pieces together before choosing a Vice-Presidential nominee.

Based on the foregoing principles and assumptions, the commission has proposed:

First, appointment by May 1 preceding the national convention, of an Advisory Committee on the Vice-Presidential Nomination, consisting of 7 to 10 persons chosen by the chairman of the Democratic National Committee, with consent of the executive committee.

The members shall be Democrats of high stature, knowledge, and respect, who are neither candidates for the Presidential or Vice-Presidential nominations, nor actively working in the campaigns of candidates for those positions. But the committee shall be chosen after consultation with all candidates for the party's nominations.

The committee's function shall be to provide the Presidential nominee with factual infomation on potential nominees for Vice President. The committee will rely on publicly available information and on material voluntarily supplied by candidates for the Vice-Presidential nomination. Such facts shall be gathered concerning any person the committee considers to be widely mentioned as a likely candidate for the Vice-Presidential nomination, or whose name is suggested by a Presidential candidate.

But the committee shall make no recommendation on a Vice-Presidential nominee.

The advisory committee would have no investigative or undercover role. The party has no legal authority to confer such a role even if it chose to, and we on the Commission were not persuaded such activities are needed.

When you run for public office, your opposition is going to investigate you There is no greater investigative operation in the world than the combined efforts of your opposition. And what they can not find out, it would take a grand jury to uncover. It is my belief that recent events involving Vice-Presidential choices have represented exceptional circumstances. Ordinarily, such things do not happen.

Second, extension of the convention calendar to 5 days, rather than 4 as in the past, with selection of the Vice-Presidential nominee scheduled for the final day. This allows 48 hours—rather than

12 to 24 hours as in the past—between the selections of the Presidential nominee and of his running mate.

Third, provision of an optional system by which the Presidential nominee and the convention could agree to postpone selection of a Vice-Presidential nominee for 14 to 21 days.

The decision in that case would fall to the Democratic National Committee, which would meet as a new "Vice-Presidential Nominating Convocation" to select the nominee 2 to 3 weeks following the convention.

This convocation would be, literally, a "mini-convention" in which the voting strength of each state has in proportion to other states will be the same as at the national convention. The reason is that the Democratic National Committee in 1976 will be restructured under new rules for national committee representation, to reflect the makeup of the convention.

Fourth. The provision that, while the Presidential nominee shall have the privilege at any time, either at the national convention or at the Vice-Presidential Nominating Convocation of the Democratic National Committee, to place his Vice-Presidential candidate choice or choices in nomination, any person shall have the privilege of seeking the nomination. The name of any candidate shall be placed in nomination for the party's endorsement if that person has received petition support from at least 10 percent of the assembled delegates, representing elements of at least three States, at either the national convention or nominating convocation.

Mr. President, I call the attention of my colleagues to an earlier statement in the RECORD on November 11, 1973, in which I presented the preliminary recommendation of the executive committee of the Vice-Presidential Selection Commission. I now ask unanimous consent to have the official report of the full commission printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

OFFICIAL REPORT OF THE VICE-PRESIDENTIAL SELECTION COMMISSION OF THE DEMOCRATIC PARTY

To assure the continuity of good and responsible government for the United States;

To provide procedures which best assure that the Democratic Party nominates its Vice Presidential candidate after full deliberation, investigation, and comprehensive consultation; and

In the hope that any person nominated for the position of Vice President of the United States by the Democratic Party will be an individual of the highest probity, with broad experience and capable of assuming and executing the Office of the Presidency in the best interests of the people of our Nation;

The Commission on Vice Presidential Selection, pursuant to the August 9, 1972 mandate of the Democratic National Committee hereby submits its recommendations to the Democratic National Committee and to the Rules Committee of the 1976 Democratic National Convention.

By May 1 preceding the Convention the Chairman of the Democratic National Committee with the consent of the Executive Committee shall appoint an Advisory Committee on the Vice-Presidential Nomination.

The Committee shall consist of not less than 7 or more than 10 members whose judgment, by virtue of their personal stature and their wide knowledge of national and state Democratic leadership in all regions of the country, will have the trust and confidence of the Convention and of the Democratic Presidential nominee.

Members of the Committee shall be selected after consultation with all candidates seeking the Democratic Presidential or Vice Presidential nomination but shall not themselves be candidates for or actively engaged in the campaign of any candidate for the Presidential or Vice Presidential nomination.

The function of the Advisory Committee and the staff assigned to it shall be to make available to the Presidential nominee factual information concerning persons whom he may wish to recommend to the convention for the Vice-Presidential nomination.

For this purpose, the committee shall collect such objective factual information as may be publicly available or as may be furnished by the persons concerned, on the committee's invitation or on their own motion, concerning any person who in the judgment of the committee has been widely mentioned as a possible Vice-Presidential nominee, or whose name is suggested for the committee by a candidate for the Presidential nominee, but it shall not make any recommendation of a Vice-Presidential nominee.

To give the Party's Presidential nominee additional time to review qualifications and credentials of possible vice presidential running mates, the Democratic National Convention, which by custom has met for four days every four years, shall meet in 1976 for five days, under the following provisions:

1. The Convention will convene on the first day for the purpose of welcoming remarks, a keynote address, and the resolution of all Credentials disputes.

2. A National Platform shall be adopted at the second Session of the Democratic National Convention.

3. A Presidential nominee shall be selected at the third Session of the National Convention.

4. The full Report of the Rules Committee of the National Convention, including the permanent Charter of the Democratic Party of the United States adopted by the 1974 Conference on Party Organization and Policy, shall be presented to the Convention on the fourth day, to be debated fully, amended if necessary, and officially adopted by the Convention.

5. The last session of the Democratic National Convention shall include:

(i) The Roll Call for, and nomination of, a Vice Presidential Candidate of the Democratic Party, unless the Presidential nominee, within 24 hours of his selection, shall recommend and the Democratic National Convention, after an opportunity for discussion, has voted to delegate such responsibility to the "Vice Presidential Nominating Convocation of the Democratic National Committee," in accordance with the following procedure: The "Vice Presidential Nominating Convocation of the Democratic National Committee" shall meet not later than twenty-one (21) days following the close of the Democratic National Convention, at a time not coinciding with the National Convention of any other major political Party, to select the Party's vice presidential nominee, pursuant to procedures set forth in Article VII of the Codified Rules of the Democratic National Committee, which reads:

"(a) The delegation from each State, Territory or District shall be entitled to the same number of votes as that State, Territory or District was entitled to cast at the National Convention."

"(b) The number of votes to be cast by each member present and voting shall be the same proportion of votes allocated to his or her delegation under Subsection (a) of the Section as his or her vote on the Committee is to the total number of votes on the Committee exercised by all members of the delegation from his or her State, Territory or District who are present and voting when the vote is taken."

"(c) Where a vote on the Committee is shared by two or more members of the Committee, it shall, for the purpose of allocating votes for the selection of the vice presidential nominee, be apportioned among those members sharing it who are present and voting."

(ii) The Acceptance Speech(es) of the Nominee(s) of the Democratic Party.

(iii) Adjournment.

No provisions of these rules shall be interpreted to prevent any Democrat to announce and run for the Vice Presidential nomination of the Democratic Party. In addition to any nominee or nominees placed in nomination by the Presidential candidate, any person receiving petition support from at least 10% of assembled delegates representing elements of at least three separate state delegations, whether at the Democratic National Convention or the "Vice Presidential Nominating Convocation of the Democratic National Committee" shall be entitled to have his or her name placed in nomination for the Office of the Vice President of the United States.

S. 1868—PROHIBITION ON THE IMPORTATION OF RHODESIAN CHROME

Mr. McGEE. Mr. President, during the debate on S. 1868 on Tuesday of this week, I was somewhat amused by comments of opponents of efforts to place this country back into compliance with United Nations sanctions against Southern Rhodesia.

It may be harsh of me to use such a term as amused, but I want to be honest in my observations. I was amused by arguments advanced by some Members of this body that somehow we are not bound by the treaty commitments we undertook in 1945 when the Senate, by a vote of 89 to 2, approved the United Nations Participation Act. I was amused because some of the very Senators who apparently have chosen to ignore this treaty commitment were, as I was, our staunchest supporters of the SEATO treaty which served as the basis for our involvement in Indochina. They believed and argued, as I believed and argued, that this Nation had a treaty commitment under SEATO, and to abandon that commitment when times were difficult for this Nation would cast severe doubts within the international community as to our credibility and the trustworthiness of our word under treaty agreements.

In light of my record of support for three administrations in the conduct of our Indochina policy. I believe I am in a quite credible position to criticize the dialog of Tuesday. In my judgment, some in this body are engaging in setting a double standard; that somehow there are some treaty commitments by which we are bound, while we can choose those with which we happen to disagree as the object of unilateral action detrimental to that agreement. It is a double standard. I would just add that we cannot have it both ways. Our word and trustworthiness as a nation is involved in every international agreement to which we commit ourselves.

I was also concerned over the attitude of some in this body who would argue that the conduct of the Soviet Union in the international community should somehow set the standard for our own conduct. I have heard considerable criticism of the Soviet Union, deservedly so I might add, but this criticism is used as an attempt to justify our own actions. This is quite strange that there are Members of the U.S. Senate who are the most vehement in their expression of contempt for the Soviet Union, while on the other hand choose to single out that country as an excuse for the United States conducting itself in a similar manner in the international community.

The issue is not to what degree any nation adheres to its international commitments or how many treaties any nation choses to adhere. I find this rationalization somewhat distasteful and doing violence to our very heritage, values, and traditions as a nation. I am sure our Founding Fathers, if they were here to witness such a debate, would find it equally distasteful. I do not believe that the Soviet Union, or any other nation for that matter, should set our standard of conduct within the international community or should serve as an excuse for our violation of commitments. Yet, I gathered from the debate of Tuesday there are those in this body who feel otherwise.

I might add that the genius of our Nation has been the continued willingness of its citizens to be our own worst critics. There are some who believe this is reprehensible. I do not believe this characterization is consistent with our ideals or traditions. If we fail to continually scrutinize our actions as a nation, then we will never fail as a nation. We must continually subject ourselves to this exercise in an effort to live up to our own ideals and traditions. Our strength as a nation is not derived from efforts to gloss over where we have failed or to ignore our shortcomings. We engage in hypocrisy when we wrap ourselves in the flag as a justification for our willingness to violate international commitments.

A serious allegation was raised in the debate, one consistently raised throughout the course of consideration of S. 1868, which many opponents of the legislation apparently accepted as fact. I am referring to the allegation that the Russians are buying Rhodesian chrome. This was a claim advanced by Colt Industries, one of the primary lobbyists on behalf of efforts to place us in violation of U.N. sanctions against Rhodesia which was refuted by our own U.S. Geological Survey, our own Government experts, and the United Nations Sanctions Committee. This allegation has been refuted time and time again. The factual evidence is on my side regarding this claim and, I might add, it is not based upon what some industry lobbyist is running around the Hill trying to peddle in an effort to distort the truth.

I would now like to briefly respond to the comments of the distinguished senior Senator from Ohio (Mr. TAFT). Although, I will respond at a later date in greater detail on his remarks, I do want to take this opportunity to challenge some of the assertions he has made. I was amazed at his claim that there is somehow a domination of the Afro-Asian bloc "working as a pawn of the Soviet Union within the United Nations." I would suggest that it might prove useful for the distinguished Senator from Ohio to read the report the disinguished senior Senator from Kansas (Mr. PEARSON) and I submitted to the Senate Foreign Relations Committee on our service as delegates to the 27th General Assembly of the United Nations a year ago. We found that all of the major powers, whether it be the United States or the Soviet Union, to be the objects of criticism from the developing world. This criticism does not emanate from the Afro-Asian bloc alone, but from our closest neighbors as well, Latin America. In this connection, I would like to quote the following from our report:

> It is my recommendation that the U.S. delegation should work on establishing and expanding a rapport with the developing countries before significant or important issues are considered in the various committee and plenary sessions of the U.N. Otherwise, these nations will vote in a block. One way to fragmentize these blocks is to devote extra attention and time to the developing nations. For example, I spent a significant portion of my time with various representatives from these nations. This effort included taking delegations from these nations to lunch, meeting with them at social events, and holding numerous discussions with them in private. As a consequence, a mutual trust and understanding grew out of these contacts which proved to be very productive for the U.S. on the assessments question.
>
> The point is that representatives of the developing nations tire of being pushed into the background while we spend our time with the Canadians, the British, the French, and other industrialized western governments. Thus, it is vitally important to devote increasing attention to working with the developing nations.

In commenting on the issue of international terrorism raised by the distinguished Senator from Ohio, I would urge him to read the hearing record of September 6, 1973, when the African Affairs Subcommittee received testimony on S. 1868. During that hearing we received testimony from the distinguished senior Senator from New York (Mr. JAVITS), who had just returned from an extensive tour of Africa.

The distinguished Senator from New York made the following, very poignant, observation. I quote from page 107 of the hearing record:

> One cannot leave that area without the firm conclusion that there are two deep issues troubling those peoples insofar as the United States is concerned: One is our attitude toward Rhodesia and the other is our attitude toward the Republic of South Africa.

The distinguished Senator went on to note:

> But if I ever was convinced that this measure (S. 1868) is the right one, I am certainly convinced now. Not only do I consider it right, but I consider it indispensable. Lest any body think that these are light matters, Mr. Chairman, I would like to point out that the International Convention on Terrorism involving skyjacking, in my judgment failed to be voted on effectively by the last General Assembly at the U.N. in part because the African nations rejected the approach of a binding international convention. They were motivated by the idea that we were not cooperating with them so why should they cooperate with us, even if it was in terms of limiting the opportunities of terrorists to force governments to help them realize their political aims, even if those governments were third-party governments and the people being assassinated were third-party nationals.

I find the so-called reverse moral arguments offered by opponents of S. 1868 as somewhat disquieting, particularly in light of the fact that the reason the U.S. Congress found itself in the position of reversing itself after 2 years of sanctions violation stemmed from a very sophisticated and concerted lobbying effort on the part of a handful of special interests and the Rhodesian Information Office located here in the Nation's Capital. I am not blind. I receive every publication released through the Rhodesian Information Office and these same arguments are advanced in their official statements.

In concluding this portion of my rebuttal to the remarks of the distinguished senior Senator from Ohio (Mr. TAFT), I would add the following observation. We have bloc voting in the United Nations because the developing nations of the world are fed up that the military and economic powers of the world continue to ride roughshod over them. They are fed up with our continual exploitation of their natural resources with little concern expressed or demonstrated on our part for their aspirations, needs, and beliefs. We are entering a new era in the world and if this Nation is not prepared to recognize the rapidly changing international interrelationships we are dooming ourselves to paying a heavy price for our ignorance and arrogance. I will go into greater detail in the near future. But I would urge my colleagues to open their eyes to the future and not set their feet in the cement of the past.

SENATOR SAXBE'S APPOINTMENT AS ATTORNEY GENERAL

Mr. SPARKMAN. Mr. President, even though we rejoice in the very fine appointment that the President has made in the person of Senator WILLIAM SAXBE of Ohio to be Attorney General of the United States, we all regret to see him leave the Senate.

I first came to know BILL SAXBE when he entered the U.S. Senate. He has a wonderful personality, a good sense of humor, and a dedication to things that are good. He has been an able Senator.

BILL SAXBE and his beautiful and charming wife, Dolly, were members of a delegation to a meeting of the Interparliamentary Union which Mrs. Sparkman and I also attended. They took a very active and impressive part in all of the group's activities.

BILL SAXBE has been recognized for his ability in the law. I am absolutely confident that he will make a good Attorney General. President Nixon has made a fine choice.

THE ENERGY CRISIS

Mr. JACKSON. Mr. President, our distinguished colleague from Connecticut, Senator RIBICOFF, reported to the Government Operations Committee last November on the results of his personal inquiries into the international aspects of the energy crisis. His conclusions, based on firsthand observations in Europe, can be, in my view, very valuable to the Senate in its consideration of future policy alternatives. Senator RIBICOFF focuses on the need for a cooperative policy among the principal Western nations.

I ask unanimous consent that the text of Senator RIBICOFF's report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PETROPOLITICS AND THE AMERICAN ENERGY SHORTAGE

(Report by Senator Abraham Ribicoff to the Committee on Government Operations, U.S. Senate, November 8, 1973)

LETTER OF TRANSMITTAL

U.S. SENATE,
Washington, D.C., November 5, 1973.

Hon. SAM J. ERVIN, Jr.
Chairman, Government Operations Committee.

DEAR MR. CHAIRMAN: As you know, at the end of August, I traveled abroad on behalf of the Committee to study international and European aspects of the energy problem.

As is my usual practice after such official trips, I am submitting my report of findings and conclusions. I hope they will be of interest to you and other members of the Committee, particularly as we continue our hearings on the creation of a Department of Energy and Natural Resources.

I had delayed submitting my report to you so that it might include observations and comments on the most recent Middle East conflict and its effect on the world energy picture.

With best wishes,

Sincerely,

ABE RIBICOFF.

PETROPOLITICS AND THE AMERICAN ENERGY SHORTAGE

I. INTRODUCTION

There has been growing concern over future energy shortages in the United States, and much talk about an "energy crisis." The feeling is widespread that the Federal Government must organize itself better in order to reconcile the increasing demands for energy with a peaking of domestic oil production, harm to our balance of payments position, and dangerous dependence on Middle East oil.

Since almost every other industrialized nation in the world is more dependent on foreign sources of energy than the United States, and is generally more efficient in using energy, perhaps this country can learn from their experience.

It is also apparent that the world's growing appetite for energy may lead to disastrous competition as Western Europe, Japan, and the United States begin competing for the same finite resources.

In order to find some answers to these problems, I traveled to London and Paris last August on behalf of the Government Operations Committee. I had a number of wide-ranging discussions in Europe with the people dealing directly with these problems—with the heads of foreign oil companies, with foreign envoys to the Organization of Economic Cooperation and Development (OECD), with British and French government officials, and with American personnel abroad.

Before my trip the Subcommittee on Reorganization, Research and International Organizations, which I chair, had already begun hearings on the proposal to create a new Department of Energy and Natural Resources, S. 2135. Further hearings will be held on this important legislation, and I feel that some of the issues I have raised in this report must be considered if our nation is to develop a coherent energy policy.

The following is a listing of some of the people I had discussions with in London and Paris:

London

F. R. Peter Vinter, CB, Deputy Secretary, Department of Trade and Industry.

George S. Whitehead, Assistant Under Secretary, Foreign and Commonwealth Office.

Brian C. Cubbon, Deputy Secretary, Cabinet Office.

H. Bryan Thomas, Director, Corporate Development, Burmah Oil Trading Ltd.

Frank McFadzean, Chairman, Shell International.

Geoffrey Chandler, Coordinator, Trade Relations, Shell; Thomas Greene, Head, North American Desk, Shell.

Paris

Yves Girard, Deputy to the Secretary General for Energy, French Ministry of Industrial Development.

Jean-Louis Beffa, Direction des caburants, Ministry of Industry.

Frederick Atkinson, Assistant Secretary General, Department of Economic and Statistical Affairs, OECD.

Emilio Gerelli, Deputy Director, Environment Directorate, OECD.

Dr. Wolfgang Haussermann, Nuclear Energy Agency, OECD.

Burton Reinfrank, Secretary of Oil Committee, Industry and Energy Directorate, OECD.

Robert Ovart, Secretary of Energy Committee, Industry and Energy Directorate, OECD.

II. THE LEGISLATIVE CONTEXT

As a Senator from New England, problems associated with energy shortages were not new to me. For a number of years the residents of my home State of Connecticut and citizens in other parts of New England had been paying premium prices for No. 2 fuel oil to heat their homes. Independent dealers, who supplied 25 percent of all the gasoline and 40 percent of all the heating oil to Connecticut residents had their own special problems.

During the months preceding my trip, I had strongly advocated a variety of legislative proposals and had taken other actions to ensure the continued flow of petroleum products to New England at the lowest possible prices to consumers.

In January I had cosponsored the New England States Fuel Oil Act to permit unlimited imports of No. 2 home heating oil. Later I sought and received assurance from the Administration that its new Oil Policy Committee would establish a special subcommittee to deal with Connecticut and New England's particular problems.

In February, I conducted a hearing on Reorganization Plan No. 1 of 1973, which transferred the chairmanship of the Oil Policy Committee from the Director of the Office of Emergency Planning to the Deputy Secretary of the Treasury. At the hearing, the Deputy Secretary agreed to establish a New England Regional Advisory Committee which would include independent fuel oil dealers so that their views could be considered in the deliberations of the committee.

In March I had joined in introducing Senate Resolution 74, calling on President Nixon to begin negotiations with the other major oil consuming nations leading to bargaining on a government-to-government basis with oil producing states and their own unified entity—the Organization of Petroleum Exporting Countries (OPEC).

In May I had cosponsored legislation providing for continued sales by major oil companies of gasoline to independent gasoline retailers at the same percentage levels as in a previous base period, and to assure equitable distribution of petroleum products to all regions of the country.

Along with a number of other Senators, I had also signed a letter to President Nixon urging him to use the authority granted him by the Congress in the Economic Stabilization Act to allocate crude and petroleum products, so that healthy competition of the small independent refiners and gasoline marketers would not be eliminated.

On June 5, the Senate passed S. 1570, the Emergency Fuel Allocation Act of 1973. This bill included an amendment I had offered and which has been approved on the floor, to establish an Office of Emergency Fuel Association. This measure was designed to ensure that municipal, county and state governments would be able to get enough gasoline and fuel oil to provide essential services to their citizens.

The Senate again passed a mandatory fuel allocation bill later in the session in an effort to spur Administration action.

III. THE AMERICAN ENERGY APPETITE

The American energy appetite has no equal anywhere in the world. Our energy consumption doubled between 1950 and 1970, and at the present growth rate, this will double again in about twelve years. By 1985 the United States will have used more energy than was used in all previous history. With six percent of the world's population, we today consume about one-third of all the world's energy and over one-half of all the gasoline produced.

American industry has for years burned up more energy as a method of increasing productivity. This has not been without its ironies. For example, we have even made our automobile engines larger to support new anti-pollution devices. The average American-made automobile gets 13.5 miles to the gallon—or almost double the gasoline required to move its European counterpart the same distance. This same automobile delivers only 10 percent of the energy it consumes to its rear wheels as power. Or another example, European industrial operations usually operate with an energy consumption of 10 to 20 percent or less than that required to do the same job as American industry.

What has happened since World War II is that the United States has become hooked on cheap oil—with the oil companies acting as pushers. The rest of the world tolerated this situation as long as the United States was self-sufficient in energy resources and was using its own raw materials. Now, because of our growing dependence on oil, we are being forced to purchase more of it overseas, competing directly with Europe and Japan. This has raised serious questions about the value of the American dollar, the impact on our national security, and the role of the United States as a world power.

The most outstanding feature of our nation's energy consumption pattern is our reliance on oil. Today roughly 45 percent of the energy consumed in this country comes from oil, and 32 percent from natural gas, largely a byproduct of oil production. Of the remainder, 18 percent is from coal, 4 percent from hydroelectric power, and only .5 percent from nuclear plants.

Our own domestic production of oil is now averaging about 11 million barrels per day, out of a total of more than 17 million barrels consumed. If current demand keeps climbing at the same rate, our needs in 1980 will be 25 million barrels per day—with close to half of it coming from abroad.

The following table shows where the United States gets its crude oil and oil products today:

TABLE I.—*The sources of our oil as of June 30, 1973 (crude oil and products)*

	Percent
Domestic production	63.40
Imports:	
Canada	8.15
Latin America (principally Venezuela, also Mexico and the Caribbean)	14.03
West Africa (principally Nigeria, also Angola and Ghana)	2.86
Arab countries (Algeria, Egypt, Libya, Tunisia, Abu Dhabi, Irag, Bahrein, Kuwait, Saudi Arabia, and others)	5.44
Other countries (including Iran)	3.92
Other sources (including reserves)	2.20

TABLE II.—U.S. OIL CONSUMPTION

	Millions of barrels per day	Percent of total oil consumption
Actual:		
1970	14.7	
1971	15.1	
1972	16.3	
1973 (estimated)	18.0	
Projected:		
1975	21.0	
1980	22–25.0	
1985	25–27.0	
U.S. OIL IMPORTS		
Actual:		
1970	3.4	23
1971	3.7	25
1972	4.6	28
1973 (estimated)	6.0	33
Projected:		
1975	7.5	36
1980	9–12.5	36–57
1985	13–15.0	48–60

IV. PETROPOLITICS—THE NEW GAME OF NATIONS

For a number of years I have emphasized that ecopolitics is replacing geopolitics as the prime mover in the affairs of nations. European integration through the Common Market and the Soviet desire for American trade and technology bear out this contention. However, with the industrialized nations of the world actively competing for the same petroleum resources, and with the exporting nations using oil to amass unprecedented wealth and political power, petropolitics is beginning to dominate both ecopolitics and geopolitics.

This became most apparent during the most recent Middle East conflict. Not only was the withholding of Arab oil used as a weapon, but the governments of Western Europe convinced themselves that because of their dependence on Arab oil, they had to pursue policies which undermined the very basis of NATO.

When the Mirage fighter bombers France sold to Libya were used in combat, when England placed an embargo on the shipment of spare tank parts to Israel, and when Germany refused to permit its territory or airspace to be used by American planes airlifting needed military supplies to Israel—we not only have a failure of leadership, but petropolitics threatening to rupture the North Atlantic Alliance.

If the United States is to remain a world power, it must never permit itself to be in a position where either its foreign policy or moral choices are dictated by a dependence on foreign oil. We should all be thankful that this country has not yet reached the stage where vital American interests are sacrificed because of dependence on Arab oil—or Soviet natural gas for that matter.

During my trip I had discussed the threat of Arab oil stoppages to the economies of Western Europe, and it was apparent to me that while some planning for such emergencies has been done at the working level, the political will to avoid being blackmailed was lacking among most European nations, notably France.

Last year Western Europe used oil for about 63 percent of its total energy consumption as the following table shows:

TABLE III.—CONSUMPTION OF VARIOUS FORMS OF ENERGY AS A PERCENT OF TOTAL CONSUMPTION (1972)

	United Kingdom	France	Total Western Europe
Oil	51.8	70.5	63.4
Natural gas	12.6	7.6	9.8
Solid fuels	34.3	18.8	23.6
Hydroelectric	.2	2.7	2.8
Nuclear	1.1	.4	.4
Total	100.0	100.0	100.0

Two-thirds of this came from the Middle East with most of the rest coming from Africa. Three countries—Libya, Saudi Arabia, and Kuwait—provided more than one-half of Western Europe's supplies.

TABLE IV—IMPORTS OF CRUDE OIL BY REGION OF ORIGIN (1972)

	United Kingdom	France
Middle East	66.2	66.3
Africa	25.9	30.7
Western Hemisphere	5.2	1.5
Communist	.2	1.5
Other	2.5	0
Total	100.0	100.0

V. GREAT BRITAIN—A START IN THE RIGHT DIRECTION

My talks in Britain convinced me that the British are ahead of both their European neighbors and ourselves in planning for the future. With hardly any petroleum resources of its own, Britain has always been heavily reliant on imports. Fortunately, Britain still has significant stocks of coal and a well organized nuclear energy program. Long the dominant power in the oil-rich Persian Gulf, Britain today must avoid having this same region place a stranglehold on its economy.

Shortly after I left England, Mr. Peter Walker, Secretary of State for Trade and Industry, whom I have met with on a number of occasions, announced a number of steps that would put the United Kingdom in a better position "than almost any other major industrial country to meet her energy needs."

These were the measures he outlined:

1. Legislation to enable the coal industry to keep open pits that would otherwise be uneconomic;

2. A major reorganization of the nuclear industry creating one strong commercially oriented nuclear construction company and providing the government with a powerful Nuclear Advisory Board (one-tenth of the United Kingdom's electricity is already generated from nuclear stations);

3. Development of the sodium-cooled fast nuclear reactor, with the first commercial contracts scheduled for 1976;

4. Joint development with the Germans and Dutch for the development of the centrifuge enrichment process to achieve major breakthroughs in this sphere of nuclear power in the next 20 years; and

5. Development of oil and gas resources in surrounding oceans. (The first off-shore oil will be extracted next year and production is estimated to reach between 70 and 100 million tons by 1980.)

As the oil resources in the North Sea are developed over the next several years, Western Europe's oil production will increase substantially, particularly in Denmark, the United Kingdom and Norway. The problem, of course, is that their own increasing rates of consumption—while not as high as ours—will not enable them to change their heavy dependence on outside sources in the near future.

The British recognize the waste inherent in the duplication of research throughout the world. Those Britons I spoke to all demonstrated a willingness to collaborate, not only with Britain's Common Market partners, but with Japan and the United States.

VI. INTERNATIONAL COOPERATION—STILL AT THE BLUEPRINT STAGE

Last June, the 23-nation Organization for Economic Cooperation and Development (OECD) met to discuss how to effectively cooperate to manage the world energy problem.

At that time the United States proposed, and the standing OECD Oil Committee accepted, a suggestion that an informal working group be established to develop and evaluate various issues and options of an OECD-wide agreement to share oil in times of emergency. The U.S. delegation also proposed expanded international cooperation in research and development to increase energy supplies and to diversify resources.

I fear, however, that based upon the lack of success of a similar high level group set up in 1971, to work on trade problems, this latest OECD effort will not achieve real results unless the participating nations display a much greater willingness to cooperate.

Diplomats are usually loathe to point the finger of blame at any one nation in particular. But on the basis of my talks, I was left with the definite impression that the major obstacle to emergency sharing proposals, and for greater coordination in bargaining with the OPEC countries, was the attitude of the French government. It is now apparent that instead of seeking ways to cooperate with the United States and other oil consuming nations, the French are relying on their strongly pro-Arab foreign policy to ensure their own access to Middle East oil.

One of the chief topics of discussion during my visit was the unilateral, but not unexpected, Libyan take-over of a controlling interest in the operations of the five major Western oil companies producing and marketing Libyan oil. The companies affected expressed their determination to pursue the expropriated oil in the courts throughout the world. This reliance on international law is indeed praiseworthy. But if more toughness had been displayed during the early stages of negotiations with Libya over crude oil prices, the oil exporting nations would not have their clients both literally and figuratively over a barrel today—with oil consumers footing the bill.

It is true that some constructive steps have already been taken. Each OECD member is supposed to have a fuel-rationing system ready for immediate implementation, if needed. But only England and France had complete ration systems ready to go, plus 65-day reserve stocks of oil. By comparison, the United States had only a few days supply of oil, and this is made up of what is in the pipeline.

The OECD has formally acknowledged the need for a comprehensive energy policy for its members. This would cover such issues as European dependency upon imported oil, U.S. competition for oil sources and products, and the impact of the United States-Israeli relationships upon Arab oil sources. However, during the latest crisis, the OECD Oil Committee could not agree on any action to counter the Arab oil embargo. Nor could the Common Market countries agree on how to assist Holland, a special target. Such actions as blocking exports or freezing Arab accounts were ruled out.

If concerted political action is not possible at this time, it would seem that, at the least, the OECD, composed of 23 industrialized nations, including the U.S., Japan, and Canada, could be a focal point for increased cooperation in research and development projects. There is no doubt that the United States could already learn much from foreign processes which put a premium on conserving scarce energy supplies.

While many are now aware of our nation's inefficiency in the use of energy, it is less well known that in converting energy to power, we do so much more wastefully than most other industrial countries. While exact figures on this are lacking, it is reliably estimated that in the conversion process we waste about one-half of all the energy we consume. On the other hand, a country like Sweden loses only 40 percent. Common research and development projects and sharing of technology could only be to the benefit of all.

While I was in Paris, I also looked into the results of a UNESCO conference on solar energy that had recently been held there. There is no doubt that some day solar and nuclear energy will provide almost all of the world's power. But, realistically, the widespread use of solar power is not for this century. This is not to say that more should be done, particularly in the southern one-third of this country where the development of residential solar units could heat homes, provide hot water and possibly, air conditioning. Working units are already in use abroad, and are more technically advanced than any currently manufactured in the United States. If used on a large scale, residential applications could result in substantial savings of conventional fuels. There is no shortage of "raw material" here, and even less likelihood of an embargo!

VII. OIL AND THE WORLD ECONOMY

In speaking to foreign oil company officials about the use of Arab oil for political purposes, I found surprising unanimity in the view that up until then, the Arab-Israeli conflict had not been a major factor in the maneuverings by the oil exporting states. The view was expressed that the demands for greater control and higher prices for crude oil were dictated by economic rather than political considerations. I was told of the growing feeling among many oil producers that their oil was worth more in the ground than it is by selling it during a period of inflation.

When Saudi Arabia talked of production cutbacks, this was dictated more by economics than politics. One notable exception to this "oil bank" in the ground thinking is Iran, which is producing as much oil as it can—some 6 million barrels a day. The Shah has stated that Iran wants maximum oil revenues now in order to modernize and develop its society.

There is no doubt that the other Middle East oil nations could do more to assist their own peoples. Unfortunately, the bulk of their excess oil revenues is not used in this way. In the midst of the last run on the dollar, the Senate Subcommittee on International Trade, which I chair, sought answers from top government officials as to which nations and corporations benefited from the attack on the dollar. While no definitive analysis was forthcoming, the movement of Arab oil money during this crisis was acknowledged, as well as Arab purchases of gold. However, European bankers estimated that between one-fifth and one-third of the dollars exchanged for German marks came from oil money. The potential for serious damage to the international monetary system by shifts of these funds is enormous.

The United States in 1972 had a $4 billion deficit in its balance of payments resulting from energy imports. We will spend about $7.5 billion for oil imports this year alone. This figure could reach $17 billion by 1980 if current trends continue. This year alone, Saudi Arabia will receive $6 billion in oil revenues. Saudi Arabia, Kuwait and the Persian Gulf Sheikdoms over the next 12 years will collect the staggering total of $227 billion—and this is a low figure based on an estimate before recent price hikes.

By 1985 it is forecast that Arab reserves of gold and foreign exchanges will rise to over $100 billion. How and where this money is spent poses a challenge to all industrialized nations and to the economic health of the entire world community.

There are no doubt limits as to how much money can be spent in places like Kuwait, Abu Dabhi and Qatar. The law of diminishing returns undoubtedly applies to Cadillacs also. The idea has been advanced that some of these billions could be used to improve the plight of millions of impoverished Moslems. Such proposals have not exactly been met with wild enthusiasm by the Arab oil exporters. It is more likely that much of this money will be spent in replacing the $3 billion worth of sophisticated Soviet arms destroyed in the latest conflict. Some of these funds will also probably be invested in Europe and the United States—raising the prospect of entire American industries being bought up.

VIII. CONCLUSIONS

If we are to escape from a dangerous dependence on foreign-source oil, there are three broad goals which must be pursued simultaneously.

We must lower our demand curve of effective conservation measures.

We must cooperate with other industrialized nations on common energy problems.

We must increase domestic energy production by the application of new technology and the acceleration of proven methods.

A. Conservation

With regard to the first objective, a recent Treasury Department study outlined eight emergency conservation measures that would save two million barrels of oil a day. This figure represents 12 percent of present U.S. consumption, and is, incidentally, about twice as much as we now import from Arab countries.

These are the measures outlined:

1. Reducing speed limits to 50 miles per hour for passenger cars—150,000 barrels a day would be saved;
2. Increasing load factors on commercial aircraft from 50 percent to 70 percent by consolidating and reducing flights—80,000 barrels a day saved;
3. Setting home thermostats two degrees lower than average—50,000 barrels a day saved;
4. Conservation measures in industry—50,000 barrels a day saved;
5. Limiting hot water laundering of clothes—300,000 barrels a day saved;
6. Mandatory car tune-ups every six months—200,000 barrels a day saved;
7. Conservation measures in commercial buildings—200,000 barrels a day saved;
8. Increasing car pools for job commuting—from 1.3 average to 2.3 average per car—200,000 barrels a day saved.

If by measures such as these we can keep the nation's growth rate of energy consumption to around 3 percent instead of the current 4½ percent annual increase, we can begin to escape from the energy crunch. Realistically, we cannot do away with all oil imports by 1985—but we should be able to limit these imports to around 10 percent of our total requirements—or about 5 million barrels a day.

An earlier report issued by the Office of Emergency Preparedness said that by employing even more stringent measures the country could reduce its energy demand by the equivalent of 7.3 million barrels of oil a day by 1980. This would save an estimated $10.7 billion in outlays for imported oil, thus benefiting its balance of payments problems as well.

Energy conservation is an idea that can be sold to the American people because it is not only patriotic—it saves money. With the cost of fuel and electricity already climbing, the incentives to conserve are certainly here. But this will take more than TV commercials sponsored by the major oil companies. The federal government must show the way by example, and an undue burden must not be put on the individual consumer. Our industries account for a third of the energy consumed and they must also do their share.

Already a number of legislative proposals have been made which have my own support and point the way. S. 2176, introduced by Senator Jackson, calls for a national fuels and energy conservation policy and the establishment of an Office of Energy Conservation. The bill calls for new building standards and codes, disclosure of the efficiency of electrical appliances, conservation by public utilities and a study of motor vehicles.

This is a needed start to conserve energy. I am confident that with the proper leadership, the American public, industry and labor will all cooperate to this end.

B. International cooperation

The success of the OPEC nations in forcing Western oil companies to meet their demands with regard to price, ownership, control and participation in down stream activities is largely due to the inequality of the two sides. It is not in the interest of the United States or any other nation to leave such important decisions up to the oil companies alone. This is more of a problem for the United States, since both the major French and British oil companies have substantial governmental participation. Today, the major oil companies are little more than tax collectors for the oil exporting nations, with limited bargaining power and even less disposition to stand up to OPEC.

The United States must seek to convince Europe and Japan of the dire need for much closer cooperation and coordination in all aspects of energy policy—monetary, investment, negotiation and research and development.

French reluctance over an emergency sharing program, or Japanese efforts to outbid the others for Persian Gulf oil, at best contributes to political blackmail and higher oil prices. At worst, such an attitude can create international economic chaos, and an Arab stranglehold on the West—as the Soviet Union looks on.

If the Western nations and Japan were to present a unified front in dealing with the Arab states, we would be surprised at their sudden reasonableness. After all, the United States and Europe still hold important cards—and do export essential manufactured goods, foodstuffs, and technology to the Arab states.

While Soviet machinations in the Middle East could undercut a firm Western position to some extent it is inconceivable that the Arab oil producing nations, most of whom are still conservative and traditional, would not resist a closer Soviet embrace. If the oil consuming nations begin with the premise that they are ready for hard bargaining, but will not be blackmailed, and if they can first agree among themselves on strategy and goals, temporary agreement, at least, could be worked out.

The United States, with its vast economic power and relative energy independence, must take the lead here. Surely the sad experience of Western disarray during the latest Middle East conflict should provide the impetus for a high level, concerted effort.

What we need is some very plain talk by the leaders of this country both to our European allies and to the Arab oil countries who are waging economic warfare against us. Our NATO partners should be made aware of the responsibilities they have to the United States and to the protection of NATO's southern flank. It is reasonable to ask how long the U.S. can be expected to shoulder the lion's share of the defense burden of Western Europe if at the first sign of Arab pressure, the Europeans fall over themselves to submit to blackmail.

The Arab oil producers should be reminded that economic boycotts are two-edged weapons and that the U.S. is prepared to take the actions necessary to protect itself. They should also be informed that the American people do not like being intimidated, and that the U.S. will take the conservation steps necessary to ride out the present situation while planning for greater future self-sufficiency.

This kind of message will be understood—and respected.

C. Alternative sources of energy

In examining alternative sources it is prudent to first look at areas where the requisite technology already exists.

It is also necessary to take a look at our resource base. Our nation's supplies of fossil fuels are still far from exhausted, and in this regard, we are much more fortunate than Europe or Japan. In fact, U.S. coal and oil shale deposits are larger than the world's total oil reserves.

For example:

The U.S. has an estimated 385 billion barrels of oil that are not yet part of proven reserves or presently recoverable. The amount is almost equal to all the oil discovered in the country up to 1971.

The country has 1.8 trillion potential barrels of crude shale oil in oil shale deposits in the Western states.

The U.S. has 1,178 trillion cubic feet of ultimately discoverable natural gas in its overall energy resource base—a little less than double all the natural gas discovered until 1971.

The U.S. Geological Survey estimates the Nation's total coal resources at 3.2 trillion tons, with 150 billion tons presently recoverable, enough for almost 200 years.

The U.S. has 1.6 million tons of mineable uranium, 700,000 tons mineable at costs low enough to assure cumulative requirements through 1985.

The caveat here is that a good part of the above potential sources are not readily available now.

Although the nuclear age is almost thirty years old, the most we can expect from nuclear power by 1985 is about 10 percent of our Nation's total energy consumption.

The present generation of reactors depends upon nuclear fission to generate heat to produce steam. Almost all of the 30 reactors now in operation and the 59 under construction are Light Water Reactors. Four basic problems are associated with their use—radioactivity, thermal pollution, plant safety and radioactive wastes.

Already, the feasibility of locating new nuclear plants underground has been proven in Sweden, and the United States should begin to think along these lines if the development of nuclear power plants is to continue in an orderly, safe manner.

Even if these serious environmental problems can be overcome by new technologies, it still takes more than eight years to build a nuclear power plant—and some $800 million. The real promise of nuclear energy lies beyond the next decade and is in the development of the breeder reactor which produces its own fuel, and ultimately, in nuclear fusion.

Our supplies of natural gas are rapidly being depleted, with only a dozen years of proven reserves on hand. This source can only be counted on for about 15 percent of our total consumption in 1985.

Oil from shale will become more important in the next few years, and there are huge reserves in the western United States, notably in Colorado, Utah and Wyoming. But aside from serious waste disposal and water restriction problems, cost is still a factor along with the development of new methods of mining and extraction.

The development of solar energy to produce electricity is technically feasible today, but the cost is such, and the state of the art so primitive, it is still decades away.

The key then to a realistic energy research and development policy leading to the needed level of self-sufficiency is coal.

In the space age such an old-fashioned solution will surprise many Americans. But greatly increased coal production, along with gasification and liquefaction of coal must be the main element in any effective program. The advantages are obvious. Gas is cleaner, more adaptable, easily transported—and environmentally the most acceptable.

First, more coal should be used to generate electricity. This can happen almost immediately, and while this raises the sulphur problem, there are already in existence foreign processes to remove sulphur from stack gas. For the future there is great hope in the magneto-hydrodynamic (MHD) process of power generation whereby energy from coal is converted directly into electrical energy.

The investment needed to go forward with plans to have coal meet close to half of our energy needs by 1985 would be substantial—some $15 billion by one estimate. But I would rather see this nation make such an investment instead of spending at least this much to buy Middle East oil. In fact, the recent hefty price hikes for crude oil are already making "uneconomical" processes look economical as the price of crude oil from the Persian Gulf approaches $6 a barrel and will undoubtedly go higher.

The Congress has already developed a fair degree of competence in planning energy research projects. The staffs of the Senate Interior Committee and the Joint Atomic Energy Committee have a great deal of "in-house" expertise. Because of this, the Congress has been active legislatively in the energy field.

One notable example is the major research and development bill introduced by Senator Jackson, S. 1283, which I have cosponsored. It seeks to commit this nation to a goal of energy self-sufficiency by 1983 and to back up the ten year commitment with $20 billion. This bill calls for the creation of five quasi-public development corporations to demonstrate energy technologies for shale oil, coal gasification, advanced power cycle development and coal liquefaction.

As I mentioned earlier, I have been chairing hearings with Senator Jackson on the Administration's proposal to create a Department of Energy and Natural Resources. It becomes apparent that before we can reorganize and create new bureaucracies we have to have a national energy policy. Only then we can decide how much we are willing to spend to get there, and how to proceed. We have yet to come to grips with the conflict between greater self-sufficiency in energy and preservation of the environment. The burning of higher sulphur content coal, the development of off-shore oil, the building of deep water ports all raise serious environmental problems.

The easy answer is to abolish all environmental safeguards—or conversely, to maintain them strictly without any modification. The realistic solution is somewhere in between, with greater attention paid to developing technology that can preserve and protect our environment while permitting steady progress toward energy self-sufficiency.

Such a program will truly be a monumental undertaking. It will be difficult from a technical standpoint and complicated in terms of the mix of private and public effort. It is a formidable task—even more imposing perhaps than the Manhattan or Apollo projects. But we really have little choice.

I am convinced that with realistic conservation measures, expended use of coal, orderly development of nuclear power, and creation of a strategic oil reserve, our nation can achieve both minimal dependence on overseas supplies and acceptable rises in energy costs.

How we organize ourselves to maximize our still plentiful natural resources against a backdrop of an unreliable and shrinking oil and gas resources is one of the most crucial problems our nation will face in the next decade.

What we do in the next few weeks and months might well determine the future foreign policy direction of this nation, its rate of economic growth, and the physical well-being of all of its citizens.

If we are to avoid the nightmare of a real energy crisis, it will be up to the Administration and the Congress to make the right decisions now—and it will be up to industry, labor, and the American people to share the burden together for the ultimate benefit of all of us.

THE FEDERAL ENERGY EMERGENCY ADMINISTRATION ACT

Mr. MUSKIE. Mr. President, this week the Senate passed S. 2776, the urgently needed legislation to establish a new Federal Energy Emergency Administration.

This legislation was given careful and expeditious handling by the Committee on Government Operations. I wish particularly to commend the distinguished chairman of the Committee on Government Operations, Mr. Ervin, and the distinguished senior Senator from Connecticut, Mr. Ribicoff, for their outstanding leadership in the development of this legislation.

Mr. President, like all Americans, I welcome the administration's effort to bring some order out of the administrative chaos which presently pervades the Federal Government's efforts to deal with the energy crisis. But as a Senator representing a State whose residents may be cruelly affected by fuel shortages this winter, I also recognize that no mode of organization—or reorganization—will alone solve so complex a problem.

As we learned during the energy-scarce years of World War II, programs of this kind worked only with full public support. And for the people to support efforts to combat the energy crisis, they must be told the whole truth about the nature of that crisis. They must be assured that the Government, in its effort to deal with the crisis, will treat everyone equally.

Mr. President, during consideration of S. 2776, the Committee on Government

Operations and the full Senate approved several safeguards to assure that the impact of the energy crisis and Government efforts to combat it will be better known and more fair. Supplied by the administration with a reorganization bill which would have granted considerable powers beyond those necessary to deal with the energy emergency to a new Federal Energy Administration, the committee undertook to tailor this legislation to meet the crisis that is at hand.

First, the committee rewrote this legislation to create a Federal Energy Emergency Administration—a Federal agency to deal specifically with the energy emergency during the next 18 months.

Second, the committee took specific steps to prohibit the President from transferring to the new FEEA programs now operated by other Federal agencies unless both houses of Congress approve. As originally proposed by the administration, this legislation would have granted the President unprecedented authority to transfer existing programs to the FEEA. The committee's action to curb that power represents an important step in the reassertion of congressional prerogative to determine national energy policy.

Third, the committee gave the Administrator of the FEEA subpena powers if necessary to obtain full and complete information as he deems it necessary from the oil companies. And it further provided for public disclosure of significant information that does not involve the trade secrets of the oil companies. There is nothing more essential to our efforts to combat the energy crisis than the power to obtain from the oil companies information about the severity of the emergency—information those companies have thus far refused to supply. The information and disclosure amendments added by the committee are an important step toward obtaining that vital information and provide an important safeguard to assure that the public will be well informed about the state of the crisis and efforts to deal with it.

Fourth, the committee added amendments to insure that State and local governments, which bear major responsibility in implementing emergency energy policies—are involved in a decisionmaking process from which those policies emanate. The committee also added provisions to assure that the FEEA supplies the States and localities with relevant information it possesses and to afford technical assistance to State and local governments in need of help to combat emergency energy problems.

Fifth, the committee required the Administrator of the FEEA to make regular reports about the economic impact of the decision he makes.

Sixth, the committee granted the Chairman and Director of the Cost of Living Council a veto over policies promulgated by the Administrator of the FEEA which would cause a rise in the cost of energy.

All of these amendments added by the Committee on Government Operations were approved by the Senate. They provide important public protection in the process by which the Federal Government combats the energy emergency.

Mr. President, S. 2776, as passed by the Senate, is a well-thought-out and necessary measure. It will allow, for the first time, the administration to concentrate its resources on combating the energy emergency, but, at the same time, it includes necessary safeguards to protect the American people from unwise or secret Government actions. It deserves prompt enactment into law.

ENERGY CRISIS HAS SWEEPING EFFECT ON OUR SOCIETY

Mr. HARTKE. Mr. President, few Americans yet realize how deeply the current energy shortages will affect our society. The crisis is not merely a matter of being restricted in the amount of gas we can buy for our cars, of holding down the temperature in our homes and in our offices, or even of paying higher prices for fuel. Each of these is merely a symptom of a much deeper problem, and each is merely the forerunner of other effects which will soon become apparent.

Recently, I received a letter from a friend of mine who is a new car dealer in Indiana. His letter expresses the sense of concern and frustration which more and more Americans will come to experience in the next several months.

Mr. President, I ask unanimous consent that the text of the letter from John D. Bottorff be printed in the Record following my remarks so that my colleagues may get some sense of the depth and extent of the energy crisis in America.

There being no objection, the letter was ordered to be printed in the Record, as follows:

John Bottorff Ford, Inc.,
Seymour, Ind., December 7, 1973.

Hon. Vance Hartke,
Senate Office Building,
Washington, D.C.

Dear Vance: I appreciate your call the other night concerning my letter to you of November 12, 1973.

The situation has become worse since then because of a public panic over the so called "energy crisis". Everyone wants to purchase small cars, but we do not have enough small cars to go around. They want to trade in big cars which we have too many of on both our new and used car lots. This has come about because they are being scared into protecting themselves from a shortage of fuel.

The fact is, too many people who have big families, who travel many miles, and who want luxuries on the small car will not get any better gas mileage, and many times worse gas mileage, than if they had purchased the kind and size of automobile they needed to start with.

Today is Pearl Harbor Day and this past month has been Pearl Harbor Month for the Automobile Dealers. We are being raped by government indecision, by Cabinet members who are all telling a different story to the news media, with each passing day, and by a lack of confidence that the American people have in the present administration. I might add that I personally believe that the whole country is being raped by the major oil companies as they charge higher prices for their product and try to drive the small Independent Oil Companies out of business.

This whole situation is leading to mass bankruptcy by automobile dealers and will spread to every segment of the economy if the Congress does not take control of the situation and start spreading some confidence instead of gloom and dismay.

Your attention to our problem will be appreciated. I am,

Sincerely,

John D. Bottorff,
President.

ATTORNEY GENERAL SAXBE

Mr. MATHIAS. Mr. President, it is a happy circumstance that Senator William Saxbe has had the preparation that life has given him as he now goes to head the Justice Department as our next Attorney General. His service in the legislature of Ohio, as attorney general of Ohio, as a member of the executive commitee of the National Association of Attorneys General, and in the private practice of law should give him a realistic approach and add a personal dimension to human problems, one which is often lost by people who come to national service and by those who head the great departments of Government. As great as these departments are, I think their ultimate goal should be the problems of individual people and I am hopeful that this is something that Senator Saxbe will bring to the Department of Justice.

Two of the initiatives in which Bill Saxbe has been involved as a U.S. Senator are particularly worth noting again as he goes to the Justice Department. He has sponsored legislation which dealt with the reform of the entire system of justice, beginning with counseling of juveniles who were first beginning to show some backward tendencies and carrying all the way through to badly needed reforms of the corrections and parole systems. Senator Saxbe also cosponsored legislation which dealt with total access to information on the part of all congressional committees that have the jurisdictional right to that information.

During his confirmation hearings, Bill Saxbe indicated that the Kent State grand jury proceedings are going forward and that, as Attorney General, he will not participate further in questions which touch upon those proceedings. I am glad he has determined upon this course.

Bill Saxbe assumes the Attorney Generalship at a very difficult time. The Boston Massacre of October 20, 1973, has left Justice Department morale at a low point. While all eyes have been focused on Watergate issues, I think it is important to remember that Elliot Richardson as Attorney General and William Ruckelshaus as Deputy Attorney General, had begun and were carrying out a number of new programs which held out great hope of reform in many of the problem areas now within the jurisdiction of the Federal Government.

In particular, I am concerned with a number of those projects which were outlined by Mr. Richardson in his letter to Acting Attorney General Bork of November 8, 1973. Under the direction of Elliot Richardson, the Justice Department had begun drafting legislation to provide authorization and limitations on the use of criminal justice information through the computerized information system administered by the FBI and made available to the States through LEAA funding. I hope that this work will be continued and that Congress will soon have an opportunity to consider the draft Criminal Justice Information Systems and Privacy Act under preparation by the Department of Justice. I think that such legislation should cover all criminal information, including that in State systems; should expedite the inclusion of dispositions with arrest records; should provide citizens with the right of review and the mechanics for purging erroneous information; and should contain criminal penalties for the wrongful dissemination of information.

I think also that the Justice Department's study of the operation of the FBI should be continued and that the end result should be a statutory base for that agency. Such a base would properly bring clear delineation of the authority of the FBI and guidance as to its proper activities.

Finally, under Elliot Richardson, the Justice Department was working with HEW and Presidential Counselor Melvin Laird in an attempt to bring improved Government coordination to the field of juvenile justice. This is an important initiative which needs to be continued in light of the severity of juvenile crime and its implications for the overall crime problem in America.

We all wish BILL SAXBE well as he assumes the crucial office of Attorney General. I think it is important that he employ those traits of character that have been so important in his career to date, independence and candor. Senator SAXBE has indicated a recognition of the need for his participation in the activities of the Government and indicated during his confirmation hearings that he is aware of the necessity for him to have access to every level of the executive branch. Such access is important not only because of the personal qualities of BILL SAXBE, but because, as a former elected Republican officeholder, he will be aware that there is a constituency in this Nation to whom he is responsible. The serious responsibility in our Government which he is now privileged to hold demands that he have the full opportunity to participate.

RECENT EFFORTS BY THE AMERICAN COMMUNITY AND JUNIOR COLLEGES TO ASSIST VIETNAM-ERA VETERANS

Mr. CRANSTON. Mr. President, the American Association of Community and Junior Colleges—AACJC—has provided much important leadership in recent years in improving and making available readjustment programs and benefits to the returning Vietnam-era veteran.

This past year, in particular, the AACJC has sponsored a series of conferences, in a number of cities across the Nation, devoted to the unique readjustment problems of Vietnam-era veterans and the various programs designed to meet these special needs. The veterans cost-of-instruction—VCI—program, which I authored in the Education Amendments of 1972, was a major focus of these conferences.

Mr. President, the VCI program was designed to provide incentives and supporting funds for colleges and universities to recruit actively returning veterans and to establish the kinds of special programs and services necessary to assist many veterans in readjusting to an academic setting.

The special attention directed to VCI at the AACJC conferences offered excellent assistance to many veterans and veterans service officers involved in the establishment of VCI programs at their schools. By bringing together representatives of the Office of Education—which administers the VCI program—the Veterans Administration, and persons with special expertise in the areas of counseling, education, and readjustment programs, and organizational techniques, these conferences allowed those attending to return to their institutions with many new ideas for establishing or strengthening already existing VCI programs.

Mr. President, in addition to the many helpful lectures and seminars scheduled for these conferences, the AACJC also made available their recently published booklet "Veterans on Campus, A Handbook for Programs, Services, Staffing, and Assistance." I believe this is a most useful and noteworthy publication, which I am pleased to call to the attention of my colleagues and the public. "Veterans on Campus" is an information manual that can be of real value to any student veteran or person involved in a program for student veterans. Persons interested in learning more about this publication should contact the American Association of Community and Junior Colleges, at 1 Dupont Circle.

WILLIAM BENTON

Mr. HARTKE. Mr. President, earlier this year, our Nation lost a distinguished American, William Benton. As a vice president of the University of Chicago, an organizer of the Committee for Economic Development, the chairman of Encyclopaedia Britannica, Inc., a U.S. Senator from the State of Connecticut, and later as U.S. representative to UNESCO, William Benton served his country with honor.

I ask unanimous consent that a tribute to William Benton which was published in the University of Chicago Record be printed in the RECORD.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

MEMORIAL TRIBUTE TO THE HONORABLE WILLIAM BENTON, APRIL 1, 1900, TO MARCH 18, 1973

William Benton was born on April 1, 1900, in Minneapolis, Minnesota.

From 1937 to 1945 he was Vice-President of The University of Chicago. He was named a Trustee in 1946 and a Life Trustee in 1965. In 1942 he helped organize the Committee for Economic Development and in the following year he became published of *Encyclopaedia Britannica*.

In July 1945 William Benton resigned as Vice-President of the University and as the Chairman of Encyclopaedia Britannica, Inc., to become Assistant Secretary of State under Harry S Truman. During his two years in the Truman administration he organized the program which created the "Voice of America" broadcasts. He also led U.S. participation in UNESCO.

In 1949 William Benton was appointed U.S. Senator from Connecticut; the following year he was elected to fill two years of an unexpired term. After leaving the Senate, William Benton returned to the active Chairmanship of Britannica.

In 1963 President John F. Kennedy appointed him U.S. representative to UNESCO with the rank of ambassador.

In 1968 The University of Chicago conferred upon Mr. Benton the first "William Benton Medal for Distinguished Service." This was the citation:

"William Benton, visionary public servant, perceptive student of foreign affairs, staunch supporter of education, discriminating publisher, astute businessman, co-founder of UNESCO and of the Committee for Economic Development, creator of the "Voice of America," whose talents he has shared freely with his fellow men."

This issue of the *Record* contains the tributes which were paid to William Benton at the memorial service which was held at Bond Chapel on June 11, 1973.

MR. EDWARD H. LEVI

This gathering of family, friends, and colleagues held in the University which he served so well reflects the abiding influence of William Benton. We cannot hope in the brief moments we have to encompass the full scope of his life. Each of us has a somewhat different story to tell as, indeed, it would be appropriate for such a gathering. We are bound together by our love and admiration for one unique among us, by the joy of having known one of the great spirits of our time. The incredible diversity of his career broadened the scope and magic of his work, but it reflected at all times the same creativity and enthusiasm, the same courage and intensity of purpose, and, more than that, the same devotion to a set of principles which gave unity and completeness to a life of many patterns.

William Benton was an officer and trustee of this University. "There is something about being a trustee of a college or university. I think it is the highest honor that can be given a man in private life," he said last autumn. Even so, the words "officer and trustee" inadequately measure this relationship. It was from this University that he began the organizing of the Committee on Economic Development; created "The University of Chicago Roundtable" as an instrument of public information on an almost international scale; began the bridging of an academic and public life and the seeing of international and domestic issues in a common context ahead of his time; carried the message of this University and gave it new significance as he developed the international exchange of scholars and as he championed intellectual freedom. It was from here that he made possible the relationship between the University and the *Encyclopaedia Britannica* pleading with his fellow trustees to recognize the importance of that relationship to the University and to the society as an instrument to help make possible a learning society.

Because of his extraordinary leadership for this University, the Board of Trustees created the William Benton Medal as the University's highest service award to be given not more than once in a five-year period, and conferred the first such medal upon Senator Benton. I know it gave him great pleasure to have Paul Hoffman as the second recipient. Now the University, enabled to take this step through an anonymous donor (matching funds previously given by the Mellon Foundation), has established the William Benton Professorship, and in addition an appropriate area of the Regenstein Library will carry his name.

These signs inadequately express the impact upon our own lives which William Benton had—the disarming candor, the insistence upon, and devotion to basic principles.

But they are in recognition of an influence which will remain and grow. William Benton's reach was always for the future. I welcome you to this gathering knowing that what we shall talk about and think about is not just of the past, but of an abiding meaning for tomorrow.

MR. ORTON H. HICKS

Fifteen years ago when Dartmouth was about to appoint a Vice-President, President Dickey addressed a memo to the college trustees in which he outlined the specifications of the job, touched on my alleged qualifications, but did not hesitate to mention my obvious deficiencies. In connection with the latter, he wrote: "Hicks is not a good public speaker, but he has one great asset: he does not talk long!" Except for my proud claim of being Bill Benton's oldest friend, that is probably my only justification for my appearing in such distinguished company. At least I shall set a standard of brevity for my colleagues who follow.

The early schoolboy days with Bill at Shattuck gave promise of the man who was to come. Even then his persuasiveness was legendary. My senior year pet project as editor of the school paper was to drive the two wholly worthless and entirely political fraternities off the campus. Bill, as head of Tau Phi fraternity, came to dissuade me. One hour later we had not only reversed the editorial policy, but I had also joined Tau Phi and was campaigning for Bill to be class President on the Tau Phi ticket.

Forty years later, that same persuasiveness turned the tide when Bill was negotiating with me for Britannica to acquire exclusive 16mm distribution of Metro Goldwyn Mayer's library of feature films. MGM's President, Arthur Loew, was hesitant to sign the deal because he had heard that Britannica was "not having a very good year." I asked Bill for a rebuttal. He replied: "The rumor is true. Last year EB made $18 million. This year we will make only $10 million. But that is still a lot better than your $5 million profit at MGM!" (Bill had always done his homework.) And then as an afterthought Bill said: "As further evidence of Britannica's inherent stability there is one more thing you can tell Arthur: 'If ever he had made as many mistakes as I have made, MGM would not even have survived.'" Courage was one of Bill's greatest qualities—whether he was standing up to the school bully, or confronting the infamous Joe McCarthy, or telling off MGM. That same boldness founded the first radio-oriented advertising agency and brought to this great University of Chicago the largest gift in the history of fund raising. Yet with it all Bill had fun! He enjoyed life! He might well have written that line of Robert Louis Stevenson's from *The Lantern Bearers:* "They who miss the joy miss all."

A joyous nature, contagious enthusiasm, bold courage, and inspiring leadership: these are qualities we will always associate with Bill. And at the very top was the quality of his friendship. My own indebtedness to that friendship spans 58 years. Included in that list of debts is the friendship Lois and I enjoy with Helen and her gracious family; the friendship that has brought me the honor of appearing on this program today.

But a far greater debt is owed to Bill by society at large. The world mourns the loss of a truly great man while we in this room mourn the loss of a loyal and honored friend. Bill, our affection for you is best expressed in the final line of Dartmouth's Alma Mater: Bill, "there is no music for our singing, no words to bear the burden of our praise."

MRS. ANNA ROSENBERG HOFFMAN

On Bill Benton's last visit to Lyndon Johnson's ranch, only a few weeks before the President's death, President Johnson gave Senator Benton a copy of his book, *The Vantage Point*, containing the following inscription: "To Bill Benton, a man for all seasons. A compassionate leader in all fields that make his country and its people better and stronger. Education, relations with other nations, environment, business, and the plight of his fellow man, benefit from this unique and very unusual man—from his friend through all the years, Lyndon B. Johnson."

All of you here today have in some way shared the excitement of working with or knowing this unique and unusual man.

Many of Bill's accomplishments will be part of America's history.

The Senator who had the courage to be the first to stand up on the floor of the U.S. Senate and tell Senator Joseph McCarthy the truth.

The man who had the vision to create the "Voice of America" when he was in the State Department—a voice that became the voice of hope during the troubled war years.

The Chairman of the UNESCO Delegation who won the respect and leadership for the United States in the many educational and communications areas all over the world.

Yes, Bill Benton dreamed the impossible dream, and fought the unbeatable foe; but he made the impossible dream come true, and to him there was no unbeatable foe.

He became a leader in business, but his business ventures were not to amass a fortune for himself or his family, but to make a contribution to education and knowledge. Under his leadership the *Encyclopedia Britannica* became the greatest and the best. Bill Benton would not settle for less. He was a proponent of visual education in the very early years, and his company, Encyclopaedia Britannica Educational Corporation became a trail-blazer in this field. The Great Books, Merriam Webster, Compton's, Praeger, Muzak, these are all ventures most of you know about and some of you will talk about today.

Some of you will remember the many memos that Bill Benton sent to all of us, and at times we complained about them, and yet, we now all feel that life lacks some of the excitement and inspiration and how we wish we could still receive those memos.

I am sure some of you here today will talk about many of Bill Benton's accomplishments, but I would like to share with you a quiet moment of remembrance of Bill Benton—the man—the man who had a quality of friendship that I have known in no other. Many can bear testimony to this wonderful quality in Bill.

My mind goes back to a year ago last May when Bill Benton sat with me in an airless hot corridor hour after hour, day after day, while his friend Paul Hoffman was fighting for his life in a hospital intensive care unit. Time and time again I asked Bill to leave telling him that there was nothing he could do, but he stayed, trying by the force of his friendship and the strength of his love to help Paul in his fight on the other side of the wall. And I believe that he somehow did help Paul in that fight.

A few days after Bill's death Paul, who read all the editorials and comments, dictated these few lines and, as he cannot be here with you, I would like to read them. They were written by a man who knew and loved Bill Benton as I did:

"As was anticipated Bill Benton's death has resulted in his receiving a large number of eulogies from many parts of the world from many different people. They have one fault in common: They give great emphasis to Senator Benton's accomplishments as an advertising man, a businessman, and a politician, but none stress what in my mind was his most outstanding characteristic; namely, that he was a great human being and always looked for a chance to help other human beings realize their full potential. I am one of the many hundreds of people Bill Benton helped in a most effective way because of his human compassion. This explains the reason why he has so many devoted and intensely loyal friends throughout the world. He would do anything to help a friend achieve a worthy objective."

Bill Benton left a proud heritage to his children and his grandchildren, and the great trust and responsibility to his wife, Helen, who I know is proud of this confidence and will carry out his wishes and ideals. And we, Bill's associates and friends, will give Helen the same loyalty and devotion we gave Bill.

HOWLAND H. SARGEANT

William Benton labored long to teach me the value of the short descriptive phrase. I was thinking how he would have phrased his own life in international affairs. Perhaps like this: A founding father of UNESCO. Revolutionizer of America's International Information, Educational Exchange and Cultural Relations Programs in the face of formidable opposition. Organizer of the "Voice of America." Vigorous champion of worldwide freedom of information. Discerning prophet of education as the key to Latin America's future and eloquent advocate of life-long education. Recipient of the State Department's Distinguished Honor Award. First American member of UNESCO's Executive Board to hold the rank of Ambassador.

I don't know whether Bill would have given me a passing grade. He wouldn't have written this about himself, but I think he would have liked the effort to summarize and try to say in short compass some of the things that stand out in a lifetime of diversity. His close friend and colleague from the Senate, Senator J. W. Fulbright, Chairman of the Senate Foreign Relations Committee, appraised his significance in the field of foreign relations in these words in a letter to Charles: "He possessed an enlightened and humane attitude, which helped our country play a constructive role during the years he was in the Department of State and in the Senate.

"He was deeply interested in the work of UNESCO and recognized that good international relations depend upon factors other than from military might.

"He thoroughly supported the students exchange program and all other activities designed to encourage the interaction of scholars and of citizens of many nations. He had a strong interest in education, and his early reports upon the educational programs in Russia did a great deal to further the understanding of the people of this country about the Russians. In view of this nation's tragic experience in military intervention, Bill Benton's policies and ideas appear more valid with the passage of time."

Yet Bill Benton came late, in mid-career, to most of these international concerns. The institutions on which he left his imprint are for the most part sublimely unconscious of the profoundly shaping influence that he exerted. It is an influence that becomes more distinct as time passes. For example: UNESCO later rejected its original narrow concept of concentrating on the "elite of intellectuals," and moved toward the position that William Benton had advocated from the earliest days when he pressed for programs, including mass communication, to work toward the "common understanding of the masses of the people in this world." When he came back to UNESCO in 1963, he said his return as a founding father could be likened to that of Thomas Jefferson returning to Washington of today and trying to wend his way through the Pentagon. He found that UNESCO's programs of material aid and assistance in education and science were by then fulfilling a major need of the *developing* member states.

The institutions that he did so much to bring into being as instruments and elements of the worldwide program of information and educational exchange have been fashionably cycled and recycled in intervening years, but I think the bedrock of his conviction has stood the test of time. In his letter of farewell to Secretary of State George Marshall, in the late summer of 1947, submitting his resignation as Assistant Secretary of State for Public Affairs (and incidentally leaving several lively babies on my doorstep) he wrote: "The security of this nation depends upon an informed opinion at home and abroad, and the truth is that although we have won such support for the principle, we have not yet aroused the imagination of our fellow Americans . . ."

If the Foreign Service today is not a limited guild of a traditional Foreign Service elite, but instead a broadly based corps of men and women capable of meeting the emerging post-war needs of a new era, only dimly perceived in 1946, then William Benton has a large measure of responsibility for this evolution. Loy Henderson, career ambassador of the United States, now retired, says: "Were it not for his efforts as mediator I doubt that the Foreign Service Act of 1946, which set the tone of the Foreign Service for the next 25 years, would have come into existence."

Here is a man, who in the field of international affairs, displayed that same great talent for friendship, that same zest for promoting and backing innovation and individual potential, as in all of his major efforts. His continuing significance in international affairs must be seen in part in the institutions he helped to shape and in the countless individuals—many are in this chapel today—whose lives he enriched and altered, and in that blend of enlightened courage and willingness to take risks that he brought to everything that he did. More than a decade ago, I was in Istanbul with Bill and he asked a perceptive lady who had seen at first-hand successive generations of ambassadors of this and other countries come and go: "What do you think are the three greatest attributes of an ambassador?" This lady replied: "First, courage; second, courage; and again courage"—an appraisal that William Benton fully shared, often repeated, and fully exemplified in his life.

MR. RICHARD H. HOWLAND

I speak the following words on behalf of Dillon Ripley, the Secretary of the Smithsonian Institution, who, alas, is in England today, as well as for myself. At the Smithsonian Institution we remember Bill as a Renaissance man dedicated to improving the quality of life in modern times. He was a man of many interests, both academic and professional; a man who felt at home on the campus as well as in the board rooms; a man who was known among museologists, publishers, government leaders, and the literate for his dynamism, innovations, and enthusiastic endorsements of unpopular as well as popular enterprises.

In a period when there was great discussion about the need for the business community to become interested in art, Senator Benton was a pioneer as an advertising executive and publisher who assembled American paintings of the first half of our century. I recall him saying: "My paintings represent my own taste, strict and unadulterated, without any advice from anybody. I have never sought any guidance on buying a picture nor have I concerned myself with whether the price would go up or down or whether I would be cheated. I buy recklessly and when I like an artist like Tom Benton or Ivan Albright I keep on buying his work." Bill Benton helped to develop the frontier that now is American corporate involvement in the art world.

He sponsored exhibitions of paintings in cities across the land as well as overseas. He sought out the advice of distinguished curators in planning these exhibits and his corporation, Encyclopedia Britannica, was one of the first to employ such a curator to take part in planning corporate development activities in the Arts. It is said that Bill Benton was the first private collector ever to buy paintings by Reginald Marsh. This was in the 1930s, which reminds us of a story about Bill and his art collections.

During the depression of the 1930s, Marsh came to the Benton country home in Southport to paint portraits of the Benton children. He remarked to Bill Benton: "Do you know that the WPA is giving $100 a month to artists? And they can paint anything they want. Sometimes I wish I could get a deal like that." To which Benton replied: "Go ahead. I'll be your WPA. Paint anything you want for me and bring it in once a month and I'll give you $100 for it." Scores of great Marsh paintings were delivered to Benton during a three or four year period.

He was at his best, perhaps, with a small group of friends at his generous table at home or abroad. These were exciting events punctuated by ideas and observations that flowed from him at the rate of almost one or two per minute. Bill had varied lives that covered several worlds. He moved easily and assuredly from the world of economics and politics to the social and educational universe with a deep background of knowledge of many subjects and disciplines.

For a number of years, I was privileged to travel with him and his family along with a variety of stimulating guests on several of the great yachts that he chartered for long voyages to the Mediterranean, seeking the sources and fountainheads of our cultures in ancient centers of civilization now yielding their past to the archaeologists' spades. For me, the most stimulating part of the voyages were probably not the sites themselves, but the informal seminars which Bill organized every evening before dinner on the yacht's deck. These cocktail hours stretched on, stimulated not by the generous drinks provided, but by his reactions to the reports and analyses that he requested of his family and guests, carefully prepared for days ahead, on topics and topography to be enjoyed the following day. The stimulation of Bill's responses, observations, and sensitive questioning led the reporting guest into realizing new depths and relationships that he had not previously suspected in his own topic of investigation.

I recall one of those evenings on the fantail of that great yacht, the "Flying Clipper," when we were discussing what, exactly, the Smithsonian Institution really is. Is it really what it set out to be—fully concerned with the purpose of its founder, James Smithson, who asked in his will that the Institution be devoted to the increase and diffusion of knowledge among men? This phrase encompasses two objectives and they are distinct: the first implies sponsorship of research, and the second the sponsorship of publications and the widest possible dissemination and exchange of information. Over the years, the Smithsonian has sponsored research into the domains of the planets and of space, into aspects of our environment on earth and in the atmosphere, and after having done so handsomely on the increase of knowledge, the Smithsonian has substantially added to its efforts in the diffusion of knowledge. Diffusion has meant innumerable publications, not just the results of research, but encyclopedic works and compendia.

As we—he and I—considered the millions that flock out of our buildings touched by our research and diffusion, it seemed to us that what we have ended up with is an aspect of a university without walls, an open university so to speak, that seeks to exploit the most modern communications as well as the most lasting ones to diffuse knowledge that is both significant and sensitive to all mankind. Bill Benton was actively concerned all his life with the increase and diffusion of knowledge, and in many ways was a university himself in our Smithsonian definition of the term. He embodied the ideal that James Smithson issued as a challenge to us over 150 years ago.

We shall always honor him as this and as a great world leader concerned with progress and hope. He was an interdisciplinary man with Renaissance tastes and concerns that he shared not only with our generation, but has passed on to those still to come.

THE HONORABLE HUBERT H. HUMPHREY

Five years ago, Mrs. Humphrey and I were privileged to be here at The University of Chicago with Bill and Helen Benton on the occasion when the University was honoring this fine and good man. It was supposed to be a surprise visit on my part. I was occupying another office at that time, and I came flying out here at government expense to share in this wonderful occasion. I have to tell you, however, that Bill Benton had wired me. He didn't expect me, but if I could come, he said, "don't speak more than two or three minutes."

Now can you imagine that loquacious conversationalist, Bill Benton, saying to that super loquacious conversationalist, Hubert Humphrey: "Speak only two or three minutes?" But this was the measure of our relationship. We could speak with great candor, knowing that neither one of us might pay too much attention to any sharpness in it.

I saw in Bill Benton what you have seen in him. Maybe you have seen much that I haven't. But above all, I saw in him a restless spirit, but not an angry one—a restless spirit that was a part of the times, a part of the action of our century.

I saw in him a very, very great love of three eminent institutions—his *Encyclopaedia Britannica*, this great University of Chicago, and the United States Senate.

Of course, for anyone to give a brief glimpse into the life of Bill Benton is like trying to summarize *Encyclopaedia Britannica* in just a few paragraphs. It is literally impossible. So I'm pleased to have this opportunity to hear from several of his friends so that we might at least learn a chapter or two of the "Lives of William Benton."

I like that title of his biography because, truly, when I was asked recently how long he had lived, I said that's not the question. The question is *with what intensity* he lived. Because to Bill Benton, years were just a way that some people charted the course of history. To Bill Benton a year was an opportunity to do several years work and undertake many generations of hopes.

Now, how do you describe this man? How do you evaluate him or judge him? Well, I've tried and I must confess that I haven't been able to do a very good job of it. I have looked over many of the things that others said about him.

They said he was "unique." That's the understatement of the year.

"Courageous?" Indeed.

"Innovative and creative?" Words we use that were just a part of his very being.

"Conversationalist, engaging?" I should say how many hours I have enjoyed the privilege of his company—as we tried to speak, both at the same time.

"Stimulating, exciting?" Surely that is but part of the character.

"Intellectual and a scholar?" Surely, yet he never really wanted to be known as an intellectual. One of his great talents was exciting intellectuals to be more intellectual.

"Educator?" In the best sense of the word. Not only the formal educator, but the educator of the open university, of life itself.

And "administrator, publisher and author, businessman and salesman." He was not just salesman of the product, however, but salesman of the idea, of a theory, of a philosophy.

And, yes, he was Senator and Ambassador. These were honored titles for him.

And, of course, as it has been said, he led with "Voice of America" programs of international exchange in culture and education—this is Bill Benton; not government, Bill Benton.

UNESCO was very much his idea and it was one of his joys of private and public life, being Ambassador to UNESCO. He gave so much and I doubt that he received very much except the knowledge or the feeling that he was able to share of his talents with so many people.

As husband and father, he excelled.

And many are in his debt as philanthropist, patron of the arts.

But I will remember him most as a friend, a good friend: accepting you as you are, always willing to help you become something better; a benefactor, a critic, a helper, one who was intensely loyal and who shared openly his love and affection for you.

"Generous?" Yes, I knew him to be very generous, but his greatest generosity was the gift of his friendship. I've never known anybody who knew so many people. You could mention a name and Bill Benton could give you really a full description, his life, his works. He knew everybody, as I used to say, and if he didn't, he set out at once to make the acquaintance.

May I take a few minutes of your time to tell you about his politics? He wasn't just a private man. As a matter of fact, he was very public. He had ideas about everything and he would tell you. How refreshing!

No carbon copy, this man. He was open, candid, opinionated, frank, and informed.

In politics, he was a Democrat—another blessing in his life. But he was not only a Democrat, he was an independent.

He knew the great men of our time because he was one of them. His love for Harry Truman was known and he everywhere proclaimed his respect for Dwight Eisenhower. His affection for Adlai Stevenson was a rich part of his life. He had deep admiration for John Kennedy and Lyndon Johnson.

These are all chapters in the rich and rewarding life of my friend, Bill Benton.

I met him first in Atlantic City when he was Assistant Secretary of State for Public Affairs and I was Mayor of Minneapolis. We gazed upon each other, wondering what kind of a man is this, and out of that meeting came our wonderful friendship.

He came to the United States Senate in 1949. He only served there three years, but he did more in three years than some people do in three decades or three generations. He didn't wait. I don't believe that he knew that he was a freshman senator, and, if he did, it didn't bother him a bit—except to reinforce his view that as a freshman he was supposed to shake up the establishment.

He set to work at once. He was in every debate. The subject of education was foremost in all of his utterances and thoughts.

But above all, this man, this friend of mine, Bill Benton, was a confirmed enemy of any form of bigotry and discrimination and he set out early—in fact his very first speech in the Senate was on the issue of civil rights at a time, may I say, when most were silent and fearful. Bill Benton spoke up for fair employment practices when others were hiding out. He looked upon the immigration laws of our country, saw in them provisions that were an insult to decency and humanity, and fought hard to make those immigration laws worthy of a democracy. He spoke out for effective federal aid to elementary and secondary education. He did this at a time when it was unpopular to be for civil rights, to be for liberalized immigration laws, or to be for aid to education.

Then, how well I remember when he spoke to me of the day, it was in August of 1951, when he decided that he would challenge the late Senator Joseph McCarthy because, as he said, Senator McCarthy represented a pattern of fraud and deceit. He called upon the United States Senate to expel him—an act of immense courage that no one else was willing to undertake. I remember Billy saying to me: "I feel that I'm the one that can do it and I shall."

Yes, this man was a man of moral courage. He was a public man. Some might say that he is best characterized by his efforts in international affairs, his support of NATO, his leadership in the field of assistance abroad—the economic and humanitarian are parts and chapters of this man's life.

But above all, to me, he was a person dedicated to public service. His private enterprise was public service. He shared, he gave. He did "cast his bread upon the water" and it did come back in rich dividends. Not dividends of money, but dividends of rewards to life—a feeling that he was making a contribution to a better world.

Bill was an optimist. I think that I found my friendship with him, in part, because of that characteristic. He believed that humankind could do better, that he could make a difference. He recognized that institutions of democratic government need constant nourishment and constant protection.

He loved Adlai Stevenson, as I said. In fact, some of the happiest hours of my personal life have been in the company of Bill Benton and Adlai Stevenson: the wit, the humor, the arguments, the discussion. How they would work each other over! And then, after they were through, they would turn on me. And then I would join with one of them as a partner in working over the other. Oh, those precious hours, and they were hours, believe me, and they were wonderful.

Adlai Stevenson summarized for me, and what I think would be for Bill, the meaning of democracy. I read to you what he said in 1963:

"Democracy is not self executing. We have to make it work, and to make it work we have to understand it. Sober thought and fearless criticism are impossible without critical thinkers and thinking critics. Such persons must be given the opportunity to come together to see new facts in the light of old principles and to evaluate old principles in light of new facts by deliberation, debate, and dialogue. This, as we all know well, although some of us forget from time to time, requires intellectual independence in penitent speculation and freedom from political pressure for democracy's need for wisdom will be as perennial as its need for liberty. Not only external vigilance, but unending self examination is the perennial price of liberty, because the work of self-government never ceases."

That philosophy represents well the public man, Bill Benton—a man of penitent speculation, intellectual independence, deliberation, debate, dialogue, and discussion, who recognized that the work of self-government never ceases.

In all of his life, whatever the demands on his time or his resources, he gave of himself, to his friends and family, to the public, to the nation, to the world, and to the great family that he loved the most of all—mankind.

MR. HAROLD D. LASSWELL

The life of William Benton was a controlled explosion. He could turn a simple game into a tournament, a casual conversation into a commission of enquiry, a vacation voyage into a floating classroom. Strangers might think that all this pressured living would be intolerable. But for those who knew William Benton, there was no more point in resenting his unceasing initiative than there would have been in grumbling about any other natural force. The force of gravity may cause us to fall down from time to time; but mainly it helps to keep our feet on the ground.

Thus if William Benton kept asking, commenting, probing, it was not from the sheer pleasure of interfering with others; it was a by-product of an all-absorbing compulsion, a devouring commitment to act, and to act with relevancy. He was forever in search of workable ideas. Ideas that would work in the family, the business, the University, foreign service, the Democratic Party, the Senate. Life's distinctive and glorious moments were the times when ideas struck. Once the blitz of an idea came, off went the inevitable memorandum and the inimitable letter.

In one perspective, this unremitting activity was intensely personal. William Benton specialized in people. He was the center of innumerable pairs and circles. At the core were family and friends. Then the responsible actors in every sphere of operation. He was never more gratified than when these outer circles came closer and stayed intact while the stream of action-oriented communication went on.

Seen in another perspective, William Benton appeared to be remarkably removed from the personal. He spent notably few words on anything that could be interpreted as reviling his enemies or hurling recriminations after those who betrayed his trust. For him, life was too short for such self-dramatizing acts of self-indulgence. He was always inventing the future. What William Benton did is only partially to be understood as the characteristic aggrandizement of an ambitious ego. He gained wealth, though money was no end in itself. Money meant personal independence. It implied freedom from being overlooked or kicked around. It provided a means of fulfilling family obligations, of contributing to the advancement of education, public information, science and the arts, of strengthening moral and political causes and institutions.

The important point is that the ego was disciplined by the loyalties, the beliefs, and the faiths of the larger self with which he was identified. The unifying goal and continuing justification was enlightened effort, particularly in latent communication for betterment of the self and of the human condition.

When we look back at our redoubtable friend and ask how he came to be what he was, we take it for granted that the available answers must be far short of the understanding necessary to account for the distinctive quality of his life. We can recognize partial clues. The most illuminating indications are in the family environment to whose tradition he was so unequivocally attached. It is more than the lifelong impact of the strong-willed educator who was his mother; we must give full weight to the system of ideas in which he was brought up. His fundamental perspectives were shaped in a theological tradition; in his and our epoch the dogma continued to secularize. In William Benton's life we hear the echo of a world view that coupled commitment to the good with a sense of destiny. This cosmic viewpoint was expressed in any number of familiar biblical texts. Think of the unquenchable courage and optimism of our friend and recall a single quotation: "And we know that all things work together for good to them that love God, to them who are the called according to *his* purpose."

William Benton pursued a vocation on behalf of love, of enlightenment, of himself, and of others. It was a secular equivalent of a clerical vocation of his forebears to carry the gospel to all the world. From this background, and the mediating members of the family, came his direction and his strength and his contribution to our future history.

MR. NICHOLAS JOHNSON

William Benton's accomplishments and energy are legion. My father first told me about him—and the spectacular Robert Hutchins—when I was growing up in Iowa City, a couple hundred miles to the west of here.

Benton mastered virtually everything he touched. His restless, curious mind touched almost all that life has to offer during the

73 years we were blessed to have him with us.

He was, in turn, a good student, a supersalesman, creative advertising executive, a successful businessman, an energetic Vice-President of this great University, an architect of major domestic and foreign policy programs as an Ambassador and statesman in the Executive Branch of the federal government, a distinguished United States Senator, and, of course, publisher of the *Encyclopaedia Britannica* and related ventures—surely one of the most distinguished publishing endeavors in the world.

Throughout this zig-zag life, however, there runs a thread. For most of what Bill Benton did involved, in one way or another, the communications process. And much of the history of mass communication in America shows his hand.

At Yale, he was chairman of the *Yale Record*. As such he early experienced the process of censorship.

In his early years in advertising, radio was just coming into its own. And Benton was personally responsible for many of the program formats and advertising techniques that are still with us today.

I recall his telling me of his walking down a street in Chicago one summer evening in those early days. There was no air conditioning, and the windows of the homes were open. He could hear the radios playing, and almost all of them he noticed, were tuned in to "Amos 'n Andy." He had earlier made some of the first consumer opinion surveys for advertisers, but this evening stroll was probably the first effort at program ratings. There's some question whether today's methods are really any better.

When he left advertising he soon stopped listening to the programs he had created. But he never really lost his interest in radio, and later television, as educational tools. While here at Chicago, he developed the University's role in educational radio and instructional films. Years later, I recall a luncheon in London with him in which he was encouraging the creation of the Open University. He was one of the first to foresee the role that radio would play in politics. Many years later, he would be one of the first to use television in his own successful campaign for the Senate. A study of the BBC in the 1930s quickly convinced him of the superiority of that system to the one that he had helped create here.

Cable television is the hot item in mass communication today. But Bill Benton was dealing in "cable radio" 35 years ago. He called it Muzak.

Many have forgotten that Benton was also in the newspaper publishing business at one time—and that his paper, *PM*, was the first to carry radio program listings, the predecessor of today's *TV Guide*.

"Pay TV," or "subscription television," is also being talked about today. The FCC has recently authorized some experiments. But, once again, it was Bill Benton who first proposed subscription radio to the Federal Communications Commission in the early 1940s.

He saw the uses of radio by government. He encouraged the short-wave broadcasts after World War II that would become the "Voice of America"—a name he is credited with creating. He urged UNESCO—which he would later serve as an Ambassador—to use radio to educate the people of the world. His maiden speech in the Senate urged the Marshall Plan of Ideas. And, as Assistant Secretary of State, he was to encounter intransigence of the American radio networks in refusing to provide facilities for Secretary Burns to report to the people.

We are today more sophisticated about the role of government in intimidating the media for partisan advantage, for we have watched the process for the last few years. But Senator Benton was one of the first to suggest a non-partisan review of the performance of the media, a press council, about 25 years ago. Only in the last few months was it finally created, as others caught up with his early vision. For Bill Benton knew, from his own experience as well as his insight, that—and I quote him—"freedom of information . . . means freedom from any monopoly whatever, public or private. . . ."

Recently, a network president gave a speech in Washington angrily denying any possibility of "self-censorship"—only to return to New York to announce that his network henceforth would provide viewers no commentary or analysis whatsoever following Presidential speeches.

Benton knew that freedom of information might be imperiled as much by those who dispense it as by the censors in government.

And so, from his rich lifetime of participation in the process of mass communication, came an understanding of the need to reform—reform of, in some instances, forces which he himself had set in motion. And let history record that he was big enough to acknowledge that fact, and to act upon it. For he, and his family, have generously established the Benton Foundation to make possible some of those badly needed reforms—not in conventional ways but, in the greatest tradition of Bill Benton himself, in bold and innovative ways.

Even in death, he moves us forward with ideas and insights—and actions—in mass communication that are, so characteristically for him, years ahead of their time. A more precious gift to the American people, a more fitting memorial for Bill Benton, could not be imagined.

MR. ROBERT M. HUTCHINS

I have been asked to say a few words about William Benton and his connection with this University. They burst upon each other like a couple of bombshells. The University had never seen anybody like him because there was nobody like him. He had never seen anything like the University because the institutions that he and I had attended bore little resemblance to this one. The University of Chicago ever since its foundation had been pioneering in ways that, forty years ago, few other institutions had begun to think about.

Bill Benton's essential characteristics have been mentioned several times today. He had more energy than any living man, he had more ideas than any living man, he was a learner, teacher, communicator. He was filled with the missionary spirit. He couldn't meet anybody, read anything, or think of anything, and keep it to himself. He became the center of a vast communications network that included an ever growing circle of friends and associates who he thought ought to be informed about the remarkable things he had encountered. The missionary spirit would not permit him to sit selfishly by and allow those he liked or worked with to remain in ignorance. I have myself received as many as 16 memoranda in a single day. They contained admonitions, reproofs, enquiries, reports, most of which had also been sent to others. He had an aversion to the long-distance telephone, because, I believe, it was impossible at that time, legally at least, to distribute copies of telephone conversations. One thing is certain, nobody who ever worked with Bill Benton could pretend not to know what was on his mind.

When he and I were negotiating his appointment here, I took shameless advantage of all these characteristics. When he agreed to be a part-time Vice-President at a nominal salary, I knew I had at a nominal salary a man who would outwork all the rest of us who are on full-time and full salary. When he insisted that as Vice-President he could under no circumstances have anything to do with the University's public relations, I cheerfully assented because I knew that if he thought well of the University, his missionary spirit would force him to share the revelation he had received with those whose souls had not yet been saved. What he did was to make the University better known to the citizens of this country than it had been at any time since Mr. Rockefeller and Mr. Harper, with considerable fanfare, brought it forth in 1892.

The missionary spirit did its work through two radio programs, through countless articles in journals of every kind, through the vast private network of which he was the center. We can say more, I think. We can say that from him the people of this country began to get some glimmer of an idea of what a university might be. The popular view of universities at that date was that they were of two general kinds: there were institutions that were clubs with professional schools attached; these were the elite universities. Then there were those engaged in applied research and vocational training; these were the cow colleges. (Remember this was 40 years ago.) There were, of course, all kinds of gradations in between.

But Chicago, somehow, was a little different. It had been able to maintain the kind of unity and power that comes from some singleness of purpose. It had succeeded in building and preserving some semblance of an intellectual community. Because of Bill's efforts, some notion of the significance of such a community seeped into the public mind and remained there, for a while, at least. Such a community was made for Helen and Bill Benton.

Bill set about learning at once. I've often thought his success in everything he did resulted from his capacity for excitement and his ability to communicate that excitement to others. He had that instant capacity to size up a situation which can only be described as genius. It came into play in every phase of his life, as when he instantly saw the menace of McCarthyism and instantly understood the promise to the University of the *Encyclopaedia Britannica*. As he gazed upon the University, he was carried away by it. He liked the idea, program, and the people, particularly the people. He formed here some of the most important and durable friendships of his life. Many of them were to be mainstays of his existence long after he ceased to be an officer of the University. He and Helen made their house into an interdisciplinary meeting ground, a learning community within a learning community.

The story of *Britannica* has been told many times and I shall not repeat it here. However, there are one or two things that are often overlooked and that ought not to be forgotten in our effort to elucidate the Benton tradition. In the first place, the object was education and solely education. Bill tried frantically to get others to take financial responsibility for *Britannica*. Neither the University nor the dozens of wealthy men he approached thought it was a good risk. Management came to Bill by default because nobody else had the courage to face it. The conversation in the boardroom after the vote was taken was marked not so much by enthusiasm for the project as by sympathy for Bill Benton who had become the victim of his own propaganda.

And then there is the quality of his management. The countless memoranda the officers of the *Britannica* received from the Chairman over the last 30 years were largely devoted to explaining to them that they must not sacrifice the reputation and name of *Britannica;* they must not indulge in ventures that might be immediately profitable but that might in the long run turn out to be unworthy of the University and of the name and standards of *Britannica*. He would not sanction a project that he thought educationally unsound, and on the other hand, he would insist on enormous expenditures that might not increase sales, but that would raise the educational quality of the product. He regarded himself as a trustee of a great tradition.

The questions of the future are those of the past—how to maintain *Britannica* as an educational institution, complementing and supplementing the work of this University and others; how to develop relationships between *Britannica* and the University in ways that will strengthen them both. We shall have to labor on these questions without Bill Benton's personal guidance. We know we shall not look upon his like again. Fortunately, for over 30 years, he established the principles we should follow, and their memory, like his, will not fade.

MR. ROBERT P. GWINN

One aspect of Bill Benton's will that seems to me to reflect the man faithfully was a preamble, in which he accepted the legal jargon as inevitable, but defiantly insisted on penetrating it with flashes of his own humanity.

"Under protest by me," he began, "but at the insistence of my lawyers, this will is overwritten with legal gobbledygook of the kind I deplore. If I were personally writing this will, Article First, assuming it is needed at all, would begin something like this. 'Please pay all my debts and all expenses—and be liberal, except with the taxing authorities!' Article Second would run along this line. 'Please give all articles of personal property to my wife, if living; otherwise to my children.' Article Third would read something like this: 'Please give all other articles of tangible personal property to my children in equal shares.' However, here goes the legal language which lawyers are not able to resist. (The lack of training of lawyers in the writing of clear-cut English, in college and law school, must help explain why so many lawyers are continuously kept busy arguing over the language of their predecessors.)"

Now, Bill Benton was not really "down" on lawyers as his indomitable mother was. He liked to quote a letter she wrote him as he was graduating from Yale: "If you can't do something respectable, won't you at least be a lawyer?" It wasn't lawyers that Bill opposed, but lawyers' jargon, or any jargon.

Actually, Benton was a salesman, another calling his mother disdained, but he went on to become the salesman of ideas that we all remember—of ideas and ideals, of noble goals.

Poor as a child, he set out to make money—and became wealthy and famous before middle age. At 35, he retired to devote the rest of his life to "something worthwhile," as he once put it. Here again, he succeeded beyond the dreams of most men—carving out memorable careers in education, Statecraft, and publishing—becoming even wealthier along the way—almost by accident it seems. It was in these later careers that he made the marks of which his mother would have been so proud.

Bill Benton revealed a casual and utilitarian attitude toward money as an implement rather than a goal, an attitude that was refreshing as it was unusual. He once blandly declined to spell out a plan for repayment when he sought a large loan. "You're in the business of lending money; I'm in the business of borrowing it," he pointed out to a somewhat startled banker—who finally agreed that Benton was a good risk.

I remember a number of occasions on which he rather startled his own Board of Directors at *Britannica* by making similar detached statements about money. "There is only one reason why *Encyclopaedia Britannica* should show a profit," he would say, "and that is to enable the continuing improvement of the educational and editorial excellence of its products." The *Britannica* is his monument and we can dedicate it proudly to him as indeed we shall do in the new 1974 edition.

Yes, excellence was his goal, and not riches, and the fact that his pursuit of excellence brought riches was to him fortunate but irrelevant. He was impatient of anything that interfered with the realization of excellence. He was impatient of committees, which, he would scoff, usually meet to confirm the fears of its weakest members.

He was impatient with the kind of timidity that would keep a man from living up to his fullest potential for fear of making mistakes. "The man that never made a mistake never made anything," he was fond of quoting. Sometimes he urged associates to "make more mistakes." He was impatient with perfectionists and the unceasing quest for perfection, which he considered unnecessary as well as unrealistic, and, worst of all, a waste of time. Improvement, yes; perfectionism, no.

In William Benton, we have had a giant among us, but a giant we could comprehend because he was so human at the same time that he was larger than life. The three months since his death have begun to bring home to us the enormity of our loss. The shadow that he cast remains, and it will affect the worlds he influenced for many years to come—enabling, exhorting, challenging, and cheering on those that woud use their potential to educate and to learn, to serve and to enjoy. His shadow dares us to emulate him and leave our society better than we found it.

William Benton's life affected untold millions of other lives. What he set in motion will influence uncounted millions more.

DAVID BEN-GURION, 1886–1973

Mr. HARTKE. Mr. President, with the passing of David Ben-Gurion, the father of Israel, the world lost a great statesman, a great diplomat, and a great leader of a people that seek their liberty and peace from the oppression of other men.

In David Ben-Gurion, Israel found its leader. I need not set out his great accomplishments in life, nor record for history the hurdles he leapt in his quest to solidify the Jewish dream of 2,000 years. Great men are known as great men in the hearts of all that come in contact with the hearts of those who were touched by the heart of a great man. David Ben-Gurion was such a man.

Mr. President, I had the privilege and the honor of meeting with this distinguished man. During a lifetime, the pleasures of recorded history are few—one of my highest pleasures was knowing the father of Israel.

OUR ENERGY DILEMMA

Mr. FANNIN. Mr. President, it is indeed heartening to see how Americans have voluntarily joined in the effort to conserve our precious energy supply in the current crisis.

President Nixon set the tone for this effort, and leadership also has been demonstrated by outstanding State and local officials across the Nation.

In my State of Arizona, Gov. Jack Williams issued a statement on December 7, 1973, which encouraged our citizens to enjoy the holidays, but to conserve energy as much as possible at the same time.

Governor Williams made some thought-provoking comments on our situation and steps we must take to survive the energy crisis. I commend the Governor for his foresight in working with legislative leaders, commercial and business leaders, and citizens group to work out solutions to the energy crisis.

Mr. President, I believe that Governor Williams' statement would be of interest to my colleagues and everyone concerned about our energy dilemma. I ask that it be printed in the Record at this time.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Governor Williams called today for the voluntary cooperation of Arizonans in a program of "moderate conservation" of energy resources during the holiday season.

He said we should eliminate outdoor decorative lighting, cut back the time Christmas tree lights are turned on, lower home thermostats to 68 degrees or below, eliminate unnecessary automobile trips, don't drive more than 55 miles per hour and spend Christmas at home with our families.

The Governor's statement follows:

I know that many of you are concerned about the energy challenge. There is reason for some concern, but I wish to assure you that we in Arizona can and will celebrate a traditional Christmas this year. We must, at the same time, carefully conserve our energy. The request I will make of you represents a program of conservation. With the help of all of you, we will enjoy the holidays; yet enter the New Year reassured by the knowledge that we have celebrated wisely.

We recently celebrated Thanksgiving. During this period much of the news was of a pending energy crisis. Yet, Thanksgiving was a happy time, and we had every reason to give thanks for the wonderful year we had in Arizona during 1973. Our Pilgrim forefathers and their Indian friends celebrated the first Thanksgiving day more than 350 years ago. Yet, the standard of living for which they thanked our Lord would please few of us today. Their meager existence represented the most extreme hardship by today's standards. Yes, we do have much to be grateful for today in this great country of ours.

We enjoy the highest and best standards of living ever achieved by any people throughout history. We are determined that we will not only sustain, but will improve this standard. We will have a merry Christmas in Arizona, and we will strive continually for a fair and equitable distribution of both wealth and happiness.

We will, at least for a few years, have a limited supply of energy as compared with our normal annual increases in demand. I have been alert to this situation for some time. Seven months ago I organized a special Fuel and Energy Study Team within our Office of Economic Planning and Development. This team has carried on an extensive research program that now keeps us well informed.

For some time now I have been meeting regularly and frequently with leaders of our State Legislature, with commercial and business leaders, and with citizen groups. They have joined with me in a team effort to assure you that Arizona will proceed very wisely and confidently into the new year. This message is truly from all of us.

There will be a sufficient supply of electricity throughout Arizona for the holiday season. There will be heat for our homes and fuel for essential activities. There are uncertainties regarding next year. National policies are still being formulated and some information needed to forecast the 1974 situation is still lacking. My requests are, therefore, limited to the holiday season.

You will be kept fully informed, and you may rest assured that you will have information in time to avoid undue hardship. We can celebrate a merry Christmas, but it is always wise to be prudent.

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The current energy situation presents to us a real conservation challenge. If we can rise to the challenge, we can avoid a crisis.

As your Governor, and in this instance also as a spokesman for your elected Legislative Leaders, I urge you all to join me in a program of moderate conservation. Measures recently recommended by President Nixon can help us enter the new year with reasonable supplies of fuel and energy.

One of the elements of a joyous holiday season is the colorful display of Christmas lighting. Because there is a need for conservation, we are asking you to forego outdoor decorative lighting entirely. This will help.

If we have our indoor trees lighted, let us not leave them lit all day, or after we retire at night, and when our trees are lit, let us turn off other lights, and cut back on other electrical use. This will not only conserve fuel, but our trees will be prettier when the other lights do not compete for our attention.

I wish to be very frank. Many of you are aware that Christmas lights use very little electricity in comparison to our total demands. However, outdoor lighting would use several thousand barrels of oil that will be needed early next year.

It is possible that we could be faced with electrical brownouts, or blackouts, in Arizona before the end of 1974. The reason we are unsure is that the federal government has not yet responded to the requests of our utlity companies for the oil needed to generate much of our electric power. We expect a reasonable allocation, but at this point we can't be sure.

We will have natural gas, electricity and oil with which to heat our homes, offices and stores during the holidays. The temperatures may be a little lower than we have been used to. Again, let us be conservative in our use.

You are aware of the short supply of natural gas. There will be enough natural gas to heat your homes. But, it is important here also, for us to be conservative in our use. Lower your heating thermostat to 68 degrees or below.

Careless use of fuel can result in people suffering lay-offs from their jobs and we certainly want to avoid that situation. Conservation will save jobs.

Even if you heat electrically, a lower thermostat setting will conserve fuel.

Don't heat your pool, lower the thermostat on your water heater and turn off the gas lights and torches.

I sincerely hope all of you will drive at moderate speeds to conserve gasoline. I am asking you to drive at a speed not to exceed 55 miles per hour on our highways. Although our automobiles would use even less gas at 50, some trucks and buses use more fuel at the lower speeds. Our studies indicate that 55 miles per hour is a good compromise speed that will save as much as 300,000 gallons of gasoline per day in Arizona. At the same time, it will be much safer to have all vehicles traveling at the same speed.

I ask that you limit the total amount of driving to conserve even more fuel. Don't make unnecessary trips. Join car pools where possible.

I suggest we spend Christmas with our families. I am asking the service stations to observe President Nixon's request not to sell gasoline on Sundays. However, I hope some will be open to furnish emergency services when these are needed.

These conservation steps I am asking you to take are necessary and significant savings of fuel and energy will be realized. Christmas may not be quite as bright outdoors as it would otherwise be, but it can be even more cheerful indoors knowing that we are spending our energy wisely.

SOVIET JEWS

Mr. PELL. Mr. President, I invite the attention of the Senate to the continuing serious situation in which many Soviet Jewish intellectuals and members of the professions find themselves. I am particularly concerned by reports of a new rash of harassments of Soviet Jews since the war in the Middle East began. One phase of this harassment has reportedly been an increase in charges brought against Soviet Jews of parasitism under article 209(1) of the RFSR Criminal Code.

This past week a Soviet Jewish engineer and computer expert, Leonid Zabelishensky, was brought to trial in Sverdlovsk on such charges. The trial is the culmination of a 2-year-long harassment by the authorities to deprive him of the right to work and sustain his family.

Mr. Zabelishensky's difficulties began after he had applied to emigrate to Israel. I have not heard of the outcome of the trial, but I strongly hope that the Soviet authorities in handling his case will bear in mind the fact that the Soviet Union recently became a member of the United Nations Commission on Human Rights.

I request unanimous consent to have printed in the Record a background statement about Mr. Zabelishensky's case, issued by the Union of Councils for Soviet Jews, which is doing such splendid work in the human rights field.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Union of Councils for Soviet Jews

THE CASE OF LEONID ZABELISHENSKY

There is no further development in the case of Leonid Zabelishensky who is still in the central prison in Sverdlovsk. The charge of parasitism levelled at him has been the culmination of a two year long harassment by the authorities to deprive him of the right to work and sustain his family. Before he submitted documents for emigration to Israel, the following character reference was issued for Leonid Yakovlevich Zabelishensky, an assistant of the Faculty of the Order of the Red Banner of Labour of the Ural Polytechnical Institute:

"Zabelishensky L. Ya., born in 1941, a Jew, not a member of the party, finished the Ural Polytechnical Institute in 1964 specialising in construction and the technology of industry. After finishing the institute he worked in the computer centre of the Ural Machine Plant. He is an author of a few rationalisation suggestions on the improvement of electronic-cipher computer Ural-4. Since January 1967 Zabelishensky L. Ya. worked as a senior engineer in the laboratory of minor analogical machines in the computer centre of the Ural Polytechnical Institute.

"Since December 1969 he has been working as an assistant in the Faculty of Calculation Technique. At his work in the Institute Zabelishensky L. Ya. has showed himself to be a hardworking and creative worker. He has lectured in the course on calculation technique, speaking on different topics and leading practical and laboratory works. He is participating actively in works concerning the state budget and ordered scientific research works. He is working on the questions of increasing the safety of memory devices of cipher computers on magnetic tapes. He has published three articles and a lecture paper. One of the articles was sent to print. He knows the programming for the computer of the 'Ural' and the 'Promin' types. He was the first person at the Faculty who learned the application of the translation machine 'Minsk-22' to the algorithmic language. He takes part in the work of the philosophy seminar of the faculty. He is a public inspector of the Sverdlovsk Regional Komsomol Committee on the usage of computer technique.

"The Note of Reference is given for submission to the Department of Post-Graduate Studies of the Leningrad Institute of Aviation Machine Construction."

Signatures:

Filipp Zavstrovsky,
Dean of the Institute.
Vladimar Pushkarv,
Secretary of the Party.
Mikhail Titov,
Chairman of the Local Committee.

This glaring testament was issued on June 18, 1971. On November 11 he was dismissed from the Institute after applying to go to Israel. On November 25, 1971 the following entry was made in his work book by the head of the personnel department of the Institute: "Relieved as unsuitable for the position of an educator of students. Order No. 1007 of 25.11.71."

After this, he worked as a loader for a store, then as a mailman and also as a porter at the railway station. Every time he tried to find work in his own profession he found all doors closed to him. Zabelishensky's frustration is depicted in a letter to the Chairman of the Sverdlovsk Regional Trade Union Council on November 10, 1972:

"On September 28, 1972 I appealed to the Sverdlovsk Employment Bureau in 17 Engelsa St. for an assignment to a job. I was given the following addresses (verbally) of the following institutions: The Ural Scientific Centre—Pervomaiskaya No. 91 and the Sverdlovsk branch of Orgproekttsement—Lenina No. 50a. In the Ural Scientific Centre I was told that there was no need for specialists in my profession and was advised to go to the Sverdlovsk Institute of Mechanics and Mathematics. There was no work in my profession in Orgproekttsement as well. In the Institute of Mechanics and Mathematics I was told that there were no vacancies left. When I applied again to the Employment Bureau I received a verbal recommendation to apply to the NIIMT—Studencheskaya St., No. 16. There I was told that I could not be given the available vacant position because the director was ill. Prior to my application to the Employment Bureau I have applied, since September 1971, to various institutions of the town with the request to be given a position there: the administration of material and technical supply of the Middle Urals Promstroiniiproekt, the Institute of Black Metals, the Institute of Meteorology, Sverdlovsk Statistical Department, etc., but everywhere I was given a refusal. In the first one of these institutions I was told that they would have preferred to give the vacant position to a young specialist.

"Since May of this year I have not had a permanent job. I have not been working in my profession since November 1971. I would like to ask for your assistance in finding employment in my profession as a radio-engineer."

Later on in November 1972 Zabelishensky received a job at the Project Construction Bureau of Automatic Systems of Management (PCBASM). On April 26, 1973 the administration dismissed Zabelishensky for alleged loafing. In expelling Zabelishensky the PCBASM administration appealed to the local committee of the organisation:

"The Administration of the PCBASM asks for the confirmation of the dismissal in accordance with Article 33(IV) of the Code of Laws on Labour of the RSFSR of the senior engineer of Section No. 12 L. Ya. Zabelishensky, born in 1941, who worked in PCBASM from the 27th of November, 1972. Zabelishensky did not go out to work from the 26th of April until the 10th of May, 1973, motivating his absence by the fact that he worked overtime and that time during which he was absent from his job was covered by the hours he had worked overtime. Yet he did not register his leave as necessary in accordance with the established order and he refused categorically to give explanations which was a breach of labour discipline. The violation was expressed in seven days of loafing."

S. I. STEPANOV,
Director of the PCBASM.

The local committee confirmed the administration's decision to dismiss Zabelishensky:

"The meeting of the local committee of May 11, 1973 Protocal No. 16. Chairman—Ryazhkin B.A.; Secretary—Smirnyagina E. V.; Nine members of the committee. The members of the party bureau were invited.

Discussed: the administration's request of the dismissal.

Decided: (with one abstention) to support the administration's suggestion to dismiss Zabelishensky in accordance with Article 33 (IV).

Signatures: Chairman—Ryazhkin; Secretary—Smirnyagina."

Zabelishensky appealed against the decision and took the PCBASM to court. He submitted the following statement of claim to the Leninsky Regional People's Court of Sverdlovsk:

"From November 1972 I worked as an engineer in the Project Construction Bureau of Automatic Systems of Management and from the 1st of May I was transferred to a position of a senior engineer. In connection with systematic overtime work which is done in the section, where I work, there was a procedure of registering the hours of overtime work in a special journal. When a worker wanted to receive time off he reported this to the heads of the section and, having received a verbal consent, took time off. Such leaves were not, in fact, registered and the worker was considered to be present in such periods, the time-board being marked for him. On April 24, 1973 there were 57 hours overtime which I had worked. Following this I submitted an application to the head of the section I. A. Shamota on the 24th of April, 1973 asking for time off. On April 24 Shamota did not examine my application and transferred it to his deputy S. B. Kurianovich so that he should get it approved by the head of the group Zakhareyeva and have it signed by her. I came especially to see Zakhareyeva on April 25, 1973 to discuss the matter and, having received her approval on taking the leave, I decided that the matter was settled. Therefore I used the days from April 26 to May 8 according to my own discretion. The administration of the PCBASK having received the approval of the local committee of the trade-union, issued an order of my dismissal 'for loafing without valid reasons'. I consider my dismissal from work to be wrong for the following reasons:

"1. I did not commit any action directed at a conscious violation of work discipline and loafing;

"2. The claim of the administration that my being on leave was not coordinated with the head of the section does not correspond with reality. The misunderstanding was the fault of the administration itself, which has established such a procedure of giving leaves in order to cover up the practice of overtime work which exists in the institution.

"I therefore do not consider myself guilty of loafing without valid reasons. I would like you to pass a court decision to reinstate me in the position of a senior engineer in PCBASM."

On June 26 of this year the court rejected Zabelishensky's claim. He then made an appeal to review the verdict. This, too, was rejected. During the summer his six-year-old son was very ill and he remained at home to look after him.

INTERNATIONAL SYMPOSIUM ON HOUSING AND ENVIRONMENTAL DESIGN FOR OLDER ADULTS

Mr. WILLIAMS. Mr. President, last week I participated in one of the most unique and significant conferences to be held in this city in recent memory. This conference was entitled "An International Symposium on Housing and Environmental Design for Older Adults," and was presented under the joint sponsorship of the International Center for Social Gerontology—ICSG—the U.S. Departments of State, Housing and Urban Development, Health, Education, and Welfare, and the American Institute of Architects.

On an individual basis, the planning and coordination of this exciting week was led by Dr. Wilma T. Donahue and Mr. Clark Tibbitts. The symposium planning was coordinated on an international basis with Dr. Jean A. Huet, who is the president of the Centre International de Gerontologie Sociale. Dr. Donahue is the emeritus director of the Institute of Gerontology at the University of Michigan, and Mr. Tibbitts is the director of the National Clearinghouse on Aging which is part of the Administration on Aging at HEW.

I would also like to mention the invaluable assistance voluntarily provided by one of America's foremost authorities on housing for the elderly, Mrs. Marie McGuire Thompson. Mrs. Thompson is recently retired as the formed Deputy Assistant to the Secretary for Programs for the Elderly and Handicapped at HUD.

The amount of valuable information and the number of important proposals discussed at this symposium are too numerous to mention, but I would like to accent some of the most noteworthy developments.

The major challenge of this symposium was to examine and exchange information and develop plans for action toward solutions of the problems presented by the housing and environmental needs of older people.

I was particularly impressed by the presentation of Monsieur Yves Pergeaux with whom I had the opportunity to visit at the close of the symposium. Monsieur Pergeaux is the director of the largest pension fund in France, the National Public Works and Construction Worker's Retirement Fund—CNRO. In his remarks to the symposium, Monsieur Pergeaux made a forceful and persuasive argument regarding the social role of investment capital—a thesis which Monsieur Pergeaux had demonstrated in his own inspiring system of housing and environmental care for retired and older workers in France.

I would also like to mention the presentation by Allan F. Thornton, the Director of Economic and Market Analysis at HUD. Dr. Thornton presented a skillfully prepared market analysis of housing for the elderly on a national basis. Highlighting his remarks was the conclusion that between 400,000 and 500,000 elderly persons predictably would move into housing for the elderly on a yearly basis if units were available. This prediction is based on a careful analysis of census data and HUD experience and assumes no subsidies. If you add subsidies, Dr. Thornton concluded that the figure would either double or quadruple.

In addition to the plenary sessions of this 3½-day symposium, 225 persons from the United States and 17 foreign countries convened in six study panels focusing on a wide, but related, range of topics.

As an illustration of the significance of this symposium, I would like to point to the significant makeup of two of the panels in particular. These study panels were titled: "Government and non-Government Policies of Various Countries for Housing Older People," and "Financing Housing and Related Services: Investment Policy, Market Planning, Political, and Social Implications."

The membership and the discussions of these two panels alone demonstrate the uniqueness and the value of this kind of symposium.

We saw gathered together at the State Department a fascinating cross section of our society and that of other nations. The participants were people who normally do not have the time, or the opportunity to sit down together to tackle what are very demanding problems.

I ask permission, Mr. President, to have printed at the end of my statement, a listing of those persons who participated in these panels. Anyone who reads between the lines will recognize the influence and power represented. They will also recognize the novelty of such a meeting of these people in one place and at one time to mutually explore one of the most pressing, but unanswered problems of our time.

I am pleased to know that these leaders from a wide variety of disciplines—business, government, labor, and so forth—both American and foreign—all came to this symposium with a common motive—and the best one—their own self-interest wedded to the public interest. And I think both interests were well served.

In fact, for the representatives from the financial community, I feel it was a most profitable meeting. I am sure they would agree that it was a genuine learning experience.

The problems of housing for the elderly in this decade will not be solved unless we have the full cooperation of these separate, and sometimes competing groups. But what we have proved at this symposium is, first, there is a demonstrable market for housing older persons; second, there is a definite investment opportunity provided by this market; and, third, there is a role for both Government and non-Government leadership. But none of our ideas will prosper unless all these groups are willing to work together.

In closing, Mr. President, may I say that of all the things learned from the proceedings of last week, I am most encouraged to understand that the symposium organizers—working closely with Monsignor Pergeaux and his French colleagues—have agreed to keep this important mechanism alive and in place.

They will be working through such devices as an advisory group or a directorate to make certain that the unique progress achieved in these 3½ days in Washington will gain added momentum, and will reach new goals and objectives in our continuing effort to provide better answers to the problems facing the elderly in America and throughout the world.

I ask unanimous consent to have printed in the RECORD the lists of the participants of the two panels I described, and also, my speech to the symposium delivered on December 11, 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STUDY PANEL I

FINANCING HOUSING & RELATED SERVICES: INVESTMENT POLICY, MARKET PLANNING, POLITICAL, AND SOCIAL IMPLICATIONS

Boisi, James O., Executive Vice President, Morgan Guaranty Trust Company, 23 Wall Street, New York, New York 10015.

Brownstein, Philip N., Attorney, Brownstein, Zeidman, Schomer, Suite 900, 1025 Connecticut Avenue, N.W., Washington, D.C. 20036.

Butler, Gilbert, Vice President, Morgan Guaranty Trust Co., 23 Wall Street, New York, New York 10015.

Campbell, Wallace, President, Foundation for Cooperative Housing, 1012 14th St., N.W., Washington, D.C. 20005.

Carlton, Winslow, Chairman of the Board, Foundation for Cooperative Housing, 1012 14th St., N.W., Washington, D.C. 20005.

Cook, Daniel H., President, Eastern Conference, Health, Welfare and Pension Plans, Inc., 432 Park Avenue South, New York, New York 10016.

Crosby, Kenneth M., Vice President, Merrill, Lynch, Pierce, Fenner and Smith, Inc., 1100 Connecticut Avenue, N.W., Washington, D.C. 20036.

Dale, Martin H., Vice President, W. R. Grace & Co., 1114 Avenue of the Americas, New York, New York 10056.

Dudley, Remmel H., Vice President, Metropolitan Life, Paramount Building, Suite 508, 1735 I St., N.W., Washington, D.C. 20006.

Edie, John A., Professional Staff Member, Senate, Special Committee on Aging, U.S. Senate, New Senate Office Building, Washington, D.C. 20510.

Fitch, William C., President, Senior Advocates Int'l., Inc., 1925 K St., N.W., Suite 1208, Washington, D.C. 20006.

Haeffner, Peter C., Jr., Senior Vice President, Real Estate and Mortgage Division, Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, New York 10015.

Halamandaris, Val J., Associate Counsel, Senate Special Committee on Aging, U.S. Senate, New Senate Office Building, Washington, D.C. 20510.

Henle, John, Vice President, Columbus Area Chamber of Commerce, P.O. Box 1527, Columbus, Ohio 43216.

Hoenemeyer, Frank J., Senior Vice President, Prudential Life Insurance Company, 1 Prudential Plaza, Newark, New Jersey 07101.

Isler, Morton L., Dr., Director, Housing Studies, The Urban Institute, 2100 M St., N.W,. Washington, D.C. 20037.

Johnston, Charles L., Senior Vice President, Pension, Trust & Corporate Development Group, Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, New York 10015.

Kingman, Woodward, President, Government National Mortgage Association, Room No. 6230, 451 7th Street, S.W., Washington, D.C. 20410.

Keenan, Joseph, President, International Brotherhood of Electrical Workers, 1125 15th St., N.W., Washington, D.C. 20006.

Letson, Lewis, Executive Vice President, Community Management Corporation, Rossmoor Corporation, 908 South Power Road, Mesa, Arizona 85208.

Maguire, Charles M. (Convener), Consultant, International Center for Social Gerontology, 3411 Lowell Road, N.W., Washington, D.C. 20016.

Melnikoff, Meyer. Senior Vice President and Actuary, The Prudential Life Insurance Company, Prudential Plaza, Newark, New Jersey 07101.

Meunier, Norman, Sofcar, 50 Place Cremazie, Montreal, Canada.

McCarthy, Joseph M., Assistant Vice President, Institute of Life Insurance, 1701 K St., N.W., Washington, D.C. 20006.

Miller, John Guy, Minority Staff Director, U.S. Senate Office Building, Washington, D.C. 20510.

Nash, Bernard E., Executive Director, National Retired Teachers Association and American Association of Retired Persons, 1909 K St., N.W., Washington, D.C. 20006.

Noto, Mario T., Special Counsel, U.S. Senate Select Committee on Labor, Room G237, New Senate Office Building, Washington, D.C. 20510.

Nugent, James G., Vice President, Hubbard, Westervelt, and Mottelay, Inc., 1 Liberty Plaza, New York, New York 10038.

Pergeaux, Yves, Executive Director, National Public Works and Construction Workers' Retirement Fund, Paris, France.

Pinado, Alan E., Vice President, New York Life Insurance Company, 51 Madison Avenue, New York, New York 10010.

Rosenbloom, H. David, Caplin and Drysdale, 1101 17th St., N.W., Washington, D.C. 20006.

Ross, Arnold, President, Colonial Penn Communities, Inc., 5 Penn Center Plaza, Philadelphia, Pennsylvania 19103.

Robinowitz, Daniel P., President, Daniel Investment Company, 3960 North Central Expressway, Dallas, Texas 75204.

Rutenberg, Charles, President, U.S. Home Corporation, 1437 S. Belcher, Clearwater, Florida 33516.

Sanchez, Roland L., General Manager, Saga Enterprises, Inc., One Saga Island, Menlo Park, California 94025.

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Sisson, Hall, Director, Housing Program Development, Communication Workers of America, 1925 K St., N.W., Washington, D.C. 20006.

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Stewart, Milton D., President, Clarion Capital Corporation, [illegible]9 Park Avenue, New York, New York 10016.

Tavani, Cleonice, Staff Director, Federal Council on Aging, Department of Health, Education and Welfare, Washington, D.C.

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Weaver, William M., Director of Corporate Development, Colonial Penn Group, Inc., 5, Penn Center Plaza, Philadelphia, Pa. 19103.

White, Arthur H., Executive Vice President, Daniel Yankelovich, Inc., 575 Madison Avenue, New York, New York 10022.

Windvand, John, General Manager, Real Estate Investment Department, The Prudential Life Insurance Company, Prudential Plaza, Newark, New Jersey 07101.

Zelver, Alvin, Consultant on Urban Planning, 1045 Sansome Street, Room 306, San Francisco, California 94111.

STUDY PANEL II

GOVERNMENT AND NON-GOVERNMENT POLICIES OF VARIOUS COUNTRIES FOR HOUSING OLD PEOPLE

Adkins, Bertha S.: Vice Chairman, 1917 White House Conference on Aging, and, Consultant, Administration on Aging, U.S. Department of Health, Education, and Welfare, Oxford, Maryland.

Albouze, A.R.: Commissioner, Sacramento Housing and Redevelopment Agency, Sacramento, California.

Baer, Karl, Ph.D.: Librarian, National Association of Home Builders, Washington, D.C.

Bohn, Ernest J.: Urban and Environmental Studies, Case Western Reserve University, Cleveland, Ohio.

Borchardt, Marjorie T.: President, International Senior Citizens Association, Inc., Los Angeles, California.

Brickfield, Cyril F.: Legislative Counsel, National Retired Teachers Association—American Association of Retired Persons, Washington, D.C.

Carlin, Vivian F.: New Jersey Office on Aging, Department of Community Affairs, Trenton, New Jersey.

Cramer, Abe: Chairman, National Housing for Senior Citizens Committee, B'nai B'rith, Harrisburg, Pennsylvania.

Eckel, Rhea M.: Director, New York State Office for the Aging, Albany, New York.

Evans, John E.: Director, Department of Urban Affairs, American Federation of Labor and Congress of Industrial Organizations, Washington, D.C.

Fleury, Annette: Administrateur Civil—Chargee de Mission, Ministère de l'Amenagement du Territoire, de l'Equipment, du Logement et du Tourisme, Paris, France.

Franklin, Herbert M., Esq.: Frosh, Lane and Edson, Washington, D.C.

Godon, Gerard: Deputé des Yvelines Assemblé Nationale, Paris, France.

Goldman, Lawrence P.: Special Assistant to the President, New York State Urban Development Corporation, New York, New York.

Hackler, Eugene T., CPA: Former President, American Association of Homes for the Aging, Olathe, Kansas.

Howenstine, E. Jay: International Research Coordinator, Office of Policy and Development Research, U.S. Department of Housing and Urban Development, Washington, D.C.

Jackson, Mercer L.: Minority Staff Director, Banking and Currency Committee—Subcommittee on Housing, U.S. House of Representatives, Washington, D.C.

Jutras, Elizabeth McKenna: Division on Aging, Department of Community Affairs, State of Rhode Island and Providence Plantations, Providence, Rhode Island.

Kennedy, Sister Ethne: Executive Director, National Housing and Human Development Alliance, Wheaton, Illinois.

Lindblom, Olavi: Director General, National Housing Board, Helsinki, Finland.

Lindoerfer, John M.: Housing Consultant, Wisconsin Division on Aging, Department of Health and Social Services, Madison, Wisconsin.

Lombardo, Robert: Program Specialist, President's Committee on Mental Retardation.

Mabry, Virgil E.: Legislative Representative and Board Chairman, National Association for Non-Profit Retirement Living, Wesley Towers Corporation, Newark, New Jersey.

Mackelmann, Detles E.: Coordinator,

Housing for the Elderly, Loop College, Chicago, Illinois.

Marlin, Irvin R.: Associate Director for International Affairs, American Association of Retired Persons—National Retired Teachers Association, and Secretary, The International Federation on Aging, Washington, D.C.

McFarland, Carter, AIA: Director, Housing Programs, American Institute of Architects, Washington, D.C.

Mizell, Sharon: Elderly Housing Assistance Branch, U.S. Department of Housing and Urban Development, Washington, D.C.

Munns, Edward A., CPA: Member, Board of Directors, American Association of Homes for the Aging, Yonkers, New York.

Murdock, John A.: Assistant General Secretary, Section on Agency Ministries, Health and Welfare Ministries Division, Board of Global Ministries. The United Methodist Church, Evanston, Illinois.

Neuwirth, Lucien: Questeur et Depute de la Loire, Assemblee Nationale, Paris, France.

Niebanck, Paul L., Ph. D.: Professor of Environmental Planning, University of California at Santa Cruz, Santa Cruz, California.

Nierstrasz, F.H.J., Ph.D.: Deputy Director, Bouwcentrum, Rotterdam, The Netherlands.

Oriol, William E.: Staff Director, United States Senate Special Committee on Aging, Washington, D.C.

Ostergaard, Frede, Ph.D.: Program Director, Research Division, Danish National Institute for Social Research, Copenhagen, Denmark.

Pullen, Jo Anne: Student, Housing and Gerontology, School of Social Work, University of Washington, Seattle, Washington.

Revol, Anne-Marie: Director, Association des Residences pour Personnes Agees, Paris, France.

Robbins, Ira S.: Attorney and Housing Consultant, New York, New York.

Robinson, Robert B.: Director, Division of Services for the Aging, Department of Social Services, Denver, Colorado.

Russell, Bonnie, Ed.D.: Chairman, California Commission on Aging, Sacramento, California.

Shuman, Tarek M., Ph.D.: Division of Social Development, Director, Twelve-Nation Study on.Aging, United Nations, New York, New York.

Sicker, Martin, Ph.D.: Director, Office of Planning and Evaluation, Administration on Aging, U.S. Department of Health, Education, and Welfare, Washington, D.C.

Switzer, Gilbert: Gilbert Switzer and Associates, New Haven, Connecticut.

Sykes, James: Director, Sun Prairie Colonial Club, Madison, Wisconsin.

Thornthwaite, Virginia: Office Manager, Cooperative Services, Inc., Detroit, Michigan.

Vanderbeck, H. John: President, The American Baptist Service Corporation, Valley Forge, Pennsylvania.

Weil, Julius, Ph. D.: President, Cornelia Schnurmann House, Shaker Heights, Ohio.

Wilkinson, Kenneth: Central Presbyterian Church, Zanesville, Ohio.

Zezzo, Joseph: Executive Director, Christian Activities Council, Hartford, Connecticut.

Remarks of U.S. Senator Harrison A. Williams, Jr., at the International Symposium on Housing and Environmental Design for Older Adults

I am delighted to be here tonight to join with you in focusing on a vital and neglected subject: housing for the elderly.

There is no question that the problem of sheltering older persons is fast becoming acute. And, as this conference will clearly show, it is a problem that knows no national boundary. The growth of the aged population is a worldwide phenomenon. All of our countries now face a growing number of older persons who have put their full-time work years behind them, and who face years of limited income ahead of them.

As a United States Senator, I am deeply concerned about the problem of providing decent housing for older Americans. I wish I could have come here tonight to tell you that our country has found the answer. I cannot. As a matter of fact, I must tell you that we do not even have a national policy on housing the elderly to move us in the right direction.

The housing programs that were helping the aged have been either stopped or curtailed by the present administration. In their place, we have only studies, criticism, and tentative plans—in short, we have no policy in housing at all. I think this non-policy is inexcusable in light of the increasing gravity of this problem.

This glaring lack of policy must be replaced by a strong commitment to badly needed new construction for the elderly. But there is also a need for a national commitment that will go far beyond the mere concept of shelter.

We need a national policy that calls for a total living environment for the elderly. This new policy must take into consideration many factors. It must include group dining facilities and other possible methods of providing better nutrition for the aged. It must include readily available health and nursing care. It must include easy access to public transportation to help maintain the older person's active participation in the community. And, a new national policy must also include, in many areas, an increased measure of security to protect the vulnerable aged person from criminal attack.

There are, of course, other important concerns that must be considered in a national policy. I have only mentioned some of the more obvious needs. But what is most essential here is development of a comprehensive approach. We must provide a total living environment for the elderly—not only a roof over their heads.

Today, the dilemma facing many older Americans is really twofold. The first part is income. It is estimated that over 3.1 million elderly persons in this country have incomes below the official poverty threshold. Many others are not beneath the poverty level, but are not very far above it. Over half of all older Americans have incomes under $5,000, and one in every five has an income under $3,000.

But the issue is not simply one of inadequate income. It is estimated that every third older American lives in unsatisfactory or substandard housing. Over one million elderly households are in living units that lack some or all plumbing facilities. An elderly person with a low, fixed income, living in substandard housing in an area of tight supply, has very very little option of where he can live. It is my personal conviction that the government should help provide him with an option.

Millions of elderly are in need of better housing, but government response has not kept up with the need. Less than 500,000 units designed for the elderly have received Federal subsidy in the past decade. This is less than half the 1971 White House Conference on Aging's recommendation of 120,000 units per year. The waiting lists to get into those projects that do exist are one measure of the great need for additional units.

Last spring I sent out a questionnaire to a sampling of these housing projects. I asked them how long their waiting lists were. Those who responded reported a total of over 155,000 elderly persons currently on such lists. And we have many indications that this figure only begins to tell the story. Unfortunately, the number of persons on waiting lists continues to grow even though more units are built. For example, in my own state of New Jersey, more than 1900 new public housing units for the elderly have been made available in the last three years. But the waiting list has not gone down. It has increased by more than 2300 persons.

It is disturbing to note that the elderly pay about 33 percent of their income for housing, as compared to 23 percent for younger persons. In New Jersey, more than 76,000 elderly households pay rent and have incomes under $3,000 per year. Of these 76,000 low-income householders, 58,000 (or 75 percent) pay more than 36 percent of their income for rent.

Homeowners in New Jersey face a similar burden. One elderly woman in my state told me she recently had to pay more than $570 in property taxes, as well as an additional $260 for sewerage in front of her house. She will be paying out over $1000 in taxes on income of only $1,900 per year.

There is no reason why anyone should be forced to spend the last years of life living without assurance of shelter. I hope this symposium will begin to help us share with one another new ways to provide better housing. And, I hope these approaches will be aimed at meeting the total environmental needs of older persons. No one country has discovered the foolproof way to meet these needs, but perhaps discussions at this conference will lead to new ideas.

I note with interest that several countries, including France and Belgium, have developed versions of what we call "housing allowance" systems. Belgium, I understand, provides a moving allowance, a rent allowance, and an installation allowance of a certain amount over a period of time. These payments go to elderly persons who are willing to move from dwelling units not fit for occupancy, into units better adapted to their needs.

As you may know, housing allowances have been suggested for this country. Several experiments are now underway to see how well they would work. In all candor, I must tell you that I have serious doubts. I do not see how housing allowances will be helpful in areas of very tight supply. Furthermore, I do not believe they will be any help in encouraging the new construction of housing specifically designed for the elderly. However, I certainly welcome the comments and suggestions of those of you from countries with experience in housing allowances.

Another area in which some of you from other countries may have experience is in the financing of housing for the elderly through investment of pension funds. As you know, one of the most persistent obstacles to better housing for the elderly is the need for a large and stable source of construction money. It seems to me that pension funds are an ideal and appropriate resource for this purpose.

I will say, my personal interest in this approach probably stems from the somewhat unique position I occupy in the Senate. For 12 years I have had a close-up view of the problems of the elderly as a member of the Senate Special Committee on Aging. At the same time, I've been deeply involved in the development of our Federal housing programs as a member of the Committee on Banking, Housing and Urban Affairs. And finally, as a chairman of the Committee on Labor and Public Welfare, I've been working for three years on legislation to regulate private pension plans.

This combination of committee duties—problems of the elderly, housing programs, and pension funds—has of course shaped my outlook. And it has enabled me to see clearly the great logic of investing pension funds in housing for the elderly.

Of course, this is not a novel idea. Tomorrow you will be hearing about a program where this has been done quite successfully. The National Public Works and Construction Workers Retirement Fund of France allots three percent of its annual contributions to a Social Development Fund; part of that money is used for retirement homes.

I've had the opportunity to visit some of these facilities, and I came away quite impressed. They show how money which workers set aside for retirement pensions can be put to use building facilities to serve them when they do retire.

In my judgment, this is an approach which we in the United States would do well to emulate. We have already seen a start in this direction by one of our most progressive labor unions—the International Ladies Garment Workers. The ILGWU has for some years been investing union funds in housing for its members. But to be effective, this approach must be instituted on a large-scale, nationwide basis. I am very hopeful this conference will develop some ideas on how that can be done—and generate momentum in that direction.

We already have in existence in this country a program which might serve as a model for what I have in mind. The program is called "202" and it involves direct loans from the Federal government to non-profit sponsors of housing for the elderly. The loans cover the full amount needed to construct the housing, and they carry only a three percent interest rate.

This program has been hugely successful. The non-profit sponsors—usually religious groups or labor unions—build and operate the housing. To this date, there has not been a single failure under this program—nor a single loan default. The reasons for this extraordinary success involve both the design of the housing units, and the nature of the sponsors. These buildings are designed solely to meet the needs of the elderly—and the handicapped. Moreover, the law allows these government funds to be used for more than simply living units. They can go for construction of the kind of comprehensive facilities I've already mentioned, to meet the need for a total living environment. Supplemental facilities include central dining areas, lounges, and hobby rooms. And once these so-called "202" facilities are built, they're administered by people who have both the concern and the talent needed to make them successful.

I believe an infusion of private investment patterned after, and complementary to, this "202" program could go a long way toward meeting the housing needs of our elderly. Unfortunately while we consider this new approach, we must also re-invigorate the "202" program.

Despite its excellent record, and despite consistent support for it in Congress, the current Administration has refused to utilize this program. The principal objection has been that the direct loans—despite the fact they will be repaid with interest—take too big a chunk out of the annual Federal budget. To meet that objection, I am sponsoring legislation which would change this financing mechanism to an independent fund that operates outside the annual budget. It would thus be largely self-financing, requiring only a minimal annual appropriation.

The Banking, Housing, and Urban Affairs Committee last week approved my bill calling for expansion and modification of the "202" program. I am hopeful that it will receive favorable attention from the rest of Congress next year.

I would also like to bring to your attention a recent experiment that has proven highly successful in meeting housing needs of the aged. As you probably know, the cost of institutional care in this country has risen dramatically in the last few years. I am sure this is true in other countries, as well. For that reason, there is great interest in programs that provide alternatives to institutional living. Such programs are meant to help support the elderly person who can continue living outside an institution—with a little help.

The Philadelphia Geriatric Center has successfully sponsored what is called "intermediate" housing for the elderly. Across the street from their multiservice center, they converted several single-family homes into efficiency apartments for the elderly. With the aid of Government subsidy, these refurnished apartments provide reasonable rents to elderly persons who need assistance but who do not need to be in the hospital or in a nursing home. Services available to the tenants of these apartments include an emergency hot line to the Center's health unit, free maintenance and repair of the building, a low-cost meal each day, and all the recreational and educational activities scheduled at the Center.

This is an excellent example of the kind of comprehensive approach to the needs of the elderly which I think we must take. At a reasonable cost, the aged residents of this "intermediate" housing arrangement are provided all the supportive services they need to keep from becoming institutionalized. And, they live in an environment where they can enjoy the companionship of others who face the same problems they do.

During our deliberation on the housing bill in the last few weeks, the Housing Committee examined whether this kind of rehabilitated, group housing arrangement can be financed under current Federal programs. We came to the conclusion that it can be. And, the Committee intends to make clear in its report on the housing bill that we endorse and encourage this type of project.

As I mentioned earlier, the problem of meeting the housing needs of the elderly is truly an international one. And, no single nation has a corner on the solution. That is why the work you are doing at this Symposium can be so significant. Each conferee brings to these discussions a unique viewpoint, shaped by his national and occupational background. By bringing all of these viewpoints to bear on problems we have in common, you will hopefully gain new insights into solutions. And regardless of what routes are indicated, I know we are all well aware of the objective we seek. That goal is a comfortable and pleasant living environment for every elderly person. We cannot overstate the importance of this. It was, I think, illustrated very well by an elderly woman I met in New Jersey. For years, she lived in an apartment which she was frankly ashamed of. But several months before I spoke with her, she had moved to a new apartment, in a "202" project. "Senator," she said, "I'm not ashamed any more. These last few months have been the happiest in my life."

That's what our objective ought to be; to make old age the happiest years of life. It can be done, and I'm hopeful you will help find out how.

RESOLUTION COMMENDING RADIO STATION KASU

Mr. FULBRIGHT. Mr. President, KASU–FM, the public radio station of Arkansas State University, provides outstanding service to the residents of northern and eastern Arkansas.

In addition to its high-quality programing, the station recently performed an exceptional service by providing weather information throughout the night in an area which has been plagued by severe tornadoes.

The city of Jonesboro was hit by a devastating tornado last May which resulted in major property damage. Consequently, citizens of the area are somewhat jittery about tornado warnings. Recently, on several occasions tornadoes threatened again and KASU remained on the air past its normal midnight sign-off to provide special weather reports, and on another occasion began broadcasting at 3:40 a.m. to provide weather reports.

The station and its staff, under the direction of Charles Rasberry, have been officially commended by Arkansas State University's Board of Trustees and by a unanimous resolution of the Jonesboro City Council.

Mr. President, I join in paying tribute to KASU–FM for its outstanding service and ask unanimous consent to have printed in the Record the resolution by the Board of Trustees of Arkansas State University and an article from the Jonesboro Sun of December 4.

There being no objection, the material was ordered to be printed in the Record, as follows:

Resolution of Commendation, Radio Station KASU

Whereas, Radio Station KASU, under the direction of Mr. Charles Rasberry, has experienced steady growth in service and programming as exemplified by its becoming an affiliate of the National Public Radio network, graduating to a broadcasting power of 10,000 watts, and winning the adulation and support of area residents, and

Whereas, KASU was recently the recipient in competition of a $400 grant from the Arkansas Fine Arts Council for promotion of its fine music programming, and

Whereas, the Arkansas Chapter of the National School Public Relations Association presented to KASU the 1973 "School Bell Award" for outstanding coverage and interpretation of news about education, and

Whereas, the staff of KASU rendered exemplary and extraordinary service to Eastern Arkansas during the fall, 1973, when turbulent weather threatened the safety and welfare of citizens; this service consisting of continuous, reliable, and current weather information broadcasted at times during normal vacation periods and early morning hours, and

Whereas, the stature and reputation of KASU have been significantly strengthened as a consequence of the foregoing,

Now, therefore, be it resolved by the Board of Trustees of Arkansas State University that this resolution of commendation is hereby issued and disseminated for public recognition of the salient service, and dedication, and contribution which has been given by the staff of KASU under the leadership of Mr. Charles Rasberry. Furthermore, it is regarded by said Board of Trustees that KASU has promoted the value and importance of public radio in a way that has enhanced the welfare and betterment of mankind.

Duly adopted this 7th day of December, 1973.

Vote on Storm Warning System Is Step Nearer

A few hours before another windstorm hit Jonesboro, the City Council moved a step closer to referring the question of purchasing and installing a storm warning system to the people in a special election.

Last night the aldermen instructed Mayor Neil Stallings to call a public hearing on the question of a tornado warning system and requested that City Attorney Warren Dupwe draw an ordinance referring the matter to the people in a special election.

Installation of warning sirens has been discussed by the aldermen periodically since the tornado of May 15, 1968, when 34 people were killed, and discussion has been hot and heavy since last May's devastating tornado.

But there has also been opposition to installing the sirens, with persons opposing them saying that continuous blowing of warning sirens would cause harm emotionally to many people, especially children, and would be too expensive.

In lieu of a warning system, police have been sending squad cars out with "yelp" sirens turned on when a tornado warning—a funnel cloud reported in the area—comes.

Those "yelp" sirens have gotten a workout in recent days.

Last night the aldermen received a petition from nine citizens opposing installation of any siren system.

Several of the aldermen said they had received calls criticizing police for turning on the "yelp" sirens, while other aldermen said they had received many calls praising police for the action.

Alderman Jim Hannah said: "I have received many calls from people wanting me to thank the police for alerting them."

Mayor Stallings said he has received calls from people opposing warning systems and using the "yelp" signal and from persons "100 per cent in favor of a complete warning system."

He added: "People feel strongly—one way or the other—about this, and this put into my mind the importance of a referendum."

Alderman Dr. Bill Bowers, who has in the past been opposed to purchasing a warning system, said: "If ever an issue called for a referendum, this is it."

Alderman William Bowers who has headed the committee investigating a warning system for Jonesboro, said his committee wanted a public hearing on the matter.

William Bowers, who strongly favors a warning system of sirens for Jonesboro, said: "We've been studying this for five months, and I think it's time for some action."

Alderman Don Minx said he had received calls praising police for their action, and he paid tribute to Charles Rasberry of the ASU Division of Radio-Journalism-Printing for bringing radio station KASU on the air when the tornado alert sounds.

"It's great comfort to hear one voice in the middle of the night giving full information from the weather bureau, and I'd like the Council to pass a resolution praising Rasberry and KASU," he said.

The aldermen passed the resolution.

Mayor Stallings did not announce a date for the public hearing.

The aldermen have received various estimates of the cost of a warning system, depending on the type that would be purchased. Half of the cost would be paid by the federal government.

CANADIAN APPROVAL OF OIL SHIPMENTS TO MAINE

Mr. MUSKIE. Mr. President, earlier today I spoke of the severe problem facing two major paper companies in Maine because of Canadian restrictions on oil exports from the companies' sole supplier.

A short time ago, the Canadian Embassy informed the Maine congressional delegation that its government has approved a license to ship an additional month's supply of oil to the Great Northern Paper Co. and to the Georgia-Pacific Paper Co. This is welcome news, not only to the Maine people who depend upon the paper mills for their livelihood, but also to the hundreds of newspapers in the northeast who rely upon the two companies for newsprint.

Mr. President, I ask unanimous consent that the statement issued by the Maine congressional delegation in response to the Canadian decision be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE MAINE CONGRESSIONAL DELEGATION ON CANADIAN OIL SHIPMENTS TO MAINE

The decision of the Canadian National Energy Board to approve the export of an additional 200,000 barrels of oil to the Great Northern and Georgia Pacific Paper Companies provides welcome but temporary relief.

These shipments will provide another month's supply of oil to the companies' mills in Woodland and Millinocket. The Delegation will use this additional time to see that negotiations with Canadian authorities are vigorously pursued in an effort to secure a longer term solution to the problem.

The oil shortages faced by both Canada and the United States pose difficult problems, as this situation demonstrates. We are hopeful that this decision is an indication that the Canadians are willing to approach these problems in the cooperative spirit which has traditionally characterized the relations between our two governments.

A COLD CHRISTMAS FOR VIETNAM ERA COLLEGIATE VETERANS

Mr. CRANSTON. Mr. President, most of us look forward to the days ahead as a time to return to our homes, to visit our families and friends, and, generally, to share in the warmth of the holiday season. But, for many California veteran students, the prospect of this coming holiday has appeared very gloomy, indeed.

These students are the young men and women, who, after contributing years of their lives serving our country, were encouraged to use their GI bill benefits upon discharge from the service. They have returned to school with the justifiable expectation that they would receive their educational assistance allowance payments promptly each month. Since this academic year began in September, however, far too many veterans in colleges in California have received either no checks at all, or perhaps one or two checks which arrived several months late.

Mr. President, although there have been continuing problems, nationwide, concerning the timely payment of educational assistance benefits, no situation has come close to that of the Veterans' Administration regional office in Los Angeles. There have been continuing, serious difficulties with this office in the past, and now, the situation has clearly reached crisis proportions.

I was shocked to learn this week that the Los Angeles office has a 5-month accumulation of 6,600 backlogged claims, including 1,500 veterans in emergency need. Most of these emergencies involve veterans who have not received any VA payment since they registered for the school term this fall. Others have received only one check over these 4 months.

It appears that a combination of the ongoing problem with late checks, in addition to the extremely disappointing manner in which the VA has implemented the new advance payment provision—which I authored in Public Law 92–540 to ensure that the GI bill student-veteran would have his first check before he started his classes or training—have created serious difficulties for thousands of veterans in southern California.

Mr. President, my Los Angeles office has been besieged by phone calls and visits—50 a day or more every day this week—from young veterans in dire straits because of late or nonpayment of their educational benefits that were supposed to be received last August. Now, almost 4 months later, many student-veterans are being threatened with eviction from their homes or apartments, others have had to sell their cars for lack of funds to make the payments, many have been forced to drop out of school in order to take whatever job they could find to support their families, and all too many have had to give up plans to go home for the Christmas holidays.

In an effort to provide some relief to the 6,100 veteran cases affected by this massive foulup, and particularly to help those veterans facing serious hardships, when I learned of the gravity of the situation on December 19, I personally contacted the Administrator of Veterans' Affairs at the Veterans' Administration, Mr. Donald Johnson, urging him immediately to take whatever steps might be necessary to clear up this situation and get emergency payments to the 1,500 or so distressed Veterans. Mr. Johnson assured me that these veterans would receive checks before Christmas.

Mr. President, while the VA's past performance in implementing the GI bill, especially at the Los Angeles VA office, has cautioned me not to raise my hopes too high, I am somewhat encouraged that a number of emergency measures appear to be well underway at the specific direction of the VA central office, and I want to express my personal thanks and those of my constituents, to Mr. Odell Vaughn, VA Chief Benefits Director, for all he has tried to do to resolve this mess. I am advised that the following actions have been taken: The U.S. Treasury in San Francisco has this week been authorized to disburse checks to 1,284 veterans with special hardship cases; 400 extra Los Angeles VA employees have been assigned to process the hardship cases and to assist with the remaining backlog of 5,100 cases; the entire staff of the Los Angeles VA regional office will be working Monday, a Federal holiday, in an effort to clear up the remaining backlog by the end of next week; and VA and Postal Service officials have been conferring on ways to speed up the delivery of checks. I have asked the VA to consider hand-carrying checks from the San Francisco Treasury to the Los Angeles and San Diego areas.

Mr. President, I would like to point out that I have repeatedly urged the VA to open a regional office in the San Diego area to help remove some of the load on the LA office, and to insure better service to veterans in the San Diego area. The VA finally announced, in mid-August, that there would be a new San Diego regional office by mid-1974. In view of the current crisis situation in LA, however, I believe that the VA should make every effort to open this office as soon as possible. I have reason to believe that this can be done by early February, and the VA Chief Benefits Director is already taking emergency measures to expedite this process.

Mr. President, I sincerely hope the VA is able to meet the Christmas deadline Mr. Johnson has set—for their sake, and more importantly for the sake of all the veterans and their families, who are in great need at this time. But even if the VA is able to make these promised payments by Christmas, I am convinced that a full investigation of the situation in Los Angeles is necessary. I think that each and every veteran, who is at the mercy of the LA office, is entitled to know exactly what caused these intolerable delays, and also to receive assurances that this situation will never reoccur.

Mr. President, delays, mixups, and unresponsiveness are nothing new to veterans served by the LA office. For 4 years now, I have been urging the VA to revamp thoroughly the operation of the LA office and to open a new regional office in San Diego. Veterans in the Los Angeles and Long Beach areas, and San Diego, Riverside, and Imperial Counties deserve far better treatment than they have been receiving.

This past August 29, I chaired a hearing of the Senate Veterans' Affairs Committee's Subcommittee on Readjustment, Education, and Training, at the request of full Committee Chairman VANCE HARTKE, who has also been deeply concerned about persistent reports of difficulties with the administration of the GI bill program, especially the operation of the regional office in the Los Angeles area.

Although I had already been receiving reports that serious delays in veterans educational payments were beginning to cause problems. At the time of that hearing in August, Regional Director Gordon Elliott assured me that he did not anticipate any problems with the implementation of the advance payment program, or the processing of regular educational benefits checks in southern California. Mr. Elliott told me they could do the job despite the fact that the case load for the LA office had increased 269 percent over the previous year. I was particularly concerned then, as I have been for 4 years, that the VA Los Angeles regional office needed more personnel to handle a rapidly escalating caseload; although, when I suggested this to Mr. Elliott, he said that he did not feel the office needed any more personnel to handle that increase.

Mr. President, evidently, Mr. Elliott was sadly mistaken. Sadly mistaken at the expense of several thousand GI bill recipients in southern California.

For that reason, Chairman HARTKE has asked me to continue the investigation I began last August as acting chairman of the Subcommittee on Readjustment, Education, and Employment, and I intend to hold a public hearing in Los Angeles sometime during the week of January 14, probably on Thursday, January 17, to get to the bottom of this matter.

We will conduct an intensive probe into what appears to be incompetence and poor administration in the top staff levels at the LA office.

Mr. President, I will be particularly concerned at this hearing to discover the specific causes for the current crisis situation in the LA office. Additionally, I hope we can develop some viable suggestions for more effective processing procedures for the veterans' education benefit program, and, in general, for a more responsive VA regional office in Los Angeles.

In getting to the bottom of the situation in LA, I also hope to clear up the discrepancy as to who or what is responsible for the problem. Correspondence and conversations with Regional Director Elliott indicate that everyone is to blame—the veterans, the schools, the computer in Chicago, the Treasury Department and the Postal Service—everyone, that is, except the LA office. Yet the VA in Washington has reported that no comparable problem exists or has existed in any of the VA's 56 regional offices. In fact, the total number of pending inquiries regarding educational benefits for the 15 regional stations which make up region 4—in which California is located—is 3,880, not including Los Angeles. Los Angeles, alone, has a backlog of 6,600 inquiries—almost twice as many as the entire area—out of 120,083 education cases.

By comparison, the San Francisco regional VA office has only 1,859 pending inquiries for an 81,919 caseload.

Mr. President, we owe a debt of gratitude to every veteran, and veterans benefits are a part of that debt which I believe we are morally obligated to pay. The VA is charged with paying off that debt. The men who went to war for our country can rightfully expect that debt to be paid in full and on time. Whether that means an education, job training, or a compensation, or a pension check, every veteran has an equal right to receive his full entitlement in the most humane and compassionate way.

I intend to do all I can to make this credo the unexcepted rule for all GI bill trainees in California.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

REGIONAL RAIL REORGANIZATION ACT OF 1973—CONFERENCE REPORT

Mr. HARTKE. Mr. President, I submit a report of the committee of conference on H.R. 9142, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the Northeast region of the United States; to designate a system of essential rail lines in the Northeast region; to provide financial assistance to certain rail carriers; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of December 20, 1973.)

Mr. HARTKE. Mr. President, I submit the report of the committee of conference, having reached agreement after full and fair conference, on H.R. 9142, a bill to authorize and direct the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States, and for other purposes.

Mr. President, we have worked long and hard to find a legislative solution to the myriad of problems and the potential for economic disaster inherent in the collapse of the Penn Central Railroad and six smaller railroads in the Midwest and Northeast region of the Nation.

In order to resolve, or rather, in order to set in motion a process that will resolve this regional rail crisis, the Senate Commerce Committee and the conferees for the Senate have swallowed a lot of doubts and concerns. As I have stated before, I gave up my preferred solution, which was represented by S. 2188 as the first step in a two-stage process, when it became clear that the House of Representatives would insist on a one-stage bill and process. We made substantial improvements in the House bill which will, I believe, increase the odds in favor of success for the new rail corporation that will succeed to the basic rail properties of the Penn Central and the other defunct railroads in the region. The pressure of time, and the need to achieve accommodation, resulted in the managers on behalf of the Senate yielding on several very important matters—which are explained in the statement of managers in the conference report—and these include matters as to which the Senate has spoken almost unanimously for many years. I refer specifically to the provisions setting up loan guarantees for freight cars. The chairman of the Committee on Commerce (Mr. MAGNUSON) yielded this point upon a pledge by the majority and minority members of the Surface Transportation Subcommittee of the Committee on Interstate and Foreign Commerce of the House to put a freight-car loan guarantee bill at the top of its agenda for consideration in the second session of this Congress, and to consider a freight car bill alone without all the other matters that have been connected with it in the House in the form of a proposed Surface Transportation Act. The Senate conferees also agreed, albeit very reluctantly, to have the bill set a general ceiling on obligational authority for the new association even before we know what is going to be in the new rail service system for the Northeast and Midwest.

The House conferees did, however, accept one major element in the Senate bill that was not in their legislation, and for this the people who live along the east coast between Boston and Washington, D.C., owe a debt of gratitude to the senior Senator from Rhode Island (Mr. PASTORE). H.R. 9142 provides that, starting immediately, engineering studies and improvements are to begin, to be completed by the earliest practicable date, making possible high-speed railroad passenger service in the Northeast corridor. The legislation commits the planners and operators to regular train service that will take 2 hours fom Union Station here in Washington to the center of New York City and 2¾ hours from New York City to downtown Boston. On the basis of previous studies by the Department of Transportation, which is given responsiblity for making both the engineering studies and the improvements, the total project can be substantially if not entirely completed in 3 years, which means that high-speed rail service connecting most of the original 13 colonies should be in place for the 200th anniversary of the Declaration of Independence in 1976. The Secretary of Transportation, Mr. Brinegar, communicated to me his personal assurances that the Department and the Office of Management and Budget will "proceed expeditiously" to carry out their legislative mandate and complete the improved high-speed rail service project for the corridor.

It would have been tragic if we had not completed action on this legislation to reorganize and to assure the maintenance of rail service in the 17 States of the Midwest and Northeast. A shutdown of the Penn Central in the next few months would have subjected the people to unbelievable hardship.

I look forward to the President signing this bill into law and setting the regional rail reorganization process in motion immediately.

Mr. President, I cannot let this opportunity pass without again complimenting the people who were so helpful, especially on the Senate side, but also on the House side, the majority and the minority, in making it possible to deal with this complicated legislation in the fashion we did. The Senator from Maryland (Mr. BEALL) and the Senator from Kentucky (Mr. COOK), both of whom are in the Chamber, were extremely helpful, not only during the original consideration of the legislation, but also during the conference.

I regret that we took out the study that the Senator from Maryland was so much in favor of it. I think his position was proper, and I hope it will be provided for later. We took out a number of studies that are to be completed after the legislation is passed.

We feel we have a workable solution to a difficult problem. I urge the Senate to give its approval.

We began this debate with almost complete disagreement with the Department of Transportation. In our conversations with them in the last few days not only have we eliminated a lot of the conflict in approach, but I think this time we have gone so far in trying to do what we think is right and what they think is right that there is no longer the apprehension that this is a conflict between the Department of Transportation and Congress.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. HARTKE. I am glad to yield.

Mr. BEALL. Mr. President, I rise to support the conference report. The Senator from Indiana has adequately described the provisions, although I do ask that at the conclusion of my remarks he describe the total amounts of money involved. It would be good to have those figures in the RECORD this morning.

I wish to congratulate the Senator from Indiana and all staff members who participated in this effort because, as the Senator from Indiana has pointed out, this has been a Herculean effort to get the conference report ready for consideration in the Senate so closely on the heels of the close of the conference, because this is a very complex and technical legislation which required around-the-clock efforts on the part of the staff to have the measure ready today.

It is true that the conference report does not satisfy all of us. Obviously each of us has misgivings about provisions that were or were not agreed upon in the conference. The Senator from Indiana alluded to some disappointments I have about things not included in the conference report. Nevertheless I believe we can be somewhat optimistic about the opportunities presented in this conference report before the Senate today.

All of us have been disturbed about the plight of the railroads in the Northeast and Midwest. We are aware how important the railroads are to the economy and to the lifestyle of the people in the region, and the tremendous responsibility we have at this level of Government to see to it that there is no cessation of service by the railroads in that part of the country.

Many reasons have been ascribed to the failure of the railroads in this section of the United States and elsewhere to make a profit or revive financial operations. People have said they failed to succeed, because of overregulation on the part of the Federal Government and slowness of the regulatory agencies in acting. This is true; there has been overregulation and slowness of regulation. It is said the railroad management has lacked imagination, inventiveness, and in some cases they have been accused of misappropriating assets of the railroads. That is probably true, and these factors have led to a decline of the railroads. It is said that the markets of the region have changed. This is true also.

It has been alleged that labor has insisted on archaic work rules that have impeded the improvement of productivity which is so important to a viable system. This is true.

All of these matters have to be attacked if we are going to get the railroads operating successfully and have them become viable economic instrumentalities once again.

I hope that with this legislation we have created the kind of framework through which we can overcome these difficulties.

We have responded to the overregulation or slowness of regulation by establishing new procedures for the regulatory agency to follow in dealing with this new organization. We have provided for great opportunities for people to manage that corporation. Certainly the challenge is there and we are hopeful that the very best people available will be utilized to deal with a mammoth problem.

I was hopeful that we could do something about the work rules. The committee and the Senate agreed that a work rules study should be made. It was taken out in conference. It was indicated that labor and management were working on this problem, were going to solve it, and the study was not needed. Time will tell. I hope labor will recognize its responsibility to make the corporation work and will recognize that we have to adopt the most productive ways of operating railroads, consistent with safety in order to make the new railroad successful.

With the adoption of the conference report today, we have the opportunity to create a successfully operating corporation that will provide effective, efficient, and ontime service to the people of the Northeast and the near Midwest region of the United States.

I hope everyone will recognize his responsibilities in this regard and the fact that nationalization may be the only alternative if this does not work. This is the last step, in my opinion, before nationalization of the railroads of the Northeastern section of the country. I hope, because we have taken this step that a viable, profitable corporation will emerge and it will not be necessary to take that next step.

Experience has demonstrated elsewhere in the world that nationalization has not worked and certainly has not been a bargain from the taxpayers' viewpoint.

I am particularly pleased that the bill, with my strong support, includes provisions requiring the implementation of improved high-speed rail passenger service in the Northeast corridor, from Washington, D.C.—Baltimore—Wilmington—Philadelphia—New York—New Haven—Providence—Boston. This bill will enable the implementation of the recommendations of the Secretary of Transportation contained in his 1971 report entitled "Recommendations for Northeast Corridor Transportation" insofar as those recommendations relate to improved high-speed rail-passenger service. This would provide for 2-hour service between Washington and New York, and 2½ hour service between New York and Boston.

Section 206(a)(3) of the bill mandates that the final system plan, the operative document for the restructuring of rail service in the Northeast and Midwest, provide for "the establishment of improved high-speed rail passenger service consonant with the recommendations of the Secretary in his report of September 1971, entitled "Recommendations for Northeast Corridor Transportation."

Section 206(c)(1)(C) provides that the final system plan shall designate which properties in the Northeast corridor shall be purchased, leased, or otherwise required from the new Consolidated Rail Corporation by Amtrak for improvement in order to achieve the high speed rail passenger service recommended by the Secretary in his 1971 report. Section 206(d)(5) mandates that any transfer of these properties—whether by outright purchase, lease, or otherwise—from the new Consolidated Rail Corporation to Amtrak is to occur at a "value related to the value received for the transfer to the Corporation of such properties." This provision is designed to protect the public interest by insuring that Amtrak receives the properties at the lowest possible price.

A U.S. Railway Association is created in the legislation, the purpose of which is to design the final system plan and to provide the necessary financing to implement that plan. The National Railroad Passenger Corporation is specifically designated as a recipient of guaranteed loans from the Association in order to assure that it can receive low interest money in order to upgrade the properties of the corridor. The obligational authority of the Association—which was set at a maximum of $1 billion in the House legislation—was raised to $1.5 billion by the conference committee in order to provide financing for the improvement of the Northeast corridor. The conferees specifically directed that language be inserted in the joint statement of managers indicating the reasons for the additional authority. Furthermore, the Association may come back to Congress and request additional obligational authority necessary to implement the final system plan; for example, implementation of high-speed rail passenger service in the corridor, and provision is made for raising this obligational authority by concurrent resolution of the Congress.

Section 601(d) places a duty upon the National Railroad Passenger Corporation to acquire the properties in the Northeast corridor that are designated in the final system plan, and to improve them "at the earliest practicable date after the date of enactment of this act" in conformance with the Northeast corridor report of the Department of Transportation. The Secretary is directed to begin the necessary engineering studies and improvements immediately upon enactment. The conferees specifically directed that the joint statement of managers should indicate that these improvements should be completed in less than 5 years. Authority is given for consultation with the Corps of Engineers in construction work on the corridor.

Improvments under this program will include the complete installation of welded rail, signal improvements, increased banking on curves, a complete fencing of the entire right-of-way, modernized electrification from Washington to Boston and new rolling stock. It is anticipated that the total cost of the project including the new vehicles and station improvements, will be approximately $700 million. Because the project will be financed by guaranteed loans, and because all projections indicate that it will generate significant profits, it is anticipated that there will be no problem in repaying these loans. Therefore, the project will be implemented at no cost to the taxpayer.

The Northeast corridor is the most densely populated portion of the country, containing 20 percent of the total population. The demand for passenger transportation in the Northeast corridor is extremely high, and the increasing density of population in this area will cause much more severe transportation congestion problems in the future without the institution of a balanced transportation policy. At the present time, all but approximately 10 percent of the innercity trips made within the corridor are by the highway or air mode. Recently, both of these means of transportation have been showing signs of growing congestion, causing a deterioration of travel speed and reliability for innercity trips along the corridor spine. If appropriate action is not taken, this situation will worsen considerably; the Federal Highway Administration forecasts that innercity highway travel will increase by a minimum of 65 percent between 1970 and 1985. As conditions worsen, the severity of highway congestion will significantly affect auto travel. Present and projected air travel within the corridor has even more serious problems than those affecting highway travel. For example, the total hours of passenger delay at Laguardia and Washington National Airports increased from 630,000 hours in 1966 to 1,750,000 hours in 1970.

With congestion already occurring in the highway and air modes within the corridor, and with total travel expected to grow at 3 percent per year for the indefinite future, it becomes evident that steps must be taken to insure that satisfactory transportation is available for those seeking to make inner city as well as local and extra corridor trips in the future. The Northeast corridor provisions of the Regional Rail Reorganization Act of 1973 will provide this transportation capacity in a very energy conserving manner, without the use of additional land, and at little environmental cost.

Mr. President, I hope we have created a framework from which a successful, businesslike operation can be put into effect in the northeastern part of the Nation, and I congratulate the Senator from Indiana for his efforts in bringing this matter to the floor today.

Mr. HARTKE. Mr. President, I want to thank the Senator from Maryland, without whom we could not have gotten this work done. I know of no man who is more knowledgeable about or more dedicated to the success of this venture than the Senator from Maryland.

I would hope that the Senate would take action in the field the Senator mentioned. There is no question that there is quite a bit of discussion, and understanding, or misunderstanding, depending on how one looks at it, on the question of work rules. There is also the question of what happens to displaced workers. There is the question of the potential of nationalization which was raised in the study proposed by Senators STEVENS and SAXBE, and the question of nationalization of rail passenger service raised by Senator BAKER's proposed studies. I think those questions should be addressed and those studies not only should be done, but should be done expeditiously. I hope in the next Congress we can move forward to do just that.

The Senator indicated that he would like to have the figures. I think it would be appropriate to have those figures put in the RECORD at this time.

Basically, they are as follows: The total authorization is $558.5 million. It is broken down as follows: $85 million in interim debt. This interim debt provision was passed by the Senate in a separate measure. It is an outright grant to be paid by the Federal Treasury for the purpose of keeping the railroads going until the final arrangement is made.

Five million dollars is for the use of the Special Office of the Interstate Commerce Commission in that field.

Twenty-six million is for the association's expenses. The association itself is the organization which will be doing the planning and original financing.

There is an additional $12,500,000 for the Secretary of Transportation. There is $90,000,000 for each of the 2 years following the effective date of the final system plan period for rail continuation subsidies to retain service which is not included in the original plan, but which is necessary to maintain.

Out of the $558.5 million there is also authorization for $250 million for labor.

For loan authorities, obligational authorities, there is a ceiling of $1.5 billion unless changed by another act of Congress.

Mr. BEALL. Are there further limitations on the $1.5 billion lending authority on how it might be spent?

Mr. HARTKE. The corporation cannot receive more than $1 billion. The rest is available for acquisition and improvement of the corridor. The corporation must commit $500 million to rehabilitation and modernization of the rail plant which it will operate. There is no set-aside for a deficiency judgment as there was in the House bill.

Mr. BEALL. I thank the Senator.

Mr. HARTKE. Mr. President, I yield to the Senator from Kentucky.

Mr. COOK. Mr. President, I wish to thank the Senator from Indiana.

May I say there is some consternation—I think all of us on the conference and all of us on the staff apologize—that we cannot have a copy of the conference report before our colleagues. In all fairness, I think I should say it is a difficult thing to try to comprehend it in this short period of time, but I would really only say that we started on Friday a week ago. I recall vividly that on Tuesday we left our respective staffs with a number of unresolved problems. Those staffs did not even conclude them until sometime around 3 o'clock in the morning. We were due back in, and we came back in, on Wednesday. So I can only say it would really be impossible for us to try to give the kind of full input that I am sure all the Members of the Senate would really like on this.

I think the respective staffs have done a herculean job in getting it available to us today and having it available for the

House yesterday. I might suggest that we are all sitting here waiting for the energy conference report, and it might come today, but I do not think we will have the slightest idea what a conference report on that bill will look like. We basically followed the text of the language passed by the Senate.

Mr. GRIFFIN. Mr. President, will the Senator yield before he leaves that point?

Mr. COOK. I yield.

Mr. GRIFFIN. I might say that earlier when I inquired, there was no conference report available in printed form, but I will say to the Senator from Kentucky that I have now been furnished by staff with a proof copy. It does not have the statement of the managers attached, but it does at least have the legislation that we are voting on in printed form.

I appreciate and realize the difficulties, but I think it would have been unfortunate if Members of the Senate were required to vote and they could not go anywhere to find out what they were voting on. Now that situation has been corrected, and I note it for the record.

Mr. COOK. I agree with the Senator from Michigan. I might say to the Senator that it is already Friday, and there is no way the entire members of the Cook family can be home for Christmas, so I will be here next week, and if the Senator wants to be here next Thursday to go over the whole report, I will be here to discuss it with him.

In all fairness, the basic text of the bill which was agreed to in conference was the discussion we had here on the floor of the Senate. I think the Senate was very successful in maintaining its position, except on the so-called freight car bill, and certainly the chairman of the committee has every assurance that there will be immediate hearings on it and an effort to get a vote for the establishment of a freight car program.

If I might for just a minute—and I request time from the Senator from Indiana—there is one thing I would like to discuss, and I have a short statement on something that has occurred which has really disturbed me. As the Senator knows, as a member of the Commerce Committee I have worked with him on this bill and I have worked with him on other bills. I think I did not miss any session of either the conference or the mark-ups on the bills. As a result of that, and not being on the subcommittee, I feel I have gained a knowledge that perhaps under normal circumstances I would not have had.

In looking ahead to the coming year, one of the events I anticipated with the greatest enthusiasm—to be shared with the people of Kentucky and our sister States in the Upper South and Middle West—was the inauguration of service by the Auto-Train Corp. between Louisville and Florida. This event promised the traveling public in my State—and in Ohio, Michigan, Illinois, Indiana, Tennessee, West Virginia, and elsewhere—the same efficient, safe, and energy-conserving rail transportation that is now available between Washington and Florida for people living along the eastern seaboard. It had been my expectation that Auto-Train's new service would be instituted early in 1974.

Much to my disappointment I now am advised that this attractive prospect has suddenly been severely dimmed. The reason lies in a decision of Amtrak to frustrate Auto-Train's plans by engaging in stalling maneuvers before the Interstate Commerce Commission. If Amtrak persists in this ill-considered and antipublic interest tactic there will be serious delays in Auto-Train service between Louisville and Florida, given Amtrak's motivation to take advantage of the protracted character of the Commission's adversary proceedings.

As a consequence, one of the most appealing recent rail transportation service innovations—with all that it holds in the way of benefits to the tens of thousands of people who travel annually between Florida and the central United States—is thus about to be strangled to death through calculated delay. And the culprit, let it be clear, is Amtrak, which was established by law to promote modern and efficient intercity rail passenger service—not to suppress new service innovations that are of value to the American public.

I understand some of their problems and what they consider the skimming off of profits. However, in all fairness, if they wanted to initiate the service, they should have initiated it. They did not do it. They gave no indication that they wanted to do it. Therefore, private enterprise moved in and requested that it be done and that they be allowed to do it in conjuncture with the Louisville & Nashville Railroad.

Amtrak's decision to contest, in a drawn-out legal battle, Auto-Train's application for the Louisville-Florida route is not just bad for the Nation's travelers. Something much more fundamental is involved, for a vital question of principle is at stake: the integrity of Amtrak in dealing with the Congress. The plain truth is that in now seeking to block Auto-Train's plan for service on the new route, Amtrak is repudiating assurances given to Congress only 2 months ago that it would not take such action.

Let me briefly explan the basis for my contention. During the consideration of the Amtrak Improvement Act—on which I was a conferee—concern was expressed by Members as to whether provisions of that legislation might permit Amtrak to block the initiation of Auto-Train's planned service from Louisville. Aware of this concern and of its possible effect on the outcome of the conference dealing with the legislation, Amtrak, through its representatives offered assurance that Amtrak would not immediately initiate service of its own or otherwise seek to delay Auto-Train's applications to the ICC with respect to the Louisville route provided those applications were promptly filed and diligently pursued—as they have been. The thrust of these assurances was further confirmed in a letter sent October 5 by Amtrak's vice president for Public and Government Affairs to a member of the conference committee—Representative Kuykendall, of Tennessee.

Mr. President, I ask unanimous consent that a copy of this letter be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COOK. Mr. President, the substance of this letter was revealed at the time and it was a very serious factor in our deliberations. Among other things, the Amtrak letter implied that the Commission should move quickly on the Auto-Train application, something which it was well known could not be done if Amtrak were to contest the Auto-Train request for operating authority.

Along with other members of the conference committee and of the House and Senate I accepted Amtrak's representations as being in earnest and placed reliance in them. While we thus acted in good faith, Amtrak has now decided to act in bad faith, repudiating its earlier assurances and treating them as mere words to be put aside at its whim. I believe I am understandably outraged. Amtrak has simply not kept the promise it made to the Congress—a promise upon which we properly relied but which Amtrak has now seen fit to dishonor.

I am today asking Roger Lewis, the president of Amtrak, to reconsider his decision. Rather than frustrate Auto-Train's intention to begin service next year between Louisville and Florida, I am calling for Mr. Lewis to respect his company's word and to act in a manner consistent with the public interest and the Nation's acute transportation and energy requirements. Specifically, it is my hope that Amtrak will abandon its intention to oppose the Auto-Train application. Instead, I ask Amtrak to seek to expedite the Commission's disposition of this matter so that the travelers of this country can take advantage of Auto-Train's proposed Louisville service early in 1974.

In short, I am imploring Amtrak to act like the public service organization which Congress intended it to be and specifically to aid in the promotion of modern intercity rail passenger transportation. I am asking Mr. Lewis and the other officers of Amtrak to act like men of honor and statesmanship. This Nation's transportation problems are immense. Amtrak can and should play a positive role, but it hardly has a monopoly on new ideas. If Amtrak is to meet its responsibilities—if it is truly to serve the public and aid in the rejuvenation of rail passenger service—it must adopt a positive outlook and not direct its resources to the frustration of others who are attempting to meet our transportation challenges.

We took into consideration the total and complete participation of Amtrak in our discussions of this conference report—and I support the report. I must say that we talked in terms of the expectation that Amtrak could operate more select facilities; but I must say that I am not going to be very enthusiastic about its operation of them with this kind of equipment if that situation should prevail.

EXHIBIT 1

OCTOBER 5, 1973.

Hon. DAN KUYKENDALL,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KUYKENDALL: Referring to our conversation of yesterday regarding auto-ferry service, it had been our intention since over a year ago to initiate auto-ferry service on the west coast as soon as the legal obstacles to such service were cleared away. We expected to do this by adding auto-ferry cars (converted coaches) on the rear of the three-days-a-week Coast Daylight-Starlight. This last June the Coast Daylight-Starlight began to be operated on a daily basis and its ridership zoomed. At the present time it is running every day virtually at capacity, and for this reason it could not handle auto-ferry cars. So we cannot initiate at the present time on the west coast the auto-ferry service we had intended. Neither can we at the present time initiate operation of a separate auto-ferry train on the west coast, for Amtrak does not now have the necessary sleepers, coaches, lounges and diners that would be necessary. So while we are blocked on the west coast at the present time, we are continuing to try to find ways of operating such a service there.

It had been our intention to initiation of auto-ferry service on the Chicago-Florida route by adding auto-rack carts on the rear of the present 13-car Floridian, and in that way add to the revenue of the train. If the conferees adopt the auto-ferry provisions of the House bill without change (except for a clarification of the meaning of "railroad") Amtrak will withhold initiation of auto-ferry service on the Chicago-Florida route until after the Commission has acted on Auto Train's application to serve that route from Louisville to Sanford, Florida, provided such application is filed within a reasonable time after the bill's enactment and thereafter diligently pursued. An overall time limit of 120 days after the Act's enactment for the Commission decision is essential because use of the Floridian for auto-ferry service was designed to make the Floridian sufficiently viable for retention as part of the basic route system.

Kindest regards,
Sincerely,
GERALD D. MORGAN,
Vice President,
Public and Government Affairs.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. HARTKE. The Senator from Kentucky is rightly concerned about this: We have had continuing frustration, as the Senator knows. I would hope that we could have the Amtrak people before us again at the earliest possible moment in the next session of Congress. In the meantime, I do not know how we can deal effectively with this process in the time remaining for this session of Congress.

Mr. COOK. The Senator is correct.

Mr. HARTKE. In the meantime, I do not anticipate that the service will be inaugurated by the company much before then. But I am sure that we will have the Amtrak people come before us.

I do not know whether the Senator is aware that a new board of directors is to be appointed. I hope that we can make Amtrak the kind of organization we want it to be—an operator of trains that run on time and that are attractive and clean.

Mr. COOK. When I turn on my radio and hear "Amtrak does it," I think they ought not to give the impression that they have any more than they do have; and also, I think that they ought to give the public the kind of service the public expects and that can be anticipated in other parts of the country. Amtrak ought to do this with enthusiasm, and not cause the public to be frustrated.

Mr. HARTKE. I quite agree with the Senator from Kentucky. I am sure that we will get into that subject at the next session of Congress.

Mr. COOK. I thank the Senator from Indiana very much.

Mr. JAVITS. Mr. President, this bill is naturally of the greatest importance to an area of the country which I have the honor to represent—New York—a State which has an enormous part of the country's rail system in the so-called Northeast corridor and is, of course, the strongest in terms of size and economic force in the whole area.

First, I should like to compliment the Senator from Indiana (Mr. HARTKE), the Senator from Maryland (Mr. BEALL), the Senator from Kentucky (Mr. COOK), and the other members of the Committee on Commerce for their efforts which brought this about, mothered, of course, by terrible necessity, because practically every road in the area is bankrupt, and also for the creativity which is shown by this report.

It should be noted that though this is a report dealing primarily with the Northeast rail system, the U.S. Railway Association has a much broader function and, indeed, this is the framework for the reconsideration and probably the rearrangement of the rail system of the United States. The consolidated corporation, of course, will operate in this area, but the general plan which will be implemented is provided for by this bill. I consider this extremely creative, and believe it will solve the problem that have for so long plagued these railroads and their customers.

Also, I believe the problem of local service was dealt with, especially in view of the energy crisis, in a very intelligent way, by offering the localities a substantial Federal subsidy, but relying heavily upon local initiative to deserve that subsidy, and limiting the subsidy in terms of time. I believe it leaves areas which determines that the consolidated system has left them out to their economic detriment an opportunity to come back in, as it were, on reasonable terms, where hard-headed financial analysis does not justify including them in the core of the system.

We in New York are also very grateful to the conferees, and particularly to the chairman, Senator HARTKE, and the ranking Republican member, Senator BEALL, for their appreciation of the need for carryover of important agreements in respect of the consolidated system. In our case, we have had agreements with governmental bodies primarily ranging from the underwriting of the problems of the Long Island Railroad and the Penn Central which serve an enormous area, and municipal problems like the transportation of waste materials out of a great city like New York, which has been attempting to contract with carrying roads. These agreements are of overriding importance and I am pleased to see they will be preserved. I also note that this carryover in no way affects the status of other leases or agreements not specifically covered by the carryover provision.

I wish to comment also upon a few other things, Mr. President, in my particular relationship, first as a lawyer and second as the ranking Republican member of the Committee on Labor and Public Welfare.

On the legal side, I might say to the Senator from Indiana, that the concept of a special court has been very creative. Our experience in the environmental field indicated what a mess can be made of the best laid plans by a diversity of legal proceedings all over the Nation, with different theories canceling each other out very often, and not resolvable until you get to the Supreme Court, and sometimes not even then. Here, by exercising the authority we first exercised in the Judiciary Act of 1789, we have provided for consolidating these proceedings and appointing a special court for the purpose. I think it is very, very gifted position, for which the committee is entitled to great credit.

Second, as the ranking Republican member of the Labor and Public Welfare Committee, I have studied with great interest the problem of the displaced workers, and how they were dealt with.

I have great sympathy for the views of our colleague, the Senator from Maryland (Mr. BEALL), who felt it was altogether too costly in proportion. His humane views and his love for his fellow man and the worker, I am sure, do not yield to those of anyone else, but he just felt that in relation to the financial obligation being dealt with, it was just too heavy a burden.

It is a fact that these are, on the whole, very broad provisions, and they are going to be very costly. But nonetheless, there is creativity in not continuing on a salary basis, with the overhead which is incident to it, and the artificiality of having people work when there is no work, such as we had for years with certain operating railroad employees, which is very debilitating to them and debilitating to the whole labor system. So, although it is expensive—and it is very expensive—experience has shown that a one-shot termination operation is, on the whole, most economical, rather than to continue a framework within which people allegedly work but really do not.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. JAVITS. Let me just finish my thought, and then I shall be happy to yield.

I have a suggestion for the committee, if I may have the attention of my colleagues, on this subject. There is an analogy. The analogy is the so-called black lung legislation. There we provided for evils which had never been dealt with, the illnesses of the workers caused by their employment which were not covered by workmen's compensation. It represented a big bill for the United States—

a very humane operation, but a big bill for the United States. But in the dynamics of that, we found that administration was supremely important in determining costs.

So I would hope—and I express this view to my colleagues—that we will not pass the bill and forget about it. I am afraid if we do that, we may find the costs pyramiding in a way which is quite unacceptable, even with the dollar limitation contained in the bill. I hope very much we will give the matter continuing close monitoring, and I believe the mere fact that we will be looking over the shoulders of the administrator will, in itself, be a very healthy safeguard as to what its ultimate costs.

I yield to the Senator from Maryland.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly to me?

Mr. BEALL. I yield.

SOCIAL SECURITY AMENDMENTS—ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the pending business is disposed of, the Senate turn to the consideration of Calendar Order No. 637, H.R. 11333, to provide increases in social security benefits.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I understand there is a very good possibility there may be a yea-and-nay vote on the conference report.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

S. 1559. An act to assure opportunities for employment and training to unemployed and underemployed persons;

S. 1983. An act to provide for the conservation of endangered and threatened species of fish, wildlife, and plants, and for other purposes; and

S.J. Res. 182. A joint resolution extending the dates for the transmission of the 1974 Economic Report and the report of the Joint Economic Committee.

The enrolled bills and joint resolution were subsequently signed by the Acting President pro tempore.

REGIONAL RAIL REORGANIZATION ACT OF 1973—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the Northeast region of the United States; to designate a system of essential rail lines in the Northeast region; to provide financial assistance to certain rail carriers; and for other purposes.

Mr. BEALL. Mr. President, I appreciate the remarks of the Senator from New York about my concern about the labor portion of the bill. I hasten to point out, however, that my primary concern was not with the cost. The cost has been dealt with in the Senate bill and now in the conference by placing a cap of $250 million on the amount it will cost the Federal Government.

My concern was not that these people be taken care of; I think there is every obligation on our part and on the part of the new corporation to compensate adequately those who will be displaced. We certainly owe it to those people to see to it that they do not lose economically as a result of some action we have taken here.

My concern was with the fact that in this bill we are enacting into law a negotiated collective-bargaining investment. I did not think this was a proper role for Congress to take, and that is why I sought to have it removed from the bill. I thought this matter should be negotiated between the new corporation and the labor unions involved. I did not think we should enact into law an agreement applying particularly to the situation in the Northeast corridor, and thus make it applicable all over the country.

That was the reservation I had about that particular provision of the bill. Also, I had some reservation about the precedent established by the new provisions that apply to this collective bargaining agreement. In other words, I was concerned that other people who have been caused to endure some hardship as a result of reallocation of national priorities might, at some future time, consider this a precedent set by Congress, and come to us and ask for the same kind of consideration we gave in this bill.

Those were my reservations. I had no reservation about the fact that the people should be taken care of, and as a matter of fact I was not all that concerned about the total cost, because that had been taken care of.

Mr. HARTKE. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. HARTKE. I think the Senator from New York has put his finger upon a very important aspect of what we are eventually going to do in this field. I would not want to leave the impression that we have dealt with this matter in its final terms. I think anyone who would say that would really be misleading the Senate and misleading the country, because we have some agonizing decisions coming down the road about 18 months ahead of us, and not only are we going to have some agonizing decisions, but there will be some agonizing decisions that will be made by this Association, which will be felt by every Member of Congress and everyone else.

These decisions will be not only in the field of service but in the field of labor. I hope that the Committee on Labor and Public Welfare would take part in dealing with this matter in its broadest perspective. Very shortly we will take up in the Finance Committee, which is not the jurisdiction involved here, a similar problem in relation to individuals displaced as a result of a trade law which brings up many of the same problems. The problem is, in the area of employment, what to do with people when, suddenly, through no fault of their own, by reason of their Government's taking some affirmative or negative action, they find themselves ready for the junk heap of human misery, with no opportunity to be retrained or to find any gainful employment, losing their health benefits and their pension benefits and, most of all, losing their dignity. It is an extremely important matter, probably one of the most important matters Congress faces.

We have done the best we can to deal with that problem in this legislation. In a way, we have dealt with it rather uniquely. I am not unaware of the approach of the Senator from Maryland, but that is behind us, now, until the next step comes up again.

Mr. JAVITS. I am delighted to have this colloquy. I shall recommend to the Senator from New Jersey (Mr. WILLIAMS), who is the Chairman of the Committee on Labor and Public Welfare, that the committee hold hearings on this whole question of severance and what should be its connection with age and what should be its connection with retraining. For example, payment of moving expenses, which is an interesting idea. Also, what should be its relationship with adjustments, such as work rule adjustments, which is again a hard nut in the railroad business and which has not been encountered nearly to the degree it will be, now that we have a pattern by which people can be compensated for whatever they have been forced to give up.

Finally, I would like to point out a precedent. In order to deal with railroad strikes, we did with legislation pass on certain agreements which had been arrived at by collective bargaining. That was a precedent in an emergency, but it was a precedent and this, too, is an emergency, although of a different kind.

I know that we want to conclude this debate. Again I think it is a creative beginning, and this is a well thought out report. I think that the whole country must be grateful to Senators HARTKE, BEALL, COOK, and all other Senators who participated.

Mr. HARTKE. I want to express my appreciation to the Senator from New York. I am very grateful to him for making sure that the transportation facilities around that wonderful city may have a chance to survive.

Mr. JAVITS. I thank my colleague from Indiana.

Mr. ALLEN. Mr. President, will the Senator from Indiana yield for a few questions?

Mr. HARTKE. I yield.

Mr. ALLEN. I wish to commend the distinguished Senator from Indiana (Mr. HARTKE) and the distinguished Senator from Maryland (Mr. BEALL) and the distinguished Senator from Kentucky (Mr. COOK), and the committee, and the conference committee, for the hard work they have put in, in trying to resolve some of these problems.

Frankly, I did not support the bill when it passed the Senate. If there is going to be no objection, I should like to request, at the proper time, a yea and nay vote in order that I might register my protest by a negative vote.

However, there are two or three questions I should like to ask the distinguished Senator from Indiana about the conference report, inasmuch as we do not have anything other than a printer's proof sheet, with no explanation of the various provisions of the bill as agreed to by the conferees.

First, I should like to ask, how many miles of track are in the systems of the various railroads being taken over by this corporation—some 20,000?

Mr. HARTKE. The total amount of mileage involved in the railroads involved directly probably exceeds 26,000 miles. The biggest portion is the Penn Central, of course, which has an approximate mileage of around 19,000 to 20,000. I want to point out that it is sometimes rather difficult to get exact mileage.

Mr. ALLEN. How many miles would it be contemplated that the new corporation, this Government-financed corporation, would reduce the mileage to, and when?

Mr. HARTKE. First, let me give the Senator the "when," which is easier.

The "when" really comes basically in about 18 months down the road, when the final system plan will be developed by the association and submitted to Congress. The association is charged with that responsibility. This is a question asked not alone by this Senator but by practically every other Senator, to find out as best we can how many miles are contemplated.

For me to give the Senator a firm figure would be wrong because there is no such figure available. That was the essence of my original objection to the measure itself. I wanted to establish the amount of mileage in the system itself first.

Mr. ALLEN. I wish the Senator had held out for that proposition.

Mr. HARTKE. Let me say to the Senator from Alabama that the problem with holding out was, that if I had held out, I would have only stalled the process and ultimately we would have had the railroads down here asking us to bail them out with emergency legislation, and maybe by Christmas—more than likely around the end of February, dealing with it on an emergency basis or something, so that we would have been throwing some more money, in my judgment, plain down the rathole without a well-thought-out piece of legislation such as the one before us today.

Having said that, it is contemplated that the mileage will be between a minimum of 15,000 and a maximum of 19,000. That is based on the best estimates I could obtain.

Two factors are involved which put a limitation on the amount of mileage likely to be in the new system. One is a limitation on the amount of money which can be expended by the Government for displaced persons. That is $250 million. That is a limit which tends to hold the mileage at a certain level. On the other hand, the $1,500,000,000 authorized for loans and all the other matters involved will have a tendency to shrink the system, simply because of the fact that, on the basis of every estimate we have, if we are going to expand the system or to keep the present system, it could not be done for that amount of money.

Mr. ALLEN. What occurs to this Senator is that it rather looks like, to him, as though we are freezing in this new system the very same conditions that resulted in the bankruptcy of the railroads under private ownership.

Mr. HARTKE. I hope the Senator is wrong. I do not think the Senator is right. A freeze is not anticipated by the people who have been participating in the bill Quite the contrary is the intention; that is, basically to come up with a core system of essential services. That core system is to be a viable, financial, economic, and a servicable organization. That is the intention. That is the charge to the association. That is the goal and we have set the standards for attaining that goal.

To that extent, the bill is done as well as it can be done, considering the amount of factual information which still must be determined. In addition to that, there is a provision in the bill for taking care of abandoned routes on a State participation basis, on a local participation basis, and on a shipper participation basis as well. That is not new. That idea probably was put forward last time by Senator BELLMON, of Oklahoma, on a participating level, following the outline generally, of the highway act, that there is participation by the State and local communities for a certain amount, with some participation to a maximum amount by the Federal Government.

Mr. ALLEN. This is a Government financed corporation. To what extent would it be able to abandon lines with greater ease and facility than the private ownership lines?

Mr. HARTKE. Well, it depends on where we look. Let me try to explain what I think the concern of the Senator is. Under the legislation, there is going to be, for all practical purposes, a rather arbitrary action taken in that there are probably going to be some lines abandoned hastily or quickly and they will be thrust upon us. That was the agony which I said Congress is going to have to face when that system all of a sudden comes out—for example, Indiana has the second largest mileage—when a certain route is taken off the core system; and I am faced with the proposition of being the author of legislation which puts some people off the railroad.

Having said that, however, let me say that unless this approach is taken, all the benefits of this legislation would be eradicated. In other words, the whole thought was that, hopefully, we would have a rationalized system which would be economically viable and would present to the Nation the essential services that the Midwest and the Northeast need.

Mr. ALLEN. Would it not be harder for a Government-owned corporation—Government-supported, rather than owned—to abandon unprofitable lines than it would a railroad under private ownership trying to make money for its stockholders and bondholders? Is not a problem being created rather than one being solved?

Mr. HARTKE. Quite the contrary. We are solving a very difficult problem in one area. I am not saying that it is one with which all the people are going to be satisfied.

The present procedure for abandonment under the ICC does provide for a certain number of safeguards which are not in this bill. In order to provide for some type of review, we have created a special court which can take care of some of these matters. But under the normal procedures of the Interstate Commerce Commission, I think the amount of time which would be involved to deal with the abandonment which is contemplated at this time would be so long that when you got to the end result, you would not have any of these railroads in a position to be rehabilitated without an even more substantial infusion of Federal money.

When I am talking about a substantial infusion of Federal money, I can see that if this matter were delayed a couple of years, the cost of just maintaining the service and not upgrading it, and probably seeing it deteriorate further, would probably exceed the cost of this bill. We either do what we are doing today or something like it. Otherwise, we will be doing the same thing piecemeal in order to keep the country going, or nationalize the railroads. That could be much more expensive.

Mr. ALLEN. I see very little difference between what is being done and nationalization. It is the taxpayers' cash that is involved.

Mr. HARTKE. There is a great deal of difference between this and nationalization, not only in the procedure but also the cost. The cost of nationalization, at the barest minimum—and I think the Senator from Maryland will agree—is $3 billion just for property acquisition. There are estimates as high as $12 billion. In the proposed legislation, the total amount of money involved from the Federal Government at this time, in cash, is $558.5 million.

Mr. ALLEN. I am glad the Senator said "at this time."

Mr. HARTKE. That is for 4 years. That is not one of these "iffy" propositions.

The other money is going to come from guaranteed obligations. If the theory is right and the thesis is correct, ultimately they will be repaid. I think that can be done.

There are two other courses of action we could take. One alternative is to continue to spoon-feed taxpayers' money into this operation over the years on an emergency basis and continue this bankrupt state of affairs. The bankruptcy court has absolutely indicated that they would liquidate the railroads unless some type of emergency aid or reorganization plan came forward. The trustees of the Penn Central have stated to the court that without Federal assistance, no financial reorganization is possible. The court looks at those assets and says, simply, "Either the Government moves, or I will liquidate the railroads."

Mr. ALLEN. How many bankrupt railroads are involved?

Mr. HARTKE. There are 7 class I and 1 class II, and about 15 smaller railroads which went into bankruptcy during the last 6 months. In other words, we are dealing with a total of approximately 20 bankruptcies—really reorganizations to be precise—at the present time.

Mr. ALLEN. This program is not taking over a single healthy line, then?

Mr. HARTKE. No. As a matter of fact, we worked closely with the C. & O., the B. & O., and the Norfolk & Western, which are the principal private carriers making money in this area. In spite of the fact that they feel that it would represent a distinct disadvantage to them competitively to have financial assistance for a competing railroad, they have agreed in substance to the approach set forth in this legislation. There are other railroads in this area. One very prominent railroad in the State of Alabama is the Southern.

Mr. ALLEN. I ask this question of the distinguished Senator: Why is it that the southern railroads, in an area with less population and less industrialization, apparently, by and large, are prosperous, paying their bondholders, paying their stockholders; whereas, in an area with greater population and greater industrialization, there are 20 bankrupt railroads that have to be taken over by this Government-supported corporation?

Mr. HARTKE. There probably are a number of factors. We have held about 10 days of hearings this year, trying to find out what happened, what was the cause of the default of the Penn Central. One reason is that there never has been a Pennsylvania Railroad system. That is a name without any relation to fact. There is a conglomeration of a bunch of small railroads which have been built.

Mr. COOK. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. COOK. I think it is interesting to note—and I say this to the Senator from Alabama merely to help the Senator from Indiana—that the whole Penn Central system has about 130 years of operation under its belt and has more than 100 acquisitions of different lines—short lines, major lines, and so forth. So one can get an overview of just what a mess it really is and what a parameter it represents of all the facets within the Northeast, which spreads from the Mason-Dixon Line to Chicago.

Mr. ALLEN. That is one of the points the Senator from Alabama is making—that the corporation would be taking over a maze of railroads that have not operated profitably, and there is no indication and no likelihood that they ever would operate profitably. We are just freezing in the very conditions that have caused the bankruptcy of 20 railroads. Is that in the public interest? That is what I am trying to find out.

Mr. HARTKE. I understand the point of the Senator from Alabama. I can assure him that if I thought that would be the end result, or even a serious possibility, I would not support the proposed legislation. I have my own reservations. But that is not one of them.

I really am convinced that this is the only alternative to nationalization of the railroad system. I am convinced that this approach is the least expensive to the taxpayer. I am convinced that the end result is not going to be pleasing to everyone, but I think it will be much more pleasing than any alternative I have seen from any source.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. ALLEN. I have the floor.

Mr. BEALL. I want to respond to the point raised by the Senator from Alabama, which I think is a good one. I share the same concern of the Senator.

One thing this bill does—there are things it does not do—in my opinion, is that it presents an opportunity to rationalize the system of railroads in the northeastern part of the United States, so that the duplication can be eliminated that has caused the economic distress under which they have been living for the last quarter of a century. It will enable us to get rid of many of the unprofitable lines.

Mr. ALLEN. I do not see that there is any guarantee that is going to take place. I believe the Senate adopted Senator MONDALE's amendment which provided that there could be no line abandonment for 2 years.

Mr. BEALL. That was eliminated in the conference.

Mr. HARTKE. That was eliminated in the conference.

Mr. ALLEN. I believe the Senator stated that there could be no abandonment for some 18 months.

Mr. HARTKE. That was eliminated in conference.

Mr. ALLEN. I understood the Senator to say a moment ago that there would be no abandonment for 18 months.

Mr. HARTKE. No. I said there would be no abandonment in the region while the final system plan is being formulated.

Mr. ALLEN. In other words, there is a moratorium on abandonment for 18 months.

Mr. HARTKE. For the region, that is correct. That is absolutely necessary. You cannot let the lines be abandoned and then try to put them back in business without a great deal of expense. That is one of the problems we are faced with.

Mr. ALLEN. I suppose private ownership would know if some of the lines should be abandoned. Should not this knowledge and expertise that the bankrupt railroads have be passed on to the public ownership people?

Mr. HARTKE. The whole essence of this plan is that you have a system in which somebody will make a decision on what you are going to have, what you are going to keep, and what you are going to take out. There are about 26,000 miles in the Midwest and Northeast that are affected. They could be cut back to, perhaps, 15,000 miles; probably it would be in the neighborhood of 18,000 or 19,000 miles. That is an estimate.

Mr. ALLEN. That would take the ICC on that, would it not?

Mr. HARTKE. No, that is the very essence of the plan; to avoid that operation. If that were the procedure followed, there would be no hope. The bill provides a procedure for expedited abandonment in the region.

Mr. ALLEN. Does the Senator mean they can abandon lines on their own initiative?

Mr. HARTKE. That is correct if the lines are not part of the final system plan.

Mr. ALLEN. Provided they guarantee the salary to age 65 of any employee who worked as much as 5 years. I guess everyone would like to get on a pension plan of that sort.

Mr. HARTKE. I think there is a lot of misunderstanding. There is $250 million in taxpayer money in this measure to take care of displaced workers. I think the Senator from Maryland would agree that as far as humanly possible we have nailed down taxpayer liability to $250 million.

Mr. BEALL. That is correct, but I am not satisfied that at some future date people will not be coming back and saying, "That is not enough to honor this commitment." In the context of the bill there is a $250 million gap.

Mr. ALLEN. I do not understand why there is such a liberal separation policy. For instance, a man might start working for the railroad at the age of 20, and continue until he is 25 years of age. Then he is laid off and he would get full pay, fringe benefits, and future raises for 40 years; as compared with the cotton mill worker in Alabama or the steelworker or railroad employee who gets laid off because there is no work and he gets 26 weeks of unemployment compensation. I would like an explanation.

Mr. HARTKE. I will be glad to do so. I did so on the floor and I will explain it again. The bill offers protection to railroad workers who will be displaced by virtue of this legislation. At the present time they have rights through collective bargaining under the free enterprise system that are greater than those that would be afforded them in the legislation.

Mr. ALLEN. That is my point. The legislation freezes in these various rights and conditions that have broken these railroads at the present time.

Mr. HARTKE. Let me say that the other side of the coin is that you can vitiate the contract, let them go to a court and sue, but there is no way you can take that contractual right away from them.

Mr. ALLEN. They would sue in a bankruptcy court. We have read in the newspapers about this giant corporation, the Penn Central Railroad, a $7 billion corporation. What provision is made for continuing to carry this tremendous bonded indebtedness of the various railroads? Is that wrung out through the bankruptcy courts so that will not be carried by the new corporation?

Mr. HARTKE. We are providing that the creditors of this corporation would be required to take common stock in the new quasi-government operation. In other words, they are exchanging their present security interest in the rail properties for common stock in the new corporation.

The railroad properties then become the properties of the new corporation free and clear of liens and encumbrances.

In other words, the assets are being transferred and the rights are being changed. The nonrailroad property will remain in the bankruptcy court to be dealt with by them. One can talk about what is available if the railroad is liquidated and put through the wringer, but even then the chances of these creditors getting their money is relatively slim, and this country cannot afford cessation of rail service while the railroads are put through the wringer. So what, in effect, is called the "cram down" theory forces them to accept this kind of settlement and judges have ruled that this is fair. If we did nothing while continuing to mandate rail service, there is the distinct possibility in view of the prior action of Congress that a number of these people could make a claim against the Government which could be sustained in the Court of Claims.

If the Senator will recall, we met on this matter in February. We had an emergency session of Congress in which we forced them to continue to operate, even though they were in the bankruptcy court. I am not saying that as a matter of law they have an absolute claim but I would be glad to represent them on a contingency fee basis if we do not pass this legislation. Even if it were a small contingency I could go ahead and get a fee that would probably be the biggest that any lawyer has ever gotten in the United States. The claim would be for relief under the due process clause of the Constitution which prohibits making a man continue to dissipate his estate through Government action.

Reorganization is supposed to protect the estate from unconstitutional erosion. If you go in and force them to continue to operate any longer without taking legislative action, you have, in effect, taken property without due process. The way to correct it is to go into the Court of Claims and make the claim. I think there could be a declaratory judgment, and the only question would be the amount of money.

Mr. ALLEN. The way to do that would be to let the railroads go through the bankruptcy process and emerge as a new corporation, taking over all the others; that being a corporation without Government subsidy.

Does not the Senator think that a line could exist and make money in the Northeast without a Government subsidy if it were able to pick and choose the lines it wished to operate in the Northeast?

Mr. HARTKE. I would like to say yes, but there are too many imponderables, too many ifs, and it is such a hypothetical situation I could not give an answer.

Mr. ALLEN. I thank the Senator.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HARTKE. I am glad to yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I merely wish to add to the record on this bill my compliments to the members of my committee, under the able leadership of the Senator from Indiana in working out what seems to be an acceptable solution to this series of problems.

I do not think that in all the years I have been around transportation or on the Committee on Commerce we have had a more difficult and more complex bill. We spent hours, days, and weeks on this bill on different occasions, on different proposals as to how we would arrive to what might be a solution to the problem.

I do not think that during the debate on the bill and during the debate here today anyone has suggested that this is going to be a perfect solution. We are feeling our way in the best way we know how. We have high hopes it will be a solution.

I also want to say, and I think the Senator from Indiana will join me, that this probably was the most difficult staff job we have ever given any members of our staff, both in the Senate and in the House.

It has been a long, difficult road. We are highly hopeful that we have set the guidelines to handle this problem, but there are going to be a lot of problems in the future.

We do know—and we made a point of this—that time is of the essence, that something had to be done this session. As a result, the subcommittee and the Commerce Committee devoted many and long hours on this subject. It is highly complicated. There is an old cliche about Philadelphia lawyers. Philadelphia happens to be the home port of this problem. I was thinking it might have taken 200 Philadelphia lawyers to figure out all the different problems and complexities in this bill, and I do not know how they would have accomplished it.

We are about to send to the White House the best solution that we have been able to arrive at to take care of this problem. We cannot know what the end result will be, but I know it vitally affects the economy of the United States and we need this legislation now.

I want to congratulate all of those who were involved in this effort. The Senator from Indiana spoke a moment ago about a contingency fee. If he were on the case the outcome in his favor would be assured; his fee would not be "contingent" at all. He and the Senator from Maryland probably know as much about this subject as anyone, and I would think they might be asked to serve on the board if the Senate duties did not prevent them from serving.

Let me conclude by saying we have done the best we can, and we think the end result will be all right.

Mr. LONG. Mr. President, I want to congratulate the very able Senator from Indiana for the many, many long hours and the diligent efforts he has devoted to the problems of the railroads of this country. This is the culmination of a great deal of the Senator's efforts. No Member of this body has been more diligent or more energetic in trying to solve the extremely difficult problem with which this Nation has had to grapple than has the senior Senator from Indiana, and his leadership in this area is particularly appreciated.

In addition to that, I think it should be added that Mr. Lynn Sutcliffe, who sits beside him, has burned a great deal of midnight oil in helping the Senator and the committee to work out the compromise involved in the conference report before the Senate.

Mr. Sutcliffe has been assisted in his efforts by a number of other members of the Senate Commerce Committee staff on both sides of the aisle: Art Pancopf, Tom Allison, Paul Cunningham, Mal Sterrett, Bob Joost, John Kirtland, Dave Clanton and many other people.

There is one area in this bill in which I am greatly interested. Because I believe a plan for employee stock ownership can do much to eliminate the conflict between management and labor over various conditions of employment and to help to provide the type of cooperation that is so necessary in the joint endeavor that is needed to make any major enterprise succeed, I favor the provisions in the bill before us referring to this subject.

I have a statement to make discussing the advances made in the employee stock ownership plan, which I believe is the greatest advance Congress has made in this area. I am particularly pleased that at least part of it emerged from the conference. I thank the Senator from Indiana, as well as the Senator from Maryland, the Senator from Kentucky, and the Senator from Washington, for their assistance in seeing that this measure was at least retained to the extent that it could be, because I believe in the long run employee stock ownership will be one of the ways that will help eliminate and dissolve some of the insoluble problems that could grow between management and labor.

When people plan for failure, the odds increase that they will fail. Similarly, if we assume that the rail systems of our Northeast and Midwest corridors cannot be operated at a profit and therefore neglect to provide sufficient profit incentives for workers, they are unlikely ever to earn any profits, the "wages of technology."

Presumably, reorganization of the Penn Central and the six other presently bankrupt railroads being assisted under the Rail Services Act of 1973 is intended to wipe the slate clean, to allow these rail systems to correct mistakes that led them into financial collapse and to enable them to start anew and continue on a profitable basis.

In business, the formula for making a profit is simple: maximize revenues and minimize costs. Being so capital-intensive and inherently efficient and low-cost energy users compared to competitive modes of transportation, railroads have historically been natural profitmakers. Only with one absurdity piled on another—mistakes which have been well-documented and need not be repeated here—could railroads have failed. But insufficiently documented and still uncorrected is the century-old and underlying cause for today's railroad failures: Their continued concentrated ownership by a relatively self-perpetuating group of wealthy absentee capital lords, alongside their day-to-day operation by propertyless managers and workers, the latter conditioned to depend exclusively upon paychecks to meet their income needs, increasingly antagonistic to present owners and the profit system generally, and now in desperation prepared to replace welfare recipients in the line for taxpayer subsidies and bailouts.

Clearly, not having the same opportunities to accumulate growing ownership stakes as the few who own most of today's railroad stock, workers have had no incentive to make the simple formula for profits work. In fact, the ownership system was wired for failure from the beginning. It was structured to lead to ever-decreasing revenues and services and ever-increasing, non-market-disciplined costs. And if our railroads fail to build substantial ownership incentives and the discipline of the profit system into its workers in the future, they will never again earn a profit. Nationalization will inevitably follow. And, since railroads have always been pacesetters in our industrial network, in the best and worst of times, we will have laid the foundation for eventual nationalization of our airlines, trucking, agriculture, mass media, telephones, energy development and production, manufacturing, and the rest of our enterprise system. Everyone will be on the Government's payroll.

In S. 2767, the Senate offered a new ownership alternative, an employee stock ownership plan or "ESOP", designed to correct defective corporate finance and concentrated ownership patterns in our railroads. Not enough of the conferees, particularly our House colleagues, had sufficient opportunity to study and fully understand this innovation and its far-reaching implications for saving our railroads. Organized labor and railroad management also need more time to acquaint themselves, the workers, and the public generally on this new thrust. The ESOP, however, still remains a key feature of this legislation and will be studied and, hopefully, fully implemented by the railroads covered by the final bill.

The ESOP, a unique tax-free financing method, would enable the entire railroad work force to purchase as individuals, without deductions from their paychecks or savings, newly issued common stock on credit tied to the capital requirements of the new system and secured by its future profits. Each worker would thus be placed in a position where his own efforts toward cost minimization and increased production would directly influence the size of his dividend checks and the value of the capital estate which he can acquire during his working lifetime. From the public's standpoint, we could reasonably anticipate that strikes and slowdowns, antiquated work rules, featherbedding, resistance to automation, and unreasonable wage demands—all seemingly unsolvable problems up to now—would gradually disappear once workers are placed in a position to realize how these activities not only work against the interests of consumers as a whole, but also against their individual self-interests. If the railroads cannot become profitable, then the employees will have no one to blame but themselves. But they must first be placed in a position and given maximum incentives to make the system profitable.

I think it will be a grave error for the courts, the administrators of this legislation, and the proposed United Rail Corporation to hand over automatically all new common stock to existing creditors and to delay in building substantial equity ownership into the railroad work force. How fast and how much ownership we build into workers will directly determine the odds that we can avoid nationalization. There is still enough flexibility left in the conference bill, in my opinion, to unite, through fair and widespread ownership sharing, the interests of individual workers, their labor representatives, management, and existing creditors. Only in this way can Congress demonstrate that the misguided and short-sighted notion that railroads cannot provide low-cost, quality services at a profit, will not become a self-fulfilling prophecy.

Mr. HARTKE. Mr. President, I want to say to the Senator from Louisiana that this approach is not ony a new approach, but it is a plan to make our democratic system work for people who work for a living, and I thank the Senator for his interest and efforts.

Mr. LONG. The Senator shares with me the thought that our principal objection to the way in which free enterprise is operated is that not enough people own it. We want to spread the ownership system among those who help build up this country. I think this proposal is the greatest advance in that area that has occurred. I am hopeful that the committee's work in that regard will bear fruit. At least we have a plan in which it can go forward.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. MAGNUSON. One thing I forgot to mention. We have a freight car shortage in the United States which is getting worse and worse and worse, and even the success of this plan may finally depend upon how many frieght cars, rolling stock we have.

I appreciate that this is a Northeast regional plan, and that the freight car bill which the Senate committee reported and the Senate passed was a nationwide bill, and there may have been some question about whether that should be a part of this bill.

The Senate Commerce Committee put it on the bill at my request, but I think it should be separate, anyway. The plan we have should be nationwide.

For some reason, the House has held up the freight car shortage bill, which should be a separate bill, waiting apparently, to pass some sort of omnibus surface transportation bill. It is being held hostage over there. I think, in the conference committee, we made that quite clear.

I want to ask the Senator from Indiana and the Senator from Maryland if it was not our distinct understanding with the House conferees and the House committee that we received a pledge of the House to act on the freight car legislation as a separate bill early in the next session.

Mr. HARTKE. The Senator from Washington is exactly right. There was a distinct pledge, and the only way it could have been made more effective was if it had been made in blood.

Mr. MAGNUSON. I just wanted to make sure my understanding was covered.

Mr. PELL. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. PELL. I want to congratulate the Senators from Indiana, Maryland, and Kentucky, particularly the Senator from Indiana for all his hard work and mastery of problems of railroad transportation and of high-speed ground transportation in general.

Coming as I do from an area that has only 1½ percent of the land area of the United States, yet contains one-fifth of the population and almost one-third of the wealth of the Nation, namely the Northeast corridor portion, or megalopolis, I am particularly interested in the arrangements that have been made for the movement of our people, because we are really one huge city.

In megalopolis we have almost the same conditions that apply to intracity transportation in other parts of the country. We are one big city in the corridor, where all elements are intertwined.

In that regard, it is my understanding that my senior colleague (Mr. PASTORE) and the Senator from Indiana (Mr. HARTKE) took a lead in the conference to make sure that some $500 million has been earmarked for the upgrading of the rolling stock and the tracks in megalopolis. Is that correct?

Mr. HARTKE. The earmarking is not specific, but it is pretty clear in the report that that is what it is for. In addition to that, because of the fact that that we were able to work out some distinct understandings with the Department of Transportation which we had not been able to work out before, we have assurances from the Department of Transportation that they are going to move immediately to upgrade the corridor.

What we have done here is, in a way, maybe sort of something in the nature of an American Christmas. We had come to a place where we had such divergent views and such differences of opinion. However, they have now been brought back together, and the Department of Transportation has expressed not only a willingness, but also an eagerness, to proceed with this matter.

The Senate should recognize the yeoman work done by the Senator from Rhode Island (Mr. PELL) in outlining many of these problems before they were being considered in this present form, and even to the extent of including them in his book.

Mr. PELL. Mr. President, I thank the Senator from Indiana for his kind remarks. That will mean that the money will not only be used for rolling stock, but also for the rails.

Approximately $500 million has been included. I believe that approximately a half hour could be taken off the time of the present Metroliner schedules. If that money is spread over the whole of megalopolis, it would have the effect of reducing the time of each major division of the trip by a half hour, making it 2½ hours from New York to Boston and 2½ hours between New York and Washington.

Mr. HARTKE. It will be 2 hours from New York to Washington, and 2½ hours from New York to Boston by 1976.

I would like to see the Senator from Rhode Island on that lead train.

Mr. PELL. Mr. President, I shall look forward to it. And I thank the Senator for what he has done in bringing to reality what was a dream, a vision of improved high-speed railroad passenger service.

Mr. MAGNUSON. Mr. President, with reference to complimenting members of the committee from the areas involved, the Senator from Rhode Island (Mr. PASTORE) and the Senator from New Hampshire (Mr. COTTON) contributed a great deal to all of these matters before the committee.

Mr. HARTKE. The Senator is correct.

Mr. President. I have no further remarks. I am ready to vote.

Mr. KENNEDY. Mr. President, I want to express my strong support for the conference report on H.R. 9142, the Regional Rail Reorganization Act of 1973 which seeks to confront both the rail freight and rail passenger transportation needs of the Northeast and Midwest.

This measure provides emergency funds to insure the continuation of rail service along the seven rail lines now facing reorganization. Equally important, it establishes a mechanism to finance the improvement of the rail passenger network in the Northeast corridor.

At a time when the energy crisis has made obvious to all the need to maximize our support for transportation modes that are efficient energy users, the passage of the bill now before us is of the highest priority.

In that regard, I would like to comment in detail on the actions taken by the conference on the Northeast rail passenger system.

For the past decade, it has been clear to those of us who have been witnessing the growing transportation crisis in the Nation that we were failing to effectively develop the capacity for rail passenger service in the Northeast.

It was under President Kennedy we began the first efforts to study how best to achieve the goal of improving rail passenger service in the Northeast corridor where 20 percent of the Nation's population resides. Under President Johnson, the study of the Department of Transportation began its work. And under President Nixon, that report finally was submitted to the Congress in 1971.

That study concluded that high-speed rail passenger service was not only technologically feasible but economically feasible as well. It concluded that the high-speed line from Washington to Boston would be the best way to meet the rising intercity traffic demand and one which would be profitable in the very short-run.

Yet, despite recommendations to request the funds to start that project from experts in the Department of Transportation the administration always hesitated at the last minute.

In this Congress and in previous Congresses, Senator PELL and I have cosponsored legislation along with other Senators in an effort to move the project forward.

Unfortunately, it has not been until the current energy crisis confronted the Nation with the necessity for the most efficient use of available fuel that we detected a recognition of the value of this project.

I want to commend the chairman of the committeee, Senator MAGNUSON, the chairman of the Transportation Subcommittee, Senator HARTKE and Members on both sides of the aisle for their recognition of the rail passenger needs of the Northeast corridor.

Many supported bills to complete the corridor project. These measures had the support of Governor Sargent of Massachusetts and other New England Governors.

And the committee adopted the provisions contained within three amendments I submitted in November to the bills then before the committee. Those amendments assured immediate implementation of the DOT study provisions, including the acquisition, financing, and improvement of the rights-of-way of the corridor.

During the floor debate, the Senate also acted to cut in half the time period suggested for completion of the high-speed project and to authorize immediate engineering studies when it adopted my amendment.

Now the conference report contains similar provisions that will not only enable this project to begin immediately but hopefully to be completed within the next 5 years.

I want to commend Senator PASTORE particularly for his vigorous defense of the Northeast corridor project during the conference. He has been a cosponsor down through the years of legislation on this subject and he has been a longtime advocate of improved rail passenger service along with his colleague, Senator PELL.

The key provisions of the bill provide:

First, that the final system plan for restructuring rail service in the Northeast provide for "the establishment of improved high-speed rail passenger service consonant with the recommendations of the Secretary in his report of September 1971, entitled 'Recommendations for Northeast Corridor Transportation'."

Second, the bill provides that the plan must designate the properties in the corridor to be acquired by Amtrak to develop the high-speed passenger service recommended in the Secretary's report.

Third, the bill provides approximately $500 million in guaranteed loans which the statement of managers clearly designates for using in upgrading the corridor, including the complete installation of welded rail, signal improvements, fencing of the right-of-way, modernized electrification, and new rolling stock.

Fourth, the Secretary is directed to begin the necessary engineering studies and improvements immediately upon enactment.

Finally, the bill provides for completion at the "earliest practicable date after the date of enactment" which the statement of managers indicates should be in less than 5 years.

This project not only will repay the citizens of this land with an efficient, rapid, and energy-conserving transportation system in the Nation's most densely populated corridor but it also will be a profitmaking service that will help Amtrak modernize and improve its other passenger services.

I urge adoption of the conference report.

Mr. HUGH SCOTT. Mr. President, I would like to direct one or two questions concerning certain provisions of this legislation to the distinguished chairman of the subcommittee. I would first like to compliment the chairman and the members of the conference for their prompt and diligent efforts in bringing this conference report to the floor. This legislation is very important to the whole country as well as to the people in the Northeast.

There are several profitable railroads operating in the Northeast region. The bill treats those rail systems differently than the bankrupt system, as it should. There are, however, several smaller railroads which operate within the systems operated by the major railroads in reorganization. There are, also, some smaller railroads which operate profitably and independently but are associated with a railroad in reorganization due to direct or indirect stock ownership by the bankrupt railroad company. The definition of "profitable railroads" in the Senate bill did not make it clear that these smaller independent railroads, not operated as part of a railroad in reorganization were in fact to be treated as "profitable railroads."

There are two independent class I railroads, for instance, that appear to fall in this latter category. One is the Pittsburgh and Lake Erie Railroad Co. Over 92 percent of its common stock is owned by Penn Central Transportation Co., but it is not part of the Penn Central system, it has independent management and in fact directly competes with the Penn Central for traffic. It is not leased or operated by the Penn Central, nor is it wholly owned by the Penn Central.

Another such railroad is the Detroit, Toledo, and Ironton Railroad. A substantial portion of its stock is held by the Pennsylvania Co., which is an investment company, not a railroad, which is a wholly owned subsidiary of the Penn Central Transportation Co. It is not part of the Penn Central System. It also operates independently, has independent management and competes directly with Penn Central. Only one member of the Penn Central sits on D.T. & I.'s board of directors. In addition, the ICC has specifically upheld D.T. & I.'s independent status in proceedings at the time the

Pennsylvania Co. acquired its stock. It is not leased, operated, or wholly owned by a railroad in reorganization.

It was our clear understanding at the time the Senate passed S. 2767 that the legislation did not require the transfer of rail properties of independent, profitable railroads. The language in the House bill was somewhat different but I understand that the intent was the same.

It is my understanding that the conference amended the definition of "rail properties" in section 103 of this legislation to make it clear that independent, profitable class I railroads are not required to transfer assets to the new corporation. Let me read the definition of "rail properties" in section 103:

> The term "rail properties" means assets or rights owned, leased, or otherwise controlled by a railroad which are used or useful rail transportation service; except that the term, when used in conjunction with the phrase "railroads leased, operated, or controlled by a railroad in reorganization," shall not include assets or rights owned, leased or otherwise controlled by a class I railroad which is not wholly owned, operated, or leased by a railroad in reorganization but is controlled by a railroad in reorganization.

Is it a correct interpretation of this provision that rail properties owned, leased or otherwise controlled by class I railroads such as P. & L.E., and D.T. & I., cannot be required to be transferred to the new corporation since they are not railroads wholly owned, operated or leased by a railroad in reorganization?

Mr. HARTKE. The senior Senator from Pennsylvania is correct. This is the intent of these provisions of the legislation.

Mr. HUGH SCOTT. I thank the Senator from Indiana. Is it also the intent of these provisions that such railroads are in fact "profitable railroads" under that definition in section 103?

Mr. HARTKE. Yes, the Senator is correct. That is the intent of these provisions.

Mr. MONDALE. Mr. President, I regret that I must oppose the conference report on H.R. 9142, the Northeast Rail Services Act.

This legislation is designed to preserve essential railroad transportation in the Northeast, and that is a commendable objective. But while we are spending billions to overhaul the Penn Central and other bankrupt carriers in the Northeast, we must not neglect the pressing rail service needs of rural communities throughout America.

Last week the Senate considered a similar bill, but it made two major additions. The first amendment, which I was privileged to sponsor with Senator HUMPHREY, provided for a 2-year moritorium on any railroad abandonments. Our second amendment authorized Federal assistance to restore service along abandoned tracks wherever those lines may be located. This amendment also called for a nationwide study of America's rail transportation needs and of the costs and benefits of abandonments.

Unfortuantely, these amendments were not accepted by the House of Representatives. Without these changes, the conference report in my judgment fails to recognize and adequately deal with the critical rail transportation needs of our Nation.

The steady decline in rail services to rural communities in the Midwest is not as dramatic as the threatened shutdown of the Penn Central in the Northeast. It is, nevertheless, a serious nationwide problem and one that demands the urgent attention of the Congress.

Since 1970, more than 7,800 miles of track have been lost to rural America. Federal agencies, such as the Interstate Commerce Commission, are now making plans to speed the abandonment of rural branch lines. Under the so-called 34-car rule, hundreds of farm communities throughout rural America may be stripped of their rail service over the next 12 to 18 months.

Agricultural communities have for many years had to struggle with a terribly inadequate transportation system. Their highways have received almost no attention from the Federal Government. Railroad companies have allowed rural branch lines to deteriorate to the point where trains must creep along at the speed of a horse and wagon.

During 1973, the United States and other nations became painfully aware of the consequences of food shortages. At the Government's urging, farmers responded with fence-to-fence planting. But without adequate means of transportation, country elevators all over the Midwest are still jammed.

In my opinion, the administration failed to anticipate the needs of the farm community for increased transportation, fuel and other inputs needed to produce and move their products to market. Worse still, it is still pursuing policies, such as the 34-car rule, which will only hasten the demise of our agricultural transportation network.

Now, the energy crisis has greatly increased the need to preserve and modernize rail services to rural America. With shortages of gasoline and diesel fuel, it makes no sense to abandon rail lines when trains can move each ton of freight for one-fourth to one-sixth the energy required by trucks.

Accelerated abandonments in the absence of any systematic analysis of America's transportation needs, capabilities, and the costs and benefits of alternative modes of transportation would be a tragic and costly mistake.

I regret that the pending confrence report does not address this problem. We must not permit America's entire transportation system to reach the crisis stage before we take action to preserve essential rail services. It is my hope that the Senate Commerce Committee will begin consideration of the problem of rail abandonments soon after the Congress reconvenes next year.

As evidence of the need for action to preserve our Nation's rail transportation system, I ask unanimous consent that a recent editorial from the New York Times be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNLOCKED TREASURY DOOR

The Senate, following the lead of the House, has approved legislation to preserve essential railroad transportation in the Northeast. This rescue mission for the bankrupt rail systems that now serve the region will almost certainly forestall judicial orders for dismantlement of the systems—a disaster the country could not contemplate even if the energy crisis had not made freight and passenger service more vital than ever.

But the unmistakable need for Federal action scarcely justifies the absence in both Senate and House versions of adequate safeguards against squandering of public funds in the reorganization effort. The Senate bill goes even further than did the one in the House to unlock the Treasury door on behalf of the new rail operating corporation.

The Government-backed loans, guarantees and subsidies in the new system could run far beyond the $1.4-billion over-all figure envisaged by the House. The Senate bill almost invites such excess by its loose provisions. Even the section of both measures that seemed at the outset to have the greatest merit—the provisions for indemnity to rail workers shaken out of their jobs by the reorganization—have proved on close examination to exceed any fair obligation the taxpayers should be expected to bear.

All this provides a gloomy backdrop for preparation by the projected Government National Railway Association, in connection with other Federal agencies, of recommendations on which lines are to be kept and which dropped as part of the new transportation pattern.

The Senate bill is better than the House version in this respect because one place where it makes more money available to good purpose is in keeping unprofitable feeder lines running not only in the Northeast, but all over the nation. It also puts a two-year moratorium on any abandonments. The energy crisis has put this need in a new context. Railroads that have been regarded as overbuilt in terms of ability to operate at a profit need evaluation by a new yardstick.

Dr. Barry Commoner, the noted ecologist, points out in the latest issue of Harper's that to shift freight from this "surplus" trackage to trucks would involve a sharp increase in the consumption of gasoline. In terms of energy, railroads are by far the most efficient form of transportation. If the planners of the reorganized, integrated system take energy as well as immediate profitability into account, they may well choose to abandon much less trackage than had been thought likely even a few months ago. The least the House-Senate conferees can now do is to retain the strong veto over reorganization envisaged in the Senate bill because the nation has barely begun to rethink its transportation needs and priorities in today's changed context.

The PRESIDING OFFICER (Mr. ABOUREZK). The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Missouri (Mr. EAGLETON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from California (Mr. TUNNEY), the Senator from Georgia (Mr. TALMADGE), the Senator from New Mexico (Mr. MONTOYA), and the Senator from California (Mr. CRANSTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Nevada (Mr. CANNON), the Senator from Delaware (Mr. BIDEN), and the Senator from Missouri (Mr. EAGLETON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senators from Vermont (Mr. AIKEN and Mr. STAFFORD), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from New Jersey (Mr. CASE) is detained on official business.

If present and voting, the Senator from New Jersey (Mr. CASE), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), and the Senator from Connecticut (Mr. WEICKER) would each vote "yea."

If present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 45, nays 16, as follows:

[No. 612 Leg.]

YEAS—45

Abourezk
Bayh
Beall
Bible
Burdick
Chiles
Clark
Curtis
Dole
Fannin
Fulbright
Griffin
Hart
Hartke
Haskell
Hathaway
Hruska
Huddleston
Hughes
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Muskie
Nunn
Pell
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stevenson
Symington
Williams
Young

NAYS—16

Allen
Bartlett
Byrd, Harry F., Jr.
Byrd, Robert C.
Cook
Domenici
Hansen
Mansfield
Mondale
Nelson
Packwood
Proxmire
Scott, William L.
Stennis
Stevens
Thurmond

NOT VOTING—39

Aiken
Baker
Bellmon
Bennett
Bentsen
Biden
Brock
Brooke
Buckley
Cannon
Case
Church
Cotton
Cranston
Dominick
Eagleton
Eastland
Ervin
Fong
Goldwater
Gravel
Gurney
Hatfield
Helms
Hollings
Humphrey
McClure
Montoya
Moss
Pastore
Pearson
Percy
Saxbe
Stafford
Taft
Talmadge
Tower
Tunney
Weicker

So the conference report was agreed to.

Mr. HARTKE. Mr. President, I move that the Senate reconsider the vote by which the conference report was agreed to.

Mr. BEALL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, just as insurance, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASE IN SOCIAL SECURITY BENEFITS

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the Senate will now proceed to the consideration of Calendar No. 637, H.R. 11333, which the clerk will state.

The second assistant legislative clerk read as follows:

H.R. 11333, to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LONG. Mr. President, I ask unanimous consent that during consideration of this bill the following persons be given the privilege of the floor, including during the rollcall votes:

Michael Stern, Jay Constantine, Bill Galvin, Joe Humphreys.

From the Library of Congress: Fred Arner, Margaret Malone, Jennifer O'Sullivan, Frank Crowley.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, on November 30, a little less than 3 weeks ago, the Senate approved a bill which included a social security benefit increase, an increase in supplemental security income payments for the aged, blind and disabled, and a number of other worthy provisions. We began our conference on this bill yesterday. Because of the number and complexity of the Senate amendments, however, we will not be able to complete conference action today.

I am sure that all Senators want to see the social security and SSI cost-of-living increases enacted this year. We discussed with the House conferees how this could be done and we concluded that if the Senate could pass a bill with the social security benefit increase, the SSI payment increase, and those Senate provisions which must be enacted by January 1, the House would accept these amendments and send the bill on to the President, hopefully today.

Of course, this means that the conference on H.R. 3153 will continue next year after we come back from our recess. Many of us have had amendments of ours approved by the Senate which we are most anxious to see legislative action completed on.

For example, I was pleased that the Senate gave overwhelming support to my proposal for a "work bonus" or tax credit for low-income workers with families. Other Senators, of course, have had their amendments approved by the Senate. The Senate conferees have been assured by the House conferees that they will give full consideration to the remaining Senate amendments shortly after the Congress comes back from its recess in January.

Now, let me describe the provisions of the bill and the amendments I am offering to it that I am asking the Senate to pass.

SOCIAL SECURITY BENEFIT INCREASE

First, the bill contains a 7-percent social security benefit increase effective for the months of March, April and May, 1974. Beginning June 1974, benefits will be further increased to 11 percent higher than the present levels. Automatic cost-of-living increases in future years will be effective for the month of June rather than for the month of January. These provisions were included in the Senate-passed bill now in conference, with the main difference that the effective date of the 7-percent increase would have been immediate in the Senate bill.

To pay for the social security benefit increase, wages taxable under social security will be increased from $12,600 to $13,200 in 1974. Total social security tax rates will remain the same for the next 7 years, but there will be a small shift in funds from the hospital insurance fund to the cash benefit trust funds.

SUPPLEMENTAL SECURITY INCOME PAYMENTS

Supplemental security income payments for the aged will be increased from $130 to $140 per month for an individual beginning in January 1974; in July they will be further increased to $146. Payments to couples will be increased from $195 to $210 in January and further increased to $219 in July.

Under present law, many SSI recipients will be ineligible to receive food stamps beginning next month. Under a provision in the Senate version of H.R. 3153, they would continue to be eligible for food stamps in the future. The House conferees wished to examine this provision more closely, but they agreed that for a 6-month period, until July 1, 1974, SSI recipients would continue to be eligible for food stamps. Because of the short time left before the SSI program becomes effective, however, the amendment includes a provision that was in the Senate version of H.R. 3153. Under this provision, those States which have already made plans to "cash out" food stamps would be permitted to do so, with recipients in those States ineligible for food stamps.

SOCIAL SERVICES

On May 1, 1973, the Department of HEW issued sweeping revisions in Federal regulations relating to social services under the Social Security Act. These regulations were to have become effective on July 1; however, the Congress delayed the effective date of the new regulations until November 1 in order to allow time for many thorough legislative considerations of the issues involved.

The Senate, in an amendment incorporated in H.R. 3153, agreed to permit States to fashion their own social services programs within the limit of the Federal funds available. The House conferees wanted time to give this proposal full consideration, but they agreed that during an interim period the present HEW regulations should be suspended. Accordingly, the amendment includes a further suspension of the regulations until December 31, 1974. The suspension is retroactive to November 1, 1973, so that there would be no period prior to January 1, 1975, when the new regulations would be in effect.

MEDICARE AND MEDICAID AMENDMENTS

Medicaid eligibility. The bill contains several sections treating the matter of medicaid eligibility for SSI recipients. The bill contains a provision which would make Federal matching available for medicaid benefits for any new SSI recipients, although coverage of these new recipients would be optional on the part of a State. The bill would make medicaid coverage mandatory for those persons who receive a mandatory State supplemental payment in accordance with the provisions of Public Law 93-66. The amendment also provides that for other persons receiving a State supplemental payment only, coverage would be optional, depending upon the State's decision, but that a State must make eligibility determinations based upon some rational classifications of recipients. Additionally, the provision places an upper limit on the monthly income—initially $420 in the case of an individual—which an institutionalized person can have and still be "deemed" in special need and therefore eligible for medicaid coverage in a State without a medically indigent program.

There is also a need to clarify legislative intent with respect to certain medicaid eligibility determinations. Title XVI provides that, at State request, the Secretary may agree to make Federal determinations of medicaid eligibility for the aged, blind, and disabled. Approximately half of the States have requested the Secretary to do so. However, HEW has refused to do eligibility determinations for any persons except for those who are actually receiving an SSI payment or a federally administered supplement. If a person enters a skilled nursing facility or intermediate care facility, and no longer receives an SSI payment—because of the reduction in the standard to $25 a month—the Department will refuse to make the determination of his medicaid eligibility. This means that a State has to establish its own mechanism to determine eligibility for these people in nursing homes. This is not only inefficient for the State, but puts a burden on the ailing person to provide, again, information on his circumstances, and so forth. It is expected, therefore, and intended that the Department undertake Federal determinations of medicaid eligibility at State request, not only for persons receiving an SSI payment or federally administered supplement but also for persons who would be eligible for such a payment if they wished to receive it, or for persons who would receive the payment if they were not in the institution.

Payments to substandard facilities. The bill contains a provision which amends title XVI to provide that the Federal SSI payment will be reduced dollar-for-dollar for any State supplemental payment which is made for care provided to institutionalized individuals if this care could be provided under the State's medicaid program. This provision is intended to prevent States from using their cash grant programs to finance care in institutions which do not meet medicaid standards.

REIMBURSEMENT OF INSTITUTIONS AND ORGANIZATIONS UNDER MEDICARE

The bill amends the effective date of section 233 of Public Law 92-603 to accounting periods beginning after December 31, 1973, instead of December 31, 1972 as in present law. This section of the law limits medicare reimbursement to the lesser of an institution's costs or charges to the general public. The provision provides additional time for such institutions to adjust their charges to more accurately reflect their costs.

REIMBURSEMENT OF PHYSICAL THERAPISTS UNDER MEDICARE

Section 251 of Public Law 92-603, which details the approved means of reimbursing for the services of physical therapists under medicare, has an effective date of January 1, 1973. In view of the fact that appropriate regulations implementing the provisions have not been issued as yet, the bill includes an amendment making section 251 of Public Law 92-603 effective following publication of the final regulations.

SUPERVISORY PHYSICIANS

The bill includes an amendment directing the Secretary of Health, Education, and Welfare to contract with the National Academy of Sciences to undertake a study covering all aspects related to payment for professional services in medical schools and teaching hospital settings; the extent to which funds expended under medicare and medicaid are supporting the training of medical specialties which are in excess supply; how such funds could be expended in ways which support more rational distribution of physician manpower both geographically and by specialty; the extent to which such funds support or encourage teaching programs which tend to disproportionately attract foreign medical graduates; and the existing and appropriate role of that part of such funds which are expended to meet in whole or in part the cost of salaries of interns and residents in teaching programs approved as specified in medicare.

EXTENDED UNEMPLOYMENT COMPENSATION

Under present law, 13 weeks of extended unemployment insurance benefits—in addition to the 26 weeks of regular benefits—are available with 50-percent Federal financing if the rate of insured unemployment is high enough either nationally or in a particular State. The national rate of insured unemployment is not presently high enough to trigger these extended benefits nationally. For an individual State to be eligible for Federal matching of extended benefits, the law, as it will be in effect after this month, requires that insured unemployment in the State must be at least 4 percent and it must be at least 20 percent higher than it was in a comparable period in the 2 prior years. The amendment would, for a 90-day period, permit Federal matching of extended benefits in any State whose insured unemployment exceeds 4 percent without regard to the 20-percent requirement.

Mr. President, we were very pleased at our success in persuading the House to agree to this amendment to extend for 90 days the benefits proposed in the Javits amendment relating to unemployment compensation. The remainder of the Javits amendment, of course, will be the subject of the conference that is to continue.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. JAVITS. I see a large significance to what the Senator is doing. Most people have the idea that we are insensitive to economic currents and to rationalization and that there is a lot of talk around here about precedents and who does what and who gets the benefit of what, and so forth. I think it is an illustration here of the fact that we are responsive to economics and that if we feel a decent idea comes along, even if a person is not a member of this committee, we do something about it.

This is a very healthy situation and is quite typical of Senator LONG and his openmindedness. I appreciate it personally; but, more than that, I think it is a significant example of the fact that Congress is not quite as dull as many people think it is.

Mr. LONG. I thank the Senator.

Mr. President, this proposal must be looked upon as a downpayment on what the Senate wants to do in the social security area. The Senate version of H.R. 3153, as it left here, would cost the Government $6.4 billion in calendar year 1974. What is being proposed here would cost $2.4 billion. The remaining $4 billion of very meritorious amendments are still in conference. The House conferees have assured us that they will be willing to consider and discuss these matters with us next year. If we can take care of these pressing matters, I believe that the Nation will applaud our statesmanship.

I also must advise the Senate that if the Senate should insist on adding to this measure those amendments already in conference with the House, it will mean that we will not be able to act on these crucial matters between now and the time we return.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MANSFIELD. As I understand it, in talking to various Senators, it is a case of this skeletonized bill, so to speak, or no bill at all this year.

Mr. LONG. That is what it amounts to.

Mr. MANSFIELD. And the other amendments, all of which I think I voted for, would still be in conference.

Mr. LONG. Yes.

Mr. MANSFIELD. And would be taken up on our return.

Mr. LONG. They will be. In other words, we can obtain now this much of what we have recommended by Senate action, and we have high hopes that we can obtain much more of it next year.

The House conferees are only willing to recommend to the House at this time that they approve those things that must be done now and without which severe hardship might occur to a great number of people between now and the time Congress is able to pass effective legislation next year.

Mr. MANSFIELD. If this bill is passed, when will it go into effect—the first of the year?

Mr. LONG. There are many provisions concerning the SSI program, the new Federal program which will replace the present Federal-State welfare programs for aged, blind, and disabled people on January 1. If we fail to enact the provision in my amendment, a great number of unfortunate events would occur, more through oversight than from any intention of Congress or the administration.

Mr. MANSFIELD. I would hope that my colleagues would keep this fact in mind and that no amendments would be offered; because if they are offered and it is strung out and we end up without a quorum because of protracted debate, we will end up with nothing, and the poor folks who need the help will end up with nothing as well.

Mr. LONG. Mr. President, I had hoped that the RECORD would contain a summary of the amendments we are discussing here en bloc, and I had a summary inserted in the RECORD yesterday. Unfortunately, in order to get at least part of the RECORD printed and available this morning, the hard-working and diligent people in the Government Printing Office simply had to quit at some point last night, and they have a note in the RECORD that the remainder of the items which were to be printed in yesterday's RECORD will be printed subsequently, in part 2 of yesterday's RECORD which will not be available until sometime later today. However, they have been kind enough to make copies of the galleys containing the summary, and I have the summary of the proposed amendments, which Senators can peruse for their enlightenment on this subject. I ask unanimous consent that the summary of the proposed amendments be printed in the RECORD at this point.

There being no objection, the summary of the proposed amendments was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROPOSED AMENDMENTS TO H.R. 11333

SOCIAL SECURITY CASH BENEFITS

11% Benefit increase.—Under a provision enacted last year, social security benefits will rise automatically as the cost of living rises. Under last year's law, the first cost of living increase would not have become effective until January 1975. In July of this year a provision was enacted increasing social security benefits by 5.9 percent, effective for June 1974; this increase would be an early partial payment of the larger cost-of-living increase already scheduled to become effective January 1975. The bill would replace this 5.9 percent increase effective June 1974 by an 11-percent cost-of-living increase in two steps. The first step would be a 7-percent increase effective March, April, and May 1974. This would be followed by a second increase, starting with June 1974, to bring the benefits up to 11 percent above the present level.

Automatic cost-of-living increases.—Under present law, if the consumer price index rises by at least 3 percent between the second quarter of one year and the second quarter of the next year, social security benefits will be increased by the same percentage that the cost of living has risen, beginning the January following the latter year. The bill would modify this by measuring the increase in the cost of living from the first quarter of one year to the first quarter of the following year, with the automatic cost-of-living increase effective beginning with June of the latter year. (An exception is made for the first automatic increase, effective June 1975, which would be based on the rise in the consumer price index between the second quarter of 1974 and the first quarter of 1975.)

Financing.—Under the bill, wages taxable under social security would be increased from $12,600 in 1974 to $13,200; thereafter, the wage base would increase automatically as wages rise, as under present law. Total social security tax rates under the bill would not be increased until 1981, although future tax income would be shifted from the hospital insurance program into the cash benefit programs. The new tax rates are shown in the table below:

SOCIAL SECURITY TAX RATES

[In percent]

Calendar years	Cash benefits		Hospital insurance		Total taxes		Calendar years	Cash benefits		Hospital insurance		Total taxes	
	Present law	H.R. 11333	Present law	H.R. 11333	Present law	H.R. 11333		Present law	H.R. 11333	Present law	H.R. 11333	Present law	H.R. 11333
	Employer-employee, each							Self-employed					
1974 to 1977	4.85	4.95	1.00	0.90	5.85	5.85	1974 to 1977	7.00	7.00	1.00	0.90	8.00	7.90
1978 to 1980	4.80	4.95	1.25	1.10	6.05	6.05	1978 to 1980	7.00	7.00	1.25	1.10	8.25	8.10
1981 to 1985	4.80	4.95	1.35	1.35	6.15	6.30	1981 to 1985	7.00	7.00	1.35	1.35	8.35	8.35
1986 to 2010	4.80	4.95	1.45	1.50	6.25	6.45	1986 to 2010	7.00	7.00	1.45	1.50	8.45	8.50
2011 and after	5.85	5.95	1.45	1.50	7.30	7.45	2011 and after	7.00	7.00	1.45	1.50	8.45	8.50

SUPPLEMENTAL SECURITY INCOME

Increases in SSI benefits.—The new Federal Supplemental Security Income (SSI) program, which becomes effective in January 1974, would under present law provide Federal payments to assure the aged, blind, and disabled a monthly income of at least $130 ($195 for couples). Under a provision enacted in July of this year, these amounts would be increased effective July 1974 to $140 for an individual and $210 for a couple. The bill would make these higher amounts of $140 and $210 effective from the start of the SSI program in January 1974. The bill also provides for a further increase, effective July 1974, to $146 for an individual and $219 for a couple.

Food stamp eligibility for SSI recipients.—Under present law many Supplemental Security Income (SSI) recipients will be eligible for food stamps; however, an aged, blind or disabled individual will be ineligible for food stamps for a given month if his SSI benefits plus any State supplementary payment are at least equal to the welfare payment plus the bonus value of the food stamps he would be eligible to receive if the State's December 1973 State plan were still in effect. This provision of law enacted this year will be extremely difficult to administer and would present problems of unequal treatment in food stamp eligibility for SSI beneficiaries. The amendment, therefore, would temporarily suspend this provision to allow a six month period for further study of the problems involved. Under the amendment, SSI beneficiaries would not be ineligible for food stamps during the months prior to July 1974. Because of the short time left before the SSI program becomes effective, however, the amendment includes a provision under which those States which have already made plans to "cash out" food stamps by providing higher benefits to offset the loss of food stamps would be permitted to do so, with recipients in those States ineligible for food stamps.

Limitation on grandfather clause for disabled individuals.—In enacting the new SSI program, the Congress provided that disabled persons on the rolls in December 1973 would continue to be considered to be disabled even if they did not meet the new definition of disability. The amendment would limit this grandfather provision for disability to persons who had received Aid to the Disabled before July 1973 and who are on the rolls in December 1973.

SSI recipients living with AFDC families.—In June, the Congress enacted a grandfather clause to assure that current SSI recipients will have no reduction in total income when the new SSI program goes into effect in January. The amendment would permit the adjustment of the grandfather clause in such a way that it assures the same level of total family income (rather than the *individual's* total income) in those cases in which the SSI recipient resides with an AFDC family.

Continuation of demonstration projects.—The amendment would permit the continuation of on-going demonstration projects related to the aged, blind and disabled, which qualify for Federal matching under the public assistance titles of the Social Security Act and which involve waivers by the Secretary of Health, Education, and Welfare of some of the requirements of those titles. The new Federal SSI program which next January will replace present programs of aid to the aged, blind and disabled does not provide for such waivers and funding of demonstration projects.

SOCIAL SERVICES

On May 1, 1973, the Department of HEW issued sweeping revisions in Federal regulations relating to social services under the Social Security Act. These regulations were to have become effective on July 1. However, the Congress delayed the effective date of the new regulations until November 1 in order to allow time for more thorough legislative consideration of the issue involved.

The Senate, in an amendment incorporated in H.R. 3153, agreed to permit States to fashion their own social services programs within the limit of the Federal funds available. The House conferees wanted time to give this proposal full consideration, but they agreed that during an interim period the present HEW regulations should be suspended. Accordingly, the amendment includes a further suspension of the regulations until December 31, 1974. The suspension is retroactive to November 1, 1973, so that there would be no period prior to January 1, 1975 when the new regulations would be in effect.

MEDICARE AND MEDICAID AMENDMENTS

Medicaid eligibility.—The bill contains several sections treating the matter of Medicaid eligibility for SSI recipients. The bill contains a provision which would make Federal matching available for Medicaid benefits for any new SSI recipients, although coverage of these new recipients would be optional on the part of a State. The bill would make Medicaid coverage mandatory for those persons who receive a mandatory State supplemental payment in accordance with the provisions of Public Law 93–66. The amendment also provides that for other persons receiving a State supplemental payment only, coverage would be optional, depending upon the State's decision, but that a State must make eligibility determinations based upon some rational classifications of recipients. Additionally, the provision places an upper limit on the monthly income (initially $420 in the case of an individual) which an institutionalized person can have and still be "deemed" in special need and, therefore, eligible for Medicaid coverage in a State without a medically-indigent program.

Payments to substandard facilities.—The bill contains a provision which amends Title XVI to provide that the Federal SSI payment will be reduced dollar-for-dollar for any State supplemental payment which is made for care provided to institutionalized individuals if this care could be provided under the State's Medicaid program. This provision is intended to prevent States from using their cash grant programs to finance care in institutions which do not meet Medicaid Standards.

Reimbursement of institutions and organizations under Medicare.—The bill amends the effective date of Section 233 of P.L. 92–603 to accounting periods beginning after December 31, 1973 instead of December 31, 1972 as in present law. This section of the law limits Medicare reimbursement to the lesser of an institution's costs or charges to the general public. The provision provides additional time for such institutions to adjust their charges to more accurately reflect their costs.

Reimbursement of physical therapists under Medicare.—Section 251 of P.L. 92–603, which details the approved means of reimbursing for the services of physical therapists under Medicare, has an effective date of January 1, 1973. In view of the fact that appropriate regulations implementing the provisions have not been issued as yet, the bill includes an amendment making section 251 of P.L. 92–603 effective following publication of the final regulations.

Supervisory physicians.—The bill includes an amendment directing the Secretary of Health, Education and Welfare to contract with the National Academy of Sciences to undertake a study covering all aspects related to payment for professional services in medical schools and teaching hospital settings; the extent to which funds expended under Medicare and Medicaid are supporting the training of medical specialties which are in excess supply; how such funds could be expended in ways which support more national distribution of physician manpower both geographically and by specialty; the extent to which such funds support or encourage teaching programs which tend to disproportionately attract foreign medical graduates; and the existing and appropriate role that part of such funds which are expended to meet in whole or in part the cost of salaries of interns and residens in teaching programs approved as specified in Medicare.

UNEMPLOYMENT INSURANCE

Extended unemployment compensation.—Under present law, 13 weeks of extended unemployment insurance benefits (in addition to the 26 weeks of regular benefits) are available with 50 percent Federal financing if the rate of insured unemployment is high enough either nationally or in a particular State. Under the permanent provisions of present law, as they relate to triggering programs in individual States, insured unemployment in a State must be at least 4 percent and it must be at least 20 percent higher than it was in a comparable period in the two prior years. Under temporary provisions in the law, due to expire at the end of December, 1973, a State whose insured unemployment rate exceeds 4.5 percent may pay extended benefits with 50 percent Federal matching even though the unemployment rate drops to below 120 percent of the rate during the prior two years and may, continue to make such payments so long as its insured unemployment rate does not drop below 4 percent. The amendment would, for a 90 day period, permit Federal matching of extended benefits in any State whose insured unemployment rate exceeds 4 percent without regard to the 120 percent requirement.

CLERICAL AND CONFORMING AMENDMENTS

The amendment includes a number of clerical and conforming amendments designed to correct errors and oversights in last year's social security amendments.

SOCIAL SECURITY CASH BENEFITS

Automatic increases in earnings test exempt amount.—The amendment would provide that the percentage rise in the retirement test exempt amount under the automatic increase provisions (adopted in connection with the automatic cost-of-living benefit increase provisions) will be measured from the last increase in the exempt amount rather than from the last increase in tax base. This amendment would assure that the automatic increases in the exempt amount in crease in proportion to all increases in wage levels.

Increase in certain cases of delayed retirement.—When an individual delays his retirement past age 65, his benefits are increased 1 percent for each year of delay up to age 72. However, this increase for delayed retirement does not apply when a person is eligible for the special minimum benefit for low-wage, long-term workers (now a $170 monthly benefit if the worker has 30 years of covered employment). It is possible that an individual's primary insurance amount may be less than the special minimum benefit he is eligible for, but delaying retirement would yield a higher benefit than the special minimum. Under present law the individual could receive the lower benefit in this case; the amendment would let him take the higher benefit.

Elimination of special age 72 benefits for people entilted to SSI.—This amendment would prohibit the payment of the special benefits payable to certain people over age 72 who are not insured for regular benefits and who are eligible for SSI payments. Under the present law, these special benefits are not payable to people who are receiving welfare payments. The 1972 amendments, however, failed to include a conforming change to prevent the payment of the special benefits to people receiving SSI payments.

SUPPLEMENTAL SECURITY INCOME

Limitations on eligibility determinations under resources tests of State plans.—The SSI program includes a grandfather clause under which an individual who was getting aid to the aged, blind, or disabled in both December 1972 and December 1973, will continue to be allowed as much in resources (assets) under SSI as he was allowed under the State assistance plan in effect in October 1972. This amendment would remove the requirement that such an individual have been on the rolls in December 1972 and would make the grandfather clause applicable only for as long as he remains continuously resident in the State in which he was getting assistance in December 1973 and cotinuously eligible for SSI (except that periods of ineligibility of no more than 6 consecutive months will not be counted).

Limitations on eligibility and benefit determinations under income tests of State plans for aid to the blind.—The SSI program includes a grandfather clause under which an individual who was getting aid to the blind in December 1973 will remain eligible under SSI for any income in regard to which he would have enjoyed under the State aid to the blind plan as in effect in October 1972. This amendment would make the grandfather clause applicable for only so long as the individual remains continuously eligible for SSI (except for periods of ineligibility not exceedng 6 months) and only for so long as he remains continuously a resident of the State in which he was getting assistance in December 1973.

Correction of erroneous designations and cross-references.—This subsection would correct erroneous section numbers and cross references in the present law.

Initial payments to presumptively disabled individuals unrecoverable only if individual is ineligible because not disabled.—Payments under the SSI program may be made for up to three months to otherwise eligible individuals who are presumptively disabled but not yet determined to be disabled. Such payments are not considered overpayments under any condition under existing law. This amendment would allow such payment to be considered overpayments (and hence subject to recapture) if they were incorrectly made for reasons other than the fact the individual was found not to be disabled.

Technical correction of limitation of fiscal liability of States for optional supplementation.—Public Law 92–603 includes a savings clause under which States are assured that certain State supplementary costs under the SSI program will not exceed their costs under the old programs of aid to the aged, blind, and disabled during calendar year 1972. This amendment provides that in fiscal 1974, States will be guaranteed that these costs will not exceed an amount equal to one-half of their calendar 1972 costs. This change reflects the fact that the SSI program is in effect for only one-half a year in fiscal 1974. The amendment also restores a word inadvertently dropped from section 401 (c) (1) of Public Law 92-603.

Modification of transitional administrative provisions.—Public Law 92-603 included a transitional administrative provision requiring the States to agree to administer all or part of the new SSI program on behalf of the Federal Government, for a 1-year transitional period. As a result of an error in drafting, this 1-year transitional period would begin in July 1974, 6 months after the program is effective. The amendment would add the first 6 months of 1974 to the transitional period (making an 18-month period). This amendment also adds title VI (the new social services title for the aged, blind, and disabled) to the list of titles under which Federal funding would be denied to the States if they refuse to enter into these transitional arrangements.

Inclusion of title VI in limitation on grants to States for social services.—This amendment would change the social services limitation enacted in Public Law 92-512 to conform it to the transfer of services for the aged, blind, and disabled from the old titles I, X, XIV, and XVI to the new title VI.

Conforming amendments to general provisions of Social Security Act.—A number of general provisions in title XI of the Social Security Act dealing with the definition of the term "State", with demonstration projects, and with the procedures for review of State assistance plans do not reflect provisions enacted last year which transfer the services programs for the aged, blind, and disabled to a new title VI of the Act and which make special provision for programs for the aged, blind, and disabled in Puerto Rico, Guam, and the Virgin Islands. The amendment would conform these sections to the law enacted last year.

Transitional Federal payments.—P.L. 92-603 repeals the existing programs of aid to the aged, blind, and disabled at the same time that the new SSI program is commenced—January 1, 1974. The amendment would authorize the Secretary of HEW to continue to make payments to the States under the repealed programs for two purposes: (1) to meet the Federal matching obligation based on State expenditures prior to the repeal date, and (2) to match State expenditures after the repeal date in connection with closing out the old programs.

AID TO FAMILIES WITH DEPENDENT CHILDREN

Federal matching for AFDC payments to Indians.—Under an Act of April 19, 1950 the Federal matching for assistance payments for the aged and the blind and for families with children is increased substantially with respect to assistance furnished to Navajo and Hopi Indians. Section 303(c) of P.L. 92-603 repealed this provision effective January 1, 1974 when the new SSI program takes effect. This amendment would restore that Act insofar as it applies to the AFDC program.

MEDICARE AND MEDICAID

Clarification of coverage of hospitalization for dental services.—The amendment clarifies that Medicare Part A coverage of hospitalization in connection with dental services is available only in behalf of an individual for whom a physician or dentist certifies that his underlying medical condition and clinical status require hospitalization in connection with the provision of such dental services.

Continuation of State agreements for coverage of certain individuals.—The amendment provides for the continuation of State agreements for the purchase of Medicare Part B coverage (buy-in) on behalf of individuals eligible for the supplemental security income program.

Technical improvement of provisions governing disposition of HMO savings.—The amendment deletes an unnecessary and ambiguous clause in the provisions governing the disposition of savings realized by an HMO.

Technical improvement of provisions governing allowable HMO premium charges.—The amendment provides for the inclusion of the cost of reinsurance required by State laws in determining the costs incurred by an HMO.

Application for assistance on behalf of deceased individuals.—The amendment clarifies that application for retroactive Medicaid coverage may be made on behalf of a deceased individual by another person.

Expansion of intermediate care facility ownership disclosure requirements.—The amendment contains a provision requiring the discolsure of the names of those who own obligations secured by the assets of the intermediate care facility as well as the names of those who are owners of the facility.

Technical modification of extended Medicaid eligibility for AFDC recipients.—P.L. 92-603 included a provision which would require States to provide Medicaid coverage for an additional 4-month period to persons who lose their eligibility for AFDC cash assistance and therefore Medicaid because of increased income. The amendment restricts to applicability of this provision to persons actually receiving AFDC payments (as opposed to persons eligible for but not actually receiving payments). It also extends coverage to persons who become ineligible for AFDC because of increased hours of employment as well as increased income.

Limitation on payments to States for expenditures in relation to disabled individuals eligible for Medicare.—The amendment contains a provision under which payments will not be available under Medicaid for services which could have been provided to eligible disabled individuals under Medicaid if such individuals had been enrolled in Part B of Medicare. Current law includes this requirement for the aged.

Federal payment for cost of inspecting institutions limited to expenses incurred during covered period.—The amendment clarifies that 100 percent Federal matching for the cost of inspecting long-term care institutions will be made for costs incurred rather than sums expended between October 1, 1972 and June 30, 1974.

Federal payments for family planning expenditures not limited to administrative costs.—The amendment contains a provision clarifying the fact that 90 percent Federal matching for family planning is available for the cost of providing family planning services and not merely for the cost attributable to administering such programs.

Exception to limitation on payments to States for expenditures in relation to individuals eligible for Medicare.—Current law provides that Federal matching will not be available under Medicaid for amounts expended for medical assistance with respect to individuals 65 or over which would not have been so expended if the individuals involved had been enrolled in Part B of Medicare. The amendment would extend this stipulation to disabled persons eligible for Medicare. This stipulation will not, however, apply to expenditures arising out of the requirement that States provide retroactive Medicaid eligibility in certain instances.

Utilization review by medical personnel associated with an institution.—The amendment eliminates requirement in Medicaid that the review of institutional care may not be performed by an employee of a hospital.

Authority to prescribe standards under title XIX for active treatment of mental illness.—The amendment deletes the reference to regulations for active treatment under Medicare (which do not exist in such form) and gives the Secretary authority under Medicaid to establish such regulations.

Correction of erroneous designations and cross-references.—Corrects clerical errors in title XIX.

Deletion of obsolete provisions.—Deletes obsolete provisions in title XIX.

Determination of amount of exclusion for disapproved expenditures by institutions reimbursed on fixed fee or negotiated rate basis.—P.L. 92-603 included a provision providing a limitation on Federal participation for disapproved capital expenditures. The amendment provides that in the case of disapproved capital expenditures by an institution reimbursed on a fixed fee or negotiated rate basis, the Secretary shall determine the amount by which the reimbursement is to be reduced because of such expenditures. There is currently no provision governing the determination of reductions for institutions reimbursed on a fixed fee or negotiated rate basis rather than a per capita basis.

Technical improvement of authority to include expenses related to capital expenditures in certain cases.—The amendment corrects clerical errors.

Mr. CURTIS. Mr. President, if it is the will of Congress that it wants a social security bill passed in this calendar year, it should then support the position taken by the distinguished chairman of the Committee on Finance, Mr. LONG.

The social security bill that passed the Senate was a massive bill. It can be measured in one respect by what the distinguished chairman has already called attention to. The Senate-passed version of H.R. 3153 contained a first-year cost of $6.4 billion. This meant that many items were in it that were far-reaching, that were broad, that were controversial. Some of them had not been considered by the House. As to many of the items, there have been no hearings on that side.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. LONG. Mr. President, I sent my amendment to the desk, and I thought I had called it up. I ask unanimous consent that I may call up my amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

INTERIM COST-OF-LIVING INCREASES IN SOCIAL SECURITY BENEFITS

SECTION 1. (a) Section 201(a) (1) of Public Law 93-66 is amended by striking out "the percentage by which" and all that follows and inserting in lieu thereof the following: "7 per centum.".

(b) Section 201(a) (2) of Public Law 93-66 is amended—

(1) by striking out "May 1974" each place it appears and inserting in lieu thereof "February 1974"; and

(2) by striking out "January 1975" each place it appears and inserting in lieu thereof "June 1974".

(c) Section 201(b) of Public Law 93-66 is amended to read as follows:

"(b) The increase in social security benefits authorized under this section shall be provided, and any determinations by the Secretary in connection with the provision of such increase in benefits shall be made, in the manner prescribed in section 215(i) of the Social Security Act for the implementation of cost-of-living increases authorized under title II of such Act, except that—

"(1) the amount of such increase shall be 7 per centum,

"(2) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(e) of such Act for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act), including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act as amended by this section, such increase shall be determined without regard to paragraph (2)(B) of such section 202(e), and

"(3) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(f) of such Act for February 1974 (without the application of section 202(j)(f) or 223(b) of such Act), including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act as amended by this section, such increase shall be determined without regard to paragraph (3)(B) of such section 202(f).".

(d) Section 201(c)(2) of Public Law 93-66 is amended by striking out "May 1974" and inserting in lieu thereof "February 1974".

(e) Section 201(d) of Public Law 93-66 is amended by striking out "December 1974" each place it appears and inserting in lieu thereof "May 1974".

(f) Section 202(e) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(7) In the case of an individual entitled to monthly insurance benefits payable under this section for any month prior to January 1973 whose benefits were not redetermined under section 102(g) of the Social Security Amendments of 1972, such benefits shall not be redetermined pursuant to such section, but shall be increased pursuant to any general benefit increase (as defined in section 215(i)(3)) or any increase in benefits made under or pursuant to section 215(i), including for this purpose the increase provided effective for March 1974, as though such redetermination had been made."

(g) Section 202(f) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(8) In the case of an individual entitled to monthly insurance benefits payable under this section for any month prior to January 1973 whose benefits were not redetermined under section 102(g) of the Social Security Amendments of 1972, such benefits shall not be redetermined pursuant to such section, but shall be increased pursuant to any general benefit increase (as defined in section 215(i)(3)) or any increase in benefits made under or pursuant to section 215(i), including for this purpose the increase provided effective for March 1974, as though such redetermination had been made."

(h)(1) Section 215(a)(3) of the Social Security Act is amended by striking out "$8.50" and inserting in lieu thereof "$9.00".

(2) The amendment made by paragraph (1) shall be effective with respect to benefits payable for months after February 1974.

(i) In the case of an individual to whom monthly benefits are payable under title II of the Social Security Act for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act), and to whom section 202(m) of such Act is applicable for such month, such section shall continue to be applicable to such benefits for the months of March through May 1974 for which such individual remains the only individual entitled to a monthly benefit on the basis of the wages and self-employment income of the decreased insured individual.

ELEVEN-PERCENT INCREASE IN SOCIAL SECURITY BENEFITS

SEC. 2. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"I (Primary insurance benefit under 1939 Act, as modified)		II (Primary insurance amount effective for September 1972)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
"If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
"At least—	But not more than—		At least—	But not more than—		
"........	$16.20	$84.50	....	$76	$93.80	$140.80
$16.21	16.84	85.80	$77	78	95.30	143.00
16.85	17.60	87.80	79	80	97.50	146.30
17.61	18.40	89.40	81	81	99.30	149.00
18.41	19.24	91.00	82	83	101.10	151.70
19.25	20.00	92.90	84	85	103.20	154.80
20.01	20.64	94.60	86	87	105.10	157.70
20.65	21.28	96.20	88	89	106.80	160.20
21.29	21.88	98.10	90	90	108.90	163.40
21.89	22.28	99.80	91	92	110.80	166.20
22.29	22.68	101.40	93	94	112.60	169.00
22.69	23.08	103.00	95	96	114.40	171.60
23.00	23.44	104.90	97	97	116.50	174.80
23.45	23.76	106.70	98	99	118.50	177.80
23.77	24.20	108.80	100	101	120.80	181.20
24.21	24.60	110.30	102	102	122.50	183.80
24.61	25.00	112.10	103	104	124.50	186.80
25.01	25.48	114.20	105	106	126.80	190.20
25.49	25.92	116.00	107	107	128.80	193.20
25.93	26.40	117.90	108	109	130.90	196.40
26.41	26.94	119.70	110	113	132.90	199.40
26.95	27.46	121.40	114	118	134.80	202.20
27.47	28.00	123.30	119	122	136.90	205.40
28.01	28.68	125.10	123	127	138.90	208.40
28.69	29.25	127.10	128	132	141.10	211.70
29.26	29.68	128.80	133	136	143.00	214.50
29.69	30.36	130.50	137	141	144.90	217.40
30.37	30.92	132.50	142	146	147.10	220.70
30.93	31.36	134.30	147	150	149.10	223.70
31.37	32.00	136.00	151	155	151.00	226.50
32.01	32.60	138.00	156	160	153.20	229.80
32.61	33.20	139.70	161	164	155.10	232.70
33.21	33.88	141.60	165	169	157.20	235.80
33.89	34.50	143.40	170	174	159.20	238.90
34.51	35.00	145.20	175	178	161.20	241.80
35.01	35.80	147.20	179	183	163.40	245.10
35.81	36.40	148.80	181	188	165.20	247.80
36.41	37.08	150.90	189	193	167.50	251.40
37.09	37.60	152.70	191	197	169.50	254.40
37.61	38.20	154.40	198	202	171.40	257.10
38.21	39.12	156.40	203	207	173.70	260.60
39.13	39.68	158.20	208	211	175.70	263.60
39.69	40.33	159.80	212	216	177.40	266.10
40.34	41.12	161.80	217	221	179.60	269.40
41.13	41.76	163.60	222	225	181.60	272.40
$41.77	$42.44	$165.50	$226	$230	$183.80	$275.70
42.45	43.20	167.30	231	235	185.80	278.70
43.21	43.76	169.40	236	239	188.10	282.00
43.77	44.44	171.00	240	244	189.90	286.20
44.45	44.88	172.70	245	249	191.70	292.10
44.89	45.60	174.80	250	253	194.10	296.80
		176.60	254	258	196.10	302.60
		178.10	259	263	197.70	308.40
		180.20	264	267	200.10	313.10
		182.00	268	272	202.10	319.00
		183.90	273	277	204.20	324.80
		185.70	278	281	206.20	329.50
		187.50	282	286	208.20	335.40
		189.50	287	291	210.40	341.30
		191.10	292	295	212.20	345.90
		193.10	296	300	214.40	351.70
		194.90	301	305	216.40	357.60
		196.60	306	309	218.30	362.40
		198.60	310	314	220.50	368.20
		200.30	315	319	222.40	374.10
		202.00	320	323	224.30	378.80
		204.00	324	328	226.50	384.70
		205.80	329	333	228.50	390.50
		207.90	334	337	230.80	395.20
		209.40	338	342	232.50	401.00
		211.20	343	347	234.50	406.90
		213.30	348	351	236.80	411.50
		215.00	352	356	238.70	417.40
		217.00	357	361	240.90	423.30
		218.70	362	365	242.80	428.00
		220.40	366	370	244.70	433.80
		222.40	371	375	246.90	439.60
		224.20	376	379	248.90	444.50
		226.20	380	384	251.10	450.30
		227.80	385	389	252.90	456.10
		229.60	390	393	254.90	460.80
		231.60	394	398	257.10	466.70
		233.30	399	403	259.00	472.60
		235.40	404	407	261.30	477.20
		236.90	408	412	263.00	483.10
		238.60	413	417	264.90	488.90
		240.30	418	421	266.80	493.00
		242.20	422	426	268.90	499.40
		243.80	427	431	270.70	505.30
		245.40	432	436	272.40	511.20

"I (Primary insurance benefit under 1939 Act, as modified) "If an individual's primary insurance benefit (as determined under subsec. (d)) is— "At least—	But not more than—	II (Primary insurance amount effective for September 1972) Or his primary insurance amount (as determined under subsec. (c)) is—	III (Average monthly wage) Or his average monthly wage (as determined under subsec. (b)) is— At least—	But not more than—	IV (Primary insurance amount) The amount referred to in the preceding paragraphs of this subsection shall be—	V (Maximum family benefits) And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
		$247.40	$437	$440	$274.70	$513.50
		248.90	441	445	276.90	516.50
		250.60	446	450	278.20	519.40
		252.50	451	454	280.30	521.70
		254.10	455	459	282.10	524.60
		255.80	460	464	284.00	527.50
		257.40	465	468	285.80	530.00
		259.40	469	473	288.00	532.80
		260.90	474	478	289.60	535.80
		262.60	479	482	291.50	538.20
		264.50	483	487	293.60	541.20
		266.10	488	492	295.40	544.10
		267.80	493	496	297.30	546.40
		269.70	497	501	299.40	549.30
		271.20	502	506	301.10	552.20
		272.90	507	510	303.00	554.60
		274.60	511	515	304.90	557.50
		276.40	516	520	306.90	560.50
		278.10	521	524	308.70	562.70
		279.80	525	529	310.60	565.70
		281.70	530	534	312.70	568.60
		283.20	535	538	314.40	571.00
		284.90	539	543	316.30	573.90
		286.80	544	548	318.40	576.80
		288.40	549	553	320.20	579.80
		290.10	554	556	322.10	581.50
		291.50	557	560	323.60	583.90
		293.10	561	563	325.40	585.70
		294.60	564	567	327.10	588.00
		296.20	568	570	328.80	589.80
		297.60	571	574	330.40	592.00
		299.20	575	577	332.20	593.90
		300.60	578	581	333.70	595.10
		302.20	582	584	335.50	597.90
		303.60	585	588	337.00	600.30
		305.30	589	591	338.90	602.00
		306.80	592	595	340.60	604.40
		308.30	596	598	342.30	606.10
		309.80	599	602	343.90	608.60
		311.30	603	605	645.60	610.30
		312.80	606	609	347.30	612.90
		314.40	610	612	349.00	614.40
		315.90	613	616	350.70	616.70
		317.40	617	620	352.40	619.10
		318.90	621	623	354.00	620.80
		320.40	624	627	355.70	623.20
		321.90	628	630	357.40	625.30
		323.40	631	634	359.00	628.40
		325.00	635	637	360.80	631.30
		326.60	638	641	362.60	634.40
		328.00	642	644	364.10	637.20
		329.60	645	648	365.90	640.30
		331.00	649	652	367.50	643.10
		332.00	653	656	368.60	645.00
		332.90	657	660	369.60	646.70
		334.10	661	665	370.90	649.10
		335.30	666	670	372.20	651.40
		336.50	671	675	373.60	653.70
		337.70	676	680	374.90	658.10
		338.90	681	685	376.20	658.40
		340.10	686	690	377.60	660.70
		341.30	691	695	378.90	663.10
		342.50	696	700	380.20	665.40
		343.70	701	705	381.60	667.70
		344.90	706	710	382.90	670.00
		346.10	711	715	384.20	672.40
		347.30	716	720	385.60	674.70
		348.50	721	725	386.90	677.00
		349.70	726	730	388.20	679.40
		350.90	731	735	389.60	681.70
		352.10	736	740	390.90	684.00
		353.30	741	745	392.20	686.40
		$354.50	$746	$750	393.50	688.70
		355.50	751	755	394.70	690.70
		356.50	756	760	395.80	692.60
		357.50	761	765	396.90	694.60
		358.50	766	770	398.00	696.50
		359.50	771	775	399.10	698.50
		360.50	776	780	400.20	700.30
		361.50	781	785	401.30	702.30
		362.50	786	790	402.40	704.20
		363.50	791	795	403.50	706.20
		365.50	796	800	404.60	708.10
		365.50	801	805	405.80	710.10
		366.50	806	810	406.90	712.00
		367.50	811	815	408.00	714.00
		368.50	816	820	409.10	715.90
		369.50	821	825	410.20	717.90
		370.50	826	830	411.30	719.80
		371.50	831	835	412.40	721.80
		372.50	836	840	413.50	723.70
		373.50	841	845	414.60	725.70
		374.50	846	850	415.70	727.50
		375.50	851	855	416.90	729.50
		376.50	856	860	418.00	731.40
		377.50	861	865	419.10	733.40
		378.50	866	870	420.20	735.30
		379.50	871	875	421.30	737.30
		380.50	876	880	422.40	739.20
		381.50	881	885	423.50	741.20
		382.50	886	890	442.60	743.10
		383.50	891	895	425.70	745.10
		384.50	896	900	426.80	747.00
		385.50	901	905	428.00	749.00
		386.50	906	910	429.10	750.90
		387.50	911	915	430.20	752.90
		388.50	916	920	431.30	754.70
		389.50	921	925	432.40	756.70
		390.50	926	930	433.50	758.60
		391.50	931	935	434.60	760.60
		392.50	936	940	435.70	762.50
		393.50	941	945	436.80	764.50
		394.50	946	950	437.90	766.40
		395.50	951	955	439.10	768.40
		396.50	956	960	440.20	770.03
		397.50	961	965	441.30	772.30
		398.50	966	970	442.40	774.20
		399.50	971	975	443.50	776.20
		400.50	976	980	444.60	778.00
		401.50	981	985	445.70	780.00
		402.50	986	990	446.80	781.90
		403.50	991	995	447.90	783.90
		404.50	996	1,000	449.00	785.80
			1,001	1,005	450.00	787.50
			1,006	1,010	451.00	789.30
			1,011	1,015	452.00	791.00
			1,016	1,020	453.00	792.80
			1,021	1,025	454.00	794.50
			1,026	1,030	455.00	796.30
			1,031	1,035	456.00	798.00
			1,036	1,040	457.00	799.80
			1,041	1,045	458.00	801.50
			1,046	1,050	459.00	803.30
			1,051	1,055	460.00	805.00
			1,056	1,060	461.00	806.80
			1,061	1,065	462.00	808.50
			1,066	1,070	463.00	810.30
			1,071	1,075	464.00	812.00
			1,076	1,080	465.00	813.80
			1,081	1,085	466.00	815.50
			1,086	1,090	467.00	817.30
			1,091	1,095	468.00	819.00
			1,096	1,100	469.00	820.80

(b) (1) Effective June 1, 1974, sections 227 and 228 of the Social Security Act are amended by striking out "$58.00" wherever it appears and inserting in lieu thereof "the larger of $64.40 or the amount most recently established in lieu thereof under section 215 (i)", and by striking out "$29.00" wherever it appears and inserting in lieu thereof "the larger of $32.20 or the amount most recently established in lieu thereof under section 215 (i)".

(2) Section 202(a) (4) of Public Law 92–336 is hereby repealed.

(c) The amendment made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after May 1974, and with respect to lump-sum death payments under section 201(i) of such Act in the case of deaths occurring after such month.

(d) Section 202(a) (3) of Public Law 92–336 is amended by striking out "January 1, 1975" in subparagraphs (A), (B), and (C) and inserting in lieu thereof in each instance "June 1, 1974".

MODIFICATION OF COST-OF-LIVING BENEFIT INCREASE PROVISIONS

SEC. 3. (a) Clause (i) of section 215(i) (1) (A) of the Social Security Act is amended to read as follows: "(i) the calendar quarter ending on March 31 of each year after 1974, or".

(b) Clause (ii) of section 215(i) (1) (B) of such Act is amended by striking out "in which a law" and all that follows and inserting in lieu thereof "if in the year prior to such year a law has been enacted providing a general benefit increase under this title or if in such prior year such a general benefit increase becomes effective; and".

(c) Section 215(i)(2)(A)(i) of such Act is amended by striking out "1974" and inserting in lieu thereof "1975", and by striking out "and to subparagraph (E) of this paragraph".

(d) Section 215(i)(2)(A)(ii) of such Act is amended—

(1) by striking out "such base quarter" and inserting in lieu thereof "the base quarter in any year";

(2) by striking out "January of the next calendar year" and inserting in lieu thereof "June of such year"; and

(3) by striking out "(subject to subparagraph (E))".

(e) Section 215(1)(2)(B) of such Act is amended by striking out "December" each place it appears and inserting in lieu thereof "May", and by striking out "(subject to subparagraph (E))".

(f) Section 215(i)(2)(C)(ii) of such Act is amended by striking out "on or before August 15 of such calendar year" and inserting in lieu thereof "within 30 days after the close of such quarter".

(g) Section 215(i)(2)(D) of such Act is amended by striking out "on or before November 1 of such calendar year" and inserting in lieu thereof "within 45 days after the close of such quarter".

(h) Section 215(i)(2) of such Act is amended by striking out subparagraph (E).

(i) For purposes of sections 203(f)(8), 215(i)(1)(B), and 230(a) of the Social Security Act, the increase in benefits provided by section 2 of this Act shall be considered an increase under section 215(i) of the Social Security Act.

(j)(1) Section 230(a) of such Act is amended—

(A) by striking out "with the first month of the calendar year" and inserting in lieu thereof "with the June"; and

(B) by striking out "(along with the publication of such benefit increase as required by section 215(i)(2)(D))" and by striking out "(unless such increase in benefits is prevented from becoming effective by section 215(i)(2)(E))".

(2) Section 230(c) of such Act is amended by striking out "the first month" and inserting in lieu thereof "the June".

(k)(1) Section 203(f)(8)(A) of such Act is amended to read as follows:

"(A) Whenever the Secretary pursuant to section 215(i) increases benefits effective with the month of June following a cost-of-living computation quarter he shall also determine and publish in the Federal Register on or before November 1 of the calendar year in which such quarter occurs a new exempt amount which shall be effective (unless such new exempt amount is prevented from becoming effective by subparagraph (C) of this paragraph) with respect to any individual's taxable year which ends after the calendar year in which such benefit increase is effective (or, in the case of an individual who dies during the calendar year after the calendar year in which the benefit increase is effective, with respect to such individual's taxable year which ends, upon his death, during such year),".

(2) Section 203(f)(8)(B) of such Act is amended by striking out "no later than Auguest 15 of such year" and inserting in lieu thereof "within 30 days after the close of the base quarter (as defined in section 215(i)(1)(A)) in such year".

(3) Section 203(f)(8)(C) is amended by striking out "or providing a general benefit increase under this title (as defined in section 215(i)(3))".

SUPPLEMENTAL SECURITY INCOME BENEFITS

SEC. 4. (a)(1) Section 210(c) of Public Law 93-66 is amended by striking out "June 1974" and inserting in lieu thereof "December 1973".

(2) Section 211(a)(1)(A) of Public Law 93-66 is amended by striking out "($780 in the case of any period prior to July 1974)".

(b) Effective with respect to payments for months after June 1974—

(1) section 1611(a)(1)(A) and section 1611(b)(1) of the Social Security Act (as enacted by section 301 of the Social Security Amendments of 1972 and amended by section 210 of Public Law 93-66) are each amended by striking out "$1,680" and inserting in lieu thereof "$1,752";

(2) section 1611(a)(2)(A) and section 1611(b)(2) of such Act (as so enacted and amended) are each amended by striking out "$2,520" and inserting in lieu thereof "$2,628"; and

(3) section 211(a)(1)(A) of Public Law 93-66 (as amended by subsection (a)(2) of this section) is amended by striking out "$840" and inserting in lieu thereof "$876".

INCREASE IN EARNINGS BASE

SEC. 5. (a)(1) Section 209(a)(8) of the Social Security Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(2) Section 211(b)(1)(H) of such Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(3) Sections 213(a)(2)(ii) and 213(a)(2)(iii) of such Act are each amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(4) Section 215(e)(1) of such Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(b)(1) Section 1402(b)(1)(H) of the Internal Revenue Code of 1954 (relating to definition of self-employment income is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(2) Effective with respect to remuneration paid after 1973, section 3121(a)(1) of such Code is amended by striking out the dollar amount each place it appears therein and inserting in lieu thereof "$13,200".

(3) Effective with respect to remuneration paid after 1973, the second sentence of section 3122 of such Code is amended by striking out the dollar amount and inserting in lieu thereof "$13,200".

(4) Effective with respect to remuneration paid after 1973, section 3125 of such Code is amended by striking out the dollar amount each place it appears in subsections (a), (b), and (c) and inserting in lieu thereof "$13,200".

(5) Section 6413(c)(1) of such Code (relating to special refunds of employment taxes) is amended by striking out "$12,600" each place it appears and inserting in lieu thereof "$13,200".

(6) Section 6413(c)(2)(A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(7) Effective with respect to taxable years beginning after 1973, section 6654(d)(2)(B)(ii) of such Code (relating to failure by individual to pay estimated income tax) is amended by striking out the dollar amount and inserting in lieu thereof "$13,200".

(c) Section 230(c) of the Social Security Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(d) Paragraphs (2)(C), (3)(C), (4)(C), and (7)(C) of section 203(b) of Public Law 92-336 are each amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(e) The amendments made by this section, except subsection (a)(4), shall apply only with respect to remuneration paid after, and taxable years beginning after, 1973. The amendments made by subsection (a)(4) shall apply with respect to calendar years after 1973.

(f) The amendments made by this section to provisions of the Social Security Act, the Internal Revenue Code of 1954, and Public Law 92-336 shall be deemed to be made to such provisions as amended by section 203 of Public Law 93-66.

CHANGES IN TAX SCHEDULES

SEC. 6. (a)(1) Section 3101(a) of the Internal Revenue Code of 1954 (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) with respect to wages received during the calendar year 1973, the rate shall be 4.85 percent;

"(5) with respect to wages received during the calendar years 1974 through 2010, the rate shall be 4.95 percent; and

"(6) with respect to wages received after December 31, 2010, the rate shall be 5.95 percent."

(2) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) with respect to wages paid during the calendar year 1973, the rate shall be 4.85 percent;

"(5) with respect to wages paid during the calendar years 1974 through 2010, the rate shall be 4.95 percent; and

"(6) with respect to wages paid after December 31, 2010, the rate shall be 5.95 percent.".

(b)(1) Section 1401(b) of such Code (relating to rate of tax on self-employment income for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) in the case of any taxable year beginning after December 31, 1972, and before January 1, 1974, the tax shall be equal to 1.0 percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1973, and before January 1, 1978, the tax shall be equal to 0.90 percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1977, and before January 1, 1981, the tax shall be equal to 1.10 percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1980, and before January 1, 1986, the tax shall be equal to 1.35 percent of the amount of the self-employment income for such taxable year; and

"(6) in the case of any taxable year beginning after December 31, 1985, the tax shall be equal to 1.50 percent of the self-employment income for such taxable year."

(2) Section 3101(b) of such Code (relating to rate of tax on employees for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages received during the calendar year 1973, the rate shall be 1.0 percent;

"(3) with respect to wages received during the calendar years 1974 through 1977, the rate shall be 0.90 percent;

"(4) with respect to wages received during the calendar years 1978 through 1980, the rate shall be 1.10 percent;

"(5) with respect to wages received during the calendar years 1981 through 1985, the rate shall be 1.35 percent; and

"(6) with respect to wages received after December 31, 1985, the rate shall be 1.50 percent.".

(3) Section 3111(b) of such Code (relating to rate of tax on employers for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages paid during the calendar year 1973, the rate shall be 1.0 percent;

"(3) with respect to wages paid during the calendar years 1974 through 1977, the rate shall be 0.90 percent;

"(4) with respect to wages paid during the calendar years 1978 through 1980, the rate shall be 1.10 percent.

"(5) with respect to wages paid during the calendar year 1981 through 1985, the rate shall be 1.35 percent; and

"(6) with respect to wages paid after December 31, 1985, the rate shall be 1.50 percent.".

(c) The amendment made by subsection (b)(1) shall apply only with respect to taxable years beginning after December 31, 1973. The remaining amendments made by this section shall apply only with respect to remuneration paid after December 31, 1973.

ALLOCATION TO DISABILITY INSURANCE TRUST FUND

SEC. 7. (a) Section 201(b)(1) of the Social Security Act is amended by striking out "(E)" and all that follows down through "which wages" and inserting in lieu thereof the following: "(E) 1.1 per centum of the wages (as so defined) paid after December 31, 1972, and before January 1, 1974, and so reported, (F) 1.15 per centum of the wages (as so defined) paid after December 31, 1973, and before January 1, 1978, and so reported, (G) 1.2 per centum of the wages (as so defined) paid after December 31, 1977, and before January 1, 1981, and so reported, (H) 1.3 per centum of the wages (as so defined) paid after December 31, 1980, and before January 1, 1986, and so reported, (I) 1.4 per centum of the wages (as so defined) paid after December 31, 1985, and before January 1, 2011, and so reported, and (J) 1.7 per centum of the wages (as so defined) paid after December 31, 2010, and so reported, which wages".

(b) Section 201(b)(2) of such Act is amended by striking out "(E)" and all that follows down through "which self-employment income" and inserting in lieu thereof the following: "(E) 0.795 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1972, and before January 1, 1974, (F) 0.815 of 1 per centum of the amount of self-employment income (as so defined) as reported for any taxable year beginning after December 31, 1973, and before January 1, 1978, (G) 0.850 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1977, and before January 1, 1981, (H) 0.920 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1980, and before January 1, 1986, (1) 0.990 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1985, and before January 1, 2011, and (J) 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2010, which self-employment income".

ELIGIBILITY OF SUPPLEMENTAL SECURITY INCOME RECIPIENTS FOR FOOD STAMPS

SEC. 8. (a)(1) Section 3(e) of the Food Stamp Act of 1964 is amended effective only for the 6-month period beginning January 1, 1974 to read as it did before amendment by Public Law 92-603 and Public Law 93-86, but with the addition of the following new sentence at the end thereof: "For the 6-month period beginning January 1, 1974 no individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212. (a) of Public Law 93-66, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.".

(2) Section 3(b) of Public Law 93-86 shall not be effective for the 6-month period beginning January 1, 1974.

(b)(1) Section 4(c) of Public Law 93-86 shall not be effective for the 6-month period beginning January 1, 1974.

(2) The last sentence of section 416 of the Act of October 31, 1949 (as added by section 411(g) of Public Law 92-603) shall not be effective for the 6-month period beginning January 1, 1974.

(3) For the 6-month period beginning January 1, 1974, no individual, who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household for any purpose of the food distribution program for families under section 32 of Public Law 74-320, section 416 of the Agriculural Act of 1949, or any other law, for any month during such period. if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.

(c) For purposes of the last sentence of section 3(e) of the Food Stamp Act of 1934 (as amended by subsection (a) of this section) and subsections (b)(3) and (f) of this section, the level of State supplementary payment under section 1616(a) shall be found by the Secretary to have been specifically increased so as to include the bonus value of food stamps (1) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) at a level which is at least equal to the maximum level which can be determined under section 401(b)(1) of the Social Security Amendments of 1972 and which is such that the limitation on State fiscal liability under section 401 does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (2) only with respect to such months as the State may, at is option, elect.

(d) Section 401(b)(1) of the Social Security Amendments of 1972 is amended by striking out everything after the word "exceed" and inserting in lieu thereof: "a payment level modification (as defined in paragraph (2) of his subsection) with respect to such plans."

(e) The amendment made by subsection (d) shall be effective only for the 6-month period beginning January 1, 1974, except that such amendment shall not during such period, be effective in any State which provides supplementary payments of the type described in section 1616(a) of the Social Security Act the level of which has been found by the Secretary to have been specifically increased so as to include the bonus value of food stamps.

INDIVIDUALS DEEMED TO BE DISABLED UNDER THE SUPPPLEMENTAL SECURITY INCOME PROGRAM

SEC. 9. Section 1614(a)(3) of the Social Security Act is amended—

(1) by striking out the last sentence of subparagraph (A); and

(2) by inserting at the end thereof the following new subparagraph:

"(E) Notwithstanding the provisions of subparagraphs (A) through (D), an individual shall also be considered to be disabled for purposes of this title if he is permanently and totally disabled as defined under a State plan approved under title XIV or XVI as in effect for October 1972 and received aid under such plan (on the basis of disability) for December 1973 (and for at least one month prior to July 1973), so long as he is continuously disabled as so defined.".

SUPPLEMENTAL SECURITY INCOME RECIPIENT LIVING IN AID TO FAMILIES WITH DEPENDENT CHILDREN HOUSEHOLD

SEC. 10. (a) Section 212(a)(3)(A) of Public Law 93-66 is amended by striking out "subparagraph (D)" and inserting in lieu thereof "subparagraph (D) and (E)".

(b) Section 212(a)(3) of Public Law 93-66 is amended by adding at the end thereof the following new subparagraph:

"(E)(i) In the case of an individual who, for December 1973 lived as a member of a family unit other members of which received aid (in the form of money payments) under a State plan of a State approved under part A of title IV of he Social Security Act, such State at its option, may (subject to clause (ii) reduce such individual's December 1973 income (as determined under subparagraph (B)) to such extent as may be necessary to cause the supplementary payment (referred to in paragraph (2)) payable to such individual for January 1974 or any month thereafter to be reduced to a level designed to assure that the total income of such individual (and of the members of such family unit) for any month after December 1973 does not exceed the total income of such individual (and of the members of such family unit) for December 1973.

"(ii) The amount of the reduction (under clause (i)) of any individual's December 1973 income shall no be in an amount which would cause the supplementary payment (referred to in paragraph (2)) payable to such individual to be reduced below the amount of such supplementary payment which would be payable to such individual if he had, for the month of December 1973 not lived in a family, members of which were receiving aid under part A of title IV of the Social Security Act, and had had no income for such month other than that received as aid or assistance under a State plan approved under title I, XIV, or XVI of the Social Security Act."

CONTINUATION OF CERTAIN DEMONSTRATION PROJECTS

SEC. 11. (a) If any State (other than the Commonwealth of Puerto Rico, the Virgin Islands, or Guam) has any experimental, pilot, or demonstration project (referred to in section 1115 of the Social Security Act)—

(1) which (prior to October 1, 1973) has been approved by the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary"), for a period which ends on or after December 31, 1973, as being a project with respect to which the authority conferred upon him by subsection (a) or (b) of such section 1115 will be exercised, and

(2) with respect to the costs of which Federal financial participation would (except for the provisions of this section) be denied or reduced on account of the enactment of section 301 of the Social Security Amendments of 1972,

then, for any period (after December 31, 1973) with respect to which such project is approved by the Secretary, Federal financial participation in the costs of such project shall be continued in like manner as if—

(3) such section 301 had not been enacted, and

(4) such State (for the month of January 1974 and any month thereafter) continued to have in effect the State plan (approved under title XVI) which was in effect for the month of October 1973, or the State plans (approved under titles I, X, and XIV of the Social Security Act) which were in effect for such month, as the case may be.

(b) With respect to individuals—

(1) who are participants in any project to which the provisions of subsection (a) are applicable, and

(2) with respect to whom supplemental security income benefits are (or would, except for their participation in such project, be) payable under title XVI of the Social Security Act, or who meet the requirements for aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Social Security Act of the State in which such project is conducted (as such State plan was in effect for July 1973).

the Secretary may waive such requirements of title XVI of such Act (as enacted by section 301 of the Social Security Amendments of 1972) to such extent as he determines to be necessary to the successful operation of such project.

(c) In the case of any State which has entered into an agreement with the Secretary under section 1616 of the Social Security Act (or which is deemed, under section 212(d) of Public Law 93–66, to have entered into such an agreement), then, of the costs of any project of such State with respect to which there is (solely by reason of the provisions of subsection (a)) Federal financial participation, the non-Federal share thereof shall—

(1) be paid, from time to time, to such State by the Secretary, and

(2) shall, for purposes of section 1616(d) of the Social Security Act and section 401 of the Social Security Amendments of 1972, be treated in like manner as if such non-Federal share were supplementary payments made by the Secretary on behalf of such State pursuant to such agreement.

SOCIAL SERVICES REGULATIONS POSTPONED

SEC. 12. (a) Subject to subsection (b), no regulation and no modification of any regulation, promulgated by the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") after January 1, 1973, shall be effective for any period which begins prior to January 1, 1975, if (and insofar as) such regulation or modification of a regulation pertains (directly or indirectly) to the provisions of law contained in sections 3(a) (4) (A), 402(a) (19) (G), 403(a) (3) (A), 603 (a) (1) (A), 1003(a) (3) (A), 1403(a) (3) (A), or 1603(a) (4) (A), of the Social Security Act.

(b) (1) The provisions of subsection (a) shall not be applicable to any regulation relating to "scope of programs", if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.0 of the regulations (relating to social services) proposed by the Secretary and published in the Federal Register on May 1, 1973. There shall be deleted from the first sentence of subsection (b) of such section 221.0 the phrase "meets all the applicable requirements of this part and".

(2) The provisions of subsection (a) shall not be applicable to any regulation relating to "limitations on total amount of Federal funds payable to States for services", if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.55 of the regulations so proposed and published on May 1, 1973. There shall be deleted from subsection (d) (1) of such section 221.55 the phrase "(as defined under day care services for children)"; and, in lieu of the sentence contained in subsection (d) (5) of such section 221.55, there shall be inserted the following: "Services provided to a child who is under foster care in a foster family home (as defined in section 408 of the Social Security Act) or in a childcare institution (as defined in such section), or while awaiting placement in such a home or institution, but only if such services are needed by such child because he is under foster care.".

(3) The provisions of subsection (a) shall not be applicable to any regulation relating to "rates and amounts of Federal financial participation for Puerto Rico, the Virgin Islands, and Guam", if such regulation is identical to the provisions of section 221.56 of the regulations so proposed and published on May 1, 1973.

(4) The provisions of subsection (a) shall not be construed to preclude the Secretary from making any modification in any regulation (described in subsection (a)) if such modification is technically necessary to take account of the enactment of section 301 or 302 of the Social Security Amendments of 1972.

(c) Notwithstanding the provisions of section 553 (d) of title 5, United States Code, any regulation described in subsection (b) may become effective upon the date of its publication in the Federal Register.

MEDICAL ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME RECIPIENTS

Beneficiaries

SEC. 13. (a) (1) Section 1901 of the Social Security Act (as amended by Public Law 92–603) is amended by striking out "permanently and totally disabled" and inserting "disabled" in lieu thereof.

(2) Section 1902(a) (5) of such Act is amended by—

(A) striking out "to administer the plan," and inserting in lieu thereof, "to administer or to supervise the administration of the plan;" and by striking out "to supervise the administration of the plan" and inserting in lieu thereof "to administer or to supervise the administration of the plan" in lieu thereof; and

(B) striking out "XVI (insofar as it relates to the aged)" and inserting "XVI (insofar as it relates to the aged) if the State is eligible to participate in the State plan program established under title XVI, or by the agency or agencies administering the supplemental security income program established under title XVI or the State plan approved under part A of title IV if the State is not eligible to participate in the State plan program established under title XVI" in lieu thereof.

(3) Section 1902(a) (10) of such Act is amended to read as follows:

"(10) provide—

"(A) for making medical assistance available to all individuals receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI;

"(B) that the medical assistance made available to any individual described in clause (A)—

"(i) shall not be less in amount, duration, or scope than the medical assistance made available to any other such individual, and

"(ii) shall not be less in amount, duration, or scope than the medical assistance made available to individuals not described in clause (A); and

"(C) if medical assistance is included for any group of individuals who are not described in clause (A) and who do not meet the income and resources requirements of the appropriate State plan, or the supplemental security income program under title XVI, as the case may be, as determined in accordance with standards prescribed by the Secretary—

"(i) for making medical assistance available to all individuals who would, except for income and resources, be eligible for aid or assistance under any such State plan or to have paid with respect to them supplemental security income benefits under title XVI, and who have insufficient (as determined in accordance with comparable standards) income and resources to meet the costs of necessary medical and remedial care and services, and

"(ii) that the medical assistance made available to all individuals not described in clause (A) shall be equal in amount, duration, and scope;

except that (I) the making available of the services described in paragraph (4), (14), or (16) of section 1905(a) to individuals meeting the age requirements prescribed therein shall not, by reason of this paragraph (10), require the making available of any such services, or the making available of such services of the same amount, duration, and scope, to individuals of any other ages, (II) the making available of supplementary medical insurance benefits under part B of title XVIII to individuals eligible therefor (either pursuant to an agreement entered into under section 1843 or by reason of the payment of premiums under such title by the State agency on behalf of such individuals), or provision for meeting part or all of the cost of deductibles, cost sharing, or similar charges under part B of title XVIII for individuals eligible for benefits under such part, shall not, by reason of this paragraph (10), require the making available of any such benefits, or the making available of services of the same amount, duration, and scope, to any other individuals, and (III) the making available of medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in clause (A) to any classification of individuals approved by the Secretary with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment shall not, by reason of this paragraph (10), require the making available of any such assistance, or the making available of such assistance of the same amount, duration, and scope, to any other individuals not described in clause (A);".

(4) Section 1902(a) (13) (B) of such Act is amended by striking out "the State's plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI" in lieu thereof.

(5) Section 1902(a) (14) (A) of such Act is amended by striking out "a State plan approved under title I, X, XIV, or XVI, or part A of title IV, or who meet the income and resources requirements of the one of such State plans which is appropriate" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or who meet the income and resources requirements of the appropriate State plan, or the supplemental security income program under title XVI, as the case may be, and individuals with respect to whom there is being paid, or who are eligible, or would be eligible if they were not n a medical institution, to have paid with respect to them, a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assitance made available to individuals described in paragraph (10) (A)" in lieu thereof.

(6) Section 1902(a) (14) (B) of such Act is amended by—

(A) inserting "(other than individuals with respect to whom there is being paid, or who are eligible or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in paragraph (10(A))" immediately after "with respect to individuals";

(B) inserting "and with respect to whom supplemental security income benefits are not being paid under title XVI" immediately after "any such State plan";

(C) striking out "the one of such State plans which is appropriate" and inserting "the appropriate State plan, or the supplemental security income program under title XVI, as the case may be, in lieu thereof; and

(D) striking out "or who, after December 31, 1973, are included under the State plan for medical assistance pursuant to section 1902(a)(10)(B) approved under title XIX".

(7) Section 1902(a)(17) of such act is amended by—

(A) striking out "the State's plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, and with respect to whom supplemental security income benefits are not being paid under title XVI" in lieu thereof;

(B) striking out "if he met the requirements as to need" and inserting "except for income and resources" in lieu thereof;

(C) striking out "a State plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, of part A of title IV, or to have paid with respect to him supplemental security income benefits under title XVI" in lieu thereof; and

(D) striking out "and amount of such aid or assistance under such plan" and inserting "such aid, assistance, or benefits" in lieu thereof.

(8) Sections 1902(a)(17) and 1902(a)(18) are each amended by striking out "is blind or permanently and totally disabled" and inserting "(with respect to States eligible to participate in the State program established under title XVI), is blind or permanently and totally disabled, or is blind or disabled as defined in section 1614 (with respect to States which are not eligible to participate in such program)" in lieu thereof.

(9) Section 1902(a)(20)(C) of such Act is amended by inserting ", section 603(a)(1)(A)(i) and (ii)," immediately after "section 3(a)(4)(A)(i) and (ii)".

(10) Section 1902(f) of such act is amended by—

(A) inserting "not eligible to participate in the State plan program established under title XVI" immediately after "State" the first time it appears therein.

(B) striking out "such individual's payment under title XVI" and inserting "any supplemental security income payment and State supplementary payment made with respect to such individual" in lieu thereof;

(C) striking out "as defined in section 213 of the Internal Revenue Code of 1954" and inserting "as recognized under State law" in lieu thereof; and

(D) inserting at the end thereof the following new sentences: "In States which provide medical assistance to individuals pursuant to clause (10)(C) of subsection (a) of this section, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical expenses from income shall be considered an individual eligible for medical assistance under clause (10)(A) of that subsection if that individual is, or is eligible to be (1) an individual with respect to whom there is payable a State supplementary payment on the basis of which similarly situated individuals are eligible to receive medical assistance equal in amount, duration, and scope to that provided to individuals eligible under clause (10)(A), or (2) an eligible individual or eligible spouse, as defined in title XVI, with respect to whom supplemental security income benefits are payable; otherwise that individual shall be considered to be an individual eligible for medical assistance under clause (10)(C) of that subsection. In States which do not provide medical assistance to individuals pursuant to clause (10)(C) of that subsection, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical exepnses from income shall be considered an individual eligible for medical assistance under clause (10)(A) of that subsection.".

(11) Section 1903(a)(1) of such Act is amended by striking out "individuals who are recipients of money payments under a State plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "individuals who are eligible for medical assistance under the plan and (A) are receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or (B) with respect to whom there is being paid a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a)(10)(A)" in lieu thereof.

(12) Section 1903(f)(4) of such Act is amended to read as follows:

"(4) The limitations on payment imposed by the preceding provisions of this subsection shall not apply with respect to any amount expended by a State as medical assistance for any individual—

"(A) who is receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or

"(B) who is not receiving such aid or assistance, and with respect to whom such benefits are not being paid, but (i) is eligible to receive such aid or assistance, or to have such benefits paid with respect to him, or (ii) would be eligible to receive such aid or assistance, or to have such benefits paid with respect to him if he were not in a medical institution, or

"(C) with respect to whom there is being paid, or who is eligible, or would be eligible if he were not in a medical institution, to have paid with respect to him, a State supplementary payment and is eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a)(10)(A), but only if the income of such individual (as determined under section 1612, but without regard to subsection (b) thereof) does not exceed 300 percent of the supplementary security income benefit rate established by section 1611(b)(1),

at the time of the provision of the medical assistance giving rise to such expenditure."

(13) The matter before clause (i) in section 1905(a) of such Act is amended by striking out "individuals not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "individuals (other than individuals with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a)(10) A)) not receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, and with respect to whom supplemental security income benefits are not being paid under title XVI" in lieu thereof.

(14) Section 1905(a)(iv) of such Act is amended by inserting "with respect to States eligible to participate in the State plan program established under title XVI," at the end thereof.

(15) Section 1905 (a)(v) of such Act is amended by striking out "or" inserting "with respect to States eligible to participate in the State plan program established under title XVI," in lieu thereof.

(16) Section 1905(a)(vi) of such Act is amended by inserting "or" at the end thereof.

(17) Section 1905(a) of such Act is further amended by inserting immediately after clause (vi) the following new clause:

"(vii) blind or disabled as defined in section 1614, with respect to States not eligible under the title XVI,".

(18) Section 1905 of such Act is amended by inserting at the end thereof the following new subsections:

"(j) The term 'State supplementary payment' means any cash payment made by a State on a regular basis to an individual who is receiving supplemental security income benefits under title XVI or who would but for his income be eligible to receive such benefits, as assistance based on need in supplementation of such benefits (as determined by the Secretary), but only to the extent that such payments are made with respect to an individual with respect to whom supplemental security income benefits are payable under title XVI, or would but for his income be payable under that title.

"(k) Increased supplemental security income benefits payable pursuant to section 211 of Public Law 93–66 shall not be considered supplemental security income benefits payable under title XVI.".

Technical Clarification and Modification of Medicaid Eligibility and Federal Title XIX Matching Under Public Law 93–66.

(b)(1)(A) Clause (2)(A) of section 231 of Public Law 93–66 is amended by—

(i) inserting "received or" immediately before "would", and

(ii) strking out "or" at the end thereof and inserting "and" in lieu thereof.

(B) Clause (2)(B) of that section is amended by—

(i) striking out "was", and

(ii) striking out "need for care in such institution, considered to be eligible for aid or assistance under a State plan (referred to in subparagraph (A)) for purposes of determining his eligibility" and inserting "status as described in subparagraph (A), was included as an individual eligible" in lieu thereof.

(2) The first sentence of section 232 of Public Law 93–66 is amended by—

(A) striking out "(under the provisions of subparagraph (B) of such section)".

(B) striking out "to be a person described as being a person who 'would, if needy, be eligible for and or assistance under any such State plan' in subparagraph (B)(i) of such section" and inserting "for purposes of title XIX to be an individual who is blind or disabled within the meaning of section 1614(a) of the Social Security Act" in lieu thereof,

(C) inserting ", and the other conditions of eligibility contained in the plan of the State approved under title XIX (as it was in effect in December 1973)" before the period at the end thereof.

Medicaid Eligibility for Individuals Receiving Mandatory State Supplementary Payments

(c) In addition to other requirements imposed by law as conditions for the approval of any State plan under title XIX of the Social Security Act, there is hereby imposed (effective January 1, 1974) the requirement (and each such State plan shall be deemed to require) that medical assistance under such plan shall be provided to any individual—

(1) for any month for which there (A) is payabale with respect to such individual a supplementary payment pursuant to an agreement entered into between the State and the Secretary of Health, Education, and Welfare under section 212(a) of Public Law 93–66, and (B) would be payable with respect to such individual such a supplementary payment, if the amount of the supplementary payments payable pursuant to such agreement were established without regard to paragraph (3)(A) (ii) of such section 212 (a), and

(2) in like manner, and subject to the same terms and conditions, as medical assistance is provided under such plan to individuals with respect to whom benefits are payable for such month under the supplementary security income program established by title XVI of the Social Security Act.

Federal matching under title XIX of the Social Security Act shall be available for the medical assistance furnished to individuals who are eligible for such assistance under this subsection.

EFFECTIVE DATES

(d) The amendements made by subsection (a) shall be effective with respect to payments under section 1903 of the Social Security Act for calendar quarters commencing after December 31, 1973.

PAYMENTS TO SUBSTANDARD FACILITIES UNDER MEDICAID

SEC. 14. Section 1616 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(e) Payments made under this title with respect to an individual shall be reduced by an amount equal to the amount of any supplementary payment (as described in subsection (a)) or other payment made by a State (or political subdivision thereof) which is made for or on account of any medical or any other type of remedial care provided by an institution to such individual as an inpatient of such institution in the case of any State which has a plan approval under title XIX of this Act if such care is (or could be) provided under a State plan approved under title XIX of this Act by an institution certified under such title XIX."

PAYMENT FOR SERVICES OF PHYSICIANS RENDERED IN A TEACHING HOSPITAL

SEC. 15. (a)(1) Notwithstanding any other provision of law, the provisions of section 1861(b) of the Social Security Act, shall subject to subsection (b) of this section, for the period with respect to which this paragraph is applicable, be administered as if pargraph (7) of such section read as follows:

"(7) a physician where the hospital has a teaching program approved as specified in paragraph (6), if (A) the hospital elects to receive any payment due under this title for reasonable costs of such services, and (B) all physicians in such hospital agree not to bill charges for professional services rendered in such hospital to individuals covered under the insurance program established by this title.".

(2) Notwithstanding any other provision of law, the provisions of section 1832(a)(2) (B)(i) of the Social Security Act shall, subject to subsection (b) of this section, for the period with respect to which this paragraph is applicable, be administered as if subclause II of such section read as follows:

"(II) a physician to a patient in a hospital which has a teaching program approved as specified in paragraph (6) of section 1861 (b) (including services in conjunction with the teaching programs of such hospital whether or not such patient is an inpatient of such hospital), where the conditions specified in paragraph (7) of such section are met, and".

(b) The provisions of subsection (a) shall not be deemed to render improper any determination of payment under title XVIII of the Social Security Act for any service provided prior to the enactment of this Act.

(c)(1) The Secretary of Health, Education, and Welfare shall arrange for the conduct of a study or studies concerning (A) appropriate and equitable methods of reimbursement for physicians' services under titles XVIII and XIX of the Social Security Act in hospitals which have a teaching program approved as specified in Section 1861(b)(6) of such Act, (B) the extent to which funds expended under such titles are supporting the training of medical specialties which are in excess supply, (C) how such funds could be expended in ways which support more rational distribution of physician manpower both geographically and by specialty, (D) the extent to which such funds support or encourage teaching programs which tend to disproportionately attract foreign medical graduates, and (E) the existing and appropriate role that part of such funds which are expended to meet in whole or in part the cost of salaries of interns and residents in teaching programs approved as specified in section 1861(b)(6) of such Act.

(2) The studies required by paragraph (1) shall be the subject of an interim report thereon submitted not later than December 1, 1974, and a final report not later than July 1, 1975. Such reports shall be submitted to the Secretary, the Committee on Finance of the Senate, and the Committee on Ways and Means of the House of Representatives, simultaneously.

(3) The Secretary shall request the National Academy of Sciences to conduct such studies under an arrangement under which the actual expenses incurred by such Academy in conducting such studies will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such studies.

(4) If the National Academy of Sciences is unwilling to conduct the studies required under this section, under such an arrangement with the Secretary, then the Secretary shall enter into a similar arrangement with other appropriate non-profit private groups or associations under which such groups or associations shall conduct such studies and prepare and submit the reports thereon as provided in paragraph (2).

(5) The Social Security Administration shall study the interim report called for in paragraph (2) and shall submit its analysis of such interim report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives not later than March 1, 1975. The Social Security Administration shall study and submit its analysis of the final report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives by October 1, 1975.

(d) The provisions of subsection (a) shall apply with respect to cost accounting periods beginning after June 30, 1973, and prior to January 1, 1975 except that if the Secretary of Health, Education, and Welfare determines that additional time is required to prepare the report required by subsection (c), he may by regulation, extend the applicability of the provisions of subsection (a) to cost accounting periods beginning after June 30, 1975.

BASIS OF MEDICARE PAYMENT FOR SERVICES PROVIDED BY AGENCIES AND PROVIDERS

SEC. 16. In the administration of titles V, XVIII, and XIX of the Social Security Act, the amount payable under such title to any provider of services on account of services provided by such hospital, skilled nursing facility, or home health agency shall be determined (for any period with respect to which the amendments made by section 233 of Public Law 92–603 would, except for the provisions of this section, be applicable) in like manner as if the date contained in the first and second sentences of subsection (f) of such section 233 were December 31, 1973, rather than December 31, 1972.

POSTPONEMENT ON EFFECTIVE DATE OF CERTAIN REQIREMENTS IMPOSED WITH RESPECT TO PAYMENT FOR PHYSICAL THERAPY SERVICES

SEC. 17. (a) In the administration of title XVIII of the Social Security Act, the amount payable thereunder with respect to physical thereapy and other services referred to in section 1861(v)(5)(A) of such Act (as added by section 151 (c) of the Social Security Amendments of 1972) shall be determined (for the period with respect to which the amendment made by such section 151(c) would, except for the provisions of this section, be applicable) in like manner as if the "December 31, 1972", which appears in such subsection (d)(3) of such section 151, read "the month in which there are promulgated, by the Secretary of Health, Education, and Welfare, final regulations implementing the provisions of section 1861(v)(5) of the Social Security Act".

Clerical and Conforming Amendments to Social Security Act

In General

Inclusion of all Wage Level Increases in Automatic Adjustment of Earning Test

SEC. 18. (a) Section 203(f)(8)(B)(ii) of the Social Security Act is amended by—

(1) striking out "contribution and benefit base" and inserting "exempt amount" in lieu thereof; and

(2) striking out "section 230(a)" and inserting "subparagraph (A)" in lieu thereof.

Inclusion in Old-Age Insurance Benefit in Certain Cases of Related Retirement

(b) Section 202(w) of such Act is amended be inserting at the end thereof the following new paragraph:

"(5) If an individual's primary insurance amount is determined under paragraph (3) of section 215(a) and, as a result of this subsection, he would be entitled to a higher old-age insurance benefit if his primary insurance amount were determined under section 215(a) without regard to such paragraph, such individual's old-age insurance benefit based upon his primary insurance amount determined under such paragraph shall be increased by an amount equal to the difference between such benefit and the benefit to which he would be entitled if his primary insurance amount were determined under such section without regard to such paragraph."

Elimination of Benefit at Age 72 for Uninsured Individual Receiving Supplemental Security Income Benefits

(c) Section 228(d) of such Act is amended by inserting "and such individual is not an individual with respect to whom supplemental security income benefits are payable pursuant to title XVI or section 211 of Public Law 93–66 for the following month, nor shall such benefit be paid for such month if such individual is an individual with respect to whom supplemental security income benefits are payable pursuant to title XVI or section 211 of Public Law 93–66 for such month, unless the Secretary determines that such benefits are not payable with respect to such individual for the month following such month" immediately before the period at the end thereof.

Limitations on Eligibility Determinations Under Resources Tests of State Plans

(d) Section 1611 of such Act (as amended by Public Law 92–603) is amended by striking out subsection (g) and inserting in lieu thereof the following new subsection:

"(g) In the case of any individual or any individual and his spouse (as the case may be) who—

"(1) received aid or assistance for December 1973 under a plan of a State approved under title I, X, XIV, or XVI,

"(2) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

"(3) has, since December 31, 1973, continuously been (except for periods not in excess of six consecutive months) an eligible individual or eligible spouse with respect to whom supplemental security income benefits are payable,

the resources of such individual or such individual and his spouse (as the case may be) shall be deemed not to exceed the amount specified in sections 1611(a)(1)(B) and 1611(a)(2)(B) during any period that the resources of such individual or individuals and his spouse (as the case may be) does not exceed the maximum amount of resources specified in the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973."

Limitations on Eligibility and Benefit Determinations Under Income Tests of State Plans for Aid to the Blind

(e) Section 1611 of such Act is amended by striking out subsection (h) and inserting in lieu thereof the following new subsection:

"(h) In determining eligibility for, and the amount of, benefits payable under this section in the case of any individual or any individual and his spouse (as the case may be) who—

"(1) received aid or assistance for December 1973 under a plan of a State approved under title X or XVI,

"(2) is blind under the definition of that term in the plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973.

"(3) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973.

"(4) has, since December 31, 1973, continuously been (except for periods not in excess of six consecutive months) on eligible individual or an eligible spouse with respect to whom supplemental security income benefits are payable,

there shall be disregarded an amount equal to the greater of (A) the maximum amount of any earned or unearned income which could have been disregarded under the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973, and (B) the amount which would be required to be disregarded under section 1612 without application of this subsection."

Correction of Erroneous-Designations and Cross-References

(f)(1) Section 226 of such Act is amended by—

(A) redesignating subsection (a)(1) as subsection (a);

(B) redesignating clauses (A) and (B) of subsection (a), as redesignated by this subsection, as clauses (1) and (2), respectively; and

(C) redesignating subsection (f) (as added by section 201(b)(5) of the Social Security Amendments of 1972 and redesignated by section 2991 of that Act) and the subsection (f) (as enacted by section 101 of the Social Security Amendments of 1965 and redesignated by section 201(b)(5) of the Social Security Amendments of 1972) as subsections (h) and (i), respectively; and by inserting such subsections (h) and (i) (as so redesignated) immediately after subsection (g) of such section.

(2) Section 226(h)(1)(A) of such Act, as redesignated by this subsection, is amended by striking out "and 202(e)(5), and the term 'age 62' in sections" and inserting ", 202(e)(5)," in lieu thereof.

(3) Section 226(h)(1)(B) of such Act, as redesignated by this subsection, is amended by striking out "shall" and inserting "and the phrase 'before he attained age 60' in the matter following subparagraph (G) of section 202(f)(1) shall each" in lieu thereof.

(4) Paragraphs (2) and (3) of section 226(h) of such Act, as redesignated by this subsection, are each amended by striking out "(a)(2)" and inserting "(b)" in lieu thereof.

Initial Payments to Presumptively Disabled Individuals Unrecoverable Only if Individual Is Ineligible Because Not Disabled

(g) Section 1631(a)(4)(B) of such Act is amended by inserting "solely because such individual is determined not to be disabled" immediately before the period at the end thereof.

Technical Correction of Limitation on Fiscal Liability of States for Optional Supplementation

(h)(1) Section 401(a)(1) of the Social Security Amendments of 1972 is amended by—

(A) inserting ", other than fiscal year 1974," immediately after "any fiscal year"; and

(B) inserting ", and the amount payable for fiscal year 1974 pursuant to such agreement or agreements shall not exceed one-half of the non-Federal share of such expenditures" immediately before the period of the end thereof.

(2) Section 401(c)(1) of such Act is amended by inserting "excluding" immediately before "expenditures authorized under section 1119".

Modification of Transitional Administrative Provisions

(i) Section 402 of the Social Security Amendments of 1972 is amended by—

(1) striking out "XVI" the first time that it appears therein and inserting "VI" in lieu thereof;

(2) inserting "the third and fourth quarters in the fiscal year ending June 30, 1974, and" immediately after "with respect to expenditures for"; and

(3) inserting "the third and fourth quarters of the fiscal year ending June 30, 1974, and any quarter of" immediately after "during such portion of".

Inclusion of Title VI in Limitation on Grants to States for Social Services

(j) Section 1130(a) of such Act is amended by inserting "603(a)(1)," immediately after "403(a)(3),".

Clarification of Coverage of Hospitalization for Dental Services

(k)(1) Section 1814(a)(2)(E) of such Act (as amended by Public Law 92-603) is amended to read as follows:

"(E) in the case of inpatient hospital services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such dental services;".

(2) The last sentence of section 1814(a) is amended by striking out "or (D)" and inserting "(D), or (E)" in lieu thereof.

(3) Section 1862(a)(12) of such Act is amended by striking out "a dental procedure" and all that follows thereafter, and inserting "the provision of such dental services if the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such services; or" in lieu thereof.

Continuation of State Agreements for Coverage of Certain Individuals

(l) Section 1843(b) of such Act is amended by adding at the end thereof the following: "Effective January 1, 1974, and subject to section 1902(f), the Secretary shall, at the request of any State not eligible to participate in the State plan program established under title XVI, continue in effect the agreement entered into under this section with such State subject to such modifications as the Secretary may by regulations provide to take account of the termination of any plans of such State approved under titles I, X, XIV, and XVI and the establishment of the supplemental security income program under title XVI.".

Technical Improvement of Provisions Governing Disposition of HMO Savings

(m) Section 1876(a)(3)(A)(ii) of such Act is amended by striking out ", with the apportionment of savings being proportional to the losses absorbed and not yet offset".

Technical Improvement of Provisions Governing Allowable HMO Premium Charges

(n) The last sentence of section 1876(g)(2) of such Act is amended by—

(1) inserting "of its premium rate or other charges" immediately after "portion";

(2) striking out "may" and inserting "shall";

(3) striking out "(i)"; and

(4) striking out "less (ii) the actuarial value of other charges made in lieu of such deductible and coinsurance".

Applications for Assistance on Behalf of Deceased Individuals

(o) Section 1902(a)(34) of the Social Security Act (as amended by Public Law 92-603) is amended by inserting "(or application was made on his behalf in the case of a deceased individual)" immediately after "he made application".

Expansion of Intermediate Care Facility Ownership Disclosure Requirements

(p) Section 1902(a)(35)(A) of such Act is amended by inserting "or who is the owner (in whole or in part) of any mortgage, deed of trust, note, or other obligation secured (in whole or in part) by such intermediate care facility or any of the property or assets of such intermediate care facility" immediately after "intermediate care facility".

Technical Modification of Extended Medicaid Eligibility for AFDC Recipients

(q) Section 1902(e) of such Act is amended to read as follows:

"(e) Notwithstanding any other provision of this title, effective January 1, 1974, each State plan approved under this title must provide that each family which was receiving aid pursuant to a plan of the State approved under part A of title IV in at least 3 of the 6 months immediately preceding the month in which such family became ineligible for such aid because of increased hours of, or increased income from, employment, shall, while a member of such family is employed, remain eligible for assistance under the plan approved under this title (as though the family was receiving aid under the plan approved under part A of title IV) for 4 calendar months beginning with the month in which such family became ineligible for aid under the plan approved under part A of title IV because of income and resources or hours of work limitations contained in such plan.".

Limitation on Payments to States for Expenditures in Relation to Disabled Individuals Eligible for Medicare

(r)(1) Section 1903(a)(1) of such Act is amended by inserting "and disabled individuals entitled to hospital insurance benefits under title XVIII" immediately after "individuals sixty-five years of age or older".

(2) Section 1903(b)(2) of such Act is amended by inserting "and disabled individuals entitled to hospital insurance benefits under title XVIII" immediately after "individuals aged 65 or over".

Federal Payment for Cost of Inspecting Institutions Limited to Expenses Incurred During Covered Period

(s) Section 1903(a)(4) of such Act is amended by striking out "sums expended" and inserting "sums expended with respect to costs incurred" in lieu thereof.

Federal Payment for Family Planning Expenditures Not Limited to Administrative Costs

(t) Section 1903(a)(5) of such Act is amended by striking out "(as found necessary by the Secretary for the proper and efficient administration of the plan)".

Exception to Limitation on Payments to States for Expenditures in Relation to Individuals Eligible for Medicare

(u) Section 1903(b)(2) of such Act is amended by inserting", other than amounts expended under provisions of the plan of such State required by section 1902(a)(34)" immediately before the period at the end thereof.

Utilization Review by Medical Personnel Associated With an Institution

(v) Section 1903(g)(1)(C) of such Act is amended by striking out "and who are not employed by" and by inserting ", or, except in the case of hospitals, employed by the institution" immediately after "any such institution".

Authority To Prescribe Standards Under Title XIX for Active Treatment of Mental Illness

(w) Section 1905(h)(1)(B) of such Act is amended by—

(1) striking out ", involves active treatment (i)" and inserting "(i) involve active treatment" in lieu thereof,

(2) striking out "pursuant to title XVII", and

(3) striking out "(ii) which" and inserting "(ii)" in lieu thereof.

Correction of Erroneous Designations and Gross References

(x)(1) Section 1902(a)(13)(C) of such Act is amended by striking out "(14)" and inserting "(16)" in lieu thereof.

(2) Section 1902(a)(33)(A) of such Act is amended by striking out "last sentence" and inserting "penultimate sentence" in lieu thereof.

(3) Section 1902(a) of such Act is amended by—

(A) striking out the period at the end of paragraph (35) and inserting "; and" in lieu thereof; and

(B) redesignating paragraph (37) as paragraph (36).

(4) Sections 1902(a) (21), (24), and (26) (B), and the last sentence of section 1902 (d), of such Act are each amended by striking out "nursing home" and "nursing homes" each time that they appear therein and inserting "nursing facility" and "nursing facilities", respectively, in lieu thereof,

(5) Section 1903(a) of such Act is amended by striking out "and section 1117" in the first parenthetical phrase.

(6) Section 1903(b) of such Act is amended by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(7) Section 1905(a)(16) of such Act is amended by striking out "under 21, as defined in subsection (e);" and inserting "under age 21, as defined in subsection (h); and" in lieu thereof.

(8) Section 1905(c) of such Act is amended by striking out "skilled nursing home" each time that it appears therein and inserting "skilled nursing facility" in lieu thereof.

(9) Section 1905 of such Act is amended by redesignating subsection (h) (which was enacted by section 299L(b) of the Social Security Amendments of 1972) as subsection (i).

(10) Section 1905(h)(2) is amended by striking out "(e)(1)" and inserting "(1)" in lieu thereof.

Deletion of Obsolete Provisions

(y)(1) Section 1903 of such Act is amended by—

(A) striking out subsection (c);

(B) striking out "(a), (b), and (c)" in subsection (d) and inserting "(a) and (b)" in lieu thereof.

(2) Section 1905(b) of such Act is amended by striking out everything after "section 1110(a)(8)" and inserting a period in lieu thereof.

(3) Section 1908 of such Act is amended by striking out the last sentence of subsection (d) and subsections (e) and (f), and redesignating subsection (g) as subsection (e).

Determination of Amount of Exclusion for Disapproved Capital Expenditures by Institutions Reimbursed on Fixed Fee or Negotiated Rate Basis

(z) The last sentence of section 1122(d)(1) of such Act is amended by inserting "or a fixed fee or negotiated rate" immediately after "per capita" each time that it appears therein.

Technical Improvement of Authority To Include Expenses Related to Capital Expenditures in Certain Cases

(z–1) Section 1122(d)(2) of such Act is amended by striking out "include" the last time that it appears therein and inserting "exclude" in lieu thereof.

Conforming Amendments to Title XI of the Social Security Act

(z–2)(1) Title XI of the Social Security Act is amended—

(A) in section 1101(a)(1), by—

(i) striking out "I,", "X,", "XIV,", and "XVI,", and

(ii) by adding at the end of such section 1101(a) the following new sentence: "In the case of Puerto Rico, the Virgin Islands, and Guam, titles I, X, and XIV, and title XVI (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972) shall continue to apply, and the term 'State' when used in such titles (but not in title XVI as in effect pursuant to such amendment after Decembr 31, 1973) includes Puerto Rico, the Virgin Islands, and Guam.",

(b) in section 1115, by—

(i) inserting (in the matter preceding subsection (a)) "VI," immediately after "title I,",

(ii) inserting (in subsection (a)) "602," immediately after "402,", and

(iii) inserting (in subsection (b)) "603," immediately after "403,", and

(C) in section 1116, by—

(i) inserting (in subsection (a)(1)) "VI," immediately after "title I,",

(ii) inserting (in subsection (a)(2)) "604," immediately after "404,",

(iii) inserting (in subsection (b)) "VI," immediately after "title I,", and

(iv) inserting (in subsection (d)) "VI," immediately after "title I,".

(2) The amendments made by this subsection shall be effective on and after January 1, 1974.

Effective Dates

(z–3)(1) The amendments made by subsections (g), (h), (j), and (l) shall be effective January 1, 1974.

(2) The amendments made by subsection (k) shall be effective with respect to admissions subject to the provisions of section 1814 (a)(2) of the Social Security Act which occur after December 31, 1972.

(3) The amendments made by subsections (m) and (n) shall be effective with respect to services provided after June 30, 1973.

(4) The amendments made by subsections (o) and (u) shall be effective July 1, 1973.

MODIFICATION OF PROVISIONS ESTABLISHING SUPPLEMENTAL SECURITY INCOME PROGRAM

SEC. 19. (a) Section 303(c) of the Social Security Amendments of 1972 is amended to read as follows:

"(c) Section 9 of the Act of April 19, 1950 (64 Stat. 47) is amended to read as follows:

" 'SEC. 9. Beginning with the quarter commencing July 1, 1950, the Secretary of the Treasury shall pay quarterly to each State (from sums made available for making payments to the States under section 403(a) of the Social Security Act) an amount, in addition to the amount prescribed to be paid to such State under such section, equal to 80 per centum of the total amount of contributions by the State toward expenditures during the preceding quarter by the State, under the State plan approved under the Social Security Act for aid to dependent children to Navajo and Hopi Indians residing within the boundaries of the State on reservations or on allotted or trust lands, with respect to whom payments are made to the State by the United States under section 403(a) of the Social Security Act, not counting so much of such expenditure to any individual for any month as exceeds the limitations prescribed in such sections.' "

(b) Notwithstanding the provisions of section 301 of the Social Security Amendments of 1972 the Secretary of Health, Education, and Welfare shall make payments to the 50 States and the District of Columbia after December 31, 1973, in accordance with the provisions of the Social Security Act as in effect prior to January 1, 1974, for (1) activities carried out through the close of December 31, 1973, under State plans approved under title I, X, XIV, or XVI, of such Act, and (2) administrative activities carried out after December 31, 1973, which such Secretary determines are necessary to bring to a close activities carried out under such State plans.

PROVISIONS RELATING TO UNEMPLOYMENT COMPENSATION

SEC. 20. Section 203(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before April 1, 1974, and beginning after December 31, 1973 (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."

The PRESIDING OFFICER. Is this the amendment on which there is to be 1 hour of debate?

Mr. LONG. Yes.

Mr. CURTIS. Mr. President, what the distinguished chairman has proposed now, to be taken care of immediately, would carry a first-year cost of $2.4 billion—in other words, $4 billion below what the Senate has previously passed.

These other matters are still pending in conference. The House conferees have expressed not only a willingness but also a commitment that they will continue in conference.

Among other things, what Senator Long has now proposed would be a benefit increase of 7 percent that would be effective for March, April, and May, with an additional 4 percent effective in June.

It would eliminate the necessity for a retroactive pay period, a point the administration is very much concerned about and would be opposed to.

There are many provisions that do not appeal to me. The cost of this increase is met by increasing the base. It has always been my opinion we should vote on both the tax rate and the base, but my views were in the minority in the committee and on the floor of the Senate.

There is a shift of funds from medicare to cash benefits. As the chairman said, what is attempted to be done will increase the SSI payments for an individual from $130 as provided to $140, and for a couple from $210 to $219. This is the new program that supplants our existing matching program for the aged, blind, and disabled. It will become effective in January.

It also takes care of the matter of food stamps for some of these recipients. We were faced with the problem with respect to the eligibility of these people getting food stamps where the eligibility would be promptly eliminated. There is a 6-month period here in which those who draw the benefits would be taken care of and not have to bear certain hardships.

The social security regulations are a matter of great controversy. I will have something to say about that in just a moment.

There are some problems of eligibility for medicaid, which is a program for the needy and near-needy. It is a Federal matching program. These other changes that create questions about eligibility are matters of urgent attention.

There is also the 90-day extension for Federal matching for unemployment benefits, including a provision offered by the Senator from New York (Mr. Javits).

There are other matters that are retained in conference. There is the matter of the increase in earning limits from $2,400 to $3,000 and reducing the age from 72 to 70; and benefits for aged widows at 65.

Drugs under medicare are not decided this time, and that is a plan our chairman worked so diligently on.

Legislation relating to child support and liberalized social security for the blind, medicare for disabled spouses, and other matters were not taken care of at this time, but are carried over as the unfinished business.

The social service program is a program that started out with a small amount of money and grew very rapidly. It looked as if it was going to cost $5 or $6 billion. Congress proceeded to do something about that and it has been cut $1.9 billion and then to $2.5 billion.

There is a difference of opinion on how the matter is to be handled between Members and the administration. Regulations went into effect in November. In the meantime, the Committee on Finance adopted the idea of revenue sharing and allowing the States more or less to write their own regulations about social services.

This is not favored by the administration. What is proposed today is to take the old regulations before things got to a controversy and extend it a year. In all fairness the administration does not like it. They would like to see the regulations that were inaugurated last November continued.

There is strong feeling in the Committee on Finance for delegating the whole problem to the States. The way it has been left is that Congress can arrive at a solution of this problem which would be enacted into law in a subsequent bill prior to the end of the year. There is nothing to prevent that from being done.

Even though there are some of these matters that are not to my individual liking, I expect to support the amendment to the House bill as offered by my distinguished chairman and I am ready to vote.

Mr. MONDALE. Mr. President, I rise in support of H.R. 11333, as amended by the distinguished Senator from Louisiana (Mr Long).

This bill represents what I believe to be a fair and reasonable solution to the impasse which has developed over H.R. 3153, the welfare technical amendments.

That bill contained technical amendments proposed by the House to the comprehensive social security law which was enacted last fall. In addition, it contained a number of Senate amendments proposing substantive changes in the Social Security Act. The House of Representatives apparently feels strongly that differences between the House and the Senate on this bill cannot be resolved before the midterm recess.

The pending bill represents our effort to resolve the most urgent issues now, so that the remaining differences can be resolved in conference next year.

It would provide a 7-percent social security increase, effective next March to be followed by another 4 percent in June.

It would increase the basic payment under the supplemental security income program for the aged, blind, and disabled, from $130 a month to $140 a month for a single person and from $195 a month to $210 a month for a couple next January, increasing to $146 for single persons and $219 for couples next July.

It would preserve food stamp and medicaid eligibility for the aged, blind, and disabled.

It would extend for 90 days the special program of unemployment compensation for areas with high unemployment.

And it would suspend for an additional year, until December 31, 1974, the regressive regulations proposed by the Department of Health, Education, and Welfare for the social services program which provides essential services—such as child day care, education, and training services, and help for the elderly and disabled to stay in their own homes—to help people get off the welfare rolls and stay off.

Last June, the Congress enacted legislation suspending HEW's proposed regulations until last November 1. We urged the Department to revise its regulations in order to prevent massive cutbacks in the program with corresponding hardship for countless families and elderly persons, and with accompanying increases in Federal welfare costs. Although changes were made, the regulations placed into effect on November 1 would cut the heart from the services program.

At the request of the Nation's Governors, the mayors, and county officials, and a broad range of interested groups, the Senate adopted legislation to return to the States basic responsibility for administering the services program. This legislation will remain in conference by the Senate and House and I am hopeful that it will be adopted next year.

In the meantime, the 1-year extension of the previous regulations contained in the pending bill will permit States and local communities to proceed with operation and expansion of the services program.

Mr. President, as a member of the conference committee, I wish to express my thanks to the distinguished Senator from Louisiana (Mr. Long), the chairman of the Senate conferees, for his very impressive leadership in producing this compromise.

Mr. DOLE. Mr. President, the Social Security amendments measure before us today is vitally important to millions of Americans.

As a member of the Senate Finance Committee which held hearings and deliberated over this measure with much concern, I feel that it represents a positive effort to meet a number of very pressing needs while maintaining the utmost regard for the program's sound fiscal basis.

ELEVEN PERCENT BENEFIT INCREASE

Perhaps the most prominent feature, and one which is so important to millions of elderly Americans is the two-step, 11 percent, increase in Social Security benefits. In this era of rapid rises in the cost of living, those who live on fixed incomes are hurt earliest and hardest. Social Security beneficiaries and other pensioners have been very severely hit by higher food prices, higher rents, and increased costs for everything else they must buy. So it is entirely appropriate that we act now to ease the accumulated shortfall in benefits and provide for an additional increase to avoid continued hardship and burdens.

The bill provides for a total 11-percent increase in monthly benefits to be effective, first, with a 7-percent increase in March of 1974. Then in June another 4-percent increase will take effect. On the average this will mean that a single person's benefits would rise from a present $167 to $178 in March and to $186 in June. The average benefits for a couple who now receive $277 will go to $296 in March and to $310 in June. And while these increases of $11 or $22 or whatever, may not seem so significant to some, for those who must make do on their Social Security benefits alone or in major part, these are quite important.

AUTOMATIC COST-OF-LIVING INCREASE

An additional automatic cost-of-living increase, to be effective in June 1975, is written into the bill. This step is consistent with the policy of assuring that social security benefits do not lag behind the cost factors in the economy, and I believe it is most appropriate.

WAGE BASE INCREASE

Of course, with any benefits there is always the question of paying for them. And with the social security program there are two choices. First, the size of the payroll tax can be increased. But this approach hits low- and moderate-income workers very hard. They are already paying a far greater portion of their income in these taxes than someone with a much higher income so increasing the tax rate is a very regressive approach to improving social security benefits.

The other alternative is to increase the wage base upon which the tax is paid, and the committee has adopted this approach. Thus in January the wage base will go from $12,600 to $13,200 and will mean that those in the lower income brackets will not have their burden for supporting the social security program increased at this time.

SUPPLEMENTAL SECURITY INCOME PROGRAM

Under the provisions of this bill 1974 will bring good news in the form of new income benefits for as many as 45,000 aged, blind, and disabled Kansans who act quickly to apply for the supplemental security income program.

Estimates are that at least this many more Kansas citizens may be eligible for the federally administered SSI program in addition to the some 15,000 who have been eligible under the comparable State programs of old-age assistance, aid to the blind, and aid to the permanently and totally disabled. Naturally the program will also include those persons who had previously been aided by the State programs.

MINIMUM INCOME ASSURED

The new program, which will take effect in January, insures people 65 or older, or blind, or disabled, an income of at least $130 a month for individuals and $195 for couples. In January 1974 these payments will rise to $140 for an individual and $210 for couples. Furthermore, in July these payments will rise to $146 for single persons and $219 for couples. Depending on an individual's other income, not all checks will be exactly that amount, but everyone now receiving public assistance will get at least as much as they are receiving now.

OUTREACH PROGRAM

People who receive State assistance checks in December will automatically receive Federal checks beginning in January and there is a statewide volunteer effort to reach individuals newly eligible for SSI payments and help them enroll at the nearest Social Security Office. Kansas received a $95,000 grant from the Administration on Aging to aid this identification and outreach program called SSI alert.

Groups in Kansas which have been aiding the SSI alert are the National Association of Retired Federal Employees, the American Association of Retired Persons, the National Council on Aging, the National Caucus on the Black Aged, and Social Security Administration offices. Kansans who think they may be eligible for assistance under the new SSI program have been directed to contact their local Social Security Office. Representatives from any of these voluntary groups are also able to advise them on application procedures.

The bill also includes a number of other important provisions concerning aged, blind, and disabled persons' eligibility for food stamps and medicare; certain regulations dealing with unemployment benefits; and a temporary suspension of a set of HEW regulations dealing with Federal social services grants.

So, Mr. President, I would repeat that this bill is very important to millions of Americans who depend very directly on their social security benefits. It is important that these benefits be sufficient to meet their needs and enable them to live in dignity and with a measure of self-respect.

Mr. HUDDLESTON. Mr. President, I am voting for the social security proposal before us today as I have voted for social security increases on three earlier occasions this year.

I do so knowing of the extreme difficulties faced by many of our retired elderly, seeking to make ends meet at a time when shortages place upward pressures on prices and inflation continues unabated. I do so in the belief that we have a responsibility to those who have themselves contributed to the system and who depend upon it.

I also do so, however, with concern over the growing tax burden which is resulting from the social security system. The social security tax has risen dramatically in recent years. In 1960, it was 3 percent on the first $4,800 of earnings or a total of $144 a year. By 1970, it had risen to 4.2 percent on the first $7,800 or $327 a year. Only 3 years later, in the current year, the maximum has risen to over $500 and projections indicate additional escalation.

The impact of the increases is, furthermore, compounded by several factors. First, only a portion of income is taxable. Presently, the taxable income is $10,800. All income above is excluded. This concept of a cutoff was adopted because benefits are limited, and there must be some relation between contributions and benefits. Still, that does mean that those in the lower and middle-income levels bear the major burden for supporting the social security system.

Second, it is these same people who bear the brunt of the burden for a variety of other taxes—especially State and Federal income taxes and the local property tax. While various jurisdictions impose these taxes, it is important to remember that they all fall on the individual and that it is he who pays.

I am disappointed that Congress has not addressed itself to comprehensive tax reform during this session—I hope it will do so early next year. At the same time, I hope the Congress will study the overall impact of the tax structure on the individual and devise a Federal tax system based on an understanding of the larger tax picture, whether it be from the local, State, or Federal level.

When taxes are deducted or the check written, it makes little difference to the individual which level of government has imposed the tax. The fact is that the American citizen is paying up. And, there is no way that the total impact of taxes on the earnings and living styles of the American family can be assessed unless the entire taxing structure is examined.

Thus, the responsibility for tax reform is not simply the responsibility to raise or lower taxes one by one. It is, instead, the responsibility to review all taxes as they relate to the individual and to develop a system that is fair and equitable and based on an appreciation of the many aspects of the taxing structure in this Nation.

Mr. ROTH. Mr. President, when the Social Security Amendments of 1973 (H.R. 3153) were being considered in the Senate Finance Committee, I supported the social security benefit increases; as well as benefit increases for the aged, blind, and disabled persons under the supplemental security income program. This legislation will help provide some relief from this situation.

I held the conviction then, and I do so now, that passage of the Social Security Amendments which should bring about the long overdue financial relief for these senior citizens should be a legislative matter of priority; and should be passed by this distinguished body with maximum dispatch. I am gratified that my esteemed colleagues in conference have seen fit to come up with a bill that will help realize the urgent and immediate objective of passing on to the aged and the poor the benefit increases they deserve and need. It is important that we act on this legislation before adjourning.

NEW SOCIAL SECURITY INCREASES FOR THE ELDERLY POOR

Mr. CRANSTON. Mr. President, my Los Angeles office received a call recently from a 70-year-old veterans pensioner who had been arrested for stealing change from a newsstand. He said he did it, because he had to eat.

In Miami, the police department reports a sharp increase in supermarket shoplifting by elderly people who are apparently forced to steal in order to stay alive.

This kind of indignity—elderly people reduced to stealing— is outrageous. Close to 5 million of the over 20 million Americans aged 65 or over have incomes below the poverty line. A new wave of still higher inflation that I believe is coming will further swell the ranks of the elderly poor.

If we are going to expect older Americans of modest means to survive this period of runaway inflation we have to do something to help them. The cutting edge of Congress response has been social security benefits. Enough financial support must be provided through social security to allow the elderly to support themselves in relative comfort and dignity.

Today's Congress passed a 7-percent-across-the-board increase in social security benefits effective in March. It will appear in the April checks. Another 4 percent increase was approved effective in June.

Both increases, which I heartily supported, will go a long way toward improving conditions for older Americans.

Mr. LONG. Mr. President, if there is no request for time on the amendment, I yield back my time.

Mr. CURTIS. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time.

Mr. LONG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

CONCURRENT RESOLUTION (S. CON. RES. 62) PROVIDING FOR SINE DIE ADJOURNMENT OF THE 1ST SESSION OF THE 93D CONGRESS

Mr. MANSFIELD. Mr. President, I send to the desk a concurrent resolution and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 62) was considered and agreed to, as follows:

S. CON. RES. 62

> *Resolved by the Senate (the House of Representatives concurring)*, That when the two Houses adjourn on Friday, December 21, 1973, they shall stand adjourned sine die or until 12:00 noon on the second day after their respective Members are notified to reassemble in accordance with Section 2 of this resolution, whichever event first occurs.
>
> SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it, or whenever the majority leader of the Senate and the majority leader of the House, acting jointly or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

Mr. MANSFIELD. Mr. President, I have no reason to be optimistic, but I wanted to bring up the resolution anyway.

I ask unanimous consent that the concurrent resolution remain at the desk until I ask that it be removed.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASE IN SOCIAL SECURITY BENEFITS

The Senate continued with the consideration of the bill (H.R. 11333) to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Georgia (Mr. TALMADGE), are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. TALMADGE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from Idaho (Mr. CHURCH), and the Senator from Texas (Mr. BENTSEN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senators from Vermont (Mr. AIKEN and Mr. STAFFORD), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), the Senator from Texas (Mr. TOWER) and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

If present and voting, the Senator from Hawaii (Mr. FONG), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER) the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER) would each vote "yea."

The result was announced—yeas 66, nays 0, as follows:

[No. 613 Leg.]

YEAS—64

Abourezk
Allen
Bartlett
Bayh
Beall
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Fannin
Fulbright
Griffin
Hansen
Hart
Hartke
Haskell
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Muskie
Nelson
Nunn
Packwood
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Williams
Young

NAYS—0

NOT VOTING—34

Aiken
Baker
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Cannon
Church
Cotton
Dominick
Eagleton
Eastland
Ervin
Fong
Goldwater
Gravel
Gurney
Hatfield
Helms
Hollings
McClure
Montoya
Moss
Pastore
Pearson
Percy
Saxbe
Stafford
Taft
Talmadge
Tower
Weicker

So H.R. 11333 was amended and passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HANSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am happy to yield to the Senator from Nebraska. Does he want the floor in his own right?

Mr. CURTIS. I intend to speak for some 3 or 4 minutes.

Mr. McCLELLAN. I yield.

THE WATERGATE WITCH HUNT

Mr. CURTIS. Mr. President, I am compelled to rise to call attention to what is going on with reference to Watergate investigation-related court actions, and the like.

I hold in my hand an article published in the Washington Post of December 19, which begins:

> A White House tape turned over to a Ralph Nader lawyer last week was played "for fun" at a cocktail party Monday night, ABC News has reported.

I ask unanimous consent that the article entitled "Nader Lawyer Plays Nixon Tape 'For Fun'" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NADER LAWYER PLAYS NIXON TAPE "FOR FUN"

A White House tape turned over to a Ralph Nader lawyer last week was played "for fun" at a cocktail party Monday night, ABC News has reported.

The tape was one of those the Ralph Nader organization had sought in its legal battles with the Nixon administration charging favoritism to the dairy industry in exchange for campaign contributions.

After fighting subpoenas for the tapes for months, the White House released this copy last week to attorney William Dobrovir, a Nader lawyer.

ABC News said Tuesday that Dobrovir played the recording at a cocktail party, but refused to play it for ABC Tuesday.

Nixon Press Secretary Ronald L. Ziegler said Dobrovir's action sounded unethical or illegal. A spokesman for special prosecutor Leon Jaworski expressed outrage, ABC said.

"That's just what we were worried about. Watch what the White House does with this now," the spokesman said. Dobrovir could not be reached immediately for comment.

Mr. CURTIS. Mr. President, I hold in my hand what purports to be the script of the David Schoumacher report, ABC News, of December 18, 1973. It begins:

One of the White House tapes turned up last night as the featured entertainment at a Georgetown social gathering. The tape originally was subpoenaed by the Ralph Nader organization in a lawsuit charging the Nixon Administration reversed its policy towards the dairy industry in exchange for campaign contributions.

I ask unanimous consent that that script be printed in the RECORD.

There being no objection, the script was ordered to be printed in the RECORD, as follows:

[ABC News, Dec. 18, 1973]

DAVID SCHOUMACHER REPORT

One of the White House tapes turned up last night as the featured entertainment at a Georgetown social gathering. The tape originally was subpoenaed by the Ralph Nader organization in a lawsuit charging the Nixon Administration reversed its policy towards the dairy industry in exchange for campaign contributions.

The White House resisted the subpoena for months, and last week released the tape to a Nader attorney, William Dobrovir. It was Dobrovir who played the recording at a cocktail party here last night.

Those who heard it say the President and dairy industry representatives make several interesting but not necessarily compromising statements. Dobrovir refused to play the tape for ABC News today—said he played it at the party because "that was for fun".

A Justice Department attorney said there was no doubt in his mind the recording was part of a law suit still in progress and should have been held in confidence. The White House has resisted subpoenas partly because of a fear the tapes would be misused.

Presidential News Secretary Ronald Ziegler was dumbfounded at Dobrovir's action, saying it sounded unethical or illegal—maybe both.

A spokesman for Special Prosecutor Leon Jaworski was equally outraged, and pointed out that the Prosecutors had once prevented Dobrovir from joining their case. Said the Jaworski aide, "That's just what we were worried about. Watch what the White House does with this now."

Mr. CURTIS. Mr. President, it is the business of the U.S. Senate what its committees do. The Senate has a right to expect committees to act with decorum and with responsibility. I am very disappointed at what the so-called Ervin committee has done up to date.

They have allowed the committee to be used for spreading hearsay and unproven charges over nationwide television.

Second, they have failed to follow the rules of evidence, and have done so before a nationwide television audience.

Third, they have permitted innuendoes and speculations to be disseminated as facts before a nationwide television audience.

Fourth, they have misused the immunity statute which was enacted as a weapon to be used against organized crime.

The committee appears, by its actions, to say to irresponsible witnesses, "We will let you go scot-free if you will involve somebody else, particularly the President of the United States."

Fifth, the committee, by its announced decisions, appears to put a higher priority on television shows than on cooperating with the courts of the land.

Sixth, they have totally disregarded the fact that the purpose of a congressional investigating committee is to get information for legislating.

The Senate passed the election reform bill. The Ervin committee made no recommendations for it. They did not ask that it be withheld until they could file a report. Long discussions were had here upon the public financing of elections, and there was no report from the Ervin committee, though they were authorized to issue interim reports. They have totally disregarded that situation.

The other day, they brought in a resolution for more money. They totally disregarded the usual proceeding of having it go to the Rules Committee. No report was filed, which is customary when you ask for more money. I asked the distinguished chairman if he would supply a report for the information of the Senate. He replied, "No, I won't."

Now what do we have? A misuse of process. It is my information that a subpena has been served on the White House which could ask for as many as 500 tapes. There is not a court in the land that would not recall such a subpena and require those seeking it to be more specific and spell out with certainty what they wanted. It is a witch hunt.

Mr. President, it is time that that committee follow ordinary procedure. Let me tell you something that the Joint Committee on Internal Revenue Taxation has found out. One John Dean, who appears to be the sweetheart of some members of the Ervin committee, appeared and made a lot of accusations and innuendoes as to fact, and so on. He said that a list of enemies, some 213 or 216, was prepared, and as you read that testimony, it would cause most of us to believe that that list was sent to the Internal Revenue Service.

It never was. What John Dean did not tell that committee was that there was another list of about 480 enemies of the Nixon administration that was taken to the Internal Revenue Service for the purpose of having those people harassed or investigated. And who took it there? John Dean.

That information was withheld from the Ervin committee. What kind of investigation is that? What kind of interrogation of witnesses is that sort of thing, to allow something like that to happen?

The facts show that this was presented to the Commissioner of Internal Revenue. He would not have anything to do with it, harassing taxpayers because they opposed the administration. John Dean was persistent, and so the Commissioner took it up with the Secretary of the Treasury.

The Secretary of the Treasury said, "We will have nothing to do with this." The list was sealed up and placed in a safe, but when the staff of the Joint Committee on Internal Revenue Taxation went to ask about it, there it was. The seal on the list was broken in the presence of Dr. Laurence Woodworth, our chief of staff.

I point this out—and I shall yield the floor in just a moment—to show the procedure of this committee, which has so much time for television business and so little for following established rules of evidence and procedure.

I raise a question about the propriety of a subpoena asking for 500 copies of conversations.

They should specify what they want, pinpoint it, and I am sure the White House then could respond.

But, Mr. President, this has every earmark of a witch hunt. Their past record shows how they conduct their business.

I hope that the Senate will take heed of it because, after all, that committee is the agent of the Senate.

There is just one responsibility, and that is to bring in information for the purpose of legislating. So far, their record is zero on that.

Mr. President, I yield the floor.

SUPPLEMENTAL APPROPRIATIONS, 1974 CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a report of the committee of conference on H.R. 11576, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The second assistant legisaltive clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11576) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of December 20, 1973.)

Mr. McCLELLAN. Mr. President, the conference report on the Supplemental Appropriation Bill for Fiscal Year 1974, which is now before the Senate, contains recommendations of new budget—obligational—authority amounting to $1,703,125,386.

The Senate conferees took into the conference a bill which recommended appropriation of new budget—obligational—authority of $1,888,425,386. The House bill contained appropriations of new budget—obligational—authority of $1,433,035,718, while the budget estimates totaled $1,534,183,886. Thus, the pending measure is $168,941,500 over the budget estimates; $270,489,668 over the sum recommended by the House, which includes estimates totaling $105,393,668 which were not considered by the House; and $185,300,000 below the amount contained in the Senate bill.

Mr. President, during the Senate debate on this bill, $79,500,000 was added by floor amendments; specifically, $72 million was put in on the floor of the Senate for the exploration, development, and production of Naval petroleum reserves. In addition, $7,500,000 was added on the floor for carrying out Section 421 of the Older Americans Act of 1965. Unfortunately, the House conferees were adamant with respect to this latter floor amendment, and the Senate was compelled to recede.

Mr. President, because the first conference report on this bill was not adopted by the House, it was necessary to go into conference a second time. In the first conference it was agreed that $7,500,000 of the $72 million provided in the Senate bill for exploration, development, and production of Naval petroleum reserves be retained solely for the exploration of Naval Petroleum Reserve No. 4. The House conferees felt that before development and production of these reserves were undertaken, there should be opportunity for a comprehensive study by the legislative committees, as well as the appropriation committees, of both bodies.

When the first conference report was considered by the House, a move to recommit the conference report on the bill to the committee on conference was made with instructions to the managers on the part of the House to agree to the Senate amendment No. 5, which amendment provided $72 million to cover not only exploration but also development and production of Naval Petroleum Reserves Nos. 1 and 4.

This motion carried by a vote of 216 to 180, and needless to say, returned the bill to the committee on conference. In the second conference the conferees agreed to the Senate amendment, and, thus, the full amount of $72 million added on the floor of the Senate for the exploration, development, and production of the petroleum reserves is in the pending measure.

The amendment in the Senate bill which provided $9,360,000 for the necessary expenses of the Federal Energy Office, which was established by Executive Order No. 11748 dated December 4, 1973, has been retained in the bill.

In addition to these funds and the $72 million which I previously mentioned the conference bill contains additional sums to alleviate the present energy crisis.

In this connection, Mr. President, for the Office of Coal Research $29,100,000 has been made available, and for the Office of Oil and Gas of the Department of the Interior $33,545,000 is recommended in the conference bill. Also provided is $5,800,000 for energy-related research for the Civilian Reactor Research and Development and Reactor Safety Research Programs of the Atomic Energy Commission.

Mr. President, almost one-half of the sum recommended in the pending measure is provided for items that were deferred in regular appropriations bills for fiscal year 1974. For these items a total of $803,860,000 is recommended, and include $725,668,000 for Social and Rehabilitation Services of the Department of Health, Education and Welfare; $47,857,000 to fund the Operating Expenses of the Domestic Programs of ACTION; and $30,335,000 for the Traffic and Highway Safety Programs of the Department of Transportation.

For the Economic Development Administration the House bill contained recommendations appropriating $6,500,000 for Planning, Technical Assistance and Research. During Senate consideration, $75 million was added to the House sum by the committee, of which $7,400,000 was provided for the Planning, Technical Assistance and Research Programs of the Economic Development Administration; $38,900,000 for Development Facilities; and $28,700,000 for Industrial Development Loans and Guarantees. The committee on conference retained the $6,500,000 provided by the House for the Planning, Technical Assistance and Research and also allowed $30 million of the $75 million added by providing $15 million for the Industrial Development Loans and Guarantees and $15 million for Development Facilities.

For International Organizations and Conferences, Mr. President, the pending measure provides $17,337,000 to pay the United States' share for the estimated 1-year costs of the United Nations Middle East Peace-Keeping Force. This amount represents 29 percent of the first assessment of $60 million which was levied by the U.N. General Assembly, and for Public Buildings Services Operating Expenses the sum of $90,400,000 is contained in the conference bill, which compares with the $82,400,000 recommended by the House and the $91 million that was provided in the Senate bill.

Most of the administrative provisions which were added by the Senate have been retained in the conference measure. Specifically, these include the amendment which was added to chapter 5 concerning the impoundment of appropriated funds and, also in this chapter, the provision which provided for continuing appropriations for the Manpower Administration.

The committee on conference also retained in the bill the Senate amendment which would require the Veterans Administration to have independent audits made of any claims resulting from overruns on construction contracts and also require that for claims in excess of $1 million funds would have to be provided in an appropriation account rather than through the reprograming process heretofore employed by the Director of the Veterans' Administration.

Mr. President, I believe I have covered the major items in the pending measure, and it would be my pleasure to answer any questions that Senators may have. If I am unable to do so, the chairmen of the various subcommittees who have items in this bill are also available to answer any questions that might be posed concerning their portion of the bill.

Mr. YOUNG. Mr. President, as our distinguished chairman has indicated, the conference report recommends appropriations of $1,703,125,386 in the Supplemental Appropriations Bill. This is $168,941,500 over the budget estimates, $270,089,668 over the amount passed by the House and is $185,300,000 under the Senate bill.

This conference report provides the necessary funding to meet the critical energy situation. In the further conference on this bill the full $72,000,000 was added by the Senate for the exploration, development, and production at Naval Petroleum Reserves Number 1 and 4. We were also able to obtain in the first Conference an additional $12.4 million over the amount approved by the House for the Office of Oil and Gas, and the full $9,360,000 for the new Federal Energy Administration. This will mount the great effort required to preserve our dwindling supplies of fuel while accelerating the exploration and development of new energy sources.

In the HEW chapter, the Senate conferee stayed firm and obtained a fair portion of our increases that will help carry out the recently enacted Vocational Rehabilitation Act and title IX of the Older Americans Act. We didn't get all that was in the Senate bill for Vocational Rehabilitation but we did lay a solid foundation for increasing the amount for the basic State grants if the States demonstrate the capacity to match a higher level of Federal funds.

On behalf of the minority, I endorse the conference report to the Senate and urge its adoption.

APPROPRIATION FOR DEVELOPMENT OF NAVAL PETROLEUM RESERVES SEEN LEADING TO "FURTHER ENRICHMENT OF MAJOR OIL COMPANIES"

Mr. STEVENSON. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield.

Mr. STEVENSON. The distinguished chairman of the Committee on Appropriations has brought this measure to the floor of the Senate with his usual skill, and I commend him for that.

I call attention to one provision in the Supplemental Appropriations Bill.

The bill as reported by the conference committee appropriates $72 million to the Secretary of the Navy for the exploration and development of Naval Petroleum Reserves. I do not quarrel with the proposition that in these times of energy shortage, the reserves should be explored and developed for the benefit of the public which, after all, owns them.

But because of apparent violations of the law, it will soon be discovered that substantial amounts of oil in Naval Petroleum Reserve No. 1 at Elk Hills, Calif., have already been drained away by Standard Oil Co. of California—SoCal.

SoCal is currently being sued by the Navy for draining oil from the reserve.

The company is under investigation by the State of California for rigged bidding. What is more, it submitted a curiously identical bid with Shell Oil Co. on a 1970 contract for purchase of the Navy's production from the Elk Hills reserve.

Under a contract with the Navy, SoCal is now operator of the entire reserve. It may sell the oil from Elk Hills to itself as owner of the only sizable pipeline connected to the reserve.

The proposed $72 million appropriation includes $4.3 million for further exploration of Elk Hills. While this sum is appropriated to the Secretary of the Navy, it will be paid, in large part, to SoCal as operator of the Elk Hills unit. The $72 million also includes $13 million for the Navy's share of the operating costs for production of the Elk Hills reserve. That money too will go to SoCal as operator of the unit. In addition, the $72 million includes $47.5 million for further development of the Elk Hills reserve. That sum will also go to SoCal as operator of the unit it has already raided.

Under Senate Joint Resolution 176, approved hurriedly by the Senate, the proceeds from SoCal's sale of the oil to itself, or any other oil company, will be placed in a fund and made available for further exploration in Naval Petroleum Reserves.

William P. Clements, Jr., the Deputy Secretary of Defense and owner of stock valued at some $100 million in SEDCO, Inc., a major drilling company, has recommended a policy that may result in the opening of the reserves to development by the oil companies that have already left their legacy at Teapot Dome and Elk Hills. The principal reserve is, of course, Petroleum Reserve No. 4, in Alaska. It is believed to contain potential reserves of 33 to 100 billion barrels of oil. So the proceeds from the sale of the remaining oil at Elk Hills may be used for the further enrichment of the major oil companies, including Mr. Clements' drilling company.

The $72 million also includes $7.5 million for exploration of Petroleum Reserve No. 4. That sum, too, may enrich the oil companies.

I agree that the reserves should be explored. The Government should know what resources it owns before it leases them to the oil companies. I also agree that when production from Naval reserves exceeds military requirements it should be made available for civilian use. But I reject the suggestion that to accomplish these purposes the oil companies must be permitted to exploit the public's resources. History is repeating itself, except that the stakes could make the raid on Teapot Dome a petty misdemeanor by comparison. Already the boundaries of Petroleum Reserve No. 4 are being moved in mysterious ways which enrich the oil companies instead of the public. The Bureau of Land Management has moved the borders of this reserve inward, and then granted leases to major oil companies on land the Navy still considers within the reserve.

Safeguards can be written into the laws which would protect the public interest. The laws could be enforced, this time to protect the public interest. The Navy could acquire its own personnel and material with which to develop the oil and gas resources in its custody. The Congress could create a Federal oil and gas corporation, as I have proposed, to develop the enormous oil and gas resources in the public domain, this time for the benefit of the public. The Congress could require that pipelines from naval petroleum reserves be regulated as common carriers to assure fair and competitive bidding for the Navy's oil.

I will vote for this conference report on the supplemental appropriations bill with misgivings and because in the parliamentary situation I have no alternative. But the warning is sounded—and let it be a warning to the oil companies already fattening on the energy crisis, as well as to the Congress and the executive branch. One Teapot Dome scandal is one too many.

Mr. McCLELLAN. Mr. President, in my statement a few moments ago, I covered the history of this particular item that was a floor amendment when the bill was considered by the Senate. The House conferees would not agree to the full amendment. They did agree to a part—$7.5 million, to be used solely for exploration of naval petroleum reserve, No. 4. But when the conference report reached the House, the House rejected the report, with instructions to its conferees to accept the Senate amendment, and that has been done.

Mr. President, I have been requested by the distinguished Senator from Washington (Mr. MAGNUSON) to have printed in the RECORD a statement in connection with this bill. I ask unanimous consent that his statement and the accompanying material be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY MR. MAGNUSON

The total appropriations allowed in conference for Chapter V of the FY 1974 Supplemental appropriations bill for the Departments of Labor, and Health, Education, and Welfare is $825,025,000. This sum is $75,574,000 above the budget estimates, is $101,590,000 under the total sum recommended by the Senate and $61,668,000 above the amount allowed by the House.

I submit for the RECORD, at the conclusion of my remarks, a table showing all the comparative figures.

As usual, this was a difficult conference. We were pitted against both the House conferees and the Administration as they pressed for figures that were much lower than ours. I always thought that conferences on appropriations bills are to be resolved by representatives of the House and the Senate. But there was no doubt, as we debated with the House on these issues that the shadow of the Administration was in that room. The Administration's HEW budget office had provided the House conferees with documents—containing mostly false and misleading information—instructing the House conferees to oppose every single penny that the Senate had included for increased health care and improved educational opportunities for our citizens.

Not one penny for maternal and infant care—not one penny for intensive care units for new born premature infants—not one penny for services for crippled children—not a penny more for emergency medical services—not a penny more for aid to medical schools or to elementary and secondary schools—not a penny more for Gerontology research centers. All the Senate figures are wrong—all the Administration's figures are right. This was the message that the Administration sent to the House conferees on Chapter V of this bill—the chapter that provides for human needs.

In the face of such oppositon, all the Senate conferees worked hard to provide as much of the Senate increases for Chapter 5 of this bill as were possible—and in the areas of greatest need.

We are just as disappointed as some members that we could not do better in providing a larger sum in some areas. I am particularly disappointed that we were not able to provide more money for maternal and infant care, for part time job opportunities for older Americans, and for increased funding for rehabilitation programs for the disabled. And yet I think we can point with some pride to the improvements in the bill resulting from Senate action—more jobs, more health care, more rehabilitation services to the disabled—that demonstrate to the American people that the members of this body are concerned over the welfare of their countrymen.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

In recognition of the ineffectiveness of existing manpower training programs to reach older Americans—those 55 and older—the Congress enacted Title IX of the Older Americans Act which authorized funding for part time community service employment for older Americans. The conference agreement, while falling short of the Senate proposal, will *get the program started* and will provide jobs for 4,500 older Americans in useful public service work at hospitals, day care centers and centers serving the elderly.

EMERGENCY MEDICAL SERVICES

The Senate recognized the need to improve the Nation's emergency medical services systems, which are in such deplorable condition in this country that two-thirds of the 1,000 people who die every day of heart attacks do so before they reach a hospital. The Senate included $27 million for this purpose In conference, the Senate was able to sustain the full amount for emergency medical services.

VOCATION REHABILITATION PROGRAMS

The Senate had included $752 million to implement the provisions of the Vocational Rehabilitation Act which is the principal mechanism by which the Federal Government participates in the rehabilitation of our disabled citizens. In conference, the Senate was able to sustain $725,668,000 for these rehabilitation programs. This includes $630 million for basic state grants.

CONCLUSION

In closing, let me state that I thought that Chapter V of the Senate bill was a good one. The conference report before you today provides for an amount that should prove very helpful. The amounts provided for some items are not entirely to my satisfaction; however, in the main, there will be adequate funds to meet necessary supplemental expenses for the Department of Labor and HEW and the ACTION agency for fiscal year 1974, and we will be coming back next year to see if more can be done.

CHAPTER V—DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES

Department or activity	Budget estimate	House allowance	Senate allowance	Conference agreement	Conference agreement compared with— Budget estimate	House allowance	Senate allowance
DEPARTMENT OF LABOR							
Manpower Administration: Community service employment for older Americans			$40,000,000	$10,000,000	+$10,000,000	+$10,000,000	−$30,000,000
Employment Standards Administration: Salaries and expenses	$1,960,000 [1] (840,000)	[1] ($2,800,000)	[1] (2,800,000)	[1] (2,800,000)	−1,960,000 (+1,960,000)	(......)	(......)
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE							
Health Services and Mental Health Administration							
Health services planning and development		9,500,000	29,500,000	29,500,000	+29,500,000	+20,000,000	
Philadelphia Children's Hospital	(......)	(9,500,000)	(9,500,000)	(9,500,000)	(+9,500,000)	(......)	(......)
Emergency medical systems	(......)	(......)	[2] (20,000,000)	[2] (20,000,000.	(+20,000,000)	(+20,000,000)	(......)
Health services delivery: Maternal and child health—State grants			30,105,000	7,000,000	+7,000,000	+7,000,000	−23,105,000
National Institutes of Health							
Health manpower: Financial distress grants			5,000,000	5,000,000	+5,000,000	+5,000,000	
Office of Education							
Emergency school assistance			12,447,000				−12,447,000
Metropolitan projects	(......)	(......)	(6,223,500)	(......)	(......)	(......)	(−6,223,500)
Special programs and projects	(......)	(......)	(6,223,500)	(......)	(......)	(......)	(−6,223,500)
Social and Rehabilitation Service							
Social and rehabilitation services	700,096,000	707,538,000	752,668,000	725,668,000	+25,572,000	+18,130,000	−27,000,000
Basis State grants	(615,870,000)	(615,870,000)	(650,000,000)	(630,000,000)	(+14,130,000)	(+14,130,000)	(−20,000,000)
Service projects	(43,000,000)	(43,000,000)	(49,000,000)	(47,000,000)	(+4,000,000)	(+4,000,000)	(−2,000,000)
Grants for the developmentally disabled	(12,500,000)	(12,500,000)	(12,500,000)	(12,500,000)	(......)	(......)	(......)
Research	(20,596,000)	(20,596,000)	(25,596,000)	(20,596,000)	(......)	(......)	(−5,000,000)
Training	(8,,30,000)	(15,572,000)	(15,572,000)	(15,572,000)	(+7,442,000)	(......)	(......)
Multidisciplinary centers of gerontology			7,500,000				−7,500,000
RELATED AGENCIES							
Action (domestic programs)	49,395,000	46,319,000	49,395,000	47,857,000	−1,538,000	+1,538,000	−1,538,000
Total, chapter V	751,451,000	763,357,000	926,615,000	825,025,000	+75,574,000	+61,668,000	101,590,000

[1] By transfer from "Special benefits".

[2] In addition, bill language was included to authorize transfers of $10,000,000 in funds previously appropriated for energency medical systems.

Mr. HRUSKA. Mr. President, I would take this opportunity to applaud the leadership of the distinguished chairman, the Senator from Arkansas (Mr. McCLELLAN) and the Senator from North Dakota (Mr. YOUNG), ranking minority leader, in producing the important document which is now before this body.

I can assure my colleagues that Senator McCLELLAN, Senator YOUNG, and the other Senate conferees worked diligently with our counterparts from the House on this matter.

I am generally satisfied with most of the provisions contained in the conference report and recommend its prompt approval by my colleagues.

There is one item to which I would like to draw attention.

During the consideration of the supplemental appropriation requests, it was brought to my attention that the Dement of Health, Education, and Welfare intends to substantially reduce and curtail funds for its program of rehabilitation of public offenders. Under the Rehabilitation Act of 1973, these programs were placed within the Rehabilitation Services Administration.

In the past, programs of this nature have served to meet critical needs of those persons in correctional institutions who suffer serious physical and behavioral disabilities. In fiscal year 1973, at a cost of nearly $42 million, over 23,000 offenders were assisted under the public offenders rehabilitation program.

On page 29 of the Appropriations Committee report (No. 93–614), the committee made the following statement:

> The Committee expects that HEW would not discontinue any rehabilitation services provided in 1973, including services to individuals in correctional institutions.

The reference to 1973 in this statement is to the Rehabilitation Act of 1973.

It was my understanding that the intent of the committee was that these rehabilitation programs should not only be continued, but that they should be continued at funding levels at least equal to the level of funding for fiscal year 1973.

As one who has a continuing interest in furthering the social rehabilitation of offenders, I am pleased to note that these important programs, funded by the Rehabilitation Service Administration, will retain their vitality through the coming year.

Mr. MUSKIE. Mr. President, when the supplemental appropriations bill was on the floor of the Senate December 12, I proposed an amendment to delete language that was designed to restrict the authority of the Environmental Protection Agency to administer programs that would regulate parking facilities. This amendment was accepted by the manager of that portion of the supplemental appropriations bill, Mr. McGEE. However, in conference, the House provision prevailed and the conference report includes the restrictive language contained in the House bill.

I oppose the language in this conference report for many reasons, but I do not intend to delay the passage of the appropriations measure. This is primarily because the language has no real effect, since there are no funds in this supplemental appropriations bill for EPA's programs that regulate parking facilities. The only EPA funds in this supplemental appropriation are for research and development.

I do want to make a very clear record about the inappropriateness of the attempt to legislate on an appropriations bill. This is an issue that falls within the jurisdiction of the appropriate legislative committees of Congress. I made this point at the time my amendment was accepted during Senate action on this legislation. I promised at that time that this matter would be considered carefully by the Senate Public Works Committee.

As a demonstration of that pledge, I can now report that the emergency energy bill, which will be on the floor later today, contains language that would satisfy the objectives of those who originally proposed the amendment to the supplemental. The emergency energy legislation carries a provision that suspends the authority of EPA to impose a parking surcharge upon States and localities. Many other parking management activities have been delayed to allow further congressional consideration of these measures. So I believe we have clearly demonstrated that the appropriate legislative committees can and will carry out their responsibilities in this area. I hope that in the future, appropriations bills will not become the vehicle for further attempts to deal with questions that properly belong to the legislative committees of Congress.

In further clarification of this matter, I would point out that my judgment of the effect of the language in this supplemental on EPA's activities is shared by the Members of the House of Representatives who have responsibility for legislation governing EPA's activities. When Mr. LEGGETT offered his amendment on the House floor on November 30, Mr. ROGERS and Mr. WHITTEN both agreed that the amendment would have no real effect on EPA's legal authority or its regulatory program funds. Let me quote from that floor debate:

Mr. Leggett. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Leggett: Page 2, immediately after line 9, insert the following new paragraph:

No part of any funds appropriated under this Act may be used by the Environmental Protection Agency to administer any program to tax limit, or otherwise regulate parking facilities . . .

Mr. Rogers. This section does not provide for money to apply to the parking problem. It is simply for research on different matters. So I do not think it is germane; but nevertheless, I understand the gentleman's concern. Our committee, too, is concerned and I believe it should be appropriately raised in the legislative committee.

* * * * *

Mr. Whitten. Mr. Chairman, I cannot speak for the committee, but I have no objection to this amendment. I agree that the funds in this particular section are not for this purpose. In this particular section, the funds are for the purpose of additional research to obtain answers that the EPA should have had long before they issued lots of orders which they have issued.

Mr. Chairman, I might also say that in the report and in the action of the Congress, we directed that hereafter the agency, EPA, give us the benefit of findings by themselves before taking such type action. While the money here is not for that purpose, I think it is well that this amendment be adopted here so as to serve notice to EPA to get back to its primary purpose, and if present law gives them any claimed authority such as they are attempting to enforce in the way of parking tax as that the Administration be smart enough not to attempt such action.

* * * * *

Mr. Rogers. Mr. Chairman, I would agree that there is no reason not to adopt this amendment since the funds do not go to it anyhow and it is an expression of our concern, but I do not think it has any legislative effect.

The distinguished Senator from Wyoming and I have discussed this matter extensively. I appreciate his cooperation and his assurance that the language in this supplemental will not have any binding impact. I look forward to working with him in the future on matters dealing with the funding of EPA's programs and know that he carries a strong commitment to the goals these programs seek to reach.

Mr. McGEE. Mr. President, in response to the senior Senator from Maine (Mr. Muskie), I assure him that we have made no attempt to legislate on this supplemental appropriation bill, as I understand the situation. The language, in my opinion, is simply a limitation on the use of the specific EPA funds contained in this particular bill. As such, this limitation is well within the rules and procedures of the Appropriations Committee and the Senate.

There can be no question, however, but that the language in question will have but a limited effect. It is clear from the language itself that it limits only the funds provided to the EPA in this bill. It makes no attempt to reach back and limit funds provided in prior appropriations bills, nor does it attempt to restrict or limit any funds which might be provided in future appropriations bills.

The EPA funds in this bill were requested and provided for specific and definite research areas. I am certain that EPA fully intends to utilize them for the purposes for which they were requested, justified and appropriated. EPA has advised that this limitation will not cause them any problems for the balance of this fiscal year or during the life of this supplemental.

If there are any attempts to include this limitation, or any others on appropriations bills in the future, those matters would have to be considered on the merits and after a consideration of all appropriate issues at that time.

Mr. President, the Senator from Maine (Mr. Muskie) and I discussed this on the floor of the Senate a few days ago. At that time, he made certain assurances on his own behalf and on behalf of the legislative committee. As he pointed out in his remarks, he made good on that commitment and, I might add, in great haste. As I recall, he promised to have this matter considered by the proper legislative committee early next year. He expedited that timetable considerably and, in fact, the action he promised is contained in the emergency energy bill which will be considered later today. I commend the gentleman from Maine for this, and I want to assure him that I look forward to working with him on these enviromental and related matters in the future.

Mr. JAVITS. Mr. President, when the supplemental appropriations bill was considered in the Senate on December 12, I directed a number of questions to the chairman of the Committee on Appropriations, Mr. McClellan, regarding the Neighborhood Youth Corps summer job program, which as Members know has been of longstanding interest to me.

At that time, I was very pleased to confirm with the chairman that the continuing appropriation for manpower training contained therein, at the rate of $1.5 billion for this fiscal year, includes the funds necessary to maintain the summer job program at at least the 1973 level of $237 million.

I am gratified today to note that, with certain technical changes not material to the summer job program, the House accepted the $1.5 billion figure; that is reflected in item 48 of the conference report at page 14.

This is particularly important because only yesterday the Senate passed and sent to the President the conference report on S. 1559, the "Comprehensive Employment and Training Act of 1973," which act contains a "such sums" authorization for fiscal year 1974 and a special authority to which I contributed to authorize the Secretary to provide financial assistance for the summer job program, essentially through the Neighborhood Youth Corps program, for this summer from appropriations available under the act.

Accordingly when S. 1559 becomes law, as I expect it will shortly, the Secretary will have both the necessary authorization and appropriations which may be run through the new authority—as he may under the continuing appropriation itself—to carry out his responsibility with respect to the maintenance of the Neighborhood Youth Corps summer job program for this summer.

I ask unanimous consent that an excerpt from page 41043 of the Record of December 12, 1973, together with excerpts from the conference report on S. 1559, including statements from the joint explanatory statement of the committee of conference, be printed in the Record at this time.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Congressional Record, p. 41043, Dec. 12, 1973]

Mr. Javits. Mr. President, I have two matters which I wish to raise in connection with this appropriation. I shall raise them in reverse order as I need a document which is not yet before me on the latter question.

The first question relates to page 34 of the committee's report on this supplemental appropriation bill with the heading "Continuing Appropriations."

It deals primarily with the manpower programs. I wish to report to the Senate, as the committee here is very critical and quite correctly, I think, of the delay in respect of a definitive bill on manpower training which becomes uniquely important as we are now really concerned about the employment and economic dislocation attributable to the fuel crisis.

I wish to report to the Senate that the House and Senate conferees are meeting, and they may agree as early as today, if not today, certainly tomorrow.

The anticipation of the final action of the conferees, as I see it, is that it would include action on the overall provision for manpower training of at least $1.5 billion at the appropriation rate of fiscal year 1973. It would include also some form of public service employment, which is especially important now. The money for public employment may be on a such sums basis except for the first year when it is likely there will be a specific sum.

I wish to note that the amount now provided may well not accommodate the programs as they will be agreed to, in which case an effort will be made at the earliest opportunity to get the necessary appropriation for that purpose.

Mr. President, there is one other point which is very important, and that is that the $1.5 billion which is continued contains $237 million for the Neighborhood Youth Corps, summer program. That is the same rate for the Neighborhood Youth Corps activity which was carried on in 1973.

In 1974, it is expected, according to the way I read the conference, that their disposition will be to carry on the same size program. And as I say, even the $1.5 billion, which is the rate of current expenditure involving that particular provision, is the minimum amount required for that purpose, and even that, probably is inadequate in terms of rising costs and the situation that may result from the energy crisis.

I would like to tell the Appropriations Committee, if I may ask the indulgence of the chairman, the senior Senator from Arkansas, that we tried to act upon that measure a lot earlier than we have in the past.

Mr. McClellan. Mr. President, I did not hear the Senator from New York.

Mr. Javits. Mr. President, we are now acting on the basic Neighborhood Youth Corps summer program a lot earlier than we have in the last few years.

Mr. McClellan. Mr. President, we cannot act until the House acts. I hope the Senator understands that.

Mr. Javits. Mr. President, I understand. But the funds necessary to maintain the summer program at at least the 1973 level are in this bill.

Mr. McCLELLAN. That is my understanding.

Mr. JAVITS. Mr. President, I thank the Senator from Arkansas. I make the point—because this is the place in which I can make it—that heretofore the results of that program have been affected because of the resulting inefficiency which comes in when we are uncertain until the last minute whether the resources will be available.

That is a report that I feel the managers of the conference wish to have since they had called rather sharp attention to this matter.

Mr. President, I had in mind raising another matter. However, as there is another Senator on the floor with that amendment, I will desist for the moment.

Mr. President, I yield the floor.

[From pages 1–2 "Joint Explanatory Statement of the Committee of Conference" on S1559 (Senate Report 636)]

TRANSITIONAL PROVISIONS

The Senate amendment authorizes the Secretary to provide financial assistance under the terms of existing law until July 1, 1974. This authority shall not be used to postpone the designation of prime sponsors and the Secretary is required to continue to provide financial assistance to national programs of demonstrated effectiveness. The House amendment has no comparable provision. The conference compromise authorizes the Secretary to provide financial assistance under the terms of existing law repealed by this act until July 1, 1974, and makes special provisions for continuation of the summer youth job program for the summer of 1974.

The conferees are concerned with the critical unemployment problems of the Nation's youth and recognize a special Federal responsibility for alleviating youth unemployment, as has been demonstrated in the special summer programs for youth, as well as other manpower programs.

The conferees expect that the Secretary will continue to give due attention to the special problems of youth under the authority contained in section 304 of the Act.

To enable early planning for the summer youth job program for the coming summer, section 3(c) of the conference agreement contains a special transition provision authorizing the Secretary to provide jobs to economically disadvantaged youth during the period June 1, 1974, through October 1, 1974, from appropriations under the Act for fiscal year 1974, notwithstanding any other provision of the Act, in the same manner and on the same conditions as provided under previous authority.

The conferees intend that the "such sums" authorization under section 4(a), together with section 3(c) may be utilized to provide appropriations, by supplemental or otherwise, for fiscal year 1974 to maintain the basic level or meet additional needs for jobs but not recreational activities for youth during the summer of 1974.

The House and Senate reports have recommended an aggregate of $1.55 billion for manpower training programs for fiscal year 1974 (exclusive of public service employment), the amount appropriated by the Congress for those purposes for fiscal year 1973, which total (sic) included $237,443,000 was obligated for the summer youth job program.

The conferees intend that funds available under title II are not to be viewed as a substitute for funds appropriated for the summer youth job program under the provisions cited, and that the manner in which prime sponsors may utilize their title II funds will not relieve the Secretary of his special responsibility under the provisions cited above to provide for a summer youth job program of 1974.

Conference report: Section 3(c) on S. 1559:

(c) Notwithstanding any other provision of this Act other than the provisions of section 4(d)(1), the Secretary is authorized from appropriations available under this Act for fiscal year 1974 to provide financial assistance for the program described in section 304(a)(3) during the period June 1, 1974, through October 1, 1974, in the same manner and on the same conditions as provided pursuant to the Manpower Development and Training Act of 1962, as in effect prior to June 30, 1973, and title I of the Economic Opportunity Act of 1964, as in effect prior to repeal by this Act.

Conference Report: Section 4 (a)–(d)(1) on S. 1559:

SEC. 4. (a) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1974, and for each of the three succeeding fiscal years for carrying out the provisions of this Act.

(b) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds appropriated to carry out this Act which are not obligated prior to the end of the fiscal year for which such funds were appropriated shall remain available for obligation during the succeeding fiscal year, and any funds obligated in any fiscal year may be expended during a period of two years from the date of obligation.

(c)(1) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(2) In order to effect a transition to the advance funding method of timing appropriation action, the provisions of this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

(d)(1) Of the amounts appropriated to carry out this Act, the Secretary shall reserve and make available not less than $250,000,000 in the fiscal year ending June 30, 1974, and not less than $350,000,000 in the fiscal year ending June 30, 1975, to carry out public service employment programs under title II.

Conference Reports: Section 304(a) on S1559:

YOUTH PROGRAMS AND OTHER SPECIAL PROGRAMS

SEC. 304. (a) The Secretary may provide financial assistance in urban and rural areas, including areas having large concentrations or proportions of low-income, unemployed persons, and rural areas having substantial outmigration to urban areas, for comprehensive work and training programs, and necessary supportive and follow-up services, including the following:

(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) and who are in need of the earnings to permit them to resume or maintain attendance in school;

(2) programs to provide unemployed, underemployed, or low-income persons (aged sixteen and over) with useful work and training (which must include sufficient basic education and institutional or on-the-job training) designed to assist those persons to develop their maximum occupational potential and to obtain regular competitive employment;

(3) jobs, including those in recreation and related programs, for economically disadvantaged youths during the summer months;

(4) special programs which involve work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment, physical improvement, or beautification of the community or areas served by the program;

(5) special programs which provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served;

(6) special services, when required, for middle-aged and older men and women, including recruitment, placement, and counseling for such persons who are unemployed as a result of the closing of a plant or factory or a permanent large-scale reduction in the work force of a locality, and provide grants to or contracts with prime sponsors to assist such sponsors in securing part-time or temporary employment for middle-aged and older persons; and

(7) other manpower programs conducted by community-based organizations.

(b) To the maximum extent feasible, programs or components of programs conducted under this section shall be linked to comprehensive work and training programs conducted by prime sponsors under title I of this Act, but the Secretary may provide financial assistance to a public agency or private organization other than a prime sponsor to carry out one or more component programs described in subsection (a) when he determines, after soliciting and considering comments of the appropriate prime sponsor, if any, that such assistance would enhance program effectiveness. In the case of programs under subsection (a)(1) of this section, financial assistance may be provided directly to local or State education agencies, after consultation with the Secretary of Health, Education, and Welfare, for the operation of such programs.

Conference Report: Section 605(c) on S. 1559:

(c) The Secretary shall transmit to the Congress at the earliest appropriate date, but not later than March 1, of each calendar year a report setting forth a description of summer programs providing jobs for economically disadvantaged youth to begin in June of such year, including the number of opportunities in public and private agencies or organizations that will be provided under section 304(a)(3) of this Act or in the case of the summer of 1974 under section 3(c), and a statement as to the total number of such persons who would be eligible for such programs, together with his recommendations, if any, for supplemental appropriations for such programs.

MINNESOTA PORTS OF ENTRY

Mr. HUMPHREY. Mr. President, I want to express concern about one matter in H.R. 11576, making supplemental appropriations for fiscal year 1974. I refer to an almost unnoticed provision on page 24 of the bill as originally reported to the Senate and passed on December 12, and mentioned briefly on page 18 of House Report No. 93–736, the conference report on this bill.

Specifically, in both instances the following legislative provision is added to this appropriations bill under the section on Department of the Treasury—U.S. Customs Service, following an authorization of an additional amount of funds for Customs Service salaries and expenses:

> *Provided*, That none of the funds made available under this or any other Act shall be obligated or expended to change the boundaries of the Pembina, North Dakota, Customs District (Region IX), without the consent of the Committee on Appropriations of the United States Senate and House of Representatives.

Quite frankly, I did not speak to this issue when this bill was originally passed by the Senate, because there was absolutely no mention of this provision in the report of the Senate Committee on Appropriations, on pages 64–65 dealing with appropriations to the U.S. Customs Service.

This matter having already been disposed of by the Senate, I am prevented from seeking its reconsideration at this time. However, I do register my strong protest over this oversight in the original committee report and my firm objection to this provision.

What is at issue here is a legislative mechanism which effectively prevents an eminently sound reorganization plan from being implemented by the Customs Service. In the Federal Register of September 12, 1973, on page 25185, the Customs Service announced a proposed rule to transfer the customs ports of entry of Baudette, Noyes, Pinecreek, Roseau, and Warroad, Minn., from the Pembina, N. Dak., Customs District—region IX—to the Duluth, Minn., Customs District—region IX.

Explaining this change as designed "to effect a better ratio of customs ports of entry to customs districts and to line the customs points of entry with congressional representation and State interests," the Customs Service gave full opportunity, over a 1-month period, for public comment on this proposal. And it is my understanding that representatives of the Customs Service went to great lengths to meet and discuss with persons involved, on questions raised about this proposal, and that substantial agreement and support had been achieved.

On October 2, 1973, I joined with Senator MONDALE and Representatives BLATNIK and BERGLAND in addressing a letter to Mr. Vernon D. Acree, Commissioner of the U.S. Customs Service, to express our full support of the transfer of jurisdiction of these five customs ports of entry to the Duluth, Minn., Customs District. In that letter we stated:

> We feel that this change is in the best interest of the State of Minnesota in that it allows uniform customs and immigration service along the entire Minnesota-Canadian boundary.

Mr. President, the mail I have received from Minnesota constituents on this matter clearly indicates broad support for this transfer of jurisdiction, primarily because it will greatly expedite administrative procedures.

For all these reasons, I strongly object to the provision in this bill which requires that the Appropriations Committees of both Houses of Congress must first agree to this transfer before any funds may be expended for this purpose, and to the manner in which this legislative objective was achieved.

I am advised that Members of the Minnesota delegation in the House immediately reviewed this matter when it was brought to their attention and in response to the requirement under amendment No. 86 of this conference report that the managers on the part of the House offer a motion to recede and concur in the almost unnoticed amendment of the Senate to prohibit administrative action to change the boundaries of the Pembina, N. Dak., Customs District.

I do not intend to delay in any way the completion of action on this important supplemental appropriations measure. However, I want to indicate very clearly my expectation that the Senate Appropriations Committee will give further consideration to this matter, and my intention to pursue subsequent legislative courses to correct what I view as very unfortunate and negative effects from the adoption of the provision I have discussed.

Mr. CRANSTON. Mr. President, I want to express my admiration for the excellent work done on this conference report by the distinguished Senator from Wisconsin (Mr. PROXMIRE) as chairman of the HUD-Space-Science-Veterans' Appropriation Subcommittee. I believe that he has most skillfully and fairly brought about a reasonable resolution of the very complicated and difficult matter in connection with the Northport VA Hospital construction contract settlement. He and I discussed this matter during debate on the Supplemental Appropriations Act when it was first considered by the Senate on December 12.

Mr. President, in the course of our discussions the distinguished Senator from Wisconsin inserted into the RECORD the extensive chronology of documentation over the last month between the Congress and the Veterans' Administration and the General Accounting Office and the Veterans' Administration. Since then, the General Accounting Office responded to the December 4, 1973, letter from the Administrator of Veterans' Affairs to the GAO in response to the GAO's November 19 letter raising serious questions and requesting further information with regard to the Northport Hospital settlement agreement entered into by the Veterans' Administration and the Donovan Construction Co., Inc.

Mr. President, I ask unanimous consent that the full text of the December 13, 1973, rebuttal letter from the GAO to the Administrator be set forth in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, as I understand the conference report and the joint explanatory statement of the conference committee, the conferees have reported back in technical disagreement with respect to Amendment No. 7, which the Senator from Wisconsin and I authored last week. It is recommended by the conferees that the amendment be modified so that settlements of $1 million or less would be excluded from the new requirements. I think that this is a very reasonable amendment, so that the VA would have some latitude in making contract settlements of less substantial claims without having to comply with the requirement of our amendment that amounts paid for contract settlements must be specifically provided for in an Appropriations Act and must be a result of a full audit of the claim with respect to the reasonableness and appropriateness of all expenditures.

Mr. President, the joint explanatory statement with respect to this amendment permits the VA, prior to enactment of the supplemental to make a $6 million payment—a payment, in effect, "on account"—prior to the final determination of the settlement figure, provided that this initial payment is formally approved by the Office of Management and Budget and that a full and independent audit will eventually be performed. The final settlement will be subject to congressional approval in a specific appropriations Act, under the terms of the modified amendment.

Mr. President, I ask unanimous consent that the pertinent excerpts from the joint explanatory statement be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

VETERANS' ADMINISTRATION

> Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to insert language requiring independent audit and approval through the appropriations process of Veterans Administration contract settlements, with an amendment to exclude settlements of $1,000,000 or less. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.
>
> Although this provision confirms current understandings of reprogramming authority, the conferees recognize that it could place a hardship on contractors who have recently negotiated a settlement with the Veterans Administration, but have not been paid by the agency. The conferees agree that a secured advance payment in an amount not to exceed $6,000,000 can be made in such situations prior to the effective date of this bill, provided that such payment is formally approved by the Office of Management and Budget, with the understanding that an independent audit will ultimately be performed and that final payment will be subject to Congressional approval.
>
> It is the sense of the conferees that all claims against the Veterans Administration should be processed through the agency board of contract appeals unless there is adequate legal analysis, audit information, and claim documentation to show that settlement outside the board of contract appeals is in the best interests of the Government. This procedure should be taken into consideration when appropriations are requested to fund such claims. It is further the sense of the conferees that when funds are requested to settle such claims, the sum should include funds to pay interest on the claim settlement.

Mr. CRANSTON. Mr. President, there is one additional matter which requires clarification, I believe, in connection with this situation. I would like to ask the distinguished Senator from Wisconsin a few questions.

First, is it not correct that both you as chairman of the Senate subcommittee and Congressman BOLAND, chairman of the comparable House Appropriations

Subcommittee, have in writing expressly disapproved of the November 15, 1973, reprograming notice from the Administrator of $10.3 million to be taken from funds previously approved for this fiscal year to construct the Wadsworth VA replacement hospital?

Mr. PROXMIRE. The Senator is correct.

Mr. CRANSTON. Am I not also correct that both of these subcommittees have expressed, during consideration of the fiscal year 1974 regular appropriations act, strong disapproval of any reprograming of construction funds from pending projects, particularly because such reprograming of funds can have the effect of delaying the completion of pending projects and thereby, because of inflation, causing cost overruns on those construction projects?

Mr. PROXMIRE. The Senator is correct.

Mr. CRANSTON. Am I not also correct in understanding that the VA has not submitted any detailed documentation or justification as to why the $10.3 million which it proposed to reprogram from the Wadsworth project was no longer needed in connection with that project?

Mr. PROXMIRE. That is my understanding also.

Mr. CRANSTON. Mr. President, it seems to me that under these circumstances, in order to fully effectuate the prior disapprovals of the November 15 reprograming notice and the two subcommittees' strong policy against reprograming of construction funds from pending projects to pay for cost overruns or other matters in connection with other projects, the VA should be directed to withdraw the November 15 reprograming notice and instructed to submit a new reprograming notice to carry out the agreement reached by the conferees as described in that part of the joint explanatory statement which I have just inserted into the RECORD. Does the distinguished Senator from Wisconsin agree with me in this respect and that the new reprograming notice—presumably to pay the $6 million to the contractor—should specify that funds for that purpose should be taken from prior fiscal years' unexpended hospital and domiciliary facility construction appropriations which are not clearly identifiable with any pending construction project?

Mr. PROXMIRE. I would certainly agree with the line of reasoning expressed by the Senator from California, and I concur in the proposal he has submitted as the way in which the Veterans' Administration can comply thoroughly and effectively with the modified amendment to be included in the conference report and the directions to the VA as expressed in the joint explanatory statement.

Mr. CRANSTON. Mr. President, there is one last matter I would like to clarify. Am I correct that the conferees in making an exception to the settlement requirements in amendment No. 7 for settlements of $1 million or less did not intend in any way to sanction settlements of these lesser amounts under anything less than rigorous procedures after a full audit? Rather, as I understand it, the conferees were merely permitting such lesser settlements to be made through the reprograming route—subject, of course, to scrutiny by the appropriations subcommittees—rather than requiring a budget request and inclusion of amounts in Appropriations Acts for such settlements.

Mr. PROXMIRE. The Senator is correct on both accounts.

Mr. CRANSTON. I thank the Senator for all of his cooperation in this matter.

EXHIBIT 1

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., December 13, 1973.

HON. DONALD E. JOHNSON,
Administrator of Veterans' Affairs,
Veterans' Administration

DEAR MR. JOHNSON: This is in reply to your letter dated December 4, 1973, to the Comptroller General of the United States. That letter was in response to our letter of November 19, 1973, requesting certain information regarding the Veterans Administration (VA) contract with the joint venture of the Blackhawk Heating and Plumbing Company, Inc., and the Donovan Construction Company (the contractor) for the construction of a hospital at Northport, New York.

We do not feel that your response has adequately answered the questions that have been raised concerning the settlement of that contract. Accordingly, we request further clarification. The areas of question are covered below.

FAILURE TO AUDIT THE CLAIM PRIOR TO SETTLEMENT

You stated in your response that at the time this contract was awarded in 1967, the Federal Procurement Regulations (FPR) did not require inclusion of any clause allowing audits in fixed price contracts and that there was no such clause in this contract.

Whatever the merits of that contention may be, it is clear that FPR 1–3.809(b)(1), requiring a prior audit of any contract modification in excess of $100,000, was in effect at the time the settlement agreement was executed.

You point out that FPR 1–3.809 provides that a contract audit is to be used as a pricing aid "to the fullest extent appropriate." You conclude that this regulation contemplates that where compelling reasons exist an audit need not be used as a pricing aid.

However, this language does not qualify the compulsory language in FPR 1–3.809(b)(1), which states in part that

"(b) *Auditor's reports on contract price proposals.* (*1*) *Prior to negotiation of any contract or modification resulting from a proposal in excess of $100,000* (including initial prices, estimated costs of cost-reimbursement types, interim and final price redeterminations, escalation, target, settlement of incentive types and modifications to formally advertised contracts), where the price will be based on cost or pricing data (§ 1–3.807–3) submitted by the contractor, *the contracting officer or his authorized representative shall request an audit review by the contract audit activity.*" (Emphasis supplied).

Moreover, apart from the regulations, it is clear that the burden is on the contractor to produce substantial evidence establishing the validity and the amount of its claims under the contract, and that mere undocumented statements in claim letters are not sufficient proof of the essential facts which are disputed. See *AAA Construction Company*, IBCA No. 55, 57–2 BCA para. 1510; *C. L. Mahoney Co., Inc.*, ASBCA No. 8358, 1964 BCA para. 4297; *Conn. Structures* (1961) ASBCA Nos. 6777 and 6779, 61–1 BCA para. 3075. Inasmuch as it is our understanding that the contractor consistently has refused to provide detailed substantiation of its claims or to allow inspection of its books until a settlement agreement had been executed, we fail to see how the contractor has met this burden. Therefore, even without the FPR requirement for an audit, we do not believe that the nonexistence of an audit clause in this contract prevents the Government from requiring an audit before settling and paying this claim since the contractor, not the Government, has the burden of proving the claim's validity.

In view of the FPR requirement, and since the burden of proof was on the contractor, we do not understand the basis for any payment made to the contractor until the claim has been subjected to an appropriate audit.

THE BOARD OF CONTRACT APPEALS DISCOVERY ORDER

In our letter, we pointed out that the VA Contract Appeals Board (VACAB) had, shortly before the settlement was executed, ordered the contractor to allow inspection of his books regarding certain claims under the contract.

However, in spite of this clear ruling in the Government's favor, you contend that the matter of the Government's right to audit is a substantive matter under dispute and that it is "unclear" whether the VACAB has the power to grant to the Government discovery of the contractor's records.

In contrast, Rule 15 of the VACAB states that:

"For good cause shown, the Board may * * * order a party to produce and permit inspection and copying or photographing of designated documents relevant to the appeal * * *."

This rule, and similar rules of other boards, allow the boards to compel an audit of the contractor's financial records. See *Ingalls Shipbuilding Division, Litton Systems Inc*. ASBCA No. 17717, August 11, 1973, 73–2 BCA para. 10,205. The sanction for failure to obey a discovery order could be denial of the claim by the board.

THE DCAA AUDIT

You contend that, under the circumstances, use of the contractor's certified audit as a pricing aid and as a document from which to negotiate was considered appropriate and within the purview of FPR 1–3.809. You reach this conclusion by noting that the contractor submitted financial statements audited and certified by a public accounting firm. Under the terms of the settlement agreement the Defense Contract Audit Agency (DCAA) is to verify the contract costs shown in the contractor's statements and if these costs were not correct, the contracting officer has the authority to reduce the amount of the settlement "by such amount as he deems proper."

It is not clear to us how this arrangement will sufficiently protect the Government's interest in this matter. Under the terms of the agreement, the DCAA audit would not be completed until after $8 million has been paid the contractor. If this $8 million has been assigned to the contractor's creditors, the Government's ability to recoup the money could be jeopardized. But, more importantly, it is our understanding that the DCAA was only requested to review the accounting methods and the accuracy of the total cost that was included in the statements submitted by the contractor. DCAA was requested not to consider the reasonableness and necessity of these costs. Also FPR cost principles will not be applied. In summary, the audit seems designed merely to verify that the contractor expended the $27.3 million he claimed to have incurred. If the $27.3 million was indeed spent, then under the terms of the settlement agreement the Government would have to bear the entire amount.

USE OF THE TOTAL COST METHOD

In our letter, we questioned the propriety of the use of the total cost method of settling the contractor's claim.

You stated that the cumulative, overlapping and interlocking nature of the changed work and the extra work, was such as to make it impossible to assign detailed costs to the specific changes. You further stated that in light of the contractor's experience, the fact that the changes and Government deficiencies seriously affected overall performance, time, and cost and the fact that the costs could not be assigned with accuracy to specific costs, you saw no objection to using the total cost method as a basis for the settlement, since "lack of certainty as to the amount of damages should not preclude recovery." *J. D. Hedin Construction Co.* v. *United States,* 171 Ct. Cl. 70 (1965).

The Court of Claims and the Boards of Contract Appeals have held that the total cost method should only be used as a last resort in "extreme cases and under proper safeguards." *F. H. McGraw and Company* v. *United States,* 131 Ct. Cl. 501 (1955); *Holly Corporation,* ASBCA No. 3626, 1962 BCA para. 3272. In *Jerry T. Fine,* ASBCA No. 914, 1964 BCA para. 4378, the Board stated—

"the total cost approach has been totally discredited, inasmuch as it assumes the accuracy of the original bid and the reasonableness of the costs incurred."

In *H. R. Henderson and Co.,* ASBCA No. 5146, 60–1 BCA 92662, the Board stated that this approach should be used only in extreme situations where the bid figure can be proved to be reasonable, there are no other factors which would increase costs besides the claimed charges, and there is no other way to arrive at a proper adjustment. Also, see *WRB Corporation* v. *United States* 183 Ct. Cl. 409.

You cited and quoted from the *Hedin* case to support the use of the total cost method. However, in that case the Court of Claims also stated that in all cases where the total cost method was utilized "the fact of government responsibility was clearly established; the question was how to compute reasonable damages where no other method was available." In view of the VACAB's denial of the contractor's claims in all six appeals presented to it and its dismissal with prejudice of 13 other claims filed by the contractor, we believe there are grave doubts as to the Government's liability for the total cost of the contract.

Finally, we fail to see how it can be determined that costs cannot be assigned with accuracy to specific claims in view of the contractor's lack of substantiation of its claim, lack of a legal analysis showing Government liability, and the absence of an audit of the contractor's records.

LEGAL ANALYSIS OF THE CLAIM

In response to our question of whether or not a legal analysis of the claim was performed prior to entering into the $10.3 million settlement, you state that you did "consider all legal aspects of the claims"; that the legal right of the contractor "to claim under the [contract] clauses has never been questioned * * *"; and that "the sole issue has been the amount of the equitable adjustment to which the contractor is entitled." You further say that:

"It is well accepted that questions of law are considered in disputes procedure only when they are necessary to a determination of the facts, and even then such questions of law are not considered final in subsequent judicial proceedings concerning the same matters. No such questions of law have been raised by either of the parties to the Northport disputes."

We recognize that the contractor has a "legal right" to submit claims under contract clauses inserted largely for the purpose of permitting equitable adjustments for changes, changed conditions, and suspension of work. However, the mere assertion of a claim does not establish Government liability. Government liability must be proved and that proof must consist not only of facts, but also of a legal analysis showing that those facts, in light of the law, give rise to Government liability. Further, as we have said, the burden of such proof is on the contractor.

In contrast to your assertion that "the very nature of the disputes procedure is limited to questions of fact," we must point out that procuring agencies and their boards of contract appeals constantly deal with complicated legal questions in order to decide claims before them. The fact that the board's decisions on such legal questions are not binding in subsequent judicial review is irrelevant in view of the fact that such legal questions must be resolved in order for the boards to make their decision.

Furthermore, your files on this contract indicate that members of your legal staff saw serious legal barriers to the settlement. These legal questions involved, among other things. the legal propriety of using the total cost approach to the claim; the legal basis for interest payments; the legal basis for payment of profits under the Suspension of Work clause; the legal extent to which contractor-caused concurrent delays in the project may reduce the Government's liability; the legal basis for entering into the settlement without a prior audit of the claim; and others.

On the basis of these facts, and on the basis of the complexity of this claim and the events surrounding its negotiations we believe a legal analysis of the Government's liability under this claim is essential.

JUSTICE DEPARTMENT INVESTIGATION

You state that you are not aware of any investigation by the Justice Department regarding claims filed in connection with the Northport project. However, Justice Department representatives told us that VA representatives were informed of the investigation into possible fraud against the Government by the contractor on the Northport project as early as May 7, 1971. The Northport investigation was related to the Justice Department's similar investigation of the same contractor at the VA Hospital at Hines, Illinois.

Moreover, we note that the Justice Department, by letter to your General Counsel dated December 12, 1973, has requested that payment under the settlement be held up pending a further Justice Department investigation.

CLAIM ELEMENTS OF DUBIOUS ALLOWABILITY

In our letter we listed a number of cost elements listed by the contractor as part of his total costs that appeared to us to be of dubious allowability under present cost principles. Although you state our interpretation of these elements is "not entirely clear" to you, these specific cost elements had been questioned by members of your staff.

You state in this connection that even if some errors escaped your attention, they will be revealed during the course of the DCAA audit. As we stated, the DCAA audit apparently will not follow FPR cost principles, but merely will verify the contractor's total costs. In any event, the settlement agreement makes no provision for reducing the settlement amount if costs that would be unallowable under FPR cost principles are found to be part of the contractor's total costs.

DISAGREEMENT WITHIN THE VA OVER THE SETTLEMENT

In raising the point of the considerable disagreement within the VA over the propriety of the settlement, we were not implying that disagreement on such complex questions is surprising. Rather, we raised the point to emphasize that such disagreement concerning this settlement as has occurred in your agency should have indicated the need for a careful legal analysis and audit of the claim.

PROGRESS REPORTS

The same point may be made with respect to the numerous progress reports unfavorable to the contractor that were filed by your resident engineers. These should have been a warning that extra care was required in settling this claim. At the very least, the progress reports should not, as you seem to imply they were, have been written off as "unilateral and subjective" evaluations written by resident engineers with a history of antagonism toward the contractor. These men were the Government's agents on the job, and we believe their views should not have been dismissed without further consideration.

CLAIMS DECIDED BY THE BOARD OF CONTRACT APPEALS

You state that the 19 claims under this contract that were either denied or dismissed with prejudice by the board of contract appeals were not "considered as a part of the negotiations leading up to settlement or in the settlement itself." It is not clear to us as to how these claims were excluded from consideration as a part of the negotiations, and excluded from the settlement itself.

In summary, we are not questioning at this time the validity of the contractor's claim. The entire claim could turn out to be meritorious. What we do question, however, is the apparent lack of ordinary safeguards and normal procedures utilized in the process of reaching this very substantial settlement.

Any further information you can give us concerning these points will assist us in our further review of this matter and will be appreciated.

We are forwarding copies of your December 4 response and of this letter to the Veterans' Affairs and Appropriations Committees of the Senate and the House of Representatives.

Sincerely yours,
GREGORY J. AHART, *Director.*

Mr. McCLELLAN. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The second assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

"VETERANS ADMINISTRATION ADMINISTRATIVE PROVISION

"SEC. 301. No funds appropriated in this or any other Appropriation Act for any fiscal year shall be used to make a settlement of any construction contract by the Veterans Administration in an amount in excess of $1,000,000 which has not been audited independently as to the reasonableness and appropriateness of expenditures and which has not been provided for specifically in an Appropriations Act."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 18 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert: ", of which $1,500,000 shall remain available until expended".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 21 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment, insert: "$33,545,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert: ": *Provided*, That $10,000,000 of the funds made available in this paragraph shall be set aside as a contingency reserve and shall be available for obligation only upon the enactment into law of S. 2589, Ninety-third Congress, or similar legislation".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: "$9,890,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum of $7,000,000 named in said amendment, insert: "$10,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 43 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: "$4,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: "501".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 48 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CONTINUING APPROPRIATIONS

"SEC. 502. For continuing through June 30, 1974, the activities of the Cabinet Committee on Opportunities for Spanish-speaking people and activities under the Manpower Development and Training Act of 1962, as amended, and title I and title IIIB of the Economic Opportunity Act of 1964, as amended, and for necessary expenses for the activities of the Manpower Administration, for which provision was made under the joint resolution of July 1, 1972, Public Law 92–334, as amended, and the Supplemental Appropriations Act, 1973, Public Law 92–607, such amounts as may be necessary but at a rate for operations not in excess of the current rate: Provided, That the current rate for operations shall be defined as that permitted by such appropriations for fiscal year 1973: Provided further, That expenditures made pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law: Provided further, That section 103 of Public Law 93–52 shall apply to this appropriation."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 70 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: "which shall be available for extension of grants to existing Economic Development Districts and planning organizations, including administrative expenses, and to fund new districts which meet the requirements of 42 U.S.C. 3171, as amended".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 74 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: "$2,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 75 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum of $3,700,000 named in said amendment, insert: "$2,500,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 80 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed in said amendment, insert: "$30,335,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 86 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the word "Committee" in said amendment, insert: "Committees".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 94 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed in said amendment, insert:

"*Provided*, That of the amount heretofore and herein appropriated for 'Salaries and expenses,' for the current fiscal year, the limitation for personal services as authorized by title 5, United States Code, section 3109, at such per diem rates for individuals, as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government services is $3,850,000 and the limitation on travel is $100,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 104 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed in said amendment, insert:

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

"SEC. 1001. No appropriated funds shall be available for the purpose of defraying any expenses (including expenses for the payment of the salary of any person) incurred in connection with the transfer of title of all (or any portion) of the Sand Point Naval Facility, Seattle, Washington, to any person or entity for aviation use unless and until (A) the Administrator of General Services has transferred to the National Oceanic and Atmospheric Administration title to that portion of such facility as has been requested by the National Oceanic and Atmospheric Administration; and (B) the City of Seattle, Washington, and the County of King in the State of Washington, and the State of Washington have each approved a plan for aviation use of a portion of such facility".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 108 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: "XII" and in said chapter, strike out "Sec. 1101", and insert: "Sec. 1201" and strike out "Sec. 1102", and insert: "Sec. 1202".

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate Nos. 7, 18, 21, 22, 29, 36, 43, 47, 48, 70, 74, 75, 80, 86, 94, 104, and 108.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I ask that the rules of the Senate which provide that the conference report shall be printed as a Senate report be waived, in view of the fact that the conference report has already been printed as a House report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, since the tabulation of the conference action has been included in the RECORD by the House when it considered this conference report, I ask unanimous consent that it be incorporated in the RECORD at this point by reference.

(See House proceedings.)

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, one of the most important tasks of the Government is to provide the people of our Nation with a stable economy, a sound dollar, and a return to a balanced budget.

The American people, caught in an economic vise of soaring costs and the shrinking purchasing power of the dollar, have the right to expect Congress to make every effort possible to extricate the Nation from this fiscal distress.

The American people have every right to expect the Government to move forcefully and effectively to put an end to habitual deficit spending and the pyramiding of the national debt.

I am gratified to report that during the current session of Congress the Committee on Appropriations, of which I am chairman, has made some progress toward reaching these goals.

On February 6, 1973, I proposed that the Senate Appropriations Committee, acting through its 13 subcommittee chairmen, set tentative appropriations ceilings to be observed during their consideration of the various fiscal 1974 appropriations bills.

On April 17, 1973, I reported that following a review of the respective portions of the Federal budget, the subcommittee chairmen projected cuts in spending that would have:

Reduced new obligational authority from the budget request of $176.652 billion to $174.253 billion—a decrease of $2.399 billion.

Reduced actual budget outlays from the budget request of $178.8 billion to

$177.2 billion—a decrease of approximately $1.6 billion.

Mr. President, I am happy to report the Congress has exceeded these goals. After extensive hearings and judicious examination and consideration of the President's spending proposals as amended, we cut an additional $864 million beyond the $2.399 billion we had originally proposed—for a total reduction of $3,262,696,451.

Building on this foundation, we have:

Reduced new obligational authority to $173,515,852,804—a reduction of 2 percent.

Reduced actual budget outlays to $176,642,000,000—a decrease of $2,202,000,000—or 1.2 percent.

Eleven of 17 appropriation requests for new obligational authority were reduced by $5,730,214,251.

The reductions made by Congress in the President's budget request were:

Defense, $3,535,793,000;

District of Columbia, $15,281,000;

Foreign operations, $1,212,483,000;

Legislative, $71,961,026;

Military construction, $286,039,000;

Public Works, AEC, $8,066,000;

State, Justice, Commerce, the judiciary, and related agencies, $56,889,000;

Transportation, $112,286,000;

Treasury, U.S. Postal Service, General Government, $140,156,000;

Special resolution, gold devaluation, $47,000,000; and,

Second supplemental for fiscal 1973, $244,260,225.

Four bills and two supplemental appropriations bills were increased over and above budgetary requests for a total of $2,467,517,800.

Labor; Health, Education, and Welfare, $1,376,843,000;

Agriculture, environmental, and consumer protection, $408,116,400;

HUD, space, science, veterans, $439,047,000;

Interior, $72,769,900; and,

Supplementals, $171,741,500.

I realize that these reductions are not quite as substantial as we had hoped to make, but they are a step in the right direction. These reductions are irrefutable proof of the serious concern of Congress over the fiscal condition of the country in these troublesome times. These reductions are proof that the Congress is evidencing some disposition toward restoring fiscal responsibility in the operations of the Federal Government. These reductions also indicate that the Appropriations Committee has the capacity to set spending ceilings early in a new session of Congress and to hold appropriations within those limitations.

It must be kept in mind that the Appropriations Committee had jurisdiction and control over only about $176,778,549,255—as of December 21, 1973—or about 60 percent of the total budget submitted by the President for fiscal 1974. The remaining $151,820,000,000 or about 40 percent of budget authority requested by the administration, required no current action by the Congress—no appropriation this year—as this amount is comprised of permanent appropriations and trust fund authorizations.

During the first session of the 93d Congress, the Committee on Appropriations considered a total of 18 measures—15 bills relating to funds for fiscal 1974 and 3 relating to fiscal 1973.

Mr. President, I am submitting for insertion in the Record a tabulation (table 5) which shows for all the appropriation bills for this session the amount of the budget requests and the amounts approved by the House of Representatives, a comparison of the requests with the amounts approved, the amounts considered by the Senate, the amounts approved by the Senate, a comparison of the requests with the amounts approved, and the amounts approved in conference, together with a comparison of the final conference amounts with the final budget estimates.

This tabulation covers the bills for fiscal 1974 and also the supplemental bills for fiscal 1973 considered in this session. It also shows that the Congress, in considering the budget estimates submitted by the President for fiscal 1974, has made a net reduction in the amount of $3,020,236,226, whereas, the reductions made in the fiscal 1973 bills considered in the first session of the 93d Congress amounted to $242,460,225.

The grand total budget estimates considered by the Senate during the first session amounted to $176,778,549,255. The Congress provided in the appropriations bills a total of $173,515,852,804 which means that a total reduction of $3,262,696,451 was effected in these budget estimates over which the Congress has control.

The largest single reduction was $3,535,793,000 which was cut from the Department of Defense bill. There was an additional $286,039,000 reduction in the military construction appropriation bill for fiscal 1974. This makes a total decrease of $3,821,832,000 in Department of Defense and military functions appropriations below the budget estimates for fiscal year 1974.

At the same time, the Congress approved a $32,926,796,000 Labor-HEW appropriation—primarily for human resource programs—which was $1,376,843,000 above the budget request. This is irrefutable evidence that, contrary to the misconceptions entertained by many, the defense budget has not deprived human resource programs of needed funding.

The Congress, however, added to this bill a provision to give the President authority to control spending by permitting him to make reductions in spending which could total as much as $400,000,000. Should the President choose to exercise this option, the increase over the budget would be reduced by him to $977,973,000.

HIGHLIGHTS OF THE APPROPRIATIONS COMMITTEE'S ACTIVITIES

DEFENSE AND INTELLIGENCE OPERATIONS SUBCOMMITTEES

The Defense Subcommittee and the Intelligence Operations Subcommittee held a total of 53 sessions involving over 114 hours of meetings, hearings, and briefings on defense, intelligence, and related matters between January 11 and December 3, 1973. On the defense bill alone, 37 sessions were held, comprising over 80 hours of hearings between March 26 and December 3, 1973. The 5,291 pages of testimony taken from 262 witnesses fill five volumes. All Members of the Senate were invited on two separate occasions to present their recommendations on this bill to the subcommittee. Twenty-three Members responded either in person or by submitting statements. The Defense Subcommittee not only met the $3 billion reduction target it had set on the defense appropriation, but it reported a bill that was a net reduction of $3,511,746,000 below the budget request.

LABOR; HEALTH, EDUCATION AND WELFARE SUBCOMMITTEE

The Labor-HEW Subcommittee produced a bill which contains a number of major realinements of budget priorities. For example, although the President's budget would have drastically reduced some high priority programs, the committee was able to retain these programs and still produce a total appropriations bill that was below the committee's original estimates of April 17. Preliminary review of the President's budget request for the Department of Health, Education, and Welfare showed some underfunding of existing programs. The subcommittee set a tentative ceiling of $2.166 billion above the budget request. But, the final HEW appropriation, through a realinement of priorities, was revised by reducing the average $789 million, making the final appropriation only $1.377 billion above the budget request instead of the $2.166 billion above which it had established as a ceiling.

AGRICULTURE, ENVIRONMENTAL AND CONSUMER PROTECTION SUBCOMMITTEE

The appropriation for the Department of Agriculture, environmental, and consumer agencies under the jurisdiction of the subcommittee was $9,927,667,000. This is approximately $2.8 billion less than that appropriated for fiscal year 1973, but $408,116,400 in execess of the budget estimates for fiscal year 1974. While there are several offsetting increases and decreases, the principal net items of increase amounted to $300,000,000 for the food stamp program and $72,000,000 for the school milk program. The bill also contains $263,000,000 in excess of the budget requests for various environmental programs, including reinstatement of the rural environmental assistance program, as well as additions to the soil conservation programs and various programs of the Environmental Protection Agency.

PUBLIC WORKS—AEC SUBCOMMITTEE

The Public Works—AEC appropriations as reported to the Senate was $15,433,000 in new obligational authority over the budget request and ceiling goal. While the increase in the budget request involved numerous items, the major change can be attributed to the need more than had been requested for flood control appropriations—Mississippi River and its tributaries. After the budget submission, one of the most severe and disastrous floods in this century occurred in the Mississippi River Basin. The enacted appropriations bill is $8,066,000 below the budget authority request, and an increase of $20,000,000 in budget outlays.

HUD, SPACE, SCIENCE, VETERANS SUBCOMMITTEE

The Subcommittee on HUD, Space, Science, Veterans considered budget estimates of $18,617,453,000 for fiscal year 1974. The bill that ultimately came out of the Congress included new budget obligational authority of $19,056,500,000, which was $439,047,000 above the budget estimate. The committee increased the budget estimates by $637,500,000, adding $150 million for the Model Cities programs; $462,500,000 for the urban renewal programs; and, $25 million for the open space land programs, all administered by the Department of Housing and Urban Development. Partially offsetting these increases, reductions were made in the estimates of the National Science Foundation totaling $13 million; the National Aeronautics and Space Administration amounting to $13.3 million; and, in the Department of Housing and Urban Development, programs aggregating $115 million.

MILITARY CONSTRUCTION SUBCOMMITTEE

The Subcommittee on Military Construction considered a fiscal 1974 budget estimate of $2,944,900,000. It set a ceiling $151 million below this request. The final military construction appropriations, as approved by the Congress, was $2,658,861,000—or $286,039,000 under the budget estimate and almost double the reduction originally proposed by the subcommittee in establishing its ceiling. Uncertainties resulting from spiraling inflation, the effects of dollar devaluation abroad, and major realinements in Army, Navy, and Air Force bases now underway are reflected in these reductions.

LEGISLATIVE SUBCOMMITTEE

The Legislative Branch Subcommittee considered budget estimates totaling $677,150,959, of which $605,189,993 was finally appropriated, a reduction of $71,961,026 in the budget estimates. The final appropriation is $60 million less than the ceiling established by the subcommittee. The subcommittee provided initial funds to launch the Office of Technology Assessment so that the Congress will have the capability to evaluate the ever-increasing impact of technology on legislative issues.

INTERIOR SUBCOMMITTEE

The President submitted a $2,370,367,300 budget request for Interior and related agencies. The subcommittee set a ceiling at the same level. As finally approved by the Congress, the appropriation totaled $2,443,137,200, or $72,769,900 above the original budget request. The proposed budget request presented the subcommittee with serious conflicts in priorities. Important programs in forest resources and recreation were severely curtailed in the budget estimates, and proposed increases for energy research, development, and management were considered grossly inadequate in view of the energy crisis. As a result of the subcommittee's recommendations, an additional appropriation of nearly $50 million was included for energy programs.

STATE, JUSTICE, COMMERCE, THE JUDICIARY AND RELATED AGENCIES SUBCOMMITTEE

The State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee received a budget request of $4,522,901,000 and said it would endeavor to set a ceiling at that level. The final appropriations approved by the Congress for these agencies was $4,466,012,000 or $56,889,000 below the original request. Funding was provided for increased protection of American personnel and installations overseas from acts of terrorism, and for a new Drug Enforcement Administration, among other items.

TREASURY, U.S. POSTAL SERVICE, GENERAL GOVERNMENT SUBCOMMITTEE

The Subcommittee on Treasury, U.S. Postal Service, General Government received a budget request of $5,373,345,000 and said it would attempt to hold the appropriation at that level. The bill approved by the Congress was $5,233,189,000, or $140,156,000 below the original estimate. This was $604,277,000 under the appropriation for fiscal 1973. The subcommittee held extensive hearings on the taxpayer assistance program of the Internal Revenue Service and the IRS adopted certain committee recommendations that will better serve the American taxpayer.

TRANSPORTATION SUBCOMMITTEE

The Subcommittee on Transportation received a budget request of $3,010,732,006, including $90,360,000 in advance 1975 appropriations, and advised that it would try to hold the line at this amount. The bill approved by the Congress was $2,898,446,006—or a reduction of $112,286,000 below the President's request.

DISTRICT OF COLUMBIA SUBCOMMITTEE

The Subcommittee on District of Columbia received a budget request of $432,998,000 and also reported that it expected to hold appropriations at that level. The bill finally approved by Congress was $417,717,000 or $15,281,000 less than the sum originally sought. By directing certain economies in the District Government, the subcommittee provided an increase in appropriations over the House within the framework of a balanced budget.

CONCLUSION

Mr. President, I would also like to report that in the processing of the several appropriation bills this year, the Appropriations Committee and its subcommittees as a whole, held 288 days of hearings and heard 4,623 witnesses. Testimony taken and exhibits received filled 44,742 pages.

So, Mr. President, in summary, we have provided reasonable funding for the operation of the Federal Government consistent with the economic realities facing the Nation. We also believe the appropriations we have made are adequate for our defense and national security.

We are hoping that the results we achieved this year will be at least a first step in a long and arduous struggle to restore fiscal responsibility to the operations of the Federal Government. To prevent the current fiscal crisis from deepening and to avoid the damaging and inescapable consequences of such an emergency, it is incumbent upon Congress—upon every Member—to exercise restraint in both the enactment of new laws requiring heavy spending obligations and in making appropriations far in excess of our revenues.

The Committee on Appropriations and its Subcommittee on Defense, of which I am also chairman, have accepted this challenge—and we will do our best to meet it.

I ask unanimous consent to have printed in the RECORD a number of tabulations showing the accomplishments of the Committee on Appropriations in reducing expenditures.

Table 1 summarizes the overall net impact of the Appropriations Committee's actions upon the President's total budget requests for new obligational authority—NOA. Table 1 embodies the numerous changes in the President's requests to the Congress from the time of his initial budget request of January 1973, until December 20, 1973. Table 1 also includes the two supplemental requests for fiscal year 1973 which were acted upon by the Appropriations Committee during this session of the Congress.

Table 2 summarizes the effectiveness of the system of subcommittee ceilings which the Appropriations Committee initiated for the first time this year. Table 2 confirms that these ceilings were an effective part of the committee's successful effort to further control spending. Table 2 illustrates that the committee not only was able to meet its goal of a $2.399 billion reduction in new obligational authority, but was able to surpass that by an additional $863 million.

These reductions are summarized in more direct and abbreviated fashion by the attached table 3.

Table 4 summarizes the committee's reductions in the President's proposed fiscal 1974 expenditures or outlay. This table uses the cumulative total of Presidential budget requests for each of the 13 appropriations bills—including reestimates and requests not acted upon because of the absence of authorizing legislation.

Table 5 is a comparative table showing all budget estimates, amounts approved by the House, by the Senate, and by the Committees on Conference.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS, U.S. SENATE—RECAPITULATION OF NEW BUDGETARY AUTHORITY FEDERAL FUNDS FOR FISCAL YEAR 1974—DEC. 2, 1973

[In millions of dollars]

	Total NOA estimates in President's budget: as amended as of Dec. 20, 1973 (1)	NOA otal expected as the result of legislative action as of Dec. 20, 1973 (2)	Total NOA changes made by Congress in President's budget: as of Dec. 20, 1973 (col. 2 minus col. 1) (3)
A. Budget authority in appropriation bills—			
Agriculture, Environmental and Consumer Protection	9,520	9,928	+408
Defense	77,251	73,715	−3,536
District of Columbia	433	418	−15
Foreign Operations	6,993	5,780	−1,213
HUD, Space, Science, Veterans	18,617	19,056	+439
Interior	2,370	2,443	+73
Labor, Health, Education, and Welfare	31,550	32,927	+1,377
Legislative	677	605	−72
Military Construction	2,945	2,659	−286
Public Works, AEC	4,757	4,749	−8
State, Justice, Commerce, the Judiciary	4,523	4,466	−57
Transportation	3,010	2,898	−112
Treasury, U.S. Postal Service, General Government	5,373	5,233	−1
Supplementals (delayed fiscal year 1973 and for fiscal year 1974)	6,508	6,435	−73
Special Resolution, Gold Devaluation	2,250	2,203	−47
Total appropriations bills through appropriation process (A)	176,777	173,515	−3,262

TABLE 2.—COMMITTEE ON APPROPRIATIONS, U.S. SENATE—RECAPITULATION OF CHANGES IN BUDGET AUTHORITY, FISCAL YEAR 1974, COMPARED TO CEILINGS SET BY SENATE APPROPRIATIONS SUBCOMMITTEES—DEC. 2, 1973

[In millions of dollars]

	Total fiscal year 1974 NOA in Presidential budget request: as amended by Executive actions (up to Dec. 20, 1973) (1)	Change in 1974 budget NOA recommended by subcommittee chairman as tentative ceilings (2)	Total 1974 NOA contained in latest action of Congress as of Dec. 20, 1973 (3)	Results of latest Congressional action on Appropriations Committee 1974 NOA ceilings (col. 1 plus col. 2 minus col. 3) (4)	NOA changes made by Congress in President's budget: as of Dec. 20, 1973 (5)
Agriculture, Environmental, and Consumer Protection	9,250	+801	9,928	−393	+408
Defense	77,251	−3,000	73,715	−536	−3,536
District of Columbia	433	+0	418	−15	−15
Foreign Operations	6,993	−1,203	5,780	−10	−1,213
HUD, Space, Science, Veterans	18,617	−1,000	19,056	+1,439	+439
Interior	2,370	+0	2,443	+73	+73
Labor-HEW	31,550	+2,166	32,927	−789	+1,377
Legislative	677	−12	605	−60	−72
Military Construction	2,945	−151	2,659	−135	−286
Public works-AEC	4,757	+0	4,749	−8	−8
State, Justice, Commerce, plus the Judiciary	4,523	+0	4,466	−57	−57
Transportation	3,010	+0	2,898	−112	−112
Treasury, U.S. Postal Service, General Government	5,373	+0	5,233	−140	−140
Supplementals (delayed fiscal year 1973 + fiscal 1974)	6,508	+0	6,435	−73	−73
Special Resolution, Gold Devaluation	2,260	+0	2,203	−47	−47
Grand total	176,777	−2,399	173,515	−863	−3,262

TABLE 3.—COMMITTEE ON APPROPRIATIONS, U.S. SENATE—RECAPITULATION OF COMMITTEE ACTION ON REQUESTS FOR NEW BUDGET AUTHORITY (NOA)—IN TERMS OF VOLUNTARY COMMITTEE CEILINGS AND LATEST COMMITTEE ACTION—DEC. 21, 1973

[In millions of dollars]

	Budget changes resulting from NOA ceilings set by Appropriations Committee on Apr. 16, 1973 (1)	Results of latest congressional action on committee's NOA ceilings: (reduction or increase in ceilings made by latest appropriation bill) (2)
A. New budget authority in appropriation bills—		
Agriculture, Environmental and Consumer Protection	+801	−393
Defense	−3,000	−536
District of Columbia	+0	−15
Foreign Operations	−1,203	−10
HUD, Space, Science, Veterans	−1,000	+1,439
Interior	+0	+73
Labor, Health, Education, and Welfare	+2,166	−789
Legislative	−12	−60
Military Construction	−151	−135
Public Works, AEC	+0	−8
State, Justice, Commerce, the Judiciary	+0	−57
Transportation	+0	−112
Treasury, U.S. Postal Service, General Government	+0	−140
Supplementals (delayed fiscal year 1973 and for fiscal year 1974)	+0	−73
Proposed legislation, gold devaluation	+0	−47
Total appropriations bills through appropriation process (A)	−2,399	−863

TABLE 4.—COMMITTEE ON APPROPRIATIONS, U.S. SENATE—RECAPITULATION OF EFFECT OF CONGRESSIONAL ACTION ON PRESIDENTIAL ESTIMATES OF BUDGETARY OUTLAYS OF FEDERAL FUNDS FOR FISCAL YEAR 1974—DEC. 2, 1973

[In millions of dollars]

	Outlays, estimates in President's budget of January 1973 as revised (1)	Outlays, total expected as the result of legislative action as of Dec. 20, 1973 (2)	Outlays, changes from President's budget as of Dec. 20, 1973 (col. 2 minus col. 1) (3)
A. Outlays from appropriation bills—			
Agriculture, Environmental and Consumer Protection	$11,663	$12,212	+$549
Defense	74,982	73,472	−1,510
District of Columbia	423	410	−13
Foreign Operations	4,074	3,882	−192
HUD, Space, Science, Veterans	20,224	20,224	+0
Interior	2,724	2,767	+43
Labor, Health, Education, and Welfare	32,852	33,312	+460
Legislative	626	610	−16
Military Construction	2,226	2,216	−10
Public Works, AEC	$5,266	$5,286	$+20
State, Justice, Commerce, the Judiciary	4,712	4,688	−24
Transportation	8,525	8,486	−39
Treasury, U.S. Postal Service, General Government	5,592	5,524	−68
Supplementals (delayed fiscal year 1973 and to fiscal year 1974)	5,117	5,076	−41
Proposed legislation			
Total appropriations bills through appropriation process (A)	179,006	178,165	−841

TABLE 5.—COMMITTEE ON APPROPRIATIONS, UNITED STATES SENATE—BUDGET ESTIMATES OF NEW BUDGET AUTHORITY CONSIDERED IN APPROPRIATION BILLS, 93D CONG., 1ST SESSION, AS OF DEC. 21, 1973

[Does not include any back-door type budget or spending authority in legislative bills; or any permanent (Federal or trust) authority, under earlier or permanent law,[1] without further or annual action by the Congress]

	House actions			Senate actions			Final action	
Bill and fiscal year (1)	Budget requests considered (2)	Approved by House (3)	Compared with budget requests (4)	Budget requests considered (5)	Approved by Senate (6)	Compared with budget requests (7)	Conference agreement (8)	Compared with budget requests (9)
A. Bills for fiscal 1974:								
1. Legislative (H.R. 6691)	$566,945,389	$550,044,940	−$16,900,449	$677,150,959	$640,558,952	−$36,592,007	$605,189,933	−$71,961,026
2. Agriculture-Environmental and Consumer Protection (H.R. 8619)	9,505,750,600	9,385,737,600	−120,013,000	9,519,550,600	10,176,926,500	+657,375,900	9,927,667,000	+408,116,400
3. District of Columbia (Federal funds) (H.R. 8658)	432,998,000	427,717,000	−5,281,000	432,998,000	417,717,000	−15,281,000	417,717,000	−15,281,000
4. Transportation (H.R. 8760)	[2] 2,892,732,006	[2] 2,753,231,006	−139,501,000	[2] 3,010,732,006	[2] 2,968,451,006	−42,281,000	2,898,446,006	−112,286,000
5. HUD-Space-Science-Veterans (H.R. 8825)	18,617,453,000	19,070,954,000	+453,501,000	18,617,453,000	19,118,373,063	+500,920,063	19,056,500,000	+439,047,000
6. Labor-HEW (H.R. 8877)	31,544,954,000	32,816,467,000	+1,271,513,000	31,549,953,000	33,396,379,000	+1,846,426,000	32,926,796,000	+1,376,843,000
7. Interior (H.R. 8917)	2,274,431,300	2,269,554,200	−4,877,100	2,370,367,300	2,488,773,700	+118,406,400	2,443,137,200	+72,769,900
8. State-Justice-Commerce-Judiciary (H.R. 8916)	4,235,080,000	4,152,946,000	−82,134,000	4,522,901,000	4,459,478,250	−63,422,750	4,466,012,000	−56,889,000
9. Public Works—AEC (H.R. 8947)	4,757,469,000	4,676,395,000	−81,074,000	4,757,469,000	4,772,982,000	+15,513,000	4,749,403,000	−8,066,000
10. Treasury-Postal Service-General Government (H.R. 9590)	5,073,345,000	4,844,723,000	−228,622,000	5,373,345,000	5,123,352,000	−249,993,000	5,233,189,000	−140,156,000
11. Defense (H.R. 11575)	77,250,723,000	74,101,309,000	−3,149,414,000	77,250,723,000	73,264,627,000	−3,986,096,000	73,714,930,000	−3,535,793,000
12. Foreign Assistance (H.R. 11771)	6,866,567,000	5,833,912,000	−1,032,655,000	6,992,917,000	5,593,440,000	−1,399,477,000	5,780,434,000	−1,212,483,000
13. Military Construction (H.R. 11459)	2,944,900,000	2,609,090,000	−335,810,000	2,944,900,000	2,670,972,000	−273,928,000	2,658,861,000	−286,039,000
14. Special Resolution, Gold Devaluation (H.J. Res. 748)	2,250,000,000	2,203,000,000	−47,000,000	2,250,000,000	2,203,000,000	−47,000,000	2,203,000,000	−47,000,000
15. Supplemental (H.R. 11576)	1,428,790,218	1,433,035,718	+4,245,500	1,534,183,886	1,888,425,386	+354,241,500	1,703,125,386	+168,941,500
Total, bills for fiscal 1974, to date	170,642,138,513	167,128,116,464	−3,514,022,049	171,804,643,751	169,183,455,857	−2,621,187,894	168,784,407,525	−3,020,236,226
B. Bills for fiscal 1973:								
1. Urgent Supplemental (H.J. Res. 496)	1,366,800,000	1,368,600,000	+1,800,000	1,366,800,000	1,368,600,000	+1,800,000	1,368,600,000	+1,800,000
2. 2d Supplemental (H.R. 7447, vetoed)	[3,162,880,434]	[2,855,542,209]	[−307,338,225]	[3,607,105,504]	[3,699,239,279]	[+92,133,775]	[3,362,845,279]	[−244,260,225]
3. 2d Supplemental (H.R. 9055)	3,607,105,504	3,362,845,279	−244,260,225	3,607,105,504	3,362,845,279	−244,260,225	3,362,845,279	−244,260,225
Total, bills for fiscal 1973	4,973,905,504	4,731,445,279	−242,460,225	4,973,905,504	4,731,445,279	−242,460,225	4,731,445,279	−242,460,225
Totals for the session, to date	175,616,044,017	171,859,561,743	−3,756,482,274	176,778,549,255	173,914,901,136	−2,863,648,119	173,515,852,804	−3,262,696,451

Mr. McCLELLAN. Mr. President, I have today mailed to each Senator, at his home address, a copy of my remarks and the accompanying tables, which have been placed in the RECORD. I mailed this material to the home of each Senator because a number of Senators have departed from Washington. The information might serve as a useful reference for them during the recess of Congress.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HANSEN. Mr. President, the senior Senator from Wyoming is in the Chamber at this time, and I am certain that he will agree with me that the people of Wyoming, along with people throughout the United States, appreciate the tremendously effective job that has been done by the Senator from Arkansas, the distinguished chairman of the Committee on Appropriations.

My colleague from Wyoming, Senator McGEE, will agree that the Senator from Arkansas (Mr. McCLELLAN) is well and favorably known in Wyoming. A strong bipartisan suggestion was made in our State of Wyoming that the Senator from Arkansas be nominated by the President to serve on the Supreme Court of the United States.

I am very pleased and gratified with the leadership of the Senator from Arkansas in trying to bring about that condition in our economy which will meet the reasonable expectation of the aspirations that are shared by most Americans. We know that his ability to bring about a near balance between expenditures and appropriations is significant; it is genuinely appreciated. As we move in the direction of achieving the goal to which he has dedicated himself for many years, at the same time we offer real reason to the American public to rejoice that there has been, indeed, a return to good judgment and commonsense in the Senate and Congress.

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[1] The Budget for 1974, as submitted Jan. 29, 1973, tentatively estimated total new budget authority for 1974 at $288,029,000,000 gross ($256,761,000,000 net of some $31,268,000,000 interfund and intragovernmental transactions and certain so-called proprietary receipts handled as offsets for budget summary purposes only). Of this total, an estimated $146,477,000,000 does not require current action by Congress; it involves so-called permanent appropriations such as interest and various trust funds, already provided for in other basic laws. The remainder, $172,820,000,000 is for consideration at this session (mostly in the appropriation bills) except for increased pay costs which will be considered at the 2d session of the 93d Congress. About $8,600,000,000 of the $172,820,000,000 was shown in the January budget as being "for later transmittal" for supplemental requirements under present law, new legislation, and allowances for contingencies and civilian pay raises, and $49,534,408 of the remainder requires legislative reauthorization through various annual authorization bills or where the authorization expires periodically.

[2] Includes $90,360,000 in advance 1975 appropriations.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. McGEE. Mr. President, I want to join arms and rhetoric with my junior colleague. We in Wyoming often have talked about the senior Senator from Arkansas because of his thoughtfulness and generosity and real responsibility in understanding our problems. We have expressed the hope that he might be willing to accept the designation as Wyoming's third Senator. We have unanimous consent in the State, by the people of Wyoming—and he does not have the option of refusing—that he is hereby so designated.

The chairman of the full committee is always a very considerate committee chairman. I serve on the committee with the distinguished Senator from Arkansas, and he is very consistent and very forthright in delegating responsibility to his subcommittee chairmen and working with them, trying to help them achieve the goals they believe to be relevant in their particular areas of authorization.

I take this opportunity to say that his thoughtfulness in sending to Senators the report he has submitted this morning, and the summary of the year's efforts on the part of the Committee on Appropriations, to participate in this real sobering responsibility of trying to establish equities and priorities in the allocation of funds, is immeasurable, and I salute him for his leadership.

Mr. McCLELLAN. I thank my distinguished friends, the Senators from Wyoming. They have just presented me a most gracious Christmas greeting—one so generous that I shall not anticipate receiving another so pleasant or of greater surprise. I accept in the spirit of Christmas and thank both Senators for their most pleasing exaggerations.

I do wish to say that whatever the Committee on Appropriations has accomplished this year—and I do feel we have made a little progress—has been brought about through the cooperative efforts and dedications of all members of the committee, along with the membership of the Senate. We have stemmed the tide of reckless expenditures. We have reversed the trend, and we are moving now, hopefully, to a more thorough examination of requests and a more judicious consideration and judgment with respect to those requests. Hopefully, if this continues, and I am confident it will, we will move back toward a balanced budget and a greater stability in our fiscal affairs.

I notice that this year there seems to be a disposition on the part of Members of the Senate to cooperate more fully with the Committee on Appropriations. I sense it; I feel that, at least, I am most grateful to all of my colleagues.

ORDER OF BUSINESS

Mr. McGEE. Mr. President, I wish to ask what the parliamentary situation is.

The PRESIDING OFFICER (Mr. RANDOLPH). There is nothing pending at the present time.

SEWAGE TREATMENT CONSTRUCTION GRANTS—MESSAGE FROM THE HOUSE

Mr. MUSKIE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2812.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2812) to authorize a formula for the allocation of funds authorized for fiscal year 1975 for sewage treatment construction grants, and for other purposes, which were to strike out all after the enacting clause, and insert:

That (a) subsection (a) of section 205 of the Federal Water Pollution Control Act is amended by inserting immediately after the third sentence thereof the following new sentence: "For the fiscal years ending June 30, 1975, and June 30, 1976, such ratio shall be determined one-half on the basis of table I of House Public Works Committee Print Numbered 93–28 and one-half on the basis of table II of such print, except that no State shall receive an allotment less than that which it received for the fiscal year ending June 30, 1972, as set forth in table III of such print.".

(b) The last sentence of subsection (a) of section 205 of the Federal Water Pollution Control Act is amended by striking out "June 30, 1974," and inserting in lieu thereof "June 30, 1976,".

SEC. 2. Section 203 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsection:

"(d) Nothing in this Act shall be construed to require, or to authorize the Administrator to require, that grants under this Act for construction of treatment works be made only for projects which are operable units usable for sewage collection, transportation, storage, waste treatment, or for similar purposes without additional construction.".

SEC. 3. Section 511 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding this Act or any other provision of law, the Administrator (1) shall not require any State to consider in the development of the ranking in order of priority of needs for the construction of treatment works (as defined in title II of this Act), any water pollution control agreement which may have been entered into between the United States and any other nation, and (2) shall not consider any such agreement in the approval of any such priority ranking.", amend the title so as to read: "An Act to amend the Federal Water Pollution Control Act to establish the ratio for allocation of treatment works construction grant funds, to insure that grants may be given for other than operable units, and to clarify the requirements for development of priorities."

Mr. MUSKIE. Mr. President, I move that the Senate concur in the House amendments with certain amendments which I send to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

On page 1, line 4 of the text of the amendment strike "years" and insert in lieu thereof "year";

On page 1, line 4 and 5 of the text of the amendment, strike "and June 30, 1976,";

On page 2, line 2, strike "1976" and insert in lieu thereof "1975"; and

On page 2, after line 23, add the following new section:

SEC. 4. Subsection (b) of section 516 of the Federal Water Pollution Control Act, as amended (86 Stat. 895), is amended by inserting "(1)" after "(b)"; by striking "(1)", "(2)", "(3)", and "(4)" and inserting in lieu thereof "(A)", "(B)", "(C)", and "(D)", respectively; and by adding the following new pargraph:

"(2) Notwithstanding the second sentence of paragraph (1) of this subsection, the Administrator shall make a preliminary detailed estimate called for by subparagraph (B) of such paragraph and shall submit such preliminary detailed estimate to the Congress no later than September 3, 1974. The Administrator shall require each State to prepare an estimate of cost for such State, and shall utilize the survey form EPA–1, O.M.B. No. 158–R0017, prepared for the 1973 detailed estimate, except that such estimate shall include all costs of compliance with section 201(g)(2)(A) of this Act or water quality standards established pursuant to section 303 of this Act, and all costs of treatment works as defined in section 212(2), including all eligible costs of constructing sewage collection systems and correcting excessive infiltration or inflow and all eligible costs of correcting combined storm and sanitary sewer problems and treating storm water flows. The survey form shall be distributed by the Administrator to each State no later than January 31, 1974.".

Mr. MUSKIE. Mr. President, one week ago today the Senate passed S. 2812 authorizing a formula for the allocation of funds authorized for fiscal year 1975 for sewage construction grants and for other purposes.

This past week the House amended this bill in several significant respects.

The House has substituted a different ratio for the allocation of wastewater treatment grants. That ratio is to be determined one-half on the basis of table I of House Public Works Committee print No. 93–28 and one-half on the basis of table II of such print. Under this amendment, no State shall receive for fiscal year 1975 an allotment less than that which it received for the fiscal year ending June 30, 1972, as set forth in table III of the House Public Works Committee print.

The House amendment required that this ratio be used for allocating funds for both fiscal years 1975 and 1976.

Mr. President, the amendment I propose would limit the use of the House ratio to fiscal year 1975 only as was proposed in the original Senate version of S. 2812.

The amendment I propose would restore the Senate requirement that the Administrator of the Environmental Protection Agency accelerate the "needs" survey required under section 516(b) of the Federal Water Pollution Control Act of 1972. This amendment requires the Administrator to submit a preliminary detailed cost estimate to Congress no later than September 3, 1974. The final results will be expected no later than February 10, 1975 as required in section 516(b).

This is a modification, as to date, of the Senate provision, but in other respects is similar in intent and purpose to the original Senate bill. The Administrator need only transmit a summary of categorized costs that States submit. If the Administrator has time, he may also accompany the report with appropriate analysis and a recommendation.

In adopting these amendments, the Public Works Committee of each House expects the Environmental Protection Agency to do three things: First, to insure an accurate estimate of all needs for all treatment works, the agency should develop more definitive statements and definitions of which costs will be eligible. Second, the Agency should consult with the Committees on Public Works of both Houses prior to going forward with the survey. Third, the agency should provide monthly reports to Congress on the progress of the preliminary detailed estimate of survey needs.

In amending section 203 of Public Law 92–500, the House has included substitute language on the issue of phased funding. The Senate and House amendments overrule an erroneous interpretation by the Environmental Protection Agency on how projects are to be funded. Presently, the Agency limits grants for portions of treatment works which are "operable units." As the House and Senate noted, this was not the intent of the Congress. The difference between the two bills is related to whether grants are made to financial phases or engineering phases of projects. The House, in requiring that grants be made for projects which are operable units, narrows the Senate's provision, but corrects the basic flaw in Agency interpretation.

Finally, the House included an additional provision which prohibits the Environmental Protection Agency from requiring States to establish, in their construction grant priority lists, a preference for projects which treat wastes to be discharged into international waters.

I recommend the Senate accept this amendment.

The basic cause of the problem we face in fulfilling obligations to clean up international treaties stems from earlier action by this administration. If the administration had not impounded water pollution control allocations, there could have been adequate funds available to meet our international commitments as well as meet the needs of the States for construction of other waste treatment facilities. The attempt by the administration to pressure the States to place international projects at the top of their priority list is an unacceptable response to the failure to release adequate funds.

The illegal decision to impound water pollution funds has created tremendous problems. The administration is now feeling the rebound of that action. The correct policy would be to release the impounded allocations.

SENATOR RANDOLPH SUPPORTS EQUITABLE DISTRIBUTION OF WATER TREATMENT FUNDS

Mr. RANDOLPH. Mr. President, the Federal Water Pollution Control Act which became law a year ago committed the Federal Government to a major new effort to end the discharge of pollutants into our country's waters.

To bring that commitment into being, the act authorized the expenditure of substantial sums to assist States and local governments in providing the physical facilities needed to reduce water pollution.

The legislation before the Senate establishes the formula for allocating funds among the States for the construction of waste treatment facilities in fiscal year 1975. Approval of this formula was a right the Congress held to itself when the act was developed.

Utilizing information as to the needs for these facilities which has been gathered by the Environmental Protection Agency, the Congress will approve the formula by which Federal assistance will be distributed. The bill before us makes this allocation in an equitable manner. Its provisions were worked out in meetings with Members of the House of Representatives. Through this procedure we have avoided the necessity for a Senate-House conference at this late date in the congressional session.

This bill is a compromise of the positions previously taken by the Senate and House of Representatives. The formula provides for the allocations of half of waste treatment construction funds in the manner recommended by the Environmental Protection Agency. The other half will be allocated on the basis of the Agency's table 3 which reflects its assessment of all categories of national needs. No State will receive less than it received for the 1972 fiscal year, as in the House bill.

Mr. President, this legislation allocates funds only for fiscal year 1975 as provided in the original Senate bill. A 2-year allocation formula, as adopted by the House, has been deleted.

In developing this bill earlier this month, the Senate Committee on Public Works was concerned that the needs study of the Environmental Protection Agency did not accurately reflect needs. We, therefore, agreed to require an additional survey next year before allocating funds for fiscal year 1976.

The bill reflects this concern with the procedures used for ascertaining waste treatment facility needs. It directs the Administrator of the Agency to restudy needs and report to the Congress by September 3, 1974. This report is viewed as a preliminary version of the report required by law to be submitted on February 10, 1975. The September preliminary report will be the basis for allocating 1976 funds.

Mr. President, this bill is intended to permit States and communities to meet the responsibilities imposed under the Federal Water Pollution Control Act to halt pollution.

It will not be successful, however, so long as the executive branch continues to make impossible the allocation of all the funds authorized.

For fiscal years 1973 and 1974 the act authorized $11 billion, but only $5 billion was allocated. There are $7 billion authorized for fiscal year 1975, but we have been led to believe that a substantial portion of this amount also will be impounded.

Mr. President, the denial of this construction authority to the States can seriously undermine the thrust of the total water pollution control program. Ambitious goals were set in the 1972 act, goals that are attainable if we are willing to address ourselves to the task. We have the technology and we have the resources. The continued impoundment of these funds by the administration brings into doubt whether it has the determination to make this program succeed.

Under the law, the allocation formula must be approved by the Congress before the end of this month. Approval will permit the orderly continuation of this important program. I urge approval of this bill.

Mr. DOMENICI. Mr. President, I am here in behalf of the Senator from Tennessee (Mr. Baker), the ranking member of the committee involved. The Senator from Tennessee is detained because of transportation problems. He has a prepared statement indicating the consensus on the Repubilcan side. We compliment the chairman for his work.

I ask unanimous consent that the statement of the Senator from Tennessee be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Baker

Mr. President, I wish to express my support for S. 2812, legislation authorizing the allocation of Fiscal 1975 sewage construction funds.

There are two facets of significance in this legislation. This bill authorizes the distribution of sewage treatment funds based entirely on the needs of the states. The needs formula is not as generous to some states as was the earlier Senate formula based partly on needs, partly on population. I support this change because I believe that a "needs" formula, however flawed, is the proper basis for the distribution of funds under this program. It is my expectation that EPA and the states will develop a more realistic needs formula in time for the fiscal 1976 distribution.

The other vital aspect of this bill involves Congressional restatement of the authority for a state to permit phased funding of sewage-treatment projects. P.L. 92–500 recognized the reasonableness of such an approach, including language that permits states and communities to finance portions of projects in any given year, then obtaining further funds in subsequent years.

Unfortunately, the Environmental Protection Agency failed to allow such "phasing". That decision hampered the ability of many state water pollution control agencies to develop the most effective and logical control program. Often funding of a large project prevented the start of construction of other needed projects on a State's priority list.

This bill will rectify that EPA error and it will assure states the ability to phase-fund projects.

While this language is somewhat different from language I introduced as S. 1594, subsequently incorporated into an earlier version of this bill, this new language will have the same impact and intent as S. 1594.

This section will give to the States the right and ability to seek approval—and for EPA to grant such approval—for 75 percent grants toward a portion of a treatment works, whether that portion is selected on a financial or physical basis. A community might, for example, seek initially a grant for one-fifth of the total cost of construction of a plant. Or it might seek funds for the first 1,000 feet of an interceptor sewer. In future years, the applicant would come back for further grants to finish each project.

EPA should view phasing as an opportunity for flexibility to get more projects on line more quickly, and thus to achieve our national goal of clean water more expeditiously.

I urge the adoption of this bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to.

RECESS SUBJECT TO CALL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Republican leader or the Democratic leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:27 p.m. the Senate took a recess subject to the call of the Republican or Democratic leader.

At 12:33 p.m., the Senate reassembled when called to order by the Presiding Officer (Mr. HANSEN).

AMENDMENT OF DISTRICT OF COLUMBIA REVENUE ACT OF 1947

Mr. INOUYE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6186, to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions.

The PRESIDING OFFICER laid before the Senate the following message:

Resolved, That the House agree to the amendments of the Senate numbered 1 and 2 to the bill (H.R. 6186) entitled "An Act to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions."

Resolved, That the House agree to the amendment of the Senate numbered 3 to the aforesaid bill with the following amendment:

In lieu of the matter proposed to be inserted, insert:

SEC. 3. (a) Part C of title VII of the District of Columbia Self-Government and Governmental Reorganization Act is amended by inserting at the end thereof the following:

"Political Participation in the First Election Held Under The Act

"SEC. 724. (a) In order to provide continuity in the government of the District of Columbia during the transition from the appointed government to the elected government provided for under this Act, no person employed by the United States or by the government of the District of Columbia (including the Commissioner of the District of Columbia and the Chairman, Vice Chairman, and members of the District of Columbia Council established under Reorganization Plan Numbered 3 of 1967) shall be prohibited by reason of such employment—

"(1) from being a candidate in the first election held under this Act for, or

"(2) if such a candidate, from taking an active part in political management or political campaigns in such election which relate to,

the office of Mayor or Chairman or member of the Council of the District of Columbia provided for under title IV of this Act.

"(b) The provisions of this section shall terminate as of January 2, 1975."

(b) The table of contents for part C of title VII of such Act is amended by inserting at the end of that part the following new item:

"Sec. 724. Political participation in the first election held under this Act."

SEC. 4. (a) Section 741 of the District of Columbia Self-Government and Governmental Reorganization Act is repealed.

(b) The table of contents for part D of title VII of such Act is amended by striking out the item relating to section 741.

Mr. INOUYE. Mr. President, I move that the Senate disagree to the House amendment and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. EAGLETON, Mr. INOUYE, and Mr. MATHIAS conferees on the part of the Senate.

RECESS SUBJECT TO CALL OF THE CHAIR

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the same conditions as before.

There being no objection, at 12:34 p.m. the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 12:35 p.m. when called to order by Mr. CHILES.

ENERGY EMERGENCY ACT—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate the conference report on S. 2589, the Energy Emergency Act.

First, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I renew my request that the conference report on S. 2589, the Energy Emergency bill, be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The report will be stated by title.

The second assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2589) to authorize and direct the President and State and local governments to develop contingency plans for reducing petroleum consumption, and assuring the continuation of vital public services in the event of emergency fuel shortages or severe dislocations in the Nation's fuel distribution system, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

CONFERENCE REPORT

[To accompany S. 2589]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and international contingency plans; to assure the continuation of vital public services; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act, including the following table of contents, may be cited as the "Energy Emergency Act".

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Sec. 101. Findings and purposes.
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Sec. 107. Materials allocation.
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TITLE II—COORDINATION WITH ENVIRONMENTAL PROTECTION REQUIREMENTS

Sec. 201. Suspension authority.
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TITLE III—STUDIES AND REPORTS

Sec. 301. Agency studies.
Sec. 302. Reports of the President to Congress.

TITLE I—ENERGY EMERGENCY AUTHORITIES

SEC. 101. FINDINGS AND PURPOSES.

(a)(1) The Congress hereby determines that—

(A) shortages of crude oil, residual fuel oil, and refined petroleum products caused by insufficient domestic refining capacity, inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist;

(B) such shortages have created or will create severe economic dislocations and hardships;

(C) such shortages and dislocations jeopardize the normal flow of interstate and foreign commerce and constitute an energy emergency which can be averted or minimized most efficiently and effectively through prompt action by the executive branch of Government;

(D) disruptions in the availability of imported energy supplies, particularly crude oil and petroleum products, pose a serious risk to national security, economic well-being, and health and welfare of the American people;

(E) because of the diversity of conditions, climate, and available fuel mix in different areas of the Nation, a primary governmental responsibility for developing and enforcing energy emergency measures lies with the States and with the local governments of major metropolitan areas acting in accord with the provisions of this Act; and

(F) the protection and fostering of competition and the prevention of anticompetitive practices and effects are vital during the energy emergency.

(2) On the basis of the determinations specified in subparagraphs (A) through (F) of paragraph (a)(1) of this subsection, the Congress hereby finds that current and imminent fuel shortages have created a nationwide energy emergency.

(b) The purposes of this Act are to call for proposals for energy emergency rationing and conservation measures and to authorize specific temporary emergency actions to be exercised, subject to congressional review and right of approval or disapproval, to assure that the essential needs of the United States for fuels will be met in a manner which, to the fullest extent practicable: (1) is consistent with existing national commitments to protect and improve the environment; (2) minimizes any adverse impact on employ- specified in subparagraphs (A) through (F) ment; (3) provides for equitable treatment of all sectors of the economy; (4) maintains vital services necessary to health, safety, and public welfare; and (5) insures against anticompetitive practices and effects and preserves, enhances, and facilitates competition in the development, production, transportation, distribution, and marketing of energy resources.

SEC. 102. DEFINITIONS

For purposes of this Act:

(1) The term "State" means a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States.

(2) The term "petroleum product" means crude oil, residual fuel oil, or any refined petroleum product (as defined in the Emergency Petroleum Allocation Act of 1973).

(3) The term "United States" when used in the geographical sense means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(4) The term "Administrator" means the Administrator of the Federal Energy Emergency Administration.

SEC. 103. FEDERAL ENERGY EMERGENCY ADMINISTRATION.

(a) There is hereby established until May 15, 1975, unless superseded prior to that date by law a Federal Energy Emergency Administration which shall be temporary and will be headed by a Federal Energy Emergency Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. Vacancies in the office of Administrator shall be filled in the same manner as the original appointment.

(b) The Administrator shall be compensated at the rate provided for level II of the Executive Schedule. Subject to the Civil Service and Classification provisions of title 5, United States Code, the Administrator may employ such personnel as he deems necessary to carry out his functions.

(c) Effective on the date on which the Administrator first takes office (or, if later, on January 1, 1974), all functions, powers, and duties of the President under sections 4, 5, 6, and 9 of the Emergency Petroleum Allocation Act of 1973 (as amended by this Act), and of any officer, department, agency, or State (or officer thereof) under such sections (other than functions vested by section 6 of such Act in the Federal Trade Commission, the Attorney General, or the Antitrust Division of the Department of Justice), are transferred to the Administrator. All personnel, property, records, obligations, and commitments used primarily with respect to functions transferred under the preceding sentence shall be transferred to the Administrator.

(d)(1) Whenever the Federal Energy Emergency Administration submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

(2) Whenever the Federal Energy Emergency Administration submits any legislative recommendations or testimony or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Federal Energy Emergency Administration to submit its legislative recommendations, or testimony or comments to any officer or agency of the United States for approval, comments, or review prior to the submission of such recommendations, testimony, or comments to the Congress.

(3) The Federal Energy Emergency Administration shall be considered an independent regulatory agency for purposes of chapter 35 of title 44, United States Code, but not for any other purpose.

SEC. 104. END-USE RATIONING.

Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h)(1) The President may promulgate a rule which shall be deemed a part of the regulation under subsection (a) and which shall provide, consistent with the objective of subsection (b), for the establishment of a program for the rationing and ordering of priorities among classes of end-users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment to end-users of such products of rights, and evidence of such rights, entitling them to obtain such products in precedence to other classes of end-users not similarly entitled.

"(2) the rule under this subsection shall take effect only if the President finds that, without such rule, all other practicable and authorized methods to limit energy demand will not achieve the objectives of section 4(b) of this Act and of the Energy Emergency Act.

"(3) The President shall, by order, in furtherance of the rule authorized pursuant to paragraph (1) of this subsection and consistent with the attainment of the objectives in subsection (b) of this section, cause such adjustments in the allocations made pursuant to the regulation under subsection (a) as may be necessary to carry out the purposes of this subsection.

"(4) The President shall provide for procedures by which any end-user of crude oil, residual fuel oil or refined petroleum products for which priorities and entitlements are established under paragraph (1) of this subsection may petition for review and reclassification or modification of any determination made under such paragraph with respect to his rationing priority or entitlement. Such procedures may include procedures with respect to such local boards as may be authorized to carry out functions under this subsection pursuant to section 122 of the Energy Emergency Act.

"(5) No rule or order under this section may impose any tax or user fee, or provide for a credit or deduction in computing any tax."

SEC. 105. ENERGY CONSERVATION PLANS.

(a)(1)(A) Pursuant to the provisions of this section, the Administrator is authorized to promulgate by regulation one or more energy conservation plans in accord with this section which shall be designed (together with actions taken and proposed to be taken under other authority of this or other Acts) to result in a reduction of energy consumption to a level which can be supplied by available energy resources. For purposes of this section, the term "energy conservation plan" means a plan for transportation controls (including but not limited to highway speed limits) or such other reasonable restrictions on the public or private use of energy (including limitations on energy consumption of businesses) which are necessary to reduce energy consumption and which are authorized by this Act.

(B) No energy conservation plan promulgated by regulation under this section may impose rationing or any tax or user fee, or provide for a credit or deduction in computing any tax.

(2) An energy conservation plan shall become effective as provided for in subsection (b) and shall apply in each State except as otherwise provided in the regulation promulgating the plan.

(3) An energy conservation plan may not deal with more than one logically consistent subject matter.

(4) An amendment to an energy conservation plan, if it has significant substantive effect, shall be transmitted to Congress and shall be effective only in accordance with subsection (b). Any amendment which does not have significant substantive effect and any rescission of a plan may be made effective in accordance with section 553 of title 5, United States Code.

(5) Subject to subsection (b)(3), provision of an energy conservation plan shall remain in effect for a period specified in the plan unless earlier rescinded by the Administrator, but shall terminate in any event no later than May 15, 1975.

(b)(1) For purposes of this subsection, the term "energy conservation plan" means a plan promulgated by a regulation proposed under subsection (a) of this section or an amendment thereto which has significant substantive effect.

(2) The Administrator shall transmit any regulation promulgating an energy conservation plan (bearing an identification number) to each House of Congress on the date on which it is promulgated.

(3)(A) If an energy conservation plan is transmitted to Congress before March 1, 1974, and provides for an effective date earlier than March 1, 1974, such action shall take effect on the date provided in the action; but if either House of the Congress, before the end of the first period of 15 calendar days of continuous session of Congress after the date on which the plan is transmitted to it, passes a resolution stating in substance that said House does not favor the energy action, the regulation promulgating such plan shall cease to be effective on the date of passage of such resolution.

(B) If a regulation promulgating an energy conservation plan is transmitted to the Congress and provides for an effective date on or after March 1, 1974 and before July 1, 1974, such action shall take effect at the end of the first period of 15 calendar days of continuous session of Congress after the date on which the plan is transmitted to it unless, between the date of transmittal and the end of the 15-day period, either House passes a resolution stating in substance that said House does not favor the energy action.

(C) A plan proposed to be made effective on or after July 1, 1974, shall take effect only if approved by Act of Congress.

(4) For the purpose of paragraph (3) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 15-day period.

(5) Under provisions contained in an energy conservation plan, a provision of the plan may be made effective at a time later than the date on which the action otherwise is effective.

(c)(1) This subsection is enacted by Congress—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(2) For the purpose of this subsection, 'resolution' means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: 'That the ——— does not favor the energy conservation plan numbered ——— transmitted to Congress by the Administrator of the Federal Energy Emergency Agency on ———, 19—.', the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; but does not include a resolution which specifies more than one energy conservation plan.

"(3) A resolution with respect to an energy conservation plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

"(4)(A) If the committee to which a resolution with respect to an energy conservation plan has been referred has not reported it at the end of 5 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to said energy conservation plan which has been referred to the committee.

"(B) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same energy conservation plan), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(C) If the motion, to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same plan.

"(5)(A) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an energy conservation plan, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(6)(A) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution with respect to an energy conservation plan, and motions to proceed to the consideration of other business, shall be decided without debate.

"(B) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an energy conservation plan shall be decided without debate."

(d)(1) In carrying out the provisions of this Act, the Administrator shall, to the greatest extent practicable, evaluate the potential economic impacts of proposed regulatory and other actions including but not limited to the preparation of an analysis of the effect of such actions on—

(A) the fiscal integrity of State and local government;

(B) vital industrial sectors of the economy;

(C) employment, by industrial and trade sector, as well as on a national, regional, State, and local basis;

(D) the economic vitality of regional, State, and local areas;

(E) the availability and price of consumer goods and services;

(F) the gross national product;

(G) competition in all sectors of industry; and

(H) small business.

(2) The Administrator shall develop analyses of the economic impact of various conservation measures on States or significant sectors thereof, considering the impact on both energy for fuel and energy as feed stock for industry.

(3) Such analysis shall, whenever possible, be made explicit and to the extent practicable other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analysis, and all Federal agencies shall cooperate with the Administrator in preparing such analyses: *Provided*, That the Administrator's actions pursuant to this subsection shall not create any right of review or cause of action except as would otherwise exist under other provisions of law.

(4) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with separate reports every thirty days on the impact of the energy shortage and such emergency actions on employment and the economy.

(e) Any energy conservation plan which the Administrator submits to the Congress pursuant to subsection (b) of this section shall include findings of fact and a specific statement explaining the rationale for each provision contained in such plan.

SEC. 106. COAL CONVERSION AND ALLOCATION

(a) The Administrator shall, to the extent practicable and consistent with the objectives of this Act, by order, after balancing on a plant-by-plant basis the environmental effects of use of coal against the need to fulfill the purposes of this Act, prohibit, as its primary energy source, the burning of natural gas or petroleum products by any major fuel-burning installation (including any existing electric powerplant) which, on the date of enactment of this Act, has the capability and necessary plant equipment to burn coal. Any installation to which such an order applies shall be permitted to continue to use coal as provided in section 119(b) of the Clean Air Act. To the extent coal supplies are limited to less than the aggregate amount of coal supplies which may be necessary to satisfy the requirements of those installations which can be expected to use coal (including installation to which orders may apply under this subsection), the Administrator shall prohibit the use of natural gas and petroleum products for those installations where the use of coal will have the least adverse environmental impact. A prohibition on use of natural gas and petroleum products under this subsection shall be contingent upon the availability of coal, coal transportation facilities, and the maintenance of reliability of service in a given service area. The Administrator shall require that fossil-fuel-fired electric powerplants in the early planning process, other than combustion gas turbine and combined cycle units, be designed and constructed so as to be capable of using coal as a primary energy source instead of or in addition to other fossil fuels. No fossil-fuel-fired electric powerplant may be required under this section to be so designed and constructed, if (1) to do so would result in an impairment of reliability or adequacy of service, or (2) if an adequate and reliable supply of coal is not available and is not expected to be available. In considering whether to impose a design and construction requirement under this subsection, the Administrator shall consider the existence and effects of any contractual commitment for the construction of such facilities and the capability of the owner or operator to recover any capital investment made as a result of the conversion requirements of this section.

(b) The Administrator may by rule prescribe a system for allocation of coal to users thereof in order to attain the objectives specified in this section.

SEC. 107. MATERIALS ALLOCATION.

(a) The Administrator shall within 30 days after the date of enactment of this Act propose (in the nature of a proposed rule affording an opportunity for the presentation of views) and publish (and may from time to time amend) a contingency plan for allocation of supplies of materials and equipment necessary for exploration, production, refining, and required transportation of energy supplies and for the construction and maintenance of energy facilities. At such time as he finds that it is necessary to put all or part of the plan into effect, he shall transmit such plan or portion thereof to Congress and such plan or portion thereof shall take effect in the same manner as an energy conservation plan prescribed under section 105 to which section 105(b)(3)(B) applies (but such plan may be submitted at any time after enactment of this Act and before May 15, 1975).

(b) Section 4(b)(1)(G) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(G) allocation of residual fuel oil and refined petroleum products in such amounts and in such manner as may be necessary for the maintenance of exploration for, and production or extraction of—

"(i) fuels, and

"(ii) minerals essential to the requirements of the United States,

and for required transportation related thereto,"

SEC. 108. FEDERAL ACTIONS TO INCREASE AVAILABLE DOMESTIC PETROLEUM SUPPLIES

(a) The Administrator may initiate the following measures to supplement domestic energy supplies for the duration of the emergency:

(1) require by order or rule the production of designated existing domestic oilfields, at their maximum efficient rate of production, which is the maximum rate at which production may be sustained without detriment to the ultimate recovery of oil and gas under sound engineering and economic principles. Such fields are to be designated by the Secretary of the Interior, after consultation with the appropriate State regulatory agency. Data to determine the maximum efficient rate of production shall be supplied to the Secretary of the Interior by the State regulatory agency which determines the maximum efficient rate of production and by the operators who have drilled wells in, or are producing oil and gas from such fields;

(2) require, if necessary to meet essential energy needs, production of certain designated existing domestic oilfields at rates in excess of their currently assigned maximum efficient rates. Fields to be so designated, by the Secretary of the Interior or the Secretary of the Navy as to the Federal lands or as to Federal interests in lands, under their respective jurisdiction shall be those fields where the types and quality of reservoirs are such as to permit production at rates in excess of the currently assigned sustainable maximum efficient rate for periods of ninety days or more without excessive risk of losses in recovery;

(3) require the adjustment of processing operations of domestic refiners to produce refined products in proportions commensurate with national needs and consistent with the objectives of section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(b) Nothing in this section shall be construed to authorize the production of any Naval Petroleum Reserve now subject to the provisions of chapter 641 of title 10 of the United States Code.

SEC. 109. OTHER AMENDMENTS TO THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973.

(a) Section 4 of the Emergency Petroleum Allocation Act of 1973 as amended by section 104 of this Act is amended by adding at the end of such section the following new subsection:

(i) If any provision of the regulation under subsection (a) provides that any allocation of residual fuel oil or refined petroleum products is to be based on use of such a product or amounts of such product supplied during a historical period, the regulation shall contain provisions designed to assure that the historical period can be adjusted (or other adjustments in allocations can be made) in order to reflect regional disparities in use population growth or unusual factors influencing use (including unusual changes in climatic conditions), of such oil or the product in the historical period. This subsection shall take effect 30 days after the date of enactment of the Energy Emergency Act. Adjustments for such purposes shall take effect on later than 6 months after the date of enactment of this subsection. Adjustments to reflect population growth shall be based upon the most current figures available from the United States Bureau of the Census."

(b) Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "February 28, 1975" in each case the term appears and inserting in each case "May 15, 1975."

SEC. 110. PROHIBITION ON WINDFALL PROFITS—PRICE GOUGING.

(a)(1) The President shall exercise his authority under the Emergency Petroleum Allocation Act of 1973 and under the Economic Stabilization Act of 1970 so as to specify prices for sales of petroleum products produced in or imported into the United States, which avoid windfall profits by sellers.

(2) Any interested person, who has reason to believe that any price (specified under any of the authorities referred to in paragraph (1) of this subsection) of petroleum products permits a seller thereof any windfall profits, may petition the Renegotiation Board (created by section 107(a) of the Renegotiation Act of 1951 and hereinafter in this subsection referring to as the 'Board') for a determination under subparagraph (A) or (B) or paragraph (3).

(3)(A) Upon petition of any interested person, the Board may by rule determine, after opportunity for oral presentation of views, data, and arguments, whether the price (specified under any of the authorities referred to in paragraph (1) of petroleum product permits sellers thereof to receive windfall profits. Upon a final determination of the Board that such price permits windfall profits to be so received, it shall specify a price for such sales which will not permit such profits to be received by such sellers. After such a final determination, no higher price may be specified (under any of the authorities specified in paragraph (1)) except with the approval of the Board.

(B) Upon petition of any interested person and notwithstanding any proceeding or determination under subparagraph (A), the Board may determine whether the price charged by a particular seller of any petroleum product permitted such seller to receive windfall profits. If, on the basis of such petition, the Board has reason to believe that such price has permitted such seller to receive windfall profits, it may order such seller to take such actions (including the escrowing of funds) as it may deem appropriate to assure that sufficient funds will be available for the refund of windfall profits in the event there is a final determination by the Board under this subparagraph that such seller has received windfall profits. Prior to a final determination under this subparagraph, such seller shall be afforded a hearing in accordance with the procedures required by section 554 of title 5, United States Code. Upon a final determination of the Board that such price permitted such seller to receive windfall profits, the Board shall order such seller to refund an amount equal to such windfall profits to the persons who have purchased from such seller at prices which resulted in such windfall profits. If such persons are not reasonably ascertainable, the Board shall order the sellers for the purpose of refunding such profits, to reduce the price for future sales, to create a fund against which previous purchasers of such item may file a claim under rules which shall be prescribed by the Board, or to take such other action as the Board may deem appropriate.

(C) Notwithstanding section 108 of the Renegotiation Act of 1951 and section 211 of the Economic Stabilization Act of 1970, any final determination under subparagraph (A) or (B) shall be subject to judicial review in accordance with sections 701 through 706 of title 5, United States Code.

(4)(A) The Board may provide, in its discretion under regulations prescribed by the Board, for such consolidation as may be necessary or appropriate to carry out the purposes of this subsection.

(B) The Board may make such rules, regulations, and orders as it deems necessary or appropriate to carry out its functions under this subsection.

(5) The determination and approval authority of the Board under this paragraph may not be delegated or redelegated pursuant to section 107(d) of the Renegotiation Act of 1951 to any agency of the Government other than an agency established by the Board.

(6) For the purposes of subparagraph (B) of paragraph (3), the term "windfall profits" means that profit (during an appropriate accounting period as determined by the Board) derived from the sale of any petroleum product determined by the Board to be in excess of the lesser of—

(A) a reasonable profit with respect to the particular seller as determined by the Board upon consideration of—

(i) the reasonableness of its costs and profits with particular regard to volume of production;

(ii) the net worth, with particular regard to the amount and source of capital employed;

(iii) the extent of risk assumed;

(iv) the efficiency and productivity, particularly with regard to cost reduction techniques and economies of operation; and

(v) other factors the consideration of which the public interest and fair and equitable dealing may require which may be established and published by the Board; or

(B) the greater of—

(i) the average profit obtained by sellers for such products during the calendar years 1967 through 1971; or

(ii) the average profit obtained by the particular seller for such products during such calendar years.

(7) Except as provided in paragraph (6), for the purposes of this subsection, the term "windfall profits" means profit in excess of the average profit obtained by all sellers for such products during the calendar years 1967 through 1971.

(8) For the purposes of this subsection, the term "interested person" includes the United States, any State, and the District of Columbia.

(9) This subsection shall not apply to the first sale of crude oil described in subsection (e)(2) of this section (relating to stripper wells).

(10) This section shall take effect on January 1, 1975, and shall apply to profits attributable to any price (specified under any of the authorities referred to in paragraph (1) of this subsection) of crude oil, residual fuel oil, and refined petroleum products in effect after December 31, 1973.

(b) Notwithstanding any other provision of law, administrative proceedings before the Board under this section shall be governed by subchapter II of chapter 5 of title 5, United States Code, and such proceedings shall be reviewed in accordance with chapter 7 of such title.

SEC. 111.—PROTECTION OF FRANCHISED DEALERS.

(a) As used in this section:

(1) The term "distributor" means a person engaged in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or in any way controls such outlets.

(2) The term "franchise" means any agreement or contract between a refiner or a distributor and a retailer or between a refiner and a distributor, under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purposes of en-

gaging in the distribution or sale of petroleum products for purposes other than resale.

(3) The term "notice of intent" means a written statement of the alleged facts which, if true, constitute a violation of subsection (b) of this section.

(4) The term "refiner" means a person engaged in the refining or importing of petroleum products.

(5) The term "retailer" means a person engaged in the sale of any refined petroleum product for purposes other than resale within any State, either under a franchise or independent of any franchise, or who was so engaged at any time after the start of the base period.

(b) (1) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby. Such notification shall be in writing and sent to such distributor or retailer by certified mail not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons therefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this section together with a summary of the applicable provisions of this section.

(2) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the retailer or distributor whose franchise is terminated failed to comply substantially with any essential and reasonable requirement of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of refined petroleum products in commerce for sale other than resale in the United States.

(c) (1) If a refiner or distributor engages in conduct prohibited under subsection (b) of this section, a retailer or a distributor may maintain a suit against such refiner or distributor. A retailer may maintain such suit against a distributor or a refiner whose actions affect commerce and whose products with respect to conduct prohibited under paragraphs (1) or (2) of subsection (b) of this section, he sells or has sold, directly or indirectly, under a franchise. A distributor may maintain such suit against a refiner whose actions affect commerce and whose products he purchases or has purchased or whose products he distributes or has distributed to retailers.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of conduct prohibited under subsection (b) of this section which it finds to exist including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and actual and punitive damages (except for actions for a failure to renew) where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant. In the case of actions for a failure to renew damages shall be limited to actual damages including the value of the dealer's equity.

(3) A suit under this section may be brought in the district court of the United States for any judicial district in which the distributor or the refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No such suit shall be maintained unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof.

SEC. 112. PROHIBITIONS ON UNREASONABLE ACTIONS.

(a) Action taken under authority of this Act, the Emergency Petroleum Allocation Act of 1973, or other Federal law resulting in the allocation of petroleum products and electrical energy among classes of users or resulting in restrictions on use of petroleum products and electrical energy, shall be equitable, shall not be arbitrary or capricious, and shall not unreasonably discriminate among classes of users: *Provided*, That with respect to allocations of petroleum products applicable to the foreign trade and commerce of the United States, no foreign corporation or entity shall receive more favorable treatment in the allocation of petroleum products than that which is accorded by its home country to United States citizens engaged in the same line of commerce, and allocations shall contain provisions designed to foster reciprocal and non-discriminatory treatment by foreign countries of United States citizens engaged in foreign commerce.

(b) To the maximum extent practicable, any restriction on the use of energy shall be designed to be carried out in such manner so as to be fair and to create a reasonable distribution of the burden of such restriction on all sectors of the economy, without imposing an unreasonably disproportionate share of such burden on any specific industry, business or commercial enterprise, or on any individual segment thereof and shall give due consideration to the needs of commercial, retail, and service establishments whose normal function is to supply goods and services of an essential nature during times of day other than conventional daytime working hours.

SEC. 113. REGULATED CARRIERS.

(a) The Interstate Commerce Commission (with respect to common or contract carriers subject to economic regulation under the Interstate Commerce Act), the Civil Aeronautics Board, and the Federal Maritime Commission shall, for the duration of the period beginning on the date of enactment of this Act and ending on May 15, 1975, have authority to take any action for the purpose of conserving energy consumption in a manner found by such Commission or Board to be consistent with the objectives and purposes of the Acts administered by such Commission or Board on its own motion or on the petition of the Administrator which existing law permits such Commission or Board to take upon the motion or petition of any regulated common or contract carrier or other person.

(b) The Interstate Commerce Commission shall, by expedited proceedings, adopt appropriate rules under the Interstate Commerce Act which eliminate restrictions on the operating authority of any motor common carrier of property which require excessive travel between points with respect to which such motor common carrier has regularly performed service under authority issued by the Commission. Such rules shall assure continuation of essential service to communities served by any such motor common carrier.

(c) Within 45 days after the date of enactment of this Act, the Civil Aeronautics Board, the Federal Maritime Commission, and the Interstate Commerce Commission shall report separately to the appropriate committees of the Congress on the need for additional regulatory authority in order to conserve fuel during the period beginning on the date of enactment of this Act and ending on May 15, 1975 while continuing to provide for the public convenience and necessity. Each such report shall identify with specificity—

(1) the type of regulatory authority needed;

(2) the reasons why such authority is needed;

(3) the probable impact on fuel conservation of such authority;

(4) the probable effect on the public convenience and necessity of such authority; and

(5) the competitive impact, if any, of such authority.

Each such report shall further make recommendations with respect to changes in any existing fuel allocation programs which are deemed necessary to provide for the public convenience and necessity during such period.

SEC. 114. ANTITRUST PROVISIONS.

(a) Except as specifically provided in subsection (i), no provision of this Act shall be deemed to convey to any person subject to this Act any immunity from civil and criminal liability or to create defenses to actions, under the antitrust laws.

(b) As used in this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 14 et seq.), as amended;

(4) sections 37 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9); as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) (1) To achieve the purposes of this Act, the Administrator may provide for the establishment of such advisory committees as he determines are necessary. Any such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C. App. I); whether or not such Act or any of its provisions expires or terminates during the term of this Act or of such committees, and in all cases shall be chaired by a regular full-time Federal employee and shall include representatives of the public. The meetings of such committees shall be open to the public.

(2) A representative of the Federal Government shall be in attendance at all meetings of any advisory committee established pursuant to this section. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

(3) A full and complete verbatim transcript shall be kept of all advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of sections 552(b) (1) and (b) (3) of title 5, United States Code.

(d) The Administrator, subject to the approval of the Attorney General and the Federal Trade Commission, shall promulgate, by rule, standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil or any refined petroleum product may develop and implement voluntary agreements and plans of action to carry out such agreements which the Administrator determines are necessary to accomplish the objectives stated in section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(e) The standards and procedures under subsection (d) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

(1) Such agreements and plans of action shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the petroleum industry and of industrial, municipal and private consumers, and shall in all cases be chaired by a regular full-time Federal employee;

(2) Meetings held to develop a voluntary agreement or a plan of action under this subsection shall permit attendance by interested persons and shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission and to the public in the affected community;

(3) Interested persons shall be afforded an opportunity to present, in writing and orally, data, views and arguments at such meetings;

(4) A full and complete verbatim transcript shall be kept of any meeting, conference or communication held to develop, implement or carry out a voluntary agreement or a plan of action under this subsection and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying, subject to provisions of section 552 (b)(1) and (b)(3) of title 5, United States Code.

(f) The Federal Trade Commission may exempt types or classes of meetings, conferences or communications from the requirements of subsection (c)(3) and (e)(4) provided such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing or carrying out a voluntary agreement or plan of action authorized pursuant to this section. Such ministerial meeting, conference or communication may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject matter discussed. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

(g)(1) The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, implementation and carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this Act. Each shall have the right to review, amend, modify, disapprove, or prospectively revoke, on its own motion or upon the request of any intertested person, any plan of action or voluntary agreement at any time, and, if revoked, thereby withdraw prospectively the immunity conferred by subsection (i) of this section.

(2) Any voluntary agreement or plan of action entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission 20 days before being implemented, where it shall be made available for public inspection and copying.

(h)(1) The Attorney General and the Federal Trade Commission shall monitor the development, implementation and carrying out of plans of action and voluntary agreements authorized under this section to assure the protection and fostering of competition and the prevention of anticompetitive practices and effects.

(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts and other records related to the development, implementation or carrying out of plans of action or voluntary agreements authorized pursuant to this Act.

(3) Persons developing, implementing or carrying out plans of action or voluntary agreements authorized pursuant to the Act shall maintain those records required by such joint regulations. The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

(4) The Federal Trade Commission and the Attorney General may each prescribe such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. They may both utilize for such purposes and for purposes of enforcement, any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws; and wherever such provision of law refers to "the purposes of this Act" or like terms, the reference shall be understood to be this Act.

(5) There shall be available as a defense to any civil or criminal action brought under the antitrust laws in respect of actions taken in good faith to develop and implement a voluntary agreement or plan of action to carry out a voluntary agreement by persons engaged in the business of producing, refining, marketing or distributing crude oil, residual fuel, or any refined petroleum product that—

(1) Such action was—

(A) authorized and approved pursuant to this section, and

(B) undertaken and carried out solely to achieve the purposes of this section and in compliance with the terms and conditions of this section, and the rules promulgated hereunder; and

(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

(j) No provision of this Act shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred: (1) prior to the enactment of this Act, (2) outside the scope and purpose or not in compliance with the terms and conditions of this Act and section, or (3) subsequent to its expiration or repeal.

(k) Effective on the date of enactment of this Act, this section shall apply in lieu of section 6(c) of the Emergency Petroleum Allocation Act of 1973. All actions taken and any authority or immunity granted under such section 6(c) shall be hereafter taken or granted, as the case may be, pursuant to this section.

(l) The provision of section 708 of the Defense Production Act of 1950, as amended, shall not apply to any action authorized to be taken under this Act or the Emergency Petroleum Allocation Act of 1973.

(m) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, a report on the impact on competition and on small business of actions authorized by this section.

(n) The authority granted by this section (including any immunity under subsection (i)) shall terminate on May 15, 1975.

(o) The exercise of the authority provided in section 113 shall not have as a principal purpose or effect the substantial lessening of competition among carriers affected. Actions taken pursuant to that subsection shall be taken only after providing from the beginning an adequate opportunity for participation by the Federal Trade Commission and the Assistant Attorney General in charge of the Antitrust Division, who shall propose any alternative which would avoid or overcome, to the greatest extent practicable, any anticompetitive effects while achieving the purposes of this Act.

SEC. 115. EXPORTS.

To the extent necessary to carry out the purpose of this Act, the Administrator may under authority of this Act, by rule, restrict exports of coal, petroleum products, and petrochemical feedstocks, under such terms as he deems appropriate: *Provided*, That, the Administrator shall restrict exports of coal, petroleum products, or petrochemical feedstocks if either the Secretary of Commerce or the Secretary of Labor certifies that such exports would contribute to unemployment in the United States. The Secretary of Commerce, pursuant to the Export Administration Act of 1969 (but without regard to the phrase "and to reduce the serious inflationary impact of abnormal foreign demand" in section 3(2)(A) of such Act), may restrict the exports of coal, petroleum products, and petrochemical feedstocks, and of materials and equipment essential to the production, transport, or processing of fuels to the extent necessary to carry out the purpose of this Act and section 4(b) and 4(d) of the Emergency Petroleum Allocation Act of 1973: *Provided*, That in the event that the Administrator certifies to the Secretary of Commerce that export restrictions of products enumerated in this section are necessary to carry out the purpose of this Act, the Secretary of Commerce shall impose such export restrictions. Rules under this section by the Administrator and actions by the Secretary of Commerce under the Export Administration Act of 1969 shall take into account the historical trading relations of the United States with Canada and Mexico and shall not be inconsistent with subsection (b) and (d) of section 4 of the Emergency Petroleum Allocation Act of 1973.

SEC. 116. EMPLOYMENT IMPACT AND UNEMPLOYMENT ASSISTANCE.

(a) The President shall take into consideration and shall minimize, to the fullest extent practicable, any adverse impact of actions taken pursuant to this Act upon employment. All agencies of government shall cooperate fully under their existing statutory authority to minimize any such adverse impact.

(b) The President shall make grants to States to provide to any individual unemployment, if such unemployment resulted from the administration and enforcement of this Act and was in no way due to the fault of such individual, such assistance as the President deems appropriate while such individual is unemployed. Such assistance as a State shall provide under such a grant shall be available to individuals not otherwise eligible for unemployment compensation and individuals who have otherwise exhausted their eligibility for such unemployment compensation, and shall continue as long as unemployment in the area caused by such administration and enforcement continues (but not less than six months) or until the individual is reemployed in a suitable position, but not longer than two years after the individual becomes eligible for such assistance. Such assistance shall not exceed the maximum weekly amount under the unemployment compensation program of the State in which the employment loss occurred.

(c) On or before the sixtieth day following the date of enactment of this Act, the President shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers and shall include legislative recommendations which the President deems appropriate to meet such needs, including revisions in the unemployment insurance laws.

SEC. 117. USE OF CARPOOLS.

(a) The Secretary of Transportation shall encourage the creation and expansion of the use of carpools as a viable component of our nationwide transportation system. It is the intent of this section to maximize the level of carpool participation in the United States.

(b) The Secretary of Transportation is directed to establish within the Department of Transportation an "Office of Carpool Promotion" whose purpose and responsibilities shall include—

(1) responding to any and all requests for information and technical assistance on carpooling and carpooling systems from units of State and local governments and private groups and employees;

(2) promoting greater participation in carpooling through public information and the preparation of such materials for use by State and local governments;

(3) encouraging and promoting private organizations to organize and operate carpool systems for employees;

(4) promoting the cooperation and sharing of responsibilities between separate, yet proximately close, units of government in coordinating the operations of carpool systems; and

(5) promoting other such measures that the Secretary determines appropriate to achieve the goal of this subsection.

(c) The Secretary of Transportation shall encourage and promote the use of incentives such as special parking privileges, special roadway lanes, toll adjustments, and other incentives as may be found beneficial and administratively feasible to the furtherance of carpool ridership, and consistent with the obligations of the State and local agencies which provide transportation services.

(d) The Secretary of Transportation shall allocate the funds appropriated pursuant to the authorization of subsection (f) according to the following distribution between the Federal and State or local units of government:

(1) The initial planning process—up to 100 percent Federal.

(2) The systems design process—up to 100 percent Federal.

(3) The initial startup and operation of a given system—60 percent Federal and 40 percent State or local with the Federal portion not to exceed 1 year.

(e) Within 12 months of the date of enactment of this Act, the Secretary of Transportation shall make a report to Congress of all his activities and expenditures pursuant to this section. Such report shall include any recommendations as to future legislation concerning carpooling.

(f) The sum of $5,000,000 is authorized to be appropriated for the conduct of programs designed to achieve the goals of this section, such authorization to remain available for 2 years.

(g) For purposes of this section, the terms "local governments" and "local units of government" include any metropolitan transportation organization designated as being responsible for carrying out section 134 of title 23, United States Code.

(h) As an example to the rest of our Nation's automobile users, the President of the United States shall take such action as is necessary to require all agencies of Government, where practical, to use economy model motor vehicles:

(i) (1) The President shall take action to require that no Federal official or employee in the executive branch below the level of Cabinet officer be furnished a limousine for individual use. The provisions of this subsection shall not apply to limousines furnished for use by officers or employees of the Federal Bureau of Investigation, or to those persons whose assignments necessitate transportation by limousines because of diplomatic assignment by the Secretary of State.

(2) For purposes of this subsection, the term "limousine" means a type 6 vehicle as defined in the Interim Federal Specifications issued by the General Services Administration, December 1, 1973.

SEC. 118. ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW.

(a) (1) Subject to paragraphs (2), (3), and (4) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule or order (including a rule or order issued by a State or officer thereof) under this title (except with respect to any rule or order pursuant to sections 108 and 113 of this Act, section 205 (a), (b), and (c), of this Act, or section 4(h) of the Emergency Petroleum Allocation Act of 1973) or under the authority of any energy conservation plan.

(2) Notice of any proposed rule or order described in paragraph (1) shall be given by publication of such proposed rule or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious impairment to the operation of the program to which such rule or order relates and such findings are set out in detail in such rule or order. In addition, public notice of all rules or orders promulgated by officers of a State or political subdivision thereof or to State or local boards pursuant to this Act shall to the maximum extent practicable be achieved by publication of such rules or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

(3) In addition to the requirements of paragraph (2), if any rule or order described in paragraph (1) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the implementation of such rule or order, but in all cases such opportunity shall be afforded no later than 45 days after the implementation of any such rule or order. A transcript shall be kept of any oral presentation.

(4) Any officer or agency authorized to issue rules or orders described in paragraph (1) shall provide for the making of such adjustments, consistent with the other purposes of this Act or the Emergency Petroleum Allocation Act of 1973 (as the case may be), as may be necessary to prevent special hardships, inequity, or an unfair distribution of burdens and shall in rules prescribed by it establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with subsection (b) when such denial becomes final. The officer or agency shall, in rules prescribed by it, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(5) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized by this Act or the Emergency Petroleum Allocation Act of 1973 to issue rules or orders shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any rule or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request and with such modifications as are necessary to insure confidentiality of information protected under such section 552.

(b) (1) Judicial review of administrative rulemaking of general and national applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule or regulation, and judicial review of administrative rulemaking of general, but less than national, applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule or regulation, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule or regulation is to have effect.

(2) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under regulations or orders issued thereunder, except any actions taken by the Civil Aeronautics Board, the Interstate Commerce Commission, Federal Power Commission, or the Federal Maritime Commission, or any actions taken to implement or enforce any rule or order by any officer of a State or political subdivision thereof or State or local board which has been delegated authority under section 122 of this Act except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any agency under this Act. If in any such proceeding an issue by way of defense is raised based on the constitutionality of this Act or the validity of agency action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code. Cases or controversies arising under any rule or order of any officer of a State or political subdivision thereof or a State or local board may be heard in either (1) any appropriate State court, and (2) without regard to the amount in controversy, the district courts of the United States.

(c) The Administrator may by rule prescribe procedures for State or local boards which carry out functions under this Act or the Emergency Petroleum Allocation Act of 1973. Such procedures shall apply to such boards in lieu of subsection (a), and shall require that prior to taking any action, such boards shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least 10 days before taking the action. Such boards shall be of balanced composition reflecting the makeup of the community as a whole.

SEC. 119. PROHIBITED ACTS.

It shall be unlawful for any person to violate any provision of title I of this Act (other than provisions of this Act which make amendments to the Emergency Petroleum

Allocation Act of 1973 and section 113) or to violate any rule, regulation including an energy conservation plan or order issued pursuant to such provisions.

Sec. 120. Enforcement

(a) Whoever violates any provision of section 119 shall be subject to a civil penalty of not more than $2,500 for each violation.

(b) Whoever willfully violates any provision of section 119 shall be fined not more than $5,000 for each violation.

(c) It shall be unlawful for any person to offer for sale or distribute in commerce any product or commodity in violation of an applicable order or regulation issued pursuant to this Act. Any person who knowingly and willfully violates this subsection after having previously been subjected to a civil penalty for a subsequent violation of the same provision of any order or regulation issued pursuant to this Act shall be fined not more than $50,000 or imprisoned not more than six months, or both.

(d) Whenever it appears to any person authorized by the Administrator to exercise authority under this Act that any individual or organization has engaged, is engaged, or is about to engage in acts or practices constituting a violation of any provision of section 119, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with such provision of section 119.

(e) Any person suffering legal wrong because of any act or practice arising out of any violation of section 119 may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment or writ of injunction. Nothing in this subsection shall authorize any person to recover damages.

Sec. 121. Use of Federal Facilities.

Whenever practicable, and for the purpose of facilitating the transportation and storage of fuel, agencies or departments of the United States are authorized, during the period beginning on the date of enactment of this Act and ending May 15, 1975, to enter into arrangements for the acquisition or use by domestic public entities and private industries of equipment or facilities which are surplus to the needs of such agency or department and appropriate to the transportation and storage of fuel, except that such arrangements may be made (1) only after the Administrator finds that such equipment or facilities are not available from private sources and (2) only on the basis of compensation for the acquisition or use of such equipment or facilities at fair market value prices or rentals.

Sec. 122. Delegation of Authority and Effect on State Law.

(a) The Administrator may delegate any of his functions under the Emergency Petroleum Allocation Act of 1973 or this Act to any officer or employee of the Federal Energy Emergency Administration as he deems appropriate. The Administrator may delegate any of his functions relative of implementation and enforcement of the Energy Petroleum Allocation Act of 1973 or this Act to officers of a State or political subdivision thereof or to State or local boards of balanced composition reflecting the make-up of the community as a whole. Such officers or boards shall be designated and established in accordance with regulations as the Administration shall promulgate under this Act. Section 5(b) of the Emergency Petroleum Allocation Act of 1973 is repealed effective on the effective date of the transfer of functions under such Act to the Administrator pursuant to section 103 of this Act.

(b) No State law or State program in effect on the date of enactment of this Act, or which may become effective thereafter, shall be superseded by any provision of this Act or any regulation, order, or energy conservation plan issued pursuant to this Act except insofar as such State law or State program is inconsistent with the provisions of this Act, or such a regulation, order, or plan.

Sec. 123. Grants to States.

Any funds authorized to be appropriated under section 127(a) and (b) shall be available for the purpose of making grants to States to which the Administrator has delegated authority under section 122 of this Act, or for the administration of appropriate State or local conservative measures which is the basis of an exemption from a Federal energy conservation plan under section 105 of this Act. The Administrator shall make such grants upon such terms and conditions as he may prescribe by rule.

Sec. 124. Reports on National Energy Resources.

(a) For the purpose of providing to the Administrator, Congress, the States, and the public, to the maximum extent possible, reliable data on reserves, production, distribution, and use of petroleum products, natural gas, and coal, the Administrator shall promptly publish for public comment a regulation requiring that persons doing business in the United States, who, on the effective date of this Act, are engaged in exploring, developing, processing, refining, or transporting by pipeline, any petroleum product, natural gas, or coal, shall provide detailed reports to the Administrator every sixty calendar days. Such reports shall show for the preceding sixty days such person's (1) reserves of crude oil, natural gas, and coal; (2) production and destination of any petroleum product, natural gas, and coal; (3) refinery runs by products; and (4) and other data required by the Administrator for such purpose. Such regulation shall also require that such persons provide to the Administrator such reports for the period from January 1, 1970, to the date of such person's first sixty day report. Such regulation shall be promulgated 30 days after such publication. The Administrator shall publish quarterly in the Federal Register a meaningful summary analysis of the data provided by such reports.

(b) The reporting requirements of this section shall not apply to the retail operations of persons required to file such reports. Where a person shows that all or part of the data required by this section is being reported by such person to another Federal agency, the Administrator may exempt such person from reporting all or part of such data directly to him, and upon such exemption, such agency shall, notwithstanding any other provision of law, provide such data to the Administrator. The district courts of the United States are authorized, upon application of the Administrator, to require enforcement of such reporting requirements.

(c) Upon a showing satisfactory to the Administrator by any person that any report or part thereof obtained under this section from such person or from a Federal agency would, if made public, divulge methods or processes entitled to protection as trade secrets or other proprietary information of such person, such report, or portion thereof, shall be confidential in accordance with the purposes of section 1905 of title 18 of the United States Code, except that such report or part thereof shall not be deemed confidential for purposes of disclosure to (1) any delegate of the Federal Energy Administration for the purpose of carrying out this Act, (2) the Attorney General, the Secretary of the Interior, the Federal Trade Commission, the Federal Power Commission, or the General Accounting Office when necessary to carry out those agencies' duties and responsibilities under this and other statutes, and (3) the Congress or any Committee of Congress upon request of the Chairman. The provisions of this section shall expire on May 15, 1975.

Sec. 125. Intrastate Gas.

Nothing in this Act shall expand the authority of the Federal Power Commission with respect to sales of non-jurisdictional natural gas.

Sec. 126. Expiration.

The authority under this title to prescribe any rule or order or take other action under this title, or to enforce any such rule or order, shall expire on midnight, May 15, 1975, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, May 15, 1975.

Sec. 127. Authorization of Appropriations.

(a) There are authorized to be appropriated to the Federal Energy Emergency Agency to carry out its functions under this Act and under other laws, and to make grants to States under section 123, $75,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975.

(b) For the purpose of making payments under grants to States under section 123, there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975.

(c) For the purpose of making payments under grants to States under section 116, there is authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1974.

If any provision of this Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"Sec. 129. Price Authority.

"The President shall exercise his authority under the Economic Stabilization Act of 1970, as amended, and the Emergency Petroleum Allocation Act of 1973 to specify prices for sales of crude oil, residual fuel oil or refined petroleum products in or imported into the United States which avoid windfall profits by sellers. For purposes of this section, windfall profits shall be defined as those profits which are excessive or unreasonable, taking into consideration normal profit levels. This section shall be effective only until December 31, 1974."

"Sec. 130. Importation of Liquefied Natural Gas.

"The Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new section:

" 'Sec. 9. Notwithstanding the provisions of section 3 of the Natural Gas Act (or any other provisions of law) the President may by order, on a finding that such action would be consistent to the public interest, authorize on a shipment-by-shipment basis the importation of liquefied natural gas from a foreign country: *Provided, however,* That the authority to act under this section shall not permit the importation of liquefied natural gas which had not been authorized prior to the date of expiration of this Act and which is in transit on such date.' "

TITLE II—COORDINATION WITH ENVIRONMENTAL PROTECTION REQUIREMENTS

Sec. 201. Suspension Authority

Title I of the Clean Air Act (42 U.S.C. 1857 et seq.) is amended by adding at the end thereof the following new section:

"ENERGY EMERGENCY AUTHORITY

"SEC. 119. (a) (1) (A) The Administrator may, for any period beginning on or after the date of enactment of this section and ending on or before November 1, 1974, temporarily suspend any stationary source fuel or emission limitation as it applies to any person, if the Administrator finds that such person will be unable to comply with such limitation during such period solely because of unavailability of types or amounts of fuels. Any suspension under this paragraph and any interim requirement on which such suspension is conditioned under paragraph (3) shall be exempted from any procedural requirements set forth in this Act or in any other provision of local, State, or Federal law; except as provided in subparagraph (B).

"(B) The Administrator shall give notice to the public of a suspension and afford the public an opportunity for written and oral presentation of views prior to granting such suspension unless otherwise provided by the Administrator for good cause found and published in the Federal Register. In any case, before granting such a suspension he shall give actual notice to the Governor of the State, and to the chief executive officer of the local government entity in which the affected source or sources are located. The granting or denial of such suspension and the imposition of an interim requirement shall be subject to judicial review only on the grounds specified in paragraphs (2) (B) and (2) (C) of section 706 of title 5, United States Code, and shall not be subject to any proceeding under section 304(a) (2) or 307 (b) and (c) of this Act.

"(2) In issuing any suspension under paragraph (1) the Administrator is authorized to act on his own motion without application by any source or State.

"(3) Any suspension under paragraph (1) shall be conditioned upon compliance with such interim requirements as the Administrator determines are reasonable and practicable. Such interim requirements shall include, but not be limited to, (A) a requirement that the source receiving the suspension comply with such reporting requirements as the Administrator determines may be necessary, (B) such measures as the Administrator determines are necessary to avoid an imminent and substantial endangerment to health of persons, and (C) requirements that the suspension shall be inapplicable during any period during which fuels which would enable compliance with the suspended stationary source of fuel or emission limitations are in fact reasonably available to that person (as determined by the Administrator). For purposes of clause (C) of this paragraph, availability of natural gas or petroleum products which enable compliance shall not make a suspension inapplicable to a source described in subsection (b) (1).

"(4) For purposes of this section:

"(A) The term 'stationary source fuel or emission limitation' means any emission limitation, schedule, or timetable for compliance, or other requirement, which is prescribed under this Act (other than section 303, 111(b), or 112) or contained in an applicable implementation plan and which is designed to limit stationary source emissions resulting from combustion of fuels, including a prohibition on, or specification of, the use of any fuel of any type or grade or pollution characteristic thereof.

"(B) The term 'stationary source' has the same meaning as such term has under section 111(a) (3).

"(b) (1) Except as provided in paragraph (2) of this subsection, any fuel-burning stationary source (A) which is prohibited from using petroleum products or natural gas as fuel by reason of an order issued under section 106(a) of the Energy Emergency Act, or which the Administrator determines began conversion to the use of coal as fuel during the 90-day period ending on December 15, 1973, and (B) which converts to the use of coal as fuel, shall not, until January 1, 1979, be prohibited, by reason of the application of any air pollution requirement, from burning coal which is available to such source.

"(2) (A) Paragraph (1) of this subsection shall apply to a source, only if the Administrator finds that emissions from the source will not materially contribute to a significant risk to public health and if the source has submitted to the Administrator a plan for compliance for such source which the Administrator has approved, after notice to interested persons and opportunity for presentation of views (including oral presentations of views). A plan submitted under the preceding sentence shall be approved only if it provides (i) reasonable assurance that such source will achieve at least the same degree of emission reduction by January 1, 1979, as it is required to achieve by the applicable implementation plan in effect on the date of enactment of this section; (ii) for compliance by the means specified in subparagraph (B) in accordance with a schedule for compliance which meets the requirements of such subparagraph; and (iii) that such source will comply with requirements which the Administrator shall prescribe to assure that emissions from such source will not materially contribute to a significant risk to public health. The Administrator shall approve or disapprove any such plan within 60 days after such plan is submitted.

"(B) The Administrator shall by regulation prescribe requirements that sources to which this subsection applies submit and obtain approval of schedules of compliance. Such regulations shall include requirements that such schedules shall include dates by which such source must (i) enter into contracts or other enforceable obligations for obtaining a long-term supply of coal or coal by-products (which contracts or obligations must have received prior approval of the Administrator), and (ii) take steps to obtain continuous emission reduction systems necessary to permit such coal or coal by-products to be burned in compliance with the applicable implementation plan (which steps and systems must have received prior approval of the Administrator). Such regulations shall also require that the source achieve as expeditiously as practicable considering the type of coal to be used (but not later than January 1, 1979) the same degree of emission reduction as it is required to achieve by the applicable implementation plan in effect on the date of enactment of this section. Such regulations shall also include such interim requirements as the Administrator determines are reasonable and practicable including requirements described in clauses (A) and (B) of subsection (a) (3).

"(C) The Administrator (after notice to interested persons and opportunity for presentation of views, including oral presentations of views to the extent practicable) (i) shall prohibit the use of coal by a source to which paragraph (1) applies if he determines that the use of coal by such source is likely to materially contribute to a significant risk to public health; or (ii) may require such source to use a particular grade of coal of any particular type, grade, or pollution characteristic if such coal is available to such source. Nothing in this subsection shall prohibit a State or local agency from taking action which the Administrator is authorized to take under this paragraph.

"(3) For purposes of this subsection, the term 'air pollution requirement' means any emission limitation, schedule, or timetable for compliance, or other requirement, which is prescribed under any Federal, State, or local law or regulation, including this Act (except for any requirement prescribed under this subsection, section 303), and which is designed to limit stationary source emissions resulting from combustion of fuels (including a restriction on the use or content of fuels). A conversion to coal to which this subsection applies shall not be deemed to be a modification for purposes of section 111(a) (2) and (4) of this Act.

"(4) A source to which this subsection applies may, upon the expiration of the exemption under paragraph (1), obtain a one year postponement of the application of any requirement of an applicable implementation plan under the conditions and in the manner provided in section 110(f).

"(c) The Administrator may by rule establish priorities under which manufacturers of continuous emission reduction systems shall provide such systems to users thereof, if he finds that priorities must be imposed in order to assure that such systems are first provided to users in air quality control regions with the most severe air pollution. No rule under this subsection may impair the obligation of any contract entered into before enactment of this section. No State or political subdivision may require any person to use a continuous emission reduction system for which priorities have been established under this subsection except in accordance with such priorities.

"(d) The Administrator shall study, and report to Congress not later than May 31, 1974, with respect to—

"(1) the present and projected impact on the program under this Act of fuel shortages and of allocation and end-use allocation programs;

"(2) availability of continuous emission reduction technology (including projections respecting the time, cost, and number of units available) and the effects that continuous emission reduction systems would have on the total environment and on supplies of fuel and electricity;

"(3) the number of sources and locations which must use such technology based on projected fuel availability data;

"(4) priority schedule for implementation of continuous emission reduction technology, based on public health or air quality;

"(5) evaluation of availability of technology to burn municipal solid waste in these sources; including time schedules, priorities analysis of unregulated pollutants which will be emitted and balancing of health benefits and detriments from burning solid waste and of economic costs;

"(6) projections of air quality impact of fuel shortages and allocations;

"(7) evaluation of alternative control strategies for the attainment and maintenance of national ambient air quality standards for sulfur oxides within the time frames prescribed in the Act, including associated considerations of cost, time frames, feasibility, and effectiveness of such alternative control strategies as compared to stationary source fuel and emission regulations;

"(8) proposed allocations of continuous emission reduction technology for nonsolid waste producing systems to sources which are least able to handle solid waste byproducts technologically, economically, and without hazard to public health, safety, and welfare; and

"(9) plans for monitoring or requiring sources to which this section applies to monitor the impact of actions under this section on concentration of sulfur dioxide in the ambient air.

"(e) No State or political subdivision may require any person to whom a suspension has been granted under subsection (a) to use any fuel the unavailability of which is the basis of such person's suspension (except that this preemption shall not apply to requirements identical to Federal interim requirements under subsection (a)).

"(f) (1) It shall be unlawful for any person to whom a suspension has been granted under subsection (a)(1) to violate any requirement on which the suspension is conditioned pursuant to subsection (a)(3).

"(2) It shall be unlawful for any person to violate any rule under subsection (c).

"(3) It shall be unlawful for the owner or operator of any source to fail to comply with any requirement under subsection (b) or any regulation, plan or schedule thereunder.

"(4) It shall be unlawful for any person to fail to comply with an interim requirement under subsection (i)(3).

"(g) Beginning January 1, 1975, the Administrator shall publish at no less than 180-day intervals, in the Federal Register, the following:

"(1) A concise summary of progress reports which are required to be filed by any person or source owner or operator to which subsection (b) applies. Such progress reports shall report on the status of compliance with all requirements which have been imposed by the Administrator under such subsections.

"(2) Up-to-date findings on the impact of this section upon—

"(A) applicable implementation plans, and

"(B) ambient air quality.

"(h) Nothing in this section shall affect the power of the Administrator to deal with sources presenting an imminent and substantial endangerment to the health of persons under section 303 of this Act.

"(i)(1) In order to reduce the likelihood of early phaseout of existing electric generating facilities during the energy emergency, and electric generating power plant (A) which, because of the age and condition of the plant, is to be taken out of service permanently no later than January 1, 1980, according to the power supply plan (in existence on the date of enactment of the Energy Emergency Act) of the operator of such plant, (B) for which a certification to that effect has been filed by the plant with the Environmental Protection Agency and the Federal Power Commission, and (C) for which the Commission has determined that the certification has been made in good faith and that the plan to cease operations no later than January 1, 1980, will be carried out as planned in light of existing and prospective power supply requirements, shall be eligible for a single one-year postponement as provided in paragraph (2).

"(2) Prior to the date on which any plant eligible under paragraph (1) is required to comply with any requirement of an applicable implementation plan, such source may apply (with the concurrence of the Governor of the State in which the plant is located) to the Administrator to postpone the applicability of such requirement to such source for not more than one year. If the Administrator determines, after balancing the risk to public health and welfare which may be associated with a postponement, that compliance with any such requirement is not reasonable in light of the projected useful life of the plant, the availability of rate base increases to pay for such costs, and other appropriate factors, then the Administrator shall grant a postponement of any such requirements.

"(3) The Administrator shall, as a condition of any postponement under paragraph (2), prescribe such interim requirements as are practicable and reasonable in light of the criteria in paragraph (2).

"(j)(1) The Administrator may, after public notice and opportunity for presentation of views in accordance with section 553 of title 5, United States Code, and after consultation with the Federal Energy Emergency Administration designate persons to whom fuel exchange order should be issued. The purpose of such designation shall be to avoid or minimize the adverse impact on public health of any suspension under subsection (a) of this section or conversion to coal under subsection (b) or of any allocation under the Energy Emergency Act or the Emergency Petroleum Allocation Act.

"(2) The Administrator of the Federal Energy Administration shall issue exchange orders to such persons as are designated by the Administrator under paragraph (1) requiring the exchange of any fuel subject to allocation under the preceding Acts effective no later than 45 days after the date of the designation under paragraph (1), unless the Administrator of the Federal Energy Administration determines, after consultation with the Administrator, that the costs or consumption of fuel, resulting from such exchange order will be excessive.

"(3) Violation of any exchange order issued under paragraph (2) shall be a prohibited act and shall be subject to enforcement action and sanctions in the same manner and to the same extent as a violation of any requirement of the regulation under section 4 of the Emergency Petroleum Allocation Act of 1973."

SEC. 202. IMPLEMENTATION PLAN REVISIONS.

(a) Section 110(a) of the Clean Air Act is amended in paragraph (3) by inserting "(A)" after "(3)" and by adding at the end thereof the following new subparagraph:

"(B)(1) For any air quality control region in which there has been a conversion to coal under section 119(b), the Administrator shall review the applicable implementation plan and no later than one year after the date of such conversion determine whether such plan must be revised in order to achieve the national primary or secondary standard which the plan implements. If the Administrator determines that any such plan is inadequate, he shall require that a plan revision be submitted by the State within three months after the date of notice to the State of such determination. Any plan revision which is submitted by the State after notice and public hearing shall be approved or disapproved by the Administrator, after public notice and opportunity for public hearing, but no later than three months after the date required for submission of the revised plan. If a plan provision (or portion thereof) is disapproved (or if a State fails to submit a plan revision), the Administrator shall, after public notice and opportunity for a public hearing, promulgated a revised plan (or portion thereof) not later than three months after the date required for approval or disapproval.

"(2) Any requirement for a plan revision under paragraph (1) and any plan requirement promulgated by the Administrator under such paragraph shall include reasonable and practicable measures to minimize the effect on the public health of any conversion to which section 119(b) applies."

(b) Subsection (c) of section 110 of the Clean Air Act (42 U.S.C. 1857 C–5) is amended by inserting "(1)" after "(c)"; by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and by adding the following new paragraph:

"(2)(A) The Administrator shall conduct a study and shall submit a report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Public Works of the United States Senate not later than May 1, 1974, on the necessity of parking surcharge, management of parking supply, and preferential bus/carpool lane regulations as part of the applicable implementation plans required under this section to achieve and maintain national primary ambient air quality standards. The study shall include an assessment of the economic impact of such regulations, consideration of alternative means of reducing total vehicle miles traveled, and an assessment of the impact of such regulations on other Federal and State programs dealing with energy or transportation. In the course of such study, the Administrator shall consult with other Federal officials including, but not limited to, the Secretary of Transportation, the Administrator of the Federal Energy Administration, and the Chairman of the Council on Environmental Quality.

"(B) No parking surcharge regulation may be required by the Administrator under paragraph (1) of this subsection as a part of an applicable implementation plan. All parking surcharge regulations previously required by the Administrator shall be void upon the date of enactment of this subsection. This subparagraph shall not prevent the Administrator from approving parking surcharges if they are adopted and submitted by a State as part of an applicable implementation plan. The Administrator may not condition approval of any applicable implementation plan submitted by a State on such plan's including a parking surcharge regulation.

"(C) The Administrator is authorized to suspend until January 1, 1975, the effective date or applicability of any regulations for the management of parking supply or any requirement that such regulations be a part of an applicable implementation plan approved or promulgated under this section. The exercise of the authority under this subparagraph shall not prevent the Administrator from approving such regulations if they are adopted and submitted by a State as part of an applicable implementation plan. If the Administrator exercises the authority under this subparagraph, regulations requiring a review or analysis of the impact of proposed parking facilities before construction which take effect on or after January 1, 1975, shall not apply to parking facilities on which construction has been initiated before January 1, 1975.

"(D) For purposes of this paragraph, the term 'parking surcharge regulation' means a regulation imposing or requiring the imposition of any tax, surcharge, fee, or other charge on parking spaces, or any other area used for the temporary storage of motor vehicles. The term 'management of parking supply' shall include any requirement providing that any new facility containing a given number of parking spaces shall receive a permit or other prior approval, issuance of which is to be conditioned on air quality considerations. The term 'preferential bus/carpool lane' shall include any requirement for the setting aside of one or more lanes of a street or highway on a permanent or temporary basis for the exclusive use of buses and/or carpools."

SEC. 203. MOTOR VEHICLE EMISSIONS.

(a) Section 202(b)(1)(A) of the Clean Air Act is amended by striking out "1975" and inserting in lieu thereof "1977"; and by inserting after "(A)" the following: "The regulations under subsection (a) applicable to emissions of carbon monoxide and hydrocarbons from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the interim standards which were prescribed (as of December 1, 1973) under paragraph (5)(A) of this subsection for light-duty vehicles and engines manufactured during model year 1975."

(b) Section 202(b)(1)(B) of such Act is amended by striking out "1976" and inserting in lieu thereof "1978"; and by inserting after "(B)" the following: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the standards which were prescribed (as of December 1, 1973) under subsection (a) for light-duty vehicles and engines manufactured during model year 1975. The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model year 1977 shall contain standards which provide that emissions of such vehicles and engines may not exceed 2.0 grams per vehicle mile."

(c) Section 202(b)(5)(A) of such Act is amended to read as follows:

"(5) (A) At any time after January 1, 1975, any manufacturer may file with the Administrator an application requesting the suspension for one year only of the effective date of any emission standard required by paragraph (1) (A) with respect to such manufacturer for light-duty vehicles and engines manufactured in model year 1977. The Administrator shall make his determination with respect to any such application within 60 days. If he determines, in accordance with the provisions of this subsection, that such suspension should be granted, he shall simultaneously with such determination prescribe by regulation interim emission standards which shall apply (in lieu of the standards required to be prescribed by paragraph (1) (A) of this subsection) to emissions of carbon monoxide or hydrocarbons (or both) from such vehicles and engines manufactured during model year 1977."

(d) Section 202(b) (5) (B) of the Clean Air Act is repealed and the following subparagraphs redesignated accordingly.

SEC. 204. CONFORMING AMENDMENTS.

(a) (1) Section 113(a) (3) of the Clean Air Act is amended by striking out "or" before "112(c)", by inserting a comma in lieu thereof, and by inserting after "hazardous emissions" the following: ", or 119(f) (relating to priorities and certain other requirements)".

(2) Section 113(b) (3) of such Act is amended by striking out "or 112(c)" and inserting in lieu thereof ", 112(c), or 119(f)".

(3) Section 113(c) (1) (C) of such Act is amended by striking out "or section 112(c)" and inserting in lieu thereof ", section 112 (c), or section 119(f)".

(4) Section 114(a) of such Act is amended by inserting "119 or" before "303".

(b) Section 116 of the Clean Air Act is amended by inserting "119(c) and (e)," before "209".

SEC. 205. PROTECTION OF PUBLIC HEALTH AND ENVIRONMENT.

(a) Any allocation program provided for in title I of this Act or in the Emergency Petroleum Allocation Act of 1973, shall, to the maximum extent practicable, include measures to assure that available low sulfur fuel will be distributed on a priority basis to those areas of the country designated by the Administrator of the Environmental Protection Agency as requiring low sulfur fuel to avoid or minimize adverse impact on public health.

(b) In order to determine the health effects of emissions of sulfur oxides to the air resulting from any conversions to burning coal pursuant to section 106, the Department of Health, Education, and Welfare shall, through the National Institute of Environmental Health Sciences and in cooperation with the Environmental Protection Agency, conduct a study of chronic effects among exposed populations. The sum of $3,500,000 is authorized to be appropriated for such a study. In order to assure that long-term studies can be conducted without interruption, such sums as are appropriated shall be available until expended.

(c) No action taken under this Act shall, for a period of 1 year after initiation of such action, be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 856). However, before any action under this Act that has a significant impact on the environment is taken, if practicable, or in any event within 60 days after such action is taken, an environmental evaluation with analysis equivalent to that required under section 102(2) (C) of the National Environmental Policy Act, to the greatest extent practicable within this time constraint, shall be prepared and circulated to appropriate Federal, State, and local government agencies and to the public for a 30-day comment period after which a public hearing shall be held upon request to review outstanding environmental issues. Such an evaluation shall not be required where the action in question has been preceded by compliance with the National Environmental Policy Act by the appropriate Federal agency. Any action taken under this Act which will be in effect for more than a one year period (other than action taken pursuant to subsection (d) of this section) or any action to extend an action to take this Act to a total period of more than 1 year shall be subject to the full provisions of the National Environmental Policy Act notwithstanding any other provisions of this Act.

(d) Notwithstanding subsection (c) of this section, in order to expedite the prompt construction of facilities for the importation of hydroelectric energy thereby helping to reduce the shortage of petroleum products in the United States, the Federal Power Commission is hereby authorized and directed to issue a Presidential permit pursuant to Executive Order 10485 of September 3, 1953, for the construction, operation, maintenance, and connection of facilities for the transmission of electric energy at the borders of the United States without preparing an environmental impact statement pursuant to section 102 of the National Environmental Policy Act of 1969 (83 Stat. 856) for facilities for the transmission of electric energy between Canada and the United States in the vicinity of Fort Covington, New York.

SEC. 206. ENERGY CONSERVATION STUDY

(a) The Administrator of the Federal Energy Administration shall conduct a study on potential methods of energy conservation and, not later than 6 months after the date of enactment of this Act, shall submit to Congress a report on the results of such study. The study shall include, but not be limited to, the following:

(1) the energy conservation potential of restricting exports of fuels or energy-intensive products or goods, including an analysis of balance of payments and foreign relations implications of any such restrictions;

(2) federally sponsored incentives for the use of public transit, including the need for authority to require additional production of buses or other means of public transit and Federal subsidies for the duration of the energy emergency for reduced fares and additional expenses incurred because of increased service;

(3) alternative requirements, incentives, or disincentives for increasing industrial recycling and resource recovery in order to reduce energy demand, including the economic costs and fuel consumption trade-off which may be associated with such recycling and resource recovery in lieu of transportation and use of virgin materials;

(4) the costs and benefits of electrifying rail lines in the United States with a high density of traffic; including (A) the capital costs of such electrification, the oil fuel economies derived from such electrification, the ability of existing power facilities to supply the additional power load, and the amount of coal or other fossil fuels required to generate the power required for railroad electrification, and (B) the advantages to the environment of electrification of railroads in terms of reduced fuel consumption and air pollution and disadvantages to the environment from increased use of fossil fuel such as coal; and

(5) means for incentives or disincentives to increase efficiency of industrial use of energy.

(b) Within 90 days of the date of enactment of this Act, the Secretary of Transportation, after consultation with the Federal Energy Administrator, shall submit to the Congress for appropriate action an "Emergency Mass Transportation Assistance Plan" for the purpose of conserving energy by expanding and improving public mass transportation systems and encouraging increased ridership as alternatives to automobile travel.

(c) Such plan shall include, but shall not be limited to—

(1) recommendations for emergency temporary grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in connection with the provision of expanded mass transportation service in urban areas;

(2) recommendations for additional emergency assistance for the purchase of buses and rolling stock for fixed rail, including the feasibility of accelerating the timetable for such assistance under section 142(a) (2) of title 23, United States Code (the "Federal Aid Highway Act of 1973"), for the purpose of providing additional capacity for and encouraging increased use of public mass transportation systems;

(3) recommendations for a program of demonstration projects to determine the feasibility of fare-free and low-fare urban mass transportation systems, including reduced rates for elderly and handicapped persons during nonpeak hours of transportation;

(4) recommendations for additional emergency assistance for the construction of fringe and transportation corridor parking facilities to serve bus and other mass transportation passengers;

(5) recommendations on the feasibility of providing tax incentives for persons who use public mass transportation systems.

(d) In consultation with the Federal Energy Administrator, the Secretary of Transportation shall make an investigation and study for the purpose of conserving energy and assuring that the essential fuel needs of the United States will be met by developing a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles and San Diego in the State of California. In carrying out such investigation and study the Secretary shall consider, but shall not be limited to—

(1) the efficiency of energy utilization and impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

(2) coordination with other studies undertaken on the State and local level; and

(3) such other matters as he deems appropriate.

The Secretary of Transportation shall report the results of the study and investigation pursuant to this Act, together with his recommendations, to the Congress and the President no later than December 31, 1974.

SEC. 207. REPORTS.

The Administrator of the Environmental Protection Agency shall report to Congress not later than January 31, 1975, on the implementation of sections 201 through 205 of this title.

SEC. 208. FUEL ECONOMY STUDY.

Title II of the Clean Air Act is amended by redesignating section 213 as section 214 and by adding the following new section:

"FUEL ECONOMY IMPROVEMENT FROM NEW MOTOR VEHICLES

"Sec. 213. (a) (1) The Administrator and the Secretary of Transportation shall conduct a joint study, and shall report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committees on Public Works and Commerce of the United States Senate within 120 days following the date of enactment of this section, concerning the practicability of establishing a fuel economy improvement standard of 20 percent for new motor vehicles manufactured during and after model year 1980. Such study and report shall include, but not be limited to, the technological problems of meeting any such standard, including the leadtime involved; the test procedures required to determine compliance; the economic costs associated with such standard, including any beneficial economic impact; the various means of enforcing such standard; the effect on consumption of natural resources, including energy consumed; and the impact of applicable safety and emission standards. In the course of performing such study, the Administrator and the Secretary of Transportation shall utilize the research previously performed in the Department of Transportation, and the Administrator and the Secretary shall consult with the Administrator of the Federal Energy Administration, the Chairman of the Council on Environmental Quality, and the Secretary of the Treasury. The Office of Management and Budget may review such report before its submission to Congress but the Office may not revise the report or delay its submission beyond the date prescribed for its submission, and may submit to Congress its comments respecting such report. In connection with such study, the Administrator may utilize the authority provided in section 307(a) of this Act to obtain necessary information.

"(2) For the purpose of this section, the term 'fuel economy improvement standard' means a requirement of a percentage increase in the number of miles of transportation provided by a manufacturer's entire annual production of new motor vehicles per unit of fuel consumed, as determined for each manufacturer in accordance with test procedures established by the Administrator pursuant to this Act. Such term shall not include any requirement for any design standard or any other requirement specifying or otherwise limiting the manufacturer's discretion in deciding how to comply with the fuel economy improvement standard by any lawful means."

TITLE III—STUDIES AND REPORTS

SEC. 301. AGENCY STUDIES

The following studies shall be conducted, with reports on their results submitted to the Congress:

(1) Within 30 days after the date of enactment of this Act:

(A) The Administrator of the Federal Energy Emergency Administration shall conduct a review of all rulings and regulations issued pursuant to the Economic Stabilization Act to determine if such rulings and regulations are contributing to the shortage of fuels and of materials associated with the production of energy supplies.

(B) All Federal departments and agencies, including the Federal regulatory agencies, are directed to undertake a survey of all activities over which they have special expertise or jurisdiction and identify and recommend to the Congress and to the President specific proposals to significantly increase energy supply or to reduce energy demand through conservation programs.

(C) The Secretary of the Treasury and the Director of the Cost of Living Council shall recommend to the Congress specific incentives to increase energy supply, reduce demand, to encourage private industry and individual persons to subscribe to the goals of this Act. This study shall also include an analysis of the price-elasticity of demand for gasoline.

(D) The Administrator shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers, together with legislative recommendations appropriate to meet such needs, including revisions in the unemployment insurance levels.

(E) The Secretary of the Interior and the Secretary of Commerce are directed to prepare a comprehensive report of (1) United States exports to petroleum products and other energy sources, and (2) foreign investment in production of petroleum products and other energy sources to determine the consistency or lack thereof of the Nation's trade policy and foreign investment policy with domestic energy conservation efforts. Such report shall include recommendations for legislation.

(2) Within 6 months after the date of enactment of this Act:

(A) The Administrator shall develop and submit to the Congress no later than May 15, 1974, a plan for providing incentives for the increased use of public transportation and Federal subsidies for maintained or reduced fares and additional expenses incurred because of increased service for the duration of the Act. For the purposes of Section —— the plan provided for in this section shall be considered an energy conservation plan.

(B) The Administrator of the FEEA shall recommend to the Congress actions to be taken regarding the problem of the sitting of energy producing facilities.

(C) The Administrator of the FEEA shall conduct a study of the further development of the hydroelectric power resources of the Nation, including an assessment of present and proposed projects already authorized by Congress and the potential of other hydroelectric power resources, including tidal power and geothermal steam.

(D) The Administrator shall prepare and submit to Congress a plan for encouraging the conversion of coal to crude oil and other liquid and gaseous hydrocarbons.

(E) The Secretary of the Interior shall study methods for accelerating leases of energy resources on public land including oil and gas leasing onshore and offshore, and geothermal energy leasing.

SEC. 302. REPORTS OF THE PRESIDENT TO CONGRESS.

The President shall report to the Congress every sixty days, beginning February 1, 1974, on the implementation and administration of this Act and the Emergency Petroleum Allocation Act of 1973, together with an assessment of the results attained thereby. Each report shall include specific information, nationally and by region and State, concerning staffing and other administrative arrangements taken to carry out programs under these Acts and may include such recommendations as he deems necessary for amending or extending the authorities granted in this Act or in the Emergency Petroleum Allocation Act of 1973.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the Senate bill, insert the following: "An Act to assure, through energy conservation, end-use rationing of fuels, and other means, that the essential energy needs of the United States are met, and for other purposes."

And the House agree to the same.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and International contingency plans; to assure the continuation of vital public services; and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments struck out all of the Senate bill after the enacting clause and inserted a substitute text and provided a new title for the Senate bill.

The committee of conference has agreed to a substitute for both the Senate bill and the House amendment to the text of the bill. Except for clarifying, clerical, and conforming changes, the differences are noted below:

Several general comments should be made concerning the overall pattern of the legislation agreed to by the Conference Committee. The Substitute text agreed to does not contain a number of provisions which were contained in either the House or Senate bill. The Committee wishes to emphasize that it has eliminated these provisions without prejudice. In a number of cases these matters were not agreed to in deference to the jurisdictional prerogatives of other committees of the Congress who were not represented at the Conference. In other cases the Conferees eliminated provisions which in their Judgment addressed problems which did not relate to the short term emergency situation. Because of the exigencies of the situation, the Conferees have attempted to confine the scope of this legislation to those matters which were essential and leave to a time which affords more studied consideration those proposals which attempt to deal with the more long term and basic energy supply and demand problems which confront this nation.

EMERGENCY CONSERVATION REGULATIONS

Faced with the emergency situation, on November 8, 1973, the President addressed the nation on the dimensions of the energy crisis. In that address, the President announced that he would request the Congress to vest in him emergency authority to impose restrictions on both the public and private consumption of energy. The legislation which the Conferees have agreed to propose to give to the Executive a full spectrum of extraordinary powers to cope with the situation. The Conferees fully expect that the Administration, having been granted these authorities under the Act, will use them forthwith, and take strong action to reduce demand for energy during this period of national energy shortages and to expand supply of petroleum products through the conversion of stationary electric power plants now burning oil or natural gas.

The Conferees have not, however, agreed to vest without limitation the all pervasive and ill defined authority to restrict public and private consumption of energy which had been requested by the President. Instead, the Conferees have devised a mechanism for allowing further legislative consideration and control over the exercise of these powers.

Under its terms, the Administrator of the Federal Emergency Energy Administration created by this legislation would be permitted to issue regulations restricting energy use subject to a reservation of Congressional veto power. This control is to be exercised in a manner which closely parallels statutory mechanisms which have been used in various reorganization acts of the Congress over the past thirty years. The Conferees have carefully tailored this mechanism to take into consideration the emergency circumstances which confront the nation. Thus, the Administrator would be permitted to immediately implement conservation regulations prior to March 1, 1974, in order to reduce demand in the harsh winter months of January and February without delay. Such regulations must be submitted to the Congress simultaneously with their promulgation. Thereafter, the Congress would have an opportunity to veto the regulation by simple resolution in either house. If vetoed, the regulation would not continue in effect. The Committee wishes to emphasize that any such regulation would, until vetoed, be given full force and effect. Compliance may be obtained through court injunctive process or through the imposition of civil and criminal penalties for any violation.

Conservation regulations proposed to take effect after March 1, 1974, would be delayed in their implementation until Congress is afforded an opportunity of 15 consecutive days in continuous legislative session to consider disapproval resolutions. If the Congress does not act within that 15-day period, the regulation may be implemented. Lastly, the Conferees have determined that any conservation measure which is proposed to take effect after June 30, 1974, must be submitted to the Congress in the nature of a legislative proposal for appropriate Congressional consideration. Actions of this nature are sufficiently long term in their objective so as to permit the normal legislative process to be observed.

The law passed since the first declared national emergency in 1933 commonly transferred almost unlimited power to the Executive to permit government to act effectively in times of great crisis. A recently issued report of the Special Committee on the Termination of the National Emergency, United States Senate, catalogued over 470 significant statutes which the Congress has passed since 1933 delegating to the President powers that have been "the prerogatives and responsibility of the Congress since the beginning of the Republic".

Over the course of that 40-year period, the Congress has repeatedly been presented with the problem of finding a means by which a legislative body in a democratic republic may extend extraordinary powers for use by the Executive during times of emergency without imperiling our Constitutional balance of liberty and authority. The Conferees believe that the disapproval mechanism contained in this legislation provides the best opportunity for resolution of this problem.

The veto authority coupled with a termination date which limits the duration of the period within which these powers may be exercised provides assurance that normal legislative processes will be resumed at a time certain and that the Constitutional checks and balance system will be preserved. It is firmly believed that this form of legislative consideration and control gives full effect to the separation of powers principle so fundamental to our system of government while at the same time allowing a vesting of power in the Executive branch to permit actions to be taken expeditiously in order to respond to immediate and changing circumstances during a crisis situation.

Federal Emergency Energy Administration

To exercise the authority granted under this legislation, the Committee has created a temporary Federal Emergency Energy Administration to be directed by an administrator appointed by the President with the advice and consent of the Senate. In addition to its duties under this Act, the Administration is to exercise the authority provided for in the Emergency Petroleum Allocation Act of 1973 previously reported by this Committee and already enacted into law. In so doing the Committee proposes to parallel and give statutory force to the Federal Energy Office created by executive order of the President on Tuesday, December 4, 1973. It is the understanding of the conferees that the office of Administrator came into existence on the effective date of this Act and that vacancies exist in such offices from the time of their creation until they are filled. Accordingly, Article 2, Section 2, Clause 3 of the Constitution is applicable.

The creation of this new administration to deal with the emergency fuel shortages is proposed on the premise that we must focus authority in a single agency head with decisionmaking responsibility for these programs. This agency is to operate within the Executive Department subject to the supervision of the President. Several trappings of independence, however, are given to the Administrator to assure that he may act consonant with the preeminence of his mission free from certain administrative controls which have been ingrafted on agency actions in the name of administrative efficiency. Thus, the Federal Emergency Energy Administration is relieved of the necessity of obtaining prior OMB clearance for information gathering activities. Also to assure that the administration will have high visibility in government, budget requests and legislative recommendations are to be transmitted to the Congress simultaneously with their submission to the Office of Management and Budget. In so doing the Committee seeks to assure that the Congress will know without question or qualification what the Administrator determines to be his fiscal needs in carrying out his legislative assignment and what additional authority may be required to get the job done effectively and expeditiously.

In addition to the powers under the Emergency Petroleum Allocation Act of 1973 and as may be authorized under this Act, the President has proposed to transfer other functions of the Executive Department to a Federal Energy Administration so as to consolidate energy related activities. The Committee has not attempted and does not propose to transfer these functions in this Act. It is understood that some of these proposed transfers, such as the transfer from the Department of Interior of its Office of Oil and Gas and the Outer Continental Shelf authority, require legislative approval. An appropriate bill has been submitted to the Congress and was considered by the Government Operations Committees of the House and Senate. On December 19 the Senate passed the Administration's proposed bill to establish an FEA.

The conferees wish to emphasize that the creation of a temporary Federal Emergency Energy Administration under this Act does not remove the necessity of the Congress acting upon the legislation reported by the House and Senate Government Operations Committees. The need for statutory creation of an administrative office within the Executive Branch which consolidates energy policy related functions of government remains real and immediate. This Act provides the basic authority to initiate the establishment of such an administrative office.

SAFEGUARDS AGAINST UNREASONABLE DISCRIMINATIONS AND UNEQUITABLE TREATMENT

The authorities contained in this legislation and in the Emergency Petroleum Allocation Act of 1973, which it amends, call for a major intrusion into the competitive marketplace by the federal government. In allocating fuels so as to maintain essential services during times of shortage and to assure equitable distribution of supplies throughout the nation, decisions will be made which will impact on all regions of the country and all sectors of the economy. Already significant actions have been taken in some cases on questionable legal authority, which have produced dislocations and distortions in the competitive market which have impacted disproportionately on individual groups of competitors offering similar services. In part, this has been the unavoidable result of attempting to cope with a crisis situation without having first developed a decision-making structure which affords government an opportunity to appreciate the full ramifications of its direct and indirect actions. For example, here must be a realization by those in authority that the public good is not served by denying allocations of fuel for certain uses which have the appearance of being nonessential (such as recreational activities or various aspects of general aviation) if to do so would result in significant unemployment and economic recession for some regions of the country. There are, of course, many areas in this nation where recreation and tourism provide the base of the local economy. Careful attention must be given to the needs of these as well as other areas. Moreover, government must equip itself so as to be able to look beyond the immediately affected industry to discover the unforeseen ripple effects of its action on other supportive and relative industry groupings.

Access to adequate supplies of fuels is basic to the survival of virtually every commercial enterprise and, accordingly, government must act with great care to assure that its actions are equitable and do not unreasonably discriminate among users. The Committee has added a separate section to this legislation creating a statutory standard of reasonableness to be observed in the allocation of refined petroleum products and electrical energy among users or in taking actions which result in restrictions on use of such products and electrical energy. The Committee intends the term equitable to be applied in its broadest and most general sense. As such, the term denotes the spirit of fairness, justness, and right dealing. No user or class of users should be called upon during this shortage period to carry an unreasonably disproportionate share of the burden. This is fundamental to the traditional notion of fairness and equal protection. The Committee expects the President and the Administrator of the Federal Emergency Energy Administration created under this Act to assiduously observe these requirements in the conduct of their functions.

The Committee also adopted a section which requires the preparation of an economic impact analysis of any actions it proposes to take to bring supply and demand into balance. Wherever practicable, this analysis is to be completed prior to implementation of the proposed action. If conditions do not permit full advance preparation of the economic impact analysis in acting to deal with emergency conditions, the analysis is to be prepared contemporeaneously with implementations of any proposed action between date of enactment and March 1, 1974.

The committee is concerned about the very real threat of the cutoff of Canadian fuel to the United States, particularly fuel essential for business and heating purposes. A specific example of such an action is the possibility that the Canadian government may stop supplying fuel to the great Northern Paper and Georgia-Pacific plants in the State of Maine. The following amendment was offered in the conference but was subsequently withdrawn in recognition of the desirabiilty of allowing diplomatic endeavors to be pursued:

"Whenever, as a result of action by the Canadian Resources Board, fuel exports to any manufacturing plant in the United States are interrupted, the Administrator shall make an allocation of fuel to such manufacturing plant in accordance with the provisions of the Emergency Petroleum Allocation Act. Where possible, such allocation shall be from fuel which would otherwise be exported from the United States to Canada."

The committee understands that diplomatic efforts are underway to reverse the actions contemplated by the Canadian government and expresses a strong interest in having all diplomatic avenues pursued vigorously to successfully resolve this and other similar situations.

END USE RATIONING AUTHORITY

The conferees have agreed on provisions which authorize the President to develop and implement an end use rationing plan for crude oil, residual fuel oil and refined petroleum products. This authority is to be exercised under the Emergency Petroleum Allocation Act of 1973 and must be consistent with the attainment of the congressionally stated objectives of that Act. Procedural protections are provided to permit users an opportunity to present views respecting the development of the plan. It is the firm intention of the conferees that end use rationing be implemented as a last resort measure. Accordingly it has been provided in the conference substitute that end use rationing may be implemented only upon a finding that all other practicable and authorized actions are insufficient to assure the preservation of public health, safety, and the public welfare and those other defined objectives set forth in section 4(b) of the Emergency Petroleum Allocation Act. Should the President be able to make such a finding, he is authorized to implement end use rationing without further action of the Congress.

The conferees wish to state their intent that in the development of an end use rationing plan, the President shall give special consideration to the transportation needs of our handicapped Americans. Clearly, if the employment, medical, and therapeutic services of our physically handicapped citizens are interrupted as a result of lack of transportation, a hardship for such individuals will be incalculable in its effects. Moreover, the conferees believe that actions taken under the Emergency Petroleum Allocation Act of 1973 shall, where consistent with the objectives of section 4(b) of that Act, give consideration to providing allocations of petroleum products for the timely completion of Federal construction projects and give consideration to the public welfare needs of meeting the educational or housing requirements of our citizens.

The Conferees also recognize that end-use rationing plans should give consideration to the personal transportation needs of American military personnel re-assigned to other duty stations and of those persons who are required to relocate for employment purposes.

SHORT TITLE—TABLE OF CONTENTS

Senate bill

The Senate bill provided that it could be cited as the "National Energy Emergency Act of 1973". It had no table of contents.

House amendment

The House amendment provided that it could be cited as the "Energy Emergency Act".

The House amendment also included a table of contents of the legislation.

Conference substitute

The conference substitute has the same short title as the House amendment and includes a table of contents.

TABLE I—ENERGY EMERGENCY AUTHORITIES

FINDINGS AND PURPOSES

FINDINGS

Senate bill

Under section 101 of the Senate bill the Congress would make a determination that a shortage of crude oil, residual fuel oil, and refined petroleum products does now exist. In addition, it would make determinations with respect to the effect of those shortages; what steps should be taken with respect thereto; that primary responsibility for developing and enforcing fuel shortage contingency plans lies with the States and certain local governments, and that, during the energy emergency, the protection and fostering of competition and the prevention of anticompetitive practices and effects are vital.

House amendment

No provision.

Conference substitute

Section 101(a)(1) of the conference substitute is in most respects the same as the Senate bill.

DECLARATION OF EMERGENCY

Senate bill

Under Section 201 the Congress would declare that current and imminent fuel shortages have created a nationwide energy emergency.

House amendment

No provision.

Conference substitute

Section 101(a)(2) of the conference substitute states that on the basis of the determinations specified in paragraph (1) thereof the Congress hereby finds that current and imminent fuel shortages have created a nationwide energy emergency.

PURPOSES

Senate bill

Section 102 of the Senate bill lists the purposes of the legislation. Among the purposes listed are (1) to declare an energy emergency, (2) to direct the President to take action with regard thereto, (3) to provide a national program to conserve scarce energy resources, (4) to minimize the adverse effects of energy shortages on the economy and industrial capacity of the Nation, and (5) to direct the President and State and local governments to develop contingency plans for making specified reductions in energy consumption.

House amendment

Section 101 of the House amendment sets forth the purpose of the legislation which is to (1) call for proposals for measures which could be taken in order to conserve energy, and (2) authorize specific temporary emergency measures to be taken to assure that the Nation's essential needs for fuel will be met in a manner which to the maximum practicable extent meets certain specified objectives.

Conference substitute

Section 101(b) of the conference substitute provides that the purposes of the legislation are to call for proposals for energy emergency rationing and conservation measures and to authorize specific temporary emergency actions to be exercised, subject to congressional review and right of approval or disapproval, to assure that the essential needs of the United States for fuels will be met in a manner which to the fullest extent practicable meets specified objectives.

DEFINITIONS

Senate bill

No provision.

House amendment

Section 102 defined the terms "State", "petroleum product", "United States" and "Administration" for purposes of the legislation.

"Administrator" is defined to mean the Administrator of the Federal Energy Administration which is established by section 104 of the House amendment. The term is used with that meaning throughout the House amendment segments of this joint statement unless another intent is specifically indicated.

Conference substitute

Section 102 of the conference substitute is the same as the House amendment, except that "Administrator" is defined to mean the Administrator of the Federal Energy Emergency Administration which is established by section 103 of the conference substitute. That term will be used with that meaning throughout the conference substitute portions of this joint statement unless another intent is specifically indicated.

FEDERAL ENERGY ADMINISTRATION

Senate bill

No provision.

House amendment

Section 104 would establish a Federal Energy Administration. The Administration would be headed by a Federal Energy Administrator appointed by and with the consent of the Senate who would serve until May 15, 1975. The Administrator would be responsible for the development and implementation of Mandatory Allocation Programs provided for in the Emergency Petroleum Allocation Act of 1973.

Copies of budget estimates and requests, legislative recommendations, testimony, or comments on legislation which are submitted to the President or to the Office of Management and Budget would be concurrently transmitted to the Congress. The Administration would be considered an independent regulatory agency for purposes of the collection of information and as such is exempt from Office of Management and Budget veto of its actions for the collection of necessary information.

Conference substitute

Section 103 of the conference substitute establishes until May 15, 1975, unless superseded prior to that date by law a Federal Emergency Energy Administration (FEEA) which shall be temporary and headed by an Administrator who shall be appointed by the President by and with the advice and consent of the Senate.

It is the understanding of the conferees that the office of Administrator comes into existence on the date of enactment of the legislation and that a vacancy exists in such office from the time of its creation until it is filled. Accordingly, Article II, Section 2, Clause 3 of the Constitution is applicable.

Effective on the date on which the Administrator first takes office (or, if later, on January 1, 1974) certain functions, powers, and duties under specified sections of the Emergency Petroleum Allocation Act of 1973 (other than functions vested by section 6 of such Act in the Federal Trade Commission, the Attorney General, or the Antitrust Division of the Department of Justice) are transferred to the Administrator. Personnel, property, records, obligations, and commitments used primarily with respect to functions transferred to the Administrator are also transferred to him.

Whenever the FEEA submits any (1) budget estimate or request, or (2) legislative recommendations or testimony or comments on legislation, to the President or the Office of Management and Budget it must concurrently transmit a copy thereof to the Congress. No officer or agency of the United States may require the FEEA to submit its legislative recommendations or testimony or comments to any officer or agency of the United States for approval, comments, or review prior to the submission thereof to the Congress.

The FEEA shall be an independent regulatory agency for purposes of Chapter 35 of Title 44, United States Code, but not for any other purpose.

ENERGY CONSERVATION, DISTRIBUTION, AND ALLOCATION PROVISIONS—RATIONING AUTHORITY

Senate bill

ENERGY RATIONING AND CONSERVATION PROGRAM

Under subsections (a) and (b) of section 203, the President would be required to promulgate a nationwide emergency energy rationing and conservation program within 15 days after enactment of the legislation. Such program would include (1) a priority system and plan, including a program to be implemented without delay for rationing scarce fuels among distributors and consumers, and (2) measures capable of reducing energy consumption in the affected area by no less than 10% within 10 days, and by no less than 25% within 4 weeks after implementation.

FUEL DISTRIBUTION PLAN

Section 203(c) would require the President within 15 days after enactment of the legislation to determine the fuel needs of the major geographic regions of the United States and to promulgate a plan assuring equitable distribution of available fuel supplies among such regions based on their respective relative needs, including such needs of the States within such regions.

The plan would include allocation of available transport facilities necessary to assure equitable distribution of fuel supplies under the plan.

The fuel distribution plan or plans would be implemented within 30 days after promulgation.

House amendment

ENERGY CONSERVATION PLANS

Section 105 would require the Administrator, within 30 days after enactment of the legislation and from time to time thereafter, to propose one or more energy conservation plans, as defined, to reduce energy consumption to a level which could be supplied from available energy resources. The plans would be submitted to Congress for appropriate action.

Section 105(b) would require such plans to provide for the maintenance of vital services. Section 105(c) would require that proposed restrictions on the use of energy in such plans to be submitted by the Administrator would be designed, to the maximum extent practicable, to be carried out in a manner which is fair and reasonably distributes the burden on all sectors of the economy. Such restrictions should also give due consideration to the needs of commercial, retail, and service establishments with unconventional working hours. Section 105(e) would state that no provision of the Act or the EPAA should be construed as authorizing the imposition of any tax.

AMENDMENT TO EMERGENCY PETROLEUM ALLOCATION ACT OF 1973 (EPAA)

Section 103(a) would amend section 4 of the EPAA, relating to mandatory allocation of crude oil, residual fuel oil, and refined petroleum products.

Proposed subsection 4(h) would authorize the President to establish rules for the ordering of priorities among users of petroleum products and to assign to such users rights to obtain petroleum products in preference to those assigned a lower priority. Prior to this ordering of priorities and assignment of rights, the President must find that such action is necessary in order to carry out the objectives of subsection 4(b) of the EPAA. (Subsection 4(b) is the section which defines the provisions which must be fulfilled by the regulation providing for the mandatory allocation of petroleum products.)

In the ordering of priorities among users, the maintenance of vital services would be emphasized.

Allocations of products made pursuant to the proposed subsection would be adjusted by the President as necessary to assure that those entitled to receive allotments would actually obtain such allocated products.

The President would be required to establish procedures whereby users may petition for review, reclassification, and modification of priorities and entitlements assigned in accordance with the subsection. These procedures may include procedures with respect to local boards which could be established under section 109(c) of the legislation.

The President would be authorized to require refineries in the United States to adjust their operations with regard to the proportions of products produced in the refining process. These adjustments would be required as necessary to assure that the proportions produced are consistent with the objectives set forth in section 4(b) of the EPAA.

The definition of "allocation" as used in this subsection would be clarified by stating that it "shall not be construed to exclude the end-use allocation of gasoline to individual consumers". Thus, the President would be authorized to ration gasoline.

Section 103(e) would amend section 4 of the EPAA by adding subsections (1) through (n) thereto providing a procedure for Congressional review and disapproval of any rule issued under section 4(h) (which is discussed above) with respect to end-use allocation which is referred to as an "energy action".

Under the procedure, the President would be required to transmit any energy action to both Houses of the Congress on the same day.

An energy action would take effect at the end of the first period of 15 calendar days of continuous session of the Congress after the date on which the energy action is transmitted, unless either House passed a resolution stating that it did not favor the energy action. A detailed disapproval procedure is set out which would be enacted as an exercise of the rulemaking power of each House of Congress. Any energy action which became effective would be printed in the Federal Register.

Proposed section 4(j) of the EPAA would provide that, notwithstanding any other provision of the EPAA, or of any State or local law regarding fuel allocation, provision will be made for adequate supplies of fuels for:

(a) moves of armed services personnel on orders;

(b) household moves related to employment;

(c) household moves rising from displacement due to unemployment; and

(d) moves due to health, educational opportunities, or other good and sufficient reasons.

Conference substitute

END-USE ALLOCATION

Section 104 of the conference substitute amends section 4 of the Emergency Petroleum Allocation Act of 1973 (EPAA) by adding a new subsection (h).

Under the new subsection the President may promulgate a rule which shall provide, consistent with the objectives of section 4(b) of that Act, an ordering of priorities among users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment to such users of rights entitling them to obtain any such oil or product in precedence to other users not similarly entitled.

Such rule shall take effect only if the President finds that, without such rule, all other practicable and authorized methods to limit energy demand will not achieve the objectives of Emergency Petroleum Allocation Act of 1973, and of this Act.

The President shall, by order, in furtherance of such rule cause such adjustments in the allocations made pursuant to the regulation under section 4(b) of the EPAA as may be necessary to provide for the allocation of crude oil, residual fuel oil, or any refined petroleum product as necessary to attain the objectives established for the Allocation Program in the Emergency Petroleum Allocation Act.

The President must provide for procedures by which any user of such oil or product for which priorities and entitlements are established under this new subsection may petition for review and reclassification or modification of any determination made thereunder with respect to his priority or entitlement. Provision is made for the establishment of local boards to administer allocation or rationing programs. In providing for the implementation of rationing the Congress specifically states that no taxing authority, of any type, is granted.

ENERGY CONSERVATION REGULATIONS

Under section 105 of the conference substitute, the Administrator may propose one or more energy conservation regulations which shall be designed (together with certain other actions) to result in a reduction of energy consumption to a level which can be supplied by available energy resources. The term "energy conservation regulations" is defined to mean limits or such other restrictions on the public or private use of energy (including limitations on operating hours of businesses) which are necessary to reduce energy consumption.

An energy conservation regulation—

(1) may not impose any tax or user fee, or provide for a credit or deduction in computing any tax,

(2) may not provide for taking any action of a kind which may not be taken under this legislation, the Emergency Petroleum Allocation Act of 1973, or the Clean Air Act,

(3) shall apply according to its terms in each State except as otherwise provided in the regulation, and

(4) may not deal with more than one logically consistent subject matter.

An energy conservation regulation may be amended or repealed only in accordance with section 105(b), except that technical or clerical amendments may be made in accordance with section 553 of title 5, United States Code.

Subject to provisions relating to Congressional approval or disapproval, a provision of an energy conservation regulation shall remain in effect for a period specified in the plan but may not remain in effect after May 15, 1975.

The term "energy action" is defined to mean an energy conservation regulation or an amendment (other than a technical or clerical amendment) or repeal of such an energy conservation regulation.

The Administrator must transmit any energy action (bearing an identification number) to each House of Congress on the date on which it is promulgated.

If an energy action is transmitted to Congress before March 1, 1974, and provides for an effective date earlier than March 1, 1974, then such action shall take effect on the date provided in the action; but if either House, before the end of the first period of 15 calendar days of continuous session of Congress after the date on which the plan is transmitted to it, passes a resolution stating in substance that that House does not favor the energy action, such action shall cease to be effective on the date of passage of such resolution.

If an energy action is transmitted to Congress and provides for an effective date on or after March 1, 1974 and before July 1, 1974. such action shall take effect in most cases at the end of the first period of 15 calendar days of continuous session of Congress after the date on which the plan is transmitted to it unless, between the date of transmittal and the end of the 15-day period, either House passes a resolution stating in substance that that House does not favor the energy action.

A plan proposed to be made effective on or after July 1, 1974, shall take effect only if approved by Congress by law.

In carrying out the provisions of this legislation, the Administrator must, to the greatest extent practicable, evaluate the potential economic impacts of proposed regulatory and other actions. This would include but not be limited to the preparation of an analysis of the effect of such actions on certain entities and other things which are enumerated.

The Administrator must also develop analyses of the economic impact of various conservation measures on States or significant sectors thereof, considering the impact on both energy for fuel and energy as feed stock for industry. Such analysis shall, wherever possible, be made explicit and to the extent practicable other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analysis, and all Federal agencies shall cooperate with the Administrator in preparing such analyses.

The Administrator, together with the Secretaries of Labor and Commerce, must monitor the economic impact of any energy actions taken by the Administrator, and must provide the Congress with separate reports every thirty days on the impact of the energy shortage and such emergency actions on employment and the economy.

Coal Conversion and Allocation

Senate bill

Section 204(a) would authorize the President to require that any major fossil fuel burning installation (including existing electric generating plants) which has the ready capability and necessary plant equipment to burn coal or other fuels, convert to burning coal or other fuels as its primary energy source. Any installation so converted could be permitted to use such fuel for more than one year, subject to the provisions of the Clean Air Act. To the extent practicable, plant conversions would first be required where the use of coal would have the least adverse environmental impact. Such conversions would be contingent on the availability of coal and reliability of service.

The President would require that fossil fuel fired electrical powerplants now being planned be designed and constructed so as to have capability of rapid conversion to burn coal.

The President could require that certain fossil fuel fired baseload powerplants (other than combustion turbine and combined cycle units) now being planned be designed and constructed so to be capable of rapid conversion to burn coal.

House amendment

The provisions of section 106 of the House amendment are in most respects the same as in the Senate bill with the following exceptions:

(1) Under the House amendment the powers and duties are vested in the Administrator of the Federal Energy Administration rather than the President.

(2) Any installation limited to burning coal as its primary energy source under the legislation or which converted to the use of coal after beginning such conversion within 90 days before the effective date of the legislation could continue to use coal until January 1, 1980, if the Administrator of the EPA approves a plan submitted by the operator of such installation after notice to interested persons and opportunity for presentation of views. The plan would have to meet requirements spelled out in section 106(b)(1).

(3) The Administrator of EPA or a State or local agency could, after notice to interested persons and an opportunity for presentation of views, (A) prohibit any such installation from using coal if it determines that such use is likely to materially contribute to a significant risk to public health, or (B) require any such installation to use a particular type and grade of coal if such coal is available.

Conference substitute

Section 106 of the conference substitute provides that the Administrator shall, to the extent practicable and consistent with the objectives of this Act, by order, after balancing on a plant-by-plant basis the environmental effects of use of coal against the need to fulfill the purposes of this legislation, prohibit, as its primary energy source, the burning of natural gas or petroleum products by any major fuel-burning installation (including any existing electric powerplant) which, on the date of enactment of this legislation, has the capability and necessary plant equipment to burn coal. Any installation to which such an order applies is permitted to continue to use coal as provided in section 119 (b) of the Clean Air Act. To the extent coal supplies are limited to less than the aggregate amount of coal supplies which may be necessary to satisfy the requirements of those installations which can be expected to use coal (including installations to which orders may apply under this subsection), the Administrator shall prohibit the use of natural gas and petroleum products for those installations where the use of coal will have the least adverse environmental impact. A prohibition on use of natural gas and petroleum products hereunder is contingent upon the availability of coal, coal transportation facilities, and the maintenance of reliability of service in a given service area.

The administrator must require that fossil-fuel-fired electric powerplants in the early planning process, other than combustion gas turbine and combined cycle units, be designed and constructed so as to be capable of using coal as a primary energy source instead of or in addition to other fossil fuels. No fossil-fuel-fired electric powerplant is required to be so designed and constructed, if (1) to do so would result in an impairment of reliability or adequacy of service, or (2) is an adequate and reliable supply of coal is not available and is not expected to be available. In considering whether to impose a design or construction requirement, the Administrator shall consider the existence and effects of any contractual commitment for the construction of such facilities and the capability of the owner or operator to recover any capital investment made as a result of the conversion requirements of this section.

The Administrator is authorized by rule to prescribe a system for allocation of coal to users thereof in order to attain the objectives specified in this section.

Materials Allocation

Senate bill

The first paragraph of section 313 would authorize the President to allocate supplies of materials, equipment, and fuel associated with exploration, production, refining, and required transportation of energy supplies to maintain and increase the production of coal, crude oil, natural gas, and other fuels.

Under section 606 the President would be authorized to allocate residual fuel oil and refined petroleum products for the maintenance of exploration for, and production or extraction and processing of, minerals, and for transportation related thereto.

House amendment

Section 103(b) would amend section 4(b) of the EPAA to provide for such allocation for maintenance of exploration for, and production or extraction of fuels and minerals essential to the requirements of the United States, and for required transportation related thereto.

Section 210 would allow the formulation of rules to provide the necessary fuels for all operations of any project or enterprise authorized by the Federal Government.

Conference substitute

Under section 107(a) of the conference substitute, the Administrator must within 30 days after enactment of the legislation purpose and publish a contingency plan for allocation of supplies of materials and equipment necessary for exploration, production, refining, and required transportation of energy supplies and for the construction and maintenance of energy facilities. When he finds it necessary to put all or part of the plan into effect, he must transmit the plan or portion thereof to Congress and such plan or portion thereof shall take effect in the same manner as an energy conservation plan prescribed under section 105.

Section 107(b) of the conference substitute is the same as section 103(b) of the House amendment which is described above.

Federal Actions To Increase Available Domestic Petroleum Supplies

Senate bill

Section 207 would authorize the President—

(a) to require that existing domestic oil fields produce at their maximum efficient rate (MER). MER is a level of production fixed by State agency regulation at which it is estimated that production can be sustained without detriment to the ultimate recovery;

(b) to require certain designated oilfields, on lands in which there is a Federal interest, to produce in excess of their maximum efficient rate. Such fields would be those in which production in excess of their currently assigned maximum efficient rate would not result in excessive risk of losses of recovery;

(c) to require adjustment of product mix in domestic refinery operations, in accordance with national needs and priorities; and

(d) to order acceleration of oil and gas leasing programs, both onshore and offshore, and for geothermal leasing. Such an accelerated program would be subject to the provisions of all existing laws, including the National Environmental Policy Act.

House amendment

Section 103(a) would add a new section 4(h)(4) to the EPAA which would vest the President with the same authority with respect to refineries as provided in section 207(c) of the Senate bill.

Section 103(a) would also add new section 4(i) to the EPAA. This new section would authorize the President to require the production of crude oil at the MER. He would consult with the Department of the Interior and with State governments in order to determine which producers shall be so required. The MER would be as determined by the State in which the field is located. However, after consultation with such State or with the Department of the Interior, the President may set a higher rate if he determines that in doing so the ultimate recovery of crude oil and natural gas is not unreasonably impaired.

Existing and future development plans for the production of crude oil on Federal lands would include or be amended to include provisions for the secondary recovery and, insofar as possible, the tertiary recovery of crude oil before the well was abandoned.

Conference substitute

Section 108(a) of the conference substitute is substantially the same as the provisions of the Senate bill described above, except that section 108 vests the authority in the Administrator of FEEA rather than the President, and the provisions for accelerated leasing programs are not included.

Section 108(b) of the conference substitute provides that nothing in this section shall be construed to authorize the production of any Naval Petroleum Reserve now subject to chapter 641 of title 10 of the U.S.C.

Other Amendment to the Emergency Petroleum Allocation Act of 1973

Senate bill

No provision.

House amendment

Section 103(a) of the House amendment would have added a new subsection (l) to section 4 of the Emergency Petroleum Allocation Act. Such new subsection would require that, if any allocation of residual fuel or refined petroleum products under section 4(a) of the EPAA is based on the amount used or supplied during a historical period, adjustments could be made reflecting regional disparities in use, or unusual factors influencing use, in the historical period. This subsection would take effect 30 days after enactment of the legislation.

Section 103(c) would amend section 4(c)(3) of the EPAA to direct the President, when requiring adjustments in allocations, to take into account lessened use of crude oil, residual fuel oil, and refined petroleum products prior to enactment as a result of unusual regional climatic variations.

Section 103(d) would amend section 4(g)(1) of the EPAA to change the termination date in each case to May 15, 1975.

Conference substitute

Section 109 of the conference substitute is the same as the House amendment, except that—

(1) the new subsection which would be added to section 4 of the EPAA would be designated as subsection (1),

(2) population growth and unusual changes in climatic conditions are added as a factor on which adjustments under the subsection can be based, and such adjustments to reflect population growth will be based on the most current figures available from the Bureau of the Census, and

(3) a specific provision has been added so that adjustments under the subsection shall take effect no later than 6 months after the date of enactment of the legislation.

(4) the amendment to section 4(c)(3) is omitted.

Prohibition of Windfall Profits—Price Gouging

Senate bill

No provision.

House amendment

Section 117 would amend section 4 of the Emergency Petroleum Allocation Act of 1973 by adding a new subsection to prevent price gouging with respect to sales of crude oil, residual fuel oil, refined petroleum products, and *coal*, including sales of diesel fuel to motor common carriers. The amendment would direct the President to use authority under the Act and under the Economic Stabilization Act of 1970, to specify prices for sales of crude oil, refined petroleum products, residual fuel oil, produced in or imported into the United States, which avoid windfall profits by sellers.

Any interested person who had reason to believe that established prices allowed windfall profits could petition the Renegotiation Board for a determination by rule of the existence of such profits and for their recovery. The seller would be afforded a hearing in accordance with the procedures required by section 554 of title 5, United States Code. Upon final determination that such price permitted windfall profits, the Board would order the seller to refund an equivalent amount to those affected purchasers reasonably ascertainable. The Board could order a reduction in price for future sales of such item or take other appropriate action. The Board's final determination is subject to judicial review.

The term "windfall profits" would be specifically defined in paragraphs (6) and (7). Such profits would refer only to profits earned during the period beginning with the enactment of the Act and ending on the date of its expiration. Actions to determine or recover windfall profits must be brought within one year of the Act's expiration.

Conference substitute

Section 110 of the conference substitute is the same as the House amendment, except that—

(1) the provisions are not stated as amendment to the EPAA,

(2) the provisions of the conference substitute would only apply to petroleum products, and

(3) [omitted pending agreement on provisions of proposed section 110(a)(10)].

Protection of Franchised Dealers

Senate bill

Section 607 would provide for protection of franchised dealers. The term "franchise" would mean any agreement or contract between a refiner or a distributor and a retailer or between a refiner and a distributor, as these terms were defined by the section. A refiner or distributor was prohibited from terminating a franchise unless he furnished prior notification to each affected distributor or retailer in writing by certified mail not less than 90 days prior to the date on which such franchise would be cancelled. Such notification must contain a statement of intention to terminate with the reasons therefor, the date on which such action would take effect, and a statement of the remedy or remedies available to such distributor or retailer. This franchise could not be terminated by the refiner or distributor unless the affected retailer or distributor failed to comply substantially with any essential and reasonable requirement of such franchise or failed to act in good faith in carrying out its terms, or unless such refiner or distributor withdrew entirely from the sale of petroleum products in commerce for sale other than resale in the United States.

A retailer with a franchise agreement could bring suit against a distributor or refiner whose actions affected commerce and who has engaged in conduct prohibited by this section. Similarly, a distributor could bring suit against a refiner. Such suits could be brought in a United States district court if commenced within three years after the cancellation, failure to renew, or termination of a franchise. The district court was empowered to grant the necessary equitable relief including declaratory judgment and injunctive relief. The court could grant an award for actual and punitive damages as well as reasonable attorney and expert witness fees.

House amendment

Section 113 amended the Emergency Petroleum Allocation Act of 1973 to provide for fair marketing of petroleum products. Certain terms were defined, including "commerce" to mean commerce between a state and a point outside such state; "marketing agreement" to mean a specified portion of an agreement or contract between a refiner and a branded independent marketer.

The notice and termination requirements would be the same as those in the Senate bill except that termination could not be made for withdrawal from the market unless the refiner did not for three years after termination engage in the sale of petroleum products in the same relevant market area within which the terminated marketer operated. Another difference required a terminated marketer to bring suit in district court against a refiner within four years after the date of termination of such marketing agreement.

Conference substitute

Section 111 of the conference substitute is the same as the Senate bill, except that—

(1) the terms "distributor", "refiner" and "retailer" are defined in terms of a *person* engaged in certain acts, rather than in terms of an *oil company* engaged in certain acts as in the Senate bill, and

(2) in the case of an action for failure to renew a franchise, damages would be limited to actual damages including the value of the dealer's equity.

Prohibitions on Unreasonable Actions

Senate bill

No provision.

House amendment

Section 115 provides that actions taken under the legislation, the Emergency Petroleum Allocation Act of 1973, or other Federal law resulting in allocation or restriction on the use of refined petroleum products and electrical energy must be equitable and not arbitrary or capricious or unreasonably discriminate among users.

In the case of allocations of petroleum products applicable to foreign commerce no foreign entity would receive more favorable treatment than that which is accorded by its home country to U.S. citizens in the same line of commerce. Allocations would include provisions designed to foster reciprocal and nondiscriminatory treatment by foreign countries of U.S. citizens engaged in foreign commerce.

Section 105(c) would provide that, to the maximum extent practicable, restrictions on the use of energy shall be designed to be carried out in such manner as to be fair and to create a reasonable distribution of the burden on all sectors of the economy, without imposing an unreasonably disproportionate share on any specific industry, business, or commercial enterprise, and shall give due consideration to the needs of commercial, retail, and service establishments with unconventional working hours.

Conference substitute

Section 112 of the conference substitute is the same as the House amendment except that section 112(a) refers to allocation of petroleum products and electrical energy among classes of users. Section 112(b) incorporates the provisions of section 105(c) of the House amendment, without the specification that the normal function of commercial, retail, and service establishments must be to supply goods and services of an essential nature.

Regulated Carriers

Senate bill

Under section 204(b)(1), the Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Maritime Commission with respect to certain carriers which they regulate could make reasonable and necessary adjustments in the operating authority of such carriers in order to conserve fuel.

Section 204(b)(2) would require each of these agencies to report to the appropriate Committees of Congress within 15 days after enactment of the legislation on the need for additional regulatory authority to conserve fuel.

House amendment

Sections 107(a) and 107(d) of the House amendment are substantially the same as the provisions of the Senate bill described above, except that the reports of the ICC, CAB, and FMC would not have to be submitted until 60 days after the date of enactment of the legislation.

In addition, section 107(b) would require the ICC to eliminate restrictions on the operating authority of any motor common carrier of property which require excessive travel between points. This would be done without disrupting essential service to communities served by any such carrier.

Section 107(c) would require the ICC to adopt rules which contribute to conserving energy by eliminating discrimination against the shipment of recyclable materials in rate structures and Commission practices.

Conference substitute

Section 113 of the conference substitute is the same as the House amendment with two exceptions. The reports of the ICC, CAB, and FMC must be submitted within 45 days after enactment and section 107(c) of the House amendment is deleted.

Antitrust Laws

Senate bill

Under section 314, the President would develop plans of action and could authorize voluntary agreements which are necessary to achieve the purposes of the legislation. In addition, the President could provide for the establishment of interagency committees and advisory committees.

Advisory committees would be subject to the Federal Advisory Committee Act of 1972 and would be chaired by a regular full-time Federal employee.

An appropriate representative of the Federal Government would attend each meeting of any advisory committee or interagency committee established under the legislation. The Attorney General and the Federal Trade Commission would be given advance notice of any meeting and could have an official representative attend and participate in any such meeting.

A verbatim transcript would be kept of all advisory committee meetings, and subject to existing law concerning the national security and proprietary information, would be deposited together with any agreement resulting therefrom with the Attorney General and the Federal Trade Commission. The transcript would be available for public inspection.

The Attorney General and the Federal Trade Commission would participate in the preparation of any plans of action or voluntary agreement and could propose any alternative which would avoid, to the greatest extent practicable, any anticompetitive effects while achieving the purposes of the legislation. They would also review, amend, modify, disapprove or prospectively revoke any plan of action or voluntary agreement which they determined was contrary to the purposes of section 314 or not necessary to achieve the purposes of the legislation.

If necessary to achieve the purposes of the legislation, owners, directors, officers, agents, employees, or representatives of two or more persons engaged in the business of producing, transporting, refining, marketing, or distributing crude oil or any petroleum product would meet, confer, or communicate in accordance with the provisions of section 314 and solely to achieve the objectives of the legislation. In those instances, such persons would have a defense against any civil or criminal action brought under the antitrust laws.

The Attorney General would be granted authority to exempt certain meetings, conferences, or communications from being chaired by a regular full-time Federal employee or from the requirement that a verbatim transcript be kept, deposited with the Attorney General and Federal Trade Commission and made available for public inspection.

The President could delegate the functions of developing plans of action, authorizing voluntary agreements, and providing for the establishment of interagency committees and advisory committees.

Section 708 of the Defense Production Act of 1950 would not apply to any section taken under this legislation or the Emergency Petroleum Allocation Act of 1973. The provisions of section 314 would apply to the latter Act, notwithstanding any inconsistent provisions of section 6(c) thereof.

There would be a defense available to any civil or criminal action brought under the antitrust laws arising from any course of action, meeting, conference, communication or agreement which was held or made in compliance with the provision of this section.

The Attorney General and the Federal Trade Commission would be responsible for monitoring any plan of action, voluntary agreement, regulation, or order approved under section 314 to prevent anticompetitive practices and promote competition.

The Attorney General and the Federal Trade Commission would promulgate joint regulations concerning maintenance of documents, minutes, transcripts, and other records relating to the implementation of any plan of action, voluntary agreement, regulation, or order approved under the legislation. Persons involved in any such implementation would be required to maintain the record required by any such joint regulation and make them available for inspection by the Attorney General and the Federal Trade Commission at reasonable times on reasonable notice.

Actions taken by the Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Maritime Commission under section 204(b)(1) would not have as their principal purpose or effect the substantial lessening of competition among the carriers affected. Actions taken under that section would be taken only after providing an opportunity for participation to the Federal Trade Commission and the Assistant Attorney General in charge of the Antitrust Division.

House amendment

The provisions of section 120 are similar to the provisions in the Senate bill described immediately above. However, the following differences should be noted:

The House version vests various powers and duties in the Administrator of the Federal Energy Administration. In the Senate version powers and duties were vested in the President.

The House version requires that advisory committees include representatives of the public and be open to the public.

The Administrator, subject to the approval of the Attorney General and the Federal Trade Commission would by rule promulgate standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil, or any refined petroleum product could develop and implement voluntary agreements and plans of action to carry out such agreements which the Administrator determines are necessary to accomplish the objectives of section 4(b) of the EPAA. Such standards and procedures would be promulgated under the section 553 of title 5, United States Code. Several standards and procedures are set forth and required by the legislation.

The Federal Trade Commission instead of the Attorney General could exempt types or classes of meetings, conferences, or communications from the requirement that a verbatim transcript be kept and deposited with the Attorney General and Federal Trade Commission and made available for public inspection and copying.

Any voluntary agreement or plan of action entered into under the section would have to be submitted in writing to the Attorney General and the Federal Trade Commission 20 days before being implemented and would be available for public inspection and copying.

The Attorney General and the Federal Trade Commission could each prescribe rules and regulations necessary or appropriate to carry out their responsibilities under the legislation.

The Attorney General and the Federal Trade Commission would each submit to the Congress and the President at least once every 6 months a report on the impact on completion and on small business of actions authorized by section 120.

The authority granted under section 120 and any immunity from the antitrust laws thereunder would terminate on December 31, 1974.

RETAIL AND SERVICE ESTABLISHMENTS—VOLUNTARY ENERGY CONSERVATION AGREEMENTS

Section 114 of the House amendment would provide that within fifteen days of enactment of the legislation, the Administrator, in consultation with the Attorney General and the Federal Trade Commission, would promulgate standards and procedures for retail or service establishments to enter into voluntary agreements to limit operating hours, adjust retail-store delivery schedules and take such other action as the Administrator, after consultation with the Attorney General and the Federal Trade Commission, determines to be necessary and appropriate to accomplish the objectives of this Act.

Such standards and procedures would be promulgated pursuant to section 553 of title 5 of the United States Code. Among these standards and procedures would be provision for the filing of a copy of any agreement with the Attorney General and the Federal Trade Commission, which would be available for public inspection. Meetings held to develop and implement a voluntary agreement could be attended by interested persons, who would be afforded opportunity to make oral and written presentations, and such meetings shall be preceded by timely notice to the Attorney General, the Federal Trade Commission and be available for public in the affected community. A summary of such meeting, along with any written presentation of interested persons, would be submitted to the Attorney General and the Federal Trade Commission and be available for public inspection. Actions in good faith which are taken by firms in conformity with this section to develop and implement a voluntary energy conservation agreement shall not be construed to be within the prohibitions of the antitrust laws of the United States, the Federal Trade Commission Act or similar State statutes.

Any voluntary agreement entered into under this section would be submitted to the Attorney General 10 days before being implemented. The Attorney General at any time on his own motion or upon request of any interested person could disapprove any voluntary agreement under section 114 and thereby withdraw prospectively any immunity from the antitrust laws.

No voluntary agreement under this section would pertain to activities relating to marketing and distribution of crude oil, residual fuel oil or refined petroleum products, which are matters dealt with under section 120. Also, this section is limited to those voluntary agreements in which all members have 75 per cent of their annual sales not for resale and recognized as retail in the particular industry, as determined by the Attorney General.

The Attorney General and the Federal Trade Commission would be required to submit to Congress and the President at least once every six months a report on the impact on competition and on small business of agreements authorized by this section.

Conference substitute

Section 114 of the conference substitute is the same as section 120 of the House amendment, except that the authority granted and any immunity from the antitrust laws thereunder would terminate on May 15, 1975.

EXPORTS

Senate bill

Subsection (e) of section 207 authorized the President to limit the export of gasoline, number 2 fuel oil, residual fuel oil, or any other petroleum product, pursuant to the Export Administration Act of 1969, to achieve the purposes of the Act.

House amendment

To the extent necessary to carry out the purposes of the Act, section 123 authorized the Administrator by rule to restrict exports of coal, petroleum products, and petrochemical feedstocks, under such terms as he deems appropriate. He must restrict exports of such commodities if the Secretary of Commerce or the Secretary of Labor certified that such exports would contribute to unemployment in the United States. The Administrator could use, but was not limited to, existing statutes such as the Export Administration Act of 1969. Rules should take into account the historical trading relations with Canada and Mexico and should not be inconsistent with section 4 (b) and (d) of the Environmental Protection Agency Act.

Conference substitute

Section 115 of the conference substitute follows the provisions of the House amendment. The authority of the Administrator to set appropriate terms for the restriction of exports of coal, petroleum products, and petrochemical feedstocks and the requirement that he do so upon certification by the Secretary of Commerce or the Secretary of Labor is the same as in section 123 of the House amendment.

In addition, the Secretary of Commerce, pursuant to the Export Administration Act of 1969 may restrict the exports of coal, petroleum products, and petrochemical feedstocks, and of materials and equipment essential to the production, transport, or processing of fuels to the extent necessary to carry out the purpose of this legislation and sections 4(b) and 4(d) of the Emergency Petroleum Allocation Act of 1973. If the Administrator certifies to the Secretary of Commerce that export restrictions of such commodities are necessary to carry out the purposes of this legislation, the Secretary of Commerce shall impose such export restrictions. The requirements for rules in the House amendment are also applied to actions taken by the Secretary of Commerce under the Export Administration Act of 1969.

The Committee has confined the export control authority to petrochemical feedstocks, coal, and petroleum products which are subject to allocation under the Emergency Petroleum Allocation Act of 1973. In using the term "petrochemical feedstocks" the Committee intends to identify the basic hydrocarbon derivatives of crude oil such as propane, butane, naphtha, olefins such as ethylene and propylene, aromatics such as benzene, toluene and the xylenes, extender oil used in the manufacture of rubber, and aromatic oils used in the manufacture of carbon black.

The Committee has vested separate authority in both the Administrator and the Secretary of Commerce (in connection with the administration of the Export Administration Act. This will insure that the essential needs of American consumers will be met and that private enterprises will not be permitted to export energy in a manner not in accord with the national interest.

Employment Impact and Worker Assistance

Senate bill

Section 208 would direct the President to take into consideration and minimize, to the fullest extent practicable, any adverse impact of actions taken under this Act upon employment. All government agencies would be directed to cooperate fully to minimize any such adverse impact.

Section 501 would direct the President to make grants to states to provide unemployment assistance to individuals as he deemed appropriate during the individual's unemployment. The individual must be not otherwise eligible for unemployment compensation or have exhausted his eligibility for it. There is a two-year limitation on the eligibility for such assistance and a limitation on the amount.

This section would also authorize the President to prescribe terms and conditions for the distribution of food stamps through the Secretary of Agriculture pursuant to the provisions of the Food Stamp Act of 1964, as amended, for so long as he determined necessary. The Secretary of Labor would be directed to provide reemployment assistance services under other laws to any unemployed individual, including assistance to relocate in another area where employment was available.

The President would be directed, acting through the Small Business Administration, to make loans to aid in financing domestic projects required by the Administration for administration or enforcement of the Act for approved private and public applicants. The President would determine the terms and conditions of such financial assistance subject to stated exceptions.

The authorization of such appropriations as might be necessary to carry out the provisions of this section would be included. The Secretary of Labor must report to Congress on the implementation of this section no later than six months after enactment and annually thereafter. The report must include an estimate of the funds necessary in each of the succeeding three years.

House amendment

Section 122 included provisions very similar to those in the Senate bill except that the distribution of food stamps and reemployment assistance and Small Business loans would not be provided for. Also, the President was required to report to Congress within 60 days of enactment on the present and prospective impact of energy shortages upon employment, the adequacy of existing programs to deal with such impact, and recommendations for legislation needed to adequately meet the needs of adversely affected workers.

Conference substitute

Section 116 of the conference substitute is the same as the House amendment, except that the provision for authorization of appropriations is deleted.

In adopting this provision, the Conferees expressed the serious concern that a broad interpretation of this section could result in massive Federal expenditures beyond those intended by this provision. The Conferees therefore wish to make it clear that this section is intended to apply only to those persons directly unemployed as a result of the implementation of any of the authority provided for in this Act.

The authorization is limited to $500,000,000 for the remainder of fiscal year 1974. Funds for this purpose must, of course, be appropriated by the Congress.

The Committee intends that at a time when the American people are being called upon to make sacrifices and share the burden of the energy shortage the Federal government should provide a program of unemployment assistance to State government that is adequate to cover essential human needs.

Use of Carpools and Government Motor Vehicles

Senate bill

Section 605 directs the Secretary of Transportation to encourage the creation and expansion of the use of carpools and to establish within DOT an Office of Carpool Promotion and authorizes an appropriation of $25,000,000 for the conduct of programs to promote carpools. Appropriated funds would be allocated to State and local governments in fixed proportions to carry out the promotion of carpooling. The Secretary would make a report to the Congress within one year after enactment of the legislation on his activities and expenditures under section 605.

Section 603 would generally preclude the use of funds for passenger motor vehicles or to pay the salaries of drivers of such vehicles unless they are operated out of carpools.

This would not apply to vehicles for the use of the President and one each for the Chief Justice, members of the President's Cabinet, and the elected leaders of Congress, or to vehicles operated to provide regularly scheduled service on a fixed route.

House amendment

Section 116(a)–(f) of the House amendment is generally the same as the provisions of section 605 of the Senate bill with respect to carpools, except that only $1 million is authorized to carry out the provisions of the section. Section 116(g) would define local governments and local units of government.

The President under section 116(h) would be required to take action to require all agencies of the Government, where practicable, to use economy model motor vehicles.

Section 116(h) would also specify the number of "fuel inefficient" motor vehicles which could be purchased for the Federal Government in fiscal years 1975 and 1976.

Section 116(i) would direct the President to take action to prevent with specified exceptions any officer or employee in the Executive Branch below the rank of Cabinet officer from being furnished a limousine for his individual use.

Conference substitute

Section 117(a) through (h) of the conference substitute is the same as section 116(a) through (h) of the House amendment with two exceptions. The sum of $5 million, not $1 million, is authorized to be appropriated for the conduct of programs to promote carpools, such authorization to remain available for two years. Also, the provisions in section 116(h) of the House amendment on government motor vehicles specifying the number of "fuel inefficient" motor vehicles which could be purchased has been deleted.

Administrative Procedure and Judicial Review

Senate bill

Section 311(a) would waive the more time-consuming procedures of the Administrative Procedure Act, notably the requirements of adjudicatory hearings according to section 554 of title 5, United States Code, which could otherwise apply to functions exercised under the Act. However, the requirements of sections 552, 553 (as modified by section 311 (b) of the Act), 555 (c) and (e), and 702 would apply to such functions.

Section 311(b) would require that all rules, regulations, or orders promulgated pursuant to the Act be subject to the provisions of section 553 of title 5, United States Code, with the following exceptions: (1) Notice and opportunity to comment (a minimum of five days) by publication in the Federal Register of all proposed general rules, regulations or orders (this requirement could be waived upon a finding that strict compliance would cause grievous injury); (2) public notice of State rules, regulations, or orders promulgated pursuant to section 203 of the Act by widespread publication in newspapers of statewide circulation, and (3) public hearings on those rules, regulations, or orders issued by authorized agencies and determined to have substantial impact, to be held prior to implementation to the maximum extent practicable and no later than sixty days following implementation.

Section 311(c)(1) would require, in addition to the requirements of section 552 of title 5, United States Code, any agency authorized to issue rules or orders to make available to the public all internal rules and guidelines upon which they are based, modified as necessary to insure confidentiality protected under such section 552. Such agency must publish written opinions on any grant or denial of a petition requesting exemption or exception within thirty days with appropriate modifications to insure confidentiality.

Authorized agencies would also be required to make adjustments to prevent hardships and establish procedures available to any person making appropriate requests.

Section 311(d) would require the President's proposals submitted pursuant to section 301 of the Act to include findings of fact and explanation of the rationale for each provision, proposed procedures for the removal of restrictions imposed, and a schedule for implementing the provisions of section 552 of title 5, United States Code.

Section 312 contained judicial review provisions. National programs required by the Act and regulations establishing such national programs could be challenged only in the United States Court of Appeals for the District of Columbia within 30 days of the promulgation of the regulations. Programs and regulations of general, not national, applicability (to a State, or several States, or portions thereof) could be challenged only in the United States Court of Appeals for the appropriate circuit within 30 days of promulgation. Otherwise, the United States district courts would have original jurisdiction of all other litigation arising under the Act.

However, this section would not apply to actions taken under the act by the Civil Aeronautics Board, the Interstate Commerce Commission, the Federal Power Commission, or the Federal Maritime Commission. The judicial review provisions in their respective organic acts would apply for the sake of uniformity.

House amendment

Section 109(a) would provide for the streamlining of administrative procedures for actions taken pursuant to this Act and the Emergency Petroleum Allocation Act, including the formulation of energy conservation plans.

Actions taken under title I of the bill and under the allocation exchange authority in section 205 would be subject to special administrative procedure and judicial review provisions. Section 109 would provide expedited administrative procedures for Federal actions. These same procedures would also apply to State actions unless the Federal Energy Administrator specified different but comparable procedures for the State. Included among the procedures are publication and notice and an opportunity for comment on agency rules and orders. All rules and orders issued by Federal and State agencies both under title I and under the new subsections (h) and (i) of section 4 of the Emergency Petroleum Allocation Act would be required to include provisions for making adjustments in hardship cases.

Section 109(b) would provide judicial review of rules issued under these provisions in the Temporary Emergency Court of Appeals which was created under the Economic Stabilization Act. Orders issued in individual cases would be reviewed first in the United States district court and then in the Temporary Emergency Court of Appeals.

Section 109(c) would authorize the Administrator to prescribe by rule procedures for State or local boards carrying out functions under the Act or the Emergency Petroleum Allocation Act. Such procedures would apply in lieu of those in section 109(a) and would require notice to affected persons and an opportunity for presentation of views. Such boards must be of balanced composition reflecting the makeup of the community as a whole.

The bill would not alter the judicial review provisions of the Clean Air Act. These would continue to apply to actions taken by the Administrator of EPA under that Act, including the amendments made to that Act by the Energy Emergency Act.

Conference substitute

Section 118 of the conference substitute incorporated provisions of both the Senate bill and the House amendment. The administrative procedures of section 118(a) are the same as the streamlined administrative procedures of section 109(a) of the House amendment, with the addition of section 311 (c)(1) of the Senate bill as section 118(a) (5) of the conference substitute.

Section 118(b) on judicial review is the same as section 312 of the Senate bill, except that any actions taken by any State or local officer who has been delegated authority under section 122 of the conference substitute would be subject either to district court jurisdiction or to appropriate State courts.

PROHIBITED ACTS

Senate bill

No provision.

House amendment

Section 110 stated that the following acts would be prohibited under the Act: (1) to deny full fillups of diesel fuel to trucks, unless a rationing program is in effect which restricts such full fillups to trucks or if the diesel fuel is not available for sale; (2) to violate any order concerning the use of coal as a primary energy source pursuant to section 106; (3) to violate export restrictions established under section 123; (4) to violate any order of the Renegotiation Board issued pursuant to its authority under section 117.

Conference substitute

Section 119 of the conference substitute makes it unlawful for any person to violate any provision of Title I of this legislation (except provisions making amendments to the Emergency Petroleum Allocation Act and section 113) or to violate any rule, regulation (including an energy conservation plan), or order issued pursuant to such provisions.

ENFORCEMENT

Senate bill

Section 306 provided for application by the Attorney General to the appropriate United States district court to restrain violation of the Act or regulations or orders issued thereunder by issuing a temporary restraining order, preliminary or permanent injunction.

Section 307 provided for a criminal penalty of not more than $5,000 for each willful violation of any order or regulation issued pursuant to the Act and a civil penalty of not more than $2,500 for each day of each violation of any order or regulation issue pursuant to the Act. In addition, subsection (c) made it unlawful to sell or distribute in commerce any product or commodity in violation of an applicable order or regulation. Any person who knowingly and willfully, after having been subjected to a civil penalty for a prior violation of any order or regulation violated the same provision of that order or regulation would be fined not more than $50,000 or imprisoned not more than six months, or both.

House amendment

Section III provided for fines up to $5,000 for each willful criminal violation of the Act, and civil penalties up to $2,500 for each violation of any provision of a prohibited act.

The Attorney General was authorized by this section to obtain temporary restraining orders or preliminary injunctions against actual or impending violations of this Act. It also provided for the private injunction actions.

Conference substitute

Section 120 of the conference substitute is the same as the House amendment. In addition, the provisions of subsection (c) of section 307 of the Senate bill are included.

USE OF FEDERAL FACILITIES

Senate bill

Section 305 would provide for the use of surplus government equipment or facilities, whenever practicable and to facilitate the transportation and storage of fuel, by domestic public entities and private industries for the duration of the emergency. Arrangements for such use with Federal agencies or departments must be made at fair market prices and only if such facilities or equipment would be needed, otherwise unavailable, and not required by the Federal government.

House amendment

No provision.

Conference substitute

Section 121 of the conference substitute is the same as the Senate bill, except that such government equipment or facilities must also be appropriate to the transportation and storage of fuel and can be acquired as well as used by domestic public entities and private industries. The use of federal facilities is authorized during the period beginning on the date of enactment and ending May 15, 1975.

This provision was adopted by the conferees primarily for the purpose of freeing for use tankers now being kept in "mothballs" by the Armed Services. Such tankers, largely left over from World War II could be used by private carriers for storing oil or for transporting oil in coastwise trade where the Jones Act would otherwise prohibit the use of foreign tankers. It was the express intent of the conferees that any use of such surplus Federal equipment would not put the Federal government in the transportation business. The Navy, for example, would not be required to operate any tankers used for private shipment of oil.

DELEGATION OF AUTHORITY AND EFFECT ON STATE LAWS

Senate bill

Section 304 would provide that only State laws or programs which are inconsistent with this legislation would be superseded by it.

House amendment

Section 108 would permit the Administrator to delegate all or any of his functions under the Act or the EPAA to any officer or employee of the Federal Energy Administration. He could also delegate any of his functions relative to implementation of regulations and energy conservation plans under either of such Acts to State officers or State and local boards of balanced composition. This section would also repeal section 5(b) of the EPAA, effective on the date of transfer of functions under such Act to the Administrator.

Conference substitute

Subsection (a) of section 122 of the conference substitute is the same as the House amendment except that the Administrator may only delegate any of his functions relative to implementation of energy conservation regulations to officers of a state or locality.

Subsection (b) is the same as the Senate bill, except that a technical amendment is made reflecting the fact that the terms "regulation", "order" and "energy conservation plan" are used in the legislation rather than "program".

The administrative mechanism for the implementation of the conservation and rationing program provided for in the Act must be such as to insure equity on a nationwide basis. At the same time it is imperative that it be responsive to the varying conditions and unique problems of the several States and regions of the Nation. For that reason, the conferees drew from both the House and Senate bills in drafting sections 104 and 122 which authorizes the Administrator to delegate functions assigned to him. Such delegation may be to either State and regional officers of the Administration or to the officers of a State or locality. For the implementation of rationing programs the establishment and use of State or local boards to handle hardship appeals and perform other functions is authorized. To insure that any rationing program is as just and equitable as possible, section 122 specifically requires that State or local boards must be of balanced composition so as to reflect the make up of the community as a whole. This provision is intended to insure that the interests of all classes of users are both represented and protected. The Act authorizes the appropriation of funds from which the Administrator may make grants to the States for the exercise of such authority as he may delegate or for the Administrator of State or local energy conservation measures which are independent of the authority in this Act.

GRANTS TO STATES

Senate bill

Section 315 would authorize the President to make grants to any State or major metropolitan government, in accordance with but not limited to, section 302 for the purpose of assisting, developing, administering, and enforcing emergency fuel shortage contingency plans under the Act and fuel allocation programs authorized under the Emergency Petroleum Allocation Act of 1973.

House amendment

Section 112 authorized to be appropriated such sums as might be necessary for the purpose of making grants to States to which the Federal Energy Administrator has delegated authority under section 109. The Administrator would prescribe the terms and conditions for such grants.

Conference substitute

Section 123 of the conference substitute authorizes funds for the Administrator of the Federal Energy Emergency Administration to make grants to States for the purposes of implementing authority he has delegated to them, or for the administration of appropriate State or local conservation measures where exempted from Federal conservation regulations under section 10 of the Act.

In authorizing grants to States for the purpose of carrying out their responsibilities implementing this Act, it was the express intent of the conferees that, if a rationing program were implemented, additional sums would need to be appropriated for grants in aid to the States for their participation in the rationing program.

REPORTS ON NATIONAL ENERGY RESOURCES

Senate bill

No provision.

House amendment

Section 126 would require the Administrator to issue regulations requiring persons doing business in the United States who on the effective date of the legislation are engaged in exploring, developing, processing, refining, or transporting by pipeline, any petroleum product, natural gas, or coal, to provide reports to the Administrator.

Such reports would be submitted every 60 days and a report would be required to cover the period from January 1, 1970, to the date covered by the first 60-day report.

Each report would show for the period covered the person's (1) reserves of crude oil, natural gas, and coal, (2) production and destination of any petroleum product, natural gas, and coal, (3) refinery runs by-product, and (4) other data required by the Administrator.

The Administrator would publish quarterly in the *Federal Register* a summary analysis of the data provided by such reports.

These reporting requirements would not apply to retail establishments.

Where any person is reporting all or part of the required data to another Federal agency, the Administrator could exempt the person from reporting all or part of the data to him and such other Federal agency would provide the data to the Administrator.

Provisions are included to protect trade secrets and proprietary information.

Conference substitute

Section 124 of the Conference substitute is the same as the House amendment.

INTRASTATE GAS

Senate bill

Section 210 of the Senate bill would require the President, within 90 days after enactment of the legislation, to promulgate a plan for the development of hydroelectric resources. Such plan would provide for expeditious completion of projects authorized by Congress and for the planning of other projects designed to utilize available hydroelectric resources, including tidal power.

House amendment

Section 119 is the same as the Senate provision except that it would also apply to solar energy, geothermal resources, and pumped storage.

Conference substitute

Section 125 of the conference substitute provides that nothing in the legislation shall expand the authority of the Federal Power Commission with respect to non-jurisdictional natural gas.

EXPIRATION

Senate bill

Subsection (d) of section 202 would provide in part that the nationwide energy emergency and the authority granted by the Act would terminate one year after the date of enactment.

House amendment

Subsection (b) of section 125 would provide for the expiration of all authorities granted under Title I of the Act or under the Emergency Petroleum Allocation Act on May 15, 1975.

Conference substitute

Section 126 of the conference substitute follows the House amendment by providing that the authority under Title I to prescribe any rule or order or take other action shall expire on midnight, May 15, 1975. In addition, the authority under Title I to enforce any such rule or order shall likewise expire; however, such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, May 15, 1975.

AUTHORIZATION OF APPROPRIATIONS

Senate bill

Section 318 would authorize to be appropriated such funds as were necessary for purposes of the Act.

There were authorizations of appropriations for particular provisions which have been considered in the appropriate sections of this statement.

House amendment

The House amendment contained no provision for the authorization of funds to carry out all provisions of the Act but included authorizations of appropriations for particular provisions which have also been considered in the appropriate sections of this statement.

Conference substitute

Section 127 of the conference substitute authorizes an appropriation to the Federal Energy Emergency Agency to carry out its functions under this legislation and under other laws, and to make grants to states under section 123, of $75,000,000 for each of the fiscal years 1974 and 1975. In addition, for the purpose of making payments under grants to States to carry out energy conservation measures under section 123, $50,000,000 is authorized to be appropriated for fiscal year 1974 and $75,000,000 is authorized to be appropriated for fiscal year 1975, Also, for the purpose of making payments under grants to States under section 116, $500,000,000 is authorized to be appropriated for fiscal year 1974.

SEVERABILITY

Senate bill

Section 319 would provide that if any provision of the legislation or the applicability thereof is held invalid, the remainder of legislation would not be affected thereby.

House amendment

No provision.

Conference substitute

Section 128 of conference substitute follows the Senate bill and also specifies that if the application of any provision to any person or circumstance shall be held invalid, such application to other persons or circumstances shall not be affected thereby.

IMPORTATION OF LIQUEFIED NATURAL GAS

Senate bill

No provision.

House amendment

Section 118 would amend the Emergency Petroleum Allocation Act of 1973 by adding a new section 9. This new section 9 would authorize the President to permit liquefied natural gas imports on a shipment-by-shipment basis until the expiration of the legislation.

Conference substitute

The Senate recedes.

PROHIBITION AGAINST FUEL ALLOCATION FOR CERTAIN SCHOOL BUSING

Senate bill

No provision.

House amendment

Section 103 would add a new section 4(k) to the Emergency Petroleum Allocation Act of 1973. Under section no refined petroleum product could be allocated under a mandatory fuel allocation regulation made under section 4(a) of that Act to be used to transport any public school student to a school farther than the public school closest to his home offering the courses for the grade level and course of study of the student which is within the school attendance district where the student resides.

This would not prevent the allocation of refined petroleum products for transportation to relieve overcrowding, to meet needs for special education, or if the transportation is within the regularly established neighborhood school attendance areas.

These provisions would not take effect until August 1, 1974.

Conference report

The House recedes.

NATIONAL ENERGY EMERGENCY ADVISORY COMMITTEE

Senate bill

Section 310 would establish a National Energy Emergency Advisory Committee to advise the President with regard to implementation of this legislation. The Chairman of the Committee would be the Director of the Office of Energy Policy.

The Committee would consist of 20 members (in addition to the chairman) appointed by the President representing specified interests.

The heads of listed Federal departments, agencies, and instrumentalities would designate a representative to serve as an observer at each meeting of the Committee and to assist the Committee in performing its functions.

House amendment

No provision.

Conference substitute

The Senate recedes.

SMALL BUSINESS AND HOMEOWNER ASSISTANCE

Senate bill

Section 209 would amend the Internal Revenue Code to allow a taxpayer to deduct an energy-conserving residential improvement expense, not to exceed $1,000, paid or incurred by him during the taxable year on his tax return for such year. These amendments apply to taxable years ending after the date of enactment of the Act and expire on termination of the Act.

Section 308 would authorize the Federal

Housing Administration and the Small Business Administration to make low interest loans to homeowners and small businesses for the purpose of installing insulation, storm windows, and more efficient heating units. Detailed requirements were set out to express the intent of Congress that small business enterprises should cooperate to the maximum extent possible to achieve the purposes of the Act and their varied needs should be considered by all levels of government in implementing emergency fuel shortage contingency programs. Any controls instituted should be equitably applied to large and small businesses and the unique problems of retailing establishments and small businesses should be considered in implementing the provisions of the Act to avoid discrimination and undue hardship.

House amendment

No provision.

Conference substitute

The Senate recedes.

Although the Senate receded from the provisions of their bill because of a jurisdictional question on the part of the House, the conferees agreed that the provisions of the Senate bill merited implementation by the appropriate agencies. The conferees urge that the Small Business Administration, and the Department of Housing and Urban Development would consider and implement regulations permitting assistance in the form of low interest loans to persons otherwise eligible for such assistance for the purposes of installing energy saving features in homes or places of business.

INTERNATIONAL AGREEMENTS

Senate bill

Section 202(b) would authorize the President to enter into agreements with foreign entities, or to take such other action as he deems necessary, with respect to trade in fossil fuels, to achieve the purposes of the legislation. Any formal agreement would be submitted to the Senate and would be operative but not final until the Senate had 15 days, at least 7 of which were legislative days, to disapprove the agreement.

Section 202(c) expresses the sense of Congress that the energy crisis is also an international problem and therefore the United States should attempt to reach an agreement with other member nations of the Organization for Economic Cooperation and Development with respect to supplies of energy available to the industrialized nations of the free world with special reference to joint or cooperative research and development of alternative sources of power.

House amendment

No provision.

Conference substitute

The Senate recedes.

Although the Senate receded on these provisions because of a jurisdictional problem on the House side, the conferees wish to make clear that the section was dropped without prejudice from the bill.

CONSULTATION WITH CANADA

Senate bill

Section 601 would direct the President to convene consultations with the Government of Canada at the earliest possible date to safeguard joint national interests through consultations on encouraging trade in natural gas, petroleum, and petroleum products between the two nations. The President must make an interim report to Congress on the progress of such consultations within forty-five days after enactment and a final report with legislative recommendations ninety days of enactment.

House amendment

No provision.

Conference substitute

The Senate recedes.

TITLE II.—COORDINATION WITH ENVIRONMENTAL PROTECTION REQUIREMENTS

SHORT-TERM AND LONG-TERM SUSPENSIONS

SHORT TERM

Senate bill

The Senate bill would have allowed temporary suspensions of any emission limitation requirement or compliance schedule contained in a state implementation plan, regardless of whether the origin of the suspended provision was in State, Federal, or local law. Suspensions could only be granted during the period commencing November 15, 1973, and ending August 15, 1974, and no suspension could last beyond November 1, 1974. Only currently existing stationary fuel-burning sources which had been deprived of their supplies of clean fuel by actions taken by the President under the Senate bill itself would have been eligible to receive for suspensions, and no suspension could be granted unless the Administrator of EPA found either (i) that a suspension was essential to enable clean fuels to be redistributed to another area in order to avoid or minimize violations of primary air quality standards, or (ii) that the source in question was not likely to have available a sufficient supply of clean fuels even after all practicable steps to allocate such fuels had been taken. Suspension would only last for as long as clean fuels were unavailable. Where practicable, a suspension would be conditioned on the source's agreeing to keep on hand an emergency supply of clean fuel to burn during periods of air stagnation. The Administrator could deny any suspension request if he found that an imminent and substantial endangerment to the health of persons would result from granting it.

Suspension applications would be heard under abbreviated administrative procedures, and would not be subject to judicial review under Sections 304 or 307 of the Clean Air Act.

SHORT TERM

House amendment

The House amendment would have allowed the Administrator of EPA during the period between enactment and May 15, 1973, to suspend any fuel or emission limitation (including compliance schedules) contained in an applicable implementation plan. The only ground for granting such a suspension would be inability to comply with the suspended requirement due to unavailability of types or amounts of fuels. Interim requirements of emission control could be imposed as a condition of suspension.

No procedural requirements would apply to suspension applications under the terms of any law, and judicial review of their grant or denial would be severely restricted.

LONG TERM

Senate bill

The Senate bill provided for revisions of State implementation plans, which could be requested by either individual sources or by a State. The Administrator would be required to approve or disapprove suspension applications within 60 days if requested by a source, or within 120 days if requested by a State. For a revision requested by a source to be approved, the Administrator would have to determine, after notice and opportunity for presentation of views, (1) that the source was able to enter into a contract either for a permanent continuous emission reduction system which the Administrator determined to have been adequately demonstrated or for a long term supply of low sulfur fuel, and (2) that the revision was consistent with the implementation plan so that ambient air quality standards would still be attained. The Administrator's approval would have to be conditioned on the source actually entering into such contract. Any plan revision, whether requested by a source or a State, would have to include legally enforceable compliance schedules for the fuel burning sources affected by the revision. The schedule would establish continuous emission reduction measures to be employed by the sources, including interim steps of progress toward implementation of such measures, and would provide for alternate emission control measures that could be employed during the interim period before final compliance with the applicable emission limitations to minimize pollutant emissions. Any such revisions could defer compliance only until July 1, 1977, although a one-year extension pursuant to section 110(f) of the Act would be authorized.

LONG TERM

House amendment

The House amendment provided that the Administrator could suspend fuel or emission limitations upon his own motion or upon the application of a source of a State (1) if he found that the source could not comply because of the unavailability of types and amounts of fuels, (2) if the suspension would not cause violations of a primary ambient air quality standard beyond the time provided for attainment of such standard in the plan, and (3) if the source were placed on a compliance schedule, with increments of progress, which would provide for the source to use methods of emission control that would assure continuing compliance with a natural ambient air quality standard as expeditiously as practicable. No such suspension could defer compliance beyond June 30, 1979. Notice and opportunity for presentation of views would be required before approval of any such suspension. The compliance schedule would have to include a date for entering into a contractual obligation for an emission reduction system which the Administrator had determined to be adequately demonstrated. A source could also construct and install such a system itself if it provided plans and specifications for installation of such a system. Sources were given the option of not providing a compliance schedule with a contract date, or plans for an emission reduction system, if the source elected (prior to May 15, 1977) not to provide one, and established to the satisfaction of the Administrator that it had binding, enforceable rights to sufficient low polluting fuels or other means of insuring long-term compliance. If such an election were made, the amendment would limit the suspension to no later than May 15, 1977. In granting suspensions, the Administrator could impose interim requirements to minimize adverse health effects before the primary ambient air quality standard was achieved and to assure maintenance of the standard where the suspension extended beyond the attainment date deadline.

The House amendment specifically provided that such interim requirements could include intermittent control measures which the Administrator determined to be reliable and enforceable and which would permit attainment and maintenance of primary ambient air quality standards during the suspension. The interim requirements would include the obligation to utilize fuels or emission reduction systems that would permit compliance with the suspended fuel or emission limitation when such fuels or systems became available. However, use of such fuel would not be required if the costs of changing the source to permit it to burn the fuel would be unreasonable.

The House amendment also provided additional provisions making the terms of such suspensions enforceable under the Clean Air Act and to require the Administrator to publish reports at 180-day intervals on the status and effect of such suspensions. Limited judicial review of any suspension was also specified.

A specific exemption of certain coal-fired steam electric generating plants from fuel or emission limitations was provided for in the House amendment. Only facilities which were to be permanently taken out of service by December 31, 1980, and which had certified such fact to the satisfaction of the Federal Power Commission would be eligible for such exemption. Interim requirements could, however, be imposed on such facilities. The suspension would be authorized whenever the Administrator determined that compliance was unreasonable in light of (1) the useful life of the facility, (2) the availability of rate increases, and (3) the risk to the public health and the environment of such exemption.

The House Amendment also contained a separate provision in section 106(b) which provided for suspension of fuel or emission limitations that would prohibit the use of coal with respect to any source which was ordered to convert to coal by the Administrator of the Federal Energy Administration pursuant to section 106(a) of the House bill or which had voluntarily begun to convert to coal prior to the effective date of the Act. The suspension would have extended to January 1, 1980, and would have been available only if the Administrator of the Environmental Protection Agency approved, after notice and opportunity for presentation of oral views, a plan submitted by the source. The plan would, in order to be approved, have to provide (1) that the power plant would use the control technology necessary to permit the source to comply with national ambient air quality standards as expeditiously as practicable; (2) that the power plant was placed on a schedule providing for the use of emission reduction systems as soon as practicable but no later than June 30, 1979, and (3) that the power plant would comply with such interim requirements as the Administrator of the Environmental Protection Agency prescribed to insure that the power plant would not contribute to a substantial risk to public health. Such plans were to be approved before May 15, 1974, or within 60 days after submittal if submitted after that date.

The Administrator of the Environmental Protection Agency was, however, authorized, after notice and opportunity for presentation of oral views, to prohibit the use of coal if he determined that the use of coal would be likely to materially contribute to a significant risk to public health, or to require the use of a particular grade of coal if it were available to the power plant.

Conference substitute

The conference substitute provides for short term suspension of stationary source fuel or emission limitations but, with one exception, does not authorize long term suspension of such limitations. The conference substitute adds a new section 119 to the Clean Air Act which will permit the Administrator of the Environmental Protection Agency to suspend until November 1, 1974, any stationary source fuel or emission limitation, either upon his own motion or upon the application of a source or a State, if the source cannot comply with such limitations because of the unavailability of fuel. The Administrator of the Environmental Protection Agency is directed to give prior notice to the Governor of the State and the chief executive of the local governmental unit where the source is located. He is also directed to give notice to the public and to allow for the expression of views on the suspension prior to granting it unless he finds that good cause exists for not providing such opportunity. Judicial review of such suspension would be restricted to certain specified grounds.

The Administrator is required to condition the granting of any suspension upon adoption of any interim requirements that he determines are reasonable and practicable. These interim requirements must include necessary reporting requirements, and a provision that the suspension would be inapplicable during any period when clean fuels were available to such source. The Administrator would be required to determine when such fuels were in fact available. It is the intent of the conferees that the Administrator in making such determination take into consideration the costs associated with any changes that would be required to be made by the source to enable it to utilize such fuel. No source which has converted to coal under section 119, however, could be required under this provision to return to the use of oil.

The suspension would also be conditioned on adoption of such measures as the Administrator determines are necessary to avoid an imminent and substantial endangerment to the health of persons. This would authorize not only requirements that a facility shut down during air pollution emergencies, but also (for example) a requirement that it keep a reserve supply of clean fuels on hand to be burned to avoid such emergencies.

The purpose of the short term suspension provision is to enable sources to continue operation during the immediate fuel shortage while at the same time limiting as much as possible the impact on air quality. In rejecting the provisions for long term suspensions, the conferees were of the opinion that more information and experience should be acquired before any long term postponement of emission limitations was authorized. If additional tools for dealing with energy shortages are needed by the end of 1974, the Congress can address the issue prior to that time. For this reason both the provisions in section 402 of S. 2589 and section 119(b) of section 201 of H.R. 11882 were rejected.

In recognition of the need to balance energy needs with environmental requirements and the unique problems facing any source which is converted to coal in response to the emergency, the conferees adopted a provision which provides that no fuel or emission limitation (as defined in the conference substitute) could have the effect of prohibiting any such source from burning coal. The conference version would prohibit the application of such fuel or emission limitations to sources which are either ordered to convert to coal or which began to convert to coal during the 90-day period prior to December 15, 1973. This prohibition against application of such limitation to such source could continue until as late as January 1, 1979. The prohibition would only apply if the source were placed after notice and opportunity for oral presentation of views, on a schedule approved by the Administrator of the Environmental Protection Agency. The schedule must provide a timetable for compliance with the fuel or emission limitations of the applicable plan no later than January 1, 1979, and must provide for compliance with interim requirements that will assure that the source will not materially contribute to a significant risk to public health.

The term "significant risk to public health" is used in several instances in section 119. The conferees are aware that the Environmental Protection Agency, taking its lead from the Senate Committee Report on section 303 of the Clean Air Amendments of 1970, has defined "imminent and substantial endangerment" by regulation as a significant risk to the health of persons and has specified levels for various pollutants which reflect its judgment as to where those risks occur. The conferees emphasized that the language which is used in this section is not used in the same sense as in the EPA regulations. Rather, the language of the conference substitute, as with the House-passed bill, deals with risks to health which are less severe than those specified by the Agency's "endangerment" regulations. What is intended is that some violation of the national primary ambient air quality standards can be permitted so long as any of the public would not be exposed to significant health risks.

The timetable for compliance which must be included in the schedule will specify a means of compliance. If the source chooses to utilize low sulfur coal or coal by-products, so that the standards will be met without use of continuous emission reduction equipment the schedule must provide for compliance as expeditiously as practicable but no later than January 1, 1979. If the source elects to use fuel which will require the use of permanent emission reduction equipment, the schedule must provide that such equipment will be purchased, installed, tested, adjusted and in operation in time to permit compliance no later than January 1, 1979. It is the intent of the conferees that when the source selects coal which will require the use of continuous emission reduction equipment, the source will have as much time as necessary to install the equipment and achieve compliance in order to permit the orderly development of technology.

In recognition of the complex factors involved in determining schedules for the various sources, the conferees intend that the Administrator have broad discretion in prescribing and approving schedules of compliance to insure that sources meet the requirements of this section without overburdening production capacity for continuous emission reduction systems or causing unacceptable disruption in energy production capacity.

In addition, the conference committee believes that sources which intend to rely on using coal that will meet applicable requirements without reliance on continuous emission reduction systems should enter into the necessary long-term supply contracts as soon as possible to assure opening new mines. It is expected that the Administrator would include, but would not be limited to, the following requirements in such schedule:

(1) the dates by which the source will solicit bids and enter into binding contractual agreements (or other equally binding commitment) for the procurement of an adequate fuel supply to permit continued long term operation of the source;

(2) where the coal obtained by the source has pollutant characteristics which will require installation of continuous emission reduction equipment to enable the source to comply with emission limitations, the dates for soliciting bids for such equipment, contracting for such equipment, and installation and start-up of such equipment by a date that will permit a reasonable time for necessary adjustments of the equipment to maximize the reliability and efficiency of the system prior to January 1, 1979; and

(3) reasonable interim measures which the source should employ to minimize the adverse impact on air quality.

In establishing dates for contracting for coal, the Administrator should determine the earliest date that is reasonable and which will permit compliance by the time specified in this section. Because the dates for obtaining fuels or system may occur at approximately the same time for more than one source which may overburden suppliers, the Administrator is specifically authorized to establish differing dates for obtaining fuels or equipment to insure availability of supplies of such fuels or equipment. In making such decisions, it is expected that the Administrator will provide the earliest date for those sources in areas with the most serious pollution problems.

The provision relating to conversions under section 119(b) does not apply to fuel burning stationary sources which would propose to reconvert to petroleum products or natural gas. Only fuel burning stationary sources which select coal, receive EPA approval and submit a new compliance schedule which will achieve applicable emission limitations by January 1, 1979 can take advantage of section 119(b) beyond November 1, 1974. After November 1, 1974, fuel burning stationary sources which choose to reconvert to oil remain subject to compliance schedules which were applicable prior to the temporary suspension.

This conference bill does provide for two exceptions to the prohibition on enforcing fuel or emission limitations. The Administrator, or a State or local governmental unit, may, after notice and opportunity for presentation of oral views, if practicable, prohibit the use of coal if it is determined that such use will materially contribute to a significant risk to public health. The Administrator, or a State or local government unit, may also require that a source use a particular grade of coal or coal with particular pollutant characteristics if such coal is in fact available to such source.

The conference bill makes explicit that the period of inapplicability under section 119(b) of State implementation plan requirements may be extended for one year under the procedures of section 110(f) of the Clean Air Act. It is the intent of the conferees, however, that the requirement of that section be clearly satisfied before any one year suspension is granted; the conferees believe that requiring compliance by 1979 should permit adequate time for all sources to achieve compliance. The additional one year postponement to 1980 should only be necessary to accommodate strikes, natural disasters or other unanticipated occurrences that may prevent compliance by that time.

The House-passed bill would have permitted the use of so-called intermittent or alternative control strategies as a means of meeting ambient air quality standards if such strategies were determined by the Administrator to be reliable and enforceable. This permission would have applied to both existing sources not affected directly by the energy emergency and sources required to convert to coal under the emergency legislation.

The Senate bill would have permitted revision of existing implementation plans to require use of continuous emission reduction systems on any fuel-burning stationary sources affected by shortages of fuels, suspensions or conversions.

The conference agreement does not include either of the foregoing broad provisions. Instead, the conferees decided to limit the application of this provision to those sources which convert to combustion of coal as a result of the energy emergency. The conference substitute requires these converting sources to come into compliance with all plan requirements by 1979 (or 1980, if a postponement is obtained under section 110(f)) in accordance with a schedule which meets requirements of regulations of EPA. These requirements would require incremental steps toward compliance by utilization of low sulfur coal or coal byproducts, or by continuous emission reduction systems to permit the combustion of high sulfur coal (or coal with high ash content) in compliance with such plan requirements.

The right to continue to burn coal until January 1, 1979, would extend to sources which began converting to coal use at any time between September 17 and December 15, 1973. A source should be regarded as having begun a coal conversion if it has made significant efforts to obtain an adequate supply of coal to justify conversion, such as having solicited bids for an adequate coal supply. The Administrator would have to determine whether any such efforts were made in good faith as part of a determination by the source owner or operator to convert to coal in the face of anticipated short falls in its supply of petroleum or natural gas.

The conference bill includes the House amendment provision which authorizes the Administrator of the Environmental Protection Agency to allocate continuous emission reduction systems among users where supplies are less than demand. This provision is modified in the conference substitute to include the stipulation in the Senate bill that such allocation authority shall not impair the obligation of any contract entered into prior to the enactment of this Act.

STUDY AND REPORTS

The conference bill also adopts the provisions of the House bill which required the Administrator of the Environmental Protection Agency to report to Congress on the impact of fuel shortages on the Clean Air Act programs as well as other factors, including the availability of continuous emission control equipment. The Administrator would also have to publish periodic reports on compliance with requirements imposed as part of any suspension or coal conversion, and other information on the impact of the section. The only change from the House version was to provide for reports on all continuous emission reduction systems and not limit the report to scrubbers. The conference bill also retained the House bill provisions making the violation of any requirement imposed as part of the new section 119 subject to enforcement under section 113 of the Act. Finally, the conference version adopts the House bill provision preempting any State or local government from enforcing a fuel or emission limitation against a source granted a suspension under the section because of the availability of fuel to permit the source to comply with such fuel or emission limitation. Such preemption does not apply with respect to requirements which are identical to Federal interim requirements.

The conference bill adopts a provision similar to that in the House bill, which provided a specific exemption for electric generating plants which are scheduled to be permanently taken out of service by 1980. Unlike the House bill, the conference substitute authorizes a one year postponement of applicable plan requirements for certain power plants. To be eligible, the power plant must be on a schedule to cease operations by January 1, 1980. The Federal Power Commission must also determine that the facility will in good faith carry out such plan.

To obtain the one year postponement of an emission limitation which is part of a State implementation plan, the Governor of the State must concur in the application to the Administrator of the Environmental Protection Agency. The Administrator shall consider the risk to the public health and welfare and only grant the postponement if he determines that compliance is not reasonable in light of the projected useful life of the plant and availability of rate increases, as well as other factors. He may prescribe such interim requirements as may be reasonable. The conferees limited this suspension to one year since it is intended that this bill only address the immediate energy emergency and the conferees do not intend for any electric generating facility to be shut down in the near future because of the infeasibility of employing required emission control measures due to the age of the facility. The Congress intends to review the long term energy problems and environmental needs during the next year and will consider such relief as may be justified to alleviate the problems presented to facilities, including power plants, which are scheduled to be phased out.

FUEL EXCHANGE AUTHORITY

House amendment

Section 205 of the House amendment would have directed the Administrator in establishing any allocation program to allocate low sulfur fuels to those areas of the country designated by the Administrator of EPA as requiring such fuels to avoid or minimize adverse health effects. This provision would have taken effect after May 15, 1974 and after such an allocation program had been established.

Section 205 would have further authorized the Administrator of EPA by rulemaking after informal hearings to issue binding exchange orders to persons subject to it. Such exchange orders would have been designed to avoid or minimize the adverse effects of any allocation program on public health. They would only have been authorized if substantial emission reduction would have resulted.

By virtue of Section 106(c), the House amendment would have explicitly authorized the Administrator to establish allocation programs for coal. If such a program were established, it would have been subject to the provisions of section 205.

Section 19(c) of the Clean Air Act, added by Section 201 of the House amendment, would have allowed the Administrator of EPA to establish by rule priorities for the supply of emissions reduction system so that they could be routed to users in regions with the most severe air pollution.

Senate bill

Section 203 of the Senate bill would have required any general priority and rationing program to provide to the extent practicable for allocation of low sulfur fuels to areas of the country designated by the Administrator of EPA as needing such fuels in order to avoid or minimize adverse impacts on public health.

The Administrator of EPA would be authorized under Section 402 of the Senate bill to further allocate low sulfur fuels within any such area. He would also be authorized to allocate emission reduction system first to users in air quality control regions with the most severe air pollution (except that no such action could affect existing controls).

Conference substitute

In order to assure the Administrator of the Environmental Protection Agency an adequate supply of information on the types, amounts, price, pollution characteristics and allocation of available fuels, it is expected that he will have access to all data available to the Administrator of the Federal Agency Administration.

Such information will assist in effective and timely performance of the Administrator of EPA's function under this section as well as those provisions relating to suspensions, conversions, enforcement, and other responsibilities of EPA.

The conferees expect that both the FEA and EPA Administrators will facilitate interagency cooperation and information exchange. EPA is expected to establish a permanent liaison in the office of the FEA Administrator for the duration of the emergency and the FEA Administrator is expected to do the same at EPA. This may reduce the confusion which can otherwise be expected to result from those decisions each agency is required to make under statutory authorization.

REVISIONS OF IMPLEMENTATION PLANS

Senate bill

The Senate bill provided that the Administrator of the Environmental Protection Agency was to review by May 1, 1974, all State implementation plans to determine if shortages of fuels or emission reduction systems, or any suspensions of emission limitations provided for in the bill (including future anticipated suspensions) would result in any plan failing to achieve the national ambient air quality standards within the time provided for in section 110 of the Clean Air Act. Where the results of review indicate that a plan would be inadequate, the Administrator would be directed to order those States to submit revisions to their plans by July 1, 1974, which would achieve the standards within the time limits. Two months were provided for the Administrator to review and approve or disapprove the plan revisions, and an additional two months were provided for him to promulgate regulations if a revision were not approvable.

House amendment

The House amendment contained a similar provision.

Conference substitute

The conference substitute provides that the Administrator will only review those plans for regions in which coal conversion under section 106 of the Energy Emergency Act may result in a failure to achieve a primary ambient air quality standard on schedule. The conference substitute directs the Administrator to order necessary plan revisions within one year after such conversion that would set forth any additional reasonable and practicable measures required to achieve ambient air quality standards. The plan revision would have to consider whether, despite the coal conversions, the standards could be achieved through the use of additional reasonable and practicable measures (which may include energy conservation measures) that were not included in the original plan. In allowing up to a year for the Administrator of the Environmental Protection Agency to act, it is the intent of the conferees to permit both the Administrator and the States sufficient leadtime to develop adequate information on the impact of coal conversions, both effected and anticipated, and to permit accurate assessment of the additional measures required for State implementation plans.

The conferees expect that revisions under this section will be required only after careful consideration of a number of factors to assure that existing sources which do not convert will not be subjected to new requirements where such requirements are unreasonable or impractical. In determining reasonability and practicability, the Administrator shall consider whether the source is presently subject to requirements, is on schedule and has expended or is expending funds to comply. In this event, no requirement shall be imposed under this section which will require unreasonable additional expenditures. However, where reasonable measures can be imposed, without penalizing sources which are in compliance or are in the process of complying with the law, the Administrator shall impose such requirements.

TRANSPORTATION CONTROL PLANS

Senate bill

The Senate bill contained no provision relating to transportation control plans.

House amendment

The House amendment would have directed the Administrator, upon application by the Governor concerned, to extend until June 1, 1977, the date for achieving primary air quality standards in any air quality region subject to transportation controls which mandated a 20% or greater reduction in vehicle miles travelled by June 1, 1977, or imposed any transportation controls that could not be practicably implemented by that date. The Administrator could grant further extensions until January 1, 1985. These further extensions would be conditioned both on the application of all practicable interim control measures and on the attainment of at least a 10% annual improvement in air quality.

The House amendment would also have directed the Administrator to conduct a study of the necessity of parking surcharges, review of new parking facilities, and preferential bus/carpool lanes to achieve air quality standards. The Administrator would be required to report to the appropriate committees of the Congress within six months after enactment. Until such measures had been explicitly authorized by the Congress in subsequently enacted legislation, the Administrator could not require them to be included in an implementation plan, although he could approve such measures if they were submitted by the State. Previously promulgated regulations requiring such measures would be declared null and void.

Conference substitute

The conference substitute does not contain the provisions of the House amendment allowing modifications of the date by which primary ambient air quality standards must be achieved. The conferees expect the appropriate committees of the Congress to include in their re-examination of the Clean Air Act scheduled for the next session of the Congress, consideration of the effect modifications in new motor vehicle emission standards will have on the ability to achieve the primary standards by statutory deadlines, as well as the practicability of various transportation control strategies within the time available.

The other related provision of the House amendment has been modified to provide that only parking surcharges (rather than surcharges, management of parking supply, and bus/carpool lanes) must receive the explicit authorization of the Congress before they may legally be imposed by the Environmental Protection Agency. The conference substitute would therefore continue to permit preferential bus/carpool lanes to be implemented by the Environmental Protection Agency as set forth in current transportation control plans. In implementing requirements for bus/carpool lanes, the basic responsibility rests with State and local governments and transportation agencies, and local hearings should be considered for specific proposals.

The conferees note that the appropriate committees with jurisdiction over the Clean Air Act will be reviewing the issues involved in transportation controls in hearings during the next session. The study mandated by this bill of the necessity and impact of these specific transportation controls will be useful to the committees in their inquiry.

In addition, the conferees direct the Administrator of the Environmental Protection Agency to review all the transportation controls which have been promulgated or proposed as to their efficacy and practicability, and to provide the appropriate committees with the results of that review in connection with hearings during 1974.

The conference substitute would also empower the Administrator of the Environmental Protection Agency to suspend for one year the review of new parking facilities. In response to inquiries by the conferees, the Administrator has provided a letter stating his intention to suspend these regulations under this authority.

U.S. ENVIRONMENTAL PROTECTION
AGENCY, OFFICE OF THE ADMINISTRATOR,
Washington, D.C., December 19, 1973.
Senator JENNINGS RANDOLPH,
Chairman, Senate Committee on Public Works, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I would like to re-affirm for the record my understanding of our conversation yesterday on the subject of the "parking management" portions of EPA transportation control plans. I hope this letter will help to clarify EPA's position and that it will be useful to you in your continuing deliberations in the Senate-House conference on the Emergency Energy Bill.

I understand that based on provisions in the House Bill the conference committee has considered provisions which would by statute postpone requirements of parking management plans for at least one year and that consideration has also been given to an alternative provision which would simply authorize EPA to grant such an extension. You have asked what action EPA would take pursuant to such a grant of authority. As I stated to you, our position if such authority were granted would be to delay for one year from enactment (i.e. until December 1974) the effective date of parking management plans promulgated by EPA which would otherwise go into effect at an earlier date.

During this year-long suspension, EPA would continue to work with the States and localities and to provide assistance to them in developing plans which will result in the necessary reductions of vehicle miles traveled by automobiles which are required to meet the ambient air standards and thereby to achieve compliance with the Clean Air Act. During this year, EPA would not impose any postponement or restraint on action by the States and localities in furtherance of parking management plans of their own, and it is our hope that we can assist the States and localities in developing long-term strategies to achieve clean air in urban centers.

We believe that parking management plans can provide an effective tool toward meeting air quality needs. Effective use of this tool, however, does depend largely on the understanding and support of State and local officials and the general public in the individual cities in question. Further review during the one year suspension contemplated by the committee would facilitate better understanding and support for such measures.

I want to thank you for the courtesy and hospitality you extended to me and my EPA colleagues yesterday.

Sincerely yours,
JOHN R. QUARLES, Jr.,
Deputy Administrator.

U.S. ENVIRONMENTAL PROTECTION
AGENCY, OFFICE OF THE ADMINISTRATOR,
Washington, D.C., December 20, 1973.
Hon. PAUL G. ROGERS,
House of Representatives,
Washington, D.C.

DEAR MR. ROGERS: I am writing pursuant to our telephone conversation this morning concerning my letter to Senator Randolph dated yesterday (with a copy to you) about the parking management plans. In that letter I indicated that if granted authority under the Emergency Energy Act EPA would delay until one year from now the effective date of parking management plans.

You have expressed concern that I referred to parking management plans only in relationship to transportation control plans, whereas the proposed legislation would apply also to review of parking facilities under our proposed indirect source regulations. As I explained to you, our position with regard to both is the same.

Very truly yours,
JOHN R. QUARLES, Jr.,
Deputy Administrator.

Although the conferees do not believe that regulations on the management of parking supply should be made subject to prior congressional approval, they did conclude that a period for refining the criteria which will be used in the review of such facilities and establishing the administrative machinery to review them should be permitted before the program is placed in operation. The conference substitute provides that when the suspension authority is exercised, no parking facility on which construction is initiated before January 1, 1975, would be subject to review for its impact on air quality as a result of any Environmental Protection Agency regulations on the management of parking supply.

In adopting these aspects of the conference substitute, the conferees do not intend to question either the need for, or the authority of the Administrator of the Environmental Protection Agency to impose, transportation control plans.

AUTO EMISSIONS

Senate bill

S. 2589, as passed by the Senate, would not have affected section 202 of the Clean Air Act. The conference committee notes, however, that on December 17, 1973, the Senate passed a bill, S. 2772, which would have extended through 1976 the interim hydrocarbon, carbon monoxide, and oxides of nitrogen emission standards established by the Administrator for model year 1975 vehicles.

House amendment

The House amendment would have amended section 202 of the Clean Air Act to defer the date for achieving the statutorily required 90% reduction in hydrocarbon and carbon monoxide automobile emissions. The date would have been deferred from model year 1976 until model year 1978. The House amendment would have required the interim hydrocarbon and carbon monoxide emission standards established by the Administrator for 1975 model year automobiles to also be applied in model years 1976 and 1977. Under the House amendment, the nitrogen oxides emission standards for 1976 model year automobiles could not exceed 3.1 grams per mile; for 1977 and subsequent model year automobiles emissions of oxides of nitrogen could not exceed 2.0 grams per mile.

In addition, the Administrator of the Environmental Protection Agency would be authorized to extend the deadline for achieving the ambient air quality standards in any air quality control region for up to two years to the extent he determined that an inability to achieve the standards on schedule would result solely from the modifications of the statutorily mandated auto emission levels and the deadlines for achieving those standards.

Conference substitute

The conference substitute amends section 202 of the Clean Air Act to continue the emission standards established by the Administrator for 1975 model year automobiles during the 1976 model year. The effect of this provision is to maintain in the 1976 model year a Federal 49-State standard of 1.5 grams per mile of hydrocarbons, 15.0 grams per mile of carbon monoxide and 3.1 grams per mile of oxides of nitrogen, and a standard for California of 0.9 grams per mile of hydrocarbons, 9.0 grams per mile of carbon monoxide, and 2.0 grams per mile of oxides of nitrogen. These standards apply to automobiles produced by all manufacturers, whether or not any individual manufacturer had applied for or received a suspension under section 202(b)(5) previous to the enactment of this Act.

The conference substitute provides that after January 1, 1975, an automobile manufacturer may seek a single one-year suspension of the statutory standards for hydrocarbons and carbon monoxide applicable to the 1977 model year. The Administrator would be required to establish interim emission standards for 1977 model automobiles for hydrocarbons and carbon monoxide if he grants the suspension.

In authorizing the suspension for the 1977 model year, the conferees point out that one of the considerations advanced by Judge Levanthall in remanding EPA's decision not to authorize a suspension of the 1975 standards for one year was that adverse fuel economy would deter consumer purchasing of new automobiles, resulting in greater retention of old automobiles with inefficient pollution control devices. As Judge Levanthall pointed out, this might lead to a situation whereby denial of a suspension would result in greater total actual emissions of all cars in use than would be the case if a suspension were authorized. See *International Harvester Company, et al.* v. *Ruckelshaus*, 478 F.2d 615, 633-634 (February 20, 1973). If the Administrator is asked to authorize a suspension for HC and CO for model year 1977, and if the country is experiencing an energy crisis at the time a suspension is requested, the conferees would expect the Administrator to weigh carefully whether the application of the statutory standard would result in significant increase in fuel consumption.

The conference substitute amends section 202(b)(1)(B) of the Clean Air Act to establish a maximum emission standard for oxides of nitrogen of 2.0 grams per mile applicable nationwide to 1977 model year automobiles. This defers the previous statutory standard of 0.4 grams per mile of oxides of nitrogen until the 1978 model year. No administrative suspensions would be possible from either the 1977 or 1978 standard. While the 1977 model year standard is a maximum of 2.0 grams per mile nationwide, under the conference substitute California retains the right under section 209 of the Clean Air Act to seek a waiver for a more stringent standard.

The conferees are concerned with what may be unwarranted or, at least, untimely changes in EPA's certification test procedures for new automobile emissions. It is intended that uncertainty as to requirements for compliance with such standards be minimized. Any changes in test procedures shall be kept to an absolute minimum and should occur only where such changes improve instrumentation, reduce cost of testing or improve the reliability and validity of the test results.

The conference substitute does not contain the language of the House amendment providing for extensions of implementation plan deadlines in response to the changed standards and deadlines for automobile emissions.

REPORT LANGUAGE: FUEL ECONOMY STUDY

The fuel economy study requirement was amended to provide for joint conduct of the study with the Department of Transportation. The conferees insisted on a joint study to eliminate duplication with current, ongoing fuel economy studies.

The conferees expect, of course, that any current DOT studies will be coordinated with this study to eliminate any potential duplication and minimize waste of funds.

At the same time, the conferees agree that EPA must be actively involved in any fuel economy analysis to assure consistency between the findings of the study and the statutory requirements for automobile emission reductions.

The conferees recognize that DOT has an equally important safety responsibility but does not have either established test procedures, testing facilities or the expertise on engine technology to perform an independent review.

The conferees expect this study to utilize EPA's established emission test procedures in order to avoid inconsistency in any subsequent legislative recommendation.

TITLE III—REPORTS AND STUDIES

Senate bill

Section 204(c) would direct the President to develop and implement incentives for the use of public transportation. In addition, the Federal share of expenditures for buses and rail cars from the Highway Trust Fund increased to 80 percent.

Section 210 of the Senate bill would require the President, within 90 days after enactment of the legislation, to promulgate a plan for the development of hydroelectric resources. Such plan would provide for expeditious completion of projects authorized by Congress and for the planning of other projects designed to utilize available hydroelectric resources, including tidal power.

Under section 211, within 30 days of enactment of the legislation, the Secretaries of the Interior and of Commerce would prepare and submit to Congress a comprehensive review of U.S. export policies for energy sources. The purpose of this study would be to determine any inconsistencies between national energy trade policies and domestic fuel conservation efforts.

Section 303 would direct the Secretary of the Treasury and the Director of the Cost of Living Council to provide the Congress with recommended economic incentives to encourage both individuals and industry to subscribe to the purposes of the Act. An analysis of actions needed to effect payment by producers and users of the full cost of producing incremental energy supplies would also be required.

Under the second paragraph of section 313, the President would review all rulings and regulations issued under the Economic Stabilization Act to determine if they are contributing to the shortage of materials associated with the production of energy supplies and equipment necessary to maintain and increase the production of coal, crude oil, and other fuels.

The results of this review would be submitted to the Congress within 30 days after the date of enactment of this legislation.

Section 316 would require the Department of Health, Education, and Welfare, in cooperation with the EPA, to conduct a study of the health affects of emissions of sulphur oxide to the air resulting from any conversion to burning coal pursuant to section 204(a) of the Act. The sum of $5 million would be authorized to be appropriated for such a study.

Section 317 would require the Council of Economic Advisors, in cooperation with other agencies and departments, to submit an Emergency Energy Economic Impact Report to the Congress which must include, but was not limited to, certain assessments of the impact of the energy shortage on employment, agriculture, various industries, commerce, and public services, as well as projections of its impact on the economy. A preliminary report would be filed thirty days after enactment and a final report no later than sixty days after enactment.

Section 402 would amend the Clean Air Act, as amended, to require the Administrator of the EPA to report to the Congress by May 1, 1974, on the extent to which any applicable State or local air pollution requirement or deadline may adversely affect the implementation of the National Energy Emergency Act or of the proposed amendments to the Clean Air Act.

House amendment

The provisions of section 104(d) of the House amendment parallel Section 313 of the Senate bill are almost the same, except that the responsibility for conducting the review would be vested in the President and the Administrator of the Federal Energy Administration.

Section 105(d) would require energy conservation plans to include proposals to provide for Federally sponsored incentives for the use of public transportation and Federal subsidies to maintain or reduce existing fares and additional expenses incurred because of increased service.

Section 121 of the House amendment is the same as the provision of Section 211 in the Senate bill, except that (1) the report under the House version would also cover foreign investment in production of energy sources and be included for the purpose of determining any inconsistencies between such investment and domestic conservation efforts, and (2) the report would have to be submitted within 90 days of enactment of the legislation rather than 30 days.

Under section 127 the Administrator would be required to prepare and submit within 90 days after enactment of the legislation a plan for encouraging the conversion of coal to crude oil and other liquid and gaseous hydrocarbons.

Section 207 would require the Administrator of the Environmental Protection Agency to report to the Congress by January 31, 1975, on the implementation of sections 201–205 of this title.

(Additional language to come.)

of Health, Education, and Welfare and the Environmental Protection Agency of the health effects of sulphur oxide conversions, except that the sum authorized was $2 million.

Section 206(a) would direct the Federal Energy Administration to conduct a study on energy conservation methods and to report the results to the Congress within six months of enactment. The study must address the energy conservation potential of restrictions on export of fuels and energy-intensive products (including balance of payments and foreign relations implications); federally sponsored incentives for public transit use and Federal authority to increase public transit facilities; alternative requirements, incentives, or disincentives for increasing recycling and resources recovery to reduce demands on energy (including a comparison of the economic and fuel impacts of such recycling and resource recovery with the transportation and use of virgin materials); the costs and benefits of electrifying high traffic rail lines; and means for incentives or disincentives to decrease industrial use of energy.

Section 206(b) would require the Secretary of Transportation, after consulting with the Federal Energy Administrator, to submit to the Congress within 90 days of enactment an "Emergency Mass Transportation Assistance Plan" to expand and improve public mass transportation systems and encourage increased ridership. This plan must include, but is not limited to recommendations for: emergency temporary grants to assist States and local public bodies in payment of operating expenses for expanded urban mass transportation service; additional emergency assistance for the purchase of buses and rolling stock and the construction of fringe parking facilities; demonstration projects to determine feasibility of fare-free and low-fare urban mass transportation system; and the feasibility of providing tax incentives for users of urban mass transportation systems.

Section 206(d) would provide that no later than December 31, 1974, the Secretary of Transportation, in consultation with the Federal Energy Administrator, must also study and report to the Congress on the development of a high-speed ground transportation system between the cities of Tijuana, Mexico and Vancouver, British Columbia, Canada.

Section 208 would direct the President, within 90 days following enactment, to recommend to the Congress actions to be taken by the Executive and the Congress regarding siting of all types of energy producing facilities.

Section 209 would amend the Clean Air Act by directing the Administrator of EPA to conduct a study of the feasibility of establishing a fuel economy improvement standard of 20% for 1980 and subsequent model year new motor vehicles. A report on the study must be submitted to the Congress within 120 days after enactment, and the Administrator must consult with designated Federal agencies in the course of the performance of the study. The Administrator would be directed to fully examine the problems associated with obtaining a 20% improvement in fuel economy. The study must include technological problems, costs, relation to safety and emission standards as well as energy impact and enforcement. The agency would be authorized to obtain information for the study under its section 307 (a) powers.

Conference substitute

Title III contains a number of provisions for studies to be conducted. Recognizing the merit of these provisions, the Conferees included them in this bill although they will not necessarily contribute to the relief of the immediate energy emergency.

The Conferees provided for three categories of studies and reports to be made to Congress. The first provides for immediate recommendations on means for near term increases in energy supply or reductions in energy consumption. The second set of studies and reports deal with longer term methods for achieving these same objectives. The third class of reports essentially reserve to the Congress an oversight function on the implementation of this Act, by requiring reports from the President to the Congress every 60 days on the implementation and administration of this Act and the Emergency Petroleum Allocation Act of 1973, and an assessment of the results attained thereby.

The conferees recognize that increased use of mass transit is essential to energy conservation both in the short term and in the longer run. For this reason, the conferees wish to call attention to the adoption of several studies dealing with the major energy conservation measures. The first is a Senate-sponsored provision to provide for plans for Federal subsidies to mass transit systems for reduced fares and operating costs. The details of this plan will be subject to Congressional approval, prior to implementation. The conferees believe that such incentives to greater use of mass transit coupled with reduced use of personal vehicles can result in significant energy saving.

In addition, to reflect the need for improving mass transit in the longer run as well the conferees adopted a number of provisions providing for study of various mass transit systems.

In the first class of studies which are to be completed with a report submitted to Congress within 30 days after enactment of the Act, the conference substitute adopted the following studies:

From the Senate bill—

Of the rulings and regulations issued pursuant to the Economic Stabilization Act, by the Administrator of the FEEA on methods of energy conservation and production by all Federal agencies.

On specific incentives to increase energy supply and reduce consumption by the Secretary of the Treasury and the Director of the Cost of Living Council.

On the impact of energy shortages on employment, by the Administrator of the FEEA.

From the House amendment:

A comprehensive review of United States exports and foreign investment policies by the Secretaries of the Interior and Commerce.

The second group of studies adopted in the Conference substitute, to be completed with a report submitted to Congress within 6 months from the date of enactment, include the following:

From the Senate bill:

From section 204(c) of the Senate bill, a plan to be submitted to the Congress for approval, to provide federally-sponsored incentives for increased use of mass transit, by the Administrator of the Federal Energy Emergency Administration.

Of the potential for further development of hydroelectric power resources, by the Administrator of Federal Energy Emergency Administration.

From Section 207(d) of methods for accelerated leasing of energy resources on public lands, by the Secretary of the Interior.

From the House amendment:

Of energy facility siting problem, by the Administrator of the Federal Energy Emergency Administration.

On the potential for conversion of coal to synthetic oil or gas, by the Administrator of the Federal Energy Emergency Administration.

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 614 Leg.]

Allen
Baker
Beall
Byrd, Robert C.
Chiles
Fannin
Fulbright
Griffin
Hansen
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McIntyre
Metcalf
Nelson
Pell
Randolph

The PRESIDING OFFICER (Mr. CHILES). A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Bartlett
Bayh
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Case
Clark
Cook
Cranston
Curtis
Dole
Hart
Hartke
Haskell
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Inouye
McClellan
McGee
McGovern
Montoya
Muskie
Nunn
Packwood
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Symington
Thurmond
Tunney
Weicker
Williams
Young

The PRESIDING OFFICER (Mr. BIDEN). A quorum is present.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The conference report on the energy bill, S. 2589.

Mr. MANSFIELD. Mr. President, has there been any debate on it up to this time?

The PRESIDING OFFICER. No, not up to this time.

Mr. MANSFIELD. Mr. President, I should like to suggest the absence of a quorum for not to exceed 5 minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar under "New Report."

There being no objection, the Senate proceeded to the consideration of executive business.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Charles D. Loos, of Indiana, to U.S. marshal for the southern district of Indiana.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

PRINTING OF REPUBLICAN REPORT AS A SENATE DOCUMENT

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the minority leader's report and relevant information, which I submitted yesterday, be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM SATURDAY TO MONDAY, DECEMBER 24, 1973, AT 9 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tomorrow it stand in adjournment until the hour of 9 a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the amendment of the House to the bill (S. 11510) to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes.

The message also announced that the House had passed the following bill in which it requests the concurrence of the Senate:

H.R. 15110. An act to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions.

HOUSE BILL REFERRED

The bill (H.R. 15110) to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions was read twice by its title and referred to the Committee on Government Operations.

ENERGY EMERGENCY ACT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and international contingency plans; to assure the continuation of vital public services; and for other purposes.

Mr. RANDOLPH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. JACKSON. I yield.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that during consideration of the Energy Act conference report, S. 2589, Barry Meyer, Philip Cummings, Leon Billings, Richard Grundy, Philip McGance, Richard Hellman, Bailey Guard, Karl Braithwaite, and Richard Herod be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I ask unanimous consent that during the deliberations on this measure Owen Malone be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. Mr. President, I ask unanimous consent that during the debate on this matter Harrison Loesch and David Stang be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. I also make the same request with respect to Ron Frank and David Russell.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that during the consideration of this matter Grenville Garside, William Van Ness, Lucille Langois, James Barnes, Daniel Dreyfus, Mike Harvey, Lorraine Maestres, and Jerry Verkler be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, this legislation, combined with the Emergency Petroleum Allocation Act of 1973, gives the executive branch full authority to deal with the most serious peacetime fuel shortages in our history.

The administration has now estimated that the shortages caused by the Arab embargo, when added to existing shortages, will result in an average shortage of 3.27 million barrels per day or 16.4 percent of unconstrained demand. Averages of course are misleading. As my colleagues from New England are well aware, the shortages in some regions will be far more serious than these figures suggest. Even if some "leakage" in the Arab embargo occurs, there is no way to avoid a substantial fuel shortage in 1974.

These shortages, Mr. President, can be managed. Skillful use of the rationing, conservation and allocation tools provided by Congress can minimize the personal hardships and the economic impact caused by fuel shortages. But action to deal with this national problem must be timely in order to be effective. It is still not too late for the administration to move decisively on a broad range of action to reduce energy demand and assure that available fuel supplies are used most effectively.

S. 2589 is based on the premise that a nationwide energy emergency now exists and includes a congressional finding to that effect. When I first introduced the bill on October 18, 1973, it was already clear that severe fuel shortages were in prospect. It was equally clear that the administration was not only unprepared but also lacked authority to deal with such shortages. Events since then have confirmed the need for new authority, particularly with respect to energy rationing and conservation programs.

While the administration did not formally submit legislative requests for such authority, it has from the outset conceded the need for new authority and has worked closely with Congress in developing energy legislation. On the Senate side, the Interior Committee held two closed hearings on this subject with Governor Love and other officials and administration representatives also participated in public markup sessions of the bill.

The legislation was approved by a conference chaired by the distinguished chairman of the House Interstate and Foreign Commerce Committee, Representative HARLEY STAGGERS of West Virginia. The country is in his debt for the wise and able leadership he has provided in guiding this bill, and the Emergency

Petroleum Allocation Act, through the Congress.

As approved by the conference, the National Energy Emergency Act authorizes the President to:

First, implement fuel rationing programs without further congressional action if the President finds that other methods to limit energy demand will not achieve the objectives of the Energy Emergency and Allocation Acts.

Second, implement energy conservation plans to reduce energy demand. All such plans must be submitted to Congress when promulgated. Plans to be implemented prior to March 1, 1974, shall take effect pursuant to their provisions and remain in effect unless disapproved by either House or Senate without a period of 15 legislative days after submission. Conservation plans proposed for implementation after March 1, 1974, and prior to July 1, 1974, must be submitted to Congress for a period of 15 legislative days before they take effect. Either the House or the Senate could disapprove the plans during this period.

Conservation plans proposed after July 1, 1974, must be submitted in the form of legislation and would be subject to approval by act of Congress.

Mr. President, the procedure whereby Congress has the right to disapprove conservation plans proposed by the executive branch has been much discussed in recent days and deserves special comment.

First, it is worth noting that this concept was incorporated in section 301 of the bill as it was reported to the Senate 5 weeks ago. It was not a last minute improvisation.

Second, the proposed right of disapproval gives the Congress an appropriate role and responsibility in the development of conservation programs which will affect the lives of every American. I am convinced that Congress should share this responsibility with the executive branch. The very existence of the right of disapproval will I believe, lead to greater consultation with Congress and the development of better, more widely accepted conservation programs.

Finally, let me emphasize that the conference agreement gives the executive branch the necessary authority to adopt stringent conservation programs as soon as the Energy Emergency Act is signed into law by the President. As the conferees have made clear, we believe that strong conservation measures are in order and that the act before the Senate today makes possible the immediate implementation of such measures without further delay.

Any conservation measures implemented pursuant to this act in the critical first week of 1974 will have the full force and effect of law until Congress exercises the right of disapproval, and injunctive powers—as well as civil and criminal penalties—are provided to assure adequate tools for enforcement.

While the necessary enforcement authority has been provided, there can be no doubt that the effectiveness of conservation and rationing programs will depend ultimately on the degree of public acceptance of such programs and the need for their implementation. Public acceptance will, in turn, depend on a steady flow of reliable information about the impact of fuel shortages, the kind of information we are only beginning to receive.

I believe the public will respond if the people are given the facts, if they are convinced that hardships will be equally shared and if their leaders show by word and deed that they are not just dictating but participating in a national energy conservation effort.

REQUIREMENT OF FAIRNESS AND EQUITY

The conferees have made clear that Congress will expect fairness and equity in rationing, conservation, and allocation programs. The act before the Senate requires that allocation of petroleum products and electrical energy be equitable and not unreasonably discriminate among classes of users. It also provides that restrictions on energy use be fair and not impose a disportionate share of the burden of such restrictions on any specific business, industry, or commercial enterprise. I am convinced that these precepts must be followed if the programs promulgated under this act and the Allocation Act are to succeed.

In accepting the House approach to create a Federal Energy Emergency Administration, the conferees recognized that time was too short in this session to complete action on the more detailed legislation to create a Federal Energy Administration passed by the Senate Wednesday. The language approved by the conferees simply creates an Administration, which will remain in existence until May 15, 1975 unless superseded before then, headed by an Administrator subject to Senate confirmation and authorizes appropriations in the amount of $75 million for the current fiscal year to run it. The adoption of this provision in no way precludes further congressional action on this subject, and I hope that the House will move promptly to consider the Senate's bill in January.

The conferees recognized, as did both House and Senate, that State and local governments must play a critical role in administering programs under this act and the Allocation Act and authorized appropriations of $50 million for the current fiscal year for grants to State and local governments for this purpose.

ECONOMIC IMPACT STUDIES

Mr. President, it is obvious that any rationing or conservation plans implemented under this act will have a significant economic impact. I am, therefore, pleased that the conferees accepted my proposal to require careful economic analysis of proposed actions and programs wherever possible. While economic impact studies were required in the original Senate bill, the conferees approved broader provisions similar to those adopted by the Senate Wednesday in the Federal Energy Administration Act.

In addition to the analysis of the impact of proposed actions, the Administrator is also required to monitor the impact of the shortages and emergency measures on the economy and on employment and report to Congress on this subject. He must also make recommendations about the need for additional employment and economic assistance.

The conferees did authorize a $500 million program for the current fiscal year for assistance to those who are unemployed because of the administration or enforcement of this act. But we recognized that broader programs of assistance may be necessary as the fuel situation worsens in 1974.

WINDFALL PROFITS

The conferees approved an important provision, which would be effective upon enactment of the act, requiring that the President exercise his authority under the Economic Stabilization Act and the Emergency Petroleum Allocation Act to specify prices for crude oil, refined petroleum products, and residual fuel oil which avoid windfall profits by sellers. The vigorous exercise of this authority is essential, I believe, to protect the American consumer in a period of substantial fuel shortages.

The conferees have retained the provision of the House bill dealing with so-called windfall profits. These provisions authorize petitions by interested persons to the Renegotiation Board to determine if specific price levels are permitting windfall profits on sales of crude oil, refined petroleum products, and residual fuel oil. The Board could set lower prices to bar windfall profits in appropriate cases.

However, the conferees also agreed that the windfall profit provision would become effective January 1, 1975, and would apply to profits attributed to prices in effect after December 31, 1973. In the event that the Congress legislates on this subject during 1974, it can of course amend or supersede these provisions.

One problem directly related to the adequacy of energy supplies is the shortage of materials and equipment essential to energy production. Such shortages include critical items like roof bolts for coal mines and pipe for oil wells. The conferees adopted provisions requiring the Administrator to prepare a contingency plan for the allocation of supplies of materials and equipment essential to energy production. Any such plan would, prior to its implementation, be submitted to Congress in accordance with the procedures for submitting conservation plans.

The conferees have also approved language authorizing the Administrator to restrict exports of coal, petroleum products and petrochemical feedstocks and requiring him to do so if either the Secretary of Commerce or the Secretary of Labor certifies that such exports would contribute to unemployment. The Secretary of Commerce is also authorized to restrict such exports under the Export Administration Act.

CLEAN AIR ACT CHANGES

The differences between the Clean Air Act provisions of the House and Senate bills were worked out in a separate and concurrent conference composed of Senators MUSKIE, RANDOLPH, and BAKER and Congressmen ROGERS and HASTINGS. The product of their intensive efforts was ratified by the conferees unanimously.

The agreement with respect to automobile emission control provisions incorporates the essential ingredients of S. 2772, the legislation on this subject passed by the Senate last week. Briefly, the agreement reached was to freeze by statute automobile emission standards for hydrocarbons and carbon monoxides for 1 year at the interim 1975 Federal standards adopted by the EPA. Thus the statutory standards contained in the Clean Air Amendments of 1970 would now apply to model year 1977. The overall effect of this amendment is to grant 1 additional year for compliance with statutory hydrocarbon and carbon monoxides standards beyond the latest deadline provided for in the 1970 amendments.

Similar modifications were made in the Federal standards for nitrogen oxides. The 1975 standard was frozen for model year 1976 and a new standard established for 1977. The previous statutory standards contained in the 1970 amendments then would apply nationwide in 1978.

Consistent with previous legislation in this area special provision is made for the unique problems in California. Although the existing 1975 California standards for hydrocarbon and carbon monoxides are maintained for model year 1976, authority also is retained allowing California to set lower standards covering later model years.

Under the conference agreement, EPA is required to submit to the Congress by May 1, 1974, a study on the necessity for and impact of parking surcharges, management of parking supply and preferential bus/carpool lane regulations as features of transportation controls required to achieve and maintain primary air quality standards.

With respect to stationary sources and the conversion of coal, the EPA Administrator would be empowered to suspend, on a short-term basis, applicable clean air requirements through November 1974. Such suspensions of applicable emission limitations would be granted only where an adequate supply of environmentally acceptable fuel is not available. This provision is consistent with both House and Senate measures as passed.

Authority also is provided for modification of existing State plans and implementation plans under the clean air amendments. Extensions of time schedules for compliance with applicable standards would be restricted to actions taken in connection with the energy emergency.

The FEA Administrator also would be empowered to require the conversion of major energy facilities to coal from present sources of petroleum and natural gas, except where the use of coal is likely to materially contribute to significant risks to public health.

Such extensions can continue until January 1, 1979. However, wherever an ordered conversion to coal in response to the energy crisis is determined by the Administrator to endanger a primary ambient air quality standard the Administrator is specifically directed to review and modify within 1 year applicable implementation plans. Such revisions of applicable plans are to include the reasonable and practicable measures necessary to minimize adverse effects on air quality.

Such revisions of implementation plans also are to be undertaken on a source by source basis before November 1, 1974, and are to require compliance with applicable emission standards no later than January 1, 1979. During this period a converted plant may employ a variety of techniques in order to achieve compliance with emission limitations, including continuous emission reduction systems, low sulfur coal or low sulfur coal byproducts. Any revision of a compliance schedule must include specified increments of progress including a schedule for instituting the required coal contracts. If the means of compliance is low sulfur coal or coal byproducts, the schedule must require delivery as soon as practicable but not later than January 1, 1979. These deadlines were selected to reflect time necessary to open new mines or develop and install technology such as coal gasification.

Where an orderly development of pollution control technologies is needed in order to insure compliance with a modified implementation plan, the Administrator is empowered to establish dates for the initiation of construction of such facilities or appropriate coal conversion technologies.

Mr. President, the revisions in the Clean Air Act authority, coupled with authority for allocation, rationing, and conservation programs, will enable the administration to deal efficiently with the fuel shortages of the next few months. These emergency measures will bridge this interim period and give Congress and the executive branch the opportunity to consider definitive, longer term measures in the energy field. I urge that the Senate adopt the conference report on the Energy Emergency Act.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. JACKSON. I yield.

Mr. LONG. Why is it that those of us who serve on the committees that have jurisdiction over taxes and revenue measures have not been accorded the courtesy, or at least the opportunity, to see or study or even conduct any hearing whatever on this type of proposal? Is it that those committees have fallen into such low esteem now that they are regarded as being unworthy to consider revenue measures any longer?

Mr. JACKSON. I will say to my good friend from Louisiana that this section dealing with pricing and windfall profits originated in the House. To my knowledge, the committee that has original jurisdiction, under the Constitution, is the Ways and Means Committee, and to my further knowledge they did nothing about it. We had before us proposals which are not taxing measures; they involve the extended authority to the Renegotiation Board. Under the House rules, and I believe the Senate rules to a certain extent, the authority in renegotiation areas is within the jurisdiction of the Banking, Housing and Urban Affairs Committee. This was not in the Senate bill, as the Senator knows.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. JACKSON. I yield

Mr. LONG. In view of the fact that we are being asked to vote a tax which, as I understand, is supposed to be in effect December a year from now, retroactive back to January, and assuming that we wish to collect that tax, I for one see no reason why we cannot take enough time to consider it and to see whether this is a better tax than the one proposed by the President, for example, and to hold hearings. Have any hearings been held on this tax proposal?

Mr. JACKSON. Mr. President, first of all I do not want to get into semantics. However, it is not a tax. It is authority to renegotiate.

Mr. LONG. Mr. President, may I say that the——

Mr. JACKSON. The Senate conferees had in mind the problem posed by the Senator from Louisiana. The able Senator from Maine (Mr. MUSKIE) offered the amendment, in which we all agreed on the Senate side, that the effective date should be January 1, 1975, as it relates to the renegotiation process. This gives the House and Senate full opportunity to take action on it.

Mr. LONG. The renegotiation bill is also a revenue bill. Is it not?

Mr. JACKSON. I think the indirect effect is exactly that. I am merely pointing out that technically it is an extension of the authority to the Renegotiation Board to renegotiate profits.

I am not arguing what the result is. I am just pointing out that that is the way the House handled it. I think that my friend, the Senator from Louisiana, will agree that the House Ways and Means Committee does not take umbrage in this matter at all. Apparently they went along. I went through the record carefully. However, the House approved the specific action taken by a fairly substantial vote as it relates to pricing and as it relates to windfall profits.

Mr. LONG. If the Ways and Means Committee does not want to do its job in the House of Representatives, does that necessarily show that the Senate Finance Committee is abrogating its responsibility in the Senate?

Mr. JACKSON. No. However, I would emphasize again that under the Constitution, of course, tax and revenue matters must originate in the House of Representatives.

I do not care whether one calls this a taxing or a revenue measure or something else. That would have to originate in the House. The Constitution does not have anything to say about it having to originate in the Ways and Means Committee.

Mr. LONG. Mr. President, as a matter of fact, the Constitution says that revenue matters must originate in the House. And that is the way this has been construed up to this point. So the House has usually the consideration of these matters, it being a revenue bill when it is introduced. That is why those of us in the Senate who would like to amend a House passed bill to make a revenue bill out of it have been constantly frustrated by the fact that the House would not consider it when we would try to send them a Senate bill that was a revenue bill.

In this case we have before us a revenue bill that originated here. The measure originated in the Senate. The House amended it with an amendment of a revenue nature. And when a measure originates in the Senate, which is now a revenue measure, in my judgment, that is clearly contrary to the Constitution which I swore to uphold when I took my oath of office five times here. Revenue matters must originate in the House. It must be a revenue measure when it was in issue. And frankly, if one looks at the reason why it is felt that revenue measures must originate in the House, particularly in the experience of State bodies as well as the Congress, it was that the people who were going to be taxed ought to be given a chance to know about it so that they do not have to watch both bodies at once, so that a person does not have to be in both Houses at the same time to avoid getting the bum's rush on a tax matter.

He merely has to watch the House and he can see it coming. If the House initiates it without giving hearings or any right to be heard, he then has an opportunity to be heard in the Senate. That is why the Founding Fathers created the Senate.

Here we see a tax measure of very substantial consequence. I am not here to debate the merits. All I say is that this is an important matter that was initiated in the conference report as far as the Senate is concerned, not in the House where tax bills ought to be originated. This was originated in the Senate. It went to the House. Then it comes back with a House amendment in the conference report where, if those who want to use the bums rush on people insist on it, they can limit Senators to just two speeches on the conference report and insist that the conference report be voted on as a priority matter with no amendments to be considered, mind you. If those who initiated this type of approach wanted to do it in this fashion, they could deny to the Senators who do not agree with them any chance to amend it so as to make it more reasonable, to take into consideration the facts of life, or anything of that sort.

Is the Senator going to tell me that the committee having jurisdiction will not even receive the courtesy of being permitted to have hearings on the matter?

Mr. JACKSON. Mr. President, I shall make this statement and I shall conclude on this point. I will repeat what I said.

First, it is not a revenue measure. It is not a tax measure. I will read specifically from the act. However, even if it were a revenue measure, I point out that the Constitution provides that revenue measures should originate in the House. It does not say which committee should handle it. Obviously the Ways and Means Committee was not in existence when the Founding Fathers put that provision in the Constitution.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. JACKSON. I yield.

Mr. LONG. Mr. President, do the Senate rules support what the Senator is saying?

Mr. JACKSON. I am merely saying what the Constitution says and what it does not say.

The House follows its own rules. Obviously, if this is in violation of the House rule, the House makes that decision, and they can follow their own rules. But first of all, I want to say that even if it were a revenue measure, the House originated it and that is what the Constitution requires.

Mr. LONG. If the House originated it, why does it bear an "S" number, S. 2589? What is the "S" doing on this if this is a House-originated measure?

Mr. JACKSON. This is part of the "S" bill originating in the House. That is what the Constitution requires. And it has complied with the requirement.

Mr. President, I am not trying to nitpick. However, the facts are that it is not a tax.

I read specifically from the statute:

> (B) Upon petition of any interested person and notwithstanding any proceeding or determination under subparagraph (A), the Board may determine whether the price charged by a particular seller of any petroleum product permitted such seller to receive windfall profits. If, on the basis of such petition, the Board has reason to believe that such price has permitted such seller to receive windfall profits, it may order such seller to take such actions (including the escrowing of funds) as it may deem appropriate to assure that sufficient funds will be available for the refund of windfall profits in the event there is a final determination by the Board under this subparagraph that such seller has received windfall profits. Prior to a final determination under this subparagraph, such seller shall be afforded a hearing in accordance with the procedures required by section 554 of title 5, United States Code. Upon a final determination of the Board that such price permitted such seller to receive windfall profits, the Board shall order such seller to refund an amount equal to such windfall profits to the persons who have purchased from such seller at prices which resulted in such windfall profits.

Mr. President, the point I want to make is that it is a refund to the people who have made the purchases. There is no tax.

Mr. LONG. Have you read the whole section?

Mr. JACKSON. Let me just finish.

Mr. LONG. Have you read the rest of it? That is not the end of the subsection.

Mr. JACKSON. No, that is not the end of the subsection. I will read the rest of it:

> If such persons are not reasonably ascertainable, the Board shall order the sellers for the purpose of refunding such profits, to reduce the price for future sales, to create a fund against which previous purchasers of such item may file a claim under rules which shall be prescribed by the Board, or to take such other action as the Board may deem appropriate.

Mr. President, the point I want to make is that there are no proceeds here which go to the U.S. Treasury. On the contrary, it goes to the people affected.

Now let me read——

Mr. LONG. Well, now, who is going to collect the money and pay it out to the people whose identity is unknown?

Mr. JACKSON. The Renegotiation Board handles this through the escrow procedure that I have just indicated.

Mr. LONG. Now, Senator, does your committee have jurisdiction over the Renegotiation Board?

Mr. JACKSON. No, we do not have jurisdiction over the Renegotiation Board. Of course we do not.

Mr. LONG. Will you tell us who does?

Mr. JACKSON. Frankly, I believe the Renegotiation Board, in the House, comes under Banking and Currency. In the Senate, members of the Renegotiation Board are confirmed by the Senate Finance Committee.

Mr. LONG. My impression is that—if that is the committee that handles the renegotiation action, can the Senator tell me whether there would be any difference as far as the jurisdiction of the Renegotiation Act is concerned?

Mr. JACKSON. Well, Mr. President, I am not going into a long discussion here about committee jurisdiction. I am merely reciting the language from the statute, and I want to read, finally, the report language which the House submitted when the bill was before the House, dealing with this particular section. I read from page 36 of the House report:

> SECTION 117.—RESTRICTIONS ON WINDFALL PROFITS.— This section amends the Emergency Petroleum Allocation Act by adding a new subsection (k), which provides for restrictions on windfall profits. Under its terms, interested persons who believe established prices allow windfall profits may petition the Renegotiation Board. If, after reviewing testimony and evidence, the Board finds that windfall profits are obtained, it shall establish a new sales price which prevents such profits, or provide appropriate refunds, in the case of individual firms found to receive windfall profits under established prices.

Mr. President, I think this adequately explains the situation here as it relates to both the pricing and the windfall profits section. May I further emphasize, as I did earlier, that the windfall profits section does not take effect until January 1, 1975, and it shall apply to profits attributable to any price specified under any of the authorities referred to in paragraph 1 of the subsection—for crude oil, residual crude oil, and refined petroleum products—in effect after December 30, 1973, as I indicated in my earlier statement.

I believe it is understood now that the measure is, in my judgment, not a tax or a revenue measure. Mr. President, if it is to be a tax or revenue measure, the revenue must go into the Treasury of the United States.

It is a measure, I think, to protect the public against price gouging and profiteering in a time of shortages. I do not think the American people, very candidly, are going to tolerate any kind of profiteering or any kind of price gouging in which a certain few are going to be able to take advantage of the public.

I want to be fair and equitable, and just, and see to it that there is a proper profit allowance to provide the incentives and do the things that must be done. I say to my colleagues in the Senate right here and now that unless we make some rational moves, we are going to see, in 1974, the most punitive legislation ever adopted by Congress affecting any one industry.

Mr. MUSKIE. Mr. President, Congress, in a very short time, has produced legislation that directly addresses the immediate energy crisis facing the country. The agreement reached last night in the House-Senate conference committee gives the President and his Energy Administrator, Mr. Simon, the authority to move immediately with a firm hand to put in place the programs needed to protect the country from the fuel shortages that are now appearing around the country.

Mr. Simon has indicated that he places high hopes in an energy conservation program of substantial dimensions to save scarce fuel. This legislation will give him authority to mandate such a program.

He has indicated that programs to restrict gasoline sales and make substantial reductions in lighting for business, Government and commercial operations will be the heart of this program. This legislation is a quick yet careful response to give the administration the tools necessary to carry out such a program.

The conference agreement also directs that actions taken under the authority of this bill will be fair and equitable. The legislation gives the administration the authority to stop the export of products and materials that are vital to the production of energy.

The conference report on the Energy Emergency Act contains a compromise I proposed to preserve the section of the bill controlling windfall profits of the energy companies. Many questions were raised about problems in the mechanisms used to implement such a proposal. In order to keep the idea alive, I proposed language that would allow the excess profits section, adopted by the other body, to go into effect January 1, 1975. But it would cover excess profits earned in 1974. Thus, the delay will not exempt excess energy company profits next year.

However, we felt that the question of dealing with excess profits was by its nature complicated and sensitive. At this point, we do not know how serious the problem will be, and there has been inadequate time to consider what steps might be most effective in dealing with these profits. The provisions can be considered an incentive for the appropriate committees of Congress to begin their deliberations on this issue early next year.

This serves notice that price gouging and windfall profits will not be allowed, but gives the Congress, and the appropriate tax committees in Congress, time to formulate the best possible approach. If they devise no better language, then the provision in this bill will automatically take effect.

Mr. President, the problem of excess profits is one which rightfully angers and frustrates average Americans. They see dramatic increases in oil company profits, and wonder if the sacrifice and suffering their Government asks of them is no more than a hoax designed to swell the coffers of the industry. If we demand sacrifice from our people, we must also demand a reasonable profit structure from the energy industry.

Another important energy provision will give the administration the power to order substantial conversion from the burning of oil to the burning of coal in places where such a switch is possible. This will allow scarce oil to be released for areas of critical concern—areas such as Maine and the rest of New England, where 90 percent of the heat for the winter comes from oil. For the rest of the country, that figure is substantially lower—approximately 50 percent. So this conversion will give areas of the country that are very dependent upon oil a better prospect of receiving those oil supplies.

The country needs swift and decisive action on the energy crisis. The Congress has acted rapidly in setting up the organization and policy to carry out that action. The ball is now in the court of the executive branch.

MINIMIZING ENVIRONMENTAL EFFECTS OF ENERGY ACTIONS

The importance of this energy legislation and the unique interrelationship between energy and virtually all other aspects of our lives made possible its use as a vehicle for a significant number of amendments not necessarily related to the energy emergency.

For some, the emergency energy legislation became a cover for immoderate attacks on environmental goals. The conference has struck down most of these. These goals have been carefully established in acts of Congress over many years. One of the areas in which the other body proposed sweeping change was the Clean Air Act. Had the House amendments survived the conference, the Clean Air Act would be rhetoric rather than substance. I am pleased to announce to my colleagues today that that is not in fact the case.

The Senate, in order to preserve the structure and the substance of the Clean Air Act, had to make one significant concession. Your conferees had to accept the application of a new standard for the emissions of oxides of nitrogen pollutants for 1977 automobiles.

On Monday of this week I told this body that the Subcommittee on Air and Water Pollution would consider the issue of oxides of nitrogen emissions in hearings early next year. I told this body that we would weigh carefully a recommendation to the Congress by the Environmental Protection Agency Administrator, Russell Train, to raise the near-term oxides of nitrogen emission standards to 2.0 grams per mile. The House bill extended the oxides of nitrogen standard to 2.0 grams per mile for the indefinite future with no authority for the Administrator to reduce it.

The price we paid to protect important clean air provisions of the emergency energy legislation was a 1-year extension on 2.0 NOX. I must say this will remove some pressure early next year to act precipitously on the current standard. There can be little argument now against awaiting the completion of the National Academy of Sciences' review before we take any further action on future requirements for this significant pollutant.

At the insistence of the Senate conferees, the Members eliminated the extra year's freeze for auto emission standards contained in the House bill, as well as the potential for five additional 1-year freezes at the Administrator's discretion. The House ban on the use of special bus/carpool lanes was dropped, as was the 2-year delay in transportation control plans.

The conference did agree to suspend EPA's authority to impose a parking surcharge. While I recognize that a surcharge may be very useful in stimulating mass transit, substantial questions exist about EPA's authority to impose such a tax. It was not directly anticipated during passage of the Clean Air Act Amendments of 1970. I believe it appropriate that we continue to study this thoroughly through the public hearings begun earlier this year by my subcommittee.

The House ban on the use of parking management schemes has been replaced by assurance from EPA that such actions will be suspended until January 1, 1975, so that these plans might be thoroughly studied.

We have eliminated provisions that would arbitrarily deny authorized tools that may be needed to reach clean air standards designed to protect the public health. We will now have the opportunity to weigh the merits of these strategies in orderly legislative hearings.

This was an important step in preserving public participation in decisions regarding key features of the Clean Air Act.

STATIONARY SOURCES

The Senate, in its version, insisted that any changes made in the regulation of stationary sources be kept related to the Emergency Energy Act. Many House provisions that dealt broadly with the Clean Air Act have been eliminated.

Provisions exempting many fuel burning stationary sources from emission limitations have been dropped.

The House legislation attempted to sanction an approach to pollution control which was not anticipated under the Clean Air Act. This is the use of intermittent control measures for cleaning up pollution. This system allows companies to withhold pollution temporarily, and then when weather conditions are favorable the smoke and soot is dumped into the air. This is not an adequate alternative to purchasing equipment or fuel or fuel byproducts that will provide for continuous and constant emission reduction and the conferees rejected it.

One of the most controversial provisions in the House legislation was an attempt to encourage a conversion of power plants to coal without also requiring that such plants comply fully with their current Clean Air Act requirements. If left standing, this provision would have created the potential for such converted companies to consistently ignore air quality standards—standards that are based on the need to protect, at a bare minimum, the health of our population.

At the same time, the House provisions raised doubts about the right of a State to set higher emission limitations than are established under Federal standards.

Instead of these provisions, the conferees established a framework that will preserve the Clean Air Act while providing needed energy by allowing necessary short- and long-term switches to available fuels. The conference proposal permits the EPA Administrator to suspend Federal, State, and local clean air requirements through November 1, 1974. Short-term suspensions would be granted if an adequate supply of conforming fuel is not available.

A suspension can continue until January 1, 1979, with a potential single 1-year extension provided for plants which convert to coal if the plants submit—and obtain approval of—compliance schedules to achieve Clean Air Act standards by 1979. EPA can prohibit the use of coal where it is likely to materially contribute to significant risk to public health.

A converted plant can use continuous emission reduction systems, low-sulfur coal or low-sulfur coal byproducts to achieve such limits. A new compliance schedule must mandate steady progress, but compliance with the emission limits established for that source under existing implementation plans must be achieved not later than January 1, 1979.

Binding contracts must be entered into for coal and pollution control equipment as a part of a new compliance schedule.

I am fully aware that problems may exist in some of the changes we have made in the law. But I believe those interested in these matters should also recognize that tremendous problems have also been eliminated by insistence of the Senate conferees. We now must monitor the actions that result from this law. The entire Clean Air Act will be reviewed and reauthorized next year. I believe we have now protected that orderly review.

In other respects, Mr. President, the conference agreement emerges much as the Senate had hoped and if anything perhaps narrower than some had construed the Senate bill. Those aspects of the conference agreement which amend the Clean Air Act are restricted to actions arising out of the energy emergency. We believe we have given the Administrator of the Environmental Protection Agency the needed authority to respond to the energy emergency without giving the opponents of the environmental programs the mechanisms to gut the Clean Air Act.

Mr. President, I would like to express my appreciation to the Senator from Washington (Mr. Jackson) and my fellow conferees for their confidence in Senate Public Works Committee conferees on the issue of the Clean Air Act. At the time the Senate enacted this legislation, the Senator from Washington committed himself to support of the agreements which the Committee on Public Works conferees were able to negotiate. We were given sufficient time, to the extent that there was sufficient time at all on this legislation, to work out our differences with our counterparts on the House Interstate and Foreign Commerce Committee. The conferees supported this agreement with unanimity.

I would like to say a word also about people with whom we negotiated this agreement on the House side. Congressman Paul Rogers, chairman of the House Subcommittee on Public Health and the Environment, and his ranking member, Congressman Jim Hastings of New York, recognized the need to fashion a bill providing emergency powers rather than attempting to deal with large questions surrounding the Clean Air Act. Their cooperation made possible today's agreement. I compliment them for being statesmen of the highest order. I look forward to next year, when the Clean Air Act must be reauthorized, to working with them to improve the processes which we finally approved in the Senate 3 years ago.

We knew on September 22, 1970, that the full implications of the policies we were enacting would be difficult to predict or completely understand.

We knew in 1970 that the Clean Air Act would reshape our lives in many ways, and we knew in 1970 that there would be problems resulting from the act which could not be solved in the administration or in the courts. Next year we will review those questions. We will attempt in a deliberate way to develop more and better tools to improve the quality of the environment.

Mr. President, the committee report on this bill also contains language expressing congressional concern over the very real threat of a cutoff of Canadian oil to the United States. Businesses in my home State and elsewhere along the Canadian border have entered into oil supply contracts from Canadian suppliers. But Canada is experiencing a shortage of its own, and the Canadian Government has adopted a very strict policy toward exports to the United States. In my home State, this policy means the threatened loss of 8,000 jobs by the end of January.

I proposed an amendment in committee, stating:

> Whenever, as a result of action by the Canadian Resources Board, fuel exports to any manufacturing plant in the United States are interrupted, the Administrator shall make an allocation to such manufacturing plant in accordance with the provisions of the Emergency Petroleum Allocation Act. Wherever possible, such allocation shall be from fuel which would otherwise be exported from the United States to Canada.

This amendment was withdrawn after the committee received assurances that this problem is being dealt with on a diplomatic level. The report expresses strong congressional interest in these negotiations, and encourages vigorous use of all diplomatic avenues to resolve the problem.

The first reaction of many in facing the energy crisis has been to suggest degrading the environment as a first course of action. I believe we have been successful in turning back much of that thrust in this legislation. I am not totally satisfied in all respects, but I believe we have struck a compromise that has substantially repaired the public interest.

Conservation of all scarce resources ought to be our first action. Instead, environmental degradation has been the first choice of some. Ironically, this degradation virtually never yields additional energy. I have confidence that the American people will see past any attempt to create an environmental scapegoat in the energy issue. No amount of relaxation of pollution controls will invent new oil or new natural gas. Relaxation will only dangerously delay addressing the real changes we must make to protect our health and our environment.

I have assumed all through my deliberations on this legislation that my colleagues greatly desired an emergency energy bill before the Christmas recess. Based on that assessment, I have agreed to compromises that I might have rejected in a different context. But I believe we have protected basic environmental values. On that basis, and in the belief that energy measures provided in this bill are vital to the country, I recommend that the Senate swiftly approve the bill's passage.

Mr. METCALF. Mr. President, the great Senator from Nebraska, George Norris, was a crusader for a unicameral legislature largely because he recognized that a great deal of significant legislation is written in conference without publicity and away from the observation of the Members of the respective Houses. The spirit of George Norris must be restless today as a result of the occurrences in the recent conference on the so-called energy bill, S. 2589, which is the pending business.

Let me hasten to say that both Senator Jackson, who was chairman of the Senate conferees, and Congressman Staggers, who presided over the conference, were eminently fair and worked with patience and persistence in bringing out a bill that is not only a good compromise between the House and Senate positions but is a bill that will be a useful and effective tool in solving many of the urgent problems presented by the shortages of oil and natural gas as we go into the winter months.

However, it is with respect to an incident that happened in the course of the conference that I wish to comment. Wednesday evening the conference recessed at about 7:30 p.m. to reconvene at 8:15 p.m. When the time arrived for the conferees to continue the discussion, we were informed that Mr. Simon wanted to meet with the conferees. Mr. Simon was late, because of a TV engagement and I certainly do not fault him on that score. His job is to secure public acceptance and cooperation in a most difficult and delicate task of persuading the American people to suffer the sacrifices that are going to be necessary in the days ahead. The meeting was held in a room off the conference committee room and the audience was restricted to the Congressmen who were members of the conference committee. Chairman Staggers permitted several witnesses to appear before the conference committee and explain amendments. I agree that such a procedure is appropriate. We cannot have too much information or explanation especially on consideration of intricate legislation and deliberation over floor amendments that may not have undergone the test of hearings and investigation. But such presentations must be in the open and away from the suspicion that a secret deal is being made in the "other room."

I was not aware of anything that transpired in Mr. Simon's secret meeting that could not have been openly and fairly presented. As a result of the meeting there were modifications in the bill and the ones that were adopted are ones in which I can concur. I am informed—hearsay—that Mr. Simon outlined a program of conservation measures that he proposed to take. No reporter was there, no secretary took them down. However, Senator FANNIN did write the list down in his legible and classic penmanship and made the list available to those of us who did not deign to meet with Mr. Simon in the "other room." The proposals are as follows:

1. Retail gasoline sales may be banned from 9:00 p.m. Saturdays to 12:01 a.m. Mondays.
2. An additional day on which retail gasoline sales may be banned.
3. Maximum speed limit of 55 MPH for inter-city buses and trucks and 50 MPH for automobiles.
4. Ban promotional, display and ornamental lighting by commercial establishments, including advertising identification lighting at times not essential.
5. Reduce fuel for use by general aviation.
6. Ban exterior residential ornamental lighting.
7. Turn down thermostats 6 degrees in residential and 10 degrees in commercial establishments.
8. Promote weatherizing of homes with insulation, weather stripping and storm doors and windows.
9. Require that retail sales of gasoline be limited to a specified amount per sale or per day.
10. Take necessary steps to encourage car pooling, including restricting driving to a certain number of days per week.
11. The ability to direct all facets of industry to function in a manner consistent with our goals.
12. Require conversion of oil burning electrical generating plants to coal, to the greatest extent practicable.
13. Set indoor lighting standards for commercial, governmental and industrial facilities.
14. Restrict weekend and evening lighting in commercial and industrial facilities.
15. Set standards on highway lighting.
16. Reduce recreation on public lands.
17. Limit hours of operation for commercial, industrial and governmental establishments.
18. Reduce space heating in industrial establishments to the great extent practicable.
19. Require industry energy audit plans.
20. Ban advertising which encourages excessive use of energy.

I applaud most of them, I believe the American people will attempt to carry them out, many of them are overdue. But for the life of me I cannot see why Mr. Simon's statement could not have been made in open conference.

The incident to which I have alluded points up the necessity for Congress to open conference committee discussions to the public, to the press, to interested parties from organizations concerned. A great deal has been accomplished in this 93d Congress for open and public markup of bills, for elimination of closed executive sessions, for conducting the people's business in the people's presence. The next move is to open conference committee deliberations to the same public scrutiny. I urge my colleagues to join me in this attempt in the next session of the 93d Congress and insure that such a secret meeting in a room away from the accepted meeting place never again take place in the Congress of the United States.

Mr. RANDOLPH. Mr. President, the twin pressures of time and a crisis situation resulted in the urgency for this legislation coming before the Senate at this time.

This measure was expedited, but it was not hastily considered. Our work represents an effort by Members of the Senate and House of Representatives that was constructive in the light of the current energy supply situation.

This measure is a realistic response to a set of circumstances that developed rapidly in recent months to greatly accelerate the gap between our growing energy demands and the supply of fuel for meeting these demands. The situation required immediate action to provide Federal, State, and local governments with the tools necessary to cope with the energy crisis.

The conference report before us responds to the crisis without undermining the basic integrity of other long-term Government activities.

Mr. President, while I have been deeply involved for 14 years in the Senate in fuel and energy questions, my efforts during this conference were concentrated on those matters that are within the jurisdiction of the Committee on Public Works. Primarily, these were concerned with amendments to the Clean Air Act.

There has been an inclination by some people to place the entire blame for the energy crisis on environmental protection programs. I consider such statements to be in error.

Environmental protection laws were enacted to protect public health from the continued pollution of the world in which we live. In some instances, these important efforts have resulted in an increase in fuel demand. But these increases are small in comparison with the present fuel shortage.

The provisions of this bill are in no way a retreat from the commitment of the Congress to facilitate the ending of pollution of all types. The conferees agreed to temporary variances in some requirements of the Clean Air Act to meet the present crisis situation. These provisions are realistic and they are workable.

In arriving at these decisions, the conferees rejected proposals that did not relate to the alleviation of energy shortages in a meaningful way. The approval of some proposals, in fact, would have dealt unacceptable blows to the cause of environmental protection.

Just a few days ago the Senate passed S. 2772, a bill extending for an additional year the emission standards applicable to 1975 model automobiles. This action resulted from extensive study by the Committee on Public Works on the total question of motor vehicle pollution and the requirements for reducing it. The committee felt that this was the only change in the program that was warranted at the present time.

The House of Representatives, however, approved legislation granting far more lenient exceptions to the emission control requirements and to other provisions of the Clean Air Act.

The conferees resolved the differences of the two bodies in a realistic and acceptable manner.

The conference report incorporates the 1-year extension of the 1975 emission standards for hydrocarbons and carbon monoxide and gives the Administrator of the Environmental Protection Agency the authority to grant another 1-year extension.

In addition, it provides an emission standard for oxides of nitrogen at 2.0 grams per mile in model year 1977, as provided in the House bill, without any further extension of the statutory standards.

Deleted or modified in the conference report are a number of House provisions related to transportation controls and implementation plans in the air pollution control program.

In adopting these aspects of the conference substitute, the conferees did not intend to question either the need for or the authority of the Administrator of the Environmental Protection Agency to impose transportation control plans.

Transportation is a necessary service, and it is provided under an extensive system of government regulations, often heavily subsidized by public funds. In many American cities in the past generation, a pattern of decisions at all levels of Government has shaped a diffuse and auto-dependent transportation network. This network is often as much a source of air pollution and energy waste as emissions from the individual automobile itself, and action at all levels of Government will be required to change it. In particular, State and local governments must insure that the total transportation system is operated and developed in a manner as consistent as practicable with air standards. It is expected that the Environmental Protection Agency, in seeking enforcement of the requirements of transportation controls which it has promulgated, will take action against reluctant States requiring that such a State exercise its powers over transportation and implement transportation controls which have been promulgated as Federal law.

The conference report also authorizes some relaxation of air pollution requirements for stationary sources. Primarily, these are intended to permit—on a temporary basis—the conversion of some powerplants from scarce oil and natural gas to more plentiful coal. This switch cannot take place, however, if it would result in a substantial risk to public health.

All of these provisions relate directly to the present fuel shortage. Other proposals will be given consideration next year as the committee continues its oversight review of the implementation of the Clean Air Act.

Mr. President, in arriving at this conference report, the conferees considered all of the many facets of the energy shortage as parts of a large and complex picture. We did not look at each issue in isolation. We attempted to relate each problem and each proposed solution to the total energy situation.

We know, for instance, that the United States has abundant supplies of coal, but they do not suddenly appear at factories and powerplants in sufficient quantities for use in an environmentally acceptable fashion.

The conferees were concerned for the loss or decrease in existing energy supplies as a result of inadequate supplies of materials and equipment. For example, there could be a substantial loss in coal production, because of the lack of mining supplies such as roof bolts.

The conferees provided authority to assure that timely steps be taken to assure the maintenance of existing energy supplies through the allocation of necessary equipment and supplies.

The Administrator must exercise the accelerated procedures in this act in order to facilitate the timely implementation of this program. Where the maintenance of existing energy production is at stake I would encourage the Administrator to exercise such accelerated procedures and transmit within 30 days to the Congress these portions of the contingency plan affecting existing energy production. Such plans or portions thereof for the allocation of materials and equipment would have to reside before the Congress for 15 days subject to the same congressional conditions of disapproval or approval as for an energy conservation plan.

It was at my urging and with the support of my colleagues the conference report express the firm intent that handicapped Americans be given special consideration in the allocation of energy supplies.

I believe that if it was possible to make special provisions for these individuals during World War II, appropriate measures can be taken to provide for their special needs during our present crisis.

I would expect that during the promulgation of the regulations by Mr. Simons, special consideration will be given to the handicapped person who needs to drive a specially designed vehicle to and from his place of employment, because he is unable to use public transportation due to his physical disability; and I certainly believe that handicapped citizens in need of medical and therapeutic services will also be given a priority.

These are some of the basic necessities of many of our very young and elderly handicapped, as well as those who are employed.

In summary, we intend that careful thought be given to this population and that we not add further to their hardship.

Mr. President, this conference report is a broad measure relating to the full spectrum of the energy shortage. It addresses immediate needs forthrightly. It postpones for full consideration in the new congressional session those matters about which there is doubt or which will have no significant effect on energy supplies or consumption.

In short, this is legislation which will enable us to face increasing energy shortages in the months immediately ahead while we develop long-range measures to assure our country of adequate energy supplies in the future.

I commend my fellow conferees for their attention to the task at hand and for their realization of the seriousness of the problems. I am appreciative of the contributions made by my colleagues from the Committee on Public Works, Senator EDMUND MUSKIE, the chairman of our Subcommittee on Air and Water Pollution, and Senator HOWARD H. BAKER, JR., the ranking minority member of the committee. Their experience and their insight into the problems were invaluable.

My colleague from West Virginia, Representatives HARLEY O. STAGGERS, presided with fairness as chairman of the conference.

Senator HENRY M. JACKSON served as chairman of the Senate conferees and utilized his background in this field to help achieve solutions to difficult problems.

Mr. RANDOLPH. Mr. President, I understand that the December 13 mandatory fuel allocation regulations proposed by the Federal Energy Office give our Nation's schools the place of high importance which they deserve and I am very pleased about that.

The Senator from Washington knows that a general purpose of this act and the mandatory Petroleum Allocation Act is to protect the public welfare and maintain all essential public services. In this connection I ask the Senator about the intent of this measure with regard to education. It is my impression that this bill is not intended to result in a forced closing of schools, and that the educational process and schools will continue with a minimum of disruption.

It is my understanding also that the conference report language on education, coupled with the Senate record on passage of the Emergency Petroleum Allocation Act, insures that education will be treated as a vital public service whenever priorities are established under section 4 of the Emergency Petroleum Allocation Act.

Does the able Senator from Washington concur in this analysis?

Mr. JACKSON. Mr. President, the Senator from West Virginia is correct in his analysis of the intention of this measure. The conferees report intends that education be considered a vital public service.

Mr. FANNIN. Mr. President, first of all I want to commend the distinguished Senator from Washington. I want to say that he did nobly in fighting off the House amendments and supporting the Senate's bill. He did not want the windfall profits provision in the House bill, and offered a substitute calling for a study. He offered something that would provide for a thorough study on this particular subject, and I commend him for that, because, as the distinguished Senator from Louisiana has stated, this is a matter that should be given careful consideration in hearings and should come before us in the Senate Finance Committee next year.

Mr. LONG. Mr. President, will the Senator yield for a question at that point?

Mr. FANNIN. I am pleased to yield to the Senator from Louisiana.

Mr. LONG. If we are talking about an excess profits tax or a windfall tax, does not the question first occur, What is windfall profit or an excess profit? The first thing we need to do is determine what is excess and what is not excess.

Mr. FANNIN. I agree wholeheartedly with the Senator, and this was a subject that was discussed. The conferees never even had a chance to see the language of the legislation until it was placed on their desks this afternoon. This is just exactly why the Senator's statement is so precise in presenting to the Senate some of the problems we have with this legislation.

Mr. LONG. Will the Senator yield further?

Mr. FANNIN. I am pleased to yield further.

Mr. LONG. Is it not also true that if we are ever going to solve the energy crisis, we are going to have to permit the energy industry to make enough profit so that it can raise the capital necessary to provide the public with energy?

Mr. FANNIN. I wholeheartedly support exactly what the Senator has said. We have talked about increased exploration, about the tremendous cost.

They say that by the year 1985, it will take $1.350 trillion of investment into this industry, if we are going to succeed in bringing forth the amount of petroleum and other products that will be needed. This is in the energy field alone: $1.350 trillion.

How can that be obtained? They are proposing that as much as $650 billion would need to come from the petroleum industry over that period of time. There is not any way we can get that money invested if we are going to have some device which is absolutely unworkable.

Just what has been explained here this afternoon shows how unworkable this rebate system would be as called for in section 110 of the conference report. It is just impossible to calculate what the cost would be and what the results would be.

Mr. LONG. Will the Senator yield for a further question?

Mr. FANNIN. I am very pleased to yield.

Mr. LONG. Is this not basically about the way that the Chase Manhattan Bank, we will say, which makes large amounts of loans, perhaps as much as any lending institution in the world, or maybe even as much as any lending institution in America, figures, in analyzing how we will meet our energy needs here and around the world, that it will take about $1.350 trillion to provide us with the free world's requirements of energy between now and 1985?

Further, that it is estimated that to raise that much capital, the industry must make enough profit to borrow money if the lenders are to be regarded as having security for a loan that would justify a banker or any other institution making it? And further, that in order to do that, the industry should be able to earn at least half of that amount in profits in order to justify the bankers and the other lending institutions in lending the other half?

Mr. FANNIN. Studies that have been made by perhaps the most qualified people in the world indicate exactly what the Senator has said, that it would take approximately $650 billion that must be recovered from the industry if this is to be done. It must be invested by industry. This can only come from profits. If we place legislation into effect that discourages industry from going forward with exploration—and some of the explorations are tremendously expensive—we are defeating the whole purpose of the bill, which is to help to accomplish the objective of having more energy available for the American people and at a lower cost.

Mr. LONG. Is the Senator aware of any hearings, any information, or any evidence produced in the legislative history of the bill, which has made a proper allowance and has demonstrated how the industry can raise enough money to do what is required of it under this excess profits tax or any other bill?

Mr. FANNIN. The Senator is correct. Studies have not been made by Congress. They have been made, as I stated originally, by Congress and people who are highly qualified, but that has not been presented to Congress for consideration. We have not had the opportunity to question the witnesses that would appear before Congress to verify this information. So we have just been dealing in the dark. It is not the way the legislation should be handled.

Mr. LONG. Is it not true that we already have laws that provide the authority for the Government to control the price of oil as well as gasoline to come?

Mr. FANNIN. That is correct.

Mr. LONG. They already exist. So that any law to protect the public in the price of the product is already available to us. There is even more authority in the law than the administration is using at this time, as I understand it.

Now, is it not correct that while the price of oil is presently being controlled at the pump by the price of gasoline, they do have the power to fix the price at the well if they want to?

Mr. FANNIN. The Senator is correct. The Federal Power Commission has controlled the price of natural gas and that is why we have such a shortage of natural gas today. The Senator is correct. The price of oil can also be controlled under other laws.

Mr. LONG. That being the case, are we not in prospect of having the same situation we had when we were trying to control the price of poultry, with the results we had, that the price fixed for poultry did not permit the farmer to make enough money to pay for his feed. Does not the Senator recall what happened under the law?

Mr. FANNIN. I certainly do. It was disastrous.

Mr. LONG. Was it not also true that the people who had the incubators to produce the little chicks found that they could not charge enough for the chickens to sell them at a profit, that they could not charge enough even to pay for the feed that went into raising the chickens. So, as the Senator knows, they simply destroyed the baby chicks.

Mr. FANNIN. The Senator is correct. That is actually what happened. It was unbelievable. It happened because of the mistakes that were made.

Mr. LONG. Did not that situation obtain until someone adjusted the price so that they could make a profit?

Mr. FANNIN. The Senator is correct. The Senator will remember very well what happened to the price of beef when it was under control, that prices went sky-high, but when they took off the controls, what happened was that the ranchers who thought they were going to sell their beef at 80 cents a pound, found out that they could not even sell it for 60 cents a pound.

Mr. LONG. I am sure the Senator will agree that, like that situation, the filling stations will be closing down and refusing to sell gas because they are not permitted to make an adequate profit in order to operate their filling stations. Is that not correct?

Mr. FANNIN. The Senator is absolutely right. That is an appropriate illustration.

Mr. LONG. The Senator is familiar, I am sure, with what happened to the drivers of the trucks on our highways. They blockaded the highways because they were not permitted to make enough money to drive their trucks because of the speed limit that was placed on them.

Mr. FANNIN. The Senator is correct. That is another good illustration of how ridiculous it would be to adopt this legislation.

Mr. LONG. Does not all that indicate that someone should have a slight idea of what he is doing when he starts tinkering with the economy and trying to regulate someone's industry?

Mr. FANNIN. It is absolutely essential, if we are to overcome the problems we have on energy. It will be done only through the free enterprise system which has always been able to meet the challenge. Here, we are taking away the very incentives that they need to go forward with their investments, for the research and development and the exploration, and to build the refineries and to do what is necessary, including offshore drilling, which are tremendously expensive operations which entail expensive facilities that must be constructed and built for the transportation of the fuel. All of this enters into the problem we face. Unless we have the money available to do it, the situation will be worse than it is today.

Mr. LONG. The Senator serves on the Committee on Interior and Insular Affairs which initiated this legislation, does he not?

Mr. FANNIN. The Senator is correct.

Mr. LONG. Can the Senator tell me how many days and hours of hearings have been held to arrive at the profit level that would be appropriate for this industry which this bill would seek to regulate on a profit basis?

Mr. FANNIN. The Senator has brought up a subject that has not been thoroughly discussed. In fact, we did not have, in the Senate version of the legislation, as has been brought out this afternoon, through the stipulations that are involved in our discussions, we did not have before us the matters—that is, the testimony about it, and calling in the expert witnesses. That has not been done.

I serve with the distinguished chairman of the Finance Committee. It was our obligation to study this measure. The administration has sent up a bill with recommendations on excess profits. I know that the distinguished Senator, the chairman of the committee, will be considering those measures at the proper time.

When we talk about what is happening, we are not, in this legislation, doing anything that cannot be covered just as comprehensively if not more adequately, after we get back as now, insofar as excess profits—windfall profits, are concerned.

Mr. LONG. If we are going to pass a law against excess profits and pass a well-considered measure in the national interest, is it not first necessary to determine what is a fair level of profit?

Mr. FANNIN. It is very essential to do so. I might say to the distinguished Senator that we have before us this morning information regarding profits in other industries, and the oil industry is far below the profits of most of the industries that were discussed. I would say it is not only proper but absolutely essential that we know what we are doing in this respect before we vote on such a subject.

Mr. LONG. Has the Committee on Interior and Insular Affairs sought to hold hearings and pinpoint the exact level of the profits that would be proper and fair for the oil industry?

Mr. FANNIN. The answer is that they have not. The Committee on Interior and Insular Affairs has not done so.

Mr. LONG. Would it not be well, if the committee wanted to provide something of that sort, that they at least would give us the benefit of their information, after they have obtained such information?

Mr. FANNIN. I would certainly think it would be highly proper. I can certainly commend the distinguished chairman of the Committee on Interior and Insular Affairs, who did fight for this very stipulation in the bill. As I stated earlier, he did offer an amendment, a substitute for this language, that would have provided for a study. It did not say that the study would be made by the Committee on Interior and Insular Affairs, but it would be a study that could be made by the Treasury Department and would, of course, be sent to the proper committee.

Mr. LONG. To whose expertise are we indebted for this measure which, we are told, is neither a tax nor a revenue measure, even though it determines how much money the oil people and the producers of energy should be permitted to make in this country? Whose expertise—who is the expert that worked all this out and has he necessary knowledge of the industry to advise us what the proper level of profits should be?

Mr. FANNIN. I can say to the distinguished Senator that to my knowledge there was no information furnished to the conferees. Any information would indicate from the studies that have been made that the expertise that should have been involved was utilized. So, so far as I know, the committee handling the measure in the House, and of course the Senate too, has not been involved in the studies. At least, the Interior Committee, which was handling it, has not been involved in these studies. The Interior Committee was the leading committee, although the other committees were involved—the Commerce Committee and the Committee on Public Works—on specific sections.

I commend the Senator from Maine (Mr. MUSKIE) for what I thought had worked out some part of the difficulties. Certainly, as to the clean air part, I commend him and particularly the Senator from Tennessee (Mr. BAKER) and the other members they worked with for their excellent services in providing the conferees with the proper information and the wording that would assist in getting through legislation that is needed at this time to accomplish the objectives we are talking about.

But getting back to the specifics that would be involved in the Finance Committee, I would say that we just did not have information furnished to us that would justify our taking the action that was taken by the conferees.

Mr. LONG. Then, do I correctly understand that we are to be asked to vote on this matter without knowing the credentials of the expert who has worked out this proposal to determine the level of income that the industry requires to operate in the national interest, that we are not to be permitted to know what information he used to arrive at his conclusion; nor, for that matter, are we even to be permitted to know the identity of that expert?

Mr. FANNIN. That is correct.

The Senator from West Virginia (Mr. RANDOLPH) was extremely helpful. He was working on a specific part of this measure. He did the work, and he did it well. This was extremely helpful. But this does not involve what we are talking about here today. It did not involve the sections that the Senator is referring to in his comments. The Senator from Alaska (Mr. STEVENS) also made an outstanding contribution.

Mr. LONG. That reminds me of the story we used to hear around here, about the boys who were playing football. Near the end of the game, a substitute quarterback was rushed in. He called a play and scored a touchdown, which won the game.

The coach asked him how he came to call that particular play. The quarterback said:

> I looked at our guard, Joe. He was all worn out and tired and bloody from fighting all day, and I looked at the number 8 on his jersey. Then I looked over at Jim, who had been fighting them all day, and he had number 15 on his jersey. I thought about how they had been fighting for victory for our school, and I put those two fine men together, 8 and 15 are 27, so I just called play 27, and we went for a touchdown.

The coach said:

> Boy, don't you know that 8 and 15 are 25?

The quarterback replied:

> Coach, it's a good thing I don't know as much as you do, or we would have lost the game.

Does it not appear that that is the way one went about providing the manner in the next few years?

Mr. FANNIN. Yes. The only difference is that he won the ball game and we did not. When we got through with this conference, we had not won the ball game.

The Senate conferees fought very hard for good positions in this legislation and to delete some of the sections that were not needed, which properly should not have been included in the bill. But we were unsuccessful. The results certainly were not as desired. We on the Senate side did not win the ball game in the conference.

Mr. LONG. Can the Senator advise us whether any suggestion was made in the course of all this that the people who have expertise in the area, who know something about the industry, should be permitted or invited to come before the conferees or before one of the two committees and give the committees the benefit of their knowledge whether it be in the banking field, in the production field, or in the refining area? Was any of that sort of information sought in arriving at this, to the Senator's knowledge?

Mr. FANNIN. The information the Senator is referring to was not. We were privileged to have some of the administration witnesses there, who discussed some of the provisions in the bill, but they did not offer expertise in any certain field. They did not offer information to us that was available to them because of their experience and expertise in a particular field—such as the Senator is referring to, of exploration, refining, distributing, marketing, or whatever it might have been.

The Senator is correct. When we look at what resulted, it was a very hurried placing together of different segments. I understand that it came from many amendments, because they talked about 80 or 90 amendments that were offered on the floor of the House of Representatives, perhaps more than that. It seems to me that in this one section which they must have gathered together from many amendments, without trying to place them together so that there would be continuity or connection, one to the other. It is just a mass of words that I think would create confusion. When one asks to have it explained, it is very difficult for an explanation to be given.

Mr. LONG. What comfort can we take from the fact that the conference resulted in some language to the effect that this tax will go into effect as of January 1975, retroactive for the entire year of 1974, unless in the interim Congress should change it? What comfort can we take from that?

Mr. FANNIN. Very little comfort; because, as the Senator well knows, there is no assurance that Congress would take action. If the Senate took the action, if we were able, as the Senator well knows, to get the bill through the Finance Committee, which would be the proper committee to handle the subject we are discussing, we have no assurance of what would be done on the floor or what would be done in the other body. There is no assurance that that would come out.

This is what was stated several times: Why worry about these provisions? We can do whatever is necessary next year—that is, 1974—in the proper committees, and it will all replace this particular language.

The Senator has expertise in this field. He is perhaps one of the leaders in this body in that respect, as to just what can be done. He has been a Member of this body for many years and certainly has been a leader in this field, and he knows the tax problems perhaps better than any other Member of this Senate.

Mr. LONG. Is it not true that Congress always has the power to repeal a bad law or, for that matter, even a good one?

Mr. FANNIN. The Senator is correct.

Mr. LONG. So that when one says that this law will take effect unless Congress changes it, is that not like saying zero?

Mr. FANNIN. That is right.

Mr. LONG. Is it not self-evident that a bad law can always be repealed?

Mr. FANNIN. That is true.

Mr. LONG. If you can get the votes.

Mr. FANNIN. If you can get the votes.

Mr. LONG. But has the Senator found how difficult it is to repeal some of the bad laws that are on the statute books?

Mr. FANNIN. I have heard it said that it is twice as hard to repeal something as it is to pass something. So this is what we would be up against. Not that it takes that many more votes; but when something is in the law and one is seeking to take it out, many Members of Congress are not so concerned about it, and perhaps in many instances they are not cognizant of the ill effects of it, so they just do not do anything about it. It is easier not to do anything than to do something about it.

Mr. LONG. Is it not true that the administration, speaking for President Nixon, and the experts available to him and the Interior Department, advise us that one of the best things we could do to meet the energy crisis would be to decontrol price regulations of gas and make it competitive?

Mr. FANNIN. That is correct, and I am not from a producing State. But I do know that the consumers in my State of Arizona would benefit more from that than anything else we could do because now they are short of natural gas.

To use an illustration, in the city of Tucson, Ariz., in 1972 electricity was generated 91 percent by gas and 9 percent by oil. This January they are allotted 3-percent natural gas and 97-percent oil. Now they are told that they are being cut 35 percent in oil. If this situation is not corrected, it means they will be rationing electricity in that city and that means that they will be cutting off customers. It may get down to the point where they cannot serve residential customers and, perhaps the northwest section will be off from 6 until 12 and another section will be off from 12 until 6, 25 percent would be on electricity. They are faced with a sad situation, and only because natural gas is not deregulated.

Mr. LONG. Is it not true that the Federal Power Commission which has the duty to administer the price of natural gas, and to control it, has recommended that natural gas be deregulated, and that the Washington Post, which applauded the decision to regulate natural gas in the beginning, has subsequently decided in an editorial that they agree that natural gas should be deregulated? Notwithstanding all that, is it not true we have been unable to obtain a bill that would bring about deregulation of natural gas, even though the administration is recommending it, and they are the people who have the responsibility to regulate it? Even such great spokesmen for liberal causes as the Washington Post have recommended it.

Mr. FANNIN. The Senator is correct.

Mr. President, I ask unanimous consent to have printed in the Record at this point the editorial entitled "Your Gas Bill and the Shortage," published in the Washington Post on December 23, 1972.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Your Gas Bill and the Shortage

To keep natural gas cheap for consumers, the federal government regulates the price. Because the federal government keeps the price low, there is now a severe shortage of gas. Because of the shortage, we are now importing gas from Algeria at six times the average price of domestic gas.

Our national policy for natural gas has turned into a failure. But it has been an instructive failure, demonstrating the importance of prices on any policy for fuels and energy. Since President Nixon is engaged in a broad review of our energy requirements, and the Senate is independently carrying out its own study, changes in the law are presumably coming. In the case of natural gas, it would now best serve the consumer's interest to end governmental regulation of prices at the wellhead.

As in other aspects of energy policy, the American consumer now has a choice between traditionally cheap gas with deepening shortages and curtailments of service, or more expensive gas with guaranteed supplies. How much more expensive? It depends largely on the price of fuel oil. One of the most bizarre elements in the present law is the federally enforced discrepancy between the cost of gas and its thermal equivalent in oil. While the government holds the price of gas down, it holds the price of oil up by imposing import quotas.

The present average price of gas at the wellhead is about 20 cents per thousand cubic feet. An equivalent amount of energy in oil costs about 50 cents, and that is why a great many industries are using gas as boiler fuel. An end to regulation would probably mean that gas prices would rise slightly above oil prices, since gas is cleaner and much preferable for environmental reasons. But as gas became more expensive, many industries would then switch to oil and free vast quantities of gas to residential consumers. The effect on the consumer's gas bill would be substantial but not drastic. The retail price is mostly in transmission expenses. The gas that is 20 cents at the well in Oklahoma costs the typical Washington home owner about $1.65. An increase to 50 cents in Oklahoma would mean, if passed along penny for penny, an increase to $1.95 at the retail level in Washington. This increase would serve several purposes.

It would not only open new supplies to present users, but it would preserve the position of gas as a major domestic fuel in the metropolitan areas. Gas pollutes the atmosphere less than any competing fuel, and is well adapted for areas where millions of families must crowd into small spaces. At the same time the rising price would induce home owners to be a bit more careful about wasting fuel. As prices go up, it becomes cheaper to insulate one's roof than to continue heating the sky.

One dramatic and unfortunate result of the present regulatory system is that producers are increasingly selling their gas in the states where they drill it. The Federal Power Commission and its rule touch only interstate sales. While gas is being denied to customers in the big cities of the East, the gas-producing states are recruiting new industries with promises of unlimited gas supplies. The five principal gas-producing states, with 10 per cent of the country's population, are currently using almost one-third of its gas. They are using it mainly for industrial boiler fuel. Some of it is burned to generate electricity to heat homes and cook food, with a loss of about two-thirds of the energy in the conversion process.

There are a variety of theoretical solutions to these anomalies. Representatives of consumers' interests have put forward, from time to time, programs of legislation intended to hold prices low while simultaneously maintaining regulation and ensuring future supplies to homes and cities. These proposals all necessarily involve some sort of rationing device to cut industrial use. It is an attempt to cure the present defective system of regulation by introducing further layers of regulation. Past experience with rationing and layered regulation does not inspire confidence that it will improve either the equity or the efficiency of the system despite its authors' good intentions.

Deregulation of gas is a difficult task for Congress, largely owing to the deep and well-founded public suspicion of the oil and gas industry. That industry has greatly contributed to its own troubles by the raucous and dubious political tactics over the years. It is not entirely forgotten in this city that Congress, in 1956, passed a deregulation bill only to have it vetoed by President Eisenhower after Senator Case of South Dakota announced that an oil lobbyist had offered him a "campaign contribution" to enlist his vote. There is a tendency in our part of the country to assume that whatever is good for the oil-and-gas lobby must be disastrously bad for the rest of us. Deregulation of gas is an exception to this rule. It will mean more money for the gas industry but, much more important, it will mean adequate and reliable supplies for consumers.

The pipelines and the distribution companies are monopolies and would remain, of course, under FPC regulation. Deregulation would affect only the producers. But there is an obvious danger of collusion between producers and pipelines to jack the wellhead prices up beyond competitive levels. Some pipelines have interests in production companies, and vice versa. Any deregulation legislation would have to assure competitive pricing in the gas fields.

Coal is plentiful but dirty. Nuclear energy is clean but technically difficult. Oil is available but, increasingly, it has to be imported. Gas is in short supply because we hold the price artificially below the prices of competing fuels. It illustrates the crucial importance of pricing to the future national energy policy. Deregulation is part of any reasonable attempt to match supply with a soaring demand.

Mr. FANNIN. Mr. President, the editorial explains exactly what the Senator is talking about. He is very explicit in stating what has happened over the years and the suffering that has come about from the standpoint of adequate supplies as a result of the action of the Federal Power Commission in 1952 or thereabouts and this action was taken. Industry has suffered but more importantly consumers have suffered. They are not able to get their supplies. The illustration of Tucson going from 91 percent supply for electrical generation down to 3 percent demonstrates how extreme the situation is.

Mr. LONG. Mr. President, I ask unanimous consent that Bob Willan and Bill Morrison of the staff of the Committee on Finance be permitted on the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. FANNIN. Does the Senator have a question?

Mr. ABOUREZK. I wish to offer a motion.

Mr. FANNIN. The Senator from West Virginia had asked that I yield to him. I have felt the Senator wanted to ask a question. I have said I would yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I thank the Senator from Arizona for yielding so that I may comment on a reversal in position on the part of the Washington Star-News, presumably, in reference to an earlier editorial related to the deregulation of natural gas.

In this body, in recent days we have had the opportunity to debate what many of us have advocated: That the price of new sources of interstate natural gas be deregulated. But efforts on the Senate floor have not been successful.

I am one who has taken the position that there should be such deregulation. On at least two recent occasions such efforts have resulted in the tabling of amendments. So we cannot criticize the other body—the House; however, we can bear the criticism ourselves for having failed, where if there was the opportunity, perhaps, to present and consider this matter on an up or down vote.

For just a moment I am going to ask the Senator from Arizona some questions. That is really why I rose. I do not desire to infringe upon the time of the Senator from South Dakota (Mr. Abourezk), but I have been on my feet for some 10 minutes, attempting to obtain recognition.

Mr. FANNIN. I apologize to the Senator for not having yielded earlier.

Mr. RANDOLPH. My purpose is not to annex unto myself time I should not have, but the conference report does not completely satisfy the Senator, although I signed the report, and I support the conference. I also hope that in a reasonable period of time we shall be able to vote on the conference report—either up or down.

I ask the Senator from Arizona, does he not recall what I said in conference, as late as this morning on excess profits. When we discuss the matter of excessive or windfall profits, we are talking about criteria. Therefore we must be very careful, if we require use of the base period concept, for this criteria is fraught with problems.

On the Senate floor, a few days ago, we were considering problems connected with increasing coal supplies. At that time, I asked how we could realistically compare 1973 coal prices with the base period of 1972, when coal production productivity has been down in 1973. So we have run into severe difficulties with this criteria.

Mr. FANNIN. The Senator is correct; he is very explicit in bringing that out, in explaining it, and in giving an illustration.

Mr. RANDOLPH. In the conference I said that I felt the Senator from Alaska (Mr. STEVENS) had a more exact criterion; he proposed that judgments on what constitute windfall profits should take all the major industries into consideration for the same time period. This should be compared with the petroleum industry for the same period of time.

Mr. FANNIN. The Senator is exactly correct.

Mr. RANDOLPH. I want to clarify the RECORD, because the petroleum industry profits have been mentioned here in a passing reference compared to other major industries in the United States.

It has been pointed out by the Department of Commerce that during the first 9 months of this year the petroleum industry had profits of 13.2 percent. For perspective, this figure compares on what we call an equity or on an investment basis to other profits in the same period of 16.5 percent for appliances; 17.5 percent for the automotive industry; almost 20 percent in drugs; in electronics, it was 15.2 percent, and for publishing it was 13.9 percent. It also is pointed out that only the Nation's railroads, with a rate of return of 6.1 percent, had a lower return on equity than the petroleum industry.

Was that not discussed today?

Mr. FANNIN. The Senator is correct. That was discussed quite thoroughly, and he explained in detail exactly what information had been given to him. As I recall, it came from one of the governmental departments. That was certainly accurate information in respect to what has happened to these various industries.

Mr. RANDOLPH. Mr. President, I appreciate this opportunity to ask questions of the able Senator from Arizona in reference to the consideration of these matters. I think he will agree with me that in the interest of equity and our country, we best not attempt to make so-called whipping boys, to use a trite expression, out of this industry or industries that contributes so much to the energy resources development of our country. By the very nature of the business it involves very heavy capital investments in oil, gas, and coal exploration and development in order to bring these energy resources to the marketplace.

Mr. FANNIN. The Senator is correct. He has adequately covered this subject. Not only that, but I have heard the Senator explain the necessity for these industries to go forward in order that they can have the resources that will be needed to fully engage in these activities, and in order that we would have in these specialized industries the expertise that is so necessary to accomplish the objective now before us of overcoming the energy crisis.

Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from South Dakota (Mr. ABOUREZK) and that when the matter he is discussing is disposed of I will then have the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, I thank the Senator.

At this time I think there are enough Senators around to try to get a sufficient second. On the motion I am going to offer to recommit, I ask for the yeas and nays.

The PRESIDING OFFICER. It will take unanimous consent, unless the motion is made first.

Mr. ABOUREZK. I will just make the motion first.

Mr. President, I move that the conference report on S. 2589 be recommitted with instructions that the conferees accede to the House position on banning oil shipments to Southeast Asia.

Now I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. JACKSON. Mr. President, I move to lay that motion on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second on the request of the Senator from South Dakota?

There is not a sufficient second.

The yeas and nays were not ordered.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. LONG. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The second assistant legislative clerk resumed the call of the roll, and the following Senators answered to their names:

[No. 615 Leg.]

Abourezk
Allen
Baker
Bartlett
Bible
Byrd,
  Harry F., Jr.
Case
Cook

Cranston
Fannin
Griffin
Hansen
Hart
Hughes
Jackson
Long
McGovern

Metcalf
Muskie
Nelson
Randolph
Scott, Hugh
Scott,
  William L.
Williams

The PRESIDING OFFICER. A quorum is not present.

Mr. BIBLE. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Bayh
Beall
Biden
Burdick
Byrd, Robert C.
Chiles
Clark
Curtis
Dole
Hartke
Hathaway
Hruska
Huddleston

Humphrey
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Mondale
Montoya
Nunn
Packwood

Pell
Proxmire
Ribicoff
Schweiker
Sparkman
Stennis
Stevenson
Symington
Thurmond
Tunney
Weicker
Young

The PRESIDING OFFICER (Mr. COOK). A quorum is present.

The question is on agreeing to the motion of the Senator from South Dakota (Mr. ABOUREZK) to recommit the conference report with instructions.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays.

Mr. MANSFIELD. Mr. President—Mr. President——

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays.

Mr. MANSFIELD. Mr. President, I am seeking recognition—

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, despite the fact that I am 100 percent in favor of what the Senator from South Dakota (Mr. ABOUREZK) is endeavoring to do, and because of the further fact that I do not want to see an already difficult conference report burdened down more—it has enough difficulties already—I move to table the motion of the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana to table the motion of the Senator from South Dakota (Mr. ABOUREZK) to recommit the conference report with instructions.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator rom Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the

Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senators from Vermont (Mr. AIKEN and Mr. STAFFORD), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

Also, the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from New York (Mr. JAVITS), the Senator from Delaware (Mr. ROTH), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

If present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 31, nays 31, as follows:

[No. 616 Leg.]

YEAS—31

Bayh
Beall
Bible
Case
Chiles
Cranston
Hart
Hartke
Hathaway
Huddleston
Jackson
Magnuson
Mansfield
McClellan
McGee
Metcalf
Mondale
Montoya
Muskie
Nunn
Packwood
Pell
Proxmire
Randolph
Ribicoff
Scott, Hugh
Sparkman
Stennis
Stevenson
Symington
Williams

NAYS—31

Abourezk
Allen
Baker
Bartlett
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Clark
Cook
Curtis
Dole
Fannin
Griffin
Hansen
Hruska
Hughes
Humphrey
Johnston
Kennedy
Long
Mathias
McGovern
McIntyre
Nelson
Schweiker
Scott, William L.
Thurmond
Tunney
Weicker
Young

NOT VOTING—38

Aiken
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Goldwater
Gravel
Gurney
Haskell
Hatfield
Helms
Hollings
Inouye
Javits
McClure
Moss
Pastore
Pearson
Percy
Roth
Saxbe
Stafford
Stevens
Taft
Talmadge
Tower

So Mr. MANSFIELD's motion to lay Mr. ABOUREZK's motion on the table was rejected.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote. I ask for the yeas and nays.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, a motion was made to reconsider the vote, the yeas and nays were asked for, and I demand them.

The PRESIDING OFFICER. The yeas and nays have been requested.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the motion to table was rejected. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senators from Vermont (Mr. AIKEN and Mr. STAFFORD), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), and the Senator from Texas, Mr. TOWER) are necessarily absent.

Also, the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from New York (Mr. JAVITS), the Senator from Delaware (Mr. ROTH), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

If present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 39, nays 23, as follows:

[No. 617 Leg.]

YEAS—39

Baker
Bartlett
Bayh
Beall
Bible
Biden
Byrd, Robert C.
Case
Chiles
Cook
Cranston
Dole
Hart
Hartke
Hathaway
Huddleston
Hughes
Jackson
Kennedy
Magnuson
McClellan
McGee
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Pell
Proxmire
Randolph
Ribicoff
Scott, Hugh
Stennis
Stevenson
Symington
Thurmond
Williams
Young

NAYS—23

Abourezk
Allen
Burdick
Byrd, Harry F., Jr.
Clark
Curtis
Fannin
Griffin
Hansen
Hruska
Humphrey
Johnston
Long
Mansfield
Mathias
McGovern
McIntyre
Packwood
Schweiker
Scott, William L.
Sparkman
Tunney
Weicker

NOT VOTING—38

Aiken
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Goldwater
Gravel
Gurney
Haskell
Hatfield
Helms
Hollings
Inouye
Javits
McClure
Moss
Pastore
Pearson
Percy
Roth
Saxbe
Stafford
Stevens
Taft
Talmadge
Tower

So the motion to reconsider Mr. MANSFIELD's motion to lay on the table Mr. ABOUREZK's motion was agreed to.

The PRESIDING OFFICER. The motion to reconsider the vote is agreed to, and the vote now recurs on the motion to lay on the table the motion to recommit. The yeas and nays having been ordered on the original motion, the yeas and nays are now in order and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Montana (Mr. METCALF), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senators from Vermont (Mr. AIKEN and Mr. STAFFORD), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

Also, the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from

New York (Mr. Javits), the Senator from Delaware (Mr. Roth), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

If present and voting, the Senator from Oregon (Mr. Hatfield) would vote "nay."

The result was announced—yeas 38, nays 23, as follows:

[No. 618 Leg.]

YEAS—38

Baker
Bartlett
Bayh
Beall
Bible
Byrd, Robert C.
Case
Chiles
Cook
Cranston
Dole
Hart
Hartke
Hathaway
Huddleston
Humphrey
Jackson
Kennedy
McClellan
McGee
Magnuson
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pell
Proxmire
Randolph
Ribicoff
Scott, Hugh
Stennis
Stevenson
Symington
Thurmond
Williams
Young

NAYS—23

Abourezk
Allen
Biden
Burdick
Byrd, Harry F., Jr.
Clark
Curtis
Fannin
Griffin
Hansen
Hruska
Hughes
Johnston
Long
McGovern
McIntyre
Mansfield
Mathias
Schweiker
Scott, William L.
Sparkman
Tunney
Weicker

NOT VOTING—39

Aiken
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Goldwater
Gravel
Gurney
Haskell
Hatfield
Helms
Hollings
Inouye
Javits
McClure
Metcalf
Moss
Pastore
Pearson
Percy
Roth
Saxbe
Stafford
Stevens
Taft
Talmadge
Tower

So the motion to lay on the table the motion to recommit was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives of Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 10511) to amend section 164 of the Federal-Aid Highway Act of 1973 relating to financial assistance agreements, with amendments in which it requests the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the amendments of the House to the bill (S. 2812) to authorize a formula for the allocation of funds authorized for fiscal year 1975 for sewage treatment construction grants, and for other purposes.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 11333) to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes.

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

S. 2267. An act to amend section 303(b) of the Interstate Commerce Act to remove certain restrictions upon the application and scope of the exemption provided therein, and for other purposes;

S. 2482. An act to amend the Small Business Act; and

S. 2491. An act to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains.

H.R. 1316. An act for the relief of Claude V. Alcorn and twenty-one others;

H.R. 2303. An act to continue mandatory price support for tung nuts only through the 1976 crop;

H.R. 4738. An act to provide for the striking of medals in commemoration of the one-hundredth anniversary of the statehood of Colorado;

H.R. 5760. An act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Washington, in 1974;

H.R. 6758. An act to amend chapter 33 of title 28 of the District of Columbia Code, relating to usury, and for other purposes;

H.R. 10806. An act to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes;

H.R. 11088. An act to provide emergency security assistance authorizations for Israel and Cambodia; and

H. J. Res. 858. A joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac.

The enrolled bills and joint resolution were subsequently signed by the Acting President pro tempore (Mr. Metcalf).

ENERGY EMERGENCY ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and international contingency plans; to assure the continuation of vital public services; and for other purposes.

Mr. FANNIN. Mr. President, it is with considerable sadness and consternation that I rise to discuss the report of the conferees on S. 2589, the Energy Emergency Act.

As reported from conference, this bill not only fails to remedy the energy crisis, would inhibit public cooperation, increase fuel shortages and make the situation chronic.

This bill is a blueprint for chronic energy crisis.

In this legislation, on one hand, Congress is refusing to take the necessary actions to deal with the immediate realities of the crisis; on the other hand the Congress is greatly restricting the effective authority of the President to take action.

It is inconceivable to me that the President—that any President—could accept this bill.

Instead of seeking to solve the energy crisis, this report appears to be aimed at laying blame, at taking punitive action against the energy industry. What we need is to establish programs to work together with all segments of our society to solve this problem; it is foolhardy for the Congress to declare war on the very industry that is essential to resolution of our dilemma.

Mr. President, I would like to explain in some detail the underlying facts which form the basis for reaching the conclusions I have just expressed.

When it became apparent that the conferees were determined to report legislation that would impose upon the President a legislative direction that would "worsen" rather than "cure" the energy emergency, he was so informed.

The President responded by telephoning the leadership of both parties of the House and Senate conferees to discuss the matter with them and seek their cooperation so that mutually acceptable legislation could be developed without necessity of veto. The conferees were requested to recess the conference long enough to meet with Mr. William Simon whom the President dispatched to speak with the conferees.

The chairman of the House and Senate conferees agreed to recess the conference whereupon at about 8 p.m. they adjourned to an adjoining room to meet with Secretary Simon.

Secretary Simon indicated that it was his hope that the conferees would agree to a compromise which would enable the administration to move forward expeditiously to implement broad based conservation measures which could result in sufficient fuel savings to last us through the winter with a minimum of hardship.

The chairman of the conference invited Secretary Simon to state what problems he had with the bill and what conservation measures he would implement if given the authority he requested.

Secretary Simon responded that the three-tiered congressional disapproval provision would impose an impossible dilemma regarding the effective administration of the act. Mr. Simon was asked to volunteer what an acceptable compromise would be. He answered that the administration should be given the authority to impose the conservation measures, already formulated, between the date of enactment and the reconvening of the Congress on January 21, without congressional disapproval authority. To retain the congressional disapproval authority would result, he stated, in such uncertainty on the part of the public that compliance would be discouraged and that segments of the public would actively seek congressional support to disapprove the administration's actions. The constitutional validity of the congressional disapproval provisions was also questioned.

In response to questions by conferees regarding what conservation action the administration intended to implement, Secretary Simon indicated in great detail precisely what such actions would be. He was asked to prepare a list of such actions and he did. I later submitted this list to the conferees. I will now read it to my colleagues.

LIST OF CONSERVATIONS ACTIONS TO BE FREE OF 15-DAY VETO BY CONGRESS

1. Retail gasoline sales may be banned from 9:00 p.m. Saturdays to 12:01 a.m. Mondays.
2. An additional day on which retail gasoline sales may be banned.
3. Maximum speed limit of 55 MPH for inter-city buses and trucks and 50 MPH for automobiles.
4. Ban promotional, display and ornamental lighting by commercial establishments, including advertising identification lighting at times not essential.
5. Reduce fuel for use by general aviation.
6. Ban exterior residential ornamental lighting.
7. Turn down thermostats 6 degrees in residential and 10 degrees in commercial establishments.
8. Promote weatherizing of homes with insulation, weather stripping and storm doors and windows.
9. Require that retail sales of gasoline be limited to a specified amount per sale or per day.
10. Take necessary steps to encourage car pooling, including restricting driving to a certain number of days per week.
11. The ability to direct all facets of industry to function in a manner consistent with our goals.
12. Require conversion of oil burning electrical generating plants to coal, to the greatest extent practicable.
13. Set indoor lighting standards for commercial, governmental and industrial facilities.
14. Restrict weekend and evening lighting in commercial and industrial facilities.
15. Set standards on highway lighting.
16. Reduce recreation on public lands.
17. Limit hours of operation for commercial, industrial and governmental establishments.
18. Reduce space heating in industrial establishments to the greatest extent practicable.
19. Require industry energy audit plans.
20. Ban advertising which encourages excessive use of energy.

After considerable discussion the Senate conferees voted favorably on the items Secretary Simon had indicated would save the greatest amount of fuel but the House conferees would not concur.

Our chairman of the Interior Committee Senator JACKSON supported and obtained support of all of the Senate conferees.

Secretary Simon also stated that the unemployment compensation provisions of the bill were unacceptable because of no ceiling on funds and no criteria for determining causality between unemployment and the shortage of fuels.

Secretary Simon also indicated that in light of the administration's plans to submit windfall profits legislative proposals to the Congress that such provisions were unnecessary at this time in the Energy Emergency Act. Further, he stated that the windfall profit section would create such uncertainty in the industry that investments would not be made to secure additional energy supplies and that the present shortage would be seriously magnified.

Secretary Simon in fact went on at some length about the problems with all three of the provisions he mentioned.

He was thanked for presenting his views and the conferees returned to the conference room to reconvene the conference.

What kind of a response does the conference report reflect?

Congressional disapproval procedures: No change.

Windfall profits provisions: No meaningful change.

At least $500,000,000 of taxpayers' money was authorized for the next 6-months period to compensate the unemployed whose jobs were lost due to the energy crisis.

What standards were imposed to determine the causal connections between the loss of employment and the energy crisis? None.

Theoretically anyone unemployed would be eligible.

Regarding the temporary conservation authority requested by Secretary Simon the Senate conferees voted to give him most of what was requested. This was due in large part to the outstanding leadership of the Senator from Maine (Mr. MUSKIE) and the Senator from Tennessee (Mr. BAKER). Both are to be praised for their statesmanship. The other Senate conferees who voted to support the Muskie motion deserve much cerdit for their understanding of the problem and willingness to act responsibly.

Section 103(d) requires submission of budget requests to the Congress before submission to the President. This is just another attempt to deny the administration the authority it needs to do its job. This section appears to be politically motivated and without a useful or constructive purpose.

Section 124 requires submission by industry of energy reserves and other energy data to the Federal Government. This data applies to reserves both in the United States and elsewhere in the world. The data must be made available to the public. The exception is for proprietary data. In this case the proprietary data on energy must be made available to FEA. Interior, Justice, the FTC, GAO and to any congressional committee chairman which requests it.

The two most obvious faults with this section relate to international operations and to antitrust violations domestically.

By requiring that all data be made public the effect is to make available to foreign oil-producing countries data about U.S. companies doing business there. With such data foreign oil-producing countries can acquire more effective leverage to raise prices at the expense of the American consumer. Clearly this section penalizes the American consumer.

Additionally in the domestic area it almost guarantees leaks of proprietary data. It allows companies in the energy industry to acquire data about their competitors. This can only lead to monopolizing.

Mr. President, this section is the clearest invitaiton to violate the antitrust laws the Congress has ever had before it. It affects big oil companies and little independent companies too. It is a grossly impossible provision.

There are other problems with the bill too.

Let me say at this time that the antitrust provisions and lack of conflict of interest provisions make it nearly impossible for the administration to work cooperatively with the industry.

The dealer day in court provisions will generate a host of lawsuits while solving nothing.

The windfall profits section, earlier discussed should be discussed at length. I would like to make six points in this regard.

First. Energy supply and demand. There is a correlation between energy use and economic growth. The maintenance of a desirable rate of economic growth in the United States is contingent on the availability of secure supplies of energy. Energy consumption is projected to increase by 50 percent in the 1970's. Oil and gas are expected to provide for about 75 percent of that energy requirement. The time lag between the commencement of the search for new oil and gas reserves and their production once discovered makes it urgent to begin now to improve our energy self-sufficiency.

Second. Capital requirements. In the 1960's total expenditures by the petroleum industry for domestic exploration and development averaged $5 billion annually. The current annual level of such expenditures is approximately $7 billion and will be required to increase to about $10 billion for 1975 and $20 billion for 1980. Many billions of dollars more will be required to expand refining capacity and distribution facilities.

Third. Profitability. The fundamental measure of the earnings of an enterprise is not the total dollars earned—profits—but the relationship of earnings to capital invested—profitability. For the 20-year period 1952–71 the average rate of return on net worth for the oil companies included in the Chase Manhattan compilation averaged 11.9 percent compared to 12.2 percent for all other manufacturing companies. In 1972 the rate of return disparity was even greater and was adverse to the petroleum industry. Both profits and profitability of the high-risk, capital-intensive petroleum industry must improve if the industry is to raise the capital required to find and develop new oil and gas reserves.

Fourth. Economic impact of section 117. Section 117 of the House passed bill, adopted by the conference, would impose a profit limitation with a 1967–71 base period. This would result in a reduced return on capital investment. Different economic conditions existed in the base period from those currently existing. The unrealistic profit ceiling would compel the industry to curtail operations so as to not exceed the ceiling and future investment would be discouraged. Energy problems would be intensified and prolonged. The petroleum shortfall would be increased immediately. The "ripple" effect would pervade the entire economy.

Fifth. Administrative problems. The recordkeeping problems under section 117 would be horrendous. Business decisionmaking would be brought to a standstill because of uncertainties over pricing policies. Litigation would be inevitable and extensive. The base period measurement of "the average profit obtained by all sellers" would be a totally impractical concept resulting in arbitrary standards. The Renegotiation Board does not have the capability to administer this program and the Board's effectiveness in dealing with defense contracts would be impaired. Administratively, the provision would create enormous Government and industry bureaucracies engaged in a chaotic exercise in regulatory futility. Government regulation of natural gas prices has in substantial measure precipitated the shortage of that commodity.

Sixth. Substantive problems. Section 117 does not make clear what the impact of worldwide operations would be on profit determinations in the base period and in the current period. Moreover, the provision would apparently impose an absolute ceiling on profits instead of a rate of return measurement. The application of the "windfall" test would be on an individual sales basis product by product and would tend to reward inefficiency. Any resolution of these problems would be certain to compound inequities, result in unequal treatment, and impair competition. The section directs the President to prevent "windfall profits" in the first paragraph of the provision and then devotes the several remaining paragraphs to directing the Renegotiation Board to do what the provision impliedly assumes the President will not do. This duality of responsibility is complex, burdensome, and needless. The fact that hearings were not held on the section has contributed to its conceptual inadequacies and its unworkability.

The plethora of study provisions on other matters would impose a costly, duplicative, and unnecessary burden on the administration, which should be "taking action" not "making studies" to solve the energy crisis.

There are other provisions, too, which make little sense. But let me emphasize one which is as important as nearly all others. The congressional review procedures in this legislation are unconstitutional on their face.

For these and other reasons the President would be entirely justified in vetoing this legislation. But if he does not and chooses instead to act in good faith to impose conservation measures needed today in order to get this Nation through the winter without excessive hardships, it would, in my opinion, be the heighth of arrogance and irresponsibility for the Congress to nullify by disapproval the actions he will have taken.

The Congress must either decide or delegate. We cannot have it both ways.

Mr. President, I cannot recommend to my colleagues that they vote to support this bill. The bill should be recommended to conference.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming.

Mr. HANSEN. Mr. President, because my colleagues were not present at the marathon conference on the emergency bill, I would like to take a few moments to supplement the very accurate and comprehensive statement made by the Senator from Arizona (Mr. FANNIN), with whom I had the pleasure to serve on the conference. Before my colleagues cast their vote, and before discussing the merits of many of the bill's provisions, I would first like to discuss the implicit dimensions of the conference and the bill.

Mr. President, instead of choosing to come to grips with the critical energy shortage in this country in a rational and constructive way, a separate alternative was chosen. Without a scintilla of hyperbole, I feel it is safe to say that what preceded the conference report could best be characterized as a high stakes political poker game. The chips that were used by the poker players just happen to be the welfare of the entire American people for the duration of the winter. Whether the American people would be cold or not, with jobs or unemployed, seemed to be irrelevant to the objectives of the game that was played.

I would like to take a minute to describe the game that was played. At the outset it was recognized that there is not enough fuel to go around, and that many will have to do without or with less. There was much rhetoric about the need for the Congress to assert its constitutional prerogative and establish a definitive energy policy for the administration to carry out. But no one knew what that policy should be. Few felt personally competent to delineate such a policy. Few desired to be held responsible for setting definitive policy which could not or would not solve the energy problem.

So instead an attempt was made to shift the blame from the Congress to others. Not surprisingly, the blame and responsibility were shifted to the administration and to the energy industry of the United States.

Had merely the blame and responsibility been so shifted, the least that could have been said is that the legislators chose a cowardly way out. The best that could have been said is that the hot energy football had been punted down to the White House. The administration asked for the responsibility and volunteered to take the blame if the responsibility were unsuccessfully executed.

In a moment I will say more about administration willingness to take the responsibility and the blame.

Returning, however, to the issue of what was done instead, let me say that the legislators chose a different alternative, and that was to assign the administration responsibility for solving the energy crisis without delegating the authority to do the job. What was delegated was a three-tiered pagoda of uncertainty, confusion, and delay. The administration was told that it could implement rationing and conservation programs which would be effective upon their promulgation, but that they would be revocable by a simple resolution of disapproval passed by either House of the Congress within 15 legislative days following the convening of the 2d session of the 93d Congress.

And what would be the standards upon which such rationing and conservation programs would be based? With respect to rationing, the administration was told that it had to exhaust all other remedies before instituting a rationing program, and that an express finding must be made of the impossibility of existing authority to solve the energy shortage before rationing could be implemented. The priorities to be adopted in both rationing and conservation programs were to be those contained in the Emergency Petroleum Allocation Act of 1973, but that such programs "shall be equitable, shall not be arbitrary or capricious, and shall not unreasonably discriminate against users." That additional proviso seemed intended to be an express invitation for 200 million Americans individually or collectively to file lawsuits against the administration on the basis that someone else got more fuel than they did.

Further, Mr. President, not only is the Congress to be permitted to disapprove of such plans instituted by the administration within the next month, but also the Congress is to be given an opportunity to disapprove parts of such plans. Such a procedure is clearly unconstitutional on its face.

One might ask what is the effect of such an arrangement on the public's willingness to comply. The answer is simple. The arrangement merely encourages the public not to comply by extending an invitation to the public to seek congressional disapproval of any plan or parts of any plan instituted by the administration for the conservation or distribution of fuel.

Returning now to what the administration desired, when the President learned about the rapid breaking developments taking place in the conference he called the leaders of the conference on both sides of the aisle to express his concern about the bill, including the possible necessity of a veto. He also indicated a willingness to work out a reasonable compromise with the Congress. He directed that William Simon meet with the conferees, if that would be acceptable to the conferees, and state his case. The leadership of the conference agreed to the meeting. The conference was recessed and most of the conferees moved to an adjacent room in which Mr. Simon outlined the three most essential concerns of the administration. They were that the administration be given the authority to institute rationing or conservation plans which would be effective upon their implementation without the 15-day congressional approval procedure. Mr. Simon was asked what programs he intended to implement if given such authority, and he wrote them down. They were later made known to all conferees. Second, Mr. Simon indicated that the windfall profits rebate section of the House bill was unacceptable in that it would cause great disruptions to the economy and threaten to further aggravate the already critically short fuel supply situation. Third, Mr. Simon sought that the unemployment compensation provisions be stricken because the criteria determining eligibility for unemployment compensation as a result of the energy crisis were too vague to be implemented. The meeting was adjourned and the conferees returned to resume the conference. None of Mr. Simon's requests were respected.

Let me say, however, that the Senate conferees voted to give Mr. Simon most of the emergency authority he requested. The decision of the Senate conferees is largely a result of the impeccable statesmanship of the Senator from Maine (Mr. Muskie) and the Senator from Tennessee (Mr. Baker). The Senator from Maine, in a most eloquent and sobering plea, indicated that many of the people in his northern State of Maine, and elsewhere in other cold regions of the country, would suffer grave harm unless Mr. Simon were given the authority he requested. He correctly indicated that unless substantial amounts of fuel were conserved between now and the time the Senate reconvenes near the end of January, there would not be enough fuel to last for the duration of the winter in his part of the country.

The Senator from Maine (Mr. Muskie) pointed out that January is the cold month of the year for his State and that if we are going to have enough fuel to get through this coming year to meet the emergency that has been brought about by all the elements that have contributed to this crisis in which this country finds itself, it was necessary to start now, that we had to take those conservation steps now in order to save enough fuel to get through the rest of the year.

It was on his motion that the Senate conferees voted to give the administration virtually all of the authority it needed for taking vital actions to deal with the energy shortage this winter.

Much credit is also due to the Senator from Tennessee (Mr. Baker). He stated that what is at stake is the welfare of the people of this Nation, that what is called for is statesmanship in dealing with what is perhaps the most critical problem facing the Nation at this time. He pleaded with the conferees that they temporarily put aside partisan concerns and fulfill constitutional responsibility in providing for the people of the United States a mechanism whereby the administration could cope with the critical energy shortages to which the country is being subjected this winter.

All but one of the Senate conferees voted to approve the motion of the Senator from Maine. The House conferees by a slim majority chose instead to punish the administration by placing it in a situation in which it would be damned no matter what action it took.

Turning now to the windfall profits issue, this is the punishment imposed upon the industry which is attempting to supply the fuel for America's needs. In essence, the windfall profit provision provides that any person who feels he has paid too much for fuel may sue for a rebate on that part of the price which represents a windfall profit. The energy industry is burdened with the highest capital costs in its entire history. That capital is needed to be plowed back into the ground in a diligent and continuous search for new energy.

Mr. BARTLETT. Mr. President, will the Senator from Wyoming yield?

Mr. HANSEN. I yield.

Mr. BARTLETT. Senator, in the approaches that have been taken to solve the energy crisis, do you think there has been adequate attention given to that side of the supply and demand equation—the positive side, the supply side?

Mr. HANSEN. I would say to my good friend from Oklahoma that had it not been for his earlier effort in getting the stripper well amendment attached to the Alaska pipeline bill, and in consideration of the Alaskan pipeline bill itself, those two measures, the stripper well amendment and passage of the Alaska pipeline bill, in my judgment, constitute the only positive action of any real significance that this Congress so far has taken to address itself to the problem of supply.

I share the Senator's feelings that we have not done very much about supply. Does that respond to the Senator's question?

Mr. BARTLETT. Yes. I should like to ask the Senator, in approaching the problem we have of sufficient supplies, is it not going to be essential to increase the supplies of the conventional fossil fuels such as coal, oil and gas; and is it not essential for the east coast and the upper Midwest to have additional supplies of oil and gas, and that the only way we can achieve this is to do more drilling, which means that there needs to be additional incentive, which means that the roadblocks need to be eliminated such as the inadequate supply of rigs, the insufficient supply of tubular goods, drill pipe, and so forth?

Are not some of these things necessary for an energy policy that will really solve the problem, so that we are not completely dependent on foreign oil, and if we do reach and achieve the status of some independence, then we can supplement our domestic supply with foreign shipments that will be priced at a much more reasonable level. But if we are completely insufficient and are dependent upon foreign supplies, we then do not have the opportunity of negotiating a reasonable price so far as foreign imports are concerned.

Is there not just as much need today to start right away with an all-out effort in all directions to increase supplies, just as much as it is for every American citizen to set his thermostat at 68 and to reduce the speed of his car and not to take unnecessary trips, and that sort of thing?

Mr. HANSEN. I would respond to the distinguished Senator from Oklahoma by saying that long before he became a Member of the Senate, as Governor of the great State of Oklahoma, he addressed this situation very clearly and unequivocally on a number of occasions. He recognized then, as he does now, that we live in a nation that is presently 78-percent dependent for all its energy upon oil and natural gas. We do have other sources of energy in the United States, and we are fortunate that that is true. We have enormous coal reserves, probably more coal, by some estimates, than is contained in all the rest of the world. We have oil shale deposits that have been estimated to be capable of yielding as much as 1.8 trillion barrels of shale oil. In addition, we are blessed to have huge amounts of uranium in the United States.

But, as the Senator from Oklahoma well knows, being dependent for our energy supply now to the extent of 78 percent on oil and natural gas, there is no way in the short run, in the short fall, that we can come even close to meeting our energy requirements without taking precisely the steps that have been called for on many occasions by the Senator from Oklahoma. He is quite right. And we have been falling behind, as he well knows.

I ask the Senator from Oklahoma about the drilling activity. What are the facts about drilling? What about incentive? Has there been a diminution in the number of wells drilled and completed in this country? Has the amount of oil and gas we use been going up at the same time that drilling activity has been declining?

Mr. BARTLETT. The figures, very roughly, are that since 1956, we have decreased our drilling in this country by one-half, while the demand has doubled. So if we were to start today and wanted to achieve the same rate of drilling to demand ratio which was achieved in 1956, we would have to increase our number of wells by 400 percent. Our current rate of drilling indicates that we are only up about 15 percent over last year. Last year it was up about that much over 1971, which was the low point. As our drilling declined during that period of 1956 to 1971, we had a comparable decline in reserves of both oil and gas.

I noted yesterday what the price situation was during the period of 1957 to 1969, a period of 13 years. The price started out in that period at $3.09 and then declined, on a rather uneven but saucer-shaped line, until, for the 13th year of that period, in 1969, it was back to $3.09. These are constant dollars.

So this meant, with the large increases in the price of steel, large increases in labor, and so forth, that the net profit to an independent producer had declined rather significantly.

Then, in 1969, Congress, in its wisdom, attached to the tax bill a reduction in the depletion allowance which, at the end of this plateau in price, increased the costs by increasing the taxes of the independents as well as the other companies, to the extent of $500 million; hence, reduced the amount of exploration at that time by that amount.

The reason I am tracing this a little is that this is a part of the reason that right now the total oil industry has very little resiliency. In other words, it has very little capability of expansion. So that as we have this rather modest increase of 15 percent in the number of wells drilled over last year, already a shortage of rigs is appearing. I understand that all but about 20 rigs are currently operating, which means that they are moving from one location to another. We have a shortage of drill pipe for rigs, and some of them are using used drill pipe that probably should not be used. Some producers are finding that they have difficulty in obtaining pipe for completions. A certain amount of hoarding is going on that is creating part of the problem. Nonetheless, there is a great need for more tubular goods to be produced and more rigs to be constructed and more drill pipe, tools, and so forth.

As we look into this problem, we see that when the dollar was devalued the last time, this Nation became overnight an exporter of oil country tubular goods; whereas, up to that point, it had been an importer of what was often referred to as cheap foreign pipe—the same quality, but less expensive. We also became overnight incapable of importing pipe because of price controls on the distributors of that pipe in this country.

Then we found, as we looked further into the problem of pipe production, that the profits of the steel companies in plate which is used in large quantities by the manufacturers of automobiles was higher than that of tubular goods; hence, the tendency and the inclination and the profit motive for the steel producers to put as much of their steel into plate as they could, rather than into tubular goods.

Then we found, in looking further, that during that period we relied to a great extent on the inexpensive foreign pipe; that the steel companies saw fit to shut down some of the marginal rolling mills they had because they could not compete on a price basis, and dismantled them, junked them. So that our rolling capacity today is much less than it was at the time of 1956, when we operated twice as many rigs and drilled twice as many wells.

So we had a problem of controlled prices in the steel business that was also affecting very directly the ability of the oil industry and the gas industry to increase their activities to find more oil and gas and then to develop it.

It seems to me, too, that people should begin to realize other problems that are definitely on the horizon; in fact they are very visible in the oil industry today, and that is the shortage of manpower. The small number of young people in the oil industry is rather apparent to anyone who attends any meetings of the independents. There is a very sharp line agewise in attendance. If I were advising a young person where I think he would have a great future, it would be in the energy industry because of the expansions that must take place for this Nation to face up to its responsibilities. There is a significant shortage of geological engineers, petroleum engineers, drilling crews, and all the service people connected with the oil industry. This is going to take time, and the colleges and universities must address themselves to this problem in order to develop as quickly as they can in a few years competent people to take care of the various important jobs in the energy industry. This takes some time. In fact, everything I am very familiar with in the energy industry has some leadtime and it is because of this leadtime that I think it is much more important for us to get off to a healthy hard-hitting start now rather than postponing the prices and be further behind, in addition.

Mr. HANSEN. Mr. President, will the Senator yield momentarily for a unanimous-consent agreement without losing his right to the floor?

Mr. BARTLETT. I yield.

AMENDMENT OF FEDERAL-AID HIGHWAY ACT OF 1973

Mr. WILLIAMS. Mr. President, I ask that the Chair lay before the Senate a message from the House on H.R. 10511.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

> *Resolved,* That the House agree the amendments of the Senate to the bill (H.R. 10511) entitled "An Act to amend section 164 of the Federal-Aid Highway Act of 1973 relating to financial assistance agreements", with the following amendments:
>
> On page 3 of the Senate engrossed amendments, strike out lines 7 through 15, inclusive.
>
> On page 3 of the Senate engrossed amendments, strike out [Sec. 3.], and insert: "Sec. 2."
>
> *Resolved,* That the House agree to the amendment of Senate to the title of the bill.

CHARTER BUS

Mr. BAKER. Mr. President, I wish to express my concern over the adoption of this legislation. I will not object to passage of this bill, for I recognize that the amendments to the Urban Mass Transportation Act are desirable to enable many communities to move forward in purchasing mass-transit buses.

But, when we return next month, I consider it important that language similar to that adopted by the Senate in an earlier version of this bill be enacted. It was necessary then, and it is necessary now, to facilitate the operation of an effective mass transit program across the Nation.

This bill, by legislating only on the Urban Mass Transportation Act, creates a double standard in consideration of grants for the purchase of buses with Federal funds. With passage of this bill, a community would confront differing standards in seeking an UMTA grant for buses, compared with a request for bus purchases out of the highway trust fund.

When this bill previously was before the Senate, the distinguished Senator from Texas (Mr. BENTSEN) added an amendment that would make an identical charter-bus test for grants under either the UMTA and highway programs. I believe that was a sound and reasonable amendment. I supported it.

Now, the House has returned the bill without the Bentsen amendment.

To me, the measure before us is in conflict with the action of Congress earlier this year when it adopted the Muskie-Baker amendment that opened a portion of the highway trust fund for mass transit expenditures.

As early as 1969, the distinguished chairman of the Public Works Committee (Mr. RANDOLPH) proposed that funds from the highway trust fund be available for the purchase of buses on the very logical and reasonable basis that use of more mass-transit buses would make our highway system more productive.

My Senate colleagues are well aware of the important changes adopted earlier this year in Public Law 93–87. For the first time, money out of the highway trust fund will be available for use for various mass-transit purposes. This proved to be particularly important in view of the national energy shortage.

Public Law 93–87 recognized the need to create a parallel test for bus purchases under either the UMTA or Highway Acts. Section 142(j) of title 23 of the code, added this year, states that "the provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply" in implementing sections of title 23 that permit the acquisition of buses and subway systems.

By adding a new subsection in the UMTA Act, this bill institutes a double standard which will inhibit local agencies in choosing to use highway funds for the purchase of buses.

Mr. President, I do not believe this bill's approach is wise and I would hope that my colleagues recognize the difficulties it raises.

Following is an explanation of the differing provisions that would be in the law following enactment of this version of H.R. 10511.

The language of the UMTA act would now read:

> "(f) No federal financial assistance under this Act may be provided for the purchase of buses unless as a condition of such assistance the applicant or any public body receiving assistance for the purchase of buses under this Act or any publicly owned operator receiving such assistance shall as a condition of such assistance enter into an agreement with the Secretary that such public body, or any operator of mass transportation for the public body, shall not engage in charter bus operations outside of the urban area within which it provides regularly scheduled mass transportation service, except as provided in the agreement authorized by this subsection. Such agreement shall provide for fair and equitable arrangements, appropriate in the judgment of the Secretary, to assure that the financial assistance granted under this Act will not enable public bodies and publicly and privately owned operators for public bodies to foreclose private operators from the intercity charter bus industry where such operators are willing and able to provide such service. In addition to any other remedies specified in the agreements, the Secretary shall have the authority to bar a grantee or operator from the receipt of further financial assistance for mass transportation facilities and equipment where he determines that there has been a continuing pattern of violations of the terms of the agreement. Upon receiving a complaint regarding an alleged violation, the Secretary shall investigate and shall determine whether a violation has occurred. Upon determination that a violation has occurred, he shall take appropriate action to correct the violation under the terms and conditions of the agreement.".

The Bentsen amendment would have extended that language to the purchase of buses under the Federal Aid Highway Act.

With the Bentsen amendment deleted, this bill leaves existing law in place, as it relates to the highway trust fund:

SEC. 164. (a) No Federal financial assistance shall be provided under (1) subsection (a) or (c) of section 142, title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) the Urban Mass Transportation Act of 1964, for the purchase of buses to any applicant for such assistance unless such applicant and the Secretary of Transportation shall have first entered into an agreement that such applicant will not engage in charter bus operations in competition with private bus operators outside of the area within which such applicant provides regularly scheduled mass transportation service. A violation of such agreement shall bar such applicant from receiving any other Federal financial assistance under those provisions of law referred to in clauses (1), (2), and (3) of this subsection.

Mr. WILLIAMS. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. HANSEN. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield.

Mr. HANSEN. It is my understanding that these amendments have been cleared with this side of the aisle.

Mr. WILLIAMS. They have been, I assure the Senator.

ENERGY EMERGENCY ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, national, and international contingency plans; to assure the continuation of vital public services; and for other purposes.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. I yield to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I wish to read for the RECORD a letter to the editor which was published in the Washington Star-News yesterday, December 20, 1973:

... AND OIL PROFITS

SIR: In a recent column, Carl T. Rowan quoted some figures from the AFL-CIO News, and used them to conclude that the oil companies are making exorbitant profits at the expense of other Americans caught up in the nation's mounting energy problems.

Though such conclusions are largely a matter of how one chooses to interpret and report financial figures, Rowan did a disservice to your readers in making it appear that the oil industry is reaping a bonanza. The fact is that the oil earnings for the first nine months merely reflect a generally improved profit picture in most segments of the economy. To segregate oil, as Rowan did, presents a distorted picture.

Profit dollars become meaningful only when measured against equity, or investment. Even with its improved earnings, the oil industry's return on equity for the first nine months still was only 13.2 percent, according to figures developed by the Commerce Department.

A few comparisons with other industries help put oil industry earnings in perspective: For the same period, appliances reported a 16.5 percent return on equity, automotive 17.5, buildings materials as 14.5, chemicals 14.0, drugs 19.9, electronics 15.2, food 13.0, instruments 15.0, office equipment and computers 16.6, and publishing 13.9. About the only industry with a rate of return lower than oil's were the railroads with 6.1 percent—and many of the nation's railroads face bankruptcy.

A tremendous share of oil industry earnings must be, and are being, invested in efforts to find, develop, transport and process new oil and gas. So enormous will be that cost—up to $150 billion between now and 1980—that from one-quarter to one-third of the required capital must be generated from outside sources. Tenders, in common with investors, look for companies with favorable profits and good rates of return. Articles like Rowan's, which tend to confuse rather than educate the public, serve only to delay the day when our nation will once again be independent of foreign influences to satisfy the energy demands of a dynamic economy.

HOWARD PYLE III,
Washington Representative Standard Oil Co. (Indiana).

Mr. HANSEN. Mr. President, will the Senator yield at that point?

Mr. BARTLETT. I yield.

Mr. HANSEN. I think it is very relevant to an understanding of the various sections of the bill because in the press and on the electronic media for a number of months now we have been subjected to a continuing barrage of statements that the oil companies are making unconscionable windfall profits, that they are many, many times higher than last year, and leaving the impression in minds of most Americans that prices have gone through the roof and that profits have even surpassed profits for last year.

Is it not a matter of fact that last year the oil industry experienced the lowest profit year it had had in a 12-year time and that many of the companies had a very modest profit?

If a major oil company had a profit of only 5 percent last year on its investment money and this first quarter profits were up to 9 percent, it could be said there had been an 80-percent increase in profits. Yet an 80-percent increase in profits means, in percentages, only shifting from 5 percent to 9 percent. I would ask my friend from Oklahoma if this is not rather typical of the kind of figuring that has gone into news and television reports about all company profits?

Mr. BARTLETT. Yes, I agree with the distinguished Senator. He has given a vivid example. In a 10-year period up to 1972 oil company profits were under those of the average manufacturer.

The recent profits of the integrated companies for the last 9 months represent primarily their profits from foreign operations in the Middle East, and hence are not showing the picture of the profit situation for the independent who does most of his drilling and development for oil in this country.

I find it interesting to note that in the first 9 months of 1973, as compared with 1972, the New York Times experienced an earnings growth of 91 percent, the Washington Post 57 percent, ABC, 45 percent. This organization had a return on equity in excess of 15 percent, and the return of CBS exceeded 20 percent.

I do not cite that as a bad example. I think profits still must be a good word in this country if we are going to have a viable free enterprise system. I do think that competition must exist in a very real and aggressive way, and we have found that our companies around the world are envied because of their capabilities.

I know it is often said that the oil industry does not have this competitive side to it. From my own experience and observations, I know of no more competitive industry than the oil and gas exploration industry because, in the first place, the great majority of the wells are drilled not by the largest 30. In fact, 79 percent are drilled by others than the 30 largest.

When you compare the impact of that power concentration in other important segments of our American industry, when we see the power concentration in steel, in autos, in aircraft, in computers, where we are talking about power concentrations of about 80 percent, yet in the oil and gas exploration industry, the 30 largest have a very small part of the industry and contribute only 21 percent of the wells drilled.

Mr. HANSEN. Would the Senator from Oklahoma yield momentarily in order that I might permit the distinguished Senator from West Virginia to make a unanimous-consent request?

Mr. BARTLETT. I yield.

Mr. RANDOLPH. Mr. President, I appreciate the courtesy of my colleague from Wyoming.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate Nos. 1, 2, 3, 4, 5, 7, 8, 9, 11, and 12 to the bill (H.R. 11372) to conserve energy on the Nation's highways; that the House had agreed to the amendments of the Senate Nos. 6, 10, 13, 14, and 16 to the bill, severally with an amendment, in which it requested the concurrence of the Senate; and that the House had disagreed to the amendment of the Senate No. 15 to the bill.

CONSERVATION OF ENERGY ON NATION'S HIGHWAYS

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate the message from the House on H.R. 11372, an act to conserve energy on the Nation's highways.

The PRESIDING OFFICER laid before the Senate the following message from the House:

Resolved, That the House agree to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 8, 9, 11, and 12 to the bill (H.R. 11372) entitled "An Act to conserve energy on the Nation's Highways."

Resolved, That the House agree to the amendment of the Senate numbered 6 to the aforesaid bill, with an amendment as follows:

Strike out the period at the end of the

Senate amendment, and insert: ", and (2) a speed limit for all types of motor vehicles other than 55 miles per hour on any portion of any public highway within its jurisdiction of four or more traffic lanes, the opposing lanes of which are physically separated by means other than striping, which portion of highway had a speed limit for all types of motor vehicles of 55 miles, or more, per hour on November 1, 1973, and (3) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly using such portion of highway, if on vehicles using such portion of highway, if on November 1, 1973, such portion of highway had a speed limit which was uniformly applicable to all types of motor vehicles using it. A lower speed limit may be established for any vehicle operating under a special permit because of any weight or dimension of such vehicle, including any load thereon. Clauses (2) and (3) of this section shall not apply to any portion of a highway during such time that the condition of the highway, weather, an accident, or other condition creates a temporary hazard to the safety of traffic on such portion of a highway".

Resolved, That the House agree to the amendment of the Senate numbered 10 to the aforesaid bill, with an amendment as follows:

In lieu of the matter proposed to be inserted by the said amendment, insert:

"(d) Notwithstanding the provisions of section 120 of title 23, United States Code, sums apportioned to any State under section 104 of title 23, United States Code, shall be available to pay the entire cost of any modification of the signing of the Federal-aid highways for which such sums are apportioned within such State due to a reduction in speed limits to conserve fuel if such change in signing occurs or has occurred after November 1, 1973."

Resolved, That the House agree to the amendment of the Senate numbered 13 to the aforesaid bill, with an amendment as follows: In lieu of the matter proposed to be inserted by the said amendment, insert:

"(f) The requirements of this section shall be deemed complied with by administrative action lawfully taken by the Governor or other appropriate State official that complies with this section."

Resolved, That the House agree to the amendment of the Senate numbered 14 to the aforesaid bill, with an amendment as follows: In lieu of the matter proposed to be inserted by the said amendment, insert:

"SEC. 3. (a) To conserve fuel, decrease traffic congestion during rush hours, improve air quality, and enhance the use of existing highways and parking facilities, the Secretary of Transportation is authorized to approve demonstration projects designed to encourage the use of carpools in urban areas.

"(b) Proposals shall be originated by local officials and submitted by the State in accordance with the provisions of section 105 (d) of title 23, United States Code. The Secretary of Transportation shall approve for funding those projects which offer reasonable prospects of achieving the objectives set forth in subsection (a) of this section.

"(c) A project may include, but not be limited to, such measures as systems for locating potential riders and informing them of convenient carpool opportunities, designating existing highways lanes as preferential carpool highway lanes or shared bus and carpool lanes, providing related traffic control devices, and designating existing publicly owned facilities for use as preferential parking for carpools.

"(d) A project authorized by this section shall be subject to, and carried out in accordance with all of the provisions of chapter 1 of title 23, United States Code, applicable to highway projects, except that the Federal share of such project shall be 90 per centum, the Federal share shall not exceed $1,000,000 for any single project, and only funds apportioned under section 104(b) (3) and (6) of such title shall be available to carry out projects authorized by this section. The Secretary shall not approve any project under this section after December 31, 1974.

"(e) The Secretary of Transportation shall conduct a full investigation of the effectiveness of measures employed in the demonstration projects authorized by subsection (a) of this section. In addition, he shall, in cooperation with the Internal Revenue Service, the Environmental Protection Agency, and other appropriate Federal and State agencies, study other measures, including but not limited to tax and other economic incentives, which might lead to significant increases in carpool ridership in urban areas throughout the country, and shall identify any institutional or legal barriers to such measures and the costs and benefits of such measures. He shall report to the Congress not later than December 31, 1974, his findings, conclusions, and recommendations resulting from such investigation and study. Funds authorized to carry out section 307 of title 23, United States Code, are authorized to be used to carry out the investigation and study authorized by this subsection."

Resolved, That the House agree to the amendment of the Senate numbered 16 to the aforesaid bill, with an amendment as follows:

In the first line of the said amendment, strike out "SEC. 5.", and insert: "SEC. 4.".

SPEED LIMITATION OF 55 MILES AN HOUR WILL CONSERVE FUEL—FINAL ACTION TAKEN IN THE CONGRESS

Mr. RANDOLPH. Mr. President, in recent weeks the Congress has considered several measures intended to help accommodate our national life to the unique circumstances imposed by the energy shortage.

The crisis conditions which exist because of the unavailability of adequate supplies of fuel are imposing sacrifices on every segment of our society. We must make adjustments to assure that no one bears an unjust share of the burden.

The legislation before the Senate authorizes actions that will affect millions of Americans, but they also will result in substantial savings of gasoline.

The provisions were worked out with the House of Representatives and provide for the imposition of lower speed limits than are presently in effect on many of our highways. This measure requires States to set speed limits of 55 miles per hour on all highways of four or more lanes on which the traffic going in opposite directions is separated by a barrier, median strip or other physical means. This is required on all highways on which the speed limits were higher than 55 miles per hour before November 1, 1973.

On other highways, the States can establish whatever speed limits they desire, so long as they are not higher than 55.

Mr. President, I stress the fact that this bill imposes uniform speed limits on all types of vehicles using a four-lane divided highway. I believe it would be unwise to allow differential speed limits.

All of us concerned with the development of this legislation were acutely aware of the problems lower speed limits impose on the trucking industry. We did not feel, however, that dual speed limits were a practical answer to these problems.

There are serious questions of safety associated with a 2-tier system of speed limits. In addition, I am confident that there would be a strong and adverse public reaction to a speed limit system that seemed to require greater sacrifice from car drivers than it did from truckers.

The prevalence of automobile use in this country is such that a feeling by private motorists that they were the victims of discrimination could result in an unwillingness to comply with other energy conservation measures.

Mr. President, our Subcommittee on Transportation conducted a hearing last week on the relationship of transportation to the energy crisis. A substantial portion of the testimony and of the discussion that followed dealt with speed limits. There was substantial support for uniformity.

This morning I received a letter from Governor Daniel J. Evans, Chairman of the National Governors' Conference, transmitting the endorsement of that body of State executives for uniform speed limits.

Mr. President, I ask unanimous consent that Governor Evans' letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF WASHINGTON,
OFFICE OF THE GOVERNOR,
Olympia, Wash., December 13, 1973.

Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The National Governors' Conference, virtually without dissent, endorses a uniform national speed limit for all highways. We are opposed to a speed limit which permits trucks to travel lawfully at speeds in excess of those permitted for passenger cars because this would create a serious safety hazard.

We do not take a position on the question of the specific rate but trust that it would be set at a point which best meets the target set for gasoline consumption assigned to this initiative.

We would also urge that there be a sufficient time permitted to States to revise statutes, where needed, to conform to such national standards.

The Governors are anxious to help make certain that the States play an effective role in securing a sound balance between energy supply and demand.

Sincerely,
DANIEL J. EVANS, *Chairman.*

Mr. RANDOLPH. Mr. President, we are acting on legislation incorporating proposals I made 6 months ago. At that time I proposed an amendment to the Federal-aid Highway Act of 1973 which was then being considered by a Senate-House conference. The idea met with widespread resistance and was not accepted.

On June 4, I offered an amendment to the fuel allocation bill (S. 1571) expressing the sense of Congress that lower speed limits should be imposed as a fuel-conservation measure. This amendment was accepted but was subsequently deleted from the bill in conference.

Six months ago, and in fact much earlier, it was apparent that there would be a serious shortage of fuels. Had we acted then, the gasoline shortage today would be somewhat less severe, and the Congress would not be faced with the necessity for action in a crisis atmosphere.

Mr. President, the bill before the Senate authorizes temporary actions to cope with the current fuel shortage. Its provisions will expire on June 30, 1975, unless the present emergency is declared ended prior to that time.

This bill also authorizes the Secretary of Transportation to participate in demonstration programs to encourage and facilitate the use of carpools to save gasoline.

This program was originally contained in a bill introduced by Senator DOMENICI. It was adopted by the Committee on Public Works as an amendment to the speed limit bill and comes before us now in a compromise form acceptable to the House of Representatives.

This section of the bill authorizes the use of urban system and urban extension highway funds for car pool programs. It permits the expenditure of up to $1 million for each car pool project, whether it be limited to a single urban area or is applicable statewide.

The major change in the car pool provision makes it a demonstration program to be in effect until December 31, 1974.

Mr. President, lower speed limits can contribute materially to improving our gasoline supply situation. Likewise, extension car pooling can induce further savings. This bill is an important part of our total response to the energy crisis. I urge its passage.

Mr. BAKER. Mr. President, I wish to express my support for the language of H.R. 11372, now before the Senate. The Senate passed an earlier version of this legislation on December 14, legislation that set a national maximum speed limit of 55 miles per hour.

Rather than go to conference on this legislation, the House earlier today passed a reamended version of H.R. 11372, a version that represented a compromise agreement between the House and Senate.

While the proposal before us departs in some ways from that passed by the Senate, I believe it adheres to the main provisions. For the benefit of my colleagues I would like to detail a few of the changes in an attempt to explain how they will be effective.

First, the earlier Senate version required that all roads in each State have speed limits no more than 55 miles per hour, on penalty of losing Federal-aid highway funds. Under the Senate version, a State could set a lower speed limit if it wished. The House version contained a mandatory requirement that speed limits be dropped to 55 miles per hour and no lower. The compromise in the present bill says that a State must set a 55 miles per hour speed limit on four lane highways in which the traffic going in opposite directions is physically divided by a barrier of some variety, if the speed limit for all vehicles using that stretch of highway was set at 55 miles per hour or higher on November 1, 1973.

This provision covers highways of four and more lanes separated by a grassy median area, guardrails, or other type of raised barrier. Multilane highways where traffic is separated only by striping or some similar marking, as well as highways of 2 or 3 lanes, are not affected by this mandatory requirement. In those cases the State could set a speed limit of 50 miles per hour or less, if it wished.

Frankly, I do not anticipate that many States will impose speed limits under 55 miles per hour on roads where the limit had been 55 miles per hour or higher 2 months ago but local conditions differ, and lower speeds may be desirable for either an energy conservation purpose or other reasons.

This bill also requires continued adherence on all other roads to uniform speed limits for all classes of vehicles—cars, trucks, and buses—if that stretch of highway had a uniform speed limit on November 1. The governor or other State officials would be free to alter the speed limit under their normal authority, but only to change it to another uniform limit for all types of vehicles.

It should be noted that all of this speed limit legislation is of a special character and expires no later than June 30, 1975. This Federal incursion upon the prerogatives of the States is designed to meet an emergency energy problem; it is not intended to be a precedent in any way for further Senate action.

Another section of the bill creates a carpool incentive program as developed within the Senate Committee on Public Works. This provision was suggested originally by the distinguished Senator from New Mexico (Mr. DOMENICI) and strongly supported by myself and other colleagues on the committee. The compromise version, already adopted by the House, will enable the States to seek immediate approval for carpool incentive programs that cost up to $1 million per project, whether that project, covers a single locality or several areas of the State. Money for such incentive programs would be taken out of the urban system and urban extension Federal-aid highway construction funds.

Because of the emergency character and need for this program, this authority will exist for a period of approximately 1 year, with the authority for approval of such carpool incentive programs by the Secretary of Transportation expiring after December 31, 1974.

It should be noted that this is essentially a "software" program within a construction program. This provision is designed to finance programs to match up persons for carpools through computers or other systems, carpool education and promotion programs, and the signing of exclusive carpool and bus/carpool lanes and special carpool parking areas. This section is not intended to finance construction of carpool lanes or parking lots, which can be accomplished under existing authorities in title 23 of the United States Code.

Mr. President, I believe this is basically sound legislation and that it will ameliorate the energy crisis facing our Nation.

I urge the adoption of H.R. 11372.

Mr. RANDOLPH. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. RANDOLPH. Mr. President, I move that the Senate recede from amendment No. 15 of the bill.

The motion was agreed to.

ENERGY EMERGENCY ACT—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local State, national, and international contingency plans; to assure the continuation of vital public services; and for other purposes.

Mr. BARTLETT. Mr. President, I will ask the Senator from Wyoming to yield further. I believe he has the floor.

Mr. HANSEN. I yield.

Mr. BARTLETT. What steps does the Senator consider absolutely essential that this Nation take in order to achieve a reasonable increase in our supplies of energy? I know it is not just one but many leads that can be taken. First let me ask whether there are any alternatives of which the Interior and Insular Affairs Committee is advised that are cheaper than current prices for the energy available. In other words, are there any alternatives that are not more expensive?

Mr. HANSEN. In response to the question by the Senator from Oklahoma, I would say that, in this Senator's opinion, there are no cheaper ways in which we could shore up our flagging energy supply than to give the industry encouragement that an increased price position would cause.

Recalling some testimony presented before at least one committee of the Congress, the chairman of the National Petroleum Council testified, I believe, to the effect that if we consider the return on investment in off-shore drilling in the Gulf of Mexico, in Northern Louisiana, and throughout the rest of the United States in recent months, that rate of return has been between 3.2 and 6.2 percent, which underscores the very fact that is being graphically addressed by the Senator from Oklahoma.

That is a very poor rate of return, and it is understandable why people who otherwise might be putting dollars into the drilling business are seeking other opportunities that they believe offer the prospect for a higher rate of return.

It accounts as well for the fact that our drilling activity has declined nearly half when we compare the year 1972 with the year 1956, and it helps explain the urgency of doing something more than what we are now doing, because during that same period of years, as the Senator has pointed out on many occasions, we in 1972 were using twice as much oil and gas as we used back in 1956.

I would say that the Senator from Oklahoma was precisely right. We ought to give this extra encouragement to the industry. There is no better or cheaper way.

I would ask my friend from Oklahoma, is it not also true that the technology for converting oil shale into shale oil has been worked out to the degree now that, given a reasonable price rise in domestic crude produced today, it would follow that we might expect a greatly increased activity in the oil shale fields of America?

Would it seem reasonable to the Senator from Oklahoma that we could experience this intensified interest in oil shale if we just let the price of crude go up $2 or $3 a barrel?

Mr. BARTLETT. Yes; I certainly concur with my distinguished colleague from Wyoming.

I think one of the values of a free market is that, in addition to the producers trying to produce more of a product that goes up in price, they also have an incentive to develop other products or develop other ways of extracting the same product, such as oil from shale; but it takes a certain price to do it. I think, in addition to the legislation that this body has seen fit in its wisdom to pass, it will take a certain development of energy at a certain price to make it an economic reality. The price will differ with different products, but certainly shale oil from oil shale is one of the best opportunities, and one of the biggest and most available to the technological know-how of this country. But it still takes a price to free oil from the shale, because it is a more expensive operation than some other methods.

Mr. HANSEN. Would the Senator from Oklahoma yield for just a moment? I would like to yield to the distinguished senior Senator from West Virginia.

Mr. RANDOLPH. Mr. President, at this moment, under the leadership of the Senator from Wyoming, in colloquy with the Senator from Oklahoma, we are discussing the suggested use of oil shale to alleviate the fuels and energies shortages in this country.

As the two Senators have indicated, there are areas in the Rocky Mountain States and other regions of the West that contain tremendous resources of oil shale.

I recall my visits to Colorado in connection with energy research programs being carried on there. In the mid-forties, I also coauthored with the then Senator from Wyoming, Senator O'Mahoney a synthetic liquid fuels act.

At that time we were not interested in determining whether oil shale could be used as an energy source or whether coal could be processed into gasoline. Frankly we knew that we had a challenge in this country because we were engaged in World War II and German submarines were lurking off the Atlantic coast. That is why we were carrying on a research program on the use of oil shale and on the use of coal to make gasoline.

Just 30 years ago, on Nevember 6, in company with Arthur Hyde, I flew from Morgantown, W. Va., to the Washington, D.C. National Airport in a single-engine Fairchild aircraft that was fueled with gasoline made from coal.

That was 30 years ago, I say to my knowledgeable friend, the Senator from Wyoming.

Mr. HANSEN. Mr. President, if the Senator would yield at that point, where did the coal from from? I am just curious.

Mr. RANDOLPH. The coal came from West Virginia. It was processed, however, at the Bureau of Mines Laboratory in Pittsburgh, Pa. So, we can give credit to those two States.

I recall that 170 miles of flying with some trepidation. As the Senator can well understand, we were coming across the Alleghenies on gasoline made from coal; at a time, very frankly, when it was generally felt that aircraft fuel must be processed from petroleum.

We were met at the National Airport by former Senator O'Mahoney, of the State of Wyoming. He gave much thought to the matter of synthetic fuels.

Later, we were to call for these projects such as oil shale. These technologies could have served as a backstop for what we are now experiencing. We knew then in the mid-forties that they would be needed to have energy self-sufficiency within the United States of America.

It does not do much good to talk about yesteryears; however, it is almost tragic to realize the apathy and the complacency which for so long have characterized not so much the American people but, frankly, the very doorstep of the administration over this period. This has been true whatever administration or political party has been in power and at the doorstep of Congress—whichever party might have been in power.

Through the years, we simply have taken for granted that our resources were going to be inexhaustible. We knew this was not so then, and we have since become increasingly aware that there is a very severe energy shortage.

In a very real sense—and I am not critical—we are moving on the conference report as adopted by the Senate and the House conferees on an Energy Emergency Act. I am not critical; each man has his own responsibility. But that conference report was signed by the conferees, we brought it to the Senate, and we should have been able to vote on its provisions; if necessary, striking 1 or 2, to secure the overall passage. This legislation has been brought from the conference after most careful consideration.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. HANSEN. I may point out that the Senator from West Virginia has been eminently fair in calling attention, on many occasions, to the profit figures of various industries throughout the country. It was he who first placed in the RECORD a list of profits that were experienced last year compared with those in the oil industry: some of the newspapers—some of the bigger ones in the East, which for the moment must remain nameless—as well as some of the TV networks and other industries in America.

I should like to compliment the Senator for his willingness, always, to state fairly and objectively what the facts are. I agree with him most enthusiastically, as I agreed with my good friend from Maine (Mr. MUSKIE) when he made the excellent comment he made in conference so long ago—was it only last night?—that we should look at some of the issues and decide what we really need to do and to get started on it now.

I salute my friend from West Virginia for his leadership in helping to bring about an understanding that I think is basic to an objective position that we now need to have if we are going to do the right thing for the country.

Mr. RANDOLPH. I appreciate the comments of the Senator and I shall not continue my colloquy longer. The distinguished Senator from Oklahoma (Mr. BARTLETT) was really in colloquy with the Senator from Wyoming.

Nevertheless, 30 years ago we had the knowledge, the know-how, and the expertise to process coal into gasoline. Yet 30 years later our country is not energy self-sufficient; but we have a coal supply adequate for 300 to 400 years. We had the capability to develop this resource along with other energy supplies for the benefit of the United States of America. It is rather tragic. I say to the distinguished Senator from Wyoming.

Mr. HANSEN. It certainly seems so to me.

I should like to ask my good friend from West Virginia and also the distinguished Senator from Oklahoma a question. Much criticism has been heaped upon the coal industry for having failed to anticipate what would be needed in the year 1973. Why has it not got on with the business of coal gasification?

Mr. RANDOLPH. And coal liquefaction?

Mr. HANSEN. And coal liquefaction? Why has it not moved in the area of magnetohydrodynamics, whereby coal could be directed or turned into energy. I am referring to the process of firing particles of coal through an electrical impulse field of some kind or other, which results in the generation of direct current electricity.

But I would ask my friend from West Virginia if the price of natural gas, in his judgment, had anything to do with discouraging the coal industry from committing the kind of dollars that many people think were necessary in order to get on with this job of developing the technology to a higher state of perfection than we now find it showing.

Mr. RANDOLPH. The Senator is correct. The price of new natural gas has been too low. Thus the exploration for natural gas could not go forward as fast as needed to meet demand.

We also understand that there are terrific costs of opening new coal mines in this country; what is the return on investment in a coal mine operation? Perhaps 2.5 percent to 4 percent.

Yet, when I think of the return on equity, let us say, in the appliance industry—in the last 9 months—it is 16.5 percent; in automobiles, 17.5 percent; in building material, 14.5 percent; in chemicals, 14 percent; in drugs, 19.9 percent;

in electronics, 15.2 percent; in food, 13 percent; in instruments, 15 percent; in office equipment and computers, 16.6 percent; and in publishing, 13.9 percent. Certainly a logical and very natural question, considering these situations before us, is where are the terrific investment going to come for the exploration for oil and gas and for the production of coal. The present situation is almost intolerable from the standpoint of expecting the necessary huge investments to be made. Meanwhile we have relied upon the importation of petroleum from countries in South America, North Africa, and the Middle East.

This is a situation which has not only been fraught with danger, but which has brought this country, frankly, almost to the brink of disaster. This is particularly true from the standpoint of operating our economy which should be built upon energy self-sufficiency.

It is my desire to support this conference report, even though there have been disagreements. I also believe we should act before the day is out. The country expects it to be done. The American people generally look to the Senate and the House of Representatives to do this job; and I do not believe that the President of the United States will veto what is done by Congress is this matter.

I appreciate the opportunity to engage in this colloquy with the Senator, and to point out the need to encourage the production of natural gas, the production of coal, and the production of oil, as well as the development of synthetic liquid fuels. There are many possibilities in this country as my colleague from Wyoming has mentioned.

We find ourselves in a tragic situation at the present time, because of our failure to come to grips with this problem as we should have done.

Mr. HANSEN. Mr. President, I thank my distinguished friend, the Senator from West Virginia, for his great help in bringing about a better and clearer understanding of what the facts are, hoping that it might result in our being able to make a sounder and clearer judgment in a matter that is of extreme concern to every American.

Mr. President, I was speaking before the Senator from Oklahoma and I engaged in colloquy about the fact that the oil industry now is being told that as prices go up, it will be faced with lawsuits seeking rebates. This is implicit in the bill we have before us.

Thus, the industry is now told that if prices go up it will be faced with lawsuits seeking rebates. Thus, the industry is put in the dilemma that if prices go up and, as a result, profits are reinvested in the search for new energy, it will be sued. Or, if prices do not rise, the industry will not have the capital it needs to reinvest in the search for more energy, and the industry will be blamed for failing to increase supply.

Thus, the industry is placed in a position that no matter what it does it will be damned. Mr. President, I ask my colleagues how they can avoid being fairly and properly blamed by the electorate if they cast their vote in favor of the conference report on the energy bill.

Mr. President, I think that in order to achieve a better understanding of what the facts are before us, I would like to read from an editorial which appeared in the Wall Street Journal of today. The editorial is entitled "Veto the Energy Bill," and it begins:

> Sen. Henry Jackson says it would be "utter nonsense" to believe President Nixon might veto the emergency energy legislation that Congress has threshed out. After all, Congress is going home for the holidays and wouldn't be able to put together another bill until next year some time. Then where would Mr. Nixon be?
>
> In the ideal position, it seems to us, surely he'd be better off without any bill at all than to put his signature to the package Congress has designed. The measure contains a few provisions that the administration's energy people would like to have, but none they can't do without. Mr. Nixon wouldn't be able to lower speed limits across the nation, but the states can do that and many of them have. It would give the President *de jure* authority to force oil refiners to produce less gasoline and more heating oil, but he already has *de facto* power to do so. At this stage of the game the oil companies know they had better do anything Energy Czar William Simon suggests that is humanly possible, or the full political wrath of Washington will be visited upon them.
>
> The heart and soul of the Jackson legislation is its grant of authority to Mr. Nixon to ration gasoline. From past experience with such congressional generosity in dealing out power, Mr. Nixon must realize that once he accepts that authority he will be bulldozed into exercising it. The past experience, of course, was with wage-and-price controls. Once Congress gave Mr. Nixon the power to exercise those controls, it was no longer interested in holding federal spending and the Fed felt it could relax monetary policy. Although Mr. Nixon opposed use of controls and resisted for a long while, it was the only weapon he had, and he finally succumbed when the clamor for controls reached a fever pitch.
>
> So too with Senator Jackson's energy bill, which has all the earmarks of a Trojan Horse that will force the nation into rationing. Once it delivers that authority to the President, Congress will show not the slightest interest in any alternatives to rationing that the President and his energy people have in mind. What's worse, the Jackson bill gives the President *unlimited* authority only when it comes to rationing.

Mr. BARTLETT. Mr. President, will the Senator from Wyoming yield?

Mr. HANSEN. I yield.

Mr. BARTLETT. Senator, on this whole energy area, am I correct that the price of gas is and has been for a long time one of the real problems of having sufficient incentive for sufficient drilling to provide the supplies? Has it not only reduced the supplies of gas but because of its environmental desirability as a fuel and its low cost, based on the BTUs, has been such difficult competition to oil and to coal that it has tended to keep those prices down and hence those supplies down?

It seems to me that deregulation of natural gas is a vital claim. I am sure that each of us representing our own States tends to look at it solely from our own point of view, but in the case of the State of Oklahoma at the present time our intrastate price of gas is around 63 cents—it might be as high as 65 cents. We have had an adequate supply which has been a result of a significant increase in the drilling. One of our utilities has the second largest amount of reserves of natural gas of any utility in the country. Our position is that we would like to share this gas at the same price to other States through the interstate market but, of course, at the present time, this is impossible. Someone in another State who might be willing to pay the same price we pay ourselves legally, cannot do so.

But because of this situation of having gas in our State available, we have been attracting industry into the State, although from a selfish point of view one might take the position of favoring the status quo, but that does not solve the basic problem of energy for the entire country.

So it seems to me that the Buckley amendment, on which we voted the other day—and I am sorry that more Senators might not have heard the debate—was a way to provide additional gas at a free market price. Those utilities and those industries in those States wanting additional gas at this free market price, to pay it for new and additional gas only, and that the renegotiation of contracts provided in that bill can be committed only with the approval of the FPC, it seems to me that as I analyzed it from a distance of halfway across the country, the plight of the eastern seaboard of sufficient energies, I find some difficulty understanding the position of those who are reluctant to have a free market or to have additional supplies coming from this country.

I noticed an editorial in the Washington Post sometime ago that they plan to add to the gas available in Washington, gas processed from naphtha, which would be synthetic and would cost, available to the gas company in Washington, about $1.50 a thousand cubic feet.

This would increase the total amount available to the utility for distribution to the people in Washington by 10 percent.

I know that there is, in addition to the synthetic fuels, liquefied natural gas available by import from foreign countries—Algeria and others. I know that some of those in the Northeast have had contracts for the acquisition of liquefied natural gas, but the contracts have not been fulfilled.

But it seems to me that a comparison of the price of natural gas in this country shows it competes quite well with other sources, even including the importation of gas, if available, in additional quantities from Canada.

Mr. HANSEN. Mr. President, as I recall in recent months, and I do not know how far back, but this Senator's recollection is that according to the Federal Power Commission, before they made the first price adjustment, they recognized that it was costing more to carry on the exploration, the wildcatting, and the production activities on a 1,000 cubic feet basis, cost-wise, than a discoverer or a producer of natural gas could legally receive for that gas if it were committed to the typical interstate gas line. I ask my colleague if that is true?

Mr. BARTLETT. Yes, that is.

Mr. HANSEN. Is it not a fact that not too many months ago this unrealistic price that had been fixed by the Federal Power Commission and had not been changed so as to keep abreast of costs, resulted in a situation where there was absolutely no incentive for anyone to go out and try to discover a new gas well. Am I right about that?

Mr. BARTLETT. Yes. I would tell the distinguished Senator from Wyoming that he is eminently correct. I might mention that I have some figures before me showing the new gas commitments in the Peomian Basin from 1966–70.

For the year 1966, in the intrastate market, in Texas, 16.3 percent of the gas was committed intrastate, and 83.7 percent interstate, for a total commitment of 1 billion cubic feet or 178 trillion cubic feet.

In 1967, it was 21.8 percent intrastate, increasing and dropping in the interstate market to 78.2 percent.

A year later, 1968, it jumped to 87.2 percent in the intrastate market and 12.8 percent in the interstate market. The amount was 156 trillion cubic feet.

In 1969, it dropped slightly to 83.3 percent in the intrastate market, and interstate was 16.7 percent.

But for the first half of 1970, it went up to 90.9 percent in the intrastate market and 9.1 percent interstate, for 113.4 trillion cubic feet.

This means, of course, the point the Senator made, the realistic fact of life, that those who have the gas to sell are selling it to the person who pays him the higher price. The price is roughly, at least in our State, 53 cents compared to 22 or 23 cents.

But it seems to me that when we look at this from the consumers' point of view in the East and use the figures of Washington, D.C., it takes about 57 cents or so—rather, about 37 cents to transport the gas here from the Southwest. Today it costs about 23 cents on the average. That brings this up to about 60 cents into the city gates of Washington, D.C.

With the distribution cost of $1.25, that brings the total cost to about $1.85. If the cost is increased by 40 cents, going from 23 cents to 63 cents, which is the market in our State, then the cost would go up from $1.85 to $2.25. But it would only be a very small amount, because it would be the new gas, under the Buckley amendment, and it would be rolled into the existing gas.

The point I am trying to make is that it would be supplemental to the existing gas, to the existing contract, but it would be considerably cheaper than the 10-percent increase that is going to be available to the citizens of Washington by the processing of naphtha, which will cost $1.50 a thousand at the city gate.

So it seems that it would be a more reliable source, because the naphtha undoubtedly would be imported; it would be a lower-cost product, and one which would not involve an unfavorable balance-of-trade deficit. It would lead me to think that the purchaser would want to buy the gas within this country.

It seems to me that our choice is whether we are going to buy energy from domestic producers or whether we are going to buy it from foreign producers and increase their capabilities or increase our own.

Mr. HANSEN. I ask this of the Senator, at this point: One of the disturbing things, to me, in the bill before us is that we have a whole section that deals with windfall profits, with price fixing. The whole thrust of the proponents of this section, I believe, is intended to paint the picture that the oil industry wears a black hat, that its profits have far exceeded those of any other segment of American industry, that we have to have price fixing, that there is going to be gouging in everything, and that we can go ahead and solve our problems, as I said earlier, simply by passing this bill, failing completely, as the Senator from Oklahoma has pointed out, to recognize that we do not solve anything simply by spreading the misery around, simply by trying to make not enough do for more and more people. We have to get more supply going.

The incongruous aspect of the whole picture, when we talk about prices, is that we find the typical barrel of crude produced in this country selling for perhaps $4 or $5 per barrel. Is that about right?

Mr. BARTLETT. About $4.25.

Mr. HANSEN. I read in a newspaper a couple of days ago that a contract had been entered into, I believe with some Nigerian producers, for $17.40 a barrel. We have kept the price of natural gas down, so that there was no reason at all for the coal industry to try to do anything about gasification, liquefaction, or the development of the MHD process for generating electricity. At the same time, we are importing liquefied LNG, or have been, from Algeria, which is costing us all the way from $1.10 or $1.20 to as much as $1.50 or $1.60 per MCF. Are those figures some place in the ballpark?

Mr. BARTLETT. Yes. Those are the estimates that are generally given. But I understand that Algeria has chosen not to deliver on some of those contracts.

Mr. HANSEN. I suppose they could very well.

Of course, that means one thing: There is going to be less and less to go around.

As the Senator from Maine pointed out in our conference last night, we can whistle around and take all the time we choose; but let us not forget that if we do not take these steps now, if we do not institute some conservation measures immediately, when it is cold and when the sun has gone south, if we continue on without taking those steps which most people agree should be taken now, there will not be enough left to get us through the rest of the year in any fashion that will be acceptable to the average American.

We are going to be faced with cold homes, with schools closed. Some already are closing. I see that some of the colleges, particularly those in the northern part of the United States, have a longer Christmas vacation planned than would be normal. Public schools are going to be closed in greater and greater numbers. Factories will be closed. People will be out of jobs, which brings about, in the minds of some, the reasons for the provision in this bill that we will pay anybody for as much as 2 years of unemployment compensation if he is able to demonstrate—as I recall the language—that his employment was a direct result of any of these plans that have been implemented by government in trying to conserve energy.

So I am at a loss to know why those people who are such ardent advocates for the Government's taking some steps are so blinded to the supply side of the picture and are so insistent that we keep this provision in the bill. That is what we are talking about.

Mr. BARTLETT. Mr. President, will the Senator yield for a question?

Mr. HANSEN. I am glad to yield.

Mr. BARTLETT. Considerable evidence was presented to the Committee on Interior and Insular Affairs as to the additional amount of funds needed to develop our resources of oil and gas. What amounts are necessary, according to the Senator's best judgment, as to the amount required to have this Nation make big strides toward self-sufficiency?

Mr. HANSEN. The amount of capital?

Mr. BARTLETT. Yes.

Mr. HANSEN. The best answer I could give to that question would be simply to quote what the Chase Manhattan oil economists have concluded. They have been studying this problem. They have been keeping very close touch with the industry over the years. It is my understanding that John Winger and his associates—and I believe they are highly regarded not only nationally but also internationally as authorities in the field—have said that in order to have the degree of self-sufficiency they believe this Nation should have by 1985, it will be necessary for the industry to have at its disposal one trillion, 350 million dollars; and they go on to point out that the average rate of return to the industry has been around 8 percent.

If we were to make any appreciable progress at all, it would be necessary to at least double that rate of return, if we hope to have anything at all like the amount of capital necessary to drill the deeper wells, to explore our coastal waters, to institute secondary and tertiary recovery efforts, which, as the Senator well knows, can offer an immediate degree of relief. It would not be enough, but it can offer immediate help if we keep those stripper wells pumping that a few of our friends from the Northeast, a few years ago, were saying ought to be plugged and abandoned. They were criticizing the Nation's energy policy at that time by saying that we should forget about the oil industry generally in the United States and go over to the Middle East, where it was low priced, abundant, and readily available. They said, "Let us buy it over there and we can bring it back in this country and save the consumers of America billions of dollars."

The RIO Oil Import Task Force study assured that this was costing the American consumer $5 billion a year. They said, "We will go over there and buy it, put a tax on it, and replenish the Treasury at the same time."

Mr. MANSFIED. Mr. President, will the Senator yield briefly?

Mr. HANSEN. I yield.

Mr. MANSFIELD. Does the Senator intend to maintain the floor all evening or does he intend to let others speak on the bill this evening?

Mr. HANSEN. Mr. President, I would be happy to respond to my esteemed friend, the majority leader, that it is my understanding that an effort is being made right now to reach an accord on what may be contained in this bill and what will be taken from it; and if that effort is successful, I would be hopeful, as quickly as there is a resolution of this issue, to yield the floor and be done with this matter.

In the meantime there are those who would seek to have other actions taken at this time that might prejudice that effort. So I must say it will be my purpose as long as I am able to hang onto the floor while there is hope that the negotiators can come up with a resolution of the matter.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HANSEN. I am happy to yield.

Mr. MANSFIELD. May I say that I have been somewhat disturbed by the fact that emissaries from the White House have been close to the Senate all afternoon attempting to tell Senators, at least on this side, what kind of bill they want and what kind of bill they think we should pass.

After all, this is a government of coequal branches under the Constitution. There may be proposals which Senators themselves have, without any outside interference, I assume by Mr. Ash, the Director of the Office of Management and Budget, a representative of Mr. Simon, or at least that is the information which has been conveyed to me.

If the Senate is going to be held hostage because of something which the White House wants and if Members are going to continue to hold the floor, as my good friend, the distinguished Senator from Wyoming and others have been doing this afternoon, I do not know why we have a Senate. If we cannot make up our minds, rightly or wrongly, then I think we ought to consider the abolition of the Senate as an institution.

The manager of the bill does have a proposal which he wishes to make. The distinguished chairman of the committee does have an alternate approach which some of us think should be brought before the Senate for consideration. The Senate may not buy it, but it is my belief that if we keep on conducting the charade which has marked the Senate all afternoon, we are going to end up with no bill at all or a bill which will have only a title, implicating the use of the word "energy." It would be meaningless and it will not be conducive to what the Interior Committee and the Senate as a whole endeavored to do some days ago.

So I would hope that while these negotiations are going on between some Republicans and the White House representatives that the Senate would be given the opportunity to consider proposals of its own.

This is a pretty sorry performance when we have to depend on people from the White House meeting in the Vice President's room for the purpose of trying to tell us—trying to tell us—what kind of bill we should enact, and that bill to be dictated by them. It is a sorry day for the Senate when an event of that kind has gained the currency it has on this particular occasion and I say it with the deepest regret because of my high regard for the Senate as an institution.

Mr. HANSEN. I thank my good friend from Montana. Let me say that despite his anguish I would hope he would not give further consideration to the abolition of the Senate as an institution. I think it still has some very good years left, and despite my frustrations, having been on the losing side at times, when I reflect on the leadership of the Senator from Montana I have renewed faith and inspiration in the Senate as an institution.

Mr. MANSFIELD. I thank the Senator.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. HANSEN. I yield.

Mr. HUGH SCOTT. Mr. President, I would say that I would not want any misapprehension to exist here. We have all had, several times at several points, tried to work out a solution where the Senate could work responsibly, and send legislation to the House; and notwithstanding the problems in the other body—they appear to be very firm and up to now unyielding, at a time when we would hope for a greater spirit of compromise and conciliation. But the distinguished majority leader referred to Republicans.

Mr. MANSFIELD. Republicans meeting with White House representatives. The consultations which the distinguished Republican leader referred to previously happened to be between Democratic and Republic Senators only.

Mr. HUGH SCOTT. Yes. What was going on, I think it is fair to say, the distinguished chairman of the Committee on Finance (Mr. LONG), and some Senators of the Committee on the Interior have been meeting with the distinguished chairman of that committee (Mr. JACKSON). Some of the meetings are still going on.

I would not want it to appear that this is a party division within the Senate, because there are Members on both sides of the aisle who hold differing opinions on this.

What the leadership has been trying to do is to compromise those differences, and I believe if we go awhile longer we may be able to do that.

I have suggested instead of some 20 points of difference we confine ourselves to three or four. Some progress is being made on that right now. I hope we will have an answer on that in a very short time. It depends on the views of the Senators I mentioned, including the chairman of the Committee on Finance who quite rightly feels some measures in this bill should have been before the Committee on Finance, in a revenue measure.

Mr. MANSFIELD. Will the Senator yield there?

Mr. HUGH SCOTT. I yield.

Mr. MANSFIELD. Agreement has been reached on that aspect, section 112.

Mr. JACKSON. That is right. It is the section relating to windfall profits, which relates in turn to excess profits, which is a matter in the jurisdiction normally of the Ways and Means Committee and the Finance Committee.

Mr. HUGH SCOTT. I do not want to speak for the chairman of the Committee on Finance but I know he has been in consultation on that and the other point, and there are other revenue features in the bill.

But what is much more important is that the Senate shall do its job and pass some legislation and send it over to the other body, hopefully for passage.

Mr. MANSFIELD. I would agree with the distinguished Senator in that respect that we are being given no opportunity to act. Not only was that particular section which the Republican leader referred to agreed to for abolishment, but also the most serious consideration was being given to a bill which would expire on April 1. So there has been, among the Senators, and the Senators only, meetings which have arrived at tentative agreements—I think in the right direction. While I do not approve personally of some of these agreements, nevertheless they have been made by a sizable majority of those who met in session three times today for long periods of time.

Mr. HUGH SCOTT. I think we are getting near—at least they are getting near—an agreement since the majority leader and I have been acting more or less as mediators. There is, for example, the question whether or not Congress should have the right to veto, even retroactively, the right of the President during the recess to put a stop to gasoline sales on certain days. I think, if we are going to conserve energy, we ought at least give the President the authority by law, through his administrator, to stop gasoline sales and conserve energy.

There is a good deal of sentiment on this side that that ought not to be in the bill. That is one of the things we are talking about, because if it stays in the bill, the other body can come back after the 21st of January and veto whatever the President did during the recess with relation to the conservation of energy, the lighting of commercial buildings, sales of gasoline. I myself think it would cause economic chaos in the country if it were done.

That is one of the present sticking points that we are trying to work out. I do not believe it is a simple matter. I myself have not seen the representatives from the White House the distinguished majority leader referred to a moment ago. After I went out of there I talked to him to see who was there.

Mr. HANSEN. Mr. President, if I could make an observation, let me say that during the conference on this energy bill I discerned no enthusiasm at all on the part of the conferees to assume the job that the administration would be called upon to perform. It seems not too unusual, then, that there would be representatives from the administration up here, because time after time after time in the 2 days and 2 long nights that we were trying to get together on this bill, no one—no one—wanted to spell out how we would go about achieving goals that would result in an equitable distribution of the energy we have in the country on the one hand and a fair treatment of people on the other—how we were going to ration, how we were going to conserve. There was no one there doing that.

I know it may be that oftentimes we see representatives from the administration here actually conferring with conferees and with the leadership, but I just have to observe to my good friend the majority leader that we asked several times—those of us on the conference—if those persons who wanted to have the right to veto any presidential action or any action taken by the energy czar, so-called, would like to take his job and spell it out in order not to have this hiatus existing between now and 15 days after the 21st of January when we come back in session, recognizing, as the Senator from Maine did, that that is too late; that is not good enough.

He said—and it bears repeating—that if we do not do something between now and 15 days after the 21st of January we very well may have used up more fuel than we will be able to replace from any other source, and he earnestly pleaded with the conferees, the House and Senate Members, to recognize the interests of America and to cast aside politics, insofar as the position of one or the other body is concerned. And that motion had the support of all excepting one of the Senate conferees, including Republicans and Democrats alike.

So, with that background, I say to my good friend from Montana, it is not too surprising that there are representatives from the White House up here. If no one of us wanted to say what ought to be done, if no one of us had any specific ideas how to accomplish these objectives, how better could we get in mind what the administration believes it needs in the way of conservation efforts to bring about, without doing serious harm to this country, or to any of the people, a program that would result in our being able to muddle through?

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HANSEN. I am happy to yield.

Mr. MANSFIELD. I think I should point out that the Senator had administration witnesses before his committee when they were considering the bill which was proposed by the administration. I assume that the committee invited these people from the White House to participate in the hearings held by the conferees on the pending bill.

Mr. HANSEN. The Senator is quite right.

Mr. MANSFIELD. And that evidently has been a continuing invitation, because they have been up here every day, not as far as the conference was concerned, but when we are out of conference and considering it in the Senate, they are still carrying on their activities.

I think that the White House is too much involved in the affairs of the Senate, and I am not one of those who likes to see them come up here and tell us what to do or to help us in what we should endeavor, except on rare occasions.

I would point out, and I say this in all modesty, that I would allow no one from the White House under the Kennedy and Johnson administrations in my office to consider legislation except the regularly accredited, so to speak, liaison men for the Senate; and in those days we had good liaison men, and at the present time we have had extremely good liaison men in the persons of Ken Belieus and now Tom Korologos. That is enough. But as far as their emissaries are concerned, their duties are downtown at the other end of the avenue. Their duties are there, and ours are here.

I would hope the distinguished Senator from Wyoming, for whom I have great affection and respect, would consider the possibility of allowing the chairman of his committee to perhaps offer proposals that might get us off the impasse in which we find ourselves at the present time.

The item which the distinguished Senator was most interested in, however, has been agreed to. Both Republicans and Democrats also have reached tentative agrement, subject to confirmation, that a bill that ought to be passed should extend only to April 1.

Perhaps the minority leader can corrobate that.

Mr. HUGH SCOTT. That is what we have been discussing, and there is currently going on an effort to work out a measure. There is currently going on between the chairman of the committee and the chairman of the Finance Committee some discussion. We could have a quorum call, perhaps. I believe the areas of disagreement have been substantially narrowed. If I can tell from this distance, the amount of paper seems to be smaller and shorter, and I believe we are getting closer and closer all the time.

I do say for the interest of the White House that it does exhibit their very great concern in the energy crisis. We have often complained about lack of communication. At the moment we seem to have all the communication we need, and obviously more than the distinguished majority leader feels to be necessary.

Mr. MANSFIELD. With Tom Korologos, whom else do they need?

Mr. JACKSON. Mr. President, if I may——

Mr. HUGH SCOTT. Mr. President, I understand we have an agreement, so I will, therefore, happily yield the floor.

The PRESIDING OFFICER. Permit the Chair to remind that the Senator from Wyoming——

Mr. JACKSON. Mr. President, he has the floor. I ask unanimous consent that I may proceed for a moment with the understanding that he will not lose his right to the floor, and I will not make any motion on his time.

Mr. HANSEN. No commotion either, is that correct?

Mr. JACKSON. I cannot guarantee that.

Mr. President, I should like to comment to the majority leader that we did something that was unique in connection with a markup of this bill, which was done in the open on the Senate side. Mr. President, we had representatives of the White House present to participate in the markup. And they participated all the way through. They made their proposals. We gave them a chance to present them. We either accepted or rejected them. This was an open markup session. The press and everyone had a chance to observe what went on.

When we passed the bill in the Senate, it went to the House. There were a great many changes to the bill there. I did not hear anything from the White House, very candidly, until the closing hours of the conference. I was never advised of their objections to the Senate-passed bill. I was not advised about the objections, frankly, to the action taken by the House. I did not agree with a lot of things that the House did. However, I had no indication at all until the closing hours of the conference about the various objections on the part of the White House.

Mr. President, we try to be reasonable around here. I think the White House has become overactive in the late hours, and it really did not pay much attention to what was going on up here until the closing hours of the Congress.

Mr. President, I am willing—not because I want to, but because I am a realist—to make some adjustments. I know and every one knows who is familiar with what is going on in this body right now that if we continue to discuss the pending conference report, we will be talking here through Christmas and on into New Year's, and we will not have a conference report.

We have done our part in bringing the conference report to the Senate. I think it is the best that we could do.

Mr. President, I am prepared to offer a motion to table the conference report which I shall vote against. However, I think we ought to have an expression of the Senate on it. After that has been acted upon, and I hope rejected, I will ask the majority leader to call up an appropriate House-passed bill, and I will then offer a compromise which I hope the Senate will accept and which I hope the House will accept.

It is not what I would like to do. However, I recognize, and we all recognize, that we do face an emergency. We do want to give whatever authority is necessary to the Administrator to do the conservation job and a few other things like oil conversion to coal, as soon as possible.

It is in that spirit that I shall make this compromise proposal which may be supported by the distinguished Senator from Arizona. And I would hope that we could proceed along this line as soon as possible.

Mr. GRIFFIN. Mr. President, would the Senator yield for a comment?

Mr. HANSEN. I yield for that purpose.

Mr. GRIFFIN. Mr. President, the Senator said that he would make a motion to table which he would vote against. I can understand why he would vote against it in his position. However, if the rest of us were to vote for the tabling motion, we would not be able to take up the other bill.

Mr. JACKSON. Mr. President, we can

set it aside temporarily and call up the other bill.

This represents the consensus of the House and the Senate. And the only reason that we cannot vote on it is because we have an extended discussion going on which it appears may be extended into Christmas Day and beyond.

Mr. GRIFFIN. The Senator could make a motion to temporarily lay aside the conference report and take up the other bill.

Mr. JACKSON. Mr. President, I want the Senate to have an opportunity to vote on it. That should be a condition precedent to taking the alternate course. That, I think, is the only sensible thing to do under the circumstances.

Mr. HANSEN. Mr. President, I yield to the Senator from Arizona without losing my right to the floor.

Mr. FANNIN. Mr. President, I feel it is just an exercise in futility to go through the process of tabling the conference report when it is not being done for an objective that is other than what the distinguished Senator from Washington stated. I feel that we can agree upon language, and we have discussed it very thoroughly. I certainly commend the distinguished Senator from Washington for his willingness to compromise and adopt language that will help the American people with this emergency.

We do have a very serious problem before us. We have a time problem that certainly, we know, is as serious as anything that has happened throughout this year.

So, I would plead with the distinguished Senator from Washington that we go ahead and have an understanding on what will be done and dispense with any vote as far as the conference report is concerned, because we do not feel that it would be in order at this time if we are going to take other action.

I cannot see what would be gained by having that vote. I would hope that he would dispense with his request to have that vote.

Mr. JACKSON. Mr. President, will the Senator yield to me under the same stipulation?

Mr. HANSEN. I yield to the Senator from Washington under the same stipulation.

Mr. JACKSON. Mr. President, I think the public has a right to know that on a substantial vote, the Senate would act favorably on the conference report. It is only because we do not have our chance to work our will at this late hour that I will offer an alternative course of action.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HANSEN. Mr. President, I yield to the Senator from Louisiana with the understanding that I retain my right to the floor.

Mr. LONG. Mr. President, I would like to say that I have great reluctance in voting for any motion that the mover cannot support himself. He said that he cannot vote for it. If the Senator wants to do something else, I might be willing to vote for it. However, if the Senator will not vote for his own motion, I do not think I will either.

Mr. HANSEN. Mr. President, let me say that it is my understanding that a new proposition has been worked out that has considerable support.

I would like to provide the distinguished chairman of the Committee on Interior and Insular Affairs and the floor manager of the bill an opportunity to examine and to discuss this new proposal with his counterpart, who has been actively participating with him, along with the chairman of the Finance Committee, to see if we can agree upon some new criteria they have just been developing.

It just happens that I have a few other things to say. I could continue to speak while they are looking at this proposal. It is not a lengthy one. It is reasonable. I think it includes all of the necessary elements that the White House needs in order to implement the kind of action that will result in some very positive, forward movement toward resolving this energy crisis as best we can within the parameters of the factors that are present.

So, if the distinguished chairman of the committee would like to get together with the others with whom he has been working, I would be very happy to continue with some exceedingly relevant and pertinent observations that address the energy crisis.

And that is what I now propose to do, Mr. President, with the understanding that the proposal to be made by the distinguished Senator from Washington (Mr. Jackson) has been agreed to by the chairman of the committee, the minority leader, and the ranking minority member on the Committee on Interior and Insular Affairs. Without losing my right to the floor, I am happy to yield to my good friend, the Senator from Washington.

Mr. JACKSON. Mr. President, what I want to do is get the vote on the motion to table, which I shall vote against, though it is my own motion, and make the record on that. In the meantime, while we are having the rollcall, I hope we can go over what I understand is to be a series of changes that are not much beyond what we had discussed earlier in conference, and which should be agreeable.

Mr. President, if these stipulations are agreeable, then I shall be prepared to offer the amendment to one of the House passed bills.

Mr. HUGH SCOTT. Mr. President, if the Senator from Wyoming will yield to permit me to comment very briefly——

Mr. HANSEN. I yield.

Mr. HUGH SCOTT. I will say it is my intention to vote against the motion, and I hope that all Senators will vote against it. I would hope it would be a voice vote, because it is the only way I know to expedite the proceedings, to take some action which will ease the other body.

Mr. JACKSON. Mr. President, I think a rollcall vote is essential in dealing with the problem on the other side. I think we ought to make a record that we have no other alternative, if we are going to finish before Christmas, before New Year's, or before January 21, to taking the alternate course of action that I shall, after the vote on the motion to table, propose.

Mr. HANSEN. Mr. President, may I say it seems as though the distinguished Senator from Washington may be laying down some stipulations that are not agreed to by the persons whose concurrence I had asked for.

I see no reason, with the tenor as I sense it here, that there will be anyone voting for this motion to table, and I see no reason to have a roll call vote. If there is any doubt about it, let us have a division; let those stand who want to table and then let those stand who do not want to table. On the stipulation that we have a voice vote or a division only, I am willing to permit the offering of the resolution as just suggested by the Senator from Washington.

Mr. JACKSON. Mr. President, I am sorry. I do not know why any Senator should object to going on record to vote. The discussion here makes no sense. Let us go on record, and then we will talk, and during the period of the calling of the roll, I think between the ranking minority member and myself we will have worked out this matter. We will need that much time anyway; what harm is there to being on record?

Mr. HANSEN. Mr. President, I am happy to withdraw my objection.

Mr. JACKSON. Mr. President, I move to lay the conference report on the table, and I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. Hart). Does the Senator from Wyoming yield for the purpose of making this motion?

Mr. HANSEN. I yield, with the understanding that I do not lose my right to the floor after the vote has been taken.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. Hart). The question is on agreeing to the motion to lay the conference report on the table. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from Missouri (Mr. Eagleton), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from South Carolina (Mr. Hollings), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Utah (Mr. Moss), the Senator from Rhode Island (Mr. Pastore), the Senator from Georgia (Mr. Talmadge), the Senator from South Dakota (Mr. Abourezk), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that if present and voting, the Senator from Rhode Island (Mr. Pastore), the Senator from Minnesota (Mr. Humphrey), and the Senator from Nevada (Mr. Cannon) would each vote "nay."

Mr. GRIFFIN. I announce that the

Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senators from Vermont (Mr. AIKEN and Mr. STAFFORD), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator fgrom Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

Also, the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from New York (Mr. JAVITS), the Senator from Delaware (Mr. ROTH), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The result was announced—yeas 0, nays 60, as follows:

[No. 619 Leg.]

YEAS—0

NAYS—60

Allen
Baker
Bartlett
Bayh
Beall
Bible
Biden
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Fannin
Fulbright
Griffin
Hansen
Hart
Hartke
Hathaway
Hruska
Huddleston
Hughes
Jackson
Johnston
Kennedy
Long
McClellan
McGee
McGovern
McIntyre
Magnuson
Mansfield
Mathias
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stennis
Stevenson
Thurmond
Tunney
Weicker
Williams
Young

NOT VOTING—40

Abourezk
Aiken
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Goldwater
Gravel
Gurney
Haskell
Hatfield
Helms
Hollings
Humphrey
Inouye
Javits
McClure
Moss
Pastore
Pearson
Percy
Roth
Saxbe
Stafford
Stevens
Symington
Taft
Talmadge
Tower

So Mr. JACKSON's motion to lay the conference report on the table was rejected.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HANSEN. I yield, without losing my right to the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. HANSEN. Without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HANSEN. I yield.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, December 21, 1973, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1559. An act to assure opportunities for employment and training to unemployed and underemployed persons;

S. 1983. An act to provide for the conservation of endangered and threatened species of fish, wildlife, and plants, and for other purposes;

S. 2267. An act to amend section 303(b) of the Interstate Commerce Act to remove certain restrictions upon the application and scope of the exemption provided therein, and for other purposes;

S. 2482. An act to amend the Small Business Act;

S. 2491. An act to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains; and

S.J. Res. 182. A joint resolution extending the dates for the transmission of the 1974 Economic Report and the report of the Joint Economic Committee.

AMENDMENT OF WILD AND SCENIC RIVERS ACT

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 921.

The PRESIDING OFFICER (Mr. WILLIAMS) laid before the Senate the amendment of the House of Representatives to the bill (S. 921) to amend the Wild and Scenic Rivers Act", which was to strike out all after the enacting clause, and insert:

That the Wild and Scenic Rivers Act (82 Stat. 906), as amended (16 U.S.C. 1271–1287), is further amended as follows:

(a) Section 7(b) (i) is amended by:

(i) deleting "five-year" and inserting in lieu thereof "ten-year".

(ii) deleting "publish" and inserting in lieu thereof "notify the Committees on Interior and Insular Affairs of the United States House of Representatives and United States Senate in writing, including a copy of the study upon which his determination was made, at least one hundred and eighty days while Congress is in session, prior to publishing".

(b) Section 15(c) is amended by deleting "scenic view from the river," and inserting in lieu thereof "scenic and natural qualities of a designated wild, scenic, or recreational river area,".

(c) Section 16 is amended as follows:

(i) delete "$17,000,000" and insert "$37,600,000".

(ii) redesignate "SEC. 16." as "SEC. 16. (a)" and insert "(b) The authority to make the appropriations authorized in this section shall expire on June 30, 1978".

Mr. JACKSON. Mr. President, I move that the Senate concur in the House amendment with an amendment which I now send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the matter proposed to be inserted by the House add a new title I, title II, and title III as follows:

TITLE I—ENERGY EMERGENCY AUTHORITIES

SEC. 101. FINDINGS AND PURPOSES.

(a) (1) The Congress hereby determines that—

(A) shortages of crude oil, residual fuel oil, and refined petroleum products caused by insufficient domestic refining capacity, inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist;

(B) such shortages have created or will create severe economic dislocations and hardships;

(C) such shortages and dislocations jeopardize the normal flow of interstate and foreign commerce and constitute an energy emergency which can be averted or minimized most efficiently and effectively through prompt action by the executive branch of Government;

(D) disruptions in the availability of imported energy supplies, particularly crude oil and petroleum products, pose a serious risk to national security, economic well-being, and health and welfare of the American people;

(E) because of the diversity of conditions, climate, and available fuel mix in different areas of the Nation, a primary governmental responsibility for developing and enforcing, energy emergency measures lies with the States and with the local governments of major metropolitan areas acting in accord with the provisions of this Act; and

(F) the protection and fostering of competition and the preventions of anticompetitive practices and effects are vital during the energy emergency.

(2) On the basis of the determinations specified in subparagraphs (A) through (F) of paragraph (1) of this subsection, the Congress hereby finds that current and imminent fuel shortages have created a nationwide energy emergency.

(b) The purposes of this Act are to call for proposals for energy emergency rationing and conservation measures and to authorize specific temporary emergency actions to be exercised, subject to congressional review and right of approval or disapproval, to assure that the essential needs of the United States for fuels will be met in a manner which, to the fullest extent practicable: (1) is consistent with existing national commitments to protect and improve the environment; (2) minimizes any adverse impact on employment; (3) provides for equitable treatment of all sectors of the economy; (4) maintains vital services necessary to health, safety, and public welfare; and (5) insures against anticompetitive practices and effects and preserves, enhances, and facilitates competition in the development, production, transportation, distribution, and marketing of energy resources.

SEC. 102. DEFINITIONS.

For purposes of this Act:

(1) The term "State" means a State, the

District of Columbia, Puerto Rico, or any territory or possession of the United States.

(2) The term "petroleum product" means crude oil, residual fuel oil, or any refined petroleum product (as defined in the Emergency Petroleum Allocation Act of 1973).

(3) The term "United States" when used in the geographical sense means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(4) The term "Administrator" means the Administrator of the Federal Energy Emergency Administration.

SEC. 103. FEDERAL ENERGY EMERGENCY ADMINISTRATION.

(a) There is hereby established until May 15, 1975, unless superseded prior to that date by law, a Federal Energy Emergency Administration which shall be temporary and shall be headed by a Federal Energy Emergency Administrator, who will be appointed by the President, by and with the advice and consent of the Senate. Vacancies in the office of Administrator shall be filled in the same manner as the original appointment.

(b) The Administrator shall be compensated at the rate provided for level II of the Executive Schedule. Subject to the Civil Service and Classification provisions of title 5, United States Code, the Administrator may employ such personnel as he deems necessary to carry out his functions.

(c) Effective on the date on which the Administrator first takes office (or, if later, on January 1, 1974), all functions powers, and duties of the President under sections 4, 5, 6, and 9 of the Emergency Petroleum Allocation Act of 1973 (as amended by this Act), and of any officer, department, agency, or State (or officer thereof) under such sections (other than functions vested by section 6 of such Act in the Federal Trade Commission, the Attorney General, or the Antitrust Division of the Department of Justice), are transferred to the Administrator. All personnel, property, records, obligations, and commitments used primarily with respect to functions transferred under the preceding sentence shall be transferred to the Administrator.

SEC. 104. END-USE RATIONING.

Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h) (1) The President may promulgate a rule which shall be deemed a part of the regulation under subsection (a) and which shall provide, consistent with the objectives of subsection (b), for the establishment of a program for the rationing and ordering of priorities among classes of end-users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment to end-users of such products of rights, and evidence of such rights, entitling them to obtain such products in precedence to other classes of end-users not similarly entitled.

"(2) The rule under this subsection shall take effect only if the President finds that, without such rule, all other practicable and authorized methods to limit energy demand will not achieve the objectives of section 4(b) of this Act and of the Energy Emergency Act.

"(3) The President shall, by order, in furtherance of the rule authorized pursuant to paragraph (1) of this subsection and consistent with the attainment of the objectives in subsection (b) of this section, cause such adjustments in the allocations made pursuant to the regulation under subsection (a) as may be necessary to carry out the purposes of this subsection.

"(4) The President shall provide for procedures by which any end-user of crude oil, residual fuel oil or refined petroleum products for which priorities and entitlements are established under paragraph (1) of this subsection may petition for review and reclassification or modification of any determination made under such paragraph with respect to his rationing priority or entitlement. Such procedures may include procedures with respect to such local boards as may be authorized to carry out functions under this subsection pursuant to section 122 of the Energy Emergency Act.

"(5) No rule or order under this section may impose any tax or user fee, or provide for a credit or deduction in computing any tax.

"(6) No rule prescribed under this subsection (h) may remain in effect after April 1, 1974."

SEC. 105. ENERGY CONSERVATION PLANS.

(a) (1) (A) Pursuant to the provisions of this section, the Administrator is authorized to promulgate by regulation one or more energy conservation plans in accord with this section which shall be designed (together with actions taken and proposed to be taken under other authority of this or other Acts) to result in a reduction of energy consumption to a level which can be supplied by available energy resources. For purposes of this section, the term "energy conservation plan" means a plan for transportation controls (including but not limited to highway speed limits) or such other reasonable restrictions on the public or private use of energy (including limitations on energy consumption of businesses) which are necessary to reduce energy consumption and which are authorized by this Act.

(B) No energy conservation plan promulgated by regulation under this section may impose rationing or any tax or user fee, or provide for a credit or deduction in computing any tax.

(2) An energy conservation plan shall become effective as provided for in subsection (b). Such a plan shall apply in each State, except as otherwise provided in an exemption granted pursuant to the plan in cases where a comparable State or local program is in effect, or where the Administrator finds special circumstances exist.

(3) An energy conservation plan may not deal with more than one logically consistent subject matter.

(4) An amendment to an energy conservation plan, if it has significant substantive effect, shall be transmitted to Congress and shall be effective only in accordance with subsection (b). Any amendment which does not have significant substantive effect and any recession of a plan may be made effective in accordance with section 553 of title 5, United States Code.

(5) Subject to subsection (b) (3), provision of an energy conservation plan shall remain in effect for a period specified in the plan unless earlier rescinded by the Administrator, but shall terminate in any event no later than April 1, 1974.

(b) (1) For purposes of this subsection, the term "energy conservation plan" means a plan promulgated by a regulation proposed under subsection (a) of this section or an amendment thereto which has significant substantive effect.

(2) The Administrator shall transmit any energy conservation plan (bearing an identification number) to each House of Congress on the date on which it is promulgated.

(3) (A) If an energy conservation plan is transmitted to Congress before March 1, 1974, and provides for an effective date earlier than March 1, 1974, such plan shall take effect on the date provided in the plan; but if either House of the Congress, before the end of the first period of 15 calendar days of continuous session of Congress after the date on which such plan is transmitted to it, passes a resolution stating in substance that such House does not favor such plan, such plan shall cease to be effective on the date of passage of such resolution.

(B) If an energy conservation plan is transmitted to the Congress and provides for an effective date on or after March 1, 1974 and before April 1, 1974, such action shall take effect at the end of the first period of 15 calendar days of continuous session of Congress after the date on which such plan is transmitted to it unless, between the date of transmittal and the end of the 15-day period, either House passes a resolution stating in substance that such House does not favor such plan.

(C) An energy conservation plan proposed to be made effective on or after April 1, 1974, shall take effect only if approved by Act of Congress.

(4) For the purpose of paragraph (3) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 15-day period.

(5) Under provisions contained in an energy conservation plan, a provision of the plan may take effect at a time later than the date on which such plan otherwise is effective.

(c) (1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(2) For the purpose of this subsection, "resolution" means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the ——— does not favor the energy conservation plan numbered ——— transmitted to Congress by the Administrator of the Federal Energy Emergency Administration on ———, 19——." the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; but does not include a resolution which specifies more than one energy conservation plan.

(3) A resolution with respect to an energy conservation plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(4) (A) If the committee to which a resolution with respect to an energy conservation plan has been referred has not reported it at the end of 5 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to such energy conservation plan which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same energy conservation plan), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(C) If the motion, to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same plan.

(5) (A) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an energy conservation plan, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(6) (A) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution with respect to an energy conservation plan, and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an energy conservation plan shall be decided without debate.

(d) (1) In carrying out the provisions of this Act, the Administrator shall, to the greatest extent practicable, evaluate the potential economic impacts of proposed regulatory and other actions including but not limited to the preparation of an analysis of the effect of such actions on—

(A) the fiscal integrity of State and local government;

(B) vital industrial sectors of the economy;

(C) employment, by industrial and trade sector, as well as on a national, regional, State, and local basis;

(D) the economic vitality of regional, State, and local areas;

(E) the availability and price of consumer goods and services;

(F) the gross national product;

(G) competition in all sectors of industry; and

(H) small business.

(2) The Administrator shall develop analyses of the economic impact of any energy conservation plan on States or significant sectors thereof, considering the impact on energy resources as fuel and as feedstock for industry.

(3) Such analyses shall, wherever possible, be made explicit and, to the extent practicable, other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analyses, and all Federal agencies shall cooperate with the Administrator in preparing such analyses, except that the Administrator's actions pursuant to this subsection shall not create any right of review or cause of action except as otherwise exist under other provisions of law.

(4) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with sparate reports every thirty days on the impact of the energy shortage and such emergency actions on employment and the economy.

(e) Any energy conservation plan which the Administrator submits to the Congress pursuant to subsection (b) of this section shall include findings of fact and a specific statement explaining the rationale for each provision contained in such plan.

Sec. 106. Coal Conversion and Allocation.

(a) The Administrator shall, to the extent practicable and consistent with the objectives of this Act, by order, after balancing on a plant-by-plant basis the environmental effects of use of coal against the need to fulfill the purposes of this Act, prohibit, as its primary energy source, the burning of natural gas or petroleum products by any major fuel-burning installation (including any existing electric powerplant) which, on the date of enactment of this Act, has the capability and necessary plant equipment to burn coal. Any installation to which such an order applies shall be permitted to continue to use coal as provided in section 119(b) of the Clean Air Act. To the extent coal supplies are limited to less than the aggregate amount of coal supplies which may be necessary to satisfy the requirements of those installations which can be expected to use coal (including installations to which orders may apply under this subsection), the administrator shall prohibit the use of natural gas and petroleum, products for those installations where the use of coal will have the least adverse environmental impact. A prohibition on use of natural gas and petroleum products under this subsection shall be contingent upon the availability of coal, coal transportation facilities, and the maintenance of reliability of service in a given service area. The Administrator shall require that fossil-fuel-fired electric powerplants in the early planning process, other than combustion gas turbine and combined cycle units, be designed and constructed so as to be capable of using coal as a primary energy source instead of or in addition to other fossil fuels. No fossil-fuel-fired electric powerplant may be required under this section to be so designed and constructed, if (1) to do so would result in an impairment of reliability or adequacy of service, or (2) if an adequate and reliable supply of coal is not available and is not expected to be available. In considering whether to impose a design and construction requirement under this subsection, the Administrator shall consider the existence and effects of any contractual commitment for the construction of such facilities and the capability of the owner or operator to recover any capital investment made as a result of the conversion requirements of this section.

(b) The Administrator may by rule prescribe a system for allocation of coal to users thereof in order to attain the objectives specified in this section.

Sec. 107. Materials Allocation.

(a) The Administrator shall, within 30 days after the date of enactment of this Act, propose (in the nature of a proposed rule affording an opportunity for the presentation of views) and publish (and may from time to time amend) a contingency plan for allocation of supplies of materials and equipment necessary for exploration, production, refining, and required transportation of energy supplies and for the construction and maintenance of energy facilities. At such time as he finds that it is necessary to put all or part of the plan into effect, he shall transmit such plan or portion thereof to each House of Congress and such plan or portion thereof shall take effect in the same manner as an energy conservation plan prescribed under section 105 and to which section 105(b) (3) (B) applies (except that such plan may be submitted at any time after the date of enactment of this Act and before April 1, 1974.

(b) Section 4(b) (1) (G) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(G) allocation of residual fuel oil and refined petroleum products in such amounts and in such manner as may be necessary for the maintenance of exploration for, and production or extraction of—

"(i) fuels, and

"(ii) minerals essential to the requirements of the United States,

and for required transportation related thereto,"

Sec. 108. Federal Actions To Increase Available Domestic Petroleum Supplies.

(a) The Administrator may initiate the following measures to supplement domestic energy supplies for the duration of the emergency:

(1) require, by order or rule, the production of designated existing domestic oilfields, at their maximum efficient rate of production, which is the maximum rate which production may be sustained without detriment to the ultimate recovery of oil and gas under sound engineering and economic principles. Such fields are to be designated by the Secretary of the Interior, after consultation with the appropriate State regulatory agency. Data to determine the maximum efficient rate of production shall be supplied to the Secretary of the Interior by the State regulatory agency which determines the maximum efficient rate of production and by the operators who have drilled wells in, or are producing oil and gas from such fields;

(2) require, if necessary to meet essential energy needs, production of certain designated existing domestic oilfields at rates in excess of their currently assigned maximum efficient rates. Fields to be so designated, by the Secretary of the Interior or the Secretary of the Navy as to the Federal lands or as to Federal interests in lands under their respective jurisdiction, shall be those fields where the types and quality of reservoirs are such as to permit production at rates in excess of the currently assigned sustainable maximum efficient rate for periods of ninety days or more without excessive risk of losses in recovery;

(3) require the adjustment of processing operations of domestic refineries to produce refined products in proportion commensurate with national needs and consistent with the objectives of section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(b) Nothing in this section shall be construed to authorize the production of any Naval Petroleum Reserve now subject to the provisions of chapter 641 of title 10 of the United States Code.

Sec. 109. Other Amendments to the Emergency Petroleum Allocation Act of 1973.

(a) Section 4 of the Emergency Petroleum Allocation Act of 1973 as amended by section 104 of this Act is amended by adding at the end of such section the following new subsection:

"(i) If any provision of the regulation under subsection (a) provides that any allocation of residual fuel oil refined petroleum products is to be based on use of such a product or amounts of such product supplied during a historical period, the regulation shall contain provisions designed to assure that the historical period can be adjusted (other adjustments in allocations can be made) in order to reflect regional disparities in use, population growth or unusual factors influencing use (including unusual changes in climatic conditions), of such oil or the product in the historical period. This subsection shall take effect 30 days after the date of enactment of the Energy Emergency Act. Adjustments for such purposes shall take effect no later than 6 months after the date of enactment of this subsection. Adjustments to reflect population growth shall be based upon the most current figures available from the United States Bureau of the Census."

(b) Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "February 28, 1975" in each case the term appears and inserting in each case "May 15, 1975".

SEC. 110. IMPORTATION OF LIQUEFIED NATURAL GAS.

The Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new section:

"SEC. 8. Notwithstanding the provisions of section 3 of the Natural Gas Act (or any other provisions of law) the President may by order, on a finding that such action would be consistent to the public interest, authorize on a shipment-by-shipment basis the importation of liquefied natural gas from a foreign country: *Provided, however*, That the authority to act under this section shall not permit the importation of liquefied natural gas which had not been authorized prior to the date of expiration of this Act and which is in transit on such date."

SEC. 111. PROTECTION OF FRANCHISED DEALERS

(a) As used in this section:

(1) The term "distributor" means a person engaged in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or in any way controls such outlets.

(2) The term "franchise" means any agreement or contract between a refiner or a distributor and a retailer or between a refiner and a distributor, under which such retailer or distributor is granted authority to use a trademark, trade name, service mark or other identifying symbol or name owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purpose of engaging in the distribution or sale of petroleum products for purposes other than resale.

(3) The term "notice of intent" means a written statement of the alleged facts which, if true, constitute a violation of subsection (b) of this section.

(4) The term "refiner" means a person engaged in the refining or importing of petroleum products.

(5) The term "retailer" means a person engaged in the sale of any refined petroleum product for purposes other than resale within any State, either under a franchise or independent of any franchise, or who was so engaged at any time after the start of the base period.

(b)(1) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby. Such notification shall be in writing and sent to such distributor or retailer by certified mail not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons therefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this section together with a summary of the applicable provisions of this section.

(2) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the retailer or distributor whose franchise is terminated failed to comply substantially with any essential and reasonable requirement of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of refined petroleum products in commerce for sale other than resale in the United States.

(c)(1) If a refiner or distributor engages in conduct prohibited under subsection (b) of this section, a retailer or a distributor may maintain a suit against such refiner or distributor. A retailer may maintain such suit against a distributor or a refiner whose actions affect commerce and whose products with respect to conduct prohibited under paragraph (1) or (2) of subsection (b) of this section, he sells or has sold, directly or indirectly, under a franchise. A distributor may maintain such suit against a refiner whose actions affect commerce and whose products he purchases or has purchased or whose products he distributes or has distributed to retailers.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of conduct prohibited under subsection (b) of this section which it finds to exist including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and actual and punitive damages (except for actions for a failure to renew) where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant. In the case of actions for a failure to renew damages shall be limited to actual damages including the value of the dealer's equity.

(3) A suit under this section may be brought in the district court of the United States for any judicial district in which the distributor or the refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No such suit shall be maintained unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof.

SEC. 111. PROHIBITIONS ON UNREASONABLE ACTIONS.

(a) Action taken under authority of this Act, the Emergency Petroleum Allocation Act of 1973, or other Federal law resulting in the allocation of petroleum products and electrical energy among classes of users or resulting in restrictions on use of petroleum products and electrical energy, shall be equitable, shall not be arbitrary or capricious, and shall not unreasonably discriminate among classes of users: *Provided*, That with respect to allocations of petroleum products applicable to the foreign trade and commerce of the United States, no foreign corporation or entity shall receive more favorable treatment in the allocation of petroleum products than that which is accorded by its home country to United States citizens engaged in the same line of commerce, and allocations shall contain provisions designed to foster reciprocal and non-discriminatory treatment by foreign countries of United States citizens engaged in foreign commerce.

(b) To the maximum extent practicable, any restriction on the use of energy shall be designed to be carried out in such manner so as to be fair and to create a reasonable distribution of the burden of such restriction on all sectors of the economy, without imposing an unreasonably disproportionate share of such burden on any specific industry, business or commercial enterprise, or on any individual segment thereof and shall give due consideration to the needs of commercial, retail, and service establishments whose normal function is to supply goods and services of an essential convenience nature during times of day other than conventional daytime working hours.

SEC. 112. REGULATED CARRIERS.

(a) The Interstate Commerce Commission (with respect to common or contract carriers subject to economic regulation under the Interstate Commerce Act), the Civil Aeronautics Board, and the Federal Maritime Commission shall, for the duration of the period beginning on the date of enactment of this Act and ending on April 1, 1974, have authority to take any action for the purpose of a conserving energy consumption in a manner found by such Commission or Board to be consistent with the objectives and purposes of the Acts administered by such Commission or Board on its own motion or on the petition of the Administrator which existing law permits such Commission or Board to take upon the motion or petition of any regulated common or contract carrier or other person.

(b) The Interstate Commerce Commission shall, by expedited proceedings, adopt appropriate rules under the Interstate Commerce Act which eliminate restrictions on the operating authority of any motor common carrier of property which require excessive travel between points with respect to which such motor common carrier has regularly performed service-under authority issued by the Commission. Such rules shall assure continuation of essential service to communities served by any such motor common carrier.

(c) Within 4 days after the date of enactment of this Act, the Civil Aeronautics Board, the Federal Maritime Commission, and the Interstate Commerce Commission shall report separately to the appropriate committees of the Congress on the need for additional regulatory authority in order to conserve fuel during the period beginning on the date of enactment of this Act and ending on May 15, 1975 while continuing to provide for the public convenience and necessity. Each such report shall identify with specificity—

(1) the type of regulatory authority needed;

(2) the reasons why such authority is needed;

(3) the probable impact on fuel conservation of such authority;

(4) the probable effect on the public convenience and necessity of such authority; and

(5) the competitive impact, if any, of such authority.

Each such report shall further make recommendations with respect to changes in any existing fuel allocation programs which are deemed necessary to provide for the public convenience and necessity during such period.

SEC. 113. ANTITRUST PROVISIONS.

(a) Except as specifically provided in subsection (i), no provision of this Act shall be deemed to convey to any person subject to this Act any immunity from civil and criminal liability or to create defenses to actions, under the antitrust laws.

(b) As used in this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) (1) To achieve the purposes of this Act, the Administrator may provide for the establishment of such advisory committees as he determines are necessary. Any such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C. App. 1), whether or not such Act or any of its provisions expires or terminates during the term of this Act or of such committees, and in all cases shall be chaired by a regular full-time Federal employee and shall include representatives of the public. The meetings of such committees shall be open to the public.

(2) A representative of the Federal Government shall be in attendance at all meetings of any advisory committee established pursuant to this section. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

(3) A full and complete verbatim transcript shall be kept of all advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of sections 552(b) (1) and (b) (3) of title 5, United States Code.

(d) The Administrator, subject to the approval of the Attorney General and the Federal Trade Commission, shall promulgate, by rule, standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil or any refined petroleum product may develop and implement voluntary agreements and plans of action to carry-out such agreements which the Administrator determines are necessary to accomplish the objectives stated in section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(e) The standards and procedures under subsection (d) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things that—

(1) Such agreements and plans of action shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the petroleum industry and of industrial, municipal and private consumers, and shall in all cases be chaired by a regular full-time Federal employee.

(2) Meetings held to develop a voluntary agreement or a plan of action under this subsection shall permit attendance by interested persons and shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission and to the public in the affected community;

(3) Interested persons shall be afforded an opportunity to present, in writing and orally, data, views and arguments at such meetings;

(4) A full and complete verbatim transcript shall be kept of any meeting, conference or communication held to develop, implement or carry out a voluntary agreement or a plan of action under this subsection and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying, subject to provisions of section 552 (b) (1) and (b) (3) of title 5, United States Code.

(f) The Federal Trade Commission may exempt types or classes of meetings, conferences, or communications from the requirements of subsection (c) (3) and (e) (4) provided such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing or carrying out a voluntary agreement or plan of action authorized pursuant to this section. Such ministerial meeting, conference or communciation may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference, or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject matter discussed. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

(g) (1) The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, implementation and carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this Act. Each shall have the right to review, amend, modify, disapprove, or prospectively revoke, on its own motion or upon the request of any interested person, any plan of action or voluntary agreement at any time, and, if revoked, thereby withdraw prospectively the immunity conferred by subsection (i) of this section.

(2) Any voluntary agreement or plan of action entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission 20 days before being implemented, where it shall be made available for public inspection and copying.

(h) (1) The Attorney General and the Federal Trade Commission shall monitor the development, implementation and carrying out of plans of action and voluntary agreements authorized under this section to assure the protection and fostering of competition and the prevention of anticompetitive practices and effects.

(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts and other records related to the development, implementation or carrying out of plans of action or voluntary agreements authorized pursuant to this Act.

(3) Persons developing, implementing or carrying out plans of action or voluntary agreements authorized pursuant to this Act shall maintain those records required by such joint regulations. The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

(4) The Federal Trade Commission and the Attorney General may each prescribe such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. They may both utilize for such purposes and for purposes of enforcement, any and all powers conferrered upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws; and wherever such provision of law refers to "the purposes of this Act" or like terms, the reference shall be understood to be this Act.

(i) There shall be available as a defense to any civil or criminal action brought under the antitrust laws in respect of actions taken in good faith to develop and implement a voluntary agreement or plan of action to carry out a voluntary agreement by persons engaged in the business of producing, refining, marketing or distributing crude oil, residual fuel oil, or any refined petroleum product that—

(1) such action was—

(A) authorized and approved pursuant to this section, and

(B) undertaken and carried out solely to achieve the purposes of this section and in compliance with the terms and conditions of this section, and the rules promulgated hereunder; and

(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

(j) No provision of this Act shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred: (1) prior to the enactment of this Act, (2) outside the scope and purpose or not in compliance with the terms and conditions of this Act and this section, or (3) subsequent to its expiration or repeal.

(k) Effective on the date of enactment of this Act, this section shall apply in lieu of section 6(c) of the Emergency Petroleum Allocation Act of 1973. All actions taken and any authority or immunity granted under such section 6(c) shall be hereafter taken or granted, as the case may be, pursuant to this section.

(l) The provisions of section 708 of the Defense Production Act of 1950, as amended, shall not apply to any action authorized to be taken under this Act or the Emergency Petroleum Allocation Act of 1973.

(m) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, a report on the impact on competition and on small business of actions authorized by this section.

(n) The authority granted by this section (including any immunity under subsection (i)) shall terminate on April 1, 1974.

(o) The exercise of the authority provided in section 113 shall not have as a principal purpose or effect the substantial lessening of competition among carriers affected. Actions taken pursuant to that subsection shall be taken only after providing from the beginning an adequate opportunity for participation by the Federal Trade Commission and the Assistant Attorney General in charge of the Antitrust Division, who shall propose any alternative which would avoid or overcome, to the greatest extent practicable, any anticompetitive effects while achieving the purposes of this Act.

SEC. 114. EXPORTS.

To the extent necessary to carry out the purposes of this Act, the Administrator may under authority of this Act, by rule, restrict exports of coal, petroleum products, and petrochemical feedstocks, under such terms as he deems appropriate: *Provided*, That, the Administrator shall restrict exports of coal, petroleum products, or petrochemical feedstocks if either the Secretary of Commerce or the Secretary of Labor certifies that such exports would contribute to unemployment in the United States. The Secretary of Commerce, pursuant to the Export Administration Act of 1969 (but without regard to the phrase "and to reduce the serious inflationary impact of abnormal foreign demand" in section 3(2)(A) of such Act), may restrict the exports of coal, petroleum products, and petrochemical feedstocks, and of materials and equipment essential to the production, transport, or processing of fuels to the extent necessary to carry out the purpose of this Act and sections 4(b) and 4(d) of the Emergency Petroleum Allocation Act of 1973: *Provided*, That in the event that the Administrator certifies to the Secretary of Commerce that export restrictions of products enumerated in this section are necessary to carry out the purpose of this Act, the Secretary of Commerce shall impose such export restrictions. Rules under this section by the Administrator and actions by the Secretary of Commerce under the Export Administration Act of 1969 shall take into account the historical trading relations of the United States with Canada and Mexico and shall not be inconsistent with subsections (b) and (d) of section 4 of the Emergency Petroleum Allocation Act of 1973.

Sec. 115. Employment Impact and Unemployment Assistance.

(a) The President shall take into consideration and shall minimize, to the fullest extent practicable, any adverse impact of actions taken pursuant to this Act upon employment. All agencies of government shall cooperate fully under their existing statutory authority to minimize any such adverse impact.

(b) The President shall make grants to States to provide to any individual unemployed, if such unemployment resulted from the administration and enforcement of this Act and was in no way due to the fault of such individual, such assistance as the President deems appropriate while such individual is unemployed. Such assistance as a State shall provide under such a grant shall be available to individuals not otherwise eligible for unemployment compensation and individuals who have otherwise exhausted their eligibility for such unemployment compensation, and shall continue as long as unemployment in the area caused by such administration and enforcement continues (but not less than six months) or until the individual is reemployed in a suitable position, but not longer than two years after the individual becomes eligible for such assistance. Such assistance shall not exceed the maximum weekly amount under the unemployment compensation program of the State in which the employment loss occurred.

(c) On or before the sixtieth day following the date of enactment of this Act, the President shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers and shall include legislative recommendations which the President deems appropriate to meet such needs, including revisions in the unemployment insurance laws.

Sec. 116. Use of Carpools.

(a) The Secretary of Transportation shall encourage the creation and expansion of the use of carpools as a viable component of our nationwide transportation system. It is the intent of this section to maximize the level of carpool participation in the United States.

(b) The Secretary of Transportation is directed to establish within the Department of Transportation an "Office of Carpool Promotion" whose purpose and responsibilities shall include—

(1) responding to any and all requests for information and technical assistance on carpooling and carpooling systems from units of State and local governments and private groups and employees;

(2) promoting greater participation in carpooling through public information and the preparation of such materials for use by State and local governments;

(3) encouraging and promoting private organizations to organize and operate carpool systems for employees;

(4) promoting the cooperation and sharing of responsibilities between separate, yet proximately close, units of government in coordinating the operations of carpool systems; and

(5) promoting other such measures that the Secretary determines appropriate to achieve the goal of this subsection.

(c) The Secretary of Transportation shall encourage and promote the use of incentives such as special parking privileges, special roadway lanes, toll adjustments, and other incentives as may be found beneficial and administratively feasible to the futherance of carpool ridership, and consistent with the obligations of the State and local agencies which provide transportation services.

(d) The Secretary of Transportation shall allocate the funds appropriated pursuant to the authorization of subsection (f) according to the following distribution between the Federal and State or local units of government:

(1) The initial planning process—up to 100 percent Federal.

(2) The systems design process—up to 100 percent Federal.

(3) The initial startup and operation of a given system—60 percent Federal and 40 percent State or local with the Federal portion not to exceed 1 year.

(e) Within 12 months of the date of enactment of this Act, the Secretary of Transportation shall make a report to Congress of all his activities and expenditures pursuant to this section. Such report shall include any recommendations as to future legislation concerning carpooling.

(f) The sum of $5,000,000 is authorized to be appropriated for the conduct of programs designed to achieve the goals of this section, such authorization to remain available for 2 years.

(g) For purposes of this section, the terms "local governments" and "local units of government" include any metropolitan transportation organization designated as being responsible for carrying out section 134 of title 23, United States Code.

(h) As an example to the rest of our Nation's automobile users, the President of the United States shall take such action as is necessary to require all agencies of Government, where practical, to use economy model motor vehicles.

(i)(1) The President shall take action to require that no Federal official or employee in the executive branch below the level of Cabinet officer be furnished a limousine for individual use. The provisions of this subsection shall not apply to limousines furnished for use by officers or employees of the Federal Bureau of Investigation, or to those persons whose assignments necessitate transportation by limousines because of diplomatic assignment by the Secretary of State.

(2) For purposes of this subsection, the term "limousine" means a type 6 vehicle as defined in the Interim Federal Specifications issued by the General Services Administration, December 1, 1973.

Sec. 117. Administrative Procedure and Judicial Review

(a)(1) Subject to paragraphs (2), (3), and (4) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule or order (including a rule or order issued by a State or officer thereof) under this title (except with respect to any rule or order pursuant to sections 108 and 113 of this Act, section 205 (a), (b), and (c), of this Act, or section 4(h) of the Emergency Petroleum Allocation Act of 1973) or under the authority of any energy conservation plan.

(2) Notice of any proposed rule or order described in paragraph (1) shall be given by publication of such proposed rule or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious impairment to the operation of the program to which such rule or order relates and such findings are set out in detail in such rule or order. In addition, public notice of all rules or orders promulgated by officers of a State or political subdivision thereof or to State or local boards pursuant to this Act shall to the maximum extent practicable be achieved by publication of such rules or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

(3) In addition to the requirements of paragraph (2), if any rule or order described in paragraph (1) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the implementation of such rule or order, but in all cases such opportunity shall be afforded no later than 45 days after the implementation of any such order or order. A transcript shall be kept of any oral presentation.

(4) Any officer or agency authorized to issue rules or orders described in paragraph (1) shall provide for the making of such adjustments, consistent with the other purposes of this Act or the Emergency Petroleum Allocation Act of 1973 (as the case may be), as may be necessary to prevent special hardships, inequity, or an unfair distribution of burdens and shall in rules prescribed by it establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with subsection (b) when such denial becomes final. The officer or agency shall, in rules prescribed by it, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(5) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized by this Act or the Emergency Petroleum Allocation Act of 1973 to issue rules or orders shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any rule or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders, furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request and with such modifications as are necessary to insure confidentiality of information protected under such section 552.

(b)(1) Judicial review of administrative rulemaking of general and national applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule or regulation, and judicial review of administrative rulemaking of general, but less than national, applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule or regulation, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule or regulation is to have effect.

(2) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under regulations or orders issued thereunder, except any actions taken by the Civil Aeronautics Board,

the Interstate Commerce Commission, Federal Power Commission, or the Federal Maritime Commission, or any actions taken to implement or enforce any rule or order by any officer of a State or political subdivision thereof or State or local board which has been delegated authority under section 122 of this Act except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any agency under this Act). If in any such proceeding an issue by way of defense is raised based on the constitutionality of this Act or the validity of agency action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code. Cases or controversies arising under any rule or order of any officer of a State or political subdivision thereof or a State or local board may be heard in either (1) any appropriate State court, and (2) without regard to the amount in controversy, the district courts of the United States.

(c) The Administrator may by rule prescribe procedures for State or local boards which carry out functions under this Act or the Emergency Petroleum Allocation Act of 1973. Such procedures shall apply to such boards in lieu of subsection (a), and shall require that prior to taking any action, such boards shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least 10 days before taking the action. Such boards shall be of balanced composition reflecting the makeup of the community as a whole.

SEC. 119. PROHIBITED ACTS

It shall be unlawful for any person to violate any provision of title I of this Act (other than provisions of this Act which make amendments to the Emergency Petroleum Allocation Act of 1973 and section 113) or to violate any rule, regulation (including an energy conservation plan) or order issued pursuant to any such provision.

SEC. 120. ENFORCEMENT.

(a) Whoever violates any provision of section 119 shall be subject to a civil penalty of not more than $2,500 for each violation.

(b) Whoever willfully violates any provision of section 119 shall be fined not more than $5,000 for each violation.

(c) It shall be unlawful for any person to offer for sale or distribute in commerce any product or commodity in violation of an applicable order or regulation issued pursuant to this Act. Any person who knowingly and willfully violates this subsection after having been subjected to a civil penalty for a prior violation of the same provision of any order or regulation issued pursuant to this Act shall be fined not more than $50,000 or imprisoned not more than six months, or both.

(d) Whenever it appears to any person authorized by the Administrator to exercise authority under this Act that any individual or organization has engaged, is engaged, or is about to engage in acts or practices constituting a violation of section 119, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with section 119.

(e) Any person suffering legal wrong because of any act or practice arising out of any violation of section 119 may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment or writ of injunction. Nothing in this subsection shall authorize any person to recover damages.

SEC. 121. USE OF FEDERAL FACILITIES.

Whenever practicable, and for the purpose of facilitating the transportation and storage of fuel, agencies or departments of the United States are authorized, during the period beginning on the date of enactment of this Act and ending April 1, 1974, to enter into arrangements for the acquisition or use by domestic public entities and private industries of equipment or facilities which are surplus to the needs of such agency or department and appropriate to the transportation and storage of fuel, except that such arrangements may be made (1) only after the Administrator finds that such equipment or facilities are not available from private sources and (2) only on the basis of compensation for the acquisition or use of such equipment or facilities at fair market value prices or rentals.

SEC. 122. DELEGATION OF AUTHORITY AND EFFECT ON STATE LAW.

(a) The Administrator may delegate any of his functions under the Emergency Petroleum Allocation Act of 1973 or this Act to any officer or employee of the Federal Energy Emergency Administration as he deems appropriate. The Administrator may delegate any of his functions relative to implementation and enforcement of the Emergency Energy Petroleum Allocation Act of 1973 or this Act to officers of a State or political subdivision thereof or to State or local boards of balanced composition reflecting the make-up of the community as a whole. Such officers or boards shall be designated and established in accordance with regulations as the Administration shall promulgate under this Act. Section 5(b) of the Emergency Petroleum Allocation Act of 1973 is repealed effective on the effective date of the transfer of functions under such Act to the Administrator pursuant to section 103 of this Act.

(b) No State law or State program in effect on the date of enactment of this Act, or which may become effective thereafter, shall be superseded by any provision of this Act or any regulation, order, or energy conservation plan issued pursuant to this Act except insofar as such State law or State program is inconsistent with the provisions of this Act, or such a regulation, order, or plan.

SEC. 123. GRANTS TO STATES.

Any funds authorized to be appropriated under section 127(b) shall be available for the purpose of making grants to States to which the Administrator has delegated authority under section 122 of this Act, or for the administration of appropriate State or local energy conservation programs which are the basis of an exemption made pursuant to section 105(a)(2) of this Act from a Federal energy conservation plan which has taken effect under section 105 of this Act. The Administrator shall make such grants upon such terms and conditions as he may prescribe by rule.

SEC. 124. REPORTS ON NATIONAL ENERGY RESOURCES.

(a) For the purpose of providing to the Departments of Interior and Justice, to the maximum extent possible, reliable data on reserves, production, distribution, and use of petroleum products, natural gas, and coal, the Attorney General and the Secretary of the Interior shall promptly publish for public comment a regulation requiring that persons doing business in the United States, who, on the effective date of this Act, are engaged in exploring, developing, processing, refining, or transporting by pipeline, any petroleum product, natural gas, or coal, shall provide detailed reports to the Attorney General and the Secretary of the Interior every sixty calendar days. Such reports shall show for the preceding sixty calendar days such person's (1) reserves of crude oil, natural gas, and coal; (2) production and destination of any petroleum product, natural gas, and coal; (3) refinery runs by product; and (4) any other data required by the Attorney General or the Secretary of the Interior for such purpose. Such regulation shall also require that such persons provide to the Administrator such reports for the period from January 1, 1970, to the date of such person's first sixty days report. Such regulation shall be promulgated 30 days after such publication. The Attorney General or the Secretary of the Interior shall publish quarterly in the Federal Register a meaningful summary analysis of the data provided by such reports.

(b) The reporting requirements of this section shall not apply to the retail operations of persons required to file such reports. Where a person shows that all or part of the data required by this section is being reported by such person to another Federal agency, the Attorney General and the Secretary of the Interior may exempt such person from reporting all or part of such data directly to him, and upon such exemption, such agency shall, notwithstanding any other provision of law, provide such data to the Attorney General and the Secretary of the Interior. The district courts of the United States are authorized, upon application of the Attorney General and the Secretary of the Interior, to require enforcement of such reporting requirements.

(c) Upon a showing satisfactory to the Attorney General and the Secretary of the Interior by any person that any report or part thereof obtained under this section from such person or from a Federal agency would, if made public, divulge methods or processes entitled to protection as trade secrets or other proprietary information of such person, such report, or portion thereof, shall be confidential in accordance with the provisions of section 1905 of title 18 of the United States Code, except that such report or part thereof shall not be deemed confidential for purposes of disclosure to (1) the Attorney General, or (2) the Secretary of the Interior.

SEC. 125. INTRASTATE GAS.

Nothing in this Act shall expand the authority of the Federal Power Commission with respect to sales of non-jurisdictional natural gas.

SEC. 126. EXPIRATION.

The authority under this title to prescribe any rule or order or take other action under this title, or to enforce any such rule or order, shall expire on midnight April 1, 1974, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, April 1, 1974.

SEC. 127. AUTHORIZATION OF APPROPRIATIONS.

(a) There are authorized to be appropriated to the Federal Energy Emergency Agency to carry out its functions under this Act and under other laws, and to make grants to States under section 122, $75,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975.

(b) For the purpose of making payments under grants to States under section 123, there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975.

(c) For the purpose of making payments under grants to States under section 116, there is authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1974.

SEC. 128. SEVERABILITY.

If any provision of ths Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 129. PRICE AUTHORITY.

The President shall exercise his authority under the Economic Stabilization Act of 1970, as amended, and the Emergency Petroleum Allocation Act of 1973 to specify prices for sales of crude oil, residual fuel oil or refined petroleum products in or imported into the United States which avoid windfall profits by sellers. For purposes of this section, windfall profits shall be defined as those profits which are excessive or unreasonable, taking into consideration normal profit levels. This section shall be effective only until December 31, 1974.

TITLE II—COORDINATION WITH ENVIRONMENTAL PROTECTION REQUIREMENTS

SEC. 201. SUSPENSION AUTHORITY.

Title I of the Clean Air Act (42 U.S.C. 1857 et seq.) is amended by adding at the end thereof the following new section:

"ENERGY EMERGENCY AUTHORITY

"SEC. 119. (a)(1)(A) The Administrator may, for any period beginning on or after the date of enactment of this section and ending on or before November 1, 1974, temporarily suspend any stationary source fuel or emission limitation as it applies to any person, if the Administrator finds that such person will be unable to comply with such limitation during such period solely because of unavailability of types or amounts of fuels. Any suspension under this paragraph and any interim requirement on which such suspension is conditioned under paragraph (3) shall be exempted from any procedural requirements set forth in this Act or in any other provision of local, State, or Federal law; except as provided in subparagraph (B).

"(B) The Administrator shall give notice to the public of a suspension and afford the public an opportunity for written and oral presentation of views prior to granting such suspension unless otherwise provided by the Administrator for good cause found and published in the Federal Register. In any case, before granting such a suspension he shall give actual notice to the Governor of the State, and to the chief executive officer of the local government entity in which the affected source or sources are located. The granting or denial of such suspension and the imposition of an interim requirement shall be subject to judicial review only on the grounds specified in paragraphs (2)(B) and (2)(C) of section 706 of title 5, United States Code, and shall not be subject to any proceeding under section 304(a)(2) or 307 (b) and (c) of this Act.

"(2) In issuing any suspension under paragraph (1) the Administrator is authorized to act on his own motion without application by any source or State.

"(3) Any suspension under paragraph (1) shall be conditioned upon compliance with such interim requirements as the Administrator determines are reasonable and practicable. Such interim requirements shall include, but need not be limited to, (A) a requirement that the source receiving the suspension comply with such reporting requirements as the Administrator determines may be necessary, (B) such measures as the Administrator determines are necessary to avoid an imminent and substantial endangerment to health of persons, and (C) requirements that the suspension shall be inapplicable during any period during which fuels which would enable compliance with the suspended stationary source fuel or emission limitation are in fact reasonably available to that person (as determined by the Administrator). For purposes of clause (C) of this paragraph, availability of natural gas or petroleum products which enable compliance shall not make a suspension inapplicable to a source described in subsection (b)(1) of this section.

"(4) For purposes of this section:

"(A) The term 'stationary source fuel or emission limitation' means any emission limitation, schedule, or timetable for compliance, or other requirements, which is prescribed under this Act (other than section 303, 111(b), or 112) or contained in an applicable implementation plan and which is designed to limit stationary source emissions resulting from combustion of fuels, including a probation on, or specification of, the use of any fuel of any type or grade or pollution characteristics thereof.

"(B) The term 'stationary source' has the same meaning as such term has under section 111(a)(3).

"(b)(1) Except as provided in paragraph (2) of this subsection, any fuel-burning stationary source (A) which is prohibited from using petroleum products or natural gas as fuel by reason of an order issued under section 106(a) of the Energy Emergency Act, or which the Administrator determines began conversion to the use of coal as fuel during the 90-day period ending on December 15, 1973, and (B) which converts to the use of coal as fuel, shall not, until January 1, 1979, be prohibited, by reason of the application of any air pollution requirement, from burning coal which is available to such source.

"(2)(A) Paragraph (1) of this subsection shall apply to a source, only if the Administrator finds that emissions from the source will not materially contribute to a significant risk to public health and if the source has submitted to the Administrator a plan for compliance for such source which the Administrator has approved, after notice to interested persons and opportunity for presentation of views (including oral presentations of views). A plan submitted under the preceding sentence shall be approved only if it provides (i) for compliance by the means, and in accordance with a schedule, which meets the requirements of subparagraph (B), and (ii) that such source will comply with requirements which the Administrator shall prescribe to assure that emissions from such source will not materially contribute to a significant risk to public health. The Administrator shall approve or disapprove any such plan within 60 days after such plan is submitted.

"(B) The Administrator shall prescribe regulations requiring that any source to which this subsection applies submit and obtain approval of its means for and schedule of compliance. Such regulations shall include requirements that such schedules shall include dates by which such source must (i) enter into contracts or other enforceable obligations for obtaining a long-term supply of coal or coal by-products (which contracts or obligations must have received prior approval of the Administrator), and (ii) take steps to obtain continuous emission reduction systems necessary to permit such source to burn such coal or coal by-products and to achieve the degree of emission reduction required by the following sentence (which steps and systems must have received prior approval of the Administrator). Such regulations shall also require that the source achieve as expeditiously as practicable considering the type of coal to be used (but not later than January 1, 1979) the same degree of emission reduction as it was required to achieve by the applicable implementation plan in effect on the date of enactment of this section. Such regulations shall also include such interim requirements as the Administrator determines are reasonable and practicable including requirements described in clauses (A) and (B) of subsection (a)(3).

"(C) The Administrator (after notice to interested persons and opportunity for presentation of views, including oral presentations of views, to the extent practicable) (i) may, prior to November 1, 1974, and shall thereafter, prohibit the use of coal by a source to which paragraph (1) applies if he determines that the use of coal by such source is likely to materially contribute to a significant risk to public health; and (ii) may require such source to use coal of any particular type, grade, or pollution characteristic if such coal is available to such source. Nothing in this subsection (b) shall prohibit a State or local agency from taking action which the Administrator is authorized to take under this paragraph.

"(3) For purposes of this subsection, the term "air pollution requirement" means any emission limitation, schedule, or timetable for compliance, or other requirement, which is prescribed under any Federal, State, or local law or regulation, including this Act (except for any requirement prescribed under this subsection or section 303), and which is designed to limit stationary source emissions resulting from combustion of fuels (including a restriction on the use or content of fuels). A conversion to coal to which this subsection applies shall not be deemed to be a modification for purposes of section 111(a)(2) and (4) of this Act.

"(4) A source to which this subsection applies may, upon the expiration of the exemption under paragraph (1), obtain a one year postponement of the application of any requirement of an applicable implementation plan under the conditions and in the manner provided in section 110(f).

"(c) The Administrator may by rule establish priorities under which manufacturers of continuous emission reduction systems shall provide such systems to users thereof, if he finds that priorities must be imposed in order to assure that such systems are first provided to users in air quality control regions with the most severe air pollution. No rule under this subsection may impair the obligation of any contract entered into before enactment of this section. No State or political subdivision may require any person to use a continuous emission reduction system for which priorities have been established under this subsection except in accordance with such priorities.

"(d) The Administrator shall study, and report to Congress not later than May 31, 1974, with respect to—

"(1) the present and projected impact on the program under this Act of fuel shortages and of allocation and end-use allocation programs;

"(2) availability of continuous emission reduction technology (including projections respecting the time, cost, and number of units available) and the effects that continuous emission reduction systems would have on the total environment and on supplies of fuel and electricity;

"(3) the number of sources and locations which must use such technology based on projected fuel availability data;

"(4) priority schedule for implementation of continuous emission reduction technology, based on public health or air quality;

"(5) evaluation of availability of technology to burn municipal solid waste in these sources; including time schedules, priorities analysis of unregulated pollutants which will be emitted and balancing of health benefits and detriments from burning solid waste and of economic costs;

"(6) projections of air quality impact of fuel shortages and allocations;

"(7) evaluation of alternative control

strategies for the attainment and maintenance of national ambient air quality standards for sulfur oxides within the time frames prescribed in the Act, including associated considerations of cost, time frames, feasibility, and effectiveness of such alternative control strategies as compared to stationary source fuel and emission regulations;

"(8) proposed allocations of continuous emission reduction technology for nonsolid waste producing systems to sources which are least able to handle solid waste byproduct, technologically, economically, and without hazard to public health, safety, and welfare; and

"(9) plans for monitoring or requiring sources to which this section applies to monitor the impact of actions under this section on concentration of sulfur dioxide in the ambient air.

"(e) No State or political subdivision may require any person to whom a suspension has been granted under subsection (a) to use any fuel the unavailability of which is the basis of such person's suspension (except that this preemption shall not apply to requirements identical to Federal interim requirements under subsection (a)(1)).

"(f)(1) It shall be unlawful for any person to whom a suspension has been granted under subsection (a)(1) to violate any requirement on which the suspension is conditioned pursuant to subsection (a)(3).

"(2) It shall be unlawful for any person to violate any rule under subsection (c).

"(3) It shall be unlawful for the owner or operator of any source to fail to comply with any requirement under subsection (b) or any regulation, plan, or schedule thereunder.

"(4) It shall be unlawful for any person to fail to comply with an interim requirement under subsection (i)(3).

"(g) Beginning January 1, 1975, the Administrator shall publish at no less than 180-day intervals, in the Federal Register the following:

"(1) A concise summary of progress reports which are required to be filed by any person or source owner or operator to which subsection (b) applies. Such progress reports shall report on the status of compliance with all requirements which have been imposed by the Administrator under such subsections.

"(2) Up-to-date findings on the impact of this section upon—

"(A) applicable implementation plans, and

"(B) ambient air quality.

"(h) Nothing in this section shall affect the power of the Administrator to deal with air pollution sources presenting an imminent and substantial endangerment to the health of persons under section 303 of this Act.

"(i)(1) In order to reduce the likelihood of early phaseout of existing electric generating facilities during the energy emergency, any electric generating power plant (A) which, because of the age and condition of the plant, is to be taken out of service permanently no later than January 1, 1980, according to the power supply plan (in existence on the date of enactment of the Energy Emergency Act) of the operator of such plant, (B) for which a certification to that effect has been filed by the operator of the plant with the Environmental Protection Agency and the Federal Power Commission, and (C) for which the Commission has determined that the certification has been made in good faith and that the plan to cease operations no later than January 1, 1980, will be carried out as planned in light of existing and prospective power supply requirements, shall be eligible for a single one-year postponement as provided in paragraph (2).

"(2) Prior to the date on which any plant eligible under paragraph (1) is required to comply with any requirement of an applicable implementation plan, such source may apply (with the concurrence of the Governor of the State in which the plant is located) to the Administrator to postpone the applicability of such requirement to such source for not more than one year. If the Administrator determines, after balancing the risk to public health and welfare which may be associated with a postponement, that compliance with any such requirement is not reasonable in light of the projected useful life of the plant, the availability of rate base increase to pay for such costs, and other appropriate factors, then the Administrator shall grant a postponement of any such requirements.

"(3) The Administrator shall, as a condition of any postponement under paragraph (2), prescribe such interim requirements as are practicable and reasonable in light of the criteria in paragraph (2).

"(j)(1) The Administrator may, after public notice and opportunity for presentation of views in accordance with section 553 of title 5, United States Code, and after consultation with the Federal Energy Emergency Administration designate persons to whom fuel exchange orders should be issued. The purpose of such designation shall be to avoid or minimize the adverse impact on public health and welfare of any suspension under subsection (a) of this section or conversion to coal to which subsection (b) applies or of any allocation under the Energy Emergency Act or the Emergency Petroleum Allocation Act.

"(2) The Administrator of the Federal Energy Administration shall issue exchange orders to such persons as are designated by the Administrator under paragraph (1) requiring the exchange of any fuel subject to allocation under the preceding Acts effective no later than 45 days after the date of the designation under paragraph (1), unless the Administrator of the Federal Energy Administration determines, after consultation with the Administrator, that the costs or consumption of fuel, resulting from such exchange order will be excessive.

"(3) Violation of any exchange order issued under paragraph (2) shall be a prohibited act and shall be subject to enforcement action and sanctions in the same manner and to the same extent as a violation of any requirement of the regulation under section 4 of the Emergency Petroleum Allocation Act of 1973."

Sec. 202. Implementation Plan Revisions.

(a) Section 110(a) of the Clean Air Act is amended in paragraph (3) by inserting "(A)" and by adding at the end thereof the following new subparagraph:

"(B)(1) For any air quality control region in which there has been a conversion to coal under section 119(b), the Administrator shall review the applicable implementation plan and no later than one year after the date of such conversion determine whether such plan must be revised in order to achieve the national primary standard which the plan implements. If the Administrator determines that any such plan is inadequate, he shall require that a plan revision be submitted by the State within three months after the date of notice to the State of such determination. Any plan revision which is submitted by the State after notice and public hearing shall be approved or disapproved by the Administrator, after public notice and opportunity for public hearing, but no later than three months after the date required for submission of the revised plan. If a plan provision (or portion thereof) is disapproved (or if a State fails to submit a plan revision) the Administrator shall, after public notice and opportunity for a public hearing, promulgate a revised plan (or portion thereof) not later than three months after the date required for approval or disapproval.

"(2) Any requirement for a plan revision under paragraph (1) and any plan requirement promulgated by the Administrator under such paragraph shall include reasonable and practicable measures to minimize the effect on the public health of any conversion to which section 119(b) applies."

(b) Subsection (c) of section 110 of the Clean Air Act (42 U.S.C. 1857 C–5) is amended by inserting "(1)" after "(c)"; by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and by adding the following new paragraph:

"(2)(A) The Administrator shall conduct a study and shall submit a report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Public Works of the United States Senate not later than May 1, 1974, on the necessity of parking surcharge, management of parking supply, and preferential bus/carpool lane regulations as part of the applicable implementation plans required under this section to achieve and maintain national primary ambient air quality standards. The study shall include an assessment of the economic impact of such regulations, consideration of alternative means of reducing total vehicle miles traveled, and an assessment of the impact of such regulations on other Federal and State programs dealing with energy or transportation. In the course of such study, the Administrator shall consult with other Federal officials including, but not limited to, the Secretary of Transportation, the Administrator of the Federal Energy Administration, and the Chairman of the Council on Environmental Quality.

"(B) No parking surcharge regulation may be required by the Administrator under paragraph (1) of this subsection as a part of an applicable implementation plan. All parking surcharge regulations previously required by the Administrator shall be void upon the date of enactment of this subsection. This subparagraph shall not prevent the Administrator from approving parking surcharges if they are adopted and submitted by a State as part of an applicable implementation plan. The Administrator may not condition approval of any applicable implementation plan submitted by a State on such plan's including a parking surcharge regulation.

"(C) The Administrator is authorized to suspend until January 1, 1975, the effective date or applicability of any regulations for the management of parking supply or any requirement that such regulations be a part of an applicable implementation plan approved or promulgated under this section. The exercise of the authority under this subparagraph shall not prevent the Administrator from approving such regulations if they are adopted and submitted by a State as part of an applicable implementation plan. If the Administrator exercises the authority under this subparagraph, regulations requiring a review or analysis of the impact of proposed parking facilities before construction which take effect on or after January 1, 1975, shall not apply to parking facilities on which construction has been initiated before January 1, 1975.

"(D) For purposes of this paragraph, the term 'parking surcharge regulation' means a regulation imposing or requiring the imposition of any tax, surcharge, fee, or other charge on parking spaces, or any other area used for the temporary storage of motor vehicles. The term 'management of parking supply' shall include any requirement providing that any new facility containing a given number of parking spaces shall receive a permit or other prior approval, issuance of which is to be conditioned on air quality considerations. The term 'preferential bus/carpool lane' shall include any requirement for the setting aside of one or more lanes of a street or highway on a permanent or temporary basis for the exclusive use of buses and/or carpools."

SEC. 203. MOTOR VEHICLE EMISSIONS.

(a) Section 202(b)(1)(A) of the Clean Air Act is amended by striking out "1975" and inserting in lieu thereof "1977"; and by inserting after "(A)" the following: "The regulations under subsection (a) applicable to emissions of carbon monoxide and hydrocarbons from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the interim standards which were prescribed (as of December 1, 1973) under paragraph (5)(A) of this subsection for light-duty vehicles and engines manufactured during model year 1975."

(b) Section 202(b)(1)(B) of such Act is amended by striking out "1976" and inserting in lieu thereof "1978"; and by inserting after "(B)" the following: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the standards which were prescribed (as of December 1, 1973) under subsection (a) for light-duty vehicles and engines manufactured during model year 1975. The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model year 1977 shall contain standards which provide that emissions of such vehicles and engines may not exceed 2.0 grams per vehicle mile."

(c) Section 202(b)(5)(A) of such Act is amended to read as follows:

"(5)(A) At any time after January 1, 1975, any manufacturer may file with the Administrator an application requesting the suspension for one year only of the effective date of any emission standard required by paragraph (1)(A) with respect to such manufacturer for light-duty vehicles and engines manufactured in model year 1977. The Administrator shall make his determination with respect to any such application within 60 days. If he determines, in accordance with the provisions of this subsection, that such suspension should be granted, he shall simultaneously with such determination prescribe by regulation interim emission standards which shall apply (in lieu of the standards required to be prescribed by paragraph (1)(A) of this subsection) to emissions of carbon monoxide or hydrocarbons (or both) from such vehicles and engines manufactured during model year 1977."

(d) Section 202(b)(5)(B) of the Clean Air Act is repealed and the following subparagraphs redesignated accordingly.

SEC. 204. CONFORMING AMENDMENTS.

(a)(1) Section 113(a)(3) of the Clean Air Act is amended by striking out "or" before "112(c)", by inserting a comma in lieu thereof, and by inserting after "hazardous emissions)" the following: ", or 119(f) (relating to priorities and certain other requirements)".

(2) Section 113(b)(3) of such Act is amended by striking out "or 112(c)" and inserting in lieu thereof ", 112(c), or 119(f)".

(3) Section 113(c)(1)(C) of such Act is amended by striking out "or section 112(c)" and inserting in lieu thereof ", section 112(c), or section 119(f)".

(4) Section 114(a) of such Act is amended by inserting "119 or" before "303".

(b) Section 116 of the Clean Air Act is amended by inserting "119(b), (c) and (e)," before "209".

SEC. 205. PROTECTION OF PUBLIC HEALTH AND ENVIRONMENT.

(a) Any allocation program provided for in title I of this Act or in the Emergency Petroleum Allocation Act of 1973, shall, to the maximum extent practicable, include measures to assure that available low sulfur fuel will be distributed on a priority basis to those areas of the country designated by the Administrator of the Environmental Protection Agency as requiring low sulfur fuel to avoid or minimize adverse impact on public health.

(b) In order to determine the health effects of emissions of sulfur oxides to the air resulting from any conversions to burning coal pursuant to section 106, the Department of Health, Education, and Welfare shall, through the National Institute of Environmental Health Sciences and in cooperation with the Environmental Protection Agency, conduct a study of chronic effects among exposed populations. The sum of $3,500,000 is authorized to be appropriated for such a study. In order to assure that long-term studies can be conducted without interruption, such sums as are appropriated shall be available until expended.

(c) No action taken under this Act shall, for a period of 1 year after initiation of such action, be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 856). However, before any action under this Act that has a significant impact on the environment is taken, if practicable, or in any event within 60 days after such action is taken, an environmental evaluation with analysis equivalent to that required under section 102(2)(C) of the National Environmental Policy Act, to the greatest extent practicable within this time constraint, shall be prepared and circulated to appropriate Federal, State, and local government agencies and to the public for a 30-day comment period after which a public hearing shall be held upon request to review outstanding environmental issues. Such an evaluation shall not be required where the action in question has been preceded by compliance with the National Environmental Policy Act by the appropriate Federal agency. Any action taken under this Act which will be in effect for more than a one year period (other than action taken pursuant to subsection (d) of this section) or any action to extend an action taken under this Act to a total period of more than 1 year shall be subject to the full provisions of the National Environmental Policy Act notwithstanding any other provision of this Act.

(d) Notwithstanding subsection (c) of this section, in order to expedite the prompt construction of facilities for the importation of hydroelectric energy thereby helping to reduce the shortage of petroleum products in the United States, the Federal Power Commission is hereby authorized and directed to issue a Presidential permit pursuant to Executive Order 10485 of September 3, 1953, for the construction, operation, maintenance, and connection of facilities for the transmission of electric energy at the borders of the United States without preparing an environmental impact statement pursuant to section 102 of the National Environmental Policy Act of 1969 (83 Stat. 856) for facilities for the transmission of electric energy between Canada and the United States in the vicinity of Fort Covington, New York.

SEC. 206. ENERGY CONSERVATION STUDY.

(a) The Administrator of the Federal Energy Administration shall conduct a study on potential methods of energy conservation and, not later than 6 months after the date of enactment of this Act, shall submit to Congress a report on the results of such study. The study shall include, but not be limited to, the following:

(1) the energy conservation potential of restricting exports of fuels or energy-intensive products or goods, including an analysis of balance of payments and foreign relations implications of any such restrictions;

(2) federally sponsored incentives for the use of public transit, including the need for authority to require additional production of buses or other means of public transit and Federal subsidies for the duration of the energy emergency for reduced fares and additional expenses incurred because of increased service;

(3) alternative requirements, incentives, or disincentives for increasing industrial recycling and resource recovery in order to reduce energy demand, including the economic costs and fuel consumption trade-off which may be associated with such recycling and resource recovery in lieu of transportation and use of virgin materials;

(4) the costs and benefits of electrifying rail lines in the United States with a high density of traffic; including (A) the capital costs of such electrification, the oil fuel economies derived from such electrification, the ability of existing power facilities to supply the additional power load, and the amount of coal or other fossil fuels required to generate the power required for railroad electrification, and (B) the advantages to the environment of electrification of railroads in terms of reduced fuel consumption and air pollution and disadvantages to the environment from increased use of fossil fuel such as coal; and

(5) means for incentives or disincentives to increase efficiency of industrial use of energy.

(b) Within 90 days of the date of enactment of this Act, the Secretary of Transportation, after consultation with the Federal Energy Administrator, shall submit to the Congress for appropriate action an "Emergency Mass Transportation Assistance Plan" for the purpose of conserving energy by expanding and improving public mass transportation systems and encouraging increased ridership as alternatives to automobile travel.

(c) Such plan shall include, but shall not be limited to—

(1) recommendations for emergency temporary grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in connection with the provision of expanded mass transportation service in urban areas;

(2) recommendations for additional emergency assistance for the purchase of buses and rolling stock for fixed rail, including the feasibility of accelerating the timetable for such assistance under section 142(a)(2) of title 23, United States Code (the "Federal Aid Highway Act of 1973"), for the purpose of providing additional capacity for and encouraging increased use of public mass transportation systems;

(3) recommendations for a program of demonstration projects to determine the feasibility of fare-free and low-fare urban mass transportation systems, including reduced rates for elderly and handicapped persons during nonpeak hours of transportation;

(4) recommendations for additional emergency assistance for the construction of fringe and transportation corridor parking facilities to serve bus and other mass transportation passengers;

(5) recommendations on the feasibility of providing tax incentives for persons who use public mass transportation systems.

(d) In consultation with the Federal Energy Administrator, the Secretary of Transportation shall make an investigation and study for the purpose of conserving energy and assuring that the essential fuel needs of the United States will be met by developing a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles, and San Diego in the State of California. In carrying out such investigation and study the Secretary shall consider, but shall not be limited to—

(1) the efficiency of energy utilization and impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

(2) coordination with other studies undertaken on the State and local level; and

(3) such other matters as he deems appropriate.

The Secretary of Transportation shall report the results of the study and investigation pursuant to this Act, together with his recommendations, to the Congress and the President no later than December 31, 1974.

SEC. 207. REPORTS.

The Administrator of the Environmental Protection Agency shall report to Congress not later than January 31, 1975, on the implementation of sections 201 through 205 of this title.

SEC. 208. FUEL ECONOMY STUDY

Title II of the Clean Air Act is amended by redesignating section 213 as section 214 and by adding the following new section:

"FUEL ECONOMY IMPROVEMENT FROM NEW MOTOR VEHICLES

"SEC. 213. (a) (1) The Administrator and the Secretary of Transportation shall conduct a joint study, and shall report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committees on Public Works and Commerce of the United States Senate within 120 days following the date of enactment of this section, concerning the practicability of establishing a fuel economy improvement standard of 20 percent for new motor vehicles manufactured during and after model year 1980. Such study and report shall include, but not be limited to, the technological problems of meeting any such standard, including the leadtime involved; the test procedures required to determine compliance; the economic costs associated with such standard, including any beneficial economic impact; the various means of enforcing such standard; the effect on consumption of natural resources, including energy consumed; and the impact of applicable safety and emission standards. In the course of performing such study, the Administrator and the Secretary of Transportation shall utilize the research previously performed in the Department of Transportation, and the Administrator and the Secretary shall consult with the Administrator of the Federal Energy Administration, the Chairman of the Council on Environmental Quality, and the Secretary of the Treasury. The Office of Management and Budget may review such report before its submission to Congress but the Office may not revise the report or delay its submission beyond the date prescribed for its submission, and may submit to Congress its comments respecting such report. In connection with such study, the Administrator may utilize the authority provided in section 307(a) of this Act to obtain necessary information.

"(2) For the purpose of this section, the term 'fuel economy improvement standard' means a requirement of a percentage increase in the number of miles of transportation provided by a manufacturer's entire annual production of new motor vehicles per unit of fuel consumed, as determined for each manufacturer in accordance with test procedures established by the Administrator pursuant to this Act. Such term shall not include any requirement for any design standard or any other requirement specifiing or otherwise limiting the manufacturer's discretion in deciding how to comply with the fuel economy improvement standard by any lawful means."

TITLE III—STUDIES AND REPORTS

SEC. 301. AGENCY STUDIES.

The following studies shall be conducted, with reports on their results submitted to the Congress:

(1) Within 30 days after the date of enactment of this Act:

(A) The Administrator of the Federal Energy Emergency Administration shall conduct a review of all rulings and regulations issued pursuant to the Economic Stabilization Act to determine if such rulings and regulations are contributing to the shortage of fuels and of materials associated with the production of energy supplies.

(B) All Federal departments and agencies, including the Federal regulatory agencies, are directed to undertake a survey of all activities over which they have special expertise or jurisdiction and identify and recommend to the Congress and to the President specific proposals to significantly increase energy supply or to reduce energy demand through conservation programs.

(C) The Secretary of the Treasury and the Director of the Cost of Living Council shall recommend to the Congress specific incentives to increase energy supply, reduce demand, to encourage private industry and individual persons to subscribe to the goals of this Act. This study shall also include an analysis of the price-elastivity of demand for gasoline.

(D) The Administrator shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers, together with legislative recommendations appropriate to meet such needs, including revisions in the unemployment insurance laws.

(E) The Secretary of the Interior and the Secretary of Commerce are directed to prepare a comprehensive report of (1) United States exports of petroleum products and other energy sources, and (2) foreign investment in production of petroleum products and other energy sources to determine the consistency or lack thereof of the Nation's trade policy and foreign investment policy with domestic energy conservation efforts. Such report shall include recommendations for legislation.

(2) Within 6 months after the date of enactment of this Act:

(A) The Administrator shall develop and submit to the Congress no later than May 15, 1974, a plan for providing incentives for the increased use of public transportation and Federal subsidies for maintained or reduced fares and additional expenses incurred because of increased service for the duration of the Act. For the purposes of Section —, the plan provided for in this section shall be considered an energy conservation plan.

(B) The Administrator of the FEEA shall recommend to the Congress actions to be taken regarding the problem of the siting of energy producing facilities.

(C) The Administrator of the FEEA shall conduct a study of the further development of the hydroelectric power resources of the Nation, including an assessment of present and proposed projects already authorized by Congress and the potential of other hydroelectric power resources, including tidal power and geothermal steam.

(D) The Administrator shall prepare and submit to Congress a plan for encouraging the conversion of coal to crude oil and other liquid and gaseous hydrocarbons.

(E) The Secretary of the Interior shall study methods for accelerating leases of energy resources on public lands including oil and gas leasing onshore and offshore, and geothermal energy leasing.

SEC. 302. REPORTS OF THE PRESIDENT TO CONGRESS.

The President shall report to the Congress every sixty days, beginning February 1, 1974, on the implementation and administration of this Act and the Emergency Petroleum Allocation Act of 1973, together with an assessment of the results attained thereby. Each report shall include specific information, nationally and by region and State, concerning staffing and other administrative arrangements taken to carry out programs under these Acts and may include such recommendations as he deems necessary for amending or extending the authorities granted in this Act or in the Emergency Petroleum Allocation Act of 1973.

Mr. JACKSON. Mr. President, this amendment represents the compromise we have worked out with the minority, which I hope the Senate will accept. The amendment is everything that was in the conference report, except four areas, to which I shall refer at this time.

First, it would delete the windfall profit section of the bill, section 110.

Second, it would change the act regarding the termination date in section 126 from May 15, 1975, to April 1, 1974.

Third, there would be a deletion in section 103(d), creating the Federal Energy Emergency Administration, regarding the requirements of the Federal Reports Act, and provisions for simultaneous budget submissions. That would be eliminated from section 103.

Fourth, there would be a modification of the industry reporting section—that is section 124—to require reporting only to the Departments of Justice and the Interior.

The compromise—these four points—will enable the administration to take such actions as are necessary to deal with the current energy emergency for this winter. At the same time, it will provide Congress an opportunity to legislate a new bill in January, February, and March. It will give Congress an opportunity prior to April 1 to complete more in depth action dealing with these important areas of conservation of energy, which is a critical area, the longer term gas rationing authority, and problems on clean air provisions which do extend to May 15, 1975; and also the long-term requirements which would run to the same date, May 15, 1975, regarding the conversion from oil to coal.

I think this is the best possible agreement that can be reached under all the circumstances, with Senators on both sides giving and taking in the spirit of sensible compromise, in light of all the circumstances.

There were a number of other proposals made which we could not accept. I think we might mention just one area. One area relates to a list of some 20 proposed conservation measures which the administration would like to delete from that part of the bill which gives Congress the right of veto. Specifically they have asked for a deletion of the veto right in the area relating to the volume of gasoline that could be restricted in sales to individual consumers.

Second, they wanted a deletion from the veto right as it pertains to a reduction in lighting, in commercial and industrial usage. It was my judgment that these are sensible and necessary things to do. We took this matter up in conference.

I believe most, if not all, of the Senate conferees did agree in these two areas. We were almost unanimous on these two points. But I think it would create nothing but confusion to make an exception in this area. I would oppose any attempt to delete the veto in the two areas I referred to, and I think the Senator from Maine, who joined me in that effort in conference would agree on that.

Under this proposal Congress will have ample time to deal with the question of veto by legislating because we will have to legislate between January 21 and April 1 when the act would expire.

Therefore, I feel that these are two items on which Congress should refrain from any veto action while we are considering the extension of the act, with any changes to be made after April 1.

Mr. President, I yield to the distinguished Senator from Maine. May I say that the distinguished senior Senator from Maine played a very important role in trying to hammer out a series of compromises in the conference. I wish to pay tribute to him for the good sense, and good judgment of give and take he displayed in trying to resolve this matter. I compliment him as well as other members on the committee for their efforts during that 30-hour conference period in 2 days. I especially wish to call to the attention of my colleagues the usual fine cooperation and many contributions of the senior Senator from West Virginia and chairman of the Public Works Committee, Mr. Randolph. Throughout this long and tiring conference, which lasted until nearly midnight on two consecutive difficult circumstances. All of the members of the conference committee have my appreciation for their dedication, good humor, and patience during this effort. I hope we will succeed and pass a bill which the Nation needs at a very critical time in our history.

Mr. MUSKIE. I thank my colleague. It was a difficult conference to manage and I compliment him for bringing it to a head.

On this subject, as I said in conference, at least respecting my State, to really save fuel under any conservation program we are going to do it now or at least we will have to set the pattern. I feel the Administrator should have the authority to do whatever can be done between now and then to maximize the savings. If we do not do it between now and then, we will have lost the major opportunity to see us through the winter with minimum damage.

For that reason I urged the House Members to eliminate the congressional veto and put this job in the Administrator's hands, and to give him the authority to move. But the House would not buy that.

The laundry list of possible conservation measures the Administrator might take was a little scary from the point of view of the House conferees. So ultimately we tried what the Senator proposes here, and that is that we give the Administrator authority to ban the Sunday sale of gasoline and limit electric lighting to business, industrial, and residential. But the House would not buy even that.

So I think it would be foolish to send such a laundry list to the other body. I think the administrator should be reassured on the floor of the Senate by those of us who had any role to play in framing this legislation that we would oppose the use of that veto with respect to these particular measures. I give that assurance for whatever it is worth. I speak only for myself, but I am happy to give it.

If the Administrator moves in this direction the country and the Congress will support him. It is reasonable, and I am confident he will be supported.

Mr. JACKSON. I join in the expression of the problem by the able Senator from Maine. I think we ought to make very clear that we, of course, expect the Administrator to meet the requirements of due process as they make these moves; if the moves are to be sensible there must be that due process.

Under the provisions of this act the Administrator can put such measures into effect immediately, but it does require a hearing and notice after they have been into effect. We expect that the administrator, and I have great confidence in Mr. Simon, will not act in an arbitrary and capricious way, but the notice and hearing procedure will be carried out in good faith. They are necessary to have the support of those called upon to submit to the restrictions.

Mr. MUSKIE. I, too, have confidence in Mr. Simon. I am impressed by the way he goes about his job. I think he will handle it responsibly and he has my support for these particular measures.

Mr. HANSEN. Mr. President, we could all make long speeches. I am not going to do so, but I do want to pay my respects to the Senator from Washington (Mr. Jackson), the chairman of the committee; the Senator from Maine (Mr. Muskie) for the great job he has done; the Senator from Louisiana (Mr. Long) for the job he has done; to the Senator from West Virginia (Mr. Randolph); and many others who have contributed so unflaggingly of their energy and wisdom in trying to bring about a resolution of this matter.

I yield to my friend from Arizona.

Mr. FANNIN. Mr. President, I wish to join colleagues in commending the conferees for the work they have been doing, the time they have devoted, and the great effort made to bring legislation to the floor that would be acceptable, and standing up for what they felt was right and upholding the Senate position.

I want to concur in what has been said by the Senator from Washington and the Senator from Maine regarding the veto matter. I commend the Senator from Maine for bringing it to conference and emphasizing what it would mean. In fact, he said what we do in the next 30 days will decide what will be accomplished all winter long because if we get behind, we will never catch up. On commercial and industrial light they expect to save as much as 800,000 barrels a day.

Other than to compliment the Senator from Tennessee (Mr. Baker) and the Senator from Alaska (Mr. Stevens) for their diligent work. The Senator from Kansas (Mr. Dole) is to be congratulated for his floor amendment that was also proposed by the Congressman from California (Mr. Goldwater) and the House accepted it, and in turn it was accepted by the conferees.

I will not take further time, but I express sincere appreciation to those who made this possible.

Mr. KENNEDY. Mr. President, in the first three quarters of 1973, the various major oil companies had increases in profits of 50 to 60, even 90 percent.

That was before the 12½-percent price increase permitted in home heating oil prices on December 6.

It was before the $1 per barrel price increase announced 2 days ago which will add some $136 million to consumer costs in Massachusetts.

My constituents are not only being told that they will be going cold but that they will be going poor at the same time.

For home heating oil, we already are paying 150 percent higher prices than we did a year ago.

The least that we could do is impose an excess-profits tax to prevent the oil companies from unfairly gouging the public.

The conference committee report contained reasonable provisions prohibiting windfall profits.

While I support the provisions for emergency energy conservation as I did when I testified in favor of this bill and when it came to the floor, I cannot support its omission of the requirement for imposition of a windfall profits tax.

In addition the compromise that is before us omits any requirement for the oil companies to report to the Federal Trade Commission or the General Accounting Office. We have learned too well that the failure to require that the Congress have access to industry information, as we would have had through the GAO, will seriously weaken our capacity to legislate intelligently during this period of energy shortages.

For those two reasons, both of which exempts the major oil companies from the sacrifices required of all other citizens, I shall oppose this bill.

Mr. DOLE. Mr. President, the section which prohibits unreasonable actions on allocations intended to deal with a problem that is intrinsic within any fuel allocation program—the problem of equitable distribution.

It is difficult to define exactly what an equitable distribution might be. Generally, it would seem fair and equitable to require that every sector of the economy bear an equal percentage of the total reduction required by the shortage. Yet this precludes giving a specific usage or an emergency need special consideration. The equity requirement, combined with the desirability of maintaining flexibility in any allocation program, makes it nearly an impossible task to legislatively define what an equitable program would be.

But though the task is difficult, I do feel that it is essential that we demonstrate a clear legislative intent that any allocation program be as fair and equitable to all sectors of the economy as is possible, given the flexiblity that is required.

I was pleased therefore to work to secure retention of the provision which would require that any allocation program which has been made operative to date or which shall be made operative hereafter shall not unreasonably discriminate among users or classes of users.

The need for such an amendment was illustrated by the initial fuel allocation reductions imposed upon the general aviation industry. As initially announced, a 42-percent reduction in fuel for general aviation would have been implemented, even though commercial aviation was reduced by a substantially smaller percentage and other modes of transportation would have incurred an even smaller reduction in fuel allocations. Since the initial allocation reduction was announced, the administration modified its proposed reductions, and it now appears that only about a less drastic overall reduction in fuel will be imposed on the general aviation industry. Yet in the 1-week period following announcement of the 42-percent reduction proposal, the impact on the general aviation industry, in general, and on Wichita, Kans.—the leading city in the general aviation industry—was dramatic.

More than 2,400 employees were laid off at a plant in Wichita, and without the adjustments which were later made by the administration, it is estimated that as many as 8,000 aviation employees could have lost their jobs in Wichita alone, and as many as 100,000 jobs would have been jeopardized nationwide. When the impact of the aviation job reduction is measured on the total economy it is estimated that this could have cost the city of Wichita 20,000 jobs, and the country as a whole 250,000 jobs over the next few months.

The impact of the decision regarding general aviation fuel allocation was so great that special action was needed. In the first place, it appears that the decision was particularly harsh on the aviation industry in comparison to the cutbacks that were being imposed on other sectors of the transportation field. And second, the severe impact the proposed allocation would have had on the economy of Wichita and numerous other cities across the country gave the issue a priority of a different nature which deserved special consideration, given the existing needs and fuel supplies.

But the Congress, with this section is on record to express legislatively the intent that the allocation program should not unreasonably discriminate among various users and classification of users. It requires that pleasure driving not be given a higher priority than pleasure flying, that business driving not be treated differently than business flying—in other words, that there be no discrimination between users and classes of users of fuel for a given purpose.

The section is not intended to destroy the flexibility of the program. It will not prevent fuel allocations from reflecting priority or emergency needs. If additional fuel supplies are needed in agriculture to assure an adequate supply of food, or if additional supplies of fuel are needed for home heating purposes, the emergency needs must be met. But considering the limited supplies of fuel that are available, we must insure that classes of users or individual users of fuels which have equal priorities be equally treated. All users of fuel having the same priority should bear equally the burden of the fuel shortage.

The section, to a certain extent, limits the administrative discretion which Congress allows the President under any fuel allocation authority. But at the same time, it does not tie the hands of the administration or take away the flexibility needed to meet emergency situations. It would prevent arbitrary decisions from being rendered. It would also prevent any user or classification of user from being unfairly treated because of its high visibility because it would serve as a good example of our effort to limit fuel consumption. It would also prevent decisions from being made for purely political reasons.

The life of every American will be affected by the fuel shortages, and we must all bear our share of the inconveniences, burdens, economic hardships, and difficulties which are sure to come in the next few months. But it is important, and I feel Congress has the responsibility of assuring that the burden of the fuel shortage be distributed equitably among Americans and sectors of the economy. I therefore believe that the section insuring that, in this difficult energy crisis, the sacrifices which are sure to be required, shall be shared as equitably and fairly as possible is an important addition to the bill.

SEVERAL SENATORS. Vote! Vote!

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Nevada (Mr. CANNON), and the Senator from Missouri (Mr. EAGLETON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senators from Vermont (Mr. AIKEN and Mr. STAFFORD), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. MCCLURE), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senators from Ohio (Mr. SAXBE and Mr. TAFT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

Also, the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from New York (Mr. JAVITS), the Senator from Delaware (Mr. ROTH), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

If present and voting, the Senator from Texas (Mr. TOWER) would vote "yea."

The result was announced—yeas 52, nays 8, as follows:

[No. 620 Leg.]

YEAS—52

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bible
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Chiles
Clark
Cranston
Curtis
Dole
Fannin
Fulbright
Griffin
Hansen
Hart
Hartke
Hathaway
Hruska
Huddleston
Hughes
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pell
Proxmire
Randolph
Ribicoff
Scott, Hugh
Scott, William L.
Sparkman
Stevenson
Thurmond
Tunney
Williams
Young

NAYS—8

Biden
Case
Cook
Kennedy
Mathias
Metcalf
Schweiker
Weicker

NOT VOTING—40

Aiken
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Cannon
Church
Cotton
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Goldwater
Gravel
Gurney
Haskell
Hatfield
Helms
Hollings
Humphrey
Inouye
Javits
McClure
Moss
Pastore
Pearson
Percy
Roth
Saxbe
Stafford
Stennis
Stevens
Symington
Taft
Talmadge
Tower

So Mr. JACKSON's motion was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask all Senators to remain close by so that we can maintain a quorum. We do not know how the House will act on this matter.

I am sure that it will be as expeditiously as possible. We would like to get this matter out of the way before we adjourn sine die, hopefully, tonight.

Mr. ROBERT C. BYRD. Mr. President, may the well be cleared so that I can see if the flag is still there.

The PRESIDING OFFICER. The well will be cleared. The Senate will be in order.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of John H. Powell, Jr., to be a member of the Equal Employment Opportunity Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

The second assistant legislative clerk read the nomination of John P. Powell, Jr., of Maryland, to be a member of the Equal Employment Opportunity Commission.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

OVERSEAS WAR MEMORIALS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 585.

The PRESIDING OFFICER. The clerk will report the bill by title.

The second assistant legislative clerk read as follows:

> A bill (H.R. 3733) to authorize the American Battle Monuments Commission to assume control of overseas war memorials erected by private persons and non-Federal and foreign agencies and to demolish such war memorials in certain instances.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and the Senate will proceed to the consideration of the bill.

Mr. HARTKE. Would the senior Senator from Nevada yield for a question to clear up certain jurisdictional matters?

Mr. BIBLE. Yes, I would be happy to yield to the chairman of the Committee on Veterans' Affairs.

Mr. HARTKE. First, I want to say that I support H.R. 3733, the legislation reported from the Committee on Interior and Insular Affairs by the distinguished chairman of its Subcommittee on Parks and Recreation. This legislation would authorize the American Battle Monuments Commission to assume responsibility for the control, administration and maintenance of overseas war memorials erected by private persons and non-Federal and foreign agencies. In certain instances the American Battle Monuments Commission would also be authorized to demolish such war memorials. I am somewhat concerned, however, about apparent confusion as to proper committee jurisdiction over the American Battle Monuments Commission. H.R. 3733 was reported from the House Committee on Veterans' Affairs but for some reason was referred here to the Interior Committee. As you know, in order to create a committee with parallel jurisdiction to the House Committee on Veterans' Affairs, the Senate in the Legislative Reorganization Act of 1970, created a full standing Committee on Veterans' Affairs. As a result this new committee assumed many responsibilities then held by a number of committees in the Senate. Included in the transfer of authority to the Committee on Veterans' Affairs as provided for in Rule XXV of the Standing Rules of the Senate, was jurisdiction over matters relating to national cemeteries. As you are aware, the chief function of the American Battle Monuments Commission is to manage memorial cemeteries located on foreign soil where many of our veterans are buried. Each year the Commission's annual report is submitted to the Veterans' Affairs Committees of both the House and Senate.

The National Cemeteries Act of 1973, reported from the Veterans' Affairs Committee which I am privileged to chair and enacted into Public Law 93–43 this year, mandated a thorough study of the National Cemeteries System which included the continuing function and role of the American Battle Monuments Commission and its relationship to the Veterans' Administration. Accordingly, it is my understanding that the primary legislative and oversight responsibility for the American Battle Monuments Commission in the Senate rests with the Committee on Veterans' Affairs as it does in the House Committee on Veterans' Affairs. I would like to know if that is also the understanding of the distinguished chairman of the Subcommittee on Parks and Recreation.

Mr. BIBLE. I have no basic disagreement with the statement of the Senator from Indiana. It is my understanding that the primary legislative and oversight responsibilities with regard to national cemeteries are within the purview of the Senate Committee on Veterans' Affairs. Formerly this jurisdiction rested with the Interior Committee. I believe this legislation now before the Senate today, however, is meritorious and I would hope that we can act on it today without further reference. Matters related to the American Battle Monument Commission have historically come before the Interior Committee. We have plenty to do and I am sure we would not object if future proposals are sent to the Veterans Committee.

Mr. HARTKE. I thank the distinguished Senator from Nevada for his remarks and with that understanding I wish it noted that I have no objection to the immediate consideration of this measure.

Mr. BIBLE. I am pleased that this matter has been clarified and I thank the senior Senator from Indiana for bringing it to my attention.

The bill was ordered to a third reading, read the third time, and passed.

SUPPORT OF THE U.S. FISHING INDUSTRY

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 11.

The PRESIDING OFFICER (Mr. WILLIAMS) laid before the Senate the amendments of the House of Representatives to Senate Concurrent Resolution 11; to express a national policy with respect to support of the U.S. fishing industry, which were to strike out all after the resolving clause and insert:

> That it is the policy of the Congress that our fishing industry be afforded all support necessary to have it strengthened, and all steps be taken to provide adequate protection of our coastal fisheries against excessive foreign fishing, and further that the Congress is fully prepared to act immediately to provide interim measures to conserve overfished stocks and to protect our domestic fishing industry.
>
> SEC. 2. The Congress also recognizes, encourages, and intends to support the key responsibilities of the several States for conservation and scientific management of fisheries resources within United States territorial waters; and in this context the Congress particularly commends Federal programs designed to improve coordinated protection, enhancement, and scientific management of all United States fisheries, including coastal, anadromous and highly migratory species, under such presently successful Federal aid programs under the Commercial Fisheries, Research and Development Act of 1964, and the newly developing Federal-State fisheries management programs.

And to strike out the preamble, and insert:

> Whereas the position of the United States in world fisheries has declined from first to sixth place among the major fishing nations;
>
> Whereas there has been a continuing decline in domestic production of food fish and shellfish for the last five years;
>
> Whereas our domestic fishing fleet in many areas has become obsolete and inefficient;
>
> Whereas intensive foreign fishing along our coasts has brought about declines in stocks of a number of species with resulting economic hardship to local domestic fishermen dependent upon such stocks;
>
> Whereas rising costs and extremely high insurance rates have made fishing uneconomic in some areas even when stocks of fish and shellfish are at normal levels;
>
> Whereas assistance to fishermen is very limited as contrasted to Federal aid to industrial, commercial, and agricultural interests;
>
> Whereas United States fishermen cannot successfully compete against imported fish products in the market because a number of foreign fishing countries subsidize their fishing industry to a greater extent;
>
> Whereas some 60 per centum of the seafood requirements of the United States is being supplied by imports;
>
> Whereas the United States fisheries and fishing industry is a valuable natural resource supplying employment and income to thousands of people in all of our coastal States;
>
> Whereas international negotiations so far have proved incapable of obtaining timely agreement on the protection of threatened species of fish;
>
> Whereas our fisheries are beset with almost unsurmountable production and economic problems; and
>
> Whereas certain of our coastal stocks of

fish are being decimated by foreign fishing fleets: Now, therefore, be it

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

DESIGNATION OF JAMES G. FULTON FLOOD PROTECTION PROJECT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Public Works be discharged from further consideration of H.R. 1920 and that the Senate proceed to the immediate consideration of the bill.

The PRESIDING OFFICER. The clerk will report the bill by title.

The second assistant legislative clerk read as follows:

A bill (H.R. 1920) to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegeheny County, Pa., as the "James G. Fulton Flood Protection Project".

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 1920) was ordered to a third reading, was read the third time, and passed.

ORDER REGARDING NOMINATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all nominations now before the Senate remain before the Senate, despite the hiatus occasioned by the changeover from the first session to the second session of the 93d Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

(This order was later vitiated.)

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO CALL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the leadership.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 6:53 p.m., the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 7:15 p.m., when called to order by the Presiding Officer (Mr. BURDICK).

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO MAKE TECHNICAL AND CLERICAL CORRECTIONS IN S. 921

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendment to the House amendment to S. 921.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO CALL

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, awaiting the call of the leadership.

The motion was agreed to; and at 7:16 p.m. the Senate took a recess, subject to the call of the leadership.

The Senate reassembled at 7:42 p.m., when called to order by the Presiding Officer (Mr. ROBERT C. BYRD).

RESCISSION OF PREVIOUS ORDER TO HOLD ALL NOMINATIONS AT THE DESK

Mr. MANSFIELD. Mr. President, earlier this evening I asked unanimous consent that all nominations at the desk of the Senate be held over until the second session of the 93d Congress. I ask unanimous consent that that request be vitiated.

The PRESIDING OFFICER. Without objection, the consent previously given will be vitiated.

RECESS SUBJECT TO CALL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the leadership.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

At 7:43 p.m., the Senate took a recess subject to the call of the leadership.

The Senate reassembled at 1:35 a.m., Saturday, December 22, 1973, when called to order by Mr. PROXMIRE.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1191. An act to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes;

S. 2812. An act to amend the Federal Water Pollution Control Act to establish the ratio for allocation of treatment works construction grant funds, to insure that grants may be given for other than operable units, and to clarify the requirements for development of priorities;

H.R. 8449. An act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes;

H.R. 8529. An act to implement the shrimp fishing agreement with Brazil;

H.R. 11238. An act to amend the Act of March 16, 1926 (relating to the Board of Public Welfare in the District of Columbia), to provide for an improved system of adoption of children in the District of Columbia, and for other purposes; and

H.R. 11771. An act making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, this has been a most unusual night. I do want to commend the Members of the Senate on both sides of the aisle for their devotion to their responsibilities and to state to them that, because of a set of circumstances over which the Senate has no control, the picture has been changed somewhat.

ORDER TO ADJOURN TO 1 P.M. SATURDAY, DECEMBER 22, 1973

Mr. MANSFIELD. First, Mr. President, I ask unanimous consent that when the Senate adjourns this morning, it stand in adjournment until 1 o'clock this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSSIBILITY OF 3-DAY RECESSES UNTIL JANUARY 3, 1974

Mr. MANSFIELD. Mr. President, if the Senate is not given permission by the House to adjourn in accord with the joint resolution which has been signed by the President and in accord with the resolution which has been taken up in the Senate and passed unanimously, it would be the intention of the leadership to operate on a 3-day recess basis until January 3, during which time I would anticipate there would be little, or no, business, because if there is to be business it would take an accommodation and understanding between the two coequal Houses of the Congress.

If that turns out to be the situation, the Senate is on notice as to how we will operate until January 3 at noon.

It is my understanding, based on the joint resolution passed by both the House and the Senate and signed by the President, that after 12 o'clock noon on January 3 we can then look forward to an adjournment which would be in effect until noon on January 21.

I would like to ask the Chair if that interpretation is the correct one.

The PRESIDING OFFICER. The Parliamentarian has informed the Chair that the majority leader's interpretation is correct—that it would be in order for the Senate to recess for 3-day periods until January 3.

At that time the Senate could adjourn until January 21 pursuant to the joint resolution which the President, the Chair understands, has signed today and which is now law.

Mr. MANSFIELD. It is my understanding that it was signed today.

ADJOURNMENT TO 1 P.M. TODAY

Mr. MANSFIELD. So, Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until the hour of 1 p.m. this afternoon.

The motion was agreed to; and at 1:39 a.m. the Senate adjourned until 1 p.m Saturday, December 22, 1973.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 21, 1973:

DEPARTMENT OF JUSTICE

Charles D. Loos, of Indiana, to be U.S. marshal for the southern district of Indiana for the term of 4 years.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

John H. Powell, Jr., of Maryland, to be a Member of the Equal Employment Opportunity Commission for the term expiring July 1, 1978.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Friday, December 21, 1973*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Unto you is born this day in the city of David a Saviour, who is Christ the Lord.—Luke 2: 11.

O God, our Father, who hast brought us once again to the glad season when we commemorate the birth of Jesus Christ, grant that Thy spirit in Him may be the spirit that lives in all our lives. May Thy sustaining presence support us all the day long through these troubled times, keeping our hearts free from the harmful spirit of bitterness and resentment and filled with the happy spirit of faith and good will.

Guide Thou our Nation and the nations of the world into the ways of justice and truth and establish among us all the peace which is the fruit of righteousness and love which is the faith of the believing heart.

Now may the Lord bless us and keep us through all our days and in all our ways.

In the spirit of Him whose birth we celebrate we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2303. An act to continue mandatory price support for tungnuts only through the 1976 crop;

H.R. 4738. An act to provide for the striking of medals in commemoration of the 100th anniversary of the statehood of Colorado;

H.R. 5760. An act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Wash., in 1974;

H.R. 6758. An act to amend chapter 33 of title 28 of the District of Columbia Code, relating to usury, and for other purposes;

H.R. 10806. An act to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes;

H.R. 11088. An act to provide emergency security assistance authorizations for Israel and Cambodia;

H.R. 11238. An act to amend the act of March 16, 1926 (relating to the Board of Public Welfare in the District of Columbia), to provide for an improved system of adoption of children in the District of Columbia, and for other purposes;

H.J. Res. 858. Joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11771) entitled "An act making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes."

The message also announced that the Senate agrees to House amendments to the Senate amendments numbered 38, 53, and 54 to the foregoing bill.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2776. An act to provide for the effective and efficient management of the Nation's energy policies and programs for the duration of the existing energy emergency, and for other purposes.

NATIONAL CENTER ON CHILD ABUSE PREVENTION, IDENTIFICATION, AND TREATMENT

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1191) to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes, and concur in the Senate amendments to the House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 15, of the House engrossed amendment, strike out "and".

Page 2, line 18, of the House engrossed amendment, strike out "thereof" and insert "thereof; and".

Page 2, after line 18, of the House engrossed amendment, insert:

(6) make a complete and full study and investigation of the national incidence of child abuse and neglect, including a determination of the extent to which incidents of child abuse and neglect are increasing in number or severity.

Page 3, line 9, of the House engrossed amendment, strike out "section" and insert "subsection".

Page 4, after line 13, of the House engrossed amendment, and insert "Not less than 50 per centum of the funds appropriated under this Act for any fiscal year shall be used only for carrying out the provisions of this subsection.".

Page 4, line 14, of the House engrossed amendment, after "Act" insert "for any fiscal year".

Page 4, line 15, of the House engrossed amendment, strike out [1976].) and insert: not more than 20 per centum".

Page 7, line 6, of the House engrossed amendment, after "in" insert "clauses (B), (C), (E), and (F) of".

Page 7, line 24, of the House engrossed amendment, strike out [1976.] and insert; "1976, and for the succeeding fiscal year".

Page 9, line 9, of the House engrossed amendment, strike out all after "SEC. 7." down to and including "IV" in line 21 and insert "The Secretary shall promulgate regulations and make such arrangements as may be necessary or appropriate to ensure that there is effective coordination between programs related to child abuse and neglect under this Act and other such programs which are assisted by Federal funds.".

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, this bill is one passed earlier by the House to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes.

The bill under consideration was approved on December 3 in the House by a vote of 354 to 36, an indication of the broad support for action on a problem that has troubled many people throughout the Nation—the abuse and neglect of children.

Mr. Speaker, let me here take a few minutes to explain the amendments which the Senate passed to the bill approved on December 3 by the House. I should point out that the bill before us today is basically the version of the bill as passed by the House.

The bill before us provides for a 4-year program rather than 3 years as in the House bill.

Second, the bill before us today provides authorizations for fiscal years 1974 through 1977 of, respectively, $15, $20, $25, and $25 million.

In addition, the bill we are today considering provides, as a result of the Senate amendments, that the criteria for the approval—with respect to the qualifications of a State for assistance—of programs and projects related to child abuse and neglect, will, with respect to such programs assisted under part A or B of title IV of the Social Security Act, comply with the requirements set forth in subsections B, C, E, and F only, of subsection 2 of section 4. This Senate amendment was adopted in response to expressions of concern on the part of the Senate as well as on the part of the gentleman from Oregon (Mr. ULLMAN), during the House debate of December 3 on this bill.

I would point out, however, Mr. Speaker, that the Senate also adopted an amendment with respect to the coordination of the child abuse and neglect programs assisted under this act and other such programs which are assisted by Federal funds, an amendment which is in accord with similar language in the House-passed bill.

The Senate amendment to which I have just made reference follows:

> The Secretary shall promulgate regulations and make such arrangements as may be necessary or appropriate to insure that there is effective coordination between programs related to child abuse and neglect under this Act and other programs which are assisted by Federal funds.

Of course, Mr. Speaker, this language means that among the other programs which are assisted by Federal funds and are related to child abuse and neglect and which are to be coordinated with programs assisted under S. 1191 are the available programs of aid and services for children under part A or B of title IV of the Social Security Act.

I should also point out, Mr. Speaker, that the Senate amendments provide that not less than 50 percent of the funds appropriated under the act must be reserved for demonstration programs and projects authorized under the act.

In addition, the Senate amendments provide that, of the sums appropriated under the act, not less than 5 percent and not more than 20 percent may be used for grants to the States for programs authorized by the act.

There is only one other matter, Mr. Speaker, to which I should draw the attention of the House, and that is a letter which I have received from the Under Secretary of the Department of Health, Education, and Welfare, the Honorable Frank Carlucci, with respect to the intention of the administration on the location, within the Department, of responsibility for administering the programs authorized by S. 1191.

Mr. Carlucci states:

> Should S. 1191 be enacted, with no organizational requirements specified, it is my intention consistent with existing policy, to give responsibility for the implementation of S. 1191 to the Office of Child Development which is in the Office of Human Development.

The same letter, Mr. Speaker, makes clear that the administration intends, if the bill becomes law, in respect of the Interagency Advisory Board on Child Abuse and Neglect proposed in the bill, to "look to experts in the field of child abuse for advice and counsel."

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD the text of the letter to me from Mr. Carlucci of December 20, 1973, to which I have just referred:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., December 20, 1973.

Hon. JOHN BRADEMAS,
Chairman, Select Subcommittee on Education, Education and Labor Committee, House of Representatives, Washington, D.C.

DEAR MR. BRADEMAS: As noted in the testimony of Assistant Secretary Stanley B. Thomas, Jr. before the House Select Subcommittee on Education on Friday, October 5, the Office of Human Development and within it the Office of Child Development has played the lead role in implementing the Department's child abuse initiatives.

Should S. 1191 be enacted, with no organizational requirements specified, it is my intention consistent with existing policy, to give responsibility for the implementation of S. 1191 to the Office of Child Development which is in the Office of Human Development. This will ensure that the Department maintains the continuity of its current activity in this important area.

In addition, I want to take this opportunity to assure you that the Interagency Advisory Board on Child Abuse and Neglect, proposed in the bill, will look to exports in the field of child abuse for advice and counsel. We believe that there are many people outside the Federal Government who have important contributions to make in the resolution of this very complicated issue. Consequently, we see no need for the specific inclusion of such a mandate in the statute. Also, it is our intention to list all of the names of those individuals who are consulted by the Interagency Advisory Board in the report to the Congress required by the legislation.

Sincerely,

FRANK CARLUCCI,
Secretary.

Mr. Speaker, I believe that these amendments should prove acceptable to the House and accordingly I hope the House will approve S. 1191 with the Senate amendments.

I must take this further time, Mr. Speaker, to pay particular tribute to those in the House who have made especially significant contributions to the development of this bill: The gentlemen from New York (Mr. BIAGGI and Mr. PEYSER), the gentlewoman from Colorado (Mrs. SCHROEDER), and the gentleman from Minnesota (Mr. QUIE).

Finally, Mr. Speaker, I want to express my particular appreciation to the distinguished senior Senator from Minnesota, Senator WALTER MONDALE, to whose vigorous leadership we are much indebted for the action of the Senate in approving this measure.

Mr. Speaker, passage by Congress of the Child Abuse Prevention and Treatment Act can mean much to the thousands of innocent children in this country who are, it is most painful to have to report, beaten, burned, poisoned, or otherwise abused by adults.

Mr. MURPHY of Illinois. Mr. Speaker, I rise in support of the conference report on the National Child Abuse and Neglect Treatment and Prevention Act. With our vote of approval today, which I strongly urge, we will send this measure to the President for his signature.

This bill is the culmination of the efforts of many of our distinguished colleagues in this body as well as the other body. One in particular, the gentleman from New York (Mr. BIAGGI) deserves the special recognition of his colleagues for his work in getting this bill through the Congress.

For 5 long years he has sponsored legislation to deal with the child abuse problem. Until recently, he was a lonely voice speaking out in defense of the battered and neglected child. The countless thousands of children that suffer abuse and neglect each year—some 60,000 cases are reported annually and that is but a small percentage of the actual cases—these children can look to MARIO BIAGGI as the father of child abuse legislation in the House. His untiring efforts will start the Federal Government on the road to curing this terrible condition that is afflicted upon so many defenseless babes.

The bill will provide a National Center on Child Abuse and Neglect to bring together all Federal efforts to solve the problem. It also contains an important provision, that my distinguished colleague (Mr. BIAGGI) fought for, to provide grants to the States to establish child abuse and neglect prevention programs. And finally it provides for demonstration grants to public and private agencies to develop better means of detecting and treating the problem.

This important legislation, Mr. Speaker, deserves the unanimous approval of this House. Once passed, I urge the President to sign it and to seek funding for the remainder of this fiscal year.

Mr. WOLFF. Mr. Speaker, as a cosponsor of the Child Abuse and Neglect Prevention and Treatment Act of 1973, I rise in strong support of the conference report to the bill S. 1191. Its passage is crucial if we are ever to rid this Nation of the evil scourge of child abuse and neglect.

I wish to pay tribute to Representative JOHN BRADEMAS who spearheaded the effort to bring about its passage, and particular tribute to one of the most articulate spokesmen on behalf of child abuse prevention, my distinguished colleague and friend from New York, Mr. BIAGGI. The passage of this conference report today will represent the culmination of 5 long years of work by Mr. BIAGGI who pioneered this effort to develop a strong piece of Federal legislation which would seek to eliminate child abuse and neglect in this country.

What this legislation will do is take substantial first steps in an all-out Federal attack against child abuse and neglect. The bill will establish a National Center on Abuse and Neglect in the Department of Health, Education, and Welfare. The purpose of this center will be to coordinate and centralize all Federal efforts in this area and act as a clearinghouse for information among those working in the field with the problem.

In addition the measure authorizes $55 million over the next 3 years to establish demonstration grants operated by both public and private agencies and to assist the States in bringing initial planning for their own systems to deal with child abuse.

This legislation has many other important provisions whose net effect will be to initiate a strong Federal and State effort aimed at child abuse and neglect prevention.

I have specially singled out Mr. BIAGGI because his voice cried out long before it became fashionable or politically expedient to do so. And it is a result of his persistence and commitment toward solving this problem working behind the scenes that we have this piece of legislation to vote on today.

Mr. RANGEL. Mr. Speaker, I rise to speak in support of the bill on the Child Abuse and Neglect Prevention and Treatment Act of 1973. It is high time we begin to move on erasing the scandal of child abuse from our Nation. This bill, which will establish a National Child Abuse Center in the Department of Health, Education, and Welfare and provide needed moneys to protect the child and treat battering parents, is an important effort which should be made.

I also want to commend my friend and colleague from the New York delegation, Representative MARIO BIAGGI. No man in this House has worked longer, or harder, or earlier than MARIO BIAGGI. In 1969, when no one in the House or Senate was paying any attention to this grave national ill, MARIO BIAGGI was introducing the first legislation to deal with it. He continued to introduce it, he continued to fight for it, and now, finally, in large measure because of his effort, we are about to put a child abuse bill on the books.

I wish, also, to point out that in Harlem, which is the district I represent, the problem of child abuse is particularly acute. We need this bill. So I urge not only that the House speedily pass this bill, but also that the President sign it as soon as it reaches his desk.

Mr. QUIE. Mr. Speaker, I am pleased an agreement could be worked out between the Senate and the House so it is not necessary to go to conference and the legislation passed in time so that its funding can be included in the 1975 budget. The House bill provided for 3 years, plus a 1-year automatic extender, if the Congress did not take action. This, to the administration, gave the impressioni that this was to be an ongoing program. I am happy that this bill is limited to 4 years and no automatic extender; the reason being that the Congress is not certain what kind of program should be developed in the area of child abuse. I feel strongly that the research and demonstration program layed out in this legislation should be completed at the end of that time.

Also, that the information collected as to causes and prevention of child abuse be disseminated to the State and local public and private agencies who actually deal with these problems and, of course, this is where the demonstrations will be conducted which are called for by this bill. At the end of this 4-year period, it is expected that the State and local service programs will not require this Federal stimulation and assistance to deal with these complex problems. It is also my expectation and hope that the Congress not only provide oversight during this period but study the results of the research and demonstration when it is completed and determine what further action, if any, ought to be taken by the Federal Government. I believe the Members realize that we did not pass a services program or a program which would be automatically extended.

Mr. BIAGGI. Mr. Speaker, I rise in support of this bill and urge its passage. Child abuse and neglect is a serious problem in this country with tens of thousands of children being affected every year. This bill before us today, the result of a compromise between differing versions passed earlier by this body and the other body will start the Federal Government on a sound program attacking this terrible condition.

The problem has been closeted away for too long. During my 23 years as a member of the New York City Police Department, I saw too many instances of child abuse. Over 200 children died as a result of child abuse in New York City alone last year. These sad statistics led me to introduce my first child abuse prevention bill in the 91st Congress—as a freshman Representative. Since then I have introduced the proposal in succeeding Congresses and it has continued to gain support. I am pleased that we are now on the threshold of enacting a bill into law.

This bill will provide $80 billion over the next 4 years to establish the National Center for Child Abuse and Neglect, which will coordinate Federal efforts in the area. The money will also help the States set up child abuse and neglect treatment and prevention programs of their own. Also direct grants to public and private agencies are authorized under the law to help find improved means of dealing with the problem and treating the child abuser.

It has been a long road over the last several years to bring this matter to the fore, but it has been a worthwhile one. For the many years before coming to Congress, working with experts in the field such as Dr. Vincent Fontana, director of the New York Foundling Home, and others, I have sought reform of our child abuse laws. Congress now has acted and the result will be a new hope for the abused and neglected child.

I urge the President to sign this bill and to request supplemental appropriations so the program can begin in the current fiscal year. Every day we let pass, more children are falling victims to child abuse and neglect.

The Senate amendments to the House amendment were concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Delaware (Mr. DU PONT) is recognized for 60 minutes.

Mr. DU PONT. Mr. Speaker, as we work here today, on the evening of adjourning this first session of the 93d Congress, I look back over the year to note some of our accomplishments, and take stock of our failures. And, while our accomplishments as a Congress are important, I think most of us will agree that in spite of what we have done, we have not stemmed the tide of declining public confidence. We face a crisis in confidence in our whole system which threatens not only to pale the accomplishments of this Congress, but also to weaken the very fibre of our democratic institutions.

Confidence in public officials is the cornerstone upon which all else rests. Without it, we will plunge into an even deeper morass of disbelief, suspicion, dishonesty, and government instability. The public must have the knowledge that its elected representatives are serving the interests of those who elect them and are not dancing to the tune of another piper.

Integrity in Government has become a major issue in the minds of most of our people. A Harris poll taken in 1966 showed that 29 percent of our citizens felt alienated and powerless. That percentage has grown steadily: 36 percent in 1968, 42 percent in 1971, 49 percent in 1973, and 53 percent today.

Certainly these are alarming statistics. It would be a dangerous mistake to just dismiss them as a swing of the pendulum. Representative democracy is in trouble from the court house to the White House in this country, and it is in trouble because it has not been responsive to the concerns of our people. This Congress must heed the call to reform campaign spending practices, to reform financial disclosure rules for officials, to reform archaic congressional procedures. We must heed the call for basic reforms, or the people of this country are going to send us a message the likes of which we have never heard before.

We have heard cries of reform from every corner of our country, from every community, county, and State of our Nation. How has the Congress answered these pleas? With silence. Did we strike while the iron was hot? Not at all. We fiddle while America burns. I have sponsored campaign spending reform legislation. Scores of my colleagues have done the same. Hundreds of congressional offices have received thousands of constituent letters demanding reform. The message has come through loud and clear.

Where is the campaign spending reform legislation which is so important and so overdue? It languishes in committee. We have been procrastinating promises of possible reform, but campaign spending reform we still do not have.

Mr. Speaker, I for one am not going back to Delaware tomorrow at the end of this session with some lame explanation for my people on why the Congress has not acted.

Nor will I wait for more of my constituents to send me a message. I have thousands of letters in my office already from people in Delaware who are losing faith in their Government, people who are fed up and disgusted with what is going on in Washington.

Perhaps a majority of this House wants to wait until 1984 to reform our campaign spending laws. If so, let them wait. I will not.

I believe that the average man on the street will give $5, $10, $25 to a political candidate if he believes that it will help clean up this mess we call "politics" today. And further, I believe that enough people will contribute small amounts that a congressional campaign can be adequately financed solely by small contributions.

Of course I have the capacity to raise funds in the usual way. But these are not usual times and they demand a new and better way to finance campaigns.

Because I believe that the people of Delaware, the First State, want to clean up campaign financing, we are going to prove to the Nation that it can be done. When my campaign begins in the spring, I will seek only small individual contributions from several thousand people. I will accept no contributions from interest groups—only from individuals. I will not accept contributions in excess of $100, not from my family, myself, nor anyone.

I am willing to bet any Member in this House that it can be done, that we in Delaware can raise at least $50,000 in small contributions to finance a congressional campaign.

I hope that my colleagues and all others seeking public office will join me in this return to true public campaign financing. It is time to begin a new era in campaign financing.

Now is the time for those who have talked to act. I offer you this alternative and ask that you, too, rule out contributions above $100. We must show our country that as individuals, if not as a legislative body, we can provide the leadership to reform an obviously bad system.

Campaign money from big business and big labor is easy for a candidate to come by. But the system cannot stand the strain. I believe the man in the street would rather finance campaigns directly, and somehow I think he will find that the cost is considerably less.

So I ask my colleagues and others seeking office to try this system of reform. We have nothing to lose and a country's self-respect to gain.

When my effort is successfully completed—the day I raise my campaign funds from the little guy—I am going to be back here on this floor, and I am going to be a substantial embarrassment to the other Members of this Chamber who insist on getting money from big labor, from big business, and from special interest groups.

To my knowledge, this is the first commitment of its kind for congressional office. But we in Delaware are used to being first, and we will continue to be first. We will take up the challenge of reform and show the rest of the country that campaign financing can be cleaned up, and that it can be cleaned up by everyday people giving $5, $10, and $25 to the candidate of their choice.

When we are successful, when we have done it, we will have accomplished a very important thing. For when we bring the small contributor, the everyday working man, back into the political system, we will be bringing his representative democracy back to him.

Mr. MACDONALD. Mr. Speaker, will the gentleman yield?

Mr. DU PONT. I am happy to yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Speaker, we all sympathize, I am sure, with what the gentleman has been saying.

However, I am not quite sure whether the gentleman was here or not during the last period of time in which the campaign spending bill passed this body. Every word the gentleman has said went into law at that time.

There is certainly absolutely nothing wrong with the people giving $5, $10, $15, $20, and $25. This House put a limit on how much could be spent per voter during any given campaign, including a congressional campaign.

So when the gentleman starts talking about nothing having been done, I, for one, feel lost, inasmuch as I wonder about this: What does the gentleman think about the people who are now languishing in jail, those who are under indictment on charges of the misusing of funds?

Even the old Corrupt Practices Act made it a felony to give corporate funds.

So when the gentleman says that he is going to bring something new to this House, I just wish he would do it and not just talk about some vacuum in which none of this will happen, because it has all happened.

And if the gentleman was not here at the time I spoke about, I am sure he was getting prepared to run to come here and must have followed the course of events which ended up in the passing of the last campaign spending legislation.

Mr. DU PONT. Well, Mr. Speaker, I will say to the gentleman that I was here. I did vote for the 1972 act, and, of course, it did make some substantial changes and take some substantial steps forward in reforming our campaign practice.

However, I will also say to the gentleman that it surely did not include the remarks which I just made. There is no limit in that bill on how much an individual can give. I supported the amendment offered by the gentleman from New York (Mr. BINGHAM) to set that limit at $1,000. That is not in it.

Mr. Speaker, I will ask the gentleman this: How many people are languishing in jail today that he knows of for violating the 1972 Campaign Spending Act? I do not know of a single one.

Mr. MACDONALD. Mr. Speaker, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Speaker, I do not know of any either, but perhaps that is because I come from the wrong party. In the party that I belong to, no funds were granted illegally by corporations to the party to which this gentleman belongs.

Mr. DU PONT. Well, I will say to the gentleman from Massachusetts, that it is his party that is running the House of Representatives. I will say that we have not had effective campaign spending legislation, and the gentleman knows it as well as I do.

There are still special interest contributions, there are still large contributions of that type, and I will say that unless we clean this up, we will all be in trouble.

So let us get off our duffs and do it.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from California.

Mr. McCLOSKEY. Mr. Speaker, I just wanted to respond to the question asked by the gentleman from Massachusetts and say that the only man that has thus far been charged and has been sentenced to jail for illegal contributions is the Democrat up in New York who gave nine of his employees $3,000 each to give to the Democratic candidate for President, and he, like the corporations which have pled guilty to charges of illegal corporate contributions, has not yet gone to jail. I think the gentleman from Delaware has made a good point. We have not had in the past a single Attorney General from either party that I have seen bring charges against anybody for making illegal campaign contributions.

Mr. MACDONALD. Mr. Speaker, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Speaker, I know that the gentleman from California knows me will enough to understand the point I am making, and that he takes with good grace what I say.

It is not the exact experience of just one party.

What I am saying is that I, for one, having labored long and hard in this field against many Members here in the House who did not want even the kind of limitations that we did put on the spending for each vote, resent the fact that it is being talked about in this fashion. We are like those who flail about during a wake or after some death, and we throw ashes on our head and beat our breasts and say that we have done nothing.

I say to both of the gentlemen—and I say this kindly and I say it to the gentleman in the well as well—that many things have been done and, of course, they can be done better because everything can be done better, but I, for one, am getting tired of hearing ourselves berate ourselves to the point where we are brainwashing the people of this country to think that we are the ones who have committed all of these things that have happened. I, for one, reject out of hand that idea, because it is not the Members of this House or the Members of this body especially and/or the other body who have been that flagrant in this field. I think it ill behooves us to talk about it in such a way.

They have a saying in the church to which I belong—mea culpa, mea culpa, mea culpa. I am getting tired of hearing mea culpa, mea culpa, mea culpa.

Mr. du PONT. Let me say to the gentleman from Massachusetts that he began his response to my remarks by saying everything I had suggested had been done. I think it is very clear it has not been done. But if the gentleman is truly tired of talking about it and wants to do something about it, then let me put a simple question to him: Will you follow what I have outlined and in your next campaign not accept contributions of more than $100?

Mr. MACDONALD. I find very little difficulty in turning down contributions of more than $100. I do not get that many. But I would tell the gentleman, in my judgment—and the gentleman can make up his own mind about this—I can stand here in front of you and tell you without beating my breast about it that I have actually tried to do something about it. And I suggest that you use the same opportunity not to beat your breast but, rather, to do something about it.

Mr. du PONT. That is exactly right. I agree with the gentleman 1,000 percent. And I want to do something about it, and I hope in the gentleman's next campaign he will do it, also.

Mr. HILLIS. Will the gentleman yield?

Mr. du PONT. I yield to the gentleman.

Mr. HILLIS. I would like to commend the gentleman on his statement. I think what the gentleman has said is certainly excellent, and I wish to associate myself with his remarks.

I think the point you are making here is you are ready to do something about it and it is a step up from the platform which is the first step the 92d Congress took in election reform. I think we did not go far enough. It is certainly time a second step was taken and we moved ahead in this important area. It is vital if we are going to reestablish the feeling of credibilty on the part of the people of this country in our Government and in the House of Representatives as well.

Mr. VANIK. Will the gentleman yield?

Mr. du PONT. I yield to the gentleman.

Mr. VANIK. I want to commend the gentleman for his statement. I think it has a great deal of merit.

I suggest, though, to him there are some Members of this body who have been elected and run for office without any contributions. I am thinking very seriously of that kind of an approach. If my name were as well known as the gentleman's in his community—and I hope it is—I am giving serious consideration to offering myself as a candidate for office, soliciting and using no contributions and making no expenditures other than my own energy. I invite the gentleman to join me in that kind of an approach.

Mr. du PONT. I think every Member here is as well known in his district as the gentleman from Ohio is in his and I am in mine, because we are all incumbents. So there is no reason why any of us could not run on the ideas I have suggested or perhaps, with a little bit of luck, on the concept that the gentleman suggested.

Mr. THONE. Mr. Speaker, will the gentleman yield?

Mr. du PONT. I will be happy to yield to the gentleman from Nebraska.

Mr. THONE. Mr. Speaker, I would like to commend the gentleman from Delaware on the remarks he has made. I wish to also advise the Members of the House that in my current campaign for reelection we have also established an annual $100 maximum for our campaign finance committee, and the committee is accepting no contributions from special-interest organizations.

I think that the reform the gentleman from Delaware is talking about is practical. It can be done from our experience. Our campaign finance committee has already raised almost $25,000 in my congressional district of Nebraska from over 800 contributors.

I can assure the Members that this requires a little harder work to be done in the fund raising aspects, but I think it is in the public interest.

Mr. du PONT. I thank the gentleman from Nebraska for his remarks.

Mr. RONCALIO of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. du PONT. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Speaker, may I say to the gentleman from Delaware that when the gentleman began his discussion I was deeply interested, and I thought that perhaps the gentleman was going to come up with an evaluation of the first session of the 93d Congress toward solving some of the problems existing in this country today. What action now would tend toward alleviating the fears and the distrust of the people in this Nation as to the ability of our parliamentary process to make vital contributions in these areas?

I think there are a lot of things that can be measured and improved upon besides how to come up with campaign financing when we have high crimes in high places without prosecution with people's loss of confidence in our institution.

Also I think we should consider what we can do about the runaway inflation. This House has done precious little about this, or about basic reforms in our system of Government. Why do we go along with seemingly endless discussions such as this, and yet fail to face the crux of our problems?

What about proper prosecution of certain individuals? Why is there such a high concentration of economic power in so few hands, so much so that it has destroyed our free enterprise system? Why is there not more competition? What about the oil companies who own virtually all the coal and natural gas companies?

I believe that if the gentleman would like to consider some of these things, then I would like to hear the gentleman address himself to some of these things, and I would be delighted to join with the gentleman in another special order concerning such matters.

Mr. du PONT. I concur with the observations of the gentleman from Wyoming that there are many things that ought to be done. But I hope that the gentleman from Wyoming will agree that before we can restore the confidence of the people in this country that there are an awful lot of things to be done, such as the gentleman from Wyoming suggests, toward achieving our goal, and I would be happy also to join with the gentleman from Wyoming in another special order on that subject.

CONFERENCE EXPERIENCING DIFFICULTY ON WINDFALL PROFITS PROVISION

(Mr. ECKHARDT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ECKHARDT. Mr. Speaker, I take this time to inform the House that the conference committee is presently meeting, and that the difference, as I understand it, has to do with the question of the windfall profits section, the Senate taking the position that the agreement delayed the effectiveness of the windfall profit section to January 1975 which would in effect abolish it.

It is my understanding the chairman of our conferees has taken the strong position that the delay is only with respect to the remedy, but if the Senate provision prevails contrary to what most Members here have understood, from statements of our conferees, and I think our conferees are correct, is that the windfall profit section will be virtually stricken out, because if it is wiped out until 1975 of course that is the end of the emergency. But the situation is an extremely serious one, and one the Members should note when the conferees come back with the results.

A CALLOUS DISREGARD FOR THE GENIUS OF AMERICAN BROADCASTERS?

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 10 minutes.

Mr. BROWN of Ohio. Mr. Speaker, chaos and confusion continue to mark the broadcast license renewal process due to precedent-shattering court decisions, bureaucratic "meanderings" of the FCC, increased interest-group activism, and little help from Congress. In fact, broadcasters today do not know by what criteria they will be judged at renewal time. In urging Congress to enact "necessary clarifying legislation," FCC Chairman Dean Burch called the present license renewal process a "morass."

In response to his call and the calls of many others for legislation to clarify renewal standards, encourage performance incentives for licensees and lend predictability to the renewal process and stability to the radio and television industry, our Subcommittee on Communications and Power held hearings on scores of bills on this topic.

Unfortunately, our concluding markup session on October 9, 1973, reported out a license renewal bill which, in large measure, merely codified the present state of affairs at its worst. Under this proposed bill, there would be no opportunity for a licensee, if challenged by a competing applicant, to be judged on his past performance. He would automatically become a participant on an equal footing with all competing applicants in a full comparative hearing. Essentially, the issue of this hearing would not be how well the licensee had performed in the past, but how well each participant in that competition promised to perform in the future.

As if that subcommittee action were not bad enough for broadcasters all by itself, something else had happened in hearings shortly before the markup which gives the present situation an even worse backdrop. The specter of national standards for every radio and television station in the country was raised by the Chairman of the Federal Communications Commission when he testified before the Subcommittee on Communications and Power late in September. By not speaking one way or the other to the question of national standards or quotas, the bill reported out of our subcommittee, in effect, gives a green light to the FCC to adopt program percentage categories by which to judge renewal applications of licensees or the promise of their competitors in the equal-footing comparative hearing made automatic by the subcommittee bill as a result of the amendment of Congressman LIONEL VAN DEERLIN.

FCC Chairman Dean Burch on September 18, 1973, had told our subcommittee:

> I can perceive no real alternative to an approach similar to that of adoption of gross percentages of broadcast time in certain program categories that, when met or exceeded, will measure a level of performance giving reasonable assurance of license renewal.

Substantively, I strongly oppose establishment of such national percentage guidelines as criteria for broadcast licenses, whether on renewal or original application. Procedurely, I strongly oppose a renewal process that fails to judge past licensee performance before pitting a licensee against all challengers in the area of promising. Clearly, such standards become a roadmap to be followed or exceeded and the licensee has a record which may put him at a disadvantage on either basis. If he has not followed the roadmap to the last sharp turn of the FCC's wishes, his failures are evident, but the promising opposition can pledge to make no such errors. Or if the licensee merely meets the exact expectations of the FCC, the promising competitor can affirm a clear intention of exceeding—perhaps far exceeding—the minimum standards set by the giver of the license.

It is obvious, then, I oppose any bill which, by its refusal to reaffirm the local service emphasis of station licenses or its failure to oppose national standards at a time when that is the direction the FCC is headed, facilitates or seems to mandate Government-imposed criteria applicable nationally. I think broadcasters in every State of the Union oppose that approach and I know that scores of my colleagues in Congress oppose it.

Although my association with the National Association of Broadcasters has been very limited during the consideration of the license-renewal bill problem during the past year, I was not surprised when I heard that estimable organizations had undertaken the search for a compromise. Unfortunately, the proposals for compromise advanced by the NAB since the Van Deerlin-amended subcommittee bill emerged have resulted in more of a "cop out" than a compromise. I have told them that I cannot accept the proposals for compromise which have thus far been made and that is why I am taking this time on the floor to advise my colleagues of my position. It would be my hope that, over the next few weeks, some real compromise can be reached which would resolve the questions of license renewal without selling out the essentially local nature of radio and television.

It is this diversity of special service to the unique needs of local service areas which is the premise and the promise of American broadcasting as enunciated in the Communications Act of 1934 and as practiced by the hundreds of stations throughout our Nation. For the courts or the Federal bureaucracy to show callous disregard for that fundamental principle is one thing, but for the representatives of the people and their radio and television stations to do so is a far greater tragedy. Whether such disregard is the result of some distorted political pragmatism or by an error of principle, it is wrong. It should not be allowed if it can be avoided. I will certainly not support it.

The broadcasters and those who are served by the broadcasting stations of our land have a right to expect Congress to speak to the problem which has been created by the courts overturning years of traditional judgment about the renewal of the licenses granted in the public interest. They also have a right to expect that neither Congress nor spokesmen for the industry will take the easy way out and try to achieve stability at the cost of "nationalizing" the time-honored concept of local service and diversity.

It has been suggested in some of the trade press that I am opposed to certain proposals relating to license renewal because I do not want a renewal bill or because I am expressing the views of someone else. Neither of those ascribed motives is correct, although there is enough truth in them that I must qualify a flat denial of them.

First, my reading of the current situation is that broadcasters and the public they serve would be positively harmed by either the subcommittee bill with the Van Deerlin amendment in it or by any compromise others have thus far advanced. The reasons are that both the bill and the compromises allow licensees and challengers equal footing which, if national standards are set, gives an advantage to the promise over the performance. So, in that regard, current licensees might, in fact, be better off without a bill and rest their proof of local ascertainment and adequate service on the local diversity and service principles of the Communications Act of 1934 in challenging both imposed national quotas and mere promises.

Second, my motives are not entirely my own, nor are they totally unselfish. I think I am representing the views of the kind of responsible broadcasters I have in my area: Mostly independents, but some groups and some rather large market stations. And I think my views will force them to give better service to their local communities—and that this will be to their benefit and the benefit of their publics—than either interest would be served by the clamping on of some stultifying standard devised by a majority of seven members of a commission in Washington.

My selfish motive is to be right in the long run for the benefit of my constituents and the broadcasters who serve them, even though my position may find me temporarily at odds with some others who speak for the interest of broadcasters. I do not demean their good faith effort. I just feel the compromise which they tout has almost the same impact as the reported subcommittee bill with the Van Deerlin amendment still in it. They could have done better in the subcommittee; they can do better in the full committee; and they will do better in the Congress generally if they will alert the broadcasters and the public which is served by broadcasters to the need and the preferable possibilities.

In contrast to the proposed "compromises" and the subcommittee bill, the recently introduced Brown bill is based upon the very premises of the Communications Act of 1934: The public interest as it is defined by those whom broadcasters are licensed to serve—the local residents of each station's service area.

I heartily agree with the March 14, 1973, FCC statement, enunciated by Chairman Burch:

> Areas differ markedly in their needs, problems, their ethnic composition, and in a score of other relevant ways. The scheme of the Communications Act presupposes local outlets serving local needs; the genius of the American system of broadcasting is its pluralism—thousands of licensees making individual judgments geared to the needs of particular service areas.

But the Burch of March was not the Burch of September on this issue. The September Burch wanted national percentage categories to judge each local station's programing. The subcommittee bill and the NAB compromise allow such national standards. The Brown bill prohibits them. Here is why.

As the Burch of last March was different from the Burch of September, the FCC of today could be a different FCC in the future. The majorities in the FCC are transitory. As the members change, so could the standards they promulgate. Today's limited standard can become tomorrow's extensive standards.

Setting national standards makes each licensee subject to a set of national percentages, instead of to the unique diversity of his local service area. Program content can be thus homogenized. Creativity, variety and independence are stifled.

A few FCC Commissioners can never begin to understand what each of many localities needs or seeks. Furthermore, how can homogenizing national standards stimulate the freedom and independence necessary for viable, vibrant, vital local broadcasting? The result of homogenizing in the magazine field, to mention just one competing medium, has been stultification and the economic collapse of many of the one-time giants in that field. The best thing that could happen to competing local media is to have local electronic media required to meet homogenizing standards which would blunt their very localness. Radio, after the impact of television, found its new life through its unique service to local audiences.

Looking at all these factors, I reasoned that locally defined standards were for judging station performance at renewal time. Consequently, the Brown bill requires the FCC to judge whether a licensee served the public interest by determining whether that station continually sought to ascertain the needs, interests, and views of its local service area; and whether or not the station programed substantially in response to such identified needs, interests, and views. Thus, those served in each locale, not the "feds," define the renewal criteria for each station.

Finally, the Brown bill sets up a two-stage procedure in the competing, challenging applicant situation. The license is first judged on the above criteria, and if he has ascertained and responded to local needs, interests and views, he is renewed. If he has not, he goes to the second step, the full comparative hearing with all challengers. Programing is the essence of broadcast service. To ignore a licensee's demonstrated programing in any situation seems unfair, and wholly without merit.

In fact, this two step hearing is what the FCC, with considerable support proposed in 1970, only to be overruled in the Citizens case. But, as the FCC has said:

> If . . . the Citizens Case is left the law of the land, then the field (of broadcasting) is up for grabs. It is in this area of the comparative renewals process that we have the most serious problems and where clarifying legislation is most urgent.

The so-called compromise bills I have seen offer no such clarification. And I don't think such clarification should be left up to the FCC by setting its own standards or to the courts to set some varying standards through different litigation in scattered courts. I think the Congress is the only body qualified to act on this problem and it should act emphatically and without equivocation guided by the principles of the Communications Act of 1934.

These basic arguments about fundamental distinctions between the subcommittee bill, the proposed compromises and my bill motivate my appeal to you to scrutinize the needs of broadcasting, the impact of the various bills and then decide which best enables and stimulates licensees to serve the public interest in the local areas they serve. The Brown bill may not be a finished piece of work. I am open to criticisms, comments and suggestions. But it may be a far better start toward compromise than has been thus far made. I urge that you examine it with that view in mind.

H.R. 11580

To amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of four years and to establish orderly procedures for the consideration of applications for the renewal of such licenses

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Broadcast License Renewal Act".

LICENSE RENEWAL PERIOD AND PROCEDURES

SEC. 2. (a) Section 307(d) of the Communications Act of 1934 is amended to read as follows:

"(d) (1) The term of any license granted under subsection (a) for the operation of a broadcasting station may not exceed four years, and the term of any license so granted for the operation of any other class of station may not exceed five years.

"(2) (A) Except as provided in subparagraph (B), any license granted under subsection (a) may upon its expiration be renewed, upon application (in accordance with section 308), if the Commission finds that the public interest, convenience, and necessity would be served by the renewal of a broadcast license, the Commission shall consider (i) whether the licensee, during the preceding term of its license, followed applicable procedures prescribed by the Commission for the ascertainment of the needs, views, and interests of the residents of its service area, and (ii) whether the licensee developed and presented programing during the term of the license which was substantially responsive to those needs, views and interests. In determining whether a licensee's programing is substantially responsive to the needs, views, and interests of the residents of its service area, the Commission shall not consider national criteria respecting the extent, nature, and content of broadcast programing.

"(B) If a licensee applies, in accordance with section 308, to the Commission for renewal of his license to operate a broadcasting station and if any other person files, in accordance with such section, a competing application with the Commission for the issuance to such other person of an instrument of authorization for the same broadcast facility, the Commission shall, upon the expiration of the license for which the renewal application is filed, grant such renewal application if it finds, after a hearing as prescribed by paragraphs (2) (A) and (3) of section 309(e), that—

"(i) the licensee is legally, financially, and technically qualified to hold the license, under the provisions of this Act and the rules and regulations of the Commission, to operate such broadcasting station,

"(ii) the licensee (I) has followed during the preceding term of its license applicable procedures prescribed by the Commission for the ascertainment of the needs, views, and interests of the residents of its service area, and (II) has developed and presented programing during the term of the license which (as determined by the Commission without regard to national criteria respecting the extent, nature, and content of broadcast programing) was substantially responsive to those needs, views, and interests, and

"(ii) the operation of such broadcasting station has not otherwise been characterized by such violations of law or Commission rules or policies as would warrant the denial of renewal.

"(C) In considering any application for the renewal of a broadcast license granted under subsection (a), the Commission shall not consider—

"(i) the financial interests of the applicant in other stations or in other communications media unless the Commission has adopted rules respecting such interests,

"(ii) the structure of the management of the station for which such application has been filed unless the Commission has adopted rules respecting such structure, or

"(iii) the nonbroadcast interest or activities of the applicant unless the Commission has adopted rules thereon.

"(D) No license for the operation of a broadcasting station may be renewed for a term exceeding four years, and no license for the operation of any other class of station may be renewed for a term exceeding five years.

"(3) Consistently with the foregoing provisions of this subsection, the Commission may by rule prescribe the period or periods for which licenses shall be granted and renewed for particular classes of stations, but the Commission may not adopt or follow any rule which would preclude it, in any case involving a station of a particular class, from granting or renewing a license for a shorter period than that prescribed for stations of such class if, in its judgment, the public interest convenience, or necessity would be served by such action.

"(4) In order to expedite action on applications for renewal of broadcasting station licenses and in order to avoid needless expense to applicants for such renewals, the Commission shall not require any such applicant to file any information which previously has been furnished to the Commission or which is not directly material to the considerations that affect the granting or denial of such application, but the Commission may require any new or additional facts it deems necessary to make its findings. Pending any hearing and final decision on such an application and the disposition of any petition for rehearing pursuant to section 405, the Commission shall continue such license in effect.

"(5) Any license granted or renewed for the operation of any class of station may be revoked as provided in section 312."

(b) (1) Section 309(a) of such Act is amended by inserting after "each application" the following: "(other than a renewal application to which section 307(d) (2) (B) applies)".

(2) Section 309(e) of such Act is amended—

(A) by inserting "(1)" immediately after "(e)"; and

(B) by striking out the last two sentences and inserting in lieu thereof the following:

"(2) (A) In the case of any renewal application to which section 307(d) (2) (B) applies, the Commission shall formally designate the application for a hearing on the matters to be considered by the Commission to determine if it can make the findings specified in such section and shall forthwith notify the applicant and all other known parties in interest of such action, specifying with particularity the matters and things in issue but not including issues or requirements phrased generally. When the Commission has so designated an application for hearing, the parties in interest, if any, who are not notified by the Commission of such action may acquire the status of a party to the proceeding thereon by filing a petition for intervention showing the basis for their interest not more than thirty days after publication of the hearing issues or any substantial amendment thereto in the Federal Register.

"(B) If the Commission is for any reason unable to make the finding specified in section 307(d) (2) (B) after a hearing held on a renewal application in accordance with subparagraph (A) and paragraph (3), the Commission shall designate such renewal application and each competing application (as described in section 307(d) (2) (B)) filed with respect to such renewal application for a comparative hearing. The provisions of subparagraph (A) respecting notice and opportunity to acquire the status of a party shall apply to such a hearing. If the Commission finds after such hearing that the public interest, convenience, and necessity would be served by the granting of a particular application, it shall grant such application.

"(3) Any hearing held, under paragraph (1) or (2) of this subsection, upon an application shall be a full hearing in which the applicant and all other parties in interest shall be permitted to participate. The burden of proof shall be upon the applicant, except that with respect to any issue presented by a petition to deny or a petition to enlarge the issues, such burdens shall be as determined by the Commission."

TIME LIMITATION APPLICABLE TO PETITIONS TO DENY

Sec. 3. (a) the first sentence of section 309 (d) (1) is amended to read as follows: "Any party in interest may file, with the Commission, within such time periods as may be specified by the rules of the Commission, a petition to deny any applications (whether as originally filed or as amended) to which subsection (b) applies."

(b) The first sentence of section 309(d) (2) of such Act is amended by inserting after "pleadings filed" the following: "by the parties within the time periods specified by the rules of the Commission".

NEGOTIATION

Sec. 4. Section 309 of such Act is amended by adding at the end the following subsection:

"(i) The Commission shall by rule prescribe procedures to encourage licensees of broadcasting stations and persons who are critical of the operations of such stations to conduct, during the term of the licenses for such stations, good faith negotiations to resolve the issues presented by such criticism.

ASCERTAINMENT PROCEDURES

Sec. 5. Section 309 of such Act is amended by adding after the subsection added by section 4 of this Act the following new subsection:

"(j) The Commission shall by rule establish procedures to be followed by licensees of broadcasting stations to ascertain throughout the terms of their licenses the needs, views, and interests of the residents of their service areas. Such rule may prescribe different procedures for different classes of broadcasting stations."

STUDY OF EFFECT OF CONCENTRATION OF OWNERSHIP

Sec. 6. The Federal Communications Commission shall (1) conduct a study of the social, economic, political, or other consequences of the ownership of more than one broadcasting station by one person and the ownership by one person of one or more broadcasting stations and one or more newspapers or other communications media, and (2) report to the Congress the results of such study (including recommendations for legislation). In conducting such study, the Commission shall consider relevant data and other materials of the Departments of Justice and Health, Education, and Welfare, of the Office of Telecommunications Policy, and of other public and private agencies. Such study shall be completed and such report shall be filed not later than two years after the date of the enactment of this Act.

STUDY OF REGULATION OF BROADCASTERS

Sec. 7. The Federal Communications Commission shall conduct a study to determine what regulation of broadcasters required by the Communications Act of 1934 does not serve the public interest and shall report the results of such study (including any recommendations for legislation) to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives. Such study shall be completed and such report shall be filed not later than one hundred and eighty days after the date of the enactment of this Act.

EFFECTIVE DATE

Sec. 8. (a) The amendments made by section 2 of this Act shall apply only with respect to the issuance or renewal of a broadcast license made on the basis of an application filed after the date of the enactment of this Act.

(b) The Federal Communications Commission shall issue, within the ninety-day period beginning on the date of the enactment of this Act, rules establishing time limits for the filing of petitions to deny under section 309 of the Communications Act of 1934. The amendments made by section 3 shall apply with respect to petitions to deny filed under such section 309 after such rules have become effective.

(c) Sections 6 and 7 and the amendments made by sections 4 and 5 shall take effect on the date of the enactment of this Act.

CHLORINE SHORTAGES FOR CITIES' WATER SUPPLIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Chappell) is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Speaker, a critical situation is developing with regard to the distribution of chlorine to municipal water systems. Since our cities depend on chlorine to disinfect their public water supplies, it is urgent that the Congress take action to see that an adequate supply of chlorine is made available to our cities.

The Governor of Florida, the Honorable Reubin Askew, is most concerned about the supply of chlorine. He has written to me as follows:

> Producers of chlorine are choosing to sell to commercial and industrial firms, rather than to municipal water systems since greater profits are apparently available from sale to the private firms.
>
> As a consequence, some of our cities are now facing a problem due to the shortage of the chemical for disinfection of public water supplies. While the Miami-Dade Water and Sewer Authority has been able to purchase chlorine, the increase in price compared to a year ago is reported to be more than 31 percent.
>
> Since the inflated prices demanded by some producers could create service difficulties for municipalities, and in view of the critical relationship of chlorine to public health, I strongly recommend that Congress take necessary action now to avoid a shortage of chlorine for our nation's water supply.

Mr. Speaker, this week I have joined with Congressman Paul Rogers and others to introduce legislation, H.R. 12005, designed to avert a crisis created by lack of distribution of chlorine to our cities. I urge all my colleagues to work for passage of this legislation so we can avoid disruption of our Nation's water supply.

THIRTY-SEVEN CONGRESSMEN ASK PROBE OF GAS AND OIL INDUSTRY

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. Gunter) is recognized for 5 minutes.

Mr. GUNTER. Mr. Speaker, "How could it happen in America?" asks an energy writer in the January 1974 issue of the Progressive magazine.

> Homes without heat . . . Factories and schools closing for lack of fuel . . . Cadillacs glutting the market as the rich dump limousines for compact cars . . . A looming food crisis of major proportions . .

How did it happen in America? I am not sure that very many of us in Congress really know despite our day long hearings and our late night sessions on energy legislation.

I fear that there are many of us, myself included, who are reacting to what those with a vested interest in energy legislation tell us are the facts behind the current shortages rather than rolling up our sleeves and finding out what the facts are for ourselves.

It will not be easy. There are some very powerful people playing for high stakes in the current emergency and they are not beyond using their clout with the administration and in the Congress.

That is why I am impressed by the list of cosponsors Congressman Bill Lehman and I are submitting today in urging this House to create a select committee to conduct a complete and full investigation of the role of the oil and gas industry in contributing to the current energy crisis.

There is a clear message when one reads the list of names of Members of Congress who have sponsored this House resolution.

There are Members with totally contrary philosophical viewpoints. There are sponsors from New York to California to Florida. There are Republicans as well as Democrats.

And there are two committee chairmen, the Honorable Wayne Hays of House Administration and my friend and colleague from Florida, the Honorable Jim Haley, chairman of the Interior and Insular Affairs Committee.

We share one common goal—for this House, for itself, to investigate and ascertain the validity or degree of error or misinformation that has been presented to us by the oil and gas industry as fact.

We welcome all the support and assistance we can get to create this select committee and I urge Members to call my office if they wish to join as additional sponsors.

Why do I think it so important that we have such a select committee?

As many of you know, the Senate has been conducting investigations into the integrated oil and gas operations in the United States.

As a member of the Energy Subcommittee of the House Science and Astronautics Committee, I requested the opportunity to testify at those hearings.

In my testimony before Senator Floyd Haskell's subcommittee, I questioned the competitiveness of the gas and oil industry when I saw the names of some of the same people sitting on the boards of what should be competing companies. This is not illustrative of the kind of competition that believers in the free enterprise system like myself were taught to respect.

I also wonder why, in a nation with half the world's coal reserves, we fail to exploit these plentiful resources and rely, instead, on dwindling domestic supplies of gas and oil and imports from such unstable areas of the globe as the Middle East.

Why do corporate profits continue to rise—39 percent in the first half of 1973—while the consumer is being asked to pay higher and higher prices for home heating fuel and gasoline? If the consumer is going to be asked to bite the bullet, I want the oil and gas industry feasting from the same table.

There are countless scandals and hints of scandals we have all heard or read about—capped wells withheld from production; the refusal to build more domestic refineries; illegal depleting of our Naval Petroleum Reserves, and, in light of all this, industry assertions that greater incentives—to it—may be needed to solve the energy shortage.

A few months ago, when the petroleum shortages were less critical than they are now, I was saying that the major multinational oil companies were perhaps at fault in that they could possibly have prevented what was happening; but that they were not at fault in the sense of some diabolical plot to deliberately run the Nation short of fuel just so they could drive prices up and raise their profits.

Well, now, I am not so sure.

Perhaps the following members are not either, in light of their cosponsorship of this resolution:

Honorable Jonathan B. Bingham, Democrat of New York; Honorable Edward Boland, Democrat of Massachusetts; Honorable Frank Brasco, Democrat of New York; Honorable George Brown, Democrat of California; Honorable Dan Daniel, Democrat of Virginia; Honorable John W. Davis, Democrat of Georgia; Honorable John J. Duncan, Republican of Tennessee; Honorable Edwin D. Eshleman, Republican of Pennsylvania; Honorable Dante Fascell, Democrat of Florida; Honorable Harold V. Froehlich, Republican of Wisconsin; Honorable Ella T. Grasso, Democrat of Connecticut; Honorable James A. Haley, Democrat of Florida; Honorable Robert P. Hanrahan, Republican of Illinois.

Also Honorable Michael Harrington, Democrat of Massachusetts; Honorable Wayne L. Hays, Democrat of Ohio; Honorable Margaret Heckler, Republican of Massachusetts; Honorable Henry Helstoski, Democrat of New Jersey; Honorable Edward I. Koch, Democrat of New York; Honorable Robert L. Leggett, Democrat of California; Honorable Claude Pepper, Democrat of Florida; Hon. Thomas M. Rees, Democrat of California; Honorable Benjamin S. Rosenthal, Democrat of New York; Honorable Ronald A. Sarasin, Republican of Connecticut; Honorable Patricia Schroeder, Democrat of Colorado; Honorable Robert L. F. Sikes, Democrat of Florida; Honorable Fortney H. Stark, Democrat of California; and Honorable Gerry E. Studds, Democrat of Massachusetts.

Just before I went to the floor today I was advised to add the names of the following Members to the growing list of cosponsors:

The Honorable Gilbert Gude, Republican of Maryland; Honorable Joe Moakley, Democrat of Massachusetts; Honorable Wayne Owens, Democrat of Utah; Honorable Fernand J. St Germain, Democrat of Rhode Island; Honorable John Seiberling, Democrat of Ohio; Honorable Lester L. Wolff, Democrat of New York; Honorable Sidney R. Yates, Democrat of Illinois; Honorable Charles A. Vanik, Democrat of Ohio.

We welcome additional cosponsors.

At this point, Mr. Speaker, I request permission to insert into the Record an article entitled "Energy: The Crisis Behind the Crisis," an article appearing in the forthcoming January 1974, issue of the Progressive magazine.

Writes the author, Sam Love, an energy lobbyist for environmental action:

> If the current crisis produces no other benefit, it will compel economic planners to learn some hard lessons about energy. It is not a field that lends itself to easy and accurate predictions . . .
>
> For a limited time, politicians and economic prognosticators can play games with the public, but ultimately they must confront the need for basic structural transformation of economic institutions.
>
> For a limited time, corporations can maximize profits by extracting higher prices for a lower volume of production, but ultimately they must confront the reality of limited growth—or even shrinkage.

I recommend Mr. Love's article be read and inserted it at this point:

ENERGY: THE CRISIS BEHIND THE CRISIS

(By Sam Love)

POWER AND FUEL SHORTAGES DEMONSTRATE THE URGENT NEED TO RESTRUCTURE THE NATION'S ECONOMY

How could it happen in America? Homes without heat . . . Factories and schools closing for lack of fuel . . . Cadillacs glutting the market as the rich dump limousines for compact cars . . . A looming food crisis of major proportions . . . Recession, perhaps depression, destroying the experts' neat projections of perpetual prosperity and endless growth.

How could the world's leading industrial nation have stumbled into such a morass? To try to comprehend the origins of the energy crisis, to unravel the complex web of decisions made or deferred, to scrutinize the interests that made or deferred these decisions—to do all this is to approach an understanding of how our economic and political system works—or fails to work—when the people's welfare is most vitally at stake. Such understanding is not easily attained—and there are bound to be disagreements among people of good will—but the consequences of not seeking out and understanding the truth can only portend even greater chaos in the future.

The United States slipped into the energy crisis in almost the same way that it slipped, gradually but steadily, into an ever-deeper quagmire in Southeast Asia. Governmental and corporate energy decisions which went virtually unnoticed at the time have now resulted in a genuine emergency. The Arab oil boycott, like the Tonkin Gulf incident, represented only the final straw that broke the camel's back; history has already loaded the beast.

The corporations engaged in the extraction, production, and distribution of energy have pursued their traditional, relentless, and single-minded quest for profits. The Government, to the extent that its bureaucratic inertia will permit, has been eager to serve their purposes. Together, they set the scene for an energy shortage, which the Arabs, by a twist of fate in the Middle East, managed to escalate into a crisis.

In normal times, Americans consume about seventeen million barrels of crude oil a day. Imports from the Arab States account for only a fraction of that total—the exact figures are in dispute. But it is—it has been—an important fraction: the fraction that spells the difference between an economy of abundance and waste, and an economy of austerity and scarcity. We are in trouble because we have operated an economy of growth and waste—a planless economy that could make some jungles look like well manicured lawns.

The major oil corporations, it should be noted, are not in trouble—not, at least, in the sense in which they are accustomed to gauge their performance. Gulf Oil recently reported a quarterly profit gain of ninety-one per cent, and the industry as a whole—led by such giants as Gulf and Exxon—is recording profits that have increased a record forty-seven per cent since 1972. But the industry is now facing a formidable squeeze which, depending on how it is managed, could dictate substantive changes in the industry—and in the country. Simply put, demand is accelerating off the top of the corporate planning charts, but the supply curve is plunging downward.

Demand is up because our society has become increasingly more energy-intense since World War II. Driven by lavish, corporate promotion designed to stimulate consumption, and by favorably low rates for industrial users, utilities have doubled demand every eight years. High-energy consuming synthetics and metals have replaced such low-energy materials as cotton, wood, and glass. The highways are clogged with gas-guzzling behemoths—built by Detroit for quick obsolescence. In factories and on farms, energy-burning machines have replaced human labor. The throw-away society is here, and people are among the objects thrown away.

But as demand has increased, supply has tightened. It is more difficult and more expensive to find oil as drillers are forced offshore and into the frozen Arctic. And, simultaneously, foreign countries are asserting more control over the resources within their own boundaries.

Faced with such strenuous pressures, the oil corporations have fought hard to preserve the special privileges long accorded to them in the American political process. They were distressed when the Tax Reform Act of 1970 reduced the industry's treasured oil depletion allowance from 27.5 per cent to 22 per cent, and they warned that implementation of the Act would cost the industry $600 million a year and would produce a shortage by reducing the incentive to expand crude oil production. In fact, oil profits surged—but the shortage materialized nevertheless.

An analysis prepared by the Senate Committee on Government Operations revealed that by September 1970, the shortage had begun to take effect. The National Petroleum Council warned, in a self-fulfilling prophecy, that the country faced a deficit of 250,000 barrels per day of fuel oil during the winters of 1970 and 1971. With fuel oil rationing under consideration in the Northeast, a House Subcommittee investigated the fuel crisis and heard, from government and industry witnesses, a number of suggested reasons for short supply: tougher environmental regulations were requiring utilities to burn larger quantities of cleaner fuels; atomic energy was far behind schedule; demand for energy was shooting up; international disruptions were decreasing crude oil imports.

To deal with these problems, President Nixon began creating and reorganizing a labyrinth of bureaucratic structures. In August 1970, he created a Special Energy Subcommittee of the White House Domestic Council and charged it with finding a solution to the existing fuel crisis. He also put General George Lincoln, the director of the Office of Emergency Preparedness, in charge of a Fuel Supply and Fuel Transport Committee to handle short-term supply problems. These actions were, of course, overlaid on an already complex system of government agencies involved in fuel matters.

The first winter of the decade passed without a major crisis. Encouraged by price increases of as much as twenty-five cents per barrel of crude in November 1970, the industry moved swiftly to increase supply.

During 1971 the oil companies faced new problems as the Oil Producing and Exporting Countries (OPEC) in the Middle East demanded and won ownership rights in the operations of American oil companies occurring within their boundaries. OPEC then celebrated its victory by increasing its prices.

At home, meanwhile, inflationary pressures finally moved President Nixon to impose wage and price controls on the economy. The timing was inopportune: Fuel oil prices were frozen at off-season lows and gasoline prices at seasonal highs. The result was to discourage the refining of fuel oil.

When rumblings of financial discontent in the Middle East failed to quench the American economy's thirst for oil, President Nixon increased the level of oil imports to offset an expected gap in domestic supply. As early as January 1970, his Cabinet Task Force on Oil Import Controls had recommended abandoning the import quotas—in defiance of the major oil corporations—but the President refused to accept his own Task Force's advice. As a result of his inaction, demand levels continued to use and refiners used up their yearly quotas early in 1972, forcing some to start drawing oil from stocks at a rate that plunged storage to the lowest point in postwar years. In September, Nixon allowed the oil companies to import up to ten per cent of their 1973 quota during the remainder of 1972, but some of the larger companies refused. At this point, a full-blown crisis was all but inevitable.

The shortage could still have been averted if refiners had simply increased capacity. The Department of the Interior sent telegrams to all major refineries in November 1972, stressing the seriousness of the shortage and asking refiners to increase output from eighty-nine per cent of capacity to ninety-two per cent. The capability for such an increase was there, as a staff study of the Senate Committee on Government Operations confirms, but the refiners refused to accede to the Government request.

Why they refused to increase production is a matter of controversy. The industry contends that crude stocks were not available, while the Government maintains that the industry could have used the increased import quotas to step up fuel oil output. But the Government offered neither a relaxation of price controls nor other concessions that the industry sought. Many oil executives opposed the President's plan to borrow on the following year's quota and insisted on substantive changes.

Except for a few speeches on consumer energy conservation by the head of the Office of Emergency Preparedness, the Government did nothing to step up the refining of fuel oil, and by the beginning of 1973 major manufacturers began making plans to allocate curtailed fuel rations to their customers.

In January 1973, General Lincoln acted to increase imports by suspending all import quotas for the first four months of the year. But since the oil companies wanted a long-term plan and higher prices, they refused to step up production by making full use of already existing refining capacity. In February, several major oil companies decided to test the Cost of Living Council by imposing an eight per cent increase on fuel oil prices. The Government allowed the increase to stand, but the subsequent rush to increase fuel oil production under the higher prices delayed the seasonal switch to increasing gasoline production, so the gasoline supply at the beginning of the summer of 1973 was at a very low point.

The crude oil shortage was further exacerbated when the Canadians, concerned that developing shortages in the United States might create a short supply situation north of the border, cut oil exports to the United States by four per cent in the spring of 1973. The time had finally come when the Government could no longer evade decisive action on the import question. Independent oil companies, which had relied on the majors for supplies of refined products, were raising the alarm about being cut off. Service stations were closing. A massive fuel oil shortage seemed inevitable.

In April, William Simon, the Deputy Secretary of the Treasury who became the nation's top oil official when Nixon phased out the Office of Emergency Preparedness, modified the fourteen-year-old import program by substituting license fees for the quota system. Current quotas would be gradually phased out. To encourage refinery construction, he threw the oil industry a juicy bone: refiners would be allowed to import seventy-five per cent of their new capactiy *duty free* for the next five years. In addition, the Nixon Administration decided to triple the leasing of offshore drilling sites.

In response to such governmental magnanimity, the oil companies announced a number of new refinery projects designed to increase capacity. Superport plans were also advanced for the Gulf and East Coasts. In combination, these steps could temporarily alleviate the energy crisis—if the companies could get the oil.

But getting the oil is proving more difficult and more expensive as the easily recoverable domestic reserves dry up. According to the Bureau of Mines, domestic crude oil production peaked at about 8.8 million barrels per day in 1970 and has since been gradually declining because domestic reserves are being depleted. Domestic production is not expected to increase substantially until the Alaskan and new offshore fields become productive in the latter part of this decade. Although no independent reserve figures are available because the Bureau relies upon oil industry statistics, oil is being consumed so rapidly that—regardless of whose figures one chooses to believe—the reality must be confronted that at some point oil will dry up.

And as oil becomes scarcer, costs of finding it go up. Between 1960 and 1970, the cost of drilling an average well in the United States rose from $55,000 to almost $95,000. Today, drilling the average off-shore well costs more than $500,000, and the average well in Alaska will run to more than $2 million. Even though the return in richer offshore fields may offset the increased costs, oil men claim that the chances of hitting a productive well are only one in eight.

Despite the expanding costs and overseas uncertainties, the industry is concerned about oversupply once the new offshore and Alaska wells are in production. Therefore, the oil companies are focusing now on reinforcing their market positions and increasing prices while oil is still in short supply. This strategy accounts for the peculiar maneuvers by which the oil companies helped engineer the domestic shortage with their refusal to increase refining capacity or even to run existing refineries at full output. With petroleum already in short supply as a result of Administration blunders and oil company tactics, the Arab cutoff has come as a crippling blow. It has also signaled the beginning of a new age in oil—an age in which major oil companies themselves may be subject to supply constraint tactics similar to those they have long used successfully against the public.

Regardless of the dynamics of the boycott, it will have a major impact on the American economy. Because most economists understand so little about the relationship between energy and economic growth, they have been constantly revising their assessment of the effects of the oil shortage. In an incisive front-page economic appraisal on November 20, The Journal of Commerce told its business subscribers that if the Arab boycott were to continue "sufficiently long," the end result could be "serious worldwide business recession bordering on depression, acute shrinkage in business earnings, large-scale business failures, massive unemployment, and a considerable amount of price deflation." Increasingly, other analysts are coming to similar conclusions.

The boycott's impact will be further amplified because Washington has been unable or unwilling to deal effectively with the crisis. The Administration, preoccupied even before Watergate with Nixonian reorganization schemes, kept shuffling responsibility for energy decisions within the Executive branch. As soon as some agency (or individual) came to understand the problem, it (or he) was reorganized.

Only recently the President's energy adviser, former Colorado Governor John A. Love—who was beginning to understand the dimensions of the problem—was "reorganized out," and President Nixon created a new Federal Energy Administration under Deputy Secretary of the Treasury William E. Simon.

The President himself was so busy with resignations, firings, defections, reorganizations, and the threat of impeachment proceedings that he could not devote time or energy to the energy crisis. If he or his advisers had be paying attention to Congressional staff experts, energy trade publications, and others in a position to comprehend the facts, the Administration could have acted decisively in time to ameliorate the impact of the crisis. But the White House, isolated as it is, refused to consider adequate controls, and continued to rely on half-heated appeals to consumers to exercise voluntary self-restraint. To a substantial extent, at this writing, it is still relying on such appeals. The Congressional Joint Economic Committee noted that if new supplies were reduced by 200,000 barrels per day through import disruptions or refinery breakdowns, accompanied by a cold winter, the result would be "an economic crisis for the United States unparalleled since the Great Depression."

Once the Arabs announced their cutoff, the warnings of the Joint Economic Committee report became a chilling reality. But even with such credible and documented information available to the White House, the Administration confined its action to a Presidential message that sought solutions at the expense of the consumer's thermostat and accelerator pedal. The President's first message, on November 7, downplayed the importance of the Arab cutoff. He suggested a shorter workday, year-round daylight savings time, reductions in highway speed, accelerated licensing of nuclear plants, a ban on utilities switching from coal to oil, lower thermostat settings for the Government, and several other minor steps to alleviate the pinch in the short term.

He also launched a propaganda drive "Project Independence," to make the United States self-sufficient in energy by 1980. But except for stressing that Congress should approve his new Energy Research and Development Administration program, he offered no insight as to how the United States, with an energy appetite doubling every fifteen years might become self-sufficient.

Predictably, the President saw in the energy crisis an opportunity to force relaxation of some of the environmental standards and controls that have been painfully achieved in recent years. The crisis has clearly put environmentalists on the defensive. In a joint response to Nixon, seven environmental groups—including Friends of the Earth, Environmental Action, and The America the Beautiful Fund—and a number of other public interest groups contended that any retreat from environmental standards before efforts to conserve fuel have been exhausted would be 'precipitous and irresponsible." The statement also accused the President of calling for consumer sacrifices "as a pretext to avoid making hard decisions regarding corporate practices and structure."

The President's second message, on November 25, conveyed a somewhat more realistic assessment of the economic implications of the Arab oil embargo. Nixon admitted that the shortages could run as high as seventeen per cent, and announced a series of steps to deal with it: a fifteen per cent reduction in the amount of retailers; the closing of service stations on Sundays; the reduction of highway speed limits, and curbs on outdoor lighting and the use of aviation fuel. Still absent from the President's program, however, was any resort to rationing, to curtailing the use of fuel by the military, or to reducing long-term energy demand.

The actions and statements of Nixon, his advisers, and most of Congress reveal how little they understand about energy. Consider the President's personal lifestyle. In addition to fancying gas-guzzling limousines and frequent jet trips, he loves to sit in front of a wood fire all year round, even if he must turn up the air conditioning in the sweltering heat of the Capital's summers to compensate for the heat generated by the fire.

If the decision-makers knew more about energy and its role in the society, the record of the past—and the outlook for the future—might not be so bleak. The significance of energy to culture is only now beginning to be understood. Some essential points which energy decision-makers must begin to take into account are these:

1. ENERGY IS THE INSTRUMENT WHICH MAKES ALL WORK POSSIBLE AND TRANSPORTS ALL GOODS

Without it, work stops. It is the common thread that weaves through the processes of the society and the biosphere. Howard Odum, an ecologist who has made extensive studies of energy, calls it "the universal currency." It is vital to the production and distribution of food. Our agriculture is already so energy-intensive that we expend seven to ten calories of energy input for fertilizers, pesticides, fuels, processing, and transportation in order to get one calorie of food on the table. Without sufficient energy, disruptions occur that could conceivably result in famine.

2. ALL SCHEMES TO OBTAIN AND USE ENERGY REQUIRE ENERGY

Our technological devices for tapping new energy sources require energy input for their construction and operation. Most of this energy input, or subsidy, comes from fossil fuels. Grandiose promises of energy from nuclear power or oil shale are fine stuff for Presidential speeches, but application of the laws of physics may well reveal that most of these new schemes cannot yield as much energy as they require for their operation. The only exceptions might be solar water and space heaters, nuclear breeder reactors, and fusion—but even these schemes will require so much energy to make them productive that any net gain is uncertain at this point.

3. THE FOSSIL FUELS ARE BEING EXHAUSTED

Domestically, the United States is passing its oil production peak. Alaskan and offshore deposits will have to provide additional oil, and though these new reserves appear substantial, a continuation of accelerating energy demand will also rapidly deplete them. The largest remaining oil reserves are in the Third World and politically unstable areas. Yet current demand is accelerating so rapidly that meeting just the non-Communist world's oil demand will, according to Gulf Oil's research, soon require finding new reserves each year equal to the total proven reserves of the United States. At some point such continued growth becomes impossible. Of the fossil fuels, only coal, which exists in quantities sufficient to provide energy for hundreds of years, can sustain demand, but strip mining, which provides more than fifty per cent of the supply at present, takes such a toll on the environment that it, too, must be challenged as an abundant resource.

Another potential source of oil lies under the soil of such Western states as Colorado, Utah, and Wyoming. It is oil shale, which the Interior Department estimates could fill about four per cent of the nation's 1985 liquid fuel demands; the Department estimates that about 600 billion barrels of oil are locked in shale under Federal land. However, it will require a substantial input of energy to retrieve this oil, and there are two other warning flags ahead:

First, many ecologists are deeply concerned over the impact on the environment. Professor Charles Prien of the University of Denver, one of the nation's leading oil shale experts, testified before a Congressional Committee in November that he did not believe the environmental problems were insurmountable. "I don't see that one is left with any wasteland at the end of all this," he insisted. But an Interior Department report earlier this year warned that extraction of the oil from shale would be at the expense of vegetation, wildlife, and water. The project would reduce air quality and would increase the salt concentration in the Colorado River about 1.5 per cent at Hoover Dam.

Second, most of the oil shale deposits are imbedded in Federal land. Given the philosophy of the Nixon Administration, it is more than likely that the Government would lease vast tracts to the oil industry at prices so low as to allow the petroleum interests to harvest vast new profits. This is public land—land owned by the people of the United States of America—and only the most vigilant public concern and demand for full facts at all times would prevent something resembling the Teapot Dome giveaway.

An important potential source of energy that is generally neglected is magnetohydrodynamics. It sounds formidable, but it is simply a process of producing an electric current by passing an ionized gas through a magnetic field. It should be intensively researched for several reasons. It can utilize coal, which we have in abundance; it is theoretically an efficient process; it is virtually non-polluting. The Russians have spent impressive sums on research and development of hydromagnetics, and now reportedly have two such plants feeding into the Moscow power grid, demonstrating its practicality. A greatly expanded program of research into safe and efficient deep coal mining would eliminate the surface stripping problem—and only a small fraction of our coal reserves is available for stripping.

4. THE RELATIONSHIP BETWEEN ENERGY AND ECONOMICS IS ONLY BEGINNING TO BE UNDERSTOOD

Because energy has been cheap and plentiful, economists have not given it sufficient thought; but now that it is becoming scarce, its impact on economic growth is attracting more attention. Since physical growth is possible only through the utilization of energy, a reduction in available energy supplies forces a change in the growth system so that it maintains and sustains a steady state. At some point, decision-makers must realize that the planet is not expanding in direct relation to the Gross National Product.

If the current crisis produces no other benefit, it will compel economic planners to learn some hard lessons about energy. It is not a field that lends itself to easy and accurate predictions. Energy flows through the society like a network of uncharted streams. For example: Oil producers petrochemicals, which are moved (by energy) to plants for conversion (by energy) into plastic stock which is transported (by energy) to fabricators that make products (by energy) which are, in turn, moved (by energy) to wholesalers, distributors, retailers, and consumers. A cutback of oil at the refinery will thus diminish employment at every point on this stream.

For a limited time, politicians and economic prognosticators can play games with the public, but ultimately they must confront the need for basic structural transformation of economic institutions. For a limited time, corporations can maximize profits by extracting higher prices for a lower volume of production, but ultimately they must confront the reality of limited growth—or even shrinkage.

The Conference Board, an independent, non-profit organization that specializes in forecasts by prominent economists and business analysts, predicts that the Gross National Product will continue to grow in 1974, but that the rate of increase in industrial production will decline from 1972's 8.9 per cent to 2.8 per cent. Acute scarcities triggered by energy shortages could render even such forecasts invalid. As energy price increases drive up other prices, rampant inflation can literally rip apart the social economy. In such circumstances, there will be no alternative to a structural transformation of growth-addicted capitalism.

The Nixon Administration's "Project Independence" is, in fact, nothing more than a "Project Dependence"—dependence on continued, accelerated use of fossil fuels. Even the President's pet panacea, nuclear power, will require a large fossil fuel subsidy to enrich, burn, and reprocess the uranium fuel required by the plants.

The President's program also assumes the continued subjugation of people to the energy corporations. However, for the first time in a century, certain decentralized energy technologies could make people virtually independent of the Standard Oils which have built vast fortunes by owning the sources of the energy flow-stream. Experts assure us that rooftop solar collectors or wind generators could provide significant amounts of power. Their input could be supplemented by fossil fuels on cloudless or windless days. Small-scale community systems using tidal energy or methane gas generated from organic waste could also help break the dependence on fossil fuels.

That such systems are still dismissed as impractical—though working models now exist—reflects the misplaced priorities of Government and industry. The bulk of Federal energy research dollars expended since World War II have gone into centralized nuclear power plants; in 1971, more money was spent preparing environmental impact statements for nuclear plants than on researching solar energy.

Stability is the principal attribute of a rational energy system. The current crisis has less to do with the Arab cutoff than with the failure to recognize a basic tenet of ecology: decentralized, diverse systems provide stability. The United States concentrated its dependence directly and indirectly on Arab oil, in violation of a 1953 amendment to the Defense Production Act in which Congress declared that continued dependence on overseas sources of supply of critical materials "gravely endangers the present and future economy and security of the United States." In that amendment, Congress enjoined every department and agency of the Federal Government to decrease our dependency on overseas sources of supply.

Oil is not the only energy source that is being jeopardized by growing dependence on centralized supply, and more disruptions can be anticipated in the future. Utilities are relying increasingly on nuclear power, though many very serious questions remain about the safety of nuclear plants. It is conceivable that an accident of staggering proportions will one day force a moratorium on nuclear power production. The coal supply is also vulnerable: United Mine Workers contracts with all coal corporations expire at the same time, so a prolonged coal strike could put the lights out.

What are we to do? If energy is the social lifeblood, we must obviously insist on its equitable distribution. The alternative is to let the Administration allocate fuel on the basis of its arbitrary judgment—perhaps on the basis of campaign contributions. It is also imperative to establish a national energy-use inventory, which will provide the public with information on the significant users of energy. Such information should serve as the basis for rational rationing, and for decisions regarding future energy conservation programs. If energy prices must go up, they should be carefully monitored and managed, since increases will harm the poor the most.

Long-term strategies must be designed to cut back on non-essential uses of energy so that the remaining oil can be used to create the decentralized technological base for the new society. Such changes cannot be brought about without greater social control over the oil companies. Specifically, the energy pricing system must be reviewed to create rate structures and energy taxes which can be devised to charge users progressively higher prices as their consumption increases, thereby discouraging energy waste. Revenue from energy use taxes can provide the funds for such social purposes as conversion from automobile transportation to mass transit. It can also finance the research required to develop other energy-conserving technologies.

As the full economic impact of energy reduction is felt in the society, politicians will grope for ways to stimulate the sagging economy. Some commentators are already calling for new military expenditures, alleging that the Arab-Israeli war has demonstrated the "superiority" of certain Soviet weapons systems. If there ever was a rationale for bolstering the economy by defense expenditures, this too is a victim of the energy crisis. Tanks and missiles cannot be built from balsa wood; they require such energy-intensive materials as aluminum and titanium, and they must be propelled by fuel.

The military establishment consumes vast quantities of precious fuel every day, and it squandered billions of gallons in Indochina. (The bombing of Cambodia alone required three million gallons of fuel a day, and the United States is still shipping 32,000 barrels a day to keep the Cambodia air force flying.)

Conversely, such socially useful programs as day care centers, health facilities, and mass transit can put people to work while conserving energy—if the political pressure can be generated to put such programs into effect. There is no point in looking to the Nixon Administration for leadership. The President's priorities were made clear when he put retired Vice Admiral Eli T. Reich in charge of the Interior Department's new Office of Petroleum Allocation. Reich, aided by a host of other retired or active duty military officers, can be expected to give top attention to the demands of the Department of Defense and its major contractors.

The times demand change, but those who have a vested interest in the technologies of the centralized past will fiercely resist the transformation to a decentralized future. And they may very well use our remaining resources to feed their fantasies of growth, instead of tapping the energy for construction of a sane, just, and viable society. The political instrument for such obstruction exists in the Defense Production Act of 1950, which provides the President with sweeping powers of social control—to allocate materials, accelerate mineral development, and assure corporations of immunity from the antitrust laws. The military has already used this authority to claim first priority on fuel stocks.

The energy crisis, then, confronts us with a threat as well as with an opportunity: the opportunity to build, from our present emergency, a more equitable distribution of power and wealth; the threat that we will succumb, in the panic of shortages and disruption, to a militarized and repressive system of social and economic control. This is the real crisis, and in time it may eclipse the shortage of energy that inconveniences us today.

RECESS

The SPEAKER. The Chair would like to announce that we are awaiting the action of the other body on various matters which we hope to dispose of today.

When we recess the Chair will give 15 minutes' warning by the bells prior to reconvening the House.

Under the previous order of the House, the Chair declares the House in recess, subject to the call of the Chair.

Accordingly (at 10 o'clock and 10 minutes a.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock p.m.

A FURTHER MESSAGE FROM SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11576) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to amendments of the Senate numbered 7, 18, 21, 22, 36, 43, 47, 48, 70, 74, 75, 80, 86, 94, 104, and 108.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9142) entitled "An act to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northeast region; to provide financial assistance to certain rail carriers; and for other purposes."

The message also announced that the Senate agrees to the amendments of the House with amendments to a bill of the Senate of the following title:

S. 2812. An act to authorize a formula for the allocation of funds authorized for fiscal year 1975 for sewage treatment construction grants, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the amendment of the Senate numbered 3 to the bill (H.R. 6186) entitled "An act to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. EAGLETON, Mr. INOUYE, and Mr. MATHIAS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 11333. An act to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; and

H.R. 11565. An act to insure that certain buildings financed with Federal funds utilize the best practicable technology for the conservation and use of energy.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2770. An act to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services;

S. 2771. An act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the armed forces, and for other purposes;

S. 2830. An act to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus; and

S.J. Res. 183. Joint resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer.

AMENDING THE FEDERAL-AID HIGHWAY ACT OF 1973

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to take from the

Speaker's desk the bill (H.R. 10511) to amend section 164 of the Federal-Aid Highway Act of 1973 relating to financial assistance agreements, with Senate amendments thereto and consider the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Strike out all after the enacting clause and insert: That (a) section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(f) No Federal financial assistance under this Act may be provided for the purchase of buses unless as a condition of such assistance the applicant or any public body receiving assistance for the purchase of buses under this Act or any publicly owned operator receiving such assistance shall as a condition of such assistance enter into an agreement with the Secretary that such public body, or any operator of mass transportation for the public body, shall not engage in charter bus operations outside of the urban area within which it provides regularly scheduled mass transportation service, except as provided in the agreement authorized by this subsection. Such agreement shall provide for fair and equitable arrangements appropriate in the judgment of the Secretary, to assure that the financial assistance granted under this Act will not enable public bodies and publicly and privately owned operators for public bodies to foreclose private operators from the intercity charter bus industry where such operators are willing and able to provide such service. In addition to any other remedies specified in the agreements, the Secretary shall have the authority to bar a grantee or operator from the receipt of further financial assistance for mass transportation facilities and equipment where he determines that there has been a continuing pattern of violations of the terms of the agreement. Upon receiving a complaint regarding an alleged violation, the Secretary shall investigate and shall determine whether a violation has occurred. Upon determination that a violation has occurred, he shall take appropriate action to correct the violation under the terms and conditions of the agreement.".

(b)(1) The first sentence of section 164 (a) of Public Law 93-87, approved August 13, 1973, is amended—

(1) by inserting "or" before "(2)"; and

(2) by striking out "or (3) the Urban Mass Transportation Act of 1964,".

(2) The second sentence of such section 164(a) is amended by striking out ", (2), and (3)" and inserting in lieu thereof "and (2)".

SEC. 2. Section 164(a) of the Federal-Aid Highway Act is amended by striking out all after the word "operations" in the first sentence and all of the second sentence, and inserting in lieu thereof "outside of the urban area(s) within which it provides regularly scheduled mass transportation service except as provided in an agreement authorized and required by section 3(f) of the Urban Mass Transportation Act of 1964, which subsection shall apply to Federal financial assistance for the purchase of buses under this Act."

SEC. 3. The Secretary shall amend any agreements entered into pursuant to section 164a of the Federal-Aid Highway Act of 1973, Public Law 93-87, to conform to the requirements of section 1 of this Act. The effective date of such conformed agreements shall be the effective date of the original agreements entered into pursuant to section 164a.

Amend the title so as to read: "An Act to amend the Urban Mass Transportation Act of 1964 to permit financial assistance to be furnished under that Act for the acquisition of certain equipment which may be used for charter service in a manner which does not foreclose private operators from furnishing such service, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WRIGHT moves that the House concur in the Senate amendments to the text of the bill with the following amendments: Page 3 of the Senate engrossed amendments strike out Sec. 2 on lines 7 through 15, inclusive.

Page 3 of the Senate engrossed amendments line 16 strike out "Sec. 3." and insert in lieu thereof "Sec. 2.".

The motion was agreed to.

Mr. DON H. CLAUSEN. Mr. Speaker, there is general agreement that the executive branch's interpretation of section 164(a) of the Federal-Aid Highway Act of 1973 places unreasonable constraints on the charter bus activities of public transportation agencies funded under the UMTA program. While it was our intention to impose reasonable limits on competition by public authorities receiving Federal money under the Urban Mass Transportation Act, we did not wish to totally ban charter services by them under any and all circumstances.

For example, where private bus operators are unable or unwilling to provide charter bus service, the Congress did not intend to prohibit public transit authorities from filing the need. And, in those cases where private bus companies are operating public mass transit services for a state or local transportation agency, it would be absurd to inhibit their private operations in the charter fields. Hopefully, this bill will put an end to such interpretations of the existing law.

But even assuming a proper interpretation of congressional intent in this regard, I think that, with respect to UMTA, this measure, as amended, will serve a useful purpose. The mass transit program has been on the books for the better part of a decade. It is an ongoing program, not one that is starting up. As enacted, section 164(a) would impose restraints that may hinder its operations more than is necessary. Indeed, I can conceive of instances where the competition between public and private charter bus operators it would prevent might be desirable and, hence, should be permitted by agreement between the parties. It is to permit such operational understandings that this provision is addressed.

The same considerations which prompt my support of it, however, do not apply with respect to section 164(a)'s applicability to the highway program. Authorizing the expenditure of highway moneys for the purchase of buses is new. It has never been done before. Consequently, the imposition of inhibitions is reasonable. Indeed, I believe if section 164(a), as originally approved, is interpreted properly by UMTA, there will be no adverse impact and a healthy and constructive relationship between public and private charter bus operators will result. In the process, the highway moneys which we provide can serve the specific purpose for which they are allocated—as a supplement, not a substitute for, UMTA program moneys, with the latter first being expended before highway moneys are spent.

There is yet another reason justifying this approach. The moneys used to purchase buses would be drawn from the highway trust fund. Principal contributors to that fund are private bus operators. To my way of thinking, it would be unfair to, on the one hand, require private bus operators to contribute to the highway trust fund and, on the other, to sanction the use of such moneys to buy buses to be used in competition against them. To do so would create an unconscionable inequity. That is the reason I believe that section 2 of the Senate amendment should be stricken. The House should agree to the Senate amendment with section 2 stricken.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MOTION OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WRIGHT moves that the House concur in the Senate amendment to the title of the bill.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONSERVING ENERGY ON THE NATION'S HIGHWAYS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11372) to conserve energy on the Nation's highways, with Senate amendments thereto, and consider the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 3, strike out "National Maximum".

Page 1, line 4, strike out "Speed Limit" and insert "Energy Conservation".

Page 1, line 5, after "2." insert "(a)".

Page 1, line 5, strike out "Act" and insert "section".

Page 1, line 9, strike out "SEC. 3." and insert "(b)".

Page 2, line 3, strike out all after "hour" down to and including 'highway" in line 15.

Page 2, line 16, strike out "SEC. 4. (a)" and insert "(c)(1)".

Page 2, line 16, strike out "the Act" and insert "this section".

Page 2, line 19, strike out "(b)" and insert "(2)".

Page 2, after line 22, insert:

(d) Nothwithstanding the provisions of section 120 of title 23, United States Code, sums apportioned to any State under paragraph (1) of subsection ([illegible]) of section 104 of title 23, United States Code, shall be available to pay the entire cost of any modification of the signing of any Federal-aid highway within such State due to a reduction in speed limits to conserve fuel if such change in signing occurs or has occurred after November 7, 1973.

Page 2, line 23, strike out "SEC. 5." and insert "(e)".

Page 2, line 23, strike out "Act" and insert "section".

Page 3, after line 3, insert:

(f) Administrative action by the Governor or other appropriate State official or agency taken to comply with this section shall be deemed compliance with the requirements of this section.

Page 3, after line 3, insert:

SEC. 3. Chapter 1 of title 23 of the United States Code is amended by adding the following new section 154:

"CARPOOL INCENTIVE PROJECTS

"SEC. 154. (a) (1) To conserve fuel, decrease traffic congestion during rush hours, improve air quality, and enhance the use of existing highways and parking facilities, the Secretary shall approve projects designed to encourage the use of carpools in urban areas throughout the country while not adversely affecting bus and other mass transportation ridership in such areas.

"(2) Proposals shall be originated by local officials and submitted by the State in accordance with the provisions of subsection (d) of section 105 of this title. The Secretary shall approve for funding those projects which offer reasonable prospects of achieving the objectives stated in subsection (a) (1).

"(3) The Secretary shall take appropriate measures to assure adequate personnel and resources assigned to carry out this section within the Department of Transportation and shall provide technical assistance to States and local governments in the development of carpool incentive projects.

"(4) A project may include, but not be limited to, such measures as systems for locating potential riders and informing them of convenient carpool opportunities; preferential carpool highway lanes or shared bus and carpool lanes; and preferential parking for carpools.

"(5) A project under this section shall be carried out in accordance with procedures of law and regulations applicable to urban area traffic operations improvement projects pursuant to section 135 of this title, except that the Federal share of the cost of such work shall be 90 per centum, and that the Federal share shall not exceed $1,000,000 for any single project.

"(b) The Secretary shall conduct a full investigation of the effectiveness of measures employed in the demonstration projects authorized by subsection (a) of this section. In addition, he shall, in cooperation with the Internal Revenue Service, the Environmental Protection Agency, and other appropriate Federal and State agencies, study other measures, including but not limited to tax and other economic incentives, which might lead to significant increases in carpool ridership in urban areas throughout the country, and shall identify any institutional or legal barriers to such measures and the costs and benefits of such measures. He shall report to the Congress not later than December 31, 1974, his findings, conclusions, and recommendations resulting from such investigation and study. Funds authorized to carry out section 307 of this title are authorized to be used to carry out the investigation and study authorized by this subsection."

Page 3, after line 3, insert:

SEC. 4. (a) Notwithstanding any other provision of any law, rule, or regulation, any common carrier by motor vehicle, as defined in part II of the Interstate Commerce Act, authorized pursuant to such part to provide property transportation service between particular points may use a shorter route between any such points if such use does not reduce any required service to intermediate points.

(b) The provisions of this section shall remain effective until such date as the President declares the current energy emergency to be terminated.

Page 3, after line 3, insert:

SEC. 5. Section 601(d) of the Federal Aviation Act of 1958, as amended, (49 U.S.C. 1421) is amended to read as follows:

"EMERGENCY LOCATOR TRANSMITTERS

"(d) (1) Except with respect to aircraft described in paragraph (2) of this subsection, minimum standards pursuant to this section shall include a requirement that emergency locator transmitters shall be installed —

"(A) on any fixed-wing, powered civil aircraft for use in air commerce the manufacture of which is completed, or which is imported into the United States, after one year following the date of enactment of this subsection; and

"(B) on any fixed-wing, powered civil aircraft used in air commerce after three years and six months following such date.

"(2) The provisions of this subsection shall not apply to:

"(A) Turbojet-powered aircraft;

"(B) Aircraft while engaged in scheduled flights by scheduled air carriers certificated by the Board;

"(C) Aircraft while engaged in training operations conducted entirely within a fifty-mile radius of the airport from which local flight operations began;

"(D) Aircraft while engaged in flight operations incident to design and testing;

"(E) New aircraft while engaged in flight operations incident to their manufacture, preparation, and delivery;

"(F) Aircraft while engaged in flight operations incident to the aerial application of chemicals and other substances for agricultural purposes;

"(G) Aircraft certificated by the Administrator for research and development purposes;

"(H) Aircraft while used for showing compliance with regulations, crew training, exhibition, air racing or market surveys; and

"(I) Aircraft equipped to carry not more than one person.".

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HOWARD moves that the House concur in Senate amendments numbered 1, 2, 3, 4, 5, 7, 8, 9, 11, and 12.

The motion was agreed to.

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HOWARD moves that the House concur in the Senate amendment numbered 6 with the following amendment: Strike out the period at the end of the Senate amendment and insert in lieu thereof a comma and the following: ", and (2) a speed limit for all types of motor vehicles other than 55 miles per hour on any portion of any public highway within its jurisdiction of four or more traffic lanes, the opposing lanes of which are physically separated by means other than striping, which portion of highway had a speed limit for all types of motor vehicles of 55 miles, or more, per hour on November 1, 1973, and (3) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly applicable to all types of motor vehicles using such portion of highway, if on November 1, 1973, such portion of highway had a speed limit which was uniformly applicable to all types of motor vehicles using it. A lower speed limit may be established for any vehicle operating under a special permit because of any weight or dimension of such vehicle, including any load thereon. Clauses (2) and (3) of this section shall not apply to any portion of a highway during such time that the condition of the highway, weather, an accident, or other condition creates a temporary hazard to the safety of traffic on such portion of a highway.

The motion was agreed to.

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HOWARD moves to concur in Senate amendment numbered 10 with the following amendment: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

(d) Notwithstanding the provisions of section 120 of title 23, United States Code, sums apportioned to any State under section 104 of title 23, United States Code, shall be available to pay the entire cost of any modification of the signing of the Federal-aid highways for which such sums are apportioned within such State due to a reduction in speed limits to conserve fuel if such change in signing occurs or has occurred after November 1, 1973.

The motion was agreed to.

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HOWARD moves to concur in Senate amendment numbered 13 with the following amendment: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

(f) The requirements of this section shall be deemed complied with by administrative action lawfully taken by the Governor or other appropriate State official that complies with this section.

The motion was agreed to.

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HOWARD moves to concur in Senate amendment numbered 14 with the following amendment:

Mr. Speaker, I move that the House concur in Senate amendment numbered 14 with the following amendment:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SEC. 3. (a) To conserve fuel, decrease traffic congestion during rush hours, improve air quality, and enhance the use of existing highways and parking facilities, the Secretary of Transportation is authorized to approve demonstration projects designed to encourage the use of carpools in urban areas.

(b) Proposals shall be originated by local officials and submitted by the State in accordance with the provisions of section 105 (d) of title 23, United States Code. The Secretary of Transportation shall approve for funding those projects which offer reasonable prospects of achieving the objectives set forth in subsection (a) of this section.

(c) A project may include, but not be limited to, such measures as systems for locating potential riders and informing them of convenient carpool opportunities, designating existing highway lanes as preferential carpool highway lanes or shared bus and carpool lanes, providing related traffic control devices, and designating existing publicly owned facilities for use as preferential parking for carpools.

(d) A project authorized by this section shall be subject to, and carried out in accordance with all of the provisions of chapter 1 of title 23, United States Code, applicable to highway projects, except that the Federal share of such project shall be 90 per centum, the Federal share shall not exceed $1,000,000 for any single project, and only funds apportioned under section 104 (b)(3) and (6) of such title shall be available to carry out projects authorized by this section. The Secretary shall not approve any project under this section after December 31, 1974.

(e) The Secretary of Transportation shall conduct a full investigation of the effectiveness of measures employed in the demonstration projects authorized by subsection (a) of this section. In addition, he shall, in cooperation with the Internal Pevenue Service, the Environmental Protection Agency, and other appropriate Federal and State agencies, study other measures, including but not limited to tax and other economic incentives, which might lead to significant increases in carpool ridership in urban areas throughout the country, and shall identify any institutional or legal barriers to such measures and the costs and benefits of such measures. He shall report to the Congress not later than December 31, 1974, his findings, conclusions, and recommendations resulting from such investigation and study. Funds authorized to carry out section 307 of title 23, United States Code, are authorized to be used to carry out the investigation and study authorized by this subsection.

The motion was agreed to.

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HOWARD moves to disagree to the Senate amendment numbered 15.

The motion was agreed to.

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HOWARD moves to concur in Senate amendment numbered 16 with the following amendment: In the first line of the matter proposed to be inserted by the Senate amendment strike out "SEC. 5." and insert in lieu thereof "SEC. 4.".

The motion was agreed to.

The Senate amendments Nos. 1, 2, 3, 4, 5, 7, 8, 9, 11, and 12 were concurred in.

The amendments to Senate amendments Nos. 6, 10, 13, 14, and 16 were agreed to.

Senate amendment No. 15 was rejected.

Mr. HOWARD. Mr. Speaker, I have a detailed list of amendments which I will propose in conformance with the House Rules in the handling of this bill, but first I would like to summarize quickly what will be accomplished by the amendments.

First and foremost is the subject of speed. The House-passed bill called for a uniform national maximum speed limit of 55 miles per hour on all highways which had permitted speeds greater than 55 miles per hour on November 1, 1973, and this limit should apply to all types of vehicles. Furthermore, you could not have a maximum speed limit less than 55 miles per hour on these highways. The Senate agreed with the 55-mile-per-hour maximum, but allowed a State to set a lower speed limit if it desired, or to set a two-tiered system with a greater speed for trucks than autos.

The compromise reached holds the House position of a uniform speed of 55 miles per hour on those highways posted 55 miles per hour or greater for all vehicles, but restricts this mandatory element to those highways four lanes or wider which contain a physical median other than paint striping. The 55-mile maxmium is retained on all roads, but the State may place a lower limit on those roads which do not have a mandatory 55-mile limit.

Speeds refer to posted speeds so that a State which may have had a special speed for towed vehicles, for example, may retain such a limitation if it so chooses. Further, emergency vehicles may exceed the posted speeds in the same manner as they are now permitted under State law.

Because of the confusion which has resulted by various pronouncements of Federal policy, a provision has been included to pay for those sign changes required under this act from Federal highway funds apportioned to the States under whichever Federal-aid system the highway happens to be on.

Language has been added reiterating the position of the House that a Governor or State Highway Department may act to conform with this legislation if it is empowered by the State legislature to do so.

A Senate amendment setting up a carpool incentive demonstration program for 1 year is added to the bill with a study and report of its effectiveness due also within 1 year. If the program proves effective, it can be extended at a future date.

An amendment added in the Senate to head off a December 29, 1973 deadline for installation of emergency location transmitters for private aircraft has been added to the bill. While not a part of the energy package, it does accomplish a purpose which could only be done in this manner. It is understood that the Committee on Interstate and Foreign Commerce has no objection to the consideration of this amendment at this time.

Mr. DON H. CLAUSEN. Mr. Speaker, in the interest of developing a workable energy oriented speed limit bill, the House passed H.R. 11372. The Senate has since amended that bill and returned it to us. Amendments now are brought before this House to reflect what appears to be a reasonable approach to the question, resolving the positions of both the House and Senate in language that accommodates the requirements of both.

One area that was of very great importance to the House was that of uniformity of speed limits on a highway. This uniformity is desirable to maintain safety on the highways and to avoid the irritation that the American driver would inevitably experience if he were made to drive in the wake of higher speed trucks.

In order to preserve this uniformity without sacrifice of energy and safety, these amendments require first that any State that has uniform posted speed limits on any portion of a highway must maintain that uniformity even though it lowers its speed limit in accordance with this act. Any four, or more, lane highway on which opposing lanes are divided by more than mere striping must have a 55-mile-per-hour speed limit wherever the posted speed limit for all motor vehicles was 55, or more, miles per hour on November 1, 1973. This 55-mile-per-hour speed limit must be applied uniformly to all vehicles. If upon any other highway posted speed limits on November 1, 1973 were not uniform, the State may set any speed limits 55-miles-per-hour or under that it deems fit. However, if posted speed limits were uniform on November 1, 1973, the States must impose uniform speed limits to be in compliance with this act.

In another amendment, we have made it abundantly clear that wherever administrative action by the Governor of the State or any other official empowered to act for the State in the matter of determining and setting speed limits upon highways within that State take such actions in accordance with the authority vested in him by law and that action is valid under State law, it is not necessary for the legislature to meet and accomplish the purpose by legislative fiat. This was always the intent of the House and in accordance with the desires of the Senate an amendment to that purpose clarifying the intent is placed in the law. However, we wish to caution those interpreting this language that whenever such action is taken by an official of the State, including but not limited to the Governor of the State, and that action is ultra vires so that it is without effect under State law, compliance with this act shall not be deemed to have taken place until either the legislature has ratified these acts or has acted separately to accomplish the purposes of this act or there is de facto compliance.

Mr. BLATNIK. Mr. Speaker, the Committee on Public Works reported and the House passed H.R. 11372, a bill to establish maximum speed limits on our highways during the current fuel emergency, and the House has received from the Senate its proposed amendments to our bill. Members of the committee and the staff have discussed the differences with our counterparts in the Senate and believe that we have reached agreement on this important subject.

Mr. Howard of New Jersey, the able chairman of the Subcommittee on Energy, spoke diligently on this subject in these waning days of the Congress, as have Mr. Harsha, of Ohio, and Mr. Snyder, of Kentucky on the minority side.

I strongly support the amendments and I hope the House will see fit to put its final stamp of approval on this vitally needed bill.

The States want guidance in respect to the energy conservation measures which are the most practical to undertake immediately. The emergency energy legislation which has been worked on so diligently by the Commerce Committee in the House and the Interior Committee in the Senate covers a multitude of areas, whereas this bill takes two particular areas—the highway speed limits and carpooling—and gives the States immediate direction in this regard.

A reasonable compromise has been reached between the two bodies and we understand there are no problems with this bill in the other body.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendments just considered.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AUTHORIZING A FORMULA FOR THE ALLOCATION OF FUNDS AUTHORIZED FOR 1975 FOR SEWAGE TREATMENT CONSTRUCTION GRANTS

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2812) to authorize a formula for the allocation of funds authorized for fiscal year 1975 for sewage treatment construction grants, and for other purposes, with the House amendments to the bill and the Senate amendments to the House amendments, and consider the Senate amendments to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, of the House engrossed amendments, strike out "years" and insert "year".

Page 1, lines 5 and 6, of the House engrossed amendments, strike out "and June 30, 1976,".

Page 2, line 2, of the House engrossed amendments, strike out "1976,"." and insert "1975,".".

Page 2, after line 23, of the House engrossed amendments, insert:

Sec. 4. Subsection (b) of section 516 of the Federal Water Pollution Control Act, as amended (86 Stat. 895), is amended by inserting "(1)" after "(b)"; by striking "(1)", "(2)", "(3)", and "(4)" and inserting in lieu thereof "(A)", "(B)", "(C)", and "(D)", respectively; and by adding the following new paragraph:

"(2) Notwithstanding the second sentence of paragraph (1) of this subsection, the Administrator shall make a preliminary detailed estimate called for by subparagraph (B) of such paragraph and shall submit such preliminary detailed estimate to the Congress no later than September 3, 1974. The Administrator shall require each State to prepare an estimate of cost for such State, and shall utilize the survey form EPA-1, O.M.B. No. 158-R0017, prepared for the 1973 detailed estimate, except that such estimate shall include all costs of compliance with section 201(g)(2)(A) of this Act and water quality standards established pursuant to section 303 of this Act, and all costs of treatment works as defined in section 212(2), including all eligible costs of constructing sewage collection systems and correcting excessive infiltration or inflow and all eligible costs of correcting combined storm and sanitary sewer problems and treating storm water flows. The survey form shall be distributed by the Administrator to each State no later than January 31, 1974.".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. Roberts).

Mr. ROBERTS. Mr. Speaker, S. 2812, as amended by the Senate, is different from the House version which passed this body on December 18, in several rather minor respects.

The Senate would limit the application of the allocation formula in the bill for grants for waste treatment works for 1 year, fiscal year 1975, whereas the House version would have the formula used for 2 fiscal years. This is not a major change since there are no authorizations in the basic water pollution control act at this time for fiscal year 1976. This is a matter we will deal with next year. This amendment requires changing the date in two places.

The Senate also added a provision which would require the Environmental Protection Agency to prepare with the States and submit to the Congress by September 3, 1974, an interim needs study. The Federal Water Pollution Control Act requires the next needs survey report to be submitted in February 1975. An interim submittal in September 1974 would be very helpful in our legislative consideration next year. This does not change the requirement for EPA to submit a report in February 1975.

My friend, Mr. Clausen, of California, will also discuss S. 2812, as amended. His remarks reflect the intent of this legislation.

I urge the approval of S. 2812, as amended.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of S. 2812 as amended today by the other body. As you remember, the Committee on Public Works brought to the floor on December 18 H.R. 11928 which was passed. We then passed a motion to strike all after the enacting clause of S. 2812 and inserted in lieu thereof the provisions of our bill H.R. 11928.

Today the other body further amended S. 2812 and we now bring this bill to you with the recommendation that you support. This bill, as originally passed by this House, provided a formula for allocation which would be utilized for the fiscal years ending June 30, 1975, and June 30, 1976. The amendment by the other body revised this to provide that the allotment formula as passed by the House will be utilized only for the fiscal year ending June 30, 1975.

The amendment further provides that the Environmental Protection Agency shall provide to the Congress on September 3, 1974, a preliminary report on the report which is due to be submitted pursuant to the requirements of section 511 on February 10, 1975. This preliminary report could be utilized as the basis for allotments for the fiscal year ending June 30, 1976.

It is absolutely necessary that the Environmental Protection Agency meet the September 3 report date. It will be incumbent upon the Congress to approve by law the allotment formula for the fiscal year ending June 30, 1976, before the 93d Congress adjourns. It is anticipated that the Congress could adjourn by October 1. Any delays by the Environmental Protection Agency would be unacceptable.

We expect the Environmental Protection Agency to initiate immediately those planning steps and other actions necessary to meet the dates in this act. Further, we expect the Environmental Protection Agency to submit monthly reports defining the schedule for completion of the preliminary and final reports, milestones, and the progress in meeting the milestones.

Because the forms and procedures utilized by the Environmental Protection Agency to develop the assessment of needs are very important to the success of the effort and because we expect this report to reflect the intent of the Congress, I want to say now that we expect the representatives of the Environmental Protection Agency to meet early and regularly with our committee. The assessment of needs is too important for us to find possibly at a late date, that the study does not reflect our intent.

We expect the Environmental Protection Agency to take all steps necessary to include in the September 3 preliminary report the needs required to meet best practicable technoloy. We also expect the Environmental Protection Agency to coordinate very closely with the States to incorporate the needs required to meet new water quality standards. We recognize that the regulations for these new water quality standards might not be promulgated until next summer. However, the proposed regulations will be available and they should be utilized for the determination of needs whenever possible. We heard during our recent hearings that such a preliminary report would impact upon the quality of the report due February 10, 1975. We recognize this possibility but hope it will not be the case. We, therefore, urge the Environmental Protection Agency to evaluate the time requirements for submitting the February 10, 1975, report. I want to say now that we would be willing to consider a reasonable extension of this date if the Environmental Protection Agency believes it is necessary. If such an extension would assure a report of the highest quality, thoroughness, and accuracy, I am sure there will be no difficulty in extending the dates next fall at the same time the allotment formula for the fiscal year ending June 30, 1976, is established.

I want to caution the States that they must immediately initiate their efforts to provide the information and data necessary to thoroughly and accurately report their needs. We will not look favorably upon excuses by the States that they were not ready or did not submit all of their needs. Remember, the basis for allotment for fiscal year ending June 30, 1976, could be the preliminary report which must be submitted on September 3.

Allotments for the fiscal year ending June 30, 1977, and June 30, 1978, will be based upon the February 10, 1975, final report. The States now have the task of developing the information and data upon which allotments will be based for the next 3 fiscal years. The joint task by the States and the Environmental Protection Agency must be complete and thorough.

I am sure my remarks reflect the view of our full committee and I urge you to support S. 2812 as amended.

MOTION OFFERED BY MR. ROBERTS

Mr. ROBERTS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROBERTS moves that the House concur in the Senate amendments to the House amendments.

The Senate amendments to the House amendments were concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SOCIAL SECURITY INCREASES IN BENEFITS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11333), to provide a 7-percent increase in social security benefits beginning with March 1974, and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes, with the Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert the following:

INTERIM COST-OF-LIVING INCREASES IN SOCIAL SECURITY BENEFITS

SECTION 1. (a) Section 201(a)(1) of Public Law 93–66 is amended by striking out "the percentage by which" and all that follows and inserting in lieu thereof the following: "7 per centum.".

(b) Section 201(a)(2) of Public Law 93–66 is amended—

(1) by striking out "May 1974" each place it appears and inserting in lieu thereof "February 1974"; and

(2) by striking out "January 1975" each place it appears and inserting in lieu thereof "June 1974".

(c) Section 201(b) of Public Law 93–66 is amended to read as follows:

"(b) The increase in social security benefits authorized under this section shall be provided, and any determinations by the Secretary in connection with the provision of such increase in benefits shall be made, in the manner prescribed in section 215(i) of the Social Security Act for the implementation of cost-of-living increases authorized under title II of such Act, except that—

"(1) the amount of such increase shall be 7 per centum,

"(2) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(e) of such Act for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act), including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act as amended by this section, such increase shall be determined without regard to paragraph (2)(B) of such section 202(e), and

"(3) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(f) of such Act for February 1974 (without the application of section 202(j)(f) or 223(b) of such Act), including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act as amended by this section, such increase shall be determined without regard to paragraph (3)(B) of such section 202(f).".

(d) Section 201(c)(2) of Public Law 93–66 is amended by striking out "May 1974" and inserting ir lieu thereof "February 1974".

(e) Section 201(d) of Public Law 93–66 is amended by striking out "December 1974" each place it appears and inserting in lieu thereof "May 1974".

(f) Section 202(e) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(7) In the case of an individual entitled to monthly insurance benefits payable under this section for any month prior to January 1973 whose benefits were not redetermined under section 102(g) of the Social Security Amendments of 1972, such benefits shall not be redetermined pursuant to such section, but shall be increased pursuant to any general benefit increase (as defined in section 215(i)(3)) or any increase in benefits made under or pursuant to section 215(i), including for this purpose the increase provided effective for March 1974, as though such redetermination had been made."

(g) Section 202(f) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(8) In the case of an individual entitled to monthly insurance benefits payable under this section for any month prior to January 1973 whose benefits were not redetermined under section 102(g) of the Social Security Amendments of 1972, such benefits shall not be redetermined pursuant to such section, but shall be increased pursuant to any general benefit increase (as defined in section 215(i)(3) or any increase in benefits made under or pursuant to section 215(i), including for this purpose the increased provided effective for March 1974, as though such redetermination had been made."

(h)(1) Section 215(a)(3) of the Social Security Act is amended by striking out "$8.50" and inserting in lieu thereof "$9.00".

(2) The amendment made by paragraph (1) shall be effective with respect to benefits payable for months after February 1974.

(i) In the case of an individual to whom monthly benefits are payable under title II of the Social Security Act for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act), and to whom section 202(m) of such Act is applicable for such month, such section shall continue to be applicable to such benefits for the months of March through May 1974 for which such individual remains the only individual entitled to a monthly benefit on the basis of the wages and self-employment income of the decreased insured individual.

ELEVEN-PERCENT INCREASE IN SOCIAL SECURITY BENEFITS

SEC. 2. (a) Section 21(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

“TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

“I		II	III		IV	V
Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount effective for September 1972)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
“If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
“At least—	But not more than—		At least—	But not more than—		
“..........	$16.20	$84.50	....	$76	$93.80	$140.80
$16.21	16.84	85.80	$77	78	95.30	143.00
16.85	17.60	87.80	79	80	97.50	146.30
17.61	18.40	89.40	81	81	99.30	149.00
18.41	19.24	91.00	82	83	101.10	151.70
19.25	20.00	92.90	84	85	103.20	154.80
20.01	20.64	94.60	86	87	105.10	157.70
20.65	21.28	96.20	88	89	106.80	160.20
21.29	21.88	98.10	90	90	108.90	163.40
21.89	22.28	99.80	91	92	110.80	166.20
22.29	22.68	101.40	93	94	112.60	169.00
22.69	23.08	103.00	95	96	114.40	171.60
23.00	23.44	104.90	97	97	116.50	174.80
23.45	23.76	106.70	98	99	118.50	177.80
23.77	24.20	108.80	100	101	120.80	181.20
24.21	24.60	110.30	102	102	122.50	183.80
24.61	25.00	112.10	103	104	124.50	186.80
25.01	25.48	114.20	105	106	126.80	190.20
25.49	25.92	116.00	107	107	128.80	193.20
25.93	26.40	117.90	108	109	130.90	196.40
26.41	26.94	119.70	110	113	132.90	199.40
26.95	27.46	121.40	114	118	134.80	202.20
27.47	28.00	123.30	119	122	136.90	205.40
28.01	28.68	125.10	123	127	138.90	208.40
28.69	29.25	127.10	128	132	141.10	211.70
29.26	29.68	128.80	133	136	143.00	214.50
29.69	30.36	130.50	137	141	144.90	217.40
30.37	30.92	132.50	142	146	147.10	220.70
30.93	31.36	134.30	147	150	149.10	223.70
31.37	32.00	136.00	151	155	151.00	226.50
32.01	32.60	138.00	156	160	153.20	229.80
32.61	33.20	139.70	161	164	155.10	232.70
33.21	33.88	141.60	165	169	157.20	235.80
33.89	34.50	143.40	170	174	159.20	238.90
34.51	35.00	145.20	175	178	161.20	241.80
35.01	35.80	147.20	179	183	163.40	245.10
35.81	36.40	148.80	181	188	165.20	247.80
36.41	37.08	150.90	189	193	167.50	251.40
37.09	37.60	152.70	191	197	169.50	254.40
37.61	38.20	154.40	198	202	171.40	257.10
38.21	39.12	156.40	203	207	173.70	260.60
39.13	39.68	158.20	208	211	175.70	263.60
39.69	40.33	159.80	212	216	177.40	266.10
40.34	41.12	161.80	217	221	179.60	269.40
41.13	41.76	163.60	222	225	181.60	272.40
41.77	42.44	165.50	226	230	183.80	275.70
42.45	43.20	167.30	231	235	185.80	278.70
43.21	43.76	169.40	236	239	188.10	282.20
43.77	44.44	171.00	240	244	189.90	286.20
44.45	44.88	172.70	245	249	191.70	292.10
44.89	45.60	174.80	250	253	194.10	296.80
		176.60	254	258	196.10	302.60
		178.10	259	263	197.70	308.40
		180.20	264	267	200.10	313.10
		182.00	268	272	202.10	319.00
		183.90	273	277	204.20	324.80
		185.70	278	281	206.20	329.50
		187.50	282	286	208.20	335.40
		189.50	287	291	210.40	341.30
		191.10	292	295	212.20	345.90
		193.10	296	300	214.40	351.70
		194.90	301	305	216.40	357.60
		196.60	306	309	218.30	362.40
		198.60	310	314	220.50	368.20
		200.30	315	319	222.40	374.10
		202.00	320	323	224.30	378.80
		204.00	324	328	226.50	384.70
		205.80	329	333	228.50	390.50
		207.90	334	337	230.80	395.20
		209.40	338	342	232.50	401.00
		211.20	343	347	234.50	406.90
		213.30	348	351	236.80	411.50
		215.00	352	356	238.70	417.40
		217.00	357	361	240.90	423.30
		218.70	362	365	242.80	428.00
		220.40	366	370	244.70	433.80
		222.40	371	375	246.90	439.60
		224.20	376	379	248.90	444.50
		226.20	380	384	251.10	450.30
		227.80	385	389	252.90	456.10
		229.60	390	393	254.90	460.80
		231.60	394	398	257.10	466.70
		233.30	399	403	259.00	472.60
		235.40	404	407	261.30	477.20
		236.90	408	412	263.00	483.10
		238.60	413	417	264.90	488.90

“I		II	III		IV	V
(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount effective for September 1972)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
“If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referre∂ to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
“At least—	But not more than—		At least—	But not more than—		
		$240.30	$418	$421	$266.80	$493.00
		242.20	422	426	268.90	499.40
		243.80	427	431	270.70	505.30
		245.40	432	436	272.40	511.20
		247.40	437	440	274.70	513.50
		248.90	441	445	276.90	516.50
		250.60	446	450	278.20	519.40
		252.50	451	454	280.30	521.70
		254.10	455	459	282.10	524.60
		255.80	460	464	284.00	527.50
		257.40	465	468	285.80	530.00
		259.40	469	473	288.00	532.80
		260.90	474	478	289.60	535.80
		262.60	479	482	291.50	538.20
		264.50	483	487	293.60	541.20
		266.10	488	492	295.40	544.10
		267.80	493	496	297.30	546.40
		269.70	497	501	299.40	549.30
		271.20	502	506	301.10	552.20
		272.90	507	510	303.00	554.60
		274.60	511	515	304.90	557.50
		276.40	516	520	306.90	560.50
		278.10	521	524	308.70	562.70
		279.80	525	529	310.60	565.70
		281.70	530	534	312.70	568.60
		283.20	535	538	314.40	571.00
		284.90	539	543	316.30	573.90
		286.80	544	518	318.40	576.80
		288.40	549	553	320.20	579.80
		290.10	554	556	322.10	581.50
		291.50	557	560	323.60	583.90
		293.10	561	563	325.40	585.70
		294.60	564	567	327.10	588.00
		296.20	568	570	328.80	589.80
		297.60	571	574	330.40	592.00
		299.20	575	577	332.20	593.90
		300.60	578	581	333.70	596.10
		302.20	582	584	335.50	597.90
		303.60	585	588	337.00	600.30
		305.30	589	591	338.90	602.00
		306.80	592	595	340.60	604.40
		308.30	596	598	342.30	606.10
		309.80	599	602	343.90	608.60
		311.30	603	605	345.60	610.30
		312.80	606	609	347.30	612.50
		314.40	610	612	349.00	614.40
		315.90	613	616	350.70	616.70
		317.40	617	620	352.40	619.10
		318.90	621	623	354.00	620.80
		320.40	624	627	355.70	623.20
		321.90	628	630	357.40	625.30
		323.40	631	634	359.00	628.40
		325.00	635	637	360.80	631.30
		326.60	638	641	362.60	634.40
		328.00	642	644	364.10	637.20
		329.60	645	648	365.90	640.30
		331.00	649	652	367.50	643.10
		332.00	653	656	368.60	645.00
		332.90	657	660	369.60	646.70
		334.10	661	665	370.90	649.10
		335.30	666	670	372.20	651.40
		336.50	671	675	373.60	653.70
		337.70	676	680	374.90	658.10
		338.90	681	685	376.20	658.40
		340.10	686	690	377.60	660.70
		341.30	691	695	378.90	663.10
		342.50	696	700	380.20	665.40
		343.70	701	705	381.60	667.70
		344.90	706	710	382.90	670.00
		346.10	711	715	384.20	672.40
		347.30	716	720	385.60	674.70
		348.50	721	725	386.90	677.00
		349.70	726	730	388.20	679.40
		350.90	731	735	389.60	681.70
		352.10	736	740	390.90	684.00
		353.30	741	745	392.20	686.40
		354.50	746	750	303.50	688.70
		355.50	751	755	394.70	690.70
		356.50	756	760	305.80	692.60
		357.50	761	765	396.90	694.60
		358.50	766	770	398.00	696.50
		359.50	771	775	399.10	698.50
		360.50	776	780	400.20	700.30
		361.50	781	785	401.30	702.30
		362.50	786	790	402.40	704.20
		363.50	791	795	403.50	706.20

"I		II	III		IV	V
(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount effective for September 1972)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
"If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
"At least—	But not more than—		At least—	But not more than—		
		$365.50	$796	$800	$404.60	$708.10
		365.50	801	805	405.80	710.10
		366.50	806	810	406.90	712.00
		367.50	811	815	408.00	714.00
		368.50	816	820	409.10	715.90
		369.50	821	825	410.20	717.90
		370.50	826	830	411.30	719.80
		371.50	831	835	412.40	721.80
		372.50	836	840	413.50	723.70
		373.50	841	845	414.60	725.70
		374.50	846	850	415.70	727.50
		375.50	851	855	416.90	729.50
		376.50	856	860	418.00	731.40
		377.50	861	865	419.10	733.40
		378.50	866	870	420.20	735.30
		379.50	871	875	421.30	737.30
		380.50	876	880	422.40	739.20
		381.50	881	885	423.50	741.20
		382.50	886	890	442.60	743.10
		383.50	891	895	425.70	745.10
		384.50	896	900	426.80	747.00
		385.50	901	905	428.00	749.00
		386.50	906	910	429.10	750.90
		387.50	911	915	430.20	752.90
		388.50	916	920	431.30	754.70
		389.50	921	925	432.40	756.70
		390.50	926	930	433.50	758.60
		391.50	931	935	434.60	760.60
		392.50	936	940	435.70	762.50
		393.50	941	945	436.80	764.50
		394.50	946	950	437.90	766.40
		$395.50	$951	$955	$439.10	$768.40
		396.50	956	960	440.20	770.30
		397.50	961	965	441.30	772.30
		398.50	966	970	442.40	774.20
		399.50	971	975	443.50	776.20
		400.50	976	980	444.60	778.00
		401.50	981	985	445.70	780.00
		402.50	986	990	446.80	781.90
		403.50	991	995	447.90	783.90
		404.50	996	1,000	449.00	785.80
			1,001	1,005	450.00	787.50
			1,006	1,010	451.00	789.30
			1,011	1,015	452.00	791.00
			1,016	1,020	453.00	792.80
			1,021	1,025	454.00	794.50
			1,026	1,030	455.00	796.30
			1,031	1,035	456.00	798.00
			1,036	1,040	457.00	799.80
			1,041	1,045	458.00	801.50
			1,046	1,050	459.00	803.30
			1,051	1,055	460.00	805.00
			1,056	1,060	461.00	806.80
			1,061	1,065	462.00	808.50
			1,066	1,070	463.00	810.30
			1,071	1,075	464.00	812.00
			1,076	1,080	465.00	813.80
			1,081	1,085	466.00	815.50
			1,086	1,090	467.00	817.30
			1,091	1,095	468.00	819.00
			1,096	1,100	469.00	820.80."

(b)(1) Effective June 1, 1974, sections 227 and 228 of the Social Security Act are amended by striking out "$58.00" wherever it appears and inserting in lieu thereof "the larger of $64.40 or the amount most recently established in lieu thereof under section 215 (i)", and by striking out "$29.00" wherever it appears and inserting in lieu thereof "the larger of $32.20 or the amount most recently established in lieu thereof under section 215 (i)".

(2) Section 202(a)(4) of Public Law 92–336 is hereby repealed.

(c) The amendment made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after May 1974, and with respect to lump-sum death payments under section 201(i) of such Act in the case of deaths occurring after such month.

(d) Section 202(a)(3) of Public Law 92–336 is amended by striking out "January 1, 1975" in subparagraphs (A), (B), and (C) and inserting in lieu thereof in each instance "June 1, 1974".

MODIFICATION OF COST-OF-LIVING BENEFIT INCREASE PROVISIONS

Sec. 3. (a) Clause (i) of section 215(i)(1)(A) of the Social Security Act is amended to read as follows: "(i) the calendar quarter ending on March 31 of each year after 1974, or".

(b) Clause (ii) of section 215(i)(1)(B) of such Act is amended by striking out "in which a law" and all that follows and inserting in lieu thereof "if in the year prior to such year a law has been enacted providing a general benefit increase under this title or if in such prior year such a general benefit increase becomes effective; and".

(c) Section 215(i)(2)(A)(i) of such Act is amended by striking out "1974" and inserting in lieu thereof "1975", and by striking out "and to subparagraph (E) of this paragraph".

(d) Section 215(i)(2)(A)(ii) of such Act is amended—

(1) by striking out "such base quarter" and inserting in lieu thereof "the base quarter in any year";

(2) by striking out "January of the next calendar year" and inserting in lieu thereof "June of such year"; and

(3) by striking out "(subject to subparagraph (E))".

(e) Section 215(i)(2)(B) of such Act is amended by striking out "December" each place it appears and inserting in lieu thereof "May", and by striking out "(subject to subparagraph (E))".

(f) Section 215(i)(2)(C)(ii) of such Act is amended by striking out "on or before August 15 of such calendar year" and inserting in lieu thereof "within 30 days after the close of such quarter".

(g) Section 215(i)(2)(D) of such Act is amended by striking out "on or before November 1 of such calendar year" and inserting in lieu thereof "within 45 days after the close of such quarter".

(h) Section 215(i)(2) of such Act is amended by striking out subparagraph (E).

(i) For purposes of sections 203(f)(8), 215(i)(1)(B), and 230(a) of the Social Security Act, the increase in benefits provided by section 2 of this Act shall be considered an increase under section 215(i) of the Social Security Act.

(j)(1) Section 230(a) of such Act is amend—

(A) by striking out "with the first month of the calendar year" and inserting in lieu thereof "with the June"; and

(B) by striking out "(along with the publication of such benefit increase as required by section 215(i)(2)(D))" and by striking out "(unless such increase in benefits is prevented from becoming effective by section 215(i)(2)(E))".

(2) Section 230(c) of such Act is amended by striking out "the first month" and inserting in lieu thereof "the June".

(k)(1) Section 203(f)(8)(A) of such Act is amended to read as follows:

"(A) Whenever the Secretary pursuant to section 215(i) increases benefits effective with the month of June following a cost-of-living computation quarter he shall also determine and publish in the Federal Register on or before November 1 of the calendar year in which such quarter occurs a new exempt amount which shall be effective (unless such new exempt amount is prevented from becoming effective by subparagraph (C) of this paragraph) with respect to any individual's taxable year which ends after the calendar year in which such benefit increase is effective (or, in the case of an individual who dies during the calendar year after the calendar year in which the benefit increase is effective, with respect to such individual's taxable year which ends, upon his death, during such year).".

(2) Section 203(f)(8)(B) of such Act is amended by striking out "no later than August 15 of such year" and inserting in lieu thereof "within 30 days after the close of the base quarter (as defined in section 215(i)(1)(A)) in such year".

(3) Section 203(f)(8)(C) is amended by striking out "or providing a general benefit increase under this title (as defined in section 215(i)(3))".

SUPPLEMENTAL SECURITY INCOME BENEFITS

Sec. 4. (a)(1) Section 210(c) of Public Law 93–66 is amended by striking out "June 1974" and inserting in lieu thereof "December 1973".

(2) Section 211(a)(1)(A) of Public Law 93-66 is amended by striking out "($780 in the case of any period prior to July 1974)".

(b) Effective with respect to payments for months after June 1974—

(1) section 1611(a)(1)(A) and section 1611(b)(1) of the Social Security Act (as enacted by section 301 of the Social Security Amendments of 1972 and amended by section 210 of Public Law 93-66) are each amended by striking out "$1,680" and inserting in lieu thereof "$1,752";

(2) section 1611(a)(2)(A) and section 1611(b)(2) of such Act (as so enacted and amended) are each amended by striking out "$2,520" and inserting in lieu thereof "$2,628"; and

(3) section 211(a)(1)(A) of Public Law 93-66 (as amended by subsection (a)(2) of this section) is amended by striking out "$840" and inserting in lieu thereof "$876".

INCREASE IN EARNINGS BASE

SEC. 5. (a)(1) Section 209(a)(8) of the Social Security Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(2) Section 211(b)(1)(H) of such Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(3) Sections 213(a)(2)(ii) and 213(a)(2)(iii) of such Act are each amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(4) Section 215(e)(1) of such Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(b)(1) Section 1402(b)(1)(H) of the Internal Revenue Code of 1954 (relating to definition of self-employment income is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(2) Effective with respect to remuneration paid after 1973, section 3121(a)(1) of such Code is amended by striking out the dollar amount each place it appears therein and inserting in lieu thereof "$13,200".

(3) Effective with respect to remuneration paid after 1973, the second sentence of section 3122 of such Code is amended by striking out the dollar amount and inserting in lieu thereof "$13,200".

(4) Effective with respect to remuneration paid after 1973, section 3125 of such Code is amended by striking out the dollar amount each place it appears in subsections (a), (b), and (c) and inserting in lieu thereof "$13,200".

(5) Section 6413(c)(1) of such Code (relating to special refunds of employment taxes) is amended by striking out "$12,600" each place it appears and inserting in lieu thereof "$13,200".

(6) Section 6413(c)(2)(A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(7) Effective with respect to taxable years beginning after 1973, section 6654(d)(2)(B)(ii) of such Code (relating to failure by individual to pay estimated income tax) is amended by striking out the dollar amount and inserting in lieu thereof "$13,200".

(c) Section 230(c) of the Social Security Act is amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(d) Paragraphs (2)(C), (3)(C), (4)(C), and (7)(C) of section 203(b) of Public Law 92-336 are each amended by striking out "$12,600" and inserting in lieu thereof "$13,200".

(e) The amendments made by this section, except subsection (a)(4), shall apply only with respect to remuneration paid after, and taxable years beginning after, 1973. The amendments made by subsection (a)(4) shall apply with respect to calendar years after 1973.

(f) The amendments made by this section to provisions of the Social Security Act, the Internal Revenue Code of 1954, and Public Law 92-336 shall be deemed to be made to such provisions as amended by section 203 of Public Law 93-66.

CHANGES IN TAX SCHEDULES

SEC. 6. (a)(1) Section 3101(a) of the Internal Revenue Code of 1954 (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) with respect to wages received during the calendar year 1973, the rate shall be 4.85 percent;

"(5) with respect to wages received during the calendar years 1974 through 2010, the rate shall be 4.95 percent; and

"(6) with respect to wages received after December 31, 2010, the rate shall be 5.95 percent."

(2) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) with respect to wages paid during the calendar year 1973, the rate shall be 4.85 percent;

"(5) with respect to wages paid during the calendar years 1974 through 2010, the rate shall be 4.95 percent; and

"(6) with respect to wages paid after December 31, 2010, the rate shall be 5.95 percent.".

(b)(1) Section 1401(b) of such Code (relating to rate of tax on self-employment income for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) in the case of any taxable year beginning after December 31, 1972, and before January 1, 1974, the tax shall be equal to 1.0 percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1973, and before January 1, 1978, the tax shall be equal to 0.90 percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1977, and before January 1, 1981, the tax shall be equal to 1.10 percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1980, and before January 1, 1986, the tax shall be equal to 1.35 percent of the amount of the self-employment income for such taxable year; and

"(6) in the case of any taxable year beginning after December 31, 1985, the tax shall be equal to 1.50 percent of the self-employment income for such taxable year."

(2) Section 3101(b) of such Code (relating to rate of tax on employees for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages received during the calendar year 1973, the rate shall be 1.0 percent;

"(3) with respect to wages received during the calendar years 1974 through 1977, the rate shall be 0.90 percent:

"(4) with respect to wages received during the calendar years 1978 through 1980, the rate shall be 1.10 percent;

"(5) with respect to wages received during the calendar years 1981 through 1985, the rate shall be 1.35 percent; and

"(6) with respect to wages received after December 31, 1985, the rate shall be 1.50 percent.".

(3) Section 3111(b) of such Code (relating to rate of tax on employers for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages paid during the calendar year 1973, the rate shall be 1.0 percent;

"(3) with respect to wages paid during the calendar years 1974 through 1977, the rate shall be 0.90 percent);

"(4) with respect to wages paid during the calendar years 1978 through 1980, the rate shall be 1.10 percent.

"(5) with respect to wages paid during the calendar year 1981 through 1985, the rate shall be 1.35 percent; and

"(6) with respect to wages paid after December 31, 1985, the rate shall be 1.50 percent.".

(c) The amendment made by subsection (b)(1) shall apply only with respect to taxable years beginning after December 31, 1973. The remaining amendments made by this section shall apply only with respect to remuneration paid after December 31, 1973.

ALLOCATION TO DISABILITY INSURANCE TRUST FUND

SEC. 7. (a) Section 201(b)(1) of the Social Security Act is amended by striking out "(E)" and all that follows down through "which wages" and inserting in lieu thereof the following: "(E) 1.1 per centum of the wages (as so defined) paid after December 31, 1972, and before January 1, 1974, and so reported, (F) 1.15 per centum of the wages (as so defined) paid after December 31, 1973, and before January 1, 1978, and so reported, (G) 1.2 per centum of the wags (as so defined) paid after December 31, 1977, and before January 1, 1981, and so reported, (H) 1.3 per centum of the wages (as so defined) paid after December 31, 1980, and before January 1, 1986, and so reported, (I) 1.4 per centum of the wages (as so defined) paid after December 31, 1985, and before January 1, 2011, and so reported, and (J) 1.7 per centum of the wages (as so defined) paid after December 31, 2010, and so reported, which wages".

(b) Section 201(b)(2) of such Act is amended by striking out "(E)" and all that follows down through "which self-employment income" and inserting in lieu thereof the following: "(E) 0.795 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1972, and before January 1, 1974, (F) 0.815 of 1 per centum of the amount of self-employment income (as so defined) as reported for any taxable year beginning after December 31, 1973, and before January 1, 1978, (G) 0.850 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1977, and before January 1, 1981, (H) 0.920 of 1 per centum of the amount of self-employment income (as so desired) so reported for any taxable year beginning after December 31, 1980, and before January 1, 1986, (1) 0.990 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1985, and before January 1, 2011, and (J) 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2010, which self-employment income".

ELIGIBILITY OF SUPPLEMENTAL SECURITY INCOME RECIPIENTS FOR FOOD STAMPS

SEC. 8. (a)(1) Section 3(e) of the Food Stamp Act of 1964 is amended effective only for the 6-month period beginning January 1, 1974 to read as it did before amendment by Public Law 92-603 and Public Law 93-86, but with the addition of the following new sentence at the end thereof: "For the 6-month period beginning January 1, 1974 no individual who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.".

(2) Section 3(b) of Public Law 93–86 shall not be effective for the 6-month period beginning January 1, 1974.

(b)(1) Section 4(c) of Public Law 93–86 shall not be effective for the 6-month period beginning January 1, 1974.

(2) The last sentence of section 416 of the Act of October 31, 1949 (as added by section 411(g) of Public Law 92–603) shall not be effective for the 6-month period beginning January 1, 1974.

(3) For the 6-month period beginning January 1, 1974, no individual, who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93–66, shall be considered to be a member of a household for any purpose of the food distribution program for families under section 32 of Public Law 74–320, section 416 of the Agricultural Act of 1949, or any other law, for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.

(c) For purposes of the last sentence of section 3(e) of the Food Stamp Act of 1964 (as amended by subsection (a) of this section) and subsections (b)(3) and (f) of this section, the level of State supplementary payment under section 1616(a) shall be found by the Secretary to have been specifically increased so as to include the bonus value of food stamps (1) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) at a level which is at least equal to the maximum level which can be determined under section 401(b)(1) of the Social Security Amendments of 1972 and which is such that the limitation on State fiscal liability under section 401 does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (2) only with respect to such months as the State may, at its option, elect.

(d) Section 401(b)(1) of the Social Security Amendments of 1972 is amended by striking out everything after the word "exceed" and inserting in lieu thereof: "a payment level modification (as defined in paragraph (2) of this subsection) with respect to such plans."

(e) The amendment made by subsection (d) shall be effective only for the 6-month period beginning January 1, 1974, except that such amendment shall not during such period, be effective in any State which provides supplementary payments of the type described in section 1616(a) of the Social Security Act the level of which has been found by the Secretary to have been specifically increased so as to include the bonus value of food stamps.

INDIVIDUALS DEEMED TO BE DISABLED UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM

SEC. 9. Section 1614(a)(3) of the Social Security Act is amended—

(1) by striking out the last sentence of subparagraph (A); and

(2) by inserting at the end thereof the following new subparagraph:

"(E) Notwithstanding the provisions of subparagraphs (A) through (D), an individual shall also be considered to be disabled for purposes of this title if he is permanently and totally disabled as defined under a State plan approved under title XIV or XVI as in effect for October 1972 and received aid under such plan (on the basis of disability) for December 1973 (and for at least one month prior to July 1973), so long as he is continuously disabled as so defined.".

SUPPLEMENTAL SECURITY INCOME RECIPIENT LIVING IN AID TO FAMILIES WITH DEPENDENT CHILDREN HOUSEHOLD

SEC. 10. (a) Section 212(a)(3)(A) of Public Law 93–66 is amended by striking out "subparagraph (D)" and inserting in lieu thereof "subparagraphs (D) and (E)".

(b) Section 212(a)(3) of Public Law 93–66 is amended by adding at the end thereof the following new subparagraph:

"(E)(i) In the case of an individual who, for December 1973 lived as a member of a family unit other members of which received aid (in the form of money payments) under a State plan of a State approved under part A of title IV of the Social Security Act, such State at its option, may (subject to clause (ii)) reduce such individual's December 1973 income (as determined under subparagraph (B)) to such extent as may be necessary to cause the supplementary payment (referred to in paragraph (2)) payable to such individual for January 1974 or any month thereafter to be reduced to a level designed to assure that the total income of such individual (and of the members of such family unit) for any month after December 1973 does not exceed the total income of such individual (and of the members of such family unit) for December 1973.

"(ii) The amount of the reducton (under clause (i)) of any individual's December 1973 income shall not be in an amount which would cause the supplementary payment (referred to in paragraph (2)) payable to such individual to be reduced below the amount of such supplementary payment which would be payable to such individual if he had, for the month of December 1973 not lived in a family members of which were receiving aid under part A of title IV of the Social Security Act, and had had no income for such month other than that received as aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Social Security Act."

CONTINUATION OF CERTAIN DEMONSTRATION PROJECTS

SEC. 11. (a) If any State (other than the Commonwealth of Puerto Rico, the Virgin Islands, or Guam) has any experimental, pilot, or demonstration project (referred to in section 1115 of the Social Security Act)—

(1) which (prior to October 1, 1973) has been approved by the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary"), for a period which ends on or after December 31, 1973, as being a project with respect to which the authority conferred upon him by subsection (a) or (b) of such section 1115 will be exercised, and

(2) with respect to the costs of which Federal financial participation would (except for the provisions of this section) be denied or reduced on account of the enactment of section 301 of the Social Security Amendments of 1972,

then, for any period (after December 31, 1973) with respect to which such project is approved by the Secretary, Federal financial participation in the costs of such project shall be continued in like manner as if—

(3) such section 301 had not been enacted, and

(4) such State (for the month of January 1974 and any month thereafter) continued to have in effect the State plan (approved under title XVI) which was in effect for the month of October 1973, or the State plans (approved under titles I, X, and XIV of the Social Security Act) which were in effect for such month, as the case may be.

(b) With respect to individuals—

(1) who are participants in any project to which the provisions of subsection (a) are applicable, and

(2) with respect to whom supplemental security income benefits are (or would, except for their participation in such project, be) payable under title XVI of the Social Security Act, or who meet the requirements for aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Social Security Act of the State in which such project is conducted (as such State plan was in effect for July 1973).

the Secretary may waive such requirements of title XVI of such Act (as enacted by section 301 of the Social Security Amendments of 1972) to such extent as he determines to be necessary to the successful operation of such project.

(c) In the case of any State which has entered into an agreement with the Secretary under section 1616 of the Social Security Act (or which is deemed, under section 212(d) of Public Law 93–66, to have entered into such an agreement), then, of the costs of any project of such State will respect to which there is (solely by reason of the provisions of subsection (a)) Federal financial participation, the non-Federal share thereof shall—

(1) be paid, from time to time, to such State by the Secretary, and

(2) shall, for purposes of section 1616(d) of the Social Security Act and section 401 of the Social Security Amendments of 1972, be treated in like manner as if such non-Federal share were supplementary payments made by the Secretary on behalf of such State pursuant to such agreement.

SOCIAL SERVICES REGULATIONS POSTPONED

SEC. 12. (a) Subject to subsection (b), no regulation and no modification of any regulation, promulgated by the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") after January 1, 1973, shall be effective for any period which begins prior to January 1, 1975, if (and insofar as) such regulation or modification of a regulation pertains (directly or indirectly) to the provisions of law contained in sections 3 (a) (4) (A), 402 (a) (19) (G), 403 (a) (3) (A), 603 (a) (1) (A), 1003 (a) (3) (A), 1403 (a) (3) (A), or 1603 (a) (4) (A), of the Social Security Act.

(b) (1) The provisions of subsection (a) shall not be applicable to any regulation relating to "scope of programs", if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.0 of the regulations (relating to social services) proposed by the Secretary and published in the Federal Register on May 1, 1973. There shall be deleted from the first sentence of subsection (b) of such section 221.0 the phrase "meets all the applicable requirements of this part and".

(2) The provisions of subsection (a) shall not be applicable to any regulation relating to "limitations on total amount of Federal funds payable to States for services", if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.55 of the regulations so proposed and published on May 1, 1973. There shall be deleted from subsection (d) (1) of such section 221.55 the phrase "(as defined under day care services for children)"; and, in lieu of the sentence contained in subsection (d) (5) of such section 221.55, there shall be inserted the following: "Services provided to a child who is under foster care in a foster family home (as defined in section 408 of the Social Security Act) or in a childcare institution (as defined in such section), or while awaiting placement in such a home or institution, but only if such services are needed by such child because he is under foster care.".

(3) The provisions of subsection (a) shall not be applicable to any regulation relating to "rates and amounts of Federal financial participation for Puerto Rico, the Virgin Islands, and Guam", if such regulation is identical to the provisions of section 221.56 of the regulations so proposed and published on May 1, 1973.

(4) The provisions of subsection (a) shall not be construed to preclude the Secretary from making any modification in any regulation (described in subsection (a)) if such modification is technically necessary to take account of the enactment of section 301 or 302 of the Social Security Amendments of 1972.

(c) Notwithstanding the provisions of section 553 (d) of title 5, United States Code, any regulation described in subsection (b) may become effective upon the date of its publication in the Federal Register.

MEDICAL ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME RECIPIENTS

Beneficiaries

SEC. 13. (a)(1) Section 1901 of the Social Security Act (as amended by Public Law 92-603) is amended by striking out "permanently and totally disabled" and inserting "disabled" in lieu thereof.

(2) Section 1902(a)(5) of such Act is amended by—

(A) striking out "to administer the plan," and inserting in lieu thereof, "to administer or to supervise the administration of the plan;" and by striking out "to supervise the administration of the plan" and inserting in lieu thereof "to administer or to supervise the administration of the plan" in lieu thereof; and

(B) striking out "XVI (insofar as it relates to the aged)" and inserting "XVI (insofar as it relates to the aged) if the State is eligible to participate in the State plan program established under title XVI, or by the agency of agencies administering the supplemental security income program established under title XVI or the State plan approved under part A of title IV if the State is not eligible to participate in the State plan program established under title XVI" in lieu thereof.

(3) Section 1902(a)(10) of such Act is amended to read as follows:

"(10) provide—

"(A) for making medical assistance available to all individuals receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI;

"(B) that the medical assistance made available to any individual described in clause (A)—

"(i) shall not be less in amount, duration, or scope than the medical assistance made available to any other such individual, and

"(ii) shall not be less in amount, duration, or scope than the medical assistance made available to individuals not described in clause (A); and

"(C) if medical assistance is included for any group of individuals who are not described in clause (A) and who do not meet the income and resources requirements of the appropriate State plan, or the supplemental security income program under title XVI, as the case may be, as determined in accordance with standards prescribed by the Secretary—

"(i) for making medical assistance available to all individuals who would, except for income and resources be eligible for aid or assistance under any such State plan or to have paid with respect to them supplemental security income benefits under title XVI, and who have insufficient (as determined in accordance with comparable standards) income and resources to meet the costs of necessary medical and remedial care and services, and

"(ii) that the medical assistance made available to all individuals not described in clause (A) shall be equal in amount, duration, and scope;

except that (I) the making available of the services described in paragraph (4), (14), or (16) of section 1905(a) to individuals meeting the age requirements prescribed therein shall not, by reason of this paragraph (10), require the making available of any such services, or the making available of such services of the same amount, duration, and scope, to individuals of any other ages, (II) the making available of supplementary medical insurance benefits under part B of title XVIII to individuals eligible therefor (either pursuant to an agreement entered into under section 1843 or by reason of the payment of premiums under such title by the State agency on behalf of such individuals), or provision for meeting part or all of the cost of deductibles, cost sharing, or similar charges under part B of title XVIII for individuals eligible for benefits under such part, shall not, by reason of this paragraph (10), require the making available of any such benefits, or the making available of services of the same amount, duration, and scope, to any other individuals, and (III) the making available of medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in clause (A) to any classification of individuals approved by the Secretary with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment shall not, by reason of this paragraph (10), require the making available of any such assistance, or the making available of such assistance of the same amount, duration, and scope, to any other individuals not described in clause (A);".

(4) Section 1902(a)(13)(B) of such Act is amended by striking out "the State's plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI" in lieu thereof.

(5) Section 1902(a)(14)(A) of such Act is amended by striking out "a State plan approved under title I, X, XIV, or XVI, or part A of title IV, or who meet the income and resources requirements of the one of such State plans which is appropriate" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or who meet the income and resources requirements of the appropriate State plan, or the supplemental security income program under title XVI, as the case may be, and individuals with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in paragraph (10)(A)" in lieu thereof.

(6) Section 1902(a)(14)(B) of such Act is amended by—

(A) inserting "(other than individuals with respect to whom there is being paid, or who are eligible or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in paragraph (10)(A))" immediately after "with respect to individuals";

(B) inserting "and with respect to whom supplemental security income benefits are not being paid under title XVI" immediately after "any such State plan";

(C) striking out "the one of such State plans which is appropriate" and inserting "the appropriate State plan, or the supplemental security income program under title XVI, as the case may be," in lieu thereof; and

(D) striking out "or who, after December 31, 1973, are included under the State plan for medical assistance pursuant to section 1902(a)(10)(B) approved under title XIX".

(7) Section 1902(a)(17) of such act is amended by—

(A) striking out "the State's plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, and with respect to whom supplemental security income benefits are not being paid under title XVI" in lieu thereof;

(B) striking out "if he met the requirements as to need" and inserting "except for income and resources" in lieu thereof;

(C) striking out "a State plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or to have paid with respect to him supplemental security income benefits under title XVI" in lieu thereof; and

(D) striking out "and amount of such aid or assistance under such plan" and inserting "such aid, assistance, or benefits" in lieu thereof.

(8) Sections 1902(a)(17) and 1902(a)(18) are each amended by striking out "is blind or permanently and totally disabled" and inserting "(with respect to States eligible to participate in the State program established under title XVI), is blind or permanently and totally disabled, or is blind or disabled as defined in section 1614 (with respect to States which are not eligible to participate in such program)" in lieu thereof.

(9) Section 1902(a)(20)(C) of such Act is amended by inserting ", section 603(a)(1)(A) (i) and (ii)," immediately after "section 3(a)(4)(A) (i) and (ii)".

10 Section 1902(f) of such act is amended by—

(A) inserting "not eligible to participate in the State plan program established under title XVI" immediately after "State" the first time it appears therein.

(B) striking out "such individual's payment under title XVI" and inserting "any supplemental security income payment and State supplementary payment made with respect to such individual" in lieu thereof;

(C) striking out "as defined in section 213 of the Internal Revenue Code of 1954" and inserting "as recognized under State law" in lieu thereof; and

(D) inserting at the end thereof the following new sentences: "In States which provide medical assistance to individuals pursuant to clause (10)(C) of subsection (a) of this section, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical expenses from income shall be considered an individual eligible for medical assistance under clause (10)(A) of that subsection if that individual is, or is eligible to be (1) an individual with respect to whom there is payable a State supplementary payment on the basis of which similarly situated individuals are eligible to receive medical assistance equal in amount, duration, and scope to that provided to individuals eligible under clause (10)(A), or (2) an eligible individual or eligible spouse, as defined in title XVI, with respect to whom supplemental security income benefits are payable; otherwise that individual shall be considered to be an individual eligible for medical assistance under clause (10)(C) of that subsection. In States which do not provide medical assistance to individuals pursuant to clause (10)(C) of that subsection, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical expenses from income shall be considered an individual eligible for medical assistance under clause (10)(A) of that subsection.".

(11) Section 1903(a)(1) of such Act is amended by striking out "individuals who are recipients of money payments under a State plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "individuals who are eligible for medical assistance under the plan and (A) are receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or (B) with respect to whom there is being paid a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a)(10)(A)" in lieu thereof.

(12) Section 1903(f)(4) of such Act is amended to read as follows:

"(4) The limitations on payment imposed by the preceding provisions of this subsection shall not apply with respect to any amount expended by a State as medical assistance for any individual—

"(A) who is receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or

"(B) who is not receiving such aid or assistance, and with respect to whom such benefits are not being paid, but (i) is eligible to receive such aid or assistance, or to have such benefits paid with respect to him, or (ii) would be eligible to receive such aid or assistance, or to have such benefits paid with respect to him if he were not in a medical institution, or

"(C) with respect to whom there is being paid, or who is eligible, or would be eligible if he were not in a medical institution, to have paid with respect to him, a State supplementary payment and is eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a)(10)(A), but only if the income of such individual (as determined under section 1612, but without regard to subsection (b) thereof) does not exceed 300 percent of the supplemental security income benefit rate established by section 1611(b)(1),

at the time of the provision of the medical assistance giving rise to such expenditure."

(13) The matter before clause (i) in section 1905(a) of such Act is amended by striking out "individuals not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "individuals (other than individuals with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a)(10) A)) not receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, and with respect to whom supplemental security income benefits are not being paid under title XVI" in lieu thereof.

(14) Section 1905(a)(iv) of such Act is amended by inserting "with respect to States eligible to participate in the State plan program established under title XVI," at the end thereof.

(15) Section 1905(a)(v) of such Act is amended by striking out "or" inserting "with respect to States eligible to participate in the State plan program established under title XVI," in lieu thereof.

(16) Section 1905(a)(vi) of such Act is amended by inserting "or" at the end thereof.

(17) Section 1905(a) of such Act is further amended by inserting immediately after clause (vi) the following new clause:

"(vii) blind or disabled as defined in section 1614, with respect to States not eligible under the title XVI,".

(18) Section 1905 of such Act is amended by inserting at the end thereof the following new subsections:

"(j) The term 'State supplementary payment' means any cash payment made by a State on a regular basis to an individual who is receiving supplemental security income benefits under title XVI or who would but for his income be eligible to receive such benefits, as assistance based on need in supplementation of such benefits (as determined by the Secretary), but only to the extent that such payments are made with respect to an individual with respect to whom supplemental security income benefits are payable under title XVI, or would but for his income be payable under that title.

"(k) Increased supplemental security income benefits payable pursuant to section 211 of Public Law 93–66 shall not be considered supplemental security income benefits payable under title XVI.".

Technical Clarification and Modification of Medicaid Eligibility and Federal Title XIX Matching Under Public Law 93–66.

(b)(1)(A) Clause (2)(A) of section 231 of Public Law 93–66 is amended by—

(i) inserting "received or" immediately before "would", and

(ii) striking out "or" at the end thereof and inserting "and" in lieu thereof.

(B) Clause (2)(B) of that section is amended by—

(i) striking out "was", and

(ii) striking out "need for care in such institution, considered to be eligible for aid or assistance under a State plan (referred to in subparagraph (A)) for purposes of determining his eligibility" and inserting "status as described in subparagraph (A), was included as an individual eligible" in lieu thereof.

(2) The first sentence of section 232 of Public Law 93–66 is amended by—

(A) striking out "(under the provisions of subparagraph (B) of such section)",

(B) striking out "to be a person described as being a person who 'would, if needy, be eligible for aid or assistance under any such State plan' in subparagraph (B)(i) of such section" and inserting "for purposes of title XIX to be an individual who is blind or disabled within the meaning of section 1614(a) of the Social Security Act" in lieu thereof, and

(C) inserting ", and the other conditions of eligibility contained in the plan of the State approved under title XIX (as it was in effect in December 1973)" before the period at the end thereof.

Medicaid Eligibility for Individuals Receiving Mandatory State Supplementary Payments

(c) In addition to other requirements imposed by law as conditions for the approval of any State plan under title XIX of the Social Security Act, there is hereby imposed (effective January 1, 1974) the requirement (and each such State plan shall be deemed to require) that medical assistance under such plan shall be provided to any individual—

(1) for any month for which there (A) is payable with respect to such individual a supplementary payment pursuant to an agreement entered into between the State and the Secretary of Health, Education, and Welfare under section 212(a) of Public Law 93–66, and (B) would be payable with respect to such individual such a supplementary payment, if the amount of the supplementary payments payable pursuant to such agreement were established without regard to paragraph (3)(A)(ii) of such section 212(a), and

(2) in like manner, and subject to the same terms and conditions, as medical assistance is provided under such plan to individuals with respect to whom benefits are payable for such month under the supplementary security income program established by title XVI of the Social Security Act.

Federal matching under title XIX of the Social Security Act shall be available for the medical assistance furnished to individuals who are eligible for such assistance under this subsection.

EFFECTIVE DATES

(d) The amendments made by subsection (a) shall be effective with respect to payments under section 1903 of the Social Security Act for calendar quarters commencing after December 31, 1973.

PAYMENTS TO SUBSTANDARD FACILITIES UNDER MEDICAID

SEC. 14. Section 1616 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(e) Payments made under this title with respect to an individual shall be reduced by an amount equal to the amount of any supplementary payment (as described in subsection (a)) or other payment made by a State (or political subdivision thereof) which is made for or on account of any medical or any other type of remedial care provided by an institution to such individual as an inpatient of such institution in the case of any State which has a plan approval under title XIX of this Act if such care is (or could be) provided under a State plan approved under title XIX of this Act by an institution certified under such title XIX.".

PAYMENT FOR SERVICES OF PHYSICIANS RENDERED IN A TEACHING HOSPITAL

SEC. 15. (a)(1) Notwithstanding any other provision of law, the provisions of section 1861(b) of the Social Security Act, shall subject to subsection (b) of this section, for the period with respect to which this paragraph is applicable, be administered as if paragraph (7) of such section read as follows:

"(7) a physician where the hospital has a teaching program approved as specified in paragraph (6), if (A) the hospital elects to receive any payment due under this title for reasonable costs of such services, and (B) all physicians in such hospital agree not to bill charges for professional services rendered in such hospital to individuals covered under the insurance program established by this title.".

(2) Notwithstanding any other provision of law, the provisions of section 1832(a)(2)(B)(i) of the Social Security Act, shall, subject to subsection (b) of this section, for the period with respect to which this paragraph is applicable, be administered as if subclause II of such section read as follows:

"(II) a physician to a patient in a hospital which has a teaching program approved as specified in paragraph (6) of section 1861(b) (including services in conjunction with the teaching programs of such hospital whether or not such patient is an inpatient of such hospital), where the conditions specified in paragraph (7) of such section are met, and".

(b) The provisions of subsection (a) shall not be deemed to render improper any determination of payment under title XVIII of the Social Security Act for any service provided prior to the enactment of this Act.

(c)(1) The Secretary of Health, Education, and Welfare shall arrange for the conduct of a study or studies concerning (A) appropriate and equitable methods of reimbursement for physicians' services under Titles XVIII and XIX of the Social Security Act in hospitals which have a teaching program approved as specified in Section 1861(b)(6) of such Act, (B) the extent to which funds expended under such titles are supporting the training of medical specialties which are in excess supply, (C) how such funds could be expended in ways which support more rational distribution of physician manpower both geographically and by specialty, (D) the extent to which such funds support or encourage teaching programs which tend to disproportionately attract foreign medical graduates, and (E) the existing and appropriate role of that part of such funds which are expended to meet in whole or in part the cost of salaries of interns and residents in teaching programs approved as specified in section 1861(b)(6) of such Act.

(2) The studies required by paragraph (1) shall be the subject of an interim report thereon submitted not later than December I, 1974, and a final report not later than July 1, 1975. Such reports shall be submitted to the Secretary, the Committee on Finance of the Senate, and the Committee on Ways and Means of the House of Representatives, simultaneously.

(3) The Secretary shall request the National Academy of Sciences to conduct such studies under an arrangement under which the actual expenses incurred by such Academy in conducting such studies will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such studies.

(4) If the National Academy of Sciences is unwilling to conduct the studies required under this section, under such an arrangement with the Secretary, then the Secretary shall enter into a similar arrangement with other appropriate non-profit private groups or associations under which such groups or associations shall conduct such studies and prepare and submit the reports thereon as provided in paragraph (2).

(5) The Social Security Administration shall study the interim report called for in paragraph (2) and shall submit its analysis of such interim report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives not later than March 1, 1975. The Social Security Administration shall study and submit its analysis of the final report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives by October 1, 1975.

(d) The provisions of subsection (a) shall apply with respect to cost accounting periods beginning after June 30, 1973, and prior to January 1, 1975 except that if the Secretary of Health, Education, and Welfare determines that additional time is required to prepare the report required by subsection (c), he may by regulation, extend the applicability of the provisions of subsection (a) to cost accounting periods beginning after June 30, 1975.

BASIS OF MEDICARE PAYMENT FOR SERVICES PROVIDED BY AGENCIES AND PROVIDERS

SEC. 16. In the administration of titles V, XVIII, and XIX of the Social Security Act, the amount payable under such title to any provider of services on account of services provided by such hospital, skilled nursing facility, or home health agency shall be determined (for any period with respect to which the amendments made by section 233 of Public Law 92–603 would, except for the provisions of this section, be applicable) in like manner as if the date contained in the first and second sentences of subsection (f) of such section 233 were December 31, 1973, rather than December 31, 1972.

POSTPONEMENT ON EFFECTIVE DATE OF CERTAIN REQUIREMENTS IMPOSED WITH RESPECT TO PAYMENT FOR PHYSICAL THERAPY SERVICES

SEC. 17. (a) In the administration of title XVIII of the Social Security Act, the amount payable thereunder with respect to physical therapy and other services referred to in section 1861(v)(5)(A) of such Act (as added by section 151(c) of the Social Security Amendments of 1972) shall be determined (for the period with respect to which the amendment made by such section 151(c) would, except for the provisions of this section, be applicable) in like manner as if the "December 31, 1972", which appears in such subsection (d)(3) of such section 151, read "the month in which there are promulgated, by the Secretaryy of Health, Education, and Welfare, final regulations implementing the provisions of section 1861(v)(5) of the Social Security Act".

Clerical and Conforming Amendments to Social Security Act

In General

Inclusion of all Wage Level Increases in Automatic Adjustment of Earning Test

SEC. 18. (a) Section 203(f)(8)(B)(ii) of the Social Security Act is amended by—

(1) striking out "contribution and benefit base" and inserting "exempt amount" in lieu thereof; and

(2) striking out "section 230(a)" and inserting "subparagraph (A)" in lieu thereof.

Inclusion in Old-Age Insurance Benefit in Certain Cases of Related Retirement

(b) Section 202(w) of such Act is amended be inserting at the end thereof the following new paragraph:

"(5) If an individual's primary insurance amount is determined under paragraph (3) of section 215(a) and, as a result of this subsection, he would be entitled to a higher old-age insurance benefit if his primary insurance amount were determined under section 215(a) without regard to such paragraph, such individual's old-age insurance benefit based upon his primary insurance amount determined under such paragraph shall be increased by an amount equal to the difference between such benefit and the benefit to which he would be entitled if his primary insurance amount were determined under such section without regard to such paragraph."

Elimination of Benefit at Age 72 for Uninsured Individual Receiving Supplemental Security Income Benefits

(c) Section 228(d) of such Act is amended by inserting "and such individual is not an individual with respect to whom supplemental security income benefits are payable pursuant to title XVI or section 211 of Public Law 93–66 for the following month, nor shall such benefit be paid for such month if such individual is an individual with respect to whom supplemental security income benefits are payable pursuant to title XVI or section 211 of Public Law 93–66 for such month, unless the Secretary determines that such benefits are not payable with respect to such individual for the month following such month" immediately before the period at the end thereof.

Limitations on Eligibility Determinations Under Resources Tests of State Plans

(d) Section 1611 of such Act (as amended by Public Law 92–603) is amended by striking out subsection (g) and inserting in lieu thereof the following new subsection:

"(g) In the case of any individual or any individual and his spouse (as the case may be) who—

"(1) received aid or assistance for December 1973 under a plan of a State approved under title I, X, XIV, or XVI,

"(2) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

"(3) has, since December 31, 1973, continuously been (except for periods not in excess of six consecutive months) an eligible individual or eligible spouse with respect to whom supplemental security income benefits are payable,

the resources of such individual or such individual and his spouse (as the case may be) shall be deemed not to exceed the amount specified in sections 1611(a)(1)(B) and 1611(a)(2)(B) during any period that the resources of such individual or individuals and his spouse (as the case may be) does not exceed the maximum amount of resources specified in the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973."

Limitations on Eligibility and Benefit Determinations Under Income Tests of State Plans for Aid to the Blind

(e) Section 1611 of such Act is amended by striking out subsection (h) and inserting in lieu thereof the following new subsection:

"(h) In determining eligibility for, and the amount of, benefits payable under this section in the case of any individual or any individual and his spouse (as the case may be) who—

"(1) received aid or assistance for December 1973 under a plan of a State approved under title X or XVI,

"(2) is blind under the definition of that term in the plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973,

"(3) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

"(4) has, since December 31, 1973, continuously been (except for periods not in excess of six consecutive months) an eligible individual or an eligible spouse with respect to whom supplemental security income benefits are payable,

there shall be disregarded an amount equal to the greater of (A) the maximum amount of any earned or unearned income which could have been disregarded under the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973, and (B) the amount which would be required to be disregarded under section 1612 without application of this subsection."

Correction of Erroneous Designations and Cross-References

(f)(1) Section 226 of such Act is amended by—

(A) redesignating subsection (a)(1) as subsection (a);

(B) redesignating clauses (A) and (B) of subsection (a), as redesignated by this subsection, as clauses (1) and (2), respectively; and

(C) redesignating subsection (f) (as added by section 201(b)(5) of the Social Security Amendments of 1972 and redesignated by section 299I of that Act) and the subsection (f) (as enacted by section 101 of the Social Security Amendments of 1965 and redesignated by section 201(b)(5) of the Social Security Amendments of 1972) as subsections (h) and (i), respectively; and by inserting such subsections (h) and (i) (as so redesignated) immediately after subsection (g) of such section.

(2) Section 226(h)(1)(A) of such Act, as redesignated by this subsection, is amended by striking out "and 202(e)(5), and the term 'age 62' in sections" and inserting ", 202(e)(5)," in lieu thereof.

(3) Section 226(h)(1)(B) of such Act, as redesignated by this subsection, is amended by striking out "shall" and inserting "and the phrase 'before he attained age 60' in the matter following subparagraph (G) of section 202(f)(1) shall each" in lieu thereof.

(4) Paragraphs (2) and (3) of section 226(h) of such Act, as redesignated by this subsection, are each amended by striking

out "(a)(2)" and inserting "(b)" in lieu thereof.

Initial Payments to Presumptively Disabled Individuals Unrecoverable Only if Individual Is Ineligible Because Not Disabled

(g) Section 1631(a)(4)(B) of such Act is amended by inserting "solely because such individual is determined not to be disabled" immediately before the period at the end thereof.

Technical Correction of Limitation on Fiscal Liability of States for Optional Supplementation

(h)(1) Section 401(a)(1) of the Social Security Amendments of 1972 is amended by—

(A) inserting ", other than fiscal year 1974," immediately after "any fiscal year"; and

(B) inserting ", and the amount payable for fiscal year 1974 pursuant to such agreement or agreements shall not exceed one-half of the non-Federal share of such expenditures" immediately before the period at the end thereof.

(2) Section 401(c)(1) of such Act is amended by inserting "excluding" immediately before "expenditures authorized under section 1119".

Modification of Transitional Administrative Provisions

(i) Section 402 of the Social Security Amendments of 1972 is amended by—

(1) striking out "XVI" the first time that it appears therein and inserting "VI" in lieu thereof;

(2) inserting "the third and fourth quarters in the fiscal year ending June 30, 1974, and" immediately after "with respect to expenditures for"; and

(3) inserting "the third and fourth quarters of the fiscal year ending June 30, 1974, and any quarter of" immediately after "during such portion of".

Inclusion of Title VI in Limitation on Grants to States for Social Services

(j) Section 1130(a) of such Act is amended by inserting "603(a)(1)," immediately after "403(a)(3),".

Clarification of Coverage of Hospitalization for Dental Services

(k)(1) Section 1814(a)(2)(E) of such Act (as amended by Public Law 92–603) is amended to read as follows:

"(E) in the case of inpatient hospital services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such dental services;".

(2) The last sentence of section 1814(a) is amended by striking out "or (D)" and inserting "(D), or (E)" in lieu thereof.

(3) Section 1862(a)(12) of such Act is amended by striking out "a dental procedure" and all that follows thereafter, and inserting "the provision of such dental services if the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such services; or" in lieu thereof.

Continuation of State Agreements for Coverage of Certain Individuals

(l) Section 1843(b) of such Act is amended by adding at the end thereof the following: "Effective January 1, 1974, and subject to section 1902(f), the Secretary shall, at the request of any State not eligible to participate in the State plan program established under title XVI, continue in effect the agreement entered into under this section with such State subject to such modifications as the Secretary may by regulations provide to take account of the termination of any plans of such State approved under titles I, X, XIV, and XVI and the establishment of the supplemental security income program under title XVI.".

Technical Improvement of Provisions Governing Disposition of HMO Savings

(m) Section 1876(a)(3)(A)(ii) of such Act is amended by striking out ", with the apportionment of savings being proportional to the losses absorbed and not yet offset".

Technical Improvement of Provisions Governing Allowable HMO Premium Charges

(n) The last sentence of section 1876(g)(2) of such Act is amended by—

(1) inserting "of its premium rate or other charges" immediately after "portion";

(2) striking out "may" and inserting "shall";

(3) striking out "(i)"; and

(4) striking out "less (ii) the actuarial value of other charges made in lieu of such deductible and coinsurance".

Applications for Assistance on Behalf of Deceased Individuals

(o) Section 1902(a)(34) of the Social Security Act (as amended by Public Law 92–603) is amended by inserting "(or application was made on his behalf in the case of a deceased individual)" immediately after "he made application".

Expansion of Intermediate Care Facility Ownership Disclosure Requirements

(p) Section 1902(a)(35(A) of such Act is amended by inserting "or who is the owner (in whole or in part) of any mortgage, deed of trust, note, or other obligation secured (in whole or in part) by such intermediate care facility or any of the property or assets of such intermediate care facility" immediately after "intermediate care facility".

Technical Modification of Extended Medicaid Eligibility for AFDC Recipients

(q) Section 1902(e) of such Act is amended to read as follows:

"(e) Notwithstanding any other provision of this title, effective January 1, 1974, each State plan approved under this title must provide that each family which was receiving aid pursuant to a plan of the State approved under part A of title IV in at least 3 of the 6 months immediately preceding the month in which such family became ineligible for such aid because of increased hours of, or increased income from, employment, shall, while a member of such family is employed, remain eligible for assistance under the plan approved under this title (as though the family was receiving aid under the plan approved under part A of title IV) for 4 calendar months beginning with the month in which such family became ineligible for aid under the plan approved under part A of title IV because of income and resources or hours of work limitations contained in such plan.".

Limitation on Payments to States for Expenditures in Relation to Disabled Individuals Eligible for Medicare

(r)(1) Section 1903(a)(1) of such Act is amended by inserting "and disabled individuals entitled to hospital insurance benefits under title XVIII" immediately after "individuals sixty-five years of age or older".

(2) Section 1903(b)(2) of such Act is amended by inserting "and disabled individuals entitled to hospital insurance benefits under title XVIII" immediately after "individuals aged 65 or over".

Federal Payment for Cost of Inspecting Institutions Limited to Expenses Incurred During Covered Period

(s) Section 1903(a)(4) of such Act is amended by striking out "sums expended" and inserting "sums expended with respect to costs incurred" in lieu thereof.

Federal Payment for Family Planning Expenditures Not Limited to Administrative Costs

(t) Section 1903(a)(5) of such Act is amended by striking out "(as found necessary by the Secretary for the proper and efficient administration of the plan)".

Exception to Limitation on Payments to States for Expenditures in Relation to Individuals Eligible for Medicare

(u) Section 1903(b)(2) of such Act is amended by inserting ", other than amounts expended under provisions of the plan of such State required by section 1902(a)(34)" immediately before the period at the end thereof.

Utilization Review by Medical Personnel Associated With an Institution

(v) Section 1903(g)(1)(C) of such Act is amended by striking out "and who are not employed by" and by inserting ", or, except in the case of hospitals, employed by the institution" immediately after "any such institution".

Authority To Prescribe Standards Under Title XIX for Active Treatment of Mental Illness

(w) Section 1905(h)(1)(B) of such Act is amended by—

(1) striking out ", involves active treatment (i)" and inserting "(i) involve active treatment" in lieu thereof,

(2) striking out "pursuant to title XVIII", and

(3) striking out "(ii) which" and inserting "(ii)" in lieu thereof.

Correction of Erroneous Designations and Cross References

(x)(1) Section 1902(a)(13)(C) of such Act is amended by striking out "(14)" and inserting "(16)" in lieu thereof.

(2) Section 1902(a)(33)(A) of such Act is amended by striking out "last sentence" and inserting "penultimate sentence" in lieu thereof.

(3) Section 1902(a) of such Act is amended by—

(A) striking out the period at the end of paragraph (35) and inserting "; and" in lieu thereof; and

(B) redesignating paragraph (37) as paragraph (36).

(4) Sections 1902(a) (21), (24), and (26)(B), and the last sentence of section 1902(d), of such Act are each amended by striking out "nursing home" and "nursing homes" each time that they appear therein and inserting "nursing facility" and "nursing facilities", respectively, in lieu thereof.

(5) Section 1903(a) of such Act is amended by striking out "and section 1117" in the first parenthetical phrase.

(6) Section 1903(b) of such Act is amended by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(7) Section 1905(a)(16) of such Act is amended by striking out "under 21, as defined in subsection (e);" and inserting "under age 21, as defined in subsection (h); and" in lieu thereof.

(8) Section 1905(c) of such Act is amended by striking out "skilled nursing home" each time that it appears therein and inserting "skilled nursing facility" in lieu thereof.

(9) Section 1905 of such Act is amended by redesignating subsection (h) (which was enacted by section 299L(b) of the Social Security Amendments of 1972) as subsection (i).

(10) Section 1905(h)(2) is amended by striking out "(e)(1)" and inserting "(1)" in lieu thereof.

Deletion of Obsolete Provisions

(y)(1) Section 1903 of such Act is amended by—

(A) striking out subsection (c);

(B) striking out "(a), (b), and (c)" in subsection (d) and inserting "(a) and (b)" in lieu thereof.

(2) Section 1905(b) of such Act is amended by striking out everything after "section

1110(a)(8)" and inserting a period in lieu thereof.

(3) Section 1908 of such Act is amended by striking out the last sentence of subsection (d) and subsections (e) and (f), and redesignating subsection (g) as subsection (e).

Determination of Amount of Exclusion for Disapproved Capital Expenditures by Institutions Reimbursed on Fixed Fee or Negotiated Rate Basis

(z) The last sentence of section 1122(d)(1) of such Act is amended by inserting "or a fixed fee or negotiated rate" immediately after "per capita" each time that it appears therein.

Technical Improvement of Authority To Include Expenses Related to Capital Expenditures in Certain Cases

(z–1) Section 1122(d)(2) of such Act is amended by striking out "include" the last time that it appears therein and inserting "exclude" in lieu thereof.

Conforming Amendments to Title XI of the Social Security Act

(z–2)(1) Title XI of the Social Security Act is amended—

(A) in section 1101(a)(1), by—

(i) striking out "I,", "X,", "XIV,", and "XVI,", and

(ii) by adding at the end of such section 1101 (a) the following new sentence: "In the case of Puerto Rico, the Virgin Islands, and Guam, titles I, X, and XIV, and title XVI (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972) shall continue to apply, and the term 'State' when used in such titles (but not in title XVI as in effect pursuant to such amendment after December 31, 1973) includes Puerto Rico, the Virgin Islands, and Guam.",

(B) in section 1115, by—

(i) inserting (in the matter preceding subsection (a)) "VI," immediately after "title I,",

(ii) inserting (in subsection (a)) "602," immediately after "402,", and

(iii) inserting (in subsection (b)) "603," immediately after "403,", and

(C) in section 1116, by—

(i) inserting (in subsection (a)(1)) "VI," immediately after "title I,",

(ii) inserting (in subsection (a)(2)) "604," immediately after "404,",

(iii) inserting (in subsection (b)) "VI," immediately after "title I,", and

(iv) inserting (in subsection (d)) "VI," immediately after "title I,".

(2) The amendments made by this subsection shall be effective on and after January 1, 1974.

Effective Dates

(z–3)(1) The amendments made by subsctions (g), (h), (j), and (l) shall be effective January 1, 1974.

(2) The amendments made by subsection (k) shall be effective with respect to admissions subject to the provisions of section 1814 (a)(2) of the Social Security Act which occur after December 31, 1972.

(3) The amendments made by subsections (m) and (n) shall be effective with respect to services provided after June 30, 1973.

(4) The amendments made by subsections (o) and (u) shall be effective July 1, 1973.

MODIFICATION OF PROVISIONS ESTABLISHING SUPPLEMENTAL SECURITY INCOME PROGRAM

SEC. 19. (a) Section 303(c) of the Social Security Amendments of 1972 is amended to read as follows:

"(c) Section 9 of the Act of April 19, 1950 (64 Stat. 47) is amended to read as follows:

" 'SEC. 9. Beginning with the quarter commencing July 1, 1950, the Secretary of the Treasury shall pay quarterly to each State (from sums made available for making payments to the States under section 403(a) of the Social Security Act) an amount, in addition to the amount prescribed to be paid to such State under such section, equal to 80 per centum of the total amount of contributions by the State toward expenditures during the preceding quarter by the State, under the State plan approved under the Social Security Act for aid to dependent children to Navajo and Hopi Indians residing within the boundaries of the State on reservations or on allotted or trust lands, with respect to whom payments are made to the State by the United States under section 403(a) of the Social Security Act, not counting so much of such expenditure to any individual for any month as exceeds the limitations prescribed in such sections.'."

(b) Notwithstanding the provisions of section 301 of the Social Security Amendments of 1972 the Secretary of Health, Education, and Welfare shall make payments to the 50 States and the District of Columbia after December 31, 1973, in accordance with the provisions of the Social Security Act as in effect prior to January 1, 1974, for (1) activities carried out through the close of December 31, 1973, under State plans approved under title I, X, XIV, or XVI, of such Act, and (2) administrative activities carried out after December 31, 1973, which such Secretary determines are necessary to bring to a close activities carried out under such State plans.

PROVISIONS RELATING TO UNEMPLOYMENT COMPENSATION

SEC. 20. Section 203(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before April 1, 1974, and beginning after December 31, 1973 (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the Senate amendment be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon that the House concur in the Senate amendment?

Mr. BROYHILL of Virginia. Mr. Speaker, reserving the right to object, and it is not my intention to object, but I do so for the purpose of yielding to the gentleman from Oregon (Mr. ULLMAN) for a brief explanation of the Senate amendment.

Mr. ULLMAN. Mr. Speaker, last month this body passed H.R. 11333 providing increases in social security benefits and in the supplementary security income benefits. In order for these increases to become effective as quickly as possible, we urgently need to pass this bill before we adjourn. The time schedule set in the House bill providing a 7-percent increase in social security benefits in March and the remainder of an 11-percent benefit increase in June of next year cannot be maintained unless the bill becomes law this month.

The Senate amendment does not affect either the amount or time limit of these increases. They are changed in only one respect. You may recall that we provided for a "flat" 7-percent increase for March payable in April. This would not yield precisely the same amount of increase as the "refined" type of increase which has been made in the past and which the 11-percent increase in July would be. Since H.R. 11333 passed the House, the Social Security Administration has determined that a more refined benefit increase can be implemented in the April checks containing payments for March. This is provided for by a Senate amendment and it constitutes the only change in the benefit increase provision.

The provisions to increase benefits under the new supplemental security income program are the same as in the bill when it passed the House. The basic benefit is increased from $130 to $140 as of January 1 for an individual and from $195 to $210 for a couple. Further increases will occur in July to $146 for an individual and $219 for a couple. However, since it is now not possible for the supplemental security income benefits to be increased in the January 1 checks, a retroactive payment will be necessary.

Last April the House passed a technical amendments bill, H.R. 3153, making the technical amendments in Public Law 92–603, the Social Security Amendments of 1972. This covered omissions and incorrect cross references and similar changes. The Senate has recently passed H.R. 3153 and is now in conference but that conference will certainly have to carry over into the next session as many important substantive amendments were added by the Senate. The Senate has looked at the bill from the standpoint of those things which are related to different deadlines, most particularly, the establishment of the SSI program in January 1974. Many of the provisions, while technical in character are important to sound administration of that program. Provisions of this type which were included in H.R. 3153 have been added as Senate amendments to H.R. 11333. Insofar as the SSI program is concerned, they are primarily clarifications, corrections and items of the type included in the House version of that bill. Many of them are administration suggestions for more effective administration of the SSI program.

Under present law, individual determinations would have to be made in each State as to which of the new SSI recipients would be eligible for purchasing food stamps. The State welfare directors advise us that the provisions of the Agriculture bill are difficult, if not impossible to administer. The Senate accordingly added an amendment which provides that in those States which have specifically provided additional benefits to recipients to replace food stamps that the recipients will be ineligible as a group. In other States they will be eligible for a period of 6 months. This will give time to get the new program under way and for Congress to determine what it wishes to adopt with respect to food stamp eligibility among SSI recipients.

As you are aware, there is much controversy about the social service regulations which were issued by the Department of Health, Education, and Welfare and became effective on November 1, 1973. Since these are already causing a restriction of services and will do so increasingly in the months just ahead, the Senate amendment postpones the new regulations through the calendar year 1974.

In the medicare-medicaid area, also, only those amendments which had a time deadline and which are essentially noncontroversial are included in the Senate amendments. Some of them were in the original House-passed H.R. 3153 and were technical amendments to correct errors and facilitate the administration of the new supplemental security income program.

Let me summarize these amendments as follows:

First. The first amendment would coordinate the medicaid program with the new SSI program by permitting States to make eligible for medicaid those individuals eligible for SSI, requiring States to continue medicaid coverage of those individuals whose SSI benefits the States are now required to supplement to maintain December 1973 income levels, and permitting States to classify institutionalized individuals as eligible for medicaid even though the individual's income is above cash assistance levels, and the State does not have a medically needy program, provided that the individual's total income does not exceed 300 percent of the SSI benefit level.

Second. Present law provides that no Federal matching for adult assistance will be available where assistance is paid to a nursing home resident, where the nursing home care could be covered under medicaid. The amendment would extend this provision to the SSI program, which supersedes adult assistance beginning in January.

Third. Another amendment directs the Secretary of Health, Education, and Welfare to undertake a study covering all aspects related to payment for professional services in medical schools and teaching hospital settings. While the study is being undertaken by the Institute of Medicine in the National Academy of Sciences, certain provisions of section 227 of Public Law 92–603, limiting medicare reimbursements to medical centers for the services of teaching physicians on a fee-for-service basis, would be suspended until January 1975—with the Secretary permitted a further 6-month suspension. However, the suspension would not apply to those hospitals which are reimbursed on the more favorable cost basis under present law.

Fourth. Present law limits medicare reimbursement to the lesser of an institution's cost or charges to the general public effective January 1973. The amendment would postpone the effective date to January 1, 1974.

Fifth. Section 251 of Public Law 92–603, which details the approved means of reimbursing for the services of physical therapists under medicare, has an effective date of January 1, 1973. The amendment would postpone this effective date until the regulations have been issued.

Finally, the Senate added a temporary modification of the Federal-State Extended Unemployment Compensation Act which makes payments up to an additional 13 weeks to workers who have exhausted their entitlement to regular unemployment compensation. This amendment provides that States that have an insured unemployment rate of at least 4 percent may make payments under the extended unemployment compensation program without regard to a requirement in the permanent law that the insured unemployment rate in the State must be at least 20 percent higher than it was in a comparable period in the 2 prior years. This amendment would be effective for the first 3 months of 1974. It is expected that increasing unemployment will be a serious problem during this time and the Senate amendment will provide some relief in those States most seriously affected by increased unemployment.

Mr. BROYHILL of Virginia. Mr. Speaker, further reserving the right to object, it is my understanding that the bill as amended by the Senate, insofar as it relates to old age, survivors and disability insurance benefits, includes the House provisions relating to social security increases and increases in the new supplemental security income program that were the original provisions of H.R. 3153, as has been insisted, retains all of those provisions.

Second, the amendments that have been added by the Senate are—with a couple of unfortunate exceptions—technical amendments that will improve administration and have a favorable impact on costs. Most were requested or agreed to by the administration, and would be adopted by the House if they were offered as amendments.

Finally, the bill we have before us is the best compromise we could come up with if we expected to pass the social security increase bill before the end of this Congress, because the other body added many far-reaching controversial amendments, many of them hastily added on the floor, provisions that have not had any House consideration. In fact, we felt that the Senate was holding the social security increase bill as a hostage. This is repugnant to the Members of the House and is not good legislative procedure.

The members of the House Committee on Ways and Means requested the House conferees that we were not to agree to any significant amendment that had not been considered originally by the House Committee on Ways and Means, and to give the House Committee on Ways and Means an opportunity to consider those amendments.

We arrived at a compromise. I think it is the best compromise we could come up with. I believe that most of these amendments are good and reasonable amendments. My main concern relates to the supervision of the new regulations on social services.

Mr. Speaker, the provision requiring the former social service regulations to be made applicable for the period from November 1 of this year through December 31 of 1974—a 14-month period—is a mistake. The Department of Health, Education, and Welfare promulgated on November 1 of this year new regulations which were carefully worked out over a long period of time and with consultation with the Congress. These new regulations will now be inoperative for a period of at least 14 months.

The purpose of social services is to prevent people from going on welfare and to enable people who are currently on welfare to become self-sufficient. With our growing welfare costs, we should use the limited amount available for social services to achieve the goal of reducing welfare dependency—a goal which all Americans agree should have a high priority.

Under the old regulations, social services are loosely defined, and may be made available to individuals who may be likely to come on the welfare rolls within a 5-year period, without regard to an income test. Under these regulations, the States have utilized social services money for expenses that bear only the remotest relationship to keeping people off welfare or reducing the present rolls. The regulations now in effect, which will be suspended by this act, circumscribe this latitude by requiring that the individuals be likely to come on the welfare rolls within 6 months, and that their income not be more than 150 percent of the State standard for public assistance.

Additionally, the old regulations permit social services to continue 2 years after an individual leaves the public assistance rolls while the new regulations confine this period to 3 months. There are other features of the new regulations that marshal our limited resources for social services to meet the objective of the program of reducing welfare and dependency. The old regulations are much less appropriate to achieve this end.

The new regulations went through a long period of gestation during which significant changes were made by HEW to accommodate criticisms and the viewpoint of Congress on at least four different occasions. The regulations have now been in effect since November 1, or nearly a 2-month period. The action we are taking here represents a major change that will cause confusion in this program, and yet, no hearings have been held on this proposal, the Ways and Means Committee has not even considered it, nor has the House had an opportunity to evaluate it. This is not only poor policy, but poor procedure.

I do feel, however, that even under the old regulations, the Department of Health, Education, and Welfare has discretion to administer the program much more tightly than they have in the past, both in determining what constitutes a social service and in determining who is likely to be a welfare beneficiary. They have the authority to exercise their discretion to achieve the objectives of the social services program—to reduce welfare dependency. I believe it is perfectly consistent with the social services program and the legislative history in regard to this program in recent years to tighten up their administration under the old regulations as expeditiously as possible, and I urge them to do so.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. BRINKLEY. Mr. Speaker, reserving the right to object, and I shall not object, I should like to ask the chairman a couple of questions under our reservation pertaining to H.R. 1, adopted in the 92d Congress and which contained the supplemental security income provisions. There is a school of thought in my State of Georgia that there is a deficiency concerning future admittees into nursing homes. It is my further understanding that there is a Senate amendment which attempts to take care of certain of those problems relating to the nursing home industry.

While there is a grandfather clause which takes care of the nursing home patients presently in nursing homes, unless there are certain State supplements, future people who need to go into these homes might be penalized. I just wonder if the gentleman can tell me if that question is still in conference.

Mr. ULLMAN. If the gentleman will yield, let me explain that the conference is still very much alive on the other bill.

There are a number of matters that Members are interested in attached to that bill by the other body that we will be taking up in the next session. The matter the gentleman specifically refers to, however, was one of the amendments that we did accept and it is incorporated in this bill. It would coordinate the medicaid program with the new SSI program by permitting States to make eligible for medicaid those individuals eligible for SSI, requiring States to continue medicaid coverage of those individuals whose SSI benefits the States are now required to supplement to maintain December 1973 income levels, and permitting States to classify institutionalized individuals as eligible for medicaid even though the individual's income is above cash assistance levels, where the State does not have a medically needy program, provided that the individual's total income does not exceed 300 percent of the SSI benefit level.

Mr. BRINKLEY. Mr. Speaker, I thank the gentleman and I withdraw my reservation of objection.

Mr. KAZEN. Mr. Speaker, reserving the right to object, I wonder if I heard the acting chairman correctly awhile ago on the SSI program being deferred for 6 months. The gentleman did not mean to say that the program itself was being deferred but that the procedure that was required of the States would be deferred for 6 months; am I correct?

Mr. ULLMAN. If the gentleman will yield, this is only with reference to the food stamps, and I know that is what the gentleman is interested in, we merely delay for 6 months the implementation of the new requirements, and as I indicated this would have the effect of allowing SSI recipients to receive food stamps in those States that have not specifically provided for cashing out their food stamps.

Mr. KAZEN. Mr. Speaker, I thank the gentleman and I withdraw my reservation of objection.

Mr. DRINAN. Mr. Speaker, reserving the right to object, I wonder if the acting chairman could answer this question. Many of us have been deeply concerned over a long period of time with extension of the medicare benefits to prescription drugs. Will the gentleman tell us when that might be forthcoming for a vote in the House?

Mr. ULLMAN. Mr. Speaker, if the gentleman will yield, as I said H.R. 3153 is still actively in conference. That is one of the amendments the Senate put on H.R. 3153 and one of the amendments that obviously we did not have time to deal with under the format and under the time considerations of the conference yesterday. But it is one of the matters we are very seriously going to look at early next year. In our meeting with the Members of the other body we assured them that this would certainly be a matter of early consideration in the forthcoming year by the committee.

Mr. DRINAN. Mr. Speaker, with all due respect to the committee, we had a colloquy almost precisely like this last Christmas time when a number of Members pressed this point and a commitment was made that in 1973 the question of prescription drugs under medicare would be reached. At least 160 Members of this House have cosponsored a bill. The gentleman from Wisconsin (Mr. OBEY) has sponsored that originally. I just want to make legislative history here that a number of us are very concerned. I wonder if the gentleman would speak further to the question when in 1974 this very valuable and needed extension might become law.

Mr. ULLMAN. Mr. Speaker, if the gentleman will yield, let me say that during this past year I think the gentleman understands we have been beset by a great many difficult problems, and the illness of the chairman has also created additional problems, but it is the purpose certainly of this Member as acting chairman that the committee will go forward hopefully with a task group consideration of this matter early in the year. As the gentleman knows we have adopted some new procedures and I am sure that we can expect to look at this at the very earliest possible time.

Mr. DRINAN. Mr. Speaker, I thank the gentleman and I withdraw my reservation of objection.

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I would just like to point out to the House that as I understand the explanation by the acting chairman of the Committee on Ways and Means, the conferees in concurring in the amendment of the other body which extends for 14 months the period during which the new and stricter HEW regulations on welfare cannot take effect, we are once again relaxing the welfare eligibility restrictions.

In a State such as mine, the State of Maryland, which now has the fourth highest welfare fraud and ineligibility rate in the United States, we badly need welfare reform. Now here in the House we are again caving in under pressure. I think the Members should understand that we are giving in to those who will not address themselves to welfare reform in this country.

Mr. BROYHILL of Virginia. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Mr. Speaker, I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Speaker, I think the gentleman from Maryland has made a very good point. However, this was the only proposal included that is clearly objectionable. If the gentleman had seen the other Senate provisions pending which were going to jeopardize the social security bill, he would agree with me that the House came up with a pretty good compromise in this bill. Certainly, the implementation of the current regulations would make the act more efficient.

Mr. BAUMAN. Mr. Speaker, I will just say that this may be the lesser of two evils but it is still evil.

I withdraw my reservation of objection.

Mr. PICKLE. Mr. Speaker, reserving the right to object, I would like to ask the acting chairman of the committee a question about the benefits extension.

As I read it, we are extending the benefits for 3 additional months. Is that correct?

Mr. ULLMAN. Mr. Speaker, if the gentleman will yield to me, 3 months is correct.

Mr. PICKLE. And this would apply, from the charts, to approximately 29 to 30 States?

Mr. ULLMAN. That is about right. Yes.

Mr. PICKLE. Is this money coming from the General Treasury or the unemployment trust fund which has been built up by contributions of employers throughout the United States?

Mr. ULLMAN. Federal and State unemployment tax. That is right.

Mr. PICKLE. The regular FUTA tax?

Mr. ULLMAN That is right.

Mr. PICKLE. That means that all the States will be paying for the unemployment of these 30 States?

Mr. ULLMAN. That of course, is the principle of the whole Extended Unemployment Compensation Act. There are always some States in and some States not in under the operation of the State trigger mechanism.

Mr. PICKLE. Mr. Speaker, it would seem to me that at this hour every year many of the States come in and get these extensions. I do not want to question the need for some of these benefits, but this type of practice hurts the unemployment fund. If we are not careful and if we make this a general practice, we are going to get that fund in considerable difficulty.

Mr. Speaker, how much will this amendment cost that fund?

Mr. ULLMAN. Our best estimate is around $100 million.

Mr. PICKLE. This is $100 million extra in benefits?

Mr. ULLMAN. It could be considerably less depending, obviously, on the unemployment picture and the number of States that choose to participate. If we should go into more serious unemployment and all States that are eligible do participate, then we anticipate it.

Mr. BROYHILL of Virginia. Mr. Speaker, the gentleman from Oregon said that the best guess is that the cost of this amendment would be approximately $100 million. That depends upon how many of the States would legislate and adopt an amendment with respect to the Unemployment Benefits Act.

So there may not be that much cost, as far as the amendment is concerned.

Mr. PICKLE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PRICE of Texas. Mr. Speaker, I support the compromise package which would increase benefits for both social security recipients and beneficiaries of Federal assistance to the elderly, blind and disabled persons. The bill as proposed would increase social security benefits by 7 percent effective next March and an additional 4 percent in June.

Mr. Speaker, I support this compromise since it will mean added buying power in the hands of those who will put the money to good use and those who are deserving of a decent standard of living, namely our senior citizens who have given of a lifetime of work for their children and for our Nation. Since those on fixed retirement incomes generally live on a month to month basis, these benefit increases will be plowed back into our economy thereby stimulating additional jobs and income for the working sector of the population.

Of all the many schemes and programs which have been devised by the Congress to alleviate poverty and to solve problems in our Nation, many of them very costly, wasteful, and cumbersome to administer, I believe the social security system is the best equipped to do the job—it places the money in the hands of those who need it at the least cost and confusion, and it insures that each citizen shall be responsible to provide for his or her own retirement through the social security tax system.

I feel that these increases are deserving because through no fault of their own wasteful Government spending has caused runaway inflation which has eroded the elderly persons savings and purchasing power. This is only right and just for those citizens who have contributed so much to our heritage.

I had hope that my bill would have been included in the social security package which would have eliminated entirely the amount of money a person over 65 could earn without the penalty.

Mr. DORN. Mr. Speaker, the social security benefits increase has my full support. The increase is needed now by our citizens in the golden years. During the holiday season it is especially fitting and proper, Mr. Speaker, that the Nation remember those who have given to the Nation a life of productive hard work and who now live in retirement. We must not forget them, and by voting this increase in social security benefits we demonstrate our commitment. Our citizens have paid into social security and the system is financially secure to guarantee this increase. Mr. Speaker, I fully support this bill and urge the House to approve it by overwhelming vote.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendment just considered.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

POINT OF ORDER

Mr. ANNUNZIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. ANNUNZIO. Mr. Speaker, was there not a vote taken on the last action?

The SPEAKER. No. The Chair will state to the gentleman that the action which was taken was to agree to the Senate amendment.

POINT OF ORDER

Mr. BAUMAN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. BAUMAN. Mr. Speaker, it was my undertsanding the gentleman from Maryland made an objection to the reading of the statement in lieu of the conference report.

The SPEAKER. The Chair will state to the gentleman that there was a reservation of objection made to the unanimous consent request of the gentleman from Oregon (Mr. ULLMAN) to take from the Speaker's desk the House bill with a Senate amendment thereto, and concur in the Senate amendment.

The Chair will further state that the Senate amendment has now been concurred in.

POINT OF ORDER

Mr. CHARLES H. WILSON of California. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I wish to make a demand for a rollcall vote. If we are not going to get a rollcall vote, I will make the point of order that a quorum is not present.

The SPEAKER. The Chair will state to the gentleman that his demand for a recorded vote comes too late.

PARLIAMENTARY INQUIRY

Mr. ANNUNZIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. ANNUNZIO. Mr. Speaker, may I make a point of order, objecting to the last vote, on the ground that a quorum is not present?

The SPEAKER. The Chair will inform the gentleman that there has been much intervening business, as the gentleman knows, because the gentleman is an instructed and informed Member concerning the parliamentary rules of the House. The gentleman knows that there has been much business which has taken place.

CALL OF THE HOUSE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 718]

Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Aspin
Bafalis
Bell
Biaggi
Boggs
Bolling
Brooks
Brown, Ohio
Broyhill, N.C.
Burgener
Burke, Calif.
Burton
Butler
Byron
Camp
Chisholm
Clancy
Clark
Clay
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Conyers
Corman
Danielson
Delaney
Dellenback
Dent
Devine
Diggs
Dulski
Evins, Tenn.
Fraser
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Gray
Griffiths
Gross
Grover
Gubser
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Heinz
Hillis
Holifield
Holt
Jarman
Jones, Ala.
Keating
Kluczynski
Landrum
Leggett
Lehman
Lott
Lujan
Madden
Madigan
Mailliard
Martin, Nebr.
Michel, Ill.
Mills, Ark.
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, N.Y.
Nelsen
Nichols
Peyser
Poage
Podell
Price, Tex.
Quillen
Rarick
Reid
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roybal
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Snyder
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Walsh
White
Whitehurst
Wilson, Bob
Wilson, Charles, Tex.
Wydler
Yates
Zwach

The SPEAKER. On this rollcall 306 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VACATING PROCEEDINGS WHEREBY SENATE AMENDMENTS WERE CONCURRED IN ON H.R. 11333

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent to vacate the proceedings of the House whereby the Senate amendment to H.R. 11333 was concurred in and a motion to reconsider laid on the table and that there be a record vote on the motion to concur.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RECORDED VOTE

The SPEAKER. The question is on the Senate amendment.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 301, noes 13, not voting 118, as follows:

[Roll No. 719]

AYES—301

Abdnor
Abzug
Adams
Alexander
Andrews, N.C.
Annunzio
Ashbrook
Ashley
Badillo
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Conable
Conlan
Conte
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellums
Denholm
Derwinski
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hinshaw
Hogan
Holifield
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Latta
Lent
Litton
Long, La.
Long, Md.
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Runnels
Ruth
St Germain
Sandman
Sarbanes
Schroeder
Seiberling
Shipley
Shuster
Skubitz
Slack
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
Whitten
Widnall
Williams
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NOES—13

Archer
Blackburn
Crane
Dennis
Fisher
Goldwater
Goodling
Landgrebe
Satterfield
Symms
Teague, Tex.
Wiggins
Young, S.C.

NOT VOTING—118

Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Armstrong
Aspin
Bafalis
Bell
Biaggi
Boggs
Bolling
Brooks
Burgener
Burke, Calif.
Burton
Butler
Byron
Camp
Carney, Ohio
Clancy
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Conyers
Corman
Danielson
Delaney
Dellenback
Dent
Devine
Dulski
Esch
Evins, Tenn.
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Griffiths
Gross
Grover
Gubser
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Heinz
Hillis
Holt
Jarman
Jones, Ala.
Keating
Kluczynski
Landrum
Leggett
Lehman
Lott
Lujan
Madden
Madigan
Mailliard
Martin, Nebr.
Michel
Mills, Ark.
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, N.Y.
Nelsen
Nichols
Peyser
Poage
Podell
Price, Tex.
Quillen
Rarick
Reid
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roybal
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Snyder
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Taylor, Mo.
Van Deerlin
Veysey
Vigorito
Walsh
White
Whitehurst
Wilson, Bob
Wilson, Charles, Tex.
Wydler
Wyman
Yates
Zwach

So the Senate amendment was concurred in.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.

Mr. Hays with Mr. Peyser.

Mr. Rooney of New York with Mr. Nelsen.

Mr. Rostenkowski with Mr. Frelinghuysen.

Mrs. Boggs with Mr. Roncallo of New York.

Mr. Kluczynski with Mr. Esch.

Mr. Moorhead of Pennsylvania with Mr. Minshall of Ohio.

Mr. Murphy of New York with Mr. Anderson of Illinois.

Mr. Dulski with Mr. Martin of Nebraska.

Mr. Fulton with Mrs. Holt.

Mr. Nichols with Mr. Bafalis.

Mr. Stark with Mr. Price of Texas.

Mr. Reid with Mr. Frey.

Mr. Stubblefield with Mr. Clancy.

Mr. Vigorito with Mr. Michel.

Mr. Yates with Mr. Andrews of North Dakota.

Mr. Madden with Mr. Froehlich.

Mr. Burton with Mr. Madigan

Mr. Biaggi with Mr. Bell.

Mr. Addabbo with Mr. Lujan.

Mrs. Griffiths with Mr. Grover.

Mrs. Hansen of Washington with Mr. Mailliard.

Mr. Harrington with Mr. Cleveland.

Mr. Lehman with Mr. Quillen.

Mr. Moss with Mr. Hillis.

Mr. Podell with Mr. Collier

Mr. Fuqua with Mr. Butler.

Mr. Dent with Mr. Gubser.

Mr. Delaney with Mr. Camp.

Mr. Corman with Mr. Collins of Texas.

Mr. Conyers with Mr. Van Deerlin.

Mr. Sikes with Mr. Dellenback.

Mr. Sisk with Mr. Heinz.

Mrs. Collins of Illinois with Mr. Leggett.

Mr. Anderson of California with Mr. Lott.

Mr. Brooks with Mr. Devine.

Mr. Stephens with Mr. Rousselot.

Mr. Ryan with Mr. Ruppe.

Mr. Gettys with Mr. Taylor of Missouri.

Mr. Byron with Mr. Shoup.

Mr. Steed with Mr. Walsh.

Mr. Danielson with Mr. Sarasin.

Mr. Roybal with Mr. Whitehurst.

Mr. Smith of Iowa with Mr. Bob Wilson.

Mr. Evins of Tennessee with Mr. Scherle.

Mr. Jones of Alabama with Mr. Wydler.

Mr. Riegle with Mr. Steiger of Arizona.

Mr. Mills of Arkansas with Mr. Schneebeli

Mr. Rarick with Mr. Wyman.

Mr. Jarman with Mr. Sebelius.

Mr. Charles Wilson of Texas with Mr. Zwach.

Mr. White with Mr. Shriver.

Mr. Gibbons with Mr. Aspin.

Mr. Landrum with Mr. Snyder.

Mrs. Burke of California with Mr. Carney of Ohio.

Mr. Burgener with Mr. Keating.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR BALANCE OF TODAY, FRIDAY, DECEMBER 21

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader as to the program for the rest of today and, hopefully, the adjournment sine die.

Mr. O'NEILL. Mr. Speaker, if the distinguished gentleman from Arizona will yield, I will be happy to respond. May I first wish all the Members of the House a "Merry Christmas" and a "Happy New Year." I hope we will adjourn sine die today.

I also congratulate the Speaker, because I believe this has been a historic session, one in which we have changed the rules and the regulations of the House in many instances and have improved the legislative process.

I am sure, as the Members analyze this session, that they will find that a tremendous amount of important legislation has been passed by the House and the Senate, and signed by the President.

Getting back to the question that the gentleman from Arizona asked me as to the balance of the program for today, may I say that we have only two items left. These are the energy bill, that has been reported by the conference committee and is currently pending in the other body. When the other body has completed its consideration of this matter then it will be returned to the House for action here.

The only other matter that is pending is the adjournment resolution. That is a Senate concurrent resolution. It has already been passed by the other body, and they are holding it over there until they have completed action on the energy bill. When they have done so they will send that item over to the House at that time.

So, I will repeat, we just have these two items, the energy bill and the adjournment resolution.

It is my understanding that the Chair is going to recess subject to the call of the Chair. As I analyze the rest of the afternoon, I would have to anticipate that there probably will be one or two rollcalls on matters of national import. In view of that, I would ask the membership to stay available until the bell rings announcing the end of the recess so that they may be available on the floor of the House and we will have a quorum.

Mr. RHODES. Mr. Speaker, if I have any time left I would like to echo the words of the distinguished majority leader in wishing all of the Members of the House of Representatives, the greatest deliberative body in the world, a very Merry, Merry Christmas, and a Happy New Year, and to congratulate the Speaker of the House in what I think is a very successful session.

PERSONAL EXPLANATION

(Mr. RANGEL asked and was given permission to address the House for 1 minute, revise and extend his remarks and to include extraneous material.)

Mr. RANGEL. Mr. Speaker, I have taken this time in order to read a statement from the gentleman from New York (Mr. Biaggi) which is as follows:

Mr. Speaker, on rollcall No. 686, I was recorded as voting for the amendment offered by the gentlewoman from New York (Ms. Holtzman) which prohibited petroleum exports from the United States to South Vietnam, Laos, and Cambodia. I was in error in voting for this amendment and ask unanimous consent that this explanation be printed.

As we all well know, Mr. Speaker, the hour was very late and the confusion in the House great. There were nearly 60 amendments introduced that day alone and this amendment came near the end of the day. We were in session until 1:30 a.m. Saturday morning. These are hardly the conditions under which to consider very important legislation.

On this amendment in particular, right before the recorded teller vote, there was a substitute amendment offered and a point of order raised.

Needless to say, it was very difficult to determine exactly what we were voting for. I was under the impression that by voting for the amendment that we would be restricting all but essential exports of oil—certainly a goal I am in agreement with. However, I find that the amendment actually calls for cutting off all oil exports to our allies in Southeast Asia.

This country fought a very long and tedious war with many Americans dying to help preserve the integrity and security of the free states of Southeast Asia. Now, in this time of great trouble, with mounting attacks by the North Vietnamese and the Viet Cong against South Vietnam, with increased acts of terrorism, including the killing of unarmed Americans we are cutting off their oil supplies with no assurance that they will be able to obtain supplies elsewhere.

In fact eliminating these supplies will also stop our efforts to identify the remaining missing in action and to determine whether any other prisoners of war are still being held.

I very much regret that I was recorded in favor of this amendment and wish the Record to show that I am opposed to it. I hope the conference committee in calmer wisdom will strike the amendment from the final report.

FOR THE RELIEF OF NICOLA LOMUSCIO

Mr. EILBERG. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7684) for the relief of Nicola Lomuscio.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SYMMS. Mr. Speaker, reserving the right to object, I would ask the gentleman from Pennsylvania whether this matter has been cleared on both sides of the aisle, and especially with the gentleman from Ohio (Mr. Devine)?

Mr. EILBERG. Mr. Speaker, if the gentleman would yield, I would say to the gentleman from Idaho that this measure has been cleared by the committee on both sides of the aisle, and the gentleman from Ohio who objected to this yesterday no longer has any objection to this matter.

I would be glad to explain the bill, but I do not want to take up too much of the time of the House.

Mr. SYMMS. I thank the gentleman from Pennsylvania for yielding. If he would assure me that the gentleman from Ohio has withdrawn his objections, I have no reservation.

Mr. EILBERG. I do so.

Mr. SYMMS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. GOODLING. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Pennsylvania if he is absolutely certain that the gentleman from Ohio (Mr. Devine) withdrew his objection.

Mr. EILBERG. I say to the gentleman from Pennsylvania that the chairman, Mr. Rodino, spoke to Mr. Devine, and the chairman of the committee told me that that was the case. I have no reason to doubt his veracity.

Mr. GOODLING. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill as follows:

H.R. 7684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 212(a) (9) and (19) of the Immigration and Nationality Act, Nicola Lomusico may be issued a visa and admitted to the United States for permanent resident if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C–5A PASSED WITH FLYING COLORS

(Mr. DAVIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAVIS of Georgia. Mr. Speaker, as I and a number of other Members of Congress have stated in the weeks since the end of the latest Middle East conflict, the C–5A has finally proven itself in a combat situation. The C–5's critics stand corrected. America has shown the ability to respond in a crisis, quickly, with massive shipments of arms and equipment. It is not often that members of the Fourth Estate admit former errors in print, but the Miami Herald had the courage to do so. I ask unanimous consent that the Miami Herald editorial of December 9, 1973, be placed in the Record at this point:

C–5A Passed With Flying Colors

Within nine hours after President Nixon decided on Oct. 13 to airlift military supplies to Israel the first U.S. Air Force cargo carrier arrived in Tel Aviv with a record 193,000 pounds of military supplies.

This was the beginning of a little noticed by truly historic operation dwarfing even the Berlin Airlift. "By Nov. 2," according to retired USAF Gen. Ira C. Eaker, "the United States had equalled the Soviet airlift to the Arabs, and by Nov. 22 it had doubled the Russian tonnage despite the fact that the U.S. supply line was 6,450 miles compared to 1,700 miles for the Soviets."

The airlift, which required only 566 missions to the Russians' 900 missions, doubtless saved an ally from extinction. "It restored Israel's weapons," Gen. Eaker goes on, averaging 1,000 tons per day for more than 30 days, "enabling her to regain the offensive, make decisive advances toward Damascus and Cairo, ultimately to achieve the ceasefire."

And how was this accomplished? Not only by superb pilots and crews but more to the point by a matchless airplane. We blush to report it was the much-maligned C–5A giant transport.

Along with many other newspapers, the Secretary of the Air Force itself, and countless congressmen, The Herald deplores the cost overruns and performance failures which appeared to make the C–5A the flying fraud of all time. In 1971 costs of the C–5A rose from $28.4 million per copy to $59 million, numerous wing and landing structure failures were reported, and the Air Force cut its order from 120 planes to 81.

But it worked. We wuz wrong.

INTERNATIONAL TEXTILE AGREEMENT

(Mr. DORN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DORN. Mr. Speaker, early this morning in Geneva our textile negotiators reached agreement on a 50-nation, 4-year agreement covering cotton, manmade fibers, and blends.

This is an historic achievement which should go a long way toward developing orderly trade in textiles. With some stability in textile trade assured, the textile industry can proceed with capital investment programs to keep abreast of consumer demand. Mr. Speaker, the textile industry is the very backbone of industrial employment in South Carolina. We welcome this agreement.

For the first time we now have an international textile agreement which takes into consideration not only the needs of underdeveloped countries but also the necessity of protecting the jobs of millions of Americans who depend on a healthy textile industry for their livelihood. If this agreement is administered diligently it can be a key factor in assuring a bright future for the textile industry.

Secretary of Commerce Fred Dent, officials of the State Department and Department of Labor are to be commended for their untiring efforts in concluding the agreement.

Mr. Speaker, this landmark agreement is a result of many months of diligent work on the part of many people, including the more than 140 members of the House Informal Textile Committee who have given bipartisan support to the efforts in Geneva. The textile industry itself has been extremely helpful to the administration and to the Congress in offering counsel for our negotiators.

PREOCCUPATION WITH WATERGATE

(Mr. LANDGREBE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. LANDGREBE. Mr. Speaker, this is the first time, the first Christmas, in many, many years that we do not have men in military combat on some foreign battlefield. I think it is just too bad that we have evaded coming to grips with the energy crisis that has been with us for well over a year; being instead preoccupied with Watergate and other matters of lesser importance, and simply playing politics a good bit of the time. Now here it is, Friday evening, just 3 days from our holiest of holidays, a snowstorm outside, and we cannot yet determine how this Congress shall accept its responsibility for changing the laws that have, in effect, created our energy crisis.

Everyone is anxious to go home; the airplanes are loaded and booked; there is no flexibility in getting passage out of Washington. My flight leaves at 6:30, and I am taking this opportunity to explain to my constituents exactly why I am leaving on that 6:30 flight.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. LANDGREBE. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding. The gentleman made some kind of statement that I missed about being preoccupied with the Watergate affair in this House? Did he say that?

Mr. LANDGREBE. No. I said that this Congress, including the House and Senate, has long been preoccupied with the Watergate affair and its ramifications.

Mr. KAZEN. We are talking about Watergate. Has this House spent 1 single hour on the Watergate affair?

Mr. LANDGREBE. I am sure we have spent many hours of talking and discussing and waiting. The gentleman surely is aware that most of the business of this Congress is done in committees, and that committees, particularly the Committee on the Judiciary, have been absorbed by the Watergate affair.

Mr. KAZEN. Has there been any official committee or any body of this House actually working on the Watergate affair?

Mr. LANDGREBE. Yes. Certainly we would have to say that the impeachment program is directly related to Watergate.

Mr. KAZEN. How much time has this House taken up on that?

Mr. LANDGREBE. I have not kept a record of the hours spent debating the Watergate affair and closely related matters, but surely the gentleman is not unaware of the time used by committees on matters relating to Watergate and the impeachment of the President, or the time spent on the House floor appropriating money, and setting up the committees.

Mr. KAZEN. How much time on this floor have we spent on Watergate?

Mr. LANDGREBE. In reply, I suggest that if the gentleman is truly interested in the exact amount of time and effort spent on Watergate, he should research the CONGRESSIONAL RECORD for the past year. I suspect, however, that the gentleman is quibbling over the question of exact time in order to evade the issue that I raise—namely, that it is ridiculous and irresponsible to, at this late hour, be trying to somehow put together a package containing a hodgepodge of hastily drafted amendments on such a crucial and far-reaching issue as the energy crisis. Congress is largely responsible for the energy crisis and is now trying to pass more laws, the consequences of which are unknown, merely to be able to say to the public that it is "doing something."

The SPEAKER. The time of the gentleman has expired.

WATERGATE

(Mr. HOGAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. HOGAN. Mr. Speaker, while I do not agree with everything the gentleman in the well Mr. LANDGREBE, has said, certainly our friend, the gentleman from Texas, remembers that we have had matters in the House relating to Watergate. We had legislation extending the Watergate grand jury; we had legislation calling for a Special Watergate Prosecutor; we have had legislation calling for a subpena for Gordon Liddy. We had a bill giving the Senate Watergate Committee authority to get the U.S. District Court to enforce its subpenas for Presidential tapes and papers, not to mention the $1 million we appropriated for the Committee on the Judiciary to finance its impeachment probe. So I think the gentleman from Texas should concede, in fairness to the gentleman from Indiana, that we have consumed some time in the House talking about Watergate matters.

WATERGATE

(Mr. KAZEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. KAZEN. Mr. Speaker, I, as many other Members, have been receiving correspondence from constituents and people all over the country telling this House to go ahead with the business of this country and quit spending its time on Watergate. I have answered them that this House has not been devoting its time to Watergate; we have not paid any attention to those matters by way of investigation. The investigations have been conducted by one small committee of the Senate and by the courts and grand juries of this country.

Mr. Speaker, I challenge any Member to disagree with this statement: outside of appropriation of $1 million for the Judiciary Committee, the extension of the grand jury term and discussion of a Special Prosecutor proposal that never reached the floor of this House, we have used no time on Watergate-related matters.

I submit, Mr. Speaker, to the Members and to the people of this country that the House of Representatives has instead devoted its energies, any and night, in committees and on the floor, to solving some of the most critical problems our country has faced in many years.

What the House may do on the impeachment matter, as we face our sworn duty to defend the Constitution, is another matter, but as far as time being diverted from the business of this Nation during this session, I say such a charge is absolutely not true.

PEOPLE DEMAND THAT THE CORRUPTION OF WATERGATE BE DEALT WITH

(Mr. WALDIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALDIE. Mr. Speaker, my correspondence is just the opposite from that described by the gentleman from Indiana. I am getting a great many more complaints from people who think that the House has not been devoting enough time to impeachment of the President who gave us the corruption of Watergate.

It is not the House that has been devoting too much time to Watergate and it is not the Senate that has been wasting its time on Watergate—it is the President who has brought the stain and blemish of Watergate to the country. Unless we deal with that problem we will not deserve to be here next year.

PRESIDENT SHOULD NOT OVERRIDE WILL OF PEOPLE

(Mr. CAREY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CAREY of New York. Mr. Speaker, we all ought to think in terms of compassion and benevolence and good human relations for next year in the spirit of this season. The President has given us an example in terms of offering a supreme sacrifice. He is willing to stay in the White House and freeze over there and endure the discomforts of the Office just to give us a good example.

I wish the President in the rest of 1974 a warm and happy enjoyment of the official residence of the President as long as he is there and I think that is the spirit in which we should express ourselves.

But if we are going to talk about what our House has achieved in this body in the year 1973, how much more time we could have spent on the people's business, expressing the will of the majority of the country through the House of Representatives if we had not had to spend so much time trying to override the vetoes that the President placed on good sound legislation that the people wanted through their Representatives.

I ask this: While the President is reviewing the year over in the frozen White House and enduring its discomforts, perhaps a little warmth, a little generosity will be stirred in the embers of the fireplace if he will join us in 1974 in putting forward the sound progressive programs to save this country and restore public confidence.

A very Happy New Year to you, Mr. President, as we gather around the fireplace. Please do not veto the will of the people in 1974. In return we will vote the will of the people.

IT FRIGHTENS ME

(Mr. DENNIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENNIS. Mr. Speaker, I want to observe that in contrast to my friend who just left the well, the type of legislation that we too often pass here reminds me of the story of the Duke of Wellington who had a council of war with his staff and he came out and shook his head afterward and said: "They may not frighten the enemy but by God, sir, they frighten me."

LAWYER PLAYS NIXON TAPE

The SPEAKER. Under a previous order of the House, the gentleman from Idaho (Mr. SYMMS) is recognized for 30 minutes.

Mr. SYMMS. Mr. Speaker, I think that the Watergate situation has hit a new low. The fact that one of the White House tapes was played by one of Ralph Nader's lawyers at a cocktail party is an outrage. It is interesting to note that such a flagrant disregard for the judicial system and for the law as a whole should come from someone who is representative of a group who is screaming the loudest about improprieties in government. Why does not Ralph Nader, Common Cause, and ACLU, and others direct some of their ire toward this kind of activity? The following articles in the Washington Post, and in the Washington Star-News should be read by everyone:

Play It Again, Sam

Who said social life in Washington is dull since the Nixon administration came to town? We now have the ultimate in entertainment on the cocktail circuit: Tape recordings, straight from the Oval Office.

They may be scratchy and hard to hear but, gads, what great fun! If you listen closely—and who's going to engage in the usual cocktail party chit-chat when a Watergate tape is on?—you can hear President Nixon telling jokes, and heaven knows what else. And all courtesy of Nader's raiders, that super-duper group of reformers who engage in rooting out injustice, malfeasance, misfeasance, wrongdoing, and bad judgment of all description, from the corporate board rooms of America to the highest councils of government.

It is hard to imagine an instance of poorer judgment than that of William Dobrovir when he played a copy of a White House tape the other night at a cocktail party. It is particularly irresponsible conduct for a lawyer, who is considered an officer of the court.

The White House turned the tape over to Dobrovir as a result of a court order in a suit filed by Nader and a number of consumer groups, who have charged that milk subsidies were raised by the Nixon administration in return for campaign contributions. The playing of the tape at a cocktail party lends weight to Mr. Nixon's argument that executive confidentiality is being breached by requiring him to turn over Watergate tapes to courts and investigators.

It seems to us that Dobrovir also used bad judgment in getting the help of a network television correspondent to make two copies of the tape. That plays squarely into the hands of those at the White House who accuse Watergate investigators and the press of being in cahoots to get the President.

Dobrovir has acknowledged his error and has told the court he is sorry. But that hardly seems sufficient amends for such serious misconduct. We would think that the local Bar Association would at least want to look into the matter.

If this is an example of how the tapes are being handled once they get out of the White House, we wouldn't be surprised if copies of Watergate tapes show up next week in Christmas stockings around town. Ho, ho, ho . . . play it again, Sam . . . er, Bill.

Attorney Apologizes for Playing Nixon Tape

(By George Lardner, Jr.)

One of President Nixon's tapes was played at a Georgetown party this week and caused reverberations yesterday in federal court.

U.S. District Court Judge William B. Jones heard about the extra-judicial playback via press and radio reports yesterday morning and quickly summoned the attorney responsible for it to his courtroom for an explanation.

The abashed lawyer, William A. Dobrovir, acknowledged playing the subpoenaed tape for what he described as an impulsive five minutes at a Georgetown home Monday evening.

He said it all started when he told his friends that he had "the hottest item in town" in his pocket.

"I made a very foolish mistake," Dobrovir admitted.

The tape recording, involving a March 23, 1971 meeting between President Nixon and dairy industry leaders, had been subpoenaed by Dobrovir for a civil suit challenging the administration's controversial increase in milk price supports.

Dobrovir, who filed the lawsuit on behalf of Ralph Nader and several consumer groups, promised not to treat potential evidence that comes into his hands so lightly again. The White House, waiving any claim of executive privilege for the recording, let Dobrovir have the tape last week.

Judge Jones accepted the 40-year-old lawyer's explanation and said he was satisfied the episode would not be repeated. At the request of Justice Department lawyers, he said he would sign a protective order covering milk suit documents and recordings produced under subpoena, but he ruled out a companion request for a broader order prohibiting Dobrovir from making public statements about the case.

At the White House and on Capitol Hill, there were sterner reactions. Presidential counselor Melvin R. Laird told a White House press conference, when his resignation was announced, that he thought the episode "disgusting."

"I just can't believe that kind of use would be made of confidential information," Laird said.

Laird said if he were the President, "I would be very careful" about surrendering any more tapes.

Senate Republican Leader Hugh Scott said he thought the District of Columbia Bar Association should "look into this matter of highly questionable ethics." Senate Democratic Leader Mike Mansfield said the incident was "most unfortunate."

Dobrovir said the tape was given him without any restrictions, but admitted that he should never have used it as a party favor. He said he told The Washington Post last Saturday that he had the recording and this resulted in a flurry of press inquiries on Monday about when it would be released.

The attorney said he borrowed a couple of tape recorders from Fred Graham, a CBS newsman, found the quality of the tape "quite poor," and made two casette copies at varying speeds in hopes one of these might be easier to hear at home on his own hi-fi equipment. Graham said he heard portions of the tapes on an "off the record" basis in Dobrovir's office Monday.

On the way home that evening with one of the cassettes in his pocket, Dobrovir said he stopped off at the home of a woman friend in Georgetown who had invited him over for a drink.

Dobrovir said there were seven guests including himself "sitting around the fireplace, eating salami and chopped liver, having a drink" when he foolishly announced, "Well, I've got in my pocket the hottest news item in town . . . It was suggested—it may have even been I who suggested it . . . 'Can we hear a little bit of it?' "

One of the guests was Kevin Delaney, assistant bureau chief in Washington for ABC News. Dobrovir said he told Delaney that the playing was off the record, but Delaney apparently understood that the restriction applied only to the contents, which Dobrovir said were still "very difficult to understand."

On Tuesday afternoon, Dobrovir said he got a telephone call from David Schoumacher of ABC News who asked to hear the tape. When Dobrovir refused, Schoumacher asked him: "Well, didn't you play it at this cocktail party?"

Schoumacher said Dobrovir told him, "Well, that was just for fun." ABC reported the episode on its Tuesday night broadcasts. Dobrovir said he couldn't remember saying "just for fun," but he said that he does have "a flip way of talking sometimes, which I certainly regret at this time."

Judge Jones said he thought it "only right and proper" that he conduct an inquiry. He satisfied himself at the outset that the tape Dobrovir played was not the one for which the White House has claimed executive privilege and turned over to Judge Jones for secret inspection.

Dobrovir assured him that it was not. The second recording is of a meeting that Mr. Nixon had with high administration officials in his Oval Office on March 23, 1971—following the meeting with dairy industry leaders—to discuss higher price supports.

After hearing out Dobrovir and Justice Department lawyers assigned to the case, the judge said he had no intention of prejudging "the Department of Justice or postjudging Dobrovir's conduct. Jones told Justice Department lawyers they should take any complaint to the court's committee on grievances if they felt strongly about it.

In asking for an order prohibiting public statements by Dobrovir, Justice Department attorney Irwin Goldbloom cited the American Bar Association's Code of Professional Responsibility for civil suits.

Judge Jones replied that "the Department of Justice has issued some statements that fly in the face of the canon at times."

The judge ended the hearing with the hope that the incident would not impede the progress of the suit itself, which has charged that the administration's increase of milk price supports in 1971 was a payoff for contributions to the Nixon campaign. Jones emphasized that he considers the allegations in the lawsuit "to be very serious."

ON THE OCCASION OF THE RETIREMENT OF ROBERT HOLLINGSWORTH FROM THE AEC

(Mr. PRICE of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of Illinois. Mr. Speaker, in these days of turmoil in our Nation, and crisis in our Government, it is indeed unfortunate that we are losing one of the most distinguished men to have ever served in the Atomic Energy Commission. Mr. Robert Hollingsworth is retiring on December 31, 1973, from his position as general manager of the AEC after a Government career spanning more than three decades.

Bob Hollingsworth has served with distinction in the vitally important position of general manager of the AEC for almost a decade. He has seen the Commission through dynamic and difficult days as our civilian nuclear power program moves to fill its proper role as ultimately one of the major sources of power and energy for our country. In recognition of his outstanding performances through the years, he was awarded the Arthur S. Flemming Award for Outstanding Young Men in Government in 1958; the President's Award for Distinguished Federal Civilian Service in 1966; the AEC's Distinguished Service Award in 1969; and to cap his career, the National Civil Service League, a private organization, named him in 1973, one of the year's 10 outstanding Federal employees.

To comprehend the scope and magnitude of Mr. Hollingsworth's responsibilities, it should be realized that his management activities involved the efforts of almost 100,000 persons in Government and private industry doing business with the AEC. In 9 years as general manager, he has been responsible for programs which have totaled more than $20 billion. The physical plant supervised by him is now valued at nearly $10 billion.

Our Government is losing a fine, dedicated American and I want to take this opportunity to wish him well in his next endeavor.

MR. CHARLES H. WILSON OF CALIFORNIA ANNOUNCES INTENTION TO VOTE ON ENERGY BILL

(Mr. CHARLES H. WILSON of California asked and was given permission to address the House for 1 minute.)

Mr. CHARLES H. WILSON of California. Mr. Speaker, the gentleman from Indiana has indicated that he is going to leave at 6:30 this evening. I just want to serve notice that I will be here until we have completed deliberations on the energy bill.

Mr. Speaker, it is my intention to call for a rollcall at such time as that bill comes up, because I think that the people throughout the country want to know where the Members of this body stand on this energy bill which will be before us.

SAVE US FROM NADER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, a very prominent citizen of West Virginia, Mr. Elmer Fike, regularly writes a column entitled "Elmer's Tune."

I have read many of these columns with a great deal of interest because Mr. Fike has a way of setting the record straight on many issues.

The following column, entitled "Save Us From Nader" is a classic which deserves the considered attention of all my colleagues and of the American public in general:

SAVE US FROM NADER

(By Elmer Fike)

If one person were to be considered responsible for the energy crisis, it would probably be Ralph Nader. Yet in a recent editorial he tries to put the blame on nearly everyone else but himself.

For instance, he blames the auto industry for failing to develop small cars. When General Motors did come out with a United States answer to the Volkswagen, it was Nader who was responsible for killing it with his book, "Unsafe at Any Speed." Now a decade later a congressional committee has repudiated Nader and declared the Corvair was reasonably safe and comparable to other cars of its time, but the damage was done. No manufacturer was willing to try so daring an experiment again, and the American small car was set back many years.

In his editorial Nader talks about the "gas guzzling behemoths" that are inefficient, yet it is the ecologists acclaimed and encouraged by Ralph Nader that have insisted on unreasonable pollution abatement devices that increase the fuel consumption 15 to 20 percent to achieve very slight benefit.

He complains that utility companies promote electrically heated homes stating that this is an inefficient heating method. This is true to some extent. At least, however, electrically heated homes are in effect using "coal by wire" to heat with, and coal is still readily available while gas and fuel oil are getting scarce.

Nearly everyone has come to recognize that the fixing of the price of gas and reducing the depletion reserve has discouraged drilling and exploration for new deposits of oil and gas. Yet Nader talks of the "profit-glutted oil and gas industry". If there is so much profit, why doesn't he drill a few wells? He could help the energy crisis and with all these profits finance his own movement instead of depending on contributions.

Nader refers to "Interstate Commerce Commission's crazy quilt regulations" that result in rail cars and trucks returning empty. Yet who, if not Nader himself, is demanding even more regulations to protect the consumer?

He attributes the Office of Management and Budget with holding up development of new hydroelectric capacity in the west, yet affiliates of his movement have held up development of hydroelectric power here in the east by their objections to the Blue Ridge power project.

Nader finds fault in the President for recommending increased nuclear power pointing out the "horrendous risks" involved. Undoubtedly it has been Nader and his movement that has held up this source of energy. There is little doubt that if another committee were to investigate they would find Nader as wrong about this as he was about the Corvair. Meanwhile he is contributing to the energy crisis.

He claims that the consumers use only 30 percent of the energy and that curtailment should be in industry that uses the most. Up to now the chemical industry has been the one that has been curtailed the most in order to keep cars running on the highway. If these same priorities continue, it may not be long until the motorists have a lot more gas than they can afford to buy if they are out of work due to material shortages.

One of the biggest causes of the energy crisis has been the failure to recognize that a problem was developing. This was largely the result of massive publicity which continually labeled the crisis merely a contrivance by the oil companies to get higher prices. It seems that just a few weeks ago Nader was still making this claim.

Savior Nader, when are you going to save us from yourself?

THE LATE J. HAROLD BRISLIN

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 10 minutes.

Mr. McDADE. Mr. Speaker, I have been deeply saddened by the loss of an extraordinary American and one of the most outstanding newspapermen of this Nation, J. Harold Brislin, of the Scranton Tribune and the Scrantonian in northeast Pennsylvania.

He was a man of incisive talent. He became a definitive authority on every subject at which he looked, and he seemed to look everywhere. When he wrote on the environment, he was acclaimed immediately, and was honored by the American Oil Co. for environmental writing about pollution of air, land and water. When he wrote of the serious illness of arthritis and the medical efforts to combat this disease, he was awarded a first prize in newspaper writing by the Arthritis Foundation. When he wrote on the work of the March of Dimes Foundation, he was cited by the National Foundation for interpreting their work through a study of the Lackawanna County chapter.

On four occasions he received the "Award of the Middle Atlantic District

Council, the Newspaper Guild." In 1952, the award was for a series of articles on an attempted drastic revision of its system of local government. In 1953, the award was for a series on the health, welfare, and recreation agencies supported by the community chest. In 1958, the award was for a series of articles on a bizarre Yuletide escape plot at Lackawanna County jail. And the final prize was for a series of articles that helped raise more than $12,000 for a fingerless Olyphant tot.

But of all the awards he received, he will certainly be remembered for the award of the Pulitzer Prize in journalism, the highest award in journalism in America. He was cited by the trustees of Columbia University on that occasion for "courage, initiative, and resourcefulness," and these were eminently the qualities that you saw through all his life.

Were I to cite all the distinctions that filled his life—having one of his stories selected for "The Big Story" on radio and television, for example—the list would be almost endless. But his life was more than awards, more than just a man with a typewriter doing a tough reporting job well.

He was a man who had a deep and enduring concern over children. When he did a series of articles on child abuse, it was not for the award which came to him when the series was completed, but because he had a deep love for children, especially for handicapped children. You could not be with him long without knowing that whatever else occupied his mind, there was always one small part that worried about these children, and you knew he was always ready to come to their help, their defense with the words he used so well.

I shall miss Harold personally. Our whole community will miss him, and indeed the Nation has lost such a man as Jefferson must have been thinking of when he wrote:

> Were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

I extend to his family my deepest sympathy, to his beloved wife, Gene; to his son, Robert Bruce Brislin; to his brother, Tom Brislin; and to his sister, Mrs. Florence Howell. I know no words of mine can ease their sorrow at the loss of this splendid man, but I hope they will be consoled by the thought that in his life, in troubled times which called for all of us to give our best, he did indeed give his best, and his best was magnificent.

THE IMPACT OF THE EMBARGO ON NEW ENGLAND: REPORT OF A SPECIAL STUDY MISSION TO THE MIDEAST—PART III

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut (Mr. STEELE) is recognized for 45 minutes.

Mr. STEELE. Mr. Speaker, New England is more dependent on petroleum production for its energy than any other section of the United States. Its environmental requirements and geographical location mitigate against the use of coal and natural gas, respectively; its energy sources include only a 2-percent reliance on coal and a 9.4-percent reliance on natural gas, as compared with 18.2 percent and 31.8 percent, respectively, for the United States. The reason has thus developed a petroleum-based economy, which in 1971 relied on petroleum products for 83.5 percent of its energy requirements, compared with 41.8 percent for the Nation as a whole. The region's reliance on petroleum is aggravated by the fact that it has no proven reserves of petroleum, coal, or natural gas.

ENERGY SOURCES COMPRISING GROSS CONSUMPTION, BY REGIONS, IN PERCENTAGES, 1971

Region	Anthracite	Bituminous and lignite	Petroleum	Natural gas	Hydro and nuclear	Total
New England	0.1	2.0	83.5	9.4	5.0	100
Middle Atlantic	1.4	19.6	55.5	19.6	3.9	100
East North Central	.1	34.3	32.8	31.8	1.0	100
West North Central	(1)	16.2	39.3	40.4	4.1	100
South Atlantic	(1)	26.4	51.6	19.6	2.4	100
East South Central	.1	38.4	28.8	27.4	5.3	100
West South Central	(1)	.2	39.3	70.8	.4	100
Mountain	(1)	15.9	35.5	39.2	9.4	100
Pacific	(1)	1.4	43.6	34.2	20.8	100
United States	.2	18.3	41.8	31.8	4.9	100

[1] Insignificant.

Another factor which points up the uniqueness of New England's energy situation is the use pattern of petroleum products. The region, which has longer and colder winters than most others in the United States, relies far more heavily on petroleum products for household heating and the production of electric power than the rest of the country. More than a third of New England's consumption of petroleum goes for home heating, compared with only 9 percent for the whole country, and 19 percent of the region's petroleum is used for the production of electric power, which is nearly five times the percentage used for that purpose for the United States as a whole. Industrial and transportation uses account for 7 percent and 24 percent, respectively, of New England's petroleum consumption, which is identical with the national averages for these uses.

In all, approximately 70 percent of the homes and buildings in New England are heated by oil, and slightly more than 70 percent of its electric power is generated from oil. These represent far greater percentages of reliance on petroleum products than is the case in any other region of the United States.

The question of the precise impact on New England's economy of the cutoff of Middle East oil rests on statistical information which to date has not been developed. A breakdown of the use by New England of oil from foreign sources is not possible, inasmuch as the importation, refining, and transshipment of the product within PAD I—Petroleum Administration for Defense District I, which includes all of the eastern seaboard States—clouds that statistical picture. Nevertheless, an examination of the data available suggests the basic dimension of New England's reliance on oil imported from the Middle East.

In 1971, oil consumed in the States comprising PAD I totaled 2.1 billion barrels; New England's share of this consumption was 403 million barrels—about 20 percent of the total. Of the total PAD I consumption, imported oil was reported at 967 million barrels, accounting for 46 percent of the oil used in the district. Applying the PAD I 1971 import rate of 46 percent to New England's total annual consumption of 403 million barrels results in a 189-million barrel consumption of imported oil for the region. This is admittedly a conservative estimate; in all probability, New England's consumption of imported oil is higher than the 46 percent that applies to the whole of PAD I. Furthermore, imports of Middle East oil probably accounted for a very large proportion of the oil imported into and consumed in New England.

It follows that a higher proportion of Middle East imports would end up in the New England region, since use of the most direct shipping routes would result in larger proportions of imports from Western Hemisphere Suppliers going into the southern part of PAD I than into the northern sector. Also traditional trade patterns result in a high rate of transshipment of Arab oil from European and Carribean refineries to New England. Thus, it can be assumed that New England's use of Middle East oil was at least 25 to 30 percent of the total consumption of Middle East oil in the eastern seaboard States of PAD I. This would put New England's dependence at more than 241 million barrels yearly as of 1971, or more than 60 percent of its yearly consumption of petroleum products.

Although incomplete data exists for 1973 import destinations and fuel use, there are several factors which would point to even higher dependence on Middle East oil in New England this year than in 1971 or 1972. First, in early 1973, extremely cold weather forced both major oil companies and independent terminal operators to import huge amounts of additional No. 2 home heating oil and residual oil. Second, import restrictions on imported crude oil and refined products were relaxed by President Nixon. Third, electric utilities bought additional amounts of imported oil for their generators. Fourth, scarcity of gasoline in the summer months forced jobbers and independent chain operators to import additional supplies. Fifth, the fear of shortages stimulated both major oil companies and independents to start stockpiling home heating oil during the late summer months. These increased purchases were mainly based on Arab crude.

In combination, the extra imports throughout the year greatly increased U.S. dependence on both Arab crude oil and on products refined abroad from Arab crude oil. In the months before the embargo, some Arab countries increased their exports to the United States by 300 percent. Since many of the refined products were shipped into New England, they contributed greatly to an even further dependence on Middle East oil by the region.

CUTOFF EFFECTS ON THE ECONOMY

The United States has had an encouraging year in 1973 for balance of payments, employment, and increasing gross national product, but all three of these factors will be seriously affected if the American economy is forced into a continuing oil shortage resulting from the Arab oil boycott.

Estimates of the effects of the oil shortages on the Nation's economy range from projections of no serious impact to forecasts of a mild recession, but most predict the latter. With a shortfall of 2.5 million barrels per day throughout 1974, it appears that the decline in the gross national product will be between 0.5 percent and 1 percent during 1974 and that unemployment will rise from the current 4.5 percent to between 4.8 and 6 percent on a national average.

It is reasonable to assume that the rise in unemployment will be felt first and hardest in areas of energy-intensive manufacturing and the areas most heavily affected by the boycott. I am particularly concerned about the New England States, which will be greatly affected by the boycott and are already experiencing unemployment of 6.5 percent, which is 2 percentage points over the national average. Unemployment in the region is now at 350,000 and could increase to 9 percent of our work force which means that another 150,000 individuals could lose their jobs in the next 6 months.

1974: THE ARAB OIL EMBARGO LOWERS MOST REAL GROWTH FORECASTS AND RAISES IN INFLATION

	Percent change 1974 from 1973				1974 current dollars, GNP (billions)	1974 unemployment rate (percent)
	Constant dollars, GNP	GNP deflator	Current dollars, consumer durables	Pretax corporate profits		
The Fair Model	[1]3.5	[2]4.7	[1]6	[3]NA	$1,394	[2]4.8
United States Trust	2.5	6.0	2	−5	1,400	5.3
Argus Research	2.3	5.9	1	[1]3	1,395	5.3
Harris Trust	2.0	5.6	0	−4	1,387	5.3
RCA	1.9	6.3	3	0	1,394	5.6
Dean Witter	1.8	5.7	1	−2	1,381	5.7
Data Resources	1.6	6.2	1	−4	1,390	5.5
Drexel Burnham	1.6	5.6	−2	−4	1,381	5.5
A. G. Becker	1.5	6.3	−2	−4	1,389	4.5
Equitable Life	1.5	6.3	2	−6	1,385	5.6
Mellon Bank	1.5	5.5	[2]−3	[2, 4]−10	1,374	5.5
Bankers Trust	1.3	6.0	2	−6	1,381	5.3
First National City Bank	1.3	5.3	NA	NA	$1,372	5.6
Manufacturers Hanover Trust	1.2	5.7	2	−6	1,375	5.6
E. I. duPont de Nemours	1.0	5.5	−2	−6	1,375	5.5
Council of Economic Advisers	1.0	NA	NA	NA	NA	(5)
Chase Econometrics	.8	5.6	0	−1	[2]1,371	5.7
The Wharton Model	[2].6	[1]7.6	1	1	1,393	[1]5.8
Scudder, Stevens and Clark	[2].6	7.0	0	−6	1,386	5.6
Lionel D. Edie	[2].6	6.2	[2]−3	[2]−10	1,374	5.6
November mean	1.5	5.9	1	−4	1,384	5.4
October table mean	2.5	5.0	1	−2	1,385	5.2

[1] Highest forecast in column.
[2] Lowest forecast in column.
[3] Not available.
[4] Mellon Bank sample not used in calculating table mean.
[5] Not more than 6 percent.

Note: Of the 18 forecasts tabulated last time, 15 revised real growth down, none up; 15 revised price inflation up, none down; 15 revised the unemployment rate up, none down.

Source: Published forecasts and personal communication. RCA Forecast: RCA Economic Forecasting Model.

These projections are particularly significant to New England which is experiencing as a region one of the slowest growth rates in the United States. Between January 1967 and January 1973, the decline of factory jobs was 2.6 percent, or 36,000 jobs. The overall factory job growth picture placed New England seventh out of the eight regions of the country. Only the mid-Atlantic States, held back by New York, were lower.

The stunted growth picture for New England is also reflected in the State growth rankings for the same 1967-73 period. By individual States, Vermont ranked 14th and New Hampshire 22d among the 50 States in terms of rate of growth. This is significant in that these States are more resort, recreation, and service oriented. The States with a high proportion of manufacturing—Connecticut and Rhode Island—were tied at 41st, and Massachusetts 47th. Maine was 44th among all States, its service jobs not yet having expanded as fast as its other northern neighboring States.

Because of New England's location and industrial structure, the oil embargo poses a grave threat to the region's economy. New England is on the tail end of the oil distribution system, depending on hundreds of small, independent fuel dealers who deliver 80 percent of its oil. The independent dealers, in turn, are largely dependent on the major oil companies for their supplies, and as we have seen during the past year, the major companies are inclined to fill their own retail needs before meeting the needs of the independents. While the mandatory oil allocation program now planned is designed to assure the independents a fair share of the available oil, there may be a number of technical as well as competitive reasons why it will not work perfectly to assure a fair distribution of the fuel.

Thus, in addition to New England being more dependent on oil—particularly Middle East oil—than other sections of the country, its location and distribution system require that its needs be given special consideration during the embargo.

There are also other factors which will serve to make the energy shortage more critical for New England. One is that New England lacks adequate forms of mass transit. A second is that the railroads are in poor condition in New England, meaning that there will be difficulty in moving adequate amounts of coal into the area to offset some of the loss of heating oil, even if additional coal becomes available. A third factor is that New England is colder than most of the United States and therefore requires great quantities of fuel just to survive the winter. For instance, while factories in certain parts of the country can remain open with no or little heat, New England uses fuel to heat factories as well as run certain industrial processes during the winter months.

Job losses are likely to be most heavily concentrated in such industrial areas as chemicals, plastics, glass, textiles, and screw machine products. But increased unemployment will certainly not be limited to these industries. One large Connecticut printing firm, for example, is facing the prospect of having to lay off most of its employees because it cannot get sufficient propane gas for its equipment.

Prospects for shorter working hours face still other, nonindustrial enterprises, such as gasoline service stations, automobile dealers, delivery services and retail stores. Additional layoffs are imminent in recreation-related industries and in basic service industries which depend on sports, such as boating and skiing, to bring in customers.

Estimates of the impact of the energy shortages on employment in New England has been provided by David Pinsky, a professor at the University of Connecticut. He estimates that by next June, unemployment in Connecticut will rise by 50,000, from 70,000 to 120,000; in Massachusetts by 70,000, from 205,000 to

275,000; in Rhode Island by 12,000, from 28,000 to 40,000; in Maine by 6,000, from 24,000 to 30,000; in Vermont by 5,000, from 12,000 to 17,000; and in New Hampshire by 5,000, from 13,000 to 18,000.

This totals 150,000 workers who are likely to be put out of work in New England because of energy shortages. About one-third of the increase will come from industrial cutbacks, one-third from the increasing number of youth who are entering the labor force and for whom jobs will be scarce, and the remaining third from direct and indirect layoffs in the service sector of the economy.

The result is clear. Not only will New England face greater heating problems this winter than other regions of the country, but it will also face more serious economic disruptions than most other areas unless major and unprecedented steps are taken by the Federal Government to distribute the Nation's fuel shortages as fairly as possible.

FINDINGS AND CONCLUSIONS

First. The administration slowed its response to the Arab embargoes because it underestimated the extent to which the United States was dependent on Arab oil. The United States' real dependence on Arab oil is between 14 and 18 percent.

Second. The Arab threats against nations like Canada may cause further reductions in the amounts of oil we are able to import from non-Arab countries.

Third. Existing domestic oil wells no longer have sufficient production capacity to meet peak domestic demand.

Fourth. Existing domestic refining capacity is no longer sufficient to meet the demand for many petroleum products.

Fifth. Even without the Arab embargo, the United States would not have been able to import enough refined distillate petroleum products to meet the demand during a cold winter.

Sixth. The United States will not be able to replace Arab oil losses with increased imports from other countries.

Seventh. The price of imported oil will remain at a relatively high level even with the lifting of the embargo.

Eighth. The dependence on imported petroleum products such as No. 2 home heating oil and residual oil have made the east coast of the United States particularly vulnerable to an oil embargo.

Ninth. New England is more vulnerable to the Arab oil embargo than any other section of the country. The region is 83 percent dependent on oil as a source of energy, while the average for the country is 41.8 percent.

Tenth. Even with a continuation of normal Arab oil shipments to all countries, the United States may not be able to import all of the distillate oil and residual oil it needs to meet domestic demand.

Eleventh. Increased foreign governmental control over major international oil companies operating in Europe will limit the companies ability to shift increased supplies to the United States even if American petroleum prices rise significantly.

Twelfth. It is clear that the oil producing countries will insist on determining the future price of their oil, rather than allowing the international oil companies to set the price, as in the past.

Thirteenth. There is significant additional doubt as to whether or not the oil producing countries will produce at maximum rates even with skyrocketing world prices.

Fourteenth. The Arab oil producing countries have the capability of effectively maintaining the boycott because of the very precise recordkeeping they have on oil shipments and destinations.

Fifteenth. Saudi Arabia, apart from historic and religious reasons, will play a prominent role in the future of Middle Eastern politics because of its rich oil deposits and its accumulation of extensive capital.

Sixteenth. Until such time as the United States is able to increase its own production of oil and coal, Saudi oil alone can fill much of the current gap between U.S. supplies and demand.

Any substantial increase in Saudi production, however, would probably have to be linked with an intensive reciprocal U.S. effort aimed at helping Saudi Arabia industrialize.

Seventeenth. Saudi Arabia may work to relax the oil embargo prior to a complete settlement of the Arab-Israeli dispute.

Eighteenth. Saudi Arabia will most likely accept whatever agreement is reached during the peace negotiations by the main combatants.

Nineteenth. It is of extreme importance for the United States to develop a long term energy strategy which both coordinates Federal programs and plots future energy development in relation to future energy needs. This long range policy, if properly planned and developed, would allow Congress to assess its legislative actions in relation to the overall goals of U.S. energy policies.

Twentieth. The organization of U.S. energy programs must be further centralized along the lines of the new Federal Energy Administration to include all the energy programs in one agency.

Twenty-first. The energy crisis and increasing dependence on Middle East oil are long term problems for Western nations and Japan. Stopgap solutions will not alleviate dependence on oil and the subsequent dependence on the Middle East.

Twenty-second. The United States must put equal emphasis on decreasing demand for oil products as it moves to expand supplies. In the last 3 decades the world has used up more energy than in all previous history. Furthermore, in the next 15 years man is expected to consume more energy than he has up to now.

Twenty-third. The U.S. response to the Arab oil boycott involves a much bigger question than simply U.S. support for Israel. The bigger question is whether the United States is to retain control of its own foreign policy, or if U.S. foreign policy is to become increasingly dependent on Middle East oil, and through oil, on not only the more moderate Arab oil-producing States, but on the more radical Arab States and the Soviet Union.

Twenty-fourth. If we give in to Arab demands this time, we may well face further demands in the future. One can envision, for example, demands relating to the U.S. Sixth Fleet in the Mediterranean, to the U.S. military presence in Turkey, to U.S. relations with such pro U.S. Mideastern countries as Iran and Jordan, or to demands affecting the stability of NATO. Giving in to current Arab demand also could be expected to encourage other raw-material producing nations to attempt to use their export products to gain political concessions from the United States.

RECOMMENDATIONS

First. The United States cannot permit its economic security to become dependent on foreign sources of energy to the point that we cannot replace that energy if it is withheld. Therefore, it is essential that every reasonable effort be made to insure that the United States has the ability to maintain energy self-sufficiency at the earliest possible time. To this end, a major commitment to long range Federal energy research must be made. The range of projects should include programs designed to expand use of fossil fuels through development of oil shales, tar sands, coal gasification and other projects. It should also concentrate on renewable forms of energy such as massive funding to the development of newer forms of energy such as fusion power.

Second. An informational program designed to give State governments up-to-date data on supply, demand and consumption of fuels must be established. This information is absolutely vital if State governments are to keep the public fully informed as to the status of energy supplies and recommend programs for conservation and public cooperation.

Third. As one immediate action, the United States could increase domestic production of oil slightly by raising the maximum efficient rates at which oil is pumped from the wells. U.S. oil wells have been producing at close to maximum capacity for the last 3 years and too great a jump in production could permanently damage the wells. But through carefully controlled increases, we could achieve added production of at least 200,000 barrels per day and possibly as much as 300,000 barrels per day.

Fourth. The Elk Hills—California—Naval Petroleum Reserve and Naval Petroleum Reserve No. 4 in Alaska should be opened to production. The Elk Hills Reserve is capable of producing, almost immediately, 160,000 barrels per day and, after some investment in pipelines and other facilities, as much as 300,000 barrels per day in 3 years.

Fifth. Natural gas should be deregulated at the wellhead, not only to assure the production of more gas, but to enable the industry to operate free of uncertainties about changes in future and perhaps retroactive Federal Power Commission policies. Without deregulation, natural gas will be consumed within the producing States and not transported in interstate shipments to such areas as New England because of higher intrastate prices.

Sixth. The price structure for consumption of natural gas and electricity should be reversed. Instead of lowering the price as more energy is consumed, the producers and distributors of energy should be forced to raise it. This action would stimulate conservation, end the present subsidy of larger users—like industry—by small users—like homeowners—and end the incentive for wasteful energy use.

Seventh. We must revise pricing regulations to discourage the switch from coal to oil by electric utilities and from natural gas to synthetic natural gas by the gas utilities.

For example, the electric utilities are presently able to pass on the added costs of using more expensive fuel and this has enabled them to buy higher priced oil for the production of electricity to meet environmental standards rather than developing environmentally clean ways to burn coal or higher sulfur oil. This factor has contributed significantly to the shortage of No. 2 home heating oil in New England.

Eighth. Air quality standards should be reviewed to determine whether some of the standards can be temporarily relaxed without serious consequences to health, safety, and the environment in an effort to conserve oil. This is particularly important if we are to substitute coal for unavailable oil over the short term.

Ninth. Environmentally safe offshore drilling should be accelerated. Our offshore reserves represent the only substantial sources of new oil that will be available to us for the rest of this decade.

Tenth. New England's oil allocation should be increased so that the region receives more oil on a percentage basis than warmer areas of the country and areas which can offset the loss with other forms of energy.

Eleventh. Arrangements should be made to funnel electricity from Southern generating plants to New England this winter.

Twelfth. Some of the electricity used in uranium enrichment should be temporarily transferred to the Northeast.

Thirteenth. An emergency hopper car plan should be instituted to increase coal shipments to New England.

Fourteenth. A nationally coordinated plan should be instituted for utilities to stockpile heavier fuel oils.

Fifteenth. New England must expand its facilities to supply its own oil needs. This expansion should include new refineries and additional pipelines and storage facilities.

Sixteenth. New England State governments must develop long-range energy conservation plans with a view toward greatly decreasing consumption of oil in the region.

Seventeenth. The Federal Government should require a temporary diversion of production from asphalt to residual oil in U.S. refineries. This diversion would provide incremental relief to the east coast of the United States.

Eighteenth. The United States should seek ways with Canada to assure that both countries can achieve their economic needs to the fullest extent possible. A move by Canada away from the United States-Canadian oil relationship could have further severe consequences for the New England States which depend on distillate imports from Canada's eastern provinces.

Nineteenth. In the event of an extreme shortage of oil this winter, the New England States should be prepared to process and burn peat, which is readily available throughout the region and is used widely as a fuel in Russia and Ireland.

Twentieth. Every effort should be made to give the New England electric utilities additional supplies of residual oil. New England generates more than 70 percent of its electricity from oil, whereas the Nation as a whole generates only 14 percent of its electricty from oil. Thus, a 25 percent oil cutback would reduce New England's electricity by 18 to 19 percent, whereas it would reduce the national power supply by only 3½ percent.

Twenty-first. The U.S. Department of Health, Education, and Welfare should begin an evaluation of the health-related aspects of energy shortages so that public health will not be endangered by such shortages.

Twenty-second. In planning building codes, greater emphasis should be placed on building design and insulation to conserve fuel.

Twenty-third. Manufacturers should be required to place labels on all home appliances and industrial machinery to indicate fuel consumption, so that items can be purchased according to energy use.

Twenty-fourth. Industry should be encouraged through incentives, tax or pricing policies to use energy more efficiently.

Twenty-fifth. The Federal Government should immediately initiate a study of the tax loss to municipalities and States caused by decreasing sales of fuels. This study should recommend actions by the Federal Government to help relieve the burdens of State and local revenue loss.

Twenty-sixth. Greater amounts of Federal money should be spent on developing and operating mass transit systems.

Twenty-seventh. Municipalities should adopt ordinances for municipal inspection of home heating plants, insulation, and cold weather construction. This program would help present homeowners save fuel and protect prospective owners from buying improperly insulated structures.

Twenty-eighth. A program should be developed which insures that the customers of independent fuel dealers do not bear an unfair share of the cost of the Nation's oil imports.

We cannot have a situation where some consumers are paying 45 cents per gallon for imported home heating oil while others are paying only 22 cents for domestic oil. Furthermore, the extremely high prices for imported oil should not be borne exclusively by one region of the country as is now the case with the Northeast.

Twenty-ninth. Despite the fine voluntary public response to current conservation programs, further emergency reductions in use should be sought through massive appeals via the media and paid advertising.

Thirtieth. The guidelines for reporting supplies and restricting supplies to consumers should be rewritten to enable proper monitoring without requiring small fuel dealers to expend inordinate and counter-productive amounts of time and resources on bureaucratic paperwork.

Thirty-first. Consideration should be given, on a monthly basis, to further altering refinery runs to maximize the production of fuel needed by industry and private homeowners in colder regions of the country.

Thirty-second. Immediate controls on the export of petrochemicals and scarce fuels should be instituted.

Thirty-third. An excess profits tax to prevent energy producers and distributors from reaping windfall profits directly as a result of the shortages should be instituted immediately.

Thirty-fourth. Consideration should be given to an emergency suspension of the Jones Act so that foreign ships can be used to import various fuels. Special consideration, in this regard, should be given to New England's gas utilities, so they can charter foreign liquified natural gas tankers.

Thirty-fifth. Immediate consultations with the Canadian Government should begin relating to the possibility of building a trans-Canada pipeline.

Thirty-sixth. Both tax and mandatory compliance programs should be instituted to encourage automobile manufacturers to build internal combustion engine vehicles which use fuel more efficiently.

Thirty-seventh. A new program of unemployment benefits and retraining for individuals that lose their jobs as a direct result of energy shortages should be formulated.

Thirty-eighth. One of the reasons which forces the United States to rely on so much imported refined oil is the shortage of domestic refineries. A major cause of the reluctance to build new refineries is the feared environmental danger inherent in such projects. Therefore, we must seek to develop technology which will minimize the environmental effect of new oil refineries.

Thirty-ninth. The United States should take the initiative in attempting to form an organization of petroleum-consuming nations to counterbalance the Organization of Arab Petroleum Exporting Countries which has been the chief mechanism for coordinating the Arab oil boycotts and cutbacks and for increasing petroleum prices. The purpose of such an international oil consumers group would be: To negotiate as a single body to try to keep prices as low as possible, and to cooperate in pooling its resources to develop new sources of fossil energy and cleaner, more exotic forms of energy, such as fusion power. This cooperation could help to reduce the extreme price and political competition for scarce energy sources.

The following is the Study Mission's schedule of meetings, interviews, and discussions in the Middle East and Europe:

STUDY MISSION SCHEDULE

BEIRUT, LEBANON—OCTOBER 24–26, 1973

Suheil Sadaawi, former Secretary General OAPEC.

Nadim Pachachi, former Secretary General, OPEC.

Fuad Itaym and Ian Seymour, Middle Eastern Economic Survey.

Sir John Rennie, Commissioner-General United Nations Relief and Works Agency for Palestine Refugees in the Near East.

Harvey T. Clew, Petroleum Officer, U.S. Embassy.

The study mission also attended a luncheon hosted by U.S. Ambassador William B. Buffum. Present at the luncheon were:

Pierre Helou, Deputy, Lebanese Parliament.

Muhieddine M. Ahdab, Mobil Oil Lebanon, Inc.

Bryan Jones, Esso Standard (Near East), Inc.

A. N. Pagnotta, Caltex (Middle East), Limited.

David S. Dodge, Trans-Arabian Pipe Line Co. (Tapline).

Raymond Hitti, Ministry of National Economy.

Dr. Zuhayr Mikashi, Professor at the American University in Beirut.

Ian Steele, Refinery Manager, Medreco.

James M. Templar, Vice President, Tapline.

Albert Lahm, Lawyer.

ROME, ITALY—OCTOBER 26, 1973

Matthew Quilter, Vice President of Esso/Italy.

David S. Wilson, Petroleum Officer, U.S. Embassy.

ISRAEL—OCTOBER 27–29, 1973

Israeli Officials

Abba Eban, Israeli Foreign Minister

Michael Elizur, Chief North American Division, Ministry of Foreign Affairs.

Dr. Zvi Dinstein, Deputy Minister of Finance in Charge of Petroleum Matters, and Chairman of the Board of the Israeli Institute of Petroleum.

U.S. Officials

Hon. Kenneth B. Keating, U.S. Ambassador.

Nicolas A. Veliotes, Deputy Chief of Mission.

Jack B. Button, Economic/Commercial Officer.

William A. Kirby, Jr., Economic/Commercial Officer.

Col. Billy B. Foresman, Defense Attaché.

Arthur R. Day, U.S. Consul General, Jerusalem.

The study mission visited Golan Heights with guide Major Dan Bawly, Israeli Army.

AMMAN, JORDAN—OCTOBER 30, 1973

Jordanian Officials

Audience with His Majesty, King Hussein.

H. E. Zaid Rifai, Prime Minister, Defense Minister, and Foreign Minister of Jordan.

H. E. Zaid Rifai, Prime Minister, Defense Court.

Lt. General Amer Kammash, Political Counselor to King Hussein.

H. E. Baha Ad-Din Toukan, Court Minister.

H. E. Dr. Khalil Salim, President National Planning Council.

H. E. Dr. Sa'id Nabulsi, Governor, Central Bank.

Maj. Gen. Sharif Zaid bin Shaker, Chief of Staff, Jordanian Armed Forces.

U.S. Officials

Hon. Lewis D. Brown, U.S. Ambassador.

Pierre R. Gram, Deputy Chief of Mission.

Charles E. Waterman, Political Officer.

Colonel Clarence C. Mann, Defense Attache.

KUWAIT—OCTOBER 30, 1973

Hon. William A. Stolzfus, U.S. Ambassador.

Walter M. McClelland, Deputy Chief of Mission.

Richard W. Bogosian, Economic/Commercial Officer.

Leslie M. Lisle, Public Affairs Officer.

SAUDI ARABIA—OCTOBER 31–NOVEMBER 1, 1973

In Dhahran

James M. Bahti, U.S. Consul General.

In Riyadh

Saudi Arabian Officials

Audience with His Majesty King Faisal.

H. E. Sheikh Hisham Nazir, President, Central Planning Organization.

H. E. Sheikh Ahmad Zaki Yamani, Minister of Petroleum and Mineral Wealth.

U.S. Officials

Charles O. Cecil, Political/Military Officer.

T. McAdams Deford, Political Officer.

James E. Smith, Information Center Director, USIA.

Col. William L. Durham, U.S. Army Engineer District, Saudi Arabia.

Lt. Col. F. Whiting III, U.S. Army Section, U.S. Military Training Mission.

In Jeddah

H. E. Sayyad Omar Saqqaf, Minister of State for Foreign Affairs.

Anwar Ali, Governor, Saudi Arabian Monetary Agency.

U.S. Officials

Hon. James E. Akins, U.S. Ambassador.

Hume A. Horan, Deputy Chief of Mission.

Eugene H. Bird, Political/Economic Officer.

Raymond H. Close, Political/Economic Officer.

Robert R. Ruggiero, Public Affairs Officer.

CAIRO, EGYPT—NOVEMBER 2, 1973

Edward T. Penney, Cultural Affairs Officer, U.S. Interests Section, Spanish Embassy.

Hafes Ghanem, First Secretary, Arab Socialist Union.

THE NETHERLANDS—NOVEMBER 2-3, 1973

Dutch Officials

L. G. Wansink, Director General for Energy Supply, Ministry of Economic Affairs.

A. T. van Rhyn, Deputy Director for Energy Supply.

U.S. Officials

Hon. Kingdom Gould, Jr., U.S. Ambassador.

Charles R. Tanguy, Deputy Chief of Mission.

John Q. Blodgett, Economic/Commercial Officer.

Carroll E. Cobb, Economic/Commercial Officer.

Private Industry

F. G. van Duivenbooden, President/Esso/Nederland.

D. J. Piliero, Managing Director, Chevron Petroleum/Nederland.

VOTING RECORD

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 60 minutes.

Mr. HOGAN. Mr. Speaker, as has been my custom I am inserting herewith in the CONGRESSIONAL RECORD my voting record for the 1st session of the 93d Congress. Since the session began in January we cast 523 recorded votes. Of these I was unavoidably absent for 14 votes.

It has been my practice to insert my voting record into the CONGRESSIONAL RECORD so that my constituents have ready access to it and know whether I am voting as they would prefer to have me vote on the various issues coming before Congress.

I will reprint this insertion and make it available to any constituent who requests it.

In the compilation (D) means "Defeated" and (P) means "Passed".

VOTING RECORD FOR THE 93D CONGRESS, 1ST SESSION

For Gerald Ford to be Speaker of the House of Representatives (D).

Against a previous question to prevent presentation of amendments to H. Res. 6, a resolution to adopt the Rules of the House for the 93rd Congress (P).

Against a previous question on H. Res. 176, the rule for consideration of a House Committee study (H. Res. 132) (P).

Against a rule to consider H. Res. 132, a House committee study (P).

Against resolution to create a select committee to study jurisdiction of standing committees of the House (H. Res. 132) (P).

For extension for life of Highway Beautification Commission, and increased authorization to $450,000 (H.J. Res. 123) (P).

Against previous question which was to force the President to spend $210,000 million on rural environment assistance programs (REAP) (H. Res. 188) (P).

For amendment to provide $140 million for REAP programs (H.R. 2107) (D).

For restricting REAP payments to provide only those farmers with annual net incomes over $10,000 witth benefits (H.R. 2107) (D).

Against bill to require President Nixon to spend $210 million previously appropriated for REAP (H.R. 2107) (P).

For providing funds for the balance of fiscal 1973 for the labor and HEW departments and for foreign aid (H.J. Res. 345) (P).

Against amendment to provide a short period which farmers could apply for emergency disaster loans at 1% interest (H.R. 1975) (P).

For amendment legislation authorizing emergency farm loan programs (H.R. 1975) (P).

For extension until June 30, 1974, the interest equalization tax (H.R. 3577) (P).

Against temporary reconstitution until June 30, 1973 of the Select Committee on Crime with a future transfer of functions to the House Judiciary Committee (H. Res. 256) (P).

Against authorizing funds for the House D.C. Committee to conduct studies and investigations abroad (H. Res. 257) (D).

For requiring the Agriculture Secretary to spend all of the money appropriated by Congress for the rural water and sewer grant program under the Consolidated Farm & Rural Development Act. (H.R. 3298) (P).

Against previous question on rule considering H. Res. 159 for further opening of House Committee meetings. (H. Res. 272) (P).

For authorization of presence of departmental representatives at closed House committee meetings (H. Res. 259) (amendment) (P).

For opening of committee meetings to public, unless otherwise voted when national security or personal privacy is involved. (H. Res. 259) (P).

Against amendment substitute bill providing for a three-year extension of existing vocational rehabilitation programs with authorization of $600 million (H.R. 17) (D).

Against amendment to substitute $501 million for programs for older Americans for fiscal year 1973–1974, instead of $1.4 billion (H.R. 71) (D).

For expanded programs for senior citizens and carried price tag of $1.4 billion over three-year period (H.R. 71) (P).

For provision for additional time for Congressional consideration of proposed new rules of evidence for the federal courts (S. 583) (P).

Against one-year extension of the Public Works and Economic Development Act with authorization of $1.2 billion for fiscal 1974. (H.R. 2246) (P).

For one-year extension of Solid Waste Disposal Act with $238.5 million authorization for fiscal 1974 (H.R. 5446) (P).

For authorizing $475,000 for House Internal Security Committee expenses. (H. Res. 308) (P).

For Clean Air Act extension of one year with fiscal 1974 authorization of $475 million (H.R. 5445) (P).

For recommittal motion that proposed authorizations be limited to one-year and reduced by $17 million (H.R. 5293) (D).

For authorizations of $157 million for Peace Corps for fiscal 1974 and 1975 (H.R. 5293) (P).

For amending Social Security Act to make certain technical and conforming changes (H.R. 3153) (P).

For endorsing the President's ocean policy which would guide the U.S. delegation to an international Law of the Sea Conference. (H. Res. 330) (P).

For conference report on H.R. 3577 which extended the interest equalization tax until June 30, 1974 (H.R. 3577) (P).

For previous question for consideration of H.R. 5683 (H. Res. 337) (P).

For amendment in substitute bill form to tighten eligibility for two percent loans for rural electric and telephone systems (H.R. 5683) (D).

Against revising the rural electric and telephone systems loan program by substituting a revolving fund for such loans for the present program of direct appropriations (H.R. 5683) (P).

For incorporating the National Inconvenienced Sportsmen's Association. (H.R. 4586) (P).

For authorizing the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel. (H.R. 342) (P).

For sustaining veto requiring Agriculture Secretary to spend all of the money appropriated by Congress for the rural water and sewer grant program under the Consolidated Farm and Rural Development Act (H.R. 3298 (Sustained).

For vote on rule to adopt consideration of H.J. Res. 205 which proposed creation of Atlantic Union delegation for a convention of delegates from NATO treaty nations (H. Res. 348) (D).

For vote on rule for consideration of H.R. 3180 to clarify the proper use of the franking privilege by Members of Congress ((H. Res. 349) (P).

For clarifying the proper use of the franking privilege by Members of Congress (H. 3180) (P).

For appropriating $1,369 million for college student aid programs, the Veterans Administration, the CAB and GSA (H.J. Res. 496) (P).

Against previous question to consider H.R. 6168 to extend the Economic Stabilization Act (H. Res. 357) (D).

Against amendment to impose a ceiling on prices at levels no higher than those on April 16, 1973, except for agriculture prices (H.R. 6168) (D).

Against amendment providing opportunity for hearings in cases of proposed wage reduction orders, plus written explanations to involved parties (H.R. 6168) (P).

Against amendment to extend the Economic Stabilization Act for 60 days and directing the President to develop stabilizing program of interest rates, rents, prices and wage (H.R. 6168) (D).

Against amendment authorizing the President to stabilize rents at levels prevailing on January 10, 1973 (H.R. 6168) (D).

Against amendment authorizing President to stabilize rents, but allowing for a 2½% annual increase (H.R. 6168) (D).

Against amendment proposing a ceiling on food prices at levels no higher than those prevailing on march 16, 1973, plus a stabilization of rents at January 10, 1973 level (H. R. 6168) (D).

Against recommittal motion to recommit H.R. 6168 to the House Banking and Currency Committee (H.R. 6168) (D).

For providing one-year extension of Presidential authority to control wages and prices (H.R. 6168) (P).

Against amendment to strike out $58 million proposed for extension of the west front of the Capitol (H.R. 6169) (D).

Against recommittal motion on question of striking out the $58 million for extending the west front of the Capitol (H.R. 6169) (D).

Against previous question on rule to consider H.R. 4204 to extend funding for the Emergency Employment Act of 1971 (H. Res. 360) (D).

For previous question on amendment to the rule providing for the substitution of a substitute bill (H. Res. 360) (D).

For motion to table reconsideration motion on H. Res. 360, the rule for consideration of the Emergency Employment Act extension bill (H. Res. 360) (P).

For agreement to Senate amendment extending and expanding the Older Americans Act of 1965, clearing legislation for White House (S. 50) (P).

Against amendment to propose allowing urban areas to use federal aid highway program trust funds for mass transit projects (S. 502) (D).

For amendment deleting a provision in the bill earmarking federal aid highway funds to urban areas with population of 400,000 or more rather than have state allocation of funds (S. 502) (P).

Against conference report on S. 398 which provided for one-year extension of Presidential power to impose wage and price controls provided authority to the President to ration gasoline, etc. (S. 398) (P).

Against vote on rule to consider H.R. 3932, which proposed abolition and reestablishment of the Office of Management and Budget (OMB) (H. Res. 351) (P).

Against amendment proposing Senate confirmation of OMB directors and deputy directors appointed after enactment of this bill, but previous incumbents being excluded (H.R. 3932) (D).

Against abolition and reestablishment of the Office of Management and Budget with its director and deputy director subject to Senate confirmation (H.R. 3932) (P).

For vote on rule to consider H.R. 6388, to amend the Airport and Airway Development Act (H. Res. 370) (P).

For amending Airport and Airway Development Act of 1970 to continue authorizations for airport development grants for fiscal years 1974 and 1975 at the present $280 million per year level. (H.R. 6388) (P).

Against amendment attempting to cut a proposed three-step civil and criminal penalty procedure imposing sanctions against employers who knowingly employ illegal aliens in U. S. (H.R. 982) (D).

For amending the Immigration and Nationality Act to make it unlawful for American employers to employ illegal aliens and to make such employers subject to criminal and civil penalties (H.R. 982) (P).

For authorization of $1.2 million for Indian Claims Commission for fiscal year 1974 and authorized a $900,000 increase (H.R. 4967) (P).

For encouraging persons to join and remain in the Reserves and National Guard by providing full time coverage under Servicemen's Group Life Insurance (H.R. 6574) (P).

For bill to establish a National Cemetery System within the Veterans' Administration (H.R. 2828) (P).

For providing payments by the Postal Service to the Civil Service Retirement Fund for increases in the unfunded liability of this fund (H.R. 29) (P).

For providing a three-year authorization of $120 million for and extension of the National Sea Grant College and Program Act (H.R. 5452) (P).

For amending the Oil Pollution Control Act to implement amendments to an international convention on oil pollution control (H.R. 5451) (P).

For providing a two-year extension of the Renegotiation Act which enables the government to recapture excessive profits on certain government controls (H.R. 7445) (P).

Present on amendment in favor of allowing negotiable orders of withdrawal to be written against certain interest-bearing savings accounts (H.R. 6370) (D).

Present on provision to extend certain laws relating to the payment of interest on time and savings deposits (H.R. 6370) (P).

For revising the Rural Electrification System lending program so that the bulk of them will be financed at 5% interest, and a smaller part of them financed at 2% interest (S. 394) (P).

Against previous question on rule to order the consideration of H.R. 7447, a supplemental appropriations bill (H. Res. 389) (D).

Against amendment to strike language authorizing the transfer of $430 million to the Defense Department's general operational fund from specific fund accounts (H.R. 7447) (P).

For amendment postponing the effective date of a proposed amendment prohibiting funds appropriated in this bill from being expended to support U.S. combat activities in Cambodia (H.R. 7447) (D).

Against amendment prohibiting funds to be expended to support combat activities in, over or off the shores of Cambodia by U.S. forces (H.R. 7447) (P).

For amendment increasing funds for category B federally impacted area school assistance aid from 54% to 68% (H.R. 7447) (F).

Against amendment to strike language authorizing the transfer of $430 million to the Defense Department's operation fund (H.R. 7447) (P).

For $2.86 billion supplemental appropriation provided funds for such items as: increased federal pay costs, grants for public assistance (H.R. 7447) (P).

Against amendment to reduce a proposed multi-year authorization of $40 million for U.S. contributions to the U.N. Environmental Program to a one-year 2.5 million dollar authorization (H.R. 6768) (D).

Against amendment to reduce the proposed $40 million authorization to a one-year $5 million authorization (H.R. 6768) (P).

Against amendment demanding reversal of $40 million authorization to $5 million (H.R. 6768) (D).

For authorizing $40 million in U.S. contributions to U.N. Environmental Program (H.R. 6768) (P).

For requiring the word "copy" to be marked on any imitation numismatic material manufactured in, or imported into the U.S. (H.R. 5777) (P).

For extending various housing and urban development programs, including FHA insurance, urban renewal, model cities (H.R. Res. 512) (P).

For permitting the D.C. Armory Board to borrow up to $1.5 million to enlarge the seating capacity of the R. F. Kennedy Stadium in D.C. (H.R. 6330) (P).

Against prohibiting charging user fees at certain public recreation areas under U.S. Engineers' jurisdiction (H.R. 6717) (P).

Against recommittal motion to recommit (H.R. 7200) (D) and for the bill on final passage extending previously granted temporary increases in retirement benefits and provided for liberalization of the requirements for the railroad retirement benefits (H.R. 7200) (P).

Against vote on overriding veto on bill which provided for Senate confirmation of director and deputy director of the Office of Management and Budget (S. 518) (Sustained).

Against amendment prohibiting funds authorized by the bill from being used for a space tracking station in South Africa (H.R. 7528) (D).

For authorizing $3.1 billion for NASA space programs, etc. for fiscal year 1974 (H.R. 7528) (P).

For vote on rule to consider H.R. 6912, to provide for devaluation of the dollar (H. Res. 408) (P).

For amendment to permit private purchase, sale and ownership of gold after December 31, 1973 (H.R. 6912) (D).

Against amendment to end restrictions on private ownership of gold, immediately upon enactment of this bill (H.R. 6912) (D).

For devaluing the dollar by 10%, by reducing its par value, by raising the official price of gold in terms of dollars from $38 to $42.22 per ounce. (H.R. 6912) (P).

For providing an additional authorization of $8.68 million for converting Washington, D.C.'s Union Station into a National Visitor Center (H.R. 5857) (P).

For authorizing an additional $7.5 million for the John F. Kennedy Center for the Performing Arts in Washington, D.C. (H.R. 5858) (P).

For extending numerous health programs and a fiscal year 1974 authorization of $1.27 billion. (H.R. 7806) (P).

For amendment prohibiting federal sponsorship of live human fetus research (H.R. 7724) (P).

For authorizing $416 million over a two-year period for biological research fellowships and training grants (H.R. 7724) (P).

Against authorizing $145 million over a three-year period for emergency medical service grants, etc. (H.R. 6458) (P).

For providing promotions on the U.S. Capitol Police Force (H. Res. 398) (P).

For Rehabilitation Act of 1973 which contained revisions in vocational rehabilitation programs and provided authorizations of $1.350 million over a two-year period (H.R. 8070) (P).

Against amendment to bring minimum wages for farm workers up to the base level of industrial worker minimum wage (H.R. 7935) (D).

For amendment that proposed stretching increases in the minimum wage over a longer period of time than proposed in H.R. 7935 (H.R. 7935) (D).

For amendment to set the minimum wage for employees covered before 1966 at $1.90 per hour the first year, $2.10 for the second and $2.20 thereafter. (H.R. 7935) (D).

For amendment to raise the minimum wage for employees covered before 1966 in two steps to $2.10 and then $2.20 per hour. (H.R. 7935) (D).

For amendment to set the minimum wage for agricultural workers at $1.60 per hour for 1974 fiscal year, $1.70 for 1975, and $1.85 thereafter (H.R. 7935) (D).

For amendment to strike out extended coverage for federal employees (H.R. 7935) (D).

For amndment to strike out extended coverage for local and state government employees (H.R. 7935) (D).

For amendment to delete the section on seasonal industry employees (H.R. 7935) (P).

For amendment proposing a minimum wage for workers under 18 or full-time students at 80% of the applicable minimum wage or $1.60 per hour (H.R. 7935) (P).

For amendment proposing freezing the Canal Zone minimum wage rate at its present level (H.R. 7935) (P).

Against disapproval of the President's Retually to $2.20 per hour, extended coverage of the minimum wage laws, etc. (H.R. 7935) (P).

Against disapproval of the President's Reorganization Plan No. 2 which proposed combining the drug control activities into a single Drug Enforcement Administration (H. Res. 382) (D).

For authorization of $687.4 million for the State Department, etc. and prohibited authorized funds to be used for reconstruction aid to North Vietnam (H.R. 7645) (P).

For establishing an American Revolution Bicentennial Administration to replace the controversial American Revolution Bicentennial Commission (H.R. 7446) (P).

For agreement to conference report on H.R. 2246, the Public Works Economic Development bill (H.R. 2246) (P).

For vote on rule to consider H.R. 7670, the Maritime Authorization bill (H. Res. 426) (P).

For authorizing $531.3 million for maritime programs for fiscal year 1974 (H.R. 7670) (P).

For authorization for a wide variety of D.C. programs (H.R. 8250) (P).

Against giving the D.C. City Council the power to impose rent controls (H.R. 4771) (P).

For conference report on H.R. 5293 authorizing $77 million for the Peace Corps for fiscal year 1974 (H.R. 5293) (P).

Against vote on rule to consider H.R. 77 to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services (H. Res. 423) (P).

For amendment to allow employees benefiting from the legal services funds to select any attorney of their choice rather than an attorney selected by the union (H.R. 77) (P).

For amendment striking out language specifying as an unfair labor practice the unilateral modification or termination of a legal services fund agreement (H.R. 77) (D).

Against amendment proposing that the establishment of legal services trust funds be a "permissive" subject for collective bargaining (H.R. 77) (D).

Against permitting employees contributions to jointly administered trust funds established by labor organizations to defray costs of legal services for employees and their families (H.R. 77) (P).

Against previous question on rule to order consideration of H.R. 8410, to extend the temporary $465 billion ceiling on the national debt (H. Res. 437) (D).

For previous question on amendment to rule on the substitute amendment on H. Res. 437 (P).

For amendment to rule to strike out language to make it an order to consider an amendment to the bill which sought to make the director and deputy director of the Office of Management and Budget subject to Senate Confirmation (H. Res. 437) (P).

For vote on rule for consideration of the debt limit extension bill (H. Res. 437) (P).

For continuing the existing temporary increase in the national debt limit to $465 billion, through November 30, 1973 (H.R. 84100) (P).

For amendment to delete the authorization for funding in fiscal years 1975 and 1976 to provide a one-year authorization instead of a three-year. (H.R. 3926) (D).

For amendment providing a 3-year authorization for arts and humanities (H.R. 3926) (P).

For amendment prohibiting payment of salaries for personnel of "Cotton, Inc." which receives government funds for cotton promotion and research (H.R. 8619) (P).

For amendment forbidding payment of salaries to personnel who formulate or carry out programs on which the total price support payments on wheat, feed grains and cotton exceed $20,000 per person (H.R. 8619) (P).

For appropriations of $9.4 billion for agricultural, environmental and consumer programs for fiscal year 1974 (H.R. 8619) (P).

For providing $964.2 million for D.C. for fiscal year 1974 with a $187.5 million federal payment to D.C. (H.R. 8658) (P).

For amendment making it optional rather than mandatory that state planning agencies and regional planning units include representatives of citizen, professional and community organizations (H.R. 8152) (P).

For amendment adding language stating that nothing in the bill shall be construed to require the adoption by a grantee of a quota or other type of system to achieve racial balance or to deny or end a grant because of refusal to adopt such a quota system, etc. (H.R. 8152) (P).

For authorizing $1 billion for each fiscal years of 1974 and 1975 for the Law Enforcement Administration (H.R. 8152) (P).

For prohibiting private persons attempting to collect their own debts from misusing names to convey the false impression that any agency of the federal government is involved in such collections (H.R. 7127) (P).

For authorizing $60 million per year for fiscal years 1974, 1975 and 1976 for the Trust Territories (H.R. 6129) (P).

For authorizing $60.3 million over a three-year period for national Historical Preservation Act programs. (H.R. 7127) (P).

For vote on rule to consider H.R. 5664, the saline water conversion authorization bill (H. Res. 434) (P).

Against amendment providing a $6.6 million increase in the proposed authorization (H.R. 5464) (P).

For provision of $15.8 million authorization for the saline water conversion program for fiscal year 1974 (H.R. 5464) (P).

For providing pay raises for deputy U.S. Marshals (H.R. 5094) (P).

Against an amendment proposed cutting out $1.6 million for new moorings for the Coast Guard Cutter Mackinaw at Sheboygen, Michigan (D) (H.R. 8760).

Against an amendment seeking to add $3 million for research and development for alleviating the transportation problems of handicapped persons (D) (H.R. 8760).

Against an amendment seeking to add $9.7 million for research and demonstration for a personal rapid transit system. (H.R. 9760) (D).

Against an amendment seeking to cut out $29.6 million for research, development and portation program (H.R. 8760) (D).
demonstration for the urban mass trans-

For a bill appropriating $2,753 million for the Transportation Department and related agencies (P).

For a rule for consideration of H.R. 7824 to establish a Legal Services Corporation (P).

For an amendment to prohibit the Legal Services Corporation from financing backup legal research centers by grants or contracts. (P) (H.R. 7824).

For an amendment which proposed allowing persons to bring suit against the corporation and reimbursing costs and fees to plaintiffs who win such court actions. (H.R. 7824) (D).

For an amendment prohibiting most lobbying by Legal Services Corporation lawyers (H.R. 7824) (P).

For an amendment prohibiting full time attorneys of the Legal Services Corporation from engaging in partisan and nonpartisan political activities (H.R. 7824) (P).

For an amendment prohibiting the Legal Services Corporation from providing legal assistance with respect to any proceeding or litigation relating to the desegregation of any school or school system. (H.R. 7824) (P).

For an amendment to (H.R. 7824) to prohibit the corporation from making contracts with, or granting funds to legal backup centers. (H.R. 7824) (P).

Against a motion to strike the enacting clause of H.R. 7824 (D).

For a substitute amendment to an amendment prohibiting the Legal Services Corporation from providing legal assistance with respect to any proceeding or litigation which seeks to procure a non-therapeutic abortion or to compel any individual or institution to perform an abortion contrary to their religious beliefs. (H.R. 7824) (P).

For an amendment containing the substitute amendment adopted on the previous vote. (H.R. 7824) (P).

For a bill proposing the establishment of a Legal Services Corporation to replace the legal services programs of the Office of Economic Opportunity. (H.R. 7824) (P).

For an amendment proposed to reestablish the budget transfer authority under which the National Science Foundation had operated in previous years (F) (H.R. 8510).

For an amendment prohibiting the use of funds authorized to the National Science Foundation from being used for research on human living fetuses. (H.R. 8510) (P).

Against an amendment seeking a $75 million increase in the appropriation for community comprehensive planning. (H.R. 8825) (D).

Against an amendment seeking a $400 million increase in the appropriation for urban renewal programs (H.R. 8825) (D).

For a bill appropriating $19.1 billion for the HUD Department, for space, science, veterans and various independent agencies (P) (H.R. 8825).

Against a Senate amendment blocking funds from any source for combat action in the Cambodia-Laos area (H.R. 7447) (P).

For postponing until September 1 the proposed ban against using funds for combat activity in the Cambodia-Laos area (H.R. 7447) (D).

Against a resolution authorizing the Speaker to entertain motions to suspend the rules during the week of June 25, 1973 (H. Res. 454) (P).

Against an amendment seeking to permit states to set standards for radiation emissions stricter than those set by AEC (H.R. 8662) (D).

For a bill authorizing $2.4 billion for fiscal 1974 for the Atomic Energy Commission (H.R. 8662) (P).

Against a motion limiting debate on a pending amendment to this bill and additional amendments to the amendment to 20 minutes (H.J. Res. 636) (P).

Against an amendment to substitute an amendment eliminated a 60-day period and prohibited all funds appropriated by the resolution or previously appropriated from being used for combat activities in or over Cambodia and Laos. (H.J. Res. 636) (P).

Against another anti-bombing amendment to (H.J. Res. 636) (P).

Against an amended amendment to the anti-bombing amendment (H.J. Res. 636) (P).

For a resolution providing for continuing appropriations through September 30, 1973. (H.J. Res. 636) (P).

For the rule for consideration of H.R. 8877, the Labor-HEW Appropriations bill. (H. Res. 455) (P).

For an amendment to an amendment seeking to reduce funds for OEO by $100 million less than proposed (H.R. 8877) (D).

For an amendment seeking to cut $632 million from the appropriations for HEW and OEO (H.R. 8877) (D).

Against an amendment proposing an increase in the appropriations for bilingual education by $15 million, in addition to the $10 million increase over the budget request already in the bill (H.R. 8877) (D).

For an amendment to (H.R. 8877) proposing that grants for the use in each state for aid to educationally disadvantaged students be not less than 90% of the amounts made available in fiscal year 1972. (D).

For a recommittal motion to instruct that the bill be reported back with an amendment cutting the appropriation by $632 million (H.R. 8877) (D).

For a bill appropriating $32.8 billion for the Labor and HEW Departments, OEO, and related agencies for fiscal year 1974 (H.R. 8877) (P).

For a bill providing for the suspension of import duties on certain shoe copying lathes until June 30, 1976 (H.R. 8215) (P).

For a bill providing for an exclusion from taxable income of money paid into a survivors benefit plan by a serviceman (H.R. 4200) (P).

For a rule for consideration of H.R. 8917, the Interior Appropriations bill. (P) (H. Res. 470).

Against an override of the veto on (H.R. 7447), the supplemental appropriations bill.

For a bill providing appropriations of $2.3 billion for the Interior Department and related agencies for fiscal year 1974, plus contract liquidation authority (H.R. 8917) (P).

For a motion to instruct the conferees to insist on House disagreement to Title III of the Senate amendment which extended the time period during which high-ranking officers in non-combat assignments could be entitled to flight pay (H.R. 8537) (P).

Against an amendment proposing a cutting out of $3.8 million for Project Plowshare, a proposal for underground nuclear explosions to generate natural gas (D) (H.R. 8947).

Against an amendment proposing an additional $4.7 million for geothermal research by the AEC (H.R. 8947) (P).

For a bill appropriating $4,767 million for fiscal year 1974 for public works, the Atomic Energy Commission, flood control power projects, etc. (H.R. 8947) (P).

For a bill changing the membership of the Council on International Economic Policy (H.R. 8548) (P).

Against an amendment to an amendment seeking to extend the proposed ban on U.S. combat activities in or over Cambodia and Laos to cover hostilities in any sovereign state. (H.R. 9055) (D).

Against an amendment seeking to provide for an immediate and complete cut off of funds for combat activities in or over Cambodia and Laos (H.R. 9055) (D).

For a bill appropriating $3,363 million for fiscal year 1974, contained an immediate ban against use of funds provided in the bill for combat activities in or over Cambodia, Laos, or Vietnam (P) (H.R. 9055).

For an amendment adding $2.1 million for additional probation officers and an increase of $709,000 for funds for Judiciary travel. (H.R. 8916) (P).

For a bill appropriating nearly $4.4 billion for fiscal 1974 for the State, Justice and Commerce Department, the Judiciary and related agencies (H.R. 8916) (P).

Against a motion to concur with a Senate amendment providing for a 5.6% Social Security increase in April, 1974, etc. (H.R. 8410) (D).

For a Senate amendment to put the presidential campaign contribution income tax checkoff on a nonpartisan basis and to liberalize the continuation of extended unemployment benefits (H.R. 8410) (P).

For the conference report on the continuing appropriations bill to provide funding through September 30 for agencies for which regular appropriations bills had not been passed (H.J. Res. 636) (P).

For the Senate amendment to provide for a 5.6 percent Social Security increase in June 1974 (H.R. 7445) (P).

For an amendment reducing the subsidy to farmers from a proposed $37,500 to $20,000 per crop on wheat, feed grains and cotton H.R. 8860 (P).

For an amendment to reduce the subsidy limitation on wheat, feed grains and cotton to $20,000 per farmer and prohibited planters from selling or leasing part of their cotton allotments (H.R. 8860) (P).

Against an amendment which proposed prohibiting the use of Commodity Credit Corporation funds to finance any future wheat sales to Russia or China (D) (H.R. 8860).

For an amendment proposing the ending of $10 million annual authorization for cotton promotion and research by Cotton, Inc. (H.R. 8860) (P).

For an amendment seeking to remove the controversial escalator clause providing for annual adjustment of target prices for wheat, cotton, and feed grains on the basis of production cost changes (H.R. 8860) (D).

Against an amendment seeking to add language to extend price support loan provisions under the wheat, cotton and feed grains programs to farmers not participating in the programs (H.R. 8860) (D).

For an amendment seeking to restore the farm program to a market-oriented system by proposing a 3-year phaseout of income supplemental payments to farmers (H.R. 8860) (D).

For a motion for the committee of the Whole House to rise, which had the effect of postponing further action on the farm bill (H.R. 8860) (P).

For an amendment the object of which was to delete provisions for disaster loans at one percent interest or disaster loans at three percent interest with $2,500 of the loan forgiven (H.R. 8606) (D).

For a bill which provided for annual authorizations of appropriations for the U.S. Postal Service (H.R. 2990) (P).

Against an amendment striking the cotton program provisions from the farm bill. (H.R. 8860) (P).

Against an amendment striking from the bill the section transferring from the Labor Department to the Agriculture Department the authority to establish regulations to protect field workers from exposure to dangerous pesticides (H.R. 8860) (P).

Against the conference report on the emergency medical services bill (S. 504) (P).

For a bill providing more favorable retirement privileges for inspectors of the Immigration and Naturalization Service or the Bureau of Customs (H.R. 6078) (P).

For a bill revising provisions of the loan guarantee program for veterans to provide for setting interest rates for new loans to veterans for homes at realistic interest rates, so that lenders will put up the money for them (H.R. 8949) (P).

For a bill providing for expanded VA medical programs with a first year cost of $64.9 million and authorized the contracting out of medical care for certain survivors and dependents of veterans (P) (H.R. 9048).

For carrying out provisions of the Railroad Safety and Hazardous Materials Transportation Acts. This bill authorized $20.6 million. (S. 2120) (P).

For a bill proposing a $5 million authorization for the Commission on Productivity and Work Quality (S. 1752) (D).

For a substitute amendment including provisions requiring Congress to specifically approve or disapprove the commitment of forces by the President in absence of a declaration of war within 90 days of such executive action (H.J. Res. 542) (D).

Against a substitute amendment seeking to prohibit the President from committing U.S. troops to hostilities or increasing the number of U.S. combat troops abroad (H.J. Res. 542) (D).

For an amendment seeking to require Congress to specifically approve or disapprove the commitment or enlargement in number of U.S. combat troops abroad within 120 days following a Presidential report of such action (H.J. Res. 542) (D).

Against a war powers resolution requiring a Presidential report to Congress within 72 hours following commitment or increase in the number of U.S. combat troops abroad (H.J. Res. 542) (P).

For an amendment to an amendment deleting language making recipients of supplemental security income payments eligible for food stamps (H.R. 8860) (P).

For an amendment to an amendment prohibiting strikers and their families from receiving food stamps (unless they were previously eligible) (H.R. 8860) (P).

For an amendment liberalizing eligibility for food stamps (H.R. 8860) (P).

Against an amendment which proposed prohibiting payment of farm subsidies to a farmer on any crop planted or harvested during a labor dispute involving the producer or his employees (H.R. 8860) (D).

For an amendment prohibiting strikers and their families from receiving food stamps (the second vote) (H.R. 8860) (P).

Against an amendment which proposed reinserting the cotton program into the bill but with the elimination of funds for Cotton, Inc. (H.R. 8860) (P).

Against a motion to strike the enacting clause from the bill (H.R. 8860) (D).

For an amendment to recommit with instructions to the committee to strike out the target-price escalator provisions for cotton (H.R. 8860) (P).

For a recommittal motion on the previous amendment (D).

For the Farm Bill continuing for four more years price support programs for wheat, cotton and feed grains, with price escalator provisions; and continuing food stamps and the food for peace programs (H.R. 8860) (P).

Against an amendment seeking to withhold grants for construction of public broadcasting facilities unless the recipient was found to be incompliance with all laws prohibiting discrimination in employment practices (H.R. 8538) (D).

For a bill containing authorizations of $80 million for fiscal 1974 and $95 million for fiscal 1975 for the Public Broadcasting Corporation (H.R. 8538) (P).

For the rule for consideration of H.R. 5356, the toxic substances bill (P).

Against an amendment directing the EPA administrator to use provisions of the Water Pollution Control Act, the Clean Air Act, etc. where appropriate to regulate chemical substances (H.R. 5356) (P).

For an amendment which proposed that no rule deriving from the bill should be put into effect until after a hearing with full opportunity for cross examination (H.R. 5356) (D).

Against the amendment which directed the EPA administrator (same as above) (H.R. 5356). (D).

For a bill to protect health and the environment against toxic chemical substances (H.R. 5356) (P).

Against a rule for consideration of H.R. 8929 which proposed relief from certain postal rate increases on publications, books, sound recordings, nonprofit rate mailings, etc. (H. Res. 495) (D).

Against the previous question to instruct House conferees on the farm bill to insist on a House amendment prohibiting bargain sales or gifts of farm products to North Vietnam under the food for peace program (S. 1888) (P).

For a motion to instruct the conferees to insist on an amendment to the farm bill prohibiting bargain sales. . . . (same as above) (S. 1888) (P).

For an amendment seeking to empower the Comptroller General to allow Presidential impoundments of funds which he determines to be in accordance with the Anti-Deficiency Act. (H.R. 8480) (D).

For an amendment that would take concurrent action by both the House and the Senate to overrule a Presidential impoundment of funds instead of an adverse resolution by one branch of Congress. (H.R. 8480) (D).

Against the conference report on the bill to allow employer contributions to jointly administered trust funds established by labor organizations to defray legal costs for employees (S. 1423) (P).

Against an amendment proposed that impoundment funds be released after 60 days. (D).

For an amendment proposing a $1 billion reduction to $260 billion in the proposed spending ceiling for fiscal year 1974 (H.R. 8480) (D).

For amendment proposing a $3.8 billion reduction to $263.3 billion in the proposed spending ceiling for fiscal year 1974 (H.R. 8480) (D).

For recommittal motion with instructions that the bill be reported back with an amendment that it would take concurrent action by both Houses of Congress to overrule a Presidential impoundment of funds (H.R. 8480) (D).

Against providing a veto of a Presidential impoundment of funds by either House of Congress (H.R. 8480) (P).

For amendment proposing reducing funds in the bill for population planning and health to $75 million for fiscal 1974 (H.R. 9360) (D).

For amendment to strike out the section of the bill authorizing $93 million for certain economic and social development programs (H.R. 9360) (D).

For amendment prohibiting foreign aid to any nation which seizes U.S. citizen property, etc. (H.R. 9360) (P).

For amendment to strike out the section which sought to establish a U.S. Development Credit Fund to lend money to undeveloped nations to buy U.S. exports (H.R. 9360) (P).

For recommittal motion with instructions that the proposed authorization be reduced by $68 million (H.R. 9360) (P).

Against authorizing $2.8 billion foreign aid (H.R. 9360) (P).

For appropriating $4,749 million for the Atomic Energy Commission, public works, power and flood control projects, etc. (H.R. 8947) (P).

For vote on rule for consideration of S. 1989 (H. Res. 512) (D).

For conditional adjournment from August 3 until September 5, 1973 (S. Con. Res. 42) (P).

For increasing the rates of disability and death pensions and dependency and indemnity compensation for benefiting veterans and their dependents (H.R. 9474) (P).

Against amendment proposing to cut the authorization for the CVN–70 nuclear aircraft carrier by $657 million (H.R. 9286) (D).

Against amendment to delete $473.5 million for research and development for the B–1 bomber (H.R. 9286) (D).

Against amendment to pull back U.S. troops from any nation paying a smaller portion of its gross national product for defense than does the U.S. with June 30, 1974 as deadline for pull-back (H.R. 9286) (D).

Against amendment to reduce the total of U.S. troops overseas by 322,000 and to place a ceiling for 300,000 on the number of troops to be assigned overseas after fiscal 1974 (H.R. 9286) (D).

For amendment substitute calling for an Armed Services Committee report concerning U.S. troops levels in Europe (H.R. 9286) (P).

Against amendment reducing the funds authorized in the bill by $950 million, by setting a ceiling equal to that for fiscal year 1973 plus a 4½% inflation factor increase (H.R. 9286) (P).

For authorization of $20.45 billion for defense procurement, research and development and for military aid to South Vietnam and Laos for fiscal year 1974 (H.R. 9286) (P).

For conference report on the $19.06 billion appropriations bill for the Housing and Urban Development Department, NASA, Veterans Administration and various independent agencies for the fiscal year 1974 (H.R. 8825) (P).

For disagreement to Senate amendment which severely restricts government auto service for top officials of the agencies covered by the bill (H.R. 8825) (P).

Against amendment that sought an $888,000, 5%, cut in funds proposed for the Office of Management and Budget (H.R. 9590) (D).

Against amendment proposing a $518,000, 25%, reduction in funds proposed for the Office of Telecommunications Policy. (H.R. 9590) (D).

For vote on rule to consideration of H.R. 9130, the Alaska Oil Pipeline bill (H. Res. 515) (P).

Against amendment prohibiting the granting of a right-of-way for the pipeline across National Park, Wildlife Refuge or Wilderness land unless the right-of-way meets environmental protections (H.R. 9130) (D).

Against amendment to delete language removing from judicial review under the National Environmental Policy Act the grant authorizations necessary for the construction of the Alaska Pipeline and to remove language expediting Federal Court proceedings with respect to pipeline right-of-way and permits, etc. (H.R. 9130) (D).

Against amendment to require the President to develop a plan to assure equitable allocations of crude oil and gasoline to all regions of the U.S. (H.R. 9130) (D).

For amendment requiring that all articles, materials, and supplies used for Alaska Pipeline be mined, produced or manufactured in U.S.A. (H.R. 9130) (P).

Against amendment authorizing the Interior Secretary to grant right-of-way and permits for the construction of the Alaska Pipeline, instead of for its construction, operation and maintenance (H.R. 9130) (D).

For authorizing the Interior Secretary to grant a right-of-way for the Alaska Pipeline, and steps to bar further judicial review of its environmental reasons (H.R. 9130) (P).

For adopting the conference report on S. 1636 which extended White House Council on International Economic Policy until 1977, with a $1.4 million one-year authorization (S. 1636) (P).

Against vote on rule for consideration of S. 1264 directing Eisenhower College and Samuel Rayburn Library to cut $1 from each sale of Eisenhower silver dollar proofs (H. Res. 518) (D).

For conference report authorizing $19.9 billion for federal aid highway programs, etc. for fiscal years 1974–1976, with authorizations for bus and rail transportation (S. 502) (P).

Against conference report providing a step-by-step increase in the minimum wage to $2.20 per hour and extension of minimum wage laws coverage (H.R. 7935) (P).

For previous question motion on acceptance of Senate amendments to Farm Bill (S. 1888) (P).

Against Motion to agree to Senate amendments to Farm Bill including an amendment eliminating a House proposed ban on food stamps for most strikers (S. 1888) (P).

For conference report on the $1,142 million D.C. appropriations bill for fiscal 1974, which included a $187,450,000 federal payment (H.R. 8658) (P).

For conference report on the $2.9 billion fiscal 1974 appropriations bill for the Transportation Department and related agencies (H.R. 8760) (P).

For conference report recommittal motion to recommit resolution to extend FHA's loan and mortgage insurance authority, and end administration's moratorium on new federal housing (H.J. Res. 512) (P).

For authorizing $105 million over two years for the anti-lead based paint poisoning program, including detection and treatment of lead paint poisoning of children (H.R. 8920) (P).

For increasing coverage on federal flood insurance (H.R. 8449) (P).

For conference report on H.R. 6912 to revalue the dollar (P).

For authorizing $107.3 million for Amtrak, the National Railroad Passenger Corporation for fiscal year 1974 (H.R. 8351) (P).

For vote on rule to consider H.R. 8547, concerning export controls (H. Res. 484) (P).

Against amendment requiring Commerce Secretary to report to Congress any decision he makes on prohibition of commodities exported and to permit either House of Congress to disapprove such decisions (H.R. 8547) (D).

For amending the Export Administration Act to require the Commerce Secretary to select items to be subject to export controls because they are in short supply or because of inflationary impact (H.R. 8547) (P).

For citing G. Gordon Liddy for contempt and turning the case over to the U.S. Attorney for the District of Columbia (H. Res. 536) (P).

For amending the Federal Cigarette Labeling and Advertising Act to extend its advertising restriction provisions to include little cigars (H.R. 7482) (P).

For deleting language halting funds for foreign affairs agencies who do not comply within 35 days with any request for information by the House Foreign Affairs Committee or the Senate Foreign Relations Committee (H.R. 7645) (P).

Against prohibiting the imposition by the states of discriminatory burdens upon interstate commerce in wine (H.R. 2096) (P).

Against vote on rule to consider S. 1697 requiring predisaster assistance to attempt to avert a fire disaster in California eucalyptus forests killed by frost (H. Res. 511) (D).

For overriding President's veto of the emergency medical services bill (veto sustained).

For providing a $240 million five-year authorization for the establishment and expansion of health maintenance organizations (H.R. 7974) (P).

For new coin designs for quarters, halves and dollars, such designs to be emblematic of the American Revolution bicentennial (H.R. 8789) (P).

For motion to instruct conferees to insist on House language in the Agriculture Appropriations bill limiting the federal farm subsidy to $20,000 per farm in most cases (H.R. 8619) (P).

For authorizing the Interior Secretary to engage in feasibility investigations of certain potential water resource developments (H.R. 6576) (P).

For amendment to cut out a section which raised the reimbursement by the Federal Government for school lunches from 8 cents to 10 cents per lunch (H.R. 9639) (D).

For amending the National School Lunch and Child Nutrition Act to provide additional federal assistance to the school lunch and breakfast programs (H.R. 9639) (P).

For banning T.V. blackouts of sports events in cases where the tickets are sold out 72 hours before the event (H.R. 9553) (P).

For authorizing $88 million for ACTION domestic volunteer program (H.R. 7265) (P).

For conference report on vocational rehabilitation bill authorizing $1.55 billion and creating new programs (H.R. 8070) (P).

Against authorizing the Interior Secretary to buy property located within the San Carlos mineral strip (H.R. 7730) (failed to pass ⅔ vote due to rule suspension).

For the conservation, protection and propagation of species of fish and wildlife which are or may be threatened with extinction (H.R. 37) (P).

For establishing a special intern program in honor of Lyndon B. Johnson as part of the Congressional intern program (H. Res. 420) (P).

For overriding the President's veto of the minimum wage increase bill which the President attacked as inflationary (H.R. 7935) (sustained).

Against amendment providing for a withholding of funds from USIA if it failed to furnish information requested by certain Congressional Committees (H.R. 9715) (P).

For authorizing $224 million for fiscal year 1974 for the U.S. Information Agency (H.R. 9715) (P).

For vote on rule to consider H.R. 9256 to increase government contributions to federal employees' health benefits (H. Res. 546) (P).

For conference report on the Interior Appropriations bill which appropriated more than $2.4 billion for Interior and related agencies (H.R. 8917) (P).

For receding from disagreement with a Senate amendment and agreeing to an amendment appropriating $46,025,000 for the National Endowment for the Arts. (H.R. 8917) (P).

Against recommittal motion with instructions to substitute a guaranteed annuity for the retirement formula proposed in the bill and proposed Presidential authority to set retirement age (H.R. 9281) (D).

For increasing retirement benefits for federal police and firemen and establishing mandatory retirement at age 60 (H.R. 9281) (P).

For increasing federal contribution to federal workers' health insurance cost from 40% to 75% by 1977 (H.R. 9256) (P).

For conference report on bill appropriating more than $9.9 billion for agricultural, environmental, and consumer protection activities for fiscal year 1974 (H.R. 8619) (P).

Against amendment proposing that local school agencies receive fiscal 1974 educational aid for disadvantaged children at a per pupil basis rate no lower than in fiscal 1973 (H.J. Res. 727) (D).

For amendment providing that each local school agency receive in fiscal 1974 at least 8% of the funds it received in fiscal 1973 for aid for disadvantaged children (H.J. Res. 727) (P).

For amendment prohibiting funds for Cost of Living Council for any program discriminating among petroleum product marketers in the method of establishing their prices (H.J. Res. 727) (P).

For continuing appropriations for agencies where final action had not yet taken place on their regular appropriations bills (H.J. Res. 727) (P).

Against amendment raising from 20,000 to 35,000 each the maximum number of immigration visas per year from Canada and Mexico (H.R. 981) (D).

Against amendment proposing a five-year aggregate limit on the number of one-year visas for certain migrant workers (H.R. 981 D).

For setting immigration limits at not more than 20,000 visas per year for any one country (H.R. 891) (P).

For providing for the distribution of funds appropriated to satisfy certain judgments awarded to Indians by the Court of Claims and the Indian Claims Commission (H.R. 8029) (P).

For correcting typographical and clerical errors in the farm bill, Public Law 93–86 (S. 2419) (P).

For extending the authorization for appropriations for the Cabinet Committee on Opportunities for Spanish-speaking people. (H.R. 10397) (failed to pass, 2/3 vote required by rules).

For conference report on the arts and humanities authorization bill with a three-year authorization of $597 million (S. 795) (P).

For establishing a Board for International Broadcasting and authorized $50.2 million for Radio Free Europe and Radio Liberty for fiscal 1974 (S. 1914) (P).

For vote on rule to consider H.R. 6452, the mass transit authorization bill (H. Res. 372) (P).

For amendment cutting out $800 million opposed in the bill for urban mass transit operating subsidies (H.R. 6542) (P).

Against motion to strike the enacting clause in order to kill the urban transit bill (H.R. 6452) (D).

For amendment against federal operating subsidies for mass transit, (H.R. 6452) (D).

For increasing the federal share on aid to mass transit capital grant programs, and contained the controversial $800 million authorization for federal subsidies (H.R. 6452) (P).

For establishing the Big Cypress National Preserve in Southern Florida (H.R. 10088) (P).

Against reducing from $2.2 billion to $477 million the appropriation for special payments to international financial institutions to maintain the value of U.S. financial commitments (H.J. Res. 748) (D).

For appropriated $2.2 billion for special payments to international financial institutions to maintain the value of U.S. financial commitments (H.J. Res. 748) (P).

Against vote on rule to consider H.R. 9682, the D.C. Home Rule Bill (H. Res. 581) (P).

For amendment providing for retention of Presidential appointments to the D.C. Court of Appeals and the D.C. Superior Court, rather than having these judges appointed by the D.C. Mayor (H.R. 9682) (P).

For amendment proposing that the President or the House, or Senate, could veto any legislation passed by the D.C. City Council (H.R. 9682) (D).

For amendment providing a federal enclave within D.C., including principal federal building etc. to be supervised by a Presidentially appointed national service director (H.R. 9682) (P).

For amendment proposing that the D.C. Chief of Police be appointed by the President, rather than by the Mayor (H.R. 9682) (D).

For amendment excluding nearby parts of Virginia and Maryland from the National Capital Planning Commission's planning area (H.R. 9682) (D).

For amendment providing that the D.C. Mayor continue to be appointed by the President rather than be elected (H.R. 9682) (D).

Against providing for an elected D.C. mayor and Council and a reorganization of the D.C. government (H.R. 9682) (P).

For motion to recommit the conference report on the continuing appropriations resolution (H.J. Res. 727) (D).

For conference report on resolution to provide continuing appropriations for agencies where final action had not yet taken place on their regular appropriations bill (H.J. Res. 727) (P).

For authorizing $2,651 million for construction at military installations (H.R. 10614) (P).

For conference report on resolution limiting the war powers of the President, outlining circumstances under which the President could commit U.S. troops into hostile situations overseas (H.J. Res. 542) (P).

For authorizing $1,258 million for construction, repair and preservation of public works on rivers and harbors for navigation, flood control, etc. (H.R. 10203) (P).

Against authorizing a $150,000 federal contribution to the Arctic Winter Games to be held in Alaska in 1974 (S. 907) (P).

For setting up a National Institute of Building Standards (H.R. 8346) (failed to pass ⅔ rule).

For conference report on the Treasury-Postal appropriations bills for fiscal 1974 which carried a price tag of $5.2 billion (H.R. 9590) (P).

For agreement to Senate amendment allowing the President to determine salaries of White House employes, regardless of Civil Service requirements (H.R. 9590) (P).

For agreement to Senate amendment to permit President to make payments for official entertaining without a regular government accounting (H.R. 9590) (P).

For conference report on the $605 million fiscal 1974 legislative appropriations bill (H.R. 6691) (P).

For repealing the act which had terminated federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin (H.R. 10717) (P).

For amendment providing that allocation of crude oil should not apply to producers unless the President found such allocation necessary to carry out the purposes of the bill (H.R. 9681) (D).

Against motion which proposed limiting debate on pending amendments to 15 minutes (H.R. 9681) (D).

For rule for consideration of conference report on H.R. 9286, the military procurement authorization bill (H. Res. 601) (D).

For amendment to transfer the monitoring of allocation programs from the Federal Trade Commission to the General Accounting Office (H.R. 9681) (D).

For requiring the President to allocate crude oil and refined petroleum products to deal with existing or imminent shortages (H.R. 9681) (P).

For authorizing $1.5 million for the Cabinet Committee on Opportunities for Spanish Speaking People (H.R. 10397) (P).

For motion to agree with a Senate amendment to the school lunch bill (H.R. 9639) (D).

For authorizing the use of health maintenance organizations in providing health care for military service dependents (H.R. 10586) (P).

For vote on rule to consider H.R. 3927, the Environmental Education Act (H. Res. 600) (P).

Against amendment to provide a one-year rather than a three-year authorization for environmental education (H.R. 3927) (D).

For extending the Environmental Education Act for three years with accelerating authorizations totalling $45 million for three years (H.R. 3927) (P).

For vote on rule to consider H.R. 10956, the Emergency Medical Services bill (H. Res. 655) (P).

For providing a three-year authorization totalling $185 million for Federal aid to area-wide emergency medical care systems (H.R. 10956) (P).

For adopting a rule for consideration of H.R. 9456, the Drug Abuse Education bill (H. Res. 656) (P).

For extending the Drug Abuse Education Act for three years with a three-year authorization of $90 million for educational programs on drug and alcohol abuse. (H.R. 9456) (P).

Against motion to delete a section from the conference report (H.R. 9286) (D).

For authorization to place at the U.S. Naval Academy two citizens of Iran (Persia) (H.J. Res. 735) (P).

For establishing a Federal Financing Bank for the purpose of coordinating federal borrowing (H.R. 5874) (P).

For authorizing the President to extend certain privileges and immunities to the Organization of African Unity (H.R. 8219) (P).

For extending the life of the Watergate Grand Jury (H.R. 10937) (P).

Against overriding President's veto of the War Powers Act (H.J. Res. 542) (Overridden).

For previous question on the rule for the consideration of H.R. 11104, a national debt ceiling bill, thus cutting off the possibility of amending the rule to permit non-germane amendments to the bill (H. Res. 687) (P).

For amendment reducing by $2.3 billion the proposed increase in the temporary national debt limit (H.R. 11104) (P).

For increasing the temporary national debt limit to $475.7 billion from $465 billion and extending the temporary limit to June 30, 1974 (H.R. 11104) (P).

For vote on rule to consider H.R. 9142, to finance reorganization of bankrupt Northeast railroads (H. Res. 688) (P).

For amendment proposing a six-year limit on continued salary payments to employees who lose jobs because of the railroad merger (H.R. 9142) (D).

For amendment that proposed six-year limit on displacement allowances to employees transferred to another northeastern railroad (H.R. 9142) (D).

For authorization of $421.5 million and $1 billion in federal loan guarantees to finance the reorganization of bankrupt Northeastern railroads into one corporation (H.R. 9142) (P).

Against motion to recommit the Alaska Pipeline conference report with instructions for House to insist on disagreement to title III and section 601 and 602 (S. 1081) (D).

For conference report on S. 1081 to authorize the trans-Alaska Pipeline (P).

For conference report on H.R. 8916 making appropriations for the Department of State, Justice, Commerce, the Judiciary, and related agencies for fiscal year 1974 (P).

Against resolution to adjourn from Thursday, November 15 to Monday, November 26—Thanksgiving Vacation (H. Con. Res. 378) (P).

For motion to recommit the conference report on H.R. 8877, making appropriations for the Department of Labor, Health, Education and Welfare and related agencies (P).

For conference report on S. 1570, the Emergency Petroleum Allocation Act of 1973 (P).

For House agreement to H. Res. 128, expressing the sense of the House of Representatives with respect to actions which should be taken by Members of the House upon being convicted of certain crimes (P).

For making appropriations for military construction for the Department of Defense for fiscal 1974 (H.R. 11459) (P).

Against previous question on the committee amendment (H. Res. 702) (P).

Against previous question on the resolution to provide funds for the Committee on the Judiciary (H. Res. 702) (P).

For motion to recommit resolution to the Committee on House Administration with instructions to report the resolution back with an amendment that sought to earmark one-third of the funds for the impeachment inquiry to the minority (H. Res. 702) (D).

Against providing funds for the Committee on the Judiciary for the impeachment investigation purposes because of previous vote. (H. Res. 702) (P).

For amendment that sought to allow States to raise supplemental security income benefits by amounts provided in the bill to qualify for their (hold harmless) protection (H.R. 11333) (P).

For 7% increase in social security benefits beginning with March 1974, and an additional 4% increase beginning in June 1974 (H.R. 11333) (P).

For providing an improved system of adoption of children in the District of Columbia (H.R. 11238) (P).

For conference report on H.R. 7446, to establish the American Revolution Bicentennial Administration (P).

For motion to consider the rule to the Daylight Saving Time bill (H.R. 11324) (P).

For bill providing daylight saving time on a year-round basis for a two-year trial period (H.R. 11324) (P).

For adopting rule under which the Comprehensive Manpower Act was considered (H.R. 11010) (P).

For amendment that reduced the population requirement for receiving assistance from manpower programs from 100,000 to 50,000 (H.R. 11010) (P).

For amendment that adds language that permits areas where the units of local government have an aggregate population of 100,000 or more to qualify for financial assistance (H.R. 11010) (P).

Against amendment that sought to raise from $500 million to $1 billion the funds appropriated for 1975 to be reserved for public employment programs under title II (H.R. 11010) (D).

For assuring opportunities and training to unemployed and underemployed persons (H.R. 11010) (P).

For public debt limit increase bill, H. Res. 721, disagreeing to the Senate amendments to the bill, H.R. 11104, to provide for a temporary increase of $10,700 million in the public debt limit (P).

Against amendment that sought to restore $1.25 million for race relations training in the Army, Navy, and Air Force (H.R. 11575) (D).

For amendment that sought to strike language providing that not more than $851.6 million be available for repair, alterations, and overhaul of vessels in Navy shipyards (H.R. 11575) (D).

Against amendment that sought to require funding of the $3.5 billion of the total appropriation from backlog "pipeline" funds left over from prior years (H.R. 11575) (D).

Against amendment that sought to reduce the end strength troop level by 22,000 (H.R. 11575). (D).

For making appropriations for the Department of Defense for fiscal year 1974 (H.R. 11575) (P).

For amendment that sought to raise by $35 million the funds appropriated for grant programs for state rehabilitation services, thereby restoring the appropriation to the level of $650 million provided in the authorization (H.R. 11576) (D).

For making supplemental appropriations for the fiscal year ending June 30, 1974 (H.R. 11576) (P).

For providing financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, and to establish a National Center on Child Abuse (S. 1191) (P).

Against measure to insure that the compensation and other emoluments attached to the Office of the Attorney General are those which were in effect on January 1, 1969 to amend title 39, USC, and to clarify proper use of the franking privilege of Members of Congress (H.R. 11710) (P).

For amending the International Travel Act of 1961 to authorize appropriations for the fiscal years 1974–1976 (H.R. 9437) (P).

For a rule waiving all points of order against the conference report on Foreign Aid Authorization (S. 1443) (P).

For the conference report on S. 1443, authorizing the furnishing of defense articles and services to foreign countries and international organizations (P).

For suspending the rules and for H. Con. Res. 173, relating to the United States fishing industry (P).

For the Labor-HEW appropriations conference report on H.R. 8877 (P).

Against receding and concurring with amendment in Senate amendments No.'s 1, 11, 16, 32, 51, 57, 62, and 79 in regards to H.R. 8877 (P).

For an amendment that sought to prohibit consideration of authorizing legislation after July 1 in lieu of March 31 of each year (H.R. 7130) (D).

For an amendment that sought to require the pilot-testing of all Federal programs prior to the implementation unless the committee report on such legislation indicates why this is unnecessary (H.R. 7130) (D).

For an amendment that sought to provide for a maximum limitation on authorizations for appropriations to 3 years except those funded through user taxes (H.R. 7130) (D).

Against an amendment that sought to require all appropriations bills to be sent to the President at the same time with no exceptions (H.R. 7130) (D).

For an amendment that sought to delete the title on impoundment control (H.R. 7130) (D).

For an amendment that sought to require both Houses of Congress to take action before a Presidential impoundment is disapproved, and to allow selective disapproval of impoundments by Congress (H.R. 7130) (D).

For an amendment that sought to make title II (impoundment control) effective on October 1, 1975 (H.R. 7130) (D).

For the impoundment and budget control bill (H.R. 7130) (P).

For the rule under which the Vice-Presidential nomination could be considered (H. Res. 735) (P).

For confirming the nomination of Gerald R. Ford, of the State of Michigan, to be Vice President of the United States (H. Res. 735) (P).

For the conference report on H.R. 11459, making appropriations for military construction for the Department of Defense for fiscal year 1974 (P).

For the rule under which H.R. 9107 could be considered dealing with federal retirement annuities (P).

For H.R. 9107, to provide increases in certain annuities payable under chapter 83 of title 5, United States Code (P).

For an amendment to H.R. 10710 (Trade Reform) that adds a continued extension of Export-Import bank credits to the trade benefits which would not be granted to those Communist countries which restrict emigration (P).

Against an amendment that sought to strike title IV from the bill (H.R. 10710) (D).

For the Trade Reform Act (H.R. 10710) to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States (P).

Against an amendment that sought to permit use of funds under the Israel Emergency Assistance bill to support implementation of U.N. Security Council resolutions calling for Israeli withdrawal from occupied territories and Arab recognition of Israeli sovereignty and territorial integrity (H.R. 11088) (D).

For H.R. 11088, Israel Emergency Assistance, to provide emergency security assistance authorizations for Israel (P).

Against an amendment that sought to strike $1 million for Chile from the Foreign Assistance Bill, H.R. 11771 (D).

Against an amendment that sought to reduce funds for emergency military assistance for Cambodia by $100 million (D) (H.R. 11771).

For an amendment that sought to prohibit the use of any Export-Import funds for any nonmarket economy country (H.R. 11771) (D).

For the Foreign Assistance Bill, H.R. 11771, making appropriations for Foreign Assistance and related programs for fiscal 1974 (P).

For the rule under which the National Energy Emergency Act could be considered (H.R. 11450) (P).

For an amendment that sought to restore language in the original bill giving Congress 15 days to disapprove any Presidential energy plan (H.R. 11450) (D).

For an amendment to the antitrust section that sought to prevent anticompetitive practices by providing for participation by the Justice Department and the Federal Trade Commission in the initial phases of any allocation plans that are made (H.R. 11450) (P).

For an amendment that eliminates coal as one of the items on which windfall profits will be restricted (H.R. 11450) (P).

For an amendment that bans the allocation of petroleum for busing of students to a school farther than the school nearest to their homes (H.R. 11450) (P).

Against a motion that all debate on the committee amendment in the nature of a substitute and all amendments thereto end at 10 p.m. (H.R. 11450) (D).

For an amendment that sought to insert a new section on the restriction of windfall profits requiring the President to exercise his authority under the Economic Stabilization Act to restrict unreasonable profits and to submit to Congress within 60 days legislation designed to provide additional incentives for the use of such profits for exploration and research to increase the Nation's domestic energy supplies (H.R. 11450) (D).

For an amendment that retains the vehicle emissions standards for 1975 but extends the date for those standards through 1977 (H.R. 11450) (P).

Against an amendment that sought to strike the section on voluntary energy conservation agreements among retail and service establishments (H.R. 11450) (D).

For an amendment that sought to rescind the requirement for emission control devices on vehicles throughout the Nation until January 1, 1977, except for certain areas which have significantly high pollution levels (H.R. 11450) (D).

Against an amendment that sought to allow for the allocation of petroleum for school busing where a busing plan has been ordered by the appropriate school board (H.R. 11450) (D).

Against a motion that sought to limit debate on the substitute amendment (H.R. 11882) and all amendments thereto (H.R. 11450) (P).

Against a motion that the committee rise and report the bill back to the House with the enacting clause stricken (H.R. 11450) (D.)

For an amendment that provides that the aggregate number of fuel-inefficient vehicles purchased by executive agencies shall not exceed 30 percent of the total in fiscal 1975 and 10 percent in 1976 (H.R. 11450) (P).

For an amendment that sought to exclude producers of less than 25,000 barrels of oil per day from the restriction on windfall profits (H.R. 11450) (D).

Against an amendment that provides for federally sponsored incentives for the use of public transportation (H.R. 11450) (P).

For an amendment that provides for Federal grants to States for those who are unemployed as a result of the administration bill (H.R. 11450) (P).

For an amendment that provides that energy conservation plans shall give consideration to the needs of late-night food stores (H.R. 11450) (D).

For an amendment that adds language to a section amending the National Petroleum Allocation Act of 1973 that strikes the word "Agricultural operation" as it is defined in paragraph 1(C) of subsection (B) of section 4 of the act (H.R. 11450) (P).

For an amendment that provides that the Administrator may restrict exports of coal and petrochemical feedstocks if such exports will result in unemployment in the United States (H.R. 11450) (P).

Against an amendment that sought to exempt the Navy's petroleum reserves from the provisions of the bill (H.R. 11450) (D).

Against an amendment that sought to exclude producers of less than 15,000 barrels of oil per day from the restrictions on windfall profits (H.R. 11450) (D).

For an amendment that eliminates discrimination against shipment of recycled materials (H.R. 11450) (P).

For a preferential motion that the Committee rise (H.R. 11450) (D).

For an amendment that sought to prohibit the exportation of crude oil, residual oil, and refined petroleum products unless the President orders the approval of the export (H.R. 11450) (D).

For an amendment that sought to rescind the requirement for emission control devices on vehicles throughout the nation until January 1, 1976 except for certain areas which have significantly high pollution levels (H.R. 11450) (D).

Against an amendment prohibiting the export of petroleum products for military use in Indochina (H.R. 11450) (P).

Against an amendment that sought to ban the export of petroleum products for military use in Israel (H.R. 11450) (D).

Against a motion to recommit the bill to the Committee on Interstate and Foreign Commerce (H.R. 11450) (D).

For the National Emergency Energy Act, H.R. 11450, to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met (P).

Against the conference report on S. 1435, the D.C. Home Rule Bill, providing for an elected Mayor and City Council for the District of Columbia (P).

For S.J. Res. 180, relative to the convening of the second session of the 93rd Congress (P).

For an amendment to the Small Business Ceiling Authority, S. 2482, to amend the Small Business Act (P).

For a motion to recommit the conference report to the committee of conference on the D.C. Home Rule Bill (S. 2482) (D).

For the Conference Report on H.R. 9256, Government Employees Health Benefits Act, increasing the contribution of the Government to the cost of health benefits for Federal employes (P).

Against a motion to suspend the rules on Wednesday, December 19th, for the balance of the week (H. Res. 746) (P).

For authorizing the disposal of opium from the national stockpile (S. 2166) (P).

For authorizing release of copper from the national stockpile and the supplemental stockpile (S. 2316) (P).

For H.R. 11714, to provide for the development of improved design, lighting, insulation, and architectural standards to promote efficient energy use in residential, commercial, and industrial buildings (P).

For H.R. 11763 to facilitate the construction of an intercity bus terminal (P).

For the Conference Report on H.R. 11576, making supplemental appropriations for the fiscal year ending June 30, 1974 (P).

Against an amendment to the Energy Research and Development Administration Act that would provide for the addition of another assistant administrator to work in the area of energy conservation (D).

For the Energy Reorganization Act of 1973, which calls for an administrator, six assistant administrators who shall be responsible for fossil energy, nuclear energy, environment, safety, and conservation, national security, and advanced energy systems (P).

Against the motion to recommit the Conference Report on S. 1559, the Comprehensive Employment and Training Act of 1973 (D).

For the Conference Report on S. 1559, the Comprehensive Employment and Training Act of 1973 (P).

Against the motion to recommit the Conference Report on H.R. 11575, the Department of Defense Appropriation for Fiscal Year 1974 (D).

For the Conference Report on H.R. 11575, the Department of Defense Appropriation for Fiscal Year 1974 (P).

For the Conference Report on H.R. 11771, the Foreign Assistance Appropriations, Fiscal Year 1974 (P).

For the Conference Report on S. 1983, Endangered Species Act of 1973 (P).

For a motion that the House suspend the rules and agree to the House Resolution 754, amending the District of Columbia Revenue Act of 1947 regarding taxability of dividends (P).

For the Conference Report on the Social Security Bill, H.R. 3153 (P).

For the Conference Report on the Emergency Act of 1973, S. 2589 (P).

RECESS NOT JUSTIFIED

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 5 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, I rise to express my strong disagreement with the plan of this House to recess for a full month.

Every day now, as the energy crisis grows worse, important decisions are being made, decisions which affect the lives of our constituents in a very personal way. Administration officials have indicated that some of the most crucial ones will be made in this coming month, and our absence will substantially reduce our influence in these matters.

I might also point out that even if there were not an energy crisis, the amount of legislative work yet to be done is so great that such a recess would still not be justified.

ENERGY CRISIS: AMERICAN STYLE

Mr. SPEAKER. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, for several years, experts in the field have been warning Americans about the inevitability of an energy shortage. There were brownouts on the east coast in the midsixties which should have served as a warning of things to come. But, throughout history, this country has been blessed with an abundance of cheap energy. We are used to living in a land of plenty and because of our advanced technology have taken for granted many modern conveniences that annually consume great quantities of our limited energy resources.

Then, suddenly last summer, we began hearing stories and reading news articles about filling stations that were closing up or shortening their hours because their pumps were empty. But, the summer ended and few of us were stranded on an interstate because we could not get gas.

And, this fall, in the middle of harvesting the crops, farmers found that their combines came to a halt in the fields without fuel available to run them. The price of gas has risen and most service stations are closed on Sundays. Families are finding it harder to get together during the holiday season because of the cancellation of airline flights. Schools and businesses are altering their schedules. Homes dependent on fuel oil for heating are being warned that they can expect a colder winter than the last. Rationing has become a common word in our vocabulary.

The country now finds itself in the middle of a serious shortage of the energy resources which except during wartime have always been abundant. How did we get in this position?

MORE LUXURIES, MORE WASTE

A major factor has been the increasing total and per capita consumption of energy by all Americans. Between 1950 and 1960, for example, energy consumption grew by 32 percent, while between 1960 and 1970, it rose by 51 percent. Since 1920 per capita consumption of all energy has doubled, and our use of electricity has increased by an amazing 1,300 percent. Much of this increase, of course, is justified by the expansion of our production facilities.

However, we have failed to use our existing energy resources wisely and efficiently. In the home, office, and factory, we have never had to consider the more efficient use of energy. For example, improved insulation in homes could significantly decrease winter fuel and summer air-conditioning bills.

D. AMERICAN ENERGY DEMAND PATTERN

Energy demand almost doubled from 1950 to 1970.

Energy demand will double again in the next 15 years and more than triple in the next 30 years.

LESS OIL PRODUCTION

Second, there has been a failure, for a number of reasons for discovery of new domestic reserves of oil and gas to keep pace with demand. Domestic drilling for oil has dropped off precipitously since 1969 and our reserves of both oil and gas have dropped accordingly. Perhaps too much emphasis has been placed on merely stopping the exploitation of the environment and too little on developing the technology needed for using our resources without despoiling either Alaskan tundra or coastal waters.

MORE PUBLIC DEMAND FOR CLEAN ENERGY

The interrelationship of environmental goals and energy objectives seems to be a trade-off of sorts in the short-run. To meet environmental goals such as those imposed by the Clean Air Act, for example, many utilities and industries have had to switch from "dirty" fuels such as high sulfur coal to "clean" fuels such as fuel oil and natural gas. Unfortunately, we have greater quantities of the latter than the former.

NO ENERGY POLICY

Conflicting Government programs with respect to energy have also been a problem. For example, natural gas sold in interstate commerce is regulated from the well-head to the consumer by the Federal Government. However, petroleum production is regulated by the States, while coal, our most abundant energy resource, is now almost unregulated.

In short, this country has failed to develop any type of comprehensive energy policy which takes into consideration resources, demands, capabilities and the encouragement of development by the industries.

DEPENDENCE ON FOREIGN FUEL

Fifth, the changing international oil market will be an increasing problem. As domestic sources have dwindled, our need for imported fuels has increased. We have 6 percent of the world's population and use 33 percent of the world's total energy. Out of 12 million barrels of oil consumed in this country each day, approximately 3.5 million barrels are imported. The United States accounts for 6 percent of the total world petroleum reserves, 20 percent of the world production and 30 percent of the world oil consumption whereas the Middle East which consumes only 2 percent of the total amount of oil, accounts for 34 percent of the world oil production and holds 53 percent of the world's reserves.

Unfortunately imports are more expensive and less reliable. The cutoff of Arab oil supplies is not the cause of this shortage although it did bring the matter to a head. We have always known of the instability of the political climate of the Mideast and should have been much better prepared for a cutoff of this source than we are.

Sixth, our oil import quota program which discouraged entry of foreign oil amounted to a "drain America first" policy, which allows huge profits for oil companies, but squeezed American consumers' pocketbooks. While limiting these exports, we used up our own valuable supplies.

C. Normal (Pre-embargo) U.S. Sources of Crude Oil

(In percent)

United States	63
Canada	6
Middle East	9
Caribbean	12
Rest of World	10

E. Approximate Dimensions of Energy Shortages for Winter, 1973–74

[In percent]

	Before Arab embargo	After Arab embargo
Natural gas	7.4	7.4
Crude petroleum	0	10.0
Distillates	10.4	25.0
Residual oil	14.0	35.0

WHAT IS THE CURRENT SITUATION?

The Department of the Interior estimates the country will consume 19.7 million barrels a day—MBD—of petroleum products in the first quarter of 1974. Eleven MBD will come from domestic sources; 7.8 MBD would have to be imported to avert a shortage. Because of the Arab oil embargo, 3.5 MBD of that amount simply will not be available. That figure represents 17 percent of the total demand. Some of this shortrun deficit can and will be met by reducing stockpiles and industry inventories, but clearly not enough.

If demand for gasoline and private heating oil remains at projected levels, it will begin to outstrip supply by the first week in February. The Department notes that if there had not been a sudden shift back to coal as a fuel in electric generating plants, the crunch in that sector could have come as early as December 3, 1973. (See chart I.)

The National Petroleum Council estimates that the shortage in gasoline distillates and heavy fuel oil will average 20 percent during this first quarter in 1974. Heavy fuel oil shortages would average 38 percent on a U.S. basis and could reach 50 percent on the east coast according to NPC. It is estimated that the consequences of a 2 to 3 million barrel per day shortage could be an annual loss of $48 billion to the U.S. economy as measured by the gross national product and an increase in unemployment from the current 4.5 to 5 percent to over 6 percent with a 2 million barrel cutback and up to 7.5 to 8 percent with a 3 million barrel per day cutoff.

U.S. SUPPLY AND DEMAND FOR PETROLEUM PRODUCTS—FOURTH QUARTER 1974

[Thousands of barrels per day]

	Base level	Impact of restrictions	Current forecast
Demand	19,671	295	19,966
Supply:			
From domestic sources	11,216		11,216
From imports:			
Raw material	(3,840)	(1,370)	(2,470)
Refined products	(3,891)	(1,796)	(2,095)
Subtotal from imports	7,731	3,166	4,565
Change in product inventories	724		724
Total supply	19,671	3,166	16,505
Demand/supply deficit			3,461
As percent of total demand (percent)			17.3

Note. Restrictions-curtailment of imports.

TABLE 11.—BROAD STRATEGIES FOR 1ST QUARTER 1974 SHORTFALL

Product	Shortage		Refinery shift (MB/D)	Net shortage (MB/D)	Other actions to reduce shortfall	MB/D
	Percent of demand	(MB/D)				
Jet fuel	32.2	398	−225	173	Reduce airline schedules 19 percent	170
Gasoline	10.9	712	700	1,412	24 percent reduction in passenger car use	1,100
					15 percent reduction in business and Government use	300
Total						1,400
Distillate	17.5	898	−400	498	6° reduction in residential and 10° in commercial heating	490
					10 percent industrial cutback	40
					50 percent electric utility	150
Total						680
Residual	29.4	1,052	−200	852	Oil to coal switch	250
					15 percent heating reduction	90
					3 percent electricity use cut[1]	300
					10 percent industrial cut	60
Total						700
Total	19.1	3,060	−125	2,935		
Other	10.3	401	125	526		
Total	17.3	3,461		3,461		

[1] Net coal and oil switch.

WHY ARE WE IN THIS POSITION?

The President blames the Congress, some Members of Congress blame the President and everyone suspects the oil companies. In any case, it is imperative that we cut out the backbiting and bickering about who is to blame and get on with the work of adopting a strong energy policy to insure against a worse situation in the future.

LOOKING TO THE FUTURE: WHAT CAN AND IS BEING DONE ABOUT THE ENERGY SHORTAGE; ALLEVIATING THE SHORT-TERM PROBLEM

The Congress must and is asserting its leadership to adopt means of dealing with the short-term as well as the long-term effects of an energy shortage. Through such legislation as the Emergency Energy Act—which authorizes a variety of emergency measures to conserve and allocate energy resources—the Energy Research and Development Administration, the Federal Energy Administration to plan, direct, and conduct programs related to the production, conservation, use and control, distribution and allocation of all forms of energy, the High Seas Oil Port Act which will accommodate huge oil "supertankers" and various other measures designed to develop and conserve our existing resources, the Congress has proved itself concerned with the short-term problem and began looking ahead to the future.

The Congress has enacted year-round daylight savings time legislation which is estimated to conserve 2 to 3 percent of our energy. To put this figure in perspective, it might be noted that it is estimated that energy usage for agriculture amounts to only 3 percent of the energy consumed each year.

Cities must develop more efficient mass transit systems to serve the needs of their suburban commuters as well as those who reside in the cities. This may require additional funding from the Congress, but would be a valid investment saving thousands of gallons of fuel daily.

We are presently approving legislation which would relax or suspend clean air standards so that powerplants can burn coal even if they do not have special emission cleanup systems. This same bill would also temporarily suspend the requirement for emission control devices on new automobiles which have been shown to decrease the efficiency or the gas mileage. We are also giving the President the authority to establish 55-mile-per-hour speed limits on Federal highways.

In considering the new tax reform bill it is almost certain that the Ways and Means Committee will give some time to considering proposals to again raise the oil and gas depletion allowance which was reduced in the 1969 act and to allow other tax incentives for oil explorations. The President has proposed legislation to extend investment tax credit provisions to the oil and gas industries through a 7-percent credit on unsuccessful wells and a 12-percent credit on successful wells.

At this time, it should be noted that Congress has not taken any action to raise gasoline taxes, or ration gasoline, although the Emergency Energy Act does give the President the authority to set up a rationing program.

In April of this year, the Congress added a section to the Economic Stabilization Act which gave the President the discretionary authority to distribute petroleum products. Under these provisions, the President announced a voluntary allocation program which was in effect until November 1. He later judged this program ineffective and a mandatory system of allocations went into effect in November. Unfortunately, at this time there was insufficient staff to administer and carry out the allocations and it was predicted that it would take 60 to 90 days to establish such an operation.

Under this first mandatory program, no priorities were established—hospitals and merry-go-rounds were rated at the same level of importance.

Then, when farmers ran out of fuel trying to get their crops out of their field in the midst of the fall harvest, and buses necessary for mass transit could no longer get oil from their suppliers, revisions were made placing these industries into a top priority category. Farmers were allowed to borrow immediately against their next year's fuel allocation while waiting for requests for additional fuel to be processed.

The allocation program was received on November 27 and again on December 13. Under the new proposed regulations which are to go into effect on December 27, emergency services, fuel production, public passenger transportation and agriculture are in a first priority category for allocation of gasoline and are to receive 100 percent of their current requirements. Business uses, including nonprofit Government users, are allocated 100 percent of their 1972 use. All other users are allocated not more than 90 percent of their 1972 use.

For the purpose of allocating middle distillate fuels, including diesel fuels, fuel production and public passenger transportation are to receive 100 percent of their current requirements. Vital community services and medical, dental and nursing services are allocated 110 percent of their 1972 use.

In the second priority category, those involved in industrial and manufacturing, food production and processing and cargo, freight and mail hauling are to receive 110 percent of their 1972 use.

All other users, excluding aviation, are to receive 100 percent of their 1972 use.

THE ENERGY OUTLOOK

With a policy of equal sacrifice being practiced by all Americans, no one should go cold this winter or next. By giving up a little, we can save a lot. However, we must look beyond the present crisis to develop the energy resources of this country in order to insure energy self-sufficiency in the long term. With our resources and highly advanced technological know-how, I am sure that we can substantially increase our energy output in the years ahead as well as developing better methods of conserving and using the energy we already have.

What are some of these forms of energy that we need to develop?

COAL: OUR MOST ABUNDANT RESOURCE

Coal is our most abundant energy resource and supplies are adequate to last hundreds, even thousands of years. Coal is our most abundant fossil fuel accounting for 73 percent of the total recoverable fossil fuels in the Nation. It was coal we turned to over a century ago, when we began to fear we were exhausting our wood supply. However, coal cannot be used to burn in automobiles and airplanes, it is heavy and inconvenient and it is a "dirty fuel," some types of which are prohibited by environmental restrictions in some States.

We are now close to developing methods of gasifying and liquefying coal. The Russians have offered to share their method of obtaining natural gas from coal and the British have found a way of manufacturing a substitute natural gas to help fight the current fuel shortage.

As we have mentioned above, environmental restrictions are being temporarily suspended in order to allow powerplants to burn high sulfur coal without emission control devices. We must work to develop efficient, moderately priced pollution control mechanisms so that we can use this fuel without threatening our atmosphere.

OIL: LOOKING FOR NEW SOURCES

This country uses 18 million barrels of oil per day. Increasing at its present rate, we could require as much as 50 percent more by 1980. It is this increase that we are going to have trouble finding.

However, this country has a great untapped wealth of oil and natural gas lying under its costal waters. It is estimated that under the Atlantic Continental Shelf from Cape Hatteras to Canada within 100 miles of the shoreline and 600 feet of the surface, there are 46 billion barrels of oil and 228 trillion cubic feet of natural gas. And, this is just one small portion of our coastline. Of America's total Continental Shelf of 1.9 million square miles, only about 1 percent has been tested for gas and oil to date.

Admittedly, it costs more to drill offshore for gas and oil than onshore, but experts tell us that the U.S. continental shelf is the most viable area for meeting U.S. energy needs in the next 5 to 10 years.

Another big boost to our oil supply which is obtainable within the next 5 years, is the 2 million barrels of oil a day which we expect to flow through the Alaskan pipeline from Alaska's North Slope to the port of Valdez on the Gulf of Alaska. From this port it will be shipped by tanker to other States. Authorization of this pipeline was held up for several years because of environmental arguments, but these were resolved this summer and the pipeline should be operational by 1977.

SHALE OIL: CONVERTING ROCKS TO FUEL

In 1971, the Congress began to look seriously at the possibilities of obtaining oil from the shale deposits in Colorado, Utah, and Wyoming. It is estimated that with existing technology and appropriate investment funds available, we could be producing an output of 2 million barrels a day from this source within the next 4 or 5 years. Strict environmental regulations should be put on this process which requires the stripping of rock layers to extract the oil which can be converted into a form of synthetic oil low in sulphur content called kerogen. In late 1973, the Department of Interior began a program offering leases of these lands for sale and development.

NATURAL GAS: UNDERTAPPED AND OVERREGULATED

In 1920, natural gas consumption was less than a trillion cubic feet. In 1970, it was 22 trillion and is expected to rise to 32 trillion in 1980. Gas is the cleanest of all our fossil fuels and its use has skyrocketed with the passage of the Environmental Protection Act.

As is mentioned above, trillions of cubic feet of natural gas lies untapped below our Continental Shelfs. However, regulation of the price of natural gas at the wellhead has discouraged production of it in this country. The Federal Power Commission regulates the price of interstate gas, but not intrastate gas. This has resulted in a large price difference in interstate and intrastate gas and consequently, a drying up of gas supplies in the interstate market. If this price differential is abolished, more gas would flow into interstate sales. And, although prices in some places might rise, it would still be cheaper than importing gas.

ELECTRICAL POWER: A SECONDARY SOURCE OF ENERGY

Electricity is not a primary source of energy, but is produced from other energy sources. About one-third of the electricity used in the United States is for residential purposes and the other two-thirds for industrial use.

The discovery and harnessing of electricity has been responsible for the creation of many of our modern conveniences and appliances. However, since it is not a primary source of energy, it is not as efficient as direct use of gas, for example, to heat a home.

Electricity is produced from all of the primary sources of energy—coal, oil, natural gas, hydro, geothermal, and nuclear. By increasing production of any one of these elements, increase in the output of electricity can result. Hydroelectric power provides 5 percent of our current energy needs and about 15 percent of our electricity. It is our cleanest and cheapest source of energy and research for development and further use of hydroelectric power should be intensified.

GEOTHERMAL: ENERGY FROM THE EARTH'S CORE

In 1970, Congress passed the Geothermal Steam Act of 1970 which allows the U.S. Department of the Interior to grant leases for the drilling of geothermal energy. This energy is essential heat from the Earth's core which may be recovered either as steam or hot water and which may prove to be one of the cheapest, cleanest, and most lasting supplies of energy in the future. Although we have not paid much attention to this source in the United States, in Italy it has been used for 70 years.

NUCLEAR: ANOTHER PEACEFUL USE OF THE ATOM

Although we have known almost from its birth that nuclear energy could be used for production of electricity, nuclear energy production still accounts for only about 1 percent of our energy demands.

We think of nuclear energy in connection with the making of bombs, but its power has been harnessed and applied in medicine, agriculture, desalting sea water, oceanographic exploration, nuclear ship propulsion, and development of nuclear explosives for massive earth moving projects.

The main force holding us back in all-out development of this abundant source is a timidity of this country to accept this type of power. Some questions still do exist in the minds of many as to the safety of this source and of its effects on our environment.

The Atomic Energy Commission must concentrate its study on the safety of the production of this energy. We must know for certain whether or not production of this source of electricity can result in harmful side effects of leaks. If it is safe, we should move headlong into this field.

Currently there are two nuclear powerplants under construction in the State of Arkansas, with the first one scheduled for completion in 1974. As of June 30, 1973, there were only 34 operable plants in this country and 57 under construction, only 17 of which are west of the Mississippi.

SOLAR ENERGY: POWER FROM 93 MILLION MILES AWAY

In the use of energy from the sun lies one of our most exciting new sources of power. Some societies have known for ages that by using its reflections, the sun can be an effective hot water heater or by careful architectural techniques, the sun's energy can be drawn into the walls of buildings and concentrated to preserve the heat. Our technological society should have the knowledge to develop this source efficiently. Legislation and funding to encourage development in this field has been little up to this point. However, there is a move on to speed up our research and development of this virtually limitless source.

CONCLUSION

The prospect for the near future, then, is one of very tight supply. And for a Nation which has become accustomed to cheap, plentiful fuel of all types, the change will not be easy. We must stop wasting our limited energy resources; the light in the empty room will have to be turned off. But for the crisis merely trimming the fat will not be enough. The effects on the individual citizen and consumer will range from inconvenience for all, to loss of income jobs for some.

There is a strong relationship between these two effects because in a very concrete sense when we take some of the burden ourselves, we are lessening it for everybody else. The energy saved by dialing down the heat can help assure adequate heat for all. The automobile trip taken in a carpool, or by bus, or not taken at all, will leave that much more gasoline for the necessary transportation of people and goods.

The voluntary reduction of energy consumption by the American people has resulted in a 50-percent drop in the use of petroleum. But because the market operates inefficiently in a shortage situation, some sort of Government intervention will be necessary. The extent of that intervention depends upon the extent of the crisis and this in turn is determined by how much gasoline and fuel oil is saved voluntarily. Government control of the energy market by allocation, or regulated price, or rationing, is not an initial tool for solving the problem; it is simply a last resort. For when it becomes necessary the Federal Government cannot shirk its responsibility to keep the economy productive and to equalize the burden on every citizen.

What will be required throughout the country is cooperation with the voluntary cutbacks and cooperation and patience with the regulatory apparatus that is eventually set up. I believe it will be forthcoming. In the thirties and forties the American people faced the problem of severe economic dislocations with a singlemindedness of purpose, and the Nation recovered. I do not think we need a war or already formed breadlines in order to find the necessary national will. The crisis is real, but the solution at this point is only one of sharing. The crisis will be met.

A PERFECT ATTENDANCE AND VOTING RECORD

The SPEAKER. Under a previous order of the House, the gentleman from Mississippi (Mr. Whitten) is recognized for 10 minutes.

Mr. WHITTEN. Mr. Speaker, the records of the Clerk of the House of Representatives disclose that our colleague, the gentleman from Kentucky, Representative William H. Natcher, still holds a perfect attendance and voting record. During the first session of this Congress so far we have had 717 rollcalls in the House of Representatives.

We all recognize that Bill Natcher is without peer as a presiding officer. One of the ablest Members of Congress, he not only renders outstanding service to the people of his district, State, and Nation, but his consistent attendance to his job is perhaps not equaled in the history of our Nation.

Representative Natcher has never missed a day since he has been a Member of Congress, and he has never missed a rollcall vote since he has been a Member. He was sworn in as a Member of Congress on January 6, 1954, and during the first 19-year period of his service which was concluded on December 31, 1972, 3,033 rollcall votes on legislation were held and, Mr. Speaker, when you add 534 rollcall votes on legislation up to this date you have a total of 3,567. During this period of time if the quorum calls were added, you would find that he was present and answered to his name well over 4,900 times.

As a Member of Congress, Bill Natcher knows full well that the fact that he has not missed a day in Congress or a rollcall vote is not the sole test of a good Representative, but, Mr. Speaker, I know that he definitely is of the opinion that each Member should stand up and be counted on each issue. I have always believed this myself and I know that this is the main reason why Bill Natcher is proud of the record that he has established.

Mr. Speaker, according to information submitted to me, if the Clerk of the House were to check the records back to March 4, 1789, which was the opening day of the first session of the First Congress, which met in the city of New York, he would find that no Member has served in either the House of Representatives or in the Senate of the United States who has had a comparable record. We have a great many Members of the House of Representatives who have excellent records and the same applies to a number of Members in the U.S. Senate but Mr. Speaker, Bill Natcher's record is a perfect record since he has never missed a vote or a day since he was sworn in as a Member of Congress.

Since I have been a Member of Congress I have maintained an excellent attendance and voting record all down through the years.

As a member of the Committee on Appropriations serving on three subcommittees—chairman of the Subcommittee on Agriculture, Environmental and Consumer Protection, Defense Appropriations Subcommittee and Public Works Appropriations Subcommittee, I know that it makes it exceedingly difficult for a Member to have the kind of a voting record that Bill Natcher has established. He and I have served together on the Subcommittee on Agriculture, Environmental and Consumer Protection now for a period of 19 years. Mr. Natcher was elected a member of the subcommittee that I am chairman of 19 years ago. He also serves on three subcommittees on the Committee on Appropriations, chairman of the District of Columbia Budget Subcommittee, Agriculture-Environmental and Consumer Protection Subcommittee, and Labor-Health, Education and Welfare Subcommittee.

Mr. Speaker, Bill Natcher and I have been close friends all down through the years and we have worked on a great many matters together. He has worked with me at all times on all agricultural programs and programs that produce benefits to the American farmer. Mr. Natcher and I agree that the American farmer knows how to produce and in every emergency when called upon has produced the food and fiber to take care of our people, and in many instances has produced adequate supplies for assistance programs to free countries around the world who were in need. Mr. Speaker, I know that Bill Natcher agrees with me when I say that each year it becomes more difficult to maintain a sound agricultural economy due to increased costs in labor, equipment, and the high cost per acre of good farmland. We have always agreed that the American farmer is entitled to a fair share of our national income.

Mr. Speaker, the record established by my friend, Bill Natcher, is one that he and his people can be proud of and it is a privilege for me to call this record to the attention of the Members of Congress.

CONSERVATION OF ENERGY

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. Cronin) is recognized for 5 minutes.

Mr. CRONIN. Mr. Speaker, Mr. Leon Bablouzian of Newtonville, Mass., recently wrote to me about the urgent need to conserve energy by reducing the oil waste. His letter began:

> I thank you for devoting your valuable time to a valuable cause. I hope we will achieve our goal by working together.
>
> One oil expert said one-third of all fuel oil we use is wasted, but he did not elaborate how to reduce the one-third to one-quarter waste or less.

Mr. Bablouzian does offer suggestions to cut the inefficiency, which I feel are worthy of consideration and implementation by all of us. They are:

1. Seal all secondary leaks into the furnace and stack pipe;

2. Clean furnace surface from soot and smoke to increase the heat absorption efficiency;

3. Change the nozzle and oil filter every year;

4 Oil pump must have its specified PSI for a fine atomization of the fuel oil;

5. Stack temperature should not be over 550–700° F net (If less better);

6. Smoke rating must be 0–1 or 0–2 on the filter indicator;

7. Negative draft or updraft at the breeching must be 0.05″ to 0.07″ and over the fire 0.01″ of H_2O column; and

8. Carbon dioxide (CO_2) analyzer must read or indicate 8–12% CO_2.

Example: A burner with a 2GPH capacity nozzle and 6% CO_2 at 700° F net stack temperature will have 60% combustion efficiency and 40% heat loss.

If we increase CO_2 to 10% and reduce the stack temperature to 550° F net by adjusting the above mentioned conditions the combustion efficiency will increase to 77% and heat loss will decrease to 23%: a saving of 17% in fuel consumption. It is possible to increase the combustion efficiency to 80–85%.

Mr. Bablouzian's suggestions are extremely appropriate as New Englanders—and the rest of the Nation—face the current fuel shortage this winter. It is estimated that oil burners burn at 40 to 50 percent efficiency; if we can increase that efficiency to just 80 percent, we can save as much as 40 percent of the energy burned.

I hope we can all work together to conserve as much energy as we possibly can to lessen the severity of this winter.

RECESS

The SPEAKER. The Chair declares the House in recess subject to the call of the Chair. The bells will be rung 15 minutes prior to the reconvening of the House.

Accordingly (at 3 o'clock and 33 minutes p.m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 9 o'clock and 13 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 6, 10, 13, 14, and 16 and that the Senate recedes from its amendment numbered 15 to a bill of the House of the following title:

H.R. 11372. An act to conserve energy on the Nation's highways.

The message also announced that the Senate agrees to the amendments of the House to the amendment of the Senate to the text of the bill of the following title:

H.R. 10511. An act to amend section 164 of the Federal-Aid Highway Act of 1973 relating to financial assistance agreements.

The message also announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 921. An act to amend the Wild and Scenic Rivers Act.

PROVIDING FOR AGREEING TO SENATE AMENDMENT TO HOUSE AMENDMENT WITH AN AMENDMENT TO AMEND S. 921, WILD AND SCENIC RIVERS ACT

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and agree to the House resolution (H. Res. 759) to take from the Speaker's table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment to the House amendment thereto, and agree to the Senate amendment to the House amendment with an amendment.

The Clerk read as follows:

H. Res. 759

Resolved, That immediately upon the adoption of this resolution the bill S. 921, with the Senate amendment to the House amendment thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendment to the House amendment be, and the same is hereby, agreed to with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the text of the bill H.R. 12128.

(The text of H.R. 12128 follows:)

TITLE I—ENERGY EMERGENCY AUTHORITIES

Sec. 100. Short Title.

Titles I, II, and III of this Act may be cited as the "Energy Emergency Act".

Sec. 101. Findings and Purposes.

(a)(1) The Congress hereby determines that—

(A) shortages of crude oil, residual fuel oil, and refined petroleum products caused by insufficient domestic refining capacity, inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist;

(B) such shortages have created or will create severe economic dislocations and hardships;

(C) such shortages and dislocations jeopardize the normal flow of interstate and foreign commerce and constitute an energy emergency which can be averted or minimized most efficiently and effectively through prompt action by the executive branch of Government;

(D) disruptions in the availability of imported energy supplies, particularly crude oil and petroleum products, pose a serious risk to national security, economic well-being, and health and welfare of the American people;

(E) because of the diversity of conditions, climate, and available fuel mix in different areas of the Nation, a primary governmental responsibility for developing and enforcing energy emergency measures lies with the States and with the local governments of major metropolitan areas acting in accord with the provisions of this Act; and

(F) the protection and fostering of competition and the prevention of anticompetitive practices and effects are vital during the energy emergency.

(2) On the basis of the determinations specified in subparagraphs (A) through (F) of paragraph (1) of this subsection, the Congress hereby finds that current and imminent fuel shortages have created a nationwide energy emergency.

(b) The purposes of this Act are to call for proposals for energy emergency rationing and conservation measures and to authorize specific temporary emergency actions to be exercised, subject to congressional review and right of approval or disapproval, to assure that the essential needs of the United States for fuels will be met in a manner which, to the fullest extent practicable: (1) is consistent with existing national commitments to protect and improve the environment; (2) minimizes any adverse impact on employment; (3) provides for equitable treatment of all sectors of the economy; (4) maintains vital services necessary to health, safety, and public welfare; and (5) insures against anticompetitive practices and effects and preserves, enhances, and facilitates competition in the development, production, transportation, distribution, and marketing of energy resources.

Sec. 102. Definitions.

For purposes of this Act:

(1) The term "State" means a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States.

(2) The term "petroleum product" means crude oil, residual fuel oil, or any refined petroleum product (as defined in the Emergency Petroleum Allocation Act of 1973).

(3) The term "United States" when used in the geographical sense means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(4) The term "Administrator" means the Administrator of the Federal Energy Emergency Administration.

Sec. 103. Federal Energy Emergency Administration.

(a) There is hereby established until May 15, 1975, unless superseded prior to that date by law, a Federal Energy Emergency Administration which shall be temporary and shall be headed by a Federal Energy Emergency Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. Vacancies in the office of Administrator shall be filled in the same manner as the original appointment.

(b) The Administrator shall be compensated at the rate provided for level II of the Executive Schedule. Subject to the Civil Service and Classification provisions of title 5, United States Code, the Administrator may employ such personnel as he deems necessary to carry out his functions.

(c) Effective on the date on which the Administrator first takes office (or, if later, on January 1, 1974), all functions, powers, and duties of the President under sections 4, 5, 6, and 9 of the Emergency Petroleum Allocation Act of 1973 (as amended by this Act), and of any officer, department, agency, or State (or officer thereof) under such sections (other than functions vested by section 6 of such Act in the Federal Trade Commission, the Attorney General, or the Antitrust Division of the Department of Justice), are transferred to the Administrator. All personnel, property, records, obligations, and commitments used primarily with respect to functions transferred under the preceding sentence shall be transferred to the Administrator.

Sec. 104. End-Use Rationing.

Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h)(1) The President may promulgate a rule which shall be deemed a part of the regulation under subsection (a) and which shall provide consistent with the objectives of subsection (b), for the establishment of a program for the rationing and ordering of priorities among classes of end-users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment to end-users of such products of rights, and evidence of such rights, entitling them to obtain such products in precedence to other classes of end-users not similarly entitled.

"(2) The rule under this subsection shall take effect only if the President finds that, without such rule, all other practicable and authorized methods to limit energy demand will not achieve the objectives of section 4(b) of this Act and of the Energy Emergency Act.

"(3) The President shall, by order, in furtherance of the rule authorized pursuant to paragraph (1) of this subsection and consistent with the attainment of the objectives in subsection (b) of this section, cause such adjustments in the allocations made pursuant to the regulation under subsection (a) as may be necessary to carry out the purposes of this subsection.

"(4) The President shall provide for procedures by which any end-user of crude oil, residual fuel oil or refined petroleum products for which priorities and entitlements are established under paragraph (1) of this subsection may petition for review and reclassification or modification of any determination made under such paragraph with respect to his rationing priority or entitlement. Such procedures may include procedures with respect to such local boards as may be authorized to carry out functions under this subsection pursuant to section 122 of the Energy Emergency Act.

"(5) No rule or order under this section may impose any tax or user fee, or provide for a credit or deduction in computing any tax."

Sec. 105. Energy Conservation Plans.

(a) (1) (A) Pursuant to the provisions of this section, the Administrator is authorized to promulgate by regulation one or more energy conservation plans in accord with this section which shall be designed (together with actions taken and proposed to be taken under other authority of this or other Acts) to result in a reduction of energy consumption to a level which can be supplied by available energy resources. For purposes of this section, the term "energy conservation plan" means a plan for transportation controls (including but not limited to highway speed limits) or such other reasonable restrictions on the public or private use of energy (including limitations on energy consumption of businesses) which are necessary to reduce energy consumption and which are authorized by this Act.

(B) No energy conservation plan promulgated by regulation under this section may impose rationing or any tax or user fee, or provide for a credit or deduction in computing any tax.

(2) An energy conservation plan shall become effective as provided for in subsection (b). Such a plan shall apply in each State, except as otherwise provided in an exemption granted pursuant to the plan in cases where a comparable State or local program is in effect, or where the Administrator finds special circumstances exist.

(3) An energy conservation plan may not deal with more than one logically consistent subject matter.

(4) An amendment to an energy conservation plan, if it has significant substantive effect, shall be transmitted to Congress and shall be effective only in accordance with subsection (b). Any amendment which does not have significant substantive effect and any rescission of a plan may be made effective in accordance with section 553 of title 5, United States Code.

(5) Subject to subsection (b) (3), provision of an energy conservation plan shall remain in effect for a period specified in the plan unless earlier rescinded by the Administrator, but shall terminate in any event no later than April 1, 1974.

(b) (1) For purposes of this subsection, the term "energy conservation plan" means a plan promulgated by regulation proposed under subsection (a) of this section or an amendment thereto which has significant substantive effect.

(2) The Administrator shall transmit any energy conservation plan (bearing an identification number) to each House of Congress on the date on which it is promulgated.

(3) (A) If an energy conservation plan is transmitted to Congress before March 1, 1974, and provides for an effective date earlier than March 1, 1974, such plan shall take effect on the date provided in the plan; but if either House of the Congress, before the end of the first period of 15 calendar days of continuous session of Congress after the date on which such plan is transmitted to it, passes a resolution stating in substance that such House does not favor such plan, such plan shall cease to be effective on the date of passage of such resolution.

(B) If an energy conservation plan is transmitted to the Congress and provides for an effective date on or after March 1, 1974 and before April 1, 1974, such plan shall take effect at the end of the first period of 15 calendar days of continuous session of Congress after the date on which such plan is transmitted and the end of the 15-day period, either House passes a resolution stating in substance that such House does not favor such plan.

(C) An energy conservation plan proposed to be made effective on or after April 1, 1974, shall take effect only if approved by Act of Congress.

(4) For the purpose of paragraph (3) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 15-day period.

(5) Under provisions contained in an energy conservation plan, a provision of the plan may take effect at a time later than the date on which such plan otherwise is effective.

(c) (1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(2) For the purpose of this subsection "resolution" means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: That the ——— does not favor the energy conservation plan numbered ——— transmitted to Congress by the Administrator of the Federal Energy Emergency Administration on ———, 19—. The first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; but does not include a resolution which specifies more than one energy conservation plan.

(3) A resolution with respect to an energy conservation plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(4) (A) If the committee to which a resolution with respect to an energy conservation plan has been referred has not reported it at the end of 5 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to such energy conservation plan which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same energy conservation plan), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same plan.

(5) (A) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an energy conservation plan, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(6) (A) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution with respect to an energy conservation plan, and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an energy conservation plan shall be decided without debate.

(d) (1) In carrying out the provisions of this Act, the Administrator shall, to the greatest extent practicable, evaluate the potential economic impacts of proposed regulatory and other actions including but not limited to the preparation of an analysis of the effect of such actions on—

(A) the fiscal integrity of State and local government;

(B) vital industrial sectors of the economy;

(C) employment, by industrial and trade sector, as well as on a national, regional, State, and local basis;

(D) the economic vitality of regional, State, and local areas;

(E) the availability and price of consumer goods and services;

(F) the gross national product;

(G) competition in all sectors of industry; and

(H) small business.

(2) The Administrator shall develop analyses of the economic impact of any energy conservation plan on States or significant sectors thereof, considering the impact on energy resources as fuel and as feedstock for industry.

(3) Such analysis shall, wherever possible, be made explicit and, to the extent practicable, other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analysis, and all Federal agencies shall cooperate with the Administrator in preparing such analyses except that the Administrator's actions pursuant to this subsection shall not create any right of review or cause of action except as otherwise exist under other provisions of law.

(4) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with separate reports every thirty days on the impact of the energy shortage and such emergency actions on employment and the economy.

(e) Any energy conservation plan which the Administrator submits to the Congress pursuant to subsection (b) of this section shall include findings of fact and a specific statement explaining the rationale for each provision contained in such plan.

SEC. 106. COAL CONVERSION AND ALLOCATION.

(a) The Administrator shall, to the extent practicable and consistent with the objectives of this Act, by order, after balancing on a plant-by-plant basis the environmental effects of use of coal against the need to fulfill the purposes of this Act, prohibit, as its primary energy source, the burning of natural gas or petroleum products by any major fuel-burning installation (including any existing electric powerplant) which, on the date of enactment of this Act, has the capability and necessary plant equipment to burn coal. Any installation to which such an order applies shall be permitted to continue to use coal as provided in section 119(b) of the Clean Air Act. To the extent coal supplies are limited to less than the aggregate amount of coal supplies which may be necessary to satisfy the requirements of those installations which can be expected to use coal (including installations to which orders may apply under this subsection), the Administrator shall prohibit the use of natural gas and petroleum products for those installations where the use of coal will have the least adverse environmental impact. A prohibition on use of natural gas and petroleum products under this subsection shall be contingent upon the availability of coal, coal transportation facilities, and the maintenance of reliability of service in a given service area. The Administrator shall require that fossil-fuel-fired electric powerplants in the early planning process, other than combustion gas turbine and combined cycle units, be designed and constructed so as to be capable of using coal as a primary energy source instead of or in addition to other fossil fuels. No fossil-fuel-fired electric powerplant may be required under this section to be so designed and constructed, if (1) to do so would result in an impairment of reliability or adequacy of service, or (2) if an adequate and reliable supply of coal is not available and is not expected to be available. In considering whether to impose a design and construction requirement under this subsection, the Administrator shall consider the existence and effects of any contractual commitment for the construction of such facilities and the capability of the owner or operator to recover any capital investment made as a result of the conversion requirements of this section.

(b) The Administrator may by rule prescribe a system for allocation of coal to users thereof in order to attain the objectives specified in this section.

SEC. 107. MATERIALS ALLOCATION.

(a) The Administrator shall, within 30 days after the date of enactment of this Act, propose (in the nature of a proposed rule affording an opportunity for the presentation of views) and publish (and may from time to time amend) a contingency plan for allocation of supplies of materials and equipment necessary for exploration, production, refining, and required transportation of energy supplies and for the construction and maintenance of energy facilities. At such time as he finds that it is necessary to put all or part of such plan into effect, he shall transmit such plan or portion thereof to each House of Congress and such plan or portion thereof shall take effect in the same manner as an energy conservation plan prescribed under section 105 and to which section 105(b)(3)(B) applies (except that such plan may be submitted at any time after the date of enactment of this Act and before May 15, 1975).

(b) Section 4(b)(1)(G) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(G) allocation of residual fuel oil and refined petroleum products in such amounts and in such manner as may be necessary for the maintenance of exploration for, and production or extraction of—

"(i) fuels, and

"(ii) minerals essential to the requirements of the Unitd States,

and for required transportation related thereto,"

SEC. 108. FEDERAL ACTIONS TO INCREASE AVAILABLE DOMESTIC PETROLEUM SUPPLIES.

(a) The Administrator may initiate the following measures to supplement domestic energy supplies for the duration of the emergency:

(1) require, by order or rule, the production of desiganted existing domestic oilfields, at their maximum efficient rate of production, which is the maximum rate at which production may be sustained without detriment to the ultimate recovery of oil and gas under sound engineering and economic principles. Such fields are to be designated by the Secretary of the Interior, after consultation with the appropriate State regulatory agency. Data to determine the maximum efficient rate of production shall be supplied to the Secretary of the Interior by the State regulatory agency which determines the maximum efficient rate of production and by the operators who have drilled wells in, or are producing oil and gas from such fields;

(2) require, if necessary to meet essential energy needs, production of certain designated existing domestic oilfields at rates in excess of their currently assigned maximum efficient rates. Fields to be so designated, by the Secretary of the Interior or the Secretary of the Navy as to the Federal lands or as to Federal interests in lands under their respective jurisdiction, shall be those fields where the types and quality of reservoirs are such as to permit production at rates in excess of the currently assigned sustainable maximum efficient rate for period of ninety days or more without excessive risk of losses in recovery;

(3) require the adjustment of processing operations of domestic refineries to produce refined products in proportions commensurate with national needs and consistent with the objectives of section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(b) Nothing in this section shall be construed to authorize the production of any Naval Petroleum Reserve now subject to the provisions of chapter 641 of title 10 of the United States Code.

SEC. 109. OTHER AMENDMENTS TO THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973.

(a) Section 4 of the Emergency Petroleum Allocation Act of 1973 as amended by section 104 of this Act is amended by adding at the end of such section the following new subsection:

"(i) If any provision of the regulation under subsection (a) provides that any allocation of residual fuel oil or refined petroleum products is to be based on use of such a product or amounts of such product supplied during a historical period, the regulation shall contain provisions designed to assure that the historical period can be adjusted (or other adjustments in allocations can be made) in order to reflect regional disparities in use, population growth or unusual factors influencing use (including unusual changes in climatic conditions), of such oil or product in the historical period. This subsection shall take effect 30 days after the date of enactment of the Energy Emergency Act. Adjustments for such purposes shall take effect no later than 6 months after the date of enactment of this subsection. Adjustments to reflect population growth shall be based upon the most current figures available from the United States Bureau of the Census."

(b) Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "February 28, 1975" in each case the term appears and inserting in each case "May 15, 1975".

SEC. 110. PROHIBITION ON WINDFALL PROFITS—PRICE GOUGING.

(a)(1) The President shall exercise his authority under the Emergency Petroleum Allocation Act of 1973 and under the Economic Stabilization Act of 1970 so as to specify prices for sales of petroleum products produced in or imported into the United States, which avoid windfall profits by sellers.

(2) Any interested person, who has reason to believe that any price (specified under any of the authorities referred to in paragraph (1) of this subsection) of petroleum products permits a seller thereof any windfall profits, may petition the Attorney General for a determination under subparagraph (A) or (B) of paragraph (3).

(3)(A) Upon petition of any interested person, the Attorney General may by rule determine, after opportunity for oral presentation of views, data, and arguments, whether the price (specified under any of the authorities referred to in paragraph (1)) of petroleum product permits sellers thereof to receive windfall profits. Upon a final determination of the Attorney General that such price permits windfall profits to be so received, it shall specify a price for such sales which will not permit such profits to be received by such sellers. After such a final determination, no higher price may be specified (under any of the authorities specified in paragraph (1)) except with the approval of the Attorney General.

(B) Upon petition of any interested person and notwithstanding any proceeding or determination under subparagraph (A), the Attorney General may determine whether the price charged by a particular seller of any petroleum product permitted such seller to receive windfall profits. If, on the basis of such petition, the Attorney General has reason to believe that such price has permitted such seller to receive windfall profits, it may order such seller to take such actions (including the escrowing of funds) as it may deem appropriate to assure that sufficient funds will be available for the refund of windfall profits in the event there is a final determination by the Attorney General under this subparagraph that such seller has received windfall profits. Prior to a final determination under this subparagraph, such seller shall be afforded a hearing in accordance with the procedures required by section 554 of title 5, United States Code. Upon a final determination of the Attorney General that such price permitted such seller to receive windfall profits, the Attorney General shall order such seller to refund an amount equal to such windfall profits to the persons who have purchased from such seller at prices which resulted in such windfall profits. If such persons are not reasonably ascertainable, the Attorney General shall order the sellers for the purpose of refunding such profits, to reduce the price for future sales, to create a fund against which previous purchasers of such item may file a claim under rules which shall be prescribed by the Attorney General, or to take such other action as the Attorney General may deem appropriate.

(C) Any final determination under subparagraph (A) or (B) shall be subject to judicial review in accordance with sections 701 through 706 of title 5, United States Code.

(4) (A) The Attorney General may provide, in its discretion under regulations prescribed by the Attorney General, for such consolidation as may be necessary or appropriate to carry out the purposes of this subsection.

(B) The Attorney General may make such rules, regulations, and orders as it deems necessary or appropriate to carry out its functions under this subsection.

(6) For the purposes of this section, the term "windfall profits" means profits which are unreasonable or excessive, taking into consideration normal profits.

(7) For the purposes of this subsection, the term "interested person" includes the United States, any State, and the District of Columbia.

(8) This subsection shall not apply to the first sale of crude oil described in section 4(e) (2) of Emergency Petroleum Allocation Act of 1973 (relating to stripper wells).

(9) This section shall take effect on January 1, 1975, and shall apply to profits attributable to any price (specified under any of the authorities referred to in paragraph (1) of this subsection) of crude oil, residual fuel oil, and refined petroleum products in effect after December 31, 1973.

(b) Notwithstanding any other provision of law, administrative proceedings before the Attorney General under this section shall be governed by subchapter II of chapter 5 of title 5, United States Code, and such proceedings shall be reviewed in accordance with chapter 7 of such title.

SEC. 111. PROTECTION OF FRANCHISED DEALERS.

(a) As used in this section:

(1) The term "distributor" means a person engaged in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or in any way controls such outlets.

(2) The term "franchise" means any agreement or contract between a refiner or a distributor and a retailer or between a refiner and a distributor, under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purpose of engaging in the distribution or sale of petroleum products for purposes other than resale.

(3) The term "notice of intent" means a written statement of the alleged facts which, if true, constitute a violation of subsection (b) of this section.

(4) The term "refiner" means a person engaged in the refining or importing of petroleum products.

(5) The term "retailer" means a person engaged in the sale of any refined petroleum product for purposes other than resale within any State, either under a franchise or independent of any franchise, or who was so engaged at any time after the start of the base period.

(b) (1) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby. Such notification shall be in writing and sent to such distributor or retailer by certified mail not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons therefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this section together with a summary of the applicable provisions of this section.

(2) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the retailer or distributor whose franchise is terminated failed to comply substantially with any essential and reasonable requirement of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of refined petroleum products in commerce for sale other than resale in the United States.

(c) (1) If a refiner or distributor engages in conduct prohibited under subsection (b) of this section, a retailer or a distributor may maintain a suit against such refiner or distributor. A retailer may maintain such suit against a distributor or a refiner whose actions affect commerce and whose products with respect to conduct prohibited under paragraph (1) or (2) of subsection (b) of this section, he sells or has sold, directly or indirectly, under a franchise. A distributor may maintain such suit against a refiner whose actions affect commerce and whose products he purchases or has purchased or whose products he distributes or has distributed to retailers.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of conduct prohibited under subsection (b) of this section which it finds to exist including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and actual and punitive damages (except for actions for a failure to renew) where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant. In the case of actions for a failure to renew damages shall be limited to actual damages including the value of the dealer's equity.

(3) A suit under this section may be brought in the district court of the United States for any judicial district in which the distributor or the refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No such suit shall be maintained unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof.

SEC. 112. PROHIBITIONS ON UNREASONABLE ACTIONS.

(a) Action taken under authority of this Act, the Emergency Petroleum Allocation Act of 1973, or other Federal law resulting in the allocation of petroleum products and electrical energy among classes of users or resulting in restrictions on use of petroleum products and electrical energy, shall be equitable, shall not be arbitrary or capricious, and shall not unreasonably discriminate among classes of users: *Provided*, That with respect to allocations of petroleum products applicable to the foreign trade and commerce of the United States, no foreign corporation or entity shall receive more favorable treatment in the allocation of petroleum products than that which is accorded by its home country to United States citizens engaged in the same line of commerce, and allocations shall contain provisions designed to foster reciprocal and non-discriminatory treatment by foreign countries of United States citizens engaged in foreign commerce.

(b) To the maximum extent practicable, any restriction on the use of energy shall be designed to be carried out in such manner so as to be fair and to create a reasonable distribution of the burden of such restriction on all sectors of the economy, without imposing an unreasonably disproportionate share of such burden on any specific industry, business or commercial enterprise, or on any individual segment thereof and shall give due consideration to the needs of commercial, retail, and service establishments whose normal function is to supply goods and services of an essential convenience nature during times of day other than conventional daytime working hours.

SEC. 113. REGULATED CARRIERS.

(a) The Interstate Commerce Commission (with respect to common or contract carriers subject to economic regulation under the Interstate Commerce Act), the Civil Aeronautics Board, and the Federal Maritime Commission shall, for the duration of the period beginning on the date of enactment of this Act and ending on May 15, 1975, have authority to take any action for the purpose of conserving energy consumption in a manner found by such Commission or Board to be consistent with the objectives and purposes of the Acts administered by such Commission or Board on its own motion or on the petition of the Administrator which existing law permits such Commission or Board to take upon the motion or petition of any regulated common or contract carrier or other person.

(b) The Interstate Commerce Commission shall, by expedited proceedings, adopt appropriate rules under the Interstate Commerce Act which eliminate restrictions on the operating authority of any motor common carrier of property which require excessive travel between points with respect to which such motor common carrier has regularly performed service under authority issued by the Commission. Such rules shall assure continuation of essential service to communities served by any such motor common carrier.

(c) Within 45 days after the date of enactment of this Act, the Civil Aeronautics Board, the Federal Maritime Commission, and the Interstate Commerce Commission shall report separately to the appropriate committees of the Congress on the need for additional regulatory authority in order to conserve fuel during the period beginning on the date of enactment of this Act and ending on May 15, 1975 while continuing to provide for the public convenience and necessity. Each such report shall identify with specificity—

(1) the type of regulatory authority needed;

(2) the reasons why such authority is needed;

(3) the probable impact on fuel conservation of such authority;

(4) the probable effect on the public convenience and necessity of such authority; and

(5) the competitive impact, if any, of such authority.

Each such report shall further make recommendations with respect to changes in any existing fuel allocation programs which are deemed necessary to provide for the public convenience and necessity during such period.

SEC. 114. ANTITRUST PROVISIONS.

(a) Except as specifically provided in subsection (i), no provision of this Act shall be deemed to convey to any person subject to this Act any immunity from civil and criminal liability or to create defenses to actions, under the antitrust laws.

(b) As used in this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c)(1) To achieve the purposes of this Act, the Administrator may provide for the establishment of such advisory committees as he determines are necessary. Any such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C. App. 1), whether or not such Act or any of its provisions expires or terminates during the term of this Act or of such committees, and in all cases shall be chaired by a regular full-time Federal employee and shall include representatives of the public. The meetings of such committees shall be open to the public.

(2) A representative of the Federal Government shall be in attendance at all meetings of any advisory committee established pursuant to this section. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

(3) A full and complete verbatim transcript shall be kept of all advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of sections 552(b)(1) and (b)(3) of title 5, United States Code.

(d) The Administrator, subject to the approval of the Attorney General and the Federal Trade Commission, shall promulgate, by rule, standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil or any refined petroleum product may develop and implement voluntary agreements and plans of action to carry out such agreements which the Administrator determines are necessary to accomplish the objectives stated in section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(e) The standards and procedures under subsection (d) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

(1) Such agreements and plans of action shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the petroleum industry and of industrial, municipal and private consumers, and shall in all cases be chaired by a regular full-time Federal employee.

(2) Meetings held to develop a voluntary agreement or a plan of action under this subsection shall permit attendance by interested persons and shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission and to the public in the affected community;

(3) Interested persons shall be afforded an opportunity to present, in writing and orally, data, views and arguments at such meetings;

(4) A full and complete verbatim transcript shall be kept of any meeting, conference or communication held to develop, implement or carry out a voluntary agreement or a plan of action under this subsection and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying subject to provisions of section 552(b)(1) and (b)(3) of title 5, United States Code.

(f) The Federal Trade Commission may exempt types or classes of meetings, conferences or communications from the requirements of subsection (c)(3) and (e)(4) provided such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing or carrying out a voluntary agreement or plan of action authorized pursuant to this section. Such ministerial meetings, conference or communication may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject matter discussed. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

(g)(1) The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, implementation and carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this Act. Each shall have the right to review, amend, modify, disapprove, or prospectively revoke, on its own motion or upon the request of any interested person, any plan of action or voluntary agreement at any time, and, if revoked, thereby withdraw prospectively the immunity conferred by subsection (i) of this section.

(2) Any voluntary agreement or plan of action entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission 20 days before being implemented, where it shall be made available for public inspection and copying.

(h)(1) The Attorney General and the Federal Trade Commission shall monitor the development, implementation and carrying out of plans of action and voluntary agreements authorized under this section to assure the protection and fostering of competition and the prevention of anticompetitive practices and effects.

(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts and other records related to the development, implementation or carrying out of plans of action or voluntary agreements authorized pursuant to this Act.

(3) Persons developing, implementing or carrying out plans of action or voluntary agreements authorized pursuant to this Act shall maintain those records required by such joint regulations. The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

(4) The Federal Trade Commission and the Attorney General may each prescribe such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. They may both utilize for such purposes and for purposes of enforcement, any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws; and wherever such provision of law refers to "the purposes of this Act" or like terms, the reference shall be understood to be this Act.

(i) There shall be available as a defense to any civil or criminal action brought under the antitrust laws in respect of actions taken in good faith to develop and implement a voluntary agreement or plan of action to carry out a voluntary agreement by persons engaged in the business of producing, refining, marketing or distributing crude oil, residual fuel oil, or any refined petroleum product that—

(1) such action was—

(A) authorized and approved pursuant to this section, and

(B) undertaken and carried out solely to achieve the purposes of this section and in compliance with the terms and conditions of this section, and the rules promulgated hereunder; and

(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

(j) No provision of this Act shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal or proceeding arising from, any acts or practices which occurred: (1) prior to the enactment of this Act, (2) outside the scope and purpose or not in compliance with the terms and conditions of this Act and this section, or (3) subsequent to its expiration or repeal.

(k) Effective on the date of enactment of this Act, this section shall apply in lieu of section 6(c) of the Emergency Petroleum Allocation Act of 1973. All actions taken and any authority or immunity granted under such section 6(c) shall be hereafter taken or granted, as the case may be, pursuant to this section.

(l) The provisions of section 708 of the Defense Production Act of 1950, as amended, shall not apply to any action authorized to be taken under this Act or the Emergency Petroleum Allocation Act of 1973.

(m) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, a report on the impact on competition and on small business of actions authorized by this section.

(n) The authority granted by this section (including any immunity under subsection (i)) shall terminate on May 15, 1975.

(o) The exercise of the authority provided in section 113 shall not have as a principal purpose or effect the substantial lessening of competition among carriers affected. Accharge of the Antitrust Division, who shall be taken only after providing from the beginning an adequate opportunity for participation by the Federal Trade Commission and the Assistant Attorney General in charge of the Antitrust Division, who shall propose any alternative which would avoid or overcome, to the greatest extent practicable, any anticompetitive effects while achieving the purposes of this Act.

SEC. 115. EXPORTS.

To the extent necessary to carry out the purpose of this Act, the Administrator may under authority of this Act, by rule, restrict exports of coal, petroleum products, and petrochemical feedstocks, under such terms as he deems appropriate: *Provided*, That, the Administrator shall restrict exports of coal, petroleum products, or petrochemical feedstocks if either the Secretary of Commerce or the Secretary of Labor certifies that such exports would contribute to unemployment in the United States. The Secretary of Commerce, pursuant to the Export Administration Act of 1969 (but without regard to the phrase "and to reduce the serious inflationary impact of abnormal foreign demand" in section 3(2)(A) of such Act), may restrict the exports of coal, petroleum products, and petrochemical feedstocks, and of materials and equipment essential to the production, transport, or processing of fuels to the extent necessary to carry out the purpose of this Act and section 4(b) and 4(d) of the Emergency Petroleum Allocation Act of 1973: *Provided*, That in the event that the Administrator certifies to the Secretary of Commerce that export restrictions of products enumerated in this section are necessary to carry out the purpose of this Act, the Secretary of Commerce shall impose such export restrictions. Rules under this section by the Administrator and actions by the Secretary of Commerce under the Export Administration Act of 1969 shall take into account the historical trading relations of the United States with Canada and Mexico and shall not be inconsistent with subsections (b) and (d) of section 4 of the Emergency Petroleum Allocation Act of 1973.

Sec. 116. Employment Impact and Unemployment Assistance.

(a) The President shall take into consideration and shall minimize, to the fullest extent practicable, any adverse impact of actions taken pursuant to this Act upon employment. All agencies of government shall cooperate fully under their existing statutory authority to minimize any such adverse impact.

(b) The President shall make grants to States to provide to any individual unemployed, if such unemployment resulted from the administration and enforcement of this Act and was in no way due to the fault of such individual, such assistance as the President deems appropriate while such individual is unemployed. Such assistance as a State shall provide under such a grant shall be available to individuals not otherwise eligible for unemployment compensation and individuals who have otherwise exhausted their eligibility for such unemployment compensation, and shall continue as long as unemployment in the area caused by such administration and enforcement continues (but not less than six months) or until the individual is reemployed in a suitable position, but not longer than two years after the individual becomes eligible for such assistance. Such assistance shall not exceed the maximum weekly amount under the unemployment compensation program of the State in which the employment loss occurred.

(c) On or before the sixtieth day following the date of enactment of this Act, the President shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers and shall include legislative recommendations which the President deems appropriate to meet such needs, including revisions in the unemployment insurance laws.

Sec. 117. Use of Carpools.

(a) The Secretary of Transportation shall encourage the creation and expansion of the use of carpools as a viable component of our nationwide transportation system. It is the intent of this section to maximize the level of carpool participation in the United States.

(b) The Secretary of Transportation is directed to establish within the Department of Transportation an "Office of Carpool Promotion" whose purpose and responsibilities shall include—

(1) responding to any and all requests for information and technical assistance on carpooling and carpooling systems from units of State and local governments and private groups and employees;

(2) promoting greater participation in carpooling through public information and the preparation of such materials for use by State and local governments;

(3) encouraging and promoting private organizations to organize and operate carpool systems for employees;

(4) promoting the cooperation and sharing of responsibilities between separate, yet proximately close, units of government in coordinating the operations of carpool systems; and

(5) promoting other such measures that the Secretary determines appropriate to achieve the goal of this subsection.

(c) The Secretary of Transportation shall encourage and promote the use of incentives such as special parking privileges, special roadway lanes, toll adjustments, and other incentives as may be found beneficial and administratively feasible to the furtherance of carpool ridership, and consistent with the obligations of the State and local agencies which provide transportation services.

(d) The Secretary of Transportation shall allocate the funds appropriated pursuant to the authorization of subsection (f) according to the following distribution between the Federal and State or local units of government:

(1) The initial planning process—up to 100 percent Federal.

(2) The systems design process—up 100 percent Federal.

(3) The initial startup and operation of a given system—60 percent Federal and 40 percent State or local with the Federal portion not to exceed 1 year.

(e) Within 12 months of the date of enactment of this Act, the Secretary of Transportation shall make a report to Congress of all his activities and expenditures pursuant to this section. Such report shall include any recommendations as to future legislation concerning carpooling.

(f) The sum of $5,000,000 is authorized to be appropriated for the conduct of programs designed to achieve the goals of this section, such authorization to remain available for 2 years.

(g) For purposes of this section, the terms "local governments" and "local units of government" include any metropolitan transportation organization designated as being responsible for carrying out section 134 of title 23, United States Code.

(h) As an example to the rest of our Nation's automobile users, the President of the United States shall take such action as is necessary to require all agencies of Government, where practical, to use economy model motor vehicles.

(i)(1) The President shall take action to require that no Federal official or employee in the executive branch below the level of Cabinet officer be furnished a limousine for individual use. The provisions of this subsection shall not apply to limousines furnished for use by officers or employees of the Federal Bureau of Investigation, or to those persons whose assignments necessitate transportation by limousines because of diplomatic assignment by the Secretary of State.

(2) For purposes of this subsection, the term "limousine" means a type 6 vehicle as defined in the Interim Federal Specifications issued by the General Services Administration, December 1, 1973.

Sec. 118. Administrative Procedure and Judicial Review.

(a)(1) Subject to paragraphs (2), (3), and (4) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule or order (including a rule or order issued by a State or officer thereof) under this title (except with respect to any rule or order pursuant to sections 108 and 113 of this Act, section 205 (a), (b), and (c), of this Act, or section 4(h) of the Emergency Petroleum Allocation Act of 1973) or under the authority of any energy conservation plan.

(2) Notice of any proposed rule or order described in paragraph (1) shall be given by publication of such proposed rule or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to commit; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious impairment of the operation of the program to which such rule or order relates and such findings are set out in detail in such rule or order. In addition, publication of all rules or orders promulgated by officers of a State or political subdivision thereof or to State or local boards pursuant to this Act shall to the maximum extent practicable be achieved by publication of such rules or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

(3) In addition to the requirements of paragraph (2), if any rule or order described in paragraph (1) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the implementation of such rule or order, but in all cases such opportunity shall be afforded no later than 45 days after the implementation of any such rule or order. A transcript shall be kept of any oral presentation.

(4) Any officer or agency authorized to issue rules or orders described in paragraph (1) shall provide for the making of such adjustments, consistent with the other purposes of this Act or the Emergency Petroleum Allocation Act of 1973 (as the case may be), as may be necessary to prevent special hardships, inequity, or an unfair distribution of burdens and shall in rules prescribed by it establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with subsection (b) when such denial becomes final. The officer or agency shall, in rules prescribed by it, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(5) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized by this Act or the Emergency Petroleum Allocation Act of 1973 to issue rules or orders shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any rule or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request and with such modifications as are necessary to insure confidentiality of information protected under such section 552.

(b)(1) Judicial review of administrative rulemaking of general and national applicability done under this Act may be obtained only by filing a petition for review in the

United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule or regulation, and judicial review of administrative rulemaking of general, but less than national, applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule or regulation, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule or regulation is to have effect.

(2) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under regulations or orders issued thereunder, except any actions taken by the Civil Aeronautics Board, the Interstate Commerce Commission, Federal Power Commission, or the Federal Maritime Commission, or any actions taken to implement or enforce any rule or order by any officer of a State or political subdivision thereof or State or local board which has been delegated authority under section 122 of this Act except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any agency under this Act. If in any such proceeding an issue by way of defense is raised based on the constitutionality of this Act or the validity of agency action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 889 of title 28, United States Code. Cases or controversies arising under any rule or order of any officer of a State or political subdivision thereof or a State or local board may be heard in either (1) any appropriate State court, and (2) without regard to the amount in controversy, the district courts of the United States.

(c) The Administrator may by rule presscribe procedures for State or local boards which carry out functions under this Act or the Emergency Petroleum Allocation Act of 1973. Such procedures shall apply to such boards in lieu of subsection (a), and shall require that prior to taking any action, such boards shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least 10 days before taking the action. Such boards shall be of balanced composition reflecting the makeup of the community as a whole.

Sec. 119. Prohibited Acts.

It shall be unlawful for any person to violate any provision of title I of this Act (other than provisions of this Act which make amendments to the Emergency Petroleum Allocation Act of 1973 and section 113) or to violate any rule, regulation (including an energy conservation plan) or order issued pursuant to any such provision.

Sec. 120. Enforcement.

(a) Whoever violates any provision of section 119 shall be subject to a civil penalty of not more than $2,500 for each violation.

(b) Whoever willfully violates any provision of section 119 shall be fined not more than $5,000 for each violation.

(c) It shall be unlawful for any person to offer for sale or distribute in commerce any product or commodity in violation of an applicable order or regulation issued pursuant to this Act. Any person who knowingly and willfully violates this subsection after having been subjected to a civil penalty for a prior violation of the same provision of any order or regulation issued pursuant to this Act shall be fined not more than $50,000 or imprisoned not more than six months, or both.

(d) Whenever it appears to any person authorized by the Administrator to exercise authority under this Act that any individual or organization has engaged, is engaged, or is about to engage in acts or practices constituting a violation of section 119, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any provision, the violation of which is prohibited by section 119.

(e) Any person suffering legal wrong because of any actor or practice arising out of any violation of section 119 may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment or writ of injunction. Nothing in this subsection shall authorize any person to recover damages.

Sec. 121. Use of Federal Facilities.

Whenever practicable, and for the purpose of facilitating the transportation and storage of fuel, agencies or departments of the United States are authorized, during the period beginning on the date of enactment of this Act and ending May 15, 1975, to enter into arrangements for the acquisition or use by domestic public entities and private industries of equipment or facilities which are surplus to the needs of such agency or department and appropriate to the transportation and storage of fuel, except that such arrangements may be made (1) only after the Administrator finds that such equipment or facilities are not available from private sources and (2) only on the basis of compensation for the acquisition or use of such equipment or facilities at fair market value prices or rentals.

Sec. 122. Delegation of Authority and Effect on State Law

(a) The Administrator may delegate any of his functions under the Emergency Petroleum Allocation Act of 1973 or this Act to any officer or employee of the Federal Energy Emergency Administration as he deems appropriate. The Administrator may delegate any of his functions relative to implementation and enforcement of the Emergency Petroleum Allocation Act of 1973 or this Act to officers of a State or political subdivision thereof or to State or local boards of balanced composition reflecting the make-up of the community as a whole. Such officers or boards shall be designated and established in accordance with regulations as the Administration shall promulgate under this Act. Section 5(b) of the Emergency Petroleum Allocation Act of 1973 is repealed effective on the effective date of the transfer of functions under such Act to the Administrator pursuant to section 103 of this Act.

(b) No State law or State program in effect on the date of enactment of this Act, or which may become effective thereafter, shall be superseded by any provision of this Act or any regulation, order, or energy conservation plan issued pursuant to this Act except insofar as such State law or State program is inconsistent with the provisions of this Act, or such a regulation, order, or plan.

Sec. 123. Grants to States.

Any funds authorized to be appropriated under section 127(b) shall be available for the purpose of making grants to States to which the Administrator has delegated authority under section 122 of this Act, or for the administration of appropriate State or local energy conservation programs which are the basis of an exemption made pursuant to section 105(a)(2) of this Act from a Federal energy conservation plan which has taken effect under section 105 of this Act. The Administrator shall make such grants upon such terms and conditions as he may prescribe by rule.

Sec. 124. Reports on National Energy Resources.

(a) For the purpose of providing to the Congress, and the Departments of Interior and Justice, the States, and the public, to the maximum extent possible, reliable data on reserves, production, distribution, and use of petroleum products, natural gas, and coal, the Attorney General or the Secretary of the Interior, or both, shall promptly publish for public comment a regulation requiring that persons doing business in the United States, who, on the effective date of this Act, are engaged in exploring, developing, processing, refining, or transporting by pipeline, any petroleum product, natural gas, or coal, shall * * * days. Such reports shall show for the preceding sixty calendar days such person's (1) reserves of crude oil, natural gas, and coal; (2) production and destination of any petroleum product, natural gas, and coal; (3) refinery runs byproduct; and (4) other data required by the Attorney General or the Secretary of the Interior for such purpose. Such regulation shall also require that such persons provide to the Attorney General or the Secretary of the Interior such reports for the period from January 1, 1970, to the date of such person's first sixty day report. Such regulation shall be promulgated 30 days after such publication. The Attorney General or the Secretary of the Interior shall publish quarterly in the Federal Register a meaningful summary analysis of the data provided by such reports.

(b) The reporting requirements of this section shall not apply to the retail operations of persons required to file such reports. Where a person shows that all or part of the data required by this section is being reported by such person to another Federal agency, the Attorney General or the Secretary of the Interior may exempt such person from reporting all or part of such data directly to him, and upon such exemption, such agency shall, notwithstanding any other provision of law, provide such data to the Attorney General or the Secretary of the Interior. The districts courts of the United States are authorized, upon application of the Attorney General or the Secretary of the Interior, to require enforcement of such reporting requirements.

(c) Upon a showing satisfactory to the Attorney General or the Secretary of the Interior, by any person that any report or part thereof obtained under this section from such person or from a Federal agency would, if made public, divulge methods or processes entitled to protection as trade secrets or other proprietry information of such person, such report, or portion thereof, shall be confidential in accordance with the provisions of section 1905 of title 18 of the United States Code, except that such report or part thereof shall not be deemed confidential for purposes of disclosure to (1) any delegate of the Federal Energy Emergency Administration for the purpose of carrying out this Act, (2) the Attorney General or the Secretary of the Interior or both when necessary to carry out those agencies' duties and responsibilities under this and other statutes, and (3) the Congress or any Committee of Congress upon request of the Chairman. The provisions of this section shall expire on May 15, 1975.

Sec. 125. Intrastate Gas.

Nothing in this Act shall expand the authority of the Federal Power Commission with respect to sales of non-jurisdictional natural gas.

SEC. 126. EXPIRATION.

The authority under this title to presribe any rule or order or take other action under this title, or to enforce any such rule or order, shall expire at midnight, May 15, 1975, (April 1, 1974, in the case of section 105), but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, May 15, 1975 (April 1, 1974, in the case of section 105).

SEC. 127. AUTHORIZATION OF APPROPRIATIONS.

(a) There are authorized to be appropriated to the Federal Energy Emergency Agency to carry out its functions under this Act and under other laws, and to make grants to States under section 123, $75,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975.

(b) For the purpose of making payments under grants to States under section 123, there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975.

(c) For the purpose of making payments under grants to States under section 116, there is authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1974.

SEC. 128. SEVERABILITY.

If any provision of this Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 129. PRICE AUTHORITY.

The President shall exercise his authority under the Economic Stabilization Act of 1970, as amended, and the Emergency Petroleum Allocation Act of 1973 to specify prices for sales of crude oil, residual fuel oil or refined petroleum products in or imported into the United States which avoid windfall profits by sellers. For purposes of this section, windfall profits shall be defined as those profits which are excessive or unreasonable, taking into consideration normal profit levels. This section shall be effective only until December 31, 1974.

SEC. 130. IMPORTATION OF LIQUEFIED NATURAL GAS.

The Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new section:

"SEC. 8. Notwithstanding the provisions of section 3 of the Natural Gas Act (or any other provisions of law) the President may by order, on a finding that such action would be consistent to the public interest, authorize on a shipment-by-shipment basis the importation of liquefied natural gas from a foreign country: *Provided, however,* That the authority to act under this section shall not permit the importation of liquefied natural gas which had not been authorized prior to the date of expiration of this Act and which is in transit on such date."

TITLE II—COORDINATION WITH ENVIRONMENTAL PROTECTION REQUIREMENTS

SEC. 201. SUSPENSION AUTHORITY.

Title I of the Clean Air Act (42 U.S.C. 1857 et seq.) is amended by adding at the end thereof the following new section:

"ENERGY EMERGENCY AUTHORITY

"SEC. 119. (a) (1) (A) The Administrator may, for any period beginning on or after the date of enactment of this section and ending on or before November 1, 1974, temporarily suspend any stationary source fuel or emission limitation as it applies to any person, if the Administrator finds that such person will be unable to comply with such limitation during such period solely because of unavailability of types or amounts of fuels. Any suspension under this paragraph and any interim requirement on which such suspension is conditioned under paragraph (3) shall be exempted from any procedural requirements set forth in this Act or in any other provision of local, State, or Federal law; except as provided in subparagraph (B).

"(B) The Administrator shall give notice to the public of a suspension and afford the public an opportunity for written and oral presentation of views prior to granting such suspension unless otherwise provided by the Administrator for good cause found and published in the Federal Register. In any case, before granting such a suspension he shall give actual notice to the Governor of the State, and to the chief executive officer of the local government entity in which the affected source or sources are located. The granting or denial of such suspension and the imposition of an interim requirement shall be subject to judicial review only on the grounds specified in paragraphs (2) (B) and (2) (C) of section 706 of title 5, United States Code, and shall not be subject to any proceeding under section 304(a) (2) or 307 (b) and (c) of this Act.

"(2) In issuing any suspension under paragraph (1) the Administrator is authorized to act on his own motion without application of any source or State.

"(3) Any suspension under paragraph (1) shall be conditioned upon compliance with such interim requirements as the Administrator determines are reasonable and practicable. Such interim requirements shall include, but need not be limited to, (A) a requirement that the source receiving the suspension comply with such reporting requirements as the Administrator determines may be necessary, (B) such measures as the Administrator determines are necessary to avoid an imminent and substantial endangerment to health of persons, and (C) requirements that the suspension shall be inapplicable during any period during which fuels wh'ch would enable compliance with the suspended stationary source fuel or emission limitations are in fact reasonably available to that person (as determined by the Administrator). For purposes of clause (C) of this paragraph availability of natural gas or petroleum products which enable compliance shall not make a suspension inapplicable to a source described in subsection (b) (1) of this section.

"(4) For purposes of this section:

"(A) The term 'stationary source fuel or emission limitation' means any emission limitation, schedule, or timetable for compliance, or other requirement, which is prescribed under this Act (other than section 303, 111 (b), or 112) or contained in an applicable implementation plan and which is designed to limit stationary source emissions resulting from combustion of fuels, including a prohibition on, or specification of, the use of any fuel of any type or grade or pollution characteristic thereof.

"(B) The term 'stationary source' has the same meaning as such term has under section 111(a) (3).

"(b) (1) Except as provided in paragraph (2) of this subsection, any fuel-burning stationary source (A) which is prohibited from using petroleum products or natural gas as fuel by reason of an order issued under section 106(a) of the Energy Emergency Act or which the Administrator determines began conversion to the use of coal as fuel during the 90-day period ending on December 15, 1973, and (B) which converts to the use of coal as fuel, shall not, until January 1, 1979, be prohibited, by reason of the application of any air pollution requirement, from burning coal which is available to such source.

"(2) (A) Paragraph (1) of this subsection shall apply to a source, only if the Administrator finds that omissions from the source will not materially contribute to a significant risk to public health and if the source has submitted to the Administrator a plan for compliance for such source which the Administrator has approved, after notice to interested persons and opportunity for presentation of views (including oral presentations of views). A plan submitted under the preceding sentence shall be approved only if it provides (i) for compliance by the means, and in accordance with a schedule which meets the requirements of subparagraph (B); and (ii) that such source will comply with requirements which the Administartor shall prescribe to assure that emissions from such source will not materially contribute to a significant risk to public health. The Administrator shall approve or disapprove any such plan within 60 days after such plan is submitted.

"(B) The Administrator shall prescribe regulations requiring that any source to which this subsection applies submit and obtain approval of its means for and schedule of compliance. Such regulations shall include requirements that such schedules shall include dates by which such source must (i) enter into contracts or other enforceable obligations for obtaining a long-term supply of coal or coal by-products (which contracts or obligations must have received prior approval of the Administrator), and (ii) take steps to obtain continuous emission reduction systems necessary to permit such source to burn such coal or coal by-products and to achieve the degree of emission reduction required by the following sentence (which steps and systems must have received prior approval of the Administrator). Such regulations shall also require that the source achieve as expeditiously as practicable considering the type of coal to be used (but not later than January 1, 1979) the same degree of emission reduction as it was required to achieve by the applicable implementation plan in effect on the date of enactment of this section. Such regulations shall also include such interim requirements as the Administrator determines are reasonable and practicable including requirements described in clauses (A) and (B) of subsection (a) (3).

"(C) The Administrator (after notice to interested persons and opportunity for presentation of views, including oral presentations of views, to the extent practicable) (i) may, prior to November 1, 1974, and shall thereafter, prohibit the use of coal by a source to which paragraph (1) applies if he determines that the use of coal by such source is likely to materially contribute to a significant risk to public health; and (ii) may require such source to use coal of any particular type, grade, or pollution characteristic if such coal is available to such source. Nothing in this subsection (b) shall prohibit a State or local agency from taking action which the Administrator is authorized to take under this paragraph.

"(3) For purposes of this subsection, the term "air pollution requirement" means any emission limitation, schedule, or timetable for compliance, or other requirement, which is prescribed under any Federal, State, or local law or regulation, including this Act (except for any requirement prescribed under this subsection, or section 303), and which is designed to limit stationary source emissions resulting from combustion of fuels (including a restriction on the use or content of fuels). A conversion to coal to which this subsection applies, shall not be deemed to be a modification for purposes of section 111(a) (2) and (4) of this Act.

"(4) A source to which this subsection applies may, upon the expiration of the exemption under paragraph (1), obtain a one year postponement of the application of any requirement of an applicable implementation plan under the conditions and in the manner provided in section 110(f).

"(c) The Administrator may by rule establish priorities under which manufacturers of continuous emission reduction systems shall provide such sytsems to users thereof, if he finds that priorities must be imposed in order to assure that such systems are first provided to users in air quality control regions with the most severe air pollution. No rule under this subsection may impair the obligation of any contract entered into before enactment of this section. No State or political subdivision may require any person to use a continuous emission reduction system for which priorities have been established under this subsection except in accordance with such priorities.

"(d) The Administrator shall study, and report to Congress not later than May 31, 1974, with respect to—

"(1) the present and projected impact on the program under this Act of fuel shortages and of allocation and end-use allocation programs;

"(2) availability of continuous emission reduction technology (including projections respecting the time, cost, and number of units available) and the effects that continuous emission reduction systems would have on the total environment and on supplies of fuel and electricity;

"(3) the number of sources and locations which must use such technology based on projected fuel availability data;

"(4) priority schedule for implementation of continuous emission reduction technology, based on public health or air quality;

"(5) evaluation of availability of technology to burn municipal solid waste in these sources; including time schedules, priorities analysis of unregulated pollutants which will be emitted and balancing of health benefits and detriments from burning solid waste and of economic costs;

"(6) projections of air quality impact of fuel shortages and allocations;

"(7) evaluation of alternative control strategies for the attainment and maintenance of national ambient air quality standards for sulfur oxides within the time frames prescribed in the Act, including associated considerations of cost, time frames, feasibility, and effectiveness of such alternative control strategies as compared to stationary source fuel and emission regulations;

"(8) proposed allocations of continuous emission reduction technology for nonsolid waste producing systems to sources which are least able to handle solid waste byproduct, technologically, economically, and without hazard to public health, safety, and welfare; and

"(9) plans for monitoring or requiring sources to which this section applies to monitor the impact of actions under this section on concentration of sulfur dioxide in the ambient air.

"(e) No State or political subdivision may require any person to whom a suspension has been granted under subsection (a) to use any fuel the unavailability of which is the basis of such person's suspension (except that this preemption shall not apply to requirements identical to Federal interim requirements under subsection (a)(1).

"(f)(1) It shall be unlawful for any person to whom a suspension has been granted under subsection (a)(1) to violate any requirement on which the suspension is conditioned pursuant to subsection (a)(3).

"(2) It shall be unlawful for any person to violate any rule under subsection (c).

"(3) It shall be unlawful for the owner or operator of any source to fail to comply with any requirement under subsection (b) or any regulation, plan, or schedule thereunder.

"(4) It shall be unlawful for any person to fail to comply with an interim requirement under subsection (i)(3).

"Beginning January 1, 1975, the Administrator shall publish at no less than 180-day intervals, in the Federal Register the following:

"(1) A concise summary of progress reports which are required to be filed by any person or source owner or operator to which subsection (b) applies. Such progress reports shall report on the status of compliance with all requirements which have been imposed by the Administrator under such subsections.

"(2) Up-to-date findings on the impact of this section upon—

"(A) applicable implementation plans, and

"(B) ambient air quality.

"(h) Nothing in this section shall affect the power of the Administrator to deal with air pollution presenting an imminent and substantial endangerment to the health of persons under section 303 of this Act.

"(i)(1) In order to reduce the likelihood of early phaseout of existing electric generating facilities during the energy emergency, any electric generating power plant (A) which, because of the age and condition of the plant, is to be taken out of service permanently no later than January 1, 1980, according to the power supply plan (in existence on the date of enactment of the Energy Emergency Act) of the operator of such plant, (B) for which a certification to that effect has been filed by the operator of the plant with the Environmental Protection Agency and the Federal Power Commission, and (C) for which the Commission has determined that the certification has been made in good faith and that the plan to cease operations no later than January 1, 1980, will be carried out as planned in light of existing and prospective power supply requirements, shall be eligible for a single one-year postponement as provided in paragraph (2).

"(2) Prior to the date on which any plant eligible under paragraph (1) is required to comply with any requirement of an applicable implementation plan, such source may apply (with the concurrence of the Governor of the State in which the plant is located) to the Administrator to postpone the applicability of such requirement to such source for not more than one year. If the Administrator determines, after balancing the risk to public health and welfare which may be associated with a postponement, that compliance with any such requirement is not reasonable in light of the projected useful life of the plant, the availability of rate base increases to pay for such costs, and other appropriate factors, then the Administrator shall grant a postponement of any such requirements.

"(3) The Administrator shall, as a condition of any postponement under paragraph (2), prescribe such interim requirements as are practicable and reasonable in light of the criteria in paragraph (2).

"(j)(1) The Administator may, after public notice and opportunity for presentation of views in accordance with section 553 of title 5, United States Code, and after consultation with the Federal Energy Emergency Administration designate persons to whom fuel exchange orders should be issued. The purpose of such designation shall be to avoid or minimize the adverse impact on public health and welfare of any suspension under subsection (a) of this section or conversion to coal to which subsection (b) applies or of any allocation under the Energy Emergency Act or the Emergency Petroleum Allocation Act.

"(2) The Administrator of the Federal Energy Administration shall issue exchange orders to such persons as are designated by the Administrator under paragraph (1) requiring the exchange of any fuel subject to allocation under the preceding Acts effective no later than 45 days after the date of the designation under paragraph (1), unless the Administrator of the Federal Energy Administration determines, after consultation with the Administrator, that the costs or consumption of fuel, resulting from such exchange order will be excessive.

"(3) Violation of any exchange order issued under paragraph (2) shall be a prohibited act and shall be subject to enforcement action and sanctions in the same manner and to the same extent as a violation of any requirement of the regulation under section 4 of the Emergency Petroleum Allocation Act of 1973."

SEC. 202. IMPLEMENTATION PLAN REVISIONS

(a) Section 110(a) of the Clean Air Act is amended in paragraph (3) by inserting "(A)" after "(3)" and by adding at the end thereof the following new subparagraph:

"(B)(1) For any air quality control region in which there has been a conversion to coal under section 119(b), the Administrator shall review the applicable implementation plan and no later than one year after the date of such conversion determine whether such plan must be revised in order to achieve the national primary standard which the plan implements. If the Administrator determines that any such plan is inadequate, he shall require that a plan revision be submitted by the State within three months after the date of notice to the State of such determination. Any plan revision which is submitted by the State after notice and public hearing shall be approved or disapproved by the Administrator, after public notice and opportunity for public hearing, but no later than three months after the date required for submission of the revised plan. If a plan provision (or portion thereof) is disapproved (or if a State fails to submit a plan revision), the Administrator shall, after public notice and opportunity for a public hearing, promulgate a revised plan (or portion thereof) not later than three months after the date required for approval or disapproval.

"(2) Any requirement for a plan revision under paragraph (1) and any plan requirement promulgated by the Administrator under such paragraph shall include reasonable and practicable measures to minimize the effect on the public health of any conversion to which section 119(b) applies."

(b) Subsection (c) of section 110 of the Clean Air Act (42 U.S.C. 1857 C–5) is amended by inserting "(1)" after "(c)"; by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and by adding the following new paragraph:

"(2)(A) The Administrator shall conduct a study and shall submit a report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Public Works of the United States Senate not later than May 1, 1974, on the necessity of parking surcharge, management of parking supply, and preferential bus/carpool lane regulations as part of the applicable implementation plans required under this section to achieve and maintain national primary ambient air quality standards. The study shall include an assessment of the economic impact of such regulations, consideration of alternative means of reducing total vehicle miles traveled, and an assessment of the impact of such regulations on other Federal and State programs dealing with energy or transportation. In the course of such study, the Administrator shall consult with other Federal officials including, but not limited to, the Secretary of Transportation, the Administrator of the Federal Energy Administration, and the Chairman of the Council on Environmental Quality.

"(B) No parking surcharge regulation may be required by the Administrator under paragraph (1) of this subsection as a part of an applicable implementation plan. All parking surcharge regulations previously required by the Administrator shall be void upon the date of enactment of this subsection. This subparagraph shall not prevent the Administrator from approving parking surcharges if they are adopted and submitted by a State as part of an applicable implementation plan. The Administrator may not condition approval of any applicable implementation plan submitted by a State on such plan's including a parking surcharge regulation.

"(C) The Administrator is authorized to suspend until January 1, 1975, the effective date of applicability of any regulations for the management of parking supply or any requirement that such regulations be a part of an applicable implementation plan approved or promulgated under this section. The exercise of the authority under this subparagraph shall not prevent the Administrator from approving such regulations if they are adopted and submitted by a State as part of an applicable implementation plan. If the Administrator exercises the authority under this subparagraph, regulations requiring a review or analysis of the impact of proposed parking facilities before construction which take effect on or after January 1, 1975, shall not apply to parking facilities on which construction has been initiated before January 1, 1975.

"(D) For purposes of this paragraph, the term 'parking surcharge regulation' means a regulation imposing or requiring the imposition of any tax, surcharge, fee, or other charge on parking spaces, or any other area used for the temporary storage of motor vehicles. The term 'management of parking supply' shall include any requirement providing that any new facility containing a given number of parking spaces shall receive a permit or other prior approval, issuance of which is to be conditioned on air quality considerations. The term 'preferential bus/carpool lane' shall include any requirement for the setting aside of one or more lanes of a street or highway on a permanent or temporary basis for the exclusive use of buses and/or carpools."

Sec. 203. Motor Vehicle Emissions.

(a) Section 202(b)(1)(A) of the Clean Air Act is amended by striking out "1975" and inserting in lieu thereof "1977"; and by inserting after "(A)" the following: "The regulations under subsection (a) applicable to emissions of carbon monoxide and hydrocarbons from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the interim standards which were prescribed (as of December 1, 1973) under paragraph (5)(A) of this subsection for light-duty vehicles and engines manufactured during model years 1975."

(b) Section 202(b)(1)(B) of such Act is amended by striking out "1976" and inserting in lieu thereof "1978"; and by inserting after "(B)" the following: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the standards which were prescribed (as of December 1, 1973) under subsection (a) for light-duty vehicles and engines manufactured during model year 1975. The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model year 1977 shall contain standards which provide that emissions of such vehicles and engines may not exceed 2.0 grams per vehicle mile."

(c) Section 202(b)(5)(A) of such Act is amended to read as follows:

"(5)(A) At any time after January 1, 1975, any manufacturer may file with the Administrator an application requesting the suspension for one year only of the effective date of any emission standard required by paragraph (1)(A) with respect to such manufacturer for light-duty vehicles and engines manufactured in model year 1977. The Administrator shall make his determination with respect to any such application within 60 days. If he determines, in accordance with the provisions of this subsection, that such suspension should be granted, he shall simultaneously with such determination prescribe by regulation interim emission standards which shall apply (in lieu of the standards required to be prescribed by paragraph (1)(A) of this subsection) to emissions of carbon monoxide or hydrocarbons (or both) from such vehicles and engines manufactured during model year 1977."

(d) Section 202(b)(5)(B) of the Clean Air Act is repealed and the following subparagraphs redesignated accordingly.

Sec. 204. Conforming Amendments.

(a)(1) Section 113(a)(3) of the Clean Air Act is amended by striking out "or" before "112(c)", by inserting a comma in lieu thereof, and by inserting after "hazardous emissions)" the following: ", or 119(f) (relating to priorities and certain other requirements)".

(2) Section 113(b)(3) of such Act is amended by striking out "or 112(c)" and inserting in lieu thereof ", 112(c), or 119(f)".

(3) Section 113(c)(1)(C) of such Act is amended by striking out "or section 112(c)" and inserting in lieu thereof ", section 112(c), or section 119(f)".

(4) Section 114(a) of such Act is amended by inserting "119 or" before "303".

(b) Section 116 of the Clean Air Act is amended by inserting "119(b), (c) and (e)," before "209".

Sec. 205. Protection of Public Health and Environment.

(a) Any allocation program provided for in title I of this Act or in the Emergency Petroleum Allocation Act of 1973, to the maximum extent practicable, include measures to assure that available low sulfur fuel will be distributed on a priority basis to those areas of the country designated by the Administrator of the Environmental Protection Agency as requiring low sulfur fuel to avoid or minimize adverse impact on public health.

(b) In order to determine the health effects of emissions of sulfur oxides to the air resulting from conversions to burning coal pursuant to section 106, the Department of Health, Education, and Welfare shall, through the National Institute of Environmental Health Sciences and in cooperation with the Environmental Protection Agency, conduct a study of chronic effects among exposed populations. The sum of $3,500,000 is authorized to be appropriated for such a study. In order to assure that long-term studies can be conducted without interruption, such sums as are appropriated shall be available until expended.

(c) No action taken under this Act shall, for a period of 1 year after initiation of such action, be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 856). However, before any action under this Act that has a significant impact on the environment is taken, if practicable, or in any event within 60 days after such action is taken, an environmental evaluation with analysis equivalent to that required under section 102(2)(C) of the National Environmental Policy Act, to the greatest extent practicable within this time constraint, shall be prepared and circulated to appropriate Federal, State, and local government agencies and to the public for a 30-day comment period after which a public hearing shall be held upon request to review outstanding environmental issues. Such an evaluation shall not be required where the action in question has been preceded by compliance with the National Environmental Policy Act by the appropriate Federal agency. Any action taken under this Act which will be in effect for more than a one year period (other than action taken pursuant to subsection (d) of this section) or any action to extend an action taken under this Act to a total period of more than 1 year shall be subject to the full provisions of the National Environmental Policy Act notwithstanding any other provision of this Act.

(d) Notwithstanding subsection (c) of this section, in order to expedite the prompt construction of facilities for the importation of hydroelectric energy thereby helping to reduce the shortage of petroleum products in the United States, the Federal Power Commission is hereby authorized and directed to issue a Presidential permit pursuant to Executive Order 10485 of September 3, 1953, for the construction, operation, maintenance, and connection of facilities for the transmission of electric energy at the borders of the United States without preparing an environmental impact statement pursuant to section 102 of the National Environmental Policy Act of 1969 (83 Stat. 856) for facilities for the transmission of electric energy between Canada and the United States in the vicinity of Fort Covington, New York.

Sec. 206. Energy Conservation Study.

(a) The Administrator of the Federal Energy Administration shall conduct a study on potential methods of energy conservation and, not later than 6 months after the date of enactment of this Act, shall submit to Congress a report on the results of such study. The study shall include, but not be limited to, the following:

(1) the energy conservation potential of restricting exports of fuels or energy-intensive products or goods, including an analysis of balance of payments and foreign relations implications of any such restrictions;

(2) federally sponsored incentives for the use of public transit, including the need for authority to require additional production of buses or other means of public transit and Federal subsidies for the duration of the energy emergency for reduced fares and additional expenses incurred because of increased service;

(3) alternative requirements, incentives, or disincentives for increasing industrial recycling and resource recovery in order to reduce energy demand, including the economic costs and fuel consumption trade-off which may be associated with such recycling and resource recovery in lieu of transportation and use of virgin materials;

(4) the costs and benefits of electrifying rail lines in the United States with a high density of traffic; including (A) the capital costs of such electrification, the oil fuel economies derived from such electrification, the ability of existing power facilities to supply the additional power load, and the amount of coal or other fossil fuels required to generate the power required for railroad electrification, and (B) the advantages to the environment of electrification of railroads in terms of reduced fuel consumption and air pollution and disadvantages to the environment from increased use of fossil fuel such as coal; and

(5) means for incentives or disincentives to increase efficiency of industrial use of energy.

(b) Within 90 days of the date of enactment of this Act, the Secretary of Transportation, after consultation with the Federal Energy Administrator, shall submit to the Congress for appropriate action an "Emergency Mass Transportation Assistance Plan" for the purpose of conserving energy by expanding and improving public mass transportation systems and encouraging increased ridership as alternatives to automobile travel.

(c) Such plan shall include, but shall not be limited to—

(1) recommendations for emergency temporary grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in con-

nection with the provision of expanded mass transportation service in urban areas;

(2) recommendations for additional emergency assistance for the purchase of buses and rolling stock for fixed rail, including the feasibility of accelerating the timetable for such assistance under section 142(a)(2) of title 23, United States Code (the "Federal Aid Highway Act of 1973"), for the purpose of providing additional capacity for and encouraging increased use of public mass transportation systems;

(3) recommendations for a program of demonstration projects to determine the feasibility of fare-free and low-fare urban mass transportation systems, including reduced rates for elderly and handicapped persons during nonpeak hours of transportation;

(4) recommendations for additional emergency assistance for the construction of fringe and transportation corridor parking facilities to serve bus and other mass transportation passengers;

(5) recommendations on the feasibility of providing tax incentives for persons who use public mass transportation systems.

(d) In consultation with the Federal Energy Administrator, the Secretary of Transportation shall make an investigation and study for the purpose of conserving energy and assuring that the essential fuel needs of the United States will be met by developing a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles and San Diego in the State of California. In carrying out such investigation and study the Secretary shall consider, but shall not be limited to—

(1) the efficiency of energy utilization and impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

(2) coordination with other studies undertaken on the State and local level; and

(3) such other matters as he deems appropriate.

The Secretary of Transportation shall report the results of the study and investigation pursuant to this Act, together with his recommendations, to the Congress and the President no later than December 31, 1974.

SEC. 207. REPORTS.

The Administrator of the Environmental Protection Agency shall report to Congress not later than January 31, 1975, on the implementation of sections 201 through 205 of this title.

SEC. 203. FUEL ECONOMY STUDY.

Title II of the Clean Air Act is amended by redesignating section 213 as section 214 and by adding the following new section:

"FUEL ECONOMY IMPROVEMENT FROM NEW MOTOR VEHICLES

"SEC. 213. (a)(1) The Administrator and the Secretary of Transportation shall conduct a joint study, and shall report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committees on Public Works and Commerce of the United States Senate within 120 days following the date of enactment of this section, concerning the practicability of establishing a fuel economy improvement standard of 20 percent for new motor vehicles manufactured during and after model year 1980. Such study and report shall include, but not be limited to, the technological problems of meeting any such standard, including the leadtime involved; the test procedures required to determine compliance; the economic costs associated with such standard, including any beneficial economic impact; the various means of enforcing such standard; the effect on consumption of natural resources, including energy consumed; and the impact of applicable safety and emission standards. In the course of performing such study, the Administrator and the Secretary of Transportation shall utilize the research previously performed in the Department of Transportation, and the Administrator and the Secretary shall consult with the Administrator of the Federal Energy Administration, the Chairman of the Council on Environmental Quality, and the Secretary of the Treasury. The Office of Management and Budget may review such report before its submission to Congress but the Office may not revise the report or delay its submission beyond the date prescribed for its submission, and may submit to Congress its comments respecting such report. In connection with such study, the Administrator may utilize the authority provided in section 307(a) of this Act to obtain necessary information.

"(2) For the purpose of this section, the term 'fuel economy improvement standard' means a requirement of a percentage increase in the number of miles of transportation provided by a manufacturer's entire annual production of new motor vehicles per unit of fuel consumed, as determined for each manufacturer in accordance with test procedures established by the Administrator pursuant to this Act. Such term shall not include any requirement for any design standard or any other requirement specifying or otherwise limiting the manufacturer's discretion in deciding how to comply with the fuel economy improvement standard by any lawful means."

TITLE III—STUDIES AND REPORTS

SEC. 301. AGENCY STUDIES

The following studies shall be conducted, with reports on their results submitted to the Congress:

(1) Within 30 days after the date of enactment of this Act:

(A) The Administrator of the Federal Energy Emergency Administration shall conduct a review of all rulings and regulations issued pursuant to the Economic Stabilization Act to determine if such rulings and regulations are contributing to the shortage of fuels and of materials associated with the production of energy supplies.

(B) All Federal departments and agencies, including the Federal regulatory agencies, are directed to undertake a survey of all activities over which they have special expertise or jurisdiction and identify and recommend to the Congress and to the President specific proposals to significantly increase energy supply or to reduce energy demand through conservation programs.

(C) The Secretary of the Treasury and the Director of the Cost of Living Council shall recommend to the Congress specific incentives to increase energy supply, reduce demand, to encourage private industry and individual persons to subscribe to the goals of this Act. This study shall also include an analysis of the price-elasticity of demand for gasoline.

(D) The Administrator shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers, together with legislative recommendations appropriate to meet such needs, including revisions in the unemployment insurance laws.

The SPEAKER. Is a second demanded?

TELLER VOTE

Mr. HOSMER. Mr. Speaker, under rule XXVIII, clause 2, I demand a second by a majority by tellers.

The SPEAKER. The gentleman from California, (Mr. HOSMER) demands a second, and the Chair appoints as tellers the gentleman from West Virginia (Mr. STAGGERS) and the gentleman from California (Mr. HOSMER).

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. BAUMAN. Mr. Speaker, my parliamentary inquiry is this: If this second fails, then this resolution cannot be considered; is that correct?

The SPEAKER. The Chair will state that the gentleman is correct.

Will the gentleman from West Virginia and the gentleman from California please take their places as tellers.

PARLIAMENTARY INQUIRY

Mr. LONG of Maryland. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. LONG of Maryland. Mr. Speaker, could we have an explanation of just what we are voting on?

The SPEAKER. The Chair will state that this is a second that has been demanded, and tellers have been demanded on the second.

The Chair will further state that it takes a majority vote to consider the motion.

Mr. LONG of Maryland. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. LONG of Maryland. Mr. Speaker, my parliamentary inquiry is this: Do we know what the motion is?

The SPEAKER. The Chair will state that the gentleman from West Virginia has moved to suspend the rules, the motion is to suspend the rules.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. WHITTEN. Mr. Speaker, is it in order to ask that the resolution be re-reported so that it can be understood?

The SPEAKER. The Chair will state that that can only be done by unanimous consent.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the motion be re-reported.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. STEIGER of Wisconsin. Mr. Speaker, I reserve the right to object.

The SPEAKER. The gentleman from Mississippi has asked that the resolution be reread.

Mr. BAUMAN. Mr. Speaker, reserving the right to object, if any intervening motion or unanimous-consent agreement occurs such as the gentleman from Mississippi has suggested, do we then lose the right to vote on the second that has been demanded by the gentleman from California?

The SPEAKER. The vote by tellers will come on the second as soon as the request is granted.

Is there objection to the request of the gentleman from Mississippi?

Mr. STEIGER of Wisconsin. Mr.

Speaker, reserving the right to object, under my reservation would it be possible to inquire whether or not a record vote could be demanded on the demand for a second?

The SPEAKER. The rule provides for tellers, under the provisions of clause 5, rule I.

Mr. STEIGER of Wisconsin. Mr. Speaker, further reserving the right to object, is a recorded teller vote in order under that procedure?

The SPEAKER. The answer to the gentleman is that under the rules this would not be in order.

Is there objection to the request of the gentleman from Mississippi?

PARLIAMENTARY INQUIRY

Mr. RHODES. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RHODES. What would be the effect, Mr. Speaker, if the motion of the gentleman from West Virginia were not agreed to?

The SPEAKER. Then the motion could not be considered.

Is there objection to the request of the gentleman from Mississippi?

Mr. BAUMAN. Mr. Speaker, reserving the right to object further, the Chair has just ruled that no electronic vote can be taken on a demand for a second, but if a quorum fails to vote by tellers, cannot then a yea and nay vote be demanded?

The SPEAKER. If a quorum fails to vote by tellers, an objection can be made to the result of the vote, and when the objection is made or a point of order is made, an automatic rollcall can be had based upon the absence of a quorum.

Is there objection to the request of the gentleman from Mississippi?

Mr. ST GERMAIN. Further reserving the right to object, Mr. Speaker, we have been given the number of a bill, and we do not know what this is all about. Before we start to vote, I think it is certainly in order to get some slight explanation of what we are being asked to vote on.

The SPEAKER. The gentleman knows that if a second is ordered, there will be 40 minutes of debate on the motion of the gentleman from West Virginia.

Mr. ST GERMAIN. Mr. Speaker, the question is, Should we not know or have a slight inkling of what we are being asked to suspend the rules for and consider? I realize we have 40 minutes, but we do not have the slightest idea of what is going on here. There are rumors, and that is all.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

A second has been demanded.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WHITTEN. May I respectfully ask that the Speaker advise us as to what we are voting on, if that is in order?

The SPEAKER. We are voting on the second on the motion to suspend the rules.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the motion be reread. There was no objection that I heard.

The SPEAKER. There was objection. Regular order has been demanded, and the regular order does require the Chair to proceed with the business.

Mr. WHITTEN. Mr. Speaker, I renew my request by unanimous consent that the motion be reread.

Mr. GIAIMO. Mr. Speaker, I make a point of order that the House is not in order and we cannot hear anything.

The SPEAKER. The regular order is that those in favor of the second will pass between the tellers.

Mr. WHITTEN. Mr. Speaker, I object on the ground that the motion was not read so the Members could hear it.

Mr. WAGGONNER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. WAGGONNER. Mr. Speaker, there is not a Member of this Chamber who knows what is being voted on. None of the Speaker's last statements were heard by the Members of the House, and the House is entitled to know what the vote is being cast upon and what the issue is.

Mr. WHITTEN. Mr. Speaker, I further state that the motion was not read.

The SPEAKER. The motion was read.

The Chair will state again to the gentleman that a second was demanded, and tellers were demanded.

Those in favor of a second on the motion will pass between the tellers.

Mr. WAGGONNER. Mr. Speaker, what is the motion?

The SPEAKER. The motion is to suspend the rules and agree to House Resolution 759.

Mr. WAGGONNER. Then, Mr. Speaker, what is that resolution?

The SPEAKER. The resolution has been reported.

Mr. WAGGONNER. Mr. Speaker, the House does not understand the resolution as reported and I ask unanimous consent that it be reported again.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. BAUMAN. Mr. Speaker, I object. A vote is in process.

The SPEAKER. Objection is heard.

Mr. WAGGONNER. Mr. Speaker, I ask unanimous consent that the resolution be re-reported.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. ROBINSON of Virginia. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

On this vote all those in favor of ordering the second will continue to pass through the tellers.

The committee divided, and the tellers reported that there were—ayes 109, noes 20.

Mr. HOSMER. Mr. Speaker, under the provisions of rule XXVII, clause 2, I demand the regular order that the Chamber be closed and that the roll be called.

The SPEAKER. Does the gentleman object to the vote on the ground that a quorum is not present?

Mr. HOSMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. The Chair will count all Members. (After counting) 182 Members are present, not a quorum. A rollcall is automatic. So many as are in favor of ordering the second will vote "aye"; those opposed, "no."

Members will record their vote by electronic device.

POINT OF ORDER

Mr. WAGGONNER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. WAGGONNER. Mr. Speaker, what are we voting on?

The SPEAKER. On seconding the motion of the gentleman from West Virginia to suspend the rules.

Mr. WAGGONNER. To suspend what rules?

The SPEAKER. To suspend under rule XXVII, all the rules inconsistent with immediate agreement to House Resolution 759.

Mr. WAGGONNER. Mr. Speaker, for the edification of the House, what does rule XXVII say?

Mr. PASSMAN. Regular order.

The SPEAKER. "When a motion to suspend the rules has been seconded, it shall be in order, before the final vote is taken thereon, to debate the proposition to be voted upon for 40 minutes, one-half of such time to be given to debate in favor of, and one-half to debate in opposition to, such proposition; and the same right of debate shall be allowed whenever the previous question has been ordered on any proposition on which there has been no debate."

PARLIAMENTARY INQUIRY

Mr. WAGGONNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair is being as tolerant as he can be. The Chair is not obligated to recognize Members except for a point of order.

The Chair will recognize the gentleman for a parliamentary inquiry.

Mr. WAGGONNER. Mr. Speaker, if the rules are suspended, will then amendments be in order to the bill on which it is proposed to suspend the rules and consider?

The SPEAKER. The suspension of the rules, as the gentleman knows, means that all rules are suspended. The resolution itself orders the action which the House will take.

PARLIAMENTARY INQUIRY

Mr. RHODES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. RHODES. Mr. Speaker, my inquiry is this: If the proposal which has come before the House is voted down, does this mean that the request of the gentleman from West Virginia to suspend the rules will have failed?

The SPEAKER. The gentleman is correct.

PARLIAMENTARY INQUIRY

Mr. HOSMER. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOSMER. Mr. Speaker, in that event, would it be in order for the gentleman who has requested a suspension of the rules at this point to re-request a suspension of the rules in another form?

The SPEAKER. The gentleman is correct, in the discretion of the Chair.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. RANGEL. Mr. Speaker, on the legislation that comes before the House, will a two-thirds vote be necessary before it is passed?

The SPEAKER. If a second is ordered by a majority of the Members voting, a two-thirds vote will be required to suspend the rules and agree to the resolution.

The vote was taken by electronic device, and there were—yeas 148, nays 113, answered "present" 1, not voting 170, as follows:

[Roll No. 720]

YEAS—148

Adams
Alexander
Andrews, N.C.
Annunzio
Ashley
Badillo
Barrett
Bergland
Biester
Boland
Bowen
Brademas
Breaux
Breckinridge
Brown, Calif.
Burke, Mass.
Burlison, Mo.
Carey, N.Y.
Clark
Clay
Conte
Cronin
Culver
Daniel, Dan
Davis, Ga.
Dellums
Denholm
Dingell
Donohue
Downing
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Fisher
Flood
Flowers
Foley
Ford, William D.
Fountain
Fraser
Gaydos
Giaimo
Gilman
Gonzalez
Gray
Green, Pa.
Gude
Gunter
Hamilton
Hanley
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Howard
Hungate
Ichord
Johnson, Calif.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Koch
Kyros
Litton
Long, Md.
McCormack
McFall
McKay
Macdonald
Mahon
Mann
Maraziti
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Montgomery
Morgan
Natcher
Nedzi
Obey
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Pickle
Pike
Preyer
Price, Ill.
Randall
Rangel
Reuss
Rinaldo
Rodino
Roe
Rogers
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
St Germain
Sarbanes
Schroeder
Seiberling
Skubitz
Slack
Staggers
Stanton, James V.
Steele
Stokes
Stratton
Stuckey
Studds
Symington
Taylor, N.C.
Tiernan
Udall
Ullman
Vanik
Waldie
Whitten
Wilson, Charles, Tex.
Wylie
Yatron
Young, Ga.
Young, Tex.
Zablocki

NAYS—113

Abdnor
Archer
Armstrong
Bauman
Bennett
Bray
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson, Tex.
Carter
Casey, Tex.
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Conable
Conlan
Coughlin
Crane
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Dennis
Derwinski
Dorn
Duncan
Erlenborn
Esch
Findley
Forsythe
Frenzel
Ginn
Goodling
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hogan
Holtzman
Horton
Hosmer
Hudnut
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kemp
Ketchum
King
Latta
Long, La.
McCloskey
McCollister
McDade
McKinney
Mallary
Martin, N.C.
Mathias, Calif.
Mayne
Milford
Miller
Mitchell, N.Y.
Mizell
Moorhead, Calif.
Mosher
Myers
Parris
Pettis
Powell, Ohio
Pritchard
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Ruth
Sandman
Satterfield
Shuster
Spence
Stanton, J. William
Steelman
Steiger, Wis.
Symms
Talcott
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Vander Jagt
Waggonner
Wampler
Whalen
Widnall
Wilson, Charles H., Calif.
Winn
Wyatt
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.

ANSWERED "PRESENT"—1

Beard

NOT VOTING—170

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Aspin
Bafalis
Baker
Bell
Bevill
Biaggi
Bingham
Blackburn
Blatnik
Boggs
Bolling
Brasco
Brooks
Brotzman
Burgener
Burke, Calif.
Burton
Butler
Byron
Camp
Carney, Ohio
Chamberlain
Chisholm
Clancy
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dent
Devine
Dickinson
Diggs
Dulski
du Pont
Edwards, Ala.
Eshleman
Evins, Tenn.
Fish
Flynt
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Goldwater
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Haley
Hanna
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Heinz
Hillis
Hinshaw
Holt
Huber
Hunt
Hutchinson
Jarman
Jones, Ala.
Keating
Kluczynski
Kuykendall
Landgrebe
Landrum
Leggett
Lehman
Lent
Lott
Lujan
McClory
McEwen
McSpadden
Madden
Madigan
Mailliard
Martin, Nebr.
Michel
Mills, Ark.
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Nelsen
Nichols
Nix
O'Brien
Peyser
Poage
Podell
Price, Tex.
Quie
Quillen
Railsback
Rarick
Rees
Reid
Riegle
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Smith, N.Y.
Snyder
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Sullivan
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Van Deerlin
Veysey
Vigorito
Walsh
Ware
White
Whitehurst
Wiggins
Williams
Wilson, Bob
Wolff
Wright
Wydler
Wyman
Yates
Zion
Zwach

So a second was ordered.

The result of the vote was announced as above recorded.

The SPEAKER. The gentleman from West Virginia (Mr. STAGGERS) is recognized for 20 minutes, and the gentleman from California (Mr. HOSMER) is recognized for 20 minutes.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BROWN of Ohio. Mr. Speaker, if the subject now before us passes the House will it then require a conference with the Senate or a return of the subject matter to the Senate for a vote in the Senate?

The SPEAKER. The bill would be messaged, of course, to the Senate, but it would be up to the Senate to decide what they want to do.

Mr. BROWN of Ohio. Would it require a conference, Mr. Speaker?

The SPEAKER. The Chair cannot anticipate what the Senate might do.

Mr. BROWN of Ohio. It would require in any event, Mr. Speaker, further Senate action?

The SPEAKER. It would, before it was finally enacted, yes.

Mr. WHITTEN. Mr. Speaker, I renew my unanimous consent request that the resolution be reread.

The SPEAKER. The Chair really wants to accommodate the distinguished gentleman from Mississippi, and he hopes the House will be in order.

The Clerk will reread the resolution, if there is no objection.

There was no objection.

The Clerk re-reported the resolution.

PARLIAMENTARY INQUIRY

Mr. DERWINSKI. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DERWINSKI. Mr. Speaker, my parliamentary inquiry is, Do I understand that the bill before us must be approved by a two-thirds vote?

The SPEAKER. The resolution must be approved by a two-thirds vote.

Mr. DERWINSKI. And it is not subject after the 40 minutes of debate to any amendment.

The SPEAKER. The gentleman is correct.

Mr. YOUNG of Illinois. Mr. Speaker, is there a copy of the bill available for us to read?

The SPEAKER. The gentleman from West Virginia I am sure has copies available.

Mr. YOUNG of Illinois. I thank the Chair.

The SPEAKER. The Chair recognizes the gentleman from West Virginia for 20 minutes.

Mr. STAGGERS. Mr. Speaker, I am in a rather difficult position tonight and I realize this, the mood of the House being what it is. But I would like for the Members to listen, if they will, for a few minutes to what the conferees and the committee has been through in the last month.

We have tried as diligently as any committee I know of in this House to try to respond to the wishes of this administration and the people of America. We have worked hard into the night many nights in our committee and the Members know we have worked hard on this, trying to get something worked out. We went into a conference with the Senate and spent 3 days, and on two of those we worked into the night late, one of the nights until about 11 o'clock.

Counsel on both sides started marking up the bill. The Senators said there was some mistake in what had been said and they did not like it and they thought we ought to go back into session again. I agreed to call all the conferees back into session, and the gentleman who offered the amendment was the gentleman from Maine, and he said what we had was identical to the amendment he proposed, and we did work out a little compromise with this on the Senate and I thought it was completely satisfactory.

The Senate took a different bill today, a wild rivers bill, I believe it is called, and sent it back over here with the conference substitute substantially amended.

A number of changes were made that I thought were very unacceptable that we had agreed to in the conference, and this after all the time we had spent on it.

The bill I have brought before the House is essentially the conference report that was adopted by the House and Senate conferees, and there are copies of it on the minority table and here on the desk, and there are plenty of copies of the conference report available in the rear of the Chamber.

We have made a number of changes in the hope of getting a bill acceptable to the Senate. There was an exception in the Senate to the words "Renegotiation Board" on referring these windfall profits to a Renegotiation Board, and all we did is to change that so it goes to the Attorney General of the United States.

We knocked out all of the complex formula in determining windfall profits, and said instead of that we would define windfall profits to be profits which are excessive or unreasonable taking into consideration normal profits. That is the change. And these profits only pertain to profits that will be attained next year.

I would like to go a little further into this.

First, we have section 103 which has been amended to eliminate provisions which freed the Administrator of the Federal Energy Emergency Administration from various OMB controls. We thought we were freeing him from those controls, but it seems others wanted to put him back, and we have said all right, we will put him back.

Then another change is in section 105 relating to energy conservation regulations, which has been changed to limit the duration of any regulation under this to April 1, 1974. This is not a long time, I point out to the Members. I will say that certainly we will know by April 1974, what is being done. The Senate agreed.

On section 124, which proposed to give administration authority for energy reserves, it has been amended to give this authority instead to the Department of Justice and Department of the Interior.

I think these are the main changes that have been made in what was proposed by the conferees and was brought out and agreed to by the conferees of the House and Senate. I believe this is a reasonable compromise. I think it is something necessary to this Nation now if we are to act as responsible Representatives of the people to give the administration authority to do the things they need to do in this emergency.

Mr. Speaker, I notice a lot of emotions running here tonight. I think there are questions we can try to answer and will answer them in any and every way we can, because we have nothing to hide.

Someone said, "What have you got back of this? There is nothing back of this except the truth so far as I know it.

Mr. Speaker, I would like to call upon the gentleman from New York (Mr. HASTINGS) a member of the conference, for any statement he may have.

Mr. HASTINGS. Mr. Speaker, I would like to address a word to the chairman as to whether there were any changes in the conference report as it related to title III, which is the amendment to the Clean Air Act for stationary emissions and automobile emissions.

Mr. STAGGERS. None whatsoever.

Mr. HASTINGS. As it relates to automobile emissions, the 1975 standards will be held in place for 1976, with the exception of postponement of the additional 1 year by the administrator, which are then permanent and not subject to the 4 months provisions under title I?

Mr. STAGGERS. This is true.

Mr. Speaker, I would like to say to the House that the gentleman was a conferee not only on the committee but on the Clean Air Act. I have enough confidence in those who served on that committee to say that I accept them and the report. We explained all of it, and they were good issues.

I want to congratulate him and all the rest of the members of the committee who took part in the separate conference, because they came back with a good report.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I am not going to take long, because there is not much time.

As the gentleman from New York has stated, what was done for the Clean Air Act, as amended here in the conference, is as set forth in title II. The conference report is here and is available for the Members.

The chairman has just explained the few differences that this bill has brought up out of this conference report, so it is very clearly set forth for the Members.

Also, a point I think everyone should know is that in the conservation plans for energy which the President wants, asks authority for, this bill that we are bringing to the Members, that the chairman is bringing to the Members, permits authority only until April 1, 1974; only until April, and all of those are subject to review and veto by this House.

So the prerogatives of the House are protected. I think all of us should face up to the responsibility we have. The President has asked for this authority; the people of this Nation expect this Congress to do something before it goes home. This is a hard worked-on bill. I think it is reasonable, and the few differences have just been outlined for the Members by the chairman of the committee.

Mr. Speaker, I thank the gentleman for yielding.

Mr. HOSMER. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, in this proceeding this evening I am somewhat in the category of an innocent bystander. The Senate sent us a bill, S. 921, on the subject of scenic rivers. When it was referred to the Committee on Interior and Insular Affairs, we tacked on a House amendment which improved it considerably, and it was agreed to in the House.

We then passed the amended bill back over to the Senate, still as the scenic rivers bill. Late tonight, when this emergency energy bill appeared to be in gross trouble, some compromise was made, or at least in the other body they decided that they could take a stripped-down version of the emergency energy bill, instead of that thing we voted on night after night here and did not know what was in it by the time we got through.

They put a few essential things in the Senate rider that are needed during the period while we are away on recess. They put them in S. 921 as a nongermane amendment and sent it back over here tonight to us.

Now, as I understand it, the request has been made by the gentleman from West Virginia to take up that bill and pass it with a further amendment, which would add the text of something called H.R. 12128 onto everything else in the bill.

As I understand, H.R. 12128—and I will yield to the gentleman from West Virginia if I am wrong—is creation that was introduced within the last hour or two, and nobody knows really what it is. We do not have any copies of it around. As a consequence, we are kind of in a bind as to what it is.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. HOSMER. Mr. Speaker, I yield to the distinguished minority leader.

Mr. RHODES. Mr. Speaker, as I understand the bill introduced by the gentleman from West Virginia, it is a substitute for the Senate bill. If the act of the gentleman from West Virginia which the gentleman has given were actually agreed to by the House, it would have the effect of nullifying the Senate bill and substituting therefor.

Mr. HOSMER. Mr. Speaker, I am grateful for the correction.

Mr. Speaker, in any event, this H.R. 12128, which would be substituted, is according to information I have received from the White House, highly objectionable to the President on the grounds it will introduce language on the energy issue and, particularly, relative to the windfall profits, which is loose, ambiguous, ineffective, and would impede the Nation's energy effort by curtailing energy and discouraging investment in energy areas; further, that proper legislation will be sought in this windfall area immediately on the return of Congress, and that the windfall subject will then be dealt with carefully with language drawn not to retain these various disadvantages, but actually to accomplish the purposes and objectives desired.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, I would like to just briefly say to the House that the Senate considers the House of Representatives its doormat, and I for one am tired of their saying, "You take this or else." I believe that as Members of the House of Representatives we are a responsible body.

Mr. HOSMER. Mr. Speaker, I feel I should decline to yield to the gentleman further. He is dealing with his views of the other body which are comparable to my own, but I think we are up against a specific situation here where we find ourselves somewhat in diasgreement.

I had to use dilatory tactics in order to get time for some understanding of what is going on. We finally have received some understanding of what is going on. We also have an understanding, based on the last vote, that the gentleman does not have two-thirds support.

Mr. Speaker, there is an answer. If this is voted down, the gentleman can simply in the next moment request that the Senate bill be brought up with everything but the amendment that he wants in it and passed by two-thirds vote under suspension of the rules. Then we can get out of here.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield on that point?

Mr. HOSMER. I will yield to the gentleman.

Mr. STAGGERS. Mr. Speaker, I would just like to say this to the gentleman: That I think every Member in this conference tried to do what they thought the House of Representatives wanted and what the Members of the House of Representatives would have us do.

The Senate put this onto another bill which is not germane to this issue, they sent it over here to us, and they expected us to take it.

Mr. HOSMER. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL of North Carolina. Mr. Speaker, I know that the parliamentary situation is quite confused here tonight. I know that there were doubts about the amendments that passed in the House last week. I know there were considerable doubts as to what was in the bill that actually passed in this House last week.

The conference committee, as the chairman of the committee has said, has worked hard, and all day long Members have been asking me, "What is in the conference report?"

The Members do not even know what is in that conference report. They do not know what is in this bill that the chairman of the committee brings to us tonight. But we do know that the other body had one of its extended discussions, and there were such strong objections to the conference report that finally a compromise was worked out. A compromise was worked out and was passed by the other body by a vote of 52 to 8. It was sent over here.

Mr. Speaker, the chairman of the committee said that he is in a difficult position. Well, so am I.

Petroleum and fuel shortages are real, and we need to take some action here. I know the Members are hearing from people back home, and they are asking us to take some leadership here.

However, I am confused. I do not know exactly what is in this bill that is brought to us here by the chairman of the committee. He asks us to pass it.

I do know, from what I understand, that the so-called windfall profits section is back in here, and that section was deleted by the other body. Of course, I think all of us remember that I did make an effort to delete that in the House bill. I felt then, and I still feel, that these sections are unworkable. They are ill-defined and impossible to administer.

I also recognize that legislation in this area is badly needed. On Wednesday, of course, President Nixon announced that he will be recommending to the Congress new legislation to control excessive profits. I applaud this initiative. It is going to be up to the Congress of the United States to begin to work as soon as possible, and expeditiously, to pass new legislation like this.

Now, what position are we in? We can pass this bill that the chairman of the committee offers to us. We have not had a chance to see it.

However, we do know this: That the other body, for whatever reason, refused to accept the conference report. We do need some legislation now.

This puts me in a very difficult position. But I think that legislation is the art of compromise. I do not like to be held up. I do not like the procedure, but I do not want to be cold this winter either.

If we do pass the bill that was sent to us by the other body tonight, it could be signed by the President and we could begin immediately to implement the programs that are in that bill, the bill sent to us by the other body. We do not know what might happen, we do not know how long it could be held up, and possibly we might even be debating this issue again in January in freezing weather if we just send the chairman's bill back to the Senate. Let us have a vote on the Senate passed bill so we can get some fast action and no further delay.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL of North Carolina. I will be glad to yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, the gentleman from North Carolina has made a statement that I think is fairly reasonable. There is only one thing I would not agree with. The gentleman took part in all of the debate and all of the conference, and the gentleman signed the conference when it came out. I though the gentleman was fairly well in agreement with what was in the bill when he signed the statement of managers.

Mr. BROYHILL of North Carolina. I also recognize, Mr. Speaker, that we are at an impasse; unless we take some action tonight we are not going to have any legislation.

Mr. STAGGERS. I am not sure that the gentleman from North Carolina does know what is in the Senate bill. We are trying to tell the Members what is in our bill.

Mr. FLOWERS. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL of North Carolina. I yield to the gentleman from Alabama.

Mr. FLOWERS. Mr. Speaker, I thank the gentleman for yielding, and I wonder if the gentleman from North Carolina could explain to the general membership of the House, some of us who are just poor clods, and who are especially those of us not on the Committee on Interstate and Foreign Commerce, could you tell us what would happen if we do not have an energy bill?

Mr. BROYHILL of North Carolina. What does the gentleman mean, if we do not have an energy bill?

Mr. FLOWERS. If we do not pass the bill tonight?

Mr. BROYHILL of North Carolina. There are certain authorities——

The SPEAKER. The time of the gentleman has expired.

Mr. HOSMER. Mr. Speaker, I yield 2 additional minutes to the gentleman from North Carolina.

Mr. BROYHILL of North Carolina. Mr. Speaker, the energy crisis is real. I know there are some who would think that it is contrived. The President has certain authorities. He has authority to ration. Rationing is in this bill.

Mr. FLOWERS. He already has that authority.

Mr. BROYHILL of North Carolina. Yes, under mandatory fuel allocations; but there are certain things that he does need in the area of energy conservation.

Mr. FLOWERS. Mr. Speaker, if the gentleman will excuse me, then the answer is he does have authority to ration now?

Mr. BROYHILL of North Carolina. That is correct. But no one wants rationing. There are certain authorities in this bill to reduce our demand, not to have to control the supplies. Why do we have to put the burden of rationing on the American people when through energy conservation we can avoid rationing?

Mr. FLOWERS. Mr. Speaker, I think, if the gentleman will give me one second to respond, everybody is for believing the shortages, reducing demand and increasing supplies, but I am not convinced that a bill that none of us seem to know anything about is the answer to it.

The SPEAKER. The time of the gentleman from North Carolina has again expired.

Mr. STAGGERS. Mr. Speaker, I wonder if the other side would care to use some more of their time?

Mr. HOSMER. Mr. Speaker, how much time do I have remaining?

The SPEAKER. The Chair will state that the gentleman has 9 minutes remaining.

Mr. HOSMER. How much time does the gentleman from West Virginia have remaining?

The SPEAKER. The Chair will state that the gentleman from West Virginia has 11 minutes remaining.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. MACDONALD) who is chairman of the Subcommittee on Communications and Power.

Mr. MACDONALD. Mr. Speaker, I shall not take very long. I simply do not blame the gentleman from North Carolina for not understanding exactly what is in the bill to which he refers because every time we had a conference and came to a decision, and it seemed to be final, the gavel would bang, but it would not be 30 seconds before we would be back discussing the very same subject as we'd just put behind us.

I would like to point out how far backwards we bent to be fair to the administration, and to others whom were sent to testify. We took time out of our conference, and in a very unusual step, in my mind, in order to listen to Mr. Simon, who came in with a laundry list, as he described it, of about 20 things, all of which he already either had or which we gave him.

The net result of our giving in to him was that the Senate accepted that in lieu of going back to their description of what a windfall profit is. And I am going to leave that to the gentleman from Kansas (Mr. Roy) to discuss that, because the gentleman is an expert on that subject.

But I want everyone in the House to be very clear indeed that when this is voted upon and we send it back to the Senate, we are not sending back a bill to them for passage; we are showing them that we have worked longer and harder, and in my judgment—for what it is worth—have worked more intelligently and with more cohesion than the other body. And I urge us not to back down at this point and once again become the whipping boy for everything that goes wrong here in the U.S. Government.

Mr. HOSMER. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. Brown).

Mr. BROWN of Ohio. Mr. Speaker, let me observe first for the gentleman from Alabama who inquired about the need for this legislation that I understand the bill that would be considered under the amendment the gentleman from West Virginia proposes or the one that came back from the Senate whichever bill we might be considering, would terminate the first of April, 1974. They both have the same termination date. To the question of whether or not there is authority for the President to go ahead and act, I think there is authority for the President to go ahead and act under the mandatory fuel allocation legislation in the case of rationing. There is authority for him to act under the Defense Production Act in terms of certain conservation procedures; and there is authority for him to act under the War Powers Act, although that is debated as to whether or not it is appropriate to this domestic crisis during peacetime.

I assume our failure to act would open the whole question up to endless lawsuits, but I would also submit that this legislation is going to open up the Government to endless lawsuits because, among other things, rationing under this legislation could be imposed only as a last resort if everything else has been tried.

The other things that could be tried are the energy conservation plans, but the energy conservation plans under the legislation we have before us can be imposed only if they are not arbitrary, capricious, inequitable, disproportionate or unreasonable and that legislative language should raise many questions, as should the prospect of congressional veto up until sometime in March. If that veto is going to come, how many industries are going to implement those energy consercation plans now? After the first of March we have the opportunity for 15 days to veto energy conservation plans before they can take effect. If we veto them, then we ought to come up with some kind of an alternative. If we do not veto them, we do not have much right to criticize.

Then after the first of July, 4 months before the election next year, we will have the opportunity to start imposing our own plans on the country. Is not that going to be lovely?

I would suggest, Mr. Speaker, that the administration can now go ahead and do some of those things. We have considered this 37 page bill under these circumstances for 40 minutes. I look at that bill, and there is a correction on every page but three of that bill. I am not sure I know at this point what we would be voting on.

I know that there were many of my colleagues who voted reluctantly for the Emergency Energy Act when it passed the House last week. They voted in the hope that the conference committee would clean up the bill and make it into a workable mechanism. Unfortunately the conference did what conferences sometimes do the last few days before adjournment—it was more anxious to complete its task by compromising than it was to fully consider the impact of all of its compromises. As a result, this bill purports to do things which it does not do.

Are you for or against rationing?

If you are for it, then this bill gives the authority to the President or his Administrator to impose rationing, but it provides that he must have exhausted all other remedies first. Thus, whenever imposed, any rationing would be open to endless lawsuits. But does it give the Congress the right to veto rationing? No, it does not.

Would the House rather have the administration impose energy conservation plans than rationing?

This bill purports to do that by conveying to the Administrator the authority to impose energy conservation plans immediately. But it reserves to Congress the right to veto those plans after the fact—as much as 2 months after the conservation plan is imposed. Is it likely that any plan which imposes any substantial hardship, then, will get the support or the substantial investment of anyone until he knows whether Congress is going to go along.

If the crisis is real and swift emergency action is needed, then Congress should be able to identify the areas where such action must be taken and assign that authority to some part of the executive branch for administration—or devise plans of action itself and promptly. But giving the authority with one hand while taking it away with the other does not seem to be the best way to administer a pressing problem. Unfortunately this legislation is replete with such dichotomies.

Would you rather have the Congress responsible for the plans for dealing with the energy crisis?

Well, Members of Congress are going to get that opportunity. As I noted, as soon as Congress returns for the second session, this legislation provides Members with the chance to vote approval or disapproval of all the actions the administration takes up until the 1st of March. Actually, that is a veto or a concurrence after the fact. Then, on March 1, the rules change and the administration can only announce plans that will go into effect within 15 days if Congress does not disapprove the proposals—a veto before the fact. And after July 1—4 months before the 1974 election—the administration can only propose plans, but the plans cannot take effect until Congress positively enacts them. Such a shifting responsibility is a plan for inaction.

If the administration wants to act promptly to ration or to impose energy conservation plans, it would be better advised to use its authority under the Mandatory Fuel Allocation Act of 1973 or the Defense Production Act of 1950. There would probably be some risk of lawsuits questioning executive branch authority under those laws as written for wartime situations, but perhaps no more risk than exists under this legislation.

If this bill equivocates on who has the authority for imposing energy conserving plans, then perhaps it makes it easier for citizens to get together to deal with the energy crisis voluntarily?

Combined voluntary action in the face of crisis has long tradition in our Nation going back to the first barn raisings and joint efforts to clear the land. But the energy business—both the production of energy and the distribution and consumption of it—is big business in America today. This bill says that industries which produce petroleum can combine to solve the energy crisis only at their own legal peril and those who consume energy should not be allowed to combine to save energy at all. The retail antitrust exemption, supported in the House, was removed on a straight party line vote in the conference. The language of the Rodino amendment on the petroleum industry was left in, of course, because it purports to give an exemption without really doing so. The result is that voluntary action to help resolve the energy crisis can be taken only at the risk of later antitrust prosecution or other lawsuits—in addition to a good case of the sniffles.

If the bill doesn't really make the reduction of energy consumption easier, perhaps it attempts to stimulate the supply of energy in some way.

No, this bill is brought to you by those same wonderful people who brought you the natural gas shortage even before other sources of energy were in short supply. So the conference gave the authority to the administration to set price ceilings on oil. Never mind the economic fact that prices held artificially low tend to stimulate consumption and reduce supply which is the prime cause of the shortage in the first place. This bill is designed to assure that, the consumer will not have to pay much for petroleum products—if he can find any of them. Such proposals seem like good politics, but they make very poor energy economics. Here again is an example of the bill purporting to do something to help with the energy crisis, but really hurting. It is another example of how the bill is designed for no action, rather than positive action.

The section of the bill which is designed to deal with windfall profits actually does not take effect until next year in the admitted hope that Congress will take the time to look at the complex question of oil economies. It says to producers of petroleum, "If you make more money than usual during the energy crisis, the Government is going to come back later and do something about it." The bill purports to encourage the oil industry to reinvest any unusual profits in exploration for new supplies but the language also admonishes any company with higher than usual profits that it must maintain cash in hand so that it can pay any claims lodged against it under this law. Such a section is hardly going to encourage a company to reinvest its profits in greater production.

So, if the bill doesn't really provide for swift and sure methods of reducing energy consumption; and if it doesn't really encourage the increase of energy supply, does it do anything about taking care of those people who will be out of jobs because there isn't enough fuel to go around?

Here is one bright spot in the bill. The conferees authorized $500 million for attention to the unemployment caused by people thrown out of work as a result of this legislation. But I would predict that there will not be a lawyer on those unemployment roles because even the unemployment section leaves vague the method of determining what "unemployment resulted from administration and enforcement of this act."

Similarly irresistable for attorneys will be the language in the legislation which deals with the priorities to be considered in establishing rationing or energy conservation plans. While the bill provides the same priorities as now exist in the mandatory fuel allocation act, the Congress then says such priorities cannot be "arbitrary and capricious or inequitable, unreasonable or disproportionate." A law which mandates the administration to observe priorities and then prohibits inequities will be easier to challenge in the courts than it will be to administer.

The bill does many things that will help meet the challenges of the energy crisis. Included in that list are such things as the authority to suspend until November 1, 1974, clean air standards for the use of coal in stationary energy sources and leave them relaxed until January 1, 1979, if compliance can be obtained by then even with the use of coal.

Similarly, temporary freezing of 1975 standards of vehicle emissions through 1976 is also helpful in conserving energy in light of the present technology. Carpooling is to be encouraged through use of fast lanes and other methods and Federal actions are mandated to be sure the Government is buying or using fuel-efficient automobiles.

The legislation also makes a limited provision for establishing a temporary Federal Emergency Energy Administration, which can be more carefully done in legislation already underway in other congressional committees.

Many other matters are also covered or attempted in this legislation, including treatment of regulated carriers and an attempt to provide for allocation of materials now in shortage which are vital to production and distribution of energy. The importation of liquid natural gas is made easier, as is the restriction of export of fuels. Most of these provisions are, or were meant to be, innocuous.

But, something which is usually innocuous in legislation, is anything but that in this bill: the study section. The Congress in this bill urges a study of so many facets of the energy problem that the administration may be able to do very little else. The bill calls for approximately 25 studies and reports due within every possible time frame from 30 days to 1 year—an average of a report or study of the energy problem every 2 weeks. With every major committee in Congress now having an energy subcommittee, one wonders if some energy might not be saved by reducing the number of studies and followup testimony which will be triggered by this bill.

The legislative response in this bill is ambivalent and tentative. If contemplation and reconsideration will solve the energy crisis, this bill should do it. But it is my conclusion that the time for such delay is past. The time for action is here. If Congress is not confident in the President's ability to take effective action, then Congress should legislate its own methods of dealing with the issues involved. But this bill does not do that.

It gives the administration only tentative authority and reaffirms congressional mistrust of the private sector. Such reservations could have merit if some other alternative in the present crisis is offered, but this legislation offers none. This bill is a plan for inaction, political second guessing and lawsuits. The administration would be better advised to ignore this legislative effort and start over with Congress next year after the holiday recess. In the meantime, it can use existing authority just as effectively as that presented here and will probably do better even asking voluntary cooperation from the public at large. The people already appear to have responded with more enthusiasm to the call for voluntary action on the energy crisis than this particular legislation indicates Congress is ready to do.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. ROY).

Mr. ROY. Mr. Speaker, the conferees did not disagree. It is my understanding that 6 out of 7 House conferees signed the conference report, and I believe 13 out of 15 Members of the Senate signed the conference report. It so happened that when the conference report got to the Senate, it was suddenly discovered by a number of Senators that there was a windfall profit section in the bill, and they objected absolutely to the windfall profit section. This occurred even after the conferees had modified the windfall profit section to take care of many of the objections of the House Members, some 180 or so, who voted for a substitute section. They modified, old section 117 of the House bill, section 110 of the conference bill, to say that would not become effective until January 1, 1975. That section had three subsections. One specified that the President should specify profits to avoid windfall profits. The second provided a remedy, and the third defined windfall profits.

In addition, the conferees adopted a pricing section which simply stated the President shall specify profits to avoid windfall profits, and such profits are defined as excessive or unreasonable profits based on normal profits. This is a very reasonable section, but provides no remedy and is unenforcable.

The choice we have here tonight is to vote for the substitute bill, H.R. 12128, which is a vote which says simply that we shall not permit windfall profits. But, in addition, it permits the tax-writing committees of the House 1 year to substitute for the remedy of the original House bill. It thus makes it possible for both bodies to express their will whether to require reinvestment of such profits or levy an excess profits tax, or any other remedy they may provide in their wisdom.

But the Members of the other body who today denied, by parliamentary maneuver, their colleagues a vote on excess profits, will not even permit this.

I urge you to vote "yes" on the resolution before you.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I was appointed late a conferee on this matter after all questions other than the windfall profits section were disposed of. Let me begin by saying, first of all, that every House conferee except the gentleman from Ohio (Mr. BROWN) signed the conference report twice. The Senate agreed to the conference report twice. Once they found that ambiguities and the conferees were compelled to reconvene, then the conference report was rejected by the device of a filibuster. The House is expected to finally lie down and take the Senate's action inflicted upon the House by a filibuster, and that filibuster is in the interest of big oil.

The rules of the House forbid me to speak in a derogatory fashion of the Senate, but all of the Members know me well enough to know what my thoughts are on the conduct of the other body, even though I do not choose to utter them at this time.

The fact of the matter is we are proceeding under about the same amount of time we would have if we had presented a conference report, 40 minutes in each instance. The question before my colleagues is whether or not they will be stomped on by the other body or whether or not they will support their conferees in their actions on this body.

The bill before us substantially implements the intent of the House as was previously indicated. The reason we are before the Members with the procedure we are now engaged in, is this is the only way the House could present the Members with a chance to vote on whether or not they want unjust enrichment or a limitation on windfall profits to the bloated oil companies who will have the highest level of profits in their history. That is the queston before the Members.

If the Members want to lie down before the Senate, if the Members want to lie down before the oil companies, if the Members want to have excess profits by the oil companies, if they do not want to vote to support their conferees, they will vote "no." If they want to have a good program, the best program that could be worked out, given that we were working with the U.S. Senate, then vote "aye" tonight.

The question tonight is, and there are no games being played, are the Members willing to take substantially the House version or the Senate version? I urge my colleagues to vote "aye."

Mr. HOSMER. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona, the distinguished minority leader (Mr. RHODES).

Mr. HASTINGS. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from New York.

Mr. HASTINGS. Mr. Speaker, there was a question asked by the gentleman from Alabama (Mr. FLOWERS) as to what difference it makes whether we had this legislation or did not.

I want to speak just to one title of the bill, which is title II. That deals with, as most Members know, the changes made in the Clean Air Act. I will tell the House what this does. There cannot be any coal conversion of any electrical powerplant or any other stationary emission plant in this country unless we change title II. Unless we amend the Clean Air Act as we agreed to in the House version there can be absolutely no conversion from liquid petroleum fuel to coal. That is one of the reasons why this bill under one form or another must be approved.

I thank the gentleman for yielding.

Mr. RHODES. Mr. Speaker, I thank the gentleman from New York for his contribution.

Mr. Speaker, I have great admiration for my good friend, the gentleman from West Virginia, and I know his committee has worked hard and long on this bill. I also know he wants an energy bill as I want an energy bill. I think the only thing we differ on is the best way to get the bill.

The energy crisis is upon us. The country expects us to enact a bill and to do it tonight.

Mr. Speaker, the gentleman from West Virginia has asked us to suspend the rules and pass a bill which he has just recently introduced. Frankly I do not know exactly what is in the bill. I do know there are provisions in the bill which have been not acceptable to the U.S. Senate. I also know they have been not acceptable to the administration. I say to the Speaker that if the gentleman from West Virginia is successful in his attempt tonight, we will be passing a bill which will go absolutely nowhere. There would then be no bill passed by the Congress and signed into law by the President of the United States on energy in this session of the Congress. The people expect that to be done.

I would also like to make it very clear, Mr. Speaker, that after the bill offered by the gentleman from West Virginia is voted down, if it is, it will then be in order for him to move to take the Senate bill from the Speaker's table and pass it under suspension. And if this is done the bill may then go directly to the White House and be signed by the President and the actions which are necessary—some of them pointed out very eloquently by the gentleman from New York—to deal with this energy crisis will then be taken.

It has been said by the gentleman from Michigan as by others that one of the matters which we are concerned with, and we are, is windfall profits. I am worried about that and I am sure the rest of the Members are also. However, the windfall provision which is in the bill offered by the gentleman from West Virginia I am told is about the same windfall provision which was in the bill that originally passed the House. That provision is not acceptable and the reason it is not is because it will absolutely negate the purpose of the bill.

The purpose of the bill is to produce more energy. We want to get people to build more refineries, we want to get more production of gas and oil. If the windfall profits section as now written is part of the law, there will not be capital available to make the investments which are necessary to do this. So, the bill offered by the gentleman from West Virginia will be self-defeating, and it must not be in the energy bill as it is passed.

If indeed excess profits are made, I think everybody knows that the President has already stated that he intends to send a message to the Congress asking for excess profits tax legislation in January. Also, the original bill which this House passed and which the Senate passed will still be available.

It is still in conference, and if indeed it becomes necessary for us to enact some part of that bill, the conference can reassemble after January 21 and they can take applicable provisions of that bill, which is still alive, bring them back to this House and pass them if they desire to do so.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield briefly?

Mr. RHODES. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, does the gentleman know that the Senate bill prohibits this Congress from obtaining necessary information about oil reserves or any reserves in America?

Mr. RHODES. Mr. Speaker, I realize that the Senate bill is not perfect any more than the bill which he has just introduced is perfect.

Mr. STAGGERS. Mr. Speaker, I wanted to know if the gentleman knew this.

Mr. RHODES. Certainly. And I agree with the gentleman that both bills are far from perfect, but we have had to enact this legislation under pressure, and I think the gentleman has done a fine job. I think the bill which I hope the gentleman will bring up, which the Senate has passed and which will be signed, is also as good a bill as could possibly be produced under the circumstances.

Mr. Speaker, I ask for a "no" vote on the proposal of the gentleman from West Virginia, then a vote to pass the Senate bill.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, the choice is between three views. The one would be the Senate bill, which is really a copout. It is a bill that ends on April 1, 1974; really an April Fool's joke.

The other thing that it does is that it eliminates substantially everything that has been put in our bill on the House side with respect to windfall profits.

A second choice would be the committee's report, if we ever get that. It appears that the Senate will not permit us to vote on that, but I submit to the Members that the bill we have before us as a substitute, the one in this resolution, H.R. 12128, is closer to the action of the House on Friday night than either of these two bills.

I shall support the chairman's motion.

Mr. Speaker, the main reason I support it is, because it narrows Executive authority with respect to energy plans more than either of the other two approaches. I should amend that with this qualification: I suppose one could say that the Senate bill is as narrow, but the Senate bill completely ends on April 1.

If we pass this bill, we have narrowly constricted the power of the Executive to put into effect energy conservation plans until April 1, at which time they altogether cease, and any plans which are to have any effect after that date must be enacted as law, as we provided in our bill on last Friday. I think that is good.

In addition to that, between the time the plan goes into effect and April 1 we can disallow or veto any Executive plan within 15 days.

Mr. STAGGERS. Mr. Speaker, I yield 1½ minutes to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, may I say to the gentlemen and particularly to the gentlemen on the other side of the aisle, the vote the other night on this bill, practically the same bill, was 265 ayes to 112 nays.

There has been very little change in this bill. So that the Members will not think they are voting on a final passage, this is a matter that has been substituted in the Senate, with an amendment which will go back to the Senate. There is no guarantee, that it will be voted in the Senate, but it will go back there.

Mr. Speaker, the minority has said that the President will veto this matter, just as he has vetoed some 20-odd bills in the last couple of years. Let us see if he wants to veto this one or not. I doubt very, very much, if this reaches his desk, that he would ever veto it.

Mr. Speaker, I believe we have done our part. As the gentleman from Texas has so ably spoken, there have been two parts of this bill that have been stricken. We bound and we are bound by a vote of this House, and bound by a vote of this House so many times the other day on the amendments offered in the conservation matter and on the windfall profits matter that I think the sensible, decent, fair thing is to follow the vote we had the other day and return this bill to the Senate. Then it is up to the Senate to ask whether or not it wants a conference on the matter.

Mr. STAGGERS. Mr. Speaker, in closing debate, I would like the House to just remember this: During the conference the other night the President called me from the conference and talked to me about different provisions of the bill. He asked if I would see Mr. Simon with some of the others. I said that we could afford that courtesy.

We adjourned the committee meeting and went out and listened to Mr. Simon. We reviewed several issues with him. Two of them he was especially concerned with we have taken care of. The others I told him we were in the process of taking care of right then.

Therefore, I have every reason to believe that the President of the United States will sign this bill, and I am sure Mr. Simon will recommend that he sign it.

Now, Mr. Speaker, the people are looking to this Congress for leadership, and I do not believe that we can go home and say that we have not accepted our responsibility. I hope that every Member here will vote "aye" when each of us thinks about what is in the bill.

Mr. Speaker, I have reason to believe this, too: after consultation with the Senate, I feel certain they will accept what we pass right here, because we have worked to accommodate their concerns. So I have reason to believe they will accept it tonight, and we can go home tonight.

Mr. Speaker, I am not trying to pull any shenanigans on the Members of this House. I am only trying to tell the Members the truth.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and agree to the House resolution (H. Res. 759).

The question was taken.

Mr. HOSMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 169, nays 95, not voting 168, as follows:

[Roll No. 721]

YEAS—169

Abdnor
Adams
Alexander
Andrews, N.C.
Annunzio
Ashley
Badillo
Barrett
Bennett
Bergland
Biester
Blatnik
Boland
Brademas
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Burke, Mass.
Burlison, Mo.
Carey, N.Y.
Chappell
Clark
Clausen, Don H.
Clay
Cohen
Conte
Coughlin
Cronin
Culver
Davis, Ga.
Davis, S.C.
Dellums
Denholm
Dingell
Donohue
Downing
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Findley
Flood
Flowers
Foley
Ford, William D.
Fountain
Fraser
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Gray
Green, Pa.
Gude
Gunter
Hamilton
Hanley
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Holtzman
Howard
Hungate
Johnson, Calif.
Jones, N.C.
Jordan
Karth
Kastenmeier
Kazen
Koch
Kyros
Litton
Long, La.
Long, Md.
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Maraziti
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Morgan
Mosher
Natcher
Nedzi
Obey
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Pickle
Pike
Preyer
Price, Ill.
Pritchard
Quie
Randall
Rangel
Reuss
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
St Germain
Sarbanes
Schroeder
Seiberling
Slack
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Symington
Taylor, N.C.
Thone
Tiernan
Udall
Ullman
Vanik
Waldie
Whalen
Widnall
Wilson, Charles, Tex.
Wylie
Yatron
Young, Ga.
Young, Ill.
Zablocki

NAYS—95

Archer
Armstrong
Bauman
Beard
Bowen
Bray
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson, Tex.
Carter
Casey, Tex.
Cederberg
Clawson, Del
Cochran
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
de la Garza
Dennis
Derwinski
Dorn
Duncan
Fisher
Forsythe
Frenzel
Goodling
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hogan
Horton
Hosmer
Huber
Hudnut
Ichord
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Kemp
Ketchum
King
Latta
McCloskey
McCollister
Mahon
Mallary
Mann
Martin, N.C.
Mathias, Calif.
Mayne
Melcher
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Parris
Pettis
Powell, Ohio
Regula
Rhodes
Roberts
Robinson, Va.
Ruth
Sandman
Satterfield
Shuster
Skubitz
Spence
Steelman
Symms
Talcott
Thomson, Wis.
Thornton
Towell, Nev.
Treen
Vander Jagt
Waggonner
Wampler
Whitten
Wilson, Charles H., Calif.
Winn
Wyatt
Young, Alaska
Young, Fla.
Young, S.C.

NOT VOTING—168

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Aspin
Bafalis
Baker
Bell
Bevill
Biaggi
Bingham
Blackburn
Boggs
Bolling
Brasco
Brooks
Brotzman
Burgener
Burke, Calif.
Burton
Butler
Byron
Camp
Carney, Ohio
Chamberlain
Chisholm
Clancy
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dent
Devine
Dickinson
Diggs
Dulski
du Pont
Edwards, Ala.
Eshleman
Evins, Tenn.
Fish
Flynt
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Goldwater
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Haley
Hanna
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Heinz
Hillis
Hinshaw
Holt
Hunt
Hutchinson
Jarman
Jones, Ala.
Keating
Kluczynski
Kuykendall
Landgrebe
Landrum
Leggett
Lehman
Lent
Lott
Lujan
McClory
McEwen
McSpadden
Madden
Madigan
Mailliard
Martin, Nebr.
Michel
Mills
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Nelsen
Nichols
Nix
O'Brien
Peyser
Poage
Podell
Price, Tex.
Quillen
Railsback
Rarick
Rees
Reid
Riegle
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Smith, N.Y.
Snyder
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Sullivan
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Van Deerlin
Veysey
Vigorito
Walsh
Ware
White
Whitehurst
Wiggins
Williams
Wilson, Bob
Wolff
Wright
Wydler
Wyman
Yates
Young, Tex.
Zion
Zwach

The Clerk announced the following pairs:

On this vote:

Mr. Dent and Mr. Rostenkowski for, with Mr. Hays against.

Mr. Rooney of New York and Mr. Carney of Ohio for, with Mr. Hébert against.

Mr. Moorhead of Pennsylvania and Mr. Kluczynski for, with Mr. Rarick against.

Mr. Biaggi and Mr. Bingham for, with Mr. Butler against.

Mr. Brasco and Mr. Burton for, with Mr. Snyder against.

Mrs. Chisholm and Mr. Corman for, with Mrs. Holt against.

Mr. Cotter and Mr. Dominick V. Daniels for, with Mr. Price of Texas against.

Mr. Evins of Tennessee and Mrs. Grasso for, with Mr. Collins of Texas against.

Mr. Hanna and Mr. Harrington for, with Mr. Heinz against.

Mr. Lehman and Mr. Madden for, with Mr. Madigan against.

Mr. Moss and Mr. Murphy of New York for, with Mr. Zion against.

Mr. Nix and Mr. Podell for, with Mr. Camp against.

Ms. Abzug and Mr. Stark for, with Mr. Martin of Nebraska against.

Mr. Yates and Mr. Conyers for, with Mr. Taylor of Missouri against.

Mr. Steed and Mr. Wolff for, with Mr. Sarasin against.

Mr. Diggs and Mr. Dulski for, with Mr. Landgrebe against.

Mr. Anderson of California and Mr. Murphy of Illinois for, with Mr. Devine against.

Mr. Sisk and Mr. Ryan for, with Mr. Scherle against.

Mr. Delaney and Mr. Danielson for, with Mr. Steiger of Arizona against.

Mr. Addabbo and Mr. Van Deerlin for, with Mr. Rousselot against.

Until further notice:

Mr. Bevill with Mr. Arends.

Mrs. Boggs with Mr. Harvey.

Mr. Brooks with Mr. Keating.

Mrs. Burke of California with Mr. Roncallo of New York.

Mr. Byron with Mr. Anderson of Illinois.

Mr. Aspin with Mr. Gubser.

Mrs. Collins of Illinois with Mr. McClory.

Mr. Flynt with Mr. Andrews of North Dakota.
Mr. Fulton with Mr. Frey.
Mr. Haley with Mr. Cleveland.
Mrs. Hanson of Washington with Mr. Frelinghuysen.
Mr. Landrum with Mr. Grover.
Mr. Gettys with Mr. Ashbrook.
Mr. McSpadden with Mr. Froehlich.
Mr. Fuqua with Mr. Clancy.
Mr. Jarman with Mr. Collier.
Mr. Leggett with Mr. Bafalis.
Mr. Gibbons with Mr. Goldwater.
Mr. Nichols with Mr. Hutchinson.
Mr. Rees with Mr. Dellenback.
Mrs. Green of Oregon with Mr. Baker.
Mr. Jones of Alabama with Mr. Hillis.
Mr. Reid with Mr. Bell.
Mr. Riegle with Mr. Lent.
Mr. Roncalio of Wyoming with Mr. Hinshaw.
Mr. Roybal with Mr. Blackburn.
Mr. Sikes with Mr. Dickinson.
Mr. Stubblefield with Mr. Hunt.
Mr. Runnels with Mr. Brotzman.
Mr. Smith of Iowa with Mr. du Pont.
Mr. Teague of Texas with Mr. Chamberlain.
Mr. Shipley with Mr. Edwards of Alabama.
Mrs. Griffiths with Mr. Eshleman.
Mr. Vigorito with Mr. Fish.
Mr. Wright with Mr. Kuykendall.
Mr. Mailliard with Mr. Lott.
Mr. Mills of Arkansas with Mr. McEwen.
Mr. Minshall of Ohio with Mr. Nelsen.
Mr. Peyser with Mr. O'Brien.
Mr. Railsback with Mr. Quillen.
Mr. Ruppe with Mr. Schneebeli.
Mr. Sebelius with Mr. Shoup.
Mr. Shriver with Mr. Smith of New York.

So (two-thirds not having voted in favor there), the motion was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

(By unanimous consent, Mr. STAGGERS was allowed to proceed for 5 minutes.)

Mr. STAGGERS. Mr. Speaker, I am very sorry that the House has taken the action that they have tonight. We have in this bill the fact that the EPA cannot effect parking surcharges all over America.

And when the Members vote this down EPA will have the right to levy parking surcharges in their little towns.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Did the gentleman see the conference report that was adopted yesterday or the day before? When the gentleman says the Environmental Protection Agency has authority, he overlooks the restriction in the supplemental report of yesterday, where Congress made clear that funds have not been appropriated for that purpose. Of course, there is a real question of constitutionality involved, too.

I may say if the gentleman will yield further, that we a few moments ago had to vote without knowing what was in the gentleman's bill, without having it explained. Perhaps now that he lost on that vote and his resolution is dead, he will explain it.

Mr. STAGGERS. I will say by killing this bill as we did, we did vote to go backward, instead of trying to conserve energy and do many things to move this Nation forward in the energy field.

I would like to introduce a resolution, and the number of the resolution is House Resolution 760. I have taken this time to tell the House what is in that resolution. It is the same thing that was in the previous resolution with one item taken out, windfall profits.

I would say to the Members that if they vote for this resolution and it will take a two-thirds vote, I believe the Senate will take it and I have every reason to believe the President will take it gladly.

I have no reason to believe otherwise. The windfall profits provision is the only item I know of that the President opposes. When Mr. Simon came, he had three items.

We took care of two of those, and I think this is the last one.

The bill does many things that I do not have the time to go into now, but we talked about them when it was on the floor. We debated it for 3 days, starting at 10 o'clock in the morning and going far into the night. For me to try to repeat all those things would take several hours. I am merely going to ask for this resolution to be brought up with the windfall profits provision removed.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from West Virginia just stated he has just introduced a resolution, a House resolution numbered 760. The gentleman has described House Resolution 760 as having everything in it but windfall profits. The question is: Compared to what?

Mr. STAGGERS. Compared to the one we just voted down.

Mr. WAGGONNER. Then, Mr. Speaker, if the gentleman will yield further, I would be happy for the gentleman to tell me and the rest of the Members of the House what we just voted down, because that is the reason it was voted down, because nobody knew what was in it.

Mr. STAGGERS. The gentleman was here for the 3 days we debated it.

Mr. WAGGONNER. Yes, sir, for every minute.

Mr. STAGGERS. And I am sure he did pay attention and knew what was in it.

Mr. WAGGONNER. Is the gentleman saying that the resolution he has introduced is the bill which passed the House except for windfall profits?

Mr. STAGGERS. No. This is the same as the conference substitute which was brought out by both the House and the Senate with several exceptions that I mentioned awhile ago. In addition, the windfall profits amendment is now out of the bill.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding.

If the resolution which the gentleman now offers is accepted, would it not still be necessary to take some action upon this measure before it could go to the White House? Would we not again be in the position of depending upon a quorum of the Senate and the desire of the Senate to take up this bill?

Mr. STAGGERS. Of course, and I am sure the Senate will accept it.

Mr. RHODES. But if a quorum is not present, we will end up with no energy bill at all.

Why does not the gentleman from West Virginia take the Senate bill and bring it to the floor of the House?

Mr. STAGGERS. I have told the gentleman and I have told the House why: because they cut out all the things—I believe the EPA amendments were cut out; I am not sure.

It has in there a termination date so that virtualy everything in the bill will have to be reconsidered within 2 months. We will have to do this whole thing all over again. I think that is wrong. I will not do it.

Mr. Speaker, I have said this: I think one of the most objectionable things which many people have said is that I have taken windfall profits out and introduced the bill.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, for several days we considered his original bill and adopted quite a number of amendments. I ask are those amendments eliminated from the resolution presented by the gentleman from West Virginia at this time?

I ask the same question another way. Has the gentleman introduced this bill as it originally came from his committee without the amendments adopted by the House? He either did or he did not.

Mr. STAGGERS. It is the conference substitute. I tried to explain that.

Mr. WHITTEN. So the House amendments are out. We understand that much.

Mr. STAGGERS. No. Nearly all of the House amendments are in.

Mr. WHITTEN. Will the gentleman give us some examples of what amendments remain in and what ones he has eliminated.

The SPEAKER. The time of the gentleman from West Virginia has expired.

(By unanimous consent, Mr. STAGGERS was allowed to proceed for 1 additional minute.)

Mr. STAGGERS. Mr. Speaker, I could not in 1 hour, as I told the gentleman and this House awhile ago, explain what we had taken out.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I do not want the House to be under a misapprehension. I think the gentleman from West Virginia misspoke himself.

Mr. STAGGERS. Mr. Speaker, I corrected that.

Mr. BROWN of Ohio. Mr. Speaker, I assume that the environmental measures in this legislation which the gentleman now proposes are the same in the bill that the Senate agreed to, which, if we passed, we could go home.

Mr. STAGGERS. Does the gentleman know what is in the Senate bill?

Mr. BROWN of Ohio. They are the same as what the gentleman is proposing, are they not?

Mr. STAGGERS. Does the gentleman know?

Mr. BROWN of Ohio. I am asking the gentleman.

Mr. STAGGERS. The gentleman is trying to tell me what is in the Senate bill. I do not know everything that is in the Senate bill. I have not had time to study it carefully.

The SPEAKER. The time of the gentleman from West Virginia has again expired.

Mr. WAGGONNER. Mr. Speaker, I simply ask unanimous consent that the gentleman from West Virginia (Mr. STAGGERS) the chairman of the committee, be given 5 uninterrupted minutes without questions to explain to the House what is in his House Resolution 760.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. DINGELL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PROVIDING FOR AGREEING TO SENATE AMENDMENT TO HOUSE AMENDMENT WITH AN AMENDMENT TO AMEND S. 921, WILD AND SCENIC RIVERS ACT

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and agree to the House Resolution (H. Res. 760) to take from the Speaker's table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment to the House amendment thereto, and agree to the Senate amendment to the House amendment with an amendment.

The Clerk read as follows:

H. Res. 760

Resolved, That immediately upon the adoption of this resolution the bill S. 921, with the Senate amendment to the House amendment thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendment to the House amendment be, and the same is hereby, agreed to with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the text of the bill H.R. 12129.

(The text of H.R. 12129 follows:)

A bill to assure, through energy conservation, end-use rationing of fuels, and other means, that the essential energy needs of the United States are met, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Titles I, II, and III of this Act may be cited as the "Energy Emergency Act".

SEC. 101. FINDINGS AND PURPOSES.

(a) (1) The Congress hereby determines that—

(A) shortages of crude oil, residual fuel oil, and refined petroleum products caused by insufficient domestic refining capacity, inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist;

(B) such shortages have created or will create severe economic dislocations and hardships;

(C) such shortages and dislocations jeopardize the normal flow of interstate and foreign commerce and constitute an energy emergency which can be averted or minimized most efficiently and effectively through prompt action by the executive branch of Government;

(D) disruptions in the availability of imported energy supplies, particularly crude oil and petroleum products, pose a serious risk to national security, economic well-being, and health and welfare of the American people;

(E) because of the diversity of conditions, climate, and available fuel mix in different areas of the Nation, a primary governmental responsibility for developing and enforcing energy emergency measures lies with the States and with the local governments of major metropolitan areas acting in accord with the provisions of this Act; and

(F) the protection and fostering of competition and the prevention of anticompetitive practices and effects are vital during the energy emergency.

(2) On the basis of the determinations specified in subparagraphs (A) through (F) of paragraph (1) of this subsection, the Congress hereby finds that current and imminent fuel shortages have created a nationwide energy emergency.

(b) The purposes of this Act are to call for proposals for energy emergency rationing and conservation measures and to authorize specific temporary emergency actions to be exercised, subject to congressional review and right of approval or disapproval, to assure that the essential needs of the United States for fuels will be met in a manner which, to the fullest extent practicable: (1) is consistent with existing national commitments to protect and improve the environment; (2) minimizes any adverse impact on employment; (3) provides for equitable treatment of all sectors of the economy; (4) maintains vital services necessary to health, safety, and public welfare; and (5) insures against anticompetitive practices and effects and preserves, enhances, and facilitates competition in the development, production, transportation, distribution, and marketing of energy resources.

SEC. 102. DEFINITIONS.

For purposes of this Act:

(1) The term "State" means a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States.

(2) The term "petroleum product" means crude oil, residual fuel oil, or any refined petroleum product (as defined in the Emergency Petroleum Allocation Act of 1973).

(3) The term "United States" when used in the geographical sense means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(4) The term "Administrator" means the Administrator of the Federal Energy Emergency Administration.

SEC. 103. FEDERAL ENERGY EMERGENCY ADMINISTRATION

(a) There is hereby established until May 15, 1975, unless superseded prior to that date by law, a Federal Energy Emergency Administration which shall be temporary and shall be headed by a Federal Energy Emergency Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. Vacancies in the office of Administrator shall be filled in the same manner as the original appointment.

(b) The Administrator shall be compensated at the rate provided for level II of the Executive Schedule. Subject to the Civil Service and Classification provisions of title 5, United States Code, the Administrator may employ such personnel as he deems necessary to carry out his functions.

(c) Effective on the date on which the Administrator first takes office (or, if later, on January 1, 1974), all functions, powers, and duties of the President under sections 4, 5, 6, and 9 of the Emergency Petroleum Allocation Act of 1973 (as amended by this Act), and of any officer, department, agency, or State (or officer thereof) under such sections (other than functions vested by section 6 of such Act in the Federal Trade Commission, the Attorney General, or the Antitrust Division of the Department of Justice), are transferred to the Administrator. All personnel, property, records, obligations, and commitments used primarily with respect to functions transferred under the preceding sentence shall be transferred to the Administrator.

SEC. 104. END-USE RATIONING.

Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h) (1) The President may promulgate a rule which shall be deemed a part of the regulation under subsection (a) and which shall provide, consistent with the objectives of subsection (b), for the establishment of a program for the rationing and ordering of priorities among classes of end users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment to end-users of such products of rights, and evidence of such rights, entitling them to obtain such products in precedence to other classes of end-users not similarly entitled.

"(2) The rule under this subsection shall take effect only if the President finds that without such rule, all other practicable and authorized methods to limit energy demand will not achieve the objectives of section 4(b) of this Act and of the Energy Emergency Act.

"(3) The President shall, by order, in furtherance of the rule authorized pursuant to paragraph (1) of this subsection and consistent with the attainment of the objectives in subsection (b) of this section, cause such adjustments in the allocations made pursuant to the regulation under subsection (a) as may be necessary to carry out the purposes of this subsection.

"(4) The President shall provide for procedures by which any end-user of crude oil, residual fuel oil or refined petroleum products for which priorities and entitlements are established under paragraph (1) of this subsection may petition for review and reclassification or modification of any determination made under such paragraph with respect to his rationing priority or entitlement. Such procedures may include procedures with respect to such local boards as may be authorized to carry out functions under this subsection pursuant to section 122 of the Energy Emergency Act.

"(5) No rule or order under this section may impose any tax or user fee, or provide for a credit or deduction in computing any tax."

SEC. 105. ENERGY CONSERVATION PLANS.

(a) (1) (A) Pursuant to the provisions of this section, the Administrator is authorized to promulgate by regulation one or more energy conservation plans in accord with this section which shall be designed (together with actions taken and proposed to be taken under other authority of this or other Acts) to result in a reduction of energy consumption to a level which can be supplied by available energy resources. For purposes of this section, the term "energy conservation plan" means a plan for transportation controls (including but not limited to highway speed limits) or such other reasonable restrictions on the public or private use of energy (including limitations on energy consumption of businesses) which are necessary to reduce energy consumption and which are authorized by this Act.

(B) No energy conservation plan promulgated by regulation under this section may impose rationing or any tax or user fee, or provide for credit or deduction in computing any tax.

(2) An energy conservation plan shall become effective as provided for in subsection (b). Such a plan shall apply in each State, except as otherwise provided in an exemption granted pursuant to the plan in cases where a comparable State or local program is in effect, or where the Administrator finds special circumstances exist.

(3) An energy conservation plan may not deal with more than one logically consistent subject matter.

(4) An amendment to an energy conservation plan, if it has significant substantive effect, shall be transmitted to Congress and shall be effective only in accordance with subsecion (b). Any amendment which does not have significant substantive effect and any rescission of a plan may be made effective in accordance with section 553 of title 5, United States Code.

(5) Subject to subsection (b)(3), provision of an energy conservation plan shall remain in effect for a period specified in the plan unless earlier rescinded by the Administrator, but shall terminate in any event no later than April 1, 1974.

(b)(1) For purposes of this subsection, the term "energy conservation plan" means a plan promulgated by regulation proposed under subsection (a) of this section or an amendment thereto which has significant substantive effect.

(2) The Administrator shall transmit any energy conservation plan (bearing an identification number) to each House of Congress on the date on which it is promulgated.

(3)(A) If an energy conservation plan is transmitted to Congress before March 1, 1974, and provides for an effective date earlier than March 1, 1974, such plan shall take effect on the date provided in the plan; but if either House of the Congress, before the end of the first period of 15 calendar days of continuous session of Congress after the date on which such plan is transmitted to it, passes a resolution stating in substance that such House does not favor such plan, such plan shall cease to be effective on the date of passage of such resolution.

(B) If an energy conservation plan is transmitted to the Congress and provides for an effective date on or after March 1, 1974, and before April 1, 1974, such plan shall take effect at the end of the first period of 15 calendar days of continuous session of Congress after the date on which such plan is transmitted to it unless, between the date of transmittal and the end of the 15-day period, either House passes a resolution stating in substance that such House does not favor such plan.

(C) An energy conservation plan proposed to be made effective on or after April 1, 1974, shall take effect only if approved by Act of Congress.

(4) For the purpose of paragraph (3) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 15-day period.

(5) Under provisions contained in an energy conservation plan, a provision of the plan may take effect at a time later than the date on which such plan otherwise is effective.

(c)(1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the contitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(2) For the purpose of this subsection, "resolution" means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the ——— does not favor the energy conservation plan numbered ——— transmitted to Congress by the Administrator of the Federal Energy Emergency Administration on ———, 19—.", the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; but does not include a resolution which specifies more than one energy conservation plan.

(3) A resolution with respect to an energy conservation plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(4)(A) If the committee to which a resolution with respect to an energy conservation plan has been referred has not reported it at the end of 5 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to such energy conservation plan which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same energy conservation plan), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(C) If the motion, to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same plan.

(5)(A) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an energy conservation plan, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(6)(A) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution with respect to an energy conservation plan, and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an energy conservation plan shall be decided without debate.

(d)(1) In carrying out the provisions of this Act, the Administrator shall, to the greatest extent practicable, evaluate the potential economic impacts of proposed regulatory and other actions including but not limited to the preparation of an analysis of the effect of such actions on—

(A) the fiscal integrity of State and local government;

(B) vital industrial sectors of the economy;

(C) employment, by industrial and trade sector, as well as on a national, regional, State, and local basis;

(D) the economic vitality of regional, State, and local areas;

(E) the availability and price of consumer goods and services;

(F) the gross national product;

(G) competition in all sectors of industry; and

(H) small business.

(2) The Administrator shall develop analyses of the economic impact of any energy conservation plan on States or significant sectors thereof, considering the impact on energy as fuel and resources as feedstock for industry.

(3) Such analysis shall, wherever possible, be made explicit and, to the extent practicable, other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analysis, and all Federal agencies shall cooperate with the Administrator in preparing such analyses except that the Administrator's actions pursuant to this subsection shall not create any right of reviews or cause of action except as otherwise exist under other provisions of law.

(4) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with separate reports every thirty days on the impact of the energy shortage and such emergency actions on employment and the economy.

(e) Any energy conservation plan which the Administrator submits to the Congress pursuant to subsection (b) of this section shall include findings of fact and a specific statement explaining the rationale for each provision contained in such plan.

SEC. 106. COAL CONVERSION AND ALLOCATION.

(a) The Administrator shall, to the extent practicable and consistent with the objectives of this Act, by order, after balancing on a plant-by-plant basis the environmental effects of use of coal against the need to fulfill the purposes of this Act, prohibit, as its primary energy source, the burning of natural gas or petroleum products by any major fuel-burning installation (including any existing electric powerplant) which, on the date of enactment of this Act, has the capability and necessary plant equipment to burn coal. Any installation to which such an order applies shall be permitted to continue to use coal as provided in section 119 (b) of the Clean Air Act. To the extent coal supplies are limited to less than the aggregate amount of coal supplies which may be necessary to satisfy the requirements of those installations which can be expected to use coal (including installations to which orders may apply under this subsection), the Administrator shall prohibit the use of natural gas and petroleum products for those installations where the use of coal will have the least adverse environmental impact. A prohibition on use of natural gas and petroleum products under this subsection shall be contingent upon the availability of coal, coal transportation facilities, and the maintenance of reliability of service in a given service area. The Administrator shall require that fossil-fuel-fired electric powerplants in the early planning process, other than combustion gas turbine and combined cycle units, be designed and constructed so as to be capable of using coal as a primary energy source instead of or in addition to other fossil fuels. No fossil-fuel-fired electric powerplant may be required under this section to be so designed and constructed, if (1) to do so would result in an impairment of reliability or adequacy of service, or (2) if an adequate and reliable supply of coal is not available and is not expected to be available. In considering whether to impose a design and construction requirement under this subsection, the Administrator shall consider the existence and effects of any contractual commitment for the construction of such facilities and the capability of the owner or operator to recover any capital investment made as a result of the conversion requirements of this section.

(b) The Administrator may by rule prescribe a system for allocation of coal to users thereof in order to attain the objectives specified in this section.

SEC. 107. MATERIALS ALLOCATION.

(a) The Administrator shall, within 30 days after the date of enactment of this Act, propose (in the nature of a proposed rule affording an opportunity for the presentation of views) and publish (and may from time to time amend) a contingency plan for allocation of supplies of materials and equipment necessary for exploration, production, refining, and required transportation of energy supplies and for the construction and maintenance of energy facilities. At such time as he finds that it is necessary to put all or part of such plan into effect, he shall transmit such plan or portion thereof to each House of Congress and such plan or portion thereof shall take effect in the same manner as an energy conservation plan prescribed under section 105 and to which section 105 (b)(3)(B) applies (except that such plan may be submitted at any time after the date of enactment of this Act and before May 15, 1975).

(b) Section 4(b)(1)(G) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(G) allocation of residual fuel oil and refined petroleum products in such amounts and in such manner as may be necessary for the maintenance of exploration for, and production or extraction of—

"(i) fuels, and

"(ii) minerals essential to the requirements of the United States,

and for required transportation related thereto."

SEC. 108. FEDERAL ACTIONS TO INCREASE AVAILABLE DOMESTIC PETROLEUM SUPPLIES.

(a) The Administrator may initiate the following measures to supplement domestic energy supplies for the duration of the emergency:

(1) require, by order or rule, the production of designated existing domestic oilfields, at their maximum efficient rate of production, which is the maximum rate at which production may be sustained without detriment to the ultimate recovery of oil and gas under sound engineering and economic principles. Such fields are to be designated by the Secretary of the Interior, after consultation with the appropriate State regulatory agency. Data to determine the maximum efficient rate of production shall be supplied to the Secretary of the Interior by the State regulatory agency which determines the maximum efficient rate of production and by the operators who have drilled wells in, or are producing oil and gas from such fields;

(2) require, if necessary to meet essential energy needs, production of certain designated existing domestic oilfields at rates in excess of their currently assigned maximum efficient rates. Fields to be so designated, by the Secretary of the Interior or the Secretary of the Navy as to the Federal lands or as to Federal interests in lands under their respective jurisdiction, shall be those fields where the types and quality of reservoirs are such as to permit production at rates in excess of the currently assigned sustainable maximum efficient rate for periods of ninety days or more without excessive risk of losses in recovery;

(3) require the adjustment of processing operations of domestic refineries to produce refined products in proportions commensurate with national needs and consistent with the objectives of section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(b) Nothing in this section shall be construed to authorize the production of any Naval Petroleum Reserve now subject to the provisions of chapter 641 of title 10 of the United States Code.

SEC. 109. OTHER AMENDMENTS TO THE EMERGENCY PETROLEUM ACT OF 1973.

(a) Section 4 of the Emergency Petroleum Allocation Act of 1973 as amended by section 104 of this Act is amended by adding at the end of such section the following new subsection:

"(i) If any provision of the regulation under subsection (a) provides that any allocation of residual fuel oil or refined petroleum products is to be based on use of such a product or amounts of such product supplied during a historical period, the regulation shall contain provisions designed to assure that the historical period can be adjusted (or other adjustments in allocations can be made) in order to reflect regional disparities in use, population growth or unusual factors influencing use (including unusual changes in climatic conditions), of such oil or product in the historical period. This subsection shall take effect thirty days after the date of enactment of the Energy Emergency Act. Adjustments for such purposes shall take effect no later than six months after the date of enactment of this subsection. Adjustments to reflect population growth shall be based upon the most current figures available from the United States Bureau of the Census."

(b) Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "February 28, 1975" in each case the term appears and inserting in each case "May 15, 1975".

SEC. 111. PROTECTION OF FRANCHISED DEALERS.

(a) As used in this section:

(1) The term "distributor" means a person engaged in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or in any way controls such outlets.

(2) The term "franchise" means any agreement or contract between a refiner or a distributor and a retailer or between a refiner and a distributor, under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purpose of engaging in the distribution or sale of petroleum products for purposes other than resale.

(3) The term "notice of intent" means a written statement of the alleged facts which, if true, constitute a violation of subsection (b) of this section.

(4) The term "refiner" means a person engaged in the refinering or importing of petroleum products.

(5) The term "retailer" means a person engaged in the sale of any refined petroleum product for purposes other than resale within any State, either under a franchise or independent of any franchise, or who was so engaged at any time after the start of the base period.

(b)(1) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby. Such notification shall be in writing and sent to such distributor or retailer by certified mail not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons therefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this section together with a summary of the applicable provisions of this section.

(2) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the retailer or distributor whose franchise is terminated failed to comply substantially with any essential and reasonable requirement of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of refined petroleum products in commerce for sale other than resale in the United States.

(c)(1) If a refiner or distributor engages in conduct prohibited under subsection (b) of this section, a retailer or a distributor may maintain a suit against such refiner or distributor. A retailer may maintain such suit against a distributor or a refiner whose actions affect commerce and whose products with respect to conduct prohibited under paragraphs (1) or (2) of subsection (b) of this section, he sells or has sold, directly or indirectly, under a franchise. A distributor may maintain such suit against a refiner whose actions affect commerce and whose products he purchases or has purchased or whose products he distributes or has distributed to retailers.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of conduct prohibited under subsection (b) of this section which it finds to exist including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and actual and punitive damages (except for actions for a failure to renew) where indicated, in suits under this section, and may, unless such suit is frivilous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant. In the case of actions for a failure to renew damages shall be limited to actual damages including the value of the dealer's equity.

(3) A suit under this section may be brought in the district court of the United States for any judicial district in which the distributor or the refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No such suit shall be maintained unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof.

SEC. 112. PROHIBITIONS ON UNREASONABLE ACTIONS.

(a) Action taken under authority of this Act, the Emergency Petroleum Allocation Act of 1973, or other Federal law resulting in the allocation of petroleum products and electrical energy among classes of users is resulting in restrictions on use of petroleum products and electrical energy, shall be equitable, shall not be arbitrary or capricious, and shall not unreasonably discriminate among classes of users: *Provided*, That with respect to allocations of petroleum products applicable to the foreign trade and commerce of the United States, no foreign corporation or entity shall receive more favorable treatment in the allocation of petroleum products than that which is accorded by its home country to United States citizens engaged in the same line of commerce, and allocations shall contain provisions designed to foster reciprocal and non-discriminatory treatment by foreign countries of United States citizens engaged in foreign commerce.

(b) To the maximum extent practicable, any restriction on the use of energy shall be designed to be carried out in such manner so as to be fair and to create a reasonable distribution of the burden of such restriction on all sectors of the economy, without imposing an unreasonably disproportionate share of such burden on any specific industry, business or commercial enterprise, or on any individual segment thereof and shall give due consideration to the needs of commercial, retail, and service establishments whose normal function is to supply goods and services of an essential convenience nature during times of day other than conventional daytime working hours.

Sec. 113. Regulated Carriers.

(a) The Interstate Commerce Commission (with respect to common or contract carriers subject to economic regulation under the Interstate Commerce Act), the Civil Aeronautics Board, and the Federal Maritime Commission shall, for the duration of the period beginning on the date of enactment of this Act and ending on May 15, 1975, have authority to take any action for the purpose of conserving energy consumption in a manner found by such Commission or Board to be consistent with the objectives and purposes of the Acts administered by such Commission or Board on its own motion or on the petition of the Administrator which existing law permits such Commission or Board to take upon the motion or petition of any regulated common or contract carrier or other person.

(b) The Interstate Commerce Commission shall, by expedited proceedings, adopt appropriate rules under the Interstate Commerce Act which eliminate restrictions on the operating authority of any motor common carrier of property which require excessive travel between points with respect to which such motor common carrier has regularly performed service under authority issued by the Commission. Such rules shall assure continuation of essential service to communities served by any such motor common carrier.

(c) Within 45 days after the date of enactment of this Act, the Civil Aeronautics Board, the Federal Maritime Commission, and the Interstate Commerce Commission shall report separately to the appropriate committees of the Congress on the need for additional regulatory authority in order to conserve fuel during the period beginning on the date of enactment of this Act and ending on May 15, 1975 while continuing to provide for the public convenience and necessity. Each such report shall identify with specificity—

(1) the type of regulatory authority needed;

(2) the reasons why such authority is needed;

(3) the probable impact on fuel conservation of such authority;

(4) the probable effect on the public convenience and necessity of such authority; and

(5) the competitive impact, if any, of such authority.

Each such report shall further make recommendations with respect to changes in any existing fuel allocation programs which are deemed necessary to provide for the public convenience and necessity during such period.

Sec. 114. Antitrust Provisions.

(a) Except as specifically provided in subsection (i), no provision of this Act shall be deemed to convey to any person subject to this Act any immunity from civil and criminal liability or to create defenses to actions, under the antitrust laws.

(b) As used in this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(c) (1) To achieve the purposes of this Act, the Administrator may provide for the establishment of such advisory committees as he determines are necessary. Any such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C. App. I), whether or not such Act or any of its provisions expires or terminates during the term of this Act of such committees and in all cases shall be chaired by a regular full-time Federal employee and shall include representatives of the public. The meetings of such committees shall be open to the public.

(2) A representative of the Federal Government shall be in attendance at all meetings of any advisory committee established pursuant to this section. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

(3) A full and complete verbatim transcript shall be kept of all advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of sections 552 (b) (1) and (b) (3) of title 5, United States Code.

(d) The Administrator, subject to the approval of the Attorney General and the Federal Trade Commission, shall promulgate, by rule, standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil or any refined petroleum product may develop and implement voluntary agreements and plans of action to carry out such agreements which the Administrator determines are necessary to accomplish the objectives stated in section 4(b) of the Emergency Petroleum Allocation Act of 1973.

(e) The standards and procedures under subsection (d) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

(1) Such agreements and plans of action shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the petroleum industry and of industrial, municipal and private consumers, and shall in all cases be chaired by a regular full-time Federal employee.

(2) Meetings held to develop a voluntary agreement or a plan of action under this subsection shall permit attendance by interested persons and shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission and to the public in the affected community;

(3) Interested persons shall be afforded an opportunity to present, in writing and orally, data, views and arguments at such meetings;

(4) A full and complete verbatim transcript shall be kept of any meeting, conference or communication held to develop, implement or carry out a voluntary agreement or a plan of action under this subsection and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying, subject to provisions of section 552(b) (1) and (b) (3) of title 5, United States Code.

(f) The Federal Trade Commission may exempt types or classes of meetings, conferences, or communications from the requirements of subsection (c) (3) and (e) (4) provided such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing or carrying out a voluntary agreement or plan of action authorized pursuant to this section. Such ministerial meeting, conference or communication may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject matter discussed. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

(g) (1) The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, implementation and carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this Act. Each shall have the right to review, amend, modify, disapprove, or prospectively revoke, on its own motion or upon the request of any interested person, any plan of action or voluntary agreement at any time, and, if revoked, thereby withdraw prospectively the immunity conferred by subsection (i) of this section.

(2) Any voluntary agreement or plan of action entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission 20 days before being implemented, where it shall be made available for public inspection and copying.

(h) (1) The Attorney General and the Federal Trade Commission shall monitor the development, implementation and carrying out of plans of action and voluntary agreements authorized under this section to assure the protection and fostering of competition and the prevention of anticompetitive practices and effects.

(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts and other records related to the development, implementation or carrying out of plans of action or voluntary agreements authorized pursuant to this Act.

(3) Persons developing, implementing or carrying out plans of action or voluntary agreements authorized pursuant to this Act shall maintain those records required by such joint regulations. The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

(4) The Federal Trade Commission and the Attorney General may each prescribe such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. They may both utilize for such purposes and for purposes of enforcement, any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws; and wherever such provision of law refers to "the purposes of this Act" or like terms, the reference shall be understood to be this Act.

(i) There shall be available as a defense to any civil or criminal action brought under the antitrust laws in respect of actions taken in good faith to develop and implement a voluntary agreement or plan of action to carry out a voluntary agreement by persons engaged in the business of producing, refining, marketing or distributing crude oil, residual fuel oil, or any refined petroleum product that—

(1) such action was—

(A) authorized and approved pursuant to this section, and

(B) undertaken and carried out solely to achieve the purposes of this section and in compliance with the terms and conditions of this section, and the rules promulgated hereunder; and

(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

(j) No provision of this Act shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred: (1) prior to the enactment of this Act, (2) outside the scope and purpose or not in compliance with the terms and conditions of this Act and this section, or (3) subsequent to its expiration or repeal.

(k) Effective on the date of enactment of this Act, this section shall apply in lieu of section 6(c) of the Emergency Petroleum Allocation Act of 1973. All actions taken and any authority or immunity granted under such section 6(c) shall be hereafter taken or granted, as the case may be, pursuant to this section.

(l) The provisions of section 708 of the Defense Production Act of 1950, as amended, shall not apply to any action authorized to be taken under this Act or the Emergency Petroleum Allocation Act of 1973.

(m) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, a report on the impact on competition and on small business of actions authorized by this section.

(n) The authority granted by this section (including any immunity under subsection (i)) shall terminate on May 15, 1975.

(o) The exercise of the authority provided in section 113 shall not have as a principal purpose or effect the substantial lessening of competition among carriers affected. Actions taken pursuant to that subsection shall be taken only after providing from the beginning an adequate opportunity for participation by the Federal Trade Commission and the Assistant Attorney General in charge of the Antitrust Division, who shall propose any alternative which would avoid or overcome, to the greatest extent practicable, any anticompetitive effects while achieving the purposes of this Act.

Sec. 115. Exports.

To the extent necessary to carry out the purpose of this Act, the Administrator may under authority of this Act, by rule, restrict exports of coal, petroleum products, and petrochemical feedstocks, under such terms as he deems appropriate: Provided, That, the Administrator shall restrict exports of coal, petroleum products, or petrochemical feedstocks if either the Secretary of Commerce or the Secretary of Labor certifies that such exports would contribute to unemployment in the United States. The Secretary of Commerce, pursuant to the Export Administration Act of 1969 (but without regard to the phrase "and to reduce the serious inflationary impact of abnormal foreign demand" in section 3(2)(A) of such Act, may restrict the exports of coal, petroleum products, and petrochemical feedstocks, and of materials and equipment essential to the production, transport, or processing of fuels to the extent necessary to carry out the purpose of this Act and sections 4(b) and 4(d) of the Emergency Petroleum Allocation Act of 1973: Provided, That in the event that the Administrator certifies to the Secretary of Commerce that export restrictions of products enumerated in this section are necessary to carry out the purpose of this Act, the Secretary of Commerce shall impose such export restrictions. Rules under this section by the Administrator and actions by the Secretary of Commerce under the Export Administration Act of 1969 shall take into account the historical trading relations of the United States with Canada and Mexico and shall not be inconsistent with subsections (b) and (d) of section 4 of the Emergency Petroleum Allocation Act of 1973.

Sec. 116. Employment Impact and Unemployment Assistance.

(a) The President shall take into consideration and shall minimize, to the fullest extent practicable, any adverse impact of actions taken pursuant to this Act upon employment. All agencies of government shall cooperate fully under their existing statutory authority to minimize any such adverse impact.

(b) The President shall make grants to States to provide to any individual unemployed, if such unemployment resulted from the administration and enforcement of this Act and was in no way due to the fault of such individual, such assistance as the President deems appropriate while such individual is unemployed. Such assistance as a State shall provide under such a grant shall be available to individuals not otherwise eligible for unemployment compensation and individuals who have otherwise exhausted their eligibility for such unemployment compensation, and shall continue as long as unemployment in the area caused by such administration and enforcement continues (but not less than six months) or until the individual is reemployed in a suitable position, but not longer than two years after the individual becomes eligible for such assistance. Such assistance shall not exceed the maximum weekly amount under the unemployment compensation program of the State in which the employment loss occurred.

(c) On or before the sixtieth day following the date of enactment of this Act, the President shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers and shall include legislative recommendations which the President deems appropriate to meet such needs, including revisions in the unemployment insurance laws.

Sec. 117. Use of Carpools.

(a) The Secretary of Transportation shall encourage the creation and expansion of the use of carpools as a viable component of our nationwide transportation system. It is the intent of this section to maximize the level of carpool participation in the United States.

(b) The Secretary of Transportation is directed to establish within the Department of Transportation an "Office of Carpool Promotion" whose purpose and responsibilities shall include—

(1) responding to any and all requests for information and technical assistance on carpooling and carpooling systems from units of State and local governments and private groups and employees;

(2) promoting greater participation in carpooling through public information and the preparation of such materials for use by State and local governments;

(3) encouraging and promoting private organizations to organize and operate carpool systems for employees;

(4) promoting the cooperation and sharing of responsibilities between separate, yet proximately close, units of government in coordinating the operations of carpool systems; and

(5) promoting other such measures that the Secretary determines appropriate to achieve the goal of this subsection.

(c) The Secretary of Transportation shall encourage and promote the use of incentives such as special parking privileges, special roadway lanes, toll adjustments, and other incentives as may be found beneficial and administratively feasible to the furtherance of carpool ridership, and consistent with the obligations of the State and local agencies which provide transportation services.

(d) The Secretary of Transportation shall allocate the funds appropriated pursuant to the authorization of subsection (f) according to the following distribution between the Federal and State or local units of government:

(1) The initial planning process—up to 100 percent Federal.

(2) The systems design process—up 100 percent Federal.

(3) The initial startup and operation of a given system—60 percent Federal and 40 percent State or local with the Federal portion not to exceed 1 year.

(e) Within 12 months of the date of enactment of this Act, the Secretary of the Transportation shall make a report to Congress of all his activities and expenditures pursuant to this section. Such report shall include any recommendations as to future legislation concerning carpooling.

(f) The sum of $5,000,000 is authorized to be appropriated for the conduct of programs designed to achieve the goals of this section, such authorization to remain available for 2 years.

(g) For purposes of this section, the terms "local governments" and "local units of government" include any metropolitan transportation organization designated as being responsible for carrying out section 134 of title 23, United States Code.

(h) As an example to the rest of our Nation's automobile users, the President of the United States shall take such action as is necessary to require all agencies of Government, where practical, to use economy model motor vehicles.

(i)(1) The President shall take action to require that no Federal official or employee in the executive branch below the level of Cabinet officer be furnished a limousine for individual Use. The provisions of this subsection shall not apply to limousines furnished for use by officers or employees of the Federal Bureau of Investigation, or to those persons whose assignments necessitate transportation by limousines because of diplomatic assignment by the Secretary of State.

(2) For purposes of this subsection, the term "limousine" means a type 6 vehicle as defined in the Interim Federal Specifications issued by the General Services Administration, December 1, 1973.

Sec. 118. Administrative Procedure and Judicial Review.

(a)(1) Subject to paragraphs (2), (3), and (4) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule or order (including a rule or order issued by a State or officer thereof) under this title (except with respect to any rule or order pursuant to sections 108 and 113 of this Act, section 205 (a), (b), and (c), of this Act, or section 4(h) of the Emergency Petroleum Allocation Act of 1973) or under the authority of any energy conservation plan.

(2) Notice of any proposed rule or order described in paragraph (1) shall be given by publication of such proposed rule or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious impairment to the operation of the program to which such rule or order relates and such findings are set out in detail in such rule or order. In addition, public notice of all rules or orders promulgated by officers of a State or political subdivision thereof or to State or local boards pursuant to this Act shall to the maximum extent practicable be achieved by publication of such rules or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

(3) In addition to the requirements of paragraph (2), if any rule or order described in paragraph (1) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, on opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the implementation of such rule or order, but in all cases such opportunity shall be afforded no later than 45 days after the implementation of any such rule or order. A transcript shall be kept of any oral presentation.

(4) Any officer or agency authorized to issue rules or orders described in paragraph (1) shall provide for the making of such adjustments, consistent with the other purposes of this Act or the Emergency Petroleum Allocation Act of 1973 (as the case may be) as may be necessary to prevent special hardships, inequity, or an unfair distribution of burdens and shall in rules prescribed by it establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with subsection (b) when such denial becomes final. The officer or agency shall, in rules prescribed by it, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(5) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized by this Act or the Emergency Petroleum Allocation Act of 1973 to issue rules or orders shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any rule or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request and with such modifications as are necessary to insure confidentiality of information protected under such section 552.

(b)(1) Judicial review of administrative rulemaking of general and national applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule or regulation, and judicial review of administrative rulemaking of general, but less than national, applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule or regulation, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule or regulation is to have effect.

(2) Nothwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under regulations or orders issued thereunder, except any actions taken by the Civil Aeronautics Board, the Interstate Commerce Commission, Federal Power Commission, or the Federal Maritime Commission, or any actions taken to implement or enforce any rule or order by any officer of a State or political subdivision thereof or State or local board which has been delegated authority under section 122 of this Act except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any agency under this Act. If in any such proceeding an issue by way of defense is raised based on the constitutionality of this Act or the validity of agency action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of Chapter 89 of title 28, United States Code. Cases or controversies arising under any rule or order of any officer of a State or political subdivision thereof or a State or local board may be heard in either (1) any appropriate State court, and (2) without regard to the amount in controversy, the district courts of the United States.

(c) The Administrator may by rule prescribe procedures for State or local boards which carry out functions under this Act or the Emergency Petroleum Allocation Act of 1973. Such procedures shall apply to such boards in lieu of subsection (a), and shall require that prior to taking any action, such boards shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least 10 days before taking the action. Such boards shall be of balanced composition reflecting the makeup of the community as a whole.

SEC. 119. PROHIBITED ACTS.

It shall be unlawful for any person to violate any provision of title I of this Act (other than provisions of this Act which make amendments to the Emergency Petroleum Allocation Act of 1973 and section 113) or to violate any rule, regulation (including an energy conservation plan) or order issued pursuant to any such provision.

SEC. 120. ENFORCEMENT.

(a) Whoever violates any provision of section 119 shall be subject to a civil penalty of not more than $2,500 for each violation.

(b) Whoever willfully violates any provision of section 119 shall be fined not more than $5,000 for each violation.

(c) It shall be unlawful for any person to offer for sale or distribute in commerce any product or commodity in violation of an applicable order or regulation issued pursuant to this Act. Any person who knowingly and willfully violates this subsection after having been subjected to a civil penalty for a prior violation of the same provision of any order or regulation issued pursuant to this Act shall be fined not more than $50,000 or imprisoned not more than six months, or both.

(d) Whenever it appears to any person authorized by the Administrator to exercise authority under this Act that any individual or organization has engaged, is engaged, or is about to engage in acts or practices constituting a violation of section 119, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any provision, the violation of which is prohibited by section 119.

(e) Any person suffering legal wrong because of any act or practice arising out of any violation of section 119 may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment or writ of injunction. Nothing in this subsection shall authorize any person to recover damages.

SEC. 121. USE OF FEDERAL FACILITIES.

Whenever practicable, and for the purpose of facilitating the transportation and storage of fuel, agencies or departments of the United States are authorized, during the period beginning on the date of enactment of this Act and ending May 15, 1975, to enter into arrangements for the acquisition or use by domestic public entities and private industries of equipment or facilities which are surplus to the needs of such agency or department and appropriate to the transportation and storage of fuel, except that such arrangements may be made (1) only after the Administrator finds that such equipment or facilities are not available from private sources and (2) only on the basis of compensation for the acquisition or use of such equipment or facilities at fair market value prices or rentals.

SEC. 122. DELEGATION OF AUTHORITY AND EFFECT ON STATE LAW.

(a) The Administrator may delegate any of his functions under the Emergency Petroleum Allocation Act of 1973 or this Act to any officer or employee of the Federal Energy Emergency Administration as he deems appropriate. The Administrator may delegate any of his functions relative to implementation and enforcement of the Emergency Petroleum Allocation Act of 1973 or this Act to officers of a State or political subdivision thereof or to State or local boards of balanced composition reflecting the make-up of the community as a whole. Such officers or boards shall be designated and established in accordance with regulations as the Administration shall promulgate under this Act. Section 5(b) of the Emergency Petroleum Allocation Act of 1973 is repealed effective on the effective date of the transfer of functions under such Act to the Administrator pursuant to section 103 of this Act.

(b) No State law or State program in effect on the date of enactment of this Act, or which may become effective thereafter, shall be superseded by any provision of this Act or any regulation, order, or energy conservation plan issued pursuant to this Act except insofar as such State law or State program is inconsistent with the provisions of this Act, or such a regulation, order, or plan.

SEC. 123. GRANTS TO STATES.

Any funds authorized to be appropriated under section 127(b) shall be available for the purpose of making grants to States to which the Administrator has delegated authority under section 122 of this Act, or for the administration of appropriate State or local energy conservation programs which are the basis of an exemption made pursuant to section 105(a)(2) of this Act from a Federal energy conservation plan which has taken effect under section 105 of this Act. The Administrator shall make such grants upon such terms and conditions as he may prescribe by rule.

Sec. 124. Reports on National Energy Resources.

(a) For the purpose of providing to the Congress and the Departments of Interior and Justice, the States, and the public, to the maximum extent possible, reliable data on reserves, production, distribution, and use of petroleum products, natural gas, and coal, the Attorney General or the Secretary of the Interior, or both, shall promptly publish for public comment a regulation requiring that persons doing business in the United States, who, on the effective date of this Act, are engaged in exploring, developing, processing, refining, or transporting by pipeline, any petroleum product, natural gas, or coal, shall provide detailed reports to the Administrator every sixty calendar days. Such reports shall show for the preceding sixty calendar days such person's (1) reserves of crude oil, natural gas, and coal; (2) production and destination of any petroleum product, natural gas, and coal; (3) refinery runs byproduct; and (4) other data required by the Attorney General or the Secretary of the Interior for such purpose. Such regulation shall also require that such persons provide to the Attorney General or the Secretary of the Interior such reports for the period from January 1, 1970, to the date of such person's first sixty day report. Such regulation shall be promulgated 30 days after such publication. The Attorney General or the Secretary of the Interior shall publish guarterly in the Federal Register a meaningful summary analysis of the data provided by such reports.

(b) The reporting requirements of this section shall not apply to the retail operations of persons required to file such reports. Where a person shows that all or part of the data required by this section is being reported by such person to another Federal agency, the Attorney General or the Secretary of the Interior may exempt such person from reporting all or part of such data directly to him, and upon such exemption, such agency shall, notwithstanding any other provision of law, provide such data to the Attorney General or the Secretary of the Interior. The district courts of the United States are authorized, upon application of the Attorney General or the Secretary of Interior, to require enforcement of such reporting requirements.

(c) Upon a showing satisfactory to the Attorney General or the Secretary of the Interior by any person that any report or part thereof obtained under this section from such person or from a Federal agency would, if made public, divulge methods or processes entitled to protection as trade secrets or other proprietary information of such person, such report, or portion thereof, shall be confidential in accordance with the provisions of section 1905 of title 18 of the United States Code, except that such report or part thereof shall not be deemed confidential for purposes of disclosure to (1) any delegate of the Federal Energy Emergency Administration for the purpose of carrying out this Act, (2) the Attorney General or the Secretary of the Interior (or both) when necessary to carry out those agencies' duties and responsibilities under this and other statutes, and (3) the Congress or any Committee of Congress upon request of the Chairman. The provisions of this section shall expire on May 15, 1975.

Sec. 125. Intrastate Gas.

Nothing in this Act shall expand the authority of the Federal Power Commission with respect to sales of non-jurisdictional natural gas.

Sec. 126. Expiration.

The authority under this title to prescribe any rule or order or take other action under this title, or to enforce any such rule or order, shall expire at midnight May 15, 1975 (April 1, 1974, in the case of section 105), but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, May 15, 1975 (April 1, 1974, in the case of section 105).

Sec. 127. Authorization of Appropriations.

(a) There are authorized to be appropriated to the Federal Energy Emergency Agency to carry out its functions under this Act and under other laws, and to make grants to States under section 123, $75,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975.

(b) For the purpose of making payments under grants to States under section 123, there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1974 and $75,000,000 for the fiscal year ending June 30, 1975.

(c) For the purpose of making payments under grants to States under section 116, there is authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1974.

Sec. 128. Severability.

If any provision of this Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Sec. 129. Price Authority.

The President shall exercise his authority under the Economic Stabilization Act of 1970, as amended, and the Emergency Petroleum Allocation Act of 1973 to specify prices for sales of crude oil, residual fuel oil or refined petroleum products in or imported into the United States which avoid windfall profits by sellers. For purposes of this section, windfall profits shall be defined as those profits which are excessive or unreasonable, taking into consideration normal profit levels. This section shall be effective only until December 31, 1974.

Sec. 130. Importation of Liquefied Natural Gas.

The Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new section:

"Sec. 8. Notwithstanding the provisions of section 3 of the Natural Gas Act (or any other provisions of law) the President may by order, on a finding that such action would be consistent to the public interest, authorize on a shipment-by-shipment basis the importation of liquefied natural gas from a foreign country: *Provided, however,* That the authority to act under this section shall not permit the importation of liquefied natural gas which had not been authorized prior to the date of expiration of this Act and which is in transit on such date."

TITLE II—COORDINATION WITH ENVIRONMENTAL PROTECTION REQUIREMENTS

Sec. 201. Suspension Authority

Title I of the Clean Air Act (42 U.S.C. 1857 et seq.) is amended by adding at the end thereof the following new section:

"ENERGY EMERGENCY AUTHORITY

"Sec. 119. (a)(1)(A) The Administrator may, for any period beginning on or after the date of enactment of this section and ending on or before November 1, 1974, temporarily suspend any stationary source fuel or emission limitation as it applies to any person, if the Administrator finds that such person will be unable to comply with such limitation during such period solely because of unavailability of types or amounts of fuels. Any suspension under this paragraph and any interim requirement on which such suspension is conditioned under paragraph (3) shall be exempted from any procedural requirements set forth in this Act or in any other provision of local, State, or Federal law; except as provided in subparagraph (B).

"(B) The Administrator shall give notice to the public of a suspension and afford the public an opportunity for written and oral presentation of views prior to granting such suspension unless otherwise provided by the Administrator for good cause found and published in the Federal Register. In any case, before granting such a suspension he shall give actual notice to the Governor of the State, and to the chief executive officer of the local government entity in which the affected source or sources are located. The granting or denial of such suspension and the imposition of an interim requirement shall be subject to judicial review only on the grounds specified in paragraphs (2)(B) and (2)(C) of section 706 of title 5, United States Code, and shall not be subject to any proceeding under section 304(a)(2) or 307 (b) and (c) of this Act.

"(2) In issuing any suspension under paragraph (1) the Administrator is authorized to act on his own motion without application by any source or State.

"(3) Any suspension under paragraph (1) shall be conditioned upon compliance with such interim requirements as the Administrator determines are reasonable and practicable. Such interim requirements shall include, but need not be limited to, (A) a requirement that the source receiving the suspension comply with such reporting requirements as the Administrator determines may be necessary, (B) such measures as the Administrator determines are necessary to avoid an imminent and substantial endangerment to health of persons, and (C) requirements that the suspension shall be inapplicable during any period during which fuels which would enable compliance with the suspended stationary source fuel or emission limitations are in fact reasonably available to that person (as determined by the Administrator). For purposes of clause (C) of this paragraph, availability of natural gas or petroleum products which enable compliance shall not make a suspension inapplicable to a source described in subsection (b)(1) of this section.

"(4) For purposes of this section:

"(A) The term 'stationary source' fuel or emission limitation' means any emission limitation, schedule, or timetable for compliance, or other requirement, which is prescribed under this Act (other than section 303, 111(b), or 112) or contained in an applicable implementation plan and which is designed to limit stationary source emissions resulting from combustion of fuels, including a prohibition on, or specification of, the use of any fuel of any type or grade or pollution characteristic thereof.

"(B) The term 'stationary source' has the same meaning as such term has under section 111(a)(3).

"(b)(1) Except as provided in paragraph (2) of this subsection, any fuel-burning stationary source (A) which is prohibited from using petroleum products or natural gas as fuel by reason of an order issued under section 106(a) of the Energy Emergency Act, or which the Administrator determines began conversion to the use of coal as fuel during the 90-day period ending on December 15, 1973, and (B) which converts to the use of coal as fuel, shall not, until January 1, 1979, be prohibited, by reason of the application of any air pollution requirement, from burning coal which is available to such source.

"(2)(A) Paragraph (1) of this subsection shall apply to a source, only if the Administrator finds that omissions from the source will not materially contribute to a significant risk to public health and if the source has submitted to the Administrator a plan for compliance for such source which the Administrator has approved, after notice to interested persons and opportunity for presentation of views (including oral presentations of views). A plan submitted under the preceding sentence shall be approved only if it provides (i) for compliance by the means, and in accordance with a schedule, which meets the requirements of subparagraph (B) and (ii) that such source will comply with requirements which the Administrator shall prescribe to assure that emissions from such source will not materially contribute to a significant risk to public health. The Administrator shall approve or disapprove any such plan within 60 days after such plan is submitted.

"(B) The Administrator shall prescribe regulations requiring that any source to which this subsection applies submit and obtain approval of its means for and schedule of compliance. Such regulations shall include requirements that such schedules shall include dates by which such source must (i) enter into contracts or other enforceable obligations for obtaining a long-term supply of coal or coal by-products (which contracts or obligations must have received prior approval of the Administrator), and (ii) take steps to obtain continuous emission reduction systems necessary to permit such source to burn such coal or coal by-products and to achieve the degree of emission reduction required by the following sentence (which steps and systems must have received prior approval of the Administrator). Such regulations shall also require that the source achieve as expeditiously as practicable considering the type of coal to be used (but not later than January 1, 1979) the same degree of emission reduction as if it was required to achieve by the applicable implementation plan in effect on the date of enactment of this section. Such regulations shall also include such interim requirements as the Administrator determines are reasonable and practicable including requirements described in clauses (A) and (B) of subsection (a)(3).

"(C) The Administrator (after notice to interested persons and opportunity for presentation of views, including oral presentations of views, to the extent practicable) (i) may, prior to November 1, 1974, and shall thereafter, prohibit the use of coal by a source to which paragraph (1) applies if he determines that the use of coal by such source is likely to materially contribute to a significant risk to public health; and (ii) may require such source to use coal of any particular type, grade, or pollution characteristic if such coal is available to such source. Nothing in this subsection (b) shall prohibit a State or local agency from taking action which the Administrator is authorized to take under this paragraph.

"(3) For purposes of this subsection, the "air pollution requirement" means any emission limitation, schedule, or timetable for compliance, or other requirement, which is prescribed under any Federal, State, or local law or regulation, including this Act (except for any requirement prescribed under this subsection or section 303), and which is designed to limit stationary source emissions resulting from combustion of fuels (including a restriction on the use or content of fuels). A conversion to coal to which this subsection applies shall not be deemed to be a modification for purposes of section 111(a)(2) and (4) of this Act.

"(4) A source to which this subsection applies may, upon the expiration of the exemption under paragraph (1), obtain a one year postponement of the application of any requirement of an applicable implementation plan under the conditions and in the manner provided in section 110(f).

"(c) The Administrator may by rule establish priorities under which manufacturers of continuous emission reduction systems shall provide such systems to users thereof, if he finds that priorities must be imposed in order to assure that such systems are first provided to users in air quality control regions with the most severe air pollution. No rule under this subsection may impair the obligation of any contract entered into before enactment of this section. No State or political subdivision may require any person to use a continuous emission reduction system for which priorities have been established under this subsection except in accordance with such priorities.

"(d) The Administrator shall study, and report to Congress not later than May 31, 1974, with respect to—

"(1) the present and projected impact on the program under this Act of fuel shortages and end-use allocation programs;

"(2) availability of continuous emission reduction technology (including projections respecting the time, cost, and number of units available) and the effects that continuous emission reduction systems would have on the total environment and on supplies of fuel and electricity;

"(3) the number of sources and locations which must use such technology based on projected fuel availability data;

"(4) priority schedule for implementation of continuous emission reduction technology, based on public health or air quality;

"(5) evaluation of availability of technology to burn municipal solid waste in these sources; including time schedules, priorities analysis of unregulated pollutants which will be emitted and balancing of health benefits and detriments from burning solid waste and of economic costs;

"(6) projections of air quality impact of fuel shortages and allocations;

"(7) evaluation of alternative control strategies for the attainment and maintenance of national ambient air quality standards for sulfur oxides within the time frames prescribed in the Act, including associated considerations of costs, time frames, feasibility, and effectiveness of such alternative control strategies as compared to stationary source fuel and emission regulations;

"(8) proposed allocations of continuous emission reduction technology for nonsolid waste producing systems to sources which are least able to handle solid waste byproduct, technologically, economicaly, and without hazard to public health, safety, and welfare; and

"(9) plans for monitoring or requiring sources to which this section applies to monitor the impact of actions under this section on concentration of sulfur dioxide in the ambient air.

"(e) No State or political subdivision may require any person to whom a suspension has been granted under subsection (a) to use any fuel the unavailability of which is the basis of such person's suspension (except that this preemption shall not apply to requirements identical to Federal interim requirements under subsection (a)(1)).

"(f)(1) It shall be unlawful for any person to whom a suspension has been granted under subsection (a)(1) to violate any requirement on which the suspension is conditioned pursuant to subsection (a)(3).

"(2) It shall be unlawful for any person to violate any rule under subsection (c).

"(3) It shall be unlawful for the owner or operator of any sources to fail to comply with any requirement under subsection (b) or any regulation, plan, or schedule thereunder.

"(4) It shall be unlawful for any person to fail to comply with an interim requirement under subsection (i)(3).

"(g) Beginning January 1, 1975, the Administrator shall publish at no less than 180-day intervals, in the Federal Register the following:

"(1) A concise summary of progress reports which are required to be filed by any person or source owner or operator to which subsection (b) applies. Such progress reports shall report on the status of compliance with all requirements which have been imposed by the Administrator under such subsections.

"(2) Up-to-date findings on the impact of this section upon—

"(A) applicable implementation plans, and

"(B) ambient air quality.

"(h) Nothing in this section shall affect the power of the Administrator to deal with air pollution presenting an imminent and substantial endangerment to the health of persons under section 303 of this Act.

"(i)(1) In order to reduce the likelihood of early phaseout of existing electric generating facilities during the energy emergency, any electric generating power plant (A) which, because of the age and condition of the plant, is to be taken out of service permanently no later than January 1, 1980, according to the power supply plan (in existence on the date of enactment of the Energy Emergency Act) of the operator of such plant, (B) for which a certification to that effect has been filed by the operator of the plant with the Environmental Protection Agency and the Federal Power Commission, and (C) for which the Commission has determined that the certification has been made in good faith and that the plan to cease operations no later than January 1, 1980, will be carried out as planned in light of existing and prospective power supply requirements, shall be eligible for a single one-year postponement as provided in paragraph (2).

"(2) Prior to the date on which any plant eligible under paragraph (1) is required to comply with any requirement of an applicable implementation plan, such source may apply (with the concurrence of the Governor of the State in which the plant is located) to the Administrator to postpone the applicability of such requirement to such source for not more than one year. If the Administrator determines, after balancing the risk to public health and welfare which may be associated with a postponement, that compliance with any such requirement is not reasonable in light of the projected useful life of the plant, the availability of rate base increases to pay for such costs, and other appropriate factors, then the Administrator shall grant a postponement of any such requirements.

"(3) The Administrator shall, as a condition of any postponement under paragraph (2), prescribe such interim requirements as are practicable and reasonable in light of the criteria in paragraph (2).

"(j)(1) The Administrator may, after public notice and opportunity for presentation of views in accordance with section 553 of title 5, United States Code, and after consultation with the Federal Energy Emergency Administration designate persons to whom fuel exchange orders should be issued. The purpose of such designation shall be to avoid or minimize the adverse impact on public health and welfare of any suspension under subsection (a) of this section or conversion to coal to which subsection (b) applies or of any allocation under the Energy Emergency Act or the Emergency Petroleum Allocation Act.

"(2) The Administrator of the Federal Energy Administration shall issue exchange orders to such persons as are designated by the Administrator under paragraph (1) requiring the exchange of any fuel subject to allocation under the preceding Acts effective no later than 45 days after the date of the designation under paragraph (1), unless the Administrator of the Federal Energy Administration determines, after consultation with the Administrator, that the costs or consumption of fuel, resulting from such exchange order will be excessive.

"(3) Violation of any exchange order issued under paragraph (2) shall be a prohibited act and shall be subject to enforcement action and sanctions in the same manner and to the same extent as a violation of any requirement of the regulation under section 4 of the Emergency Petroleum Allocation Act of 1973."

Sec. 202. Implementation Plan Revisions.

(a) Section 110(a) of the Clean Air Act is amended in paragraph (3) by inserting "(A)" after "(3)" and by adding at the end thereof the following new subparagraph:

"(B) (1) For any air quality control region in which there has been a conversion to coal under section 119(b), the Administrator shall review the applicable implementation plan and no later than one year after the date of such conversion determine whether such plan must be revised in order to achieve the national primary standard which the plan implements. If the Administrator determines that any such plan is inadequate, he shall require that a plan revision be submitted by the State within three months after the date of notice to the State of such determination. Any plan revision which is submitted by the State after notice and public hearing shall be approved or disapproved by the Administrator, after public notice and opportunity for public hearing, but no later than three months after the date required for submission of the revised plan. If a plan provision (or portion thereof) is disapproved (or if a State fails to submit a plan revision), the Administrator shall, after public notice and opportunity for a public hearing, promulgate a revised plan (or portion thereof) not later than three months after the date required for approval or disapproval.

"(2) Any requirement for a plan revision under paragraph (1) and any plan requirement promulgated by the Administrator under such paragraph shall include reasonable and practicable measures to minimize the effect on the public health of any conversion to which section 119(b) applies."

(b) Subsection (c) of section 110 of the Clean Air Act (42 U.S.C. 1857 C–5) is amended by inserting "(1)" after "(c)"; by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and by adding the following new paragraph:

"(2) (A) The Administrator shall conduct a study and shall submit a report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Public Works of the United States Senate not later than May 1, 1974, on the necessity of parking surcharge, management of parking supply, and preferential bus/carpool lane regulations as part of the applicable implementation plans required under this section to achieve and maintain national primary ambient air quality standards. The study shall include an assessment of the economic impact of such regulations, consideration of alternative means of reducing total vehicle miles traveled, and an assessment of the impact of such regulations on other Federal and State programs dealing with energy or transportation. In the course of such study, the Administrator shall consult with other Federal officials including, but not limited to, the Secretary of Transportation, the Administrator of the Federal Energy Administration, and the Chairman of the Council on Environmental Quality.

"(B) No parking surcharge regulation may be required by the Administrator under paragraph (1) of this subsection as a part of an applicable implementation plan. All parking surcharge regulations previously required by the Administrator shall be void upon the date of enactment of this subsection. This subparagraph shall not prevent the Administrator from approving parking surcharges if they are adopted and submitted by a State as part of an applicable implementation plan. The Administrator may not condition approval of any applicable implementation plan submitted by a State on such plan's including a parking surcharge regulation.

"(C) The Administrator is authorized to suspend until January 1, 1975, the effective date or applicability of any regulations for the management of parking supply or any requirement that such regulations be a part of an applicable implementation plan approved or promulgated under this section. The exercise of the authority under this subparagraph shall not prevent the Administrator from approving such regulations if they are adopted and submitted by a State as part of an applicable implementation plan. If the Administrator exercises the authority under this subparagraph, regulations requiring a review or analysis of the impact of proposed parking facilities before construction which take effect on or after January 1, 1975, shall not apply to parking facilities on which construction has been initiated before January 1, 1975.

"(D) For purposes of this paragraph, the term 'parking surcharge regulation' means a regulation imposing or requiring the imposition of any tax, surcharge, fee, or other charge on parking spaces, or any other area used for the temporary storage of motor vehicles. The term 'management of parking supply' shall include any requirement providing that any new facility containing a given number of parking spaces shall receive a permit or other prior approval, issuance of which is to be conditioned on air quality considerations. The term 'preferential bus/carpool lane' shall include any requirement for the setting aside of one or more lanes of a street or highway on a permanent or temporary basis for the exclusive use of buses and/or carpools."

Sec. 203. Motor Vehicle Emissions.

(a) Section 202(b) (1) (A) of the Clean Air Act is amended by striking out "1975" and inserting in lieu thereof "1977"; and by inserting after "(A)" the following: "The regulations under subsection (a) applicable to emissions of carbon monoxide and hydrocarbons from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the interim standards which were prescribed (as of December 1, 1973) under paragraph (5) (A) of this subsection for light-duty vehicles and engines manufactured during model year 1975."

(b) Section 202(b) (1) (B) of such Act is amended by striking out "1976" and inserting in lieu thereof "1978"; and by inserting after "(B)" the following: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the standards which were prescribed (as of December 1, 1973) under subsection (a) for light-duty vehicles and engines manufactured during model year 1975. The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model year 1977 shall contain standards which provide that emissions of such vehicles and engines may not exceed 2.0 grams per vehicle mile."

(c) Section 202(b) (5) (A) of such Act is amended to read as follows:

"(5) (A) At any time after January 1, 1975, any manufacturer may file with the Administrator an application requesting the suspension for one year only of the effective date of any emission standard required by paragraph (1) (A) with respect to such manufacturer for light-duty vehicles and engines manufactured in model year 1977. The Administrator shall make his determination with respect to any such application within 60 days. If he determines, in accordance with the provisions of this subsection, that such suspension should be granted, he shall simultaneously with such determination prescribe by regulation interim emission standards which shall apply (in lieu of the standards required to be prescribed by paragraph (1) (A) of this subsection) to emissions of carbon monoxide or hydrocarbons (or both) from such vehicles and engines manufactured during model year 1977."

(d) Section 202(b) (5) (B) of the Clean Air Act is repealed and the following subparagraphs redesignated accordingly.

Sec. 204. Conforming Amendments.

(a) (1) Section 113(a) (3) of the Clean Air Acts amended by striking out "or" before "112(c)", by inserting a comma in lieu thereof, and by inserting after "hazardous emissions)" the following: ". or 119(f) (relating to priorities and certain other requirements)".

(2) Section 113(b) (3) of such Act is amended by striking out "or 112(c)" and inserting in lieu thereof ", 112(c), or 119(f)".

(3) Section 113(c) (1) (C) of such Act is amended by striking out "or section 112(c)" and inserting in lieu thereof ", section 112(c), or section 119(f)".

(4) Section 114(a) of such Act is amended by inserting "119 or" before "303".

(b) Section 116 of the Clean Air Act is amended by inserting "119 (b), (c) and (e)," before "209".

Sec. 205. Protection of Public Health and Environment.

(a) Any allocation program provided for in title I of this Act or in the Emergency Petroleum Allocation Act of 1973, shall, to the maximum extent practicable, include measures to assure that available low sulfur fuel will be distributed on a priority basis to those areas of the country designated by the Administrator of the Environmental Protection Agency as requiring low sulfur fuel to avoid or minimize adverse impact on public health.

(b) In order to determine the health effects of emissions of sulfur oxides to the air resulting from any conversions to burning coal pursuant to section 106, the Department of Health, Education, and Welfare shall, through the National Institute of Environmental Health Sciences and in cooperation with the Environmental Protection Agency, conduct a study of chronic effects among exposed populations. The sum of $3,500,000 is authorized to be appropriated for such a study. In order to assure that long-term studies can be conducted without interruption, such sums as are appropriated shall be available until expended.

(c) No action taken under this Act shall, for a period of 1 year after initiation of such action, be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 856). However, before any action under this Act that has a significant impact on the environment is taken, if practicable, or in any event within 60 days after such action is taken, an environmental evaluation with analysis equivalent to that required under section 102(2) (C) of the National Environmental Policy Act, to the greatest extent practicable within this time constraint, shall be prepared and circulated to appropriate Federal, State, and local government agencies and to the public for a 30-day comment period after which a public hearing shall be held upon request to review outstanding environmental issues. Such an evaluation shall not be required where the action in question has been preceded by compliance with the National Environmental Policy Act by the appropriate Federal agency. Any action taken under this act which will be in effect for more than a one year period (other than action taken pursuant to subsection (d) of this section) or any action to extend an action taken under this Act to a total period of more than 1 year shall be subject to the full provisions of the National Environmental Policy Act notwithstanding any other provision of this Act.

(d) Notwithstanding subsection (c) of this section, in order to expedite the prompt construction of facilities for the importation of hydroelectric energy thereby helping to reduce the shortage of petroleum products in the United States, the Federal Power Commission is hereby authorized and directed to issue a Presidential permit pursuant to Executive Order 10485 of September 3, 1953, for the construction, operation, maintenance, and connection of facilities for the transmission of electric energy at the borders of the United States without preparing an environmental impact statement pursuant to section 102 of the National Environmental Policy Act of 1969 (83 Stat. 856) for facilities for the transmission of electric energy between Canada and the United States in the vicinity of Fort Covington, New York.

SEC. 206. ENERGY CONSERVATION STUDY.

(a) The Administrator of the Federal Energy Administration shall conduct a study on potential methods of energy conservation and, not later than 6 months after the date of enactment of this Act, shall submit to Congress a report on the results of such study. The study shall include, but not be limited to, the following:

(1) the energy conservation potential of restricting exports of fuels or energy-intensive products or goods, including an analysis of balance of payments and foreign relations implications of any such restrictions;

(2) federally sponsored incentives for the use of public transit, including the need for authority to require additional production of buses or other means of public transit and Federal subsidies for the duration of the energy emergency for reduced fares and additional expenses incurred because of increased service;

(3) alternative requirements, incentives, or disincentives for increasing industrial recycling and resource recovery in order to reduce energy demand, including the economic costs and fuel consumption tradeoff which may be associated with such recycling and resource recovery in lieu of transportation and use of virgin materials;

(4) the costs and benefits of electrifying rail lines in the United States with a high density of traffic; including (A) the capital costs of such electrification, the oil fuel economies derived from such electrification, the ability of existing power facilities to supply the additional power load, and the amount of coal or other fossil fuels required to generate the power required for railroad electrification, and (B) the advantages to the environment of electrification of railroads in terms of reduced fuel consumption and air pollution and disadvantages to the environment from increased use of fossil fuel such as coal; and

(5) means for incentives or disincentives to increase efficiency of industrial use of energy.

(b) Within 90 days of the date of enactment of this Act, the Secretary of Transportation, after consultation with the Federal Energy Administrator, shall submit to the Congress for appropriate action an "Emergency Mass Transportation Assistance Plan" for the purpose of conserving energy by expanding and improving public mass transportation systems and encouraging increased ridership as alternatives to automobile travel.

(c) Such plan shall include, but shall not be limited to—

(1) recommendations for emergency temporary grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in connection with the provision of expanded mass transportation service in urban areas;

(2) recommendations for additional emergency assistance for the purchase of buses, and rolling stock for fixed rail, including the feasibility of accelerating the timetable for such assistance under section 142(a) (2) of title 23, United States Code (the "Federal Aid Highway Act of 1973"), for the purpose of providing additional capacity for and encouraging increased use of public mass transportation systems;

(3) recommendations for a program of demonstration projects to determine the feasibility of fare-free and low-fare urban mass transportation systems, including reduced rates for elderly and handicapped persons during nonpeak hours of transportation;

(4) recommendations for additional emergency assistance for the construction of fringe and transportation corridor parking facilities to serve bus and other mass transportation passengers;

(5) recommendations on the feasibility of providing tax incentives for persons who use public mass transportation systems.

(d) In consultation with the Federal Energy Administrator, the Secretary of Transportation shall make an investigation and study for the purpose of conserving energy and assuring that the essential fuel needs of the United States will be met by developing a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles and San Diego in the State of California. In carrying out such investigation and study the Secretary shall consider, but shall not be limited to—

(1) the efficiency of energy utilization and impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

(2) coordination with other studies undertaken on the State and local level; and

(3) such other matters as he deems appropriate.

The Secretary of Transportation shall report the results of the study and investigation pursuant to this Act, together with his recommendations, to the Congress and the President no later than December 31, 1974.

SEC. 207. REPORTS.

The Administrator of the Environmental Protection Agency shall report to Congress not later than January 31, 1975, on the implementation of sections 201 through 205 of this title.

SEC. 208. FUEL ECONOMY STUDY.

Title II of the Clean Air Act is amended by redesignating section 213 as section 214 and by adding the following new section:

"FUEL ECONOMY IMPROVEMENT FROM NEW MOTOR VEHICLES

"SEC. 213. (a)(1) The Administrator and the Secretary of Transportation shall conduct a joint study, and shall report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committees on Public Works and Commerce of the United States Senate within 120 days following the date of enactment of this section, concerning the practicability of establishing a fuel economy improvement standard of 20 percent for new motor vehicles manufactured during and after model year 1980. Such study and report shall include, but not be limited to, the technological problems of meeting any such standard, including the leadtime involved; the test procedures required to determine compliance; the economic costs associated with such standard, including any beneficial economic impact; the various means of enforcing such standard; the effect on consumption of natural resources, including energy consumed; and the impact of applicable safety and emission standards. In the course of performing such study, the Administrator and the Secretary of Transportation shall utilize the research previously performed in the Department of Transportation, and the Administrator and the Secretary shall consult with the Administrator of the Federal Energy Administration, the Chairman of the Council on Environmental Quality, and the Secretary of the Treasury. The Office of Management and Budget may review such report before its submission to Congress but the Office may not revise the report or delay its submission beyond the date prescribed for its submission, and may submit to Congress its comments respecting such report. In connection with such study, the Administrator may utilize the authority provided in section 307(a) of this Act to obtain necessary information.

"(2) For the purpose of this section, the term 'fuel economy improvement standard' means a requirement of a percentage increase in the number of miles of transportation provided by a manufacturer's entire annual production of new motor vehicles per unit of fuel consumed, as determined for each manufacturer in accordance with test procedures established by the Administrator pursuant to this Act. Such term shall not include any requirement for any design standard or any other requirement specifying or otherwise limiting the manufacturer's discretion in deciding how to comply with the fuel economy improvement standard by any lawful means."

TITLE III—STUDIES AND REPORTS

SEC. 301. AGENCY STUDIES.

The following studies shall be conducted, with reports on their results submitted to the Congress:

(1) Within 30 days after the date of enactment of this Act:

(A) The Administrator of the Federal Energy Emergency Administration shall conduct a review of all rulings and regulations issued pursuant to the Economic Stabilization Act to determine if such rulings and regulations are contributing to the shortage of fuels and of materials associated with the production of energy supplies.

(B) All Federal departments and agencies including the Federal regulatory agencies, are directed to undertake a survey of all activities over which they have special expertise or jurisdiction and identify and recommend to the Congress and to the President specific proposals to significantly increase energy supply or to reduce energy demand through conservation programs.

(C) The Secretary of the Treasury and the Director of the Cost of Living Council shall recommend to the Congress specific incentives to increase energy supply, reduce demand, to encourage private industry and individual persons to subscribe to the goals of this Act. This study shall also include an analysis of the price-elasticity of demand for gasoline.

(D) The Administrator shall report to the Congress concerning the present and prospective impact of energy shortages upon employment. Such report shall contain an assessment of the adequacy of existing programs in meeting the needs of adversely affected workers, together with legislative recommendations appropriate to meet such needs, including revisions in the unemployment insurance laws.

The SPEAKER. Is a second demanded?

Mr. HOSMER. Mr. Speaker, I am opposed to the bill and demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

PARLIAMENTARY INQUIRY

Mr. DINGELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DINGELL. Mr. Speaker, is the gentleman from California opposed to the bill?

Mr. HOSMER. Mr. Speaker, I just said that I was opposed to the bill.

Mr. DINGELL. Mr. Speaker, I just wanted to hear the gentleman say it.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

POINT OF ORDER

Mr. BAUMAN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BAUMAN. Mr. Speaker, I make a point of order against this resolution because it, in effect, does nothing more than call up a matter that has already been voted on within the last half hour by this House.

Anyone who says it is not to the contrary has no authority, because no one has read it and we do not know the substance.

The SPEAKER. The Chair has read the resolutions, they have been read to the House, and the Chair has authority to recognize for motions to suspend the rules.

There are substantial differences, and the Chair has recognized the gentleman from West Virginia.

Mr. BAUMAN. Mr. Speaker, then I would like to request under the rules that it be read to the House.

The SPEAKER. It has been read. It has been read. If the gentleman wants the resolution rereported, the Chair will put the request.

The gentleman from West Virginia will be recognized for 20 minutes; the gentleman from California will be recognized for 20 minutes.

The Chair recognizes the gentleman from West Virginia, (Mr. STAGGERS).

Mr. STAGGERS. Mr. Speaker, we have copies of this report. There are plenty of them here, and every Member can get one, I am sure, and take a look at what is in the bill.

We made two changes as to what is in the conference report.

Mr. Speaker, I think that the bill has been discussed enough, but I will take just a minute or so to say that this is the conference report, with some deletions, that we are familiar with. Some things have been taken out, and I will go over them again, and then I will point out that we have further deleted one other section of the bill: windfall profits.

Mr. McKINNEY. Mr. Speaker, will the gentleman yield for just a moment?

Mr. STAGGERS. I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Speaker, I will ask the chairman of the committee; is it true that the conference report was available this morning for any Member who wanted to make the effort to get it sometime today?

Mr. STAGGERS. Sometime during the day, yes, sir.

Mr. McKINNEY. Right.

Mr. STAGGERS. Probably sometime this morning.

Mr. McKINNEY. Well, I had a copy of most of it by, I believe, as it was received from the committee.

Mr. STAGGERS. Yes, sir.

Mr. McKINNEY. Mr. Speaker, it is also true, is it not, as the gentleman explained at the time of the first vote we took which failed, that his motion was relative to that conference report, minus a few changes, which he outlined?

Mr. STAGGERS. The gentleman is correct.

Mr. McKINNEY. And at this particular time the gentleman is making one more change, which would allow the oil companies to make the profits which they have been making?

Mr. STAGGERS. The gentleman is correct.

Mr. McKINNEY. Mr. Speaker, is it also true, I will ask the chairman of the committee, that nobody has seen the Senate bill, and that the Senate came out with a bill that did not come from the House or from the conference committee, and the basic bill gives the President the power, with information locked away from the Congress?

Mr. STAGGERS. The gentleman is correct.

Mr. MILFORD. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Speaker, I am forced to rise in protest and vote "no" on this measure. I must vote in this manner because I simply do not know what is in this bill.

My total input of information, concerning the contents of this conference report and this bill, has been obtained by reading the Washington Post. Even the Washington Post does not know the entire contents of the bill.

My constituents did not send me to the Congress to vote "blind" on bills that come before the House, nor did they send me here to make important legislative decisions according to what is printed in the Washington Post.

My remarks are not made for the purpose of chastising any of my House colleagues, nor the Commerce Committee, nor my former colleagues in the press. I am simply and honestly addressing myself to the situation, concerning this bill, and the past events that have actually occurred.

Mr. Speaker, surely everyone recognizes that this is a very important and far-reaching measure. It is probably the most important bill to come on to this floor since World War II. This measure will directly affect every individual American, every business and every institution in this Nation. A vast new government bureaucracy is being created with unprecedented powers. This is a very complex bill.

Other than about a half-dozen joint conferees, there is not a single Member of this House that knows the contents of the bill that is before us. I cannot possibly vote for any bill under these circumstances. Furthermore, I protest the procedures and tactics under which this legislation was written and moved on to the floor.

The history of this piece of legislation reveals that we started with a deadline—Christmas adjournment. The House leadership classified this bill as "emergency legislation." Many Members did not agree with that classification, pointing out that the President had already been given authority to allocate fuel and to impose rationing, along with other powers necessary to conserve energy. We simply ask, "What is the emergency?"

Nonetheless, the Energy Emergency Act was introduced on November 13, 1973 and was reported out by the Commerce Committee in less than 1 month. It was very apparent to every Member that the imposed deadline, rather than careful consideration, was the determinate factor in getting the bill out of the Commerce Committee. In private conversations with committee members, I was shocked to learn the details of the committee's work.

During committee markup, I learned that over 100 amendments were offered. Well over half of these amendments were debated under a 10-minute time limitation. Over 30 amendments were debated with a 1-minute limitation. Obviously, under such circumstances, the committee had not given full consideration to all factors.

Immediately following Commerce Committee consideration, the bill was rushed to the Rules Committee. A rule was obtained wherein the required 3-day rule was waived and the bill was brought directly to the floor. Most important, no Member was able to see a copy of the bill until floor debate was started.

Mr. Speaker, as you well know, it is impossible for anyone to read a complicated legal bill while also listening to debate. Therefore, no Member was able to study and analyze the bill prior to debate. No Member could intelligently debate the bill.

Furthermore, the bill was brought on to the floor with a procedure that severely limited floor amendments by any member other than those who were on the Interstate and Foreign Commerce Committee. The fact that a very large number of amendments were introduced by committee members, while the bill was on the floor, provided evidence that the committee work had been incomplete.

During floor debate, over 100 amendments were offered. Only a very few were accompanied by meaningful debate. Over half of the amendments were read without any debate, without members having copies to study, without any discussion or explanation of the amendments, and with little or no understanding on the part of Members.

In the Joint Senate-House conference committee, according to the Washington Post, the bill was completely rewritten. It saddens me to have to use a daily newspaper as my only source of information, but that is the only source that I have. Even now as we consider the conference report, no Member has a copy of the bill nor the conference report, nor the Senate amendments. No member has the slightest idea about what he is voting on.

Mr. Speaker, I cannot vote in this manner. Furthermore, I protest this kind of procedure and I refuse to be a part of it.

As a freshman Member, I am willing to be guided by our experienced House leadership. If the leadership classifies this bill as "emergency legislation", I will be glad to give it full consideration. However, when I say "full consideration," I mean just that. I am not willing to vote blind on any bill just because a few senior Members say that it is important, even though I respect them very highly. To vote in such a manner would be a violation of the trust placed in me by my constituents.

I am willing to return to the House immediately after the Christmas holiday and work on this legislation. Or for that matter, I am willing to stay here during the holiday.

But, Mr. Speaker, I am totally unwilling to vote for this bill without having read a single word of its contents and without having an opportunity to carefully study the ramifications that it might have on my constituents.

Mr. RHODES. Mr. Speaker, will the gentleman yield for what I think will be a correction?

Mr. STAGGERS. Yes, I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, as I understand the gentleman's bill and the Senate bill, the Senate bill provides for a veto on the part of the House and the Senate for conservation measures. It is not like the Gulf of Tonkin resolution which the gentleman from Connecticut mentioned. There are provisions for vetoes in the Senate bill.

Mr. STAGGERS. The gentleman is correct.

But I might say, Mr. Speaker, that is true, with the exception of the one thing, that there is no veto on the rationing in the bill at all.

As far as the other sections are concerned. I will go over them once more.

Section 103 has been amended to eliminate provisions which freed the Administrator of the Federal Emergency Energy Administration from various OMB controls.

Section 105, relating to emergency conservation regulations, has been changed to limit the duration of any regulation to April 1, 1974.

Section 124, which proposed to give the Administrator authority to call for reports on emergency reserves, has been amended to give this authority instead to the Department of Justice and the Department of the Interior of the United States.

Then section 110, dealing with windfall profits, has now been deleted.

There are no other changes from the conference report.

Mr. HOSMER. Mr. Speaker, I am going to yield time to two speakers.

I wish now to yield 6 minutes to the gentleman from North Carolina (Mr. RUTH).

Mr. RUTH. Mr. Speaker, I would like to explain to my colleagues why it would be a mistake to adopt this resolution or any other resolution or the conference report.

I recall a story about a baseball player who was playing third base, and he made three errors in a row, one on a fly ball, one on a ground ball, and another on a throw.

So the manager took him out and played third base himself. Then the manager made two errors, and he came to the dugout and said, "You have got third base so messed up that nobody can play it."

I do not know what is in this resolution, and I do not think I am alone in that.

With all respect to the chairman of the committee, he just made a remark that he did not know whether EPA was in this, and if he does not know what is in it, then who does?

Let us take a look, Mr. Speaker, at how this baseball game parallels this bill. We agreed that the bill was prepared hurriedly. We were not sure what would be best for the country, but our primary propelling force was that something was expected of us, so we are going to give them something whether we know what it is or not.

We tried to write the bill on the floor. I have always told my constituents that bills were prepared in the committee, and I found out I was right. We prepared it in the Committee of the Whole House, so I am considering putting on my stationery that I am on the Committee of the Whole House on the State of the Union.

Then we wanted to make sure we never got any glimpse of our objective.

So we started voting on the amendments without having them explained. We stayed in the dark.

Now we are being asked again to vote on something without any knowledge of what it is. Now, I voted "present" on most of the amendments, and there was a whole group of Members who did likewise because we did not know what was going on. I had never voted "present" before, but I had to do so this time.

I voted "aye" on final passage so that the Members of the conference could clean up the bill. Well, they really cleaned it up. They took the antibusing amendment clean out of it. Of course, this had passed the House twice, and only failed in the Senate by one vote.

The bill has no accommodation from ecology, none at all. We are going to have the prettiest, cleanest, cold, and broke country in this world, with few jobs, but all of them safe—and no way to get to them.

Now, more importantly than our overreaction to ecology and safety in bringing this energy crunch to the place we now have it, is our interference with the free enterprise system. We became the land of plenty through free enterprise. Controls have helped put us where we are today. Also we get duped by titles. We call this an energy bill. We might just as well call it a nonenergy bill. It guarantees scarcities and it encourages strikes, which we have been seeing develop all over the country.

The biggest problem that I have seen us face in this House is to eradicate bad legislation, and I have not seen it in the 5 years I have been present here.

So if you have any doubts about what is in the bill, I encourage you to vote against it.

I would like to close with just one other little story—not because it is new, but because it is so apropos:

There was an individual who was extremely successful, so successful that a young man went up to him and said, "To what do you attribute your success?" And he said, "Young man, I cannot give you the formula for success, but I can tell you the formula for failure, and that is to try to please everybody."

Mr. STAGGERS. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I rise to pay tribute to my friend and colleague, the gentleman from West Virginia, the Honorable HARLEY STAGGERS. The gentleman has proceeded with great patience and great caution through great difficulty. He has worked night and day, in committee and in conference and on the floor, and this body owes him a vote of confidence in sincere tribute for his earnest, able, and honorable efforts on behalf of this body. He has been a man of not only patience and great integrity, but he has worked hard and he has done his best. The House, I think, has done its best, and I think that the other body—I must say with regret—has done its worst.

The question before us now, tonight, is simply whether we are going to write a bill that is going to carry out the agreements honorably made between this body and the other body, or whether we will supinely let a small group of willful men over there dictate to the country, to the Senate, and to the House, by the utilization of the filibuster, alone, as to what shall go into this legislation.

The question is not what the issue is, because the issue is a very simple one. We brought this legislation to you. We explained it clearly in the conference report. We brought the legislation to you, and it was explained clearly in other papers presented to the body. And this legislation has been rather clearly explained in the discussion before us.

But the fact of the matter is that what is involved here is really very simple, and that is whether or not this body is going to lay down, roll over and play dead for the other body and for the oil companies.

As I say, what is at issue here is a very simple thing: Profits for the oil companies, windfall profits, if you please—not the ordinary level of profits, but whether they should be able to continue to double, redouble, and double again their profits in the forthcoming years, as they have been doing in the time of this crisis. That is what is at stake.

And, in the case of the oil companies, we will find that, while everybody else is asked to tighten their belts, to conserve, give up driving, and other luxuries and necessities, the oil companies are making a killing.

Now, it should be understood that there is an abundance of legislation on the books.

Affording the President authority to allocate, to ration and to meet the crisis in the energy field.

If we forego the opportunity here, all we will have is a vote on special interest, oil industry, dictated legislation.

Let us legislate indefinitely and put forward worthwhile legislation meeting the public need.

I have loyally supported this legislation, partly out of respect for my chairman, partly out of the fact that there were good things in it, and partly out of an awareness that politically we are going to be denounced by the man in the White House if we do not go for this legislation.

But the hard fact of the matter is that the President right now has authority to control prices and profits. The President right now has authority fully to allocate fuels. The President has authority right now to ration. The other things in this bill are mostly only vague in character and can be considered when we return.

What I would suggest to my colleagues is to vote "no" on this legislation at this time, as I intend to do. Let us go home. Let us see what the people think. Let us have a time to consider this legislation before us with more care. Let us adjourn, and let us vote this legislation down and come back and get worthwhile legislation that will control windfall profits. Let us legislate under conditions more productive of the public interest and less of special interest service.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. Roe).

Mr. ROE. Mr. Speaker, I have listened intently to the hearts and the minds and the souls of the people who have spoken here tonight. I do not believe there is anyone in this House, man or woman, who has spoken against his country. But would it be so wrong to call upon the Members' attention to remember one thing. Who is the master and who is the governed? There is one thing that is important to all of us tonight, and that is what about the people of America? We have spoken loudly and clearly about vested interests, and who hurts whom. But the important thing that the American people are talking about is not windfall profits or who is going to get what out of this bill. The American people are asking us to do one thing on Christmas Eve: "For God's sake, do something for us," the 230 million people strong who look to our eyes and our hearts to be human beings and fulfill the responsibility that we accepted when we ran for public office.

We said to them, "Come vote for us because we want to go to the House of Representatives and we want to go to the Senate, and we want to speak for our people, because we believe in our country and we believe we can help our people."

All of this debate has been about can we or can we not? Are we capable? There are 435 people strong in this House who can speak and say it as it ought to be said. The American people are saying one thing to us. They are not talking about whose ox is gored. They are asking us to do one simple, basic thing: Give us equity; give us fair play; give us an opportunity to be part of this country; yes, speak for us. Yes, go home. Yes, tell us what you did on Christmas Eve for your country.

Merry Christmas, Mr. Speaker, what we ought to do is sit down, with reasonable, decent people who want to help to resolve this critical problem. I want to go home to my people and not talk about oil, not talk about who failed or who won or lost. I want to vote for a bill, but I want to vote for a bill that is fair to John Q. Public Citizen, the decent people who are making this country run and not politicians.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. Carey).

Mr. CAREY of New York. Mr. Speaker, I served on the Interior Committee of this House for 10 years, during which time I joined with the gentleman from Massachusetts (Mr. Conte) and many others to warn of the dangers of the oil import program. I wrote a minority report back in 1968 indicating we were getting into this fix. It had to happen because of the oil import quota system. No one listened then. Please listen now.

Mr. Simon, who has undertaken the responsibility of controlling the energy shortage, needs some legislative enactment to conduct the program. This is our last chance to act before that shortage becomes more severe and unmanageable. It is later than we think.

Mr. Speaker, I served for most of my adult life after I graduated from law school in the energy field. I know how serious this situation has become. We have already lost the opportunity to cope with the shortage through more than 20 percent of the heating season. If we drag on, the worst season will be upon us. The heating and lighting and power shortage will hit harder in January and February and March. The people will blame the Congress that went home in December without doing something about it.

Mr. Speaker, this is our last chance to meet the light, heat, and power shortage that is bound to occur.

If we are worrying about excess profits, I sit now on the Committee on Ways and Means. Chairman Mills of that committee has said he is going to bring forth a tax measure that will cope in a proper way with excess profits. That can only be done by an exact accounting system conducted by the IRS, and that is not in any bill. Product shortage and profit shortage are separate problems and should be handled that way.

Give the Committee on Ways and Means a chance when it sits in January to look at the profits structure and come out with a bill that we can pass on both sides to allow that there is a reasonable profit but no excess profits. That is when we can do that but tonight is the night to cope with the shortage that is going to occur in the first quarter of 1974. If we do not do this, Congress will have failed to meet the duty that we have to do to cope with the shortage. Give Mr. Simon a chance to conduct this program.

If you defeat this bill the only alternative is the Senate bill and that I fear is an unknown quantity and probably unacceptable.

The next vote is our last chance to get a temporary bill to carry us through this winter. Let us not miss that chance.

Mr. HOSMER. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona, the minority leader (Mr. Rhodes).

Mr. RHODES. Mr. Speaker, I dislike opposing the latest proposal offered by the gentleman from West Virginia. He has certainly tried and tried very diligently to get a bill and I am going to help him get a bill. But I cannot help him this way for one very simple reason.

I just called the distinguished minority whip of the Senate. He tells me that there is no chance there is a quorum of the Senate in this city tonight. He says there is a chance that there might be one tomorrow but he is not sure at all that there will be one.

Let us understand this. This bill is just about the same as the bill which we voted down previously. We voted it down because we wanted a law, and I think most of us understood that the only way we can be sure of getting a law and getting one tonight in a form which deals effectively with the energy crisis is to take the Senate-passed bill, pass it, and send it to the President.

So Mr. Speaker, I ask that once again there be a "No" vote on this proposal and that we then if the gentleman from West Virginia is willing to give us a vote on the Senate bill, see whether we want to take it or whether we do not. I think it is time to do that.

Mr. STAGGERS. Mr. Speaker, I want to say to the gentleman again if we take this Senate bill, which I cannot do, it denies this Congress from knowing what is going on in this legislation, and how can we legislate when we do not know?

Mr. RHODES. Mr. Speaker, I respectfully have to differ with the gentleman from West Virginia. I do not know what there is about this bill which shuts off our right to know. Will the gentleman explain?

Mr. STAGGERS. Yes. In our bill we ask for certain things to be revealed so we can legislate in the area with knowledge. If we do not know, we cannot.

Mr. RHODES. But the gentleman from West Virginia knows full well that the bill which passed the House and passed the Senate is still in conference, and if the gentleman desires to take it out of conference after January 21 he can do so and provide for these reports.

Mr. STAGGERS. Let me say I am not going to take up the Senate bill which will deny to this House knowledge which we need to have to legislate in an area where we do not know what we are doing.

Mr. RHODES. I just cannot lend credence to the proposition that the gentleman from West Virginia would deny this House the only chance it has to pass an adequate bill before we go home. The country needs it, our constituents are entitled to it.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the majority leader.

Mr. O'NEILL. Mr. Speaker, has the time come when we accept the statement of the minority leader that we should act on the basis of what is the feeling of the minority whip of the Senate? In other words, this House should act tonight because the Senate minority leader says something?

Mr. RHODES. I did not say that. I said the minority whip of the Senate said there is no doubt there is no quorum tonight and there is a doubt there will be one tomorrow.

Mr. O'NEILL. I have been told in the Senate that there is a quorum available.

Mr. RHODES. If the gentleman wants to spend Christmas in this Chamber I will spend it with him.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. ROY).

Mr. ROY. Mr. Speaker, I want to thank the chairman for making this resolution available to the House to vote upon because I think it gives each of us a chance to say clearly how we feel about windfall profits, because this is the only difference between the previous one and this one.

We cannot wait for the Senate Finance and the Ways and Means Committees to act with respect to windfall profits. I have reason to believe that at this time there are tens of millions of dollars in excess, unreasonable, and windfall profits going to the oil companies each day and hundreds of millions of dollars each week, and billions of dollars each month. Why?

Just this week Secretary of the Treasury Mr. Shultz proposed that we tax crude oil only on increase above the base price, that is the price reflecting a reasonable and normal profit. He proposed, we not tax the first 25 cents that we tax the next 35 cents at a rate of 10 percent and so until after $2.5 above base we levy at tax of 85 percent. He estimated this tax on excess profits on crude oil alone would bring into the Treasury of the United States an estimated $3 to $5 billion during the first year.

I want to submit to my colleagues that the excess profits retained by the oil companies would be multiples of that $3 to $5 billion it is estimated would accrue to the Treasury of the Unted States under the proposal floated 2 days ago by the Secretary of the Treasury.

I do not think we can wait while such profits pile up. I think we must now direct the President to specify prices to avoid windfall profits. Moreover, there has to be a remedy and a definition and for this reason I urge a vote of "no" on this resolution which strikes windfall profit reduction.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, we are informed that the Ways and Means Committee and the Senate Finance Committee are going to consider this matter of windfall profits. The man who is filibustering the legislation before us in the Senate right now is the chairman of the Senate Finance Committee. He is opposed to putting controls on oil company profits. How much chance does this show there is for fair consideration of fair excess profits tax legislation at any early time. The answer is not much. Not much at all.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD. Mr. Speaker, I thank the gentleman for yielding to me.

I am pragmatic enough to know that I am not going to change any minds, and I am not about to try to do that.

However, I would like all the Members to know, who have not had the opportunity to serve, as I have, with our chairman of the Interstate and Foreign Commerce Committee and seeing him work day in and day out with his whole heart and his whole soul, with every ability at his command, they can have nothing but the highest respect for the man HARLEY STAGGERS.

Mr. Speaker, it does ill repute to anyone in this body to derogate in any way any such man. We should be proud to have him, as I am, among our membership.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and agree to the House resolution (H. Res. 760).

The question was taken, and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. STAGGERS. Mr. Speaker, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 22, noes 240, not voting 170, as follows:

[Roll No. 722]

AYES—22

Andrews, N.C.
Bennett
Breaux
Broyhill, N.C.
Carey, N.Y.
Foley
Fraser
Hamilton
Hastings
Henderson
Hicks
Long, Md.
McFall
Mollohan
O'Hara
Passman
Perkins
Preyer
Robison, N.Y.
Staggers
Stratton
Taylor, N.C.

NOES—240

Abdnor
Adams
Alexander
Annunzio
Archer
Armstrong
Ashley
Badillo
Barrett
Bauman
Beard
Bergland
Biester
Blatnik
Boland
Bowen
Brademas
Bray
Breckinridge
Brinkley
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Carter
Casey, Tex.
Cederberg
Chappell
Clark
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellums
Denholm
Dennis
Derwinski
Dingell
Donohue
Dorn
Downing
Drinan
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Findley
Fisher
Flood
Flowers
Ford, William D.
Forsythe
Fountain
Frenzel
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Gray
Green, Pa.
Gude
Gunter
Guyer
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hogan
Holifield
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kyros
Latta
Litton
Long, La.
McCloskey
McCollister
McCormack
McDade
McKay
McKinney
Macdonald
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Morgan
Mosher
Myers
Natcher
Nedzi
Obey
O'Neill
Owens
Parris
Patman
Patten
Pepper
Pettis
Pickle
Pike
Powell, Ohio
Price, Ill.
Pritchard
Quie
Randall
Rangel
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Ruth
St Germain
Sandman
Sarbanes
Satterfield
Schroeder
Seiberling
Shuster
Skubitz
Slack
Spence
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Wis.
Stokes
Stuckey
Studds
Symington
Symms
Talcott
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Whalen
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wyatt
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Zablocki

NOT VOTING—170

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Aspin
Bafalis
Baker
Bell
Bevill
Biaggi
Bingham
Blackburn
Boggs
Bolling
Brasco
Brooks
Brotzman
Burgener
Burke, Calif.
Burton
Butler
Byron
Camp
Carney, Ohio
Chamberlain
Chisholm
Clancy
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dent
Devine
Dickinson
Diggs
Dulski
du Pont
Edwards, Ala.
Eshleman
Evins, Tenn.
Fish
Flynt
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Goldwater
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Haley
Hanna
Hansen, Wash.

Harrington
Harsha
Harvey
Hays
Hébert
Heinz
Hillis
Hinshaw
Holt
Hunt
Hutchinson
Jarman
Johnson, Colo.
Jones, Ala.
Keating
Kluczynski
Kuykendall
Landgrebe
Landrum
Leggett
Lehman
Lent
Lott
Lujan
McClory
McEwen
McSpadden
Madden
Madigan
Mailliard
Martin, Nebr.
Michel
Mills, Ark.
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Nelsen
Nichols
Nix
O'Brien
Peyser
Poage
Podell
Price, Tex.
Quillen
Railsback
Rarick
Rees
Reid
Riegle
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Smith, N.Y.
Snyder
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Sullivan
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Van Deerlin
Veysey
Vigorito
Walsh
Ware
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wolff
Wright
Wydler
Wyman
Yates
Young, Tex.
Zion
Zwach

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Arends.
Mr. Hays with Mr. Harvey.
Mr. Bevill with Mr. Heinz.
Mr. Harrington with Mr. Gubser.
Mr. Anderson of California with Mr. Brotzman.
Mr. Gibbons with Mr. Frelinghuysen.
Mrs. Collins of Illinois with Mr. Danielson.
Mr. Biaggi with Mr. Anderson of Illinois.
Mrs. Hansen of Washington with Mr. Eshleman.
Mr. Aspin with Mr. Collier.
Mr. Gettys with Mr. Blackburn.
Mrs. Chisholm with Mr. Corman.
Mrs. Boggs with Mr. Andrews of North
Mr. Evins of Tennessee with Mr. Fish.
Dakota.
Mr. Bingham with Mr. Cleveland.
Mr. Fuqua with Mr. Edwards of Alabama.
Mr. Delaney with Mr. Ashbrook.
Mr. Flynt with Mr. Frey.
Mrs. Burke of California with Mr. Butler.
Mr. Dent with Mr. Froehlich.
Mr. Brasco with Mr. Bafalis.
Mr. Fulton with Mr. Dellenback.
Mr. Carney of Ohio with Mr. du Pont.
Mr. Byron with Mr. Camp.
Mr. Hanna with Mr. Devine.
Mr. Haley with Mr. Clancy.
Ms. Abzug with Mr. Burton.
Mrs. Grasso with Mr. Goldwater.
Mr. Dominick V. Daniels with Mr. Baker.
Mr. Cotter with Mr. Dickinson.
Mrs. Griffiths with Mr. Grover.
Mr. Brooks with Mr. Chamberlain.
Mrs. Green of Oregon with Mr. Bell.
Mr. Diggs with Mr. Dulski.
Mr. Conyers with Mr. Leggett.
Mr. Hébert with Mr. Collins of Texas.

The result of the vote was announced as above recorded.

Mr. Jarman with Mr. Hillis.
Mr. Jones of Alabama with Mr. Keating.
Mr. Kluczynski with Mr. Hutchinson.
Mr. Landrum with Mr. Lott.
Mr. Mills of Arkansas with Mr. McEwen.
Mr. McSpadden with Mr. Hinshaw.
Mr. Lehman with Mr. Martin of Nebraska.
Mr. Moorhead of Pennsylvania with Mr. Lent.
Mr. Moss with Mr. Michel.
Mr. Madden with Mrs. Holt.
Mr. Nichols with Mr. Minshall of Ohio.
Mr. Murphy of Illinois with Mr. Lujan.
Mr. Podell with Mr. Kuykendall.
Mr. Rarick with Mr. O'Brien.
Mr. Murphy of New York with Mr. Hunt.
Mr. Rees with Mr. Madigan.
Mr. Riegle with Mr. Peyser.
Mr. Nix with Mr. Nelsen.
Mr. Reid with Mr. Landgrebe.
Mr. Roncalio of Wyoming with Mr. Mailliard.
Mr. Rooney of New York with Mr. Price of Texas.
Mr. Rostenkowski with Mr. Quillen.
Mr. Roybal with Mr. Railsback.
Mr. Shipley with Mr. Roncallo of New York.
Mr. Sisk with Mr. Sarasin.
Mr. Runnels with Mr. Rousselot.
Mr. Smith of Iowa with Mr. Steiger of Arizona.
Mr. Sikes with Mr. Scherle.
Mr. Stark with Mr. Ruppe.
Mrs. Sullivan with Mr. Shoup.
Mr. Ryan with Mr. Smith of New York.
Mr. Steed with Mr. Schneebeli.
Mr. Teague of California with Mr. Taylor of Missouri.
Mr. Stephens with Mr. Snyder.
Mr. Teague of Texas with Mr. Sebelius.
Mr. Stubblefield with Mr. Shriver.
Mr. Van Deerlin with Mr. Walsh.
Mr. Wolff with Mr. Ware.
Mr. Vigorito with Mr. Whitehurst.
Mr. White with Mr. Bob Wilson.
Mr. Wright with Mr. Wiggins.
Mr. Yates with Mr. Williams.
Mr. Zion with Mr. Wydler.
Mr. Zwach with Mr. Wyman.
Mr. McClory with Mr. Harsha.
Mr. Young of Texas with Mr. Widnall.

PROVIDING FOR AGREEING TO SENATE AMENDMENT TO HOUSE AMENDMENT WITH AN AMENDMENT TO AMEND S. 921, WILD AND SCENIC RIVERS ACT

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and agree to House resolution (H. Res. 761) to take from the Speaker's table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment to the House amendment thereto, and agree to the Senate amendment to the House amendment with an amendment.

The Clerk read as follows:

H. Res. 761

Resolved, That immediately upon the adoption of this resolution the bill S. 921, with the Senate amendment to the House amendment thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendment be, and the same is hereby, agreed to.

The SPEAKER. Is a second demanded?

Mr. DINGELL. Mr. Speaker, I demand a second, and I demand tellers.

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the resolution?

Mr. BAUMAN. I am.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from West Virginia (Mr. Staggers) will be recognized for 20 minutes, and the gentleman from Maryland (Mr. Bauman) will be recognized for 20 minutes.

Mr. STAGGERS. Mr. Speaker, I again rise and say that it has been a trying situation and an emotional situation. I have now come to the point of offering the bill sent over by the Senate for the consideration of the House.

Mr. BAUMAN. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina (Mr. Broyhill).

Mr. BROYHILL of North Carolina. Mr. Speaker, I know that the hour is getting late, and we have had a trying session tonight. To say that the session has been confused is an understatement, but I believe this country is looking to us for some leadership.

This bill, if we can pass it, can go to the President's desk. He can sign it. Actually, the bill that we are about to vote upon, I note, is not going to be defended by the chairman. It looks as though I am the only one here who has to do it.

We have the Energy Emergency Act that is contained in the conference report. We are in this situation. If we want a bill, this is the bill that we can send to the President's desk tonight. Title I of the Senate-passed bill is the same as in the conference report, except that title I expires in the Senate-passed bill, the bill that we are considering right now, on April 1, 1974, rather than May 15, 1975, as in the conference report bill. In addition, the Senate-passed bill eliminates section 110 which was in the conference report, which was the so-called windfall profits section. In addition, in section 124, the Senate-passed bill said that in the energy resources report section, the authority to obtain these reports would be vested in the Department of Justice and the Department of the Interior.

Also, there is a change in section 103 which creates the Federal Energy Administration, and that is to strike subsection (d) of section 103 which is in the conference report. This refers to certain reporting requirements of the Federal Energy Administrator.

I know there is controversy here, but it seems to me that we have a chance to act to do something about the crisis which is before us.

The bill that is before us has the same procedures as the conference report, copies of which are available to the Members, that is, that energy conservation plans that are promulgated and implemented by the Administrator would be subject to review, would be subject to oversight, would be subject to the 15 legislative days disapproval procedure, the same thing that is in the conference report.

It seems to me that this is a reasonable compromise. There are some, including the administration, who said that they wanted these energy conservation plans implemented without any congressional oversight. This bill, it seems to me, would be a reasonable compromise in recognizing the need for congressional partnership, one might say, in implementing these energy conservation plans.

I would think that the House would want to act on this bill tonight in order to send it to the President's desk, have it signed, get this issue out of the way, and, above all, see that these programs that are contained in this bill, particularly those in title II relating to emission standards, relating to auto emissions as well as stationary emissions, be put into effect expeditiously and not wait another several months to pass another bill.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL of North Carolina. I yield to the gentleman from California.

Mr. HOSMER. Mr. Speaker, I thank the gentleman very deeply and sincerely for saying such nice things about my scenic rivers bill. I hope everybody will vote for it tonight.

Mr. MILFORD. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL of North Carolina. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Speaker, I congratulate the gentleman in the well. He holds in his hands a conference report which my staff has been trying to obtain all day long today and was unable to. I understand the gentleman wants this House to vote on the bill which none of us has ever seen and on a conference report which none of has ever seen.

Mr. BROYHILL of North Carolina. I will say the conference reports are available here. I see Members who have had conference reports today.

This bill is of course complicated. I do not know how the gentleman voted when the bill came out of the House, but, speaking for one who has lived with this bill for the last month, I say that the Senate-passed bill is a workable bill, it is one in which we can get some action on this energy crisis, and we can do it now and not delay until next year.

I hope the gentleman will support this bill. To do otherwise means further delay.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL of North Carolina. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, is section 103 in the bill, the allocations section?

Mr. BROYHILL of North Carolina. The allocations section is in section 104.

Mr. KETCHUM. If the gentleman will yield further I would like to ask a question.

Mr. BROYHILL of North Carolina. Section 104 is the rationing section. I might say what this section does is this. The President already has the authority to ration and I think all of us recognize that, under past authority we have given him authority to impose rationing. What this bill does is to go further and say no rule under this section can impose a tax or surcharge. I would think this is a good provision. At least I believe it is.

Mr. KETCHUM. I will go further now to the question the gentleman has already stated, that these powers already exist, but in the bill we had a provision for congressional veto on rationing. That is no longer in this bill. Is that correct?

Mr. BROYHILL of North Carolina. That is correct.

Mr. KETCHUM. Mr. Speaker, for 3 days last week, this body worked long into the night debating the Energy Emergency Act. After pending before the Congress for several weeks, this bill was pushed through the House with unseemly haste, which precluded close scrutiny of its provisions. We did not even have the time to debate scores of amendments to this terrible bill which was badly in need of amendment. Certainly, this was the case with the amendment offered by my esteemed colleague, the gentleman from Pennsylvania (Mr. JOHN HEINZ), which restored to the Congress the power to vote on a program of gasoline rationing.

Mr. Speaker, in my mind this was the most important amendment to this bill, and as I pointed out in my remarks last week it certainly deserved more time for debate. I am delighted, however, that it was included in the House version of the bill. The time has passed for the Congress to stop talking about reasserting its lost authority and do something to get it back. That is what this amendment was all about. It precluded simply passing over to the executive branch the power to institute a massive program of rationing without even a vote in Congress.

Now we are informed that this bill will not include this vital amendment. Once more, the Congress will grant extraordinary powers to the President and shirk from its responsibility to face this crisis squarely. I deplore this action on the part of our conferees in retreating from the fight, and thus I shall not vote for this bill which simply grants more power to the executive branch and absolves Congress from its proper role and responsibilities.

Mr. BAUMAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. HASTINGS).

Mr. HASTINGS. Mr. Speaker, I thank the gentleman from Maryland for yielding.

I will be brief. I think it is important we understand what is in title II of this bill again. I heard a great deal of comment on this floor when we passed the House bill and particularly from the gentlemen from the State of California, among others, who were concerned with the Environmental Protection Agency's right to impose parking surcharges in their respective States.

If the gentlemen want to remove that right, they will approve this bill because we suspend the right of EPA to impose a parking surcharge under title II of this bill. If we want to take away from EPA the right to impose that and have congressional authority to implement the parking plan which says they will tell Members where they can in their State build buildings, then we have to have title II.

I can only repeat if we want to have powerplants in this country convert from petroleum to coal, the only way we can do it is if title II is approved.

If we want to have auto emissions standards suspensions, and I might say that these are a modification and compromise between the Senate and House versions, which still protects the right of the environment, then we must approve title II.

This is the only opportunity we now have available to us. If we want to achieve those things, then we vote for this bill.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, am I not right that the existing authority of the Environmental Protection Agency to extend the time for requiring automobile changes has been changed and can waive present requirements? So while existing law does not require extension of the time, the law authorizing the requirements also provides for waiver.

Mr. HASTINGS. I would answer the gentleman by saying the Environmental Protection Agency has advised our committee they are not interested in waiving or suspending any of the existing standards.

Mr. WHITTEN. The question I asked had to do with the authority to postpone. I sincerely believe we will require a postponement, a waiver, and authorize removal of existing expensive and gas-consuming devices.

Mr. JAMES V. STANTON. Mr. Speaker, we are led to believe that we are left with no alternative, but I think there is an alternative.

Rather than vote for a bill which represents what the major oil companies and what the President want, the alternative is to come back on January 4 or 5 and go to work and complete a bill that is not put to us by a gun summoned by Senator LONG or those other interests in the Senate.

If this House had the courage and the will and the fortitude, it would not willy-nilly submit itself to this process that it is now going through. If the character and the strength of the leadership of this House was what it has been saying it was going to do all year, making the legislative branch of the Government a viable force here in the United States that could be supported by the will of the American people, then they would take the courage and the action of calling this House back on January 5 and acting on an energy bill that is not dictated by the oil interests and by Richard Nixon.

Mr. BAUMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. HUBER).

Mr. HUBER. Mr. Speaker, I am very concerned. I do not know what happened to the busing situation. As I understand it, that provision was taken out of the bill.

Mr. Speaker, as I understand it, at this late hour, this great representative body that is supposed to be of the people, by the people, and for the people, are going to vote for something that is going to make sure that the kids get bused. Then we would be doing a great disservice to the people and I ask my fellow Congressman to vote "no."

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. HUBER. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, I thank the gentleman for his kindness and say that he is right. If the Members want another chance to get the busing provisions back, vote no on the bill and we will get another chance.

Mr. BAUMAN. Mr. Speaker, I yield 1 minute to the distinguished minority leader, the gentleman from Arizona (Mr. Rhodes).

Mr. RHODES. Mr. Speaker, this is the only way to get an energy bill tonight. I respectfully submit that this is a bill which should be passed. It is a bill which the people of the United States expect us to pass.

Mr. Speaker, I hope that we will vote "aye," and pass this bill.

Mr. STAGGERS. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. Holifield).

Mr. HOLIFIELD. Mr. Speaker, I am going to vote "no" on this bill. I have three oil fields in my district; one in my home town of Montebello; one in President Nixon's former home town of Whittier; and one in Santa Fe Springs. In addition, my district is very near the great Long Beach oil field, which my friend from California (Mr. Hosmer), represents. So let no one say that I do not have oil interests in my district.

But I want to read something to the Members, and this was in the Congressional Record this week, put in by my friend from Illinois (Mr. Price):

> The increase in profits in the third quarter of Exxon was 81 percent; of Mobil 64 percent; of Texaco 48 percent; Gulf 91 percent.

That is the increase in profits. Every time they put a penny increase on a gallon of gasoline they take in $1 billion. Mr. Shultz testified on that before the Ways and Means Committee. This is what we are letting ourselves in for.

The conference report requires statistics on the amount of oil in this country so that we could base equitable prices to control the profits on an equitable basis. It requires a limit on windfall profits. There is no limit on windfall profits in the Senate bill.

We talk about getting a bill tonight—I was in Bethesda three times this week. I am as tired and I am as weak as any man in this body right now, but I will stay here; I will come back on the fifth of January, the second or third or any other time to take the time that is necessary to fight this thing out. I do not mean under a suspension of the rules, but if we have to stay another 3 days—and I pay tribute to the gentleman from West Virginia for the extremely difficult legislative job that he has tried to do under conditions of extreme pressure and limited time.

Mr. Speaker, I say we are not handling this legislation the way it should be handled. I am willing to go home and tell my people that I did not vote for a bill that I thought was wrong. I am willing to tell them that I think it is wrong for these oil companies to get the excessive profits they are getting without any let or hindrance.

We are going to ask the people to sacrifice in many ways. We should have equitable sharing and that means that the oil companies should be willing to earn normal profits—not excessive profits.

This problem is a national problem. It needs an equitable solution. The sacrifices should be shared across the board by the great corporations as well as the mass of our people.

I could ask my people to take rationing, but that can be put on in another bill, and not this bill, and the allocations can be put on in another bill, not under this bill, for fuel oil and that sort of thing.

This vote is going to draw the line between the men and the boys.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. Roy).

Mr. ROY. Mr. Speaker, when I go home I am frequently asked, "Where were you when the energy crisis was developing?" I assume all of us in this Chamber are asked that question.

Of course, each of us has a different answer.

I submit to the Members that if we fail to put in a windfall profits section, when we go home we are going to be asked, "Where were you when prices were going up and profits were going up correspondingly?"

I am personally not willing to say to my people that during the week that crude oil prices were raised $1 by the Cost of Living Council without any attempt to justify on basis of costs I, in my rush to go home, caved in to the other body and passed an energy bill with no windfall profits restriction provision.

So, Mr. Speaker, I urge a "no" vote on the bill.

Mr. BAUMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. Mizell).

Mr. MIZELL. Mr. Speaker, I have asked for this time to ask the gentleman from Kansas this question:

Was he not the Member who offered the amendment that exempted the oil companies that were producing 25,000 barrels a day from the windfall profits section?

Mr. ROY. Mr. Speaker, I appreciate that question. But we have a problem of the big fish eating the little fish, and those little fish will not survive. The big fish will have all the oil, and there would be nothing the gentleman from North Carolina or myself could do about it.

Mr. MIZELL. The company who produces 25,000 barrels of oil per day should have benefit from windfall profits, under the gentleman's amendment.

Mr. BAUMAN. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. Derwinski).

Mr. DERWINSKI. Mr. Speaker, I hate to speak after the distinguished diplomats who have just addressed themselves to the subject, but the fact of life is that we face a bill that none of us have seen, and that none of us really know and, notwithstanding any exaggerated oratory, none of us knows who is benefiting or who is suffering.

The administrator of whatever program is on the books will struggle through between now and the 21st or the 28th of January, without any action tonight. They could go on through the end of February without any real action by this Congress, and I do not really understand why at this time of the night and under these conditions we should be voting in favor of a bill that none of us really understand.

Mr. Speaker, this bill will affect every living American, everybody in every Member's district, and I just do not understand the rationale of voting through a bill that will so directly affect every Member's constituent without more than one or two Members understanding what they are really doing.

Mr. Speaker, I suggest we vote down the pending issue.

Mr. BAUMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the pending resolution, the fragile vehicle to which fate has attached what is suddenly become the compromise emergency energy legislation.

If for no other reason, I and other Members of the House should oppose this illegitimate offspring of the energy crisis because of the manner in which it is being presented to us on this cold and snowy almost-Christmas eve. Do any of us really know what is contained in this proposal so new that the ink is not even dry? After 4 exhausting days of debate on the previous emergency energy bill and this legislative sideshow we have seen tonight we should have learned at least one thing; that this entire subject is far more complex and the need for solutions far too grave to address it in such a slipshod and unparliamentary manner. We have nothing here to recommend the contents of this brand new surprise package other then the bland assurances of its midwives who have also been called into emergency service tonight. Have any of us even had the chance to read what this so-called compromise says?

It is my understanding that the bill as passed by the other body within the last few hours gives to the President and the executive branch almost unlimited power over the energy crisis for a period of 60 days. Does this mean that the President can impose a tax on gasoline as a means to discourage use? Does it mean that he can slap on a bureaucratic system of rationing? Can he issue more and more regulations over which the Congress will have little or no control?

I for one am opposed to rationing and taxes as a means to solve the energy crisis and I think all of us in Congress should have the final say on what is to be done.

Mr. Speaker, it amazes me to see the representatives of the people of this great Nation so willing to turn over to the executive branch the life and death power over the national economy and the lives of every one of our citizens. I want a chance to cast a vote on any plans that will affect my constituents and as I see it, this legislation may well deny me that right by placing all power in the hands of the Executive.

Where are the champions of the powers of Congress now? Where are those who have cried out against Executive usurpation of the powers of the national legislature? I for one was not sent here to surrender the power of Congress to any President of either party, and especially not the power over the grave crisis we are facing with regard to energy. I am opposed to this bill and I believe that those who support it will live to see the day that they will regret their action.

The SPEAKER. Will the Members of the House give the Chair their attention. The electronic equipment is out of order. It is evident that it is not going to be repaired in time to finish this bill tonight. The Chair knows of no way in which to handle this matter except by a rollcall vote, and to combine with the rollcall vote any Member whose name is recorded who has left.

The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and agree to the resolution, House Resolution 761.

The question was taken.

Mr. DINGELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 36, nays 228, not voting 168, as follows:

[Roll No. 723]

YEAS—36

Bennett
Biester
Breaux
Broyhill, N.C.
Broyhill, Va.
Cederberg
Clausen, Don H.
Cochran
Cohen
Davis, Wis.
Findley
Forsythe
Frenzel
Hamilton
Hastings
Henderson
Hosmer
Johnson, Pa.
McClory
McCollister
McFall
Maraziti
Martin, N.C.
Mitchell, N.Y.
Pettis
Preyer
Pritchard
Rhodes
Robison, N.Y.
Staggers
Stratton
Treen
Vander Jagt
Wampler
Wyatt
Wylie

NAYS—228

Abdnor
Adams
Alexander
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashley
Badillo
Barrett
Bauman
Beard
Bergland
Blatnik
Boland
Bowen
Brademas
Bray
Breckinridge
Brinkley
Broomfield
Brown, Calif.
Brown, Ohio
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Carey, N.Y.
Carter
Casey, Tex.
Chappell
Clark
Clawson, Del
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
de la Garza
Dellums
Denholm
Dennis
Derwinski
Dingell
Donohue
Dorn
Downing
Drinan
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Fisher
Flood
Flowers
Foley
Ford, William D.
Fountain
Fraser
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Gray
Green, Pa.
Gude
Gunter
Guyer
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hogan
Holifield
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Ichord
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kyros
Latta
Litton
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McKay
McKinney
Macdonald
Mahon
Mallary
Mann
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Myers
Natcher
Nedzi
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pickle
Pike
Powell, Ohio
Price, Ill.
Quie
Randall
Rangel
Regula
Reuss
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Ruth
St Germain
Sandman
Sarbanes
Satterfield
Schroeder
Seiberling
Shuster
Skubitz
Slack
Spence
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Wis.
Stokes
Stuckey
Studds
Symington
Symms
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Vanik
Waggonner
Waldie
Whalen
Whitten
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki

NOT VOTING—168

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Aspin
Bafalis
Baker
Bell
Bevill
Biaggi
Bingham
Blackburn
Boggs
Bolling
Brasco
Brooks
Brotzman
Brown, Mich.
Burgener
Burke, Calif.
Burton
Butler
Byron
Camp
Carney, Ohio
Chamberlain
Chisholm
Clancy
Clay
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dent
Devine
Dickinson
Diggs
Dulski
du Pont
Edwards, Ala.
Eshleman
Evins, Tenn.
Fish
Flynt
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Goldwater
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Haley
Hanna
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Heinz
Hillis
Hinshaw
Holt
Hunt
Hutchinson
Jarman
Johnson, Colo.
Jones, Ala.
Keating
Kluczynski
Kuykendall
Landgrebe
Landrum
Leggett
Lehman
Lent
Lott
Lujan
McEwen
McSpadden
Madden
Madigan
Mailliard
Martin, Nebr.
Michel
Mills, Ark.
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Nelsen
Nichols
Nix
O'Brien
Peyser
Poage
Podell
Price, Tex.
Quillen
Railsback
Rarick
Rees
Reid
Riegle
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Smith, N.Y.
Snyder
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Sullivan
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Van Deerlin
Veysey
Vigorito
Walsh
Ware
White
Whitehurst
Wiggins
Williams
Wilson, Bob
Wolff
Wright
Wydler
Wyman
Yates
Zion
Zwach

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Arends.
Mr. Hays with Mr. Harvey.
Mr. Bevill with Mr. Heinz.
Mr. Harrington with Mr. Gubser.
Mr. Anderson of California with Mr. Brotzman.
Mr. Gibbons with Mr. Frelinghuysen.
Mrs. Collins of Illinois with Mr. Danielson.
Mr. Biaggi with Mr. Anderson of Illinois.
Mrs. Hansen of Washington with Mr. Eshleman.
Mr. Aspin with Mr. Collier.
Mr. Gettys with Mr. Blackburn.
Mrs. Chisholm with Mr. Corman.
Mrs. Boggs with Mr. Andrews of North Dakota.
Mr. Evins of Tennessee with Mr. Fish.
Mr. Bingham with Mr. Cleveland.
Mr. Fuqua with Mr. Edwards of Alabama.
Mr. Delaney with Mr. Ashbrook.
Mr. Flynt with Mr. Frey.
Mrs. Burke of California with Mr. Butler.
Mr. Dent with Mr. Froehlich.
Mr. Brasco with Mr. Bafalis.
Mr. Fulton with Mr. Dellenback.
Mr. Carney of Ohio with Mr. du Pont.
Mr. Byron with Mr. Camp.
Mr. Hanna with Mr. Devine.
Mr. Haley with Mr. Clancy.
Ms. Abzug with Mr. Burton.
Mrs. Grasso with Mr. Goldwater.
Mr. Dominick V. Daniels with Mr. Baker.
Mr. Cotter with Mr. Dickinson.
Mrs. Griffiths with Mr. Grover.
Mr. Brooks with Mr. Chamberlain.
Mrs. Green of Oregon with Mr. Bell.
Mr. Diggs with Mr. Dulski.
Mr. Conyers with Mr. Leggett.
Mr. Hébert with Mr. Collins of Texas.
Mr. Jarman with Mr. Hillis.
Mr. Jones of Alabama with Mr. Keating.
Mr. Kluczynski with Mr. Hutchinson.
Mr. Landrum with Mr. Lott.
Mr. Mills of Arkansas with Mr. McEwen.
Mr. McSpadden with Mr. Hinshaw.
Mr. Lehman with Mr. Martin of Nebraska.
Mr. Moorhead of Pennsylvania with Mr. Lent.
Mr. Moss with Mr. Michel.
Mr. Madden with Mrs. Holt.
Mr. Nichols with Mr. Minshall of Ohio.
Mr. Murphy of Illinois with Mr. Lujan.
Mr. Podell with Mr. Kuykendall.
Mr. Rarick with Mr. O'Brien.
Mr. Murphy of New York with Mr. Hunt.
Mr. Rees with Mr. Madigan.
Mr. Riegle with Mr. Peyser.
Mr. Nix with Mr. Nelsen.
Mr. Reid with Mr. Landgrebe.
Mr. Roncalio of Wyoming with Mr. Mailliard.
Mr. Rooney of New York with Mr. Price of Texas.
Mr. Rostenkowski with Mr. Quillen.
Mr. Roybal with Mr. Railsback.
Mr. Shipley with Mr. Roncallo of New York.
Mr. Sisk with Mr. Sarasin.
Mr. Runnels with Mr. Rousselot.
Mr. Smith of Iowa with Mr. Steiger of Arizona.
Mr. Sikes with Mr. Scherle.
Mr. Stack with Mr. Ruppe.
Mrs. Sullivan with Mr. Shoup.
Mr. Ryan with Mr. Smith of New York.
Mr. Steed with Mr. Schneebeli.
Mr. Teague of California with Mr. Taylor of Missouri.
Mr. Stephens with Mr. Snyder.
Mr. Teague of Texas with Mr. Sebelius.
Mr. Stubblefield with Mr. Shriver.
Mr. Van Deerlin with Mr. Walsh.
Mr. Wolff with Mr. Ware.
Mr. Vigorito with Mr. Whitehurst.
Mr. White with Mr. Bob Wilson.
Mr. Wright with Mr. Wiggins.
Mr. Yates with Mr. Williams.
Mr. Zion with Mr. Wydler.
Mr. Zwach with Mr. Wyman.
Mr. McClory with Mr. Hruska.
Mr. Young of Texas with Mr. Widnall.
Mr. Brown of Michigan with Mr. Clay.

The result of the vote was announced as above recorded.

ENERGY LEGISLATION

Mr. MALLARY. Mr. Speaker, I deplore the tactics under which this emergency energy bill is brought to us tonight. We have not had an opportunity to study and understand the substance of the conference agreement. We do not have before us nor have we had explained the Senate amendments which are proposed to be added to this bill. Neither have we seen nor do we have the substance of H.R. 12128 which we are being asked to adopt tonight.

I fully recognize the need for energy conservation measures in this crisis. I also fully recognize the need to prevent excessive profiteering by any company in the energy business. A bill needs to be passed. The Congress must act responsibly, but it is not responsible to act after 40 minutes' debate without fully understanding the substance of what this bill attempts to do.

I am willing to come back tomorrow, or Sunday, or next week to act on this critical subject. I will not be railroaded into voting in ignorance on this matter merely to speed the Christmas recess.

Therefore, Mr. Speaker, I must vote "No" on this motion.

Mr. KEMP. Mr. Speaker, I take this time to explain why I voted against enactment of the proposed National Emergency Energy Act.

I believe this bill is worse than no bill at all—much worse. In reality, this bill mandates gas rationing; and, if one would ever want to see further shortages of gasoline, this bill will produce them. Just witness what happened after the freeze on beef prices—the beef shortage was upon us. These bills do not add one barrel of oil or gas to our consumer's needs, but it does mandate rationing as I said earlier.

The President already has all the authority he needs to do what should be done—phase out phase IV regulations and decontrol petroleum, as was done with two other vital industries—cement and fertilizers. He does not have authority to impose new taxes and I for one do not believe he should be given that authority. When other industries were decontrolled, the reason given in both instances was to increase production. Well, Mr. Speaker, that is exactly what is needed to end the petroleum shortage—and, for that matter, other shortages.

The true market price of petroleum products would then rise and we would have to curtail any runaway prices or excessive profiteering at the people's expense. We would, also, have to make sure that middle- and low-income individuals are particularly protected. But, as production is increased, prices will fall again, plus research and development will, by then, have provided new sources of energy. This happened in the early middle of the 19th century when whale oil was our chief source of fuel; as it became more scarce, the price rose and created exactly the incentive needed to develop newer sources of energy. Petroleum and its development and expansion was the result.

Let me explore further my opposition to this hastily devised and poorly considered legislation which will affect us and our free economy well into the next decade.

Important laws affecting the lives of all the American people are considered and passed in this Chamber on almost a daily basis. Each is, we must trust, the product of careful consideration by its sponsor, a legislative committee, the Committee on Rules, the leadership, and this body as a whole. The Congress has passed many good laws, and it has passed some less-than-good laws, and we must not forget that good laws tend to engender more good laws while bad laws produce more bad laws.

We are, today, at the point of embarkation on the direction this Nation will follow in getting through, and eventually resolving, the energy crisis. If we, by the enactment of this legislation, set a certain course of action into motion, it will be hard to reverse or redirect it if we perceive at a later date that we have made a mistake. Subsequent statutes, regulations, policies, programs, agencies, and Federal employees—as well as the private sector—will have proceeded down one direction. It will be difficult to rechannel that momentum. The Congress must, therefore, be assured that it is, in fact, about to go in the right direction before it launches this massive effort.

It is seldom that a matter comes to this Chamber which is an all black or white, all issues clear-cut measure, but at the time of final passage one cannot vote 60 percent this way, 40 percent that way. One must vote all "yea" or all "nay;" there is really no viable third alternative.

I have weighed carefully the countervailing aspects of the legislation now before us—the proposed National Emergency Energy Act, as reported by the House-Senate committee on conference. On the whole, I do not believe this legislation to be worthy of the support of the Members of this House.

The conference reported bill has a number of major problem areas. I believe the bill should be sent back to conference, with instructions from this body to correct those problem areas. What are they?

LAWMAKING POWER GIVEN TO THE EXECUTIVE

First, the bill constitutes a virtually unparalleled abrogation of constitutional powers by the Congress, giving to the Executive actual lawmaking power. It gives such far-reaching powers to the Executive as to raise reasonable doubts about its constitutional validity, if court tests—as I am sure they will—arise from its implementation.

The Constitution, in article 1, gives to the Congress, as the legislative branch, the sole power to make law. And, consistent with the principles of separation of powers, article 2 gives to the Executive the sole power to carry out those laws. The bill before us runs counter to this principle, surely in spirit and, most probably, in letter.

Under the allocation of scarce fuels plan embodied in this bill, a plan of a Federal agency could be put into immediate effect and remain in effect until March 1, 1974. From March 1, 1974, until June 30, 1974, such a plan would have to be delivered to each House but would then go into automatic effect in 15 days if not vetoed. Third, thereafter, the Federal agency could only submit proposals for ordinary legislative enactment.

I suggest this plan is so unrealistic as to the exercise of congressional powers, as to actually deny those powers. The track record of congressional deliberations does not indicate great ability to do anything in 15 days, much less thoroughly review a proposal as major as allocation of scarce resources. Nonaction would put the stamp of legislative approval on executive legislation, and that is what the bill really authorizes—"executive legislation." Congress will have abdicated in favor of the Executive. The Executive can pass law outside the reach of Congress during the period while Congress is not in session—from this week until January 21; and, until March 1, 1974, the Executive can make law effective immediately.

Stated briefly, the issue is whether the Executive, through its agencies, should be given authority to legislate, generally, in all areas in which the agency director finds that such action is simply "necessary to reduce energy consumption." The Executive could do such things, for examples, as establish highway speeds, limit the use of fuels by businesses and industries, direct mandatory carpools, direct mandatory rationing and allocation schemes, establish priorities—according to its standards and not those of Congress—among users, ban various types of lighting, et cetera, without presenting the matter to Congress until after such law or laws went into effect during the recess. After the recess and until June 30, 1974, the Executive could so legislate, but the Congress could exercise that unrealistic, 15-day veto power. I do not believe the people want this concentration of power.

Our form of government is essential to the preservation of our rights and liberties. That form arose from the infringements on rights and liberties which infringements grew out of government without adequate balances and separations of powers. It would be easy to simply vote "yea" today, turning one's back on this issue, but to do so, in my opinion, is to show yet one more example where Congress is willing to surrender power to the Executive because it cannot make the hard, crucial-choice decisions which we are elected to make on the people's behalf.

When we look at what we are about to do—in essence, launch a program that will affect directly the lives and wellbeing of every citizen of our Nation—I think prudence alone mandates a more careful—and more constitutionally defensible—approach be taken. Such a measure would certainly have wider support.

As I stated in an address to this House during final consideration of the House version:

> This bill, if it becomes law, would usher in a virtual economic dictatorship, giving to the Executive an unparalleled peacetime control over the arteries of our economy, and

I, Mr. Chairman, want no part of such an abrogation of economic and political freedom. The shrill cries which we hear in this Chamber today are not dissimilar to those cries we heard for the imposition of wage and price controls—a plan which has turned out to be one of the most dismal records of failure by government in modern times. The Congress ought never to be stampeded into a giving to the Executive of control over our very lives through regulation of our resources.

It has been said, "If you liked the beef shortage, you'll love the mandatory fuel allocation bill." It is unfortunate that such an astute observation may have to be proved—to the people's, the economy's, the Nation's detriment, for nothing in this conference report convinces me that my prior observations are not still applicable.

As the last point on this subject of congressional abrogation, one should note that there is nothing in this omnibus bill which could not be made the subject of individual bills—each treated fully on its respective merits.

BILL DOES NOT ADEQUATELY ENCOURAGE PRODUCTION

I have spoken on a number of occasions during recent weeks and days on the tremendous need for Government policies to foster increases in production. One of the principal reasons for the energy shortage is the inadequate production of fuels.

It is more appropriate for government policy to encourage increased production, from which all reasonable demands could be met, than to try to ration a shortage.

The Washington Post has reported that it will take an expenditure of $130 billion—that is $130,000,000,000—for the petroleum industry alone to bring its production up to meet the demand level anticipated. That will require a return on investments of 18 percent during the foreseeable future, a return greatly discouraged by the provisions of this legislation.

I do not believe in giving the oil industry all the profits it wants; I oppose that. Profits must be reasonably balanced with the capacity of the people to pay higher prices; there must be middle ground; 95 percent of profits will go for developing and exploring for new sources of gas and oil. I even support the elimination of the controversial oil depletion allowance, when profits are otherwise generated for reinvestment. But, I do not believe that we should cripple the capacity of the industry to produce the fuels that our Nation so badly needs. This legislation goes in the same crippling direction as did the price freeze—and it, too, will not work.

Unrealistic price controls, particularly in the natural gas industry, have caused dislocations and misallocations in the economy, have produced over consumption of that fuel and under consumption of others. Misdirected tax policies have contributed to a decline in the rate of capital formation requisite for reinvestments. These are but two of many examples.

This Congress ought to concentrate on increasing production. If we do not, we will prolong the crisis, and I think it would be most unfortunate if the finger can be pointed back at the Congress as the reason for a prolongation of this crisis. Certainly, the people would hold the Members responsible for such a fiasco—and they should.

THE BILL DOES NOT HELP THE CONSUMER

An overriding concern which I have shared with other Members, throughout this national debate on how to resolve the energy crisis, has been the potentially adverse impact of measures being proposed on the individual—the consumer—the low- and middle-income taxpayer.

The role of the consumer is central to a market economy. By the use of free choice and individual selection of the goods and commodities he wishes to buy, the consumer is a bellwether on where industry ought to concentrate its output and production capabilities. On the economic well-being of the consumer rests the vitality and the purchasing power essential to maintaining national production—from which jobs and salaries flow naturally.

The distinguished and respected gentlewoman from Oregon (Mrs. GREEN) reflected the attitudes of the American consumer with a clarity which deems repeating:

> I think the American citizen will make the necessary sacrifices on an individual basis when facing any real national crisis. The majority, the big majority, will respond to a national crisis in a very commendable way if—and I put the emphasis on the word "if"—if they believe their sacrifices are borne in an equitable and fair way.

I agree wholeheartedly with that observation. Because the American consumer treasures more than just material wealth and his pocketbook, he has been willing to sacrifice. He is willing to suffer a little economic hardship, if he feels others are sharing that hardship with him. He is not willing to surrender his freedom to Government regulators.

That is why—despite modestly higher prices—he still prefers the marketplace—which puts him in the decisionmaking process at its most crucial point—over the strictures of a regulated economy—which puts the bureaucracy in that decisionmaking, focal point. Freedom is worth a little more, and the American consumer knows that. What he asks for is simple: He asks that his sacrifices be shared by the sacrifices of others. If he feels that he is being treated unfairly, that other users are given—by government regulation—what he perceives to be unfair advantages over him, then the line is drawn. That must be avoided.

The American consumer has lived through shortages—and rationing—before. He has struggled, persevered, and survived. But those crises were the results of necessities imposed by wartime conditions. This immediate crisis is of a very different nature, for even though the crisis was intensified greatly by the curtailment of shipments of oil from the Arab States to our country, it was also produced by misdirected government policies and regulatory schemes which discouraged production. There can be little wonder why the American consumer questions why he must now sacrifice because government policy was misdirected or too shortsighted. I share his concern.

The consumer is also concerned over the effects of an allocation—mandatory rationing—system upon him and his livelihood. Not only does it threaten his work and his income, and the security of his family arising therefrom, but the use of such ameliorative measures can actually extend the time frame for the long-range alleviation of the crisis. Why? Because rationing can become a crutch which Government and industry lean upon, living thereby with inadequate resources, rather than being compelled by necessity to concentrate with fullest urgency on the production of additional resources.

We must never fail to hold in the highest regard the decisions and values of our consumers—the individual people of America. In the long run they are very perceptive and know what is best for them and the Nation. They should never be sold short by an elitist philosophy which espouses that government can do better for the people than they can do for themselves. The consumer is, as I have indicated, the mainstay of the economy. We should treat him with more respect than we do by allowing this "economic Gulf of Tonkin" bill to pass.

WHAT IS A BETTER ALTERNATIVE?

It is not unfair to ask of me, since I am voting against this bill, "What would you do instead?"

I would approach the issue from the following premise: A concerted nationwide effort to resolve the immediate aspects of the energy crisis must consist of measures on three levels:

First, demand must be reduced. To the extent possible, this should be done through voluntary conservation measures—carpools, use of mass and urban transportation systems, use of lighter and more efficient automobiles, elimination of nonessential trips, et cetera.

Second, present supplies must be allocated in the most efficient manner. This is not achieved by arbitrary and mandatory government regulatory schemes for rationing; the market place is the most efficient and fairest allocator of scarce resources.

Third, supply must be increased. Rather than living with inadequate supplies, we must increase them.

Unfortunately, the bill before us fails, in varying degree, in all of these three areas. Instead of offering incentives for reduction in fuel uses, the bill relies upon the basic approach of compulsory rationing, resulting in less efficient uses than those which would result from a market allocation system. Lastly, the bill does not offer incentives sufficient for increases in supply, except in the one noticeable area of coal. Otherwise, returns on investments are too severely limited to provide adequate capital with which to increase supply to a fully adequate level.

A wide range of methods available for substantially increasing production—the real answer to resolving this crisis—are either not dealt with, or are dealt with inadequately, in this bill. These measures include:

Construction of deepwater ports at which tankers can discharge their crude oil supplies for pumping to shore refineries:

Accelerated development of offshore oil exploration and recovery;

Additional construction of refineries with which to process new volumes of crude oil;

The enactment of various tax incentives for more efficient uses of fuels, both home, travel, and industry;

Increasing production of natural gas;

Removal of those artificial price controls which are strangling production;

An expansion of basic research and applied demonstration projects for more efficient uses of presently used fuels and for discovering and harnessing new or experimental fuel sources.

I think, Mr. Speaker, that it should be obvious that those who oppose the enactment of the specific provisions of the bill before us are not obstructionist, Members without answers—better answers. I think the path outlined and the initiatives suggested are preferable to those embodied in the present bill.

Mr. PERKINS. Mr. Speaker, during my years in the Congress I have devoted a considerable amount of time and effort to bring the Congress attention to the great benefits in the potential use of coal in much greater quantities than presently prevail. I know that these efforts have been recognized, but I regret that it has taken an energy crisis to really bring the potential of coal to center stage. However, we need to continue to move ahead—to move on and solve this problem, and for that reason I would like to make the following statement. I think it will help us see the proper way to move on.

First I will discuss a general energy policy. After setting the stage with that discussion, I will point out how national energy needs can be and must be met by the utilization of coal.

AN ADEQUATE NATIONAL ENERGY DEVELOPMENT PROGRAM

The nature and magnitude of our country's energy shortage is coming into sharp focus. We shall, for the long term, have substantially higher real costs for energy than in our historic national experience. Higher real costs are unavoidable. We are threatened with national dependence, for energy, on the political vagaries of a bloc of foreign nations. This dependence is entirely avoidable. The choice is ours, and ours the decision as to the adequacy or failure of our initiative.

Many things have contributed to the present crisis. These include, on the demand side, a U.S. consumption of energy rising steadily for more than a decade at an annual average rate well above 4 percent per annum, while our accredited government experts persisted in forecasting that this growth would fall toward 3 percent. So, in a decade, the national energy requirements came to be greatly higher than had been foreseen. On the supply side, there was a leveling off of domestic production of crude oil and natural gas, a reduced usage of coal, and a very disappointing rate of completion of nuclear plants. The Federal Government moved ahead very slowly in offshore leasing for oil and gas explorations. The Government hardly moved at all in forwarding the development of substitute oils and gases, oils and gases which can be derived from our abundant coal and shale deposits.

The extent of our shortfall in domestic energy resources is indicated by the fact that since 1970 our import volume of petroleum has almost doubled and, just prior to the outbreak of hostilities in the Middle East last October, imports represented 35 percent of U.S. petroleum supplies—nearly half of which originated in Arab nations.

In short, through lack of foresight and a chronic unwillingness to face unpleasant facts, we permitted our vital national interests to be held hostage by a concert of foreign powers dedicated to the attainment of their individual and collective goals, regardless of any cost to our country and its allies.

Now, like the grasshopper in the fable which indulged its short-term pleasures at the expense of its long-range necessities, we face ill-heated homes, hospitals and schools, rising unemployment and the grim prospect of economic recession and threatened impairment of our capabilities for leadership in the free world.

The cost of reversing this intolerable trend will be immense. But as a Nation, we must bear it. In God's providence, we are blessed with a great and relatively untapped resource potential. It is our most urgent duty to develop it for the good of all our people.

As a first approach, we must form a realistic conception of the size of the task. Responsible estimates indicate the need for an investment between 1970 and 1985 of probably as much as $500 billion to bring the level of our energy supplies to an acceptable level of self-sufficiency. That is more than the national debt. And to carry out a project of such enormous magnitude will require a national effort on an unprecedented scale.

It is tempting, of course, to assume that the job can be done by the private sector. The American free enterprise system, with its marvelous technological capabilities and associated financial institutions, is thus assumed to need little but token assistance or some shared research money from the public treasury. This indeed seems to be the fundamental assumption of the Nixon administration, which has so far set a goal of national energy self-sufficiency in ten years, relying mainly on the resources of the private sector and on a pathetically small and unimaginative Federal program to stimulate and strengthen the private effort, while devoting its major attention to devising means for administering scarcity as we queue up to receive our quotas of gasoline and heating oil.

The period of austerity must be reduced to a minimum and normal rates of growth restored through a marshaling of all our resources to achieve a level of domestic energy availability which will sustain our economic aspirations.

For that purpose, business as usual with reliance on free market forces is inadequate to meet the conditions of today's world. The risks involved far exceed the resources of the free enterprise system. Private firms cannot be expected to withstand the economic warfare of a concert of nation states. Further, the Arab nations enjoy the enormous advantages of vast petroleum resources acquired at little cost to them and with only insignificant costs of production. By contrast, we face the certain prospect of unknown costs to produce conventional supplies from new sources and to develop costly sources of substitute feedstocks and fuels. Finally, the Arab States, having complete control of output, can regulate the flow so as to flood world markets or starve them as may suit their advantage.

To speak of free and open competition and free market forces under these conditions is to mock the fundamental assumptions of the free enterprise system—a system of many buyers and sellers seeking to maximize profit, with no one supplier or group holding dominant market power. Our American producers will need, in these next years, to supply coal while engaging in all the costly expenditures of preserving, restoring, and even improving the coal-bearing environment. They will need to search for oil in the Atlantic and the deep Pacific, where oil has never hitherto been found. They will need to convert the hard rock of shale into oil and solid coal into flowing oils and gas. All these efforts will require vast investment and some years of time. No rational producer will undertake these efforts if he sees down the years an energy market so structured that expensive U.S. energy materials will have to compete with oils produced in the Middle East at a cost in the range of 20 cents a barrel.

Given the hard and inescapable facts of the world economic situation, we must therefore accept the plain necessity of adopting an assured market policy for fostering the development of our energy resources. This means, for example, that investors in a coal liquefaction or shale oil production project approved by the appropriate Federal agency would be given the protection of a contract with that agency guaranteeing to purchase the output of the plant, at an adequate minimum price, to the extent that alternative outlets were not available at higher prices. Thus, the Government would guarantee the economic viability of the enterprise against loss of markets.

It is this abnormal risk resulting from Arab dominance in oil resources, that must be taken if free enterprise is to perform its proper function in the development of our domestic energy resources. If this risk is assumed contractually, we will have taken a major forward step in the long-range solution of our energy problem. I am preparing more legislation to that end and will seek to have hearings held early in the next session.

It is gratifying in this connection to note that the Nixon administration, in the context of its recommended "windfall profits" tax on crude oil, has suggested the possibility of a price guaranty on output of energy projects approved by the authority created to administer whatever program might be established for application of proceeds of the special tax. Such a price guaranty arrangement, however, can be effective only if it is funded and administered on a scale adequate to national need. Halfway measures dependent on limited sources of funds will result in frustration and disillusionment.

The legislation which I shall propose will also deal with such closely related matters as a lending program for domestic energy resource development projects involving loans up to 90 percent of project costs, repayable out of income realized from the project. It will further propose a basic revision in Federal leasing policy to eliminate the deterrent of cash bonuses and the substitution of competitive financial undertakings of exploration and development work, with royalties payable out of production.

I have previously introduced legislation to facilitate, through appropriate Federal assistance, the utilization of our abundant coal reserves for production of pipeline quality gas and hydrocarbon liquids, as substitutes for natural gas and conventional petroleum products. This, suitably expanded to cover other types of energy research and development, combined with the assured market legislation which I am preparing, will, I hope, define a workable federal program and policy for dealing realistically with our most pressing national concern. That concern will, of course, continue to have my most urgent attention. I can only hope that the administration will soon display the requisite sense of urgency.

NATIONAL ENERGY NEEDS CAN BE AND MUST BE MET BY THE UTILIZATION OF COAL

Mr. Speaker, I have great concern that the administration is approaching the energy crisis much too timidly. Most dangerous, speculation changes from day to day as to the future availability of Mideast oil.

I have great concern that regardless of the resolution of the Mideast crisis, our country will be faced with crisis after crisis dependent upon the changing policies of foreign governments if we continue to rely upon energy sources beyond what is available in our country.

As a result of industry and power companies turning more and more to the use of oil, it had been predicted that by 1985, unless this trend was altered, 46 percent of all energy resources used to run industry will be oil products. This would have brought about ever increasing dependence on imported crude oil, subjecting our Nation to the possibility of recurring energy crises precipitated by the changing policies and objectives of foreign countries.

To place ourselves in this position is sheer folly when the United States has over one-half of the world's known coal resources—one and one-half trillion tons of recoverable coal. Taking into account a greatly expanded rate of usage, these reserves would last more than 500 years.

An essential element of a national energy policy is the implementation of a program to bring about at the earliest possible date energy self-sufficiency.

For this reason, the administration's proposals and the legislation which we have cleared through the Congress, helpful as they may be, at this time fall far short of taking the steps that I believe to be urgently needed.

In reality the energy problem has been staring us in the face for more than 20 years. The current crisis is a direct result of our not having faced up to the problem with the obvious solutions at hand.

On April 16, 1953, more than 20 years ago, I made a speech on this floor in which I said:

> By 1975, it is predicted, our daily needs for liquid fuels may be several times greater than our domestic production from petroleum. If we were to be confronted with another all out war, available supplies of liquid fuels would immediately present an acute problem. A growing dependence upon foreign sources of oil would increase our vulnerability and impair our security. It is, therefore, imperatively necessary for us to push ahead, steadfastly and without interruption, with programs for the development of alternative sources of liquid fuel based upon domestic energy resources, including our abundant supplies of coal. . . .

If we are serious about energy self-sufficiency the know-how is at hand and the steps to achieve energy self-sufficiency are clear.

First, we must initiate government-supported demonstration coal gasification and liquefaction plants on a scale to immediately introduce into the energy market gas for industrial and home heating use and liquid fuel for the Nation's oil and gasoline needs.

In this connection, I have introduced H.R. 11887 which would establish and fund a national program for research, commercial development and demonstration of coal gasification and coal liquefaction.

In effect, we would be undertaking what the Germans did in the closing months of World War II when they were shut off from their access to petroleum.

At the end of World War II we began a research program to produce cheap, clean fuel from coal, using the techniques captured from the Germans. A pilot plant in Missouri was so successful that by 1953 it was producing gasoline from coal at a price only 2 cents a gallon higher than gasoline made from petroleum. Suddenly, over my strong protest, the administration closed down the plant. Had that work been allowed to continue, the spectre of gasoline rationing in this country would not now be confronting us.

I also believe that the severity of the problem confronting us requires expanded authority in the Federal Energy Office to undertake a broad range of activities to foster the production and utilization of coal as a major source of the energy requirements of our Nation. In this regard, I am preparing additional legislation to increase the production, transportation and conversion of coal as a source of energy by giving the energy office broad powers to accomplish these objectives.

Second, it is essential that railroad cars and rolling stock be adequate to the task of transporting the increased volumes of coal which a self-sufficiency energy policy will require. That this shortage is very real is manifested by the passage in the Senate of S. 1149, dealing with the railroad freight car shortage, and the provisions of title V of S. 2767, providing for a major rail rolling stock program with guaranteed loans authorized up to $2 billion.

I want to commend my colleagues, the gentleman from Texas (Mr. PICKLE), the gentleman from North Dakota (Mr. ANDREWS), and the gentleman from the State of Washington (Mr. McCORMACK) for their colloquy on October 2, 1973, in which they discussed the freight car shortage problem.

The gentleman from Washington succinctly put it when he said:

> The problem, simply stated, is that rail shippers are unable to obtain the rolling stock they desperately need, when they need it. It is affecting grain producers, orchardists, potato growers, coal mining corporations, and the forest products industry. Last, but certainly not least, it is directly affecting the consumer in increased costs of fresh fruits and vegetables, fuel, and housing, and in many similar unfortunate ways.

Finally, we must take very forceful action to encourage and provide appropriate incentives for the conversion of oil-burning industrial, commercial operations to coal-burning operations, intensifying at the same time our research on reduction of pollutants from the use of this fossil fuel. In this regard, I am hopeful that the authorities being given the administration in the bill approved on the adoption of the conference report on S. 2589, the emergency energy legislation, are adequate to accomplish a maximum possible conversion to coal.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to announce that the names of all Members who voted by means of electronic device will be included in the list of those voting on this motion so that the RECORD will clearly reflect the names of all Members who have voted on this matter.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING SINE DIE ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding the sine die adjournment of the the House, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the 1st session of the 93d Congress, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPORTS FILED WITH THE CLERK FOLLOWING SINE DIE ADJOURNMENT BY COMMITTEES MAY BE PRINTED BY THE CLERK AS REPORTS OF THE 93D CONGRESS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the sine die adjournment by committees authorized by the House to conduct investigations may be printed by the Clerk as reports of the 93d Congress.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR ALL MEMBERS TO INSERT REMARKS IN "EXTENSIONS OF REMARKS" SECTION OF CONGRESSIONAL RECORD

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such Extensions of Remarks; But this order shall not apply to any subject matter which may have occurred, or to any speech delivered subsequent to the adjournment of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR CHAIRMEN AND RANKING MINORITY MEMBERS OF COMMITTEES AND SUBCOMMITTEES TO EXTEND REMARKS AND INCLUDE SUMMARIES

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the chairmen of all the standing committees and the subcommittees of the House may extend their remarks up to and including the publication of the last RECORD and to include a summary of the work of their committees; also that the ranking minority member of such standing committee or any subcommittee may have the same permission to extend their remarks and to include a summary, if they desire, from their point of view, separately from that of the chairman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. O'NEILL. Mr. Speaker, with reference to the printing of committee activity reports for the session. I wish to remind the chairmen of all committees that the Joint Committee on Printing has ruled that the printing of such reports both as committee prints and in the RECORD is duplication the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD since the Government Printing Office will be directed not to print them both ways.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. VANIK. Mr. Speaker, reserving the right to object, apparently it appears that it is the intention to proceed with sine die adjournment, and it seems to me that we just cannot leave this legislation in the shape in which it is at the present time; we have not concluded the issue, and I would like to have some assurance that we are going to go ahead with this legislation to see it through to a conclusion in some form or another.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, the gentleman from Ohio is speaking correctly, because I have every intention of offering a sine die adjournment resolution. But before I offered it I was going to ask for permission to address the House for 3 minutes in order to explain the resolution, and what is in it.

Mr. VANIK. I hope that the leadership might consider keeping the House in session in some way so that we can proceed to the conclusion of this legislation.

Mr. O'NEILL. I will explain the resolution to the gentleman.

Mr. VANIK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JANUARY 23, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday, January 23, 1974, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK OF JANUARY 21, 1974

Mr. O'NEILL. Mr. Speaker, normally at this time the minority leader would ask me if I would discuss with him the program for the week that we come back. Normally the week that we would come back, Mr. Speaker, would be January 21, 1974.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Arizona.

Mr. RHODES. I thank the gentleman for yielding.

Mr. Speaker, I should like to ask the gentleman the question. Are we coming back on January 21?

Mr. O'NEILL. Under the resolution that we have passed earlier, we have set the date that we would come back as January 21. As the gentleman is aware, in the resolution the right is given to the Speaker and the President pro tempore of the Senate to call us back, and it gives the right to the majority leader of the House and the majority leader of the Senate to call the Members back. It also gives the minority leader of the House and the minority leader of the Senate the right to do likewise.

Mr. Speaker, in the event that the sine die resolution is agreed to, and if the House is not called back, and if we come back on January 21, 1974, the following schedule would be followed:

For Monday: The Consent Calendar and the following five suspensions:

H.R. 10957, Public Health Service Act Amendments,

H.R. 11385, Health Services Research, Health Statistics, and Medical Libraries Act,

H.R. 11386, Sudden Infant Death Syndrome Act,

H.R. 11387, Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act Amendments,

H.R. 9726, Safe Drinking Water Act.

For Tuesday: The Private Calendar, and the following seven suspensions:

H.R. 5975, Convention on High Seas Intervention,

H.R. 10309, Boiler and Pressure Vessel Standards,

H.R. 6120, *Manatra II* training ship,

H.R. 115 or H.R. 6396, anadromous fish,

H.R. 2286 or H.R. 11541, wildlife refuges right-of-way,

H.R. 75 or H.R. 7, game management on public lands,

H.R. 2283 or H.R. 11809, straight baselines for measuring fisheries zone.

For Wednesday and the balance of the week:

H.R. 2, Pension Reform Act, subject to a rule being granted.

H.R. 11221, deposit insurance, subject to a rule being granted.

H.R. 11354, International Development Association, subject to a rule being granted.

H.R. 11666, Asian Development Bank, subject to a rule being granted.

Conference reports may be brought up at any time, and any further program will be announced later.

May I say to the House that I intend to offer this resolution which I understand will be adopted by the Senate.

I do not have any knowledge at this time as to whether the Senate is meeting tomorrow morning at 9 o'clock or meeting Monday at 11 o'clock. We hear all types of rumors. I have talked to the majority leader of the Senate, and as far as I understand the Senate is still in recess and ready to act. The situation now is that—in the last 3 or 4 days—is that we have been considering this energy legislation. Today we have had three votes on the energy bill conference report that was tacked onto an Interior bill. And we have failed to adopt anything. Apparently we are in a stalemate. I do not know how we can break the logjam, but we have voted three times on a bill the Senate has sent over here. I want the Members to bear in mind that there is a conference report that is still pending in the Senate.

I do not think that there is any onus on us whatsoever. I believe we have acted in good faith to do our part, and we have voted according to our philosophies as we have seen fit for the people we represent.

The resolution, as I have already stated, allows the Speaker and the President pro tempore to call the House back.

It allows the majority leader of the House and the majority leader of the Senate and the minority leader of the House and the minority leader of the Senate to recall the Members. There are those who have asked me if this is adopted when will I call the Members back or will I talk to the leader of the Senate? I do not think now is any time for me to make a decision of that type or for the majority leader or minority leader of the Senate to make such a decision. We are tired, we have been here for a long time. If we were to make such a decision now and I were to say we were to come back a day after Christmas or a day after New Year's, then the Members would say, "Why do we get called back? Why do we make decisions in the late hours of the night?"

The Members may be sure if there is an emergency I will be calling the Members back. I guarantee that to the Members. Of course, that is after I talk with the Speaker and the leadership on both sides.

Mr. JAMES V. STANTON. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Ohio.

Mr. JAMES V. STANTON. Mr. Speaker, I point out to the majority leader and the Members of the House that the one bill that was acted on by this body tonight could go to the Rules Committee and be reported out of the Rules Committee and be acted upon by this body, and I think it is incumbent upon the leadership and the Members of this House to take every step possible to insure that this bill is enacted.

Mr. O'NEILL. In reply to the gentleman, I wish I had the knowledge he has about the way the House operates. If the gentleman knew the work that would have to be done to get this bill out of the Rules Committee, he would realize how difficult that would be. For instance, the White House called me in the middle of the night asking me to assist them in getting the bill out of the Rules Committee. I assumed the White House wanted this legislation, but I can see now that they are really opposing legislation of this type. They are happy with the fact that it has been killed.

Let me say I have the greatest respect for the gentleman, but it is not quite as easy as he thinks it is to get a matter such as this out of the Rules Committee.

Mr. JAMES V. STANTON. I might concur with the majority leader, but I think that ought to be demonstrated to the people of America.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, I can assure the majority leader and the Members of the House that the White House does want the legislation and the right kind of legislation which will insure that we will get more energy and not less.

Mr. O'NEILL. I do not want to argue with the gentleman about the merits of the bill. It is my belief the White House wants to run the country like a monarchy.

PROVIDING FOR SINE DIE ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 411) and ask for its immediate consideration.

The Clerk read as follows:

H. CON. RES. 411

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Saturday, December 22, 1973, they shall stand adjourned sine die or until 12:00 noon on the second day after their respective Members are notified to reassemble in accordance with Section 2 of this resolution, whichever event first occurs.

SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it, or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

Mr. O'NEILL. Mr. Speaker, I move the previous question on the concurrent resolution.

The previous question was ordered.

The SPEAKER. The question is on the concurrent resolution.

Mr. JAMES V. STANTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 74, nays 171, not voting 187, as follows:

[Roll No. 724]

YEAS—74

Abdnor
Annunzio
Badillo
Bowen
Broyhill, N.C.
Broyhill, Va.
Burleson, Tex.
Casey, Tex.
Cederberg
Clawson, Del
Conable
Conlan
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Dellums
Dennis
Dingell
Dorn
Eckhardt
Evans, Colo.
Fisher
Gray
Hanley
Hansen, Idaho
Hicks
Hogan
Hosmer
Ichord
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Ketchum
Long, La.
McClory
McCormack
McFall
McKay
Mahon
Matsunaga
Mayne
Melcher
Metcalfe
Milford
Mink
Montgomery
O'Neill
Pickle
Pike
Preyer
Price, Ill.
Rhodes
Robinson, Va.
Rose
Sandman
Shuster
Slack
Steelman
Stratton
Symms
Tiernan
Treen
Ullman
Waggonner
Waldie
Whitten
Wilson, Charles, Tex.
Wyatt
Young, Alaska
Young, Fla.
Young, Ga.
Young, S.C.

NAYS—171

Adams
Alexander
Andrews, N.C.
Archer
Armstrong
Ashley
Barrett
Bauman
Beard
Bennett
Bergland
Biester
Blatnik
Boland
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Carey, N.Y.
Carter
Chappell
Clark
Clausen, Don H.
Cohen
Conte
Coughlin
Crane
Cronin
Culver
Davis, S.C.
Davis, Wis.
de la Garza
Denholm
Derwinski
Drinan
Duncan
Erlenborn
Esch
Findley
Flood
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Green, Pa.
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanrahan
Hastings
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Holifield
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Johnson, Calif.
Jones, N.C.
Karth
Kazen
Kemp
Koch
Kyros
Latta
Litton
Long, Md.
McCloskey
McCollister
McDade
McKinney
Mallary
Mann
Maraziti
Mathias, Calif.
Mathis, Ga.
Mazzoli
Meeds
Mezvinsky
Miller
Minish
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Morgan
Mosher
Myers
Natcher
Obey
O'Hara
Owens
Parris
Patten
Pepper
Perkins
Pettis
Powell, Ohio
Pritchard
Quie
Randall
Rangel
Regula
Reuss
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Rooney, Pa.
Rosenthal
Roush
Roy
Ruth
St Germain
Sarbanes
Satterfield
Schroeder
Seiberling
Skubitz
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Wis.
Stokes
Stuckey
Studds
Symington
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Udall
Vander Jagt
Vanik
Wampler
Whalen
Widnall
Winn
Wylie
Yatron
Young, Ill.
Young, Tex.
Zablocki

NOT VOTING—187

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Aspin
Bafalis
Baker
Bell
Bevill
Biaggi
Bingham
Blackburn
Boggs
Bolling
Brasco
Brooks
Broomfield
Brotzman
Burgener
Burke, Calif.
Burton
Butler
Byron
Camp
Carney, Ohio
Chamberlain
Chisholm
Clancy
Clay
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dent
Devine
Dickinson
Diggs
Donohue
Downing
Dulski
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Eshleman
Evins, Tenn.
Fascell
Fish
Flowers
Flynt
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Goldwater
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Haley
Hanna
Hansen, Wash.
Harrington
Harsha
Harvey
Hawkins
Hays
Hébert
Heinz
Hillis
Hinshaw
Holt
Hunt
Hutchinson
Jarman
Johnson, Colo.
Jones, Ala.
Keating
King
Kluczynski
Kuykendall
Landgrebe
Landrum
Leggett
Lehman
Lent
Lott
Lujan
McEwen
McSpadden
Macdonald
Madden
Madigan
Mailliard
Martin, Nebr.
Martin, N.C.
Michel
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.

Nedzi
Nelsen
Nichols
Nix
O'Brien
Passman
Patman
Peyser
Poage
Podell
Price, Tex.
Quillen
Railsback
Rarick
Rees
Reid
Riegle
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Ryan
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Smith, N.Y.
Snyder
Stark
Steed
Steiger, Ariz.
Stephens
Stubblefield
Sullivan
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Towell, Nev.
Van Deerlin
Veysey
Vigorito
Walsh
Ware
White
Whitehurst
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wydler
Wyman
Yates
Zion
Zwach

So the concurrent resolution was rejected.

Messrs. Barrett, Boland, and Bauman changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

RECONSIDERATION OF WILD AND SCENIC RIVERS BILL

(Mr. TAYLOR of North Carolina asked and was given permission to address the House for 1 minute.)

Mr. TAYLOR of North Carolina. Mr. Speaker, tonight we not only failed to pass a bill, but we also killed a bill which we had already passed. The wild and scenic rivers bill was a good bill when we passed it on December 3 and it was a good bill until the Senate started pouring oil on the water. Now it is on the table as an innocent victim. There are impelling reasons why this bill should be enacted quickly so I will bring it back before the House in early January and I ask the cooperation of the Members in getting it reenacted.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, I will appreciate it if the gentleman will bring it up today at noon so we will have some business.

Mr. TAYLOR of North Carolina. Mr. Speaker, I will state to the gentleman from Massachusetts we will be glad to bring it up just as quickly as possible, whenever the Parliamentarian can tell us a quick way to get it up. I am fearful we will have to go through the committee process again.

ADJOURNMENT TO 12 O'CLOCK NOON TODAY

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon today, December 22, 1973.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NORTHEAST RAILROAD ASSISTANCE BILL

(Mr. BOLAND asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BOLAND. Mr. Speaker, I support the conference report on the Northeast railroad assistance bill.

I have spoken in support of this bill on many previous occasions. I feel that it contains the far ranging and comprehensive approach—adequately funded—that the Northeast rail situation demands. The seven bankrupt lines—the remaining solvent railroads as well—must once again become a viable and efficient network.

Mr. Speaker, the importance of a rejuvenated rail system in this country is highlighted only too well by the most current statistics on our national energy shortages. Rail traffic is fuel efficient and, of growing importance to all of us daily, will soon be cheaper and more reliable than other forms of transportation. I hope to see the day when this country can finally wean itself from its slavish dependence upon the automobile. Rail commuter and long-distance traffic—along with rail freight—could be, almost has to be, one of the mechanisms that can accomplish such a tremendous shift in our national habits.

We have learned at various points in our history as a nation that we have been great squanderers of the abundant natural resources with which the United States has been endowed. The major effort at energy conservation and allocation upon which we are now embarked will, I hope, have happy effects similar in nature to those that national forestry conservation programs under Theodore Roosevelt enjoyed during an earlier age. Railroads, if they can once again regain a position of eminence among passenger and freight carriers, will be able to offer significant contributions to energy savings.

Mr. Speaker, the people of Massachusetts are already hard hit by energy shortfalls and the scarcity of petroleum and other essential materials. For them, the "energy crisis" is not just an interesting item in the headlines, it is here. It is now. Factories and businesses in my district are no longer threatening to close down. Some are shut down. More will undoubtedly follow despite our best efforts.

My constituents, like everyone else in this country, were unprepared for this crisis that has hit our country. All they ask is that they be allowed to keep their jobs and live a reasonable life. Energy conservation measures will help them. Energy research and development may help their children. Improved rail service for freight and passengers will help bring security for businesses and jobs in the Northeast that we desperately need. Furthermore, the impact of better railroads can come within a reasonable time. In some cases only a few years could show a marked improvement in Massachusetts, where our unemployment rate is nearly twice the national average.

Mr. Speaker, what I have been trying to emphasize in my remarks is the economic effect—both nationwide and in the Northeast—that railroad rescue efforts will bring. What will happen in the event that this measure is delayed or defeated can also be measured—in percentage drops in the GNP, in lost jobs, in energy wastage. We cannot afford to pass up what may be perhaps the biggest energy conservation possibility of all.

CAROLE COTHRAN OF LOUDONVILLE, N.Y., SERVES AS A VOLUNTEER IN THE CHRISTIAN SERVICE CORPS IN GUATEMALA

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, I have just learned that Miss Carole Cothran, one of my constituents, is the 200th volunteer to be placed by the Christian Service Corps, an interdenominational organization with headquarters here in Washington, D.C. Carole, a native New Yorker, recently left the United States for a 2-year commitment to teach second and third grades at the Inter-American School at Quezaltenago, Guatemala.

Carole Cothran is the daughter of Mr. and Mrs. Raymond J. Cothran of Loudonville, N.Y. She is an example of the fine young people of my district. Carole graduated from Gordon College earlier this year and received her bachelor of science degree in elementary education. Carole is listed in "Who's Who in American Colleges and Universities" and has received several academic awards and scholarships.

The school where Carole is now teaching was founded and is governed by a board representing several denominational missions, including the United Presbyterian, Southern Baptist and Church of God. The Inter-American School provides elementary and secondary education for children of missionaries as well as a number of Guatemalan children.

The CSC placed Carole with the Inter-American School in Guatemala and provided 3 months of intensive training for her. Frequently called the "peace corps" of the church, the CSC is only 8 years old and now has placed over 200 volunteers in locations abroad. The CSC is represented by Corpsmen serving 2-year terms in some 65 countries.

Each corpsman agrees to spend 2 full years on the field. However, before going to an assignment the corpsman completes the corps 3-month training program designed to acquaint him or her with the language and culture of the host country. This insures that the 2 years abroad will be used to make a maximum contribution to the lives of the people with whom the corpsmen live and serve.

Carole may extend her time beyond 2 years, as many corpsmen do, but when she comes home, she will spend 3 months sharing her experiences with others, helping to find more young people who will continue the work in Guatemala and in the many other countries where volunteers are needed. The CSC will also assist Carole in readjusting when she resumes her life in the United

States. During this readjustment period many returning corpsmen consider returning to their countries of interest on a full-time basis. About one-fourth of those who have already completed the 2-year term have made this decision.

Mr. Speaker, I am happy to congratulate both Carole Cothran and the Christian Service Corps and wish them the fullest success in pursuing their worthwhile objective of service to the people of foreign lands.

A 25-PERCENT FUEL REDUCTION FOR COMMERCIAL AIRLINES

(Mr. PARRIS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PARRIS. Mr. Speaker, on December 12, 1973, in accordance with existing law, the proposed mandatory fuel allocation regulations were issued by the newly created Federal Energy Office. The proposed regulations were published in the Federal Register on December 13, 1973, and the public comment period expired at 5 p.m. yesterday, December 20.

I would like to take a few moments to bring to my colleagues' attention a portion of the proposed regulations which I find frankly disturbing. Specifically, I am referring to subpart G—Aviation Fuels.

According to the proposed regulations, the base period for aviation fuels will be set at 1972 levels. It is my understanding that this step alone will result in a 10-percent fuel reduction for the industry. The regulations go on to provide that effective January 7, 1974, all civil air carriers, both domestic and international, will be alloted 85 percent of their base period fuel consumption—thereby bringing the total reduction in fuel allocation to 25 percent of current requirements.

Mr. Speaker, I cannot object too strongly to this proposed action by the Federal Energy Office. The impact of a 25-percent fuel reduction for the commercial airlines will be simply devastating to that industry and the people employed in it.

Representatives of the industry have advised me that on an industry-wide basis, some 30,000 airline employees will be furloughed effective January 7, in the event the proposed regulations are not amended. This figure constitutes one-tenth of the management and staff personnel of the commercial airline industry, although those employed as pilots and flight attendants will be hardest hit by the furloughs.

In addition, effective January 7, some 950,000 scheduled flight departures will be canceled at 500 airports. As a result, 275 aircraft will be grounded—or approximately $1 billion of equipment left idle.

Consider, for example, the plight of Eastern Airlines. Representatives of that air carrier have advised me that already this year, 860 management and staff personnel have been furloughed due to loss of profits. During the first 11 months of this calendar year Eastern shows losses of $44.7 million; in the first 11 months of 1972 their profits were $22 million.

If the proposed regulations are not amended, the following additional furloughs will be mandated: 440 pilots, 500 flight attendants, 800 reservation and airport agents, and 800 engineering and maintenance personnel. I need not point out the severe economic hardship that will be imposed on those who find themshelves without jobs as a result of these cutbacks.

Mr. Speaker, serving as I do on the Energy Subcommittee, I am especially cognizant of the extent of our fuel shortages, and the need for every segment of the economy to be fairly governed by a fuel allocation program. However, first and foremost, I believe any such program must equitably distribute our available fuel supplies among all sectors of the economy; and second, I am convinced that those industries which contribute essential services to the American public must be given priority. Neither of these conditions appear to be met in the Federal Energy Office's plans for commercial aviation.

Let me also bring to your attention two paragraphs from the conference report accompanying the Emergency Petroleum Allocation Act of 1973 (Public Law 93–159), under which authority the Federal Energy Office is operating in issuing the proposed mandatory fuel allocation regulations:

> The conferees have included in section 4(b)(1)(B) specific mention of the need to allocate fuels to provide for the maintenance of transportation facilities and services which serve the public at large. The term "transportation services" is intended to indentify those surface, rail or air facilities and services—whether public or privately owned—which serve the general public or which otherwise serve the objectives of this Act.
>
> The petroleum fuel shortage threatens numerous areas of commerce. The jeopardy from shortage of these fuels impacts most directly on transportation. Without adequate petroleum most United States' domestic and international transportation, with no option to convert to other fuels, would be seriously disrupted. A significant reduction of transportation capability could adversely affect all other areas of commerce and the national economy. Thus, one of the primary objectives of the Act is to assure maintenance of transportation services.

Certainly the intent of Congress could not be more clear towards the priority of the airline industry for fuel allocation purposes. I have contacted the Director of the Federal Energy Office, William E. Simon, to express my vigorous opposition to the currently proposed regulations as they affect commercial aviation, and I urge my colleagues to do likewise.

CAMPAIGN PLEDGES

(Mr. SHUSTER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SHUSTER. Mr. Speaker, during my campaign I said that the people have a right to know about the health of candidates they select for important public offices and I promised that I would take a physical exam and make the results public. The following is a copy of the medical report I received from Dr. Freeman Cary, Attending Physician, Congress of the United States:

> THE ATTENDING PHYSICIAN,
> CONGRESS OF THE UNITED STATES,
> *March 27, 1973.*
>
> Hon. E. G. SHUSTER:
> *U.S. House of Representatives,*
> *Washington, D.C.*
>
> DEAR MR. SHUSTER: We were quite pleased to see you on February 6, 1973 for your first annual physical examination in this office.
>
> It is also our pleasure to report that your physical examination showed that you are in excellent health. Specifically, your reviewed medical history revealed no active health problems; your blood pressure was 108/64; a complete physical examination, including your heart and lungs, was normal; and, your blood studies, chest x-ray and electrocardiagram were normal as well.
>
> In final summary, you are to be congratulated on your non-smoking and your participation in active athletic conditioning. We hope that you will continue such a program.
>
> Please feel free to stop by any time if we maybe of assistance in regard to your ongoing health care.
>
> Sincerely yours,
> FREEMAN H. CARY, M.D.

Mr. Speaker, I also pledged that I would dispose of any stocks I held, place the proceeds in Government bonds or savings accounts, and would make public any non-Government sources of income. I can report that all stocks have been sold or are offered for sale. Although my 1973 income tax has not yet been compiled, I can report today that my 1973 non-Government sources of income are: Estate of Ann Shuster, $4,400; estate of E. R. Greinert, $409; Shuster Farms (jointly with wife) estimated to be less than $5,000; the Altoona Federal Savings & Loan (jointly with wife) $580.84 and the sale of real estate, $13,000.

Mr. Speaker, I believe these disclosures are in harmony with the public interest and urge my colleagues to consider taking similar action.

ACTIVITIES AND ACCOMPLISHMENTS OF THE JOINT COMMITTEE ON ATOMIC ENERGY IN THE 93D CONGRESS, 1ST SESSION

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, as chairman of the Joint Committee on Atomic Energy, I present for the information of my colleagues the annual report on the activities and accomplishments of the Joint Committee. This report covers the activities of this 1st session of the 93d Congress.

The report follows:

ACTIVITIES AND ACCOMPLISHMENTS OF THE JOINT COMMITTEE ON ATOMIC ENERGY IN THE 93D CONGRESS, 1ST SESSION

FOREWORD

It has been the practice of the Joint Committee on Atomic Energy, at the close of each session of the Congress, to submit for the information of the Congress, the executive branch, and the public a report of its activities. (The report for the second session of the 92d Congress was printed in the Congressional Record of November 8, 1972.

The Joint Committee on Atomic Energy was organized on August 2, 1946. It consists of nine Members from the Senate and nine Members from the House of Representatives No more than five from each body can be members of the same political party. The chairmanship alternates between the Senate and the House of Representatives with each Congress.

Present membership is:

Melvin Price, Illinois, Chairman.

John O. Pastore, Rhode Island, Vice Chairman.

Chet Holifield, California; John Young, Texas; Teno Roncalio, Wyoming; Mike McCormack, Washington; Craig Hosmer, California; John B. Anderson, Illinois; Orval Hansen, Idaho; Manuel Lujan, Jr., New Mexico.

Henry M. Jackson, Washington; Stuart Symington, Missouri; Alan Bible, Nevada; Joseph M. Montoya, New Mexico; George D. Aiken, Vermont; Wallace F. Bennett, Utah; Peter H. Dominick, Colorado; Howard H. Baker, Jr., Tennessee.

The Joint Committee is one of the few committees established by statute rather than by rule of each House and is unique in several respects. For example, it is the only Joint Committee of the Congress with legislative functions, including the receipt and reporting of legislative proposals. The Committee is also charged by law with legislative responsibility as "watchdog" of the U.S. atomic energy program. As part of its responsibilities, the Committee follows closely the classified activities of the executive agencies, including the Atomic Energy Commission and the Departments of Defense and State, concerning the peaceful and military applications of atomic energy. The unclassified activities are closely reviewed as well.

In all of these activities, the Joint Committee on Atomic Energy, representing the Congress and the public, seeks to assure the implementation of the following national policy expressed in the Atomic Energy Act of 1954:

"The development, use, and control of atomic energy shall be directed so as to make the maximum contribution to the general welfare, subject at all times to the paramount objective of making the maximum contribution to the common defense and security."

During the 93d Congress, first session, the full Joint Committee met on a total of 50 occasions, 25 of which were public and 25 of which were executive meetings. In addition, there were six subcommittee meetings held in public session, and three subcommittee meetings held in Executive Session.

A total of 18 publications consisting of hearings, reports, and Committee prints were published by the Joint Committee in the first session of the 93d Congress. The publications include testimony taken in executive session with classified material deleted before printing.

A list of the publications follows:

AEC Authorizing Legislation, Fiscal Year 1974:

Part 1. Hearings, January 30, 1973.

Part 2. Hearings, February 6, 21, and 22.

Part 3. Hearings, March 14, 1973.

Part 4. Hearings, March 20 and 22.

Part 5. Environmental statements.

Reports: Authorizing Appropriations for the Atomic Energy Commission for fiscal year 1974 (H. Rept. 93-280; S. Rept. 93-224). June 14 and June 18.

Report: Supplemental Authorization of Appropriations for the Atomic Energy Commission for Fiscal Year 1974 (Senate Report No. 93-487, House Report No. 93-619). November 7, 1973 and November 1, 1973.

Atomic Energy Legislation through the 92d Cong., 2d Session. Committee Print, March.

Current Membership of the Joint Committee on Atomic Energy. Committee Print, April.

Certain Background Information for Consideration when Evaluating the "National Energy Dilemma". Committee Print, May.

Military Applications of Nuclear Technology (Part 1). Hearing (declassified) April 16.

Proposed Amendment to Euratom Cooperation Act of 1958 (S. 1993 and H.R. 8867). Hearing, June 22.

Report: Amendment to Section 5 of the Euratom Cooperation Act of 1958, as amended. (H. Rpt. 93-385; S. Rpt. 93-341). July 19 and July 24.

Understanding the National Energy Dilemma. Committee Print, August.

Proposed Changes in Basis for Cooperative Arrangement for the LMFBR. Hearings, Feb. 28 and May 4.

Future Structure of the Uranium—Enrichment Industry—Phase I. Hearings July 31 and Aug. 1.

The following publications will be released in the near future:

Current Status of AEC Controlled Thermonuclear Research Program. Hearing, July 25.

Proposed Sale of LaCrosse Boiling Water Reactor to Dairyland Power Cooperative. Hearing, Aug. 3.

Naval Nuclear Propulsion Program (declassified). Hearing, March 28.

Proposed Changes in AEC Contract Arrangements for Uranium Services. Hearings, Mar. 7, 8, 26 and Apr. 18.

Military Applications of Nuclear Technology, (part 2) (declassified). Hearing, May 22.

Future Structure of the Uranium Enrichment Industry (Phase II). Hearings, Oct. 2, 3, 4.

Nuclear Reactor Safety. Hearings Jan. 23, Sept. 25, 26, 27 and Oct. 1.

To Consider Dec. 1, 1973 AEC Report on Energy Research and Development. Hearing, Dec. 11.

I. LEGISLATIVE ACTIVITIES

A. Atomic Energy Commission Fiscal Year 1974 Authorization Act (Public Law 93-60)

The Atomic Energy Commission's authorization request for fiscal year 1974, as initially submitted to the Congress on January 30, 1973, called for authorization of $1,753,250,000 for "Operating Expenses" and $779,300,000 for "Plant and capital equipment" (including increases in prior-year authorization) making a total requested authorization of $2,532,550,000. This request represents a decrease of $70,925,000 or about 2.7 percent, below the $2,603,475,000 authorized for fiscal year 1973.

The Joint Committee's recommended authorization for fiscal year 1974 was $2,429,005,000 which is $103,495,000—about 4.1 percent—less than the amount requested, and $174,420,000—about 6.7 percent less than the amount authorized for fiscal year 1973.

Generally, the Commission's authorization request reflects estimated costs in two broad categories of effort, namely, military and civilian applications. Military applications includes primarily the nuclear weapons and naval propulsion reactors programs as well as a portion of the nuclear materials program. Approximately 48 percent of the Commission's fiscal year 1974 estimated program costs, or $1,472,200,000 is attributable to military applications. The estimated cost for the civilian applications of atomic energy totals $1,575,350,000 or about 52 percent of the program costs.

The Joint Committee began consideration of the proposed legislation authorizing appropriations to the AEC for fiscal year 1974 with a public hearing on January 30, 1973. Additional public hearings followed on February 6, 21, 22, and on March 14, 20, and 22. In the course of these hearings AEC's programs for regulation, biological and environmental research, physical research, civilian reactor development, applied energy technology, space nuclear systems, and radioactive waste management were considered. Other hearings were held in executive session on February 2 and 21, and on March 28, 1973. Programs reviewed during these hearings were weapons, nuclear materials production, and the naval nuclear propulsion program.

B. Supplemental Authorization of Appropriations For the Atomic Energy Commission For Fiscal Year 1974 (Public Law 93-158)

On October 23, 1973, an executive communication was transmitted to the Congress requesting the Congress to consider proposed supplemental appropriations to the Atomic Energy Commission of $10,700,000 for operating expenses and $30,000,000 for plant and capital equipment.

On October 30, 1973, the full Committee held an executive hearing on the request for authorization of supplemental appropriations. Representatives of the Atomic Energy Commission and the Department of Defense presented their views concerning the need to restore schedule slippages in certain nuclear weapon systems. The Commission witnesses also testified on the need for additional waste treatment and storage facilities at the AEC's Hanford, Washington site.

On October 31, 1973 Chairman Price, by request, introduced H.R. 11216, a bill to authorize supplemental appropriations of $40,700,000 to the Atomic Energy Commission. On November 1, 1973, the full Committee met in executive session for markup of the bill. At this session, the Committee voted to approve reporting of the bill favorably without amendments and adopted the report. These actions were taken by the unanimous vote of the members present. On November 2, 1973, Vice Chairman Pastore introduced a bill, S. 2645, identical to H.R. 11216.

This bill amends Public Law 93-60, the Atomic Energy Commission Fiscal Year 1974 Authorization Act.

II. CIVILIAN AGREEMENTS FOR COOPERATION

Under the provisions of the Atomic Energy Act of 1954, as amended, proposed agreements for cooperation in the peaceful uses of nuclear energy between the United States and other nations, and amendments thereof, must be submitted to the Joint Committee and a period of 30 days must elapse while Congress is in session before such agreements become effective. In accordance with such procedures, one amendment was submitted to the Committee by the Atomic Energy Commission.

On March 27, 1973, the Atomic Energy Commission transmitted to the Congress a proposed bill to amend Section 5 of the EURATOM Cooperation Act of 1958. This bill was introduced, by request, on June 13, 1973, in the Senate by Vice Chairman Pastore as S. 1993 and on June 20, 1973, in the House by Chairman Price as H.R. 8867. (Public Law 93-88)

The Joint Committee's Subcommittee on International Agreements for Cooperation held a hearing on these bills on June 22, 1973. At that hearing the Subcommittee received testimony from the AEC generally concerning the community requirements for increased quantities of enriched uranium, the Commission's ability to furnish the additional amount of enrichment services required, and the reasons for changing the manner in which the ceiling was expressed from kilograms of contained uranium 235 to an amount which would be sufficient to support the fuel cycle of power reactors of a total specified megawatt electric capacity. Additionally, the Subcommittee accepted for the record a statement from the European Community which also emphasized the

Community's urgent need for this material and the legislation.

The Joint Committee met in executive session on July 18, 1973, to consider these bills. At that time, the Committee voted to report these bills favorably, without amendment, and adopted the report. These actions were taken by the unanimous vote of the members present. The bill amends Section 5 of the EURATOM Cooperation Act of 1958, as amended, to increase the maximum amount of contained uranium 235 which may be transferred to the European Community from 215,000 kilograms to that which would be necessary to support the installed capacity of 35,000 megawatts of electrical energy together with 25,000 kilograms of uranium 235 for other purposes. In terms of kilograms of contained uranium 235, the total increase would be the equivalent of 368,000 kilograms. The ceiling would serve to set an upper limit on the amount of uranium enriching services which may be provided to the Community under contracts with the AEC. An actual commitment to supply any amount of enriched uranium would not occur until the execution of specific supply contracts.

III. INFORMATIONAL HEARINGS

A. Naval Nuclear Propulsion Program

The Joint Committee held an executive hearing on the Naval Nuclear Propulsion Program on March 28, 1973. At that time, Admiral Rickover outlined progress made and plans for future developments in this vitally important segment of our national defense. The hearing record was sent to the Department of Defense for review in order that classified material could be deleted and the information provided by Admiral Rickover could be published as a Joint Committee hearing print.

The naval reactors program involves the continuing development of improved nuclear reactor propulsion systems for a wide range of naval warships including both submarines and surface vessels. The overall program is aimed at taking maximum advantage of nuclear energy to provide ship propulsion systems with unlimited high-speed performance and combat endurance without the need for logistic lines of fuel supply.

B. Energy Demand and Supply Situation

On May 4, 1973 the Joint Committee held an open hearing for Members of Congress to acquaint them with the complexity of the energy demand and supply situation. The staff of the Joint Committee on Atomic Energy has developed a graphic presentation which enables a person (who is not necessarily an energy specialist) to obtain a reasonable understanding of the broad problems, scale and complexity of our energy dilemma in about an hour. The study and graphic data was published in May. In addition, a method has been devised for visually displacing projected future effects of various energy policies on our domestic energy situation.

On August 17, 1973, a Joint Committee Report, entitled "Understanding The National Energy Dilemma" was prepared at the request of Chairman Price. The Report has gone through two printings this year already. The Center for Strategic and International Studies of Georgetown University and the University of Houston have reproduced the report using commercial art work to add greatly to its public appeal. The Center has distributed 10,000 copies and 35,000 additional copies were produced in a second printing. Through such efforts, the public is becoming better apprised of the energy crisis.

The Joint Committee met in open session on December 11, 1973 to discuss the December 1, 1973 report entitled "The Nation's Energy Future" providing Dr. Dixy Lee Ray's recommendations to the President for a five-year $10 billion energy research and development program. In view of the critical importance of the document, the Committee felt it important to receive an oral summary of the report and to address questions to Dr. Ray regarding her recommendations.

C. LMFBR Cooperative Demonstration Plant

The Cooperative arrangement for the Nation's first liquid metal fast breeder reactor (LMFBR) demonstration plant was authorized under Section 106 of Public Law 91–273, as amended by Public Law 92–84. Among other things, that legislation requires that the basis for the arrangement or any amendment thereto be submitted to the Joint Committee on Atomic Energy for a period of 45 days, unless a waiver is granted by the Joint Committee.

On January 26 the Atomic Energy Commission submitted changes to the basic principles which had been submitted on August 14, 1972, which were to be followed in carrying out the cooperative project (see Committee hearing record "Liquid Metal Fast Breeder Reactor Demonstration Plant" Sept. 1972). Hearings were held on the new proposed arrangements on February 28 and May 4. The Committee's decision on the proposed arrangements was supplied to the Commission on June 19, 1973. The Committee's decision was contingent upon a revision in certain aspects of the proposed arrangements. (See Committee print "Proposed Changes in Basis for Cooperative Arrangement for LMFBR", February and May, 1973).

D. Uranium Enrichment

The Subcommittee on Energy of the Joint Committee on Atomic Energy held hearings to consider the impact of the proposed changes in the terms and conditions under which the Atomic Energy Commission will provide uranium enriching services to both domestic and foreign customers. The new contract arrangements are described in the AEC's proposed revisions to the uranium enrichment Services Criteria and related materials which were submitted to the Joint Committee on Atomic Energy on January 18, 1973, and which, under Section 161v of the Atomic Energy Act, must lie before the Joint Committee for 45 days. The hearings of March 7, 8, 12, 26, and April 18, 1973 will be published in the near future.

The Joint Committee on Atomic Energy held hearings, Part I on July 31, and August 1, 1973 entitled "Future Structure Of The Uranium Enrichment Industry". The object of these hearings is to find out what should be done to provide the additional uranium enrichment facilities we need.

The Committee has given a great deal of attention to the provision of adequate uranium enrichment capacity. Developments over the past five years gave cause for concern. There have been slippages in the estimates of the time by which improvements in the present enrichment plants are needed. The Committee, in fact, has added to the Commission's authorization request at various times to accelerate the diffusion plant improvement programs.

Extensive hearings on this matter have been held. The first portion of these hearings which were limited to government witnesses have been published under title "Part I—Future Structure of the Uranium Enrichment Industry". The second portion which included non-government witnesses interested in the matter is in the process of being published under Part II of the same title.

E. Controlled thermonuclear research

The Subcommittee on Research, Development and Radiation of the Joint Committee on Atomic Energy held a public hearing on July 25, 1973 on the current status of the AEC magnetic confinement portion of the controlled thermonuclear program. The Atomic Energy Commission is supporting two fusion programs. The magnetic confinement program has been underway since the early 1950's. The laser-pellet fusion program, begun about 1962, was a minor research effort up to the past few years. It is funded entirely under the weapons program.

In the magnetic confinement program, two recent successful experiments at the Princeton Plasma Physics Laboratory and at the Oak Ridge National Laboratory show that the AEC's CTR program is rapidly approaching the stage where experiments involving large volume research devices will be needed to test scaling laws. Plasma generation and plasma losses are also under intensive study. The Adibatic Toroidal Compressor device at the Princeton Laboratory recently produced a plasma, the working fluid of any fusion reactor, the density of which was close to that expected in future commercial reactors. The Joint Committee considers that now is the time to support a realistically increased research and development program in magnetic confinement CTR which is in direct relationship to the difficulties and magnitude of the potential benefits which lie ahead.

F. Nuclear power reactor safety

On January 23, the Committee commenced its public hearings on nuclear power reactor safety. The Committee heard testimony from the outgoing AEC Chairman, Dr. James Schlesinger, who had been nominated as the Director of the Central Intelligency Agency. The Committee took this opportunity to hear Dr. Schlesinger's views on reactor safety before his change in assignment. This testimony has been referred to as Phase I of the safety hearings.

Phase II is divided into two parts. Part A consists of testimony by the Atomic Energy Commissioners, their principal staff, the Advisory Committee on Reactor Safeguards and the Atomic Safety and Licensing Board Panel. Testimony was heard in public session on September 25, 26 and 27 and October 1. During Part A the subject of the adequacy of the interim criteria for Emergency Core Cooling Systems was not covered since this matter was before the Commission for decision in a rule-making procedure. When the Commission reaches a decision on the acceptability of the proposed ECCS criteria, the Committee will reconvene in public session to receive testimony on the logic and rationale underlying this decision. At the time of filing of this accomplishments report, the decision had not yet been announced.

The Committee intends to continue public hearings on the matter of nuclear power reactor safety early in the next session of Congress. At that time, it is expected that Part B of Phase II will be conducted and a Committee print on Phase I and Phase II will be published. Soon thereafter, the Committee will conduct Phase III of the nuclear power reactor safety hearings. At that time testimony would be received from the representatives of the nuclear power industry, the scientific community, and the public at large.

IV. CLASSIFIED ACTIVITIES

Military Applications

The Subcommittee on Military Applications of the Joint Committee on Atomic Energy held executive sessions on April 16, May 22, and June 29, 1973, to receive briefings on the military applications of nuclear technology by the Atomic Energy Commission, the Department of Defense and the Supreme Allied Commander, Europe. These hearings were sent to the Department of Defense for review in order that classified material could be deleted and information provided could be published as a Subcommittee hearing print entitled "Military Applications of Nuclear Technology". Part I has been published and Part II will be published in the near future.

In September 1973 Chairman Melvin Price visited the Conference of the Committee on Disarmament in Geneva, in regard with arms control and disarmament matters. He also visited military installations in Europe in connection with matters relating to the military uses of atomic energy. A classified report on this matter is on file in the Joint Committee on Atomic Energy office.

Vice Chairman Pastore and Senator Baker in March 1973 visited certain military installations in NATO to review national security matters relating to the military use of atomic energy. A classified report on this matter was sent by them to the Secretary of Defense and the Chairman of the Atomic Energy Commission.

Central Intelligence Agency

From time to time during this year, the Joint Committee Members have met with representatives of the CIA to receive information concerning foreign intelligence matters.

V. OTHER MATTERS

A. Nuclear Electric Power in Space

The space environment from Earth to Jupiter has been determined for the first time. On December 3, 1973, Pioneer 10 (the first nuclear powered interplanetary spacecraft) photographed and recorded the geophysical properties of the planet Jupiter and sent color photos back to the United States. (The ionizing radiation fields and low intensity solar spectrum precluded use of any other than a nuclear power supply for this mission.)

B. Confirmation Hearings

The Senate section of the Joint Committee held hearings on May 17, August 1, and October 12, 1973 on the nominations of Mr. William E. Kriegsman to be an AEC Commissioner, Mr. William A. Anders to be an AEC Commissioner and Mr. Donald R. Cotter to be Chairman, Military Liaison Committee to the Atomic Energy Commission. The Senate approved these nominations on May 31, August 2 and October 13, 1973.

C. International Atomic Energy Agency (IAEA)

Members of the Joint Committee on Atomic Energy attended the General Conference of the IAEA in Vienna, held in September 1973.

D. Visit to the Far East

Chairman Price toured various installations in the Far East during February 1973. The visit was primarily for the purpose of reviewing with officials of the Japanese government the Japanese civilian atomic energy program.

E. La Crosse Boiling Water Reactor (LACBWR)

The Joint Committee held a public hearing on August 3, 1973 to consider the new terms of the proposed sale of the La Crosse Boiling Water Reactor to the Dairyland Power Corporation. LACBWR is a 50 megawatt (net) nuclear steam plant located on the east bank of the Mississippi River, about 19 miles south of La Crosse, Wisconsin. The LACBWR project was one of several reactors built under the Atomic Energy Commission's Cooperative Power Reactor Demonstration Program and was authorized in 1961 under Section 109(c) of Public Law 87-315. The reactor is Government owned and is operated by the Dairyland Power Cooperative under a contract with the AEC for a ten-year period which would end on November 1, 1979.

Under the former arrangement submitted to the Committee, Dairyland would have paid the AEC a net purchase price of $2.1 million for the reactor and the two fuel cores now at the site. Dairyland would have also assumed the cost of operating the reactor as of November 1, 1971. Under the new arrangement, the purchase price would be reduced from the net figure of $2.1 million to a nominal sum of one dollar and the Commission would continue to bear the cost of operating the reactor from November 1971 through August 1973. The costs to obtain a full operating license after transfer of title to Dairyland, will probably equal or exceed the $2.7 million. The current estimate of net savings in operating costs to the Commission is $4.7 million.

VI. COMMITTEE PLANS FOR 93D CONGRESS, 2D SESSION

Included in tentative plans for special attention in connection with the Committee's legislative and oversight responsibilities in the Second Session are the following:

Licensing of Nuclear Power Plants.

Price Anderson Indemnity Protection.

Provision of Uranium Enrichment Services.

Liquid Metal Breeder Reactor Demonstration Plant.

Overall Energy Research and Development Program.

Nuclear Power Reactor Safety.

Policies concerning the supply of natural uranium.

As the legislative work load permits consideration will be given to the conduct of hearings on the Growth, Development and State of the Nuclear Industry as provided under section 202 of the Atomic Energy Act.

THE NEED TO CREATE THE FEDERAL ENERGY ADMINISTRATION BY STATUTE

(Mr. BOLAND asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BOLAND. Mr. Speaker, previous to the appointment of Mr. William E. Simon as Federal Energy Administrator, we had witnessed a succession of highly touted, so-called energy advisers or energy czars. Each announcement sought to place "new powers" or "overall control" in the hands of the newly discovered energy expert—instant variety.

Instead, each departure spread disillusionment and distrust for the programs which were to have been panaceas for the Nation's energy woes. This trail of discarded energy chiefs and their discredited solutions have not been the only cause of the confusion—rather than concurrence—in the midst of our Nation's energy councils.

Throughout the entire period that the energy crisis has been a principal concern—that is, during the few months that the administration has admitted that we were actually facing a problem—the American people have been subjected to a barrage of conflicting and confusing statements. A wide range of administration figures, resembling in no small degree the mythical nine-headed serpent Hydra, have spouted forth chaos and confusion in the form of widely contradictory and divergent claims. And like the Hydra, who, if one of its heads were cut off, grew back two in its place, the successive removals from office of various energy kingpins have only had the effect of multiplying the conflicting public statements of these administration officials.

Mr. Speaker, I have said that Mr. Simon's appointment marks a turning point for the administration's approach to our energy shortages. It does. It will unite authorities formerly exorcised by Interior's offices of petroleum allocation, energy conservation, energy data, and analysis, and oil and gas plus those of the energy division of the Cost of Living Council. All are now to be lodged under one roof—that of the FEA. But the creation of the Federal Energy Administration and the appointment of the Administrator by Executive order can only be considered an interim measure at best.

The Congress must concern itself with insuring that a permanent statutory basis exists for the FEA.

Since the FEA will also require an appropriation of funds from the Congress, additional opportunities for dialog between the administration and the Congress will be afforded. Considering the people that have thus far been selected to staff the FEA, such an exchange could become one of the few truly cooperative "joint ventures" the administration will have entered into with Congress.

Most of all, however, the authorization of the FEA ought to cement the centralization in one agency of all our energy problem-solving capabilities, instead of their diffusion throughout the Federal bureaucracy. That former setup had made it extremely difficult for my office in Springfield to be either consistent or accurate in answering the tremendous number of constituent inquires we have received on any number of energy related problems. It has been literally impossible for us to reduce the apprehensions of people who are uncertain as to how rules and regulations affect them because of the confusion on that very score within the Federal Government.

Yet, in the barely 2-week period that the FEA has been operating under Administrator Simon, I have detected a noticeable change in the atmosphere of energy policy formulation.

In my home State of Massachusetts, there is a new Regional Director of the FEA for all of New England. Mr. Lawrence W. Rogers is the Regional Director of the Manpower Administration. On loan from the Labor Department, he has been laboring long hours on a 7-day-a-week basis to effect an orderly changeover to the new agency.

From a workload of well over 1,000 cases, which they inherited barely 2 weeks ago, he and his meager staff have reduced the backlog to less than 150 unresolved files. Furthermore, each individual problem has received personal attention, not just the distant formality of a form reply. This kind of result in such a short time is clearly the product of both dedication and a sophisticated approach. It is the kind of service that we should have been receiving all along.

Despite a shortage of staff and inadequate office space, Mr. Rogers has done a very credible job of stemming the tide of rising energy complaints. Like other regional directors—he is hampered by the uncertainty as to where the money for his staff will come from, how much money he will have to hire staff, or from whence his staff will come.

Certainty on those points can only come after an authorization and then an appropriation for the FEA is approved by the Congress. Then only will he or any other Regional Director be able to attract the kind of superior agency personnel that the FEA ought to have to perform the important tasks that have been assigned to it.

Furthermore, it is apparent to me that the 10 regional offices of the FEA are only the barebones of the Federal effort that must be expended if a truly responsive and equitable program of allocation and conservation is to result. Additional local offices are necessary to share the burden with the principal regional FEA offices. One office cannot possibly handle all the requests and inquiries from a region as large and as hard hit by energy shortfalls as New England. It is not fair to the public and it is not fair to the staff of the regional office.

I have proposed on several occasions in letters to the President and other administration officials that an energy policy subregional or local office be set up in western Massachusetts. While the logical place for such an office would be Springfield, which is in my congressional district, I am not proposing the establishment of this office because of what is only a selfish concern for my own constituents. All New Englanders, all Americans, deserve priority recognition and treatment of their energy needs.

I have made my own Springfield district office available on a constant basis to keep the public as fully informed and as well served as we can with the limited resources available to us. But the people of western Massachusetts deserve better than our secondhand, at-a-distance attempt to discover solutions to their problems. So do all American citizens.

As I have indicated, I think that we should enlarge and enhance the basic organizational structure of the FEA as it is now constituted. I would much prefer that the Federal Energy Administration be established through a separate act.

Mr. Speaker, yesterday the Senate passed S. 2776 by a vote of 86 in favor with 2 against. The House should have given consideration to this bill. It is, by far, the better way of creating a more effective Federal Energy Administration. It pulls together by statute, in one agency, the many facets of this difficult problem that is now spread through several Federal agencies. It makes specific appropriations for the FEA instead of the present piecemeal allocations to these several agencies. Its lines of authority are more clearly and precisely defined. It enables the Administrator and his staffs, here in Washington and throughout the country to have a much better grasp on the ability to recruit the staff that is absolutely necessary to have any degree of competence, fairness and equity in the performance of the difficult task that the Federal Energy Administration faces now and in the future.

CONFUSION IN THE HOUSE

(Mr. FRENZEL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FRENZEL. Mr. Speaker, again tonight we have been lucky in that the country could not deserve our silly actions. In a time of lack of confidence, the House was again put by its leadership in a position of not knowing what it was voting on. The confusion was, as noted by the gentleman from Louisiana (Mr. Waggonner), not a credit to the House. But around here we seem to thrive on confusion.

The parliamentary situation has been difficult. The Senate has pressed us. But we did not have to get ourselves into this mess, and we did do it to ourselves.

All we had to do tonight was to pass the Senate bill to get an energy bill. Instead we had to monkey around with the two complicated and unknown House resolutions that were poorly explained and never printed for the Members.

I voted against the first resolution of the gentleman from West Virginia (Mr. Staggers), the number of which is unknown to me. The resolution was certain to fail in the Senate and we would surely have no bill.

I think I am as anxious to challenge the Senate as any person here. I recall making a challenge on the public health hospitals and again on the noxious, nongermane FTC amendments to the Alaska pipeline bill. At those times, the very persons who are now asking us to stand up to the Senate were then voting for outright surrender. The problem now is that there may not be any Senate to stand up to.

We have let this thing drag out so long we do not know whether the Senate has a quorum or not. If we want any bill, we should pass the Senate bill. If we send this resolution to a Senate lacking a quorum, we kill any possibility of getting the energy bill this country needs now.

I will stay as long as necessary to work out a bill. I recognize the need to control excess profits of energy companies. I voted against resolutions tonight both with and without the windfall profits section. That isn't the issue. The issue is a bill, the Senate bill, or no bill.

But perhaps even a deeper issue is that of our own procedures. How can we explain to a doubting populace our voting on unprinted, unknown resolutions? Or our total confusion on the parliamentary situation?

It is essential that we follow up this obviously temporary energy bill with needed legislation like extensions of authority and excess profits taxes. It is equally essential that we clean up our own House, so that adventures such as we indulged in tonight need not be repeated.

SUMMARY OF H.R. 10253

(Mr. ROY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROY. Mr. Speaker, yesterday I introduced the National Health Policy and Health Development Act of 1974. Today I am submitting for the Record a short summary of the act, a table of cost figures, a section-by-section analysis, and a copy of the bill for the consideration of the Members and public.

Brief Summary of the National Health Policy and Health Development Act of 1974, H.R. 10253

The proposed Act has four principal parts. Part A would establish a National Council for Health Policy. Part B would create a system of Health Service Agencies (HSAs) responsible for areawide health planning and development throughout the country. Part C would assist State governments in the creation of State Health Commissions (SHCs) responsible for State-level health planning and regulatory activities. Part D would create a new Federal program of construction assistance for health facilities based on loans, loan guarantees, and interest subsidies. The new programs would commence during the present fiscal year, thus overlapping with the authorities for CHP, RMP, and Hill-Burton. The Secretary would be responsible for assisting the existing agencies under the latter programs in their transition into the new programs, and then at the end of the present fiscal year the legislative authorities for CHP, RMP, and Hill-Burton would be terminated. The provisions of the new programs are based on the extensive experience now available with the existing programs and combine the most effective and successful features of each of them.

The *National Council for Health Policy* would be established in the Executive Office of the President. It would have five members appointed by the President with the advice and consent of the Senate, and suitable staff and support for performing its functions. It would be responsible for assessment of the nation's health; assessment of Federal and other health programs; assessment of the need for health resources, services, and financing; developing recommendations for a national health policy; issuing guidelines on the appropriate supply, distribution and organization of health resources and services; and conducting studies and analyses concerning its recommendations for a national health policy. The Council would be required to submit an annual report to the public on the work it has done. In developing policy the Council would be required to give priority consideration to national health priorities specified in the legislation.

In creating a system of *Health Service Agencies* (HSAs) the Secretary would first be responsible for dividing the nation into health areas for planning and development purposes. He would then designate in each health area a private nonprofit corporation as the HSA responsible for planning and development in that area. The legislative proposal specifies minimum criteria for the legal structure, staff, governing body, and functioning of the HSAs. They would be broadly responsible for preparing and implementing plans designed to improve the health of the residents of their health areas; increasing the accessibility, acceptability, continuity, and quality of the health care provided the residents; and restraining increases in costs of such care. In performing these functions, HSAs would be required to gather suitable data; prepare long-range goal plans and short-term priority plans; provide assistance of either a technical or financial nature to people seeking to implement provisions of the plans; coordinate activities with PSROs, SHCs, and other appropriate planning and regulatory entities; review and approve or disapprove proposed uses of Federal health funds within the area; assist States in the performance of capital expenditure reviews under the Social Security Act; and assist the SHCs in certifying as needed health services offered in the area. Procedures and criteria for use by HSAs and SHCs in their performing of reviews required by the legislation are detailed.

Authority is given to the Secretary for providing assistance to organizations seeking to be designated as HSAs during their development, for providing technical assistance of various kinds to HSAs and SHCs, for making planning grants to designated HSAs to fund part of the cost of their planning programs, and for making development grants to the HSAs creating Area Health Services Development Funds for HSA use in implementation of their plans. The Secretary is required to perform annual and triannual reviews of the activities and quality of HSAs to assure that they perform their functions in a satisfactory fashion.

The Secretary would also be required to designate in each State a *State Health Commission* (SHC) meeting criteria for its composition, staffing, and functions which are specified in the legislation. In order to receive designation, a SHC would need to submit to the Secretary an approvable administrative program for carrying out its functions. The SHCs would be responsible for annual review and approval or disapproval of the plans of the HSAs, annual review and comment on the budgets of the HSAs, review of applications submitted by HSAs for assistance from the Federal government, commenting on disapproved applications for Federal funds, performance of capital expenditure review functions under the Social Security Act, certification as needed of health services offered within the State, regulation of health care costs within the State, and (if they so desire) licensure and quality activities. Provision is made for the Secretary to provide financial assistance in the development and operating costs of SHCs. In addition the Secretary would be required after the expiration of the fourth fiscal year after enactment of the legislation to perform the functions of SHCs in any State in which one was not designated.

NATIONAL HEALTH POLICY AND HEALTH DEVELOPMENT ACT AUTHORIZATIONS

[In millions of dollars]

	Fiscal year—			
	1974	1975	1976	Total
Assistance for developing HSA's sec. 615	15	30	30	75
Planning grants for HSA's sec. 618		60	100	160
Development grants for HSA's sec. 619		100	125	225
Assistance for developing SHC's sec. 628(a)	2	3	5	10
Assistance for operating SHC's sec. 628(b)	1	5	10	16
Revolving loan Fund for construction sec. 634[1]		100	......	100
Total	51	232	303	586

[1] Authorized in the aggregate for 3 years. For purposes of yearly totals, considered as equally divided among the 3 years.

The assumptions underlying the figures are to be found in the appropriate sections of the detailed section-by-section analysis of the Act.

The authorizations may be compared with the following summary of authorization and appropriations for CHP, RMP, and Hill-Burton, the programs which would be combined by the legislative proposal.

AUTHORIZATIONS AND APPROPRIATIONS DATA FOR PROGRAMS REPLACED BY THE PROPOSAL

[In millions of dollars]

	Fiscal year 1972		Fiscal year 1973		Fiscal year 1974		Totals	
	Authorized	Appropriated	Authorized	Appropriated	Authorized	Appropriated	Authorized	Appropriated
CHP:								
314(a)	17	7.68	20	10	50	10	47	27.68
314(b)	30	13.2	40	25.1	25.1	23.8	95.1	62.1
RMP	150	90.5	250	159	159	81.95	559	331.45
Hill-Burton	422	197.2	437.5	197.2	197.2	197.2	1,056.7	591.6
Total	519	308.58	747.5	391.3	391.3	313.05	1,757.8	1,012.83

Section-by-Section Analysis of H.R. 10253 National Health Policy and Health Development Act of 1974

The National Health Policy and Health Development Act of 1974 provides amendments to the Public Health Service Act which are designed to assure the development of a national health policy and of effective state health regulatory programs, and area health planning and development programs. Section 1 of the Act provides that it may be cited as the National Health Policy and Health Development Act of 1974.

Section 2(a). This section makes Congressional findings that:

(1) the achievement of equal access for all people to high quality medical care at a reasonable cost is a priority of the Federal Government;

(2) the recent massive infusion of Federal funds into the existing health care system has not produced an adequate supply or distribution of health care resources and consequently has not made possible equal access to such resources by the total population; and

(3) cooperation between the public sector (national, State, and local) and the private sector has not effectively developed a comprehensive, rational approach to the problems of—

(a) the lack of effective methods of delivering health services; and

(b) the maldistribution of health care facilities and manpower.

Section 2(b). States that, in recognition of the magnitude of the problems enumerated in section 2(a) and the importance of their solution, the purpose of this Act is to develop recommendations for a national health policy responsive to the problems enumerated, augment health planning intended to solve these problems within the framework of the national health policy, and to authorize financial assistance for the development of programs indicated by the planning process and the policy. The recommended national health policy, which is to include a specification of national health goals, is to give direction and coordination to public and private health planning and development programs. The policy is to be implemented by a nationwide system of Health Service Agencies (HSA's), to be established by this Act, which are to have within their health areas the responsibility and resources for assuring equal access for the residents of the areas to all necessary health care services.

Section 2(c). Makes additional Congressional findings that:

(1) past and present increases in the cost of medical care, particularly of hospital stays, are excessive and inflationary;

(2) the present proliferation of new health services and capital expenditures for health facilities is often inappropriate and unplanned;

(3) there are presently inadequate financial incentives for the use of appropriate levels of care, and for the substitution of ambulatory and intermediate care for inpatient hospital care;

(4) the many and increasing Federal, State, local, and private responses to these problems have often been fragmentary, inadequate, conflicting, and inequitable; and

(5) State governments have a central role to play in correcting these problems.

In response to these additional findings, this section states the purpose of Part C, of the new Title VI of the PHS Act created by this Act, to be to assist in the development of State health care regulatory programs which, in conjunction with the health planning programs, assure the availability of health services to all people at the lowest feasible rates. These regulatory programs are to regulate rates of payment and reimbursement for health care in order to:

(1) discourage wasteful and inappropriate use of services and promote uses that are economically justified in view of the relationships between costs incurred and benefits received;

(2) assure that all services provided are of acceptable quality;

(3) assure those responsible for the provision of services with necessary revenue requirements for the provision of high quality health services; and

(4) distribute the burden of meeting these revenue requirements fairly among all those who pay for health services.

Section 3. Provides that Title VI of the Public Health Service Act is amended by replacing the existing text with an entirely new text, described below. This has the effect of repealing the existing programs of assistance for construction and modernization of hospitals and other medical facilities (known as the Hill-Burton program). Section 4 of the Act, described at the end of this analysis, also repeals the existing sections 314 (a), (b), and (c), and Title IX of the Public Health Service Act (the Comprehensive Health Planning and Regional Medical Program legislative authorities). Provision is made in section 4 for transition between the program described below, in the new Title VI, and the three programs which it replaces, Hill-Burton, CHP, and RMP. The new Title VI has the following title and provisions.

TITLE VI—NATIONAL HEALTH POLICY, AND HEALTH PLANNING AND DEVELOPMENT

PART A—NATIONAL COUNCIL FOR HEALTH POLICY

ESTABLISHMENT OF NATIONAL COUNCIL FOR HEALTH POLICY

Section 601(a). Establishes in the Executive Office of the President a council to be known as the National Council for Health Policy. Specifies that the establishment of the Council in the Executive Office of the President is not to limit access by the Congress, or its committees, to data, documents, studies, or personnel of the Council.

The location of the Council in the Executive Office of the President is intended by the sponsors of the legislation to assure it close access to Presidential and Congressional health policy making, and an overview of all Executive Branch health activities rather than just those of the Department of Health, Education and Welfare, and to give it prominence and prestige sufficient to give its recommendations national consideration. In this regard, the Council is analogous to the existing Council on Environmental Quality. The provision assuring Congressional access to the works and personnel of the Council underlines the sponsors' belief that such a Council serves both the Executive Branch and the Congress in recommending health policy and should be essentially a public entity.

Section 601(b). Provides for the number, appointment and terms of office of the members of the Council. The Council is to be composed of five members to be appointed by the President with the advice and consent of the Senate. The members are to be qualified by training, experience, or attainments to assist in the functions of the Council. Not less than two of them are to be consumers of health services. Not more than three are to be of the same political party. Council membership is to be for a term of office of six years with the terms of the five members appropriately staggered. The chairman of the Council is to be selected from among the members by the members and to serve for a period of not more than three years.

Section 601(c). Provides that the annual rate of pay for the chairman of the Council is to be at level 2 of the Executive Schedule and the annual rate of pay of the other members at level 3 of the Executive Schedule.

Section 601(d). Provides that the Council may employ and use such staff as it determines are necessary to perform its functions, and may procure the services of experts and consultants as necessary.

FUNCTIONS OF NATIONAL COUNCIL FOR HEALTH POLICY

Section 602(a). Lists the responsibilities of the National Council, as follows:

(1) Assessment of the status of the Nation's health;

(2) Assessment of existing and proposed Federal and other health programs;

(3) Assessment of the need for health resources, services, and financing;

(4) Development of recommendations for a national health policy which are to include a quantifiable statement of national health goals developed after appropriate consideration of the priorities set forth in section 603;

(5) Issuing recommended guidelines respecting the appropriate supply, distribution, and organization of health resources and services; and

(6) Conduct of studies and analyses concerning recommendations developed under paragraph (4) for a national health policy.

In carrying out these responsibilities, the Council is to seek the advice of outside advisory committees which it shall appoint, and is to work with and consult with the health service agencies established by the rest of the legislation.

The legislation is drafted so that the National Council on Health Policy recommends health goals rather than establishing them, in recognition of the fact that the final determination of health policy is appropriately the function of the Congress and the President. The requirement that the Council work with HSAs in establishing national health goals is designed to assure that its recommendations will be responsive to the identified needs of the country as expressed through the plans of the HSA's.

It is further felt that the HSA's will work more effectively to achieve the recommended goals if they have been involved in the formulation of the goals. The responsibilities of the Council for the assessment of the status of the nation's health, existing and proposed health programs, and the need for the supply of health resources and services is recognized to be an immense task and it is anticipated that the Council will obtain substantial staff assistance from the Department of Health, Education, and Welfare.

The guidelines respecting the supply of health resources and services which the Council is to issue are intended to provide guidance to the DHEW and the HSA's in their own planning programs. They would concern themselves with such matters as: the appropriate ratio of physicians to population including considerations of physician distribution both geographically and by specialty, the needed population base and support services for highly specialized health services such as radiation therapy, or renal dialysis and transplantation services, and suitable methods of providing primary care services in rural areas. While it is expected that issuing guidelines for resources and services spoken to in the recommended national health goals would be of high priority, there is no intent that the Council be limited to the development of guidelines by their recommendations for national health goals.

Section 602(b). Requires an annual report on or before February 1, from the Council to the public specifying the results of the activities undertaken to meet the listed responsibilities.

Generally, it is anticipated that this report would include the results of the various assessments done by the Council, enumeration and justification of the recommended national health goals, and copies of guidelines, studies, and analyses prepared by the Council.

NATIONAL HEALTH PRIORITIES

Section 603. Specifies Congressional findings as to appropriate priorities to be used in the formulation of a national health policy and in the development and operation of Federal, State, and area health planning and development programs. These are to include:

(1) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas;

(2) The development of multi-institutional systems for coordination of consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services);

(3) The development of medical group practices, especially those whose services are appropriately coordinated or integrated with institutional health services;

(4) The training and increased utilization of physician assistants, and nurse clinicians;

(5) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions;

(6) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations;

(7) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis;

(8) The adoption of uniform cost accounting, simplified reimbursement, and utilization and reporting systems and improved management procedures for health service institutions; and

(9) The development of effective methods for financing of, reimbursement for, and regulating votes of reimbursement and payment for medical care.

The legislation requires the National Health Council in formulating its goals (section 601(a)(4)) and the HSA's in developing their long-range goal plans (section 613 (b)(2)) to give appropriate consideration to these priorities in the development of the goals.

PART B—HEALTH AGENCIES

HEALTH AREAS

Section 611(a)—Requires the Secretary to establish throughout the United States health areas with respect to which he will then designate health service agencies (HSA's) under section 616. Each area is to meet the following requirements:

(1) The area shall be a rational region for the proper planning and development of health services which contains the resources necessary to provide all necessary health services for the residents of the area;

(2) To the extent practicable, the area shall include at least one center for the provision of highly specialized health services;

(3) The area shall follow State boundaries, except that an area may comprise a geographical region which crosses State boundaries if the Secretary determines that such a region is a more rational region for the proper planning and development of health services;

(4) The area, upon its establishment, shall have a population of not less than 500,000 nor more than 3 million; except that (A) the population of more than 3 million, and (B) million if the area includes a Standard Metropolitan Statistical Area (SMSA) with a population of more than 3 million, and (B) the population of an area may be less than 500,000 if the area comprises an entire State which has a population of less than 500,000; and

(5) to the maximum extent feasible, the boundaries of an area may not cross the boundaries of a SMSA.

The Secretary is further required to coordinate his designation of health areas with the designation of areas for PSRO's under section 1152 of the Social Security Act. This coordination is to assure that each health area is made up of one or more whole PSRO areas, or vice versa. This means that the boundaries of a health area are not to cross the boundaries of an area for a PSRO.

These requirements are intended to assure that health areas, which are to cover the entire country without overlap, will represent rational areas for doing health planning, of reasonable size, and bearing reasonable relationships with existing state boundaries and the boundaries for PSRO activities. Each area is to be large enough that it will have the capacity to provide all necessary health services to all of its people. This should also assure that it has a large enough resource base for effective planning. The requirement for a center for the provision of highly specialized health care would generally be met by including in each area an academic health center. The requirements are designed to give the Secretary flexibility in designating health areas so that they can conform to State boundaries wherever this is appropriate, such as in sparsely populated or Western states, or cross state boundaries where the existence of a large metropolitan area on the border of a state makes this more appropriate for health planning. Similarly, it is anticipated that rural and sparsely populated states may constitute an entire health area while more densely populated states such as New York and California may have as many as five or more health areas within their own boundaries. Generally, it is expected that rural areas will be associated in the designation of health areas with whichever urban center they look to for the provision of secondary and tertiary health services.

Section 611(b). Provides requirements for the time schedule which the Secretary is to follow in designating health areas, the officials and organizations with which he is to consult in such designation, and for periodic review and modification of the areas as appropriate. The schedule allows the Secretary four months in which to develop proposed health areas, and a month for receiving comment on these areas by concerned parties, and making their final publication. Generally it is expected that the final publication would occur within at most two months after the close of the period for comment. The Secretary is directed to consult in the designation of health areas with the Governors of the States and the chief executive officers of counties, cities, and other political subdivisions of the States. In addition, he is to consult with the existing 314(a), and 314(b) comprehensive health planning agencies. During the period for comment the Secretary is to receive and consider comments from all interested parties. In his ongoing review of the appropriateness of the designated areas the Secretary is to consult with the same officials, and to provide the same opportunity for comment on proposed changes in the areas as are required for the original designation of the areas.

HEALTH SERVICE AGENCIES

Section 612(a). Defines a HSA as a nonprofit private corporation which is organized and operated as described in section 612(b), and which is capable of performing the functions delineated in section 613. Requires the Secretary to prescribe standards and criteria for the organization and functioning of HSA's in regulations.

Section 612(b). Defines criteria for the (1) legal structure, (2) staff, and (3) governing body of HSA's.

Legal Structure. An HSA is to be legally incorporated in the state in which is located the largest part of its health area's population and is not to be a subsidiary of, or otherwise controlled by any other private corporation or other private legal entity.

This requirement is designed to insure for health planning purposes the financial and organizational independence of the HSA from existing health programs and organizations, including state and local government. The requirement for organizational independence is not meant to prevent the HSA from performing planned related functions for existing health programs and governments, but these should be contractually defined in such a way that it is clear what services are to be rendered, and that the contract does not influence or bias the HSA's planning programs.

Staff. HSA's are required to have a staff which provides the agency with expertise in at least the gathering and analysis of data, planning, and health manpower, facilities and services. The professional staff of any agency is generally to have at least one person for each hundred thousand people in the area served by the agency, except that in areas with a small population the professional staff is always to include at least five members. The staff of an HSA is to be selected, paid, promoted, and discharged in accordance with such systems as the agency establishes, except that rates of pay for the staff are not to be less than those prevailing in the health area for similar positions in other public or private planning and health service entities.

Governing Body. Each HSA is to have a governing body with not less than 10 and not more than 30 members. Provision is made that the governing body may exceed a membership of thirty if it has an established "executive committee" of not more than 25 members to which it has delegated the authority to take action on its behalf. The governing body is to be responsible for:

(1) The internal affairs of the HSA including matters relating to the staffing of the agency, its budget, and procedures and criteria developed and published pursuant to section 614 for performing its functions under subsection 613 (e), (f), and (g);

(2) The approval of the long-range goal plan (LGP) and short-term priorities plan (SPP) required by section 613(b);

(3) Issuing an annual report concerning the agency's activities. The report is to include the LGP and SPP of the agency, and is to be readily available to the residents of the health area and the various communications media serving the area;

(4) Reimbursing its members for their reasonable costs incurred in attending meetings of the governing body;

(5) Meeting at least once in each quarter of each year, and meeting at least two additional times in a year, unless its executive committee meets for it; and

(6) Conducting its business meetings in public and making its records and data available upon request to the public. A quorum for meetings of the governing body is to consist of not less than half of its members, including half of the members in each of the categories described below under composition.

The governing board of the HSA is to be composed as follows:

(1) At least one-third of its members are to be consumers of health services living in the HSA's health area who are broadly representative of the various economic, social, racial, and geographic population groups of the area;

(2) At least one-third of the members are to be providers of health services resident in the HSA's area who are broadly representative of health professionals, public and community health personnel, and allied health personnel; health institutions (including hospitals, extended care facilities, and university health centers), and the employees of such institutions; and people paying for health care services (including direct service and indemnity insurance companies); and

(3) At least one-third of the members are to be residents of the HSA's area who hold public elective offices and who are broadly representative of the elected governmental authorities in the area.

For the purposes of this section, the term "provider of health services" is to mean an individual who receives (either directly or through his spouse) more than one-tenth of his gross annual income from fees or other compensation for the provision of health services, or from financial interests in entities engaged in the provision of health care services, or in producing or supplying of drugs or articles for individuals and entities engaged in the provision of such services, or from both such compensation and such interests.

If the governing body in exercising its functions appoints a subcommittee of its members or an advisory group to it, it is required, to the extent practicable, to make its appointments to the subcommittee or advisory group in such a manner as to provide representation on the subcommittee or advisory group comparable to that described above for the governing body itself.

These requirements for the membership of the HSA's governing body are designed to achieve several purposes. The heterogeneous mixture of individuals represented is intended to prevent domination by any one group or interest of the planning process. The strong representation of elected public officials is intended to assure that the HSA's decisions are made with the general community interests well represented. The strong consumer majority represented by limiting providers of health services to a one-third membership is intended to assure that the health planning done by the HSA is responsive primarily to the interests and needs of the community, as well as the interests and the needs of the health service providers.

Section 612(c). Authorizes HSA's to establish subarea advisory councils representing parts of their health areas to advise their governing bodies on the performance of their functions. To the extent practicable the composition of subarea advisory councils is to conform to the requirements for representation on the governing body.

This provision is intended to assure local in-puts into the planning process, particularly in HSA's planning for large or populous health areas. Subarea councils might well be established by an HSA to represent each county within its area, or each natural community within a large city.

FUNCTIONS OF HEALTH SERVICE AGENCIES

Section 613(a). Makes a general statement of the responsibilities of the HSA's and the purposes for which these responsibilities are to be undertaken. Thus, an HSA has as its primary responsibility the provision of effective health planning for its area and the promotion of the development within the area of health services and facilities which meet identified needs, reduction of documented inefficiencies, and implementation of the health plans of the agency. These responsibilities are to serve the purposes of:

(1) improving the health of residents of a health area;

(2) increasing the accessibility, acceptability, continuity, and quality of the health services provided to the residents; and

(3) restraining increases in the cost of providing the residents with health services.

In meeting their primary responsibility, HSA's are to perform the functions prescribed in section 613(b) through 613(g).

Section 613(b). First, requires HSA's in providing health planning and development for their areas to assemble and analyze data concerning:

(a) the status of the health of the residents of the area;

(b) the status of the health care delivery system in the area and the utilization of that system by the residents;

(c) the effect of the area's health care delivery system on the health of the residents; and

(d) the area's health resources, including health facilities and manpower.

Second, requires the HSA's to annually establish a long-range goal loan (LGP). In establishing the plan the HSA's are required to give appropriate consideration to the health planning priorities set forth in section 603, and the needs and resources described by the data gathered in response to the requirements listed above. The LGP is to be a detailed statement of goals which:

(a) describe a healthful environment and health systems in the area which, when developed, would assure that quality health services would be available and accessible in a manner assuring continuity, at reasonable cost, for all residents of the area;

(b) is responsive to the unique needs and resources of the area; and

(c) takes into account the National Council for Health Policy's guidelines (developed under section 602) respecting the area's supply, distribution, and organization of health resources and services.

Third, requires the HSA's to annually establish a short-term priorities plan (SPP) which describes objectives which will achieve the goals of the LGP, and specifies priorities among the objectives. The HSA is to give priority in the SPP to those objectives which will maximally improve the health of the residents of the area when obtained (as determined on the basis of the relation of the cost of obtaining the objectives to the benefits to be derived from obtaining them), and which are fitted to the special needs of the area.

Fourth, requires the HSA to develop and publish specific plans and projects for achieving the objectives established in the SPP.

In this approach, a goal is considered as a quantifiable statement of something which the HSA wishes to achieve: such as "achieving a supply of physicians equal to or better than one per one thousand residents of the health area." An objective is similar to a goal but has in addition a statement of the time in which the stated goal is to be achieved: such as "achieving a supply of physicians for the health area by 1976 of at least one per fifteen hundred residents." Priorities can be applied to either goals or objectives and give their relative weight or importance. It should be noted that several objectives may be defined to achieve a single goal.

The requirements for the establishment of LGP's and SPP's are designed to strike a balance between giving HSA's some Federal direction for their planning through the use of the National Council and the priorities stated in section 603, and giving them a reasonable opportunity to establish goals and objectives which are particularly responsive to the unique needs of the health area.

Section 613(c). Requires HSA's to implement the LGP and the SPP by performing the following functions:

(1) seeking the assistance of individuals and public and private entities in the health area;

(2) providing, in accordance with the priorities of the SPP, technical assistance to individuals and public and private entities in the area for the development of projects and programs which are necessary to achieve the plans, including assistance in meeting the requirements of the HSA respecting reviews prescribed under section 614; and

(3) making grants or contracts, in accordance with the priorities of the SPP, to individuals and public and private entities in the health area to assist them in planning and developing the projects and programs necessary for the achievement of the health system described in the LGP. Such grants and contracts are to be made from the Area Health Services Development Fund established with grants made under section 619. No such grant or contract is to be used for the support of an established program or to pay the cost incurred by an entity or individual in the delivery of health services.

These requirements are intended to give clear direction to the HSA to the effect that it has an obligation not only for developing plans but also for implementing them. The limitations placed upon the use of Area Health Services Development Fund monies reflect the intention that the money is to be used as seed money rather than ongoing support money.

Section 613(d). Requires HSA's to coordinate their activities with PSRO's, the SHC for their state or states, and any other appropriate regulatory entity in the health area. The HSA's are further required to provide assistance to such organizations and to secure data from them for use in their planning and development programs. They are required to seek to enter into agreements with such organizations which will assure that the planning or regulatory actions which they may take which alter or change the area's health system will be taken in a manner which is consistent with the goals and objectives of the LGP and SPP.

Section 613(e). Requires HSA's to review and approve or disapprove all proposed uses within the health area of Federal funds appropriated for programs under the PHS Act, the CMHC Act, or the Comprehensive Alcoholism Act for the development, expansion, or support of health facilities, manpower, or services. HSA's are further required to establish priorities for the approval of construction project applications under part D of this title. If an HSA disapproves a proposed use of Federal funds, the Secretary of HEW is not to make the funds available for the proposal unless: the entity making the disapproved proposal requests the Secretary to review the HSA decision; the Secretary obtains comments on the decision from the appropriate SHC; and the Secretary (if he reverses the HSA and makes funds available) makes available a detailed statement of the reasons for making the funds available.

This provision is one of several included in the legislation which are designed to insure that the HSA is able to control the allocation of scarce new health resources within the health area in such a fashion that their use will always be consistent with the goals and objectives established in the LGP and SPP.

Further requirements for the making of these reviews by HSA's are given in section 614. These reviews are intended to concern themselves primarily with the relationship of the proposed project being reviewed to the HSA's plans. They are not intended to supersede the HEW's own grant or contract making procedures including its own review of the content and quality of applications submitted for projects. An HSA approval of an application does not, of course, mean that HEW is required to fund it.

Section 613(f). Requires HSA's to review and make recommendations for approval (or disapproval) of all proposed capital expenditures in excess of $100,000 by health service entities in the health area. These reviews are to be performed for and submitted to the planning agency designated under section 1122 of the Social Security Act, generally the SHC, for its use in performing its responsibilities under that designation.

Section 613(g). Requires HSA's to review health services offered, or proposed to be offered in the health area and make recommendations based on these reviews to each SHC for each state in the health area for its certification as needed of the health services reviewed. The HSA's are to perform such reviews on a periodic basis, at least every five years. In the event that an SHC determines that a particular health service cannot be certified as needed, the HSA's are required to work with providers of such services, the SHC's, and other appropriate individuals and entities for the improvement or elimination (as the HSA finds appropriate) of such health services.

Most planning programs to date have concerned themselves only with new or future parts of the health system and have often been charged with an inability to affect existing, clearly unneeded, fragmented, or redundant health services. This provision is designed to allow the HSA's in addition to their responsibilities for future of an area's health system to begin to impact upon the existing system.

PROCEDURES AND CRITERIA FOR REVIEWS OF PROPOSED HEALTH SYSTEM CHANGES

Section 614(a). Requires HSA's and SHC's when reviewing for comment or approval proposed changes in the health system to use established review procedures and criteria. Such procedures and criteria are to be developed and published by either the HSA or SHC in accordance with regulations of the Secretary prior to their actual use. Such procedures and criteria are generally to be used whenever an HSA or SHC is reviewing a proposal, but they are required specifically for HSA's performing reviews pursuant to sections 613(e), (f), and (g), and SHC's performing functions prescribed in section 627. Procedures and criteria are permitted to vary according to the purpose for which a particular review is conducted, or the type of health service being reviewed.

The exercise by HSA's and SHC's of the review authority, whether for comment or approval, represents an important part of the clout with which these agencies are to implement their plans. As such, it is expected that the authority will be exercised in a responsible, public, established manner so that it is always possible for an affected party or concerned citizen to understand the nature and content of reviews, monitor their performance, and participate effectively in them. In light of the importance of such reviews, specifics concerning the procedures and criteria to be used are spelled out in some detail in the following sections.

Section 614(b). Requires each HSA and SHC to include in the procedures used in reviewing proposed health systems changes at least the following:

(1) written notification to affected persons of the beginning of an HSA or SHC review;

(2) schedules for reviews which provide that they shall not take longer than 120 days after the date that the notification described in paragraph (1) is made;

(3) provisions for persons subject to an HSA or SHC review to submit (in such manner and form as may be prescribed and published) information required by the HSA or SHC concerning the subject of the review;

(4) submission to the HSA or SHC of applications under part D of this title (concerning construction of health facilities), other titles of the PHS Act, or other provisions of law for Federal financial assistance for health services;

(5) submission of periodic reports by providers of health services or other persons subject to HSA or SHC respecting the development of their proposals subject to review;

(6) notification to providers of health services or other persons subject to HSA or SHC reviews of the status of such reviews of the health services or proposal being reviewed, findings made in the course of such reviews, and other appropriate information respecting them;

(7) provision for public hearings in the course of reviews, if requested by persons directly affected; and for public hearings for a good cause shown respecting decisions made in the course of reviews;

(8) regular reports of the reviews being conducted (including a statement concerning the status of each review) and of the reviews completed (including a general statement of the findings and decisions made in the course of the reviews) since the publication of last such report;

(9) access by the general public to all publications reviewed and to all written materials pertinent to any such reviews; and

(10) in the case of construction projects, procedures for the submission to the HSA and SHC of letters of intent to begin a construction project detailed enough to show the scope and nature of the project.

Section 614(c). Requires HSA or SHC reviews to include consideration of at least the following criteria for use in judging applications, proposals, and services being reviewed:

(1) the relationship of the health services being reviewed to the applicable LGP and SPP;

(2) the relationship of such services to the long-range development plan, if any, of the person providing or proposing such services;

(3) the need the population served or to be served by such services has for the services;

(4) the availability of alternative, less costly or more effective methods of providing such services;

(5) the relationship of the services reviewed to the existing health care system of the area in which such services are provided or proposed to be provided; and

(6) in the case of services proposed to be provided, the availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for the provision of such services, and the availability of alternative uses of such resources for the provision of other health services.

Section 614(d). Requires HSA's in making reviews under section 613(e) of proposed uses of Federal funds to give priority consideration to the criteria listed in subparagraphs (1) and (6) of section 614(c).

Section 614(e). Requires HSA's in making reviews under section 613(f) of proposed capital expenditures to consider the costs and methods of any proposed construction, and the probable impact of the construction project reviewed on the costs of providing health services by the provider or other person proposing such construction project.

Section 614(f). Requires HSA's in making reviews under section 613(g) of health services for certification as needed, to give priority consideration to the criteria listed in subparagraphs (1), (3) and (4) of section 614(c).

ASSISTANCE TO ENTITIES DESIRING TO BE DESIGNATED AS HEALTH SERVICE AGENCIES

Section 615(a). Authorizes the Secretary to provide all necessary technical and non-financial assistance to nonprofit private entities desiring to become HSA's. Examples of types of assistance which might be provided are given, including the preparation by the Secretary of prototype plans of organization and operation for HSA's. Other examples might include on-site consultation and technical assistance, provision of model constitutions and by-laws for HSA's, or instructions in the raising of funds or collecting of data by HSA's. The Secretary is to furnish such assistance to entities which both express a desire to be designated as HSA's and have the potential for meeting the requirements specified in sections 612 and 613 for HSA's. Priority for such assistance is given to areawide CHP agencies (designated pursuant to section 314(b) of the PHS Act) and RMP projects (designated pursuant to Title IX of the PHS Act). This priority is given because of the anticipation that CHP and RMP agencies are generally the most likely to evolve, either separately or in combination, into HSA's under the new program. Assistance given by the Secretary under this provision is generally intended to assist entities in developing applications for submission under section 616 and otherwise in preparing to meet the requirements of designation as HSA's.

Section 615(b). Authorizes the Secretary to make grants to non-profit private entities to assist them in meeting the costs of organizing and beginning to operate in the manner required by section 612(b). Applications for such grants are required and must be approved by the Secretary. They are to be submitted in such form and contain such information as the Secretary requires and may not be approved unless the Secretary determines that assistance with such a grant will enable the assisted entity to meet the requirements of section 612(b) within two years and will qualify that entity to perform the planning activities prescribed by section 613. Thus any one entity will qualify for assistance under this section for a maximum period of two years.

Appropriations are authorized for the purpose of making grants under this section in the following amounts: $15 million for fiscal 1974, $30 million for fiscal 1975, and $30 million for fiscal 1976. These figures are based on the following assumptions: The maximum number of HSA's assisted will be 150; the maximum amount of assistance in any one year for developing an HSA will be $250,000; most potential HSA's will require two years of support in order to qualify for designation; and most HSA's will receive their first year of support in either fiscal 1974 or fiscal 1975. The figures used should be understood to represent maximums: for instance, many HSA's will clearly require much less than $250,000 in a given year.

DESIGNATION OF HEALTH SERVICE AGENCIES

Section 616(a). Requires the Secretary to designate an HSA for each health area established under section 611. Designations are to be made under agreements entered into between the Secretary of HEW and the entities to be designated as HSA's. Any such agreement is to contain provisions respecting the requirements of section 612(b), concerning the organization of HSA's, and section 613, concerning the planning functions of HSA's, and such additional provisions designed to carry out the purposes of this title as the Secretary prescribes. Designations are to be for a one-year period; except that they may be terminated prior to the expiration of the year:

(1) by the HSA at such time and upon such notice to the Secretary as he prescribes in regulations; or

(2) by the Secretary at such time and upon such notice as he may prescribe in regulation, if he determines that the HSA is not complying with or effectively carrying out the provisions of the designation agreement.

The legislation provides for formal arrangements between the Secretary and HSA's (and SHC's) because various provisions (particularly those of sections 613(e) and (f)) represent actual sharing of authority over the development of health systems between the Secretary and the HSA (or SHC). Thus, upon designation, an HSA becomes an agent of the Secretary and it is this status from which it derives in part its authority to perform the functions described in section 613.

Section 616(b). Provides that the Secretary may not enter into agreements under 616(a) with an entity unless it has submitted an application to the Secretary for designation as an HSA. The application is to contain assurances satisfactory to the Secretary that the applicant meets the requirements of section 612(b) (concerning the organization of HSA's) and is qualified to perform, or is performing, the health planning and development functions prescribed by section 613. This means that a designation as an HSA indicates that the designated entity is in full compliance with the requirements of 612(b) and is in fact performing the various functions required by section 613.

In considering applications the Secretary is to give priority when first designating an HSA for an area to an application from an entity which has been recommended for approval by each areawide CHP agency and each RMP in the health area. The Secretary is not to enter into an initial designation agreement for an HSA without the approval of the Governor of each state in which the health area is located.

TECHNICAL ASSISTANCE FOR HEALTH SERVICES AGENCIES AND STATE HEALTH COMMISSION

Section 617(a). Requires the Secretary to provide HSA's and SHC's with model health plans and planning processes, technical materials and standards for use in health planning, and such other technical assistance as they may require to perform their functions. These provisions are designed to correct a major deficiency in the CHP and RMP programs to date. This deficiency has been the failure of HEW to provide CHP and RMP projects with technical information, planning guides, workbooks for solving planning problems, and technical assistance of various other kinds in an amount and quality sufficient to maximize their ability to perform their responsibilities. Thus, while this section gives the Secretary a general mandate to provide HSA's and SHC's with expert assistance and technical materials, the following section prescribes in substantial detail certain materials which are to be available.

Section 617(b). Requires the Secretary to provide HSA's and SHC's with the following:

(1) requirements for data needed to perform their planning, development, and regulatory functions including data which describe:

(a) the health status of the residents of a health area, including requirements for data which describe mortality and morbidity by age, sex, race, residence, economic status, and occupation, and data which describe the etiologies of such mortality and morbidity;

(b) the status of the resources of a health area including requirements for data which describe health facilities in the area by size, type of services provided, location, and operating costs, and data which describe health manpower in the area by type, specialty, supply, location, income, and mode of practice; and

(c) the utilization of health resources within a health area, including requirements for data which describe the utilization of health resources by various specific population groups, including groups based on age, sex, race, residence, economic status, and occupation.

These data requirements are intended to apply primarily to HSA's The data base developed by HSA's would provide SHC's with a complete data base for the entire state which SHC's will coordinate and use in the performance of their functions. It is anticipated that SHC's will in addition provide HSA's with assistance in gathering data, and will attempt to assure that the data gathered by the various HSA's in a state is of comparable form, content, and quality;

(2) models, consistent with the guidelines established by the Council under section 602 (respecting the appropriate supply, distribution, and organization of health resources and services), for appropriate planning and development by HSA's and regulation by SHC's of health resources and services. Such models are to cover the following:

(a) the provisions of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas;

(b) the development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services);

(c) the development of medical group practices, especially those whose services are appropriately coordinated or integrated with institutional health services;

(d) the training and increased utilization of physician assistants, especially nurse clinicians;

(e) the development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions;

(f) the promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of PSRO's;

(g) the development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis;

(h) the adoption of the uniform cost accounting, simplified reimbursement, and utilization and reporting systems and improved management procedures for health service institutions; and

(i) the development of effective methods for financing of, reimbursement for, and regulating rates of reimbursement and payment for medical care.

This list should be recognized as the same as the list of national health priorities given in section 603. The intention is that the Secretary will provide HSA's with particular assistance in their planning and development activities designed to support the priorities established by section 603. While it is not anticipated that any HSA would reproduce exactly any model for a planning activity provided to it, it is felt that many would be assisted by having a detailed approach to common shared problems outlined for and made available to them.

(3) guidelines for the organization and operation of HSA's and SHC's including guidelines for:

(a) the structure of an HSA consistent with section 612(b), or of an SHC consistent with section 625(d);

(b) the conduct of the planning, development, and regulatory processes;

(c) the performance of HSA functions in accordance with sections 613 and 614; and

(d) the performance of SHC functions in accordance with sections 614 and 627.

In the same manner in which the requirements of subparagraph (1) are designed to assist HSA's and SHC's in gathering data, and the requirements of subparagraph (2) to assist in the solving of particular planning problems, the requirements of this subparagraph are designed to assist HSA's and SHC's in their proper organization, and the performance of their functions.

PLANNING GRANTS

Section 618(a). Requires the Secretary to make a planning grant in each fiscal year to each HSA with which there is in effect at the beginning of the year a designation agreement under section 616. Planning grants are to be made on such conditions as the Secretary finds appropriate and are to be used by HSA's for the compensation of agency personnel, collection of data, planning, and other agency activities. HSA's are not to use grants under this section to make payments under a grant or contract with any other entity for the development of health services.

Planning grants are thus intended to underwrite the costs of HSA's own internal planning activities. The monies involved are to be kept separate from those available under developmental grants made under section 619. Developmental grants similarly are to be used by HSA's only for making grants and contracts to other organizations and entities for the development of needed health services, and not for the support of the HSA's own internal activities. The separation of these two types of funding is intended to allow separate identification of the costs of these two different types of activities.

Section 618(d). Provides, generally, a method for determining the amount of the planning grant to a given HSA. Each HSA is, first, guaranteed 100 percent Federal funding of its planning activities at a rate of 25 cents per person residing in the HSA's health area (except that, in the case of large HSA's, the maximum level for 100 percent Federal funding is to be $750,000). Second, each HSA is guaranteed Federal funding in the amount of 50 cents per person residing in the health area if it matches the Federal funds in excess of the minimum amount described above on a one for one basis with non-Federal funds. Third, provision is made that HSA's representing health areas with small populations are always to receive a minimum planning grant of at least $150,000.

Requirements for non-Federal matching funds used to achieve Federal funding at a level in excess of 25 cents per capita are given as follows:

(1) no more than 5 percentum of the matching funds are to be contributed to the HSA by any one private contributor; and

(2) funds used for matching Federal funds are to be available to the HSA without conditions or strings attached as to their use by the HSA, and are not to be funds paid to the HSA for its performance of any particular service.

These requirements are intended to insure that the obtaining of matching funds does not incur obligations on the part of an HSA which will bias or limit its planning and development activities. It should be noted that it is anticipated that matching funds will be available to the HSA in cash rather than in the form of in-kind services. No limitation is placed on the HSA's obtaining of funds from public sources, and in fact it is hoped that matching funds will generally be obtained from State and local governments since this will help to assure the public accountability of the HSA.

The method for determining the amounts of planning grants are intended to serve two primary purposes. First, each HSA is to be guaranteed a minimum level of funding adequate for the performance of its planning and development responsibilities. Second, if an HSA and its community desire adequate and sufficient funding, the method is intended to insure that the HSA's communities participate in that funding by matching the Federal dollars. The availability of local money to an agency such as an HSA is generally recognized as guaranteeing the accountability of that agency, and the commitment of its community to its activities. While Federal funding is not to exceed 50 cents per capita, there is no intention that HSA budgets must be limited to 75 cents per capita (the amount obtained with 50 cents per capita from the Federal government and 25 cents per capita local matching for the second 25 cents per capita of Federal funding). However, if a community feels that its HSA should operate at a funding level in excess of 75 cents per capita, it is anticipated that it will bear the costs of funding at such level.

Section 618(c). Authorizes appropriations for the purposes of making payments under section 618(a) in the amounts of $60 million for fiscal 1975, and $100 million for fiscal 1976. No authorizations are given for fiscal 1974 because it is not anticipated that the Secretary will be able to enter into designation agreements with any HSA's before the completion of the current fiscal year. The authorizations are based on the anticipated level of funding, 50 cents per capita for a U.S. population of approximately 200 million people.

Provision is made that if, in any given year, the appropriations fail to provide sufficient funds for making grants to all HSA's in the amounts determined under section 618(b), the grants to all HSA's are to be reduced proportionately to the amount permitted by the level of appropriations. This is done because the provisions of section 618 are written in such a fashion that HSA's which qualify for designation agreements are for all intents and purposes entitled to planning grants, and because the sponsors of the legislation wish to limit this entitlement only by the appropriations process.

DEVELOPMENT GRANTS FOR AREA HEALTH SERVICES DEVELOPMENT FUNDS

Section 619(a). Requires the Secretary to make development grants to HSA's with which to establish an Area Health Services Development Fund from which they are to make grants and enter into contracts in accordance with the requirements of section 613(c) (3). In order to receive a development grant in any given year an HSA must:

(1) have in effect a designation agreement with the Secretary under section 616;

(2) have in effect an LGP and SPP approved by the SHC for its state under section 627; and

(3) be organized and operated in the manner prescribed by section 612(b) and be carrying out its planning and other responsibilities under section 613 in a manner satisfactory to the Secretary as determined under the review required by section 620.

These requirements mean, that while an HSA can receive planning grants without undergoing the review required by section 620 successfully and without having completed an LGP and SPP, it can only receive developmental grants after having done so. Thus, planning grants are relatively easy for an HSA to obtain and this assures that each part of the country will be funded for planning and development of its health system. However, the larger amounts of money available under development grants are available only to communities in which a suitable health plan has been completed and the Secretary has found the planning process to be of adequate quality.

Section 619(b). Provides that the amount of a development grant to any particular HSA shall be determined by a formula which takes into consideration the population of the HSA's health area, the average family income in the health area, and the supply of health services in the health area. Development grants are not to exceed an amount representing a dollar per resident of the health area for which the HSA is designated.

Section 619(c). Authorizes the Secretary to set such conditions as he finds appropriate in addition to those specified for the making of development grants.

Section 619(d). Authorizes appropriations for the purpose of making development grants under section 619(a) in the amounts of $100 million for fiscal year 1975 and $125 million for fiscal year 1976. These authorizations are less than the $200 million which would be needed to make development grants for the entire country at a rate of $1 per capita, because it is anticipated that not all HSA's will qualify for development grants until after the program has been in effect for several years.

REVIEW

Section 620(a). Requires the Secretary to review and approve the annual budget of each HSA with which he has in effect a designation agreement under section 616. These budget reviews are to take into consideration the comments of each SHC designated under section 625 for each state in which the HSA's health area is located.

Section 620(b). Requires the Secretary to perform a detailed review at least every three years of the structure, operation, and activities of each HSA with which he has in effect a designation agreement under section 616. The review is intended to determine:

(1) the extent to which the governing body (and any executive committee which it may have) represents the residents of the health area for which the HSA is designated, and the professional credentials and competence of the staff of the HSA;

(2) the adequacy of the LGP of the HSA in meeting the needs of the area's residents for a healthful environment, and for accessible, acceptable, and continuous quality health care at reasonable costs and the effectiveness of the SPP in achieving the system described in the LGP;

(3) the appropriateness of the health data assembled pursuant to the requirements of section 613(b) and the quality of the analysis of such data;

(4) the extent to which technical and financial assistance from the HSA (including the Area Health Services Development Fund) have been used in an effective manner to achieve the goals and objectives of the LGP and the SPP; and

(5) the extent to which it may be quantifiably demonstrated that:

(a) the health of the area's residents has actually been improved;

(b) the accessibility, acceptability, continuity and quality of health care in the area has actually been improved; and

(c) increases in costs of providing health care have actually been restrained.

The requirements of this section are based upon the experience of the CHP and RMP programs which suggest that an adequate and complete review of the performance of an agency funded by HEW is unlikely to be possible on an annual basis and in fact is probably not necessary. Thus the sponsors of this legislation approve of the approach now being taken by the CHP program in HEW involving a periodic site assessment of each CHP agency.

PART C—STATE HEALTH COMMISSIONS

DESIGNATION OF STATE HEALTH COMMISSIONS

Section 625(a). For the purposes of the performance within each State of regulatory functions described in section 627, this section requires the Secretary to enter into an agreement with a qualified agency of each State whereby such agency shall be conditionally designated as the State Health Commission (SHC) for that State. After this conditional designation, the Secretary is to enter into a formal designation agreement with the agency designating it as the State's SHC, if:

(1) on the basis of its performance while conditionally designated (a trial period, not to exceed 24 months), the Secretary determines that the agency is capable of performing in a satisfactory manner the regulatory functions of SHC's described in section 627;

(2) a State administrative program for the performance of the regulatory functions by the SHC has been approved under section 626.

This two-stage designation process is designed to allow the States up to two years in which to develop effective SHC's. It permits the Secretary to begin the defined working relationship with the State prior to the full development of the SHC, a working relationship between the Secretary and the States which is otherwise not possible under a designation agreement approach.

Section 625(b). States that the purpose of the conditional designation of the qualified agency as an SHC is to allow the Secretary to determine the capacity of that agency for performance of the regulatory functions described in section 627. The designation is not to be made before the Secretary receives and approves from the qualified agency an administrative program under section 626 for the assumption and implementation of the regulatory functions of SHC's. A provision is made for the Secretary in his designation agreement with the State to allow the phasing in of the regulatory functions of the SHC in a manner acceptable to him based on the SHC's increasing performance capability. Official designation of the agency as the SHC is to be made only when the agency is capable of performing all of the regulatory functions required of SHC's. Provision is made that an agreement between the Secretary and a State agency providing conditional designation as an SHC may be terminated by either party on 90 days' notice to the other.

Section 625(c). Generally provides terms for designation agreements, other than those for conditional designation. Agreements are to be for 12-month periods, except that prior to the expiration of an agreement it may be terminated:

(1) by the SHC at such time and upon such notice to the Secretary as he prescribes in regulations (except that the Secretary may not require more than three months' notice); or

(2) by the Secretary at such time and upon such reasonable notice to the SHC as the Secretary prescribes in regulations, but only after the Secretary has determined that the SHC is not complying with or effectively carrying out the provisions of a designation agreement, and has provided the SHC with an opportunity for a formal hearing on the proposed termination of the agreement.

Section 625(d). Prescribes organizational and operational requirements for a State agency which seeks, as a "qualified agency," designation as an SHC. A "qualified agency" is to:

(1) be an independent establishment within the State government;

(2) be the sole agency of the State for: the performance of the regulatory functions prescribed by section 627; administering or supervising the administration of the State's health planning activities; the coordination of the plans of HSA's in the State; and the implementation of those parts of the HSA's plans which relate to the activities of State governments;

(3) not engage in activities which are unrelated to health planning or the regulation of health services, and shall not directly engage in, or be a part, or under the control, of any State agency directly engaged in the delivery or administration of programs of public or personal health services or health manpower education, the construction of facilities for health service institutions, or the administration of the State's Medicaid plan and program or any other program of assistance for medical expenses or public health insurance;

(4) conduct its activities in accordance with procedures and criteria established and published by it. These procedures and criteria are to the extent practicable to conform to the requirements of section 614; and

(5) conduct its business meetings in public.

These requirements are designed to assure that SHC's are able to function effectively as independent regulatory agencies or commissions within State government. In order to avoid any potential conflict of interest, the SHC is to be separated from the State's other health delivery, education, and insurance activities. This is particularly important since its regulatory functions will often affect these other State government activities as well as the private health care sector. The SHC in addition to its regulatory activities is to be involved in health planning in support of the HSA's in the State. Thus, it is to assist in planning for the State government's own health activities. It is to serve as a coordinator of the planning conducted in the various health areas. And, most important, it is to act as an advocate of the HSA's and their plans within the State government. Thus, where an HSA's plan would require a state legislative act, or a change in a State health program, the SHC is to assist the HSA in achieving this change.

The "qualified agency" is to have a governing body composed of three, five, or seven full-time members (whichever number may be authorized under the State law creating the SHC). The members of the governing body are to be appointed by the chief executive of the State or its legislature for staggered terms of not less than four years and paid without regard to the civil service and compensation laws of the State which are generally applicable to the employment and compensation of its employees, but at a rate which will enable persons with appropriate expertise to serve as members of the governing body. No member of the governing body, while a member, is to engage in any other business, vocation, or employment. The majority of the members of the governing body are to be consumers rather than providers of health services (as defined in section 612(b)(3)(B)). The remaining members of the governing council are to be representative of the various health service providers and institutions listed in section 612(b)(3)(B)(2). Members of any one political party are not to represent more than a simple majority of the membership of the governing body. No member of the governing body is to participate in SHC actions concerning matters in which that member has a direct and substantial economic interest. The State's chief executive officer is to select a chairman of the governing body from among its members.

The governing body is to be responsible for the internal affairs of the SHC, including its staff and budget, and for the performance of the SHC's function. The governing body is to be advised by an advisory council appointed by the State's chief executive officer or legislature (whichever is authorized under the law creating the SHC). The advisory council is to provide the governing body with advice on its budget, performance of its functions, and such other matters as the governing body desires. At least two-thirds of the members of the council are to be consumers of health services representative of the various geographic regions of the State, the HSA's in the State, the holders of public elective offices in the government of the State and its political subdivisions, and the various economic, social and racial population groups within the State. The council is to meet periodically, not less often than twice a year, and conduct its meetings in public.

Finally, an agency seeking to qualify as an SHC is to have a professional staff of not less than five individuals with such total numbers and qualifications as the Secretary may require.

STATE ADMINISTRATION PROGRAM

Section 626(a). Provides requirements for State administrative programs required under section 625(a)(2) as a condition for the designation of SHC's. The State administrative program is a plan for the performance within the State by its SHC of the regulatory functions prescribed by section 627. It is not be approvable in any given year unless it:

(1) meets the requirements of section 626(b);

(2) has been submitted to the Secretary by the SHC designated under section 625 at such time and in such detail with such information as the Secretary deems necessary;

(3) has been prepared in consultation with and approved by the advisory council to the SHC; and

(4) has been submitted to the Secretary only after the SHC has given the general public of the State a reasonable opportunity for presenting their views on the program. The public clearly in this case is intended to include the various types of health service providers in the State.

Section 626(b). The State administrative program must:

(1) provide for the performance within the State of the regulatory functions prescribed by section 627, and designate the SHC for the State as the sole agency for the performance of such functions (except as provided in section 627(b)), and provide for the administration of the administrative program;

(2) contain or be supported by satisfactory evidence that the commission has the authority to carry out the regulatory functions and the administrative program in accordance with the requirements of this part, and has authority to enforce its decisions under section 627;

(3) provide for adequate consultation with the SHC's advisory council in carrying out the functions and the program;

(4) set forth, in such detail as the Secretary requires, qualifications for the personnel having responsibilities in the administration of such functions and program;

(5) provide for such methods of administration of the administrative program and the regulatory functions as are generally found necessary by the Secretary for the proper and efficient administration of such functions and program including methods for establishing and maintaining personnel standards on a merit basis and provision for utilization of qualified professional medical personnel, allied health professionals, and other qualified professional staff. The medical personnel are to be used particularly in connection with the development or administra-

tion of any standards of quality and the utilization of health care. The Secretary, in approving State programs as they relate to SHC staffing, is to exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed by the State in accordance with the personnel standards described above;

(6) provide that the State's part of the costs of operating the SHC shall be provided by the State in a manner satisfactory funding Secretary. Examples of a satisfactory funding mechanism are given, including taxes on health insurance premiums or reimbursements for health services, or the collection of fees from regulated health care providers within the State;

(7) provide that the SHC will cooperate with the Secretary in the design and implementation of nationwide cooperative system for producing health statistics; function as a center for the collection, retrieval, analysis, reporting, and publication of such statistics (including data on the health services and fiscal operation of regulated health care providers, and data of the kinds enumerated in section 305 of the PHS Act); and require providers doing business in the State to make statistical and other reports of data to the SHC;

(8) provide in accordance with methods and procedures prescribed or approved by the Secretary for the evaluation at least annually of the functioning of the SHC and its economic effectiveness; and

(9) provide that the SHC will from time to time, not less often than annually, review the State administrative program and submit to the Secretary any modifications which the Secretary considers necessary. These would usually include a budget for the coming year, an indication of any changes in the SHC's governing body, advisory council, or procedures, and a report on the prior year's activities including the evaluation of the SHC's functioning and effectiveness.

Section 626(c). Requires the Secretary to approve any State administrative program, and any modification of such a program, which complies with sections 626 (a) and (b).

STATE HEALTH COMMISSION REGULATORY FUNCTIONS

Section 627(a). Specifies the various regulatory functions, in addition to their health planning functions, which SHC's are to perform as a condition of their designation, under the designation agreement provided for in section 625. These include:

(1) annual review and approval, or disapproval, of the LGP and SPP of each HSA whose health area is located in whole or in part within the State;

(2) annual reviews of the budgets of each HSA located in whole or in part within the State and a report to the Secretary, for the purposes of his review under section 620, including the SHC's comments on the budgets;

(3) annual reviews of the applications submitted by HSA's for grants under sections 618 and 619 and report to the Secretary of the SHC's comments on such applications;

(4) serving as the designated planning agency for the State for the purposes of section 1122 of the Social Security Act. Section 1122 is concerned with the approval or disapproval of proposed capital expenditures by health care institutions for purposes of reimbursement for depreciation under the Medicare program;

(5) determination of which health services in the State should be certified as needed and which should be denied such certification. This determination is to be based upon a consideration of recommendations submitted by the appropriate HSA under section 613(g) concerning the certification of health services offered or proposed within the State. Certification of need is to be conducted on a periodic basis but not less often than every five years for each health service in the State;

(6) licensure of health care facilities and health manpower within the State;

(7) standard setting for health care facilities, and quality review and control for the performance of health services within the State, to the extent that the State wishes to engage in such activities. This provision is designed to insure that standard setting and quality control are conducted by the same organization which is concerned with licensure and cost control if these functions are being performed. The Secretary is not to be able to require these activities on the part of any given State; and

(8) prospective determination of the rates used for reimbursement purposes for health services of health care providers within the State, and regulation of all reimbursements of such health care providers whether the reimbursements are made on either a charge, cost, negotiated, or other basis. In carrying out this rate setting function the SHC is to design its program in order to achieve the following requirements:

(a) permit health care providers subject to its determinations and regulation to retain savings which accrue to them from effective management and cost control;

(b) create incentives at each point in the delivery of health services for the utilization of the most economical modes of services feasible. This is designed to insure that the rate setting program creates incentives for the use of ambulatory care in place of inpatient care where appropriate, or extended care facilities and nursing homes in the place of hospitals where appropriate. It is also intended to insure that within any institutional setting the most economical possible approach is taken to the care of a patient;

(c) document the need for and cost implications of each new service or facility for which a determination of reimbursement rates is sought. Since SHC's are required to exercise certificate of need responsibilities and the responsibilities of section 1122 of the Social Security Act, this provision is designed to permit the exercise of similar responsibilities within the rate setting program. Thus a proposed new service or facility which is not needed or has excessive cost implications could be denied the determination of reimbursement rates in the same manner in which it could be denied a certificate of need or approval for capital depreciation purposes; and

(d) employ for each type or class of health care provider a unit for determining the reimbursement rates of such provider, and a base for determining rates of change in the provider's reimbursement rate. This unit and base are to be satisfactory to the Secretary. It is intended that this provision will allow the States substantial flexibility in the design of their rate regulatory programs. Thus, for instance, the unit for measurement of hospital costs is left up to the State and might be variously the cost of a single admission to the hospital, the cost of a hospital day, the cost associated with the treatment of a single diagnosis, or the cost of individual services and procedures within the hospital.

The sponsors of this legislation are aware that relatively little experience has yet been gained with controlling the costs of medical care. Further, it is clear that a variety of different approaches are possible. This provision is generally designed to require the States to engage in rate regulation in a manner satisfactory to the Secretary but specifically to allow the design of such a program to remain within the discretion of each State. For this reason only the general policy guidelines enumerated above are given in the legislation. For purposes of rate regulatory programs, health care providers are to include at a minimum hospitals, nursing homes and extended care facilities, community health care programs (such as family planning clinics, CMHC's, NHC's, and rehabilitation center), home health agencies and visiting nurse associations, and indirect suppliers of health services (such as medical laboratories, ambulance services, blood banks, and dental laboratories).

Section 627(b). Specifies that the licensure function required of SHC's by section 627(a) (6) may be performed by another agency of State government under an agreement with the SHC satisfactory to the Secretary. State medical licensure activities are often currently performed by State licensure boards. This legislation is not intended to require these activities to cease or be redesigned but is intended to insure that they are conducted under arrangements with the SHC in a manner consistent with the requirements of this Act. This means that licensure decisions under the arrangement with the SHC should be made in a manner consistent with the State's HSA's, LGP's and SPP's wherever those licensure decisions affect the supply and distribution of health resources within the State.

Further specifies that if a State requests (in such manner as the Secretary prescribes) that the designation agreement, either conditional or final, of its SHC not require the SHC to perform the rate regulation function required by section 627(a)(8), then the agreement shall not require the SHC to perform such rate regulation. In such a case, the Secretary is required to perform such regulation beginning with the fourth fiscal year after enactment and continuing until such time as the SHC requests authority to perform the regulation itself.

Section 627(c). Requires SHC's, who make regulatory decisions in performing the functions required by sections 627(a) (4), (5), (6), (7) and (8) which are inconsistent with the applicable LGP or SPP, to submit to the appropriate HSA detailed statements of the reasons for such inconsistencies.

Section 627(d). Requires the Secretary to perform the regulatory functions listed in section 627(a) in and for any State with which a designation agreement for an SHC is not in effect under section 625, if the State has either failed to create an SHC qualified for designation or the Secretary has terminated a designation agreement with the State's SHC. States are to be allowed until the expiration of the fourth fiscal year after enactment of this Act in which to create SHC's before the Secretary begins to perform regulatory functions within the State. The Secretary is required to give the State's chief executive officer at least six months written notice of his intention to perform regulatory functions within the State, before he can do so. In any case in which the Secretary is performing regulatory functions for a State, he is to consult with the HSA's in that State and seek the advice and counsel of an advisory council made up of residents of that state in a manner comparable to that required by section 625 for advisory councils to SHC's.

This provision is designed to assure that the regulatory functions envisioned by this Act are performed throughout the nation after a reasonable opportunity for the development of programs suitable for their performance. The possibility that regulation will be performed in a State by the Secretary is also intended as one substantial motivation to the State to create its own SHG.

GRANTS FOR THE DEVELOPMENT AND OPERATION OF STATE HEALTH COMMISSIONS

Section 628(a). Authorizes the Secretary to make grants to States to assist in meeting the costs of developing SHC's. Development assistance is authorized for only one year in each State and must be matched by the State with at least 10 percent of the costs of the development.

Section 628(b). Authorizes the Secretary to make grants to the States to assist them in meeting the costs of operating SHC's. The States are to bear at least 25 percent of the operating costs in the first year, and 50 percent of such costs in subsequent years, except that the maximum amount of Federal support for any SHC is $500,000.

Section 628(c). Provides that grants may not be made under section 627 (a) and (b) unless an application has been submitted therefor and approved by the Secretary. The applications are to be submitted in such form and contain such information as the Secretary requires. The Secretary is not to approve any applications unless he determines that the federal funds available under the grant will be used to supplement State funds that would be available for the purposes for which the grant is made in the absence of such Federal funds, and in no event will supplant such State funds.

Section 628(d). Authorizes appropriations for grants for the development of SHC's in the amounts for $2 million for fiscal year 1974, $3 million for fiscal year 1975, and $3 million for fiscal year 1976.

Authorizes appropriations for grants for operating SHC's in the amounts of $1 million for fiscal year 1974, $5 million for fiscal year 1975, and $10 million for fiscal year 1976.

PART D—CONSTRUCTION ASSISTANCE

LOANS AND LOAN GUARANTEES AND INTEREST SUBSIDIES

Section 631(a). Authorizes the Secretary to make loans to assist in meeting the costs of construction projects for health facilities to public and nonprofit private entities and to guarantee to non-federal lenders payment of principle and interest on loans made by such lenders to nonprofit private entities for such construction projects.

Section 631(b). Requires the Secretary to pay an interest subsidy of 3 percentum per annum on the interest rate otherwise payable on loans guaranteed under section 631(a) made to nonprofit private health facilities or other nonprofit private entities. The holder of a guaranteed loan is given a contractual right to receive interest payments in the amount of the interest subsidy from the United States. The Secretary's obligation to make interest subsidies available is limited by specifying that contracts to make payments provided for under interest subsidies shall not carry an aggregate amount greater than such amount as may be provided in appropriations acts.

Section 631(c). Provides that loans made under this part may not be for an amount in excess of 90 percentum of the costs of the project for which the loan is made and that no loan guaranteee may be made with respect to a loan or part of a loan whose amount exceeds 90 percent of the cost of the project for which the loan is made.

Section 631(d). Authorizes the Secretary, with the consent of the Secretary of Housing and Urban Development, to obtain assistance from the Department of Housing and Urban Development with respect to the administration of this part so as to promote the efficiency and economy of its administration.

Section 631(e). Provides that the cumulative total of the principal of loans outstanding at any time or with respect to which loan guarantees have been issued may not exceed limitations specified in appropriations acts.

APPLICATIONS

Section 632(a). Specified that the Secretary is not to make loans or loan guarantees under this part unless an application for such has been submitted to him and approved. The application is to be in such form submitted in such manner and contain such information as the Secretary prescribes in regulations. Applications are not to be approved unless the project which would be assisted has:

(1) been approved by the SHC for the State in which the project is located; and

(2) has a higher priority (set by the HSA for the area in which the project is located under section 613(e)) than any other project in such area for which applications are pending before the Secretary.

Requires the Secretary in considering applications under this part, after applying applicable priorities established by section 613(e)(2), to give priority to applications for projects for:

(1) ambulatory care facilities;

(2) rehabilitation facilities;

(3) emergency medical services systems facilities; and

(4) hospitals for areas with rapid, recent population growth.

Section 632(b). Contains provisions concerning payments for laborers and mechanics employed on the proposed construction project based upon the Davis-Bacon Act.

GENERAL PROVISIONS RELATING TO LOANS AND LOAN GUARANTEES

Section 633. Contains various general provisions applicable to the Secretary's authority to make loans, loan guarantees, and interest subsidies. These are broadly based upon and similar to those contained in the present Hill-Burton program and in H.R. 7974 as it recently passed the House of Representatives.

LOAN GUARANTEE AND LOAN FUND

Section 634(a). Establishes in the treasury a loan guarantee and loan fund available to the Secretary without fiscal year limitation in such amounts as may be specified in appropriations acts. The loan fund is to be used by the Secretary to enable him to make loans under this part, to discharge his responsibilities under loan guarantees issued under this part, for payment of interest on a loan guaranteed, and for repurchase by him of direct loans made under this part which have been sold and guaranteed. Authorization of appropriations for capitalization of the loan fund is given in the amount of $100 million in the aggregate for the three fiscal years 1974, 1975, and 1976. As authorized in appropriation acts, the Secretary is authorized to deposit in the loan fund amounts received from interest payments or repayments of principal on loans and any other monies, property, or assets derived by him from operations under this part.

Section 634(b). Authorizes the Secretary to issue notes or other obligations to the Secretary of the Treasury in the event that monies in a loan fund are ever insufficient to enable him to discharge his responsibilities under this part. Various terms and conditions for the issuing and purchase of such notes or other obligations are provided.

DEFINITIONS

Section 635. Defines for the purposes of this part the following terms:

(1) "Construction" as including:

(a) construction of new buildings;

(b) modernization of existing buildings:

(c) the acquisition of initial equipment (including medical transportation facilities) for buildings constructed or modernized with assistance under this part; and (d) acquisition of equipment for any building in any case in which it will help to provide a service not previously provided in the community served by such building.

(2) "Modernization" as including the alteration, expansion, major repair (as permitted by the Secretary in regulations), remodeling, replacing, or renovation of existing buildings; and

(3) "Cost" as applied to a construction project as including architect's fees but not including the cost of off-site improvements or the acquisition of land.

CONFORMING AMENDMENTS

Section 4. Provides that subsections a, b, and c of section 314 and title IX of the PHS Act are repealed (effective July 1, 1974).

EFFECTIVE DATE

Section 5. Provides that the amendments made by this Act are to take effect on July 1, 1974, except that on or after the date of the enactment of the Act the Secretary shall carry out the duties imposed by section 611 of the Act (concerning the designation of health areas), provide assistance as authorized by sections 615 and 628 of this Act (concerning assistance in the initial development of HSA's and SHC's), and seek appropriations under section 634 of this Act (for the purpose of capitalizing the loan fund authorized by part D).

This section and the preceding section repealing the CHP and RMP programs are designed to provide for an overlap in the legislative authorities for CHP and RMP and the legislative authority created by this Act for HSA's and SHC's. This is done so that the Secretary may arrange an orderly transition between the two programs. It is the intention of the sponsors of the legislation that 314(b) agencies and RMP projects funded in fiscal 1974 under their legislative authorities shall be eligible for initial assistance in their development as HSA's to the extent that they meet the applicable requirements of this Act.

H.R. 12053

A bill to amend the Public Health Service Act to assure the development of a national health policy and of effective State health regulatory programs and area health planning programs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Health Policy and Health Development Act of 1974".

SEC. 2. (a) The Congress makes the following findings:

(1) The achievement of equal access for all people to high quality medical care at a reasonable cost is a priority of the Federal Government.

(2) The recent massive infusion of Federal funds into the existing health care system has not produced an adequate supply or distribution of health care resources and consequently has not made possible equal access to such resources by the total population.

(3) Cooperation between the public sector (national, State, and local) and the private sector has not effectively developed a comprehensive, rational approach to the problems of—

(A) the lack of effective methods of delivering health services; and

(B) the maldistribution of health care facilities and manpower.

(b) In recognition of the magnitude of the problems described in subsection (a) and the urgency placed on their solution, it is the purpose of the amendments made by this Act to develop recommendations for a national health policy, to augment comprehensive planning for health services, manpower, and facilities, and to authorize financial assistance for the development of programs to further that policy. The recommendations for a national health policy are to specify national health goals and give direction to and coordinate public and private health planning and health services development programs. The recommended policy is to be implemented by a nationwide system of health service agencies which are to have within their health areas the responsibility and resources for assuring equal access for the residents of the areas to all necessary health care services.

(c)(1) The Congress makes the following additional findings:

(A) Past and present increases in the cost of medical care, particularly of hospital stays, are excessive and inflationary.

(B) The present proliferation of new health services and capital expenditures for health facilities is often inappropriate and unplanned.

(C) There are presently inadequate financial incentives for the use of appropriate levels of medical care, and for the substitution of ambulatory and intermediate care for inpatient hospital care.

(D) The many and increasing Federal, State, local, and private responses to these problems have often been fragmentary, inadequate, conflicting, and inequitable.

(E) State governments have a central role to play in correcting these problems.

(2) In response to the findings in paragraph (1), it is the purpose of part C of title VI of the Public Health Service Act, as amended by section 3 of this Act, to assist the development of State health care regulatory programs which, in conjunction with effective health planning programs, assure the availability of health services to all people at the lowest feasible rates. These regulatory programs shall regulate rates of payment and reimbursement for health care in order to—

(A) discourage wasteful and inappropriate use of services and promote uses that are economically justified in view of the relationships between costs incurred and benefits received;

(B) assure that all services provided are of acceptable quality;

(C) assure those responsible for the provision of services with necessary revenue requirements for the provision of quality health services; and

(D) distribute the burden of meeting these revenue requirements fairly among all those who pay for health services.

Sec. 3. Title VI of the Public Health Service Act is amended to read as follows:

"TITLE VI—NATIONAL HEALTH POLICY, AND HEALTH PLANNING AND DEVELOPMENT

"PART A—NATIONAL COUNCIL FOR HEALTH POLICY

"ESTABLISHMENT OF NATIONAL COUNCIL FOR HEALTH POLICY

"Sec. 601. (a) There is established in the Executive Office of the President a council to be known as the National Council for Health Policy (hereinafter in this title referred to as the 'Council'). The establishment of the Council in the Executive Office of the President shall not be construed as limiting or otherwise affecting access by the Congress, or the committees of either House, (1) to information or documents in the possession of, or to studies conducted by, the Council, or (2) to personnel of the Council.

"(b)(1) The Council shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. The members shall be persons who, as a result of their training, experience, or attainments, are exceptionally well qualified to assist in carrying out the functions of the Council. Not less than two of the members shall be persons who are not professionally engaged in any aspect of the delivery of health care. Not more than three members of the Council shall be of the same political party.

"(2) The term of office of a member of the Council shall be six years, except that—

"(A) of the members first appointed to the Council, two shall be appointed for terms of two years and two shall be appointed for terms of four years, as designated by the President at the time of appointment; and

"(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

A member may serve after the expiration of his term until his successor has taken office.

"(3) The Chairman of the Council shall be selected by the members from among their number. The term of office of the Chairman of the Council shall be the lesser of three years or the period remaining in his term of office as a member of the Council.

"(c) The annual rate of basic pay of the Chairman of the Council shall be the annual rate of basic pay in effect for level II of the Executive Schedule, and the annual rate of basic pay of each of the other members of the Council shall be the annual rate of basic pay in effect for level III of the Executive Schedule.

"(d) The Council may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to carry out its functions. In addition, the Council may procure the services of experts and consultants as authorized by section 3109 of title 5, United States Code, but without regard to the last sentence of such section.

"FUNCTIONS OF NATIONAL COUNCIL FOR HEALTH POLICY

"Sec. 602. (a) The Council shall be responsible for the following:

"(1) Assessment of the status of the Nation's health.

"(2) Assessment of existing and proposed Federal and other health programs.

"(3) Assessment of the need for health resources, services and financing.

"(4) Development of recommendations for a national health policy which are to include a quantifiable statement of national health goals developed after appropriate consideration of the priorities set forth in section 603.

"(5) Issuing recommended guidelines respecting the appropriate supply, distribution, and organization of health resources and services.

"(6) Conduct of studies and analyses concerning recommendations developed under paragraph (4) for a national health policy. In carrying out its responsibilities under this subsection, the Council shall seek the counsel of advisory committees appointed by the Council and shall consult with and solicit comments from health service agencies designated under part B.

"(b) The Council shall submit on or before February 1 of each year a comprehensive report to the public specifying the results of the activities undertaken by the Council to meet its responsibilities during the preceeding calendar year.

"NATIONAL HEALTH PRIORITIES

"Sec. 603. The Congress finds that the following deserve priority consideration in the formulation of a national health policy and in the development and operation of Federal, State, and area health planning, development, and regulatory programs:

"(1) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas.

"(2) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services).

"(3) The development of medical group practices, especially those whose services are appropriately coordinated or integrated with institutional health services.

"(4) The training and increased utilization of physician assistants, especially nurse clinicians.

"(5) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions.

"(6) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

"(7) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis.

"(8) The adoption of uniform cost accounting, simplified reimbursement, and utilization and reporting systems and improved management procedures for health service institutions.

"(9) The development of effective methods for financing of, reimbursement for, and regulating rates of reimbursement and payment for, medical care.

"PART B—HEALTH SERVICE AGENCIES

"HEALTH AREAS

"Sec. 611. (a) The Secretary shall establish throughout the United States health areas with respect to which health service agencies shall be designated under section 616. Each health area shall meet the following requirements:

"(1) The area shall be a rational region for the proper planning and development of health services which contains the resources necessary to provide all necessary health services for the residents of the area.

"(2) To the extent practicable, the area shall include at least one center for the provision of highly specialized health services.

"(3) The area shall follow State boundaries, except that an area may comprise a geographical region which crosses State boundaries if the Secretary determines that such a region is a more rational region for the proper planning and development of health services.

"(4) The area, upon its establishment, shall have a population of not less than five hundred thousand or more than three million; except that (A) the population of an area may be more than three million if the area includes a standard metropolitan statistical area (as determined by the Office of Management and Budget) with a population of more than three million, and (B) the population of an area may be less than five hundred thousand if the area comprises an entire State which has a population of less than five hundred thousand.

"(5) To the maximum extent feasible, the boundaries of an area may not cross the boundaries of a standard metropolitan statistical area (as determined by the Office of Management and Budget).

The Secretary shall coordinate the designation of health areas under this section with his designation under section 1152 of the Social Security Act of areas for Professional Standards Review Organizations so that either a health area designated under this section comprises the entire territory of one or more areas designated under such section 1152 or an area designated under such section 1152 comprises the entire territory of one or more health areas designated under this section.

"(b)(1) Within one hundred and twenty days following the date of the enactment of this section, the Secretary shall publish in the Federal Register proposed boundaries for health areas covering the United States. In the development of the proposed boundaries of the health areas, the Secretary shall consult with and solicit the views of the Governor (or other chief executive officer) of each State and the chief executive officer or agency of political subdivisions of States, each State agency which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a), and each entity which has developed a comprehensive, regional, metropolitan, or other local area plan or plans referred to in section 314(b). During the thirty-day period beginning on the date of the publication in the Federal Register of the proposed boundaries of the health areas, the Secretary shall consider comments submitted to him by other interested persons respecting the boundaries of such areas and at the expiration of such period he shall publish in the Federal Register the boundaries of the health areas.

"(2) The Secretary shall review on a continuing basis the appropriateness of the boundaries of the health areas and may revise the boundaries as he deems necessary. In making any boundary revision, the Secretary shall consult with and solicit the views of the officials and agencies described in paragraph (1) who represent the geographical regions affected by the boundary revision, shall publish in the Federal Register his proposal for the boundary revision, and shall allow thirty days (from the date the proposal is published in the Federal Register) for the submission of comments on the proposal by interested persons and for his review of such comments before putting into effect the proposed boundary revision.

"HEALTH SERVICE AGENCIES

"Sec. 612. (a) For purposes of this title, the term 'health service agency' means a nonprofit private corporation which is organized and operated in the manner described in subsection (b) and which is capable, as determined by the Secretary, of performing each of the functions described in section 613. The Secretary shall by regulation establish standards and criteria for the requirements of subsection (b) and section 613.

"(b) (1) Legal Structure.—A health service agency for a health area shall (A) be incorporated in the State which is located (in whole or in part) in that area and which has the largest part of the area's population, and (B) not be a subsidiary of, or otherwise controlled by, any other private corporation or other private legal entity.

"(2) Staff.—A health service agency shall have a staff which provides the agency with expertise in at least the following: (A) The gathering and analysis of data, (B) planning, and (C) health manpower, facilities, and services. The size of the professional staff of any agency shall be not less than the greater of 5 or the number obtained by dividing the population (rounded to the next highest one hundred thousand) of the health area which the agency serves by one hundred thousand. The staff of a health service agency shall be selected, paid, promoted, and discharged in accordance with such system as the agency may establish, except that the rate of pay for any position shall not be less than the rate of pay prevailing in the health area for similar positions in other public or private planning or health service entities.

"(3) Governing Body.—

"(A) In general.—Each health service agency shall have a governing body composed, in accordance with subparagraph (B), of not less than ten members and of not more than thirty members, except that the number of members may exceed thirty if the governing body has established another unit (referred to in this paragraph as an 'executive committee') composed, in accordance with subparagraph (B), of not more than twenty-five members of the governing body and has delegated to that unit the authority to take such action as the governing body is authorized to take. The governing body—

"(i) shall be responsible for the internal affairs of the health service agency, including matters relating to the staff of the agency, the agency's budget, and procedures and criteria (developed and published pursuant to section 614) for performing its functions under subsections (e), (f), and (g) of section 613;

"(ii) shall be responsible for the approval of the long-range goal plan and short-term priorities plan required by section 613(b);

"(iii) shall issue an annual report concerning the activities of the agency, include in that report the long-range goal plan and short-term priorities plan developed by the agency, and make the report readily available to the residents of the health area and the various communications media serving such area;

"(iv) shall reimburse is members for their reasonable costs incurred in attending meetings of the governing body;

"(v) shall meet at least once in each calendar quarter of a year and shall meet at least two additional times in a year unless its executive committee meets for that number of times in that year; and

"(vi) shall conduct its business meetings in public and shall make its records and data available, upon request, to the public.

A quorum for a governing body shall be not less than one-half of the members described in each clause of subparagraph (B). If in the exercise of its functions a governing body appoints a subcommittee of its members or an advisory group, it shall, to the extent practicable, make its appointments to any such subcommittee or group in such a manner as to provide the representation on such subcommittee or group described in subparagraph (B).

"(B) Composition.—Of the members of the governing body and executive committee (if any) of a health service agency—

"(i) at least one-third of such members shall be residents of the health area served by such agency who are not providers of health care services and who are broadly representative of the various economic, social, racial, and geographic population groups of such health area;

"(ii) at least one-third of such members shall be residents of such health area who are providers of health services and who are broadly representative of—

"(I) health professionals, public and community health personnel, and allied health personnel;

"(II) the health institutions (including hospitals, extended care facilities, and university health centers) located in such health area and the employees of such institutions not described in subclause (I); and

"(III) persons in such health area who pay for health care services (including direct service and indemnity insurance companies); and

"(iii) at least one-third of such members shall be residents of such health area who hold public elective offices which are broadly representative of the elected governmental authorities in the area.

For purposes of clauses (i) and (ii), the term 'provider of health services' means an individual who receives (either directly or through his spouse) more than one-tenth of his gross annual income from fees or other compensation for the provision of health care services or from financial interests in entities engaged in the provision of health services or in producing or supplying drugs or other articles for individuals and entities engaged in the provision of such services, or from both such compensation and such interests.

"(c) Subarea Councils.—A health service agency may establish subarea advisory councils representing parts of the agencies' health area to advise the governing body of the agency on the performance of its functions. To the extent practicable, the composition of a subarea advisory council shall conform to the requirements of subsection (b)(3)(B).

"FUNCTIONS OF HEALTH SERVICE AGENCIES

"Sec. 613. (a) For the purpose of—

"(1) improving the health of residents of a health area,

"(2) increasing the accessibility, acceptability, continuity, and quality of the health services provided them, and

"(3) restraining increases in the cost of providing them health services,

each health service agency shall have as its primary responsibilities the provision of effective health planning for its health area and the promotion of the development within the area of health services and facilities which meet identified needs, reduce documented inefficiencies, and implement the health plans of the agency. To meet its primary responsibilities, a health service agency shall carry out the functions described in subsections (b) through (g) of this section.

"(b) In providing health planning, development, and regulation for its area, a health service agency shall perform the following functions:

"(1) The agency shall assemble and analyze data concerning—

"(A) the status of the health of the residents of its health area,

"(B) the status of the health care delivery system in the area and the utilization of that system by the residents of the area,

"(C) the effect the area's health care delivery system has on the health of the residents of the area, and

"(D) the area's health resources, including health facilities and manpower.

"(2) The agency shall, after appropriate consideration of the priorities set forth in section 603, and the needs and resources described by paragraph (1), annually establish a long-range goal plan (hereinafter in this title referred to as the 'LGP') which shall be a detailed statement of goals (A) describing a healthful environment and health systems in the area which, when developed, will assure that quality health services will be available and accessible in a manner which assures continuity of care, at reasonable cost, for all residents of the area; (B) which is responsive to the unique needs and resources of the area; and (C) which takes into account the National Council for Health Policy guidelines (developed under section 602) respecting the area's supply, distribution, and organization of health resources and services.

"(3) The agency shall annually establish a short-term priorities plan (hereinafter in this title referred to as the 'SPP') which describes objectives which will achieve the goals of the LGP and priorities among the objectives. In establishing the SPP, the agency shall give priority to those objectives which maximally improve the health of the residents of the area, as determined on the basis of the relation of the cost of obtaining the objectives to the benefits to be derived from obtaining such objectives, and which are fitted to the special needs of the area.

"(4) The agency shall develop and publish specific plans and projects for achieving the objectives established in the SPP.

"(c) In implementing its LGP and SPP, a health service agency shall perform the following functions:

"(1) The agency shall seek to implement its plans with the assistance of individuals and public and private entities in its health area.

"(2) The agency shall provide, in accordance with the priorities established in the SPP, technical assistance to individuals and public and private entities in the area for the development of projects and programs which the agency determines are necessary to achieve the health system described in the LGP, including assistance in meeting the requirements of the agency prescribed under section 614.

"(3) The agency shall, in accordance with the priorities established in the SPP, make grants to and enter into contracts with individuals and public and private entities in the area to assist them in planning and developing the projects and programs which the agency determines are necessary for the achievement of the health system described in the LGP. Such grants and contracts shall be made from the Area Health Services Development Fund of the agency established with funds provided under grants made under section 619. No such grant or contract may be used for (A) the support of an established program, (B) to pay the costs incurred by an entity or individual in the delivery of health care services, or (C) for the cost of construction of health facilities.

"(d) Each health service agency shall coordinate its activities with each Professional Standards Review Organization (designated under section 1152 of the Social Security Act), the State Health Commission, and any other appropriate regulatory entity in the agency's health area. The agency shall, as appropriate, provide technical assistance to such entities, secure data from them for use in the agency's planning and development activities, and enter into agreements with them which will assure that actions taken by such entities which alter the area's health system will be taken in a manner which is consistent with the approved LGP and the SPP in effect for the area.

"(e) Each health service agency shall (1) review and approve or disapprove each proposed use within its health area of Federal funds appropriated for a program under this Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 for the development, expansion, or support of health facilities, manpower, or services; and (2) establish priorities for the approval of applications under part D of this title. If an agency disapproves under clause (1) a proposed use of Federal funds for a program described in that clause, the Secretary may not make Federal funds available for such program until he has made, upon request of the entity making such proposal, a review of the agency decision. In making any such review of any agency decision, the Secretary shall give the appropriate State Health Commission an opportunity to consider the agency decision and to submit to the Secretary its comments on the decision. The Secretary after taking into consideration State Health Commission comments may make Federal funds available, notwithstanding the agency decision. Each such decision by the Secretary to make funds available shall be submitted to the appropriate health service agency and State Health Commission and shall contain a detailed statement of the reasons for the decision.

"(f) To assist planning agencies, designated under section 1122 of the Social Security Act, in carrying out their functions under such section 1122, health service agencies for the areas for which such planning agencies are designated shall review and make recommendations to such planning agencies for the approval or disapproval of all capital expenditures in excess of $100,000 proposed by health service entities in the health areas of such health services agencies.

"(g) Each health service agency shall review on a periodic basis the health services offered or proposed to be offered in the health area of the agency and shall make recommendations to each State Health Commission, designated under section 625 for each State in which the agency's health area is located, for the Commission's certification of such health services under section 627(a) (5). If the State Health Commission determines that it cannot certify as needed a particular health service, the health service agency for the health area in which such service is offered or proposed to be offered shall work with the provider or proposed provider of such service, the State Health Commission, and other appropriate individuals and entities for the improvement or elimination (as the agency determines appropriate) of such service. After the initial certification as needed by a State Health Commission of a health service offered within its health area, the agency shall review, at least every five years, the certification of such health service.

"PROCEDURES AND CRITERIA FOR REVIEWS OF PROPOSED HEALTH SYSTEMS CHANGES

"SEC. 614. (a) In conducting reviews pursuant to subsections (e), (f), and (g) of section 613 or in conducting any other reviews of proposed or existing health services, each health service agency shall follow procedures, and apply criteria, developed and published by the agency in accordance with regulations of the Secretary; and in performing its review functions under section 627, a State Health Commission shall follow procedures, and apply criteria, developed and published by the Commission in accordance with regulations of the Secretary. Procedures and criteria for such reviews many vary according to the purpose for which a particular review is being conducted or the type of health services being reviewed.

"(b) Each health service agency and State Health Commission shall include in the procedures required by subsection (a) at least the following:

"(1) Written notification to affected persons of the beginning of an agency or Commission review.

"(2) Schedules for reviews which provide that no review shall take longer than one hundred and twenty days from the date the notification described in paragraph (1) is made.

"(3) Provision for persons subject to an agency or Commission review to submit to the agency or Commission (in such form and manner as the agency or Commission shall prescribe and publish) such information as the agency or Commission may require concerning the subject of such review.

"(4) Submission of applications made under part D of this title, other titles of this Act, or other provisions of law for Federal financial assistance for health services.

"(5) Submission of periodic reports by providers of health services and other persons subject to agency or Commission review respecting the development of proposals subject to review.

"(6) Notification of providers of health services and other persons subject to agency or Commission review of the status of the agency or Commission review of the health services or proposals subject to review, findings made in the course of such review, and other appropriate information respecting such review.

"(7) Provision for public hearings in the course of agency or Commission review if requested by persons directly affected by the review; and provision for public hearings, for good cause shown, respecting agency and Commission decisions.

"(8) Regular reports by the agency and Commission of the reviews being conducted (including a statement concerning the status of each such review) and of the reviews completed by the agency and Commission (including a general statement of the findings and decisions made in the course of such reviews) since the publication of the last such report.

"(9) Access by the general public to all applications reviewed by the agency and Commission and to all other written materials pertinent to any Agency or Commission review.

"(10) In the case of construction projects, submission to the agency and Commission by the entities proposing the projects of letters of intent in such detail as may be necessary to inform the agency and Commission of the scope and nature of the projects.

"(c) Criteria required by subsection (a) for agency and Commission review shall include consideration of at least the following:

"(1) In the case of reviews of health services, the relationship of the health services reviewed to the applicable LGP and SPP.

"(2) The relationship of services reviewed to the long-range development plan (if any) of the person providing or proposing such services.

"(3) The need that the population served or to be served by such services has for such services.

"(4) The availability of alternative, less costly or more effective methods of providing such services.

"(5) The relationship of such services to the existing health care system of the area in which such services are provided or proposed to be provided.

"(6) In the case of health services proposed to be provided, the availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for the provision of such services and the availability of alternative uses of such resources for the provision of other health services.

"(d) In making a review under section 613(e), each health service agency shall give priority consideration to—

"(1) the relationship to the applicable LGP and SPP of the health services reviewed, and

"(2) the availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for any proposed provision of health services, and the availability of alternative uses of such resources for the provision of other health services.

"(e) In making a review under section 613(f), each health service agency shall give consideration to—

"(1) the costs and methods of any proposed construction, and

"(2) the probable impact of the construction project reviewed on the costs of providing health services by the provider or other person proposing such construction project.

"(f) In making a review under section 613(g), each health service agency shall give priority consideration to—

"(1) the relationship of the health services reviewed to the applicable LGP and SPP,

"(2) the need that the population served or to be served by such services has for them, and

"(3) the availability of alternative, less costly or more effective methods of providing such services.

"ASSISTANCE TO ENTITIES DESIRING TO BE DESIGNATED AS HEALTH SERVICE AGENCIES

"SEC. 615. (a) The Secretary may provide all necessary technical and other nonfinancial assistance (including the preparation of prototype plans of organization and operation) to nonprofit private entities (including entities presently receiving grants under section 314(b) or title IX) which—

"(1) express a desire to be designated as a health service agency, and

"(2) the Secretary determines have a potential to meet the requirements of a health service agency specified in sections 612 and 613,

to assist such entities in developing applications to be submitted to the Secretary under section 616 and otherwise in preparing to meet the requirements of this title for designation as a health service agency.

"(b) (1) The Secretary may make grants to nonprofit private entities to assist them in meeting the costs of meeting the organization and operation requirements of section 612(b).

"(2) No grant may be made under this subsection unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and contain such information as the Secretary may require. The Secretary may not approve the application of an entity unless he determines that the entity, with the assistance of a grant under this subsection, will, within two years after such grant is made, be able to meet the requirements of section 612(b) and be qualified to perform the activities prescribed for a health service agency by section 613.

"(3) For the purpose of making payments pursuant to grants under this subsection, there are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

"DESIGNATION OF HEALTH SERVICE AGENCIES

"SEC. 616. (a) For each health area established under section 611 the Secretary shall designate a health service agency. Such designation shall be made under an agreement entered into between the Secretary and the entity to be designated as a health service agency. Any such agreement under this subsection with an entity shall contain such provisions respecting the requirements of sections 612(b) and 613, and such conditions designed to carry out the purpose of this title, as the Secretary may prescribe and shall be for a term of twelve months; except that, prior to the expiration of such term, such agreement may be terminated—

"(1) by the entity at such time and upon such notice to the Secretary as he may by regulation prescribe, or

"(2) by the Secretary, at such time and upon such notice to the entity as the Secretary may by regulation prescribe, if the Secretary determines that the entity is not complying with or effectively carrying out the provisions of such agreement.

"(b) The Secretary may not enter into an agreement under subsection (a) with any entity unless the entity has submitted an application to the Secretary for designation as a health service agency. Such an application shall contain assurances satisfactory to the Secretary that the applicant meets the requirements of section 612(b) and is qualified to perform or is performing the activities prescribed by section 613. In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by (1) each entity which has developed a plan referred to in section 314(b) for all or part of the health area with respect to which the application was submitted, and (2) each regional medical program established in such area under title IX. The Secretary may not enter into an agreement for the initial designation of an entity as the health service agency for a health area unless the Governor (or other chief executive officer) of each State in which such area is located approves such designation of such entity.

"TECHNICAL ASSISTANCE FOR HEALTH SERVICE AGENCIES AND STATE HEALTH COMMISSIONS

"SEC. 617. (a) The Secretary shall provide health service agencies and State Health Commissions (1) model health plans and planning processes, (2) technical materials and standards for use in health planning, and (3) such other technical assistance as they may require to perform their functions.

"(b) The Secretary shall include in the materials provided under subsection (a) the following:

"(1) (A) Requirements for the data needed to describe the health status of the residents of a health area, including requirements for data which describe mortality and morbidity by age, sex, race, residence, economic status, and occupation and data which describe the etiologies of mortality and morbidity.

"(B) Requirements for the data needed to describe the status of the health resources of a health area, including requirements for data which describe health facilities in the area by size, types of services provided, location, and operating costs and data which describe health manpower in the area by type, specialty, supply, location, income, and mode of practice.

"(C) Requirements for the data needed to describe the utilization of health resources within a health area, including requirements for data which describe the utilization of health resources by various specific population groups, including groups based on age, sex, race, residence, economic status, and occupations.

"(2) Model, consistent with the guidelines established by the Council under section 602, for appropriate planning and development by health service agencies and regulation by State Health Commissions of health resources and services. Such models shall cover the following:

"(A) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas.

"(B) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, emergency medical, intensive and coronary care, and radiation therapy services).

"(C) The development of medical group practices whose services are appropriately coordinated or integrated with institutional health services.

"(D) The training and increased utilization of physician assistants, especially nurse clinicians.

"(E) The development of multi-institutional arrangements for the sharing of support services necessary to all health services institutions (including laundry and dietetic services and the purchasing of supplies).

"(F) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

"(G) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis.

"(H) The adoption of uniform cost accounting, simplified reimbursement and utilization and reporting systems and improved management procedures by health service institutions.

"(I) The development of effective methods for financing of, reimbursement for, regulating rates of reimbursement and payment for, medical care.

"(3) Guidelines for the organization and operation of health service agencies and State Health Commissions, including guidelines for—

"(A) the structure of a health service agency, consistent with section 612(b), and of a State Health Commission, consistent with section 625(d);

"(B) the conduct of the planning, development, and regulation processes;

"(C) the performance of health service agency functions in accordance with sections 613 and 614; and

"(D) the performance of State Health Commission functions in accordance with sections 614 and 627.

"PLANNING GRANTS

"SEC. 618. (a) The Secretary shall make in each fiscal year a grant to each health service agency with which there is in effect at the beginning of the fiscal year a designation agreement under section 616. A grant under this subsection shall be made on such conditions as the Secretary determines is appropriate and shall be used by a health service agency for compensation of agency personnel, collection of data, planning, and other activities of the agency. A health service agency shall not use a grant under this subsection to make payments under a grant or contract with another entity for the development of health services.

"(b) (1) The amount of any grant under subsection (a) to any health service agency for any fiscal year shall be the lesser of—

"(A) the product of $0.25 and the population of the health area for which the agency is designated, or

"(B) $750,000,

unless the agency would receive a greater amount under paragraph (2) or (3).

"(2) (A) The amount of such a grant for any fiscal year shall be the product of $0.50 and the population of such area if the application of the agency for such grant contains assurances satisfactory to the Secretary that the agency will expend or obligate in that fiscal year from non-Federal funds meeting the requirements of subparagraph (B) and for the activities of the agency for which such grant is made an amount not less than the amount by which the grant amount for such agency resulting from the application of the formula prescribed by this paragraph exceeds the grant amount for such agency resulting from the application of the formula prescribed by paragraph (1).

"(B) The non-Federal funds which an agency may use for the purpose of obtaining a grant under subsection (a) which is computed on the basis of the formula prescribed by subparagraph (A) shall be funds—

"(i) no more than 5 per centum of which are contributed to the agency by any one private contributor, and

"(ii) which are not paid to the agency for the performance of particular services by it and which are contributed to the agency without conditions as to their use other than the condition that the funds shall be used for the purposes for which a grant made under this section may be used.

"(3) The amount of a grant under subsection (a) to a health service agency for any fiscal year may not be less than $150,000.

"(c) (1) For the purpose of making payments pursuant to grants made under subsection (a), there are authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for the fiscal year ending June 30, 1976.

"(2) Notwithstanding subsection (b), if the total of the grants to be made under this section to health service agencies for any fiscal year exceeds the total of the amounts appropriated under paragraph (1) for that fiscal year, the amount of the grant for that fiscal year to each health service agency shall be an amount which bears the same ratio to the amount determined for that agency for that fiscal year under subsection (b) as the total of the amounts appropriated under paragraph (1) for that fiscal year bears to the amount requires to make grants to each health service agency in accordance with the applicable provision of subsection (b).

"DEVELOPMENT GRANTS FOR AREA HEALTH SERVICES DEVELOPMENT FUNDS

SEC. 619. (a) The Secretary shall make in each fiscal year a grant to each health service agency—

(1) with which there is in effect at the beginning of the fiscal year a designation agreement under section 616.

(2) which has in effect a LPG and SPP approved under section 627, and

(3) which, as determined under the review made under section 620, is organized and operated in the manner prescribed by section 612(b) and is carrying out its planning and other responsibilities under section 613 in a manner satisfactory to the Secretary,

to enable the agency to establish an Area Health Services Development Fund from which it may make grants and enter into contracts in accordance with section 613(c) (3).

(b) (1) Except as provided in paragraph (2), the amount of any grant under subsection (a) shall be determined by the Secretary after taking into consideration the population of the health area for which the health service agency is designated, the average family income of the area, and the supply of health services in the area.

"(2) The amount of any grant under subsection (a) to a health service agency for any fiscal year may not exceed the product of $1 and the population in the health area for which such agency is designated.

"(c) Grants under subsection (a) shall be made on such conditions as the Secretary determines appropriate.

"(d) For the purpose of making payments pursuant to grants under subsection (a), there are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1975, and $125,000,000 for the fiscal year ending June 30, 1976.

"REVIEW

"SEC. 620. (a) The Secretary shall review and approve the annual budget of each health service agency with which there is in effect a designation agreement under section 616. Such review shall take into consideration the comments of each State Health Commission designated under section 625 for each State in which the agency's health area is located.

"(b) The Secretary shall review in detail at least every three years the structure, operation, and activities of each health service agency with which there is in effect a designation agreement under section 616 to determine—

"(1) (A) the extent to which the agency's governing body (and executive committee (if any)) represents the residents of the health area for which the agency is designated;

"(B) the professional credentials and competence of the staff of the agency;

"(2) the adequacy of the LGP of the agency in meeting the needs of the residents of the area for a healthful environment and for accessible, acceptable, and continuous quality health care at reasonable costs and the effectiveness of the SPP in achieving the system described in the LGP;

"(3) the appropriateness of the data assembled pursuant to section 613(b) and the quality of the analysis of such data;

"(4) the extent to which technical and financial assistance from the agency are utilized in an effective manner to achieve the goals and objectives of the LGP and the SPP; and

"(5) the extent to which it may be quantifiably demonstrated that—

"(A) the health of the area's residents has actually been improved;

"(B) the accessibility, acceptability, continuity, and quality of health care in the area has actually been improved; and

"(C) increases in costs of the provision of health care have actually been restrained.

"PART C—STATE HEALTH COMMISSIONS

"DESIGNATION OF STATE HEALTH COMMISSIONS

"SEC. 625. (a) For the purposes of the performance within each State of the regulatory functions described in section 627, the Secretary shall enter into an agreement with a qualified agency of each State whereby such agency shall be conditionally designated as the State Health Commission for such State. If—

"(1) on the basis of its performance during a trial period (not to exceed 24 months) of such conditional designation, the Secretary determines that such agency is capable of performing, in a satisfactory manner, the regulatory functions of a State Health Commission prescribed by section 627, and

"(2) a State administrative program for the performance of such functions by the State Health Commission has been approved under section 626, he shall enter into an agreement with such agency designating it as the State Health Commission for such State.

"(b) (1) The Secretary shall initially designate a qualified agency as a State Health Commission on a conditional basis with a view to determining the capacity of such agency to perform the functions prescribed by section 627 for such Commissions. Such designation may not be made prior to receipt from such agency, and approval by the Secretary, of an administrative program under section 626 for the orderly assumption and implementation of the functions of a State Health Commission.

"(2) During any such trial period, the Secretary may require as a condition of designation that a State Health Commission perform only such of the functions prescribed by section 627 as he determines such Commission to be capable of performing. The number and type of such functions shall, during the trial period, be progressively increased as the Commission becomes capable of performing responsibilities so that, by the end of such period, such Commission may be considered for designation but only if the Secretary finds that it is substantially carrying out in a satisfactory manner the functions prescribed by section 627.

"(3) Any agreement under which any agency is conditionally designated as the State Health Commission may be terminated by such agency upon ninety days notice to the Secretary or by the Secretary upon ninety days notice to such agency.

"(c) Any designation agreement under this section with a State Health Commission (other than an agreement under subsection (b), shall be for a term of twelve months; except that, prior to the expiration of such term, such agreement may be terminated—

"(1) by the Commission at such time and upon such notice to the Secretary as may be prescribed in regulations (except that notice of more than three months may not be required); or

"(2) by the Secretary at such time and upon such reasonable notice to the Commission as may be prescribed in regulations, but only after the Secretary has determined (after providing such Commission with an opportunity for a formal hearing on the matter) that such Commission is not complying with or effectively carrying out the provisions of such agreement.

A designation agreement (other than an agreement under subsection (b)) shall contain such provisions as the Secretary may prescribe to assure that the requirements of this part respecting State Health Commissions are complied with.

"(d) For purposes of this section, a 'qualified agency' of a State is an agency which is organized and operated as follows:

"(1) The agency shall—

"(A) be an independent establishment within the State government;

"(B) be the sole agency of the State for (i) the performance of the regulatory functions prescribed by section 627 (except as authorized under subsection (b) of such section), and (ii) administering or supervising the administration of (I) the health planning activities of the State, (II) coordination of the plans of the health service agencies in the State, and (III) implementation of those parts of such plans which relate to the government of the State;

"(C) not engage in activities which are unrelated to health planning or the regulation of health services and shall not directly engage in, or be a part, or under the control, of any State agency directly engaged in, the (i) delivery or administration of programs of public or personal health services or health manpower education, (ii) construction of facilities for health service institutions, or (iii) the administration of the State's plan approved under title XIX of the Social Security Act or of assistance for medical expenses under other public assistance programs or public health insurance programs;

"(D) conduct its activities in accordance with procedures and criteria established and published by it, which procedures and criteria shall, to the extent practicable, conform to the requirements of section 614; and

"(E) conduct its business meetings in public.

"(2) (A) The agency shall have a governing body composed of three, five, or seven full-time members (whichever number may be authorized under the law of its creation) who are appointed by the Governor (or other chief executive officer) of the State or its legislature for staggered terms of not less than four years, and who are paid without regard to the civil service and compensation laws of the State generally applicable to the employment and compensation of its officers and employees but at a rate which will enable persons with appropriate expertise to serve as members of the governing body. During his term of membership, no member of the governing body shall engage in any other business, vocation, or employment. Of the members of the governing body, a majority shall be individuals who are not providers of health services (as defined in section 612 (b) (3) (B)) and the remainder shall be representative of persons and institutions in the State listed in subclauses (I), (II), and (III) of section 612(b) (3) (B) (ii). Not more than a simple majority of the membership of the governing body may be members of the same political party. No member may participate in any agency action concerning any matter in which the member has a direct and substantial economic interest. The State's Governor (or other chief executive officer) shall select a chairman of the governing body from its members.

"(B) The governing body shall be responsible for the internal affairs of the agency, including staffing and budget, and for the performance of the agency's functions.

"(C) The State's Governor (or other chief executive officer) or legislative (whichever is authorized under the law creating the agency) shall appoint an advisory council for the agency to advise it on its budget and the performance of its functions. At least two-thirds of the members of such a council shall be individuals who are not providers of health care services (as so defined) and shall be representative of the various geographic regions of the State, the health service agencies within the State, the holders of public elective offices in the government of the State and of its political subdivisions, and the various economic, social, and racial population groups of the State. Such a council shall meet periodically, not less than two times in a year, and shall conduct its meetings in public.

"(D) The agency shall have a professional staff of such size as the Secretary may prescribe (but in no event less than five) which meets such qualifications as the Secretary shall prescribe.

"STATE ADMINISTRATIVE PROGRAM

"SEC. 626. (a) A State administrative program for the performance within the State by its State Health Commission of the regulatory functions prescribed by section 627 is not approvable for any year unless it—

"(1) meets the requirements of subsection (b);

"(2) has been submitted to the Secretary by the State Health Commission (designated for the State under section 625) at such time and in such detail, and contains or is accompanied by such information, as the Secretary deems necessary;

"(3) has been prepared in consultation with, and be approved by, the advisory council to the State Health Commission; and

"(4) has been submitted to the Secretary only after the State Health Commission has afforded to the general public of the State a reasonable opportunity for presentation of views on the administrative program.

"(b) The State administrative program must—

"(1) provide for the performance within the State of the regulatory functions prescribed by section 627 and designate the State Health Commission for the submitting State as the sole agency for the performance of such functions (except as provided in subsection (b) of such section) and for the administration of the administrative program;

"(2) contain or be supported by satisfactory evidence that the Commission has the authority to carry out such functions and the administrative program in accordance with this part and has authority to enforce its decisions under section 627;

"(3) provide for adequate consultation with the Commission's advisory council in carrying out such functions and the administrative program;

"(4) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibilities in the administration of such functions and the administrative program;

"(5) provide for such methods of administration as are found by the Secretary to be necessary for the proper and efficient administration of such functions and the administrative program, including (A) methods relating to the establishment and maintenance of personnel standards on a merit basis consistent with such standards as are or may be established by the Civil Service Commission under section 208(a) of the Intergovernmental Personnel Act of 1970 (Public Law 91-648), and (B) provision for utilization of qualified professional medical personnel (particularly in connection with the development or administration of standards of quality and utilization of health care) and of allied health professionals and other qualified professional staff; but the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with the methods relating to personnel standards on a merit basis established and maintained in conformity with this paragraph;

"(6) provide that the State's part of the permanent costs of operating the State Health Commission shall be provided by the State in a manner (which may include taxes on health insurance premiums or reimbursements for services or collection of fees from regulated providers of health services) and in an amount satisfactory to the Secretary;

"(7)(A) provide that the State Health Commission shall, in cooperation with the Secretary and in accordance with such methods as may be recommended for the design and implementation of a nationwide cooperative system for producing comparable and uniform health-related information and statistics, function as a center for the State for the collection (from health care providers subject to the jurisdiction of the State Health Commission), retrieval, analysis, reporting, and publication of statistical and other information related to health and health care, including data on the health services and the fiscal operations of such providers, and including data of the kinds enumerated in section 305, and (B) require such providers doing business in the State to make statistical and other reports of such information and data to the Commission;

"(8) provide, in accordance with methods and procedures prescribed or approved by the Secretary, for the evaluation, at least annually, of the regulatory functions of the State Health Commission and of their economic effectiveness; and

"(9) provide that the State Health Commission will from time to time, and in any event not less often than annually, review the administrative program and submit to the Secretary any modification thereof which he considers necessary.

"(c) The Secretary shall approve any State administrative program and any modification thereof which complies with subsections (a) and (b). The Secretary shall review for compliance with the requirements of this part the specifications of and operations under each administrative program approved by him. Such review shall be conducted not less often than once each year.

"STATE HEALTH COMMISSION REGULATORY FUNCTIONS

"SEC. 627. (a) Each State Health Commission for which a designation agreement is in effect under section 625 shall, except as authorized under subsection (b), perform within the State for which the Commission is designated the following regulatory functions:

"(1) Review annually and approve or disapprove the LGP and SPP of each health service agency, the health area of which is located (in whole or in part) within the State for which the Commission is designated.

"(2) Review annually the budget of each such health service agency and report to the Secretary, for purposes of his review under section 620, its comments on such budget.

"(3) Review applications submitted by such health service agencies for grants under sections 618 and 619 and report to the Secretary its comments on such applications.

"(4) Serve as the designated planning agency of the State for the purposes of section 1122 of the Social Security Act.

"(5) After consideration of recommendations submitted by such health service agencies under section 613(g) respecting health services offered or proposed to be offered within the State, determine which of the services it will certify as needed. Certification of need shall be conducted on a periodic basis but not less often than every five years.

"(6) License health care facilities and health care delivery personnel in the State.

"(7) To the extent authorized by State law, set standards for health facilities and review for quality the performance of heatlh services within the State.

"(8) Determine prospectively rates used for reimbursement purposes for heatlh services of heatlh care providers within the State and regulate all reimbursements of such health care providers made on either a charge, cost, negotiated, or other basis. In carrying out such function, the Commission shall—

"(A) permit health care providers subject to such determinations or regulations to retain savings accruing to them from effective management and cost control,

"(B) create incentives at each point in the delivery of health services for utilization of the most economical modes of services feasible,

"(C) document the need for and cost implications of each new service or facility for which a determination of reimbursement rates is sought, and

"(D) employ for each type or class of health care provider—

"(i) a unit for determining the reimbursement rates of the provider, and

"(ii) a base for determining rates of change in the provider's reimbursement rates, which unit and base are satisfactory to the Secretary.

For purposes of this paragraph, the term 'health care provider' includes at least the following: Hospitals, nursing homes and extended care facilities, community health care programs (such as family planning clinics, community mental health centers, neighborhood health centers, and rehabilitation centers), home health agencies and visiting nurse associations, and indirect suppliers of health services (such as medical laboratories, ambulance services, blood banks, and dental laboratories).

"(b) The function described in paragraph (6) of subsection (a) may be performed by another agency of the State government under an agreement with the State Health Commission satisfactory to the Secretary. If a State requests (in such manner as the Secretary shall by regulation prescribe) that the agreement for the conditional designation or designation of a State Health Commission for such State not require the Commission to perform the functions described in subsection (a)(8), the terms of any such agreement shall be in accordance with such request and the Secretary shall, but not before the expiration of the fourth fiscal year which begins after the calendar year in which the National Health Policy and Health Development Act of 1974 is enacted, perform such functions within such State until such time as the Commission requests authority to perform such functions and the Secretary determines that it is qualified to perform such functions.

"(c) If a State Health Commission makes a decision in carrying out a function described in paragraph (4), (5), (6), (7), or (8) of subsection (a) which is not consistent with the goals of the applicable LGP or the priorities of the applicable SPP, the Commission shall submit to the appropriate health service agency a detailed statement of the reasons for the inconsistency.

"(d) If, upon the expiration of the fourth fiscal year which begins after the calendar year in which the National Health Policy and Health Development Act of 1974 is enacted, a designation agreement for a State Health Commission is not in effect under section 625, the Secretary shall perform within that State the regulatory functions prescribed by subsection (a) but not before he has given the Governor (or other chief executive officer) of that State at least six months' written notice of his intention to perform within that State such functions. If a designation agreement for a State's Health Commission is terminated under section 625, the Secretary shall perform such functions within that State after giving the notice prescribed by the preceding sentence. In the performance of such functions within any State the Secretary shall consult with the health service agencies within that State and seek the advice and counsel of an advisory council drawn from residents of that State in a manner comparable to that required by section 625 for advisory councils to State Health Commissions.

"GRANTS FOR THE DEVELOPMENT AND OPERATION OF STATE HEALTH COMMISSIONS

"SEC. 628. (a) The Secretary may make grants to States to assist in meeting the costs of developing State Health Commissions. Any grant under this subsection shall be made for development costs incurred in the one-year period beginning on the first day of the first month for which such grant is made and may be for an amount which does not exceed 90 per centum of such costs.

"(b) The Secretary may make grants to States for the operation of State Health Commissions. Each grant under this subsection shall be made for operation costs for the one-year period beginning on the first day of the first month for which such grant is made. The amount of any grant for a State Health Commission's costs of operation for the first year of its operation may not exceed an amount equal to 75 per centum of such costs; and the amount of any other grant for a Commission's costs of operation may not exceed the lesser of (1) $500,000, or (2) an amount equal to 50 per centum of the costs of its operation for the year for which the grant is made.

"(c) No grant may be made under subsection (a) or (b) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and contain such information as the Secretary may require. The Secretary may not approve any such application unless he determines that the Federal funds under the grant applied for will be used to supplement State funds that would in the absence of such Federal funds be used for the purposes for which such grant would be made and will in no event supplant such State funds.

"(d)(1) For purposes of making payments under grants under subsection (a), there are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1974, $3,000,000 for the fiscal year ending June 30, 1975, and $3,000,000 for the fiscal year ending June 30, 1976.

"(2) For purposes of making payments under grants under subsection (b), there are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1974, $5,000,000 for the fiscal year ending June 30, 1975, and $10,000,000 for the fiscal year ending June 30, 1976.

"Part D—Construction Assistance

"LOANS AND LOAN GUARANTEES AND INTEREST SUBSIDIES

"Sec. 631. (a) To assist in meeting the costs of construction projects for health facilities, the Secretary may make loans to public and nonprofit private entities and may guarantee to non-Federal lenders payment of principal of and interest on loans made by such lenders to nonprofit private entities for such projects.

"(b)(1) Subject to paragraph (2) of this subsection, in the case of a guarantee under this part of any loan made to a nonprofit private entity, the Secretary shall pay, to the holder of such loan and for and on behalf of such entity amounts sufficient to reduce by 3 per centum per annum the net effective interest rate otherwise payable on such loan. Each holder of a loan which is guaranteed under this part shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

"(2) Contracts to make the payments provided for in this subsection shall not carry an aggregate amount greater than such amount as may be provided in appropriations Acts.

"(c) No loan under this part shall be made in an amount which exceeds 90 per centum of the cost of such project (as determined under regulations of the Secretary). No loan guarantee under this part with respect to any project may apply to so much of the principal amount thereof as exceeds 90 per centum of the cost of such project (as so determined).

"(d) The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this part as will promote efficiency and economy thereof.

"(e) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued, under this part may not exceed such limitations as may be specified in appropriations Acts.

"APPLICATIONS

"Sec. 632. (a) No loan or loan guarantee may be made under this part unless an application therefor has been submitted to the Secretary and approved by him. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe. The Secretary may not approve an application under this part for a construction project unless the application (1) has, if there is a State Health Commission for the State in which such project is to be located, been approved by such State Health Commission, and (2) such project has a higher priority (set by the health service agency for such area under section 613(e)(2)) than any other project in such area for which applications are pending before the Secretary for his approval. In considering applications under this part the Secretary, after applying any applicable priority established under section 613(e)(2), shall give priority to applications for projects for facilities for the provision of ambulatory care, facilities for the provision of rehabilitative services, facilities for emergency medical services systems (as defined in section 1201), or hospitals for areas with rapid, recent population growth.

"(b) No application submitted under this part may be approved for a project unless such application contains reasonable assurances that all laborers and mechanics employed by contractors or subcontractors on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a–276a-5, known as the Davis-Bacon Act). The Secretary of Labor shall have with respect to the labor standards referred to in the preceding sentence the authority and functions set forth in Reorganization Plan Number 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"GENERAL PROVISIONS RELATING TO LOANS AND LOAN GUARANTEES

"Sec. 633. (a)(1) The Secretary may not approve an application for a loan under this part unless—

"(A) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(B) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project or undertaking with respect to which such loan is requested.

"(2) Any loan made under this part shall (A) have such security, (B) have such maturity date, (C) be repayable in such installments, (D) bear interest at a rate comparable to the current rate of interest prevailing on the date the loan is made, with respect to loans guaranteed under this title, and (E) be subject to such other terms and conditions (including provisions for recovery in case of default), as the Secretary determines to be necessary to carry out the purposes of this part while adequately protecting the financial interests of the United States.

"(3) The Secretary may, for good cause but with due regard to the financial interests of the United States, waive any right of recovery which he has by reason of the failure of a borrower to make payments of principal of and interest on a loan made under this part, except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary's guarantee of timely payment of principal and interest.

"(b)(1) The Secretary may from time to time, but with due regard to the financial interests of the United States, sell loans made by him under this part.

"(2) The Secretary may agree, prior to his sale of any such loan, to guarantee to the purchaser (and any successor in interest of the purchaser) compliance by the borrower with the terms and conditions of such loan. Any such agreement shall contain such terms and conditions as the Secretary considers necessary to protect the financial interests of the United States or as otherwise appropriate. Any such agreement may (A) provide that the Secretary shall act as agent of any such purchaser for the purpose of collecting from the entity to which such loan was made and paying over to such purchaser, any payments of principal and interest payable by such entity under such loan; and (B) provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guarantee under this subsection.

"(3) After any loan made under this part to a public entity has been sold and guaranteed under this subsection, interest paid on such loan which is received by the purchaser thereof (or his successor in interest) shall be included in the gross income of the purchaser of the loan (or his successor in interest) for the purpose of chapter 1 of the Internal Revenue Code of 1954.

"(4) Amounts received by the Secretary as proceeds from the sale of loans under this subsection shall be deposited in the fund established under section 634.

"(c)(1) The Secretary may not approve an application for a loan guarantee under this part unless he determines that (A) the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States, and (B) the loan would not be available on reasonable terms and conditions without the guarantee under this part.

"(2)(A) The United States shall be entitled to recover from the applicant for a loan guarantee under this part the amount of any payment made pursuant to such guarantee, unless the Secretary for good cause waives such right of recovery; and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(B) To the extent permitted by subparagraph (C), any terms and conditions applicable to a loan guarantee under this part may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(C) Any loan guarantee made by the Secretary under this part shall be incontestable (i) in the hands of an applicant on whose behalf such guarantee is made unless the applicant engaged in fraud or misrepresentation in securing such guarantee, and (ii) as to any person (or his successor in interest) who makes or contracts to make a loan to such applicant in reliance thereon unless such person (or his successor in interest) engaged in fraud or misrepresentation in making or contracting to make such loan.

"(D) Guarantees of loans under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this title will be achieved.

"LOAN GUARANTEE AND LOAN FUND

"Sec. 634. (a) There is established in the Treasury a loan guarantee and loan fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriations Acts, (1) to enable him to make loans under this part, (2) to enable him to discharge his responsibilities under guarantees issued by him under this part, (3) for payment of interest on the loans which are guaranteed under this part, and (4) for repurchase by him of direct loans made under this part which have been sold and guaranteed. There are authorized to be appropriated to provide capital required for the fund $100,000,000 in the aggregate for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976. To the extent authorized from time to time in appropriation Acts, there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this part, including any moneys derived from the sale of assets.

"(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this part, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"DEFINITIONS

"Sec. 635. As used in this part—

"(1) The term 'construction' includes—

"(A) construction of new buildings,

"(B) modernization of existing buildings,

"(C) the acquisition of initial equipment (including medical transportation facilities) for buildings constructed or modernized with assistance under this part, and

"(D) acquisition of equipment for any building in any case in which it will help to provide a health service not previously provided in the community served by such building.

"(2) The term 'modernization' includes the alteration, expansion, major repair (to the extent permitted by the Secretary by regulations), remodeling, replacement, or renovation of existing buildings.

"(3) The term 'cost' as applied to a construction project includes architects' fees but does not include the cost of off-site improvements or the acquisition of land."

CONFORMING AMENDMENTS

Sec. 4. Title IX and subsections (a), (b), and (c) of section 314 and title IX of the Public Health Service Act are repealed.

EFFECTIVE DATE

Sec. 5. The amendments made by this Act shall take effect July 1, 1974, except that on and after the date of the enactment of this Act (1) the Secretary of Health, Education, and Welfare shall carry out the duties imposed by section 611 of the Public Health Service Act (as added by section 3) and provide the assistance authorized by sections 615 and 628 of such Act (as so added), and (2) appropriations may be made under section 634 of such Act (as so added) for the purpose of capitalizing the fund authorized by that section.

LEAVES OF ABSENCE

(By unanimous consent, leave of absence was granted to:)

Mr. Roncallo of New York (at the request of Mr. Rhodes), for today, on account of illness in family.

Mr. Corman, for himself, for today, on account of official business.

Mr. Brotzman, for the remainder of today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Thone) and to revise and extend their remarks and include extraneous matter:)

Mr. Crane, for 5 minutes, today.

Mr. McDade, for 10 minutes, today.

Mr. Steele, for 45 minutes, today.

Mr. Hogan, for 60 minutes, today.

Mr. Cronin, for 5 minutes, today.

(The following Members (at the request of Mr. Ginn) and to revise and extend their remarks and include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Rooney of New York, for 5 minutes, today.

Mr. James V. Stanton, for 5 minutes, today.

Mr. Alexander, for 60 minutes, today.

Mr. Whitten, for 10 minutes, today.

Mr. Roy, for 5 minutes today, to revise and extend his remarks and include extraneous material.

(The following Member (at the request of Mr. Thone), to revise and extend his remarks, and to include extraneous matter:)

Mr. Kemp, today, for 15 minutes.

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Zablocki in three instances.

Mr. Roy and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $3,867.

(The following Members (at the request of Mr. Thone) and to revise and extend their remarks:)

Mr. Rhodes.

Mr. Heinz in two instances.

Mr. Hanrahan.

Mr. Roncallo of New York.

Mr. Whalen.

Mr. Kemp in ten instances.

Mr. Carter.

Mr. Lent in two instances.

Mr. Wyman in two instances.

Mr. Railsback in three instances.

Mr. Symms.

Mr. Martin of North Carolina in two instances

Mr. Maraziti.

Mr. Hosmer in two instances.

Mr. Buchanan in two instances.

Mr. Vander Jagt.

Mr. Findley in two instances.

Mr. King in two instances.

Mr. du Pont.

Mr. Quie.

Mr. Mizell in five instances.

Mr. Bray in three instances.

Mr. Johnson of Pennsylvania.

Mr. Steiger of Wisconsin.

Mr. Kemp.

Mr. Mallary.

(The following Members (at the request of Mr. Ginn) and to include extraneous matter:)

Mrs. Chisholm.

Mr. Blatnik.

Mr. Owens in 10 instances.

Mr. James V. Stanton.

Mr. Stokes in 10 instances.

Mr. O'Neill in two instances.

Mr. Rooney of New York in five instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Dingell.

Mr. Studds in three instances.

Mr. Johnson of California.

Mr. Harrington in two instances.

Mr. Waldie in three instances.

Mr. Koch in two instances.

Mr. Denholm.

Mr. Hungate.

Mr. Donohue in two instances.

Mr. Kyros.

Ms. Abzug in three instances.

Mr. Roe in 10 instances.

Mr. Brasco in two instances.

Mr. Litton.

Mr. Pickle in four instances.

Mr. McCormack.

Mr. Symington.

Mr. Chappell.

Mr. Burke of Massachusetts.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2770. An act to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services; to the Committee on Armed Services.

S. 2771. An act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the armed forces, and for other purposes; to the Committee on Armed Services.

S. 2830. An act to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus; to the Committee on Interstate and Foreign Commerce.

S.J. Res. 183. Joint resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer; to the Committee of the Judiciary.

ENROLLED BILLS AND A JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1316. An act for the relief of Claude V. Alcorn and 21 others;

H.R. 2303. An act to continue mandatory price support for tung nuts only through the 1976 crop;

H.R. 4738. An act to provide for the striking of medals in commemoration of the 100th anniversary of the statehood of Colorado;

H.R. 5760. An act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Wash., in 1974;

H.R. 6758. An act to amend chapter 33 of title 28 of the District of Columbia Code, relating to usury, and for other purposes;

H.R. 8449. An act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes;

H.R. 8529. An act to implement the shrimp fishing agreement with Brazil;

H.R. 10806. An act to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes;

H.R. 11088. An act to provide emergency security assistance authorizations for Israel and Cambodia;

H.R. 11238. An act to amend the act of March 16, 1926 (relating to the Board of Public Welfare in the District of Columbia), to provide for an improved system of adoption of children in the District of Columbia, and for other purposes;

H.R. 11771. An act making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes; and

H.J. Res. 858. Joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1191. An act to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes;

S. 1559. An act to assure opportunities for employment and training to unemployed and underemployed persons;

S. 1983. An act to provide for the conservation of endangered and threatened species of fish, wildlife, and plants, and for other purposes;

S. 2267. An act to amend section 303(b) of the Interstate Commerce Act to remove certain restrictions upon the application and scope of the exemption provided therein, and for other purposes;

S. 2482. An act to amend the Small Business Act;

S. 2491. An act to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains;

S. 2812. An act to amend the Federal Water Pollution Control Act to establish the ratio for allocation of treatment works construction grant funds, to insure that grants may be given for other than operable units, and to clarify the requirements for development of priorities; and

S.J. Res. 182. Joint resolution extending the dates for the transmission of the 1974 Economic Report and the report of the Joint Economic Committee.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 5874. To establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes;

H.R. 11575. Making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes;

H.J. Res. 736. To provide for a feasibility study and to accept a gift from the U.S. Capitol Historical Society; and

H.J. Res. 865. Authorizing the President to proclaim March 29, 1974, as "Vietnam Veterans Day".

ADJOURNMENT

Mr. BREAUX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 32 minutes a.m.) the House adjourned until today, Saturday, December 22, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1654. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report covering the first quarter of fiscal year 1974 on the estimated value, by country, of support furnished from military functions appropriations for Vietnamese and other free world forces in Vietnam, and for local forces in Laos, pursuant to section 737(b) of Public Law 92–570, as amended; to the Committee on Appropriations.

1655. A letter from the Comptroller of the Currency, transmitting his annual report for 1972, pursuant to section 333 of the Revised Statutes; to the Committee on Banking and Currency.

1656. A letter from the Administrator of General Services, transmitting a report on borrowing authority for the period ended June 30, 1973, pursuant to section 304(b) of the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

1657. A letter from the First Vice President and Vice Chairman, Export-Import Bank of the United States, transmitting a report covering the quarter ended September 30, 1973, on the administration of the export expansion facility program, pursuant to Public Law 90–390 (62 Stat. 286); to the Committee on Banking and Currency.

1658. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting a report covering the 6 months ended June 30, 1973, on the inventory of nonpurchased foreign currencies, pursuant to 22 U.S.C. 2363; to the Committee on Foreign Affairs.

1659. A letter from the Director, U.S. Information Agency, transmitting the semiannual report of the Agency for the period ended June 30, 1973, pursuant to section 1008 of the U.S. Information and Educational Exchange Act of 1948, as amended; to the Committee on Foreign Affairs

1660. A letter from the Corporation Agent, Legion of Valor of the United States of America, Inc., transmitting the financial statement of the legion for the fiscal year ended July 31, 1973, pursuant to section 14(b) of Public Law 84–224; to the Committee on the Judiciary.

1661. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend section 1780 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to continue to make educational assistance payments to veterans and dependents where educational institutions are closed by reason of the energy crisis or for other emergency reasons; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOLIFIELD: Committee on Government Operations. Problems in air shipment of domestic animals. (Rept. No. 93–746). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. S. 261. An act to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to provide for minimum Federal payments for 4 additional years, and for other purposes; with amendment (Rept. No. 93–747). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG:

H.R. 12102. A bill to terminate the airlines mutual aid agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. BRINKLEY (for himself and Mr. Murphy of New York):

H.R. 12103. A bill to provide for a comprehensive, coordinated 5-year research program to determine the causes of and cure for cancer, to develop cancer preventatives, vaccines or other preventatives, and for other purposes; to the Committee on Ways and Means.

By Mr. CONTE (for himself, Mr. O'Neill, Mr. Harrington, Mr. Cotter, Mr. Moakley, and Mr. Studds):

H.R. 12104. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRONIN:

H.R. 12105. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DICKINSON (for himself, Mr. Anderson of California, Mr. Bergland, Mr. Blatnik, Mr. Danielson, Mr. Dorn, Mr. Eshleman, Mr. Fascell, Mr. Flowers, Mr. Ginn, Mr. Green of Pennsylvania, Mr. Jones of Alabama, Mr. Lent, Mr. McCloskey, Mr. McKinney, Mr. Price of Illinois, Mr. Obey, Mr. Patten, Mr. Rose, Mr. Runnels, Mr. Steele, Mr. Studds, and Mr. Charles Wilson of Texas):

H.R. 12106. A bill to provide for the establishment of an American Folk Life Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. du PONT:

H.R. 12107. A bill to prohibit discrimination on account of sex or marital status against individuals seeking credit; to the Committee on Banking and Currency.

By Mr. FRASER (for himself and Mr. Blatnik):

H.R. 12108. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. FRASER (for himself and Mr. Diggs):

H.R. 12109. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the Advisory Neighborhood Councils; to the Committee on the District of Columbia.

By Mr. GUDE:

H.R. 12110. A bill to amend the District of Columbia Redevelopment Act of 1945 to assure that the District of Columbia Redevelopment Land Agency maintains dwellings owned by it according to the laws of the District of Columbia relating to safe and sanitary housing, and for other purposes; to the Committee on District of Columbia.

H.R. 12111. A bill to amend the Chesapeake and Ohio Canal Development Act so as to expand the boundaries of the Chesapeake and Ohio Canal National Historical Park to include certain lands within the areas from North Branch to Cumberland, Md.; to the Committee on Interior and Insular Affairs.

By Mr. HELSTOSKI (for himself, Mr. Dominick V. Daniels, Mr. Howard, Mr. Maraziti, Mr. Minish, Mr. Patten, Mr. Rodino, Mr. Roe, Mr. Sandman, Mr. Thompson of New Jersey, Mr. Rinaldo, and Mr. Widnall):

H.R. 12112. A bill to amend section 401(j) of the Federal Aviation Act of 1958 to provide that no air carrier shall discontinue service, in whole or in part, unless such discontinuance is found to be in the public interest by the Civil Aeronautics Board after public hearings; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLIFIELD (for himself and Mr. Horton) (by request):

H.R. 12113. A bill to revise and restate certain functions and duties of the Comptroller General of the United States and for other purposes; to the Committee on Government Operations.

H.R. 12114. A bill to revise and restate certain functions and duties of the Comptroller General of the United States and for other purposes; to the Committee on Government Operations.

By Mr. KOCH:

H.R. 12115. A bill to amend title VII of the Housing Act of 1961 to establish an Urban Parkland Heritage Corporation to provide funds for the acquisition and operation of open-space land, and for other purposes; to the Committee on Banking and Currency.

By Mr. LATTA:

H.R. 12116. A bill to provide that all letters, memorandums, and other papers produced or acquired by any officer or employee of the United States in connection with the performance of his duties shall be the property of the United States, and to prohibit the sale or use for personal gain of such property; to the Committee on the Judiciary.

By Mr. MARTIN of North Carolina:

H.R. 12117. A bill to amend the Internal Revenue Code of 1954 to increase the maximum credit allowable under section 41 for political contributions to $25 ($50 in the case of a joint return), and to increase the maximum deduction allowable under section 218 for such contributions to $200 ($400 in the case of a joint return); to the Committee on Ways and Means.

H.R. 12118. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in environmental conditioning and the use of solar energy by providing an income tax deduction for expenditures made for more effective insulation, more efficient environmental conditioning equipment, and solar environmental conditioning apparatus in residential structures; to the Committee on Ways and Means.

By Mr. MILLER.

H.R. 12119. A bill to amend the Federal Coal Mine Health and Safety Act of 1969 to exclude any coal mine in which every miner who works in such mine is either complete or partial owner or member of the immediate family of such owner from coverage under titles I, II, and III of the act; to the Committee on Education and Labor.

By Mr. NEDZI:

H.R. 12120. A bill to amend title 38 of the United States Code in order to increase the rates of educational assistance, to otherwise improve the educational assistance program, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PEPPER (for himself, Mr. Staggers, Mr. Mollohan, Mr. Hechler of West Virginia, Mr. Madigan, Mr. Dent, Mr. Denholm, Mr. Yatron, Mr. Gunter, Mr. Burlison of Missouri, Mr. Gray, Mr. Roncalio of Wyoming, Mr. Bevill, Mr. Stubblefield, Mr. Edwards of California, Mr. Evans of Columbia, Mr. Slack, Mr. Perkins, Mr. Price of Illinois, Mr. Morgan, Mr. Carney of Ohio, Mr. Owens, Mr. Hamilton, Mr. Meeds, and Mr. Hammerschmidt):

H.R. 12121. A bill to increase the production, transportation, and conversion of coal as a source of energy; to the Committee on Interstate and Foreign Commerce.

By Mr. PEYSER:

H.R.12122. A bill to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment, and control of rape; to the Committee on Interstate and Foreign Commerce.

By Mr. RANGEL:

H.R. 12123. A bill to create a National Landlord and Tenant Commission, to establish housing courts and to define or to provide therefor the rights, obligations, and liabilities of landlords and tenants so as to regulate the activities of the commercial rental housing operations which affect the stability of the economy, the amount of a person's real income, the travel of goods and people in commerce, and the general welfare of all citizens of this Nation; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 12124. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL (for himself and Mr. Waldie):

H.R. 12125. A bill to amend section 312 (1) of the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. TOWELL of Nevada:

H.R. 12126. A bill to amend the Internal Revenue Code of 1954 to repeal the taxes on wagering; to the Committee on Ways and Means.

By Mr. VANIK:

H.R. 12127. A bill to prohibit the dumping of spent oil shale on any Federal land other than Federal land leased for the operation of shale oil recovery facilities; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H.R. 12128. A bill to assure, through energy conservation, end-use rationing of fuels, and other means, that the essential energy needs of the United States are met, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12129. A bill to assure, through energy conservation, end-use rationing of fuels, and other means, that the essential energy needs of the United States are met, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Florida:

H.R. 12130. A bill to amend the Public Health Service Act to assure an adequate supply of chlorine and certain other chemicals and substances which are necessary for safe drinking water and for waste water treatment; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Massachusetts:

H.R. 12131. A bill to amend title XVIII of the Social Security Act to require skilled nursing facilities under the medicare program and the medicaid program to provide medical social services; to the Committee on Ways and Means.

By Mr. DENHOLM:

H.R. 12132. A bill to amend the Economic Stabilization Act of 1970, to eliminate price controls of petroleum products; to the Committee on Banking and Currency.

H.R. 12133. A bill to impose an excess profits tax on the income of corporations during the period of national energy emergency and to establish an energy trust fund to develop new energy sources, improve utilization of present sources, develop means for energy conservation, and to promote effective economic techniques for preserving the environment in the United States; to the Committee on Ways and Means.

H.R. 12134. A bill to increase the natural resources depletion allowance for income tax purposes on oil and gas wells, coal and lignite deposits in the United States; to the Committee on Ways and Means.

By Mr. ERLENBORN (for himsef, Mr. Moorhead of Pennsylvania, Mr. Horton, Mr. McCloskey, Mr. Gude, Mr. Thone, Mr. Wright, Mr. Regula, Mr. James V. Stanton, and Mr. Alexander):

H.R. 12135. A bill to amend the Freedom of Information Act to require that information be made available to Congress; to the Committee on Government Operations.

By Mr. HELSTOSKI (for himself and Mr. Murphy of New York):

H.R. 12136. A bill to amend section 401(j) of the Federal Aviation Act of 1958 to provide that no air carrier shall discontinue service, in whole or in part, unless such discontinuance is found to be in the pulbic interest by the Civil Aeronautics Board after public hearings; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 12137. A bill to amend the Higher Education Act of 1965 to establish a student internship program to offer students practical political involvement with elected officials on the local and State levels of government; to the Committee on Education and Labor.

H.R. 12138. A bill to establish a procedure assuring Congress the full and prompt production of information requested from Federal officers and employees; to the Committee on Rules.

By Mr. MALLARY (for himself, Mr. Armstrong, Mr. Bennett, Mr. Burgener, Mr. Cleveland, Mr. Davis of Georgia, Mr. Forsythe, Mr. Hechler, of West Virginia, Mr. Heinz, Mr. Moakley, Mr. Montgomery, Mr. Mosher, Mr. Rangel, Mr. Snyder, Mr. Steiger of Wisconsin, Mr. Charles H. Wilson of California, Mr. Winn and Mr. Young of Florida):

H.R. 12139. A bill to provide that pay adjustments for Members of Congress take effect in the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

By Mr. MURPHY of Illinois:

H.R. 12140. A bill to amend section 401(j) of the Federal Aviation Act of 1958 to provide that no air carrier shall discontinue service, in whole or in part, unless such discontinuance is found to be in the public interest by the Civil Aeronautics Board after public hearings; to the Committee on Interstate and Foreign Commerce.

By Mr. PICKLE:

H.R. 12141. A bill to establish a National Energy Information System in the Department of Commerce and for other related purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL:

H.R. 12142. A bill to amend title 13, United States Code, to assure confidentiality of information furnished in response to questionnaires, inquiries, and other requests of the Bureau of the Census, to provide for a mid-decade sample survey of population, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 12143. A bill to extend to all individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns, and for other purposes; to the Committee on Ways and Means.

By Mr. STOKES (for himself, Ms. Abzug, Mr. Badillo, Mrs. Burke of California, Mrs. Chisholm, Mr. Clay, Mrs. Collins of Illinois, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Diggs, Mr. Edwards of California, Mr. Fauntroy, Mr. Fraser, Mr. Harrington, Mr. Hawkins, Mr. Helstoski, Miss Jordan, Mr. Leggett, Mr. Mazzoli, Mrs. Mink, Mr. Mitchell of Maryland, and Mr. Rangel):

H.R. 12144. A bill to require that discharge certificates issued to members of the Armed Forces not indicate the conditions or reasons for discharge, to limit the separation of enlisted members under conditions other than honorable and to improve the procedures for the review of discharge and dismissals; to the Committee on Armed Services.

By Mr. STOKES (for himself, Mr. Rees, Mr. Ryan, Mr. Seiberling, Mr. Sisk, and Mr. Stark):

H.R. 12145. A bill to require that discharge certificates issued to members of the Armed Forces not indicate the conditions or reasons for discharge, to limit the separation of enlisted members under conditions other than honorable, and to improve the procedures for the review of discharge and dismissals; to the Committee on Armed Services.

By Mr. STUDDS:

H.R. 12146. A bill to authorize and encourage certain highway projects to increase availability of energy efficient means of transportation, to amend title 23 of the United States Code, and for other purposes; to the Committee on Public Works.

By Mr. STUDDS (for himself, Mrs. Holt, and Mr. Roe):

H.R. 12147. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. du PONT:

H. J. Res. 868. Joint resolution providing for a congressional investigation into the status of those American men missing, captured, or dead in Southeast Asia, and for other purposes; to the Committee on Rules.

By Mr. GINN:

H.R. Res. 869. Joint resolution proposing an amendment to the Constitution of the United States with respect to tenure of office for judges of the Supreme Court and inferior courts of the United States; to the Committee on the Judiciary.

By Mr. MILLER (for himself and Mr. Hanrahan):

H.J. Res. 870. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. MOORHEAD of Pennsylvania:

H. Con. Res. 408. Concurrent resolution expressing the sense of the Congress that housing, housing assistance, and community development programs authorized by Congress should be carried out at levels at least equal to the levels prevailing in calendar year 1972, until such time as funds appropriated for such programs are exhausted or the Congress enacts legislation terminating or replacing such programs; to the Committee on Banking and Currency.

By Mr. RAILSBACK:

H. Con. Res. 409. Concurrent resolution expressing the sense of the Congress that the President, acting through the United Nations or other appropriate international organization, should call for international conferences to consider the present world energy crisis; to the Committee on Foreign Affairs.

By Mr. RANDALL:

H. Con. Res. 410. Concurrent resolution concerning removal of automotive emission control devices by individuals or independent automotive service stations which are neither manufacturers or dealers; to the Committee on Interstate and Foreign Commerce.

By Mr. O'NEILL:

H. Con Res. 411. Concurrent resolution providing for the adjournment sine die of the first session of the 93d Congress; considered and not agreed to.

By Mr. GUNTER (for himself, Mr. Lehman, Mr. Hays, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Koch, Mr. Moakley, Mr. Leggett, Mr. Owens, Mr. Pepper, Mr. Rees, Mr. Rosenthal, Mr. St Germain, Mr. Sarasin, Mr. Seiberling, Mrs. Schroeder, Mr. Sikes, Mr. Stark, Mr. Studds, Mr. Wolff, Mr. Vanik, and Mr. Yates):

H. Res. 757. Resolution creating a select committee to conduct an investigation and study of the role of the oil and gas industry in contributing to the current energy crisis; to the Committee on Rules.

By Mr. LEHMAN (for himself, Mr. Gunter, Mr. Bingham, Mr. Boland, Mr. Brasco, Mr. Brown of California, Mr. Dan Daniel, Mr. Davis of Georgia, Mr. Duncan, Mr. Eshleman, Mr. Fascell, Mr. Froehlich, Mrs. Grasso, Mr. Gude, Mr. Haley, Mr. Hanrahan, and Mr. Harrington):

H. Res. 758. Resolution creating a select committee to conduct an investigation and study of the role of the oil and gas industry in contributing to the current energy crisis; to the Committee on Rules.

By Mr. STAGGERS:

H. Res. 759. Resolution providing for agreeing to the Senate amendment to the House amendment to S. 921, with an amendment; ordered to be printed.

H. Res. 760. Resolution providing for agreeing to the Senate amendment to the House amendment to S. 921, with an amendment; ordered to be printed.

H. Res. 761. Resolution providing for agreeing to the Senate amendment to the House amendment to S. 921; ordered to be printed.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MONTGOMERY:

H.R. 12148. A bill for the relief of Oscar H. Barnett; to the Committee on the Judiciary.

By Mr. TALCOTT:

H.R. 12149. A bill for the relief of Maria del Refugio Cardenas-Sifuentes; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES—*Saturday, December 22, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The people who walked in darkness have seen a great light.—Isaiah 9:2.

Almighty God, our Heavenly Father, who by the birth of the Babe of Bethlehem has given light to those who sit in darkness, love to those who live with ill will and life to those who walk through the valley of the shadow of death; grant that in Thy light we may see light clearly, in Thy love we may possess love fully and in Thy life we may learn to live all our days.

Guide the citizens of our Nation in the ways of righteousness and the peoples of the world in the paths of peace. May good will live in all our hearts binding us together in the bond of true brotherhood; to the glory of Thy holy name.

May the Lord bless us and keep us; may the Lord make his face to shine upon us; and be gracious unto us; may the Lord lift upon us the light of His countenance and give us peace now and forever more. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1920. An act to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pennsylvania, as the "James G. Fulton Flood Protection Project"; and

H.R. 3733. An act to authorize the American Battle Monuments Commission to assume control of overseas war memorials erected by private persons and non-Federal and foreign agencies and to demolish such war memorials in certain instances.

The message also announced that the Senate agrees to the amendments of the

House to a bill of the Senate of the following title:

S. Con. Res. 11. Concurrent resolution to express a national policy with respect to support of the U.S. fishing industry.

Mr. PIKE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair recognizes the gentleman from Massachusetts (Mr. O'NEILL).

MOTION TO ADJOURN OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The question is on the motion made by the gentleman from Massachusetts (Mr. O'NEILL) that the House do now adjourn.

Mr. PIKE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will inform the gentleman from New York (Mr. PIKE) that a quorum is not needed for action upon a motion to adjourn the House.

Mr. PIKE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were yeas 39, nays 160, not voting 233, as follows:

[Roll No. 725]

YEAS—39

Bray
Broyhill, N.C.
Broyhill, Va.
Burleson, Tex.
Casey, Tex.
Chamberlain
Conlan
Davis, Ga.
Denholm
Dennis
Dorn
Eckhardt
Fisher
Goodling
Hansen, Idaho
Harrington
Hogan
Hutchinson
Johnson, Pa.
Jordan
Mahon
Martin, N.C.
McFall
Montgomery
Myers
O'Neill
Pepper
Rhodes
Robinson, Va.
Rose
Shuster
Stanton, J. William
Teague, Tex.
Ullman
Whitten
Wilson, Charles, Tex.
Wyatt
Young, Ga.
Young, S.C.

NAYS—160

Abzug
Adams
Alexander
Andrews, N.C.
Annunzio
Archer
Armstrong
Badillo
Bauman
Bennett
Bergland
Biester
Blackburn
Brademas
Breaux
Breckinridge
Brinkley
Brown, Mich.
Brown, Ohio
Burke, Fla.
Burke, Mass.
Byron
Carter
Clark
Clausen, Don H.
Clawson, Del
Cohen
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Derwinski
Dickinson
Downing
Drinan
du Pont
Duncan
Edwards, Ala.
Eilberg
Erlenborn
Evans, Colo.
Fish
Flood
Flowers
Foley
Frenzel
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Green, Pa.
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Harsha
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Horton
Howard
Huber
Hudnut
Hungate
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Latta
Litton
Long, La.
Mann
Mathis, Ga.
Mayne
Mazzoli
McCloskey
McCollister
McCormack
McKinney
Meeds
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Mosher
Natcher
Obey
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Randall
Rangel
Regula
Rinaldo
Roberts
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Roush
Sarbanes
Satterfield
Seiberling
Spence
St Germain
Staggers
Stanton, James V.
Steelman
Steiger, Wis.
Stuckey
Studds
Symington
Symms
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Vanik
Waldie
Wampler
Whalen
Winn
Wylie
Young, Fla.
Young, Ill.
Zablocki

NOT VOTING—233

Abdnor
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bevill
Biaggi
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brasco
Brooks
Broomfield
Brotzman
Brown, Calif.
Buchanan
Burgener
Burke, Calif.
Burlison, Mo.
Burton
Butler
Camp
Carey, N.Y.
Carney, Ohio
Cederberg
Chappell
Chisholm
Clancy
Clay
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corman
Cotter
Crane
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Dent
Devine
Diggs
Dingell
Donohue
Dulski
Edwards, Calif.
Esch
Eshleman
Evins, Tenn.
Fascell
Findley
Flynt
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Goldwater
Grasso
Gray
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Haley
Hanna
Hanrahan
Hansen, Wash.
Harvey
Hays
Hébert
Heinz
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Hosmer
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Keating
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Leggett
Lehman
Lent
Long, Md.
Lott
Lujan
McClory
McDade
McEwen
McKay
McSpadden
Macdonald
Madden
Madigan
Mailliard
Mallary
Maraziti
Martin, Nebr.
Mathias, Calif.
Matsunaga
Melcher
Michel
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Mizell
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
Peyser
Poage
Podell
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rarick
Rees
Reid
Reuss
Riegle
Robison, N.Y.
Rodino
Rogers
Roncalio, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
Sandman
Sarasin
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stark
Steed
Steele
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Ware
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Tex.
Zion
Zwach

So the motion was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. O'NEILL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Massachusetts will state it.

Mr. O'NEILL. Mr. Speaker, realizing the fact that now a call of the House is in order, is it permissible for me to ask unanimous consent that I may address the House for 1 minute?

The SPEAKER. Not in the absence of a quorum.

Mr. O'NEILL. Mr. Speaker, another parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'NEILL. It was my purpose to inform the House that there was no business before it and that the Senate is out and will not meet for some time. I had every intention of asking unanimous consent that when the House adjourn today it adjourn to meet on Wednesday next.

That was one unanimous-consent request I was going to make.

The second was I was going to ask that we adjourn to meet on Wednesday and every third day thereafter.

CALL OF THE HOUSE

Mr. O'NEILL. Mr. Speaker, I appreciate the fact that under the rules of the House I must move a call of the House, and I so move.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 726]

Abdnor
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bevill
Biaggi
Bingham
Boggs
Boland
Bolling
Brasco
Brooks
Broomfield
Brotzman
Broyhill, N.C.
Burgener
Burke, Calif.
Burlison, Mo.
Burton
Butler
Camp
Carey, N.Y.
Carney, Ohio
Cederberg
Chappell
Chisholm
Clancy
Clay
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corman
Cotter
Crane
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Dent
Devine
Diggs
Dingell
Donohue
Dulski
Edwards, Calif.
Esch
Eshleman
Evins, Tenn.
Fascell
Findley
Flynt
Ford, William D.
Forsythe
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Goldwater
Grasso
Gray
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Haley
Hanna
Hanrahan
Hansen, Wash.
Harvey
Hays
Hébert
Heinz
Hillis
Hinshaw
Holifield
Holt
Holtzman
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Keating
King
Kluczynski
Koch
Kuykendall
Landgrebe
Landrum
Leggett
Lehman
Lent
Long, Md.
Lott
Lujan
McClory
McEwen
McKay
McSpadden
MacDonald
Madden
Madigan
Mailliard
Maraziti
Martin, Nebr.
Mathias, Calif.
Melcher
Michel, Ill.
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Mizell
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nelsen
Nichols
Nix
O'Brien
Peyser
Poage
Podell, N.Y.

Price, Tex.
Quie
Quillen
Railsback
Rarick
Rees
Reid
Riegle
Robison, N.Y.
Rodino
Roncallo, N.Y.
Rooney, N.Y.
Rostenkowski
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
Sandman
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stark
Steed
Steele
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Ware
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Alaska
Zion
Zwach

The SPEAKER. On this rollcall 218 Members have recorded their presence by electronic device, a qourum.

By unanimous consent, further proceedings under the call were dispensed with.

LEGISLATIVE SITUATION

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, it has come down to almost Christmas Eve, and, as I said last night, we are in a stalemate. I know that oftentimes I have said myself we should not be regulated by the action of the other body, but let me inform the Members as to the situation as it is at the present moment.

As the Members know, we have passed an energy bill in this House. It is over in the Senate laying on the table. There was a motion made yesterday by Senator JACKSON to reject it. That motion was defeated 60 to 0, so the legislation is still alive there. All we have is that piecemeal bit of legislation that was sent back to us yesterday which on three occasions the House rejected.

The leadership of the other body informs us they are meeting at 1 o'clock, and at 1 o'clock if a sine die resolution is not over from the House, they are going to take 3-day recesses and will not be back for business until the 21st of January.

Consequently, today we have no further work before us. There is nothing scheduled. We have already had a motion to adjourn which failed and now a quorum has been established. I see no alternative now but to move a concurrent resolution for a sine die adjournment. If it does not pass, then we will be just sitting around. For what purpose I do not know because there is no business.

Mr. ULLMAN. Mr. Speaker, will the distinguished majority leader yield?

Mr. O'NEILL. I yield to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman for yielding.

I know the Members are greatly concerned about the excess-profits situation, particularly with respect to the petroleum industry. I want to tell the Members that we on the Committee on Ways and Means, where the rightful jurisdiction of this problem lies, are equally concerned. I spent a good part of the morning conferring with Secretary Shultz and members of the Joint Committee of the Internal Revenue Taxation staff.

The Secretary has or at present is about to make an announcement that there will be a recommendation. The Secretary is having his staff draft that recommendation now. I have had a look at it. I have discussed it in detail. It is not all the answer. I want to tell the Members that we need to do more than that but it is a tough interim tax on the petroleum industry.

We are going to have some problems with some of our Members who come from petroleum areas because it is tough. What it does is relate the barrel price of oil to a certain date—I think it is June—and imposes an 85-percent tax on the oil companies on price increases above that figure, and it does phase out in a 3-year period, but as I say it is only part of the answer.

We need to take a broader look at the whole business of excess profits but this, believe me, will really take the fat out of the petroleum profits that we are talking about.

The Ways and Means Committee will be taking this up as soon as we get back. The staff of the Joint Committee on Internal Revenue Taxation is doing all the staff work in the interim. I will be conferring with them as well as some of the other members of the committee. I just want to assure the Members that as early as possible in the coming year we will bring back to the House a proposal to take care of this problem of windfall profits.

I think I can assure Members it will be an effective proposal. I think I can assure the Members that it will be responsible and that it will do what I think most of the Members want to do with respect to these windfall profits. I think that is about as much as we can give in the way of assurances.

If we were to try to move now to perfect this kind of bill, we would not be acting responsibly. There is too much staff work that needs to be done and we will have that done during the recess and I would hope we can be reasonable and go home and come back. Personally I would rather come back before the 21st but if the Senate is adamant on that point there is nothing we can do, but I would hope we can vote a sine die adjournment.

Mr. O'NEILL. Mr. Speaker, I thank the gentleman from Oregon, the acting chairman of the Ways and Means Committee, for his statement.

Mr. BROYHILL of Virginia. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. Mr. Speaker, before I yield to the gentleman from Virginia, may I make it clear and understandable to everybody what has transpired and what is going to happen, regardless of our action today.

About a week ago we passed a resolution. That resolution starts the 2d session of the 93d Congress on the 21st day of January. It has already passed the House and the Senate and has been signed by the President. In the event we were to stay here each day, the 1st session of the 93d Congress would expire January 3. I want all the Members to understand clearly that because of the resolution we have already passed, the first session ends January 3 and there will be no session until the 21st and that is because of the Constitution and the resolution that has already been passed. The Members may ask why we cannot pass a sine die resolution to the 7th of January? The answer is that the other body has informed us it will not act on any legislation of that type.

Mr. Speaker, I yield now to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Speaker, I should like to associate myself with the statement made by the gentleman from Oregon (Mr. ULLMAN).

It is my understanding that the administration is preparing a proposal on excess profits which will be up here as early as possible. I have discussed this with some of the minority members of the Ways and Means Committee and all of them are in support of this approach to the problem and will support the chairman and will give this measure first priority when we come back the 21st of January. It is a proper and most efficient and effective way of dealing with the problem.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I would like to point out that the proposal that I think Secretary Shultz is discussing, and which appeared in the newspapers on an excess profits tax, is really an excise profits tax which will be passed down on through to the consumers of this country.

Mr. Speaker, I do not think that kind of proposal is going to be satisfactory to the House or to the American people, because it provides that the tax will be based on a base price which can be moved upward. As far as I can determine, it is more in the nature of an excise tax which will be passed on to the consumer rather than affect the profits of the oil industry.

Mr. Speaker, the Secretary of the Treasury has just recommended a proposal to reach "excess profits" in the oil industry. But the administration's proposal is a sham approach to the problem. It is hardly likely to reach excess profits.

Under the administration's scheme a base price for crude oil will be established. It is likely to be roughly $4.25 a barrel—the posted rate as of December 1, 1973. The President wants to impose a graduated tax on price increases over that base price. If the price rises $1, a tax of 7.5 cents a barrel is levied. The tax rate goes up so that an increase of $2.50 is taxed at a rate of 85 percent.

The President's proposal is not really an excess profits tax. It is a tax in the nature of a graduated excise tax. As an excise tax, it will be treated as an additional cost of production and passed on, dollar-for-dollar, to the consumer. It in no way will touch oil profiteering.

The revenue hopes of this proposal will

remain only if the original base price remains the same. But as the base price is increased, the tax revenues will phase out. Prices to the consumer will spiral and the impact of the tax on a profit-controlling mechanism will be illusory.

The proposal is a flimsy smokescreen in the name of an excise profits tax. It does not deal with the question of profits in the oil industry. It is an intricate device to sock the consumer and let the profits roll on. The oil industry itself could not have written a better proposal. I hope the Congress will see through this smokescreen.

PERSONAL ANNOUNCEMENT

Mr. FOUNTAIN. Mr. Speaker, on rollcall No. 725, the motion to adjourn, I was unavoidably detained and did not get to the Chamber before the 15 minutes expired.

Mr. Speaker, had I been present, I would have voted "no."

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. Mr. Speaker, I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, we have heard the various views of the members of the Committee on Ways and Means, and last evening the views of the different sides of the aisle with regard to excess profits.

We are all aware of the fact that some of us do not have any firm opinion one way or the other. To further discuss this controversial item at this time strikes me as being beyond the matter we should be thinking about.

The question is, do we have anything to do in the event the majority insists on staying here prior to January 21? If there is anything that can be done, we can stay here, so I think our discussion should be directed to that point.

Mr. Speaker, I ask it straight out: I ask the majority leader, is there anything the House itself could do between now and January 21 other than stay here?

Mr. O'NEILL. Mr. Speaker, the only thing I can say is that we have nothing scheduled.

If the sine die resolution does not pass, a motion would have to be made to adjourn. If the motion did not pass, we would merely sit here for the rest of the day, and what we would be doing I do not know.

Mr. WHITTEN. Mr. Speaker, let me say that I voted to adjourn sine die, so it is not a question for myself.

Mr. O'NEILL. The answer is that there is no schedule.

Mr. McKINNEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. Mr. Speaker, I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Oregon (Mr. ULLMAN).

Mr. Speaker, I suggest that the reason why the membership remains seated here today is basically because of one man in the Senate of the United States, and that particular man happens to be the man in charge of this type of legislation, so I think we should keep that in mind.

Mr. DRINAN. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Speaker, I would like to ask the acting chairman of the Ways and Means Committee a question. I would like to ask whether or not Mr. Nixon's proposed windfall profits proposal substantially differs from what the House enacted. He said that it applies only on crude oil prices, not on profits in the refining and marketing phases of the oil business.

Secondly, it is not retroactive, and whatever is being proposed by the administration is substantially contrary to what this House voted and revoted.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield for a reply?

Mr. O'NEILL. Mr. Speaker, I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, the Members heard me say that this was not the full scope of our proposal. The gentleman from Ohio heard me say that. The Ways and Means Committee is going to look beyond this proposal and excess profits tax per se, but this is an excellent start.

It would go back and pick up the price of oil on the barrel 6 months or so ago and impose an 85 percent tax above that.

Some say that it is going to be passed to the marketplace—it is already passed to the marketplace, and the idea is to pick it up from the oil companies.

It is not a whole answer. We are going to look at excess profits, also, probably, but in as much of this package as we can. But this is a beginning of responsible initial approach to the problem.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. Mr. Speaker, I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I want to say that for the past 9 years, this has been one of the most difficult years I have served in this House. We have worked hard throughout the years. The Members know that. It is true that we have had some vacation time, but we have made up for it by working long hours at night.

I have noticed over the years that during the waning days of any session more poor legislation comes to the floor of this House, and sometimes we pass it.

Last night perhaps part of this legislation was good and should have been passed. I regret that some of it was not. But during the closing days of the session is no time to consider serious legislation.

The House is weary, and I believe the majority of us want to go home.

Mr. Speaker, I would suggest that we go home for Christmas and see our constituents, and we can come back here to pass a good energy bill.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Speaker, 1 week ago I supported the sine die resolution calling for a recess until January 21, 1974. At that time it was expected that the social security bill and the energy legislation would be passed. The social security legislation passed both branches by a substantial vote and was sent to the White House. However, the energy bill has become stalled in between branches of the House and the Senate and I do not feel that this Congress should go home until an energy bill is passed.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I rise to ask a question of the majority leader.

Is the majority leader saying that in the event we accept this sine die resolution, the President could not call us back before January 21?

Mr. O'NEILL. No, the President has the right to call us back at any time. So does the majority leader and the minority leader, and so does the Speaker, and if an emergency should arise, I am sure we would be called back.

PROVIDING FOR ADJOURNMENT SINE DIE ON SATURDAY, DECEMBER 22, 1973

Mr. O'NEILL. Mr. Speaker, I call up a privileged concurrent resolution (H. Con. Res. 412) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 412

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Saturday, December 22, 1973, they shall stand adjourned sine die.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

A FATHER'S LETTER TO HIS SON

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, Glen Johnson is now the distinguished director of the choir of the First United Methodist Church of Coral Gables, Fla., of which my wife is a member. Dr. Johnson has meant much to the choir and to the church by his able and dedicated direction. He is a man of great warmth of heart, great imagination, and great dynamism. Dr. Johnson is much beloved not only by the choir but by the entire church.

On February 5, 1969, Dr. Johnson lost his son, Gary M. Johnson, Sp4c., 45th Medical Company, who was killed in action in Vietnam. Dr. Johnson wrote a letter to his son which is a beautiful and moving instrument conveying all of the love and admiration a parent can have for his son and reveals the warm and close relationship Dr. Johnson enjoyed with his noble son. At this season of the year when sacrifice and spiritual beauty are so much in our minds and hearts it seems to me very fitting that Dr. Johnson's letter entitled "A Father's Letter to His Son," which appeared in the Choral Journal of November–December 1969, appear in the Record following my remarks. Gary M. Johnson was by General Orders No. 790, Department of the Army Headquarters, U.S. Army Vietnam, of March 5, 1969, awarded the Silver Star posthumously for gallantry in action. I ask also that the order of the Department of the Army in Vietnam awarding Gary M. Johnson the Silver Star be carried in full following my remarks and the letter of Dr. Glen Johnson.

A Father's Letter to His Son

GLEN JOHNSON

Glen Johnson is Minister of Music in the nation's sixth largest Methodist Church, the Lovers Lane United Methodist Church in Dallas. He feels that the task of the Church Music Director is not a matter of simply "supplying music" for the Sunday worship service. Dr. Johnson is strongly committed to the belief that through music the Church should be involved in the whole community and its needs; that through the powerful voice of music the message of the Church can most effectively be brought to the people.

Glen Johnson's son, Gary, was an active and devout churchman, a fine musician, who had planned to follow in his father's footsteps in service to the Church he loved.

The article published here is in the form of a letter to this son.

Gary M. Johnson, SP/4, 45th Medical Company, was killed in action February 5, 1969, on active duty in Viet Nam.—Claude Zetty, Chairman, National Committee, Music in the Church.

Music is the prophet's Art;
Among the gifts that God hath sent,
One of the most magnificient.

—Longfellow.

Dear Son: So you wanted to be a church musician—in the face of all we had talked about with reference to the problems of renewal which confront the Church. However, you convinced me that "it was for real"—this call you had—to be the best possible under God, looking to Him whose life was your only real inspiration.

When you gave up your serious music study in your early teens, I thought surely you would choose a different role of servanthood. However, I noticed that you became involved in every musical group possible and that the Church seemed to speak "loud and clear" to you in times of deepest loneliness and highest joy. It was during your college years and your experiences in small churches that I realized the completeness of your commitment.

In our talks I tried to warn you of the struggle which confronted the Church and tried to point out the concern I had for the young church musician who moved into the Church full time before getting the necessary years of "music making" out of his system. The church musician must always put people first. He must never use people. Rather, he should be motivated by such a sense of service that he is used by people.

We used to talk about music as a real part of the "blood and guts" of the Church, Son, because it sings the message of the Church in so many different places, to so many people, in so many different ways. Music therapy to the aged, the mentally ill, the imprisoned, the passerby, the down-and-outer, the up-and-outer, the racist with his hate-sick mind, the child with his loving, searching spirit—all became a concern of yours. In our worship experience you seemed to be impressed with the need to give congregations new experiences in music and sound as often as possible. We seemed to agree that there is no room for "tired" singing or playing. Believing that people really want to learn and be challenged by the new, we hoped to make each new service a challenge to creative expression.

We never quibbled about great music and simple music because we both agreed that people are different and they appreciate different kinds of music and that they could be led to new heights of aesthetic experiences, not through criticism, but by earnest desire to meet the needs of that particular service message or the program's emphasis. Some such services or programs called for only great music; others called for the simplest folk-song approach; and sometimes both were interwoven for the sake of contrast. In all, however, we both agreed that the instrument, whether large choral, instrumental, or small vocal or instrumental, had to be ready for the experience, if it were really to "come off." The fun you seemed to have trying to involve the youth or children in really "making it happen" will always be remembered.

In your last services in Viet Nam your friends have told me that you included many folk songs in your services. All of a sudden it seems that everyone is writing folk songs and many of them are very good. The message content is nearly always helpful. The youth deserve our warmest encouragement at this point. It isn't the exacting discipline of an a capella anthem, but the folk song involvement with church concerns is so real that none can doubt or feel hesitant at their inclusion into a worship service. The possibilities of music as a ministry to the whole person and to the total community drew from you some of your deepest and most enthusiastic responses.

I would like to have had you with me at my music-for-the-jail experience today, I had written that this was now an extended renewal venture, taking many hours a week. The jail population now ranges between 1300 and 1600 inmates. The Chaplain and I move first to the women's chapel, where we sing for an hour with the help of a piano. Then we move to the tanks where there are from 30 to 50 men. There we sing without accompaniment (not even a guitar) folk songs of religious content such as "Lord of the Dance," "They'll Know We Are Christians by "Our Love;;' Broadway tunes such as, "Climb Every Mountain," "You'll Never Walk Alone;" spirituals; western ballads; patriotic songs; and close with Malotte's "Lord's Prayer," in which we intersperse verse or prose of original impromptu response. Someday soon I hope we'll be permitted to take a couple of instrumentalists with us behind those heavy clanging doors. In the jail, as in other places, one can no longer assume that the ways of the Church and its people are known. The inmates would not know any of the hymns. Ten to fifteen years ago they probably would have known most of the church's hymns (particularly of the personal gospel song variety). (That reminds me of the time that I asked a tympanist to play a special service, and, having checked about whether that was all I wanted before the service, he finished his playing in the service, picked up his tympani over his head, and walked out, in front of a thousand people! Afterwards, I found that I was wrong in assuming that he knew about services. He had never been to church, (and he was at least thirty years of age.) How far we will be able to take these imprisoned men will depend in part on politicians' and clergy's cooperation.

Another total community involvement of music was the occasions when you used to go with one of the choirs each month to our State Mental Hospital, leaving immediately after church. We will start this area of music therapy again in September with the cooperation of the Red Cross Chapter. We expect to use mainly folk songs because the mental hospital patient is growing more youthful in years. But, of course, there will be those elderly people who are also a part of our weekly extended ministries who are best ministered to with old personal gospel songs of the camp meeting variety. You remember my telling you what part rhythm and familiarity play in the response of these wonderful leaders of yesteryear. In one filthy Rest Home, 9 out of 13 women had sung an aggregate of over 175 years in church choirs. These are so often the forgotten people of a community.

Some of the greatest times we used to have together were when you were a part of our witness experiences of the Starlighters (Senior High Choir) to the State Juvenile Homes for boys (numbering 1800 plus) and girls (numbering 500 plus), with the use of every type of music at first, gradually moving to the hymns, spirituals, and other sacred songs. These trips took some of our most difficult preparation and have been some of our most lasting remembrances.

The work of the Church today is the most challenging that it has ever been because the lines of conflict and response are so sharply drawn. Even though you seemed so convinced of your calling to the Medic work in Viet Nam and gave all you had to it, I selfishly long for your suggestions in approaching so many of our contemporary Church problems, particularly in our attempts to reach the youth of our land. Our youth are full of conflicting values, and their responses nearly always are packed with realism in their eyes.

Do you remember the wonderful time we had when only six of us decided to carol at Christmas through the less-advantaged areas of the city as we had always done with larger groups—how we knocked on each door for a time, and how our six grew to nearly two hundred interracial carolers in the heart of a project center? It isn't easy to get young people to do this any more today, because of much understandable bitterness and distrust on every city street. The Church at this point could well remember the Cross. The scene of our dear Master turning to his disciples on the way to Jerusalem and asking, "Are you going to leave me, too?" is always before me today. Fun-loving young adults in towering apartments, sophisticated to the extent of changing the Christ of personal experience for a new morality which seems to give unmanageable license—businessmen and factory workers clamoring for things—educators, stumbling in—scientists and the search of what is safe and right to teach professional men living on their childhood's borrowed faith—all of these—and the stupefied young and old misfits—are clamoring for continued recognition, or for simple identity. The songs of today must sing to all of these. The ministry of music can find a way through all of these calloused, hurt, and closed minds. Experiences have been too numerous to discuss, Son, but I wanted you to know that you have helped point the way with your challenge to put music and its witness "Where the Action Is." In every such experience of a group witness in song, the Christ is always present and touching people with His healing balm, waiting for us before we come. The call for meaning is still real down every street, in every bar, coffee house, and high rise.

When one realizes how great was Christ's love for the city, all parts of it, he cannot but abhor how content we church musicians often are to make beautiful music for the select few who can understand, often feeling that our only responsibility is to produce it and let the people "Go hang," if they don't know what the "happening" is all about. The bus loads of youth from the various ethnic groups, the mental institutions, and scores of enthusistic youth and young adults marching and moving to new sounds and rhythms are shunned so that old standards and styles can still satisfy us. Shouldn't our prayer be, "Thank you, Lord, for the past, but help us to listen to Thy call to leave the stained-glass 'hang-ups,' and to use all of our talents, if necessary, to reach the least and lowest, whether on Park Avenue or the storefront church in the ghetto." The words of the following song must surely speak to the musician as well as the vast majority of our ministers and laity. (The acoustically dead but beautiful sanctuaries may be mentioned in passing as well as ill placed organs and choirs.)

Our Hang-Up on the Wall

(By Kent Schneider)

Christ in the city oh what a pity,
it's not where He should go
He doesn't belong there with the sin and the wrong there,
we'll keep Him on the stained glass window (where we can see him)
yes, let's keep Him on our stained glass window
Keep Christ out of slums away from those bums
The people will soil His gown
Let's all keep him spotless and among the good and rotless
and He'll never wear a frown
(He'll never need to 'cause) we've all got stars in our crown
He must have been a fine man, such a good and kind man,
just look at his flowing hair!
And that painting by Sallman makes Him such a tall man
as He hangs so high up in the air (above our heads)
Yes, his hang-up is in the air
Keep Christ out of life away from human strife
of racial riots the war and all
and while I come to think of it,
His skin's got a nice pink to it.
It's good to have him on our wall (He's on our side)
Yes, it's good to have Him on the wall.
Remember that He's King and never shall he swing.
with the lowly and forgotten herd
We are his people meeting in our steeple
to spend His "holy word" (among ourselves)
Yes, to spend his "holy word."
You who are singing, the solemn and non-swinging.
You who are painted on the pew
Christ died for the city, on us Lord have pity
for we have crucified you (upon the walls)
To us Lord please break through.

Renewal of the Church, as we always said, must come from renewed Christians who care enough to give all they have to the work in and out of the Church, working side by side with the Christ who seems always to supersede every experience when it serves God and man and is done in His spirit.

The loneliness without you, Son, is so very deep; but so much of you is expressed in every song that I can feel the tug of your heart pushing me on to greater ventures in the work of our precious Lord.

I love you, Son.

Dad.

[Department of the Army Headquarters, United States Army Vietnam, APO San Francisco 96375]

5 March 1969.

General Orders

Number 780—Award of the Silver Star

1. TC 320. The following AWARD is announced posthumously.

Johnson, Gary M. RA15808824 SSAN 455–72–2596 Specialist Four, United States Army, 45th Medical Company, 68th Medical Group, 44th Medical Brigade, APO 96384.

Awarded: Silver Star

Date action: 5 February 1969

Theater: Republic of Vietnam

Reason: For gallantry in action while engaged in military operations involving conflict with an armed hostile force in the Republic of Vietnam: Specialist Four Johnson distinguished himself by exceptionally valorous actions on 5 February, 1969.

ON IMPEACHMENT

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the matter of impeachment is a very grave and important one for the Congress, the country, and the President. An able attorney of Miami, Hon. Raymond L. Wise, has written a very informative guest editorial on the subject of impeachment in the Miami Beach Times of November 29. I believe Mr. Wise's article would be of interest to the Members of Congress and, therefore, it appears in the Record immediately following my remarks.

On Impeachment

(By Raymond L. Wise)

Impeachment should be based on careful study and analysis of fact and law by the Judiciary Committee of the House of Representatives and not on rumor and suspicion. We should all withhold judgment until our Representatives in Congress act for us under our Constitution.

A president can be impeached by a vote of 51% of the members of the House of Representatives, present and voting. Impeachment, however, is only an accusation and not a finding of guilt. The trial of the resolution of impeachment is prosecuted before the U.S. Senate, sitting as a trial court. The Chief Justice of the Supreme Court presides. Two-thirds of the Senators present and voting are necessary to convict. After conviction, the president is removed from office.

It is so serious a step that, for nearly two hundred years, only one president, Andrew Johnson, was impeached. He was tried by the Senate and acquitted by one vote, in 1868.

There are two legal theories of what constitutes a ground for impeachment. One is the extremely broad view once taken by Gerald Ford, who may soon be Vice President. In 1970, while he was trying to obtain the impeachment of Mr. Justice William O. Douglas of the Supreme Court, Mr. Ford said an impeachable offense was "Whatever a majority of the House of Representatives consider it to be at a given moment in history." The narrower and sounder view is that, in the case of a president, it must be shown that he committed a serious crime which was an offense against the state, such as treason, bribery, or obstruction of justice or other crimes of that nature.

In view of the tremendous impact on the nation and on the whole world of the use of so drastic a remedy, impeachment should be based only on the ground of the commission of "high crimes and misdemeanors" as called for by the exact language of the Constitution, Article II, Sec. 4. A conviction of the commission of crime should avoid serious disagreement among the people. Few of the 46,000,000 who voted for Mr. Nixon would protest such a result if the trial were fair.

On the other hand, a trial based on hatred or other emotionalism, or on inference and insinuation, or on general dissatisfaction with the way Mr. Nixon is doing his job, or even on the fact that Mr. Nixon selected numerous corruptible men for appointment to high office, close to him, would unnecessarily divide the nation into warring camps.

Therefore, the resolution of impeachment should be founded only on acts by Mr. Nixon, which he himself has admitted committing and which may be violations of criminal law. In short, the facts should be undisputed and the law settled.

If there are any such situations, fairness to Mr. Nixon would require impeachment and trial so that he may be cleared or removed from office.

There is probable cause to believe that Mr. Nixon committed several acts which would warrant scrutiny by impeachment and trial and which fit the above requirements .

The first of these is the illegal discharge of the special prosecutor, Archibald Cox, under circumstances which appeared to be an attempt to disrupt, block or—hopefully—terminate the investigation into Watergate and the other matters being investigated. It is no answer to say an employer can fire an employee. He can do so, but if the result of the firing constitutes an obstruction of justice, the employer must take the consequences.

A second is the discussion, on instructions from Mr. Nixon, by John Ehrlichman with Judge Matthew Byrne, in April, of the possibility of the appointment of Judge Byrne as head of the F.B.I. The discussions took place while the judge was trying the criminal charges against Daniel Ellsberg. The intent to influence the judge in his conduct of the trial can reasonably be inferred from Mr. Nixon's actions in showing a desire to convict Ellsberg from the time the Pentagon papers were first released by Ellsberg in June, 1971, such as the speeches by Mr. Nixon characterizing Ellsberg as endangering national security, ordering illegal wiretaps of Ellsberg's phone and of that of his lawyers, ordering that the records of Dr. Fielding, Ellsberg's psychiatrist, be obtained, knowing they cannot be obtained legally without Ellsberg's consent, and withholding for substantial periods of time the knowledge which Mr. Nixon had of the burglary of Dr. Fielding's office and of the wiretaps when, as a matter of law, the information should have been immediately turned over to Judge Byrne.

A third is the ordering, in May, 1969, of illegal wiretaps of seventeen newspapermen and White House aids. Some of those wiretaps involved conversations with Ellsberg in 1969 and in 1970. The inability of the F.B.I. to produce copies of the conversations at the Ellsberg trial was one of the grounds on which Judge Byrne dismissed the Ellsberg case in May.

A fourth is the ordering by Mr. Nixon of the formation of the "Plumbers", in July, 1971, shortly after Ellsberg released the Pentagon papers. In effect, Mr. Nixon was ordering the White House to set up its own illegal surveillance operation, bypassing the F.B.I.

A fifth is a ten-day obstruction of justice. After Dr. Fielding's office was burglarized, Assistant Attorney General Petersen, on April 16, 1973, informed Mr. Nixon of the burglary and told him that the information must be immediately reported to Judge Byrne, as the Ellsberg trial was in progress. However, Mr. Nixon refused to permit the information to be given to Judge Byrne until April 26, ten days later. Partly on the basis of the burglary, Judge Byrne, on May 11, dismissed the Ellsberg case.

The above five apparent grounds for impeachment are based on facts which are admitted by Mr. Nixon either in his speech of May 22, or in his October press conference, held at San Clemente, or in his statements after the discharge of Archibald Cox.

I have carefully avoided matters which are in dispute as to Mr. Nixon's role in them, such as Watergate and its cover-up; the I.T.T. anti-trust case; the milk price increase; the construction at San Clemente and at Key Biscayne; "the White House Horrors" described by John Mitchell before the Ervin Committee; the $571,000 tax deduction taken by Mr. Nixon for the donation of certain of his papers; the two-time choice of Agnew for Vice-President; the hiring of many in high places who are now charged with crime or being investigated; misuse and improper solicitation of campaign funds from Vesco, oil men and big industry generally; use of vast sums of such cash for questionable purposes; impounding funds voted by Congress; bombing Cambodia and concealing the fact of the bombing; "inoperative statements"; i.e. misinformation frequently given to the public; perversion of the proper use of the F.B.I. and the C.I.A.; the formation of the illegal interagency committee on July 23, 1970, and its rescission on July 28, 1970; the many assaults on civil liberties, including mass arrests without warrants; the use of an "enemies list"; recording conversations without notice to those whose words were recorded; the missing tapes; the Hughes contribution of $100,000; favors alleged to have been received by personal friends of Mr. Nixon; destruction of evidence by shredding and in other ways; the forged Diem cables; allegations of political prosecutions; accusations that the administration and Mr. Nixon himself have a tendency to act above the law; and that more than $1,000,000 was received in the 1972 campaign from men and women subsequently made ambassadors or ministers

As to a great many of those matters there is no credible evidence of the implication or even knowledge of Mr. Nixon personally. As to others, there are doubtful questions of law. As to still others, the motives are not clearly illegal. The use of many of them would warrant a justifiable cry that Mr. Nixon was being persecuted, not prosecuted.

And, finally, above all, Mr. Nixon should not be impeached just because, over 2800 years ago, Homer wrote:

> "For I hold that man hateful as the gates of Hell who says one thing, while another in his heart lies hidden well."

Impeachment should be made of sterner stuff!

IF RATIONING IS INEVITABLE THERE MUST BE SOME LOCAL VOICE

(Mr. RANDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RANDALL. Mr. Speaker, I do not feel quite so lonely today in the position I have taken concerning State and local authority to fairly allocate petroleum products in short supply. I am informed that Maryland's Governor Marvin Mandel, is today meeting with the energy czars to protest the time-consuming and counterproductive procedures by the bureaucrats in Washington wherein they insist upon reviewing and reversing State plans for dealing with the energy crisis.

It has been my position that State and local authorities are far better equipped to equitably treat with the fuel crisis on the basis of their knowledge of local conditions and the special needs that must be satisfied at the local level.

State and local voice over the parceling out of available supplies with some strong machinery for review in Washington, D.C., I submit, is necessary if we are to have a fair distribution of supplies and an equal shouldering of the burdens of shortages. If the evil of rationing should inevitably come, State and local voice will then be all the more necessary. I am gratified to find that the Governor of the great State of Maryland agrees with my position I advanced when we debated the energy bill on the floor of the House.

PERSONAL EXPLANATION

Mr. CHAPPELL. Mr. Speaker, when the vote was taken today on the motion to adjourn, I was not present. Had I been present I would have voted "nay."

PERSONAL EXPLANATION

Mr. McKAY. Mr. Speaker, I wish to state that I came in the Chamber this morning just after the quorum was established.

I request that the record so note.

PERSONAL EXPLANATION

Mr. TIERNAN. Mr. Speaker, on Thursday, December 20, 1973, when the House considered the Northeast Railroad Emergency Act, it has been brought to my attention that according to the record of that vote, I am not recorded as having voted. I was present in the Chamber and voted in favor of the bill, and I would like my explanation to appear in the record.

THE CONSUMER AND WORKING PEOPLE ARE FORGOTTEN: WILL THE MEEK INHERIT THE DEARTH?

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, the people of this Nation won a great victory last night over the unholy alliance of the oil corporations and the Nixon administration. This Capitol has been crawling with lobbyists from big oil, as their agents tried to place the Christmas filibuster gun to our heads and force the House of Representatives to accept this oily mess. Loud and clear rang out the answer: the people still rule.

But the battle is far from over, Mr. Speaker. Federal Energy Administrator William Simon, the alumnus of the Wall Street investment banking industry, the same Mr. Simon who intervened and tried to get the Federal Trade Commission to stop its antitrust complaints against the eight major oil corporations last July, has shown by his actions and statements that he preaches and practices the gospel according to Marcus Alonzo Hanna.

> Under the Simon voluntary rationing approach, the strong, the bold and the shrewd will get the gasoline—and the meek shall inherit the dearth.

That's the way Economist Walter Heller accurately states it.

Yesterday, the octopan tentacles of the oil corporations started to encircle the Capitol Dome itself through their agents on Capitol Hill. It is high time, Mr. Speaker, that we start giving top priority in this energy crisis to the millions of consumers and working men and women who are being shoved to the bottom of the totem pole while Mr. Simon and the lobbyists are emphasizing profits, incentives and protection of the big corporations.

Instead of abdicating our responsibility by turning all this power over to Mr. Simon, the Congress ought to mandate rationing, and insure that fair allocations of gasoline and heating fuel at fair prices be made to the working people and consumers of this Nation.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. Eshleman (at the request of Mr. Rhodes), for today, on account of illness.

Mr. Charles H. Wilson of California (at the request of Mr. O'Neill), for today, on account of illness in family.

Mr. Corman, for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Mezvinsky) and to revise and extend their remarks and include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Burke of Massachusetts, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Blatnik in two instances and to include extraneous matter.

(The following Members (at the request of Mr. Thone) and to revise and extend their remarks:)

Mr. Symms.

Mr. Whalen.

(The following Members (at the request of Mr. Mezvinsky) and to include extraneous matter:)

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Donohue in two instances.

Mr. Studds in three instances.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1920. An act to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pennsylvania, as the "James G. Fulton Flood Protection Project";

H.R. 3733. An act to authorize the American Battle Monuments Commission to assume control of overseas war memorials erected by private persons and non-Federal and foreign agencies and to demolish such war memorials in certain instances.

H.R. 9142. An act to authorize and direct the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States, and for other purposes;

H.R. 10511. An act to amend the Urban

Mass Transportation Act of 1964 to permit financial assistance to be furnished under that Act for the acquisition of certain equipment which may be used for charter service in a manner which does not foreclose private operators from furnishing such service, and for other purposes;

H.R. 11333. An act to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974 to provide increases in supplemental security income benefits, and for other purposes;

H.R. 11372. An act to conserve energy on the Nation's highways; and

H.R. 11576. An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes.

RECESS

The SPEAKER. Under the previous order of the House, the Chair declares the House in recess, subject to the call of the Chair.

The bells will be rung 15 minutes before the House is to return in session.

Accordingly (at 1 o'clock and 6 minutes p.m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a concurrent resolution of the House (H. Con. Res. 412) entitled "Concurrent resolution providing for the sine die adjournment of the 1st session of the 93d Congress," with amendments in which concurrence is requested.

PROVIDING FOR THE SINE DIE ADJOURNMENT OF THE 1ST SESSION OF THE 93D CONGRESS

The SPEAKER. The Clerk will report the concurrent resolution (H. Con. Res. 412) providing for the sine die adjournment of the 1st session of the 93rd Congress, with a Senate amendment thereto, and report the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment as follows:

Page 1, line 4, strike out "die." and insert "die or until 12:00 noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.".

SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it, or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SINE DIE ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with the provisions of House Concurrent Resolution 412, the Chair declares the 1st session of the 93d Congress adjourned sine die.

Thereupon (at 2 o'clock and 2 minutes p.m.), pursuant to House Concurrent Resolution 412, the House adjourned sine die.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on December 22, 1973, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1316. An act for the relief of Claude V. Alcorn and 21 others.

H.R. 1920. An act to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pa., as the "James G. Fulton flood protection project."

H.R. 2303. An act to continue mandatory price support for tung nuts only through the 1976 crop;

H.R. 3733. An act to authorize the American Battle Monuments Commission to assume control of overseas war memorials erected by private persons and non-Federal and foreign agencies and to demolish such war memorials in certain instances;

H.R. 4738. An act to provide for the striking of medals in commemoration of the 100th anniversary of the statehood of Colorado.

H.R. 5760. An act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Wash., in 1974.

H.R. 6758. An act to amend chapter 53 of title 28 of the District of Columbia Code, relating to usury, and for other purposes;

H.R. 8449. An act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes;

H.R. 8529. An act to implement the shrimp fishing agreement with Brazil, and for other purposes;

H.R. 9142. An act to authorize and direct the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States, and for other purposes;

H.R. 10511. An act to amend the Urban Mass Transportation Act of 1964 to permit financial assistance to be furnished under that act for the acquisition of certain equipment which may be used for charter service in a manner which does not foreclose private operators from furnishing such service, and for other purposes;

H.R. 10806. An act to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes.

H.R. 11088. An act to provide emergency security assistance authorizations for Israel and Cambodia;

H.R. 11238. An act to amend the act of March 16, 1926 (relating to the Board of Public Welfare in the District of Columbia), to provide for an improved system of adoption of children in the District of Columbia, and for other purposes;

H.R. 11333. An act to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes;

H.R. 11372. An act to conserve energy on the Nation's highways;

H.R. 11576. An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes;

H.R. 11771. An act making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes; and

H.J. Res. 858. A joint resolution, to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On December 20, 1973:

H.R. 5089. An act to determine the rights and interests of the Choctaw Nation, the Chickasaw Nation, and the Cherokee Nation in and to the bed of the Arkansas River below the Canadian Fork and to the eastern boundary of Oklahoma; and

H.R. 11459. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes.

On December 22, 1973:

H.R. 10717. An act to repeal the Act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin; to reinstitute the Menominee Indian Tribe of Wisconsin as a federally recognized sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians; and for other purposes.

On December 26, 1973:

H.R. 11088. An act to provide emergency security assistance authorizations for Israel and Cambodia.

On December 27, 1973:

H.R. 3490. An act to amend section 40b of the Bankruptcy Act (11 U.S.C. 68(b)) to remove the restriction on change of salary of full-time referees.

On December 28, 1973:

H.J. Res. 853. Joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac;

H.R. 655. An act to provide for the naming of the lake to be created by the Buchanan Dam, Chowchilla River, Calif.;

H.R. 3334. An act for the relief of Maria Lourdes Rios;

H.R. 3758. An act for the relief of Isabel Eugenia Serrane Macias Ferrier;

H.R. 7352. An act to amend section 4082(c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners; and

H.R. 11441. An act to postpone the implementation of the Headstart fee schedule.

On December 29, 1973:

H.J. Res. 736. Joint resolution to provide for a feasibility study and to accept a gift from the United States Capitol Historical Society;

H.J. Res. 865. Joint resolution authorizing the President to proclaim March 29, 1974, as "Vietnam Veterans Day";

H.R. 1316. An act for the relief of Claude V. Alcorn and 21 others;

H.R. 1920. An act to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pa., as the "James G. Fulton Flood Protection Project";

H.R. 2303. An act to continue mandatory price support for tung nuts only through the 1976 crop;

H.R. 4738. An act to provide for the striking of medals in commemoration of the 100th anniversary of the statehood of Colorado;

H.R. 5760. An act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Wash., in 1974;

H.R. 5874. An act to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes;

H.R. 6758. An act to amend chapter 33 of title 28 of the District of Columbia Code relating to usury, and for other purposes; and

H.R. 10806. An act to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes.

On December 31, 1973:

H.R. 8449. An act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; and

H.R. 11333. An act to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes.

On January 2, 1974:

H.R. 3733. An act to authorize the American Battle Monuments Commission to assume control of overseas war memorials erected by private persons and non-Federal and foreign agencies and to demolish such was memorials in certain instances;

H.R. 8529. An act to implement the shrimp fishing agreement with Brazil, and for other purposes;

H.R. 9142. An act to authorize and direct the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States, and for other purposes;

H.R. 11238. An act to amend the act of March 16, 1926 (relating to the Board of Public Welfare in the District of Columbia), to provide for an improved system of adoption of children in the District of Columbia, and for other purposes;

H.R. 11372. An act to conserve energy on the Nation's highways;

H.R. 11575. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes; and

H.R. 11771. An act making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes.

On January 3, 1974:

H.R. 11576. An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes.

HOUSE BILL DISAPPROVED AFTER SINE DIE ADJOURNMENT—URBAN MASS TRANSPORTATION ACT

The President announced his disapproval of the following bill with a memorandum of disapproval as follows:

I regret that I cannot approve H.R. 10511, a bill to amend the Urban Mass Transportation Act of 1964. Unfortunately, this bill has evolved so as to become an anti-transit measure.

In its favor is the fact that H.R. 10511 would facilitate the use of Urban Mass Transportation monies for the purchase of buses by allowing such equipment to be used for charter services. Unfortunately, however, the bill would leave in effect the prohibition against using buses purchased with Federal-Aid Highway funds in charter activities. By creating different standards for the purchase of buses from the two programs, the bill would discourage the use of highway funds for mass transit purposes. It would thus undermine one of the central achievements of the Federal-Aid Highway Act of 1973, the provision giving greater flexibility to States and communities in meeting their transportation problems. This we cannot afford.

I strongly supported legislation which applied uniformly to both the Federal-Aid Highway program and the Urban Mass Transportation program. The Senate version of the bill provided flexibility, encouraging bus purchases from both of these funding sources. It is essential that our communities' mass transit companies can use their buses to produce badly needed charter revenues, and I will continue to press for this balanced flexibility.

As we face gasoline shortages and an increasing demand for public transportation, we should do all we can to afford local officials genuine flexibility to use Federal-Aid Highway funds to improve mass transit if they so desire. I am withholding my signature from H.R. 10511 because this legislation would work directly against that objective.

I urge the Congress to act early in the next session to relax the charter prohibition uniformly with respect to both the Federal-Aid Highway program and the Urban Mass Transportation program. If this action is taken promptly, our mass transit systems need not suffer any adverse consequences.

RICHARD NIXON.

THE WHITE HOUSE, *January 3, 1974.*

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STAGGERS:

H.R. 12150. A bill to amend the Public Health Service Act so as to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance a national attack on arthritis; to the Committee on Interstate and Foreign Commerce.

By Mr. GUNTER (for himself, Mr. LEHMAN, Mr. ROE, and Mr. MATSUNAGA):

H. Res. 762. Resolution creating a select committee to conduct an investigation and study of the role of the oil and gas industry in contributing to the current energy crisis; to the Committee on Rules.

SENATE—*Saturday, December 22, 1973*

The Senate met at 1 p.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our Father God, who has illumined all history by the shining light of Bethlehem, we thank Thee for its message moving upon our human hearts, that makes us all children again, believing in the herald angels, singing with the watching shepherds, worshipping with the ancient kings.

For such a time as this may its message of "peace on earth, good will toward men" penetrate all hearts and guide all nations, that sin may be forgiven and suffering relieved by the worldwide reign of the Spirit incarnate in the Child of Bethlehem.

When our worship and festivities are over, send us all, like the shepherds and sages of old, back to the daily round different men and women to make different homes and different cities and different nations because we acknowledge the Lord of Life not on one day only but on all days. So let Thy light spread and Thy will be done, and the theme of the angels be the aim of all men.

Through Him who is born to be King of all life. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 7684) for the relief of Nicola Lomuscio, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 412) providing for the sine die adjournment of the 1st session of the 93d Congress, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 1920. An act to designate the portion of the project for flood control protection on Chartiers Creek that is within Allegheny County, Pa., as the "James G. Fulton flood protection project";

H.R. 3733. An act to authorize the American Battle Monuments Commission to assume control of overseas war memorials erected by private persons and non-Federal and foreign agencies and to demolish such war memorials in certain instances;

H.R. 11333. An act to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes; and

H.R. 11576. An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. METCALF).

HOUSE BILL REFERRED

The bill (H.R. 7684) for the relief of Nichola Lomuscio, was read twice by its title and referred to the Committee on the Judiciary.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, December 21, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO WEDNESDAY, DECEMBER 26, 1973, AT 9 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until 9 a.m. on Wednesday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the role.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HOUSE CONCURRENT RESOLUTION 412—SINE DIE ADJOURNMENT

Mr. MANSFIELD. Mr. President, I understand that a resolution of adjournment is at the desk. I ask the Chair to lay it before the Senate.

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate a message from the House of Representatives, which the clerk will state:

The legislative clerk read as follows:

H. CON. RES. 412

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Saturday, December 22, 1973, they shall stand adjourned sine die.

Mr. MANSFIELD. Mr. President, I wish to offer an amendment which will be in line with what the Senate has agreed to twice this year already.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 1, line 4, strike the period and, insert the following:

"or until 12:00 noon on the second day after their respective Members are notified to reassemble in accordance with Section 2 of this resolution, whichever event first occurs.

SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it, or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The concurrent resolution (H. Con. Res. 412), as amended, was agreed to.

Mr. MANSFIELD. Mr. President, the reason for amending the resolution was that twice this year the Senate agreed to the principle it established. It was agreed to on a bipartisan basis among the leadership of the House and the Senate and, incidentally, one of those concurring while he was the Republican leader of the House, is the distinguished Vice President, Mr. GERALD R. FORD.

I want to express the appreciation of the joint leadership to the Senate for the third time this year affirming that principle which, I think, has a great deal of validity so far as this institution and Congress are concerned.

Mr. President, the Senate already has granted permission to adjourn until 9 a.m. on Wednesday next. For the information of the Senate, that would be a pro forma session—in and out. No business would be conducted.

It is the intention of the joint leadership, if agreement cannot be reached, to operate on that basis until noon, January 3, barring, of course, unforeseen circumstances, and on January 3, under the joint resolution passed unanimously by the House and Senate and signed by the President of the United States, the Senate will then stand in recess or adjournment, whichever way one wishes to define it, from noon on January 3, 1974, until noon January 21, 1974.

Mr. GRIFFIN. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. GRIFFIN. I know the Senator means this, but I think to be perfectly clear, so far as the suggestion is concerned, if the House accepts the amendment we adopted we will not come in on Wednesday.

Mr. MANSFIELD. Of course. What the majority leader is endeavoring to do, as he tries at all times to do, is to take out a little insurance.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADJOURNMENT AND THE ENERGY BILL

Mr. BAKER. Mr. President, it is now 1:40 in the afternoon on December 22. We are apparently unable, at this point at least, even to agree with the distinguished other body on the method and manner we will adjourn sine die and how we will resolve ourselves on the matter of the authority of the leadership of the respective Houses to reconvene the Congress.

We stand, of course, in the shadow of the possibility that the President of the United States may feel the necessity to reconvene the Congress.

I have no idea of what will happen in those respects. I am not sure when we will adjourn sine die, or if we will adjourn sine die, but I have these remarks to make in the spirit of conciliation and in the spirit of this holiday moment.

During this past week I heard strong words in the conference on the energy bill. I was privileged to be a conferee, as was the distinguished Senator from Montana, the Acting President pro tempore. There was hard bargaining. There was extended debate. There were late night sessions and cancellations of plans not only for adjournment, but also for travel arrangements, speaking engagements, and the like, all in recognition of the fact that we were dealing with a matter of the utmost importance.

I suppose that one of the underlying and never-stated questions of the conference was who would have the authority to direct our route through the rocks and shoals of the present energy crisis, how much power would be given to the President and how much power retained by the Congress, the veto right, and the resolution of disapproval that the Congress might retain.

Those were legitimate concerns. Congress must continue to exercise its constitutional powers and be a full participant in this matter. However, the matter of coequal branches of the Government was legitimate as well. Stated in the vernacular, someone has to be the boss.

Someone has to make the tough decisions and have authority to make them stick.

But the note of conciliation that I would like to utter in these final hours of this session of this Congress are that notwithstanding our disagreements, notwithstanding our unfortunate inability to arrive at a mutual understanding between the two bodies in the form of an energy bill, notwithstanding the long hours and tedious work that has apparently now been lost, at least for this session of this Congress, notwithstanding the frayed tempers of the conferees and Members alike, and no doubt as well of the executive department, notwithstanding those things, we have to keep in mind that we still do have a crisis and a problem.

We must confront this crisis and deal with the problem. Our recent inability to deal with it must not harden into polarization.

It is the country that is the hostage and not the Congress and not the White House.

So, when we come back, whether that is tomorrow or next week or the 3d of January or the 21st of January, I hope that both bodies will put aside the emotions of the moment and dampen the fires and the controversies and once again get down to the business of the country.

It would be of small concern for the House to win or for the Senate to win or for the White House to win if people have to burn air in the fuel jets of their furnaces or their automobiles are stationary because they have no fuel. There will be little consolation for the country, or for those who are entrusted with making the policy decisions in this country. We still have an energy shortage. We cannot afford the luxury of winning or losing.

So many things were not done as a result of our failure to pass an energy bill. I was a conferee, not from the Committee on Interior and Insular Affairs, which had primary jurisdiction, but from the Public Works Committee which had jurisdiction over the extensive environmental provisions of this legislation.

I may say on the floor and in the presence of my distinguished chairman, the senior Senator from West Virginia (Mr. RANDOLPH), that I was very pleased at the progress we made concerning the necessity for a continuation of the fight for clean air and water. We did not throw out the baby with the bath water. We accommodated to the realities of the moment. We wrote, I believe, a realistic and practical section dealing with the automotive emissions that continues our forward momentum and progress in this field, and which will add certainly to the standards of the Clean Air Act. Industry will have an opportunity to fully realize the promise of the new techniques and new designs and to provide for improved fuel economy, as well.

I was impressed that the Clean Air Act provisions of the bill which were hammered out in what was, in effect, a subcommittee of the conference were representative of the environmental concerns of the Members of both the Senate and the House. When we brought our agreement on the environmental provisions to the whole conference, it was adopted almost immediately without extensive debate by the full conference.

In this spirit of conciliation, I must say that I do not want to see these sections go down the tube. We worked hard on them and made good progress.

I urge, and I fully expect, that when the next session of this Congress convenes and we pass an energy bill, that we will take into account those matters upon which we reach a satisfactory accommodation as well as those things that are still in hot dispute.

I hope that we can retain the clean air provisions—both the mobile source provisions and those dealing with revision of standards applicable to stationary power sources.

And as far as I am concerned, our temporary failure to succeed in this matter should in no way prevent our doing what needs to be done for the country early in the next session of the Congress. I believe there is a reservoir of good will that is far greater in scope than the reservoir of agony that brought us to this unfortunate situation.

I suppose that these are the last words I will have to say in this session of the Congress. I would like to take this opportunity to express my good wishes and my respect and admiration for all of those with whom I have served, to the distinguished chairman of the Public Works Committee and to the leadership on both sides of the aisle.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. BAKER. Mr. President, it is my great privilege to yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I wish to reinforce what the Senator from Tennessee has said in reference to the conference subcommittee's work as we attempted to cope with providing for a continuance of the environmental standards directly attributable to the Clean Air Amendments of 1970. I speak not a pleasantry, but a fact, when I express my appreciation to the Senator from Tennessee (Mr. BAKER) and to the Senator from Maine (Mr. MUSKIE).

As chairman of the Public Works Committee I joined in our effort. We also were privileged to work with Representative PAUL ROGERS of Florida and Representative HASTINGS of New York. There were many hours of consultation toward achieving a clarification of the points involved. During this work there was an undergirding and an understanding among the conferees.

When we went to the conference with the Senate's recommendations, there was a general confidence among the other Members in what had been done.

I certainly agree with what the Senator who has said: we must not, indeed cannot, allow what has been done, from the standpoint of clean air and the quality of life to be tossed aside. The standards under which we have moved forward represent concerted work, over a period of years which was substantial and necessary. Now we are talking about a pause, not a retreat, but a realistic accommodation to the energy crisis. We were proposing to do this on one or more occasions, even prior to the conference action on the emergency energy legislation.

I further endorse what the Senator from Tennessee (Mr. BAKER) has said about the need for the passage of the energy legislation. When this occurs I hope it will incorporate a considerable amount of what was done by the Senate but did not pass the Congress. I said yesterday during the debate on the emergency energy legislation that some parts of that conference report should have been passed by Congress before this session was to conclude. I still believe as I did yesterday, but I also feel called on to say, while the leadership on both sides of the aisle is present in the Chamber, that we should, as quickly as possible, come to grips with this matter again in the next session. Next year we cannot allow this matter to remain unsettled, let us say, until the spring. We should move promptly on our commitment, even though we failed in this instance. The citizens of our country expect us to act more completely and fully than we were able to do in this first session.

It certainly would be my hope that by early February we would be able to act on emergency energy legislation. A delay beyond that date would be unwarranted.

When the Congress returns we must act with reason rather than rancor, if the essential solutions to our immediate energy crisis are to be forthcoming. Toward this objective the administration and the Congress must join forces and work together.

I recall the words of President Nixon in his November 2 message to the Congress when the Chief Executive said—

> As essential as these actions are to the solution of our immediate problem, we must recognize that standing alone, they are insufficient. Additional steps must be taken, and for that perhaps, we must have new legislation.
>
> I am therefore proposing that the Administration and the Congress join forces and together, in a bipartisan spirit, work to enact an emergency energy bill. Members of my Administration have been consulting with appropriate leaders of the Congress for more than two weeks on this matter. Yesterday I met with the bipartisan leaders of the House and Senate and found them constructive in spirit and eager to get on with the job. In the same manner, I pledge the full cooperation of my Administration. It is my earnest hope that by pushing forward together, we can have new emergency legislation on the books before the Congress recesses in December.
>
> Based on previous consultations with the Congress, I have decided not to send a specific Administration bill to the Congress on this matter but rather to work with the Members in developing a measure that would be acceptable to both the executive and legislative branches.

While this spirit of consultation was reflected during the Senate's hearings and markup on the legislation, it was noticeably absent when it came time for action on the conference report.

If early Senate action is to occur next year such consultations will be essential; this Senator pledges his cooperation with the administration. My remaining concern is that the White House respond in kind. I share hope for cooperation.

As a postscript, I must add, that we

cannot forget that there are several measures that have or will become law. The President, I am sure, will sign the 55-mile-an-hour mandatory limitation on the speed of our vehicles. This will provide a tremendous conservation of gasoline, possibly as high as 165,000 barrels a day. It will contribute not only to more pleasant driving, but also to a better safety record in the months ahead. This measure might otherwise be overlooked; however, it was passed by Congress this session. The Congress also has passed Alaska pipeline legislation, the Emergency Petroleum Allocation Act of 1973, and the administration opposed Eagleton amendment to the Economic Stabilization Act of 1973. These measures, which are the positive product of the Congress, have served as the cornerstone of present energy conservation actions proposed by the President.

But the record of the Senate does not stop there; among the various measures which also have passed the Senate in recent months are the Energy Research and Development Policy Act, the National Energy Conservation Act, legislation providing a statutory basis for the Federal Energy Administration. Each of the measures represents an element of a national energy policy, which our country so vitally needs. Yet, none of the measures would be close to enactment without congressional initiative.

Mr. President, again, I commend my colleague from Tennessee (Mr. BAKER) who, as I determined long ago, is not in any sense politically partisan. Throughout our associations on environmental and energy legislation, he is one who has worked with those of my party in the interests of the Nation as a whole, and for the well-being of the American people.

It is appropriate and timely also, Mr. President, that we recognize the leadership of the Senate—majority and minority. These Senators who hold elective positions within the Congress' structure have worked together and cooperated with all Senators in an effective manner. Their efforts have been dedicated toward the enactment of legislation which will benefit all citizens. I know that their record of service will continue in the second session of this 93d Congress as we strive to enact much needed energy measures and other proposals.

Senators MIKE MANSFIELD and ROBERT C. BYRD, with Senators HUGH SCOTT and ROBERT GRIFFIN, have the appreciation and trust of their colleagues.

Mr. BAKER. Mr. President, I thank the distinguished chairman for his remarks and for his appropriate observations on the accomplishments of the Public Works Committtee. It is a great privilege to serve, as the ranking Republican of the committee, with the distinguished Senator from West Virginia.

I am pleased to follow in the great tradition of bipartisan cooperation in that committee, which dates back to 1967 when I first came to the Senate, and the distinguished Senator from Kentucky, John Sherman Cooper, was the ranking Republican. I was impressed then, and I have continued to be impressed, by the bipartisan spirit in which that committee works.

Mr. President, I shall not prolong these last minutes, but shall merely say that I thoroughly agree with the observations of the distinguished chairman of the committee. I think that by taking the actions we have taken with regard to the environment provisions of this energy legislation we have put the country on notice that we intend to move in this field. We have disclosed through the conference report, which unfortunately we are not adopting, our work product.

Some of the uncertainty regarding clean air standards is dissipated, for surely both the country and industry, especially the automobile industry, understands the direction in which we are moving, and we shall continue to move in a direction which will benefit the entire country.

I reiterate that I hope we will lay our disappointment aside, and that when we return, we will pass this legislation, because not only the Senate, the House, and the President, but the whole country will be the loser if we do not.

Mr. LONG. Mr. President, I wish to express my supreme disappointment that the Senate and the House have not been able to come together in agreement on an energy bill.

Last night the distinguished majority leader expressed a wish that the Senator from Louisiana join with those who were conferring with Senators on the Republican side in the Vice President's ceremonial office, to help to work out a compromise. I think the RECORD might as well reflect at this point that I was pressing those who opposed the conference, to move toward a middle ground, as well as with those who were expressing themselves in favor of the conference report, and in supporting the chairman of the committee, the distinguished Senator from Washington (Mr. JACKSON), that both sides should make concessions.

I think that those who agreed with the administration, in general, and those who seriously objected to the conference report were willing to yield on all but about four of those points. The manager of the bill, the distinguished Senator from Washington (Mr. JACKSON) and his colleagues were willing to come to terms on a number of items, and there was some agreement that the others were willing to yield.

So the Senate did a very fine job of resolving those things in ways that men of honor could advance something which could promote the national interest.

I am an admirer of the chairman of the Committee on Interstate and Foreign Commerce, of the House of Representatives, Mr. STAGGERS. As one who admires him, I am very much disappointed that we were not able to come to terms with him. Unfortunately, it appears that his position was completely adamant on one item. We were never completely rigid about it, speaking for myself. We still are willing to consider it and try to reach a point where we can reconcile our differences.

Unfortunately, the press reports indicate that the chairman of the House Committee on Interstate and Foreign Commerce said that the Senate was trying to run over the House, to treat it as though it were a doormat. I hope the chairman of the House committee will read my remarks and learn that we did all that we could do to get the Senate to agree on something and were trying to get the House to agree. We tried to get the House to agree to a compromise, but it was impossible to do so.

So far as I can determine, in talking to my colleagues in the House, and so far as the record will reveal, there was no opportunity for Members of the House of Representatives to grasp all of the good will at Christmastide that went into the proposed Senate compromise. We regret very much—I am sure that I do—that very little of our good intentions were understood by those in the House of Representatives. In fact, I do not believe it was even suggested for a moment that we had men of good will on this side. We are still that way, and I hope that the spirit of the yuletide season will penetrate to the House of Representatives, as indeed it has in the Senate, and that between now and the first of the year those who have exercised tremendous power in the House will be in a more conciliatory mood.

I asked my friend, JOE WAGGONNER, who serves on the Ways and Means Committee, how it could possibly have been that the Commerce Committee in the House could ever have been accorded the power to pass a so-called excess profits tax law or a Renegotiation Act. The best information I could obtain is that it never occurred to anyone on the Ways and Means Committee of the House that the Rules Committee would grant such an extraordinary rule, that the committee, which did not have jurisdiction of tax or renegotiation measures, would be permitted to take such a matter to the floor without at least according those on the tax-writing committees the opportunity to share the floor and be heard.

Nevertheless, that is how it was. So the Commerce Committee became the tax committee on this, having drafted the first tax law that that committee had drafted in many years—perhaps the first time it has ever drafted a tax law. That committee has been totally unyielding on it. Apparently it was yielding to the point that they were willing to eliminate coal from their Renegotiation Act. I understand—and I will stand corrected if the record proves me wrong—that the chairman of the Commerce Committee, coming from a coal-producing State, did support the measure to eliminate coal from the Renegotiation Act which he would impose on oil.

That really does not get to the real problem. The problem is that one-third of our oil must be imported. We cannot except anyone to sell us world market oil at a price below the world market price. I know that the Commerce Committee of the House can do a fine job of regulating the activities that occur within the United States. I have never seen it proved that the Commerce Committees of Senate or House, or their joint efforts, can do very much about regulating foreign countries. I will await with interest to see it demonstrated if they can regulate Nigeria, Venezuela, Iraq, Iran, or Saudi Arabia. If they want to try it, I am willing to give them my support and my help, provided they will not exert their efforts to regulate foreign nations on a measure as vital as the energy bill which must become law.

That is basically what much of the problem is. We may have to pay a higher price for oil. We may have to pay a higher price for liquefied natural gas during the period of the blockade and the emergency in order to acquire what we can to keep Americans warm. It would be unfortunate if Americans, willing to pay any price to obtain fuel to heat their homes, to carry on their businesses, and to move around, found themselves in a situation where they cannot obtain fuel at any price.

I fear, Mr. President, that that may be what will develop between now and next spring, if the emergency becomes sufficiently acute.

I am convinced that Congress will measure up. Unfortunately, at this point, we do not have enough of an emergency on our hands for statesmanship to reach its zenith. However, I am fully convinced that when the emergency is sufficiently with us, Members of the Senate and our colleagues in the House will prove that they are equal to the task.

Some time ago I said that I really did not think the Senate has the power to destroy this country. I stated that facetiously. I really feel that way about Congress. I do not think Congress has the power to destroy a nation as great as this one—certainly not by neglect. One reason is that Members of the Senate and House react when the emergency becomes acute. We will, in my judgment, measure up to the problem that faces us.

As the chairman of the tax-writing committee, I expect to recommend to that committee and I have strong hope the committee will vote for a measure which does tax excess profits achieved during the energy crisis. But I would hope very much that whatever measure we will write will encourage people to produce more energy, and provide us with more fuel, and that it will be a measure that sees that the purpose should be to achieve more production, greater wealth for this country and, at the same time, to tax those who have some gains to which they are not rightfully entitled. If the details can be worked out, I believe that the Finance Committee and the Ways and Means Committee are capable of working it out.

I regret to say that the effort by the Commerce Committee thus far has fallen short of the target. For example, in their initial effort to write a renegotiation and an excess profits tax law, they set as their base a number of years which from the point of view of the domestic industry were depressed years. Obviously, an excess profits tax should be based on the excess over a fair profit, not the excess over a depressed year. Then, having failed to write language that would properly describe an excess profit, they sought to turn over to a single man, the so-called Administrator, the right to say what he thought the excess profit should be.

It has never been my experience that one man could write a tax law or a Renegotiation Act as well as the broader responsibility of a committee. I would hope that in the days ahead, as passions cool and as the yuletide season gains hold on Senators and Members of the House, the impasse in which we find ourselves will dissolve into the kind of good will which we wish every man and woman in the coming year.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the resolution (H. Con. Res. 412) providing for the sine die adjournment of the first session of the 93d Congress.

VITIATION OF SENATE ACTION ON SENATE CONCURRENT RESOLUTION 62

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senate action on Senate Concurrent Resolution 62 be vitiated.

The ACTING PRESIDENT pro tempore. Is there objection. The Chair hears none, and it is so ordered.

VITIATION OF ACTION ON ADJOURNMENT RESOLUTIONS

Mr. MANSFIELD. Mr. President, if there are any other resolutions at the desk covering the same subject, advocated by the leadership, I ask unanimous consent that they be vitiated, also.

The ACTING PRESIDENT pro tempore. Without objection, action on all such resolutions, if any, will be vitiated.

ADJOURNMENT SINE DIE—MESSAGE FROM THE HOUSE

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House.

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives:

> *Resolved*, That the House agree to the amendment of the Senate to the resolution (H. Con. Res. 412) entitled "concurrent resolution providing for the sine die adjournment of the first session of the Ninety-third Congress."

VITIATION OF ORDER FOR A PRO FORMA SESSION ON WEDNESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order under which the Senate would come in on a pro forma basis on Wednesday next to be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

U.S. POLICY TOWARD THE PEOPLE'S REPUBLIC OF CHINA

Mr. MANSFIELD. Mr. President, when Secretary of State Kissinger was last in Peking, he went to considerable length to emphasize that the new U.S. policy with respect to the People's Republic of China was here to stay. As I recall, he stressed that whatever might be churned in our internal political mills, it would affect, in no way, the continuance of the détente with that nation.

The Secretary of State, of course, cannot speak for the next President of the United States anymore than a Member of the Senate can do so. Nevertheless, in my judgment, Mr. Kissinger was on eminently sound grounds in stressing the bipartisan nature of present U.S. policy. As a Democrat, I acknowledge readily that it was a Republican President and his assistant who took the first significant official step toward rapprochement with China after a protracted separation. Mr. Kissinger's laying of the groundwork was exemplary diplomacy and Mr. Nixon's visit to China was immensely effective summit contact. Both are to be commended for a wise and long overdue initiative. In retrospect, I cannot recall that any Democratic Member of the Senate was hostile to or in any way opposed this step which was taken in the closing period of the first Nixon administration. On the contrary, the President proceeded from a base of assured support in the Congress. Insofar as the Senate is concerned, individual Members had been suggesting for years prior to the official initiative that it was time for a change in China policy. Speaking for myself, the President knew that he could count on full support because, with his knowledge and collaboration, I had been trying for several years—beginning back in the Johnson administration—to open the doors to renewed contact with China.

So with that background and with the bipartisan congressional visits which have since taken place, the new China policy can be said to have put down deep bipartisan roots. I would note, for example, that during the first congressional visit to China, shortly after that of the President's, both the minority leader (Mr. Scott) and I endorsed fully the policy which Mr. Nixon had set. The same was true in the case of the visit of the assistant Republican leader (Mr. Griffin) and the subsequent House leadership, a visit which included, I might note, the participation of the distinguished President of the Senate, Vice President Ford, who would, of course, succeed to the Presidency in the event of a vacancy in that office during the next 3 years. I would note, too, that Vice President FORD has indicated that if by some chance he were to be called to the Presidency, he would retain the services of the present Secretary of State.

Beyond the next 3 years, Mr. President, we are dealing with the unknowns of domestic policies, not to speak of those of international politics. As I said, no one can speak for the next President of the United States. I would venture to suggest, however, that if the rapprochement continues to unfold as it has to date, it is inconceivable that any administration—Republican or Democratic—which takes office after the elections of 1976 would fail to stay with present China policy. Indeed, it may even be that the pace of reconciliation would be accelerated. Certainly, I cannot envision at this time an acceptable alternative to that policy and it is doubtful that the preponderance of the people of the Nation or the Congress would sustain any other.

So, again, let me say that I think that the President and his Secretary of State are on the right track with regard to China and both are to be commended for pursuing it. I am persuaded that the logic of the international situation and the realities of our political process are very likely to keep it going in the same direction under any successor President—Democrat or Republican. In my judgment, only unforeseen and extraordinary developments in Asia can deflect this Nation from that policy. In the long run, the rapprochement of the People's Republic of China and the United States is too full of constructive significance to both nations to be derailed by internal political adjustments in either nation.

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. HUGH SCOTT. Mr. President, I am very happy that the majority leader has made this very important point pertaining to our current and future relationships with the People's Republic of China.

There have been visits now by a number of Senators to the People's Republic, including the distinguished majority leader and myself, the distinguished assistant minority leader (Mr. GRIFFIN), and the distinguished Senators from Washington (Mr. MAGNUSON), Alabama (Mr. SPARKMAN), and Wyoming (Mr. MCGEE), as well as a number of Members of the House. Therefore, the bipartisan spirit of continued coordination and a move toward normalization of relationships is expressed by the visits and the views of the Members of both parties in Congress, as well as by the actions taken by the Chief Executive.

I think it is very reasonable to assume that no matter who may occupy the office of the Presidency in the future and no matter who may hold the positions we now hold in Congress—I mean by that the body generally, of the Senate and the House—a continuance of a good bipartisan relationship can be expected.

We have found the people of the People's Republic of China to be cordial in their approach to us, frank in their relationships, and cordial to us as visitors. We, in the Senate, have acted as hosts for a number of visitors from the People's Republic of China, and they have reciprocated in entertaining a number of Americans, individuals and groups, as they visited the People's Republic of China.

So, having had for a good part of my life a very strong and personal interest in the history and the development and the culture of China, I am especially pleased that the distinguished majority leader has mentioned this relationship. I think it bids fair to improve and to be widened. It is my hope that many Americans will be able to see for themselves the People's Republic of China, as the facilities of that nation expand for the purpose of receiving and entertaining visitors.

So I thank the distinguished majority leader. I am sure that neither he nor I will ever regret our latest trip to the People's Republic. We both had been there before. I certainly look forward to another visit there at an early opportunity.

Mr. MANSFIELD. I thank the distinguished Senator.

Mr. President, before I call up the resolutions which accompany an adjournment resolution, I would suggest the absence of a quorum.

Mr. LONG. Mr. President, will the Senator withhold that for a moment?

Mr. MANSFIELD. Yes.

Mr. LONG. Mr. President, I believe the Senator is going to make a motion that would not be debatable. I wish to say before we leave that having observed this body for many years, dating to the days when my father served here, it has been my impression that there has been no leader of the Senate who has been more thoroughly considerate of all Senators and who has done more to bring together people than the distinguished Senator from Montana.

In my opinion, not having known all the majority leaders, but having known some great ones, he is the greatest majority leader the Senate has ever had.

There are differences that remain between the House and the Senate, but no differences among Senators; they have all been resolved in this Congress. A great deal of that is the complete responsibility and achievement of our distinguished and able majority leader, the Senator from Montana.

In these days of sparse attendance, when I see only a few faithful on the floor, I feel that the Senate is particularly fortunate to have great leadership on both sides on the aisle: our distinguished and able assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD); the distinguished minority leader, the Senator from Pennsylvania (Mr. HUGH SCOTT); the distinguished assistant minority leader, the Senator from Michigan (Mr. GRIFFIN). I really think there never has been a time in the history of the Senate when men of good will have worked together more diligently, sincerely, earnestly, and effectively for the ultimate good of this Nation. I only regret it has not been possible in all cases for the good will to penetrate the other body. But I hope that starting in January even that will be possible.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLEN. Mr. President, I, too, would like to join in the praise that has been given to the leadership on both sides of the aisle, and particularly to the distinguished majority leader for his leadership as the majority leader, to the joint leadership; and certainly the distinguished majority whip, the Senator from West Virginia (Mr. ROBERT C. BYRD), at whose feet I have learned and served here in this body.

I have served under only one majority leader, being a freshman Member of the Senate, but I recall that one of the first statements I made on the floor in the Senate when I saw the fair-minded, statesmanlike manner in which the majority leader was conducting the duties of his office, was that the majority leader was growing in my esteem by leaps and bounds. That has been almost 5 years ago and he has continued to grow in my estimation. One thing that I appreciate so much in the majority leader is that he is anxious that every Member of the Senate have an opportunity to have his way and speak out on the issues before the Senate. He is fair-minded; he certainly has great qualities of leadership. He is loved by every Member of the Senate.

I have not always agreed with the majority leader. On occasion when I have voted as the majority leader has voted, I have jokingly said to him, "I am following my leader on this occasion."

But irrespective of whether we vote together on the issues, I know that the people of the State of Alabama are going to have their opportunity to be heard through their two Senators.

So we appreciate this courtesy, this gentlemanly conduct, and treatment that we have always received in the Senate.

I never have had the pleasure of knowing a person who was fairer, who was more dedicated to the public interest as he sees it than is the distinguished majority leader.

I cannot let the opportunity go by without commending the majority leader, the assistant majority leader, the distinguished Republican leader, the assistant Republican leader, and the joint leadership, who give those with differing views an opportunity to be heard in the Senate.

Speaking for the people of Alabama, we are appreciative of this courtesy.

Mr. MANSFIELD. I thank the distinguished Senator for his words are most pleasant, but I must say I feel embarrassed.

Mr. HUGH SCOTT. Mr. President, I would not want to extend indefinitely the embarrassment of our friend, the distinguished majority leader. I have on recent occasions spoken more at length on the same subject but I would like to say here one more time that the relationship which I have enjoyed with the distinguished majority leader and the distinguished assistant majority leader, and the distinguished assistant minority leader has been cordial, cooperative, very happy, interesting, and a worthwhile experience for me. We have been dealt with at all times with total integrity and the utmost understanding of our problems.

We have said before how fortunate we are in having the opportunity on this side to deal with leaders of the caliber of the men who represent the majority in the Senate. We have contained our differences within those essential and tolerable limits of mutual respect and mutual recognition, but this is a body wherein debate flourishes, but flourishes for the sole purpose of ascertaining what is the best and most effective way by which we may discharge our common duties, and involves, too, a continuing search for the truth through the maze of opinion and how imperfect we may be in this exercise. But the fact that we are able to do it within the finest traditions of the Republic is to me indeed a very reassuring and pleasant thought with which to end our present session of the Congress.

Mr. MANSFIELD. I appreciate all those remarks but I am glad that those outside the leadership, like the distinguished Senator from Louisiana (Mr. LONG) and of the distinguished Senator from Alabama (Mr. ALLEN), have taken in the whole leadership collectively on both sides of the aisle because what has been done in this body has been a joint effort and with a lot of understanding and cooperation between Democrats and Republicans, and that has all been forthcoming.

Now, Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The routine morning business transacted during the day is printed at this point in the RECORD by unanimous consent.

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore (Mr. METCALF) on today, December 22, 1973, signed the following enrolled bill which had previously been signed by the Speaker of the House of Representatives:

S. 2812. An act to amend the Federal Water Pollution Control Act to establish the ratio for allocation of treatment works construction grant funds, to insure that grants may be given for other than operable units, and to clarify the requirements for development of priorities;

H.R. 8449. An act to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes;

H.R. 8529. An act to implement the shrimp fishing agreement with Brazil;

H.R. 11238. An act to amend the Act of March 16, 1926 (relating to the Board of Public Welfare in the District of Columbia), to provide for an improved system of adoption of children in the District of Columbia, and for other purposes; and

H.R. 11771. An act making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JOHNSTON (for himself and Mr. HASKELL):

S. 2860. A bill to amend the Natural Gas Act to extend its application to the direct sale of naural gas in interstate commerce, to provide that fair market value shall be the just and reasonable rate for new sales in interstate commerce, and to require full cost rates for industrial sales in interstate commerce. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSTON (for himself and Mr. HASKELL):

S. 2860. A bill to amend the Natural Gas Act to extend its application to the direct sale of natural gas in interstate commerce, to provide that fair market value shall be the just and reasonable rate for new sales in interstate commerce, and to require full cost rates for industrial sales in interstate commerce. Referred to the Committee on Commerce.

NATURAL GAS AMENDMENTS OF 1973

Mr. JOHNSTON. Mr. President, I am pleased today, on behalf of myself and the junior Senator from Colorado (Mr. HASKELL), to introduce amendments to the Natural Gas Act that will, I believe, provide a basis for solution to at least a part of the energy crisis.

Mr. President, in my judgment, the time has come to seek a compromise that will allow this Nation to begin to seek self-sufficiency in its natural gas supply. Like most compromises, it will be satisfactory to none but tolerable by all those who, in good faith, seek a solution to seemingly irreconcilable differences. Those who believe in continued regulation, yet admit that regulation has not been a success in natural gas, must reconcile with those who believe in no regulation at all, yet admit that an uncontrolled price in times of acute shortage may result in an unjustified price. I believe the bill that I am introducing today accomplishes these objectives.

We must face the fact that the present situation with respect to natural gas is intolerable to the national interest. We clearly need to expand the supplies of natural gas available to our citizens and, at the same time, to assure that our natural gas resources are more efficiently used. Those who have seen the intrastate market bid away gas that otherwise might have gone to the interstate market can agree that market conditions must be brought into balance—but one school of thought would visit the failure of Federal regulation of the intrastate market by eliminating price competiton, while the other would free the interstate market to compete with intrastate bidders without regulatory supervision. People of good will will acknowledge that there is a middle ground—a compromise that retains regulation only of the interstate market but permits competitive bidding at fair market value, with adequate consumer protection.

All of us recognize that, first and foremost, it is the consumer whom we must protect, and it is well to concede that neither school of natural gas thought has adequately considered the plight of the homes, the schools, and the hospitals that need natural gas. These important users of natural gas need an assured supply at the lowest cost. For years these domestic and commercial consumers have paid far too much for their gas in relation to the price paid by industrial consumers of our interstate lines. These industrial consumers were afforded the opportunity to buy large quantities of gas at rates a fraction of the homeowner's cost. Even in the 1960's these industrial consumers were guaranteed "sweetheart" rates cheaper than coal or any competing fuel by the Federal Power Commission, and this was justified on the grounds that "loads were balanced" or "more economical pipelines could be built" or "lower unit costs were available to housewives." In that period of time, many electric utilities switched from coal or oil to gas, in whole or part, simply because it was cheap. And it was cheap only because the Federal Power Commission set far too low a price at the wellhead and compounded its error by loading a disproportionate cost on the homeowners.

Whatever justification there may have been for this policy disappeared when interstate pipelines began to shut off or curtail their customers for want of gas supply. Therefore, with threats to health, safety, welfare and jobs, we in the Congress must focus first on supply. But we must not forget price, and that price can be controlled, not by asking the Federal Power Commission to regulate more, but by requiring industrial consumers to pay the full cost of all new gas supplies, thereby leaving the older, cheaper supplies for homeowners. We must also reverse the trend of those electric utilities who switched to gas to take advantage of inexpensive natural gas. The interstate pipelines will soon find the market clearing level when their industrial customers, direct and indirect, refuse to take gas and find that, after all, other fuels and environmental controls are not so bad after all. In the meantime, new supplies can be encouraged, while homeowners are insulated from risk of failure on the part of those who say—"get supplies at any price"—and those who say—"hold the price for any supplies."

The compromise that is contained in the legislation that I am introducing today involves the following general provisions:

First. New gas is defined as gas first dedicated for sale in interstate commerce after the effective date of the act. This means that only natural gas brought to market for the first time, or gas sold to an interstate pipeline upon the expiration of an intrastate contract, after the effective date of this legislation would be eligible for the "fair market value" regulatory approach of this legislation, thereby avoiding any claim of windfall profits by legislation.

Second. An opportunity for a hearing is afforded any affected consumer or consumer group who wishes to establish that the rate proposed to the Federal Power Commission by an interstate pipeline and an unaffiliated natural gas company is not the fair market value of that gas, defined as the price set by an unaffiliated buyer and seller. An affiliated producer is required to establish that the price set in his contract with his affiliate is no higher than fair market value, as defined. Should the Federal Power Commission determine that the contract price was not the fair market value, the producer will be required to cease the sale.

Third. To ease the administrative burden on the Federal Power Commission, the Commission may, by rulemaking, establish a prima facie fair market value on a nationwide basis, subject to judicial review, and decline to hold hearings unless the contract price exceeds the prima facie standard. To eliminate uncertainty, the new gas rate set in AR70–1, unless modified or set aside upon judicial review, will constitute the first prima facie fair market value.

Fourth. The Commission will retain abandonment jurisdiction over all gas sold in interstate commerce from the time a certificate is accepted, but producers will be permitted to collect the contract prices for old gas after the contracts expire. The Commission would be permitted to authorize a higher rate upon showing of need for special relief to avoid waste, premature abandonment, or confiscation, or upon showing that additional developmental drilling will be undertaken by the producer if a higher rate is permitted.

Fifth. All costs of purchased new gas will be recorded in a separate account by interstate pipelines, and the Commission, by appropriate allocation and rate design, will assure that all industrial customers will pay the full cost of the new gas, including fully allocated fixed and variable costs allowed the pipeline in its cost of service, with all savings in the cost of service thus achieved being used to reduce rates to residential, commercial, feedstock, process users, and plant protection customers.

Mr. President, I believe that the legislation that Senator Haskell and I are introducing today will meet the challenge of both providing incentives for developing much-needed new supplies of natural gas and protecting the legitimate interests of the consumers of this country. I strongly urge its prompt consideration and passage.

I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Amendments of 1973".

SEC. 2. Subsection (b) of section 1 of the Natural Gas Act (15 U.S.C. 717(b)) is amended by striking out "for resale".

SEC. 3. Subsection (6) of section 2 of the Natural Gas Act (15 U.S.C. 717a(6)) is amended by striking out "for resale".

SEC. 4. Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by adding the following subsections:

"(10) 'Fair market value' means the rates and charges made, demanded or received by agreement (except indefinite pricing clauses, if any) between a willing natural gas company that transports and sells natural gas in interstate commerce and a willing natural gas company that sells, but does not transport, natural gas in interstate commerce, neither of which natural gas company is affiliated with the other.

"(11) 'Definite pricing clause' means a provision in a producer contract which—

"(A) sets forth the price to be paid for natural gas delivered under such contract in terms of specific monetary units, including charges for specific supplemental services to be performed by the producer, without reference to any other contract, price, or circumstances, including, in addition to the initial price, any increases in the initial price, by specific amounts which shall become effective at definite future dates, or which become effective upon establishment of prima facie fair market value by the Commission;

"(B) changes in the price in order to reimburse the seller for all or any part of the changes in production, severance, or gathering taxes or taxes of a similar type or kind levied after a specific date; and

"(C) establishes the price to reflect changes in the heating value of the gas delivered under such contract.

"(12) 'Indefinite price clause' means a provision in a producer contract, other than a definite pricing clause, under which the price for natural gas sold under the contract may be determined or changed.

"(13) 'Affiliate' means a natural gas company directly or indirectly controlled by, controlling or under common control with another natural gas company. For purposes of this definition, and without limiting the generality of the foregoing, a natural gas company will be deemed controlled by another corporation if a member of the board of directors of the natural gas company (or of a parent of the natural gas company) is also a member of the board of directors of the other corporation (or of a parent of the other corporation).

"(14) A corporation will be deemed a 'parent' of another corporation if the former corporation is the beneficial owner of more than 50 percent of the voting power of the latter corporation.

SEC. 5. Subsections (a) of sections 4 and 5 of the Natural Gas Act (15 U.S.C. 717c(a) and 717d(a)) are amended by inserting at the end of each of those sections the following:

"Provided, however, That (i) the just and reasonable rate for the sale of natural gas first dedicated for sale in interstate commerce on or after the effective date of this Act shall be the fair market value of that gas; (ii) if such sale is by a natural gas company to one of its affiliates, the burden of proof of fair market value shall be on the applicant; otherwise, the burden of proof shall be on intervenors in opposition; (iii) the just and reasonable rate for the sale of natural gas delivered pursuant to an existing contract that expires on or after the effective date of this Act shall, upon expiration of such contract, be the rate fixed in the expired contract unless, by appropriate order, the Commission authorizes a higher area or individual rate to prevent waste, premature abandonment, or confiscation, to encourage further exploration or development, or to reflect changes in cost and noncost factors in ratemaking, and

"Further provided, That the just and reasonable rate for sales in interstate commerce for industrial fuel use shall be not less than the fair market value of sales of natural gas to the natural gas company that transports natural gas in interstate commerce and the full cost of transportation allocated to firm customers at the same delivery point or zone."

SEC. 6. Subsection (c) of the Natural Gas Act (15 U.S.C. 717f(c)) is amended by inserting at the end thereof the following:

"Provided, however, That no hearing is required prior to certification of sales (but not transportation) of natural gas in interstate commerce for the first time on or after the effective date of this Act, if the rate charged, demanded or received is equal to or less than the *prima facie* fair market value which the Commission may, from time to time, establish by rulemaking without a hearing, in an amount not less than the last new gas rate determined by the Commission in any proceeding completed prior to the effective date of this Act, unless such determination is modified or set aside upon judicial review, and

"Further provided, That the sale of natural gas to a natural gas company for transmission and sale in interstate commerce may be commenced at the proposed rate upon the filing of the application for a certificate and may be continued until the certificate is issued or denied, and, if denied, the sale shall be terminated forthwith without liability for refund."

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, December 22, 1973, he presented to the President of the United States the enrolled bill (S. 2812) an act to amend the Federal Water Pollution Control Act to establish the ratio for allocation of treatment works construction grant funds, to insure that grants may be given for other than operable units, and to clarify the requirements for development of priorities.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signatures to the following enrolled bills:

H.R. 9142. An Act to authorize and direct the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States, and for other purposes;

H.R. 10511. An Act to amend the Urban Mass Transportation Act of 1964 to permit financial assistance to be furnished under that Act for the acquisition of certain equipment which may be used for charter service in a manner which does not foreclose private operators from furnishing such service, and for other purposes; and

H.R. 11372. An Act to conserve energy on the Nation's highways.

The ACTING PRESIDENT pro tempore (Mr. METCALF) subsequently signed the enrolled bills.

ADDITIONAL STATEMENTS

OIL PRICE RATIONING AND EXCESSIVE PROFITS

Mr. HUMPHREY. Mr. President, in the last several weeks we have seen gasoline and home heating oil prices rise at shocking rates. Wholesale fuel prices, which are up nearly 50 percent over December of 1972, exploded by 19.3 percent in November alone, the greatest 1-month increase in decades.

Wednesday, the Cost of Living Council increased the ceiling price on crude oil by $1 a barrel. This will soon be reflected in a 2.3 cents-a-gallon rise in what consumers must pay for gasoline and fuel oil.

At this rate, it may soon cost a man on the minimum wage a full day's pay simply to fill his gas tank.

And if these increases to date are not enough of a burden on the American consumer, he can ponder the recent statements by Mr. William Simon, the head of the new Federal Energy Office, to the effect that gasoline prices may have to go up by 30 cents per gallon to achieve the desired reduction in consumption.

Before this policy of "price rationing" goes any further, however, I believe that the administration should explain to the Congress and the public just what real evidence it has on the effectiveness of further large price increases in cutting consumption. This so-called price rationing works a heavy hardship on the working man or the retired person of modest means without offering him any alternative means of essential transportation, and—what is worse—without requiring equal sacrifice by others. The price increases that already have taken place have had considerable shock effect on all but the rich to eliminate unnecessary consumption. The higher prices go, the more people will experience privation in vain without being able to cut back further on use. The administration should tell us why it believes that price increases as great as 30 cents per gallon will continue to squeeze out consumption in addition to simply imposing pain on the consumer. The higher prices go, the more inequitable this form of conservation is to low and middle income Americans.

Moreover, the administration should tell Congress and the public just why it believes that such price increases—with the billions in unearned profit they hand to the oil industry—will motivate those companies to produce more vigorously to end the shortage. Do we have any assurance that each additional billion dollars given to them in profits will get more oil out of the ground and more refineries built in the United States? Or will much of it be used, for instance, to buy out competitors whose supplies are now being chocked off, and thus further to consolidate the grip of the major firms on the structure of the fuels industries?

Mr. President, in regard to oil company profits, which by the way are up 47 percent so far this year, I was delighted to hear Mr. Nixon say Wednesday night that he intends to prevent "windfall profits" through an excess profits tax.

However, I have learned from experience that it is best not to applaud White House pronouncements until one has had a chance to read the fine print.

As chairman of the Consumer Economics Subcommittee, I intend to closely scrutinize the details of this "excess profits" tax proposal and its impact on our consumers. If it is found wanting, a legislative remedy may be needed.

I ask unanimous consent to print in the RECORD a table showing the extent of the oil companies' profit boom during the last several months.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

INCREASE IN 1973 OIL COMPANY EARNINGS PER SHARE OVER SAME PERIOD OF 1972

[Percent]

Company	3d quarter	1st 9 mo.
Exxon	81	
Union Oil of California	76	56
Mobil	64	38
Getty Oil	73	62
Phillips	42	29
Standard Oil (Indiana)	37	31
Shell	23	
Standard Oil (Ohio)	11	54
Occidental	1957	
Amerada-Hess	500	88
Marathon	37	49
Kerr-McGee	13	40

INDIAN UNEMPLOYMENT

Mr. McGOVERN. Mr. President, on April 9 of this year, Mr. Lloyd Eagle Bull, the secretary of the Oglala Sioux Tribal Council in South Dakota, concluded his statement before the House Subcommittee on Indian Affairs by saying:

> And now we have gotten to the real issue. The issue isn't Wounded Knee. It isn't the treaty of 1868. The issue is jobs. . . . I want to tell you that there is nothing more important that you can do for my people than to get a job program for us. We have an unemployment problem which goes back for generations. No wonder that so many people, even young people, lose hope. Get us jobs, and there won't be an Indian problem any more.

Mr. President, I do not believe that the problem of the reservations could be more succinctly stated.

The Federal Government is currently pouring approximately $1 billion per year into the Indian reservations of this country, and in the past 2 years the rate of unemployment and underemployment has been reduced a mere 2 percent—from 57 percent to 55 percent. Fifty-five percent unemployment. I doubt that any one of us in the Congress can possibly comprehend what it is like to live in an environment where the rate of unemployment is 55 percent.

It is inexcusable that a visitor from the Brookings Institution to reservations in the year 1971 would have to describe his observations as follows:

> An Indian reservation can be characterized as an open-air slum. It has a feeling of emptiness and isolation. There are miles and miles of dirt and gravel roads without any signs of human life. The scattered Indian communities are made up of scores of tar-paper shacks or log cabins with one tiny window and a stovepipe sticking out of a roof that is weighted down with pieces of metal and automobile tires. These dwellings, each of them homes for six or seven persons, often have no electricity or running water—sometimes not even an outhouse. The front yards are frequently littered with abandoned, broken-down automobiles that are too expensive to repair and too much trouble to junk. The number of unemployed is striking. Everywhere there seems to be dozens of Indians standing around doing nothing.

Indian people should not have to leave the reservation—their friends, relatives, customs, and past to participate along with the rest of the country in the most affluent society in the history of man. We in the Congress formed the reservation boundaries, and now it is our duty and responsibility to try as best we can to bring to the reservation the opportunities we have brought to the other parts of the country. We must make an affirmative and substantial commitment to Indian development; our goal must be to give the Indian people the opportunity for economic parity with other Americans.

I ask unanimous consent that the latest Indian unemployment figures as compiled by the Department of the Interior, Bureau of Indian Affairs, be printed in the RECORD.

There being no objection, the figures were ordered to be printed in the RECORD, as follows:

B. RESIDENT INDIAN POPULATION, LABOR FORCE, UNEMPLOYMENT, AND UNDEREMPLOYMENT: SUMMARY BY AREA: MARCH 1973

[Tabulation of selected items as reported by agencies]

	Population on and adjacent to reservation	Labor force (16 yr. and over)	Unemployment	Rate of unemployment (percent)	Temporary employment	Rate of unemployment and underemployment (percent,
BIA, grand total, population	542,897					
Population reported but not labor force status	30,066					
Total in labor force survey	512,831	167,321	61,678	37	30,213	55
Aberdeen area	48,846	33,141	5,283	40	2,321	58
Albuquerque area	34,952	12,961	4,373	34	1,848	48
Anadarko area	23,713	6,313	2,956	47	966	62
Billings area	30,460	8,259	3,259	39	769	48
Juneau area	61,026	19,878	12,461	63	2,906	78
Minneapolis area	22,052	6,660	2,546	38	1,256	57

	Population on and adjacent to reservation	Labor force (16 yr. and over)	Unemployment	Rate of unemployment (percent)	Temporary employment	Rate of unemployment and underemployment (percent)
Muskogee area	62,538	22,572	3,784	17	4,546	37
Navajo area	136,686	47,317	16,567	35	9,845	56
Phoenix area total population	(50,879)					
Population reported but not 1/f status	41					
Total in labor force survey	50,838	16,415	5,876	36	2,814	53
Portland area	25,395	8,325	2,997	36	1,526	54
Sacramento area total population	(36,255)					
Population reported but not 1/f status	30,025					
Total in labor force survey	6,230	1,858	910	49	420	72
Southeast area	10,095	3,622	666	18	996	45

C. RESIDENT INDIAN POPULATION, LABOR FORCE, UNEMPLOYMENT, AND UNDEREMPLOYMENT; SUMMARY BY STATE: MARCH 1973

Alaska	61,026	19,878	12,461	63	2,906	77
Arizona	114,178	38,504	13,574	35	7,516	55
California, total population	(37,582)					
Population reported but not labor force status	30,025					
Total in labor force survey	7,557	2,406	1,176	49	469	68
Colorado	1,745	595	219	37	152	63
Florida	1,594	605	160	26	212	61
Idaho	5,105	1,795	591	33	331	51
Iowa	575	150	32	21	26	38
Kansas	917	232	31	13	40	30
Louisiana	182	59	20	34	10	51
Michigan	2,252	715	274	38	113	54
Minnesota	11,273	3,359	1,390	41	673	61
Mississippi	3,379	1,088	72	7	433	47
Montana	25,922	7,183	2,743	38	684	48
Nebraska	2,492	1,012	520	51	276	78
Nevada, total population	(4,662)					
Population reported but not labor force status	41					
Total in labor force survey	4,621	1,375	443	32	339	57
New Mexico	92,963	33,063	11,396	34	6,000	52
North Carolina	4,940	1,870	414	22	341	40
North Dakota	14,881	4,118	1,766	43	454	54
Oklahoma	85,228	28,628	6,707	23	5,470	42
Oregon	2,833	808	196	24	37	28
South Dakota	31,579	8,036	2,999	37	1,593	57
Utah	7,391	2,535	892	35	435	52
Washington	17,708	5,795	2,236	38	1,174	58
Wisconsin	7,952	2,436	850	35	444	53
Wyoming	4,538	1,076	516	48	85	56

D. RESIDENT INDIAN POPULATION, LABOR FORCE, UNEMPLOYMENT, AND UNDEREMPLOYMENT; BY STATE AND RESERVATION[1]: MARCH 1973

Alaska (including all Indians and Natives)	61,026	19,878	12,461	63	2,906	78
Juneau area:						
Anchorage Agency	17,940	5,324	3,957	74	756	88
Bethel Agency	12,993	4,672	3,452	74	782	91
Fairbanks Agency	9,415	2,606	1,706	65	269	75
Nome Agency	9,777	3,480	1,897	54	515	69
Southeast agency	10,901	3,796	1,449	38	584	53
Arizona	114,178	38,504	13,574	35	7,516	55
Navajo area (including Alamo, Canoncito and Navajo—New Mexico and Utah part[11]	(136,686)	(47,317)	(16,567)	(35)	(9,845)	(56)
Estimated Arizona part—Navajo part (57 percent)	71,077	24,605	8,615	35	5,119	56
Phoenix area:						
Colorado River Agency, part (see also California):						
Cocopah	360	153	107	70	19	82
Colorado River (including California part)	(1,581)	(542)	(201)	(37)	(50)	(46)
Estimated Arizona part (98 percent)	1,549	531	197	37	49	46
Fort Mohave (including California part)	(387)	(148)	(42)	(28)	(11)	(35)
Estimated Arizona part (22 percent)	85	33	10	B	2	B
Fort Yuma (including California part)	(856)	(374)	(214)	(57)	(27)	(64)
Estimated Arizona part (3 percent)	26	12	7	B	1	B
Fort Apache Agency	7,200	2,321	1,395	60	226	70
Fort McDowell (area office)	340	89	5	6	10	17
Hopi Agency:						
Kaibab	153	55	23	42	8	56
Hopi	6,567	1,982	980	49	312	65
Papago Agency:						
Gila Bend	273	115	35	30	28	54
Papago	7,703	3,449	1,017	29	702	49
San Xavier	732	313	37	12	91	41
Pima Agency:						
Ak-Chin (Maricopa)	266	64	4	6	10	22
Gila River	8,331	2,311	421	18	500	40
Salt River Agency	2,750	670	50	7	150	29
San Carlos Agency	5,097	1,147	440	38	108	47
Truxton Canyon Agency:						
Camp Verde	342	127	25	20	15	32
Havasupai	363	136	68	50	28	70
Hualapai	870	358	130	36	132	73
Yavapai	94	33	8	B	6	B
California total population	(37,582)					
Population reported but not 1/f status	30,025					
Total in labor force survey	7,557	2,406	1,176	49	469	68
Phoenix area:						
Colorado River Agency, part (see also Arizona):						
Chemehuev	36	16		B	6	B
Colorado River (including Arizona part)	(1,581)	(542)	(201)	(37)	(50)	(46)
Estimated California part (2 percent)	32	11	4	B	1	B
Fort Mohave (including Arizona part)	(387)	(148)	(42)	(28)	(11)	(35)
Estimated California part (78 percent)	302	115	32	28	9	35
Fort Yuma (including Arizona part)	(856)	(374)	(214)	(57)	(27)	(64)
Estimated California part (97 percent)	830	362	207	57	26	64
Nevada Agency, part (see Nevada): Woodfords Community	127	44	23	B	7	B

Footnotes at end of table.

D. RESIDENT INDIAN POPULATION, LABOR FORCE, UNEMPLOYMENT, AND UNDEREMPLOYMENT: BY STATE AND RESERVATION: MARCH 1973—Continued

[Tabulation of selected items as reported by agencies]

	Population on and adjacent to reservation	Labor force (56 yr. and over)	Unemployment	Rate of unemployment (percent)	Temporary employment	Rate of unemployment and underemployment (percent)
Sacramento area:						
Central California Agency:						
Alturas	5	1		B		B
Berry Creek (no population)						
Big Pine (population only)[5]	50					
Big Sandy (Auberry)	64	22	8	B	7	B
Bishop	849	281	102	36	96	70
Cachil Dehe (Colusa)	40	22	5	B	7	B
Cedarville	7	3	3	B		B
Cold Springs	62	17	9	B	6	B
Cortina	8	4		B	3	B
Dry Creek	24	1	1	B		B
Enterprise (population only)[5]	4					
Fort Bidwell	163	103	32	31	50	79
Fort Independence (population only)[5]	62					
Grindstone	15	3	2	B		B
Jackson	12	2		B		B
Laytonville	112	48	34	B	3	B
Likely (no population)						
Lone Pine	159	87	59	68	6	75
Lookout	4	2	1	B	1	B
Manchester (Point Arena)	56	41	37	B		B
Middletown	21	6	3	B	2	B
Round Valley	402	143	87	61	15	71
Rumsey	12	5	3	B		B
Santa Rosa (population only)[5]	199					
Sheep Ranch (population only)[5]	1					
Sherwood Valley (no population)						
Shingle Springs (no population)						
Stewarts Point	35	5		B	5	B
Sulphur Bank	75	19	7	B	12	B
Susanville	327	142	90	63	28	83
Tule River	296	95	61	64	11	76
Tuolumne	197	43	28	B	10	B
XL Ranch	50	16	2	B	6	B
Other Central California Indians—in counties with trust land [3]	14,206					
Hoopa Agency:						
Big Bend (population only)[5]	10					
Big Lagoon (no population)						
Hoopa Valley	1,553	132	49	37	55	79
Hoopa Valley Extension (population only)[5]	150					
Montgomery Creek (population only)[5]	4					
Resighini (no population)						
Roaring Creek (population only)[5]	5					
Trinidad (population only)[5]	26					
Other Indians (Hoopa Agency)—in counties with trust land.[13]	7,670					
Palm Springs Area Field Office: Agua Caliente (population only)	175					
Southern California Agency:						
Augustine (no population)						
Barona	125	53	25	47	14	73
Cabazon	4	1		B		B
Cahuilla	23	10	5	B		B
Campo	40	21	14	B	5	B
Capitan Grande (no population)						
Cuyapaipe	2	1		B		B
Inaja and Cosmit (no population)						
La Jolla	41	22	10	B	5	B
La Posta (no population)						
Los Coyotes	51	18	10	B	2	B
Manzanita	6	3	3	B		B
Mesa Grande	24	8	5	B	3	B
Mission Reserve (no population)						
Morongo	260	76	8	10	5	16
Pala (Old Pala)	273	114	47	41	5	45
Pauma and Yuima	100	37	28	B	5	B
Pechanga	33	9	3	B		B
Ramona (no population)						
Rincon	115	31	16	B	10	B
San Manuel	19	10	2	B	7	B
San Pasqual	21	12	8	B		B
Santa Rosa	14	7	2	B	3	B
Santa Ynez	41	22	8	B	9	B
Santa Ysabel	110	30	19	B	6	B
Soboba	185	69	41	59	6	68
Sycuan	31	7	2	B		B
Torres-Martinez	43	16	7	B	3	B
Twenty-Nine Palms (no population)						
Viejas (Baron Long)	121	38	24	B	9	B
Other Southern California Indians—in counties with trust land[13]	7,436					
Colorado	1,745	595	219	37	152	63
Albuquerque area:						
Southern Ute Agency	751	279	98	35	80	64
Ute Mountain Agency (including Utah part)	(1,380)	(438)	(168)	(38)	(100)	(61)
Estimated Colorado part (72 percent)	994	316	121	38	72	61
Florida	1,594	605	160	26	212	
Southeast area:						61
Miccosukee Agency[4]	430	195	84	43	56	72
Seminole Agency:						
Big Cypress	377	120	17	14	60	64
Brighton	322	113	26	23	47	65
Hollywood (Dania)	465	177	33	19	49	47
Idaho	5,105	1,795	591	33	331	51
Phoenix area:						
Nevada Agency, part (see Nevada and Oregon):						
Duck Valley (including Nevada part)	(967)	(297)	(102)	(34)	(66)	(56)
Estimated Idaho part (21 percent)	203	62	21	34	14	56
Portland area:						
Fort Hall Agency, part (see also Utah): Fort Hall	2,782	1,142	389	34	252	56
Northern Idaho Agency, part (see also Washington):						
Coeur d'Alene	557	182	65	36	11	42
Kootenai	58	16	11	B	3	B
Nez Perce (Lapwai)	1,505	393	105	27	51	40

Footnotes at end of table.

	Population on and adjacent to reservation	Labor force (16 yr. and over)	Unemployment	Rate of unemployment (percent)	Temporary employment	Rate of unemployment and underemployment (percent)
Iowa	575	150	32	21	26	38
Minneapolis area: Sac and Fox Area Field Office	575	150	32	21	26	38
Kansas	917	232	31	13	40	31
Anadarko area: Horton Agency, part (see also Nebraska):						
Iowa (including Nebraska part) [6]	(260)	(62)	(4)	(6)	(6)	(16)
Estimated Kansas part (63 percent)	164	39	2	B	4	B
Kickapoo [6]	250	59	12	20	12	41
Potawatomi [6]	492	131	16	12	24	31
Sac and Fox (including Nebraska part) [6]	(21)	(5)	(1)	(B)	(–)	(B)
Estimated Kansas part (53 percent)	11	3	1	B		B
Other Indian, nonadd (Kansas City, Lawrence, Topeka, and Wichita) [6]	(3)					
Louisiana	182	59	20	34	10	51
Southeast area: Choctaw Agency, part (see Mississippi) Chitimacha [10]	182	59	20	34	10	51
Michigan	2, 252	715	274	38	113	54
Minneapolis area: Great Lakes Agency, part (see Wisconsin):						
Bay Mills (including Sugar Island) [12]	1, 123	362	127	35	59	51
Hannahville	185	56	35	63	4	70
Isabella (Saginaw)	540	183	78	43	28	58
Keweenaw Bay (L'Anse and Ontonagon) [10]	404	114	34	30	22	49
Minnesota	11, 273	3, 359	1, 390	41	673	61
Minneapolis area:						
Great Lakes Agency, part (see Wisconsin):						
Winnebago (Including Wisconsin part)	(1, 664)	(581)	(261)	(45)	(140)	(69)
Estimated Minnesota part (3 percent)	50	17	8	B	4	B
Minnesota Agency:						
Fond du Lac	687	136	86	63	10	70
Grand Portage (Pigeon River)	191	61	29	48	4	54
Leech Lake	2, 874	811	324	40	176	62
Mille Lac	757	220	88	40	26	52
Nett Lake (Bois Fort)	669	122	56	46	16	59
Southern Minnesota communities:						
Lower Sioux (Morton)	105	44	13	B	10	B
Prairie Island (Red Wing)	90	36	17	B	8	B
Prior Lake (Shakepee)	60	26	9	B	4	B
Upper Sioux (Granite Falls)	56	23	10	B	7	B
White Earth	2, 571	849	306	36	294	71
Red Lake Agency	3, 163	1, 014	444	44	114	55
Mississippi	3, 379	1, 088	72	7	433	47
Southeast area: Choctaw Agency, part (see also Louisiana): Choctaw	3, 379	1, 088	72	7	433	47
Montana	25, 922	7, 183	2, 743	38	684	48
Billins area:						
Blackfeet Agency	6, 216	1, 353	495	37	82	43
Crow Agency	4, 334	1, 249	363	29	129	39
Flathead Agency	2, 955	1, 044	355	34	128	46
Fort Belknap Agency	1, 972	669	335	50	61	59
Fort Peck Agency	6, 202	1, 368	666	49	118	58
Northern Cheyenne Agency (Tongue River)	2, 926	1, 045	265	25	135	38
Rocky Boy's Agency	1, 317	455	264	58	31	65
Nebraska	2, 492	1, 012	520	51	276	78
Aberdeen area: Winnebago Agency:						
Omaha	1, 369	555	305	55	160	84
Santee	357	119	59	50	30	75
Winnebago	660	313	154	49	84	76
Anadarko area:						
Horton Agency, part (see Kansas):						
Iowa (including Kansas part) [6]	(260	(62)	(4)	(6)	(6)	(16)
Estimated Nebraska part (37 percent)	96	23	2	B	2	B
Sac and Fox (Including Kansas part) [6]	(21)	(5)	(1)	(B)	(–)	(B)
Estimated Nebraska part (47 percent)	10	2		B		B
Nevada, total population	(4, 622)					
Population reported but not 1/f status	41					
Total in labor force survey	4, 621	1, 375	443	32	339	57
Phoenix area:						
Nevada Agency, part (see also California, Idaho, Oregon, and Utah):						
Battle Mountain and city	169	25	4	B	9	B
Carson	171	59	27	46	6	56
Elko and city	327	50	23	46	9	64
Ely and city	112	35	9	B	11	B
Dresslerville	191	65	26	40	4	46
Duck Valley (Including Idaho part)	(967)	(297)	(102)	(34)	(66)	(56)
Estimated Nevada part (79 percent)	764	235	81	34	52	56
Duckwater	80	23	16	B	3	B
Fallon (Paiute) and Colony	224	71	20	28	22	59
Fort McDermitt (including Oregon part)	(407)	(91)	(40)	(44)	(10)	(55)
Estimated Nevada part (87 percent)	354	79	35	44	8	55
Goshute (including Utah part)	(73)	(25)	(7)	(B)	(10)	(B)
Estimated Nevada part (66 percent)	48	16	4	B	7	B
Las Vegas	87	41	21	B	7	B
Lovelock	118	41	5	B	22	B
Moapa	137	56	26	46	13	70
Pyramid Lake	402	119	47	39	24	59
Reno-Sparks	541	133	19	14	15	25
Ruby Valley (population only) [8]	40					
South Fork (Te-Moak) and Odgers Ranch	90	29	12	B	7	B
Summit Lake (population only) [8]	1					
Walker River	452	183	24	13	87	61
Winnemucca	31	11		B	5	B
Yerington (Campbell Ranch) and Colony	275	85	35	41	22	67
Yomba	48	19	9	B	6	B
New Mexico	92, 963	33, 063	11, 396	34	6, 000	53
Albuquerque area:						
Jicarilla Agency	1, 963	856	603	70	22	72
Mescalero Agency	1, 987	545	187	34	211	73
Northern Pueblos Agency:						
Nambe	253	83	8	10	24	39
Picuris	173	70	48	68	15	89
Pojoaque	76	21	2	B	6	B
San Ildefonso	354	106	12	11	28	37
San Juan	1, 358	452	32	7	110	31
Santa Clara	989	275	33	12	75	39
Taos	1, 494	476	58	12	188	51
Tesuque	249	89	12	13	42	60
Ramah-Navajo Agency: Ramah (Navajo Community)	1, 427	631	483	76	30	81
Southern Pueblos Agency:						
Acoma	1, 980	554	211	38	25	42
Cochiti	488	169	2	25	18	36

Footnotes at end of table.

D. RESIDENT INDIAN POPULATION, LABOR FORCE, UNEMPLOYMENT, AND UNDEREMPLOYMENT: BY STATE AND RESERVATION: MARCH 1973—Continued

[Tabulation of selected items as reported by agencies]

	Population on and adjacent to reservation	Labor force (16 yr. and over)	Unemployment	Rate of unemployment (percent)	Temporary employment	Rate of unemployment and underemployment (percent)
Isleta	2,681	1,216	166	14	172	28
Jemez	1,953	837	195	23	214	49
Laguna	4,883	1,794	307	17	251	31
Sandia	216	94	7	7	9	17
San Felipe	1,645	557	186	33	25	37
Santa Ana	392	225	90	40	26	52
Santo Domingo	2,324	917	428	47	42	51
Zia	508	200	61	30	29	44
Zuni Agency	5,428	2,077	936	45	106	50
Navajo area:						
Alamo (Puertocito) and Canoncito (Navajo Communities); Navajo Reservation (including Arizona and Utah parts) [11]	(136,686)	(47,317)	(16,567)	(35)	(9,845)	(56)
Alamo, Canoncito, and estimated New Mexico part of Navajo Reservation (44 percent)	60,142	20,819	7,289	35	4,332	56
North Carolina	4,940	1,870	414	22	341	40
Southeast area: Cherokee Agency	4,940	1,870	414	22	341	40
North Dakota	14,881	4,118	1,766	43	454	54
Aberdeen area:						
Fort Berthold Agency	2,775	950	337	35	144	50
Fort Totten Agency (Devil's Lake)	1,995	401	246	61	35	70
Standing Rock Agency (including South Dakota part)	(4,868)	(1,266)	(451)	(36)	(115)	(45)
Estimated North Dakota part (56 percent)	2,726	709	253	36	64	45
Turtle Mountain Agency	7,385	2,058	930	45	211	55
Oklahoma (represents former reservation areas)	85,228	28,628	6,707	23	5,470	42
Anadarko area:						
Anadarko Agency (including Kiowa, Comanche and Apache and Fort Sill Apache; Wichita) [11]	9,495	1,626	430	26	189	38
Concho Agency (Cheyenne and Arapaho) [10a]	4,200	1,876	1,126	60	400	81
Pawnee Agency (including Kaw, Otoe and Missouri, Pawnee, Ponca, and Tonkawa) [11]	3,495	1,610	1,195	74	70	78
Shawnee Agency:						
Iowa	148	21	6	B	7	B
Kickapoo	601	135	36	27	42	58
Potawatomi	1,444	229	34	15	79	49
Sac and Fox	996	157	30	19	39	44
Shawnee	853	145	28	19	45	50
Other Indians, tribe not specified	1,458	257	38	15	53	36
Muskogee area:						
Ardmore Agency (Chickasaw)	6,050	2,224	364	16	260	28
Miami Agency (including Eastern Shawnee, Miami, Quapaw, and Seneca-Cayuga) [11]	1,970	495	50	10	45	19
Okmulgee Agency (Creek)	15,480	6,305	687	11	2,205	46
Osage Agency	3,350	1,136	306	27	295	53
Tahlequah Agency (Cherokee)	21,414	6,662	1,554	23	903	37
Talihina Agency (Choctaw)	11,066	4,451	623	14	785	32
Wewoka Agency (Seminole)	3,208	1,299	200	15	53	19
Oregon	2,833	808	196	24	37	28
Phoenix area:						
Nevada Agency, part (see Nevada):						
Fort McDermitt (including Nevada part)	(407)	(91)	(40)	(44)	(10)	(55)
Estimated Oregon part (13 percent)	53	12	5	B	2	B
Portland area:						
Umatilla Agency [10]	873	242	114	47	21	56
Warm Springs Agency:						
Burns-Paiute	130	47	14	B	3	B
Celilo Village [8]	32	12	3	B	6	B
Warm Springs	1,745	495	60	12	5	13
South Dakota	31,579	8,036	2,999	37	1,593	57
Aberdeen area:						
Cheyenne River Agency	4,335	1,194	311	26	272	49
Crow Creek Agency	1,242	396	275	69	63	85
Flandreau School: Flandreau Reservation	283	93	8	9	7	17
Lower Brule Agency	702	148	30	20	32	42
Pine Ridge Agency	11,478	2,862	1,130	39	684	63
Rosebud Agency	7,538	1,788	404	22	401	44
Sisseton Agency [10]	2,434	475	201	42	73	58
Standing Rock Agency (including North Dakota part)	(4,868)	(1,266)	(451)	(36)	(115)	(45)
Estimated South Dakota part (44 percent)	2,142	557	198	36	51	45
Yankton Agency	1,425	523	442	84	10	86
Utah	7,391	2,535	892	35	435	52
Albuquerque area:						
Ute Mountain Agency (including Colorado part)	(1,380)	(438)	(168)	(38)	(100)	(61)
Estimated Utah part (28 percent)	386	122	47	38	28	61
Navajo area (including Alamo, Canoncito,[11] and Navajo—Arizona and New Mexico part)	(136,686)	(47,317)	(16,567)	(35)	(9,845)	(56)
Estimated Utah part—Navajo part (4 percent)	5,467	1,893	663	35	394	56
Phoenix area:						
Uintah and Ouray Agency:						
Skull Valley	46	12	4	B	1	B
Unitah and Ouray	1,462	498	175	35	9	37
Nevada Agency, part (see Nevada):						
Goshute (including Nevada part)	(73)	(25)	(7)	(B)	(10)	(B)
Estimated Utah part (34 percent)	25	9	3	B	3	B
Portland area: Port Hall Agency, part (see Idaho): Washakie [7]	5	1	------------	B	------------	B
Washington	17,708	5,795	2,236	38	1,174	58
Portland area:						
Colville Agency	2,870	925	301	32	160	49
Northern Idaho Agency, part (see Idaho): Kalispel	138	42	27	B	1	B
Spokane Agency	581	172	119	69	7	73
Western Washington Agency:						
Hoh	53	26	16	B	6	B
Lummi	1,565	470	155	33	52	44
Makah	751	180	51	28	33	47
Nooksack Public Domain	468	196	122	62	14	69
Puyallup [10]	171	30	11	B	11	B
Quileute	260	70	38	54	16	77
Quinault	1,072	428	177	41	97	66
Swinomish	472	179	59	33	22	43
Tulalip	658	272	223	82	12	85
STOWW (small tribes of Western Washington):						
Chehalis	277	81	37	46	21	72
Lower Elwah	244	79	20	25	26	58
Muckleshoot [10-a]	467	115	51	44	36	76
Nisqually	388	167	89	53	9	58

	Population on and adjacent to reservation	Labor force (16 yr. and over)	Unemployment	Rate of unemployment (percent)	Temporary employment	Rate of unemployment and underemployment(percent)
Port Gamble	324	128	47	37	21	53
Port Madison	182	83	19	23	12	37
Shoalwater	24	5	1	B		B
Skokomish	319	95	40	42	6	49
Squaxon Island	304	102	48	47	22	68
Other STOWW, nonaid (Chinook, Cowlitz, Jamestown-Clallam, Marietta-Nooksack, Sauk-Suiattle, Snohmish, and Stillaquamish)	(3)					
Yakima Agency	6,300	1,950	585	30	590	60
Wisconsin	7,952	2,436	850	35	444	53
Minneapolis area: Great Lakes Agency, part (see also Michigan and Minnesota):						
Bad River	541	194	46	24	47	48
Lac Courte Oreilles	807	185	75	40	27	54
Lac du Flambeau	979	340	126	37	13	41
Mole Lake (Sakoagon)	133	47	18	B	6	B
Oneida	2,180	592	91	15	138	38
Potawatomi	228	65	28	43	1	45
Red Cliff	424	149	76	51	45	81
St. Croix[10]	444	142	57	40	9	46
Stockbridge—Munsee	602	158	80	51	22	65
Winnebago (including Minnesota part)	(1,664)	(581)	(261)	(45)	(140)	(69)
Estimated Wisconsin part (97 percent)	1,614	564	253	45	136	69
Wyoming	4,538	1,076	516	48	85	56
Billings area: River Agency	4,538	1,076	516	48	85	56

[1] Where agency and reservation are identical, only agency is listed.

[2] Horton Agency (Kansas): 1,677 Indians reported in the area of Kansas City, Lawrence, Topeka, and Wichita are not included in this report.

[3] Western Washington Agency (Washington): 1,191 Indians reported for STOWW: Chinook—237, Cowlitz—131, Jamestown-Clallam—196, Marietta-Nooksack—95, Sauk-Suiattle—149, Snohomish—303, and Stillaquamish—80 are not included.

[4] March 1971 data.

[5] March 1970 data.

[6] March 1969 data.

[7] March 1968 data.

[8] March 1967 data.

[9] 1962 data.

[10] March 1972 data.

[10a] 1972 data used because 1973 report showed increases over 50 percent.

[11] Agency (or Area) did not submit individual reservation reports.

[12] Bay Mills includes 783 Indians in a radius of 50 miles.

[13] Figures are from the California Judgement Roll (April 25, 1973) listed by county for only those who were paid. Counties with trust land under the jurisdiction of the Sacramento Area are listed by agency as follows:

Central California Agency: Amador, Butte, Calaveras, Colusa, El Dorado, Fresno, Glenn, Inyo, Kern, Kings, Lake, Lassen, Madera, Mariposa, Mendocino, Modoc, Mono, Placer, Plumas, Sierra, Sonoma, Tehama, Tulare, Tuolumne; Yolo. Palm Springs Area Field Office: Riverside. Hoopa Agency: Del Norte, Humboldt, Shasta, Siskiyou; Trinity. Southern California Agency: Imperial, Riverside, San Bernardino, San Diego; Santa Barbara.

Key: Leaders mean 0 (zero). B means base is too small for percentages to be meaningful. l/f means labor force.

WATER RESOURCES COUNCIL DIRECTOR WARREN FAIRCHILD ADDRESSES CALIFORNIA WATER COUNCIL

Mr. HRUSKA. Mr. President, Warren D. Fairchild, Director of the U.S. Water Resources Council, addressed the fall convention of the California Water Agencies Association to speak on "Priority Activities of the Water Resources Council." This occurred in Anaheim, Calif., on November 29, 1973.

Water has always been a vital factor in the history and progress of man. Not too many years ago, it occupied a renewed prominent place in national concern, because of a realization of the impact of an increasing population and enlarged demand for water. In fact, for a term of years there was a water syndrome, similar to those syndromes the Nation has experienced periodically. Such as the current crises; the environmental crisis of a few years ago; hunger in America before that; education after Sputnik, and so on.

In the case of water, the renewed emphasis was timely and beneficial. Wide inquiry and gathering of facts and information were pursued. Various study and planning efforts were created and set in motion. Local, State, and regional organization intensified, both inside and outside of government spheres. The Association of California Water Agencies is one example of numerous such entities.

The U.S. Water Resources Council is another example. It has for its mission as a Federal agency the maintenance of a continuing study of water supplies necessary to meet requirements in each water resource region in the country; of the relation of regional or river basin plans or programs to the larger regions of the Nation; and of the adequacy of the administrative and statutory means for coordination of the water and related land resource programs on the Federal level. It also reviews plans of River Basin Commissions. It transmits its recommendations to the President for his review and transmittal to Congress.

As in all fields of major endeavor, water finds itself in a dynamic, fast moving scene of development and change. Much of what was solid doctrine for a long time often no longer "relates to today's world." Hence, the necessity of constant study and review. Hence, the necessity frequently to analyze existing programs and plans with a view of adjusting priorities.

So it is with the principles and standards published in September of this year. They provide among other points the new computation of discount or interest rate used in some water programs. This was considered necessary because of the obsolescence of the previously employed rate. Needless to say, the increase and change encountered resistance and opposition.

But Mr. Fairchild points out that interest or discount is but one factor of cost. Counterbalancing it are benefit factors which have come to be obsolete and to require revision. One such benefit factor is to be found in approval of "new normalized agricultural prices." Mr. Fairchild on this point stated during his speech:

> **Based on the price of agricultural commodities in the market place (and with certain constraint), the current normalized prices to be used in evaluating projects, will be over 30 percent higher than those previously approved. Actually, the net effect of these prices for agricultural projects should approximately offset the higher discount rate . . .**

This is one impressive example of the necessity to make evaluation procedure in water development relevant to today's priorities and values.

Mr. Fairchild in his remarks discusses other vital, far-reaching subjects and policies. Mr. President, in order to share them with all who are interested in this subject, I ask unanimous consent that the text of Director Fairchild's speech be printed in the RECORD following my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

PRIORITY ACTIVITIES OF THE WATER RESOURCES COUNCIL

(Remarks by Warren D. Fairchild, Director, Water Resources Council, before the Fall Convention of Association of California Water Agencies, Anaheim, Calif., November 29, 1973)

When I accepted the appointment as Director of the Water Resources Council, I looked forward to a very exciting, challenging and demanding period in my professional career. It is my contention that the next several years will be an extremely critical period for natural resources programs as the Federal Government attempts to restructure programs and institutions, reorder priorities, and evolve national water policies that reflect the changing values of this great Nation.

The Water Resources Council is a very key agency during this period because of its assigned role in water policy. Section 102(b) of the 1965 Water Resources Planning Act states that the Council shall ". . . make recommendations to the President with respect to Federal policies and programs. . . ."

I want to address two significant activities that the Council has under active consideration and/or implementation at this time. These issues are: (1) Principles and Standards; and (2) cost sharing.

I will not retrace the history in the evolution of the Principles and Standards as published in the *Federal Register* on September 10, 1973. All of you are very much aware of this history; and it would be redundant for me to make such a recap. I will discuss instead the activities associated with implementation.

It would be naive for me to state that the approved Principles and Standards have not been controversial. Pending court action, congressional legislation, and discussions with developmental and conservation groups quickly dispell such naivete. However, before we as water professionals jump to conclusions, it would be well for us to take a hard look at the Principles and Standards as they relate to today's situation.

I will not review the problems presently associated with traditional water projects. However, most of such problems are related to the level of public support which, in turn, reflects priorities and to a considerable extent credibility. Some of this lack of credibility may be related to planning procedures we have used in the past. The discount or interest rate, as well as commodity prices, and allocation procedures used heretofore allegedly do not relate to today's world. As a consequence, many professionals in the water field, in academia and elsewhere question such procedures. If we believe that it is in the interest of the Federal Government to undertake a program on other than economic consideration, then we need to recognize such goals or objectives and identify subsidies required. We should not use evaluation procedures as a gimmick to justify such action.

The discount rate in the Principles and Standards is based upon the cost of all Federal borrowing. It seemed logical to the Council of Members to discount future benefits based on the cost of Federal borrowing. It is not based on economic theory of social time preference or opportunity cost but rather on the cost of money that citizens are willing to loan to our Government for Federal operation. Such a discount rate seems defensible to me.

However, if planning procedures are to be fully creditable, not only should cost factors be relevant, but also benefit factors. It was for this reason that the Council of Representatives on October 9, 1973, approved new normalized agricultural prices following recommendations of the Economic Research Service, U.S. Department of Agriculture. Based on the price of agricultural commodities in the market place (and with certain constraint), the current normalized prices to be used in evaluating projects, will be over 30 percent higher than those previously approved. Actually, the net effect of these prices for agricultural projects should approximately offset the higher discount rate. With the constraint applied, I anticipate that these prices will show another increase next year.

I bring this to your attention to stress the thrust of WRC and participating agencies in making the evoluation procedure relevant to today's priorities and values. I feel the Principles and Standards can do this—a major factor being the requirement of alternative planning to emphasize NED and EQ. Another positive factor is that the Principles and Standards, recently approved by the President give the water agencies positive guidance and should serve to overcome much of the hiatus and indecision recently associated with evaluation and formulation procedures.

Two immediate problems have surfaced on implementation. These are (1) the selectivity (grandfather clause) of authorized but unfunded projects; and (2) investigations currently underway or in the pipeline.

It is my position that the Principles and Standards authorize flexibility to the Federal agencies in administering the selectivity clause on authorized but unfunded projects. True, the administration of this issue is going to be extremely difficult and controversial. It is our plan to outline alternative definitions of various stages of authorized but unfunded projects for consideration at the next COM meeting, which in effect would define the time that authorized projects became funded. Such definitions would exempt certain projects that have reached the funded stage from the Principles and Standards. Exemption beyond this would be up to the head of the Federal agency with opportunity for input from WRC and other Federal organizations.

The pipeline investigations are something else. A hard interpretation would require strict adherence to the Principles and Standards for all reports not yet forwarded to Congress. Such an interpretation would be a very expensive decision. It would require reformulation of all investigations now underway, which would consume most of the available Federal planning resources for a considerable period of time. Similarly there are many investigations under active consideration today that may have serious economic and environmental problems when considered under the new Principles and Standards.

This, then, poses a very sensitive situation requiring sound judgment for its resolution. Obviously, the status of the investigation must be considered—but it cannot be overriding. If an investigation does have serious economic or environmental problems, regardless of status, vigorous application of the Principles and Standards must be the general rule. The Principles and Standards with alternative plans to emphasize environmental quality, afford water agencies an opportunity to step back, take off the "so called" black hat and come forwarded with reformulated plans for the consideration of decision-makers.

Another important aspect of water resources development that is expected to be modified in the future is cost sharing. The President expressed his concern on this matter in his letter to the Water Resources Council, when he approved the Principles and Standards, as follows:

"I understand that analysis of ways to assume more equitable cost sharing by the beneficiaries of water resources projects is underway. I ask that you complete this work promptly so that draft legislation can be transmitted to the Congress in time for enactment this year."

It is anticipated that legislation that will deal with at least a part of the cost-sharing problem will be introduced in the Congress early in the next session. The responsibility for determining the method of financing water projects rests with the U.S. Congress.

As a background to my discussion on cost sharing, I would like to review with you the situation relative to authorized but unconstructed water projects. Presently there is about $20 billion estimated construction costs associated with such projects. Having been recently associated with the U.S. Bureau of Reclamation, as an Assistant Commissioner, I would use the situation of the Bureau to indicate the present dilemma of financing the construction of projects.

The Bureau presently has a $6.2 billion backlog. The increased cost of construction because of inflation has been running about 7% annually for the last 5 years. This means that approximately $450 million of Federal appropriation is required each year for the Bureau to meet the inflation factor; whereas the construction appropriation to Reclamation has run about $300 million annually. This means that the Bureau has a larger dollar backlog at the end of the year than at the beginning, even if desirable new projects are not authorized.

Logically, there are three options or combination of options that are available to resolve this problem. These options are: (1) increase substantially the Federal appropriation; (2) cut projects out of the backlog; and (3) develop new methods of financing. The need to explore all three options; however, I would like to discuss with you option (3) which relates directly to cost sharing.

Initially, it should be understood that I am discussing cost sharing—not non-Federal financing—there is a difference. There are national interests and Federal benefits that justify a strong Federal role. Cost sharing is based on the concept of sharing of costs by all levels of government, Federal, State and local based on benefits received. Identification of benefits is part of the determination in the economic justification of projects. If you questions the benefits—you are in essence questioning the justification of projects.

It is my position that economically justified water projects are sound investments, based on real benefits. If this is the case, then we need to evolve a method of financing so as we can accrue these benefits. I have worked as a water professional at the local, state and Federal level. I am convinced that benefits from these projects accrue at all of these levels. The questions come down as to how these levels can and should share their costs in order that the construction of desirable projects can proceed in a rational and timely manner, which is not the case today. My conversations with many local and state officials lead me to believe that they stand ready to invest their funds in such projects—if the Federal Government articulates a sound water policy on cost sharing. These same people recognize the present program characterized by an indeterminate waiting period is not sound in that it does not allow for a reasonable, if any, assurance that a project will ever be constructed—at least in their life time.

A pragmatic level of cost sharing accomplishes two things: (1) eliminates "free loaders" who are unwilling to pay for any of the benefits they will receive; and (2) increase funding for construction. The water agencies in the Executive Branch are facing a real challenge in developing a legislative package on cost sharing for consideration of the U.S. Congress. In order to be acceptable, it must recognize an appropriate level of sharing of costs; and it must be at a level that encourages, not discourages non-federal cooperation. I see cost-sharing as the real key in moving this Nation's water programs.

In the short time I have had available with you today, I have limited my remarks to the recently published WRC Principles and Standards, and cost sharing. I have done so because these are two important activities on which the Council is now placing considerable emphasis. This is not to downgrade other water policy areas that the Council has under consideration or must address in the near future. These relate to such items as: (1) institutional arrangements, (2) methodology, (3) priorities, (4) food and fiber; (5) water for energy; and (6) coordinated comprehensive water and related land planning. Again, it is my pleasure to meet with you today, I trust this short presentation will give you some insight into the programs of the Water Resources Council in making recommendations to the President and the Congress on water policy. It is a very interesting area of activity; but, needless to say, it also has its controversial aspects.

RICE DIPLOMACY

Mr. JOHNSTON. Mr. President, in the past year we have realized for the first time that the American farmer is an integral part of the American economy. Having been blessed for years with agricultural overproduction, we have seen during 1973 that our agricultural products are of enormous significance to the other nations of the world, and that other nations are willing to compete with American purchasers for our farm output.

As we have learned this lesson the hard way, public understanding for our agricultural programs has increased. Today, more Americans than ever before can appreciate why it is wise policy for our Government to maintain stable agricultural productions levels.

Recently, another very beneficial aspect of our farm program has come to my attention. Under Public Law 480, the Government has long purchased surplus agricultural products, including rice grown in my own State of Louisiana, and shipped these products abroad as part of our foreign aid program. Public Law 480 has been severely criticized. Unquestionably, the program is badly in need of reform and streamlining. Nevertheless, Mr. President, we should not be too quick to forget the vital role played by our agricultural products shipped abroad under Public Law 480.

An excellent editorial in the August 1973 issue of the Rice Journal emphasizes the role of "rice diplomacy." For the information of the Senate, I would like to introduce this editorial into the Record.

Mr. President, I ask unanimous consent that the editorial in the August 1973 issue of the Rice Journal be printed in the Record following my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Editor's Page

So the worldwide shortage has pushed rice prices to historic levels. Farmers all around the Rice Belt are happy and prosperous. When the sun shines it is a good time to patch the roof, so we might think about where our Amercian rice has gone, what it is doing, and how the current situation contrasts with other times.

In Cambodia, the U.S. Air Force has been air-dropping 100 pound sacks of American rice to people cut off by Communist advances. In South Vietnam our rice is being used to fulfill our political commitment for economic assistance, and at the same time buttress the government in power.

The Philippine President on the eve of his election sends out the word: "Let the markets be flooded with rice." His Government is returned to power. The fact that there were any stocks at all on hand for the populace was due in part to imports of 150,000 tons of American rice under both PL–480 and commercial terms.

In Indonesia, the produce of American rice farmers helped to ease the shortage, feed the hungry, and maintain political stability. Our supplies to Korea helped fill the "rice gap" and ease the domestic political problems of one of our important allies.

In the Middle East, the availability of American rice on commercial terms has become meshed with the supply of oil from the Arabian Peninsula. If foreign oil production is important to national security, so is our domestic rice production.

Couple this with the recent official announcement that no further PL–480 sales will be approved until January of 1974 except for national security purposes, and the point is again well illustrated. At the same time, restrictions are being threatened for commercial exports. It seems that when worldwide supplies do not meet international political demands, the Government is quick to throw the rice farmer into uniform.

Now let us look at the situation in another way. Imagine that we are back in 1968. Warehouses are bulging; there is a glut on the market. The rice farmer is not everybody's friend, but has become a political liability. A lot of talk is heard about agriculture budgets, and how the rice farmer's allotment is costing the taxpayer more than any other program. Complaints are heard from the Budgeteers that the produce of our farmers must be bought by the government and then almost given away abroad.

Yet American rice in 1968 was serving the exact same purpose as in 1973—alleviating world hunger and assisting friendly governments. The big difference is that world supplies are tight. This means that what the U.S. Department of Agriculture and the U.S. rice farmer were taking the blame for only a few years ago now turns out to be a Godsend to the U.S. Department of State and to those in Washington concerned with national security.

Our rice farmers are supplying an international demand, in bad times as well as good, and their labor goes to fulfill our international political purposes. There is something wrong, when times are bad, with having the cost of the program borne by the USDA alone. At least part of the cost should be assigned to the Department of State or to agencies concerned with humanitarian and national security programs.

American rice production is an expensive proposition. But those who protest the cost of programs designed to help move rice abroad through government sponsorship should weigh that expense against the cost of bombs, bullets, and American lives.

CONSTITUTIONAL ISSUES INVOLVED IN CONCEPT OF A FEDERAL NO-FAULT AUTOMOBILE INSURANCE PLAN

Mr. HRUSKA. Mr. President, during hearings in the Senate Judiciary Committee on "no-fault" automobile insurance bills, testimony was received from Dr. Mitchell Wendell, a constitutional law authority, on various constitutional aspects which arise in this field.

Dr. Wendell holds a law degree from Columbia University—1945—and a Ph. D. in public law and government from that same school—1949. He is a member of the New York State and District of Columbia Bars. His experience and activity in law has been wide and varied, including 6 years as counsel to the Council of State Governments.

His testimony covers a variety of questions on the constitutional impact of S. 354, the bill reported by the Senate Commerce Committee. They include:

1. Does the Congress have the constitutional power to authorize states to enact no-fault laws?

2. Can or must a state administer a federal no-fault law different from or in preference to the state law?

3. What is the effect of the provisions of S. 354 mandating particular kinds of state administrative structures and relationships: for example, Section 109?

4. What would be the likely result of enactment of S. 354?

Mr. President, it is a scholarly, well-documented presentation which Dr. Wendell made. I ask unanimous consent that its text be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. Mr. President, there are other considerations besides constitutional which arise as to S. 354. One of them is the broad policy question of whether the deliberately enacted national policy—as directed in the McCarran Ferguson Act—by the Congress in 1945, should be abrogated in the fashion attempted in S. 354. Or whether it should be modified or altered in such or similar fashion, or at all.

No hearings were held on the broad issue presented in the Senate Commerce Committee hearings, in sufficient degree to enable us to get a perspective of the massive impact which eventual Federal preemption would have on the millions of insurance policyholders of every line of insurance. We can well conclude that the impact would be great.

As to automobile insurance alone, there is in the context of various bills pending, a great deal of controversy.

Washington State Insurance Commissioner testified before the Judiciary Commitee that there are about 200 plans of no-fault insurance that have been designed, compiled, and disseminated throughout the country.

The Senate Committee on Commerce has proposed one of its own plans—of its own contrivance to establish Federal nationwide no-fault automobile insurance.

Many students in this field, including Washington and Oregon State Insurance Commissioner Karl Herrmann, oppose such a plan, pretty much on the basis that if no-fault insurance is an idea whose time has come, it should arrive in the several States of the Union in such terms and plan as each State prescribes for itself.

Many persons, viewing the great variety of plans, and the varying differences of judgment and treatment accorded them by the public and legislatures of the States, consider it presumptuous, officious, and unwise for the Senate Commerce Committee to sweep aside all such decisions, and to say in paternal fashion: "None of your plans are satisfactory. We offer a plan which is the latest product of our committee. You take it. If you do not adopt and comply with this committee's plan, then we will force it on you by congressional act, whether you like it or not."

Apart from the wisdom, workability, and desirability of no-fault, as a concept, therefore, some policy questions arise. Among them are constitutional issues, which are compelling and which must be fully met. To this point they have not been treated sufficiently, Dr. Mitchell Wendell's paper on this subject will be very helpful to overcome this deficiency.

So will the statements and testimony

of State insurance commissioners from Washington State and Oregon—Commissioner Karl Hermann and Commissioner Lester L. Rawls respectively. Both oppose the Federal interventions.

Mr. President, I ask unanimous consent that their statements be printed in the RECORD at the conclusion of my remarks.

Later hearings will include testimony from other State insurance commissioners, State Governors, from National Association of Insurance Commissioners and others.

They want to participate in the trend of moving power in public affairs away from Washington and back to the States and localities.

They consider they can serve the consumer—the insurance buying public—more efficiently, effectively, and responsively than a Federal bureau or layer of bureaus in the Nation's Capital.

EXHIBIT 1

STATEMENT OF DR. MITCHELL WENDELL ON S. 354

I am Dr. Mitchell Wendell, a member of the New York and District of Columbia Bars. I have had fifteen years of experience as a professor of Constitutional Law and Political Science. For six years I was Counsel to the Council of State Governments. Now I am a consultant specializing in Intergovernmental Relations, Legislation and related matters. Because I appear today as an expert witness on the Constitutional Law and Intergovernmental Relations aspects of no-fault insurance legislation. I have appended a fuller professional biography to this statement.

I have been retained, for compensation, by the American Mutual Insurance Alliance to do research and technical analysis relating to the Constitutional Law and Intergovernmental Relations aspects of no-fault. However,, this statement represents my personal view as a long time practitioner and student.

BASIC ISSUES

S. 354 is not the usual type of legislation designed to persuade or induce states to address problems by developing and implementing policies or approaches deemed desirable by the Congress. This bill contains many if not all of the exact provisions of a no-fault law. It is as comprehensive and detailed a measure as a state legislature might enact on the subject. In order to avoid preemption, a state must have a law and administrative structure precisely as prescribed in S. 354. The rights and obligations of drivers, passengers, pedestrians, and insurance companies—indeed of everyone concerned with motor vehicle accidents, damages and injuries—would be specifically determined pursuant to the provisions of the federal statute or of the state laws which would have to copy the exact provisions of the federal statute, except that in some particulars a state law could have additional provisions.

As the bill provides for no federal administration or enforcement (other than approval of State plans), its viability is entirely dependent on the ability and willingness of all states to accept no-fault, enact no-fault plans precisely like what the authors of S. 354 have in mind, and administer the system. Whether all of this is realistic, or even possible, depends on the answers to several questions:

1. Does the Congress have the constitutional power to authorize states to enact no-fault laws?

2. Can or must a state administer a federal no-fault law different from or in preference to the state law?

3. What is the effect of the provisions of S. 354 mandating particular kinds of state administrative structures and relationships: e.g. Section 109?

4. What would be the likely result of enactment of S. 354?

1. Does the Congress have the constitutional power to authorize states to enact no-fault laws? Five states have constitutional provisions which forbid limitation of the tort remedy, thereby making no-fault laws impossible for them to enact or administer.[1] Nineteen additional states have provisions in their constitutions which do not go as far but which nevertheless either deny or seriously restrict the possibility of their enacting and administering no-fault statutes.[2] Unless, these states, through their own constitutional amendment processes, elect to remove these provisions, they cannot meet the conditions that would be created by S. 354. The bill attempts to find a way around this barrier by declaring such elements of state law to be preempted. Section 201 (a) reads:

SEC. 201(a)

"Preemption.—Any provision of any State law which would prevent the establishment or administration in such a State of a no-fault plan for motor vehicle insurance in accordance with this title or title III of this Act is preempted."

The Commerce Committee Report explains this provision thus:

"In subsection (a) of this subsection, Congress preempts any provision of State law 'which would prevent the establishment or administration' in that State of a no-fault plan for motor vehicle insurance in accordance with title II or title III of S. 354. It is a stated purpose of the legislation to enable 'each State to participate legislatively, to administer without interference, and to continue regulating the business of insurance' while establishing minimum standards which each State must meet or exceed so as to assure a nationwide low-cost, comprehensive, and fair system of motor vehicle accident and insurance law (Section 102(b). Any provision of State law which would prevent the establishment or administration of a no-fault plan for motor vehicle insurance in accordance with S. 354 would frustrate that stated purpose and interfere with the national goal of a State-Federal partnership in the motor vehicle insurance reform effort.

"Therefore, under authority of Article VI of the Constitution, any State law which would prevent the establishment or administration of no-fault plans in accordance with title II or title III is preempted.

"It should be noted that plans in compliance with title II and title III 'meet or exceed' the minimum standards. Therefore, State law preventing the establishment or administration of a plan which met and exceeded the national standards would also be preempted.

"Subsection (a) is intended to restrict the power of a State to frustrate national policy by adopting or maintaining State laws which prevent the establishment or administration of a no-fault plan in accordance with title II or title III of the bill. As Chief Justice Marshall pointed out in *McCulloch* v. *Maryland*, 4 Wheat 316 (1819):

"'The States have no power, by taxation or otherwise, to retard, impede, burden, or in any manner control, the operations of the Constitutional laws enacted by Congress to carry into execution the powers vested in the general government. This is, we think, the unavoidable consequence of that supremacy which the Constitution has declared.'

"This subsection restricts the power of a State; it does not grant the State power. *The bill itself does grant a State power to participate with the Federal Government in the motor vehicle insurance reform effort. But the restrictions on State power in subsection (a) should not be confused with the grant of power to the States generally contained within the bill—a grant of power closely resembling that set forth in the McCarran-Ferguson Act (59 Stat. 33). . . .*" [Emphasis added.]

The Committee's phraseology is peculiar and contains serious misconceptions. It assumes that Section 201(a) is designed to keep a state from frustrating national policy. This might be an accurate categorization if we had a situation in which states were preventing the Federal Government from administering a law which the Congress had enacted. The Committee Report appears to believe that mere inaction on the part of a state and its failure affirmatively to administer a law which Congress has enacted is constitutionally identical with positive obstruction by the state of national action. As will be shown in this statement there is a vital difference between these two situations. The Supremacy Clause (Article VI, Section 2) does not compel a state to take affirmative action.

Also, the Report's likening of S. 354 to the McCarran-Ferguson Act is erroneous. That Act is a classic consent statute in the tradition of the Lacey Act, 31 Stat. 188 (1900), 16 USC 668(d) (Supp. IV 1951); Webb-Kenyon Act, 37 Stat. 699 (1913), 27 USC Sec. 112 (1946); the Hawes-Cooper Act, 45 Stat. 1084, 49 USC 60 (1946); and the Ashurst-Sumners Act, 49 Stat. 494 (1935), 18 USC 1761. These statutes employ the constitutional doctrine first developed in *Leisy* v. *Hardin*, 135 U.S. 100, 10 S.Ct. 681, 34 L.Ed. 128 (1890): i.e. that by specific statutory declaration Congress can make it clear that its own action is not intended to preempt the field or to bar action which states may wish to take. In other words a consent statute such as the McCarran-Ferguson Act frees a state to act if the impediment is a federally imposed one. These statutes have no significance and would be of no avail where the impediment is in a state constitution or in the lack of desire on the part of a state to take action.

Assuredly, S. 354 would dismantle the remedies now provided for those injured or suffering losses as a result of vehicular accidents. It is plain on the face of the U.S. Constitution that a valid Congressional enactment nullifies or renders inoperative a state law with which it is in conflict. However, the Commerce Committee's Report, and so the bill, is in error when it presumes that the provisions of S. 354 or of state laws enacted in conformity therewith would stand in the place of the abrogated remedies.

The difficulty is that the architects of Section 201(a) and of the entire theory of intergovernmental relations on which S. 354 rests mistake the negative act of destroying state law for the affirmative one of authorizing something effectively to be put in the place of the abrogated remedies. Contrary to the Commerce Committee's supposition, the result of S. 354 in the affected states would be to create a void in which persons who suffer injuries or losses in vehicular accidents would have no practicable means at all of securing redress or recompense.

The only purpose that can be served by preemption is to prevent states from interfering with federal activities prosecuted pursuant to Acts of Congress. The quoted passage from the Committee Report claims no more. However, it goes on to assert that other provisions of S. 354 do authorize states to enact no-fault laws consistent with the provisions of the bill. It is the misconception on which that assertion rests which produces the fatal constitutional infirmity in S. 354 and the entire plan for legislation which it embodies.

There are two reasons for this conclusion:

1. Neither the basic premises of our federal system nor any provision of the U.S. Con-

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stitution give Congress the ability to act as a source of legislative or administrative power for state governments; and

2. The Supremacy Clause is a restriction on state power, not an expansion of it.

CONSTITUTIONS AS SOURCES OF POWER

Our present form of Federal Government was created by the people of the United States when they, acting through the states, adopted the U.S. Constitution.[3] That document identifies certain enumerated powers which are delegated to the national government, and which the people have authorized it to exercise. Consequently, the Federal Government is one of limited authority: it may only do those things permitted by the governed as revealed in the constitution.[4]

This theoretical basis of federal authority, while inherent in the idea of a written constitution, is expressly reaffirmed in the Tenth Amendment. This Amendment states that powers not granted to the national government "are reserved to the States respectively, and to the people." There are two important concepts embodied in these words. The first is that state mechanisms and institutions determine whether and how reserved powers will be employed; and the second is that there are powers in addition to those delegated to the national government, which states may not be able to exercise.[5] Otherwise, the phrase "or the People" would be superflous. Such a construction cannot be proper since it would disregard the university accepted canon of constitutional interpretation of Chief Justice Marshall that "It cannot be presumed that any clause in the constitution is intended to be without effect."[6] Thus, any statute enacted by Congress must be authorized by an affirmative grant of power contained in the Constitution. The fact that the federal powers enumerated in Article I, Section 8 and in the several Amendments have been vastly expanded by judicial construction, does not invalidate this proposition or mean that federal powers are now unlimited, for the basic governmental framework in the United States today of two independent levels of government, each deriving their efficacy from those governed, forbids such a result.

None of the powers enumerated as belonging to Congress empower that body to compel or to authorize state governments to exercise powers that they do not otherwise possess. As will be shown in the subsequent discussion of the Supremacy Clause, the only exception to this statement is in instances where the impediment to state action is a federal law or an established intent of Congress that the states not enter a field that Congress has occupied. The no-fault legislation does not fit this pattern. Rather it presumes that the states can and should take affirmative action along the lines specified in the bill.

Just as the U.S. Constitution both confers and limits the powers that can be validly exercised by Congress, so the constitutions of the individual states provide the only sources of power for the state legislatures.[7] A limitation contained in a state constitution is as binding on the state legislature and on administrative agencies of the state as a limitation in the U.S. Constitution is binding on Congress.[8]

The entire rationale of our federal system depends on the validity of this proposition. Within the domain of their reserved powers, the states are independent governments. Our political and constitutional theory is also that they are limited governments. The specific limitations for each state government are those imposed by the people of the state through the state constitution making process no less than those imposed by the Federal Constitution. Each state can, by provisions in its constitution, place beyond the power of its government the making of certain kinds of laws. Each state has done this—notably in the Bill of Rights in its constitution[9]—but also in a variety of other provisions such as limitations on taxation, prohibition or limitation of borrowing by the state government[10] and by its local governments, and restrictions on the abolition of the tort remedy.[11]

Clearly, the people of a state, by adopting a constitutional provision, can determine that the state government simply will not be able to do some of the things that it might otherwise do.

CONGRESS AND STATE ACTION

Congress has assisted and frequently even laid the basis for coercing state action. Usually, it has done so through the grant-in-aid device.[12] However, in the constitutional sense, the states are free to accept or reject the aid.[13] Their actions are pursuant to their own processes. If legislation is involved, it is such as the state legislature can enact under its own constitution. Inability of a state to take the action necessary to qualify for the federal grant would be as good a reason as any for the state not to do the things prescribed by Congress and so not to receive the aid. Despite the great number of grant programs and statutes, Congress has not sought to secure from the states action contrary to their constitutions.

A second type of relationship of Congress to state action has been in the so-called "consent statutes". In these instances, Congress has indeed enabled states to enact and enforce legislation that they were otherwise unable constitutionally to sustain.[14] But in none of these instances is the obstacle to state action a restrictive provision of a state constitution. In each of these consent situations, the impediment has been a federal statute enacted by Congress in exercise of its commerce power, or the belief (generally as the result of a court holding) that Congress had occupied the field or intended that the field remain free of regulation.[15] Consequently, the state law was or would have been invalid because contrary to a regulatory program actually being administered by the Federal Government or to a limitation or regulation imposed by Congress. As will be shown below, it is far different for Congress to protect its own policies functioning pursuant to valid exercises of its own constitutional powers than for Congress to seek to confer an affirmative power on the state government which that government does not already have.

There are only a few narrow instances in which the U.S. Constitution expressly gives to Congress the power to compel states to act even though the required state action would violate state constitutional provisions. Section 2 of the 13th, 15th, 19th and 24th Amendments and Section 5 of the 14th Amendment state that Congress is empowered to enforce the substantive provisions of these Amendments by appropriate legislation.[16] Three of these Amendments, the 13th, 14th and 15th, were adopted immediately after the Civil War[17] and were designed to ensure that slavery be forever abolished (the 13th); that all persons entitled to United States and state citizenship receive that citizenship; that no state could define the consequences of federal citizenship or deny to anyone due process of law or equal protection of the laws (the 14th); and finally that the right of a citizen to vote not be linked in any way to race (the 15th). The immediate post-Civil War climate made those in control of the Union feel that court enforcement of these protections was not enough and that Congress should, with respect to their particular subject matter, have the role of an affirmative policeman of state action or inaction.

A similar motivation can be detected in the other two Amendments mentioned above, the 19th and 24th. The 19th Amendment granted women the right to vote, and the 24th abolished poll and other similar taxes in federal elections. Both of these Amendments involve the right to vote, a right which is one of the most important in a democratic system,[18] and consequently supplementing the normal method of enforcement was justified by the unique nature of the right being protected. However, these considerations are entirely absent when no-fault legislation is the issue for there is no historical antecedent or special reason requiring that the normal balance between the federal and state governments be shifted away from state autonomy.

Two additional features of these Amendments also distinguish them from the usual situation. First, the Amendments specifically empower Congress to enforce their substance by legislation, both negative and affirmative. No other clause of the constitution similarly vests in the Federal Government the power to require a state to enact and administer legislation. Although the necessary and proper clause of Article I, Section 8 could perhaps be construed as such an authorization, this has been foreclosed by the Supreme Court.

In the case of *Kinsella* v. *U.S.*,[19] a case in which an article of the Uniform Code of Military Justice was held unconstitutional the Court on the effect of the necessary and proper clause stated that:

"If the exercise of the power (of Congress to 'make Rules for the government and Regulation of the land and naval Forces') is valid it is because it is granted in Clause 14, not because of the necessary and proper clause. That clause is not itself a grant of power, but a caveat that the Congress possesses all the means necessary to carry out the specifically granted 'foregoing' powers of Section 8 and 'all other Powers vested by this Constitution . . .' As James Madison explained the necessary and proper clause is 'but merely a declaration, for the removal of all uncertainty, that the means of carrying into execution those (powers) otherwise granted are included in the grant.'" Writings of James Madison, edited by Gaillard Hunt, 383.[20]

Both the Court and Madison were speaking of the Federal Government's executing the laws. In order to make this apparent, it is only necessary to remember that the Necessary and Proper Clause is the last of the enumerated powers of Congress. The agents to which Congress may normally delegate power are the administrative agencies of the Federal Government. These agencies, being either directly responsible to the President or to Congress, are under a legal obligation to perform the will of Congress. The President is under a constitutional obligation to execute the laws enacted by the national legislature. (Article II, Section 3, Clause 4.) Nowhere is a similar obligation or authority conferred on a state governor or any other administrative or legislative organ of state government. Thus, the Necessary and Proper Clause is not an affirmative grant of power to Congress and cannot be relied upon to justify this element of no-fault legislation.

The second, and more practical, reason why the Necessary and Proper Clause cannot be viewed as authorizing Congress to compel positive action by state legislatures is one of federalism, for such a power would in effect eliminate the states as autonomous governmental entities. Unlike Section 5 of the 14th Amendment which is coupled with specific limitations upon state action and thus limits the realm of federal enforcement, the Necessary and Proper Clause is linked to all the enumerated powers of Congress. Consequently, to construe this provision in the same manner as Section 5 would enable the Federal Government to

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mandate state enactment and enforcement of legislation in most, and perhaps in all areas, regardless of state constitutional prohibitions. The enactment of federal legislation, such as the pending no-fault bill, which would require the assertion of federal powers broad enough to engulf state governments cannot be viewed as either necessary federal legislation or in any way proper.

Therefore, while it is well established that provisions of the U.S. Constitution and action of Congress pursuant to them can place limitations on the states and so reduce the realm in which a state constitution can empower a state government to act,[21] there is no provision in the constitution other than the above-mentioned Amendments which can be interpreted as permitting the Federal Government to authorize a state legislature to enact legislation which would violate its constitution. None of these provisions are even remotely construable as sources of authority for Congress to enact no-fault legislation.

2. Can or must a state administer a federal no-fault law different from or in preference to the state law? In the case of a state with a constitution that forbids or restricts adoption of a no-fault law, the discussion under Question 1 above is determinative of the issue. It remains to consider whether a state which could enact a no-fault law but has not done so would be required or authorized to adopt no-fault by virture of S. 354. A related question is whether a state that has enacted a no-fault law could enforce the provisions of S. 354 in place of its own statute.

In assessing the practical results that could be achieved by federal legislation, it also becomes important to determine whether they could be compelled to do so, even if unwilling. In exploring such questions, the effect of the Supremacy Clause is of fundamental significance. Also, the true character of what is sometimes loosely referred to as state enforcement of federal law must be considered.

THE SUPREMACY CLAUSE

Can anything in the Supremacy Clause of the U.S. Constitution (Article VI, Section 2) be employed to empower a state to enact no-fault provisions? The Clause reads:

"This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Consitution or Laws of any State to the Contrary notwithstanding."

This provision has always been understood to mean that a state law which is in conflict with a valid Act of Congress cannot be enforced. The words "and the Judges in every State shall be bound thereby" show how the Clause is intended to work. In any litigation coming before state courts, those tribunals must decline to give effect to a conflicting state law.[22] In a severely limited number of instances where Congress has provided for the exercise of concurrent jurisdiction by state courts under federal statutes, it has also been determined that the state judges may entertain the cases.[23] However, the Clause says nothing about state legislatures or the executive branch of state government. As a practical matter, of course, all state officials must appreciate that any of their statutes which conflict with valid federal enactments cannot be enforced. However, the Supreme Court has also held that neither the states nor the Federal Government enforces each others laws in any affirmative sense.[24]

It should further be noted that states are bound to observe only those Acts of Congress which are valid. With the possible exception of the 13th, 14th, 15th, 19th and 24th Amendments subject matters, the Constitution gives Congress no power to authorize a state legislature to disregard its state constitution, nor to compel such a legislature to take affirmative action in enacting a state statute. Accordingly, words in a federal statute that would purport to allow states to enact no-fault laws could be construed as valid only if given two meanings:

1. Congress does not intend to exclude state law from the no-fault field. This would remove any federal impediment to the state action and would be a consent statute. However, it would not remove a state impediment to the action.

2. Congress expresses a desire that states enact certain no-fault provisions. This might be justified as an encouragement to state action, but such a desire would be unproductive in the case of a state whose constitution prohibits the legislature from taking the desired action or in which the legislature was unwilling to pass a particular no-fault law.

To be the "supreme law of the land" a federal statute must be validly enacted: i.e., enacted in exercise of a power delegated to Congress by the enumeration of powers in the Constitution.[25] The Supremacy Clause is not a grant of power to Congress. It is merely a description of the status of Acts of Congress which have been validly enacted. The purpose of the provision is to protect the integrity of federal law, not to authorize the enactment of state law.

If the Supremacy Clause could be used by Congress to confer powers on state legislatures and state administrative agencies, the Congress could amend large parts of state constitutions in total disregard of the amending processes prescribed by those documents. Acts of Congress, and not the state constitutions, would be the fundamental law of the states. Such effectiveness as a state constitution would be only subordinate and would continue only so long and to the extent that Congress did not replace it. Such a concept is a novel constitutional doctrine and is entirely inconsistent with the constitutional theory of our federal system. Moreover, it is hard to see why the enactment of no-fault insurance by the states is so basic an issue for our entire governmental structure as to precipitate a major change of our constitutional framework of government.

AGENCY AND DEPUTIZATION

For those states that are not constitutionally unable to do so, the test of their probable conformity with the particular kind of no-fault desired by the authors of S. 354 would be their willingness to espouse policies very close to or identical with those embodied in the bill. Experience has much to tell us about state assistance in implementing national policy. In such instances, the states actually administer their own laws and not that made by Congress.

As already noted, the courts of the states can be required to apply federal law, if it come to them in a form suitable for judicial proceedings. Relatively early in the history of workmen's compensation, it was established that pursuant to a mandatory act of Congress, the state courts were required to do so in certain cases under the federally enacted employers' liability law. (Second Employers Liability Cases, 223 US 1 (1912)). A similar holding resulted when compulsory state court jurisdiction over cases arising out of World War II price controls was unsuccessfully challenged. (*Test* v. *Katt*, 330 U.S. 386 (1947)). However, when states have undertaken administrative enforcement of federal law, it has been by noncompulsory means involving cooperative techniques designed to circumvent the legal rule that neither the state nor the Federal Government can enforce the other's laws. (*United States* v. *Constantine*, 296 U.S. 287 (1935)).

One such technique is for the state to make its own law identical with or substantially similar to the federal law. The state then administers its own law, with the result that the objectives of the federal law are attained.

For example, this has been done quite extensively in the field of pleasure boat regulation. Under the Federal Boating Act of 1958, the identification numbering of pleasure boats propelled by motor is required. Almost all states have instituted similar requirements, even down to details of required position and size of numbers. Administration of the state laws is in effect administration of the federal law, although technically the state is not applying federal law at all.

Similarly, the Coast Guard has established requirements for safety equipment on boats. Many state laws provide that the carrying of Coast Guard approved equipment and devices is compliance with requirements of the state law. If the states had not taken these actions, the only alternatives would have been direct federal administration or no administration at all.

In other instances, state personnel are deputized to administer federal laws. Leading examples of this approach have been the enforcement of migratory bird treaty requirements by state wardens and the administration of rationing during World War II. In these instances, however, state law must authorize the receipt of the deputization and state administrative cooperation is necessary to make the system work.

3. What is the effect of the provisions of S. 354 mandating particular kinds of state administrative structures and relationships: e.g. Section 109? The authors of S. 354 appear to recognize that the no-fault systems they would like to see in operation involve much more than bookkeeping transactions for the claiming and payment of money. Services on a large scale to be provided in virtually every community in the country are involved. For example, Section 109 of the bill would require administration of medical and rehabilitation programs for victims of vehicular accidents. Since the scope of this legislation is and as a practical matter must be confined to no-fault insurance, Section 109 understandably mandates administrative duties of considerable importance for state insurance commissioners with respect to the medical and rehabilitation programs and purports to establish relationships and duties for the state rehabilitation programs.

For the constitutional reasons already set forth in this statement, it is extremely doubtful that Congress can provide state agencies with the authority they need to administer such programs, although it is quite clear that S. 354 could destroy any vehicular insurance and reparations programs in a state whose overall administrative organizational structure did not conform precisely to the requirements of Section 109 or the view of the Secretary of Transportation when he passes upon a state plan pursuant to Section 201(b).

I have not made a study of state constitutions in order to determine whether any of them contain provisions that would inhibit either the state insurance agencies or the state health and rehabilitation agencies from performing in the ways contemplated by Section 109. Nor have I analyzed either the state statutes creating these agencies or the federal statutes and administrative regulations under which state rehabilitation programs receive federal grants-in-aid. Accordingly, I do not know whether there is anything in these constitutions and laws that would be at odds with the non-fault role which S. 354 proposes. However, I would suggest that such an examination needs to be undertaken if we are not to run the serious

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Footnotes at end of article.

risk that the federally mandated no-fault system would distort or cripple programs now intended to serve the needs of vocational rehabilitation and education or of public welfare.

In any event, it is necesary to observe that the difficulty with the federally prescribed and ostensibly state implemented system projected by S. 354 is that a no-fault insurance program constructed at the federal level is not a proper vehicle for rearranging the administrative fabric of state government. State legislatures are the much more appropriate organs of government for such purposes. They are in a position to consider the entire range and balance of functions that state agencies should perform and to allocate responsibilities among them in ways that will accommodate rather than prejudice all state programs needed to serve public requirements.

This suggests that state laws and administration are either necessary or desirable elements of a no-fault system, thus it is much better that the states institute no-fault by themselves and in their own ways.

4. What would be the likely result of enactment of S. 354? Although I doubt that they so intend, the authors of S. 354 would play a game of brinksmanship with our vehicular reparations and insurance systems. The first consequences of the bill's enactment would be the obliteration of all the laws under which persons suffering injury or loss are now insured and can collect for the results of vehicular accidents.

Probably, this is even true of existing state no-fault laws because it would only be by the sheerest coincidence that any of them fully meet the detailed prescription of S. 354.

The only premise on which S. 354 is workable is that faced with the absolutely catastrophic and intolerable character of such a situation, all the states would feel irresistible compulsion to do whatever was necessary to save their people from the havoc that Congress would have wrought. If this took constitutional amendments, they would be forthcoming; if it took new statutes, they would be passed; if it took reorganization of existing state agencies, this too would be done because the alternative would be too unthinkable to contemplate.

Perhaps all of this would occur, but it would not happen overnight. Many states have elaborate provisions for constitutional amendments which, like the processes for amending the Federal Constitution, have been purposely constructed to prevent hasty, ill-considered action. The provision of S. 354 requiring that the states act at the next regular session of their legislatures is totally at variance with customary timetables for securing amendments in many states. Even the expected legislative process for states which would need only statutory action cannot normally be relied upon for rapid completion in so controversial an area as no-fault. In this connection, it seems only reasonable to point out that Congress has already had no-fault legislation under consideration for several years and is not finished yet.

For the reasons presented in this statement, I believe S. 354 raises serious constitutional problems. While it is impossible to say with certainty what the courts will do with difficult questions of first impression, the precedents and the constitutional character of federal-state relations as we know them are in conflict with the premises on which S. 354 depends. At the very least, this is true for the states whose constitutions prohibit or restrict no-fault plans. It may be true to some degree for all states.

Some types of legislation can hope to avoid constitutional testing. This is the case where procedural or political factors make it unlikely that an issue will be litigated.

To suppose that E. 354 and the several parts of the system it envisages would remain out of the courts is unrealistic in the extreme. Plaintiffs and defendants in automobile cases and those affected by vehicular insurance policies number in the tens of millions—indeed they include virtually the entire population.

Limitation of recovery for pain and suffering alone, to say nothing of other substantive and procedural aspects of no-fault, will not cease to engender contest merely because a federal law is enacted.

I believe that the Congress, and particularly this Committee, should be very uneasy with legislation that is sure to let loose a flood of litigation that will produce uncertainty for years in a field so vital to the physical and economic protection of all members of the population.

This is not to argue that no-fault is an erroneous principle, or that the enactment of no-fault statutes is intrinsically bad. I have not been concerned with that question in my testimony. It is to argue, however, that S. 354 seriously needs rethinking, both in detail and in its basic structure. A constitutional infirmity in a federal no-fault law would be catastrophic, especially if it preempts the state laws—no-fault or traditional tort remedy—on which our reparations system now depends. On the other hand, an infirmity in the no-fault law of a single state (however serious) can more readily be borne because the territory and the number of people affected is so much less. This is an excellent example of a field in which the worth of the state components of the federal system as laboratories is particularly great. At the present stage of development and implementation of the no-fault concept, it seems especially unwise to add federal constitutional uncertainties to the freight which this reform must carry.

FOOTNOTES

[1] Arizona Const., Art. 18, Sec. 6; Arkansas Const., Amendment 26 to Art. 5, Sec. 32; Kentucky Const. Sec. 54; Pennsylvania Const., Art. 3, Sec. 18; Wyoming Const. Art. X, Sec. 4.

[2] Ohio and New York have constitutional provisions which forbid the elimination of wrongful death actions or any limitation of recovery thereon. Ohio Const. Art. I, Sec. 19(a); New York Const. Art. I, Sec. 16. The constitutions of the following states contain language which could be construed as forbidding elimination of the tort remedy. Alabama Const. Art. I, Sec. 13; Colorado Const. Art. 2, Sec. 6; Connecticut Const. Art. 1, Sec. 10; Delaware Const. Art. 1, Sec. 9; Idaho Const. Art. 1, Sec. 18; Indian Const. Art. 1, Sec. 12; Kansas Const. Art. 1, Sec. 18; Louisiana Const. Art. 1, Sec. 6; Maine Const. Art. 1, Sec. 19; Maryland Const. Art. 19; Mississippi Const. Art. 3, Sec. 24; Oregon Const. Art. 1, Sec. 10; Rhode Island Const. Art. 1, Sec. 5; North Dakota Const. Art. 1, Sec. 12; Vermont Const. Ch. 1, Art. 4; Wisconsin Const. Art. 1, Sec. 9.

[3] Kelly and Harbison, *The American Constitution, Its Origin and Development*, revised ed. 1955, pp. 143–146; and *Gibbons* v. *Ogden*, 9 Wheat 1, 6 L.Ed. 23 (1824).

[4] Cooley, *Constitutional Limitations*, 8th ed., (1927), expanded by Walter Carrington, Vol. I, pp. 11–12 and cases there cited.

[5] Cooley, *Constitutional Law*, 4th ed., revised and enlarged by Andrew A. Bruce (1931) Sec. 14, p. 30 and cases there cited.

[6] *Marbury* v. *Madison*, 1 Cranch 137, 2 L.Ed. 60 (1803).

[7] Pound, *Jurisprudence*, Vol. III, p. 427 (1969); and Hart, "The Relationship Between State and Federal Law", 54 Columbia Law Review 491 (1954).

[8] Cooley, *Constitutional Limitations*, 8th ed., (1927), expanded by Walter Carrington, Vol. I, p. 4.

[9] For example, virtually all state constitutions contain provisions guaranteeing the right to a trial by jury. Some of these provisions are: Alabama Const. Art. I, Sec. 11; Ariz. Const. Art. II, Sec. 23; Indiana Const. Art. I, Sec. 20; Massachusetts Const. Pt. 1, Sec. 15; and Mississippi Const. At. III, Sec. 31.

[10] Examples of such constitutional limitations are: Arizona Const. Art. IX, Sec. 3 and 5; California Const. Art. X, Sec. 1; Delaware Const. Art. VIII, Sec. 3; Kansas Const. Art. XI, Sec. 5, 6, and 7; and Montana Const. Art. XIII, Sec. 2.

[11] See, for example, Arizona Const. Art. XVIII, Sec. 6; Arkansas Const. Art. V, Sec. 32, Amendment No. 26; Kentucky Const. Sec. 54; Pennsylvania Const. Art. III, Sec. 18; and Wyoming Const. Art. X, Sec. 4.

[12] *Massachusetts* v. *Mellon*, 262 U.S. 447 (1932); and *Steward Machine Co.* v. *Davis*, 301 U.S. 548 (1937).

[13] *Steward Machine Co.* v. *Davis*, 301 U.S. 548 (1937); and *Oklahoma* v. *U.S. Civil Service Commission*, 330 U.S. 127 (1947).

[14] For example, in 1944, after the Supreme Court held that the Sherman Antitrust Act of 1890 applied to the insurance business even though "based upon contracts which are local in nature." *U.S.* v. *South-Eastern Underwriters Ass'n.*, 322 U.S. 533 (1944). Congress enacted the McCarran Act of 1945, 59 Stat. 33, 15 U.S.C. Sec. 1011 et seq., which overrode the Court's holding and returned to states the power to regulate local insurance companies. This enlargement of state authority was then approved in *Prudential Insurance Co.* v. *Benjamin*, 328 U.S. 408 (1946). See *Southern Pacific Co.* v. *Arizona*, 325 U.S. 761 (1945).

[15] The two basic cases on federal preemption are *Hines* v. *Davidowitz*, 312, U.S. 52 (1941); and *Rice* v. *Santa Fe Elevator Corp.*, 331 U.S. 218 (1947).

[16] "The Congress shall have power to enforce, by appropriate legislation, the provisions of this article." Amendments 17 and 23 contain a similar provision but do not involve state authority.

[17] The 13th Amendment was adopted in 1865, the 14th in 1868 and the 15th in 1870.

[18] See *Reynolds* v. *Sims*, 377 U.S. 533 (1964).

[19] *Kinsella* v. *United States ex rel. Singleton*, 361 U.S. 234 (1960).

[20] This same idea was initially advanced in *McCulloch* v. *Maryland*, 4 Wheat 316, 4 L.Ed. 579 (1819).

[21] For example, Article I, Sec. 10 forbids states to "lay any Duty of Tonnage [or] Keep Troops, or Ships of War in time of Peace" without Congress's consent.

[22] *Second Employers' Liability Cases*, 223 U.S. 1 (1912); *Cohens* v. *Virginia*, 6 Wheat 264 (1821); and *Martin* v. *Hunter's Lessee*, 1 Wheat 304 (1816).

[23] *McKnett* v. *St. Louis & S.F.R., Co.*, 292 U.S. 230 (1934); *Testa* v. *Katt*, 330 U.S. 386 (1947); Hart, "The Relationship Between State and Federal Law", 54 Columbia L.Rev. 491 (1954).

[24] *United States* v. *Constantine*, 296 U.S. 287 (1935); *United States* v. *Lanza*, 260 U.S. 377 (1922).

[25] *Albema* v. *Booth*, 21 How. 506 (1858).

STATEMENT OF KARL HERRMANN, WASHINGTON STATE INSURANCE COMMISSIONER

Mr. Chairman and members of the Committee, No-Fault Insurance is a magic term which has captured the imagination of the American public. Although everyone is for it, few understand what it actually is. There are approximately two hundred plans that have been carefully designed, compiled, and disseminated throughout the country. To say the least, it is extremely confusing even to the experts who try to make sense out of this melee of proposals.

Reduced to the least common denominator, no-fault insurance is no more than first-party insurance. In most instances, it has been affected or recommended with mandatory provisions of the law.

The appalling tragedy lies in the fact that it has been represented as the great panacea, or cure-all, full of many sophisticated and complex problems confronting automobile insurance. We must remember that it is impossible to get something for nothing. Every business or industry must take in more than it pays out in order to survive. This is true whether we are considering the local hamburger stand, Lockheed, Rolls Royce or Penn Central Railroad. It makes no difference how small or large the enterprise. This principle applies.

Insurance is no exception. If, for example, a company or industry as a whole pays out X amount in claims, it must take in X plus in premium. That plus must be enough to pay all expenses, a reasonable return on capital invested, if it is a stock company, and provide enough surplus for growth and development. If we do not accept and believe in this formula, then we do not believe in the private enterprise system. When we look around at other nations, especially behind the Iron Curtain, we can realize as a matter of fact that with all its faults, the private enterprise system has delivered the greatest amount of the world's goods and services to the greatest number of people from the top to the bottom strata of our society than any other system so far devised.

Why have we at present become engrossed in no-fault automobile insurance? The concept is not new. It was first considered back in the World War I era. Herbert Hoover was interested in the subject. The Columbia University made a study back in the thirties. Doctors Keeton and O'Connell kicked the idea around for a decade or two. Then, all of the sudden, with the name of no-fault, it took with the public and there has been a great popular demand for immediate change in our auto insurance reparations system.

The DOT study, which also has been referred to as the two-year two million dollar study, has brought this subject to a head. In a nut shell, it points out that our present auto reparations system has failed to meet the public need and necessity and gives two basic reasons why. First, over half of the automobile accident victims, including pedestrians, do not receive one cent of compensation for their damages resulting from personal injury, and those who are compensated as a class receive in benefits less than half the money paid in premium dollars. To be exact, the amount is approximately 44¢ on every dollar paid.

This presents the question, "How are we going to fill this vacuum with a more efficient system which will provide compensation for everyone who is injured as the result of an automobile accident?" In approaching the problem, we must understand that approximately 70 percent of the premium dollar is paid for coverage of repair or replacement of property. About 30 percent is paid for coverage of repair and rehabilitation of people. On the property side, we already have no-fault insurance under the definition that it is no more than first-party coverage. My collision policy covers me regardless of fault. The problem lies with the other 30 percent of the premium dollar. So it is immediately evident that there cannot be a tremendous reduction in the overall premium by revising our personal injury coverage.

Those who have gone about the Nation heralding their contention that we can reduce premiums 35–40 percent and increase coverage to include everyone who is injured are indeed false prophets. If personal injury coverage were given free of charge, it would not meet their wild representations of overall premium reduction.

Another pertinent principle is the price in the abstract means nothing. Price must always be compared with the quantity and the quality of the service or contract. Whenever price is reduced, regulators in the public interest, should at least make certain that more than the price reduction has not been taken from the quantity and quality side of our equation. In dealing with tangible goods that can be weighed, measured, felt, and seen, the consumer can usually judge for himself whether the price paid is in keeping with value received. In intangibles, such as insurance, evaluation becomes difficult even for those experienced in the field. Applying this concept to auto insurance, when we restrict, limit or deny an accident victim's right of recovery, we are taking away a valuable right or option.

In many instances where thresholds have been applied, situations have been created whereby the policy holders have been shortchanged. I refer specifically to one state where premiums were reduced 15 percent under its so-called no-fault program and benefits were reduced 75 percent. It doesn't take a professional actuary or a skilled mathematician to tell us who came out at the little end of the horn in that situation. High benefits and low premiums are incompatible. The late President Harry Truman in referring to our national defense expenditures stated this principle when he in effect said that if you provide a bargain basement price, you are going to get a bargain basement product.

The States of Delaware, Oregon and Washington have no-fault benefits that cover all victims who were formerly left out in the cold, so to speak, without denying or changing any of their rights. Our state of Washington is now affording some of the most generous benefits so far offered in the nation in a voluntary add-on program. With the lower speed limit, I feel confident we can meet the benefit standards of Senate bill 354 without legislation or further regulation. I am sure the industry will cooperate with me in meeting the proposed benefit levels. In doing this, we will have all of the benefits proposed by this federal legislation without restrictions and without limiting the insured's right of recovery under our present laws and regulations.

The experience in the two other states that have an add-on plan indicates that litigation has been drastically reduced. It has been reduced primarily through immediate payment of wage loss, hospital and medical expense without regard to fault. The prior payment plan under liability claims where liability was evident substantially reduced litigation for all of the companies that instituted the plan. People, at least in our state, and I believe the same prevails through the nation, are not litigious. They do not want to be forced to go to a lawyer. They abhor the trauma of a law suit. Immediate payment on a no-fault basis removes the necessity of legal action in a large percentage of cases. So, we can distribute the benefits to all auto accident victims with a possible decrease in premiums. I have run surveys and I have conducted extensive personal interviews with the rank and file of people who sit behind the wheel of the family car. I have not as yet found one person who believes that he should have complete immunity when he gets behind the wheel of a car.

Most people throw up their hands in protest when I ask this question: Would you approve a change in our laws that would operate in the following manner: Suppose I run a stop sign and hit you and your family broadside in your stationwagon. I walk away uninjured, but all of you are hospitalized, some with serious injury. When you ask me what I am going to do about your losses, I can legally say, I will talk to the police but you are on your own. You must go to your own insurance company, look to your own policy and received such benefits as you have paid for out of your own pocket. Under the law, I am no longer in any way civilly responsible for my acts behind the wheel of my car.

Most people consider this unfair, unjust, and inequitable. They also believe it would be removing a very effective deterrent to careless, reckless or wanton behavoir behind the wheel.

Although drastic changes in the present auto insurance concept are necessary to further and protect the public interest, care should be taken to avoid a system that is going to shortchange the public and result in a situation that is not compatible with good reason and common sense. Since the companies agreed to offer no-fault benefits in our state that are close to those recommended in Senate bill 354, I believe that voluntary no-fault insurance with the recommended benefits should be made available in every state in the nation. With the companies willing, I cannot conceive of any insurance commissioner taking opposition to this plan unless his state has already adopted a better system with greater benefits than those proposed in Senate bill 354.

By this system of voluntary action, we would not only be providing benefits to all those who do not have coverage under our present reparations system, but we would also be compiling actual, real-world experience that would be of great value when and if it is necessary to put further restraints and conditions on our present system. In other words, we would not be shooting in the dark. We would know what the price tag is. Prices will certainly vary from state to state. The claim frequency in some of states is four times that in the state of Washington. The frequency and dollar amount of claims are substantial factors in our X plus formula as previously referred to. It is evident, therefore, that state-by-state experiments and trial operations are necessary if we are to evolve into a sane and sensible program that will bring more and better coverage to all our accident victims at the least possible price.

It is my position in conclusion that it is not necessary to invoke the gun-in-the-ribs approach that federal legislation would mandate to state regulation. If the committee finds it necessary to set up guidelines simply because it is convinced that many states will not get off dead center without the thrust and mandate of federal law, then I believe that the guidelines should be limited to the level of benefits that are paid to the auto accident victims regardless of fault. I know that the committee has been presented with actuarial studies. So has our state legislature. So has my department, the NAIC and every insurance department throughout the nation. These studies are all over the scale, claiming reductions, increases and the status quo. Practically everything that can be said about this program and all of its ramifications has been documented by an actuarial study. Actuarial science is a science as far as techniques are concerned, yet when these techniques are applied to assumptions, judgments, trends and other factors that cannot be truly predetermined, then the results cannot be relied upon to the same degree of accuracy as actual, in the field experience.

I recommend that you first give the states a chance to act, but if you do find it necessary to mandate, limit it to the level of no-fault benefits.

Statement of Lester L. Rawls, Insurance Commissioner of the State of Oregon

My name is Lester L. Rawls and I am the Insurance Commissioner of the State of Oregon. I have been in that position for 15 months. Prior to my appointment as Insurance Commissioner I practiced law in Portland, Oregon, and prior to my law practice I was employed by an insurance industry in various positions in underwriting and claims. My last position was branch manager of the Continental National American Group in Oregon.

When I took my oath of office I promised to support the Constitution and the laws of the state of Oregon. One such law is the theme of our department, that being ORS 731.008. "The Legislative Assembly declares that the Insurance Code is for the protection of the insurance-buying public"—and that it shall be construed in a liberal manner to effect the intent of the Legislature to protect the people of Oregon. I also accept by inference, if not directly, my responsibility to act in a manner which will be to the best interests of the people of the state of Oregon as I see it. It is in this context that I appear here today to testify before this body.

As most of you know, the philosophy of no-fault insurance is not a new concept. It has been around for many years. Certain combination of events have given support to a joining of two individual ideas with a result of what is now known as "no-fault".

The first concept is that every injured person should have coverage for his medical claim and his loss of income. Through the years there have been many ideas as to the best approach to accomplish this. When I first began my insurance career we attempted to add medical coverage and disability income to every auto policy on a voluntary basis. However, because of the competition between agents and companies, the idea did not catch on and I'm sure that prior to the enactment of the no-fault laws around the country, including Oregon, little disability income is written in conjunction with an auto policy.

The second factor, commonly known as a threshold, concerns a problem which insurance companies have disliked for years—that is the so-called nuisance or small bodily injury claim. The president of American Casualty Company once said that it was not the large bodily injury claim, $10,000 or more, that bothers the expense factor of their company, but it was the little bodily injury claim that drove companies up the wall. He said if there was a way to bar such claims from coming in the door of the company it would be a boon to the insurance industry and I'm sure it would.

In 1970, my predecessor, a man with a non-insurance, non-lawyer background, called together a committee of laymen, insurance personnel, and lawyers of distinction in fields other than trial or personal injury work and asked that they develop a no-fault law for Oregon. This committee was chaired by the Honorable William Dale, Judge of the Circuit Court of Oregon—a man of impeccable credibility and who had only the best interest of the people in mind in all of his deliberations. Out of this committee came what is commonly known as the Oregon plan—a plan which makes prompt payments of medical bills and disability income and a plan which also has done an excellent job of answering the problem of small law actions.

Briefly, the plan is as follows (I will give the amounts of coverage effective on 1/1/74): Medical Coverage, $5,000 per injured person, Disability Income, Maximum $750 a month for a period of 52 weeks ($750 being 70% of the gross monthly income), and Essential Services, $18 per day.

Coverage is mandatory for *all* auto liability policies issued on private passenger autos.

In Oregon where it is estimated that 96% of the registered autos are covered by insurance, the program has worked with far greater success than was ever dreamed of.

Public reaction, when they understand the program, is good.

We are told by the courts that there is no question about the reduction in court cases.

The major auto writers all advise that their bodily injury claim count has been reduced drastically. Of course, some of these are hesitant to attribute this to Oregon's program, but anyone who has worked in insurance and law as I have recognizes the syndrome immediately. When the injured party is reimbursed for his injury regardless of fault the impetus to make a bodily injury claim fades away in a large number of cases.

Also, a very important element in Oregon's laws which I personally believe is the real key to the reduction of law suits is Oregon's reimbursement statute. Briefly, it requires that an injured party reimburse his own insurance company fully from any settlement or judgment he may receive from the tortfeasor. Thus, if a person has a small injury and knows that he must pay his own insurer from any proceeds he receives, he takes a different look at the possibility of a judgment sufficient to take care of the court costs, filing fee, deposition, subpoena fees, doctors' fees and reimbursement of his carrier before he and his attorney receive anything.

In its counterpart, the tort threshold, the plaintiff can achieve the threshold and then is home free, because he does not have to pay his carrier back.

Oregon's law went into effect on 1/1/72. The law called for all auto liability policies to carry the mandated coverage on all new or renewal policies after 1/1/72. We have had almost a year and a half of experience under the new law. Recently companies began to lower their auto rates and the results were reductions ranging from 8% to 15%—Insurance Services Office recommends an 11% reduction in auto liability.

Recently a nationally recognized actuary was in our office and suggested that the Oregon plan just has the insurance industry in a state of confusion. We discussed the concept of a tort threshold and its domination of the thinking of those individuals to the extent that it is difficult, if not impossible, for industry to accept an alternative. The Oregon plan is, of course, the plan which is people-oriented and takes no rights away from the people, whether rich or poor. The Oregon plan doesn't set an artificial barrier conceived by someone other than the injured party to achieve before he can ask for redress against the person who injured him. The argument of court congestion fails in Oregon where in Multnomah County (the largest in the state) the plaintiff can go to trial four to six months after he files his first compalint.

I'm sure that many of the other states have similar situations and it is incongruous to me to be faced with a federal standard set by persons not acquainted with the Oregon situation that will be a detriment to the people of Oregon. Each and every state has peculiar problems with its own area—more so in auto insurance than any of the other personal lines coverages. The problems that affect Pennsylvania, New Jersey, Illinois and California are not the ones that affect Oregon, Alaska or Idaho. This was recognized by the Congress when the McCarran-Ferguson Act was passed. Congress felt then and I'm sure may feel now that each state should be left to regulate itself. We have proven that in Oregon. I do not believe that it is a case where the just must suffer with the unjust. It is a case where the people of the states can go directly to their own assembly as the people of Oregon did and demand the changes that are necessary.

Many feel that because a part of the law is not working as they feel it should that the way to solve the problem is to take away all the rights of the people and then if they had something before, they now have nothing and thus it is equal. This is analogous to the custom in some native tribes whereby the cure for a headache is to drive a spike through the head of the person from one temple to the other. It is an absolute cure and one need never to worry about the headache again. That problem is solved. In the present bill one goes a step further and not only drives the spike through the head of the one with the headache, but takes in all the family members whether or not their heads ache and renders the same treatment.

We fully appreciate the concern of the Congress for the welfare of the people, but when each state is attempting to solve its problem, why not leave us to our own duties and let these United States solve whatever difficulty they have rather than have arbitrary rules set down which may or may not be in the best interests of the insurance-buying public.

Mr. MANSFIELD. Mr. President, the 93d Congress opened after an election which returned the President to the White House with a most impressive majority. At the same time, a Democratic House and Senate were also retained by the people and the margin of the Democratic majority in the Senate actually increased. There were those who chose to focus on the results of the Presidential election and to overlook those of the congressional. It was not an uncommon view in this city at the time that Congress had all but ceased to have relevance in this Government. At the start of the year, the beginnings of contempt for the constitutional role of Congress were clearly to be seen in the ruthless resort to impoundment practices, and in the abuses of executive privilege.

That is what the 93d Congress confronted when, in early January, it assembled for the first time. Frankly, I have never known Members of the Senate to be more concerned about the security of the constitutional structure of the Government than they were at that time. There was fear of what was transpiring but, I am happy to say, there was also a determination to halt the erosion.

In this atmosphere, the majority conference of the Senate endorsed a leadership statement of purpose and objectives for this session. The statement called on the Senate to move immediately to reassert the coequal role of the legislative branch in the Government of the United States. It called for action on a number of specific issues which ranged from ending the involvement in Indochina to the investigation of the Watergate affair and related matters arising out of the political campaign of 1972. In all, 20 issues were set forth for action in the Senate during this Congress. Today, as the first session draws to a close, I am happy to report that we have made progress on almost all of them.

The Democratic Conference asked, as a matter of priority, for repassage of measures which the President had pocket vetoed after the adjournment of Congress. Other measures were also listed for prompt disposal, measures on which the Senate had already spent many hours in the previous Congress. The response of the Senate committees and their chairmen and of all of the Members to this request was prompt and thorough. Of 28 recycled legislative items, over 78 percent have become public law or have passed the Senate and await House action. Only four of the remainder are of substantial significance—a comprehensive housing program, no-fault insurance, national health insurance, and the creation of a consumer protection agency. These can be expected to come before the Congress next year.

That is one measure of the response of the Congress to the depredations of the last election and to the contempt of Congress with which they are associated. It is a response written with the ink of a public dedication of the highest order on the part of the elected Members of the Congress. It is a response in which every Member of the Senate can take satisfaction—Republicans no less than Democrats. Indeed, I cannot recall a Senate which has been more disposed to put the constitutional stability and the interests of the Nation as a whole above partisanship and above sectionalism than the Senate of this 93d Congress.

It is easy to find fault with this Congress as any other. It is easy to rake over the trivia. The fact is, however, that the Congress has been the anchor of the people's freedom. It has been the rock of the Nation at a time when the executive branch has been seized in a whirlwind of resignations, disclosures, denials, dismissals and indictments. The Nation owes special thanks to Senators ERVIN and BAKER and the other members of the Senate Special Committee for what they have done to turn the light of public scrutiny on the abuses of power—to say the least—that has been rampant for too long in this Government. The committee took on an onerous task at the direction of the Senate—not one of them volunteered—and they have discharged that task with a scrupulous but relentless thoroughness. The work of the Senate Committee on the Watergate affair and related matters has been an essential catharsis for the Nation's political life.

Nor should we overlook the work—the thorough work of the Judiciary Committee in the examination of Patrick Gray, when he was nominated as Director of the FBI, in the examination of Elliot Richardson and Senator SAXBE for the Attorney General post as well as in the establishment of a legal basis for a Special Prosecutor in the Watergate affair. In all of these matters, the committee, as the agent of the Senate, was pursuing carefully and thoroughly the constitutional responsibilities of this body.

Let no one doubt, moreover, the role of the Congress in ending the military involvement in Vietnam. To be sure, the war was a long time in ending. United States combat forces were a long time in coming home. Too long, far too long. Too many lives too late. And we are now paying the price of the stretchout of a wasting war. And we will pay it for many decades to come. But would it have ended at all without the persistent pressure from the Congress? Would it have ended at all had not the Congress acted on June 30 to cut off the funding of U.S. military activity in Southeast Asia. These are questions for the historians of the future. For the present, it is enough that the involvement has ended and it is not likely to be resumed. It is not likely to be resumed, especially when the overwhelming sentiments of Congress against unilateral Executive military adventures have been set forth in the War Powers Resolution which became law without Presidential approval.

Before reviewing specific legislative achievements of this session, I would point out that this year we have the dubious distinction of casting more rollcall votes than any other group of Senators in the 20th century. Last year's total of 532 has been surpassed this year with 594 votes. I might add that we are well on the way to breaking the all-time total for any Congress which was made in the 47th Congress—1881–83—when 986 rollcall votes were cast. This is one record which I hope will not be superseded. Rollcall votes are a measure of time expended and not always for useful purposes, notwithstanding the scorecards which are maintained and the snap judgments of performance which emerge from them. I hope that in the coming session, a little more discretion will be exercised in the use of this parliamentary mechanism.

This year the Senate has passed over 700 measures, ratified 22 treaties, and confirmed 66,817 nominations. I shall mention at this point only those of major importance which have already been enacted or await House action: the Agriculture and Consumer Protection Act, the war powers resolution, compensation for victims of violent crimes, District of Columbia home rule, welfare reform, social security benefits increase, emergency medical services, health maintenance organizations, private pension plan reform, minimum wage increase, which was vetoed, vocational rehabilitation, voter registration, highways-mass transit funding, Northeast rail services improvement, and veterans' benefits increase.

With regard to energy and the environment, we have passed an unprecedented number of significant bills, mostly in the last couple of months. Several Senators, notably Senators JACKSON, MAGNUSON, RANDOLPH, MUSKIE, MOSS, and their Republican counterparts, have been working on solutions to energy and related problems for many years. Senator BYRD of West Virginia, has worked for years to obtain support for coal research. The spadework which was done by these Senators prepared the ground for the measures rushed to Congress in the last few months by an executive branch caught short by the energy crisis. Because of what they had already done and not because of any prodding from the executive branch, the Interior, Commerce, Government Operations, and the Public Works Committees have been able to bring out, with great dispatch, a range of thoughtful legislation which should help the Nation in meeting the current crisis. The executive branch, no less than the Congress, owes much to the chairmen and members of these committees for their contributions in the following measures: The Alaska pipeline, strip mining controls, emergency petroleum allocation, national energy emergency, energy research and development, energy conservation, daylight-saving time, energy conservation, speed limits, and land-use policy, and the Federal Energy Emergency Administration Act.

At the end of a long and fruitful first session, I wish to thank the able assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD), who has worked closely with me and with great dedication to keep the Senate at peace within itself to the end that the work might flow smoothly. He has given unstintingly of his time and it was long and weary and of his talent—a talent which is extremely effective—especially on the floor of the Senate. I also wish to thank the distinguished minority leader Mr. HUGH SCOTT, for his understanding, accommodation and cooperation—our relationship could not be better; it is a good relationship, because we lay the cards on the table, and each of us knows what the other one intends to do at any given moment—and also his capable assistant, Senate GRIFFIN for his consideration, cooperation and the time he, too, spent on the floor for their cooperation and good humor and, above all, their readiness to work together with us to make the Senate work.

To the Senators, I express my thanks for their understanding, my appreciation for their forbearance, and my profound respect for their courage and determination, to the end that the Nation and the validity of its constitutional structure might be placed above all other consideration. It is not an easy life that is led here, especially for the younger Senators with families. But what the Senate is and what the Senate does in these critical days is of the utmost relevance to the future of this Nation. The Senate of the 93d Congress has been outstanding in every respect. What it has done speaks for itself.

Mr. President, I ask unanimous consent that various documentation related to my remarks and a complete report of Senate legislative activity with a subject index which has been prepared by Mrs. Elizabeth O. Shotwell, chief clerk, and by staff members of the Democratic Policy Committee, be printed in the RECORD and also as a Senate document.

THE PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 through 7.)

Mr. MANSFIELD. Mr. President, it gives me great pleasure to report to the Senate on the most up-to-date figures respecting the President's budget requests for funding operations of the Government this fiscal year compared with the action of the Congress on those requests. I am delighted to report that the Congress, acting responsibly and with the interests of all Americans closely in mind, has effected a cut overall of $3.2 billion in the President's budget requests for fiscal 1974. Precisely, the Congress, when it adjourns sine die this year, effected a slice of $3,020,236,226.

I will now incorporate the entire breakdown which was prepared by the Senate Appropriations Committee of this outstanding record in the CONGRESSIONAL RECORD. In short, it reflects that the Congress has shown a deep concern for the health and education of the Nation's people with their environment and with the quality of their lives, and has added vitally needed sums to these domestic priorities from enormous savings taken out of unneeded military and foreign assistance programs, some of which have lost all relevance in the world today.

I congratulate the Senate and the Congress for this achievement; it is a record—a bipartisan record—in which we may all take pride.

EXHIBIT 1

SENATE OBJECTIVES AS OUTLINED IN THE STATE OF THE SENATE SPEECH BY THE MAJORITY LEADER, JANUARY 3, 1973

1. Reinforcement of Constitution's checks and balances and reassertion of legislative role.
2. End of war in Indochina (no sine die adjournment).
3. Cooperation with House.
4. Coordination with Democratic Governors.
5. Spending Ceiling set by Congress.
6. Computerization and Access to material in Budget.
7. Clarification of the Impoundment of Funds practice.
8. Reduction of Defense Spending.
9. Closing of Overseas Bases.
10. Cutting of the size of the Federal Bureaucracy.
11. Reorganization of the Federal Government.
12. Quick Disposal of Priority Legislation, including 1973 vetoes.
13. Need for Health Insurance and Welfare Reform.
14. Reform of Campaign Financing law.
15. Investigation of Watergate Bugging and other Practices.
16. End of FBI Dossiers on Congressmen.
17. Insurance of Freedom of Speech of the Press.
18. Reform of Senate Rules, including seniority.
19. Policy Committee to Delineate Party Positions.
20. Clarification of the use of Executive Privilege.

EXHIBIT 2

REMARKS OF SENATOR MIKE MANSFIELD AT THE DEMOCRATIC CONFERENCE, JANUARY 3, 1973

We meet, today, with a new majority. We meet with new responsibilities and a new mandate.

The same electorate that endorsed the President increased the Democratic majority in the Senate by two votes. If the re-elected Members (Senators Sparkman, McClellan, Mondale, Eastland, Metcalf, McIntyre and Randolph), and the Senators-elect (Senators Abourezk (S.D.), Biden (Del.), Clark (Iowa), Haskell (Colo.), Hathaway (Me.), Huddleston (Ky.), Johnston (La.), and Nunn (Ga.)) will stand, the Conference would appreciate the opportunity and the privilege of congratulating them en bloc.

In my judgment, the vote for each of these Senators in November was cast for them as individuals. Each speaks with unique ideological and regional accents. Each has a sensitivity to a particular constituency. Nothing I may say, today, is intended to detract from that basic fact of victory in this or any other free election. Collectively, however, these Senators are representative of the Democratic Party. They reflect the strength of a unified political identity in the midst of ideological diversity, of a party that excludes no sector of the nation, nor any group of Americans.

What I have to say now, I say with all due respect and affection for our distinguished colleague from South Dakota. (And if I may digress for a moment, I would note that not a single Member of the Democratic Majority in the Senate of the 92nd Congress—south, north, east or west—defected to the Republican Presidential candidate in November.) Notwithstanding the outcome of the November election, it should be emphasized that, as a Senator from South Dakota, George McGovern shares the mandate which the electorate has given to the Senate Majority. I have every confidence that we can expect of him a vigorous contribution in its pursuit.

The recent election tells us something of what the people of the nation expect of the Senate. If there is one mandate to us above all others, it is to exercise our separate and distinct constitutional role in the operation of the Federal government. The people have not chosen to be governed by one branch of government alone. They have not asked for government by a single party. Rather, they have called for a reinforcement of the Constitution's checks and balances. This Democratic Conference must strive to provide that reinforcement. The people have asked of us an independent contribution to the nation's policies. To make that contribution is more than our prerogative, it is our obligation.

An independent Senate does not equate with an obstructionist Senate. Insofar as the Leadership is concerned, the Senate will not be at loggerheads with the President, personally, with his party or his Administration. The Senate will give most respectful attention to the President's words, his program and his appointments. Every President deserves that courtesy. During the period in which you have entrusted me with the leadership, every President has had that courtesy.

In a similar vein, the rights of the Republican Minority in the Senate will be fully sustained by the Majority Leadership and I anticipate the cooperation of the minority leadership in the operation of the Senate. I would say to the Minority, however, no less than to the Majority, that the Senate must be prepared to proceed in its own way. When conscience so dictates, we must seek to initiate and advance public programs from the Senate and, as indicated, to revise proposals of the Executive Branch.

It is my expectation that the House of Representatives will join in this approach. To that end, the Senate Leadership will seek to establish close and continuing liaison with that of the House. Looking to the needs of the entire nation, moreover, the Leadership will put out new lines of communication to the Governors Conference, notably to its Democratic Members, as well as to the National Democratic Party. We have much to learn from these sources about conditions in the nation. Their contribution can help to improve the design of federal activity to meet more effectively the needs of all States.

There is no greater national need than the termination, forthwith, of our involvement in the war in Viet Nam. This Conference has been in the vanguard in seeking a legislative contribution to rapid withdrawal from that ill-starred, misbegotten conflict. The Majority Conference has resolved overwhelmingly to that effect. Members have voted on the Senate floor preponderantly, to that effect.

Nevertheless, the war is still with us. Notwithstanding intermittent lulls and negotiations, the prisoners of war remain prisoners and their numbers grow with each renewal of the bombing. The fact is that not a single prisoner has been released to date by our policies; the handful who have come home have done so in consequence of gestures from Hanoi. The recoverable missing in action have yet to be recovered and their numbers grow. Americans still die in twos and threes and plane-loads. Asians die by the hundreds and thousands. The fires of an enduring hostility are fed by unending conflict. We are in the process of leaving a heritage of hate in Southeast Asia to our children and our children's children. And for what?

With the election behind us, I most respectfully request every Member of the Conference to examine his position and his conscience once again on the question of Viet Nam. I do not know whether there is a legislative route to the end of this bloody travesty. I do know that the time is long since past when we can take shelter in a claim of legislative impotence. We cannot dismiss our own responsibility by deference to the President's. It is true that the President can still the guns of the nation in Viet Nam and bring about the complete withdrawal of our forces by a stroke of the pen. It is equally true that the Congress cannot do so. Nevertheless, Congress does have a responsibility. We are supplying the funds. We are supplying the men. So until the war ends, the effort must be made and made again and again. The Executive Branch has failed to make peace by negotiation. It has failed to make peace by elaborating the war first into Cambodia, then into Laos and, this year, with blockade and renewed bombing, into North Viet Nam. The effort to salvage a shred of face from a senseless war has succeeded only in spreading further devastation and clouding this nation's reputation.

It remains for the Congress to seek to bring about complete disinvolvement. We have no choice but to pursue this course. I urge every Member of this caucus to act in concert with Republican Senators, by resolution or any other legislative means to close out the military involvement in Viet Nam. If there is one area where Senate responsibility profoundly supersedes party responsibility, it is in ending the involvement in Viet Nam.

In view of the tendency of this war to flare unexpectedly, the Leadership now questions the desirability of the Congress ever again to be in *sine die* adjournment as we have been since October 18, 1972. In that Constitutional state the Congress is unable to be reassembled on an urgent basis except by call of the President. It is the Leadership's intention, therefore, to discuss this gap in Congressional continuity with the House leaders. It may well be desirable to provide, at all times, for recall of the Congress by the Congress itself. There is ample precedent for providing standby authority of this kind to the combined Leaderships.

If Indochina continues to preoccupy us abroad, the Senate is confronted, similarly, with an overriding domestic issue. The issue is control of the expenditures of the Federal government. We must try to move to meet it, squarely, at the outset of the 93rd Congress.

In the closing days of the last session, the President asked of Congress unilateral authority to readjust downward expenditures approved by the Congress within an overall limit of $250 billion. The President's objectives were meritorious but his concern at the imbalance in expenditures and revenues might better have been directed to the federal budget which is now a tool—not of the Congress, but of the Executive Branch. It is there that the origins of the great federal deficits of the past few years are to be found. The fact is that Congress has not increased but reduced the Administration's budget requests, overall, by $20.2 billion in the last four years.

As the Conference knows, the House did yield to the President's request for temporary authority to readjust downward, arbitrarily, Congressional appropriations. The Senate did not do so. The Senate did not do so for good and proper reasons. The power of the purse rests with Congress under the Constitution and the usurpation or transfer of this fundamental power to the Executive Branch will take the nation a good part of the last mile down the road to government by Executive fiat. That is not what the last election tells us to do. That is not what the Constitution requires us to do.

I say that not in criticism of the President. The fault lies not in the Executive Branch but in ourselves, in the Congress. We cannot insist upon the power to control expenditures and then fail to do so. If we do not do the job, if we continue to abdicate our Constitutional responsibility the powers of the federal government will have to be recast so that it can be done elsewhere.

We must face the fact that as an institution, Congress is not readily equipped to carry out this complex responsibility. By tradition and practice, for example, each Senate committee proceeds largely in its own way in the matter of authorizing expenditures. There is no standing Senate mechanism for reviewing expenditures to determine where they may fit into an overall program of government. A similar situation exists in our dealings with the House. So, if we mean to face this problem squarely, it is essential for us to recognize that the problem is two-fold. It involves: (1) *coordination of expenditures within the Senate* and (2) *coordination with the House.*

In the closing hours of the 92d Congress, Congress created a Joint Committee to recommend procedures for improving Congressional control over the budget. While this committee cannot be expected to conclude its work by February 15, as the statute directs, it would be my expectation that by that date an interim report will have been submitted to the Congress. Thereafter, it is the Leadership's intention to seek the extension of the Joint Committee in the hope that a definitive answer can be found to the problem.

In the meantime, what of the coming session? Unless the Congress acts now to strengthen coordinated control of expenditures, it is predictable that the Executive Branch will press again for temporary authority to do so. It is predictable, too, that sooner or later a Congressional inertia will underwrite the transfer of this authority on a permanent basis.

That is the reality and it ought to be faced squarely here in this caucus and on the floor of the Senate. Unless and until specific means are recommended by the Joint Committee, I would hope that the Conference will give the Leadership some guidance on how an over-all expenditures ceiling may be set as a goal for the first session of the 93d Congress. Shall we attempt to do it here in the Caucus? Shall we take a figure by suggestion from the President? Thereafter, how will we divide an over-all figure among the various major priorities and programs? How much for defense? For welfare? For labor and so forth?

Who will exercise a degree of control over expenditures proposed in legislation? Can it be done by a committee of committee chairmen? The Appropriations Committee? Should the Majority Policy Committee monitor expenditure legislation before it reaches the Senate boor to determine compatibility with an overall limitation? In any case, where will the necessary budgeting technicians and skilled fiscal officers be obtained? From the General Accounting Office? The Congressional Research Service? By an expanded Senate staff?

I would note in this connection the provisions of the Reorganization Act of 1970 which called for a unified computerized system for the federal government. The system was to permit classifying various programs and expenditures of the government so that we might know, among other things, how much was being spent for each particular purpose. This knowledge is essential for effective control of expenditures on the basis of a program of priorities.

The computer project is being undertaken jointly by the Treasury and the Office of Management and Budget, in cooperation with the General Accounting Office. It is my understanding that the project has concentrated, to date, on the needs of the Executive Branch while those of the Congress are being overlooked. If that is so, this project had better be put back on the right track. If it is necessary, the Congress should alter the enabling legislation to make certain that we get the information that is needed to control expenditures. It would be my hope that the appropriate committees would move without delay to look into this situation.

If the President seeks the cooperation of the Senate in negotiating an immediate end to the involvement in the Vietnamese war, in the control of expenditures or in any other matter of national interest, he will have that cooperation. Cooperation depends, however, on a realistic give and take at both ends of Pennsylvania Avenue. In the name of cooperation, we cannot merely acquiesce in unilateral actions of the Executive where the Constitutional powers of Congress are involved as they are in Viet Nam and in the control of expenditures. I would also note in this connection the proclivity of the Executive Branch to impound funds from time to time for activities approved by the Congress. This dubious Constitutional practice denies and frustrates the explicit intention of the Legislative Branch.

There are some areas in which, clearly, we can work cooperatively with the President. Defense expenditures, for example, can continue to be reduced to a more realistic level. I am glad to note that the Armed Services Committee and the Appropriations Committee both have been moving to bring about a general reduction of requests of the Executive Branch for these purposes. As a matter of fact, the reduction in defense appropriations amounts to $5.3 billion for FY '73 and I would hope that we will do even better this year.

We should also consider closely the Administration's announced plans to close some domestic military bases during the coming year. The Executive Branch should not overlook the approximately 2,000 installations and bases which we have set up in all parts of the world at a continuing cost of billions of dollars annually. Here, too, there is an area for cooperation with the President. I would suggest most respectfully that the Senate and the President consider jointly both in terms of obsolescence and economy the closing of a good many of these overseas establishments.

In the civilian sector, the President has indicated that the Federal bureaucracy is too large. There would certainly be grounds for close cooperation with the Senate in this sphere. The misuse and underuse of civil servants is a scandalous waste of public funds which is felt especially at a time of rising federal salary scales. To overload the agencies and departments with personnel is also demeaning and deadening to the dedicated men and women in the federal service.

If the President will work with the Congress on this matter, I am persuaded that the Civil Service can be reduced substantially from its present 2.8 million employees. The reduction can be without personal hardships, by a carefully developed program which would permit greater flexibility in transfers among agencies and incentive retirements. Such a program coupled with the natural attrition of death and resignation and with accompanying limits on new hirings could do much to improve the tone of government service and curb the payroll costs which now stand at $32 billion a year.

The President has expressed an interest in proceeding with his earlier proposed plans for reorganizing the Federal government. Clearly, there is a need for reorganization of sprawling, over-extended, over-lapping Executive departments, agencies and commissions. It must be faced as a realistic matter, however, that any basic reorganization in government is a difficult undertaking at best. In my judgment, a wholesale approach is not likely to achieve anything more concrete now than when it was first advanced two years ago. It would be only a charade. It is my hope, therefore, that the President would concentrate on areas of maximum need. It seems to me that Members of the Senate who have shown a deep interest in this problem can be very helpful in working with the Administration to define those areas.

Turning to our potential contribution to a legislative program for this session, I would emphasize that the Senate has a distinct mandate to assert its own concepts of priorities. The Constitution does not require us to await proposals from the Executive Branch. In this connection, two categories of "carry-over" legislation from the 92d Congress warrant immediate attention. The first consists of those measures passed by Congress in the last session but vetoed by the President. In many cases, the same measures can be reported promptly by the appropriate committees largely on the basis of comprehensive hearings held in the past. Within this group, of even more urgent concern are the following bills which were vetoed after Congress adjourned without opportunity to override:

1. An Act to Establish Mining, Mineral, and Related Environmental Research Centers in Each State.
2. The Airport Development Acceleration Act.
3. The Public Works Navigation and Flood Control Construction Bill.
4. The National Environmental Data System Act.
5. Extension of Grants to States for Vocational Rehabilitation of Handicapped Individuals.
6. The Veterans' Health Care Reform Act of 1972.
7. The National Veterans' Cemetery System Act.
8. Reclassification of Positions of Deputy U.S. Marshals.
9. National Institute of Gerontology Bill.
10. Revision of the Older Americans Act of 1965.
11. Public Works and Economic Development Act Amendments of 1972.
12. Appropriations for the Departments of Labor and Health, Education, and Welfare for Fiscal Year 1973.

A second category of priority bills includes those which were reported out and considered in either the House or the Senate during the 92d Congress but not enacted. They include pioneering measures of great relevance to the quality of the nation's life and the welfare of its citizens. These measures should be reported by the Committees early in the current session so that the Congress may consider them carefully. The list includes:

1. Comprehensive Housing.
2. Consumer Protection Agency.
3. No-fault Insurance.
4. Minimum Wage.
5. Pension Reform.
6. Comprehensive Health Insurance.
7. Health Maintenance Organizations.
8. Strict Strip Mining Controls.
9. Omnibus Crime Victims Bill.
10. Highway Federal Aid.
11. War Powers.
12. Anti Hijacking.
13. Consumer Product Warranty.
14. Land Use.
15. Fair Credit Billing.

I would note, in particular, legislation involving health insurance. Senators have introduced various measures dealing with this subject. The Administration has advanced other proposals. The Congressional approach tends to offer more comprehensive health coverage to the people of the nation. The Administration is more concerned with costs. It would be my hope that a compromise can be brought about between what Senators have suggested and what the Administration has recommended. In that fashion, we might at least begin to move in the direction of meeting the medical and hospital needs of all of our citizens.

In a closely related area, we will have to come to grips with the question of welfare reform. Over the past ten years, the costs of welfare have increased from $5 billion to approximately $15 billion. The trend continues upward. The states and localities are overwhelmed by a growing demand for assistance. They plead for greater federal assistance in shouldering this load.

It is inconceivable to me that this nation will ever turn its back on those among us whose lives have been crippled by physical or mental handicaps, by unemployment, by poverty and disease. For years, we have assisted such people, by the millions, abroad as well as at home.

Nevertheless, we must find a better way of dealing with this problem. We must find a more effective system not only of training but of placement to put the able-bodied to work. It is more than a matter of getting people off welfare rolls. It is a matter of the right to personal dignity for every American who is prepared to assert it. It is a right which is interwoven with supporting oneself and family and with making a constructive contribution to the nation.

To date, the Administration has failed to meet this situation. So, too, has the Congress. Hopefully, together, in the 93d Congress we can make a new beginning.

Once, again, in the last election the flaws in the electoral system were paraded before the nation. In my judgment both Congressional and Presidential campaigns are too repetitive, too dull and too hard on candidates and electorate. Most serious, the factor of finance begins to overshadow all other considerations in determining who runs for public office and who does not, in determining who gets adequate exposure and who does not. It is not healthy for free government when vast wealth becomes the principal arbiter of questions of this kind. It is not healthy for the nation, for politics to become a sporting game of the rich.

This Congress must look and look deeply at where the nation's politics are headed. In my judgment, ways must be found to hold campaign expenditures within reasonable limits. Moreover, to insure open access to politics, I can think of no better application of public funds than, as necessary, to use them for the financing of elections so that public office will remain open to all, on an unfettered and impartial basis, for the better service of the nation. With this principle forming the objective, it would be desirable to consider limiting campaigns to three weeks or four weeks, later scheduling of conventions and possibly, replacing the present haphazard, expensive, time-consuming state primaries with national primaries. Once again too, consideration might be given to abolishing the electoral college and to adjustments in the Constitutional provision involving the Presidential term of office and, perhaps, that of the Members of the House.

The Federal Election Campaign Contributions Act, which we enacted in the 92d Congress and which was put into effect this past year, may also need refinement and modification to reduce undue paper-shuffling and principle of full disclosure. There are also some specific matters relating to the past elections which warrant investigatory attention. One is the so-called Watergate Affair which appears to have been nothing less than a callous attempt to subvert the political processes of the nation, in blatant disregard of the law. Another is the circulation by mail of false allegations against our colleagues, Senator Muskie, Senator Jackson and Senator Humphrey, during the Florida primary campaign, with the clear intent, to say the least, of sowing political confusion.

Still another is the disconcerning news that dossiers on Congressional candidates have been kept by the FBI for the last 22 years. This practice has reportedly been stopped. It would be well for the appropriate committees to see to it that appointed employees in the agencies of this government are not placed again in the position of surreptitious meddling in the free operation of the electoral process. The FBI has, properly, sought to avoid that role in other situations. We must do whatever is necessary to see to it that neither the FBI, the military intelligence agencies or any other appointive office of the government is turned by its temporary occupants into a secret intruder into the free operation of the system of representative government in the United States.

On November 17, 1972, I addressed letters to Chairman Eastland of the Judiciary Committee and Chairman Ervin of the Government Operations Committee. I requested that these two Chairmen get together and make a recommendation to the Leadership on how to proceed to investigate these and related matters, to the end that the Senate's efforts may be concentrated. I renew that request, today.

While I am on this subject, I would like to suggest, too, that attention be given to the appearance in the Courts and Executive Agencies of what may be a tendency to cloud by disconcerting interpretations the safeguards of the First Amendment as they apply to practitioners in the press and other media of communications. If this tendency does exist, the Congress has a responsibility to try to check it. The press, radio and TV are prime sources of light in the otherwise hidden recesses of our government and society. They are as essential to the fulfillment of our legislative responsibilities as they are to the general enlightenment of the public. At the very least, therefore, it seems, too, that a Senate inquiry is called for into the implications of recent court decisions and such official pronouncements as that of the Director of the Office of Telecommunications Policy regarding the "Fairness Doctrine." We share with the President and the Courts a Constitutional responsibility to protect the freedom of the press to operate as a free press.

I would like next to present a few thoughts about the internal procedures of the Senate. In recent weeks, much has been said about the evils of the seniority system. I can understand the intent of those who make these assertions. Yet, I would observe that, in general, the Senate has been well served in the years of my personal recollection, by the Chairmen of its various committees.

For the benefit of the new Members, however, I would point out that the system which is followed in the Senate by the Democratic Conference in nominating Members to Senate committees is not one of automatic deference to seniority. In the first place, nominees for each standing committee and its chairmen are designated by the Conference's Steering Committee and by secret ballot. During the 92d Congress, for the first time, the Leadership submitted in block to the Democratic Conference for concurrence the names of any new members of the several committees. The Steering Committee's selections were endorsed unanimously by the Conference.

Beginning in the 92d Congress, moreover, the Conference adopted a ratification procedure calling for separate Conference concurrence in the case of each of the Steering Committee's designees for Committee Chairman. That process will be followed this year and a Democratic Conference will be called for that purpose when the Steering Committee completes its work. Finally, I should note that what I have just discussed is the procedure only for designation of Democratic Members to Senate committees. The actual election of committees and chairmen occurs on the floor of the Senate where, once again, they are subject to challenge. The safeguards seem to me to be substantial. Nevertheless, the Chair will entertain any request for further discussion of this matter.

On another question, I have received from Senator Moss, a letter which states, in part:

"It is my hope that the Democratic Conference will adopt a resolution directing the Policy Committee to set forth the legislative objectives of the Democratic Party. It follows, of course, that all Democrats would be expected to support to the maximum degree possible these objectives."

Let me note, in this connection, that in early 1969, the Leadership did raise with the Policy Committee the question of who was to speak for the Democratic Party in the Federal government in view of the election of a Republican President. The Committee agreed unanimously that a need existed for such a spokesman. Thereupon, it adopted unanimously certain new rules of procedure which were proposed by the Leadership to deal with this need. In general, these rules provided for regular meetings of the Policy Committee to consider issues which might be identified as suitable for the assumption of a party position. Those issues were to be considered which came to the Policy Committee—quoting from the Committee's rules—"by reference . . . from any Member of the Policy Committee, by staff study of legislative proposals, statements or other actions of the Administration and by reference to the (Policy) Committee from any legislative Committee."

The Committee further agreed to consider "the issues which are thus brought to its attention for the purpose of determining whether they are of a significance *and* are likely to evoke sufficient agreement as to warrant adoption by the Majority Party of a Policy position."

Finally, the Committee agreed to seek "to secure the widest degree of party acceptance of a position on any significant issue (and) . . . to be guided by a minimum of a two-thirds vote in determining the issues on which a party position should be taken."

In short, basic machinery in line with Senator Moss' suggestion has been available and in operation in the Policy Committee for four years. The rules of procedure which govern in this connection were approved in full and unanimously by the Democratic Conference on May 20, 1969, as well as by the Legislative Committee Chairmen. They have been used to identify and to disseminate more than a dozen party positions in the Senate and, in general, these positions have had substantial Democratic support.

It is conceivable that the Conference would wish to make changes in the functions of the Majority Policy Committee with a view to strengthening its role along the lines of Senator Moss' letter. It would be helpful, however, if the Policy Committee itself might consider this matter before it is discussed in the Conference. If there are to be modifications in the present procedures of the Committee, as approved unanimously by the Conference in the past, we ought to be as specific as possible in presenting them. The Policy Committee will be meeting soon and the Leadership will undertake to raise the matter at that time. The results of the discussion will be brought back to the Conference thereafter if changes are to be proposed.

I will now close these remarks with a final reference to the last election. I suppose each of us interprets the national sentiment which is reflected in the outcome in terms of his own predilections. Certainly, I have done so. Therefore, "the state of the Senate," as seen from the viewpoint of the Democratic Majority might not necessarily dovetail with the mandate which the Administration delineates from President Nixon's reelection or that which is seen by the Republican Minority in the Congress.

Nevertheless, it does seem that the election tells all of us—President, Democratic Majority and Republican Minority—what the people of the nation do not want.

(1) They do not want one party or one branch government during the next two years.

(2) They do not want to turn back the clock on the national effort to improve the human climate and the physical environment in which the people of this nation must live.

(3) They do not want a rate of change which whether too slow or too rapid produces major internal chaos and disruption.

(4) Most of all, they do not want the President to persist nor the Congress to acquiesce in the indefinite continuance of the senseless bloodshed in Viet Nam and, with it, accept the indefinite postponement of the return of the POW's and the recoverable MIA's.

These negatives point the way to the positive path which the Senate Majority Leadership intends to pursue during the next two years. We will not abandon the effort to end the U.S. involvement in Viet Nam and to bring back the POW's and the recoverable MIA's, period, We will work to preserve and to enhance the faithfulness of this nation to its Constitutional principles and its highest ideals and, in so doing, we will not shut the door on essential changes.

The Leadership needs your cooperation; your understanding and your support. Ideas are welcomed, equally, from every Member of this Conference, the oldest no less than the youngest, the most junior no less than the most senior. Together, we are here, in the last analysis, with only one mandate—to serve the people of the several states and the nation. With your help, the Leadership will strive to carry out that mandate in full.

EXHIBIT 3

STATUS OF PRIORITY LEGISLATION, 1973

Measures Pocket Vetoed in 1972:

1. Airport Development—Public Law 93–44.
2. National Cemeteries—Public Law 93–43.
3. Older Americans—Public Law 93–29.
4. Public Works-Economic Development—Public Law 93–46.
5. Veterans Medical Care—Public Law 93–82.
6. Vocational Rehabilitation—Public Law 93–102.
7. Labor-HEW Appropriations—Public Law 93–192.
8. Flood Control—Cleared for President.
9. National Institute on Aging—Passed Senate 7–9–73.
10. Mining Research Centers—Passed Senate as amendment to S. 425 (Stripmining).
11. Environmental Data Centers—Hearings held.
12. Deputy U.S. Marshals Pay—Pending in Committee.

Measures which Died in Senate-House Conference in 1972:

13. Highways Funds—Public Law 93–87.
14. War Powers—Public Law 93–148.
15. Minimum Wage Increase—Vetoed by President; sustained by House.
16. Welfare Reform—In conference.
17. Anti-Aircraft Hijacking—Passed Senate 2–21–73.

Measures which Passed Senate Only in 1972:

18. Health Maintenance Organization—Cleared for President.
19. Fair Credit Billing—Passed Senate 7–23–73.
20. Land Use Policy—Passed Senate 6–21–73.
21. Compensation for Victims of Crime—Passed Senate 4–3–73.
22. Consumer Product Warranties—Passed Senate 9–12–73.
23. Comprehensive Housing—Markup in progress.

Measures which Passed House only in 1972:

24. Strip Mining Controls—Passed Senate 10–9–73.
25. Consumer Protection Agency—Hearings held.

Major Measures Reported to Senate in 1972:

26. No Fault Insurance—To be reported from Judiciary by 2–15–74.
27. Pension Reform—Passed Senate 9–19–73.
28. National Health Insurance—Pending in Committee.

EXHIBIT 4

RESOLUTIONS PASSED BY SENATE DEMOCRATIC POLICY COMMITTEE AND/OR DEMOCRATIC CONFERENCE, 1973

1. Resolution on Priorities in Considering Legislation.
2. Resolution on Refusal of Cabinet and Other Officials to Testify Before Senate Committees.
3. Resolution on Open Hearings.
4. Resolution on Executive Privilege.
5. Resolution on Media Programming, Planning, and News Reporting.
6. Tunney Resolution Urging Budget Committee to Set a Spending Ceiling.
7. Resolution on Freedom of the Press and Revealing Sources.
8. Resolution on the Energy Crisis.
9. Resolution on Campaign Expenditures Ceiling.
10. Resolution on Congressional Access to Data on the Federal Budget and Other Fiscal Information.
11. Resolution on Reduction of Military Expenditures Abroad.
12. Resolution on Spending Ceiling.
13. Pastore Resolution on Closing of Foreign and Domestic Military Bases.
14. Kennedy Resolution on Assistance to Those Affected by Base Closings.
15. Resolution on Cambodia.
16. Resolution on Public Financing of Federal Elections.
17. Resolution on Economic Stabilization.
18. Resolution on Federal Employment and Annuity Practices.

EXHIBIT 5

COMMITTEE ON APPROPRIATIONS—U.S. SENATE, BUDGET ESTIMATES OF NEW BUDGET AUTHORITY CONSIDERED IN APPROPRIATION BILLS, 93D CONG. ,1ST SESS. AS OF DEC. 21, 1973

Does not include any "back-door" type budget or spending authority in legislative bills; or any permanent (Federal or trust) authority, under earlier or "permanent" law, without further or annual action by the Congress]

	House actions			Senate actions			Final action	
Bill and fiscal year	Budget requests considered	Approved by House	Compared with budget requests	Budget requests considered	Approved by Senate	Compared with budget requests	Conference agreement	Compared with budget requests
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9
A. Bills for fiscal 1974:								
1. Legislative (H.R. 6691)	$566, 945, 389	$550, 044, 940	−$16, 900, 449	$677, 150, 959	$640, 558, 952	−$36, 592, 007	$605, 189, 933	−$71, 961, 026
2. Agriculture-Environmental and Consumer Protection (H.R. 8619)	9, 505, 750, 600	9, 385, 737, 600	−120, 013, 000	9, 519, 550, 600	10, 176, 926, 500	+657, 375, 900	9, 927, 667, 000	+408, 116, 400
3. District of Columbia (Federal funds) (H.R. 8658)	432, 998, 000	427, 717, 000	−5, 281, 000	432, 998, 000	417, 717, 000	−15, 281, 000	417, 717, 000	−15, 281, 000
4. Transportation (H.R. 8760)	[2] 2, 892, 732, 006	[2] 2, 753, 231, 006	−139, 501, 000	[2] 3, 010, 732, 006	[2] 2, 968, 451, 006	−42, 281, 000	2, 898, 446, 006	−112, 286, 000
5. HUD-Space-Science-Veterans (H.R. 8825)	18, 617, 453, 000	19, 070, 954, 000	+453, 501, 000	18, 617, 453, 000	19, 118, 373, 063	+500, 920, 063	19, 056, 500, 000	+439, 047, 000
6. Labor-HEW (H.R. 8877)	31, 554, 954, 000	32, 816, 467, 000	+1, 271, 513, 000	31, 549, 953, 000	33, 396, 379, 000	+1, 846, 426, 000	32, 926, 796, 000	+1, 376, 843, 000
7. Interior (H.R. 8917)	2, 274, 431, 300	2, 269, 554, 200	−4, 877, 100	2, 370, 367, 300	2, 488, 773, 700	+118, 406, 400	2, 443, 137, 200	+72, 769, 900
8. State-Justice-Commerce-Judiciary (H.R. 8916)	4, 235, 080, 000	4, 152, 946, 000	−82, 134, 000	4, 522, 901, 000	4, 459, 478, 250	−63, 422, 750	4, 466, 012, 000	−56, 889, 000
9. Public Works—AEC (HR. 8947)	4, 757, 469, 000	4, 676, 395 000	−81, 074, 000	4, 757, 469, 000	4, 772, 982, 000	+15, 513, 000	4, 749, 403, 000	−8, 066, 000
10. Treasury-Postal Service-General Government (H.R. 9590)	5, 073, 345, 000	4, 844, 723, 000	−228, 622, 000	5, 373, 345, 000	5, 123, 352, 000	−249, 993, 000	5, 233, 189, 000	−140, 156, 000
11. Defense (H.R. 11575)	77, 250, 723, 000	74, 101, 309, 000	−3, 149, 414, 000	77, 250, 723, 000	73, 264, 627, 000	−3, 986, 096, 000	73, 714, 930, 000	−3, 535, 793, 000
12. Foreign Assistance (H.R. 11771)	6, 866, 567, 000	5, 833, 912, 000	−1, 032, 655, 000	6, 992, 917, 000	5, 593, 440, 000	−1, 399, 477, 000	5, 780, 434, 000	−1, 212, 483, 000
13. Military Construction (H.R. 11459)	2, 944, 900, 000	2, 609, 090, 000	−335, 810, 000	2, 944, 900, 000	2, 670, 972, 000	−273, 928, 000	2, 658, 861, 000	−281, 039, 000
14. Special Resolution, Gold Devaluation (H.J. Res. 748)	2, 250, 000, 000	2, 203, 000, 000	−47, 000, 000	2, 250, 000, 000	2, 203, 000, 000	−47, 000, 000	2, 203, 000, 000	−47, 000, 000
15. Supplemental (H.R. 11576)	1, 428, 790, 218	1, 433, 035, 718	+4, 245, 500	1, 534, 183, 886	1, 888, 425, 386	+354, 241, 500	1, 703, 125, 386	+168, 941, 500
Total, bills for fiscal 1974, to date	170, 642, 138, 513	167, 128, 116, 464	−3, 514, 022, 049	171, 804, 643, 751	169, 183, 455, 857	−2, 621, 187, 894	168, 784, 407, 525	−3, 020, 236, 226
B. Bills for fiscal 1973:								
1. Urgent Supplemental (H.J. Res. 496)	1, 366, 800, 000	1, 368, 600, 000	+1, 800, 000	1, 366, 800, 000	1, 368, 600, 000	+1, 800, 000	1, 368, 600, 000	+1, 800, 000
2. 2d Supplemental (H.R. 7447, vetoed)	[3, 162, 880, 434]	[2, 855, 542, 209]	[−307, 338, 225]	[3, 607, 105, 504]	[3, 699, 239, 279]	[+92, 133, 775]	[3, 362, 845, 279]	[−244, 260, 225
3. 2d Supplemental (H.R. 9055)	3, 607, 105, 504	3, 362, 845, 279	−244, 260, 225	3, 607, 105, 504	3, 362, 845, 279	−244, 260, 225	3, 362, 845, 279	−244, 260, 225
Total, bills for fiscal 1973	4, 973, 905, 504	4, 731, 445, 279	−242, 460, 225	4, 973, 905, 504	4, 731, 445, 279	−242, 460, 225	4, 731, 445, 279	−242, 460, 225
C. Totals for the session, to date	175, 616, 044, 017	171, 859, 561, 743	−3, 756, 482, 274	176, 778, 549, 255	173, 914, 901, 136	−2, 863, 648, 119	173, 515, 852, 804	−3, 262, 696. 451

[1] The budget for 1974, as submitted Jan. 29, 1973, tentatively estimated total new budget authority for 1974 at $288,029,000,000 gross ($256,761,000,000 net of some $31,268,000,000 interfund and intragovernmental transactions and certain so-called proprietary receipts handled as offsets for budget summary purposes only). Of this total, an estimated $146,477,000,000 does not require current action by Congress; it involves so-called permanent appropriations such as interest, and various trust funds, already provided for in other basic laws. The remainder, $172,820,000,000 is for consideration at this session (mostly in the appropriation bills) except for increased pay costs which will be considered at the 2d session of the 93d Congress. About $8,600,000,000 of the $172,820,000,000 was shown in the January budget as being "for later transmittal" for supplemental requirements under present law, new legislation, and allowances for contingencies and civilian pay rasies, and $49,534,408 of the remainder requires legislative reauthorization, through various authorization bills or where the authorization expires periodically.

[2] Includes $90,360,000 in advance 1975 appropriations.

EXHIBIT 6

Reductions by Congress below administration budget requests

[In billions]

Fiscal year 1970	$8.269
Fiscal year 1971	3.505
Fiscal year 1972	2.743
Fiscal year 1973	5.740
Fiscal year 1974	3.262
Total	23.5

Prepared by the Senate Appropriations Committee.

EXHIBIT 7

SENATE LEGISLATIVE ACTIVITY INDEX—93D CONGRESS, 1ST SESSION

(By Senate Democratic Policy Committee December 22, 1973)

Key: † denotes vetoed in 1972;
* denotes vetoed in 1973.

AGRICULTURE

Agriculture and Consumer Protection Act (S. 1888).
Agriculture and Consumer Protection Act Amendment (S. 2491).
Census of Agriculture (S.J. Res. 95).
Emergency Tobacco Allotment Transfer (H.R. 9172).
Feed Grain Set-Aside Program (S. 1572).
Forest Service Personnel Level (S.J. Res. 134).
Indian River Grapefruit Promotion (S. 1945).
Public Utility Cooperatives (S. 2150).
Rice Allotment Transfer (H.R. 6883).
Rural Development Loans (S. 2470).
Rural Electric and Telephone Loans (S. 394).
Rural Environmental Assistance (REAP) and Water Bank Programs (H.R. 2107).
*Rural Water and Waste Disposal Grant Program (H.R. 3298).
Wheat Referendum (S. 1938).
Tung Nut Price Support (H.R. 2303).

APPROPRIATIONS

1973

Further Continuing (H.J. Res. 345).
*Second Supplemental (H.R. 7447); (H.R. 9055).
Urgent Supplemental (H.J. Res. 496).

1974

Agriculture—Environmental and Consumer Protection (H.R. 8619).
Continuing (H.J. Res. 636); (H.J. Res. 753); (H.J. Res. 727).
Defense (H.R. 11575).
Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies (H.R. 8916).
District of Columbia (H.R. 8658).
Foreign Assistance (H.R. 11771).
Housing and Urban Development, Space, Science, Veterans, and Certain Other Independent Agencies (H.R. 8825).
Interior and Related Agencies (H.R. 8917).
Labor, and Health, Education, and Welfare, and Related Agencies (H.R. 887).
Legislative Branch (H.R. 6691).
Military Construction (H.R. 11459).
Par Value Modification (H.J. Res. 748).
Public Works for Water and Power Development and Atomic Energy Commission (H.R. 8947).
Supplemental (H.R. 11576).
Transportation and Related Agencies (H.R. 8760).
Treasury, Postal Service, and General Government (H.R. 9590).

CONGRESS

Access to Information (S. Con. Res. 30); (S. 2432).
Budget Message, Economic Report, and Impounded Funds (H.J. Res. 1).
Committee Meetings—Rule XXV (S. Res. 69).
Congressional and Supreme Court Pages (S. 2067).
Congressional Franking Reform (H.R. 3180).
Federal Constitutional Convention Procedure Act (S. 1272).
Federal Impoundment Control Procedures Act (S. 373).
Joint Economic Report—Extension (H.J. Res. 299); (S.J. Res. 182).
Rules of Evidence—Congressional consideration (S. 583).
Secret Government Documents (S. Res. 13).
Senate Confirmation of Nominations:
Certain Federal Offices (S. 1828).
Cost of Living Council (S. 421).
Executive Office Appointees (S. 590).
Heads of Executive Departments (S. 755).
*Office of Management and Budget (S. 518); (S. 37); (S. 2045).
U.S. Capitol Historical Society Study (H.J. Res. 736).
*War Powers Act (H.J. Res. 542).

CONSUMER AFFAIRS

Consumer Product Warranties (S. 356).
Lead-Based Paint Poisoning Amendments (S. 607).
Meat and Poultry Inspection Amendments (S. 1021).
Motor Vehicle Defect Remedy Act (S. 355).
Rabbit Meat Inspection (S. 43).
Truth in Lending Act Amendments (Fair Credit Billing) (S. 2101).
Wool Products Labeling Act Amendments (S. 1816).

CRIME-JUDICIARY

Amendments of 1973 to Federal Laws Relating to Explosives (S. 1083).
Antitrust Procedures and Penalties Act (S. 782).
Bankruptcy Act Amendments (H.R. 3490).
Civil Remedies for Victims of Racketeering Activity and Theft (S. 13).
Commission on Bankruptcy Laws (H.J. Res. 499).
Community Supervision and Services Act (S. 798).
Crime Control Act (H.R. 8152).
Debt Collection (H.R. 689).
Disqualification of Judges (S. 1064).
Federal Tort Claims Act and Reorganization Plan No. 2 of 1973 Amendments (H.R. 8245).
Inmate Furloughs (H.R. 7352).
Judicial Review of Decisions of the Interstate Commerce Commission (S. 663).
Methadone Diversion Control Act (S. 1115).
Public Safety Officers' Benefits Act (S. 15).
Public Safety Officers' Group Life Insurance Act (S. 33).
Revision of the Jurisdiction of Three-Judge Courts (S. 271).
Runaway Youth Act (S. 645).
Territorial Franchises in the Soft Drink Industry (S. 978).
Victims of Crime Act (S. 300).
Victims of Crime Act (Omnibus) (S. 800).

DEFENSE

Coast Guard Authorization (H.R. 5383).
Defense Production Act Amendment (S. 1980).
Dependents Assistance Act of 1950 Amendments (H.R. 8537).
Disposals from National Stockpiles:
Abaca (H.R. 4682).
Aluminum (S. 2413).
Copper (S. 2316).
Molybdenum (S. 2551).
Opium (Morphine Content) (S. 2166).
Sisal (H.R. 4682).
Silicon Carbide (S. 2493).
Zinc (S. 2498).
Junior Reserve Officer Training Corps Program (H.R. 8187).
Medical Officers Pay Structure (S. 2770).
Military Construction Authorization (S. 2408).
Military Procurement Authorization (H.R. 9286).
Military Training (H.R. 10366).
Promotions of Military Personnel in a Missing Status (S. 1493).
Sale of Naval Vessels Stricken from the Naval Register (S. 1773).
Service Academy Appointments (H.R. 7582).
Servicemen's Benefits (H.R. 4200).
Travel Expenses (H.R. 10369); (S. 1038).
U.S. Soldiers and Airmen's Home (H.R. 8528).
Women in the Coast Guard (H.R. 9575).

DISTRICT OF COLUMBIA

Authorization for Certain Programs and Activities (H.R. 8250).
Child Adoption Subsidy Payments (H.R. 11238).
District of Columbia Insurance Act (H.R. 4083).
District of Columbia Rent Control Act (H.R. 4771).
District of Columbia Self Government and Governmental Reorganization Act (S. 1435).
Dulles and Friendship Airports Transit Lines (S. 2047).
Election Law (H.R. 6713).
International Center Complex (S. 1235).
John F. Kennedy Center for the Performing Arts (S. 1759).
Minimum Wage Act For Airline Employees (H.R. 10806).
National Visitors Center Facilities Act of 1968 Amendments (H.R. 5857).
Robert F. Kennedy Memorial Stadium (H.R. 6330).
Southeastern University (S. 389).
Taxability of Insurance and Bank Holding Company Dividends (H.R. 6186).
Usury Law Amendment (H.R. 6758).

ECONOMY-FINANCE

Aluminum Penny (S. 2795).
American Revolution Bicentennial Coins (S. 1141).
Ceilings on Deposit Interest Rates (S.J. Res. 128).
Duty Suspensions:
Caprolactam Monomer in Water Solution (H.R. 6394).
Copper (H.R. 2323).
Dyeing and Tanning Materials (H.R. 3630).
Istle Fiber and End of Freeze on Agricultural Products (H.R. 2261).
Manganese Ore (H.R. 6676).
Metal Scrap (H.R. 2324).
East-West Trade Policy Resolution (S.J. Res. 131).
Economic Stabilization Act Amendments (S. 398).
Federal Financing Bank (H.R. 5874).
Financial Institution Structure and Regulation (H.R. 6370).
Housing and Urban Development Laws and Authorities Temporary Extensions (H.J. Res. 512); (S.J. Res. 144); (H.J. Res. 719).
Interest Equalization Tax Extension Act (H.R. 3577).
Interest Rates on Time and Savings Deposits (S.J. Res. 160).
National Banks Investment in Agricultural Credit Corporations (S. 1884).
Par Value Modification Act Amendments (H.R. 6912).
Public Debt Limit; Unemployment Compensation; Health Extension; Campaign Checkoff (H.R. 8410).
Public Debt Limit Extension (H.R. 11104).
Purchase of U.S. Obligations by Federal Reserve Banks (S. 1410); (S. 2556).
Railroad Retirement Act Amendments (H.R. 7357).
Securities Laws Amendments (S. 470).
Securities Processing Act (S. 2058).
Social Security—SSI Benefits Increase (H.R. 11333).
Social Security Act Amendments (S. 3153).

EDUCATION

Education of the Handicapped Amendments (S. 895).

National Commission on the Financing of Postsecondary Education (H.J. Res. 393).

ELECTION REFORM

Federal Election Campaign Act Amendments (S. 372).

Federal Election Reform Commission (S.J. Res. 110).

Federal Elections, Date For (S. 343).

Presidential Election Campaign of 1972:

Select Committee on Presidential Election Campaign Activities (S. Res. 60); (S. Res. 132); (S. Res. 181); (S. Res. 194); (S. 2641); (S. Res. 209).

Special Prosecutor for Watergate Investigation (S. Res. 105).

Watergate Grand Jury (H.R. 10937).

Voter Registration Act (S. 352).

ENERGY

Alaska Pipeline (S. 1081).

Daylight Saving Time Energy Conservation Act (H.R. 11324).

Elks Hills Naval Petroleum Reserve (S.J. Res. 176).

Emergency Petroleum Allocation Act (S. 1570).

Energy Conservation in Federal Buildings (H.R. 11565).

Energy Policy Act (S. 70).

Federal Energy Emergency Administration Act (S. 2776).

National Energy Emergency Act (S. 2589; S. 921).

National Energy Research and Development Policy Act (S. 1283).

National Fuels and Energy Conservation Act (S. 2176).

Speed Limits (H.R. 11372).

Strip Mining (S. 425).

ENVIRONMENT

Automobile Emission Standards (S. 2772).

Clean Air Act Extensions (S. 498); (H.R. 5445).

Endangered Species Act (S. 1983).

Interstate Environment Compact Act (S. 9).

Land Use Policy and Planning Assistance Act (S. 268).

Office of Environmental Quality Authorizations (S. 1379).

Oil Pollution Act Amendments (H.R. 5451).

Safe Drinking Water Act (S. 433).

Sewage Treatment Facilities Construction (S.J. Res. 158); (S. 1776); (S. 2812).

Solid Waste Disposal Act Extensions (S. 498); (H.R. 5446).

Toxic Substances Control Act (S. 426).

Water Resources Planning Act Amendments (S. 1501).

GENERAL GOVERNMENT

American Hospital in Paris, Inc. (S. 1836).

American Revolution Bicentennial Administration (H.R. 7446).

American Revolution Bicentennial Commission (H.R. 3694).

American War Mothers, Inc. (S. 2441).

Arctic Winter Games Authorization (S. 907).

Atomic Energy Commission Authorizations (S. 1994); (S. 2645).

Attorney General Salary (H.R. 11710 [S. 2673]).

Commission on Highway Beautification—Extension (S.J. Res. 42).

Council on International Economic Policy (S. 1636).

Disaster Relief:

Emergency Disaster Bill (S. 1697).

Emergency Loan Program for Disaster Areas (H.R. 1975).

Domestic Volunteer Service Act (ACTION) (S. 1148).

Exemption of Federal Judiciary from charges for Space and Services (S. 2079).

Federal Fire Prevention and Control Act (S. 1679).

Federal Reports Act Amendment (S. 1106).

Flood Control Act (S. 606).

Flood Disaster Protection (H.R. 8449).

Flood Insurance (S.J. Res. 26); (S.J. Res. 112).

Government Printing Office (S. 1794); (S. 1795); (S. 1802); (S. 2399).

Headstart Fee Schedule (H.R. 11441).

Hobby Protection Act (H.R. 5777).

Housing, Housing Assistance, and Community Development Programs Funding (S. Con. Res. 57).

Joint Funding Simplification Act. (S. 2299).

Micronesian Claims Act Amendments (H.R. 6628).

Mint Buildings (S. 1901).

NASA Authorization (H.R. 7528).

National Commission on Productivity—Extension (S.J. Res. 93).

National Commission on Productivity and Work Quality (S. 1752).

National Foundation on the Arts and Humanities Amendments (S. 795).

National Historic Preservation Act (S. 1201).

National Science Foundation Authorization (H.R. 8510).

Nursing Homes (S. 513).

† Older Americans Comprehensive Services Amendments (S. 50).

Preservation of Historical and Archeological Data (S. 514).

Program Information Act (S. 928).

Public Works and Economic Development Act Amendments (H.R. 2246).

Recreation and Public Purposes Act Amendment (S. 2013).

Recreation Use Fees (S. 1381); (H.R. 6717).

Renegotiation Act Amendments; Social Security Benefits Increase (H.R. 7445).

Service Contract Act Extension to Canton Island (H.R. 5157).

*Small Business Act Amendments (S. 1672); (S. 2482).

Travel Agents Registration (S. 2300).

Trust Territory of the Pacific Islands (S. 1385).

Uniform Relocation Assistance and Real Property Acquisition Policies Act Amendments (S. 261).

United States Travel Service Authorization (S. 1747).

Virgin Islands Legislature (H.R. 7699).

Wagner-O'Day Act Amendment (S. 1413).

Waiver-of-Claims Authority (S. 1803).

War Claims—Vietnam Conflict (S. 1728).

White House Conference on Library and Information Services (S.J. Res. 40).

White House Conference on the Handicapped (S.J. Res. 118).

Youth Conservation Corps (S. 1871).

GOVERNMENT EMPLOYEES

Central Intelligence Agency Retirement Act Amendments (S. 1494); (S. 2714).

Civil Service Retirement (H.R. 3799).

Civil Service Retirement Annuities (S. 1866).

Civil Service Survivors Benefits (S. 2174).

Executive, Legislative, and Judicial Salaries (S. 1989).

Federal Employees Health Insurance (H.R. 9256).

Federal Employees Leave Ssytem (H.R. 1284).

Federal Employees Pay Adjustments (S. Res. 171).

Federal Employees Retirement (H.R. 6077).

Foreign Service Institute Instructors Retirement Credit (S. 2264).

Insurance Coverage for U.S. Nationals (H.R. 3801).

Library of Congress (S. 1904); (H.R. 10840).

National Guard Technicians' Retirement (S. 871).

Selective Service Pay and Position Classification (H.R. 6334).

Survivor Annuities of Civil Service Retirees (S. 628).

Training Report Requirements (H.R. 5692).

HEALTH

Child Abuse Prevention and Treatment Act (S. 1191).

Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments (S. 1125).

Diabetes Millitus (S. 2830).

*Emergency Medical Services Systems Act (S. 504); (S. 2410).

Health Maintenance Organization and Resources Development Act (S. 14).

Health Programs Extension Act (S. 1136).

Little Cigar Act (S. 165).

National Institute of Health Care Delivery Act (S. 723).

National Research Service Awards and Protection of Human Subjects Act (H.R. 7724).

Research on Aging Act (S. 775).

School Lunch and Child Nutrition Programs (H.R. 4278); (H.R. 9639).

Sudden Infant Death Syndrome (S. 1745).

INDIANS

American Indian Policy Review Commission (S.J. Res. 133).

Assistant Secretary for Indian Affairs (H.R. 620).

Choctaw, Chickasaw, and Cherokee Nations (H.R. 5089).

Glen Canyon National Recreation Area Concession Operations (S. 1384).

Indian Claims Commission (S. 821).

Indian Financing Act (S. 1341).

Indian Judgment Distribution Act (S. 1016).

Joint Committee on Navajo-Hopi Administration—abolishment (S. 267).

Klamath Indian Tribal Land Acquisition (H.R. 3867).

Knife River Indian Village National Historic Site (S. 1468).

Menominee Restoration Act (H.R. 10717).

National Trails Act Amendment (S. 1976).

Publication of Material Relating to the Constitutional Rights of Indians (S. 969).

INTERNATIONAL

Atlantic Union Delegation (S.J. Res. 21).

Board for International Broadcasting Act (S. 1914).

Department of State Authorization (H.R. 7645).

Diplomatic Relations Between Sweden and the U.S. (S. Res. 149).

Environmental Modification as a Weapon of War (S. Res. 71).

EURATOM Cooperation Act of 1958 Amendment (S. 1993).

Foreign Assistance Act (S. 2335).

Foreign Assistance Act of 1973 (S. 1443).

Foreign Service Building Act Amendments (H.R. 5610).

International Monetary Fund and International Bank for Reconstruction and Development (S. 1887).

International Voyage Load Line Act (S. 1352).

Intervention on the High Seas Act (S. 1070).

National Security (S. Res. 200).

Peace Corps Act Amendments (H.R. 5293).

People's Republic of China—Diplomatic Privileges (S. 1315).

Privileges and Immunities:

Organization of American States (H.R. 5943).

Organization of African Unity (S. 1526); (H.R. 8219).

Prohibition of Intervention in Foreign Political Affairs (S. 2239).

Radio Free Europe and Radio Liberty Supplemental Authorization 1973 (S. 1972).

Rhodesian Chrome Importation (S. 1868).

Shrimp Fisheries Act (H.R. 8529).

Southeast Asia Collective Defense Treaty (S. Res. 174).

Transfer of Trust Funds to the Republic of the Philippines (S. 1398).

Treaties:

Agreement with Canada for the Promotion

of Safety on the Great Lakes (Ex. J, 93d–1st).

Amendment to Article 61 of the Charter of the United Nations (Ex. L, 93d–1st).

Consular Convention with Hungary (Ex. W, 93d–2d).

Consular Convention with Poland (Ex. U, 92d–2d).

Consular Convention with Romania (Ex. V, 92d–2d).

Convention Concerning the Protection of the World Cultural and Natural Heritage (Ex. F, 93d–1st).

Convention for the Protection of Producers of Phonograms (Ex. G, 93d–1st).

Convention for the Safety of Life at Sea Amendments (Ex. I, 93d–1st).

Convention on Endangered Species (Ex. H, 93d–1st).

Convention on the Prevention of Marine Pollution (Ex. C, 93d–1st).

Convention with Japan for the Protection of Birds and their Environment (Ex. R, 92d–2d).

Exchange of Notes with Ethiopia Concerning the Administration of Justice (Ex. B, 93d–1st).

Extradition Treaty with Italy (Ex. M, 93d–1st).

Extradition Treaty with Paraguay (Ex. S, 93d–1st).

Extradition Treaty with Uruguay (Ex. K, 93d–1st).

International Coffee Agreement 1968, as Extended (Ex. O, 93d–1st).

International Convention on Load Line Amendments (Ex. D, 93d–1st).

Patent Cooperation Treaty and Annexed Regulations (Ex. S, 92d–2d).

Protocol Amending the 1928 Convention Concerning International Expositions (Ex. N, 93d–1st).

Protocol to the International Civil Aviation Convention (Ex. Q, 93d–1st).

Statutes of the World Tourism Organization (Ex. R, 93d–1st).

Strasbourg Patent Classification Agreement (Ex. E, 93d–1st).

United Nations Environment Program Participation Act (H.R. 6768).

*United States Information Agency Authorization (S. 1317); (S. 2681).

United States Oceans Policy (S. Res. 82).

LABOR

Emergency Employment Act Amendments (S. 1560).

*Fair Labor Standards Amendments (Minimum Wage) (H.R. 7935).

Job Training Employment Opportunities (Manpower Revenue Sharing) and Emergency Employment Act Amendments (S. 1559).

Labor Management Relations Act Amendments (S. 1423).

Penn Central Rail Dispute (S.J. Res. 59).

†Rehabilitation Act of 1972 (S. 7).

Rehabilitation Act of 1973 (H.R. 8070).

MEMORIALS, TRIBUTES, AND MEDALS

B. Everett Jordan Dam and Lake (S. 2282).

Boston National Historical Park (S. 210).

Cable Car Medals (S. 776).

Carl Vinson Aircraft Carrier (H. Con. Res. 386).

Cecil M. Harden Lake (S. 1561).

Colorado Statehood (H.R. 4738).

Commemoration of Members of the Armed Services Who Served in the Vietnam War (S. Res. 117).

Earl Cabell Federal Building (S. 2503).

Eisenhower Memorial (S. 1264).

Fort Scott, Kansas (H.R. 7976).

H. V. Eastman Lake (H.R. 655).

Hale Boggs Federal Building (S. 2173).

Herbert Hoover Memorial Educational Building (S. 1418).

International Exposition on Environment (H.R. 5760).

James G. Fulton Flood Protection Project (S. 2535).

James W. Trimble Dam (S. 2463).

Jim Thorpe Medals (H.R. 4507).

John Wesley Powell Federal Building (S. 1618).

Law Day (S.J. Res. 11).

Lincoln National Memorial (S. 903).

Lyndon B. Johnson (S. Res. 24); (H. Con. Res. 90); (S. Res. 34).

Lyndon B. Johnson Memorial Grove (S.J. Res. 178).

Lyndon B. Johnson Space Center (S.J. Res. 37).

Members of the Armed Forces Missing in Action in Indochina (S. Res. 115).

Monument to 1st Infantry Division (S.J. Res. 66).

Richard B. Russell Dam and Lake (S. 2496).

Roberto Walker Clemente Medals (H.R. 3841).

Senator Stennis' Birthday (S. Res. 156).

Skylab III Astronauts (S. Res. 175).

Springfield Armory (S. 979).

Tuskegee Institute National Historical Park (S. 262).

Veterans Day (S. Con. Res. 51).

Vietnam MIA's (S. Res. 217).

Vietnam War Memorial (S.J. Res. 45).

W. Turner Wallis Pumping Station (S. 2509).

Wright Patman Dam and Lake (H.R. 974).

NATURAL RESOURCES

American Falls Dam Replacement (S. 1529).

Arkansas River Basin Compact (S. 11).

Grand Canyon National Park, Arizona (S. 1296).

Indiana Dunes (S. 584).

National Park System Authorization (S. 1039).

National Sea Grant College and Program Act of 1966 Amendments (H.R. 5452).

Saline Water Program Authorization, 1974 (S. 1386).

United States Fishing Industry (S. Con. Res. 11).

Wild and Scenic Rivers Act Amendments (S. 921).

Wilderness Areas:

Eagles Nest Wilderness (S. 1864).

Flat Tops Wilderness (S. 702).

Shendandoah National Park (S. 988).

NOMINATIONS (ACTION BY ROLLCALL VOTE)

Alvin J. Arnett to be Director of the Office of Economic Opportunity.

Vincent R. Barabba to be Director of the Census.

Peter J. Brennan to be Secretary of Labor.

William P. Clements, Jr. to be a Deputy Secretary of Defense.

William Egan Colby to be Director of Central Intelligence.

Gerald R. Ford to be Vice-President of the United States.

Clarence M. Kelley to be Director of the Federal Bureau of Investigation.

Dr. Henry A. Kissinger to be Secretary of State.

Elliot L. Richardson to be Secretary of Defense.

Elliot L. Richardson to be Attorney General.

William B. Saxbe to be Attorney General.

James R. Schlesinger to be Director of Central Intelligence.

James R. Schlesinger to be Secretary of Defense.

William L. Springer to be a Member of the Federal Power Commission.

Russell E. Train to be Administrator of the Environmental Protection Agency.

Caspar W. Weinberger to be Secretary of Health, Education, and Welfare.

PROCLAMATIONS

Digestive Disease Week (S.J. Res. 114).

Grandparents Day (S.J. Res. 126).

Honor America Day (S. Con. Res. 27).

International Clergy Week in the United States (H.J. Res. 163).

Jim Thorpe Day (S.J. Res. 73).

John C. Stennis Day (S. Res. 180).

Johnny Horizon '76 Clean Up America Month (H.J. Res. 695).

Middle East Crisis (S. Res. 179).

Mississippi River (S.J. Res. 102).

National Arthritis Month (H.J. Res. 275).

National Autistic Children's Week (H.J. Res. 296).

National Clean Water Week (H.J. Res. 437).

National Consumer Effort to Save Gas and Arrive Alive (S. Res. 138).

National Employ the Older Worker Week (H.J. Res. 334).

National Historic Preservation Week (S.J. Res. 51).

National Hunting and Fishing Day (H.J. Res. 210).

National Legal Secretaries' Court Observance Week (H.J. Res. 466).

National Moment and Day of Prayer and Thanksgiving (H.J. Res. 246).

National Next Door Neighbor Day (S.J. Res. 25).

National Nurse Week (S.J. Res. 168).

National Nutrition Week (S.J. Res. 99).

National Prayer Day (S.J. Res. 83).

Nicolaus Copernicus Week (H.J. Res. 5).

Vietnam Veterans' Day (H.J. Res. 865).

Walk a Mile for Your Health Day (S.J. Res. 159).

Warsaw Ghetto Uprising (H.J. Res. 303).

Woman's Equality Day (H.J. Res. 52).

TRANSPORTATION—COMMUNICATIONS

Aircraft Hijacking (S. 39).

†Airport Development Acceleration Act (S. 38).

Amtrak Improvement Act (S. 2016).

Bicentennial Advanced Technology Transportation System Demonstration Act (S. 797).

†Corporation for Public Broadcasting Authorizations (S. 1090).

"Delta Queen" (H.R. 5649).

Emergency Commuter Relief (S. 386).

Emergency Rail Services Act Amendments (S. 2060).

Essential Rail Services Continuation Act (S. 1925).

Federal-Aid Highway Act (S. 502).

Federal-Aid Highway Act Amendment (H.R. 10511).

Federal Railroad Safety Act Authorization (S. 2120).

Highway Safety Act (S. 893).

Interim Apportionment of Interstate and Other Highway Funds (S. 1808).

Interstate Apportionment (S. Con. Res. 6).

Maritime Authorization (H.R. 7670).

Ocean Transportation in Noncontiguous States and Territories (S. 902).

Rail Freight Car Shortage (S. Res. 59).

Rail Transportation Act (H.R. 9142).

Railroad Retirement Act and Interstate Commerce Act Amendments (H.R. 7200).

Reduced Rate Transportation (S. 2651); (S. 1432).

Rolling Stock Utilization and Financing Act (S. 1149).

Ship Construction (H.R. 6187).

T.V. Blackout—Professional Sports (S. 1841).

Water Carrier Barge Rule Legislation (S. 2267).

West Coast Corridor Feasibility Study Act (S. 1328).

VETERANS

Drug and Alcohol Treatment and Rehabilitation Act (S. 284).

GI Bill Benefits During the Energy Crisis (S. 2794).

†Health Care Extension Act (S. 59).

†National Cemeteries Act (S. 49).

Veterans' Administration Flexible GI Interest Rate Authority (H.R. 8949).

Veterans' Benefits (H.R. 9474).

SENATE LEGISLATIVE ACTIVITY—93D CONGRESS, FIRST SESSION

(By Senate Democratic Policy Committee)

Days in session, 184.

Hours in session, 1,084.13.

Total measures passed, 726.

Public laws, 196.

Treaties, 22.

Confirmations, 66,817.

Record votes, 594.

Symbols: P/H—Passed House; P/S—Passed Senate; *—Vetoed 1973; (VV)—Passed by Voice Vote; numbers in parenthesis indicate number of record vote on passage or reconsideration.

AGRICULTURE

Agriculture and Consumer Protection Act

Amends the Agricultural Act of 1970 and extends, in general, the present farm program, with the following and other provisions.

Target Prices—

Establishes for the 1974 through 1977 crops a new "target price" method of price-support payments for wheat, feed grains (corn, grain sorghums, and, if designated by the Secretary of Agriculture, barley), and cotton on all allotted acres using an established price, which is also the "target price" for the first two years of the program, and results in a target price of $2.05 per bushel for wheat, $1.38 per bushel for corn (with reasonable rates to be set for grain sorghums, and if designated, barley, in relation to the rate of corn), and 38 cents per pound for cotton for the 1974 and 1975 crops, with future target prices to be set by evaluating an established price in subsequent years and increasing or decreasing it to reflect changes in prices paid as shown by an index of production costs (production items, interest, taxes, and farm wage rates) published by the Department of Agriculture; provides under this method of payment, that a producer will receive a payment equal to the difference between the target price and the average price received by farmers the first 5 months of the marketing year or the loan level, with no payment to the producer if market prices are higher than or equal the target price, instead of, as at present, for wheat, payments on the domestic allotment only, and not on the export allotment, of the difference between the average market price for the first 5 months of the marketing year and 100 percent of parity, but not less than 75 percent of parity; for corn, payment of the difference between such average market price and the greater of $1.35 per bushel or 70 percent of parity, with a guarantee of 100 percent of parity on one-half the domestic allotment; for cotton, payment of the difference between such average market price and 35 cents per pound or 65 percent of parity adjusted according to the national base acreage allotment, including a minimum payment of 15 cents per pound whatever the market price;

Other provisions—

Changes the present $55,000 per crop limitation on wheat, feed grains, and cotton to $20,000 per farmer applicable to income supplement payments only;

Suspends the wheat marketing certificate collections from processors on July 1, 1973; extends the suspension of wheat marketing quotas through 1977; provides for payments to farmers in the case of a natural disaster or other circumstances beyond a farmer's control that prevent the planting or harvesting of crops; provides for a cost-sharing program to eradicate the boll weevil or other cotton insect;

Continues the dairy indemnity program; increases the minimum dairy support price on manufactured milk to 80 percent of parity for the balance of this marketing year and for the next marketing year, which ends March 31, 1975;

Continues the wool program; provides forestry incentives for small farmer forest owners; extends and expands the food stamp program;

Provides, regarding the rural environmental conservation program, a permanent requirement for 3, 5, 10, and 25 year contracts, and perpetual easements to carry out the purposes of the rural environmental assistance program (REAP), Great Plains, and water bank programs; provides 50 percent cost-sharing for rural firefighting equipment;

Provides that the Secretary of Agriculture shall establish a disaster reserve of inventories not to exceed 75 million bushels of wheat, feed grains, and soybeans for alleviating distress caused by a natural disaster; provides that the President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723, dated June 13, 1973, or subsequent order, for any agricultural products (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the product will be reduced to unacceptably low levels as a result of any price control or freeze order or regulation and that alternative means are not available;

And contains other provisions. S. 1888. Public Law 93–86, approved August 10, 1973. (181)

Agriculture and Consumer Protection Act amendment

Amends, because of the administrative difficulties involved, the provisions of the Agricultural Act of 1949 as amended by the Agricultural and Consumer Protection Act of 1973 which provides for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains, to limit the payments for such crops to soybeans, cotton, corn, grain sorghums, barley and wheat. S. 2491. Public Law 93– , approved 1973. (VV)

Census of agriculture

Directs the Secretary of Commerce to submit, within 30 days of enactment of this resolution, an estimate of funds needed to carry out the statutory mandate for conducting a census of agriculture in 1974; requires that funds heretofore or hereafter appropriated for planning the 1974 census shall be utilized for such purpose; and directs the Secretary to take the necessary action to insure that the data acquired from the 1974 census be made public through appropriate publication as soon as practicable following the taking of such census. S.J. Res. 95. P/S June 22, 1973. (VV)

Emergency tobacco allotment transfer

Authorizes the Secretary of Agriculture to permit the transfer of tobacco acreage allotments across county lines in 1973 in 12 named counties in Georgia and South Carolina if he finds that one of the counties has suffered an overall loss of 10 percent or more in the number of acres of tobacco planted as a result of a natural disaster and that the lease will not impair the program and provides that the provisions of the act shall apply only to those farms which had suffered a loss of 30 percent or more in the number of acres of tobacco planted, in which case the transfer would have to be to a farm in the same or a nearby county within the State having an allotment for the same kind of tobacco. H.R. 9172. Public Law 93–80, approved August 1, 1973. (VV)

Feed grain set-aside program

Increases the payment rate for option B participants in the feed grain program to assure option B participants the same parity guarantees which option A participants now have. S. 1572. P/S April 18, 1973. (VV)

Forest Service personnel level

Requires that the number of permanent, full-time Forest Service employees employed by the Department of Agriculture to carry out the activities of the Forest Service be maintained at not less than 450 above the June 30, 1973 ceiling of 20,404 permanent, full-time personnel. S.J. Res. 134. P/S July 20, 1973. (VV)

Indian River grapefruit promotion

Permits marketing orders for Florida Indian River grapefruit to provide for crediting a handler's direct market promotion expenditures against his assessment for market promotion expenses under the order. S. 1945.

Public Law 93–230, approved December 29, 1973. (VV)

Public utility cooperatives

Makes the farmer voting control requirement for borrowers from banks for cooperatives 60 percent in the case of public utility cooperatives (instead of 80 percent as now required for all cooperatives) thus encouraging rural electrics to utilize private sources for some of their financial needs. S. 2150. P/S December 14, 1973. (VV)

Rice allotment transfer

Permits rice growers who are unable to plant part or all of their farm acreage allotments in 1973 because of flood or other natural disaster to transfer their allotments to other farms in the same or adjoining county. H.R. 6883. Public Law 93–27, approved April 27, 1973. (VV)

Rural development loans

Authorizes the Secretary of Agriculture to make loans from the Rural Development Fund, for periods of up to 5 years, to private profit or nonprofit Rural Loan Investment Companies (RLIC) organized solely to purchase, service, sell, or otherwise deal in loans made private financial agencies (which could borrow up to 20 times its net assets from the Rural Development Insurance Fund at the same interest rate the Treasury Department must pay to borrow funds) for purposes for which loans can be made under the Consolidated Farm and Rural Development Act. S. 2470. P/S October 9, 1973. (VV)

Rural electric and telephone loans

Amends the Rural Electrification Act of 1936, as amended, to provide a revised program for rural electric and telephone loans; creates a revolving fund with unlimited borrowing authority, for the making of insured rural electric and telephone loans; provides that such insured loans will bear interest at five percent to two percent, with two percent loans to be available only if the borrower (a) has an average subscriber density of two or fewer per mile; or (b) has an average gross revenue of at least $450 below the average (for electric borrowers) or $300 below the average (for telephone borrowers); or, if the Administrator of the Rural Electrification Administration, in his sole discretion, finds that (c) the borrower has experienced extenuating circumstances or severe hardship; or (d) cannot produce net income before interest of at least 150 percent of its total interest requirements and still meet the objectives of the act; or (e) cannot without an excessive rate increase provide service consistent with the act; authorizes the guarantee of rural electric and telephone loans made by other lenders with interest at rates agreed upon by borrowers and lenders; requires loans made for rural electric and telephone facilities under the Consolidated Farm and Rural Development Act to be refinanced under the Rural Electrification Act of 1936 at the request of the borrower; provides that financial transactions of the Fund in interim notes and insured obligations (section 304), insured loans and advances (section 305(a)), and guaranteed loans (section 306) are not to be included in the totals of the budget of the United States and shall be exempt from any limitation imposed by statute on expenditures and net lending (budget outlays) of the United States; and contains other provisions. S. 394, Public Law 93–32, approved May 11, 1973. (20, 118)

Rural environmental assistance — REAP — and water bank programs

Requires the Secretary of Agriculture (1) to make payments under the Rural environmental assistance program (REAP) in the full amount appropriated therefor, and (2) to enter into agreements under the water bank program to the full extent permitted by available appropriations therefor. H.R. 2107. P/H February 7, 1973; P/S amended March 1, 1973; Conference report filed. (26) (Comparable provisions are contained in the Agriculture and Consumer Protection Act which became Public Law 93–86.)

* *Rural water and waste disposal grant program*

Requires the Secretary of Agriculture to make grants in the full amounts appropriated for the Farmers Home Administration water and waste disposal grant program which was terminated by the Department of Agriculture effective January 1, 1973. H. R. 3298. Vetoed April 5, 1973. House sustained veto April 10, 1973. (55)

Tung nut price support

Terminates, effective with the 1977 crop, the requirement that tung nuts be supported at from 60 to 90 percent of parity. H.R. 2303. Public Law 93– , approved 1973. (VV)

Wheat referendum

Permits the wheat marketing quota referendum with respect to the national marketing quota for the 1974 crop (which, since the Agricultural Act of 1970 extends only to the 1973 crop, otherwise would be required to be held no later than August 1, 1973, for the 1974 crop) to be deferred until the earlier of October 15, 1974, or 30 days after the adjournment of the 1st session of the 93d Congress, thereby permitting Congress a further opportunity to develop new legislation. S. 1938. Public Law 93–68, approved July 10, 1973. (VV)

Woodsy owl

Authorizes the Secretary of Agriculture to establish and collect use or royalty fees for the manufacture, reproduction, or use of the character and name, "Woodsy Owl," and the associated slogan "Give a Hoot, Don't Pollute," originated by the Forest Service; and contains other provisions. S. 1585. P/S June 14, 1973. (VV)

APPROPRIATIONS—1973

Further continuing appropriations

Extends the existing continuing resolution (Public Law 92–334) from February 28, 1973, to June 30, 1973, at the annual funding level, to provide further continuing appropriations for the activities covered by the Foreign Assistance and Related Programs Appropriation Act, the Departments of Labor and Health, Education, and Welfare, and Related Agencies Appropriation Act, neither of which have yet been enacted, and authorizes $6,224,000 for the American Revolution Bicentennial Commission; requires the President to submit periodic reports on impoundments to Congress; and contains other provisions. H.J. Res. 345. Public Law 93–9, approved March 8, 1973. (VV)

**Second supplemental appropriations*

Makes supplemental appropriations for the fiscal year ending June 30, 1973, in the amount of $3,362,845,279 for the following: Agriculture-Environmental and Consumer Protection; Defense; District of Columbia; Foreign Operations; Housing and Urban Development, Space, Science, and Veterans'; Interior and Related Agencies; Labor, and Health, Education, and Welfare; Legislative; Public Works; State, Justice, Commerce, and Judiciary; Transportation; Treasury, Postal Service, and General Government; and Claims and Judgments; prohibits the expenditure of funds appropriated in this act to aid or assist in the reconstruction of North Vietnam; provides that no funds may be transferred on or after the effective date of this act under the authority of section 735 of the Department of Defense Appropriations Act, 1973, to support directly or indirectly U.S. combat activities in, over or from off the shores of Cambodia or in or over Laos by U.S. forces; and provides that "none of the funds herein appropriated under this Act or heretofore appropriated under any other Act may be expended to support directly or indirectly combat activities in, over or from off the shores of Cambodia or in or over Laos by U.S. forces;" prohibits the use of any appropriation contained in this or any other act for publicity or propaganda purposes for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress except in presentation to the Congress itself; and contains other provisions. H.R. 7447. Vetoed June 27, 1973. House sustained veto June 27, 1973. (155, 218)

Contains identical sums and provisions for the various items of the several departments and agencies as in the vetoed bill; provides that no funds appropriated in this act shall be expended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam); provides that none of the funds herein appropriated under this act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North and South Vietnam or off the shores of Cambodia, Laos, North and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated under any other act may be expended for such purpose; and contains other provisions. H.R. 9055. Public Law 93–50, approved July 1, 1973. (254)

Urgent supplemental appropriations

Appropriates $1,368,600,000 for supplemental appropriations for fiscal year 1973 for the Civil Aeronautics Board, the Veterans Administration, the Department of Health, Education, and Welfare, and the General Services Administration, of which $122.1 million is for the basic educational opportunity grant program, $210.3 million for the supplemental educational opportunity grant program, $270.2 million for the college work-study program, and $269.4 for the direct student loan program under the Department of Health, Education, and Welfare, and provides additional funding for fiscal year 1973 to schools in Federally impacted areas. H.J. Res. 496. Public Law 93–25, approved April 26, 1973. (100)

APPROPRIATIONS—1974

Agriculture-environmental and consumer protection

Appropriates a total of $9,927,667,000 new obligational authority for fiscal year 1974 of which $5,088,0568,000 is for agricultural programs, $394,322,000 for rural development programs, $1,062,177,000 for environmental programs, and $3,382,600,000 for consumer programs. H.R. 8619. Public Law 93–135, approved October 24, 1973. (245)

Continuing appropriations

Makes continuing appropriations to avoid interruption of continuing government functions until: (a) the enactment into law of an appropriation for any project or activity provided for in this joint resolution; or (b) enactment of the applicable appropriation act by both Houses without any provision for such project or activity; or (c) September 30, 1973, whichever first occurs; provides that new obligational authority under this act to carry out the Foreign Assistance Act of 1961, as amended, and the Foreign Military Sales Act, as amended, shall not exceed an annual rate of $2.2 billion, and shall not be funded at a rate exceeding one quarter of such annual rate; provides that, notwithstanding any other provision of law, on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia; provides that, unless specifically authorized by Congress, none of the funds herein appropriated under this joint resolution or heretofore appropriated under any other act may be expanded for the purpose of providing assistance in the reconstruction or rehabilitation of the Democratic Republic of Vietnam (North Vietnam); and contains other provisions. H.J. Res. 636. Public Law 93–52, approved July 1, 1973. (253)

Extends the Continuing Resolution, Public Law 93–52, making futher continuing appropriations for fiscal year 1974, from September 30 to October 11, 1973. H.J. Res. 753. Public Law 93–118, approved October 4, 1973. (VV) This measure is superseded by Public Law 93–124.

Extends the Continuing Resolution, Public Law 93–52, making further continuing appropriations for fiscal year 1974, until the sine-die adjournment of the first session of this Congress, and supersedes H.J. Res. 753 which temporarily extends the date of Public Law 93–52 from September 30 to October 11, 1973; provides that none of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products; exempts the Export-Import Bank from the requirement that the funding rate for activities covered by the Foreign Assistance Appropriation Bill shall not exceed one quarter of the annual rate as provided by the joint resolution; and provides that no State in the aggregate will receive less than 90 percent of the amounts it received in fiscal year 1972 for grants to local educational agencies, and that no local educational agency shall receive less than 90 percent nor more than 115 percent of what it received in fiscal year 1973. H.J. Res. 727. Public Law 93–124, approved October 16, 1973. (446, 454)

Defense

Appropriates $73,714,930,000 in new budget obligational authority for fiscal year 1974 for the various military departments and other activities of the Department of Defense, H.R. 11575. Public Law 93–238 approved January 2, 1974. (560)

Departments of State, Justice, and Commerce, the Judiciary, and related agencies

Appropriates $4,466,012,000 for fiscal year 1974 for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies; and contains other provisions. H.R. 8916. Public Law 93–162, approved November 27, 1973. (385,464)

District of Columbia

Appropriates for the District of Columbia a total of $417,717,000 in Federal funds of which $187,450,000 represents the Federal payment to the District, and $954,731,000 in District of Columbia funds for fiscal year 1974. H.R. 8658. Public Law 93–91, approved August 14, 1973. (302)

Foreign assistance

Appropriates $5,475,068,000 for foreign assistance and related programs for fiscal years 1973 and 1974, including Foreign Assistance Act Activities, Foreign Military Credit Sales, Emergency Security and Disaster Relief Assistance and the Export-Import Bank. H.R. 11771. Public Law 93–240, approved January 2, 1974. (567)

Housing and Urban Development, Space, Science, Veterans, and certain other independent agencies

Appropriates $19,056,500,000 for the Department of Housing and Urban Development, Space, Science, Veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for fiscal year 1974. H.R. 8825. Public Law 93–137, approved October 26, 1973. (371)

Interior and related agencies

Appropriates $2,443,137,200 in new budget obligational authority for fiscal year 1974 for the Department of the Interior and related agencies including the U.S. Forest Service. H.R. 8917. Public Law 93–120, approved October 4, 1973. (350)

Labor, and Health, Education, and Welfare, and related agencies

Appropriates $32,926,796,000 for the Departments of Labor, and Health, Education, and Welfare and related agencies for fiscal year 1974 ($787,690,000 for the Department of Labor; $31,589,369,000 for the Department of Health, Education, and Welfare, and $549,737,000 for related agencies). H.R. 8877. Public Law 93–192, approved December 18, 1973. (447, 540)

Legislative branch

Appropriates a total of $605,189,933 in new budget obligational authority for the Legislative Branch for fiscal year 1974. H.R. 6691. Public Law 93–145, approved November 1, 1973. (300)

Military construction

Appropriates $2,658,861,000 for military construction for the Department of Defense for fiscal year 1974. H.R. 11459. Public Law 93–194, approved December 20, 1973. (494, 546)

Par value modification

Appropriates such sums as may be necessary, but not to exceed $2,203,000,000, to enable the Secretary of the Treasury to carry out section 3 of the Par Value Modification Act (Public Law 92–268), as amended, which directs the Secretary to maintain the value, in terms of gold, of United States dollars contributed to the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank and the Asian Development Bank. H.J. Res. 748. Public Law 93–142, approved October 26, 1973. (VV)

Public Works for Water and Power Development and Atomic Energy Commission

Appropriates $4,749,403,000 in new budget obligational authority for fiscal year 1974 for Public Works for Water and Power Development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian Regional Development Commission, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions. H.R. 8947. Public Law 93–97, approved August 16, 1973. (305)

Supplemental

Appropriates $1,703,125,386 in supplemental appropriations for fiscal year 1974. H.R. 11576. Public Law 93–245, approved January 3, 1974. (555)

Transportation and related agencies

Appropriates $2,898,466,006 in new budget obligational authority for fiscal year 1974 for the Department of Transportation including: the Coast Guard, Federal Aviation, Federal Highway, National Highway Traffic Safety, Federal Railroad, and Urban Mass Transportation Administrations, and the St. Lawrence Seaway Development Corporation, and for related agencies: the National Transportation Safety Board, Civil Aeronautics Board, Interstate Commerce Commission, Panama Canal, and $90 million advanced appropriations for fiscal year 1975 for Washington Metropolitan Area Transit Authority. H.R. 8760. Public Law 93–98, approved August 16, 1973. (336)

Treasury, Postal Service, and general government

Appropriates a total of $5,233,189,000 for fiscal year 1974 for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies. H.R. 9590. Public Law 93–143, approved October 30, 1973. (365)

CONGRESS

Access to information

Assures Congress the full and prompt production of information its committees seek from the executive branch in the exercise of its constitutional functions by establishing ground rules for the legislative and executive branches to observe over any future disagreements over the availability to Congress of information held by executive officials. S. Con. Res. 30. Senate adopted December 18, 1973. (VV)

Adds a new part to the Legislative Reorganization Act of 1970 which establishes by statute the duty of Federal officials and employees to produce information requested by Congress or any of its committees unless they are instructed by the President in writing not to do so and permits congressional determination as to the necessity of such information despite such a Presidential instruction; authorizes the committee chairmen to issue subpenas to compel the production of the information and in the event of noncompliance with such subpenas and subject to the approval of their respective Houses of Congress, to bring civil actions in the United States District Court for the District of Columbia which is authorized to enforce the subpenas by a mandatory injunction or other appropriate order, to modify the subpenas or set them aside entirely. S. 2432. P/S December 18, 1973. (VV)

Budget message, economic report, and impounded funds

Extends to January 29, 1973, the time for the President to submit to Congress the budget for fiscal year 1974; extends to January 31, 1973, the time for transmittal of the economic report; extends the time for the Joint Economic Committee to file its report on the President's economic report not later than March 10, 1973; and requires the President to transmit to Congress by February 10, 1973, a report with respect to all funds impounded from October 27, 1972, and before January 29, 1973 and from July 1, 1972, and before October 27, 1972. H.J. Res. 1. Public Law 93–1, approved January 19, 1973. (VV)

Committee meetings—Rule XXV

Amends Senate rule XXV to provide that meetings for the transaction of business of each standing committe of the Senate shall be open to the public, except during closed sessions for marking up bills, for voting, or when the committee by majority vote orders a closed session: Provided that any such closed session may be open to the public, if the committee by rule or majority vote so determines. S. Res. 69. Senate adopted March 6, 1973. (28)

Congressional and Supreme Court pages

Provides for replacement of the existing Congressional and Supreme Court page corps with an older group of pages (18 to 21 years of age) who would not require the afterhours supervision many feel is necessary for the younger pages; repeals the authority in existing law for the construction of a residential page classroom and dormitory building; and contains other provisions. S. 2067. P/S July 12, 1973. (VV)

Congressional franking reform

Establishes for the first time criteria for what is and is not frankable in the use of franking privilege by the Vice-President, Members of Congress, and Congressional officials under the definition of official business as passed by the Congress in Title 30, U.S.C.; establishes a House Commission on Congressional Mailing Standards and empowers the Senate Select Committee on Standards and Conduct with original jurisdiction to provide guidance, assistance, advice and counsel to Members of the House and Senators, respectively through advisory opinions or consultations in connection with the mailing of franked mail and provides a remedial action for willful violations of any of the franking requirements; and contains other provisions. H.R. 3180. Public Law 93–191, approved December 18, 1973. (VV)

Federal Constitutional Convention Procedures Act

Provides the procedural machinery necessary to effectuate that part of article V of the Constitution of the United States which authorizes a convention called by the States to propose specific amendments to the Constitution; clarifies Congressional authority with regard to the specific procedures for a constitutional convention called by the States; and contains other provisions. S. 1272. P/S July 9, 1973. (VV)

Federal Impoundment Control Procedures Act

Requires, in Title I of the bill, Impoundment Control Procedures, that the President, when a budget authority is impounded, shall send a special message to the Congress specifying the amount of the budget authority impounded, the reasons therefore, and to the extent practicable, the estimated fiscal, economic, and budgetary effect thereof; provides that, unless Congress acts to ratify the impoundment, or if its acts to disapprove it, by concurrent resolution within 60 days of continuous session after receipt of the message, that the obligation of the budget authority is mandatory and those funds may not be reimpounded; sets, in Title II of the bill, a ceiling of $268 billion on expenditures and net lending for fiscal year 1974; provides that the President shall reserve such amounts as may be necessary to keep within the ceiling, and that the reservations shall be made proportionately by functional category, and, where practicable, subfunctional category, as set out in the 1974 U.S. Budget in Brief, with the exception that no reservations shall be made from amounts available for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance grants under Title IV of the Social Security Act, food stamps, military retirement pay, medicaid, and judicial salaries; and contains other provisions. S. 373. P/S May 10, 1973; P/H amended July 25, 1973; In conference. (126, 127)

Joint economic report—Extension

Extends from March 10, 1973, to April 1, 1973, the time for the Joint Economic Committee to submit its report on the President's Economic Report. H.J. Res. 299. Public Law 93–7, approved February 16, 1973. (VV)

Extends the time for the President to submit the 1974 Economic Report to the Congress to February 1, 1974, and the time for the Joint Economic Committee to submit its report on the President's 1974 Economic Report to the House and Senate to March 13, 1974. S.J. Res. 182. Public Law 93–235, approved January 2, 1974. (VV)

Rules of evidence—Congressional consideration

Provides that notwithstanding any other provisions of law, that the proposed Rules of Evidence for United States Courts and Magistrates, the Amendments to the Federal Rules for Civil Procedure, and the Amendments to the Federal Rules for Criminal Procedure which are contained in the orders entered by the Supreme Court on November 20, 1972, and December 18, 1972, and transmitted to Congress by the Chief Justice on February 5, 1973, shall have no force and effect except to the extent, and with such amendments, as they may be expressly approved by Act of Congress. S. 583. Public Law 93-12, approved March 30, 1973. (VV)

Secret Government documents

Establishes an ad hoc committee of the Senate to conduct a study and submit to the Senate by June 30, 1973, a report and recommendations on all questions relating to the secrecy, confidentiality, and classification of government documents committed to the Senate or any member thereof. S. Res. 13. Senate adopted January 9, 1973. (VV)

SENATE CONFIRMATION OF NOMINATIONS

Certain Federal offices

Requires that future appointments to fill vacancies in the offices of the head of the new Mining Enforcement and Safety Administration, the Director of the Bureau of Land Management, the National Park Service, and the Bureau of Outdoor Recreation, the Commissioner of Reclamation, and the Governor of American (Eastern) Samoa shall be made by the President by and with the advice and consent of the Senate and provides that such appointees shall serve at the pleasure of the President for a term of not to exceed 4 years subject to reappointment and confirmation. S. 1828. P/S July 25, 1973. (316)

Cost of Living Council

Requires that appointments to the Office of Director of the Cost of Living Council shall be made by the President by and with the advice and consent of the Senate. S. 421. P/S January 23, 1973. (VV)

Senate confirmation of nomination Executive Office appointees

Requires that appointments by the President to fill the offices of Executive Secretary of the National Security Council and the Executive Director of the Domestic Council, which are made after the effective date of this act, shall be subject to Senate confirmation, and provides that if the International Economic Policy Act of 1972 is extended beyond its present expiration date of June 30, 1973, the Executive Director of the Council on International Economic Policy also shall be appointed by and with the advice and consent of the Senate, and that no individual shall serve in that office after that date unless so appointed. S. 590. P/S May 9, 1973. (122)

Heads of executive departments

Provides that the head of any executive department as defined in 5 U.S.C. 101 (the Departments of State; Treasury; Defense; Justice; Interior; Agriculture; Commerce; Labor; Health, Education, and Welfare; Housing and Urban Development; and Transportation) shall serve for a term of 4 years, subject to Senate confirmation, beginning at noon on January 20 of the year in which the term of the President appointing such department head begins, except that (1) the term of the head of any executive department serving on the date of the enactment of this act shall begin on such date and expire at noon on January 20, 1977, and (2) a person appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall serve only for the unexpired portion of that term, thus requiring that Cabinet officials retained by a President serving a second term must be confirmed by the Senate prior to reappointment; provides that nothing in this act shall be construed to affect the power of the President to remove any department head; and contains other provisions. S. 755. P/S May 2, 1973. (106)

•Office of Management and Budget

Abolishes and reestablishes as new offices the offices of Director and Deputy Director of the Office of Management and Budget and provides that the offices shall be filled by the President, by and with the advice and consent of the Senate, with the provisions of this act to take effect 30 days after enactment. S. 518. Vetoed May 18, 1973; Senate overrode veto May 22, 1973; House sustained veto May 23, 1973. (6,144)

Amends the Budget and Accounting Act, 1921, to provide a 4 year term of office for the offices of Director and Deputy Director of the Office of Management and Budget beginning on January 20 of the year the President's term begins, except that the terms of the present incumbents shall expire January 20, 1977, and provides that an appointment made when a vacancy occurs before the expiration of the incumbent's term shall be made only for the unexpired portion of the term; requires that appointments by the President to fill the offices of Director and Deputy Director be subject to the advice and consent of the Senate; provides that this requirement is to become applicable to either office if the incumbents are reappointed or immediately after the individual holding the office ceases to hold the office; transfers from the President to the Office of Director, Office of Management and Budget, all of the functions which were vested by law in the Bureau of the Budget, and its Director, and transferred to the President by Reorganization Plan No. 2 of 1970; and contains other provisions. S. 37. P/S June 25, 1973; P/H amended December 17, 1973. (210)

Establishes a 4 year term of office for the offices of Director and Deputy Director of the Office of Management and Budget beginning on January 20 of the year the President's term begins, except that the terms of the present incumbents shall expire January 20, 1977, and provides that an appointment made when a vacancy occurs before the expiration of the incumbent's term shall be made only for the unexpired portion of the term; requires that appointments by the President to fill the offices of Director and Deputy Director be subject to the advice and consent of the Senate, and provides that this requirement is to become applicable to either office upon expiration of the term or immediately after the individual holding the office ceases to hold the office; requires that the Executive Director of the Domestic Council and the Executive Secretary of the National Security Council shall be appointed by the President by and with the advice and consent of the Senate, and provides that this requirement shall apply to appointments made to these offices after the date of enactment of this act. S. 2045. P/S June 25, 1973. (211)

U.S. Capitol Historical Society Study

Provides for a feasibility study for a sound and light performance system for the East Front of the National Capital and allows the United States, through the Capitol Buildings, Architect of the Capitol account, to accept gifts from the Historical Society. H.J. Res. 736. P/H December 3, 1973; P/S amended December 7, 1973. (VV)

• War Powers Act

Requires the President to consult with Congress before introducing U.S. Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated; in the absence of a declaration of war, requires the President to submit within 48 hours to the Congress a report setting forth the circumstances necessitating the introduction of forces, the constitutional and legislative authority for such action, and the estimated scope and duration of the hostilities or involvement, such report to be made at least every six months; requires the President to terminate the use of the Armed Forces within 60 days after submission of the report to Congress unless the Congress (1) has declared war or has specifically authorized such use of the Armed Forces, (2) has extended by law the 60 day period, or (3) is physically unable to meet as a result of an armed attack; provides that the 60 day period may be extended for 30 days if the President determines and certifies in writing to Congress the need for the use of the forces in bringing about a prompt removal of the forces; provides that authority to introduce Armed Forces into hostilities or situations where involvement in hostilities is indicated shall not be inferred from any provision of law, including appropriations measures or treaties, unless such authority is specifically authorized; and contains other provisions, H.J. Res. 542. Vetoed October 24, 1973; House overrode veto November 7, 1973; Senate overrode veto November 7, 1973. Public Law 93-148, without approval November 7, 1973. (303,451,462)

CONSUMER AFFAIRS

Consumer product warranties

Sets forth, in title I, disclosure and designation standards for written warranties on each consumer product that costs the consumer more than $5; defines Federal contents standards for full warranties; provides meaningful consumer remedies for the breach of written warranty and written service contract obligations; in title II, improves the Federal Trade Commission's ability to deal with unfair consumer acts and practices affecting interstate commerce by granting the Commission the power to: (1) seek preliminary or permanent injunctions, (2) initiate actions in district courts seeking specific redress for consumers injured by unfair or deceptive practices, and (3) secure civil penalties for knowing violations of the FTC Act; in title III, requires the Board of Governors of the Federal Reserve System to issue regulations similar to those of the FTC proscribing unfair acts or practices of financial institutions unless the Board disagrees that such acts are unfair and publishes its findings in the Federal Register; and, in title IV, makes specific provisions for used car warranties. S. 356. P/S September 12, 1973. (VV)

Lead-based paint poisoning amendments

Amends the Lead-Based Paint Poisoning Act, Public Law 91-695, and authorizes therefor an annual appropriation of $63 million for each of fiscal years 1974 and 1975; expands the authority of the Secretary of Health, Education, and Welfare to make grants to local and State Government units for programs to detect and treat incidents of lead-based paint poisoning to include private, non-profit organizations; increases from 75 percent to 90 percent the Federal share for the cost of such programs; provides that no lead-based paint shall be applied to any toy, furniture, or cooking, drinking or eating utensil manufactured and distributed in interstate commerce after enactment of the act; provides that, effective January 1, 1974, that lead-based paint means any paint containing more than 6 one-hundreths of one percent lead, or, if after the study authorized by this act is completed, it is determined prior to December 31, 1974, that a 5 one hundredths of 1 percent level is safe, that level shall be used instead; and contains other provisions. S. 607. Public Law 93-151, approved November 9, 1973. (VV)

Meat and poultry inspection amendments

Amends the Federal Meat Inspection Act and the Poultry Products Inspection Act to increase (beginning fiscal year 1974) the maximum Federal contribution to the cost of any State meat or poultry inspection system from 50 to 80 percent, and provides that the total cost of any cooperative arrangement for meat or poultry inspection purposes to be contributed under the Talmadge-Aiken Act (Public Law 87-718) shall be equal to the highest percentage contributed to any State under either of these acts. S. 1021. P/S April 2, 1973. (73)

Motor vehicle defect remedy act

Amends the National Traffic and Motor Vehicle Safety Act by empowering the Secretary of Transportation to require that the manufacturer of a motor vehicle or an item of motor vehicle equipment (including tires) which contains a safety related defect or a failure to comply with a motor vehicle safety standard to remedy such defect or failure to comply without charge to the consumer; defines the administrative hearing procedure available to such manufacturer; provides for a procedure whereby the Secretary can act immediately to remove an obvious hazard by applying to a District Court for such temporary or permanent relief as may be necessary to protect the public; authorizes therefor an appropriation of not to exceed $46.773 million for fiscal year 1974; and contains other provisions. S. 355. P/S May 17, 1973. (VV)

Rabbit meat inspection

Makes rabbit meat inspection mandatory, at Federal cost, by extending the provisions of the Poultry Products Inspection Act to rabbits and rabbit products, and sets the effective date of the provisions of the bill at July 1, 1973. S. 43. P/S February 21, 1973. (VV)

Truth in Lending Act amendments (fair credit billing)

Amends the Truth in Lending Act to protect consumers against inaccurate and unfair billing practices; prohibits, in title I, The Fair Credit Billing Act, unfair credit billing practices including provisions relating to resolution of billing errors, regulation of credit reports, acknowledgement of billing inquiries, prompt crediting of payments, length of the billing period, use of cash discounts, and prohibition of offsetting a disputed bill from funds on deposit; contains, in title II, largely technical amendments to improve the administration of the Truth in Lending Act and includes a provision limiting a creditor's maximum liability in a class action suit brought under the act to $100,000 or 1 percent of the creditor's net worth, whichever is less; prohibits, in title III, The Equal Credit Opportunity Act, any creditor from discriminating against any person on account of sex or marital status in granting or denying credit, including all credit transactions, whether for consumer, business, or other purposes and includes cash loans, installment sales, mortgage loans and the opening or closing of a revolving charge account; and contains other provisions. S. 2101. P/S July 23, 1973. (311)

Wool Products Labeling Act amendments

Amends the Wool Products Labeling Act of 1939 by substituting the term "recycled wool" for the terms "reprocessed wool" and "reused wool" thus combining the terms into one definition for the term "recycled wool." S. 1816. P/S July 20, 1973. (VV)

CRIME-JUDICIARY

Amendments of 1973 to Federal laws relating to explosives

Amends section 845(a) of title 18 U.S.C. to entirely exempt commercially manufactured black powder, percussion caps, safety and pyrotechnic fuses, quills, quick and slow matches, and friction primers intended to be used solely for sporting, recreational or cultural purposes in antique firearms and certain antique devices from regulation under title XI of the Organized Crime Control Act of 1970 (P.L. 91–452) relating to explosives, and amends section 921(c)(4) of title 18 U.S.C. to add language exempting from the term "destructive device" in the Gun Control Act of 1968 (P.L. 90–618) antique devices such as small, muzzle-loading cannon used for recreational and cultural purposes. S. 1083. P/S July 13, 1973. (278)

Antitrust Procedures and Penalties Act

Changes certain specifics in the manner in which consent decrees in civil antitrust cases are formulated by providing that the district court shall make an independent determination as to whether or not the entry of a proposed consent decree is in the public interest as expressed by the antitrust laws by (1) encouraging additional comment by interested parties, (2) requiring that the Department of Justice file a public impact statement, and (3) requiring the defendent to disclose all communications made on behalf of the firm relating to the consent decree other than those made exclusively by counsel of record; increases the fines for criminal violations of the Sherman Act from $50,000 to $100,000 for individuals and $500,000 for corporations; amends the Expediting Act to require that final judgments and interlocutory orders in certain civil antitrust cases if appealed, be heard by the circuit courts of appeals; eliminates the provision that a three-judge court be impaneled in civil actions where the United States is the plaintiff under the Sherman or Clayton Act upon the filing by the Attorney General with the district court of a certificate that the cases are of general public importance; provides for direct appeal to the Supreme Court from final judgments of the district court only in cases certified by the district judge upon the application of either party to be of general public importance; and contains other provisions. S. 782. P/S July 18, 1973. (293)

Bankruptcy act amendments

Amends section 40b of the Bankruptcy Act (which prohibits salary increases for referees in bankruptcy from occurring more than once every two years) to place referees in bankruptcy on an equal basis with other judicial officers whose salary is determined by the Judicial Conference of the United States. H.R. 3490. Public Law 93–200, approved December 27, 1973. (VV)

Civil remedies for victims of racketeering activity and theft

Amends title 18 of the United States Code to strengthen civil remedies for victims of racketeering activity and provide a civil action for damages resulting from violations of section 659 title 18 of the United States Code, which realtes to crime involving property in interstate or foreign commerce. S. 13. P/S March 29, 1973. (VV)

Commission on bankruptcy laws

Requires the Commission on Bankruptcy Laws of the United States to submit a comprehensive report of its activities, including its recommendations, to the President, the Chief Justice of the United States, and the Congress prior to July 31, 1973; provides for termination of the Commission 30 days after the submission of its final report; and provides that appropriated funds shall remain available until expended or until the Commission ceases to exist. H.J. Res. 499. Public Law 93–56, approved July 1, 1973. (VV)

Community supervision and services act

Authorizes a program of community supervision and services for selected criminal defendants in the Federal court system, to divert them to a program of intensive treatment and supervision prior to trial. S. 798. P/S October 4, 1973. (VV)

Crime Control Act

Extends the Department of Justice Law Enforcement Administration (LEAA) program for three years and authorizes appropriations therefor of $1 billion for each of fiscal years 1974 and 1975, and $1.25 billion for fiscal year 1976; vests all policy and administrative authority in the Administrator and replaces the two Associate Administrators by a Deputy Administrator for Policy Development and a Deputy for Administrative Management; strengthens Federal supervision over the States' planning process; requires a program for the improvement of juvenile justice as part of the comprehensive State plan; increases the minimum planning allocation to each State from $100,000 to $200,000 to assure the continued flow of adequate funds to cities; requires regional planning boards to include a majority of local elected officials; places time limits on plan approval in order to expedite fund flow; revises the matching fund requirements to eliminate non-cash matching; reduces the non-Federal matching share from 25 to 10 percent with the new 90 to 10 matching ratio to apply to all grants requiring matching-planning, action, and corrections improvements grants; requires, with a limited transition time for waiver, States to contribute in the aggregate, at least 50 percent of the local share of the costs of both planning and action programs by increasing the State "buy-in" for action grants from 25 to 50 percent, and from 0 to 50 percent for planning grants, and adds "buy-in" provisions regarding corrections grants; retains and strengthens the law enforcement education program; and contains other provisions. H.R. 8152. Public Law 93–83, approved August 6, 1973. (VV)

Debt collection

Expands the prohibitions of section 712, title 18, U.S.C., to cover all persons attempting to collect any debt through the misuse of official sounding names in order to convey the false impression that an agency of the Federal Government is involved in the collection, without regard for whether, as required by the present provision, such person is "engaged in the business of collecting or aiding in the collection" of debts. H.R. 689. Public Law 93–147, approved November 3, 1973. (VV)

Disqualification of judges

Makes the statutory grounds for disqualification of a judge in a particular case conform generally with the recently adopted canon of the Code of Judicial Conduct which relates to disqualification of judges for bias, prejudice or conflict of interest. S. 1064. P/S October 4, 1973. (VV)

Federal Tort Claims Act and reorganization plan No. 2 of 1973 amendments

Amends reorganization plan No. 2 of 1973, which became effective on July 1, 1973, to nullify the provisions providing for the transfer of immigration inspectors from the Immigration and Naturalization Service of the Department of Justice to the Customs Bureau of the Department of the Treasury and provides a remedy against the United States for the intentional torts of its investigative and law enforcement officers thus allowing innocent victims subjected to unlawful raids or abuses to have a cause of action against the individual Federal agents and the Federal Government. H.R. 8245. P/H July 17, 1973; P/S amended November 30, 1973 and December 3, 1973. (VV)

Inmate furloughs

Broadens provisions of law to allow prison inmate furloughs for the purpose of establishing or reestablishing family and community ties, or for any other significant reason consistent with the public interest. H.R. 7352. Public Law 93–209, approved December 28, 1973. (VV)

Judicial review of decisions of the Interstate Commerce Commission

Modernize the judicial machinery for review of orders of the Interstate Commerce Commission by placing review in the United States courts of appeals pursuant to the Judicial Review Act of 1950. S. 663. P/S November 16, 1973. (VV)

Methadone Diversion Control Act

Amends the Comprehensive Drug Abuse Prevention and Control Act of 1970, Public Law 91–513, commonly called the Controlled Substances Act, to provide new authority for the regulation of the use of narcotic drugs in the treatment of narcotic addicts; provides definitions of "maintenance treatment" to enable the Attorney General to establish more specific and comprehensive regulatory control over the handling of narcotic drugs used in the treatment of narcotic addicts; requires practitioners who dispense or administer narcotic drugs in the treatment of narcotic addicts to obtain a special registration predicated on the approval of treatment standards by the Secretary of Health, Education, and Welfare and the approval of security standards by the Attorney General; enables the Attorney General to deny, revoke, or suspend the special registration for failure to comply with the new standards; makes the full range of civil remedies and felony penalties available under the Controlled Substances Act applicable to practitioners who provide narcotic drugs without obtaining the special registration, in violation of the registration, or after revocation of the registration; and requires the special registered practitioners to keep complete records of narcotic drugs directly administered to patients in their presence. S. 1115. P/S June 8, 1973. (VV)

Public Safety Officers' Benefits Act

Amends the Omnibus Crime Control and Safe Streets Act of 1968 to provide a gratuity of $50,000 to the dependents of public safety officers killed in the line of duty where the crime or death occurs on or after October 17, 1972, and authorizes the Law Enforcement Assistance Administration to make an interim payment, not to exceed $3,000, to an entitled dependent when it is determined such person is eligible to receive the gratuity under the provisions of this act. S. 15. P/S March 29, 1973. (VV)

Public Safety Officers' Group Life Insurance Act

Amends the Omnibus Crime Control and Safe Streets Act of 1968 to establish a means of meeting the financial needs of public safety officers or their surviving dependents through group life, accidental death, and dismemberment insurance (the amount of coverage to be based on individual salary with a minimum coverage of $10,000 and a maximum coverage of $32,000) and to assist State and local governments to provide such insurance. S. 33. P/S March 29, 1973. (VV)

Revision of the Jurisdiction of Three-Judge Courts

Amends sections 2281, 2282, 2284, and 2403 of title 28, United States Code, to eliminate the requirement for special three-judge courts in cases seeking to enjoin the enforcement of State or Federal laws on the grounds of unconstitutionality; provides for the retention of three-judge courts when otherwise required by act of Congress or in any case involving apportionment of congressional districts or the apportionment of any statewide legislative body; clarifies the composition and procedure of three-judge courts in cases where they will continue to be required; and insures the right of States to intervene in cases seeking to enjoin State laws on the ground of unconstitutionality. S. 271. P/S July 14, 1973. (VV)

Runaway Youth Act

Authorizes the Secretary of Health, Education, and Welfare to make grants and to provide technical assistance to localities and nonprofit private agencies for the purpose of developing local facilities to deal primarily with the immediate needs of runaways in a manner which operates outside the law enforcement structure and juvenile justice system which are designed to shelter young people for a short period of time, rather than on a long term basis, and supply such medical care and counseling as needed, and are equipped to provide a program of field counseling for the runaway and his family after the runaway has moved to permanent living facilities; authorizes funds to conduct research on the scope of the runaway problem in this country focusing on but not limited to "the age, sex, socioeconomic background of the runaway children, the places from which and to which children run, and the relationship between running away and other illegal behavior;" authorizes therefor the appropriation of $10 million for each of fiscal years 1974, 1975, and 1976; and contains other provisions. S. 645. P/S June 8, 1973. (VV)

Territorial franchises in the soft drink industry

Amends the Federal Trade Commission Act and the anti-trust laws to clarify the circumstances under which exclusive territorial licenses to manufacture, distribute, and sell trademarked soft drink products shall not be deemed unlawful; provides that if the requirements of this bill are met, relevant territorial provisions in which a trademark owner grants licensees the right to manufacture, distribute, and sell trademarked soft drink products in specifically defined geographic areas are not only lawful but enforceable through judicial proceedings; makes lawful license provisions which have the effect of precluding indirect evasions of the license agreement, thus protecting the exclusive territorial rights of one licensee from direct or indirect sales by the licensor or any of its other licensees into his defined geographic area so long as there is substantial and effective competition within his territory; and contains other provisions. S. 978. P/S June 11, 1973. (VV)

Victims of Crime Act

Amends the Omnibus Crime Control and Safe Streets Act of 1968 to establish a direct Federal crime compensation program for territorial areas of direct Federal concern to provide a means of meeting the financial needs of the innocent victims of violent crime, intervenors acting to prevent the commission of a crime or assisting in the apprehension of suspected criminals, or their surviving dependents; establishes an independent board to administer the program; defines the acts or omissions considered to be crimes for purposes of the program; sets the amount of $100 as the minimum amount for which a claim may be filed and the amount of $50,000 as the maximum amount of a claim; creates a Criminal Victim Indemnity Fund in the Treasury to consist of moneys from (1) criminal fines paid in the various courts of the United States, (2) additional appropriated funds, and (3) contributed funds; authorizes the appropriation of $5 million for fiscal year 1973 and, until specific appropriations are made, authorizes the use of funds appropriated for the Department of Justice or the Law Enforcement Assistance Administration; and authorizes the use, through the established mechanisms of the Law Enforcement Assistance Administration, of LEAA grant funds on the usual 75–25 percent basis to assist substantially comparable State programs. S. 300. P/S March 29, 1973. (VV)

Victims of Crime Act (Omnibus)

Establishes a Federal crime compensation program for territorial areas of direct Federal concern for innocent victims of violent crime, intervenors, or their surviving dependents, and provides for Federal assistance to substantially comparable State programs; provides group life insurance coverage for public safety officers or their surviving dependents, and assistance to States and local governments to provide such insurance; provides gratuities for dependents of public safety officers killed in the line of duty; strengthens civil remedies for victims of racketeering activity; provides for additional sentences for persons convicted in a United States court of a felony threatening life or property when a firearm is used or carried during the commission of the felony; provides for additional sentencing of persons as a public menace who are convicted of the manufacture, distribution, or dispensing of one-tenth or more of pure heroin or morphine, who are not addicts at the time of the offense; and contains other provisions. S. 800. P/S April 3, 1973. (78)

DEFENSE

Armed Forces Enlisted Personnel Bonus Revision Act

Amends chapter 5 of title 37, U.S.C., to revise the special pay bonus structure relating to members of the Armed Forces, and provides for the appointment of female candidates to the U.S. military academies. S. 2771. P/S December 20, 1973. (VV)

Coast Guard authorization, 1974

Authorizes a total appropriation of $109,-239,000 for the Coast Guard for fiscal year 1974 for the procurement of vessels and related pollution abatement programs and an additional helicopter and helicopter search and rescue station, and for the construction of shore and offshore establishments and bridge alterations; continues the LORAN–A electron navigation system and authorizes the replacement of equipment for the LORAN–C and approves expansion of the LORAN–C West Coast Project; authorizes an end year strength of 37,607 for active duty personnel; and contains other provisions. H.R. 5383. Public Law 93–65, approved July 9, 1973. (VV)

Defense Production Act amendment

Terminates the borrowing authority mechanism by which all program operations under the Defense Production Act have been financed since the initiation of the original 1950 act and substitutes conventional appropriation methods for any future operations. S. 1980. P/S August 2, 1973. (VV)

Dependents Assistance Act of 1950 Amendments

Makes permanent in the law certain provisions of the Dependents Assistance Act of 1950, as amended, which expire July 1, 1973, as follows: (1) continues the current monthly rates for quarters allowances for junior enlisted members, (2) removes the provision in title 37, U.S.C., that junior enlisted members are considered at all times to be without dependents, (3) removes the requirement that junior enlisted members must allot part of their pay before they can receive the higher quarters allowance authorized for members having dependents, (4) provides secretarial authority to grant hardship discharges for certain enlisted members with dependents, (5) establishes procedures for determining dependency of parents, (6) provides that aviation cadets receive the same quarters allowance as an E–4, and (7) provides that monthly quarters allowance to dependents of members shall not, for such period as the Secretary may prescribe, be contingent on a pay status thus permitting payment when an enlisted member is AWOL or incarcerated by a foreign government prior to trial; authorizes a basic allowance for quarters for junior enlisted members in the reserve and guard while on active duty for training for less than 30 days; repeals section 207 of the Career Compensation Act of 1949 which contains obsolete provisions regarding the reenlistment bonus; eliminates certain other provisions of law which are either obsolete or are covered elsewhere in existing law; extends for two years, to July 1, 1975, the authority to pay special pay to physicians, dentists, veterinarians, and optometrists; permits a member to claim as a dependent an unmarried, acknowledged, illegitimate child; extends for one year, to July 1, 1974, the bonus authority for certain enlistments in the combat arms of the armed forces; extends until December 31, 1973, the date after which members in the rank of colonel or equivalent (0–6), or above, in noncombat assignments are no longer entitled to flight pay; provides that the act shall become effective July 1, 1973; and contains other provisions. H.R. 8537. Public Law 93–64, approved July 9, 1973. (VV)

Disposals from national stockpiles

Authorizes the disposal from the national stockpile of various materials, as follows:

Abaca—at 25 million pounds. H.R. 4682. Public Law 93–48, approved June 22, 1973. (VV)

Aluminum—at 207,440 short tons. S. 2413. Public Law 93–220, approved December 28, 1973. (VV)

Copper—at 251,600 short tons. S. 2316. Public Law 93–215, approved December 28, 1973. (VV)

Molybdenum—at 36,500,000 pounds. S. 2551. Public Law 93–219, approved December 28, 1973. (VV)

Opium (Morphine Content)—at 65,700 pounds for immediate disposal. S. 2166. Public Law 93–218, approved December 28, 1973. (VV)

Sisal—at 100 million pounds. H.R. 4682. Public Law 93–48, approved June 22, 1973.

Silicon Carbide—at 196,500 short tons. S. 2493. Public Law 93–216, approved December 28, 1973. (VV)

Zinc—at 357,300 short tons. S. 2498. Public Law 93–212, approved December 28, 1973. (VV)

Junior Reserve Officer Training Corps program

Eliminates the present exclusion of females from the minimum number of 100 students necessary to maintain a Junior Reserve Officer Training Corps (ROTC) unit, permitting girls to be officially enrolled in the program. H.R. 8187. Public Law 93–165, approved November 29, 1973. (VV)

Medical officers pay structure

Increases monthly special pay for physicians (including Public Health Service officers) with two years active service from $150 to $350 a month; terminates the current continuation pay for physicians in pay grades below O–6 (colonel); and authorizes new bonuses, of up to $10,000 a year, for physicians in pay grades below O–6 for each year they agree to continue active service. S. 2770. P/S December 20, 1973. (VV)

Military construction authorization, 1974

Authorizes a total of $2,773,584,000 in new budget obligational authority for fiscal year 1974 for construction and other related authority for the military departments and the Office of the Secretary of Defense within and outside the United States, and authority for construction of facilities for the Reserve Components. S. 2408. Public Law 93–166, approved November 29, 1973. (467)

Military procurement authorization, 1974

Authorizes $21,299,520,000 for fiscal year 1974 for the procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads; authorizes the end strength for active duty personnel for fiscal year 1974 at 2,190,000, a reduction of 43,000 persons; continues the authority for merging military assistance financing for South Vietnam and Laos with funding of the Department of Defense and authorizes therefor $1,126,000; requires an annual authorization by Congress of the number of civilians employed by the Department of Defense; prohibits direct or indirect use of funds for economic or military aid to North Vietnam; places a $25 million limitation on advance payment that may be made to a defense contractor without prior congressional approval; phases out the National Industrial Reserve and replaces it with the Defense Industrial Reserve which consolidates the National Industrial Equipment Reserve machine tools and the "Tools for Schools" lending program with the Defense Department's general reserve; calls on the President to seek, through appropriate bilateral and multilateral arrangement, payments to offset fully any balance-of-payment deficit incurred by the United States during fiscal year 1974 as a result of the deployment of forces in Europe to fulfill NATO commitments; prohibits procurement of other than American goods unless consideration has been given to labor-surplus areas, small businesses, U.S. balance of payments, cost of shipping, foreign duties and other related factors; authorizes the Secretary of Defense to assist the Department of Health, Education, and Welfare and the Department of Transportation in providing medical emergency helicopter transportation to civilians; extends the President's authority until December 31, 1975, to transfer to Israel by sale, credit sale, or guaranty aircraft and related equipment; provides for the continued operation, at the January 1, 1973, level, of the Public Health Service hospitals located at Seattle, Boston, San Francisco, Galveston, New Orleans, Baltimore, Staten Island, and Norfolk; and contains other provisions. H.R. 9286. Public Law 93–155, approved November 16, 1973. (436, 461)

Military training

Removes the four-year limitation on active duty service that a reserve officer may be required to perform upon completion of Army and Air Force sponsored educational programs. H.R. 10366. Public Law 93–169, approved November 29, 1973. (VV)

Promotions of military personnel in a missing status

Amends section 552(a) of title 37, United States Code, to insure that promotions of personnel carried as missing are valid for all purposes, including Federal benefits to survivors, even when the date of death of the missing member is later determined to have occurred prior to the promotion date. S. 1493. Public Law 93–26, approved April 27, 1973. (VV)

Sale of naval vessels stricken from the naval register

Amends section 7305 of title 10 United States Code, which permits the sale of naval vessels under strict advertised sealed bid procedures, to provide that no vessel of the Navy may be sold in any manner other than that provided by section 7305, or for less than its appraised value, unless the sale thereof is specifically authorized by law enacted after June 30, 1973, with the exception of a written agreement of sale entered into prior to June 30, 1973, thereby precluding the sale of stricken vessels, including those on loan which may be stricken from the Naval Register prior to loan expiration, to foreign nations under the general category of defense articles under Public Law 90–629, the Foreign Military Sales Act of 1946. S. 1773. P/S May 21, 1973; P/H amended December 17, 1973. (VV)

Service academy appointments

Authorizes the Delegates in Congress from Guam and the Virgin Islands each to nominate a cadet to each of the three service academies and permits each of the Service Secretaries to nominate one cadet to his respective service academy upon the recommendation of the Governor of American Samoa. H.R. 7582. Public Law 93–171, approved November 29, 1973. (VV)

Servicemen's benefits

Makes several amendments to the Internal Revenue Code of 1954 which are designed to continue the same tax treatment for servicemen and former servicemen under the Survivor Benefit Plan, P.L. 92–425, as formerly was available for them under the Retired Serviceman's Family Protection Plan in the case of annuities for surviving spouses or certain child beneficiaries, and contains other provisions. H.R. 4200. P/H June 27, 1973; P/S amended September 19, 1973. (391)

Travel expenses

Amends section 406b of title 37, United States Code, which provides permanently assigned crewmembers of the uniformed services with entitlement to round trip transportation between a home port where their dependents reside and the port at which the ship is being overhauled, to also include the port at which the ship is being inactivated. H.R. 10369. Public Law 93–170, approved November 29, 1973. (VV)

Allows more equity for travel and transportation allowances by permitting members of the uniformed services who accept consecutive overseas tours, one of which is in a restricted or "short tour" area, to be awarded travel and transportation allowances to their home of record between such tours. S. 1038. Public Law 93–213, approved December 28, 1973. (VV)

U.S. soldiers' and airmen's home

Amends an 1883 law to allow the Secretary of the Treasury to increase the amount of interest paid on the permanent fund of the United States Soldiers' and Airmen's Home making it equal to similarly situated trust funds. H.R. 8528. Public Law 93–185, approved December 15, 1973. (VV)

Women in the Coast Guard

Provides for integration of the Women's Reserve into the main Coast Guard Reserve thus giving women the capability to serve on both active and inactive duty as an integral part of the United States Coast Guard. H.R. 9575. Public Law 93–174, approved December 5, 1973. (VV)

DISTRICT OF COLUMBIA

Authorization for certain programs and activities

Provides legislative authorization for 26 activities, considered necessary for effective operation of the District of Columbia which were previously authorized only in the annual appropriations act; directs the District Government Public Service Commission to conduct a study of the adequacy of service and regulation of the taxicab industry in the District and to report their recommendations to Congress within 9 months; and contains other provisions. H.R. 8250. Public Law 93–140, approved October 26, 1973. (VV)

Child adoption subsidy payments

Authorizes the Commissioner of the District of Columbia to make adoption subsidy payments on behalf of children with special needs, where such children otherwise would in all likelihood go without adoption, and where the adoptive family is deemed appropriate in all respects but for its economic inability to meet the child's needs. H.R. 11238. Public Law 93–241, approved January 2, 1973. (VV)

District of Columbia Insurance Act

Establishes a post-assessment insurance guaranty fund to be known as the District of Columbia Insurance Guaranty Association, obligated, in the event an insurance company becomes insolvent, to pay all covered claims of policyholders; increases the amount of paid-up capital each domestic capital stock and mutual life insurance company is required to have in order to transact business in the District from $200,000 to $1 million, the amount of coverage available under group term life insurance to maximums of $100,000 or 300 percent of compensation and a minimum of $30,000, the amount of paid-up capital stock and surplus required of all stock companies licensed under the Fire and Casualty Act from $300,000 to $600,000, the surplus requirement for domestic mutual companies from $150,000 to $300,000, the amount for foreign mutuals from $200,000 to $400,000, and the amount of a contract with the District government for which a bond is required from $2,000 to $10,000; and contains other provisions. H.R. 4083. Public Law 93-89, approved August 14, 1973. (VV)

District of Columbia Rent Control Act

Authorizes the District of Columbia Council to adopt rules regarding maximum rental increases as it deems necessary and appropriate in the District of Columbia, and requires that the Council hold public hearings within 60 days after the enactment of this bill to determine whether such regulations are needed. H.R. 4771. Public 93-157, approved November 21, 1973. (VV)

District of Columbia Self-Government and Governmental Reorganization Act

Sets forth a charter which shall establish the means of governance of the District following its acceptance by a majority of the registered qualified electors of the District voting thereon in the charter referendum held with respect thereto; provides a charter amending procedure whereby the charter may be amended by an act passed by the Council and ratified by a majority of the registered qualified electors of the District voting in the referendum held for such ratification, which then must be ratified by both Houses of the Congress;

Establishes a Council of the District of Columbia whose 13 members shall be elected by the registered qualified electors of the District on a partisan basis, with the Chairman and 4 members to be elected at-large, and 8 members to be elected one each from the eight election wards established, from time to time, under the District of Columbia Election Act, with 4-year terms of office;

Vests the legislative power granted to the District by this Act in the Council, which shall have the authority to create, abolish, or organize any office, agency, department, or instrumentality of the government of the District and to define the powers, duties, and responsibilities thereof; provides that an act passed by the Council shall be presented to the Mayor, who shall, within ten calendar days (excluding Saturdays, Sundays, and holidays) either approve or disapprove such act, with such act to be effective if not disapproved within that time limit; provides that if an act is disapproved by the Major, the Council within 30 days, upon a two-thirds vote, may transmit the act to the President of the United States which shall become law within 30 days unless disapproved by the President; contains provisions for partial approval or disapproval by the Mayor; places certain limitations on the authority of the Council to pass any act;

Establishes the Office of Mayor of the District of Columbia who shall be elected by the registered qualified electors of the District; vests the judicial power of the District of Columbia Court of Appeals and the Superior Court of the District of Columbia; provides for submission of an annual budget by the Mayor to the Council, which shall by act adopt the annual budget which shall be submitted by the Mayor to the President for transmission to the Congress; establishes an Office of District of Columbia Auditor; gives the District certain borrowing authority; creates a District of Columbia Board of Elections;

Contains a reservation of congressional authority, whereby the Congress reserves the right, at any time, to exercise its constitutional authority as legislature for the District, by enacting legislation for the District on any subject, whether within or without the scope of legislative power granted to the Council by this Act, including legislation to amend or repeal any law in force in the District prior to or after enactment of this Act and any act passed by the Council;

And contains other provisions. S. 1435. Public Law 93-198, approved December 24, 1973. (573)

Dulles and Friendship Airports transit lines

Amends the National Capital Transportation Act of 1969 to authorize the Secretary of Transportation to make payments to the Transit Authority in such amounts as may be requisitioned by the Transit Authority to finance the cost of designing and other necessary planning for a rail rapid transit line in the median of the Dulles Airport road to the Dulles International Airport; provides for the Secretary to contract with the Transit Authority for a comprehensive study of the feasibility of extending a rail rapid transit line in the median of the Baltimore-Washington Expressway to the Friendship International Airport; and authorizes therefor an additional appropriation of not to exceed $10 million to carry out the purposes of this act. S. 2047. P/S July 9, 1973. (261)

Election law

Amends the District of Columbia Election Act as follows: changes the filing deadline for nominating petitions from 45 to 60 days before an election; eliminates the 90 day durational residency requirement for voting in the District; authorizes the Board of Elections to use volunteers in connection with voter registration drives and non-partisan voter education efforts; reduces the signature requirements for third party candidates for President from 5 percent to 1 percent of the registered voters; grants the Board of Elections the authority to enact rules and regulations to carry out responsibilities and duties given to it under the Election Act; extends the period of time provided under the Election Act for the Board of Elections to rule on the validity of challenged ballots from 7 to 10 days; provides for polls to open at 7:00 a.m. on election days; provides for the term of newly-elected members to the Board of Education to begin 30 days after the certification of their election; eliminates the run-off election for the Delegate to Congress; and contains other provisions. H.R. 6713. Public Law 93-92, approved August 14, 1973. (VV)

International center complex

Authorizes an additional appropriation of $2.2 million for improvements to the land (streets, sidewalks, water mains, etc.) which was transferred to the Department of State under the authority of Public Law 90-553, for use as sites for foreign chanceries. S. 1235. Public Law 93-40, approved June 12, 1973. (VV)

John F. Kennedy Center for the Performing Arts

Authorizes an appropriation of $2,400,000 for fiscal year 1974, and $2,500,000 for fiscal year 1975, to the Secretary of the Interior for maintenance, security, information, interpretation, janitorial, and all other non-performing arts functions of the John F. Kennedy Center for the Performing Arts. S. 1759. Public Law 93-67, approved July 10, 1973. (VV)

Minimum Wage Act for airline employees

Amends the District of Columbia Minimum Wage Act in order to allow airline employees to engage in the practice known as "day trading" which allows an employee to accumulate a number of successive days off, in addition to the two regular days off each week, by voluntarily working more than five days in succession. H.R. 10806. Public Law 93-223, approved December 29, 1973. (VV)

National Visitor Center Facilities Act of 1968 Amendments

Amends the National Visitor Center Facilities Act to authorize the appropriation of $8,680,000 for construction necessary to complete the alteration and renovation of Union Station as a National Visitor Center, and to direct that the Secretary of the Interior provide interpretive transportation services in or between the National Visitor Center, the Capitol Grounds, the Mall, th Ellipse, the John F. Kennedy Center for the Performing Arts, East and West Potomac Park, and such other visitor facilities as may be established pursuant to the National Visitor Center Facilities Act. H.R. 5857. Public Law 93-62, approved July 6, 1973. (VV)

Robert F. Kennedy Memorial Stadium

Amends section 8 of the Public Buildings Act of 1959 to authorize the Armory Board to borrow $1.5 million to increase the seating capacity of the Robert F. Kennedy Memorial Stadium by up to 8,000 seats for football games and causes 50 percent of the revenues derived from such seats to be the sole security for any loan that the Armory Board might receive. H.R. 6330. Public Law 93-72, approved July 10, 1973. (VV)

Southeastern University

Reaffirms and makes clear the independence and non-profit status of Southeastern University. S. 389. P/S November 28, 1973.

Taxability of insurance and bank holding company dividends

Amends the existing District of Columbia tax laws to provide with respect to all taxable years ending after December 31, 1973, that dividends and interest received by a corporation from an insurance company, bank, and other savings institution subject to the 2 percent net premium tax imposed by Section 6 of Title II of the District of Columbia Revenue Act of 1947 (D.C. Code, Title 47, Sec. 1806), shall not, when paid to the parent corporation, be considered as income from sources within the District, and thus shall not be subject to the District of Columbia income tax; and exempts the Mayor, and members of the city council of the District or the Chairman of the Council of the District as established by the District of Columbia Self Government and Governmental Reorganization Act from the provisions of the Hatch Act (7324(a)(2), U.S.C.). H.R. 6186. P/H November 26, 1973; P/S amended December 14, 1973; House agreed to Senate amendments with an amendment December 20, 1973; Senate asked for conference. (VV)

Usury law amendment

Provides the District of Columbia Council with authority to amend certain existing laws in the District of Columbia relating to usury, and permits the Capital Yacht Club of the District of Columbia to borrow money without regard to the usury laws of the District. H.R. 6758. Public Law 93-229, approved December 29, 1973. (VV).

ECONOMY-FINANCE

Aluminum penny

Authorizes the Secretary of the Treasury, when he determines that the use of copper in the one-cent piece is no longer practicable, to change the alloy to not less than 96 percent aluminum and such other metals as he shall determine, and to prescribe the weight thereof. S. 2795. P/S December 14, 1973. (VV)

American Revolution bicentennial coins

Authorizes the Treasury to change the design on the reverse side of the dollar, half dollar and quarter dollar coins minted on or after July 4, 1975, to commemorate the Bicentennial of the American Revolution and directs that all such coins minted between July 4, 1975, and January 1, 1977, shall bear the date "1776-1976" in place of the date of coinage and all such coins minted thereafter the date "1776-1976" in addition to the date of coinage. S. 1141. Public Law 93-127, approved October 18, 1973. (VV)

Ceilings on deposit interest rates

Extends from June 1, 1973, until August 1, 1974, the authority of the Federal Bank Regulatory Agencies to establish flexible ceilings on the rate of interest payable on time and savings deposits by Commercial Banks, Mutual Savings Banks, and Savings and Loan Associations. S.J. Res. 128. Public Law 92–63, approved July 6, 1973. (VV)

Duty suspensions

Caprolactam Monomer in Water Solution

Retroactively extends from December 31, 1972, to December 31, 1973, the temporary suspension of duty on imports of caprolactam monomer in water solution, and contains other provisions. H.R. 6394. Public Law 93–79, approved July 30, 1973. (VV)

Copper

Reinstitutes a suspension of the import duty on certain forms of copper for 1 year, to June 30, 1974, and establishes the "peril point" below which the duty suspension becomes inapplicable at the domestic price of 51 cents per pound. H.R. 2323. Public Law 93–77, approved July 20, 1973. (VV)

Dyeing and Tanning Materials

Reinstates the temporary suspension of duties on imports of certain dyeing and tanning materials including logwood to September 30, 1975, and provides that the duty suspension shall apply to all entries after September 30, 1972, the date on which the previous suspension of duties terminated. H.R. 3630. Public Law 93–101, approved August 16, 1973. (VV)

Istle Fiber and End of Freeze on Agricultural Products

Continues the existing suspension of duty on certain istle to September 5, 1975; provides that the President shall make appropriate adjustments in the maximum price which may be charged under Executive Order 11723, June 13, 1973, for any agricultural commodity (at any point in the distribution chain) which the Secretary of Agriculture certifies will be reduced to unacceptably low levels of supply as a result of the freeze and that alternative means for increasing the supply are not available. H.R. 2261. P/H June 27, 1973; P/S amended June 30, 1973. (VV)

Manganese Ore

Continues for a 3-year period through June 30, 1976, the existing suspension of duty on certain manganese ore which is principally used for metallurgical purposes in the production of steel. H.R. 6676. Public Law 93–99, approved August 16, 1973. (VV)

Metal Scrap

Continues for an additional 2 years, to July 1, 1975, the temporary suspension of the duties on certain metal waste and scrap, principally such scrap as iron and steel, aluminum, magnesium, nickel, and nickel alloys, as provided for by item 911.12 of the Tariff Schedules. H.R. 2324. Public Law 93–78, approved July 30, 1973. (VV)

East-West trade policy resolution

Affirms the Congress' general support for increased commercial and non-commercial relations with the nonmarket economy countries, principally the Union of Soviet Socialist Republics, the People's Republic of China, and Eastern Europe. S.J. Res. 131. P/S June 30, 1973. (VV)

Economic Stabilization Act Amendments

Extends for 1 year, to April 30, 1974, the Economic Stabilization Act of 1970 which authorized the President to issue such orders and regulations as he may deem appropriate to stabilize prices, rents, wages, and salaries; gives the President authority to establish, after public hearings, priorities of use and an allocation system of supplies of petroleum products, including crude oil, in order to meet essential needs in various sections of the country and to prevent anticompetitive effects which could develop from shortages of petroleum products; exempts workers earning less than $3.50 an hour from wage controls; states as the intent of Congress that nothing in this act be construed to authorize or require the President to impound or withhold funds appropriated, authorized, or authorized to be obligated by the Congress; requires business enterprises required to make price reports to the Cost of Living Council (firms with annual sales or revenues of $250 million or more) to make public disclosure of reports, except for proprietary information or trade secrets, which cover periods during which the firm charges a price for a substantial product that is 1.5 percent over the price lawfully in effect for such product on January 10, 1973, or on the date 12 months preceding the end of such period, whichever is later; and contains other provisions. S. 398. Public Law 93–28, approved April 30, 1973. (53)

Federal financing bank

Provide for a Federal Financing Bank through which the marketing of Federal and federally assisted borrowing activities can be centralized; provides for advance submission of financing plans to the Secretary of the Treasury and for Treasury approval of the method and source of financing, timing, rates of interest, maturities, and all other financing terms and conditions of certain obligations issued or sold by Federal agencies and provides that (1) the prior approval requirement does not apply to obligations issued or sold pursuant to an Act of Congress which expressly prohibits any guarantee of such obligations by the U.S. (that is, obligations issued or sold by the Tennessee Valley Authority), and (2) obligations issued or sold by the Farmers Home Administration. H.R. 5874. Public Law 93–224, approved December 29, 1973. (VV)

Financial institution structure and regulation

Extends until December 31, 1974, the authority of the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board to regulate in a flexible manner the interest rates or dividends payable by insured banks on time and savings deposits and by members of the Federal Home Loan Bank system on deposits, shares, or withdrawable accounts; prohibits NOW accounts by which a depositor may remove funds from a savings account through the use of a negotiable order of withdrawal except that such accounts are permitted in the States of Massachusetts and New Hampshire, the only two States in which such accounts are presently being offered; amends the National Housing Act to place, in general, a statutory prohibition until June 30, 1974, on the approval by the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation of conversions from the mutual to stock form by savings and loan associations whose accounts are or would become insured by the Corporation, permits Federal savings and loan associations and national banks to invest in State housing corporations incorporated in the State in which the association or bank is located; establishes a new procedure for payment by insured savings and loan associations of premiums into the reserve fund of the Corporation; and contains other provisions. H.R. 6370. Public Law 93–100, approved August 16, 1973. (VV)

Housing and urban development laws and authorities temporary extension

Extends the authority of the Secretary of Housing and Urban Development to carry out its basic housing and community development programs under the National Housing Act for 1 year, to June 30, 1974, and authorizes therefor an appropriation of $1.943 million; extends the Federal Housing Administration (FHA) insuring programs; provides continued authority for the Urban Renewal, Model Cities, Open Space, Neighborhood Facilities, Rehabilitation Loans, Comprehensive Planning and New Communities programs; extends the flexible interest rate authority of the Secretary, in consultation with the Administrator of the Veterans' Administration, to set interest rate ceilings for FHA mortgage insurance programs and VA guaranteed loans; expands protections for homebuyers by authorizing expenditures for the correction of defects in homes financed under certain FHA programs; assures that Federal housing assistance programs are carried out to the full extent authorized by the Congress; requires the Secretary in processing and approving applications for assistance to give priority to any State or unit or local government which is adversely affected by a reduction in the level of expenditure of employment at any Department of Defense installation; and contains other provisions. H.J. Res. 512. P/H May 21, 1973; P/S amended July 20, 1973; House recommitted conference report September 5, 1973. (304)

Provides for a temporary extension through October 1, 1973, of Farmers Home Administration insurance authority and the flexible interest rate authority under the rehabilitation loan authority under the Housing Act of 1964, which expired June 30, 1973, and provides for temporary waiver of certain limitations applicable to GNMA. S.J. Res. 144. Public Law 93–85, approved August 10, 1973. (VV)

Extends the authority of the Secretary of Housing and Urban Development to carry out its basic housing and community development programs under the National Housing Act to October 1, 1974; extends the Federal Housing Administration (FHA) insuring programs; provides continued authority for the Urban Renewal, Model Cities, Open Space, Neighborhood Facilities, Rehabilitation Loans, Comprehensive Planning and New Communities programs; extends the flexible interest rate authority of the Secretary to set interest rate ceilings for FHA mortgage insurance programs and VA guaranteed loans; requires the Secretary in processing and approving applications for assistance to give priority to any State or unit of local government which is adversely affected by a reduction in the level of expenditure of employment at any Department of Defense installation; and contains other provisions. H.J. Res. 719. Public Law 93–117, approved October 2, 1973. (VV)

Interest Equalization Tax Extension Act

Extends the application of the interest equalization tax for 15 months, to June 30, 1974; provides, with certain exceptions, that the interest equalization tax exclusion for stock or debt obligations issued by a less developed country corporation shall not apply to stock or debt obligations issued by a less-developed country shipping corporation after January 29, 1973; provides for an exclusion from the interest equalization tax for: original or new issues of stock or debt obligations; stock acquired by conversion of a debt obligation if no additional consideration is paid and the debt obligation itself qualifies for the exclusion; or for a debt obligation issued to refund or refinance an original or new issue which qualified for the exclusion, to finance direct investment in the United States except for the acquisition and exploitation of natural resources, subject to the foreign issuer or obligor agreeing to meet certain conditions with respect to that investment for a period of ten years; provides that a qualified lending or financing corporation, or a U.S. corporation engaged in a lending or financing business through offices located outside the United States, may use domestic source funds to lend for qualified export credit transactions or to buy goods made in the United States for leasing or sale outside of the United States; requires the Secretary of the Treasury to study the effect on international monetary stability of the Canadian exemption from the interest equalization tax and make a report to the Congress not later than September 30, 1973; and contains other provisions. H.R. 3577. Public Law 93-17, approved April 10, 1973. (VV)

Interest rates on time and savings deposits

Instructs the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board to take action to limit the rates of interest on dividends which may be paid on time deposits of less than $100,000 by institutions regulated by them. S.J. Res. 160. Public Law 93-123, approved October 15, 1973. (VV)

National banks investment in agricultural credit corporations

Permits a National Bank to purchase for its own account a minority stock interest in an agricultural credit corporation providing the amount invested at any one time shall not exceed 20 percent of the bank's unimpaired capital and surplus. S. 1884. P/S June 28, 1973. (VV)

Par Value Modification Act amendments

Directs the Secretary of the Treasury to take the necessary steps to establish a new par value of the dollar of $1 equals 0.828948 Special Drawing Right (SDR) or the equivalent in terms of gold, $42.22 per fine troy ounce of gold, thus devaluating the U.S. dollar by 10 percent and changing the official price of gold from $38 to $42.22 per ounce; states it is the sense of Congress that the President shall take all appropriate action to expedite realization of the international monetary reform noted at the Smithsonian on December 18, 1971; legalizes private ownership of gold as of the date the President reports to Congress that elimination of regulation on private ownership will not adversely affect the international monetary position of the United States; directs the Secretary of the Treasury to require multinational corporations to submit reports of foreign currency transactions; and contains other provisions. H.R. 6912. Public Law 93-110, approved September 21, 1973. (83, 374)

Public debt limit; unemployment compensation; health extension; campaign checkoff

Continues the present debt limitation level of $465 billion by extending the current temporary debt limit of $65 billion from June 30, 1973, through November 30, 1973; extends unemployment insurance benefits in States whose rate of insured unemployment is at least 4.5 percent without regard to present eligibility requirements regarding the rate in the prior 2 years or whether 13 weeks have expired since the last State extended benefit period, until such time as the State's insured unemployment rate drops below 4 percent; extends for one year the authorization for project grants under the maternal and child health program scheduled to expire June 30, 1973, and provides for a transition in funding to a State-coordinated program; requires the presidential campaign checkoff provisions on the income tax return form to be placed in a non-partisan form on the front page of the return or by the side of the page where signature is required, and contains other provisions. H.R. 8410. Public Law 93-53, approved July 1, 1973. (242, 258)

Public debt limit extension

Raises the current temporary debt limit increase of $65 billion to $75.7 billion, with no change in the permanent debt limit of $400 billion, and extends the temporary limit from November 30, 1973, to June 30, 1974. H.R. 11104. Public Law 93-173, approved December 3, 1973. (506)

Purchase of U.S. obligations by Federal Reserve Banks

Extends from June 30, 1973, to November 1, 1973, the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury. S. 1410. Public Law 93-93, approved August 14, 1973. (VV)

Extends from November 1, 1973, to July 1, 1974, the authority of the Federal Reserve banks to purchase U.S. obligations directly from the Treasury. S. 2556. P/S October 10, 1973. (VV)

Railroad Retirement Act Amendments

Simplifies administration of the social security minimum guaranty provision contained in section 3(e) of the Railroad Retirement Act by permitting the Board to disregard postretirement earnings for purposes of all guaranty provision calculations of an employee benefit; liberalizes the eligibility conditions for children's benefits under the act to conform with the liberalizations provided in such benefits under the Social Security Act by Public Law 92-603 whereby a survivor benefit will be paid as follows: after adoption by anyone, instead of only by a close relative; to a child for a disability which began before age 22 instead of age 18; to a student child after age 22 in some cases; to a dependent grandchild who is treated as a child of his grandparent; and extends kidney disease medicare coverage to railroad employees, their spouses, and their dependent children on the same basis as such coverage is now provided for persons insured under the Social Security Act. H.R. 7357. Public Law 93-58, approved July 6, 1973. (VV)

Securities laws amendments

Amends the Securities Exchange Act of 1934 to establish a clear, congressional policy that membership on national securities exchanges is not to be denied to finance institutions so long as brokerage commission rates on those exchanges remain fixed; also provides that at such time as commission rates become competitive (when national securities exchanges cease to maintain or enforce fixed rates of commission, or April 30, 1976, whichever is later) all members of national securities exchanges must cease executing exchange transactions for their affiliates and the institutional accounts which they manage, and would thus, upon the elimination of fixed commission rates, prohibit financial institutions and securities firms which manage institutional accounts from using exchange memberships for their own benefit or for the benefit of such accounts; provides for a two year transition period following the last date upon which a national securities exchange maintains or enforces fixed rates of commission or April 30, 1976, whichever is later, in order to allow exchange members relying upon the income from performing brokerage for managed institutional accounts to phase out this combination of functions; gives the Securities and Exchange Commission (SEC) the authority to regulate the manner in which members of national securities exchanges may trade from on or off the floor of an exchange for their own account and for the account of their affiliates, which, accordingly, will have the authority to control the trading of financial institutions, as long as it is not inconsistent with the purpose of this proposed legislation, which are exchange members during the period before the elimination of fixed commission rates; amends the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to permit a mutual fund manager or investment adviser to cause a fund or client to pay commissions to a broker in excess of the commissions being charged by other brokers for effecting similar transactions, if that broker provides research services of value to the fund or client and the adviser makes appropriate disclosures concerning such payments, as the SEC may require; amends the Investment Company Act to remove the existing uncertainty as to the legality of the transfer for profit of a controlling interest in a mutual fund management company, and provides that a controlling interest in such a management company may be sold at a profit provided that for three years after the transaction at least 75 percent of the directors of the fund are independent of the new and old investment advisers, and that the transaction does not impose an "unfair burden," as defined, on the fund; and contains other provisions. S. 470. P/S June 18, 1973. (193)

Securities Processing Act

Amends the Securities Exchange Act of 1934, as amended, by vesting in the Securities and Exchange Commission (SEC) the power and the responsibility to direct the evolution of clearance and settlement methods employed by national securities associations and by broker-dealers engaged in interstate commerce; requires clearing agencies and securities depositories to register with and report to the SEC, and empowers the Commission to review and amend the rules of such entities; directs the Commission to proceed toward elimination, by December 31, 1976, of the negotiable stock certificate as a means of settlement in transactions between brokers and dealers, and to report to the Congress annually through 1976 on its progress, with any recommendations it might have for further legislation to eliminate the stock certificate; prohibits the imposition of State and local taxes in such a way as to inhibit unreasonably the development of an efficient national clearing and depository system; directs the Commission to consider the practice of registering securities in "street name" to determine whether such registration is consistent with the policies of the Securities and Exchange Act of 1934 and whether steps can be taken to facilitate communications between corporations and their shareholders while at the same time retaining the benefits of "street name" registration; requires registration and reporting by transfer agents; and contains other provisions. S. 2058. P/S August 1, 1973. (VV).

Social Security Amendments, Welfare Reform

Makes a number of major substantive changes in the Social Security Act that affect social security cash benefits, the supplemental security income program (SSI), social services, child welfare services, child support, aid to families with dependent children (AFDC), medicare and medicaid; establishes a new tax credit for low-income workers with children; and contains other provisions including:

Social Security Cash Benefits: certain changes in the amount and the time of automatic cost-of-living increases (which as originally authorized by Public Law 92-336, would be effective beginning January 1975 with, as further authorized by Public Law 93-66 (Vote No. 255), an early partial payment of this increase of 5.9 percent effective for June 1974), including the replacement of the 5.9 percent June 1974 increase with an 11 percent increase in two steps of 7 percent effective with the month of enactment, followed by a second increase, starting with June 1974, to bring the benefits up to 11 percent above the present level, thus increasing the regular minimum benefit from $84.50 to $90.50 and $93.80; the average old-age benefit payment from $166 to $178 per month and to $186; the average benefit for an aged couple from $276 to $296 to $310; and for aged widows from $157 to $169 to $177;

Special Minimum Social Security Benefits: provisions, in regard to the new special minimum benefit which was established by Public Law 93-66 for persons retiring after many years of covered employment at relatively low wages, raising the special minimum after 30 years of coverage from $170 to $182, effective the month of enactment and to $190 effective for June 1974, with, thereafter, the special minimum to be increased automatically as the cost of living rises;

Taxable Wage Base: the raising of the taxable wage base from $12,600 in 1974 to $13,-

200, with the wage base to increase automatically as wages rise as under present law, and new tax rates;

Tax Credit for Low-Income Workers with Families: the addition of a provision to the tax laws which provides that a low-income worker with one or more children is to receive a credit equal to a specified percentage of the combined employer-employee social security taxes generated by his employment if his wages do not exceed $4,000 (the percentage of social security taxes being the equivalent of 10 percent of wages);

Supplemental Security Income: certain changes in the SSI program, which becomes effective in January 1974, and, under present law, would provide Federal payments to assure the aged, blind, and disabled a monthly income of at least $130 ($195 for couples), with, under Public Law 93–66, an increase to $140 and $210 July 1974 including provision for a further increase to $146 and $219 effective July 1974;

Food Stamp Eligibility for SSI Recipients: a repeal of the prohibition against participation by SSI recipients in the food stamp program and transitional provisions for States which have already acted in this regard;

Social Services: conversion of the present law as it affects social services to a $2.5 billion social services revenue sharing program, effective November 1, 1973;

Child Welfare Services: authorization for a national adoption information exchange system; establishment by the States of programs of protective services to prevent child abuse and neglect;

Child Support: inclusion of provisions regarding matching funds and penalties for States in regard to programs for collection of support and establishment of paternity, with the basic responsibility remaining in the States;

AFDC: provisions for a pass-along of social security benefit increases; increases in the amount of earnings which may be disregarded for AFDC payments; reinstatement of the community work and training programs that existed prior to 1968 under the Social Security Act, with the setting of prohibitions against requiring certain persons, including any mother with a child under age 6, to participate and provision for protective payments for a child if a parent refuses to participate;

Medicare and Medicaid Amendments: provisions which treat the matter of medicaid eligibility for SSI recipients; make medicaid coverage mandatory for persons who receive a mandatory State supplemental payment only; expand benefits for occupational therapy; permit certain individuals who are not yet 65 (the age for medicare eligibility) to buy into medicare at cost; and

Miscellaneous: a prohibition on the use of Federal funds under title 19 of the Social Security Act (which provides grants to States for medical assistance programs for low-income people) for abortions; a prohibition on the export of materials used for the exploration and production of crude oil or refined petroleum products to any foreign country which prohibits the export of such products to the United States, or to any country which exports such products to that foreign country. H.R. 3153. P/H April 2, 1973; P/S amended November 30, 1973; In conference.

Social Security—SSI benefits increase

Increases by 7 percent the monthly social security benefit as of March, 1974 and by an additional 4 percent beginning June, 1974, to bring benefits up to 11 percent above the present payment; provides that automatic cost-of-living increases in the future will become effective for the month of June rather than for January; increases the present taxable wage base of $12,600 to $13,200 in 1974; increases the Supplemental Security Income (SSI) payments to the aged, blind, and disabled from $130 to $140 per month for an individual beginning January 1974 with a further increase to $146 in July, 1974; increases SSI payments to a couple from $195 to $210 in January, 1974 and to $219 in July, 1974; provides that SSI recipients will continue to be eligible to participate in the Food Stamp program until July 1, 1974; further suspends the implementation of the social services regulations issued by the Department of Health, Education, and Welfare until December 31, 1974; contains provisions regarding: eligibility of SSI recipients to participate in the Medicaid program, care facilities which do not meet Medicaid standards, any reimbursement of physical therapists under Medicare; permits, for a 90-day period, Federal matching of extended unemployment compensation benefits in any State whose insured unemployment rate exceeds 4 percent without regard to the present requirement that unemployment must be at least 20 percent higher in that state than it was in a comparable period in the two prior years; and contains other provisions. H.R. 11333. Public Law 93–223, approved December 31, 1973. (524)

EDUCATION

Education of the handicapped amendments

Extends the Education of the Handicapped Act (Public Law 91–230) for three years, through fiscal year 1976, and authorizes therefor a total appropriation of $643.7 million; adds four new leadership positions at the Bureau of Education for the Handicapped to assist the associate commissioner in carrying out his duties; continues the advisory committee through July 1, 1976, at an annual authorization of $100,000; makes grant authorizations for preschool and school programs to the States of $65 million for fiscal year 1974, $80 million for fiscal year 1975, and $100 million for fiscal year 1976; requires each State to set forth a plan of the procedures it will use to identify, locate and evaluate every handicapped child in that State, to submit the plan to the Commissioner of Education for approval by December 31, 1974, to consider any amendment to the State plan a required portion of the State plan after June 30, 1975, and to establish policies and procedures to protect the confidentiality of data and information collected by the State; provides that no State shall expend funds for doing the plan required unless that State receives an amount greater than the amount allotted to that State in fiscal year 1973 and raises the minimum each State may receive from $200,000 to $300,000, increases the maximum allowable funds for administration and planning from $100,000 to $200,000, and provides that unless the aggregate of the amounts allotted to the States in fiscal year 1974 is $45 million or more these provisions shall not apply; authorizes for the three year period a total of $48 million for deaf/blind centers and services, $75 million for early childhood education, $37 million for regional resource centers, $1.5 million for recruitment and information, $135 million for manpower and personnel training, $42 million for research in the education of the handicapped, $55 million for handicapped persons, and $27.5 million for special programs for children with specific learning disabilities; amends the Higher Education Act of 1965, as amended, by allowing an institution to be eligible for funds if 10 percent of its current undergraduate body is composed of GI bill trainees; provides an entitlement of not less than 90 percent of funds obtained in the preceeding year to local educational agencies which qualify for a phaseout of impact aid over a 5 year period under certain circumstances; and contains other provisions. S. 895. P/S June 25, 1973. (VV)

National commission on the financing of postsecondary education

Extends the authorization of the National Commission on the Financing of Postsecondary Education and changes the date on which it must make its final report from April 30, 1973; provides that if fiscal year 1973 appropriations are $385 million or less for the basic educational opportunity grant program that the basic grants shall be limited to full time freshman students. H.J. Res. 393. Public Law 93–35, approved May 16, 1973. (VV)

ELECTION REFORM

Federal Election Campaign Act Amendments

Repeals the equal time requirement of Section 315 of the Communications Act as it applies to elective Federal office; makes at least 15 minutes of free time available to each of the candidates, whoever he may be; repeals the existing limitation on media and telephone spending with a total limitation on all expenditures by or on behalf of a candidate for Federal elective office; places a ceiling of 10 cents in the primary and 15 cents in the general election, multiplied by the estimated population 18 years old or older in the Congressional district or the State, respectively; limits the expenditures by a Presidential candidate in any one State to the amount that a candidate for Senator from that State is entitled to spend; provides a floor as follows: permits expenditures of at least $175,000 (without regard to the amount reached by using the multiplication formula) for all Senatorial candidates, Delegate, Resident Commissioners, and candidates for the House of Representatives in States which are entitled to only one Representative and permits expenditures of $90,000 by candidates for the House of Representatives from a State entitled to more than one representative; places a limit of $3,000 on the amount that may be contributed to any candidate in any one year by any one contributor; places a limit of $25,000 in the aggregate on the amount which an individual may contribute to a political committee or on behalf of any candidate; places, except for the central campaign committee or the State campaign of a candidate, the national committee of a political party, or the Democratic or Republican Campaign Committees of the Senate or House of Representatives, a limit of $3,000 on the amount political committees may contribute to candidates for the Congress and for the Presidency; prohibits expenditures of over $1,000 by an independent individual on behalf of a candidate without certification by the candidate that the payment of that charge will not exceed the expenditure limitation for that candidate; creates a Federal Election Commission to administer and enforce the act; contains provisions for assistance to the States for voter registration; and contains other provisions. S. 372. P/S July 30, 1973. (344)

Federal Election Reform Commission

Establishes an independent commission, to be known as the Nonpartisan Commission on Federal Election Reform, to conduct an extensive and exhaustive study of the practices engaged in by political parties and individuals in the course of Federal political campaigns; to consider the advisability of changing the term of office of Members of the House of Representatives, or the Senate, or the President of the United States; to make recommendations for such legislation, constitutional amendment, or other reforms as its findings indicate, and in its judgment are desirable to revise and control the practices and procedures of political parties, organizations, and individuals participating in the Federal electoral process; and contains other provisions. S.J. Res. 110. P/S July 30, 1973. (VV)

Federal elections, date for

Sets a time for the holding of primary elections or nominating conventions for choosing candidates for election to the offices of U.S. Senator, Representative, Delegate, or Resident Commissioner by providing that they shall be held at any time during the period beginning on the first Tuesday in August; provides that a political party which nominates its candidate for election to the office of President by holding a national nominating convention shall hold that convention beginning on the third Monday of August of the year in which the President and Vice President are elected; makes election day, the first Tuesday next after the first Monday in November, in 1976, and every second year thereafter, a national holiday; provides that the act shall take effect on January 1, 1976; and contains other provisions. S. 343. P/S June 27, 1973. (229)

Presidential election campaign of 1972

Select Committee on Presidential Election Campaign Activities

Establishes a Select Committee on Presidential Campaign Activities, consisting of 7 members of the Senate, to conduct an investigation and study of the extent to which illegal, improper, or unethical activities were engaged in by persons acting either individually or in combination with others in the Presidential election campaign of 1972, and to determine whether in its judgment, there is a necessity to enact new legislation to safeguard the electoral process by which the President of the United States is elected; provides for the appointment, by the President of the Senate, of the 7 member panel to consist of 4 members of the majority party and 3 members of the minority party, upon the recommendation of their respective leaders; empowers the committee to make a complete investigation and study of matters relating to the breaking, entering, and bugging of the Democratic National Committee in the Watergate Building in Washington, D.C., and sets the time for the committee to file a report of its findings at not later than February 28, 1974; authorizes an amount not to exceed $500,000 for committee expenses to be paid from the contingent fund of the Senate; and contains other provisions. S. Res. 60. Senate adopted February 7, 1973. (13)

Amends S. Res. 60 to increase the authorization for expenses of the Select Committee on Presidential Election Campaign Activities through February 28, 1974, from $500,000 to $1 million of which not to exceed $40,000 shall be available for the procurement of the services of individual consultants or organizations thereof. S. Res. 132. Senate adopted June 25, 1973. (VV)

Authorizes the Chairman of the Select Committee on Presidential Election Campaign Activities, Senator Sam J. Ervin, to appear and testify before the U.S. district court for the Southern District of New York in a criminal case entitled United States of America vs. John N. Mitchell, Maurice Stans, and others, which involves a campaign contribtuion for $250,000 allegedly made by Robert Vesco. S. Res. 181. Senate adopted October 10, 1973. (VV)

Declares Senate approval of actions taken by the Select Committee on Presidential Elections Campaign Activities in the issuance on July 23, 1973, of two subpenas duces tecum to the President for the production of tapes and other materials as being fully authorized under the provisions of S. Res. 60, under which the committee was established. S. Res. 194. Senate adopted November 7, 1973. (VV)

Confers jurisdiction upon the District Court of the District of Columbia over any civil action brought by the Senate Select Committee on Presidential Campaign Activities to enforce or secure a declaration concerning the validity of any subpena or order issued by the Committee to the President, Vice President or any officer or employee of any department or agency of the United States for the production of any information, documents, taped recordings, or other materials relevant to matters the Committee is authorized to investigate as set forth in S. Res. 60. S. 2641. Public Law 93–190, without approval December 18, 1973. (VV)

Amends S. Res. 60 to provide an additional $500,000 for expenses of the Select Committee on Presidential Election Campaign Activities through February 28, 1973, of which not to exceed $50,000 shall be available for the procurement of the services of individual consultants or organizations. S. Res. 209. Senate adopted December 4, 1973. (VV)

Special Prosecutor for Watergate Investigation

States the sense of the Senate that the President should (1) immediately designate an individual of the highest character and integrity outside the Executive Branch to serve as special prosecutor for the government of the United States in any and all criminal investigations, indictments, and actions arising from any illegal activity by any persons, acting individually or in combination with others, in the Presidential election of 1972, or any campaign, canvass, or other activity related to it; (2) grant such special prosecutor all authority necessary and proper to the effective performance of his duties; and (3)submit the name of such designee to the Senate, requesting a resolution of approval thereof. S. Res. 105. Senate adopted May 1, 1973. (VV)

Watergate Grand Jury

Extends to June 4, 1974, the term of the grand jury of the United States District Court for the District of Columbia which was impaneled on June 5, 1972, and provides that the United States District Court for the District of Columbia, upon determination by that Court that the business of the grand jury will not be completed by that date, may extend its term for an additional 6 months, or if the court fails to extend the term, the Chief Judge of the United States Court of Appeals for the District of Columbia may extend its term for an additional 6 months on application by the grand jury upon the affirmative vote of a majority of its members that it has not completed its business, provided however, that in no event shall such term extend beyond December 4, 1974. H.R. 10937. Public Law 93–172, approved November 30, 1973. (VV)

Voter Registration Act

Establishes a voter registration system for Federal elections through the mail; establishes within the Bureau of the Census a Voter Registration Administration to administer the program with an Administrator and two Associates of different political parties to be appointed for terms of 4 years by the President and confirmed by the Senate; provides that an individual who qualifies to be a voter under State law and registers as provided under this act shall be entitled to vote in Federal elections in that State; requires States to provide for an applicant to register up to 30 days before a Federal election; provides that the Administration shall prepare voter registration forms designed to provide a simple method to register by mail to be distributed by the Postal Service at least every two years, which the applicant shall mail or deliver when completed to the local registration agent who must then notify the applicant of his acceptance or rejection; provides, in regard to prevention of fraudulent registration, that, in addition to appropriate action under State law, a State official shall notify the Administration which shall provide assistance, and that when a State official or the Administration determines that a pattern of fraudulent registration or attempted fraudulent registration exists, either may request the Attorney-General to bring a civil action, in any appropriate United States district court to enjoin fraudulent registration; includes criminal penalties for the falsifying of voter registration forms or voting more than once; provides for payment to the States of the cost, as determined by the Administration, of processing registration forms under this act, and provides financial assistance to States adopting this system for State elections; and contains other provisions. S. 352. P/S May 9, 1973. (121)

ENERGY

Alaska pipeline

Authorizes the Secretary of the Interior, or appropriate agency head, to grant rights-of-way through Federal lands (except for National Park System, Indian, and Outer Continental Shelf lands) for transportation by pipeline of oil, natural gas, synthetic liquid or gaseous fuels, or any refined product produced therefrom; provides that the width of a right-of-way shall not exceed 50 feet plus the ground occupied by the pipeline and related facilities unless the Secretary or the agency head determines otherwise; provides that a right-of-way may be supplemented by a temporary permit for the use of Federal lands in the vicinity of the pipeline with the approval of the Secretary or the agency head; contains provisions concerning the suspension or termination of a right-of-way, the reimbursement to the government for the use of the right-of-way at the fair market rental price as well as for certain other expenses, and the joint use of rights-of-way; provides that pipelines and related facilities be constructed, operated, and maintained as common carriers; prohibits the export of domestically produced oil unless the President certifies to Congress that such exports (1) will not diminish the total quantity or quality available to the United States, (2) are in the national interest, and (3) are in accord with the Export Administration Act of 1969 and Congress does not disapprove within 60 days;

Provides, in Title II, Trans-Alaska Pipeline Authorization Act, that the trans-Alaska oil pipeline, from the North Slope of Alaska to Port Valdez, be constructed promptly without further administrative or judicial delay under the National Environmental Policy Act of 1969 (NEPA); authorizes and directs the Secretary and other Federal officers to issue rights-of-way and other authorizations necessary for the construction and operation of the trans-Alaska oil pipeline system, including roads and airstrips, as described in the final Environmental Impact Statement issued on March 20, 1973; imposes strict liability of up to $50 million without regard to fault on the owners of the pipeline for any one incident on land; imposes strict liability on the owners of tankers carrying oil from the pipeline without regard to fault at $100 million for any one oil spill, with the owner and operator jointly liable for the first $14 million and the Trans-Alaskan Pipeline Liability Fund liable for the remainder up to $100 million; establishes the Trans-Alaskan Pipeline Liability Fund as a non-profit corporate entity to be administered by the holders of the trans-Alaska pipeline right-of-way, and provides that a fee of five cents per barrel will be collected from the owner of the oil at the time it is loaded on the vessel until $100 million has been accumulated in the Fund and resumed when the Fund falls below $100 million;

Authorizes the President to negotiate with Canada, in Title III, to determine its willingness to permit the construction of pipelines or other transportation systems across Canada for the transport of natural gas and oil from Alaska to U.S. markets, including the use of tankers by way of the Northwest Passage; requires the President to report to the House and Senate Interior and Insular Affairs Committees on the results of such negotiations;

Contains miscellaneous provisions, in Title IV, regarding vessel construction standards, vessel traffic control by the Coast Guard in the Valdez area, Senate confirmation of the Director of the Energy Policy Office and the head of the Mining Enforcement and Safety Administration except for the present appointees unless such nominations are disapproved by the Senate, exemption of the first sale of crude oil and natural gas from stripper wells (those wells with an average daily production of not more than 10 barrels) from price restraints and allocation programs, and advance payment to Alaska natives of $5 million every six months beginning fiscal year 1976; grants the Federal Trade Commission the requisite authority to insure prompt enforcement of the laws the Commission administers by granting statutory authority to directly enforce its subpenas and to seek preliminary injunctive relief to avoid unfair competitive practices; exempts independent Federal regulatory agencies from obtaining advance approval from the Office of Management and Budget before collecting information from ten or more persons and provides a procedure for advance review by the General Accounting Office to insure that such information requested is obtained with a minimum burden upon businesses or persons required to furnish such information;

And contains other provisions. S. 1081. Public Law 93–153, approved November 16, 1973. (289,463)

Daylight Saving Time Energy Conservation Act

Seeks to alleviate the national energy shortage by imposing 1 hour advanced time on a year-round basis for a two-year trial period (beginning at 2:00 a.m. on Sunday, January 6, 1974, and ending at 2:00 a.m. on Sunday, April 27, 1975) throughout the country; amends the Uniform Time Act of 1966 to allow States the option to go permaently on year-round daylight saving time and authorizes the President to exempt any State upon a proclamation by the Governor of that State, prior to the effective date, that such an exemption from uniform advanced time is necessary to avoid undue hardship or to conserve fuel; requires the Secretary of Transportation to report to Congress on the operation and effects of this act on the use of energy, traffic safety (including the safety of children traveling to and from school), and school hours; and requires the Federal Communications Commission to permit certain daytime broadcast stations to operate before local sunrise. H.R. 11324. Public Law 93–182, approved December 15, 1973. (536)

Elk Hills Naval Petroleum Reserve

Authorizes the production and development of petroleum from Naval Petroleum Reserve Numbered 1 (known as Elk Hills Naval Petroleum Reserve) for national defense purposes and directs the exploration of Naval Petroleum Reserves Numbered 1 and 4. S.J. Res. 176. P/S December 19, 1973. (582)

Emergency Petroleum Allocation Act

Requires the President to implement a comprehensive mandatory allocation program providing for the compelled distribution of crude oil, residual fuel oil, and refined petroleum products in amounts and at prices in accordance with regulations to be promulgated not later than 15 days after the enactment date of this Act (with a 30 day delay permitted with respect to the allocation of gasoline and any allocation of products which are allocated under section 203(a)(3) of the Economic Stabilization Act prior to promulgation of the regulations under this act) which are to be designed to meet the following objectives: (1) the protection of public health, safety, and welfare (including residential heating), and the national defense; (2) the maintenance of all public services and agricultural operations; (3) the preservation of an economically sound and competitive petroleum industry; (4) the allocation of suitable types, grades, and quality of crude oil to refineries in the United States to permit such refineries to operate at full capacity; (5) the equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners, small refiners, nonbranded independent marketers, branded independent marketers, and among all users; (6) the allocation of residual fuel oil and refined petroleum products as necessary to maintain exploration for, and production of, fuels; (7) economic efficiency; and (8) the minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

Provides that in specifying prices the regulations shall provide for (1) a dollar-for-dollar passthrough of net increases in the cost of crude oil, residual fuel oil, and refined petroleum products to retail distributors and (2) the use of the same date in the computation of markup, margin, and posted price for all distributors at all levels;

Directs, to the extent practicable, allocations of each refined petroleum product to each independent branded and non-branded marketer, and of crude oil to each independent refiner, in an amount equal to that which they were able to obtain in calendar year 1972, such allocations to be equitably adjusted to provide for new market entry, a change of circumstances, or a pro rata sharing of any greater or lesser amount produced that produced in 1972 but does not require supply at 1972 levels if to do so would be inconsistent with the objectives outlined above, and expressly authorizes the President to depart from 1972 allocation patterns if necessary to meet priority needs; exempts the first sale of crude oil from stripper wells (those wells having an average daily production of crude oil not exceeding 10 barrels per well) from allocation and price regulations of this Act;

Provides that the regulations shall remain in effect until March 1, 1975, with certain exceptions whereby the President may exempt products; provides that compliance with requirements of this Act are a defense to certain actions which might otherwise violate the antitrust laws; directs the Federal Trade Commission to monitor the program and report on its effectiveness to the Congress within 60 days after implementation; authorizes the President to delegate any part of his authority under this Act to any Federal officer or agency or to any State or officer thereof;

And contains other provisions. S. 1570. Public Law 93–159, approved November 27, 1973. (162,465)

Energy conservation in Federal buildings

Declares the policy of the United States to insure that energy conservation practices are employed in the design of Federal and federally assisted facilities and encourages Federal agencies to analyze the cost of the energy consumption of each facility including a complete life-cycle cost analysis for each facility exceeding 50,000 square feet. H.R. 11565. P/H December 3, 1973. P/S amended December 20, 1973. (VV)

Energy Policy Act

Creates in the Executive Office of the President a three member Council on Energy Policy to be appointed by the President by and with the advice and consent of the Senate which shall serve as the principal adviser to the President on energy policy; be a focal point for the collection, analysis, and interpretation of energy statistics; coordinate the energy activities of the Federal Government and provide leadership for State governments and other persons involved in energy activities; prepare a long-range comprehensive plan (the Energy Plan), to be updated annually, for energy development, utilization, and conservation; and, is to review all legislative recommendations and reports sent to Congress and, if it disapproves, send to the President and the Federal agency involved a statement in writing of its position and reasons therefor; directs the Council to prepare and submit to the President and the Congress on or before January 1, 1974, and annually thereafter, an energy report to accompany the Energy Plan including estimates of energy needs for the ensuing ten-year period, discussion of sources of supply for meeting those needs, and an evaluation of trends in price, quality, management, and utilization of energy resources; authorizes the Comptroller General to monitor and evaluate the operations of the Council and report to Congress with respect to Federal energy programs including his recommendations; authorizes appropriations for the purposes of the act of $1 million for fiscal year 1974, $2 million for fiscal year 1975, and $4 million for each subsequent fiscal year; and contains other provisions. S. 70. P/S May 10, 1973. (123) (The provisions of this bill are contained in S. 2176, National Fuels and Energy Conservation Act.)

Federal Energy Emergency Administration Act

Establishes the Federal Energy Emergency Administration (FEEA) as an independent executive agency, to be headed by an Administrator to be appointed by the President with the advise and consent of the Senate; transfers to the Administration four existing agencies now in the Interior Department—the Offices of Petroleum Allocation, Energy Conservation, Energy Data and Analysis, and Oil and Gas; transfers the Energy Division of the Cost of Living Council into the new Administration and provides that additional Federal programs may be transferred to the Administration with Congressional approval; authorizes $75 million for fiscal year 1974 and $200 million annually for fiscal years 1975 and 1976; establishes, in Title II the "Energy Policy Act of 1973", a Council on Energy Policy in the Executive Office of the President, composed of three members to be appointed by the President with the advice and consent of the Senate, to assist the President with high-level coordination and policy development in the energy field for mid- and long-term energy policy issues, and authorizes therefore $1 million for fiscal year 1974, $2 million for fiscal year 1975 and $4 million for each fiscal year thereafter. S. 2776. P/S December 19, 1973. (580)

National Energy Emergency Act

Declares, by act of Congress, an energy emergency, and grants authority for 1 year to the President for the taking of specific actions to conserve scarce fuels, alleviate fuel shortages and increase domestic energy supplies, and for the development of emergency conservation and contingency plans at the national, State and local levels to reduce nonessential energy consumption and assure the continuation of vital services in the face of severe fuel shortages;

Requires the President to promulgate a plan for a nationwide energy rationing and conservation program within 15 days after the act becomes law and to assure that vital services will be maintained and unnecessary energy consumption reduced; also requires a plan to assure equitable geographic distribution of fuel; requires that the rationing and conservation program must have the capability of reducing energy consumption up to 10 percent within 10 days and 25 percent within 4 weeks; requires State and major metropolitan areas to develop within 10 weeks after enactment emergency energy conservation and contingency programs to implement the Federal program, in accordance with requirements to be set by the President within 2 weeks after enactment; provides, subject to certain exceptions, that the act confers no authority on the President to regulate or allocate natural gas not otherwise subject to the jurisdiction of the Federal Power commission "intrastate gas");

Authorizes certain Federal actions for fuel conservation, including action by the President to require powerplants and industrial facilities now burning oil and gas to convert to coal or other fuel if they have a ready capability to burn coal or other fuels, and authorizes the suspension of air quality requirements in such cases; empowers independent regulatory agencies (the Civil Aeronautics Board, the Interstate Commerce Commission and the Federal Maritime Commission) to adjust existing regulations for carriers within their jurisdiction to conserve fuel during the energy emergency; requires the development and implementation of Federal measures to provide incentives for the use of public transportation, including priority rationing of fuel for mass transit systems and Federal subsidies for fares and operating costs, and encouragement of carpools; suspends the requirements for a full environmental impact statement for Federal actions of less than 1 year's duration;

Authorizes the President to take certain other actions to increase available domestic petroleum supplies, including requiring existing domestic oil fields to produce at their maximum efficient rate and certain designated oil fields on land in which there is a Federal interest to produce in excess of their maximum efficient rate, and limiting the export of petroleum products;

Includes provisions regarding administrative procedure in order to insure accountability and due process, judicial review, and sanctions; contains safeguards and procedures to preserve the integrity of the antitrust laws and provides a limited defense under the antitrust laws for persons or companies acting in compliance with Federal directives under this act;

Amends the Clean Air Act to authorize the Administrator during the period November 15, 1973, through August 15, 1974, to temporarily suspend any emission limitation related to control of pollutants resulting from fuel burning, or schedule or timetable for compliance with emission limitations, Federal, State, or local, unless he determines a suspension would present a substantial endangerment to health; authorizes grants to States to offset costs incurred in implementing plans and programs directed or authorized by this act or by the Emergency Petroleum Allocation Act of 1973; provides assistance to persons adversely affected by this act with unemployment benefits, food stamps, reemployment assistance, and small business loans; contains provisions for protection of franchised dealers;

Requires the President to submit an interim report to the Congress 6 months after enactment, and provides that if, at any time following receipt of this report, the Congress agrees to concurrent resolution terminating the action taken under this act, all authority granted by this act shall expire 30 days thereafter; also requires detailed reports by the President to the Congress every 60 days on the administration of this act and the Emergency Petroleum Allocation Act of 1973; and contains other provisions. S. 2589. P/S November 19, 1973; P/H amended December 15, 1973; Conference report filed.

National Energy Emergency; Wild and Scenic Rivers

Amends the Wild and Scenic Rivers Act in various respects.

Declares that the current and imminent fuel shortages have created a nationwide energy emergency; calls for proposals for energy emergency rationing and conservation measures and authorizes specific temporary emergency actions to be exercised, subject to congressional review and right of approval or disapproval, to assure that the essential needs of the United States for fuels will be met.

Establishes a Federal Energy Emergency Administration (FEEA) until May 15, 1975, to be headed by an Administrator who will be appointed by the President with the advice and consent of the Senate; transfers powers and duties of the President under sections 4, 5, 6, and 9 of the Emergency Petroleum Allocation Act of 1973 to the Administrator of the FEEA; authorizes the President to promulgate a rule for the establishment of a program for the rationing and ordering of priorities among classes of end-users of crude oil, residual fuel oil, or any refined petroleum product, and to assignment rights of precedence to use and make such adjustments in the allocations made under this regulation as may be necessary; provides procedures by which any end-user may petition for review of priorities and entitlements.

Authorizes the Administrator of the FEEA to promulgate by regulations one or more energy conservation plans to reduce energy consumption to a level which can be supplied by available energy resources through transportation controls, including highway speed limits, or such other necessary and reasonable restrictions on the public or private use of energy, including limitations on energy consumption of businesses, which are authorized by this Act; provides that no energy conservation plan promulgated by regulation under this authority may impose rationing or any tax or user fee, or provide for a credit or deduction in computing any tax; terminates any such energy conservation plan on April 1, 1974; requires transmission of any plan to each House of Congress, and makes any plan which becomes effective on or after March 1, 1974, subject to Congressional disapproval; provides that energy plans proposed to be effective on or after April 1, 1974, must be approved by Act of Congress; provides procedures for Congressional review of the plans.

Authorizes the Administrator to prohibit, at its primary energy source, the burning of natural gas or petroleum products by any major fuelburning installation (including any existing electric power plant) which, on the date of enactment of this Act, has the capability and necessary plant equipment to burn coal.

Directs the Administrator, within 30 days after enactment, to make a contingency plan for allocation of supplies of materials and equipment for exploring, production, refinings, and required transportation of energy supplies and for the construction and maintenance of energy facilities, subject to Congressional approval; authorizes the Administrator to require production of oilfields to be designated by the Secretary of Interior or the Secretary of Navy at the maximum efficient rate of production and in certain cases, in excess of the maximum rate; contains provisions for the protection of franchied dealers; provides, in relation to antitrust provisions, for procedures to achieve the goals of this act while retaining the integrity of the anti-trust laws; authorizes certain restrictions on exports; provides for employment impact and unemployment assistance; provides for administrative procedures and judicial review; contains enforcement provisions.

Amends the Clean Air Act to give the FEEA Administrator the temporary authority, until November 1, 1974, to suspend any stationary source fuel or emission limitation; provides for implementation plan revisions; extends the interim standards for motor vehicles emissions to 1977; and contains other provisions. S. 921. P/S September 24, 1973: P/H amended December 3, 1973; Senate agreed to House amendment with an amendment December 21, 1973. House refused to suspend its rules and vote on S. 921 before adjournment.

National Energy Research and Development Policy Act

Authorizes $20 billion over the next 10 years to seek to develop the capability for the United States to become energy self-sufficient through the use of domestic energy resources by socially and environmentally acceptable means;

Establishes an interagency Energy Research Management Project headed by an independent chairman appointed by the President and assisted by representatives from Federal agencies involved in energy research (Interior, Atomic Energy Commission, Federal Power Commission, National Science Foundation, Environmental Protection Agency, National Aeronautics and Space Administration, and National Bureau of Standards) to undertake an aggressive start on a comprehensive research strategy pending completion of presently proposed Government reorganization for energy matters;

Provides for immediate research activities (through 1980) on the development of the folowing energy technologies: production of low sulfur boiler fuel, production of synthetic gas (as from coal gasification), production of syncrude and coal liquefaction, demonstration of geothermal technologies, development of oil shale, improved methods for extraction of petroleum and coal resources, demonstrations of solar energy for residential and commercial applications, improvement of environmental control systems, investigation of tidal power for electrical energy, and demonstration of energy conservation technologies; provides, for midterm (1980–2000), a continuation of the short term undertakings, plus improved transportation and storage by electricty, demonstration of the viability of hydrogen as a primary energy supply, demonstration of power generation from fuel cells, and development of synthetic energy supplies from agricultural products and wastes; provides for long term research (beyond 2000) including demonstration of fusion power and commercial aplication of previously demonstrated technologies;

Requires the chairman of the research project to recommend to Congress specific proposals for Federal assistance for the demonstration of new energy technologies; authorizes the chairman to select an appropriate mechanism for Federal assistance including: contractual arrangements with non-Federal entities, construction of federally owned facilties, Federal purchases or guaranted prices of demonstration products, and Federal loans and loan guarantees; provides that if the chairman proposes the establishment of a joint Federal-industry corporation, such a proposal must be submitted to Congress for approval on a case-by-case basis; authorizes for the project $2 million for fiscal year 1974 and $10 million each in fiscal years 1975 and 1976;

In Title II, "Geothermal Energy Act of 1973," authorizes the Secretary of the Interior to guarantee loans (up to 75 percent of the cost of the project) made by financial institutions to qualified borrowers for the purpose of geothermal energy development and provides that a Geothermal Resources Development Fund be established in the Treasury for the loan guarantee program; authorizes the Atomic Energy Commission, in cooperation with industry, to undertake a research and development program for the utilization of all forms of geothermal energy; authorizes for fiscal years 1974 through 1976 as follows: $10 million annually to the Secretary of the Interior, $35 million annually to the Atomic Energy Commission, and such amounts as required to NASA;

And contains other provisions. S. 1283. P/S December 7, 1973. (545)

National Fuels and Energy Conservation Act

Declares as a national policy the conservation of fuels and energy resources through more efficient conversion and use and directs all Federal agencies to review their policies and programs and to recommend changes needed to assure conformity with this act; establishes a Council on Energy Policy in the Executive Office of the President to coordinate all Federal activities dealing with energy (similar to S. 70, the Energy Policy Act); gives statutory authority to the Office of Energy Conservation in the Department of the Interior; authorizes the Director of the National Science Foundation to coordinate the energy conservation research and development programs of the Federal Government and specifically authorizes $8 million for the National Bureau of Standards program and $4 million for the Department of the Interior program; directs all Federal agencies to utilize energy conservation practices in the design of Federal and federally assisted building facilities and requires a life cycle cost analysis to be performed for new Federal facilities exceeding 50,000 square feet; directs the Secretary of Housing and Urban Development, in coordination with the National Bureau of Standards and the General Services Administration, to develop standards for efficient energy use in buildings;

Amends the Federal Trade Commission Act with "truth in energy" provisions to require the disclosure to customers, prior to purchase, of the estimated annual operating costs of major energy consuming household products which consume more than 200 kilowatt hours per year (refrigerators, air-conditioners, ranges, freezers, water heaters, and clothes dryers) as well as air-conditioning and heating systems; provides a procedure whereby labels containing estimated operating costs will start to appear 18 months after the date of enactment to be updated as more test results are developed over a 36-month period; requires that the estimated annual operating costs be included in all advertisements which mention the purchase price of the product; contains enforcement provisions including declaration of unfair deceptive trade practices, injunctions, and civil penalties;

Amends the Motor Vehicle Information and Cost Savings Act with the addition of a new Title V, the "Automobile Fuel Economy Act" which establishes a goal for improving the industrywide fuel economy for new automobiles by at least 50 percent over a 10-year period; directs the Secretary of Transportation to establish a single minimum fuel economy standard for the 1978 model year and to develop a plan to meet this goal; requires fuel economy information to be displayed on a show sticker and in advertisements which mention price; prohibits the sale of automobiles which do not meet the minimum standard; contains civil and criminal penalties for violation of this act;

Directs every gas and electric public utility to submit annual reports on energy conservation policies to the Federal Power Commission; requires each Federal agency which is involved in the production of electrical energy to prepare a study of the effect of its various policies on the consumption and conservation of energy; Directs the Secretary of Transportation to prepare and submit to Congress within 9 months after enactment a report examining the potential for energy conservation in the transportation sector;

Further amends the Motor Vehicle Information and Cost Savings Act with the addition of Title VI, the "Automotive Transport Research and Development Act of 1973," which authorizes grants and loan guarantees for research and development leading to production prototypes of an advanced automobile within 4 years, emphasizing new engine concepts to reduce exhaust emission and fuel consumption;

Authorizes $30 million to finance demonstration projects in urban areas involving fare-free and low-fare urban mass transit systems; amends the Federal-Aid Highway Act to permit use of certain highway moneys for the development and promotion of carpool incentive programs in urban areas; directs the Secretary of the Treasury to conduct a comprehensive study of possible modifications in the Federal tax structure designed to encourage energy conservation; requires that all products imported into this country must meet applicable requirements of this act but makes no such requirement for exports;

And contains other provisions. S. 2176. P/S December 10, 1973. (549)

Speed limits

Sets in this measure, the Emergency Highway Energy Conservation Act, a uniform nationwide maximum speed limit of 55 miles per hour; conditions continued approval of Federal-aid highway projects upon the establishment by a State within 60 days of its enactment of a maximum speed limit not in excess thereof; and contains other provisions. H.R. 11372. Public Law 93-239, approved January 2, 1974. (VV)

Strip mining

Establishes a nationwide program to prevent the adverse effect to society and the environment resulting from surface mining; places the authority for the administration of the Act with the Secretary of Interior who shall prepare and publish within 6 months regulations concerning coal surface mining and reclamation operations and a detailed description of actions to be taken by a State to develop an acceptable State program to regulate such operations; establishes the Office of Reclamation and Enforcement in the Department of the Interior which will be headed by a Director to be named by the President, with the advice and consent of the Senate; establishes the prerequisites for any State to continue to obtain financial assistance and to assume full responsibility for all regulation of surface mining and reclamation within the State, and provides for Federal regulation of strip mining and reclamation in any State which proves unwilling or unable to do so itself; establishes an interim surface mining permit program which is in effect until the deadline for approval of a State program; sets requirements for performance bonds which must be filed before a surface mining permit is issued, such bond to satisfy the costs for reclamation of the land mined; sets criteria to be met by all surface mining and reclamation operations under a State program, a Federal program, the Federal Lands Program or the State or Federal interim permit; provides for civil and criminal penalties for certain violations of the act; provides for citizen suits against persons violating the act or against the responsible regulatory authority; sets guidelines for the establishment of a process for designation of areas as unsuitable for surface mining; applies the requirements of the Act to public corporations, agencies, and utilities, including the Tennessee Valley Authority, which engage in surface mining; authorizes $100 million to create an "Abandoned Mine Reclamation Fund" to be used to reclaim abandoned land which has been subjected to the worst ravages of past mining activities; authorizes $4 million for studies concerning:

(1) surface mining for minerals other than coal, open pit mining, and reclamation standards,

(2) the impact of Federal control on contour surface mining,

(3) the means to maximize resource recovery and minimize environmental impacts, and

(4) the regulation of surface mining on Indian lands; authorizes for administration and Federal-State matching grants $10 million for fiscal year 1973 and $20 million for the following two years; authorizes the President to suspend any of the provisions of the Act under emergency conditions; provides that where the surface owner is not the owner of the mineral rights, written consent or waiver by the owner must be obtained, or the surface miner must execute a bond to secure payment to the surface owner of any damage in addition to the performance bond required except where the owner of the mineral rights is the Federal Government in which case surface and pit mining is prohibited; authorizes $100,000 (which is increased to $250,000 in the fourth and subsequent years) to be used on a matching basis for the establishment of mining and mineral research centers at one college or university in each State; directs to offset whatever additional production costs may result from the implementation of the Act; authorizes grants to States to assist persons who become unemployed as a result of the administration and enforcement of the Act; and contains other provisions. S. 425. P/S October 9, 1973. (450)

ENVIRONMENT

Automobile emission standards

Extends for an additional year the interim emission requirements which the auto industry must meet for the 1975 model year, and this has the effect of postponing for one year the statutory standards established by the 1970 Clean Air Amendments (Public Law 91-604) which required that all 1975 model cars achieve a reduction in emissions of hydrocarbons and carbon monoxide of 90 percent over the emissions from 1970 model cars. S. 2772. P/S December 17, 1973. (565)

Clean air act extensions

Extends for 1 year, to June 30, 1974, the Clean Air Act, as amended; authorizes the appropriation therefor of $475 million for fiscal year 1974; and contains other provisions. S. 498. P/S January 26, 1973. (VV)

Extends for 1 year to June 30, 1974, the provisions of the Clean Air Act of 1970 and extends, at constant dollar amounts, the authorization of appropriations in the act, which would otherwise expire June 30, 1973, in the total amount of $475 million. H.R. 5445. Public Law 93-15, approved April 9, 1973. (VV)

Endangered Species Act

Provides for conservation, protection, and propagation of endangered species of fish, wildlife and plants by Federal action and by encouraging the establishment of State endangered species conservation programs; authorizes the Secretaries of Interior and Commerce to list within their respective jurisdictions species which are either endangered or likely to become endangered within the foreseeable future with the Secretary of Interior to have sole responsibility for maintaining the list; directs the Secretary of Interior to use funds under the Land and Water Conservation Fund Act of 1956 for land acquisition necessary for the purpose of conserving, protecting, restoring, or propagating any endangered species; provides for a program of grants in aid to states which will have the initial responsibility for management of resident species; authorizes international endangered species programs; exempts Alaskan native Indians and any non-native resident of an Alaska Native village from the provisions of the bill thus allowing the State of Alaska to provide its own restrictions; imposes criminal and civil penalties for violations of this act; and contains other provisions. S. 1983. Public Law 93-205, approved December 28, 1973. (VV)

Interstate Environment Compact Act

Provides the congressional consent required for any two or more States to enter into interstate compacts in the field of air pollution as set forth in section 102(c) of the Clean Air Act, as amended, and in the field of water pollution by section 103(b) of the Federal Water Pollution Control Act, as amended, and gives advance consent to interstate agreements called for by the Solid Waste Disposal Act, as amended; permits signatories to enter into supplementary agreements not inconsistent with applicable Federal law with each other, with other interstate agencies, and with the Federal Government and its agencies for the purpose of controlling interstate environmental pollution problems in the fields of land use, coastal zone management, energy production and transmission, and related activities; provides that supplementary agreements are to become binding upon the signatory upon execution of the agreement by the chief executive and signatory legislative action to approve or condition the agreement, and provides that the Congress may by act of law expressly disapprove or condition the agreement within 90 days of congressional session following receipt of the agreement; provides for special supplementary agreements with foreign nations with the advance consent of Congress; provides that a signatory may withdraw from the compact by legislative enactment upon giving notice to all signatories a year in advance of its formal withdrawal; provides that nothing in this act shall affect Federal environmental protection legislation; and contains other provisions. S. 9. P/S June 22, 1973. (VV)

Land Use Policy and Planning Assistance Act

Establishes a national land use policy to encourage and assist the States to more effectively exercise their constitutional responsibilities for the planning and management of their land base through the development and implementation of State land use programs; establishes a grant-in-aid program to assist State and local governments and agencies to hire and train the personnel, collect and analyze the data, and establish the institutions and procedures necessary to develop and implement State land use programs; authorizes for grants to states $100 million a year for 8 years; establishes a grant-in-aid program to encourage cooperation among the States concerning land use planning and mnaagement in interstate regions and authorizes $15 million a year for 8 years therefor; authorizes $2 million a year for 8 fiscal years for training and research grants and contracts; establishes a grant-in-aid program to assist Indian tribes to develop land use programs for reservation and other tribal lands and to coordinate such programs with the planning and management of Federal and non-Federal lands adjacent thereto, and authorizes for this purpose $10 million a year for 8 years; authorizes the Executive Office of the President to issue guidelines to implement this act; authorizes the Secretary of the Interior to administer the grant-in-aid and other programs established under this act, to review, with the heads of other Federal agencies, statewide land use planning processes and State land use programs for conformity to the provisions of this act, and to assist in the coordination of activities of Federal Agencies with State land use programs; authorizes $10 million each year for five fiscal years to the Secretary for administration of this act; provides that the programs of this act be consistent with anti-pollution regulations and policies already enacted; establishes an Interagency Advisory Board on Land Use Policy to assist in the exchange of data and information pertinent to land use decisionmaking among all levels of government and the public and to recommend to the Congress such legislation it deems appropriate to establish land use policies and any requirement or procedures necessary to assure that such policies are implemented; and contains other provisions. S. 268. P/S June 21, 1973. (205)

Office of Environmental Quality Authorizations

Authorizes (in addition to the standing authorization of $1 million per fiscal year contained in Public Law 91-190) an appropriation of $1.5 million for fiscal year 1974 and $2 million for fiscal year 1975 for the operations of the Office of Environmental Quality and the Council on Environmental Quality. S. 1379. Public Law 93-36, approved May 18, 1973. (VV)

Oil Pollution Act Amendments

Amends the Oil Pollution Act to conform with the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended dealing with intentional discharges of oil and oily wastes from vessels and expands the penalty provisions of the Act. H.R. 5451. Public Law 93-119, approved October 4, 1973. (VV)

Safe Drinking Water Act

Establishes a program within the Environmental Protection Agency (EPA) to regulate drinking water whereby the Federal Government will exercise a new responsibility to set standards and provide assistance in order to protect public water supplies from contamination by providing that (1) EPA establish minimum Federal drinking water standards prescribing maximum limits for contaminants as well as standards for the operation and maintenance of drinking water systems and surveillance, monitoring, site selection and construction standards for public water systems to assure safe dependable drinking water; (2) EPA establish recommended standards to assure esthetically adequate drinking water; (3) the States may establish standards which are more stringent than the Federal drinking water standards; (4) the States will be primarily responsible for enforcing the standards, with Federal enforcement if the States fail to act or in cases of imminent hazard; (5) a National Drinking Water Council be established to advise the administrator on scientific and engineering matters; (6) EPA conduct and promote research, technical assistance, and training of personnel for water supply occupations; (7) EPA conduct a rural water survey within two years of enactment; (8) EPA make grants for special study and demonstration projects with respect to water supply technology; (9) EPA make grants to the States to defray the costs of State programs; and (10) citizens be authorized to bring injunctive suits against violators of primary drinking water standards and against the Administrator for failing to perform mandatory duties. S. 433. P/S June 22, 1973. (VV)

Sewage treatment facilities construction

Authorizes an additional $600,000,000 under the Federal Water Pollution Control Act Amendments of 1972 for reimbursement on sewage treatment construction projects began prior to the 1972 amendments in anticipation of future availability of Federal funds before 1972; extends the deadline for filing reimburesment applications from October 18, 1973, to December 31, 1973; and provides for preliminary disbursement of funds to projects which can be easily approved on the basis of available documentation pending final processing of all projects. S.J. Res. 158. P/S October 11, 1973. (VV)

Continues through fiscal year 1974 the pilot operator training program for wastewater treatment plants (section 104(g) (1) of the Federal Water Pollution Control Act) at the same level of funding ($7.5 million) through fiscal year 1974; amends section 206 (e) of the Federal Water Pollution Control Act by increasing from $2 billion to $2.6 billion the authorization for reimbursement of up to 55 percent of project costs for eligible sewage treatment plants on which construction was initiated between June 30, 1966, and July 1, 1972, and permits applications for reimbursement to be filed until January 31, 1974; permits interim payments to projects with approved applications on the basis of maximum pro rata entitlement of all applicants; and contains other provisions. S. 1776. Public Law 93-207, approved December 28, 1973. (VV)

Provides a formula for the allocation of sewage treatment facility construction grant funds authorized for fiscal year 1975; requires the Environmental Protection Agency to conduct a new survey of the needs for publicly owned treatment works before fiscal year 1976 construction grant funds are allocated; and clarifies the intent of Congress in the 1972 amendment to the Federal Water Pollution Control Act (P.L. 92-500) to specifically approve the practice of phased funding of large waste treatment works. S. 2812. P/S December 4, 1973; P/H amended December 18, 1973; P/S with an amendment to the House amendment. (VV)

Solid Waste Disposal Act extensions

Extends for 1 year, to June 30, 1974, the Solid Waste Disposal Act, as amended; authorizes the appropriation of $216 million for fiscal year 1974 to the Administrator of the Environmental Protection Agency and $22.5 million for fiscal year 1974 to the Secretary of the Interior, to carry out the provisions of this act; and contains other provisions. S. 498. P/S January 26, 1973. (VV)

Extends for 1 year, to June 30, 1974, the Solid Waste Disposal Act of 1967 (as amended by the Resource Recovery Act of 1970) and extends for 1 year, at constant dollar amounts, the authorization for appropriations therefor in the total amount of $238.5 million. H.R. 5446. Public Law 93-14, approved April 9, 1973. (VV)

Toxic Substances Control Act

Prevents unreasonable threats to human beings or the environment from the use of chemical substances and products containing chemical substances; authorizes the Environmental Protection Agency (EPA) to restrict the use or distribution of such substances or products by providing that: (1) new chemical substances which may pose unreasonable threats to human health or the environment be tested by their manufacturer prior to commercial production and the test results reviewed by EPA prior to production and that notification be given to EPA prior to the commercial production of all other new chemicals; (2) EPA specify and require testing of those existing chemical substances which there is reason to believe may present unreasonable threats to human health or the environment; (3) EPA be given regulatory authority, to restrict use or distribution, to seize chemical substances in violation of certain requirements of the Act, and to take immediate action against the chemical substances creating imminent hazards; (4) manufacturers and processors of chemical substances be required to maintain certain records and reports to enable the Administrator of EPA to properly determine hazards; and (5) citizens be allowed to bring suits to enjoin certain violations of the act and to require the performance of mandatory duties of the Administrator of EPA; and contains other provisions. S. 426. P/S July 18, 1973; P/H amended July 23, 1973; In conference. (VV)

Water Resources Planning Act amendments

Authorizes an appropriation of $3.5 million annually for fiscal years 1974 and 1975 for the Water Resources Council to carry out certain functions assigned to it under the provisions of the Water Resources Planning Act of 1965, as amended. S. 1501. Public Law 93-55, approved July 1, 1973. (VV)

GENERAL GOVERNMENT

American Hospital in Paris, Inc.

Amends the Act incorporating the American Hospital in Paris by eliminating the maximum 20 member limitation on the Board of Governors. S. 1836. P/S November 28, 1973. (VV)

American Revolution Bicentennial Administration

Provides for the establishment of a temporary, independent Government agency, the American Revolution Bicentennial Administration, which would assume the functions and responsibilities of the present American Revolution Bicentennial Commission to be headed by a full time administrator and deputy administrator appointed by the President by and with the advice and consent of the Senate; give the Administrator the power to carry out the provisions of the act including the power to approve supplying services and property, make contracts and expand funds; creates an eleven member board to define basic policy and guidelines for the Administrator and a twenty-five member Advisory Council to advise the Board and the Administrator on all matters as provided for in the bill; define the functions and responsibilities of the new Administration and requires it to submit an annual report to the Congress; provides for annual authorizations, including the continuation of the annual grants to the States, territories, the Commonwealth of Puerto Rico, and the District of Columbia of $25,000 and matching grants to the States of not to exceed $200,000 per State from appropriated funds and a program of matching grants-in-aid financed from nonappropriated funds; and contains other provisions. H.R. 7446. Public Law 93-179, approved December 11, 1973. (VV)

American Revolution Bicentennial Commission

Authorizes an appropriation of $2,868,000 between February 16, 1973, and June 30, 1973, for expenses of the American Revolution Bicentennial Commission, of which not to exceed $1,200,000 would be for grants-in-aid to the States. H.R. 3694. Public Law 93-11, approved March 15, 1973. (VV)

American War Mothers, Inc.

Amends the Act incorporating the American War Mothers, Inc. to permit certain stepmothers and adoptive mothers to be members of that organization. S. 2441. P/S November 28, 1973. (VV)

Arctic Winter Games authorization

Authorizes an appropriation of $150,000 to the Secretary of Commerce for the purpose of assisting the financing of the Arctic Winter Games to be held in Alaska in 1974 and provides for disbursement of such funds on such terms and under such conditions as the Secretary deems appropriate. S. 907. Public Law 93-144, approved November 1, 1973. (VV)

Atomic Energy Commission authorizations, 1974

Authorizes a total appropriation of $2,429,055,000 for the Atomic Energy Commission for fiscal year 1974 of which $1,740,750,000 is for operating expenses and $688,305,000 for plant and capital equipment including construction, and land acquisition, and contains other provisions. S. 1994. Public Law 93-60, approved July 6, 1973. (206)

Amends Public Law 93-60, the Atomic Energy Commission Authorization Act for fiscal year 1974, by providing a supplemental authorization for appropriations of $10,700,000 for operating expenses and $30,000,000 for plant and capital equipment. S. 2645. Public Law 93-158, approved November 26, 1973. (VV)

Attorney General salary

Provides that the salary of the Attorney General shall be $35,000, instead of $60,000 as at present, until noon January 2, 1975 (the date Senator Saxbe's term of office in the Senate expires thereby seeking to remove the constitutional barrier against his nomination which prohibits a Senator or Congressman from being appointed to a Federal office for which the salary has been increased during his congressional term of office), and provides that any person aggrieved by any action of the Attorney General may challenge the constitutionality of his appointment in a three-judge Federal district court with direct appeal to the Supreme Court. H.R. 11710 (S. 2673). Public Law 93-178, approved December 10, 1973. (508)

Commission on Highway Beautification—extension

Extends to December 31, 1973, the date for the Commission on Highway Beautification to submit to the President and the Congress its final report concerning implementation of the Highway Beautification Act of 1965 and authorizes therefor an additional appropriation of $250,000. S.J. Res. 42. Public Law 93-6, approved February 16, 1973. (VV)

Council on International Economic Policy

Extends the authorization on the Council on International Economic Policy (CIEP) until June 30, 1977, and authorizes $1.4 million for fiscal year 1974; provides that, instead of serving as Chairman, the President shall designate a Chairman of CIEP; provides that any Executive Director of CIEP, other than the incumbent, shall be appointed by the President subject to confirmation by the Senate; and requires that the annual report by the President to Congress include comparative description and analysis of certain specific activities, policies, and programs of the United States, the European Community, Japan, and the U.S.S.R. as well as analysis concerning the relationship between the U.S. Government and American business and recommendations for programs and policies to insure that American business is competitive in international commerce. S. 1636. Public Law 93-121, approved October 4, 1973. (392)

Disaster relief

Emergency Disaster Bill

Authorizes and directs the President to make grants to units of local government and State and local public agencies for predisaster assistance for fire suppression, tree removal, and reforestation work on public and private lands in the counties of Alameda and Contra Costra, California, to reduce the fire threat caused by a freeze in December of 1972 which killed tens of thousands of eucalyptus trees throughout the area; provides for reimbursement to property owners for costs in removing trees on private property; and directs the President to exercise the authority conferred on him by section 221 of the Disaster Relief Act of 1970 to carry out the provisions of this act in order to avert or lessen the effects of a major disaster. S. 1697. P/S May 21, 1973. (VV)

Emergency Loan Program for Disaster Areas

Amends the Farmers Home Administration emergency loan program under the Consolidated Farm and Rural Development Act, which was curtailed by the Department of Agriculture by action announced on December 27, 1972, to provide a source of funds for farmers and ranchers in areas determined to be disaster areas by either the Secretary of Agriculture or the President; eliminates certain features, including the loan forgiveness feature and low interest rates, which became a part of the emergency loan program as a result of the Disaster Relief Act of 1970, Public Law 91-606, and the "Agnes-Rapid City" Act, Public Law 92-385; requires the Secretary to make, insure or guarantee loans to eligible applicants; sets the maximum interest rate on loans at 5 percent; requires that applicants be unable to obtain credit elsewhere at reasonable rates; makes it mandatory that the Secretary designate areas eligible for emergency loans where the criteria for such designation exists; repeals section 232 of the Disaster Relief Act of 1970, which, effective July 1, 1973, requires the Secretary of Agriculture to cancel a part or all of the principal amount of certain loans and charge interest at a rate to be determined by the Secretary of the Treasury; applies the same interest rate to and eliminates the forgiveness feature for Small Business Administration disaster loans made under the Small Business Act in connection with any disaster occurring on or after the date of enactment of this act; and contains other provisions. H.R. 1975. Public Law 93-24, approved April 20, 1973. (66)

Domestic Volunteer Service Act—Action

Provides for the operation of all domestic volunteer service programs by the ACTION Agency, which was established by Reorganization Plan No. 1 of July 1, 1971, in a single piece of enabling legislation; authorizes appropriations for fiscal years 1974 and 1975 for the ACTION Agency's programs: VISTA (Volunteers in Service to America), the Peace Corps, the Foster Grandparent Program, RSVP (Retired Senior Volunteer Program), UYA (University Year for ACTION Program), the Service Corps of Retired Executives and the Active Corps of Executives; provides for new voluntary activities to meet a broad range of human and social needs beyond the strict anti-poverty programs including programs to provide alternatives to the incarceration of youthful offenders, to promote educational and job opportunities for returning veterans and to provide community-based peer group counseling and outreach for drug abuses; provides for two new older American programs: "Senior Health Aides" and "Senior Companions" modeled on the Foster Grandparents program; and contains other provisions. S. 1148. Public Law 93-113, approved October 1, 1973. (VV)

Exemption of Federal Judiciary From Charges for Space and Services

Relieves the Federal Judiciary and the U.S. Tax Court from all administrative duties in the calculation of charges for service, maintenance, repair, space, quarters or other facilities as required by section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, by requiring the Administrator of the General Services Administration to provide such administrative services. S. 2079. P/S June 28, 1973. (VV)

Federal Fire Prevention and Control Act

Provides for the establishment, by the Secretary of Commerce, of a coordinated Program for Fire Prevention and Control, under the administration of a new Assistant Secretary of Commerce for Fire Prevention and Control, with the purpose of the Program to be to reinforce and support the fire prevention and control activities of State and local governments and volunteer fire companies through a research and development program, an annual conference of professionals in fire prevention, fire control, and treatment of burn injuries, the establishment of a National FIREPAC Academy, a national data center, a technical assistance program for State, local, and private fire services, a master-plans demonstration project, citizens' participation programs, and relevant studies; and contains other provisions. S. 1679. P/S November 2, 1973. (460)

Federal Reports Act Amendment

Places a limit on the broad authority given to the Office of Management and Budget (OMB) under the Federal Reports Act in reviewing the requests of government agencies for permission to elicit, through questionnaries, information from persons, firms and industries subject to their jurisdiction by requiring OMB to approve or deny such requests within 60 days after referral to that agency and in such cases where permission was denied, requires OMB to provide a full explanation of the reasons for disapproval. S. 1106. P/S November 26, 1973. (VV)

Flood Control Act

Authorizes development of flood control, multi-purpose and related projects and provides for studies and surveys to determine whether other plans should be developed. *NOTE:* (S. 4018 [92d-2d], a similar measure, was pocket vetoed by President Nixon on October 27, 1972.) S. 606. P/S February 1, 1973. (5)

Flood Disaster Protection

Increases available limits of both subsidized flood insurance coverage for all types of properties (doubles structure and contents limits on single-family dwellings as well as contents limits on multi-family residential property, triples limits on nonresidential structures, and increases limits on nonresidential contents from $5,000 to $100,000); requires the purchase of flood insurance in communities where Federal assistance for construction or acquisition purposes affecting a property located in a flood-prone area after the expiration of 60 days following the date of enactment; forbids all Federally supervised banks, savings and loan associations, and other similar institutions from making a loan in connection with a property in an identified flood hazard area after 60 days following enactment unless that property has the necessary flood insurance; defers until December 31, 1974 (or the effective date of the initial rate map published by the Secretary of Housing and Urban Development, whichever is later), the applicability of actuarial flood insurance premium rates to new construction; increases the Federal financial commitment in support of the insurance fund by increasing the Treasury borrowing authority to $500 million, plus an additional $500 million with the approval of the President; establishes an appeals process to challenge the Secretary's proposed determination of elevation standards; extends the emergency program authority for an additional two years until December 31, 1975; requires HUD to publish information on known flood-prone communities and notify them within 6 months of their tentative identification; prohibits Federal financial assistance or loans by Federally supervised lending institutions in connection with property within the identified flood-prone areas of communities that are not participating in the flood insurance program by July 1, 1975; requires the Secretary of HUD, in carrying out his land use responsibilities under the Act, to establish procedures insuring adequate consultation with appropriate local officials and citizens; and contains other provisions. H.R. 8449. Public Law 93-234, approved December 31, 1973. (VV) (The provisions of H.R. 8447 supersede those of S. 606 which passed the Senate on February 1, 1973.)

Flood Insurance

Amends the Housing and Urban Development Act of 1968 to increase from $2.5 billion to $4 billion the limitation on the face amount of flood insurance coverage authorized to be outstanding. S.J. Res. 26. Public Law 93-4, approved February 2, 1973. (VV)

Increases the authority for the Federal flood insurance program from $4 billion to $6 billion. S.J. Res. 112. Public Law 93-38, approved June 5, 1973. (VV)

Government Printing Office

Provides that certifying officers of the Government Printing Office be responsible for the vouchers they certify for payment to the disbursing officer in the same way as other certifying officers of the Government; and contains other provisions. S. 1795. P/S June 28, 1973. (VV)

Grants the Public Printer the authority to adopt an official Government Printing Office seal which would have judicial recognition, and to designate employees to administer and certify oaths. S. 1795. P/S June 28, 1973. (VV)

Amends the Act of October 30, 1965, 40 U.S.C. 759(e), known as the "Brooks Bill" to restore full authority to the Joint Committee on Printing in the field of printing and binding, and thereby continue the responsibility for the administration of the contract on marginally punched continuous forms in the Government Printing Office under the direction of the Joint Committee on Printing. S. 1802. P/S June 28, 1973. (VV)

Provides the Government Printing Office, the Public Printer, and all officers and employees of the Government Printing Office with immunity from civil or criminal liabiltiy in connection with any printing, binding, or distribution services performed at or through the Government Printing Office in accordance with provisions of title 44, U.S.C. S. 2399. P/S October 8, 1973 (VV)

Headstart Fee Schedule

Postpones the implementation of the Headstart fee schedule until July 1, 1975. H.R. 11441. Public Law 93-202, approved December 28, 1973.

Hobby Protection Act

Provides protection for coin, token, and other collectors by requiring the marking of domestic or imported numismatic items as a "copy" and political items with the calendar year of their manufacture in order to prevent their being sold or traded as originals, and contains other provisions. H.R. 5777. Public Law 93-147, approved November 29, 1973. (357)

Housing, Housing Assistance, and Community Development Programs Funding

Expresses the sense of the Congress that until the Congress terminates or replaces existing housing, housing assistance, and community development programs, funds authorized and appropriated for the purpose of carrying out these programs should be obligated or expended, to the extent current appropriations or other obligational authority permit, at rates which are not less than the rates at which funds were obligated or expanded for such programs during calendar year 1972. S. Con. Res. 57. Senate adopted November 20, 1973. (VV)

Joint Funding Simplification Act

Eliminates some of the red tape and duplication in our present categorical grant in aid system by simplifying funding and other procedures in those cases where an applicant for Federal assistance receives that assistance from two or more different Federal agencies or programs within an agency. S. 2299. P/S November 19, 1973. (VV)

Micronesian Claims Act Amendments

Enlarges the class of persons eligible to receive benefits under the Micronesian Claims Act of 1971 (Public Law 92-39) to include those who have taken up permanent residency and become citizens of the United States, and permits the Secretary of the Interior to make some payments prior to the adjudication and certification of all claims in order to prevent an inflationary effect on the economy of Micronesia. H.R. 6628. Public Law 93-131, approved October 19, 1973. (VV)

Mint Buildings

Increases from $45 million to $95 million the authorization to the Department of the Treasury for the construction of mint facilities, such funds to be appropriated as may be necessary for each fiscal year beginning after June 30, 1963, and ending before July 1, 1983, with the provision that aggregate of such sums shall not exceed the $95 million authorization. S. 1901. P/S June 27, 1973. (VV)

NASA Authorization

Authorizes appropriations totaling $3,064,500,000 to the National Aeronautics and Space Administration for fiscal year 1974, as follows: for Research and Development, $2,245,500,000, including for space flight operation, $555.5 million, space shuttle, $75 million, advanced missions, $1.5 million, physics and astronomy, $63.6 million, lunar and planetary exploration, $311 million, launch vehicle procurement, $17.4 million, space applications, $161 million of which $2 million is provided for NASA to formulate a long-term energy program that would explore options for energy generation and management from the many technologies the agency has developed, aeronautical research and technology, $180 million, space and nuclear research and technology, $72 million, tracking and acquisition data, $244 million, and technology utilization, $4.5 million; for Construction of Facilities, $112,000,000; and for Research and Program Management, $707,000,000; and contains other provisions. H.R. 7528. Public Law 93-74, approved July 23, 1973. (195)

National Commission on Productivity—Extension

Extends for an additional 2 months, to June 30, 1973, the President's Commission on Productivity. S.J. Res. 93. Public Law 93-34, approved May 14, 1973. (VV)

National Commission on Productivity and Work Quality

Renames the President's National Commission on Productivity as the National Commission on Productivity and Work Quality; sets the promotion of the productivity of the American economy and improvement of worker morale and work quality as objectives of the Commission and defines its functions; and contains other provisions. S. 1752. P/S May 10, 1973. (VV)

National Foundation on the Arts and Humanities Amendments

Authorizes appropriations at an increased level of funding for the National Endowment for the Arts and the National Endowment for the Humanities, grants-in-aid to States by the National Endowment for the Arts, and matching funds for gifts to the Endowments, in the total amount of $145 million, $200 million, and $252 million for fiscal years 1974, 1975, and 1976, respectively. S. 795. Public Law 93-133, approved October 19, 1973. (107)

National Historic Preservation Act

Amends the National Historic Preservation Act of 1966; increases authorizations to $15.6 million, $20 million, and $24.4 million for fiscal years 1974, 1975, and 1976 respectively for matching Federal grants to States and the National Trust for Historic Preservation; extends authorizations of $100,000 for each of fiscal years 1974 and 1975 and authorizes $125,000 for fiscal year 1976 for United States participation in the activities of the Rome Centre; and provides that the Advisory Council on Historic Preservation shall continue in existance until December 31, 1985. S. 1201. Public Law 93-54, approved July 1, 1973. (VV)

National Science Foundation Authorization Act

Authorizes appropriations to the National Science Foundation for fiscal year 1974 in the amount of $632.6 million, and in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States. $3 million for fiscal year 1974. H.R. 8510. Public Law 93–96, approved August 16, 1973. (VV)

Nursing Homes

Amends section 232 of the National Housing Act to authorize the Secretary of Housing and Urban Development to insure loans for fire safety equipment in nursing homes and intermediate care facilities necessary to meet the 1967 Life Safety Code or to meet other fire safety requirements approved by the Secretary of Health, Education, and Welfare as a condition of participation under Title XVIII (Medicare) or Title XIX (Medicaid) of the Social Security Act, S. 513. Public Law 93–204, approved December 28, 1973. (VV)

Older Americans Comprehensive Services Amendments

Extends and amends the Older Americans Act of 1965 to enlarge the scope of the Services provided therein; improves the organizational structure at the Federal, State, and local level of the agencies having responsibility for the delivery of such services; creates a Federal Council on the Aging to act as an advocate for the elderly with respect to Federal government policies and programs relating to their particular needs and problems; places the Administration on Aging in the Office of the Secretary of Health, Education, and Welfare and assigns primary responsibility for carrying out the act to the Commissioner on Aging; expands the existing program of formula grants to the States by providing funding for a range of social services in accordance with approved State plans; authorizes funds for direct grants to model projects with priority to projects in the areas of housing, education, and special transportation and other services for the physically and mentally impaired elderly; authorizes grants for multi-disciplinary centers of gerontology and for multi-purposes senior centers; authorizes grants for training programs for personnel and for research and development projects in the field of aging; provides for a special study and demonstration projects on transportation problems of older Americans; makes surplus commodities available for nutrition programs; authorizes grants to States for older readers services; establishes an Older American Community Service Employment program and contains other provisions. *NOTE:* (H.R. 15657 [92d–2d], a measure containing similar provisions, was pocket vetoed by President Nixon on October 30, 1973.) S. 50. Public Law 93–29, approved May 3, 1973. (17

Preservation of Historical and Archeological Data

Amends a 1960 law under which the Secretary of the Interior through the National Park Service, conducts archeological salvage programs at reservoir construction to broaden the scope of activity to include all Federal or federally assisted or authorized construction projects which result in alteration of the terrain; authorizes the Secretary to conduct a survey and salvage program upon notification not only by the instigation agency but also by any other Federal or State agency or responsible private organizations or individuals; authorizes construction agencies to use or transfer up to one percent of funds appropriated for a project to the Secretary for survey and salvage work; provides that the costs incurred in connection with public works projects for archeological work under this act would become non-reimbursible project costs; and contains other provisions. S. 514 P/S May 22, 1973. (VV)

Program Information Act

Provides needed information on Federal domestic assistance programs to intended beneficiaries by publication of a catalog of Federal assistance programs designed to (1) identify the program, (2) describe the program structure, (3) provide financial information, (4) identify the appropriate officials to contact, (5) provide a general description of the application process, and (6) identify closely related programs. S. 928. P/S November 16, 1973. (VV)

Public Works and Economic Development Act Amendments

Extends the Economic Development Administration (EDA) programs authorized by the Public Works and Economic Development Act of 1965 to enable disadvantaged local and regional areas to put in place the public facilities essential to economic development, for one fiscal year through June 30, 1974, with a total authorization of $430 million as follows: $200 million for grants under title I for public works and development facilities, of which not less than 25 percent nor more than 35 percent is for newly defined redevelopment areas under section 401(a)(6); $55 million for loan assistance under title II for financing public works and facilities and redevelopment area projects; $35 million for technical assistance under title III for alleviating conditions of excessive underemployment in certain areas; $45 million under title IV for projects in economic development centers and for an increase in grant assistance for projects to redevelopment areas; and $95 million for title V Regional Action Planning Commissions; continues the moratorium on changing the designation of economic development districts for one year; provides for up to 100 percent instead of up to 75 percent funding for administrative expenses of Indian tribes eligible for certain grants-in-aid under title III; and contains other provisions. H.R. 2246. Public Law 93–46, approved June 18, 1973. (117)

Recreation and Public Purposes Act Amendment

Amends the Recreation and Public Purposes Act by deleting acreage and site limitations as to lands conveyed by the Secretary of the Interior to States, their political subdivisions, or nonprofit organizations for recreational or public purposes and authorizes sales and leases for recreational purposes without monetary consideration but limits the application of this provision to State and local governments. S. 2013. P/S October 16, 1973. (VV)

Recreation Use Fees

Amends the Land and Water Conservation Fund Act of 1965 to provide that there will be no charge for the day use or recreational use of certain facilities in recreational areas which most visitors might use. S. 1381. P/S May 16, 1973. (VV)

Amends the Land and Water Conservation Fund Act of 1965 to provide that there will be no charge for the day use or recreational use of certain facilities in recreational areas which most visitors might use; provides that there will be no charge for access to or use of any campground not having certain specified sanitary and convenience facilities; and defines the term "single visit" for purposes of charging admission fees as the length of time a visitor remains within the boundary of a designated fee area from the day he arrives to the day he leaves except that on the same day such admission is paid, the visitor may leave and re-enter the same area without payment of an additional fee. H.R. 6717. Public Law 93–81, approved August 1, 1973. (VV)

Renegotiation Act Amendments; Social Security Benefit Increase

Extends to June 30, 1974, the Renegotiation Act of 1951, as amended, which authorizes the Government to recapture excessive profits on certain Government contracts and subcontracts; provides a social security cost of living benefit increase of approximately 5.6 percent effective June 1, 1974; increases the monthly income guaranteed under the Federal Supplemental Security Income (SSI) program for aged, blind and disabled persons from $130 to $140 for an individual and from $195 to $210 a month for a couple for months after June 1974; increases the earnings limitation for persons drawing social security from $2,100 to $2,400; raises taxable wages under social security from $12,000 in 1974 to $12,600; contains provisions to assure that aged, blind, and disabled persons now receiving cash assistance or eligible for Medicaid are protected from a reduction in benefits or loss of Medicaid eligibility when the SSI program becomes effective next January 1975; suspends for 4 months the Department of Health, Education, and Welfare's authority to issue new social services regulations scheduled to become effective July 1, 1973, unless new changes are proposed by the Department and approved by the Senate Finance Committee and the House Ways and Means Committee; and contains other provisions. H.R. 7445. Public Law 93–66, approved July 9, 1973. (225)

Service Contract Act Extension to Canton Island

Amends section 8(d) of the Service Contract Act of 1965 (which provides labor standards and prevailing wage requirements for employees working under Government service contracts) to extend the jurisdiction of the act to Canton Island in the central Pacific which, in 1939, the United States and the United Kingdom jointly agreed to administer until 1989. H.R. 5157. Public Law 93–57, approved July 6, 1973.

Small Business Act Amendments

Amends section 4(c)4 of the Small Business Act to increase the total amount of loans, guarantees, and other obligations or commitments outstanding by the Small Business Administration (SBA); consolidates and expands the present authorities in the Small Business Act provided by the Coal Mine Safety Act of 1969, the Occupational Safety and Health Act of 1970, and the Egg Product Inspection Act of 1970, into a new section and authorizing loans to help small business concerns comply with standards imposed under any Federal law in order to provide a uniform approach and single framework for the extension of economic disaster loans to aid small business firms in complying with new Federal environmental consumer, pollution, and safety standards; provides that Farmers Home Administration (FHA) and Small Business Administration disaster loans made in connection with disasters occurring after December 26, 1972, and prior to April 20, 1973, the enactment date of Public Law 93–24 which amended the emergency loan programs, are to be made on the same loan terms; provides disaster relief assistance through the SBA and FHA programs which is retroactive to April 20, 1973, and is to terminate on July 1, 1975, whereby borrowers may obtain a $2,500 forgiveness on their loan and finance the balance at 3 percent or may choose not to accept any forgiveness and finance the entire loan at 1 percent; makes victims of erosion eligible for disaster relief; authorizes loans to persons engaged in the business of raising livestock who suffer substantial economic injury as a result of animal disease; authorizes loans to small businesses which suffer substantial economic damage as a result of the closing or reduction in the scope of operation of military bases; and contains other provisions. S. 1672. Vetoed September 22, 1973. Senate sustained veto September 25, 1973. (140,407)

Increases the Small Business Administration's (SBA) loan authority; authorizes SBA loans to meet regulatory standards; specifies that Farmers Home Administration disaster loans made in connection with disasters occurring after December 26, 1972, when the program was curtailed, and prior to April 20, 1973 the enactment date of Public Law 93–24 which amended the emergency loan programs, are to be made under the terms of the law then in effect, as are SBA loans, and not under Public Law 93–24, thus putting FHA and SBA loans on the same footing with regard to the lower interest and forgiveness features for that period deletes the requirement that applicants for FHA loans for disasters occurring on or after December 27, 1972, must be unable to obtain credit elsewhere at reasonable rates and terms, thus placing availability of FHA loans on a par with SBA disaster loans, and also deletes the "credit elsewhere" requirement for FHA loans in Public Law 93–24 in regard to disasters occurring on or after April 20, 1973, thus making the 5 percent rate under Public Law 93–24 uniformly available; authorizes SBA loans for adjustment assistance in base closings; and contains other provisions. S. 2482. Public Law 93-237, approved January 2, 1974. (VV)

Travel Agents Registration

Amends the Travel Agents Registration Act to require persons "engaged in the business of conducting a travel agency" to secure, by January 1, 1974, registration certificates from the Secretary of Transportation through the Director of a Bureau of Travel Agents Registration to be established in the Department of Transportation. S. 2300. P/S October 11, 1973. (VV)

Trust Territory of the Pacific Islands

Authorizes $60 million for fiscal years 1974 and 1975 for the Trust Territory of the Pacific Islands for civil works and administrative programs and an additional sum of not to exceed $10 million for each of these fiscal years to be used if necessary to offset reduction in or termination of Federal grant-in-aid programs or other funds made available to the territory by other Federal agencies; extends the authority of the Federal Comptroller for Guam to the Trust Territory of the Pacific Islands and prescribes his duties and responsibilities; and contains other provisions. S. 1385. Public Law 93–111, approved September 21, 1973. (VV)

Uniform Relocation Assistance and Real Property Acquisition Policies Act Amendments

Amends the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to provide, until July 1, 1976, for full Federal funding of the first $25,000 for any single relocation payment for persons displaced by federally assisted programs and projects; expands coverage of the act to persons displaced by eight specified Federal programs; authorizes, through June 30, 1973, the head of a Federal agency to pay a State not in compliance with the act such funds as are necessary, in excess of the first $25,000 of cost, to make all payments and provide all benefits required by the act; and contains other provisions. S. 261. P/S February 2, 1973. (VV)

United States Travel Service Authorization

Authorizes an aggregate amount of not to exceed $15 million, $20 million, and $25 million for fiscal years 1974, 1975, and 1976 respectively, for the United States Travel Service which is charged with promoting foreign tourism to the United States, and transfers the authority of the Secretary of the Interior under the Act of July 19, 1940 (54 Stat. 773; 16 U.S.C. 18–18d), to encourage travel throughout the United States to the Secretary of Commerce. S. 1747. Public Law 93–193, approved December 19, 1973. (VV)

Virgin Islands Legislature

Amends the Revised Organic Act of the Virgin Islands so that the Legislature of the Virgin Islands is empowered and directed to provide the procedure for filling any vacancy in the office of a member of the legislature which under present law is filled by appointment by the Governor. H.R. 7699. Public Law 93–130, approved October 19, 1973. (VV)

Wagner-O'Day Act Amendment

Amends the Wagner-O'Day Act of 1938, as amended by Public Law 92–28, to increase the authorization to the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped for fiscal year 1974 from $200,000 to $240,000. S. 1413. Public Law 93–76, approved July 30, 1973. (VV)

Waiver-of-Claims Authority

Extends the same waiver-of-claims authority as that granted to the Executive Branch for overpayments of pay and certain allowances to all agencies of the Legislative Branch except the House of Representatives. S. 1803. P/S July 24, 1973. (VV)

War Claims—Vietnam Conflict

Increases the rate of detention benefits payable under the War Claims Act of 1948, as amended, to civilian American citizens held as prisoners in Southeast Asia, from $60 per month to $150 per month. S. 1728. P/S October 8, 1973. (VV)

White House Conference on Library and Information Services

Requests the President to call a White House Conference on Library and Information Services in 1976 to develop recommendations for the further improvement of the Nation's libraries and information centers and their use by the public. S.J. Res. 40. P/S November 20, 1973. (VV)

White House Conference on the Handicapped

Declares that it is the sense of Congress that the President call a White House Conference on the Handicapped within 2 years from the date of enactment of the resolution in order to make recommendations for further research and action in this field, and contains other provisions. S.J. Res. 118. P/S July 18, 1973. (VV)

Youth Conservation Corps

Authorizes the expansion of the Youth Conservation Corps Program and establishes it on a permanent basis to be administered by the Departments of Interior and Agriculture at an annual authorization of $100 million; permits the establishment of a new program of Federal support to States in their administration of Youth Conservation Corps to utilize surplus and/or unused Federal property; and make available for off-season use by local educational institutions Youth Conservation Corps facilities. S. 1871. P/S October 8, 1973. (VV)

GOVERNMENT EMPLOYEES

Central Intelligence Agency Retirement Act Amendments

Amends section 236 of the Central Intelligence Agency Retirement Act of 1964 for certain employees to (1) increase the quota on retirements from 800 to 2,100 for the period July 1, 1969, to June 30, 1974, and (2) establish a quota of 1,500 for retirements between July 1, 1974, and June 30, 1979. S. 1494. Public Law 93–31, approved May 8, 1973. (VV)

Amends the Central Intelligence Agency Retirement Act of 1964 for certain employees to incorporate in such act the changes recently made by Public Law 93–136 which provides that all civil service retirees who retire after the effective date of a cost-of-living increase, but before the next cost-of-living increase becomes effective, may be entitled to the earlier increase, and increases the pay and allowances of certain retired officers of the Armed Forces to reflect changes in the Consumer Price Index. S. 2714. P/S November 16, 1973. (VV)

Civil Service retirement

Amends section 8340(c), title 5, United States Code, to correct an anomaly regarding employee and survivor's annuities occasioned by the provisions of the present law whereby an employee retiring after the effective date of a cost-of-living increase may receive a smaller annuity than an employee retiring just before the effective date of the increase, retroactively effective to immediate annuities which commence on or after July 2, 1973, the first day after the effective date of the last preceding cost-of-living increase. H.R. 3799. Public Law 93–136, approved October 24, 1973. (VV)

Civil Service retirement annuities

Establishes a minimum civil service retirement annuity equal to the social security minimum primary insurance amount; excludes any individual receiving benefits under title II of the Social Security Act from receiving the civil service retirement annuity benefit; provides minimum amounts to survivors in an amount not less than the monthly minimum allowed under social security and in the case of a surviving child, in an amount not less than three-fourths of the minimum monthly amount allowed under social security; increases annuity payments from the Civil Service Retirement Fund by $240 to an annuitant and $132 to the surviving spouse of an annuitant (resulting in monthly increases of $20 and $11 respectively) whose separation from service occurred prior to October 29, 1969; makes effective immediately upon enactment of this act the social security cost-of-living increase, which under present law (Public Law 93–66) would become effective in June of 1974, in an amount based on "the percentage by which the Consumer Price Index prepared by the Department of Labor for the month of June 1973 exceeds such index for the month of June 1973"; and contains other provisions. S. 1866. P/S September 11, 1973. (379)

Civil Service survivors benefits

Amends the Civil Service Retirement Act to change the 2 year marriage requirement regarding eligibility for survivor benefits under the Federal retirement system to a 1 year requirement. S. 2174. Public Law 93–211, approved December 28, 1973. (VV)

Executive, legislative, and judicial salaries

Provides that the Commission on Executive, Legislative, and Judicial Salaries submit its report to the President every other year instead of every four years and that the President likewise make his salary recommendations to the Congress biennially, by August 31, in the odd numbered years beginning in 1973; provides for such recommended pay increases to become effective on the first day of the first pay period which begins after 30 calendar days of continuous session of Congress unless disapproved by Congress by specific legislation changing the pay rates or by passage of a disapproval resolution by either body; and contains other provisions. S. 1989. P/S July 9, 1973. (VV)

Federal employees health insurance

Increases the Government's contribution for Federal employees health benefit plans from 40 to 50 percent beginning in 1974 and from 50 to 60 percent beginning in 1975 and each year thereafter; allows Federal employees retired prior to January 1, 1960, who are now covered under the Retired Federal Employees Health Benefits Program to change to the Federal Employees Health Benefits Program; and requires a carrier to pay or provide health benefits in individual cases where the Commission makes a determination that the covered employee, annuitant, or family member is entitled to the benefit under the terms of the contract. H.R. 9256. Public Law 93——, approved 1973. (VV)

Federal employee leave system

Permits employees to accumulate leave beyond the current maximums if they lost leave through no fault of their own through administrative error, exigencies of public business, or illness; provides for improved administration of the Federal employee leave system by permitting employees to take leave during the first 90 days of employment, by providing for lump-sum payment for leave beyond present maximums in the year of separation, and by adding new provisions for recovery from employees for excess leave; and provides for restoration of annual leave forfeited under section 6304 of title 5, U.S.C. for employees of the Federal Government in a missing status on or after January 1, 1965, giving such employees the option, within 90 days following the date of enactment or within 90 days following the termination of his missing status, whichever is later, to credit the annual leave to a separate account until used, or to receive payment for the accrued leave at the employees basic rate of pay in effect at the time the leave was forfeited. H.R. 1284. Public Law 93–181, approved December 14, 1973. (VV)

Federal employees pay adjustments

Expresses the disapproval of the Senate of the President's alternative pay plan sent to the Congress September 5, 1973, which would postpone a pay adjustment for Federal employees under the Federal Pay Comparability Act from October 1, to December 1, 1973, thus nullifying the President's postponement so that Federal employees would receive an October 1, 1973, pay adjustment. S. Res. 171. Senate adopted September 28, 1973. (422)

Federal employees retirement

Allows Federal employees, who meet the present requirements for retirement upon involuntary separation of 25 years of service, or 20 years of service at age 50, to retire at their own option during a period when the employing agency is undergoing a major reduction in force. H.R. 6077. Public Law 93–39, approved June 12, 1973. (VV)

Foreign Service Institute language instructors retirement credit

Authorizes credit under the Civil Service Retirement System for certain Foreign Service Institute Language instructors erroneously employed under non-personal service contracts between 1948 and 1960 when in fact functioning as Federal employees and provides that such employees will be required to deposit to the Retirement Fund amounts equal to the amounts they would have contributed had they been on the Federal rolls. S. 2264. P/S December 14, 1973. (VV)

Insurance coverage for U.S. nationals

Extends coverage of Federally employed noncitizen nationals under the Federal Employees' Group Life Insurance Plan and the Federal Employees' Health Benefits Plan which is now limited to those in the United States and the Canal Zone, to all Federally employed noncitizen U.S. nationals outside the United States. H.R. 3801. Public Law 93–160, approved November 27, 1973. (VV)

Library of Congress

Provides pay increases for members of the police force of the Library of Congress. S. 1904. P/S June 28, 1973. (VV)

Provides pay increases for members of the police force of the Library of Congress thereby placing the Library's pay scale in a position superior to that of GSA and equating Library police compensation with that received by the National Zoological Park police force. H.R. 10840. Public Law 93– , approved 1973. (VV)

National Guard technicians' retirement

Changes, retroactively, from January 1, 1969, the crediting pre-1969 technician service as follows: (1) grants retirement credit for technician service performed before 1969 to all former technicians serving in any position subject to the retirement law or after January 1, 1969; (2) allows credit for 100 percent of pre-1969 technician service for annuity computation purposes; and (3) permits eligible technicians to pay the full amount rather than 55 percent otherwise owed as a deposit for pre-1969 technician service. S. 871. P/S July 31, 1973. (VV)

Selective Service pay and position classification

Includes employees of the Selective Service System local boards and appeal boards under the position classification and General Schedule pay provisions of title 5 of the United States Code thus giving them the same rights as other statutory employees, and removes the existing 10 year maximum limit on the appointment of executive secretaries of local boards. H.R. 6334. Public Law 93–176, approved December 5, 1973. (VV)

Survivor annuities of Civil Service retirees

Amends chapter 83, title 5, U.S.C. by eliminating the reduction in annuity that a retiree takes to provide survivor benefits for his spouse during periods of nonmarriage allowing in effect, full annuity to an annuitant during these periods. S. 628. P/S July 31, 1973. (VV)

Training report requirements

Eliminates present detailed reporting requirements to Congress by the Civil Service Commission through the President on each Federal employee trained for more than 120 days in a non-Government facility and on each Federal employee who receives an award or contribution resulting from his training in a non-Government facility and provides instead that the Commission shall annually send to Congress an analysis of the administration and operation of the Government employees' training program. H.R. 5692. Public Law 93–156, approved November 21, 1973. (VV)

HEALTH

Child Abuse Prevention and Treatment Act

Provides financial assistance for demonstration programs for the prevention, identification, and treatment of child abuse and neglect through the creation of a National Center of Child Abuse and Neglect within the Office of Child Development in the Department of Health, Education, and Welfare; creates a National Commission on Child Abuse and Neglect to study the effectiveness of existing laws and of programs to prevent, identify, and treat child abuse and neglect, its extent and causes, and the adequacy of Federal, State and local funding for child abuse programs; and contains other provisions. S. 1191. Public Law 93– , approved 1973. (282)

Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act Amendments

Extends for 2 years through fiscal year 1976 the State formula grant program originally authorized by the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, Public Law 91–616, maintaining the annual authorization level at $80 million; extends the contract and project grant authority of the Act of 1970 for an additional 3 years through fiscal year 1976, and authorizes therefor appropriations of $90 million for fiscal year 1974, $100 million for fiscal year 1975, and $110 million for fiscal year 1976; adds a new special grant authority providing an additional allotment of $100,000 plus 10 percent of its formula allotment for each State which adopts the Uniform Alcoholism and Intoxication Treatment Act, or legislation substantially similar to that Act, which requires intoxication to be treated as a responsibility of the community's public health and social service agencies rather than of its criminal justice system; prohibits public or private general hospitals receiving funds from Federal agency sources from discriminating in their admissions or treatment policies against any person solely because of his alcohol abuse or alcoholism; deletes the language of the Act of 1970 placing the National Institute on Alcohol Abuse and Alcoholism within the National Institute of Mental Health and substitutes language placing it within the Department of Health, Education, and Welfare, thereby permitting, not requiring, the Secretary to place the Institute elsewhere within the Department; gives the National Institute on Alcohol Abuse and Alcoholism authority for eleven top level positions; places alcoholism project and contract authority under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act; eliminates duplication by deleting section 247 of the Community Mental Health Centers Act; and contains other provisions. S. 1125. P/S June 21, 1973. (VV)

Diabetes mellitus

Amends the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus. S. 2830. P/S December 19, 1973. (VV)

* *Emergency Medical Services Systems Act*

Adds a new title XII to the Public Health Service Act authorizing for public and nonprofit private entities three separate programs of grant and contract assistance (1) for projects which include both feasibility studies and planning for emergency medical services systems; (2) for the establishment and initial operation of such systems, and (3) for expansion and improvement of such systems, and a new program in the present title VII of the act for training programs, especially those that afford clinical experience in systems assisted under the new title XII.

Requires an applicant for a grant or contract for the establishment and operation or for expansion or improvement of an emergency medical services system (EMS) to demonstrate that the system will meet each of specified component requirements within certain time limitations; provides that applications for grants and contracts for feasibility studies and planning shall include a showing of the need of the area for such a system, the applicant's planning qualifications and willingness to conduct the planning in cooperation with the areawide health planning agency and with the entity responsible for evaluation of the provision of such services in the areas of State health planning; provides that applications for grants and contracts for research in an amount in excess of $35,000 must be recommended for approval by an appropriate peer group review panel designated or established by the Secretary; provides that special consideration shall be given to applications for grants and contracts for establishment and initial operation of systems which will coordinate with statewide systems; contains requirements for emergency medical services systems' components including provisions for: an adequate number of health professions and allied health professions personnel, appropriate training (including clinical training) for its personnel and continuing education programs, a central communications system interconnected within the system and with other appropriate EMS systems, a transportation system, easily accessible facilities capable of providing services on a continuous basis and access to specialized critical medical care units in the system's service or neighboring area (including transportation); necessary emergency medical services (without prior inquiry as to ability to pay) to all patients requiring such services; the transfer of patients for follow-up care and rehabilitation (including vocational rehabilitation), public education and information programs, periodic, comprehensive, and independent review and evaluation of the system, the capability for providing emergency medical services in its service area during mass casualties, natural disasters, or national emergencies, reciprocal arrangements for services with other or similar systems serving neighboring areas, and "consumers" (persons without professional training or financial interest in the provision of health care) to have adequate opportunity to participate in the making of policy for the system;

Establishes an interagency Committee on Medical Services to coordinate all Federal programs and activities which relate to emergency medical services and make recommendations to the Secretary respecting the administration of the new title XII, authorizes appropriations therefor for fiscal years 1974–1976 of $45 million, $65 million, and $75 million respectively, for a total of $185 million for those three fiscal years;

Directs the Secretary to continue the operation of the Public Health Service hospitals in Seattle, Boston, San Francisco, Galveston, New Orleans, Baltimore, Staten Island, and Norfolk at the level in effect on January 1, 1973, and prohibits the Secretary from closing or transferring control of a hospital or reducing its services or activities unless specifically authorized by law enacted after the date of enactment of this legislation. S. 504. Vetoed August 1, 1973; Senate overrode veto August 2, 1973; House sustained veto September 12, 1973. (134, 294, 358)

Reintroduced with the deletion of the provisions concerning Public Health Service Hospitals and passed with certain relatively minor changes. S. 2410. Public Law 93–154, approved November 16, 1973. (390)

Health Maintenance Organization Act

Authorizes grants and contracts for public or nonprofit private entities for feasibility surveys or other activities, and for planning projects to establish Health Maintenance Organizations (HMO's) or expand present HMO's and loan guarantees for private profit-making entities for planning projects to establish or expand HMO's which serve medically underserved populations; limits any single grant or contract for feasibility survey to $50,000 and for a planning project to $125,000, with a second grant permitted if necessary, and the aggregate amount of assistance for any project to 90 percent of the costs or 100 percent for entities serving medcally underserved populations; authorizes grants and contracts with public or nonprofit private entities for projects to initially develop HMO's and loan guarantees to those serving medically underserved populations; provides, in regard to initial operating assistance, for loans (from revolving fund) for public and nonprofit HMO's to assist them in meeting for three years a portion of initial operating costs in excess of gross revenues, and authorizes loan guarantees for private profit HMO's for such costs where the HMO will serve medically underserved areas;

Authorizes an aggregate appropriation for grants and contracts for feasibiltiy surveys, planning, and initial development for fiscal years 1974–1976 of $25 million, $55 million, and $85 million respectively; authorizes for fiscal year 1977 an additional $85 million for initial development grants and contracts; and authorizes for capitalization of the initial operating loan revolving fund the appropriation of $75 million in the aggregate for fiscal years 1975 and 1976;

Provides, in regard to rural areas, that, in any fiscal year, 20 percent of the funds appropriated for making grants or contracts, or available for making loans, must be set aside for projects for HMO's at least 66 percent of whose members can or could reasonably be expected to be residents of nonmetropolitan areas, which applies to funds for feasibility studies, planning and initial development, and for initial operations;

Authorizes the Secretary of Health, Education, and Welfare to contract with private or other non-Federal health agencies or organizations to provide health services to Indians on a fee-for-service basis, or a prepayment or other similar basis, with the consent of the Indian people serviced, and to arrange for the provision of health services to domestic agricultural migratory and seasonal workers and their families through HMO's;

Requires continued regulation of assisted HMO's for compliance with the terms of this act in regard to services, organization and operation; prohibits the transfer of funds appropriated under any other part of the Public Health Sevice Act for programs under this part; requires a report by the Secretary on medically underserved and non-metropolitan areas, and a program evaluation by the Comptroller General; and an annual report to the Congress by the Secretary on the programs under this act;

Provides for a health care quality assurance programs study by directing the Secretary to contract for a health care quality assurance program study, including a study of health care providers assisted under the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act, with a nonprofit private organization with a national reputation for objectivity, the ready capacity to make such a study, a history of interest and activity in health policy issues related to such study, and with extensive existing contracts with interested public and private agencies and organizations;

And contains other provisions. S. 14. Public Law 93–222, approved December 29, 1973. (132,581)

Health Programs Extension Act

Extends the 12 expiring health authorities in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, for health research and development; health statistics; public health training; migrant health; comprehensive health planning and services; medical libraries; Hill-Burton facilities construction; allied health training; regional medical programs; family planning; community mental health centers; and developmental disabilities for 1 year to June 30, 1974, at a total authorization level of $1,270.6 million; restricts the authorization for project grants under section 304(e)d of the Public Health Service Act to programs respecting neighborhood health centers, family health centers, lead-based paint poisoning prevention, and rodent control, by prohibiting the funding under this section of programs for which an alternative authority is contained in title I of this act; denies any court, public official, or public authority the right to require individuals or institutions to perform abortions or sterilizations contrary to their religious beliefs or moral convictions because an individual or institution had received assistance under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Act; and extends to June 30, 1974, the provisions of section 601, title VI, the Medical Facilities Construction and Modernization Amendments of 1970 (Hill-Burton amendments) designed to assure availability of appropriated health funds. S. 1136. Public Law 93–45, approved June 18, 1973. (63,163)

Little Cigar Act

Amends the Federal Cigarette Labeling and Advertising Act (15 USC 1331–1340) as amended by the Public Health Cigarette Smoking Act of 1969 by expanding the prohibition on advertising media to include "little cigars"; defines the term "little cigar" to mean any roll of tobacco wrapped in leaf tobacco or any substance containing tobacco (other than cigarettes) and weighing not more than 3 pounds per 1,000 units; and provides that it shall be unlawful to advertise little cigars on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. S. 1165. Public Law 93–109, approved September 21, 1973. (VV)

National Institute of Health Care Delivery Act

Amends the Public Health Service Act to establish a National Institute of Health Care Delivery as a separate agency within the Department of Health, Education, and Welfare to carry out an accelerated multidisciplinary research and development effort to improve the organization and delivery of health care in the nation; authorizes up to eight regional centers and two National Special Emphasis Centers, a Health Care Technology Center, and a Health Care Management Center; authorizes, for both the Institute and the Centers, $115 million, $130 million, and $145 million for fiscal years 1974, 1975, and 1976 respectively; establishes a 21 member National Advisory Council on Health Care Delivery to advise the Institute on the development, priorities, and execution of its programs, and contains other provisions. S. 723. P/S May 15, 1973. (VV)

National Research Service Awards and Protection of Human Subjects Act

In title I, the National Research Service Award Act, consolidates the existing research training and fellowship programs into a single National Research Service Awards authority which would be the major element in the training programs of the National Institutes of Health (NIH) and National Institute of Mental Health and would increase their capability of maintaining a superior national program of research, and provides a revised procedure whereby awards would be provided through the Office of the Director of NIH by the Secretary of Health, Education, and Welfare in consultation with the Directors of NIH and the National Institute for Mental Health;

Establishes, in title II, the Protection of Human Subjects Act, a National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research within the Department of Health, Education, and Welfare, to be composed of 11 members appointed by the President for 4 year terms, with not more than five members to have been engaged in biomedical or behavioral research involving human beings; provides that the Commission is first to undertake a comprehensive investigation and study to identify the basic ethical principles and develop guidelines which should underlie the conduct of biomedical and behavioral research involving human subjects, and second, to develop and implement policies and regulations to assure that research is carried out in accordance with the ethical principles they have identified, develop procedures for certification of Institutional Review Boards and also develop procedures for and make recommendations to the Congress in the areas of sanctions, compensation for injuries or death, and appropriate mechanisms to extend the scope of the Commission's jurisdiction;

Provides protection for individuals and institutions in matters of religious beliefs or moral convictions; prohibits research and experimentation on human fetuses until such time after certification of Institutional Review Boards has been established and the Commission develops policies with regard to the conduct of research on the living fetus or infants;

Contains interim provisions denoting that, until the certification of Boards has been established, it is the responsibility of each institution engaged in such research to determine that the rights and welfare of the subjects involved are fully protected, that the risks are outweighed by the potential benefits to the subject or the importance of the knowledge to be gained, and that informed consent is to be obtained by adequate methods in all but exceptional cases as specified in this act;

Calls for the Commission, in title III, the Special Study of Biomedical Research Act, to make a comprehensive investigation and study of the ethical, social, and legal implications of advances in biomedical research and technology, with a report to be sent to the President and the Congress at least every 2 years together with recommendations for needed legislation or appropriate action by public or private organizations or individuals;

And contains other provisions. H.R. 7724. P/H May 31, 1973; P/S amended September 11, 1973; Senate requested conference September 11, 1973. (382)

Research in Aging Act

Amends title IV of the Public Health Service Act to provide for the establishment by the Secretary of Health, Education, and Welfare (HEW) of a National Institute on Aging (NIA) in the National Institutes of Health (NIH) for the conduct and support of biomedical, social, and behavioral research and training related to the aging process and the diseases and other special problems and needs of the aged, as authorized under section 301 of the Public Health Service Act and presently focused in the National Institute of Child Health and Human Development; provides that the Director of NIH shall assign functions to NIA or another institute when the activities overlap; directs the Secretary of HEW to:

(1) conduct scientific studies, through the Institute, for the purpose of measuring the impact on the biological, medical, and psychological aspects of aging, of all programs conducted or assisted by HEW to meet the needs of the aging in order to obtain data for assessment of the programs by the Institute;

(2) carry out public information and education programs to disseminate information developed by the Institute which may aid in dealing with, and understanding, the problems associated with aging; and

(3) prepare a comprehensive aging research plan within 1 year after enactment for presentation to the Congress and the President, along with a statement of the staffing and funding requirements necessary to implement the plan; and contains other provisions.

NOTE.—(H.R. 14424 [92d-2d], a similar measure, was pocket vetoed by President Nixon on October 30, 1972.) S. 775. P/S July 9, 1973. (VV)

School lunch and child nutrition programs

Amends section 6 of the National School Lunch Act which authorizes expenditures for commodities to provide a means to enable the Department of Agriculture, to meet school lunch and breakfast program needs for this fiscal year only, to make an estimate as of March 15 of the amount of commodities which the Department will deliver to schools; requires the Secretary (if this estimate is less than 90 percent of the value of the amount the Department originally planned to deliver to schools) to pay the States, no later than April 15, a cash amount equal to the difference between the initial estimate and the amount to be delivered this fiscal year as determined by the March 15 estimate, and to distribute the money to the States according to their ratio of meals served under the school lunch and breakfast program; directs the Secretary to use section 32 funds and funds from section 416 of the Agricultural Act of 1949 for the purposes of this act to request, if necessary, a supplemental appropriation; waives the matching requirements for the funds distributed under this act; and contains other provisions. H.R. 4278. Public Law 93-13, approved March 30, 1973. (VV)

Increases the present 8 cent Federal cash reimbursement for the school lunch program to 10 cents per lunch and sets the school breakfast program reimbursement at 8 cents; provides for an automatic adjustment in Federal reimbursement rates for both the school lunch and school breakfast program for January 1, 1974, and semi-annually thereafter, to reflect changes in the cost of operating such programs; makes permanent the requirement that the Secretary of Agriculture make cash payments to the States of any funds programmed for the purchase of commodities but not expended for that purpose; extends the authorization for the Special Supplemental Food Program to June 30, 1975, and increases the authorization for fiscal year 1975 to $40 million; makes agencies of Indian tribes eligible to administer the Special Supplemental Food Program; requires that the Special Milk Program be available to any school or non-profit child care institution that requests it and requires that children who qualify for free lunches shall also be eligible for free milk; increases the membership of the National Advisory Council on Child Nutrition from 13 to 15 members by adding an urban and rural school lunch program supervisor; changes the method of apportioning funds for free and reduced-price lunches and makes eligible for reduced price lunches those students whose parents' income is 75 percent, instead of 50 percent as presently provided, above the income poverty guideline prescribed to receive free lunches; and contains other provisions. H.R. 9639. Public Law 93-150, approved November 7, 1973. (403)

Sudden Infant Death Syndrome Act

Provides financial assistance to identify the causes and preventive measures needed to eliminate Sudden Infant Death Syndrome and provides information and counseling services to families affected by Sudden Infant Death Syndrome and to personnel who come in contact with the victims or their families. S. 1745. P/S December 11, 1973. (VV)

INDIANS

American Indian Policy Review Commission

Provides for a Congressional Commission of bipartisan composition from both the Senate and House of Representatives and five members from the Indian community to be selected by the Commission; charges the Commission with reviewing all of the treaties, statutes, judicial decisions, and executive orders, as well as the Constitution itself, to determine the legal-historical basis for the unique relationship that Indian people maintain with the Federal Government in order to bring a fundamental reform of such relationship; provides the authority to conduct an in-depth management study of the Bureau of Indian Affairs; requires the Commission to submit its recommendations to the Congress; and authorizes $2 million for the purposes of carrying out this Act. S.J. Res. 133. P/S December 5, 1973.

Assistant Secretary for Indian Affairs

Establishes within the Department of the Interior an additional Assistant Secretary of the Interior who will be responsible only for Indian Affairs, and amends the Alaska Native Claims Settlement Act (85 Stat. 688) to establish a thirteenth region for Alaska Natives who are not residents of Alaska. H.R. 620. P/H October 1, 1973; P/S amended December 14, 1973; House disagreed to Senate amendments December 19, 1973; Senate requested conference December 19, 1973. (VV)

Choctaw, Chickasaw, and Cherokee Nations

Grants the consent of the United States for the Choctaw Nation, the Chickasaw Nation, and the Cherokee Nation to sue each other and other persons or entities to quiet title to certain portions of the bed of the Arkansas River in eastern Oklahoma. H.R. 5089. Public Law 93-195, approved December 20, 1973. (VV)

Glen Canyon National Recreation Area Concession Operations

Directs that the annual franchise fee received by the Secretary of the Interior from the concessioner in connection with the Rainbow Bridge floating concession operation in Glen Canyon National Recreation Area be placed in a separate fund of the Treasury, and authorizes the Secretary to transfer annually such fees from the fund to the Navajo Tribe of Indians, in consideration of the tribe's continued agreement to the use of former Navajo Indian Reservation lands for the purpose of anchoring the Rainbow Bridge floating concession facility. S. 1384. P/S May 23, 1973. (VV)

Indian Claims Commission

Authorizes not to exceed $1.2 million for the expenses of the Indian Claims Commission for fiscal year 1974, and an additional $900 million for the expense assistance revolving loan fund. S. 721. Public Law 93-37, approved May 24, 1973. (VV)

Indian Financing Act

Provides to Indian organizations and individual Indians capital in the form of loans and grants that is needed to promote their economic development; authorizes a $50 million increase for the Revolving Loan Fund; provides a Loan Guarantee and Insurance Program which could generate as much as $200 million in new private capital; authorizes an Interest Subsidy Program; and provides an Indian Business Development Grant Program. S. 1341. P/S July 28, 1973. (VV)

Indian Judgment Distribution Act

Provides that if neither House of Congress, within 60 calendar days (excluding adjournments of more than 3 days) from the date of submission of a recommended plan by the Secretary of the Interior regarding the distribution of funds awarded to Indian Tribal groups by the Court of Claims, passes a committee resolution disapproving such plan and thus requires authorizing legislation, the plan will become effective and the distribution of such funds made upon the expiration of the 60 day period or earlier if waived by committee resolutions by both the House and the Senate Committees on Interior and Insular Affairs, thereby relieving the Committees of the necessity of having to legislate on all judgment awards except for the most complicated. S. 1016. Public Law 93-134, approved October 19, 1973. (VV)

Joint Committee on Navajo-Hopi Administration—abolishment

Abolishes the Joint Committee on Navajo-Hopi Indian Administration created during the 81st Congress to consider the problems peculiar to the Navajo and Hopi Tribes and oversee the expenditure of funds appropriated for the development of their reservations, construction of facilities, and other needed improvements, work which was principally completed in 1964. S. 267. P/S February 5, 1973. (VV)

Klamath Indian tribal land acquisition

Directs the Secretary of Agriculture to acquire by condemnation the remainder of the Klamath Indian Forest lands, for inclusion in the Winema National Forest, which the Klamath Tribe has directed the United States National Bank of Portland, a private trustee, to sell by the terms of its trust agreement and authorizes for this purpose an amount not to exceed $70 million. H.R. 3867. Public Law 93-102, approved August 16, 1973. (VV)

Knife River Indian Village National Historic Site

Authorizes the Secretary of the Interior to acquire a cluster of 5 archeological sites located near the Knife and Missouri Rivers together with additional lands as may be necessary and to administer the area as the Knife River Indisn Villages National Historical Site. S. 1468. P/S November 30, 1973. (VV)

Menominee Restoration Act

Reinstates the act terminating supervision over the affairs of the Menominee Indian Tribe of Wisconsin; makes available to the tribe the Federal services lost through termination; and provides for the reestablishment of tribal self-government. H.R. 10717. Public Law 93–197, approved December 22, 1973. (VV)

National Trail Act amendment

Provides for the addition of an Indian Nations Trail to the trials to be studied for possible inclusion in the national scenic trails system. S. 1976. P/S November 30, 1973. (VV)

Publication of material relating to the constitutional rights of Indians

Amends, for technical reasons, section 701(c) of title VII of Public Law 90–284 to authorize the appropriation of such sums as may be necessary for the Secretary of the Interior (1) to annually revise and republish the document entitled "Indian Affairs, Laws and Treaties," (2) to revise and republish the treatise entitled "Federal Indian Laws," and (3) to have prepared and printed as a government publication an accurate compilation of the official opinions of the Solicitor of the Department of the Interior relating to Indian affairs. S. 969. P/S June 27, 1973. (VV)

INTERNATIONAL

Atlantic Union delegation

Authorizes the creation of a delegation of 18 eminent citizens (6 each to be appointed by the House of Representatives, the Senate, and the President) to meet with similar unofficial delegations "from such North Atlantic Treaty parliamentary democracies as desire to join in the enterprise" in order to explore the possibility of agreement on a "declaration that the goal of their peoples is to transform their present relationship into a more effective unity based on Federal principles," and empowers the convention to invite other parliamentary democracies to participate in the process, which would also explore the possibilities for a timetable and a commission to move toward the goal by stages. S.J. Res. 21. P/S March 26, 1973. (VV)

Board for International Broadcasting Act

Authorizes $50,209,000 for fiscal year 1974 for the operation of Radio Free Europe and Radio Liberty and creates a new Board for International Broadcasting charged with making grants to the radios and overseeing their operations, which shall take over the role presently performed by the State Department of administering grants to the radios. S. 1914. Public Law 93–129, approved October 19, 1973. (369)

Department of State Authorization Act

Authorizes a total of $682,036,000, including $4.5 million for the U.S. share of expenses of the International Commission on Control and Supervision in Vietnam; prohibits the use of funds on or after August 15, 1973, for further involvement of U.S. forces in hostilities in North Vietnam, South Vietnam, Laos, or Cambodia or direct or indirect aid to North Vietnam unless specifically authorized hereafter by Congress; establishes a new Bureau of Oceans and International Environmental and Scientific Affairs in the Department of State to be headed by an additional Assistant Secretary; requires that military base agreements with foreign countries be submitted to the Congress where they can be approved either by passage of a concurrent resolution by both the House and the Senate or by the Senate giving its advice and consent to the agreement; requires that funds be cut off for foreign affairs agencies which do not comply within 35 days with requests for information by the Senate Committee on Foreign Relations or the House Committee for Foreign Affairs, and amends section 634(c) of the Foreign Assistance Act containing similar provisions concerning access to information by the Congress and the General Accounting Office, to eliminate the President's privilege of waiving its provisions except with regard to Presidential communications; prohibits the use of funds appropriated pursuant to the act to be used for publicity or propaganda to attempt to influence the outcome of legislation pending before Congress or the outcome of a political election; requires by law the listing by rank order of Foreign Service personnel selected for promotion; states the sense of Congress that the United States and Russia seek agreement on specific mutual reductions in military expenditures; and contains other provisions. H.R. 7645. Public Law 93–126, approved October 18, 1973. (191)

Diplomatic relations between Sweden and the United States

Expresses the sense of the Senate that "the United States Government and Sweden should restore their normal friendly relation, and confirm this return to normalcy by appointing and dispatching ambassadors to their respective capitals on an immediate basis." S. Res. 149. Senate adopted October 4, 1973. (VV)

Environmental modification as a weapon of war

Expresses as a sense of the Senate that the United States Government should seek the agreement of other governments, including all permanent members of the Security Council of the United Nations, to a proposed treaty for the complete cessation of any research experimentation or use of any environmental or geophysical modification activity as a weapon of war, including weather, climate, earthquake, and ocean modification activity. S. Res. 71. Senate adopted July 11, 1973. (266)

Euratom Cooperation Act of 1958 amendment

Amends section 5 of the EURATOM Cooperation Act of 1958, as amended, by increasing the amount, from 215,000 kilograms to 583,000 kilograms, of contained uranium 235 which the United States Atomic Energy Commission is authorized to transfer to the European Atomic Energy Community under the Agreements for Cooperation between the United States and EURATOM. S. 1993. Public Law 93–88, approved August 14, 1973. (VV)

Foreign Assistance Act

Authorizes appropriations for economic assistance to foreign countries comprised of grants and loans of $1,218,200,000 divided among five development assistance categories, Food and Nutrition, Population Planning and Health, Education and Human Resources Development, Selected Development Programs, and Selected Countries and Organizations, instead of, as formerly, providing funds for development loans, technical cooperation and development grants, and the Alliance for Progress; provides for greater transferability of funds among the five categories than is now permitted among present funding categories, whereby the President may transfer not to exceed 15 percent of the funds under one category to another in an amount which does not increase the funds in the other category by more than 25 percent; requires that the country receiving assistance provide at least 25 percent of the total costs of the project or program, which may be on an "in kind" basis, if necessary; repeals section 203 of the Foreign Assistance Act of 1961, thereby eliminating the loan repayment revolving fund administered by the Agency for International Development, from which loan repayment dollar receipts were used to make further development loans, and making all such loans subject to the regular authorization and appropriation process of the Congress; cuts off all funds for the continued involvement of U.S. military forces in hostilities in Indochina by prohibiting the use of funds under this or any other law for military or paramilitary operations by the U.S. in or over Vietnam, Laos, or Cambodia, thus requiring specific Congressional action to authorize and fund any renewal of American involvement in war in these countries; prohibits U.S. funding or support for any military or paramilitary activities by third country military personnel in Laos, Cambodia, North Vietnam, South Vietnam, or Thailand, unless specifically authorized by act of Congress enacted after this bill becomes law; contains a sense of the Congress resolution that the United States should not furnish aid to South Vietnam or any other party to the Vietnam cease-fire agreement if that party does not comply with the agreement; and contains other provisions. S. 2335. P/S October 2, 1973; P/H amended October 10, 1973, (442) (Comparable provisions are contained in S. 1443.)

Foreign Assistance Act of 1973

Authorizes $1,429,734,000 for foreign economic assistance and $962,500,000 for foreign military assistance, with a total of $2,392,234,000 for fiscal year 1974; adds the following five new categories for development assistance: Food and Nutrition; Population Planning and Health; Education and Human Resources Development; Selected Development Programs; and Selected Countries and Organizations, instead of, as formerly, providing funds for development loans, technical cooperation and development grants, and the Alliance for Progress; requires that the country receiving grant assistance provide at least 25 percent of the total costs of the project or program, which may be on an "in kind" basis, if necessary; prohibits the use of funds to pay for the performance of abortions or to motivate or coerce any person to practice abortion;

Prohibits the use of funds made available under this Act for police training and related programs in any foreign country; repeals, effective July 1, 1975, section 203 of the Foreign Assistance Act of 1961, and provides that not more than 50 percent of the dollar receipts scheduled for repayment thru the loan repayment revolving fund administered by the Agency for International Development would be available; authorizes $512.5 million for military assistance including military training, for fiscal year 1974 and reduces the number of countries eligible to receive military grant assistance, other than training in the United States, from forty to thirty-one;

Places a ceiling on the amount of military assistance and sales that can be made or furnished to Latin America and Africa in any fiscal year; transfers effective June 30, 1974, the authorization for military assistance and sales program for Laos, from the Department of Defense to the Foreign Assistance and Military Sales Acts; amends the act in a technical nature to assure that the Cambodia ceiling would not apply to assistance furnished under this Act; authorizes $125 million for security supporting assistance of which not less than $50 million is to be available solely for Israel; modifies section 620(e)(1) of the Foreign Assistance Act—the Hickenlooper amendment—by permitting the President to waive upon notification to the Congress its sanctions when he determines that such a waiver was important to the national interests of the United States; requires the submission of semiannual reports on the status of each outstanding loan, contract of guaranty or insurance, credit sale of defense articles, defense services, or agricultural commodities, and each Export-Import Bank Loan, guaranty, or insurance for transactions in excess of $1 million, and annual reports showing the debt-servicing problems of foreign countries, debt relief granted by the United States, and the consequences thereof; authorizes $25 million for relief for African Sahel and endorses international planning for relief of the West African famine;

Authorizes $504 for postwar reconstruction in South Vietnam, Cambodia, and Laos; authorizes $325 million for military sales credits for fiscal year 1974, establishes an aggregate ceiling on military credit sales of $730 million for fiscal year 1974 of which $300 million shall be available only for Israel; prohibits the use of funds authorized or appropriated under this or any other law to finance military or paramilitary operations by the U.S. in or over Cambodia, Laos, or South Vietnam; (similar provisions are contained in Public Laws 93–50, 52, 126, and 155); prohibits the use of funds to finance directly or indirectly "military or paramilitary combat operations" by third country forces in Laos, Cambodia, North Vietnam, South Vietnam, or Thailand, unless specifically authorized by legislation; prohibits assistance to the Government of North Vietnam unless that assistance is specifically authorized by legislation; prohibits the use of any foreign currency, including principal and interest, which accrues in connection with any sale for foreign currency under any provision of law, under any agreement to aid any foreign country to procure equipment for defense entered into after the enactment of this Act or revision of an existing agreement, unless such agreement is specifically authorized by legislation enacted after such date; S. 1443; Public Law 93–189, approved December 17, 1973. (226, 537)

Foreign Service Building Act Amendments

Authorizes a total of $59,611,000 for fiscal years 1974 and 1975 for the Foreign Buildings program administered by the Department of State of which $13,811,000 is for new construction, acquisition and development, and $45,800,000 is for operations. H.R. 5610. Public Law 93–47, approved June 22, 1973. (VV)

International Monetary Fund and International Bank for Reconstruction and Development

Amends subsection (b) of section 3 of the Bretton Woods Agreements Act to authorize the President, by and with the advice and consent of the Senate to appoint different individuals to serve as alternates for the governor of the International Monetary Fund and of the International Bank for Reconstruction and Development. S. 1887 Public Law 93–94, approved August 15, 1973. (VV)

International Voyage Load Line Act

Repeals the Foreign Load Lines Act, 1929, as amended, and substitutes this act, which provides the necessary legislation to implement the provisions of the International Convention on Load Lines, 1966, to which the United States is a party and which came into force on July 21, 1968, making it unlawful for a vessel to be so loaded as to submerge the prescribed load line or the point where an appropriate load line should be marked. S. 1352. Public Law 93–115, approved October 1, 1973. (VV)

Intervention on the High Seas Act

Incorporates into statutory law the rights, duties, and responsibilities of the United States under the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, signed November 29, 1969, at Brussels, which permits a coastal nation to take whatever action it deems necessary to prevent, mitigate, or eliminate a threat of oil pollution resulting from a maritime accident beyond that coastal nation's territorial limits by vesting such authority in the Secretary of the Department in which the Coast Guard is operating; gives the Secretary the authority to determine the extent of danger resulting from a collision, stranding, or other disablement of a vessel carrying oil, and to remove and, if necessary, destroy the ship and cargo which is the source of the danger; incorporates general guidelines for determining the permissible scope of intervention actions; authorizes actions against the United States in the Federal courts by persons claiming compensation; creates a mechanism for settling controversies between signatory nations, or between such nations and claimants relating to compensation for excessive measures; authorizes the Secretary to issue rules and regulations to carry out the purposes of this act; imposes criminal penalties to insure full compliance with the legislation; and extends the right of intervention now inherent in the Federal Government for vessel incidents in territorial waters to incidents on the high seas involving potential oil pollution damage. S. 1070. P/S November 5, 1973. (VV)

Israel, Assistance To

Authorizes to be appropriated to the President $2.2 billion for emergency military assistance or foreign military sales credits, or for both as the President may determine, for Israel, of which $1.5 billion may be used only if the President (1) determines it to be important to our national interest that Israel receive assistance exceeding $1.5 billion and (2) reports to Congress each such determination at least twenty days prior to date on which funds are obligated or expended in excess of $1.5 billion; provides that the 20 day notification requirement shall not apply if hostilities are resumed in the Middle East; provides that the President may use sums authorized herein to pay the United States share of the expenses of the United Nations Emergency Force in the Middle East; and contains other provisions. H.R. 11088. Public Law 93–, approved 1973. (587)

Middle East crisis

States as a sense of the Senate that we deplore the outbreak of hostilities in the Middle East and support the use of the offices of the United States by the President and Secretary of State to urge the participants to bring about a cease-fire and a return of the parties involved to lines and positions occupied by them prior to the outbreak of current hostilities, and further, that the Senate expresses its hope for a more stable condition leading to peace in that region. S. Res. 179. Senate adopted October 8, 1973. (VV)

National security

States as a sense of the Senate that other nations should not construe domestic events as adversely affecting our resolve to uphold world peace nor seize upon them as an opportunity to undermine the security of the United States or as impairing the full commitment of our Government to achieve a just and durable peace in the Middle East and calls upon all friendly nations to join us in pursuance of these vital common objectives, which have as their goal respect for law and a stable and secure peace throughout the world. S. Res. 200. Senate adopted November 9, 1973. (VV)

Peace Corps Act amendments

Continues the Peace Corps program on a one year authorization of $77,001,000 for fiscal year 1974, and places the Peace Corps under Federal procurement law. H.R. 5293. Public Law 93–49, approved June 25, 1973. (VV)

People's Republic of China—Diplomatic privileges

Authorizes the President to extend to the Liaison Office of the People's Republic of China in Washington and to the members thereof the same privileges and immunities subject to corresponding conditions and obligations as are enjoyed by diplomatic missions accredited to the United States and by members thereof. S. 1315. Public Law 93–22, approved April 20, 1973. (VV)

Privileges and immunities

Organization of American States (OAS)

Reenacts the 1985 Organization of American States Act to authorize the President to extend diplomatic privileges and immunities to a newly established group, the Permanent Observers to the OAS, which consists of nonmember American States and non-American States participating in OAS programs. H.R. 5943. Public Law 93–149, approved November 7, 1973. (VV)

Organization of African Unity (OAU)

Amends the International Organization Immunities Act of 1945 making the provisions of that Act applicable to the OAU in the same way as they may be extended to a public international organization in which the United States participates. S. 1526. P/S October 23, 1973. (VV) (Comparable provisions are contained in H.R. 8219 which became Public Law 93–161.)

Amends the International Organization Immunities Act of 1945 making the provisions of that Act applicable to the OAU in the same way as they may be extended to a public international organization in which the United States participates. H.R. 8219. Public Law 93–161, approved November 27, 1973. (VV)

Prohibition of intervention in foreign political affairs

Prohibits any citizen or resident of the United States from offering a contribution to any agency or employee of the United States for the purpose of influencing the outcome of an election for public office in a foreign country; makes it unlawful for any officer, employee, or agent of the United States to solicit or accept contributions to candidates or political parties to influence an election for public office in a foreign country; and contains other provisions. S. 2239. P/S July 26, 1973. (VV)

Radio Free Europe and Radia Liberty supplemental authorization, 1973

Authorizes additional fiscal year 1973 appropriations of not to exceed $1.5 million for Radio Free Europe and Radio Liberty to provide for increased costs resulting from the devaluation of the dollar on February 12, 1973. S. 1972. Public Law 93–59, approved July 6, 1973. (VV)

Rhodesian chrome importation

Amends the United Nations Participation Act of 1945 so as to provide that full United Nations sanctions will be legally observed by the United States and the importation of chrome from Rhodesia will be halted. S. 1868. P/S December 18, 1973. (571)

Shrimp Fisheries Act

Provides the necessary legislation to implement the agreement (Ex. P, 92d–2d) between the United States and Brazil concerning shrimp which establishes a basis for regulating the conduct of shrimp fishing in a defined area off the coast of Brazil. H.R. 8529. Public Law 93–242, approved January 2, 1974. (VV)

Southeast Asia Collective Defense Treaty

Directs the Senate Committee on Foreign Relations to conduct a full and complete review of U.S. participation in the Southeast Asia Collective Defense Treaty (SEATO) including a "re-examination of the basic foreign policy considerations which originally led the United States to join the SEATO Organization and reassessment of those considerations in the light of subsequent developments relating to that Organization and the foreign policy interests of the United States" and report its findings and recommendations to the Senate no later than March 31, 1974. S. Res. 174. Senate adopted November 2, 1973. (VV)

Transfer of trust funds to the Republic of the Philippines

Authorizes the Secretary of the Treasury to transfer to the Government of the Republic of the Philippines, sixty days after the date of enactment, the money then held in a special trust account in the Treasury for making payment on certain Philippine bonds issued before 1934, all of which have matured, thus terminating U.S. liability for them. S. 1398. P/S November 15, 1973. (VV)

Treaties

Agreement With Canada for the Promotion of Safety on the Great Lakes

Terminates and replaces a similar agreement between the United States and Canada providing for safety on the Great Lakes; requires that, effective January 1, 1975, all vessels covered by the agreement must have very high frequency radiotelephonic equipment operating in a certain band; designates a uniform distress, safety and calling frequency; and updates the technical regulations to conform with modern radio practices and capabilities. Ex. U, 93d-1st. Resolution of ratification agreed to October 1, 1973. (422)

Amendment to Article 61 of the Charter of the United Nations

Amends article 61 of the United Nations Charter relating to the composition of the Economic and Social Council (ECOSOC) and the election to membership thereon by the General Assembly which would increase the size of the council from 27 to 54 members and provide for an interim procedure to achieve this new size. The primary function of ECOSOC, whose powers are recommendatory and advisory, is to promote economic and social progress, cultural cooperation and universal respect for human rights, and to coordinate the activities of the various U.N. specialized agencies and the International Atomic Energy Agency. Ex. L, 93d-1st. Resolution of Ratification agreed to September 5, 1973. (366)

Consular Convention With Hungary

Establishes consular relations between the United States and the People's Republic of Hungary which will afford American citizens in Hungary a greater degree of consular protection and guarantee quick and unhindered communication between a citizen and his consul and prompt notification to the consul of any detention or other limitation, and provides for the establishment of consulates and the exchange of consular appointments according each country the facilities, privileges, and immunities afforded under similar bilateral consular conventions in force with a number of other countries. Ex. W, 92d-2d. Resolution of Ratification agreed to March 27, 1973. (58)

Consular Convention With Poland

Establishes consular relations between the United States and the Polish People's Republic; guarantees early notification of detention of a country's nationals and access thereto; describes consular functions and responsibilities in such fields as the issuance of visas and passports and the performance of notorial services; provides for the inviolability of consular personnel with regard to legal proceedings in the host country; and contains other provisions afforded under similar bilateral consular conventions in force with a number of other countries. Ex. U, 92d-2d. Resolution of Ratification agreed to March 27, 1973. (56)

Consular Convention With Romania

Replaces the convention currently in existence between the United States and the Socialist Republic of Romania; improves consular services in both countries to include the issuance of passports and visas, performance of notorial services, and representation of the interests of nationals in estate matters; assures that consuls whose nationals are detained or whose personal freedom is limited will be notified promptly and will have the right to visit and communicate with such nationals; and contains other provisions afforded under similar bilateral consular conventions in force with a number of other countries. Ex. V, 92d-2d. Resolution of Ratification agreed to March 27, 1973. (57)

Convention Concerning the Protection of the World Cultural and Natural Heritage

Provides a means for the identification and protection of natural and cultural areas of outstanding universal value considered as the common heritage of mankind through the establishment of a World Heritage Committee to develop and maintain lists of areas of outstanding importance and a World Heritage Fund to provide international assistance for the protection and conservation of these areas. Ex. F, 93d-1st. Resolution of ratification agreed to October 30, 1973. (458)

Convention for the Protection of Producers of Phonograms

Provides that contracting states, under their respective domestic laws, will protect the nationals of other contracting states against the making or importation of duplicate phonograms (records and tapes) without the consent of the producer if the intent is to distribute them to the public. Ex. G, 93d-1st. Resolution of ratification agreed to October 1, 1973. (429)

Convention for the Safety of Life at Sea Amendments

Provides for improved radio-telephonic watch procedures, more modern radiotelephonic devices, more detailed procedures for the operation of radiotelephonic equipment, and new regulations concerning traffic separation schemes. Ex. I, 93d-1st. Resolution of Ratification agreed to August 3, 1973.

Convention on Endangered Species

Establishes a system by which governments may strictly control the international trade in specimens of species which are, or may be, in danger of becoming extinct as a result of that trade. Ex. H, 93d-1st. Resolution of Ratification agreed to August 3, 1973. (360)

Convention on the Prevention of Marine Pollution

Establishes in each country party to the Convention a national system for regulating the ocean disposal of wastes comparable to the system provided for the United Saes by Title I of Public Law 92-532, the Marine Protection, Research and Sanctuaries Act of 1972. Ex. C, 93d-1st. Resolution of Ratification agreed to August 3, 1973. (359)

Convention With Japan for the Protection of Birds and Their Environment

Provides for the protection of species of birds which are common to the United States and Japan or which migrate between them, and provides that each country will develop programs to preserve and enhance the environment of the birds protected by this agreement. Ex. R, 92d-2d. Resolution of Ratification agreed to March 27, 1973. (60)

Exchange of Notes With Ethiopia Concerning the Administration of Justice

Terminates the notes exchanged on September 7, 1951, concerning the administration of justice and constituting an integral part of the Treaty of Amity and Economic Relations Between the United States and Ethiopia. Termination of the notes, which set forh special commitments on the part of the Ethiopian Government regarding the trial of cases involving American citizens, would be in conformity with the U.S. policy of basing international agreements, in general, on the principles of equality and reciprocity. Ex. B, 93d-1st. Resolution of Ratification agreed to March 27, 1973. (59)

Extradition Treaty With Italy

Terminates and replaces the extradition treaty between the United States and Italy signed at Washington on March 23, 1968, as later amended and supplemented; provides for the extradition of persons charged with any of 30 specified offenses including offenses relating to narcotic drugs and aircraft hijacking or in the case of conspiracy to commit any of the specified offenses; defines territorial application to include all territory under the jurisdiction of either party including territorial waters and airspace as well as registered aircraft in flight; and permits refusal of extradition unless assurances are received that the death penalty will not be imposed for an offense not punishable by death in the country from which extradition is requested. Ex. M, 93d-1st. Resolution of ratification agreed to October 1, 1973. (430)

Extradition Treaty With Paraguay

Terminates and supersedes the Extradition Treaty between the United States and the Republic of Paraguay done at Asuncion on March 26, 1913; provides for the extradition of persons charged with any of 30 specified offenses including offenses relating to narcotic drugs and aircraft hijacking or in the case of conspiracy to commit any of the specified offenses; defines territorial application to include all territory under the jurisdiction of either party including territorial waters and airspace as well as registered aircraft in flight; and permits refusal of extradition unless assurances are received that the death penalty will not be imposed for an offense not punishable by death in the country from which extradition is requested. Ex. S, 93d-1st. Resolution of ratification agreed to October 1, 1973. (431)

Extradition Treaty With Uruguay

Terminates a 1905 treaty between the United States and Uruguay except that crimes listed in that treaty and committed prior to the entry into force of the present treaty shall be subject to the provisions of the 1905 treaty; provides for the extradition of persons charged with any of 30 specified offenses including offenses relating to narcotic drugs and aircraft hijacking or in the case of conspiracy to commit any of the specified offenses; defines territorial application to include all territory under the jurisdiction of either party including territorial waters and airspace as well as registered aircraft in flight; and permits refusal of extradition unless assurances are received that the death penalty will not be imposed for an offense not punishable by death in the country from which extradition is requested. Ex. K, 93d-1st. Resolution of ratification agreed to October 1, 1973. (432)

International Coffee Agreement of 1968, as Extended

Extends the International Coffee Agreement of 1968 for 2 years, to September 30, 1975, deleting all operative provisions but preserving the structure of the International Coffee Organization. Ex. O. 93d-1st. Resolution of ratification agreed to October 1, 1973. (427)

International Convention on Load Lines Amendments

Amends the 1966 Load Lines Convention (which established uniform rules concerning the limits to which ships on international voyages may be loaded and brought international load line regulations into accord with modern developments and techniques in ship construction) by correcting a number of errors and ambiguities which have become apparent in such matters as technical terminology, geographic reference points, and cross references. Ex. D. 93d-1st. Resolution of Ratification agreed to August 3, 1973. (361)

Patent Cooperation Treaty and Annexed Regulations

Simplifies the procedure for applying for patents on the same invention in a number of countries by providing, among other things, a centralized filing procedure and a standardized application format. Ex. S. 92d-2d. Resolution of ratification agreed to October 30, 1973. (455)

Protocol Amending the 1928 Convention on International Expositions

Amends the 1928 Convention on International Expositions placing the rules and procedures governing international expositions in line with current techniques, including a reduction in the frequency of international expositions and a simplification of categories, and modernizes the provisions concerning the activities of the Bureau of International Expositions. Ex. N, 93d-1st. Resolution of ratification agreed to November 26, 1973. (495)

Protocol to the International Civil Aviation Convention

Increases the size of the Air Navigation Commission of the International Civil Aviation Organization (ICAO) from 12 to 15 members. Ex. Q, 93d-1st. Resolution of ratification agreed to November 26, 1973. (496)

Statutes of the World Tourism Organization

Transfers the International Union of Official Travel Organizations (IUOTO), a nongovernmental organization, into the World Tourism Organization (WTO), an inter-governmental tourist organization, for the purpose of promoting and developing international tourism to further the economic, social, and cultural progress of all nations. Ex. R, 93d-1st. Resolution of ratification agreed to October 30, 1973. (457)

Strasbourg Patent Classification Agreement

Adopts a common world-wide system of international classification for patents for inventions, inventors' certificates, utility models and utility certificates providing that each contracting party shall have the right to use the classification as a principal or as a subsidiary system and that the classification shall be solely of an administrative character. The agreement is similar in purpose to the Nice Agreement Concerning International Classification of Goods and Services to Which Trademarks are Applied (Ex. M, 91st-2d), and the Locarno Agreement Establishing an International Classification for Industrial Designs (Ex. I, 92d-2d), which were approved by the Senate on December 11, 1971. Ex. E, 93d-1st. Resolution of ratification agreed to October 30, 1973. (456)

United Nations Environment Program Participation Act

Authorizes an appropriation of $40 million for the total U.S. contribution to the United Nations Environment Fund and limits the fiscal year 1974 contribution to $10 million. H.R. 6768. Public Law 93-188, approved December 15, 1973. (VV)

U.S. Information Agency authorization

Authorizes $216,775,00 for fiscal year 1974 for the United States Information Agency to carry out international informational activities under the authority of the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Number 8 of 1953, including $56,063,000 for Voice of America operations; prohibits the obligation of funds if the USIA does not make information requested by the Senate Committees on Commerce or Foreign Relations and the House Committee on Foreign Affairs available within 35 days; and contains other provisions. S. 1317. Vetoed October 23, 1973. Senate sustained veto October 30, 1973. (151,452,459)

Replaces the vetoed bill, S. 1317, without access to information provisions; authorizes $215,614,000 for fiscal year 1974 for the United States Information Agency to carry out international informational activities under the authority of the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Number 8 of 1953; prohibits the use of any appropriation for which there is not an authorization or the use of any appropriation above the amount authorized; and contains other provisions. S. 2681. Public Law 93-168, approved November 29, 1973 (VV)

United States oceans policy

Endorses the ocean policy objectives which were envisioned in the President's Ocean Policy Statement of May 23, 1970, and which are now being pursued by the United States delegation to the United Nations Seabed Committee preparing for the Law of the Sea Conference with regard to: (1) Protecting the freedoms of the high seas, beyond a twelve mile territorial sea, for navigation, communication, and scientific research, and free transit through and over international straits; (2) recognizing certain international community rights; (3) providing for the orderly and just development of mineral resources of the deep seabed as the common heritage of mankind; and (4) for the conservation and protection of living resources with regulation of fisheries, coastal State management of coastal species, and international management of such migratory species as tuna; and commends the United States delegation for its excellent work and encourages its efforts for an early agreement on an ocean treaty embodying these goals. S. Res. 82. Senate adopted July 9, 1973. (VV)

LABOR

Emergency Employment Act amendments

Extends for 2 years, through fiscal year 1975, the Emergency Employment Act of 1971 (public employment program) and authorizes $1.25 billion for fiscal year 1974 and such sums as may be necessary for fiscal year 1975; focuses the legislation to those in greatest need and for whom the government has the clearest responsibility: the disabled and Vietnam-era veterans, the economically disadvantaged, those unemployed for 15 weeks or more, and persons unemployed as a result of the closing of or a reduction in activities at a Defense Department facility; seeks assurance that sponsors will fill at least half of the public service jobs with disabled or Vietnam-era veterans; and contains other provisions. S. 1560. P/S July 31, 1973. (346) (Comparable provisions are contained in S. 1559, Job Training Employment Opportunities (Manpower Revenue Sharing).)

Fair labor standards amendments (minimum wage)

Extends coverage to include under the definitions of employer and employee: the United States and any State or political subdivision of a State or political subdivision of a State or intergovernmental agency, with the exemption of elected officials, their personal staff, appointees on the policy making level, or immediate advisors in State and local governments; includes within coverage, employees whose vocation is domestic service;

Establishes, for employees in activities covered by the Act prior to the 1966 amendments, an hourly minimum of $2.00 during the period ending June 30, 1974, and $2.20 thereafter; establishes, for employees in agriculture, an hourly minimum of $1.60 during the period ending June 30, 1974, $1.80 during the year beginning July 1, 1974, $2.00 an hour the year beginning July 1, 1975, and $2.20 an hour after June 30, 1976; establishes, for employees newly covered by the 1966 amendments and by the 1973 amendments, an hourly minimum of $1.80 during the period ending June 30, 1974, $2.00 during the year beginning July 1, 1974, and $2.20 thereafter;

Provides for presently covered employees in Puerto Rico and the Virgin Islands effective on the effective date of the legislation: (A) increases of 12 cents an hour if their wage order rates are less than $1.40 an hour; and (B) an increase of 15 cents an hour if their wage order rates are $1.40 an hour or higher; provides that newly covered employees (including commonwealth and municipal employees) are to have their wage rates set by special industry committees, and that this wage rate may not be less than 60 percent of the otherwise applicable or $1.00 an hour, whichever is greater; and that all employees (other than commonwealth and municipal employees) will receive, beginning one year after the effective date of this legislation, yearly increases of (A) 12 cents an hour per year if their wage order rates are less than $1.40, and (B) increases of 15 cents an hour per year if their wage order rates are $1.40 an hour or higher; provides that the following employees in Puerto Rico and the Virgin Islands are to have their rates set as if they were employed in the U.S. mainland: hotel, motel, restaurant and food services employees and U.S. employees and employees of the government of the Virgin Islands; And contains other provisions. H.R. 7935. Vetoed September 6, 1973. House sustained veto September 19, 1973 (229,355).

Job training—Employment opportunities

Provides job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons; authorizes the Secretary of Labor to provide financial assistance under the terms of existing law repealed by this act until July 1, 1974, and makes special provisions for the continuation of the summer youth job program for the summer of 1974; establishes a program to provide comprehensive manpower services throughout the Nation to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible and decentralized system of Federal, State and local programs; make special provisions regarding prime sponsors and special manpower target groups; contains provisions relating to manpower programs for Indians and for migrant and seasonal farmworkers; establishes within the Department of Labor a "Job Corps" to assist low-income disadvantaged young persons in becoming more employable and productive citizens; establishes a National Commission for Manpower Policy to cooridnate manpower programs; and contains other provisions. S. 1559. Public Law 93-203, approved December 28, 1973. (314, 346)

Labor-Management Relations Act amendments

Amends section 302(c) of the Labor-Management Relations Act of 1947 to add legal service programs for employees, their families, and dependents for counsel or plan of their choice to the specified employer financed fringe benefits which may be established through joint labor-management administration, with the provision that legal services funds may not be used in suits against contributing employers except in workmen's compensation cases, suits against participating labor organizations, or suits against any employer or labor organization where the matter arises under the National Labor-Relations Act or this act or where a labor organization would be prohibited from defraying the costs of legal services by the provisions of the Labor-Management Reporting and Disclosure Act of 1957. S. 1423. Public Law 93-95, approved August 15, 1973. (136)

Penn Central Rail dispute

Provides for Federal intervention to bring about a temporary halt in the strike of certain employees of the United Transportation Union against the Penn Central Transportation Company arising out of the Penn Central's plan to eliminate approximately 5,700 train crew positions by applying the final paragraph of section 10 of the Railway Labor Act (45 USC 160) and extends the 30-day period provided for in section 10, to 12:01 A.M., May 9, 1973, in order to secure additional time for an agreement to be reached; requires the Secretary of Transportation, not later than 45 days following enactment, to file a report to the Congress providing a full and comprehensive plan for the preservation of essential rail transportation services in the northeast section of the Nation; requires the Secretary of Labor, not later than 30 days following enactment, to submit to Congress a report detailing the progress, if any, of all negotiations, and any recommendations for a proposed solution; and contains other provisions. S.J. Res. 59. Public Law 93-5, approved February 9, 1973. (VV)

**Rehabilitation Act of 1972*

Amends the Vocational Rehabilitation Act to provide for more services to handicapped individuals; places greater emphasis on research and training of rehabilitation personnel and the development of innovative rehabilitation techniques, equipment, and devices which would make employment more feasible for a handicapped individual; establishes an Office for the Handicapped within the Department of Health, Education, and Welfare; creates a Federal Interagency Committee on Employment of the Handicapped, a National Commission on Transportation and Housing, and an Architectural and Transportation Barriers Compliance Board to continue and expand services to the handicapped and provides for an order of priority to serve those individuals with the most severe handicaps; and contains other provisions. *NOTE:* (A similar measure, H.R. 8395 [92d-2d], was pocket vetoed by President Nixon on October 27, 1972.) S. 7. Vetoed March 27, 1973. Senate sustained veto April 3, 1973. Senate sustained veto April 3, 1973. (24, 74)

Rehabilitation Act of 1973

Repeals the existing Vocational Rehabilitation Act (29 U.S.C. 31-42) ninety days after the date of enactment of this act; provides, in title I, the administrative provisions for vocational rehabilitation services and includes State plan provisions; includes in the State plan requirements provisions to insure that special emphasis is given to serving those individuals with the most severe handicaps; requires that an individualized written rehabilitation program be drawn up for every handicapped individual served in consultation with that individual; directs the Secretary of Health, Education, and Welfare to undertake a comprehensive study of the feasibility of the methods designed to prepare individuals with the most severe handicaps for entry into vocational rehabilitation programs and report his findings and any recommendations to the Congress by February 1, 1975; consolidates, in title II, Research and Training, all research and training authority in existing law, to be administered by the Secretary through the Commissioner of the Rehabilitation Services Administration (RSA), providing a statutory basis for the RSA and the appointment of the Commissioner by the President; emphasizes applied research and the development of technology and devices to aid in solving rehabilitation problems of handicapped individuals and directs the establishment of Rehabilitation Engineering and Research Centers in order to aid in such development; includes a program of international research and exchange of personnel and technical assistance; contains, in title III, all special programs, grants, and related service activities which are not carried out by the State rehabilitation agency; includes a consolidated special project authority, with special emphasis on projects for spinal cord injured, severely handicapped deaf and older blind individuals, and an earmarking of money under special projects for migratory agricultural workers; combines, in title IV, provisions of existing law, with changes and additions, relating to Secretarial responsibilities for administration and evaluation; directs the Secretary to ensure that maximum coordination and consultation takes place with the Veterans' Administration at the national and local levels with respect to rehabilitation services and related programs for disabled veterans; directs the Secretary to prepare, in consultation with other agencies, handicapped individuals and public and private organizations, a long-range projection for the provision of comprehensive services to handicapped individuals; includes, in title V, Miscellaneous Provisions, the creation of a Federal Interagency Committee on Handicapped Employees and an Architectural and Transportation Barriers Compliance Board; and contains other provisions. H.R. 8070. Public Law 93-112, approved September 26, 1973. (384)

MEMORIALS, TRIBUTES, AND MEDALS

B. Everett Jordan Dam and Lake

Changes the name of the New Hope Dam and Lake, North Carolina, to the B. Everett Jordan Dam and Lake. S. 2282. Public Law 93-141, approved October 26, 1973. (VV)

Boston National Historical Park, Mass.

Authorizes the Secretary of the Interior to acquire by purchase or donation the following areas of historical importance located in Boston, Massachusetts: Fanuell Hall; the Paul Revere House; the Old State House; Bunker Hill; and the Old South Meeting House. S. 210. P/S December 7, 1973. (VV)

Cable Car Medals

Authorizes the Secretary of the Treasury to strike and furnish to the San Francisco Cable Car Centennial Committee not more than 150,000 medals commemorating the 100th anniversary of the invention of the cable car, and contains other provisions. S. 776. Public Law 93-114, approved October 1, 1973. (VV)

"Carl Vinson" aircraft carrier

Names the nuclear-powered aircraft carrier CVN-70 the U.S.S. Carl Vinson after the former member of the House of Representatives. H. Con. Res. 386. House adopted December 17, 1973; Senate adopted December 18, 1973. (VV)

Cecil M. Harden Lake

Designates the Mansfield Lake in Indiana as the Cecil M. Harden Lake. S. 1561. P/S December 14, 1973. (VV)

Colorado statehood

Directs the Secretary of the Treasury to strike and furnish to the Colorado Centennial-Bicentennial Commission national medals commemorating the 100th anniversary of Colorado Statehood on August 1, 1976. H.R. 4738. Public Law 93-227, approved December 29, 1973. (VV)

Commemoration of members of the armed services who served in the Vietnam war

States as a sense of the Senate that on Memorial Day, May 28, 1973, special commemoration be accorded the 359,879 dead and wounded members of the Armed Forces whose loss and suffering were occasioned by the war in Vietnam. S. Res. 117. Senate adopted May 21, 1973. (VV)

Earle Cabell Federal Building

Names the Federal Office Building and United States Courthouse in Dallas, Texas as the "Earle Cabell Federal Building." S. 2503. Public Law 93-187, approved December 15, 1973. (VV)

Eisenhower Memorial

Authorizes the use, for grants to Eisenhower College, Seneca Falls, New York, of $1 of the proceeds of the sale of each of the silver dollar proof coins being offered to the public at $10 each which bear the likeness of the late President of the United States, Dwight David Eisenhower. S. 1264. P/S May 2, 1973. (VV)

Fort Scott, Kans.

Amends the act of August 31, 1965, commemorating certain historical events in the State of Kansas to authorize additional Federal participation in the historic restoration, preservation, and commemoration of Fort Scott, Kansas. H.R. 7976. Public Law 93-128, approved October 18, 1973. (VV)

H. V. Eastman Lake

Designates Buchanan Dam in California as the H. V. Eastman Lake. H.R. 655. Public Law 93-217, approved December 28, 1973. (VV)

Hale Boggs Federal Building

Names the new Federal Building and United States Courthouse under construction in New Orleans, Louisiana as the "Hale Boggs Federal Building", and contains other provisions. S. 2173. Public Law 93-215, approved December 28, 1973. (VV)

Herbert Hoover Memorial Educational Building

Provides $5 million in matching grants to the Hoover Institution of War, Revolution, and Peace for constructing and equipping a new educational building to be located at Stanford University, such funds to be available without fiscal year limitation for a period of 5 years beginning on the date of enactment. S. 1418. P/S November 15, 1973. (VV)

International Exposition on Environment

Authorizes the Secretary of the Treasury to strike and furnish to the Spokane World Exposition, Inc. not more than 750,000 medals commemorating the International Exposition on Environment to be held in Spokane, Washington in 1974. H.R. 5760. Public Law 93-221, approved December 29, 1973. (VV)

James G. Fulton Flood Protection Project

Designates the Chartiers Creek flood protection in Allegheny County, Pennsylvania, as the James G. Fulton flood protection project. S. 2535. P/S December 14, 1973. (VV)

James W. Trimble Dam

Renames the Beaver Dam on the White River in northwest Arkansas the James W. Trimble Dam. S. 2463. P/S October 10, 1973. (VV)

Jim Thorpe Medals

Authorizes the Secretary of the Treasury to strike and furnish to the Jim Thorpe Memorial-Oklahoma Athletic Hall of Fame Commission up to 100,000 national medals commemorating the outstanding achievements of Jim Thorpe. H.R. 4507. Public Law 93-132, approved October 19, 1973. (VV)

John Wesley Powell Federal Building

Names the headquarters building in the Department of the Interior's Geological Survey National Center now under construction in Reston, Virginia, as the "John Wesley Powell Federal Building." S. 1618. Public Law 93-183, approved December 15, 1973. (VV)

Law Day

Pays tribute to the law enforcement officers of the United States on Law Day, May 1, 1973. S.J. Res. 11. P/S March 15, 1973. (VV)

Lincoln National Memorial

Authorizes the Secretary of the Interior to have the names of Alaska and Hawaii inscribed on the walls of the Lincoln Memorial in a manner and style consistent with the other forty-eight states. S. 903. S/S December 4, 1973. (VV)

Lyndon B. Johnson

Expresses the profound sorrow and deep regret of the Senate on the announcement of the death of Lyndon B. Johnson, a former President of the United States and a former Representative and Senator from the State of Texas, and designates the Presiding Officer of the Senate to appoint a committee to consist of all the members of the Senate to attend the funeral of the former President. S. Res. 24. Senate adopted January 23, 1973. H. Res. 152. House adopted January 23, 1973. (VV)

Expresses the sense of the Congress that in recognition of the long and distinguished service rendered to the nation and to the world of Lyndon B. Johnson, 36th President of the United States, his remains be permitted to lie in state in the rotunda of the Capitol from January 24 to January 25, 1973. H. Con. Res. 90. House adopted January 23, 1973. Senate adopted January 23, 1973. (VV)

Provides for payment out of the contingent fund of the Senate of all necessary expenses incurred as a result of S. Res. 24, which provides for members of the Senate to attend the funeral of Lyndon B. Johnson. S. Res. 34. Senate adopted January 24, 1973. (VV)

Lyndon B. Johnson Memorial Grove

Lyndon B. Johnson Memorial Grove on the Potomac in Washington. S.J. Res. 178. P/S December 20, 1973. (VV)

Lyndon B. Johnson Space Center

Designates the manned spacecraft center in Houston, Texas, as the "Lyndon B. Johnson Space Center" in honor of the late President. S.J. Res. 37. Public Law 93-8, approved February 17, 1973. (VV)

Members of the Armed Forces missing in action in Indochina

Pays special tribute to the members of the Armed Forces who are missing in action in Indochina on Memorial Day, May 28, 1973, and contains other provisions. S. Res. 115. Senate adopted May 15, 1973. (VV)

Monument to 1st Infantry Division

Authorizes the erection, in the District of Columbia, of a monument to the dead of the First Infantry Division, United States Forces in Vietnam. S.J. Res. 66. P/S February 19, 1973. (VV)

Richard B. Russell Dam and Lake

Renames the Trotters Shoals Dam and Lake on the Savannah River, Georgia and South Carolina, the Richard B. Russell Dam and Lake. S. 2496. Public Law 93-139, approved October 26, 1973. (VV)

Roberto Walker Clemente Medals

Authorizes the Secretary of the Treasury to strike and furnish to the Chamber of Commerce of Greater Pittsburgh, Pittsburgh, Pa., one gold medal and not more than 200,000 duplicate medals to commemorate the outmanitarian contributions of Roberta Walker Clemente, and contains other provisions. H.R. 3841. Public Law 93-33, approved May 14, 1973. (VV)

Senator Stennis' birthday

Extends congratulations to Senator John C. Stennis on his birthday. S. Res. 156. Senate adopted August 3, 1973. (VV)

Skylab III astronauts

Commends the astronauts of the Skylab III and their support teams on the ground for successfully completing man's longest stay in space. S. Res. 175. Senate adopted September 26, 1973. (VV)

Springfield Armory

Provides for the preservation and management of the Springfield Armory, located in Massachusetts, as a national historic site. S. 979. P/S December 4, 1973. (VV)

Tuskegee Institute National Historical Park

Authorizes the Secretary of the Interior to acquire lands by donation, purchase, or exchange to establish the Tuskegee Institute National Historic Site, a memorial to Booker T. Washington and George Washington Carver, consisting of lands and buildings on or adjacent to the Tuskegee Institute campus in Tuskegee, Alabama. S. 262. P/S December 7, 1973. (VV)

Veterans Day

Expresses gratitude and pay respects to the Vietnam veterans on Veteran's Day 1973 for their part in attaining peace in Vietnam and making is possible to observe Veteran's Day 1973 in peace. S. Con. Res. 51. Senate adopted October 11, 1973; House adopted October 16, 1973. (VV)

Vietnam MIA's

Urges the President to continue to use every diplomatic avenue, including North Vietnam's allies and the United Nations to assist in obtaining the necessary cooperation and information concerning those missing in action through the Vietnam conflict, and pays special tribute to these men during this Christmas season. S. Res. 217. Senate adopted December 19, 1973. (VV)

Vietnam War Memorial

Provides for the erection in the District of Columbia for a memorial in honor of those who served in the Armed Forces of the United States in the Vietnam war; and contains other provisions. S.J. Res. 45. P/S April 12, 1973. (VV)

W. Turner Wallis Pumping Station

Designates structure S-5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Florida, as the W. Turner Wallis Pumping Station. S. 2509. P/S December 14, 1973. (VV)

Wright Patman Dam and Lake

Designates the Texarkana Dam and Reservoir on the Sulphur River in Texas as the "Wright Patman Dam and Lake". H.R. 974. Public Law 93-186, approved December 15, 1973. (VV)

American Falls Dam replacement

Authorizes the Secretary of the Interior to enter into appropriate agreements to permit the water-users to arrange for the financing and construction of a replacement for the existing American Falls Dam, Upper Snake River project, Idaho, which has become unsafe as a result of deteriorating concrete, which would be acquired by the Secretary and operated as a feature of the existing Minidoka Reclamation project. S. 1529. Public Law 92-206, approved December 28, 1973. (VV)

Arkansas River Basin Compact

Grants the consent of the United States to an interstate compact between Arkansas and Oklahoma, signed on behalf of the two States on March 16, 1970, to provide for the equitable apportionment of the waters of the Arkansas River and tributaries between the two States and encourages each State to maintain active programs of anti-pollution controls to further reduce water pollution in the Arkansas River Basin. S. 11. Public Law 93-152, approved November 13, 1973. (VV)

Grand Canyon National Park, Ariz.

Provides greater protection to the Grand Canyon of Arizona by creating an enlarged Grand Canyon National Park consisting of 272.5 miles of the Grand Canyon which will be managed as a single, natural area by the National Park Service. S. 1296. P/S September 24, 1973. (VV)

Indiana Dunes

Increases the authorization for the acquisition of land for the Indiana Dunes National Lakeshore from $27,900,000 to $35,526,000. S. 584. P/S December 4, 1973. (VV)

National park system authorization

Authorizes funds for the acquisition of lands for areas of the national park system enacted prior to January 9, 1971, and those areas covered by omnibus parks legislation passed in April of 1972 (Public Law 92-272; 86 Stat. 120) to provide for moving costs, relocation benefits and other expenses incurred pursuant to the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and contains other provisions. S. 1039. P/S December 4, 1973. (VV)

National Sea Grant College and Program Act of 1966 amendments

Provides an authorization of $30 million, $40 million, and $50 million for fiscal years 1974, 1975, and 1976 respectively for the National Sea Grant College marine research development programs within the Department of Commerce; authorizes $200,000 for a study of means of sharing, through cooperative programs with other nations, the results of marine research; and authorizes the Secretary to make contracts with and grants to participants for this purpose without matching share requirements; and contains other provisions. H.R. 5452. Public Law 93-73, approved July, 1973. (VV)

Saline water program authorization, 1974

Authorizes appropriations at an increased level of $9,127,000 for fiscal year 1974 for the Federal Saline Water Conversion programs conducted by the Secretary of the Interior to support a continuing research program into attractive new desalting technologies and to retain a technical capability in the Federal government to support planning and development which involves desalination, and contains other provisions. S. 1386. Public Law 93-51, approved July 1, 1973. (VV)

U.S. fishing industry

Sets forth Congressional resolve to provide all necessary support to strengthen the United States fishing industry and to protect our coastal fisheries against excessive foreign fishing, and to provide interim measures to conserve overfished stocks and to protect our national fishing industry; recognizes, encourages, and supports the key responsibilities of the several states for conservation and scientific management of fisheries resources within the United States territorial waters; and commends Federal programs designed to improve coordinated protection, enhancement, and scientific management of all United States fisheries, both coastal and distant, including presently successful Federal-aid programs under the Commercial Fisheries Research and Development Act of 1964, and the newly developing Federal-State fisheries management programs. S. Con. Res. 11. Senate adopted June 1, 1973; House adopted amended December 4, 1973. Senate adopted as amended December 21, 1973. (VV)

Wild and Scenic Rivers Act amendments

Extends to October 2, 1978, the protection period from water resource projects for the 27 rivers now under study for possible inclusion in the national wild and scenic rivers system; increases the funding authorization from $17 million to $37.6 million to permit completion of acquisitions for seven of the eight rivers designated as the first components of the system; authorizes the Secretaries of the Interior and Agriculture to acquire State land within the river corridors of components of the system not only by donation but also by exchange of Federal land in other areas; puts a definite three fiscal year time limit on the studies for all rivers designated by Congress; removes the authority of either Secretary, without ever reporting to Congress, to terminate a study of, and remove protection for, any river which Congress has designated for study; and provides that the President must report to Congress on each river study. S. 921. P/S September 24, 1973; P/H amended December 3, 1973. P/S amended with energy emergency amendment December 21, 1973. (VV; 594)

Wilderness areas

Eagles Nest Wilderness

Designates as wilderness approximately 128,384 acres in the Arapahoe and White River National Forests in Colorado to be known as the Eagles Nest Wilderness. S. 1864. P/S October 11, 1973. (VV)

Flat Tops Wilderness

Designates as wilderness approximately 237,500 acres in the White River and Routt National Forests in Colorado to be known as the Flat Tops Wilderness. S. 702. P/S October 30, 1973. (VV)

Shenandoah National Park

Designates as wilderness approximately 80,000 acres in the Shenandoah National Park, Virginia, under the provisions of the Wilderness Act of September 3, 1964 (78 Stat. 890). S. 988. P/S September 20, 1973. (VV)

NOMINATIONS—ACTION BY ROLLCALL VOTE

Alvin J. Arnett, of Maryland, to be Director of the Office of Economic Opportunity: Nomination confirmed September 12, 1973. (383)

Vincent R. Barbara, of California, to be Director of the Census: Nomination confirmed July 24, 1973. (315)

Peter J. Brennan, of New York, to be Secretary of Labor: Nomination confirmed January 31, 1973. (4)

William P. Clements, Jr., of Texas, to be a Deputy Secretary of Defense: Nomination confirmed January 23, 1973. (1)

William Egan Colby, of Maryland, to be Director of Central Intelligence: Nomination confirmed August 1, 1973. (352)

Gerald R. Ford, of Michigan, to be Vice President of the United States: Senate confirmed November 27, 1973; House confirmed December 6, 1973. (499)

Clarence M. Kelley, of Missouri, to be Director of the Federal Bureau of Investigation: Nomination confirmed June 27, 1973. (228)

Dr. Henry A. Kissinger, of the District of Columbia, to be Secretary of State: Nomination confirmed September 21, 1973. (394)

Elliot L. Richardson, of Massachusetts, to be Secretary of Defense: Nomination confirmed January 29, 1973. (3)

Elliot L. Richardson, of Massachusetts, to be Attorney General: Nomination confirmed May 23, 1973. (145)

William B. Saxbe, of Ohio, to be Attorney General: Nomination confirmed December 17, 1973. (568)

James R. Schlesinger, of Virginia, to be Director of Central Intelligence: Nomination confirmed January 23, 1973. (2)

James R. Schlesinger, of Virginia, to be Secretary of Defense: Nomination confirmed June 28, 1973. (243)

William L. Springer, of Illinois, to be a member of the Federal Power Commission: Nomination confirmed May 21, 1973. (141)

Russell E. Train, of the District of Columbia, to be Administrator of the Environmental Protection Agency: Nomination confirmed September 10, 1973. (375)

Caspar W. Weinberger, of California, to be Secretary of Health, Education, and Welfare: Nomination confirmed February 8, 1973. (14)

PROCLAMATIONS

Digestive Disease Week

Designates the week of May 20–26, 1973, as "Digestive Disease Week." S.J. Res. 114. P/S May 17, 1973. (VV)

Grandparents Day

Designates the fourth Sunday in May of each year as "Grandparents Day." S.J. Res. 126. P/S November 15, 1973. (VV)

Honor America Day

Declares the twenty-one days from Flag Day, June 14, 1973, to Independence Day, July 4, 1973, as a period to honor America. S. Con. Res. 27. Senate adopted May 31, 1973; House adopted June 13, 1973. (VV)

International Clergy Week in the United States

Designates the week of January 28, 1973, as "International Clergy Week in the United States". H.J. Res. 163. Public Law 93–2, approved January 26, 1973. (VV)

Jim Thorpe Day

Designates April 16, 1973, as "Jim Thorpe Day". S.J. Res. 73. Public Law 93–19, approved April 16, 1973. (VV)

John C. Stennis Day

Designates Monday, October 15, 1973, as "John C. Stennis Day". S. Res. 180. Senate adopted October 9, 1973. (VV)

Johnny Horizon '76 Clean Up America Month

Designates the period of September 15, 1973, through October 15, 1973, as "Johnny Horizon '76 Clean Up America Month". H.J. Res. 695. Public Law 93–108, approved September 19, 1973. (VV)

Mississippi River

Designates June 17, 1973, as a day of commemoration marking the 300th anniversary of the opening of the upper Mississippi River by Jacques Marquette and Louis Jolliet. S.J. Res. 102. Public Law 93–41, approved June 14, 1973. (VV)

National Arthritis Month

Designates the month of May 1973 as "National Arthritis Month". H.J. Res. 725. Public Law 93–21, approved April 20, 1973. (VV)

National Autistic Children's Week

Designates the week which begins on June 24, 1973, as "National Autistic Children's Week". H.J. Res. 296. Public Law 93–42, approved June 15, 1973. (VV)

National Clean Water Week

Designates the period beginning April 15, 1973, as "National Clean Water Week". H.J. Res. 437. Public Law 93–18, approved April 14, 1973. (VV)

National Consumer Effort to Save Gas and Arrive Alive

Calls for all motor vehicle operators traveling on high-speed roads on week-ends and holidays, between the date of passage of this resolution and Labor Day, September 3, 1973, to: (1) travel at speed no greater than 10 miles per hour less than the posted speed limit, and (2) turn on headlights to encourage fellow travelers to join in the nationwide campaign to slow down, save gas, save lives and save money. S. Res. 138. Senate adopted August 2, 1973. (VV)

National Employ the Older Worker Week

Designates the second full calendar week in March 1973 as "National Employ the Older Worker Week". H.J. Res. 334. Public Law 93–10, approved March 15, 1973. (VV)

National Historic Preservation Week

Designates the calendar week beginning May 6, 1973, as "National Historic Preservation Week". S.J. Res. 51. Public Law 93–30, approved May 5, 1973. (VV)

National Hunting and Fishing Day

Designates the fourth Saturday of September 1973 as "National Hunting and Fishing Day". H.J. Res. 210. Public Law 93–23, approved April 20, 1973. (VV)

National Legal Secretaries' Court Observance Week

Designates the second full week in October of each year as "National Legal Secretaries' Court Observance Week". H.J. Res. 466. Public Law 93–104, approved August 16, 1973. (VV)

National Moment and Day of Prayer and Thanksgiving

Designates the moment of 7:00 pm. E.S.T., January 27, 1973, a national moment of prayer and thanksgiving for the peaceful end to the Vietnam war and the 24 hours beginning at the same time as a national day of prayer and thanksgiving, and contains other provisions. H.J. Res. 246. Public Law 93–3, approved February 1, 1973. (VV)

National Next Door Neighbor Day

Designates the fourth Sunday in September 1978 as "National Next Door Neighbor Day". S.J. Res. 25. Public Law 93–103, approved August 6, 1973. (VV)

National Nurse Week

Designates the period from February 10 to February 16, 1974, as "National Nurse Week." S.J. Res. 168. P/S November 15, 1973. (VV)

National Nutrition Week

Designates the period from March 3, 1974, through March 9, 1974, as "National Nutrition Week." S.J. Res. 99. Public Law 93– , approved 1973. (VV)

National Prayer Day

Designates April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer. S.J. Res. 83. P/S December 20, 1973. (VV)

Nicolaus Copernicus Week

Designates the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quinquecentennial of his birth. H.J. Res. 5. Public Law 93–16, approved April 9, 1973. (VV)

Vietnam Veterans' Day

Designates March 29, 1974, as "Vietnam Veterans' Day." H.J. Res. 865. Public Law 93–232, approved 1973. (VV)

Walk a Mile for Your Health Day

Designates the last Sunday of May of each year as "Walk a Mile for Your Health Day". S.J. Res. 159. P/S December 14, 1973. (VV)

Warsaw Ghetto Uprising

Proclaims April 29, 1973, as a day of observance of the 30th anniversary of the Warsaw ghetto uprising. H.J. Res. 303. Public Law 93–20, approved April 20, 1973. (VV)

Women's Equality Day

Designates August 26 of each year as Women's Equality Day in commemoration of that day in 1920 on which the women of America were first guaranteed the right to vote. H.J. Res. 52. Public Law 93–105, approved August 16, 1973. (VV)

TRANSPORTATION—COMMUNICATIONS

Aircraft hijacking

Amends the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy on both the international and domestic levels; implements, in Title I, the Convention for the Suppression of Unlawful Seizure of Aircraft (Hague Convention—Ex. A [92d–1st] to which the United States is a party and which came into effect on October 4, 1971; provides the President authority to suspend air service between the United States and any foreign nation he determines is not acting consistently with the provisions of the Hague Convention, in effect imposing, unilaterally, a U.S. air transport boycott; permits the Secretary of Transportation, with the approval of the Secretary of State, to restrict, limit, or revoke the operating authority of any foreign air carrier failing to afford necessary security safeguards to the traveling public; provides, in Title II, for the screening of all passengers and carry on baggage by weapons detecting devices prior to their being boarded on the aircraft; establishes under the Administrator of the Federal Aviation Administration an Air Transportation Security Force to provide a Federal law enforcement presence at the nation's major airports; and contains other provisions. S. 39. P/S February 21, 1973. (21)

Airport Development Acceleration Act

Amends the Airport and Airway Development Act of 1970 and the Federal Aviation Act of 1958 to increase Federal financial assistance for airport development throughout the United States; increases the present minimum annual authorization for airport development grants to air carrier and reliever airports to $27 million, and to general aviation airports to $35 million, for each of fiscal years 1974 and 1975, and the five year limit on obligational authority for the fiscal years 1971–1975 to $1.46 billion, funds which will come from the Airport and Airway Trust Fund; provides that the maximum 50 percent Federal share of project costs will be determined by the total number of passengers enplaned for all air carrier airports operated by the same sponsor and raises the maximum Federal share to 75 percent for general aviation or reliever airports; prohibits the levying by State and local governments of passenger "head" taxes or use taxes on the carriage of persons in air transportation; and contains other provisions. *NOTE*: (An earlier measure, S. 3755 [92d–2d], was pocket vetoed by President Nixon on October 27, 1972.) S. 38. Public Law 93–44, approved June 18, 1973. (9)

AMTRAK Improvement Act

Amends the Rail Passenger Act of 1970 to upgrade the quality of rail passenger service and put it on a par with quality rail passenger systems operating in other countries; increases the $22.7 million authorization in existing law to $334.3 million and increases the ceiling on federally guaranteed obligations of the National Railroad Passenger Corporation from $200 million to $500 million; restructures the Corporation's board of directors; authorizes the Corporation to make all reasonable efforts to insure that elderly and handicapped individuals are given equal opportunity to utilize intercity transportation on passenger trains operated by or on behalf of the Corporation; gives the Corporation the power of eminent domain in order to acquire from owners other than governments and railroads right-of-way land, or other property, and authorizes an Interstate Commerce Commission (ICC) proceeding through which the Corporation can acquire interest in property owned by a railroad; provides that quality of service must be considered by the ICC in fixing the compensation the Corporation must pay to railroads providing it with passenger service; requires the Corporation to initiate one new experimental route each year, and to operate it for a two year period and provides a means of discontinuing such service if it proves unsuccessful; vests jurisdiction over safety-related matters in the Department of Transportation and grants the ICC full and adequate power to assure that adequate service, equipment, tracks, and other facilities are provided for intercity rail passenger service; confirm's the Corporation's authority to institute auto-ferry service as part of the intercity rail passenger service authorized in existing law and limits the right of any person to compete with the Corporation on its basic rates in providing auto ferry service; prohibits any preclearance of budget requests, legislative recommendations, proposed testimony, or comments on legislation before submission to the Congress; and contains other provisions. S. 2016. Public Law 93–146, approved November 3, 1973. (VV)

Bicentennial Advanced Technology Transportation System Demonstration Act

Authorizes the Secretary of Transportation to make an investgation and study for the purposes of determining the feasibility, social advisability, environmental impact, and economic practicability, of (1) a tracked air-cushioned vehicle or other high-speed ground transportation system between Washington, D.C., and Annapolis, Maryland, and (2) a surface effect vessel or other high-speed marine transportation system between the Baltimore-Annapolis area in Maryland and the Yorktown-Williamsburg-Norfolk area in Virginia for use as part of the Bicentennial celebration and authorizes therefor an appropriation of not to exceed $300,000; directs the Secretary to report the results of such investigation and study, together with his recommendations, to the President and the Congress, no later than 9 months after enactment of this act; and authorizes the Secretary to enter into such contracts and other arrangements as necessary for the construction and operation of such systems if such study demonstrates their feasibility; and contains other provisions. S. 797. P/S June 14, 1973. (VV)

Corporation for Public Broadcasting authorizations, 1973

Amends the Communications Act of 1934 to authorize appropriations for the Corporation for Public Broadcasting to an increased level for fiscal years 1974 aind 1975 of 50 million and up to an additional $5 million in matching funds for gifts for fiscal year 1974 and $60 million and up to an additional $5 million in matching funds for gifts for fiscal year 1975; authorizes appropriations of $25 million for fiscal year 1974, and $30 million for fiscal year 1975 for construction of educational television and radio broadcasting facilities; requires radio and television stations receiving Federal assistance to make audio recordings of programs involving discussions of important public issues and make them available to the public at cost; and contains other provisions. *NOTE*: (H.R. 13918 [92d–2d], a similar bill, was vetoed by President Nixon on June 30, 1972.) S. 1090. Public Law 93–84, approved August 6, 1973. (113)

Delta Queen

Extends until November 1, 1978, the existing exemption of the steamboat "Delta Queen" from certain vessel laws relative to the construction standards of the Safety at-Sea act (Public Law 89–777). H.R. 5649. Public Law 93–106, approved August 16, 1973. (VV)

Emergency commuter relief

Authorizes not to exceed $800 million ($400 million for fiscal year 1974, and an aggregate of not to exceed $800 million for fiscal year 1975) for fiscal years 1974 and 1975 for the Secretary of Transportation, on such terms and conditions as he may prescribe, to make grants or loans to State or local public bodies in order to assist them in maintaining adequate transportation services in urban areas by providing financial assistance (requiring one-third local contribution) to pay operating expenses incurred as a result of providing such services; provides for the establishment of a reasonable fare structure for each area according to its particular local needs; authorizes an additional $20 million for each of fiscal years 1974 and 1975 for research and development, establishment, and operation of demonstration projects to determine the feasibility of fare-free urban mass transportation systems; and contains other provisions. S. 386. P/S September 10, 1973; P/H amended October 3, 1973; in conference. (376)

Emergency Rail Services Act amendments

Assures the continuance of essential rail service in the Northeast and Midwest by authorizing the Secretary of Transportation to contract with the trustees of any railroad in reorganization under section 77 of the Bankruptcy Act for the continued provision of service in the case of actual or threatened cessation of such services; allows the Secretary to acquire by purchase, lease, or other transfer any equipment, facilities, or operating rights over the tracks of such a railroad; and contains other provisions. S. 2060. P/S July 27, 1973. (332)

Essential Rail Services Continuation Act

Assures the continuance of essential rail service in the Northeast and Midwest in the event that one or more of the seven railroads presently in reorganization under section 77 of the Bankruptcy Act ceases operations by authorizing the Interstate Commerce Commission to direct one carrier by railroad to operate over the lines of a non-operating carrier; requires the Commission to issue just and reasonable directions to the operating carrier which cover the handling, routing, and movement of traffic of the non-operating carrier; limits the duration of such directions to sixty days unless extended by the Commission for a period of not to exceed 180 days; authorizes funds to be appropriated in such amounts as may be necessary to reimburse a directed carrier for losses incurred because of operations it is directed to engage in by the Commission; and contains other provisions. S. 1925. P/S July 14, 1973. (VV)

Federal-Aid Highway Act

Authorizes, in title I, the Federal-Aid Highway Act of 1973, for the Interstate highway program $2.6 billion for fiscal year 1974, $3 billion each for fiscal years 1975 and 1976, and $3.25 billion each for fiscal years 1977, 1978, and 1979;

Eliminates the present signal authorization for the primary and secondary systems and their urban extensions and substitutes a separate authorization for the rural and urban portions of these systems as follows: primary system in rural areas, $680 million for fiscal year 1974 and $700 million for each fiscal year thereafter, secondary systems in rural areas funded at $390 million and $400 million per fiscal year thereafter; authorizes for the urban system, $780 million for fiscal year 1974 and $800 million per fiscal year thereafter, with extensions of the primary and secondary system in urban areas funded at $290 million for fiscal year 1974 and $300 million per fiscal year thereafter; for forest development trails, $140 million per fiscal year; for parkways, $60 million for fiscal year 1974 and $75 million thereafter; for Indian reservation roads and bridges, $75 million per fiscal year; for economic growth center development highways, $50 million for fiscal year 1974, $75 million for 1975, and $100 million for 1976;

Extends the time for completion of the Interstate system until June 30, 1979;

Expands the urban system as presently designated to encompass all urban areas and to include collector streets and access roads to airports and other transportation terminals, with the urban system to be established as the State highway department may designate, and with the routes to be selected by local officials with the concurrence of the State highway departments;

Permits the Secretary to approve as a project on any Federal-aid system the construction of exclusive or preferential bus lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters) and fringe and transportation corridor parking facilities; permits, beginning with funds authorized for fiscal year 1975, the Secretary to approve as a project on the urban system the purchase of buses, and beginning with funds atuhorized for fiscal year 1976 for the urban system, to approve projects for the construction, reconstruction, and improvement of fixed rail facilities including the purchase of rolling stock for fixed rail; provides that not more than $200 million of urban system funds for fiscal year 1975 shall be expended for the Federal share for the purchase of buses;

Increases the Federal share payable on account of any non-Interstate project from 50 to 70 percent with respect to all obligations incurred after June 30, 1973;

Provides that urban system funds apportioned to a State that are attributable to urbanized areas of 200,000 population or more shall be made available for expenditure in the State in accordance with a formula developed by the State and approved by the Secretary, and in the event a formula has not been developed and approved for a State, to be allocated among such urbanized areas within the State in the ratio the population of such urbanized area bears to the population of all such urbanized areas or parts thereof within that State;

Authorizes the Secretary to promulgate noise level standards for the control of highway noise levels for Federal-aid projects approved prior to July 1, 1972; provides that buses must meet Environmental Protection Agency standards under the Clean Air Act and the Noise Control Act of 1972, and, wherever practicable, the equipment must meet special criteria for low-emission products; requires that the planning and design of mass transportation facilities must be such as to meet special needs of the elderly and handicapped;

Authorizes under title II, entitled the Highway Safety Act of 1973, $100 million for fiscal year 1974, $125 million for 1975, and $150 million for 1976, from the Highway Trust Fund, for highway safety programs to be carried out by the National Highway Traffic Safety Administration, $42.5 million for fiscal year 1974, $55 million for 1975, and $65 million for 1976, for highway safety research and development to be carried out by the Administration, and $25 million for 1974, $30 million for 1975, and $35 million for 1976 for highway safety programs to be carried out by the Federal Highway Administration;

Authorizes programs for the elimination of hazards at rail highway crossings, the elimination or reduction of high hazard locations on highways and the elimination of roadside obstacles; provides for various studies concerned with safety; requires curb ramps for the handicapped for curbs constructed or replaced at all pedestrian crosswalks after July 1, 1976;

Increases, in title III, the Federal share of capital grants under the Urban Mass Transportation Act of 1964, as amended, to 80 percent, and increases from $3.1 billion to $6.1 billion contract authority under the Act;

And contains other provisions. S. 502. Public Law 93-87, approved August 13, 1973. (40,351)

Federal-Aid Highway Act amendment

Amends Section 164(a) of the Federal-Aid Highway Act of 1973 to authorize the Secretary of Transportation to make agreements with certain applicants for Federal assistance under that act and the Urban Mass Transportation Act, to assure that the financial assistance will not enable public bodies and operators to foreclose private operators from the inter-city charter bus industry. H.R. 10511. (VV) (Pocket vetoed during adjournment.)

Federal Railroad Safety Act authorization, 1973

Authorizes appropriations of $19,440,000 for implementation of the railroad safety functions and $1,200,000 for implementation of the hazardous materials control functions of the act for fiscal year 1974. S. 2120. Public Law 93-90, appdoved August 14, 1973. (VV)

Highway Safety Act

Authorizes $455 million for fiscal year 1974 and $475 million for fiscal year 1975 for highway safety programs, including $100 million for each of fiscal years 1974 and 1975 for the bridge replacement program, establishes a Federal-aid safer roads system, and authorizes $200 million of the total amounts authorized for each of fiscal years 1974 and 1975, to be available on a 90 percent Federal, 10 percent State matching basis, for the correction of highway hazards on that system; requires States to identify, by June 30, 1974, projects on the Federal-aid safer roads system which have to be corrected and assign priority to the correction of hazards falling within the following three major categories: (1) projects to improve highway marking and signing, (2) elimination of roadside obstacles, and (3) elimination of hazards at railroad-highway grade crossings; includes bicycle safety in the areas to be covered by highway safety standards and adds bicycle safety to required driver education programs; authorizes the use of appropriated funds for State highway safety programs for use in developing and implementing manpower training and demonstration programs; increases the minimum apportionment to any State for highway safety programs from one-third of one percent to one-half of one percent; authorizes the Secretary to carry out research on the relationship between the consumption of drugs and highway safety and to promulgate a highway safety program standard on drug use and highway safety; and contains other provisions. S. 893. P/S April 12, 1973. (VV) (Similar provisions are contained in the Federal-Aid Highway Act which became Public Law 93-97.)

Interim apportionment of interstate and other highway funds

Directs the Secretary of Transportation to apoprtion, as provided in the act, $1 billion of the sums authorized to be apportioned for fiscal year 1974 for immediate expediture for the National System of Interstate and Defense highways, and authorizes the appropriation of $500 million from the Highway Trust Fund for fiscal year 1974 funding of the Federal-aid primary and secondary systems and their urban extensions, such funds to be available as follows: 45 percent for projects on the primary system; 30 percent for projects on the secondary system and 25 percent for projects on extensions of the primary and secondary systems in urban areas. S. 1808. Public Law 93-61, approved July 6, 1973. (VV)

Interstate apportionment

Directs the Secretary of Transportation to apportion out of the Highway Trust Fund, $1 billion of the funds authorized for fiscal year 1974 for expenditure on the Interstate and Defense Highway systems. S. Con Res. 6. Senate adopted March 6, 1973. (VV)

Maritime authorization, 1974

Authorizes $531,315,000 for fiscal year 1974 for programs of the Maritime Administration within the Department of Commerce, and amends title XI of the Merchant Marine Act, 1936, as amended, to increase the loan guarantee authority of the Maritime Administration from $3 billion to $5 billion. H.R. 7670. Public Laws 93-70, approved July 10, 1973. (VV)

Ocean transportation in noncontiguous States and territories

Amends section 607(k)(8) of the Merchant Marine Act, 1936, as amended, to expressly include within the definition of "noncontiguous trade" trade between two or more points within Alaska, Hawaii, Puerto Rico, or any other territory or possession of the United States for the purpose of insuring that vessels trading between points within such States and insular territories and possessions are eligible for assistance from capital construction funds (tax deferred reserve funds) generated by the deposits made by eligible vessel operators under agreements with the Secretary of Commerce, and to make it clear that a vessel which has been built with such funds is legally permitted to between such points. S. 902. Public Law 93-116, approved October 1, 1973. (VV)

Rail freight car shortage

In view of the current railroad transportation crisis caused by a freight car shortage and other factors, declares it to be the sense of the Senate that (1) the Commodity Credit Corporation should make available to farmers the option to reseal loans on farm-stored wheat and feed grains with respect to the 1971 and 1972 crops; and (2) the President is urged and requested to appoint a special committee to conduct a study of the railroad freight car shortage problem and to submit to the President and the Senate Committees on Agriculture and Forestry and Commerce, within thirty days after its appointment, a report along with its recommendations for the most effective and practical means of (A) delivering adequate quantities of wheat to millers and feed grains to farmers and stockmen in the United States dependent upon such grain for feeding their livestock, and (B) alleviating the backup at those ports where numerous ships and railroad cars are waiting to be loaded and unloaded. S. Res. 59. Senate adopted February 19, 1973. (15)

Rail Transportation Act

Authorizes and directs the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States; provides, in order to salvage the rail services operated by seven insolvent class I railroads in the Midwest and Northeast region, which are threatened with cessation, for their replacement with a new and viable rail services system; establishes a non-profit United States Railway Association to plan and finance the acquisition, rehabilitation, and modernization of the new system and establishes a private Consolidated Rail Corporation to operate the system. H.R. 9142. Public Law 93-236, approved January 2, 1974. (554, 588)

Railroad Retirement Act and Interstate Commerce Act amendments

Increases the tax which railroads are required to pay under the Railroad Retirement Act; provides for retirement eligibility for men at age 60 with 30 years of service; provides for an extension to December 31, 1974, of the temporary railroad retirement benefit increases presently scheduled to expire July 1, 1973; provides for a pass-through of social security benefit increases which might be enacted between July 1, 1973, and December 31, 1974; provides for the establishment of a labor management committee to recommend a restructuring of the railroad retirement system to insure its actuarial soundness with a final report and recommendations to be submitted to the Congress by April 1, 1974; declares the intent of Congress to enact legislation in 1974, effective not later than January 1, 1975, which will assure the long-term actuarial soundness of the railroad retirement system; amends the Interstate Commerce Act to provide that the Interstate Commerce Commission shall, by informal rule-making under the Administrative Procedure Act, establish the requirements for petitions for adjustments of rates of common carriers occasioned by the tax increases prescribed in this act or by other law on or before January 1, 1975, and provides for expedited freight-rate making procedures applicable to interstate and intrastate rates; and contains other provisions. H.R. 7200. Public Law 93-69, approved July 10, 1973. (VV)

Reduced rate transportation

Amends the Federal Aviation Act and the Interstate Commerce Act to authorize air carriers and surface carriers to offer reduced rate transportation to the handicapped on a positive-space basis and to persons 65 years of age and older and persons 21 years of age and younger on a space-available basis. S. 2651. P/S November 5, 1973. (VV)

Amends the Federal Aviation Act of 1958 to expand the authority of air carriers to offer free or reduced rate transportation to widows, widowers and minor children of employees killed in the line of duty to include survivors of those who have died after having been employed for 20 years or more by such air carriers. S. 1432. P/S November 5, 1973. (VV)

Rolling Stock Utilization and Financing Act

Establishes an Obligation Guarantee Board in the Department of Transportation as an independent agency, and an Obligation Guarantee Fund to insure obligations incurred for the acquisition of rolling stock and equipment or facilities; provides for Federal efforts to improve utilization of freight cars and other rolling stock by means of a national rolling stock information system, development and quarterly publishing of an index measuring freight-car utilization, a study by the Secretary on the utilization of freight cars and means to improve such utilization, and action under existing authority to improve utilization; provides, in the event of failure to solve the shortage problem, for potential direct government action to attempt to do so; provides for a railroad equipment corporation to acquire rolling stock and to manage rolling stock as a pool; and contains other provisions. S. 1149. P/S July 23, 1973. (306)

Ship construction

Amends section 502(a) of the Merchant Marine Act, 1936, as amended, to extend from June 30, 1973, to June 30, 1976, the authority of the Secretary of Commerce to award subsidies for the construction of vessels on which the price has been established by negotiation between the prospective ship owner and the shipyard. H.R. 6187. Public Law 93–71, approved July 10, 1973. (VV)

TV blackout—professional sports

Provides that if any game of professional sports club is to be televised pursuant to a league television contract and all tickets for seats made available 120 hours (5 days) or more before the scheduled beginning time of the game have been purchased 72 hours (3 days) or more before such time, no agreement preventing the televising of such game at the same time and in the same area in which the game is being played would be valid; requires the Federal Communications Commission to conduct a continuing study of the effect of this act and to report, not later than April 15 of each year, the results of its study to the Committees of Commerce and Interstate and Foreign Commerce of the Senate and House respectively. S. 1841. Public Law 93–107, approved September 14, 1973. (369)

Water carrier barge rule legislation

Removes outmoded restrictions upon the application and scope of the qualified exemption from regulaton contained in section 303(b) of the Interstate Commerce Act which stands as a bar to the realization of greater efficiency of operations in the transportation of commodities by barge on inland waterways. S. 2267. Public Law 93——, approved 1973. (VV)

West Coast Corridor Feasibility Study Act

Directs the Secretary of Transportation to make an investigation and study for the purpose of determining the social advisability, technical feasibility, and economic practicability of a high-speed ground transportation system between Tijuana, Mexico, and Vancouver, Canada, including the various means of providing such transportation, the cost, usage, environmental impact, and energy utilization and impact on energy resources; directs the Secretary to report the results of his study and investigation together with his recommendations to the Congress and the President no later than January 30, 1976, and submit an interim report to Congress on January 30, 1975; authorizes therefor an appropriation of not to exceed $8 million to carry out the provisions of this act; and contains other provisions. S. 1328. P/S July 11, 1973. (VV)

VETERANS

Drug and Alcohol Treatment and Rehabilitation Act

Provides for a fully-funded, comprehensive drug and alcohol treatment and rehabilitation program for addicted veterans regardless of service connection or the nature of their discharge; establishes a special medical treatment and rehabilitative services program for any veteran with a drug dependence or drug abuse disability, stressing highly individualized community-based, multimodality, in-house and contract services, including a wide range of vocational and educational counseling and rehabilitative services and job placement assistance; requires the Administrator to carry out a program of vocational rehabilitation for those Vietnam era veterans with addiction disabilities; broadens the eligibility for basic V.A. hospital care and medical services for service-connected disabilities; and contains other provisions. S. 284. P/S March 6, 1973. (31)

GI bill benefits during the energy crisis

Amends Chapter 36 of title 38, United States Code, to authorize the Administrator to continue to pay educational benefits to eligible veterans, wives, widows, and children during periods when educational institutions are temporarily closed pursuant to an established policy proclaimed by the President, such as closings to conserve energy, or are closed due to emergency conditions. S. 2794. Public Law 93- —, approved ——— 1973. (VV)

Health Care Expansion Act

Improves the ability of the Veterans' Administration (VA) to deliver quality medical care to its beneficiaries by widening the scope of treatment (particularly for ambulatory and nursing care); expands coverage to certain dependents of beneficiaries or former beneficiaries; provides for a voluntary, comprehensive sickle cell anemia screening and counseling program; expands the primary function of the Veterans Administration Department of Medicine and Surgery to include assisting in providing an adequate supply of health care manpower; provides for a contract to be made with the National Academy of Sciences for a study of staffing with a view to improving the staff-to-patient ratio in V.A. medical facilities; ensures that V.A. facilities are structurally safe; and contains other provisions. *Note:* (H.R. 10880 [92d–2d], a similar measure, was pocket vetoed by President Nixon on October 27, 1972.) S. 59. Public Law 93–82, approved August 3, 1973. (29)

National Cemeteries Act

Establishes within the Veterans' Administration (V.A.) a National Cemetery System consisting of those cemeteries presently under the jurisdiction of the V.A. and those to be transferred by September 1, 1973, to the V.A. from the Department of Army with the exception of certain specified cemeteries, including Arlington National Cemetery and those located at the service academies; directs the V.A. to conduct a comprehensive study and submit its recommendations on or before January 3, 1974, as to what our National Cemetery System and national burial policy should be; authorizes the Administrator of Veterans' Affairs to permit the flying of the American flag at cemeteries in the national cemetery system 24 hours a day; authorizes a special burial plot allowance of $150 (in addition to the present V.A. allowance for burial and funeral expenses of $250) in any case where a veteran is not buried in a national or other Federal cemetery; authorizes the burial of an unknown soldier from the Vietnam Conflict at Arlington National Cemetery; and contains other provisions. *NOTE:* (H.R. 12674 [92d–2d], a similar measure, was pocket vetoed by President Nixon on October 27, 1972.) S. 49. Public Law 93–43, approved June 18, 1973. (30)

Veterans' Administration flexible GI interest rate authority

Restores the authority of the Administrator of the Veterans' Administration to set flexible interest rates on loans to veterans, which expired June 30, 1973; authorizes the Administrator to consult with the Secretary of Housing and Urban Development in order to set flexible interest rates on guaranteed, insured, and direct loans in excess of 6 percent as he determines the current loan market demands; and establishes that, to the maximum extent practicable, the Administrator shall carry out a coordinated policy on interest rates and loans insured by the Federal Housing Administration and the Veterans' Administration. H.R. 8949. Public Law 93–75, approved July 26, 1973. (VV)

Veterans' benefits

Amends title 38 U.S.C., to increase the monthly rates of disability and death pensions and dependency and indemnity compensation and to increase income limitations relating thereto, and contains other provisions. H.R. 9474. Public Law 93–177, approved December 6, 1973 (VV)

NOTIFICATION TO THE PRESIDENT

Mr. MANSFIELD. Mr. President, I send a resolution to the desk and ask unanimous consent for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The second assistant legislative clerk read the resolution (S. Res. 223) as follows:

> *Resolved*, That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed their business of the session and are ready to adjourn unless he has some further communication to make to them.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

The ACTING PRESIDENT pro tempore. Pursuant to the resolution just agreed to, the Chair appoints the Senator from Montana (Mr. MANSFIELD), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from West Virginia (Mr. ROBERT C. BYRD), and the Senator from Michigan (Mr. GRIFFIN) as the members of the committee on the part of the Senate to notify the President.

THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, I send a resolution to the desk and ask unanimous consent for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be read.

The second assistant legislative clerk read the resolution (S. Res. 224) as follows:

> *Resolved*, That the thanks of the Senate are hereby tendered to the Honorable GERALD R. FORD, Vice President of the United States and President of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninety-third Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. HUGH SCOTT. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The second assistant legislative clerk read the resolution (S. Res. 225) as follows:

Resolved, That the thanks of the Senate are hereby tendered to the Honorable JAMES O. EASTLAND, President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninety-third Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THANKS OF THE SENATE TO THE ACTING PRESIDENT PRO TEMPORE

Mr. ROBERT C. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The second assistant legislative clerk read the resolution (S. Res. 226) as follows:

Resolved, That the thanks of the Senate are hereby tendered to the Honorable LEE METCALF, Acting President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over the deliberations during the first session of the Ninety-third Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

AUTHORITY FOR THE PRESIDENT OF THE SENATE TO MAKE APPOINTMENTS TO COMMISSIONS AND COMMITTEES

Mr. GRIFFIN. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The second assistant legislative clerk read the resolution (S. Res. 227) as follows:

Resolved, That notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action or the two Houses, or by order of the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

AUTHORITY FOR THE PRESIDENT OF THE SENATE, THE PRESIDENT PRO TEMPORE, OR THE ACTING PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS AFTER SINE DIE ADJOURNMENT

Mr. MANSFIELD. Mr. President, I send to the desk another resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The second assistant legislative clerk read the resolution (S. Res. 228) as follows:

Resolved, That, notwithstanding the sine die adjournment of the two Houses, the President of the Senate, the President's pro tempore, or the Acting President pro tempore be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed and found truly enrolled.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

AUTHORIZATION FOR SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE HOUSE DURING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the House of Representatives during the adjournment of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR INSERTIONS IN THE RECORD FOLLOWING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senators may be permitted to make Extensions of Remarks insertions in the RECORD following the adjournment of Congress until the last edition authorized by the Joint Committee on Printing is published; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress. I wish to advise that the time for filing information to be included in the RECORD will be up to January 14, 1974.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. MANSFIELD. Furthermore, Mr. President, with reference to the printing of committee activity reports for the first session, I state, on behalf of the chairman of the Joint Committee on Printing, that the Joint Committee has very properly ruled that the printing of such reports, both as committee prints and in the RECORD, is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD, since the Government Printing Office will be directed not to print them both ways.

EXPRESSION OF APPRECIATION BY THE MAJORITY LEADER

Mr. MANSFIELD. Mr. President, before the joint leadership departs to place a call to the President of the United States, I wish to express to all of the leaders, the distinguished Senator from Michigan, the distinguished Republican leader, with whom I have worked so long and whom I have known so long—we both served in the House together—to the distinguished assistant majority leader, who has been a workhorse and has put in of his time and talent more than anyone will ever understand, a man who makes a tremendous contribution to this side of the aisle and the Senate as a whole—to all of them and to all 99 Senators—my deepest thanks for what they have done in the way of making this job a little easier and the functioning of the Senate a little more careful.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT FROM COMMITTEE TO NOTIFY THE PRESIDENT

Mr. MANSFIELD. Mr. President, from the committee appointed by the Senate to notify the President of the United States that the Congress has concluded its business and is ready to adjourn unless he has further communications to give to it, on behalf of the distinguished Republican leader, the Senator from Pennsylvania (Mr. HUGH SCOTT), the distinguished assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD), and the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN), I wish to report that the committee has performed its duty and that the President has informed us that he has no further communications to give to the Congress at this session and is looking forward to seeing us on January 21.

Mr. HUGH SCOTT. Mr. President, I do not think I can add anything except to say that we expressed our regrets that we were unable to finish in time to call the President the half time intermission, and we still have hopes that the outcome of the game will be favorable to those still present in the Government in Washington.

Other than that, I have nothing to say except to again express my thanks to all of our colleagues and to the leadership on both sides.

Mr. ROBERT C. BYRD. Mr. President, I wish to express my gratitude to the distinguished majority leader for his consideration, his kind understanding, and his leadership that have been an inspiration to me throughout this session.

I also was appreciative of the opportunity to have been among those who talked with the President and to wish him a happy holiday and to assure him that Congress, as far as the Senate leadership is concerned, stands ready to continue to cooperate with him in transacting the business of the Senate and the business of the people.

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I shall not prolong this moment. However, I do want to join with the distinguished majority whip in expressing the appreciation that I have for the graciousness and the cooperation and the wonderful attitude always of the distinguished majority leader and the distinguished minority leader, both of whom I have an opportunity to work with on a day-to-day basis.

It says a great deal for both of them that they share the leadership responsibilities with us and give us opportunities to participate just as they did a few moments ago to participate in the call to the President of the United States at this particular time.

I am very glad that the distinguished Senator from Louisiana (Mr. Long) said what he did about the majority leader: That there was this opportunity before we adjourned to pay our respects particularly to him, and that the minority leader expressed what we all feel on this side of the aisle; namely, that our job is made a great deal easier by the kindness, generosity, and understanding of the distinguished majority leader.

Everything has been said, I wish to underline, to emphasize, and to say that I agree with it wholeheartedly.

Mr. MANSFIELD. Mr. President, that sounds like backslapping on the part of a Senate quartet; but that is all right.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a convention on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE P. 93D CONGRESS, 1ST SESSION, THE CUSTOMS CONVENTION ON THE INTERNATIONAL TRANSIT OF GOODS

Mr. MANSFIELD. Mr. President, as announced 2 days ago, there will be a rollcall vote on Executive P, 93d first session, the Customs Convention on the International Transit of Goods. The vote will occur at 3 p.m. on Monday, January 21, 1974.

So that Senators may have background information on the convention, I ask unanimous consent to have printed in the Record the letter of the President transmitting the convention to the Senate and the letter of submittal from Acting Secretary of State Kenneth Rush to the President.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Letter of Transmittal

The White House,
July 23, 1973.

To the Senate of the United States:

I am transmitting herewith, for the advice and consent of the Senate to ratification, the Customs Convention on the International Transit of Goods (ITI Convention) opened for signature at Vienna June 7, 1971.

For the information of the Senate, I am also transmitting the report of the Department of State with respect to the Convention.

The Convention is designed to meet the present need to facilitate international transport while, at the same time, providing the customs control arrangements necessary for such transport. The Convention provides for new, uniform control and documentation procedures which carriers of Governments party to the Convention would be able to use at their option.

The Convention would help open the way for United States exporters and carriers to benefit in Western Europe and other markets of the world from the simplified and uniform procedures for which it provides.

I recommend that the Convention be given early and favorable consideration by the Senate.

Richard Nixon.

Letter of Submittal

Department of State,
Washington, D.C., July 5, 1973.

The President,
The White House.

I have the honor to submit to you the Customs Convention on the International Transit of Goods (ITI Convention) opened for signature at Vienna on June 7, 1971 and signed by the United States on June 5, 1972. I recommend that you transmit the Convention to the Senate for advice and consent to ratification.

The Convention is designed to meet the present need to facilitate international transport, particularly by international containers, while, at the same time, providing the mechanics of customs control necessary for such transport. This control is maintained by a guarantee system that covers a carrier for a stated period of time instead of the journey-by-journey guarantee heretofore required in international customs procedures under the carnet system. It will provide greater flexibility for carriers in transporting goods and should result in lower costs.

The documentation system provided by the Convention is based on the use of a declaration accompanying the shipment for the entire journey. The format of the declaration is patterned on the layout key developed by the United Nations Economic Commission for Europe. The declaration can be used by itself, or its manifest portion can be replaced by an acceptable commercial document, thus adding to the flexibility afforded the carriers.

The Convention also provides other advantages such as the mutual acceptance of customs seals and procedures where participating countries are members of customs or economic unions.

United States carriers would not be obligated to use the ITI system in place of any other international procedures for a particular shipment. They would be free to choose whichever system seemed most advantageous under the circumstances.

This Convention will enter into force three months after five of the States members of the Customs Cooperation Council, the United Nations or its specialized agencies have signed without reservation of ratification or have deposited their ratifications or accessions.

Bringing the Convention into force at an early date would help open the way for United States exporters and carriers to benefit in Western Europe and other markets of the world from the simplified and uniform procedures provided therein. It is hoped that the Convention will be given early and favorable consideration by the Senate.

Respectfully submitted.

Kenneth Rush,
Acting Secretary of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report of the Committee on Foreign Relations which recommends that the Senate give its advice and consent to ratification of the convention.

There being no objection, the excerpt from the report (No. 93–27) was ordered to be printed in the Record, as follows:

The Committee on Foreign Relations, to which was referred the Customs Convention on the International Transit of Goods (ITI Convention) opened for signature at Vienna June 7, 1971, having considered the same, reports favorably thereon without reservation and recommends that the Senate give its advice and consent to ratification thereof.

PURPOSE

According to the State Department, the Customs Convention on International Transit of Goods (ITI Convention) is designed to meet the present need to facilitate international transport, particularly by international containers, and provide the mechanics of customs control necessary for such transport. This control is maintained by a guarantee system that covers a carrier for a stated period of time instead of the journey-by-journey guarantee heretofore required in international customs procedures under the carnet system. It will provide greater flexibility for carriers in transporting goods and should result in lower costs.

MAJOR PROVISIONS

The ITI Customs Convention will facilitate international transport of bonded trailers, railway cars, vessels and large containers by providing simplified customs control mechanisms and uniform documentation procedures for such transport. Carriers may opt to use ITI procedures or another system if more advantageous.

The documentation system uses a standardized declaration form in English or French which accompanies the shipment for its entire trip. The declaration alone can be used or its manifest portion can be replaced by an acceptable commercial document.

The Convention also contains provisions dealing with—

Setting up ITI regional areas where customs or economic unions exist;

Mutually accepting administrative procedures, customs seals, etc.;

Relaying customs information, regulations etc., between signatories;

Accommodations between ITI signatories and non-signatories;

Taking care of irregularities caused by a breach of regulations or accidents in transit;

Allowances for future amendments, revisions and the settling of differences; and

Limitations on customs administraitve charges (as opposed to duties and taxes).

DATE OF ENTRY INTO FORCE

The ITI Convention will enter into force three months after five of the States members of the Customs Cooperation Council, the United Nations or its specialized agencies have signed without reservation or ratification or have deposited their ratifications or accessions. As of this date, Algeria is the only country which has ratified the Convention.

COMMITTEE ACTION

The Customs Convention on the International Transit of Goods was transmitted to the Senate on July 23, 1973. A public hearing was held on the convention on November 29, 1973, at which time Mr. Glenn R. Dickerson of the U.S. Customs Service testified on behalf of the Administration. Mr. Dickerson's statement is reprinted below.

During an executive session on December 14, 1973, the Committee on Foreign Relations, by a voice vote, ordered the convention favorably reported with the recommendation that the Senate give its advice and consent to ratification.

Mr. President, I ask unanimous consent that Executive P, 93d Congress, first session, the Customs Convention on the

International Transit of Goods, be laid before the Senate and carried to its final reading before the vote.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the Convention (Executive P, 93d Congress, First Session), the Customs Convention of the International Transit of Goods, which was read for the second time, as follows:

CUSTOMS CONVENTION ON THE INTERNATIONAL TRANSIT OF GOODS

(ITI Convention)

Preamble

The CONTRACTING PARTIES to this Convention, established under the auspices of the Customs Co-operation Council,

Desiring to facilitate the international transport of goods,

Recognising the growing importance of through international transport operations,

Convinced that the facilitation of such transport operations would be of considerable benefit to international trade.

Have agreed as follows:

CHAPTER I

DEFINITIONS

ARTICLE 1

For the purposes of this Convention:

(a) The term "transport-units" means:

(i) Containers having an internal volume of one cubic metre or more.

(ii) Road vehicles, including trailers and semi-trailers,

(iii) Railway wagons, and

(iv) Lighters, barges and other vessels suitable for use on inland waterways,

which are used for the transport of goods, are identifiable and are constructed, equipped and approved in accordance with paragraph 1 of Article 5 of this Convention;

(b) The term "exceptional load" means one or more heavy or bulky objects which because of their weight, size or nature are not normally carried in a closed transport-unit, provided that they can be readily identified;

(c) The term "import duties and taxes" means Customs duties and all other duties, taxes, fees or other charges which are collected on or in connection with the importation of goods, but not including fees and charges which are limited in amount to the approximate cost of services rendered;

(d) The term "ITI operation" means the transport of goods from an office of departure to an office of destination under the procedure (ITI procedure) laid down in this Convention;

(e) The term "office of loading" means any Customs office of a Contracting Party under whose authority transport-units are placed under Customs seal in order to facilitate commencement of an ITI operation at an office of departure;

(f) The term "office of departure" means any Customs office of a Contract Party at which an ITI operation commences;

(g) The term "office *en route*" means any Customs office of a Contracting Party where a transport-unit is imported or exported in the course of an ITI operation;

(h) The term "office of destination" means any Customs office of a Contracting Party at which an ITI operation is terminated;

(ij) The term "Goods manifest" means the document which is used to describe goods carried in transport-units, or exceptional loads, and which contains the following:

(i) Marks, numbers, number and kind of packages or items;

(ii) Description of goods;

(iii) Gross weight of each consignment;

(iv) Identification of the transport-unit(s);

(v) Name and address of the person responsible for the accuracy of the manifest;

(vi) Details of any appended documents;

(vii) Reference number;

(viii) Space for recording the office of loading, particulars of the Customs seals and the date on which they were affixed;

(k) The term "ITI declaration form" means a form conforming to the model reproduced at Annex 1 to this Convention;

(l) The term "ITI declaration" means the ITI declaration form duly completed, together with the Goods manifest or manifests to which it refers;

(m) The term "ITI area" means the territories of Contracting Parties having concluded an agreement for the purposes specified in Article 26 of this Convention;

(n) The term "guaranteeing association" means an association approved by the Customs authorities of a Contracting Party to act as surety for persons using the ITI procedure;

(o) The term "guaranteeing chain" means the international organisation to which guaranteeing associations are affiliated;

(p) The term "guarantee card" means a card conforming to the model reproduced at Annex 3 to this Convention, issued by a guaranteeing association as evidence that the holder is covered by a guarantee;

(q) The term "declarant" means the person who signs an ITI declaration or on whose behalf it is signed;

(r) The term "person" means both natural and legal persons, unless the context otherwise requires;

(s) The term "ratification" means ratification, acceptance or approval;

(t) The term "the Council" means the Organisation set up by the Convention establishing a Customs Co-operation Council, done at Brussels on 15th December, 1950.

CHAPTER II

Scope

ARTICLE 2

1. This Convention is applicable to the transport of—

(a) Goods in transport-units,

(b) Exceptional loads.

in the territories of two or more Contracting Parties provided that transport from the office of loading (or, in the case of an exceptional load, from the office of departure) to the office of destination crosses at least one frontier.

2. The provisions of paragraph 1 of this Article shall apply notwithstanding that the transport operation includes an international journey by sea or air, or a journey across the territory of a State which is not a Contracting Party to this Convention.

3. References in this Convention to transport-units shall be taken to include exceptional loads, unless it is expressly stated to the contrary or specific provision is made in respect of exceptional loads.

ARTICLE 3

For the ITI procedure to become operative:

(a) except in the case of exceptional loads, transport must be performed by means of transport-units which fulfill the conditions specified in Article 5 of this Convention;

(b) the loaded transport-unit with the ITI declaration must be presented to the Customs authorities at the office of departure;

(c) when a Contracting Party requires a guarantee, the declarant must be the holder of a valid guarantee card or, if permitted by the Contracting Party concerned, be covered by some other form of guarantee.

ARTICLE 4

1. Provided that the conditions laid down in this Convention are fulfilled then, for the purposes of this Convention, the goods:

(a) Shall not be subjected to the payment or deposit of import duties and taxes at the office of departure or at offices *en route;*

(b) Shall not, as a general rule, be subjected to Customs examination at offices *en route;*

(c) Shall not, as a general rule, be subjected by the Contracting Parties to any Customs transit formalities additional to those laid down in this Convention. However, nothing in this Convention shall prevent the application of regulations relating to other matters, for example, those concerning public morality or security, public hygiene or health, or based on veterinary or phytopathological considerations.

2. The provisions of paragraph 1(b) of this Article shall not apply to exceptional loads.

CHAPTER III

Technical conditions applicable to transport-units

ARTICLE 5

1. Transport-units used for the transportation of goods under this Convention must be constructed and equipped in such a manner that:

(a) Customs seals can be simply and effectively affixed to them;

(b) no goods can be removed from, or introduced into, the sealed part of the transport-unit without leaving visible traces of tampering or without breaking the Customs seal;

(c) they contain no concealed spaces where goods may be hidden;

(d) all spaces capable of holding goods are readily accessible for Customs inspection.

and must be approved for the transport of goods under Customs seal.

2. Transport-units approved for the transport of goods under Customs seal for the purposes of the international instruments referred to below shall not be required to be separately approved for the purposes of this Convention:

(a) containers which have been approved under the Customs Convention on Containers, done at Geneva on 18th May 1956;

(b) road vehicles and containers which have been approved under the Customs Convention on the International Transport of Goods under cover of TIR carnets, done at Geneva on 15th January 1959;

(c) railway wagons owned or registered by a railway administration which is a member of the International Union of Railways (UIC) and which have been approved by that administration under the terms of the *Unité Technique des Chemins de fer* concluded at Berne in May 1886, 1960 edition;

(d) transport-units approved under any international instruments that may supersede those specified in sub-paragraphs (a) to (c) above.

3. The provisions of paragraph 2 of this Article may be extended to transport-units approved under other international instruments, in respect of transport operations which are performed wholly within the territories of the Contracting Parties to such instruments.

4. Any State which is not a Contracting Party to any of the international instruments referred to in paragraph 2 of this Article may declare at the time of signing, ratifying or acceding to this Convention, or notify the Secretary General of the Council after becoming a Contracting Party to this Convention, that it does not accept the transport-units referred to in paragraph 2 as apt for the transport of goods under this Convention without separate approval. Such notification shall take effect three months after the date of its receipt by the Secreary General. Any Contracting Party having entered such a reservation may at any time withdraw it by notifying the Secretary General.

5. The Contracting Parties meeting in accordance with Article 55 of this Convention shall, when necessary, make Recommendations specifying the conditions and procedure for the approval of transport-units which:

(a) have not been approved under the instruments referred to in paragraph 2 of this Article; or

(*b*) require approval for use outside the territories of the Contracting Parties to the instruments referred to in paragraph 3 of this Article; or

(*c*) require separate approval because of a reservation entered under paragraph 4 of this Article.

As regards containers and road vehicles, such conditions shall meet the standards laid down in the instruments referred to in paragraph 2 of this Article.

CHAPTER IV

Customs seals and fastenings

ARTICLE 6

1. Customs seals and fastenings used in the application of this Convention shall fulfil the minimum requirements laid down in Annex 2 to this Convention.

2. Whenever possible, Contracting Parties shall accept Customs seals and fastenings meeting the minimum requirements laid down in Annex 2 to this Convention affixed by Customs authorities of other Contracting Parties and shall refrain from adding their own seals and fastenings.

3. When Customs seals and fastenings affixed in the territory of a Contracting Party are accepted by another Contracting Party, they shall be afforded the same legal protection in the territory of the latter as national seals and fastenings.

4. The Customs authorities of a Contracting Party may authorise persons to affix Customs seals and fastenings, on condition that those Customs authorities take adequate steps to prevent abuse and accept the obligations arising out of this Convention as though they had affixed the seals and fastenings themselves. Customs seals and fastenings affixed under this paragraph shall be accepted by all Contracting Parties in the same way as Customs seals and fastenings affixed by the Customs authorities themselves.

ARTICLE 7

A Contracting Party shall, at the express request of another, send to it specimens or photographs of the Customs seals and fastenings it uses.

CHAPTER V

Guarantees and guaranteeing associations

ARTICLE 8

1. Subject to such conditions as it shall determine, each Contracting Party may approve associations to act as guaranteeing associations.

2. An association shall not be approved unless its guarantee covers the liabilities incurred in the country in which it is established in connection with ITI operations carried out by the holder of a guarantee card issued by:

(*a*) That association;

(*b*) Foreign members of the guaranteeing chain to which that association is affiliated;

(*c*) Members of other guaranteeing chains with which that association has reciprocal arrangements.

3. The instrument of approval may specify the maximum financial liability of a guaranteeing association in respect of any transport-unit load or exceptional load carried under the ITI procedure.

ARTICLE 9

1. Each guaranteeing association shall issue a guarantee card, or cards, to persons it has approved.

2. At each stage of an ITI operation where guarantee cover is provided by a guaranteeing association, a guarantee card shall be available for production to the Customs authorities. However, the production of a guarantee card shall not be required if the Customs authorities at a preceding office, at the request of the declarant, have certified on the ITI declaration that the details of the guarantee given on that declaration are correct. The presentation of such a certification shall have the same effect as the presentation of the guarantee card itself.

3. A guaranteeing association may withdraw approval from a person by withdrawal of the guarantee card or cards issued to that person.

ARTICLE 10

1. The guaranteeing association shall undertake to the Customs authorities of the country in which it is established to pay any import duties and taxes falling due in the case of non-compliance with the conditions prescribed in respect of goods transported in that country under the ITI procedure under cover of guarantee cards issued in accordance with paragraph 2 of Article 8 of this Convention. It shall be liable jointly and severally with the persons from whom the sums mentioned above are due, for payment of such sums.

2. No payment shall be required from the guaranteeing association in cases where it has been established to the satisfaction of the Customs authorities that the goods have been exported, re-exported or presented at the office of destination, without having been used during the ITI operation, and that:

(*a*) the person concerned has failed, through accident, force majeure, and inadvertent error or a slight fault, to comply with any time-limit for exportation, re-exportation or presentation at the office of destination or any prescribed itinerary;

(*b*) any discrepencies discovered between particulars given in the Goods manifest and the contents of the transport-unit are due to an inadvertent error in the loading or dispatch of the goods or in the drawing up of the Goods manifest.

3. The guaranteeing association shall not be liable for the payment of any pecuniary penalties incurred by persons using the ITI procedure.

4. Notwithstanding the provisions of paragraph 3 of this Article, when the laws and regulations of a Contracting Party do not provide for the payment of import duties and taxes in the case referred to in paragraph 1 of this Article the guaranteeing association shall undertake to the Customs authorities to pay an amount equal to the import duties and taxes.

5. The liability of the guaranteeing association shall cover not only the goods listed in the Goods manifest, but also goods which, though not listed therein, are carried in the sealed part of the transport-unit or with the exceptional load.

ARTICLE 11

1. The liability of the guaranteeing association to the Customs authorities in the country where the office of departure is situated in respect of goods transported under cover of a guarantee card issued in accordance with paragraph 2 of Article 8 of this Convention shall commence at the time when the relevant ITI declaration is accepted by the Customs authorities of that country.

2. The liability of the guaranteeing association to the Customs authorities of a country of transit or the country in which the office of destination is situated shall commence at the time when the transport-unit is imported into that country or, where the transport-unit is not imported under cover of a guarantee card issud in accordance with paragraph 2 of Article 8 of this Convention, from the time when the relevant III declaration, accompanied by a guarantee card, is accepted by the Customs authorities of that country.

3. In the cases referred to in paragraphs 1 and 2 above, the liability of the guaranteeing association shall not be affected if the period of validity of the guarantee card has expired or the card has been withdrawn before the goods concerned have been exported, re-exported or presented at the office of destination.

CHAPTER VI

Irregularities

ARTICLE 12

1. In the case of irregularity, any action to recover import duties and taxes falling due shall be taken by the Customs authorities of the Contracting Party in whose territory the irregularity occurred.

2. When it is not possible to establish the territory in which an irregularity occurred, it shall be deemed to have occurred in the territory of the Contracting Party where it is detected.

ARTICLE 13

In the case of irregularity, Contracting Parties are recommended to request payment from the person from whom any sums are due before making a claim against the guaranteeing association.

ARTICLE 14

In the case of fraud, abuse or any other breach of the provisions of this Convention, the Contracting Party in whose territory the offence was committed, or was deemed to have been committed under Article 12 of this Convention, shall, notwithstanding any other provision of this Convention, be free to take proceedings against the offender for the recovery of the import duties and taxes and other sums payable and also for the imposition of any penalties prescribed by the law of that Contracting Party.

CHAPTER VII

Claims upon guaranteeing associations in cases of irregularity

ARTICLE 15

1. When the Customs authorities of a country have certified on the ITI declaration that the part of the ITI operation taking place in their territory has been satisfactorily completed they may no longer claim from the guaranteeing association payment of the sums referred to in Article 10 of this Convention unless the certificate was obtained improperly or fraudulently or there was a breach of the provisions of this Convention.

2. The Customs authorities shall in no circumstances require from the guaranteeing association payment of the sums referred to in Article 10 of this Convention unless they have made a claim against that association within a period of eighteen months from the date on which the relevant ITI declaration was accepted by the Customs authorities of the Contracting Party involved. The claim shall be accompanied by details of the ITI operation concerned and of the nature and circumstances of the irregularity and shall, except as provided for in paragraph 3 of this Article, state the amount due.

3. In cases which become the subject of legal proceedings, the amount due shall be notified to the guaranteeing association within one year of the date when the decision of the Court becomes enforceable.

ARTICLE 16

1. When a claim is made under Article 15 of this Convention, the guaranteeing association shall have a period of six months from the date of the claim to prove to the satisfaction of the Customs authorities that no irregularity has taken place.

2. If such proof is not furnished within the time allowed the guaranteeing association shall forthwith deposit, or pay provisionally, the sums claimed under Article 15 of this Convention. This deposit or payment shall become final after a period of twelve months from the date of the deposit or payment. During the latter period the guaranteeing association may still furnish the proof referred to in paragraph 1 of this Article with a view to the recovery of the sums deposited or provisionally paid.

3. When the laws and regulations of a Contracting Party do not provide for the

deposit or provisional payment of the sums referred to in paragraph 2 of this Article, such sums shall be paid outright, but they shall be refunded if the proof referred to in paragraph 1 of this Article is furnished within twelve months of the date of payment.

ARTICLE 17

When as a result of a claim made in respect of an ITI operation payments need to be made between guaranteeing associations to refund sums paid under the provisions of this Convention, facilities shall be granted, where appropriate, by the Contracting Parties for the necessary transfer of currency.

CHAPTER VIII

Formalities to be accomplished at the offices of loading and departure

ARTICLE 18

1. Transport-units which are likely to enter the ITI procedure at a later stage shall, whenever possible, be sealed at a Customs office at the request of the person presenting the transport-unit and the Goods manifest to the Customs authorities.

2. The office where the seals were affixed (office of loading), details of the Customs seals affixed and the date on which they were affixed shall be recorded on the Goods manifest.

3. The Customs authorities at the office of loading shall, at their discretion, take whatever steps are appropriate within the context of national legislation and practice to satisfy themselves of the accuracy of Goods manifests completed in respect of transport-units presented to them, and of the security of such transport-nuiots. However, this provision shall not be taken as obliging the Customs authorities at that office to verify the accuracy of Goods manifests by checking them against other documents or by examination of the goods.

4. The provisions of this Article shall not apply to exceptional loads.

ARTICLE 19

1. At the office of departure loaded transport-unit with the ITI declaration relating to the goods shall be presented to the Customs authorities.

2. The Customs authorities at the office of departure shall satisfy themselves that:

(*a*) The ITI declaration is in order;

(*b*) The transport-unit is secure and that any Customs seals and fastenings previously affixed are intact;

(*c*) Where required, a guarantee is in force;

and shall endorse the ITI declaration.

3. If the Customs seals and fastenings are not intact, or if Customs seals and fastenings have not been affixed or have been removed by the Customs authorities at the office of departure, those atuhorities shall affix Customs seals and fastenings and record particulars thereof on the ITI declaration.

4. The Customs authorities at the office of departure shall, whenever possible and notwithstanding their general right to examine the goods, limit such examination to random checks.

5. The ITI declartaion shall be registered and returned to the person concerned who shall ensure that it is available for Customs control purposes at any stage of the ITI operation. The Cutsoms authorities at the office of departure shall retain a copy of the ITI declaration.

6. With regard to exceptional loads:

(*a*) The provisions of paragraphs 2(b), 3 and 4 of this Article shall not apply;

(*b*) Authority to use the ITI procedure shall be granted only if, in the opinion of the Customs authorities, the exceptional loads and any accessories thereto can be readily identified, for example, by reference to the manufacturers' marks or numbers or to the description given or by affixing identification marks or Customs seals, so that such loads and accessories cannot be replaced in whole or in part by others and that nothing can be removed from them, without it being evident;

(*c*) The Customs authorities may require packing lists, photographs, blueprints, etc. of the goods to be appended to the ITI declaration. In this case they shall authenticate these documents, and the ITI declaration shall incorporate a reference to such documents.

ARTICLE 20

The functions laid down in Articles 18 and 19 of this Convention may be performed by one Customs office acting both as an office of loading and as an office of departure.

CHAPTER IX

Formalities to be accomplished at offices en route

ARTICLE 21

1. At each office of entry *en route*, the loaded transport-unit, with Customs seals and fastenings intact, and the ITI declaration relating to the goods shall be presented to the Customs authorities.

2. The Customs authorities at each office of entry *en route* shall satisfy themselves that:

(*a*) The ITI declaration is in order;

(*b*) The transport-unit is secure and the Customs seals and fastenings intact, or, in the case of an exceptional load, that it complies with the conditions of paragraph 6(b) of Article 19 of this Convention;

(*c*) Where required, a guarantee is in force;

and endorse the ITI declaration.

3. The Customs authorities at each office of entry *en route* shall retain a copy of the ITI declaration containing the particulars required for the purposes of national control.

ARTICLE 22

1. At each office of exit *en route*, the loaded transport-unit, with Customs seals and fastenings intact, and the ITI declaration relating to the goods shall be presented to the Customs authorities. Those authorities shall satisfy themselves that the transport-unit has not been interfered with and that any Customs seals and fastenings or identification marks are intact, and shall endorse the ITI declaration.

2. The Customs authorities at each office of exit *en route* may retain a copy of the ITI declaration.

ARTICLE 23

When the Customs authorities remove a Customs seal in order to examine a loaded transport-unit at an office *en route* or in the course of the journey, they shall record on the ITI declaration accompanying the transport-unit particulars of the new Customs seal affixed.

ARTICLE 24

1. If Customs seals and fastenings are broken or good are destroyed or damaged accidentally during an ITI opeartion the person performing the transport shall report the facts to the nearest Customs office without delay. The Customs authorities at this office shall draw up a report, if possible using an accident report form conforming to the model reproduced at Annex 4 to this Convention, and shall take any necessary measures to permit continuation of the ITI operation. A copy of the report shall be attached to the ITI declaration.

2. If it is not possible to approach a Customs authority immediately, other competent authorities shall be approached. The authority called in shall draw up a report, if possible using an accident report form conforming to the model reproduced at Annex 4 to this Convention and attach it to the ITI declaration. This report shall be produced together with the transport-unit and the ITI declaration to the next Customs office. The Customs authorities at that office shall take any necessary measures to permit continuation of the ITI operation.

3. In the event of imminent danger necessitating immediate unloading of the whole or part of the load, the person performing the transport may take appropriate action on his own initiative. Subsequently, the procedure laid down in paragraph 1 or 2 of this Article, as the case may be, shall be followed.

4. When the breakage of a Customs seal or fastening or damage or destruction of goods did not take place in the territory of a Contracting Party, the Customs authorities at the next office of entry *en route* shall take action to ensure that the necessary report is drawn up and to permit continuation of the ITI operation.

CHAPTER X

Formalities to be accomplished at the office of destination

ARTICLE 25

1. At the office of destination, the loaded transport-unit, with Customs seals and fastenings intact, and the ITI declaration relating to the goods shall be presented to the Customs authorities.

2. The Customs authorities at the office of destination shall undertake any control deemed necessary to ascertain whether the declarant or declarants have complied with all their obligations.

3. The Customs authorities at the office of destination shall certify on the ITI declaration the date of presentation of the loaded transport-unit and the results of any control. The ITI declaration bearing this certificate shall be returned to the person concerned.

4. The Customs authorities at the office of destination shall retain one copy of the ITI declaration containing the particulars required for the purposes of national control. They may also require the presentation of an additional copy of that declaration.

CHAPTER XI

ITI areas

ARTICLE 26

Contracting Parties may, by bilateral or multilateral agreements, form ITI areas in order to simplify, in accordance with Articles 27 to 31 of this Convention, the formalities applied to goods transported under the ITI procedure in their territories.

ARTICLE 27

1. The control of an ITI operation taking place wholly or in part in an ITI area shall be undertaken by the office of departure, where situated in the ITI area or, otherwise, by the first office of entry *en route* in the ITI area. The Customs authorities at the office which undertakes control may prescribe a time-limit for accomplishment of the ITI operation in that area. When such a time-limit is prescribed the provisions of paragraph (a) of Article 38 of this Convention shall not apply.

2. If the loaded transport-unit is to be exported from the ITI area, the last office of exit *en route* of the ITI area shall, whenever possible, be specified in the ITI declaration when it is delivered to the Customs office which undertakes control under paragraph 1 of this Article.

3. For the purposes of the control referred to in paragraph 1 of this Article, an additional copy of the ITI declaration shall be available for production at any stage of the journey in the ITI area. This copy shall indicate the Customs office which undertakes control under paragraph 1 of this Article and, when appropriate, the last office of exit *en route* of the ITI area.

ARTICLE 28

The Customs authorities at the offices of exit *en route* of an ITI area, other than the office referred to in Article 30 of this Convention, shall not require a copy of the ITI declaration to be deposited, and shall dispense with the formalities prescribed in Article 22 of this Convention, except in special cases to be specified in agreements establishing the ITI areas.

ARTICLE 29

1. The Customs authorities in an ITI area may, at the request of the person concerned:

(*a*) Extend any time-limit prescribed under paragraph 1 of Article 27 of this Convention;

(*b*) Permit goods being transported under the ITI procedure to be exported from the ITI area at a Customs office other than that specified in the ITI declaration as the last office of exit *en route* of the ITI area.

2. Modifications authorised under paragraph 1 of this Article shall be recorded on the copy of the ITI declaration referred to in paragraph 3 of Article 27 of this Convention by the Customs authorities concerned and shall be notified by them to the Customs office specified in paragraph 1 of Article 27 of this Convention.

ARTICLE 30

The Customs authorities at the office of destination where situated in the ITI area or, otherwise, at the last office of exit *en route* of the ITI area, shall inform the Customs office which undertakes control under paragraph 1 of Article 27 of this Convention of the completion of the ITI operation in the ITI area.

ARTICLE 31

When notification under Article 30 of this Convention is not received by the Customs office which undertakes control under paragraph 1 of Article 27 of this Convention, the Customs authorities at that office shall take any necessary regularisation action and, if appropriate, inform the other Customs authorities within the ITI area who are directly concerned, of the action taken and its results.

ARTICLE 32

Contracting Parties which have set up ITI areas are recommended, where appropriate, to make every effort to merge such areas.

CHAPTER XII

Mutual administrative assistance

ARTICLE 33

1. On express written request by the Customs authorities of a Contracting Party who are investigating any breach or suspected breach of the provisions of this Convention, the Customs authorities of another Contracting Party shall communicate as promptly as possible:

(*a*) Any available information relating to Goods manifests completed or accepted in their territory which are suspected of being false:

(*b*) Any available information enabling the authenticity of seals claimed to have been affixed in their territory to be verified.

2. Requests for information under paragraph 1(a) of this Article shall be made only in cases of a serious nature and when enquiries through other channels have proved unsatisfactory.

ARTICLE 34

1. When the Customs authorities of a Contracting Party discover a serious inaccuracy in a Goods manifest, or any other serious irregularity in connection with a transport operation performed under the provisions of this Convention, they shall spontaneously and without delay notify the Customs authorities of the other Contracting Parties concerned, if they consider that the information will be of use to those authorities.

2. Notifications under paragraph 1 of this Article to Contracting Parties whose territories constitute an ITI area shall be made to the Customs office which undertakes control under paragraph 1 of Article 27 of this Convention.

3. The provisions of paragraph 1 of this Article shall not require the Customs authorities of any Contracting Party to exercise any measures beyond those deemed necessary for national purposes.

CHAPTER XIII

Miscellaneous provisions

ARTICLE 35

In the course of an ITI operation:

(*a*) No additional goods may be loaded into a transport-unit unless a new ITI operation is started;

(*b*) Goods may be unloaded at more than one Customs office in the country of destination. In such a case an additional copy of the ITI declaration shall be lodged at each intermediate Customs office. The Customs authorities at these offices shall record on the ITI declaration the details of the goods unloaded and take the necessary measures to permit continuation of the ITI operation.

ARTICLE 36

At the request of the person concerned, an ITI operation may be terminated at a Customs office other than that specified in the ITI declaration as the office of destination, the Customs authorities which authorise the change recording it on the ITI declaration.

ARTICLE 37

Transfer of responsibility for a loaded transport-unit from the declarant to another person during an ITI operation may take place only at Customs offices competent for this purpose. Until an ITI declaration by the new declarant has been accepted by the Customs authorities, responsibility for compliance with the conditions under which Customs transit was allowed remains with the previous declarant. A copy of the ITI declaration showing the results of any control shall be furnished to the previous declarant at his request.

ARTICLE 38

When it is considered necessary, Contracting Parties may, for the completion of that part of an ITI operation taking place in their territories:

(*a*) Prescribe a time-limit;

(*b*) Require transport-units to follow prescribed itineraries;

(*c*) Require transport-units to be transported under Customs escort.

ARTICLE 39

1. The Goods manifest may be completed in any language acceptable to the Customs authorities of the country where the office of loading is situated. The Customs authorities of Contracting Parties may require a translation of that document. It is recommended that the use of foreign languages be permitted by Contracting Parties if this will facilitate the transport operation.

2. Contracting Parties are recommended to make known as widely as possible their requirements regarding the languages in which Goods manifests may be completed and accepted and their requirements regarding the production of translations.

3. Contracting Parties shall recommend to persons using the ITI procedure that weights and other measurements be expressed in units of the metric system.

ARTICLE 40

1. The ITI declaration form shall be printed in English or French and it may also be printed in a second language.

2. However, by agreement between Contracting Parties ITI declaration forms printed in a language other than English or French may be used for ITI operations taking place wholly in their territories.

ARTICLE 41

1. When an ITI declaration presented at a Customs office of a Contracting Party in accordance with the provisions of this Convention was signed in the territory of another Contracting Party, a countersignature shall not be required.

2. Notwithstanding the provisions of paragraph 1 of this Article, a countersignature may be required where there is no handwritten signature on the ITI declaration.

ARTICLE 42

Exemption from payment of the import duties and taxes normally chargeable shall be granted when it is established to the satisfaction of the Customs authorities that goods being transported under the provisions of this Convention:

(*a*) Have been destroyed or irrecoverably lost by accident or by force majeure;

(*b*) Are short for reasons due to their nature.

ARTICLE 43

1. Each Contracting Party shall designate the Customs offices which are competent to perform the functions laid down in this Convention.

2. As far as possible, Contracting Parties shall:

(*a*) Ensure that the time required for completion of Customs formalities at offices *en route* is reduced to a minimum;

(*b*) Ensure that priority is given to the clearance of perishable goods, livestock and other goods for which rapid transport is essential;

(*c*) Facilitate the execution outside normal working days and hours of Customs formalities at offices *en route*.

3. Contracting Parties having adjacent territories shall endeavour to correlate the powers and working hours of corresponding Customs offices.

ARTICLE 44

As regards the Customs formalities referred to in this Convention, no charge shall be made for Customs attendance, save where it is provided on days or at times or places other than those normally appointed for such formalities.

ARTICLE 45

1. Each of the Contracting Parties shall have the right to exclude temporarily or permanently from the operation of this Convention any person guilty of a serious offence against Customs laws or regulations.

2. Any exclusion under paragraph 1 of this Article shall be notified without delay to the Customs authorities of the Contracting Party in whose territory the person concerned is established or resident.

3. The Customs authorities of Contracting Parties who exclude a person from the operation of this Convention shall notify the relevant guaranteeing associations established in their territories.

ARTICLE 46

Nothing in this Convention shall be construed as preventing the controls laid to the Customs authorities of a Contracting Party under Articles 18 to 24, 27 to 31 and 36 of this Convention from being accomplished with the assistance of the railway administration of that Contracting Party.

ARTICLE 47

When goods are carried in the territory of a Contracting Party which applies, in respect of the mode of transport concerned, arrangements under which all Customs transit formalities are waived, that Contracting Party may:

(*a*) Defer the commencement of an ITI Operation until carriage by that mode of transport is terminated;

(*b*) Suspend an ITI Operation which has already commenced provided that such suspension does not hinder the resumption of that operation.

ARTICLE 48

The provisions of this Convention set out the minimum facilities to be accorded and do not prevent the application of greater facilities which certain Contracting Parties grant or may grant in the future by unilateral provisions or in virtue of bilateral and multilateral agreements, provided that the grant of such greater facilities does not hinder the accomplishment of operations carried out under this Convention.

ARTICLE 49

Guarantee cards and blanks thereof, sent to guaranteeing associations by corresponding foreign associations or by guaranteeing chains, shall be admitted free of import duties and taxes and free of import prohibitions and restrictions.

CHAPTER XIV

Final provisions

ARTICLE 50

1. Any State Member of the Council and any State Member of the United Nations or its specialised agencies may become a Contracting Party to this Convention:

(*a*) By signing it without reservation of ratification;

(*b*) By depositing an instrument of ratification after signing it subject to ratification; or

(*c*) By acceding to it.

2. This Convention shall be open until 30th June, 1972, for signature at the Headquarters of the Council in Brussels, by the States referred to in paragraph 1 of this Article. Thereafter, it shall be open for their accession.

3. Any State, not being a Member of the Organisations referred to in paragraph 1 of this Article, to which an invitation to that effect has been addressed by the Secretary General of the Council at the request of the Contracting Parties, may become a Contracting Party to this Convention by acceding thereto after its entry into force.

4. The instruments of ratification or accession shall be deposited with the Secretary General of the Council.

ARTICLE 51

1. This Convention shall enter into force three months after five of the States referred to in paragraph 1 of Article 50 thereof have signed it without reservation of ratification or have deposited their instruments of ratification or accession.

2. For any State signing without reservation of ratification, ratifying or acceding to this Convention after five States have signed it without reservation of ratification or have deposited their instruments of ratification or accession, this Convention shall enter into force three months after the said State has signed without reservation of ratification or deposited its instrument of ratification or accession.

ARTICLE 52

1. Any State may, at the time of signing this Convention without reservation of ratification, or of depositing its instrument of ratification or accession or at any time thereafter, declare by notification given to the Secretary General of the Council that this Convention shall extend to all or any of the territories for whose international relations it is responsible or for which it assumes international responsibility. Such notification shall take effect three months after the date of the receipt thereof by the Secretary General of the Council. However, the Convention shall not apply to the territories named in the notification before the Convention has entered into force for the State concerned.

2. Any State which has made a notification under paragraph 1 of this Article extending this Convention to any territory for whose international relations it is responsible or for which it assumes international responsibility may notify the Secretary General of the Council, in accordance with Article 54 of this Convention, that the territory in question will no longer apply the Convention.

ARTICLE 53

1. Any State may declare, at the time of signing, ratifying or acceding to this Convention, or notify the Secretary General of the Council after becoming Contracting Party to this Convention, that it will apply the present Convention only if part of the ITI operation takes place outside its territory. Such notification shall take effect three months after the date of its receipt by the Secretary General. Any Contracting Party having entered such a reservation may at any time withdraw it by notifying the Secretary General.

2. Apart from the reservations provided for in paragraph 1 of this Article and in paragarph 4 of Article 5 of this Convention no other reservation to this Convention shall be permitted.

ARTICLE 54

1. This Convention is of unlimited duration. However, any Contracting Party may denounce it at any time after the date of its entry into force under Article 51 thereof.

2. The denunciation shall be notified by an instrument in writing, deposited with the Secretary General of the Council.

3. The denunciation shall take effect six months after the receipt of the instrument of denunciation by the Secretary General of the Council.

4. When a Contracting Party denounces this Convention in accordance with paragraph 1 of this Article, or makes a notification under paragraph 4 of Article 5, under paragraph 2 of Article 52 or under paragraph 1 of Article 53 of this Convention, that Contracting Party shall continue to be bound by the provisions of this Convention in respect of any transport operation dealt with by its Customs authorities under the provisions of this Convention before the date on which the denunciation or notification takes effect. In addition, the validity of any guarantee card issued before that date shall not be affected by the denunciation or notification.

ARTICLE 55

1. The Contracting Parties shall meet together when necessary in order to consider the operation of this Convention and, in particular, in order to consider measures to secure uniformity in the interpretation and application of this Convention.

2. Such meetings shall be convened by the Secretary General of the Council at the request of any Contracting Party and, unless the Contracting Parties otherwise decide, shall be held at the Headquarters of the Council.

3. The Contracting Parties shall lay down the rules of procedure for their meetings.

4. Decisions of the Contracting Parties shall be taken by a majority of not less than two-thirds of the Contracting Parties present at the meeting and voting. Only Contracting Parties casting an affirmative or negative vote shall be deemed to be voting.

5. The Contracting Parties shall not take a decision on any matter unless more than half of them are present.

ARTICLE 56

1. Any dispute between Contracting Parties concerning the interpretation or application of this Convention shall so far as possible be settled by negotiation between them.

2. Any dispute which is not settled by negotiation shall be referred by the Contracting Parties in dispute to the Contracting Parties, meeting in conformity with Article 55 of this Convention, which shall thereupon consider the dispute and make recommendations for its settlement.

3. The Contracting Parties in dispute may agree in advance to accept the recommendations of the Contracting Parties as binding.

ARTICLE 57

1. Amendments to this Convention may be proposed either by a Contracting Party or by the Contracting Parties meeting in accordance with Article 55 of this Convention.

2. The text of any amendment so proposed shall be communicated by the Secretary General of the Council to all the Contracting Parties, to all other signatory States and to the Secretary General of the United Nations.

3. Within a period of six months from the date on which the proposed amendment is so communicated, any Contracting Party may inform the Secretary General of the Council:

(*a*) That it has an objection to the proposed amendment, or

(*b*) That, although it intends to accept the proposed amendment, the conditions necessary for such acceptance are not yet fulfilled in its country.

4. If a Contracting Party sends the Secretary General of the Council a communication as provided for in paragraph 3(b) of this Article, it may, so long as it has not notified the Secretary General of its acceptance of the proposed amendment, submit an objection to that amendment within a period of nine months following the expiry of the six-month period referred to in paragraph 3 of this Article.

5. If an objection to the proposed amendment is stated in accordance with the terms of paragraph 3 or 4 of this Article, the amendment shall be deemed not to have been accepted and shall be of no effect.

6. If no objection to the proposed amendment in accordance with paragraph 3 or 4 of this Article has been stated, the amendment shall be deemed to have been accepted as from the date specified below:

(*a*) If no Contracting Party has sent a communication in accordance with paragraph 3(b) of this Article, on the expiry of the period of six months referred to in paragraph 3;

(*b*) If any Contracting Party has sent a communication in accordance with paragraph 3(b) of this Article, on the earlier of the following two dates:

(i) The date by which all the Contracting Parties which sent such communications have notified the Secretary General of the Council of their acceptance of the proposed amendment, provided that, if all the acceptances were notified before the expiry of the period of six months referred to in paragraph 3 of this Article, that date shall be taken to be the date of expiry of the said six-month period;

(ii) The date of expiry of the nine-month period referred to in paragraph 4 of this Article.

7. Any amendment deemed to be accepted shall enter into force either six months after the date on which it was deemed to be accepted or, if a different period is specified in the proposed amendment, on the expiry of that period after the date on which the amendment was deemed to be accepted.

8. The Secretary General of the Council shall, as soon as possible, notify all the Contracting Parties and other signatory States of any objection to the proposed amendment made in accordance with paragraph 3(a), and of any communication received in accordance with paragraph 3(b), of this Article. He shall subsequently inform all the Contracting Parties and other signatory States whether the Contracting Party or Parties which have sent such a communication raise an objection to the proposed amendment or accept it.

9. Independently of the amendment procedure laid down in paragraphs 1 to 8 of this Article, Article I (ij) and the Annexes to this Convention may be modified by a decision of the competent administrations of all the Contracting Parties; such a decision shall be deemed to have been taken unless the competent administration of a Contracting Party informs the Secretary General of the Council, within a period of three months from the date on which the Secretary General of the Council has circulated the proposed amendment, that it has an objection to the proposed amendment. Such a decision shall also specify the date of entry into force of the amendment and may provide that during a transitional period the unmodified provision

shall remain in force, wholly or in part, concurrently with the modified provision.

10. Any State ratifying or acceding to this Convention shall be deemed to have accepted any amendments or modifications thereto which have entered into force at the date of deposit of its instrument of ratification or accession.

ARTICLE 58

Any agreement setting up an ITI area in accordance with Article 26 of this Convention, any amendment thereto or any modification of the territorial application of such an agreement shall be notified to the Secretary General of the Council by the Contracting Parties concerned.

ARTICLE 59

For the purposes of Article 2 and paragraph 1 of Article 53 of this Convention, Contracting Parties which form a Customs or Economic Union may agree that their territories are to be taken as a single territory. The Contracting Parties concerned shall notify the Secretary General of the Council of any such agreement.

ARTICLE 60

The Annexes to this Convention shall be construed to be an integral part of the Convention.

ARTICLE 61

The Secretary General of the Council shall notify all the Contracting Parties, the other signatory States and the Secretary General of the United Nations, of:

(*a*) Signatures, ratifications and accessions under Article 50 of this Convention;

(*b*) The date of entry into force of this Convention in accordance with Article 51;

(*c*) Notifications received in accordance with Article 52;

(*d*) Declarations and notifications made in accordance with paragraph 4 of Article 5 and paragraph 1 of Article 53 and the date on which reservations or withdrawals of reservations take effect;

(*e*) Denunciations under Article 54;

(*f*) Any amendment deemed to have been accepted in accordance with Article 57 and the date of its entry into force;

(*g*) Notifications received in accordance with Article 58 and 59.

ARTICLE 62

In accordance with Article 102 of the Charter of the United Nations, this Convention shall be registered with the Secretariat of the United Nations at the request of the Secretary General of the Council.

In witness whereof the undersigned, being duly authorised thereto, have signed this Convention.

Done at Vienna this seventh day of June nineteen hundred and seventy-one, in the English and French languages, both texts being equally authentic, in a single original which shall be deposited with the Secretary General of the Council who shall transmit certified copies to all the States referred to in paragraph 1 of Article 50 of this Convention.

The Secretary General of the Customs Co-operation Council certifies that this is a true copy of the original deposited in the archives of the Customs Co-operation Council.

CHEVALIER ANNEZ DE TABOADA,
Secrétaire Général.

ANNEX 1

ITI Declaration Form

The margins, column widths and spacing of ITI declaration forms shall correspond as closely as possible to the model form reproduced in the Annex.

The copy of the ITI declaration which is to accompany the transport-unit to the office of destination shall be marked "ORIGINAL" at the office of departure.

The size of the ITI declaration form shall be 210 × 297 mm.

ANNEX 2

Minimum requirements to be met by Customs seals and fastenings.

Customs seals and fastenings shall meet the following minimum requirements:

1. General requirements in respect of seals and fastenings:

The seals and fastenings, together, shall:

(*a*) Be strong and durable;

(*b*) Be capable of being affixed easily and quickly;

(*c*) Be capable of being readily checked and identified;

(*d*) Not permit removal or undoing without breaking or tampering without leaving traces;

(*e*) Not permit use more than once;

(*f*) Be made as difficult as possible to copy or counterfeit.

2. Physical specification of seals:

(*a*) The shape and size of the seal shall be such that any identifying marks are readily legible;

(*b*) Each eyelet in a seal shall be of a size corresponding to that of the fastening used, and shall be positioned so that the fastening will be held firmly in place when the seal is closed;

(*c*) The material used shall be sufficiently strong to prevent accidental breakage, early deterioration (due to weather conditions, chemical action, etc.) or undetectable tampering;

(*d*) The material used shall be selected by reference to the sealing system used.

3. Physical specifications of fastenings:

(*a*) The fastening shall be strong and durable and resistant to weather and corrosion;

(*b*) The length of the fastening used shall not enable a sealed aperture to be opened or partly opened without the seal or fastening being broken or otherwise showing obvious damage;

(*c*) The material used shall be selected by reference to the sealing system used.

4. Identification marks:

The seal or fastening, as appropriate, shall be marked:

(*a*) To show that it is a Customs seal, by application of the word "Customs" preferably in one of the official languages of the Council (English or French);

(*b*) To show the country which applied the seal, preferably by means of the sign used to indicate the country of registration of motor vehicles in international traffic;

(*c*) To enable the Customs office by which the seal was affixed, or under whose authority it was affixed, to be identified, for example, by means of code letters or numbers.

ANNEX 3

Guarantee card

The guarantee card shall be printed in English or French, and may also be printed in a second language.

The reverse of the guarantee card may be used by the issuing association for its own purposes (e.g. giving instructions to the user).

The size of the guarantee card shall be 80 × 160 mm.

ANNEX 4

Accident report form

The accident report form shall be printed in English or French and may also be printed in a second language.

The margins, column widths and spacing of accident report forms shall correspond as closely as possible to the model form reproduced in this Annex.

Its size shall be 210 × 297 mm.

In the event of an accident the following provisions of the ITI Convention must be complied with:

Article 24

1. If Customs seals and fastenings are broken or goods are destroyed or damaged accidentally during an ITI operation the person performing the transport shall report the facts to the nearest Customs office without delay. The Customs authorities at this office shall draw up a report, if possible using an accident report form conforming to the model reproduced at Annex 4 to this Convention and shall take any necessary measures to permit continuation of the ITI operation. A copy of the report shall be attached to the ITI declaration.

2. If it is not possible to approach a Customs authority immediately, other competent authorities shall be approached. The authority called in shall draw up a report, if possible using an accident report form conforming to the model reproduced at Annex 4 to this Convention and attach it to the ITI declaration. This report shall be produced together with the transport-unit and the ITI declaration to the next Customs office. The Customs authorities at that office shall take any necessary measures to permit continuation of the ITI operation.

3. In the event of imminent danger necessitating immediate unloading of the whole or part of the load, the person performing the transport may take appropriate action on his own initiative. Subsequently, the procedure laid down in paragraph 1 or 2 of this Article, as the case may be, shall be followed.

4. When the breakage of a Customs seal or fastening or damage or destruction of goods did not take place in the territory of a Contracting Party, the Customs authorities at the next office of entry en route shall take action to ensure that the necessary report is drawn up and to permit continuation of the ITI operation.

The ACTING PRESIDENT pro tempore. Without objection, the convention will be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification, which will be stated.

The second assistant legislative clerk read as follows:

Resolved (*Two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of the Customs Convention on the International Transit of Goods (ITI Convention) Opened for Signature at Vienna June 7, 1971.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. Without objection, the Senate will resume the consideration of legislative business.

THE SENATE'S RECORD IN 1ST SESSION OF 93D CONGRESS

Mr. MANSFIELD. Mr. President, in my opinion, the Senate has made a very productive record this year. Its membership, both Democratic and Republican, has acted responsibly. It is my opinion that if there has been any year when the Senate has proved its worth, it is this year, this most troublesome of years.

ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, with that accolade to the Senate—and it is well deserved—I move, pursuant to House Concurrent Resolution 412, as amended by the Senate, that the Senate stand adjourned sine die.

The motion was agreed to; and at 2:54 p.m. the Senate adjourned sine die.

EXTENSIONS OF REMARKS

UNITED STATES MUST BOLSTER MERCHANT MARINE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 18, 1973

Mr. HUNGATE. Mr. Speaker, while the debate goes on about women being assigned along with men to sea duty, the recent bestowal of an admiral's title on one of Missouri's and our Nation's great ladies should bring a quick end to any question of women's rights to the high seas. Mrs. Leonor K. Sullivan, chairman of the House Merchant Marine and Fisheries Committee, and my distinguished colleague from Missouri, was selected to receive the Admiral of the Ocean Sea Award by the United Seamen's Service.

I would like to call the attention of my colleagues to the following article and editorial from the St. Louis Globe-Democrat of December 17 and 18, 1973, respectively:

United States Must Bolster Merchant Marine, Representative Sullivan Warns

Washington.—The United States is in the frightening position of depending on foreign ships to carry 94 percent of its international trade, Rep. Leonor K. Sullivan (Dem.), St. Louis, has warned.

This vulnerability must be reversed, she said, by revival and expansion of the American merchant marine, which in turn will come through "hard accommodations" by maritime management and labor.

Mrs. Sullivan, as chairman of the House Merchant Marine Committee, was selected to receive the AOTOS award by United Seamen's Service, an industry organization.

The award carries the rank of Admiral of the Ocean Sea and is for outstanding contributions to the American merchant marine. She is the first member of Congress to be so honored.

The symbol of the award is a silver statue of Christopher Columbus, the only seaman to be given the rank of Admiral of the Ocean Sea.

In her acceptance speech at the award ceremony in New York. Mrs. Sullivan said the United States is risking "international blackmail in carrying less than 6 percent of its own foreign commerce."

"The suddenness of the energy crisis brings home to us the precarious position of the American economy when we depend, for even a small share of essential needs, on the personal whim or nationalistic zealousness of leaders of autocratic regimes," she said.

"If we are in such pervasive economic dislocation because of an arbitrary shutoff of 6 or 11 or 17 or whatever percent it is of our oil needs by the concerted action of a few small nations. Where would we be if the 94 percent of the ocean shipping we use were to be suddenly withdrawn or sharply curtailed for political or other reasons?"

Admiral Sullivan Sounds Warning

If the Navy Department were on the ball, it would offer Congresswoman Leonor K. Sullivan of St. Louis a direct commission as admiral and let her run the merchant marine program, a Navy responsibility in time of war and a loosely affiliated fleet in time of peace.

Ms. Sullivan is so well versed in merchant marine affairs that no one could challenge the selection.

Although the Navy isn't likely to do this, the United Seaman's Service has given her an award which carries the rank of Admiral of the Ocean Sea. The award by the industry organization, given for outstanding contributions to the American merchant marine, is the first to a member of Congress.

As chairman of the House Merchant Marine Committee, Mrs. Sullivan has been vociferous in warning of the dangers the United States faces in allowing its merchant marine to deteriorate to the point where it now handles only 6 per cent of our own foreign commerce. To some extent the slide has been halted by passage in 1970 of President Nixon's 10-year, $4 billion program to build an anticipated 300 efficient new ships, but even this step may be too little, too late.

As the St. Louis Democrat points out, it is folly for the United States, which is responsible for about one-third of world trade, to have to rely on "the personal whim of nationalistic zealousness of leaders of autocratic regimes" for "even a small share of essential needs." If we think the oil embargo is bad, she said, it is minor compared to what could happen with a shipping boycott.

The United States must depend upon its own cargo and passenger fleet in time of war, and it should depend upon its own shipping resources in time of peace. This country was once the world leader in shipping, but now it has fallen to a dismal sixth place, while Russia, for one, has tripled its merchant fleet in the past dozen years.

Congresswoman Sullivan's warning should be heeded by her colleagues, and by all Americans.

Mrs. Sullivan, Globe-Democrat Woman of Achievement, richly deserves the title Admiral of the Ocean Sea, and she appears to be discoverer of the fountain of youth as well. Lee Sullivan has served the people of Missouri in Congress for 21 years, but she gets younger and lovelier looking with each term.

Mrs. Sullivan, the first Member of Congress to receive this award, is to be commended for her great contribution to the merchant marine industry and to all of us who benefit from her efforts in furthering worldwide shipping.

GOOD MAN TO CALL IT QUITS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. DERWINSKI. Mr. Speaker, the retirement of many of Illinois' outstanding Members has already been announced, including one of my distinguished colleagues, and my great friend and political neighbor, Harold R. Collier.

At the time, Harold announced his retirement, a number of publications serving the district he has so ably represented for 18 years, took the time to call to the attention of its readers, Harold's outstanding record.

In his column, Editor Paul Coffman of the Star-Sentinel Newspapers, who has known Harold throughout his political career, personally thanked Harold Collier for the service be has performed to his constituents:

The Way It Looks to Me: Good Man To Call It Quits

(By Paul D. Coffman)

Congressman Harold R. Collier of the Sixth District of Illinois has announced that he will not seek reelection to the office of U.S. Representative in 1974. Congressman Collier will have completed nine two-year terms in the house upon his retirement.

In my opinion, Congressman Collier has performed yeoman service on behalf of the residents of our West Suburban area and his presence as our representative in national matters will be sorely missed by his constituents.

Although a lifelong Republican, Congressman Collier has represented all of the residents of his district in a non-partisan manner and has always made himself available at all times to discuss legislation and even personal problems of those whom he represents.

Congressman Collier has stated that "shuffling back and forth between Washington and Illinois for eighteen years" has been a long time, and we thoroughly agree with him. We do feel, however, that the sacrifices he has made on our behalf should be rewarding to such a dedicated man.

The congressman has stated that he would like to spend his remaining active years in the private, rather than the public sector, and we wish him well in whatever pursuit he wishes to follow.

To those of us in the print media, who have grown to know Congressman Collier over the years, we have found him to be one of the most cooperative persons we have chanced to meet in public life. No matter how busy he might be, he has always been willing to take the time to discuss government matters which have been of importance to his constituents.

I would like to personally thank Congressman Collier for his eighteen years of public service and feel that I am reflecting the thoughts of the thousands of citizens in the Sixth District who have returned him to office for 9 consecutive terms. Finding a replacement for such a devoted man will take quite a bit of doing.

A GOOD MAN

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. BYRON. Mr. Speaker, recently my good friend, Charles Francis Wilding, was presented the Eastern Montgomery-Kensington-Wheaton Democratic Club "Citizen of the Year" award. The award, a silver cup, was presented by Selig Freedman, president of the club.

Charles Francis Wilding has contributed many years of service to the Democratic Party in Montgomery County as well as his efforts as columnist for the Suburban Record. I want to join his many friends in congratulating him for this achievement, and I would like to share with my colleagues an editorial from the Suburban Record:

A Good Man

We were pleased to learn that the Eastern Montgomery-Kensington-Wheaton Democratic Club had recently honored Suburban

Record Democratic columnist Charles Francis Wilding as its "Citizen of the Year."

By the very nature of the political opinion writing field into which Wilding has dared to venture, he has not pleased all of the people all of the time; it is even possible that he has pleased some of the people none of the time. But we know he has a large readership and we are confident that even among those who disagree with him most often there is an underlying respect for his fairness.

The side of Wilding which only the Record could know about is his conscientiousness in coming forth with his column every week in every year—and year after year. We know he has not missed a column deadline in the last 10 years and only once during a number of prior years.

Not only has he been dependable from the deadline point of view, but he has always been considerate about informing the editor when there was the need to change the submission schedule by even an hour or two.

You are a good man, Charlie Francis, and we are happy to share that knowledge with the Eastern Montgomery-Kensington-Wheaton Democratic Club.

NEW "CAR POOL" CATCHES ON

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. FRENZEL. Mr. Speaker, a recent article in the Christian Science Monitor did a good job of highlighting the excellent promotional work being done by the transit officials in the Twin Cities to encourage bus ridership.

While the Metropolitan Transit Commission's particular promotional techniques may not be right for every city, they illustrate the point that public transit must become far more market oriented if it is to make substantial increases in ridership.

The Metropolitan Transit Commission has succeeded in turning transit patronage around. Hopefully more cities will get the message and become more aggressive in selling their transit product.

The article follows:

NEW BUS—PARDON, CAR POOL—CATCHES ON—SUBURBANITES LURED TO TWIN CITIES BUSES WITH NEW IMAGE—PAINTED TO LOOK LIKE CARS

(By Michael W. Fedo)

MINNEAPOLIS.—More people like accountant Eric Wilson are riding the bus here these days—and the fuel crisis is not the only reason.

Early last week, Mr. Wilson hung a "for sale" sign on his 1972 Mustang and stopped driving 16 miles each morning from his home in suburban Burnsville to his office in downtown Minneapolis.

He claims he no longer needs the second car since he has joined "The Greater Metropolitan Car Pool," which now carries him to and from work.

This newly conceived "car pool" is becoming a Twin Cities euphemism for bus. The Metropolitan Transit Commission (MTC) bus formerly was an anathema to middle- and upper income people here, where automobile usage is the highest per capita in the country, and where more money per family is spent on cars than on food.

The Greater Metropolitan Car Pool, a slogan coined by a local advertising agency in an attempt to woo Twin Cities drivers from their cars and into buses, is creating a new image of the bus and its potential riders.

Buses here are painted to look like cars. Some have the classic Duesenberg painted on the sides. Others have station wagons or Volkswagens. The gimmick, according to Frank Kroncke, a spokesman for the agency handling the campaign, is that bus riders still can have "their" car, while riding the bus.

Doubtless the fuel shortage has contributed to increased ridership here, but significantly, many professionals say they are no longer embarrassed to be seen riding the bus.

"I really didn't relish the idea of not driving," Mr. Wilson said. "I'd commuted for 11 years, and didn't like the traffic snarls and noxious fumes, but I still felt I had freedom with the car. I guess I could have taken the bus before, but like a lot of other people, I assumed buses were for the poor, the old, or the handicapped.

NEIGHBOR RODE BUS

"I started using the bus because I saw a neighbor riding one. He owns his own business and there are three cars in his family. Anyway, seeing him ride the bus helped me get rid of the stigma attached to them. Now I wouldn't go back to driving—fuel shortage or not. It's more convenient and cheaper by bus."

While riders have increased on several Twin Cities runs in recent weeks, other metropolitan companies report little noticeable increases.

Mr. Kroncke says this is due to the negative attitude most Americans have toward public mass transit and buses in particular.

"People with good jobs, especially, are concerned about losing status if they ride a bus," he says. "The guy riding the bus is on the skids, they think. Market research shows this time and again. What our agency has done is simply to try and upgrade the image of the bus and the rider."

TV CAMPAIGN

The television campaign geared to undermine the commuter's love affair with his car has been under-way for several weeks.

Commercials show executives, suburban housewives, and dancing girls singing the praises of the Greater Metropolitan Car Pool, and providing the audience with the phone number where information concerning stops and schedules may be obtained.

Says an MTC spokesman. "We don't hate cars. We just think the public would be happier riding one of ours."

A public corporation since 1970, the MTC has gone beyond advertising promotions, initiated with a "we're getting there," campaign, which told bus patrons new buses would be arriving with more comfortable seating and more convenient schedules and that expanded service could be expected.

ROUTE MILES DOUBLED

The MTC has moved into the suburbs and doubled its route miles to almost 2,400. Several express buses run from suburbs along normally crowded freeways and soon will be given preference over automobiles. Cars will be metered according to traffic load and not allowed on certain entrance ramps until the the existing load diminishes.

Harry Springer, general manager of the MTC says, "It's difficult to know exactly how effective advertising has been in getting more people to ride the bus, but it had to have made some inroads. It has certainly helped form public opinion about bus service."

Another company official maintains that changing the image of the bus can turn mass transit around.

THE NEW YORK YEARLY MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS CALLS FOR THE IMPEACHMENT OF RICHARD M. NIXON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. RANGEL. Mr. Speaker, in parliamentary organizations, the political party in power is always subject to a vote of confidence whenever its administration of the government is considered unacceptable to a large segment of the people it represents. If the party in power fails to pass the vote then immediately the government is dissolved and new elections are held.

The American counterpart to the parliamentary vote of confidence is impeachment. The use of impeachment as a political tool to oust the opposition administration has, fortunately, not taken place in the development of American government. The spirit of cooperation that has developed between the opposing political parties has always been one of the strong glues that has bonded America into a strong Republic.

In the case of President Nixon, however, this longstanding spirit of cooperation has many Members of Congress convinced that they cannot impeach the President. We must not forget why the Founding Fathers of this Nation put this procedure into the Constitution—they foresaw the failings of humanity that might one day overtake the Nation's Chief Executive. It is now time for this House, as the representatives of the people, to accept our constitutional responsibility to move forward with impeachment proceedings to determine if President Nixon should be charged with impeachable crimes and removed from office.

In support of this call to constitutional responsibility I am submitting a humble appeal issued at the New York yearly meeting of the Religious Society of Friends:

MINUTE ON THE IMPEACHMENT OF RICHARD M. NIXON

It is fundamental to the Friends testimony that we speak out against injustice and the corruption of power in government; that we be active in the struggle to maintain in government men of honesty, integrity, and good will; and that we do these in the spirit of conciliation and humility.

Richard Nixon and members of his Administration have indulged in acts which render them suspect of betrayal of our democracy. We believe that the American people bear responsibility in the present corruption, for it is the responsibility of all—the leaders and the people—to make representative government work.

We therefore ask that the House of Representatives proceed with the impeachment of Richard Nixon in the belief that by so doing the House will be fulfilling its obligation to the democratic process as embodied in the Constitution, to the Presidency, and to the American people.

We of the Religious Society of Friends pray that this course of action will be a step toward resolving the present dilemma of

Richard Nixon and will strengthen representative government. We seek that of God in everyone, and the will of God in all areas of life.

Approved by the Legislative Committee (Walter Ludwig, Chairman) New York Yearly Meeting of the Religious Society of Friends (Quakers)[*] December 1, 1973.

CODES AT U.S. ACADEMIES TERMED ILLEGAL

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. YOUNG of Georgia. Mr. Speaker, the New York Times carried an article on December 16 regarding a study of the five U.S. military academies' codes of conduct, honor, and ethics.

One very disturbing conclusion is that the academy codes, in many cases, violate the constitutional rights of the cadets.

The article raises serious questions that deserve the attention of Congress, especially when one understands that, as the article points out, as many as 85 percent of the Nation's highest ranking officers in the Army and Navy are academy graduates. If in fact the academies are indoctrinating our military leaders to the extent that in the name of "patriotism" they can accept a Mylai massacre, or rationalize the use of chemical warfare on innocent civilians, or excuse any inhumane military practices as protection of our national security, then, my colleagues, it is indeed our responsibility to initiate some action that brings the conduct, honor, and ethics codes of the U.S. military academies within the boundaries of the Constitution.

Mr. Speaker, because of the seriousness of its implications and because of its timeliness in light of the involvement of all my distinguished colleagues at this time in the nomination of young men to the academies, I am inserting the text of the article in the Record:

Military Codes Termed Illegal—Study Declares All Five U.S. Service Schools Violate Cadets' Legal Rights

(By James Feron)

A two-year study of legal practices at the nation's five military academies has found what are alleged to be extensive violations of constitutional guarantees in maintaining conduct, honor and ethics codes.

Soon to be published by the New York University School of Law, the survey cites hundreds of examples of cadets being deprived of the due process of law in seeking to defend themselves against disciplinary charges.

According to the study, made by a 26-year-old graduate of the Air Force Academy, the examples include unfair expulsion, high attrition rates and, most serious, the fostering of a contempt for the law that leads to justification of "undesirable military practices."

An alleged disdain for "legal technicalities." such as lack of sufficient evidence, is combined with an exaggerated sense of honor and integrity to produce an attitude of moral superiority, the study says.

FIVE ACADEMIES STUDIED

This, in turn, enables the nation's highest-ranking officers, 85 per cent of whom in the Army and Navy are academy graduates, "to accept a Mylai massacre or 14 months of secret bombing, of Cambodia as protection of the nation," according to Capt. Michael T. Rose, the author of the report. Captain Rose is currently assigned to the judge advocate general's office at McGuire Air Force Base in New Jersey.

"What the honor code really does is inculcate values that are socially undesirable," Captain Rose said in an interview. "Military honor has traditionally bound the officer corps together, but it has been redefined to contain a super loyalty that forbids any deviation from the norm."

The survey explores the nature of adjudicatory systems at the nation's five service academies: the United States Military Academy, West Point, N.Y.; the Air Force Academy, Colorado Springs; the United States Naval Academy, Annapolis, Md.; the Coast Guard Academy, New London, Conn., and the Merchant Marine Academy, Kings Point, L.I.

THREE SYSTEMS ANALYZED

Captain Rose visited each academy twice, and with the help of other editors of The Law Review and law students, some of whom also were academy graduates, compiled the documentation listed in 1,300 footnotes.

Although the study analyzes all three systems—conduct, administered by the officers, and honor and ethics, controlled by the cadets themselves—it is the honor code as practiced at West Point and the Air Force Academy that receives most of the attention.

Captain Rose argues that because the cadets are under military control they are entitled to the constitutional protection of due process. The academies say cadet codes are administrative and part of a separate jurisdiction.

The counter-argument, as offered in the study, is that academy officials have created the systems, support them and are therefore responsible for them. Court decisions over the years have supported both points of view and new rulings can be expected with the litigation that the survey is expected to provoke.

UNIFORM CODE CITED

Captain Rose says that cadets often are deprived of many legal safeguards, such as rights to counsel, to confront witnesses and to cross-examine, when they are being accused of an honor violation—lying, stealing or cheating (and, at the Air Force Academy and West Point, toleration of these offenses.)

The academies, he adds, will impose four and five times the maximum punishment allowed by the Uniform Code of Military Justice, which sets a limit of 60 days' restriction without a court-martial, for violation of the conduct code.

Cadets, similarly, are punished for alleged offenses committed while on leave—civil authorities normally handle such offenses—in violation of a jurisdictional statute that sets limits on such prosecution.

The cadets also are subject to double jeopardy, denied equal protection, prosecuted for insubstantive offenses, such as sitting in a parked car, and subjected to pressures intended to thwart their rights to appeal.

The "silence," or shunning of West Point cadets in alleged violation of the honor code, was recently discontinued following disclosure by the New York Times of the case of Cadet James J. Pelosi. Captain Rose's study analyzes the legal aspects of the case of Cadet Pelosi, who had been found guilty of completing an answer on a quiz after the order to stop writing.

Although the cadet denied the charge and produced witnesses on his behalf, and although the case was dismissed by the academy's superintendent, the silence was instituted. It continued for a year and a half, until his graduation in June this year.

This ostracism—physical as well as social—had been imposed by the cadet honor committee after the superintendent, Lieut. Gen. William A. Knowlton, ordered Cadet Pelosi returned to the corps in good standing.

"The silence is a blatant example of cadets learning that no matter what the law requires, if their personal value judgment dictates otherwise, the law can be ignored," Captain Rose said.

A dramatic example of the procedural aspects of the honor system at the Air Force Academy was uncovered by Captain Rose during a cheating scandal in 1971. Within 48 hours after the initial discovery of large-scale cheating, the honor board conducted 40 honor hearings, 39 of which resulted in separation from the academy.

One of the former cadets, now an enlisted man due to be discharged from the Air Force next May, provided this account of how the investigation was conducted:

"They got us up at 0300 hours, isolated us, refused to let me sit down, stood me facing the corner, refused to give me a blanket. The honor committee interrogated us continuously, refused any phone calls, did not advise us of our rights, refused to inform me of my charges. . . .

"During the first hour or so the wing commander had me in a brace [exaggerated posture of attention], screaming at me from approximately three inches in front of my face. He lied, saying [another] cadet had 'spilled the beans on me' and that another group would 'crack me' with their interrogation methods."

Violations differ from academy to academy, Captain Rose said. The sea academies, he added, were more tolerant than the Air Force and West Point, although there were exceptions.

The solution, Captain Rose says, is codification of the honor and ethics codes, having honor boards bound by precedents and adopting procedures developed by qualified lawyers in accordance with constitutional requirements. The Congress, he added, must initiate these moves because the academies, highly inbred, are unable to do so.

"MURDER BY HANDGUN: THE CASE FOR GUN CONTROL"—NO. 60

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. HARRINGTON. Mr. Speaker, again the abundance of guns in our society has resulted in another senseless death. Today, I am inserting into the Record from the December 18 New York Times the text of an article about a man who shot two of his neighbors to death in front of their house, because of a dispute over the raking of leaves. I am convinced that strict regulations on the sale of guns would prevent many of these tragic killings.

The text of the article follows:

Couple Slain by Neighbor in a Leaf-Raking Dispute

Chicago, December 17.—A 35-year-old man shot his two neighbors to death in front of their townhouse yesterday in a dispute over raking leaves, the police said.

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[*] Constituent Meetings: New York, Northern New Jersey, Southwest Connecticut, and Western Vermont.

Harry Curtis, 35 years old, was jailed on charges of murdering his neighbors, Clyde Steele, 30, and his wife, Ruth Steele, 27.

After the shootings, the police said Mr. Curtis barricaded himself in his own townhouse, but surrendered minutes later without a shot being fired.

REMARKS OF GEN. ROBERT J. DIXON

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. DOWNING. Mr. Speaker, on November 16 of this year, it was my privilege to be present at the U.S. Air Force Association chapter dinner at the Langley Air Force Base, Va. I found the remarks Gen. Robert J. Dixon, commander, Tactical Air Command, made at that time most interesting and I am pleased to make them available to my learned colleagues so that they may have the opportunity to profit from them as I have:

REMARKS BY GEN. ROBERT J. DIXON, COMMANDER, TACTICAL AIR COMMAND, AT LANGLEY AFA CHAPTER DINNER, LANGLEY AFB, VA., NOVEMBER 16, 1973.

This is surely a gala night at Langley:

I see out there a real and heart-warming gathering of the clan—those who have come from a distance in time—others from distance in space—and some from both time ago and far away.

I sense in the gathering a purpose, a message—an upswell—and of course, a warm welcome to my family and to me. We are touched by your presence—and Tactical Air Command is honored.

In that context, let me say at the outset that the Langley Chapter of the Air Force Association deserves the highest praise for the remarkable progress it has made since its organization in 1964. Mr. Fowler—Tom—you and your predecessors, and the many who have labored so diligently through the years to give the Langley chapter the national prestige it enjoys, are to be congratulated.

This is one kind of the broad, vigorous, imaginative support the whole Air Force must have if the United States is to maintain the air power necessary to insure our security.

Your role is indispensable in this process and you clearly know it and do it.

When Tom Fowler asked me to say a few words tonight, he suggested that I express my views on the future of tactical air power. I am delighted to do so—very briefly—but I owe you the compliment of not doing so in a narrow tactical air command sense, but rather in the framework of the larger future of your Air Force.

In a recent speech General George Brown, our Air Force Chief of Staff, put our overall task in clear perspective. He emphasized the vital importance of the Air Force mission as it relates to the defense of this nation and our security commitments around the world.

"This mission," he said, "means that the deterrence of war rides in the cockpits of our aircraft and dwells in the control rooms of our missile force. It means that wherever and whenever conflict might occur, the Air Force must be qualitatively second to none. It means the Air Force must be prepared to act in concert with Allied Air, Army and Navy forces in the sky, on land, and at sea.

"Finally, our mission means that the freedom, the security and welfare of America and other free nations around the world depend on the Air Force to a greater extent than is generally realized. That is the Air Force mission as I view it: Broad in scope, complex in execution, and absolutely essential."

In that capsule, General Brown charted the future for the Air Force—stressing the awesome responsibility we have as we meet our obligations with diminishing resources.

Those who may be skeptical about our "diminishing resources" need to look hard at the record to understand.

Twenty years ago, 59 cents of every budget dollar was spent on defense; this year we are spending 30 cents for national defense.

A similar shift has occurred in manpower. Twenty years ago, half of all government workers—local, State and Federal—were employed by the Department of Defense. Today, there are almost four times as many government employees in other agencies than in defense—including our uniformed personnel. Now I don't mean we ought to get more money or more people in government—I do mean we are using less.

Which means, of course, that we must—and we can—continue to maintain adequate defense forces with reduced resources. It means better management by every individual in the defense establishment; now, especially, in the use of energy. And although defense accounts for a small portion of energy consumption—2.4 per cent of the total energy consumed in the United States—and 3.6 per cent of national petroleum consumption—we consider conservation of all energy resources a priority responsibility for all of our people.

Although austerity cannot be a crutch—and we do not complain—this is clearly a big challenge and it must be met.

Now, with that larger scene as a backdrop, let me speak of the future of tactical air power. While, as the commander of Tactical Air Command, the present is my first concern, you know that we inherit our past—and you know that the future begins today, every day. Let me capsule Tactical Air Command's past, present and future to give you a reference point.

Very few people, in or out of the Air Force, remember that in the late 1950's Tactical Air Command was a very small organization, comprising about 50,000 personnel and only 11 fighter, reconnaissance and airlift wings. Its main function was to train combat aircrews and units to support our overseas air forces. Its resources were limited and aging. But in 1961, the situation changed dramatically, with greater emphasis on Tactical Air and Tactical Air Command.

That year tactical air command became a component of a newly established unified command at MacDill Air Force Base in Florida, now known as the United States Readiness Command. That same year, tactical air command responded to the Berlin crisis, quickly deploying recalled reserve fighter and reconnaissance units to Germany.

The following year—1962—tactical air command planned and executed the response to the Cuban contingency. Tactical air command, in fact, supplied much of the evidence of the Russian missile sites that led to their removal.

I don't think it is necessary for me to dwell on the history of tactical air command's contributions to the Southeast Asia conflict. Suffice it to say that tactical air command weapons, manpower and professionalism made American tactical air power a visible, living instrument of national policy.

And, I deliberately add here, tactical air command performed brilliantly over the past five years under the superb leadership of General Spike Momyer, whose dedication to tactical air operations coincided with an era of great progress in tactical air power.

We had the opportunity to see the results of past training when we recently deployed three squadrons, consisting of 72 aircraft to Thailand in three days. The day the last squadron arrived in Thailand, we flew our first combat mission. All aircraft arrived as scheduled to include the airlift support that hauled 665 tons of equipment and 1572 support personnel.

It's interesting to use the history of the same tactical fighter wing to measure the progress that has been made through the years in the deployment of tactical aircraft. During World War II, the same tactical fighter wing embarked from the port of New York, crossing the Atlantic to England. After departing the United States, 39 days transpired before the wing flew its first combat mission. By comparison, this unit, 29 years later, departed the United States on 10 October 1972 flew half way around the world to a Royal Thai Air Force Base, and 39 days later, had flown a total of 1892 combat sorties.

Fighter pilots do great—but they don't do it alone—we've got to be proud of the support provided by tactical air command airlift and military airlift command who moved this unit en masse, the strategic air command tankers who provided air-to-air refueling, the technology, the research, and the American industrial competence that gave us the trained people, aircraft, and weapons for this extraordinary feat. Not least, but most, we've got to credit the citizens, and their Congress, who gave us the wherewithal.

More recently, as you know, the Air Force was called upon to respond to a national decision to provide material support to Israel—support designed to bring about a cease-fire and to stabilize the Middle East. Tactical Air Command was very much involved in that historic mission.

Within 16 hours after the word "go," the first eight Tactical Air Command F-4 Phantoms were airborne and on their way to Israel. They completed the 5680-mile nonstop flight in slightly more than eleven hours, requiring a number of in-flight refuelings from Strategic Air Command KC-135 tankers. The remaining F-4's followed quickly behind in a superb demonstration of the rapid, global ability of land-based Tactical Air to get where it's needed.

I might add here that the C-130's we provided reacted with superb responsiveness—all of our C-130's, loaded, arrived within 12 hours of the first delivery—and with the same degree of professionalism by our people that is the hallmark of the Air Force.

All of these actions, from Southeast Asia to the Middle East, are measures of Tactical Air Command's growth—in responsiveness and in resources—over recent years.

Today, Tactical Air Command is authorized slightly more than 95,000 people and we operate more than 2,000 aircraft. Our capital investment is valued at more than 9 billion dollars and our annual operating budget is approximately one-and-a-quarter billion dollars. This is substantial growth over the past ten years—growth that reflects the hard reality of need—National need.

As I look to our future, my crystal ball is no clearer than yours. You and I can hope—but we cannot delude ourselves into relaxing.

While a head-on confrontation between the United States and another major power is unlikely, we simply have to keep the forces to discourage this and/or to meet lesser conflicts. This includes the support of our allies, to the degree determined by national policy.

In this context I am convinced and I hope you are convinced that tactical air power is a tremendously important and absolutely vital element of our defense structure in the years ahead. Tactical air command is the spearhead of fast, mobile readiness. The more there are pressures to withdraw our overseas forces, the more we must have a reasonable—and adequate—reservoir of tactical air command forces—including our reserve resources—equipped, trained and poised for deployment to any corner of the world within a matter of hours.

This is not to imply that tactical air command bears sole responsibility, naval forces play a vital role; marine and army forces are also essential.

I will not go into a detailed discussion of the hardware and special capabilities we need to enable us to meet our obligations. As most of you know, we are struggling to acquire better means—the F-15, the airborne warning and control system, the A-10, the advanced medium short takeoff transport, and improved command and control systems. We must keep pushing to increase the momentum for change and progress. In fact we must run hard to stay in place—and no races are won in place.

We cannot, under any circumstances, rest on our laurels comforted by past achievements and learning old lessons instead of new. We have to learn the right lessons from Vietnam and from the Middle East war—we have to face up to NATO problems and tomorrow's world.

In the case of tactical air power, the burden will rest on tactical air command shoulders—the shoulders of a group of the finest and most professionally skilled and dedicated people the Air Force has ever known.

But, we just cannot do it alone.

We must have—and earn—the understanding and support of the American public. We must somehow tear down any barriers that exist between the civilian and military communities in this country—whether real or imaginary. We must be more articulate, more realistic and more deserving of respect. It is a hard and vital task. With your help—the help of the Air Force Association and other friends—I am confident we can do it—and do it well.

Listen for a second to how our secretary, Dr. John McLucas, sees it:

"I think I have cause for optimism when I stand here . . . after the end of perhaps one of the most divisive wars in our nation's history, when the military was held in low esteem—the Air Force received at least its share of criticism—and tell you that working without a draft, we are meeting our recruiting goals 100 per cent, with 95 per cent high school graduates.

Doesn't that tell you that we're doing something right? Doesn't it tell you that the American people still have a large reservoir of respect for the military in general and the Air Force in particular? Doesn't it tell us the Air Force emphasis on offering our people a good education and a skill which they can use outside the Air Force is a policy which pays off for the Air Force and for the country? Doesn't it say that perhaps we should get off the defensive once in a while and go out and tell our story to the American people?"

I hope you say yes to these questions, because I do.

In those words, Dr. McLucas has taken off the wraps—you can bet that Tactical Air Command is going to be seen and heard, in balance with the United States Air Force, in this process.

WE NEED A NEW MINIMUM WAGE BILL

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. ERLENBORN. Mr. Speaker, Christmas is almost upon us, and Christmas never fails to bring to mind Charles Dickens' immortal "Christmas Carol" the familiar tale of Ebenezer Scrooge, the miserly meany who kept Bob Cratchett working almost every day of the year in order to make ends meet. He had a change of heart, however, when the Ghosts of Christmas Past, Present, and Future impressed their truths upon him.

Not a believer in ghosts, I, nevertheless, cannot help but hope that the Spirit of Christmas will bring a change of heart to the present-day Meany who, like Scrooge, compels today's Bob Cratchetts to continue working at bare minimum wages because he insists on his own version of a minimum wage bill.

If the Spirit of Christmas reaches George Meany, a passable bill will be at the top of his list of New York's resolutions.

ALFRED S. MILLS: A CITIZEN WHO CARES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. RANGEL. Mr. Speaker, every once in a while there is found a person who is working quietly and effectively for those less fortunate than himself. Such a man is Alfred S. Mills, chairman of the New York Bank for Savings. Without any fanfare or publicity he has involved himself and his bank in the development and building of 11 housing projects with 643 dwelling units and 3-day care centers which have replaced run down tenements in the upper Park Avenue area or New York. His original investment and idea continues to work for another four projects which are under construction and are the basis for eight more projects which are in the preliminary stages of planning. The community has complete control over the whole process.

The New York Daily News recently published a fine article on this warm-hearted man which I hope will be read by all of us for the benefit of its example of what one man can do for other people:

ONLY HUMAN: A NEW KEY FOR THE BANKER

(By Sidney Fields)

Alfred S. Mills once had the rather naive notion of buying old, abandoned and gutted tenements and building some decent houses in their place, an unlikely notion for a banker.

But he learned quickly that no matter how noble his intentions it wasn't all that simple. To begin with, when he told the FHA and City housing people, "I want to build some houses in Harlem," they asked, "Where's your land? Where are your plans?" Then he discovered that the people who lived in the area knew what they needed; he didn't. The only way to find out was to go to them and work with them.

"Not through subordinates," said Mills in his office at the New York Bank for Savings. "If it was to succeed the top man has to be involved." He got involved. He still is.

Mills is chairman and chief officer of the bank, which has assets of $2.8 billion. It's the oldest savings bank in the state, founded in 1819 by a group calling themselves "The Society for the Prevention of Pauperism," whose first office was the old alms house, behind the present City Hall.

A BEGINNING

So far Mills has helped erect 11 projects with 643 dwelling units plus three day care centers. "It's a beginning," he said, and he's frank about his motives. "We're not doing this for charity. We're part of the city. We must keep it a good place to live in. That's good for all of us."

But it's unusual for him. He's an upper caste Brahmin, who went to Philips Exeter prep and Princeton. His father, a lawyer, became head of a bank and a Judge of the N.J. Superior Court. Mills was born in Morristown, N.J., began his real schooling as a mortgage clerk for Prudential Insurance and got to be one of its mortgage appraisers before he came to the New York Bank for Savings to straighten out all the problems generated by the big depression. The bank held a lot of real estate and $100 million in mortgages that were in arrears or excessive in relation to the property covered.

It took him four years to straighten all that out. In between he was in the World War II Navy, commanding a convoy subchaser and an LST at Omaha Beach on D Day. He came out with a Bronze Star, the rank of Lt. Cmdr., and returned to the Bank.

He's 64 now, tall, soft-spoken, slightly rumpled, and looks more like a silver-haired schoolteacher eager to get back to his grandchildren. He has nine. One granddaughter was graduated from Philips Exeter and just entered Princeton. His two sons, Edward and Alfred are business executives, his daughter, Mrs. Henrietta Mead is studying urban affairs at Vassar, a passionate interest of Mills.

"It stems from a lifelong concern with the city's future," he said. "I believe that there are people in depressed areas who deserve the help, encouragement and cooperation of anyone in a position to give it to them."

He recalled with open admiration the first two he worked with, housewives, Mrs. Margaret Jenkins and Mrs. Mary Iemma, a working widow. The ladies formed the Upper Park Avenue Community Association to change the face of their neighborhood, 117th to 124th Streets between Park and Lexington Avenues and needed a mere $578,000 mortgage to convert three miserable tenements into one livable building. Mills arranged it and advanced the money for the plans and architects fees. UPAC approved the plans, the contractor, the size of the rooms and even the color of the paint.

"We bought the land," Mills said, "but the key was the people I worked with. It's a good feeling to know I'm among friends when I'm with them. The key is always the people."

Mortgages for the first 11 projects came to $18.2 million, all paid back when it was turned over to permanent investors and the City Housing Administration. Mills conceived that ingenious idea so the original "seed" money could continue working. It sure is. Another four projects with 562 dwelling units are now under construction; two more with 109 units will soon be started; and plans are ready for six others with 2,628 units, plus three more day care centers.

BUILT BY BLACKS

Black architects plan them and black contractors build them. UPAC's first project was the first apartment house built by Fred Eversley. "He's now the biggest black contractor in the country," Mills said. "What's more important, he's a good friend."

He must be aware that there are other serious urban problems besides housing: drug addiction, crime, education.

"I am. But I decided to concentrate on what I know something about and that's housing."

But privately and quietly he has a hand in the other problems. He's treasurer of the National Urban Coalition, a director of the Community Service Society and the Protestant Welfare Agency. In the bank he's moved minority members into the officers rank, and

Cornelius McDougald, one of the five Harlem residents who advise him on minority affairs, is a board member of the bank.

His proudest moment came when UPAC named one of its buildings. The Alfred S. Mills House. A nice thumbprint on time.

"I'd rather have it there than anywhere else," he said.

IS PROFIT A DIRTY WORD?

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. DERWINSKI. Mr. Speaker, a front page article in the News, a publication serving Harvey, Dolton, Riverdale, and South Holland, Ill., written by its editor, Michael O'Hearn, concerns the subject of energy crisis and the oil industry. Mr. O'Hearn conducted an interview with general manager, George Masolgites of the Harvey, Ill., Atlantic-Richfield Research and Engineering Center.

I believe that the article is not only timely and pertinent but also quite enlightening. I recommend it to all the Members, especially those who sound off on the subject of the energy crisis without doing some elementary research.

The article follows:

ASK A SILLY QUESTION—IS PROFIT A DIRTY WORD?

(By Michael O'Hearn)

United States Senator Adlai Stevenson has called for an investigation of the oil industry. Dillon Smith, a Chicago television executive charged an industry-government conspiracy concerning the energy crisis. He stated in his editorial that blaming the consumer for the shortage was not only ridiculous but also erroneous. Smith further stated that government tax breaks to the oil industry have gone to build refineries in Europe.

At the Atlantic-Richfield research and engineering center in Harvey general manager George Masolgites claims the reasons are much less sinister than the American public is being led to believe. Masolgites points out that the Chase-Manhattan Bank has published a couple of very informative booklets outlining the causes of an energy crisis.

"The incentives are just not there to dig for new sources, or to build new refineries. The price of crude oil has been government controlled at the well head."

Masolgites pointed out that federal and state taxes account for a major portion the consumer pays per gallon at his station.

"Gasoline has been a convenient whipping boy for more and more tax load with the government more than any other party feeling a cheap supply of energy was inexhaustible. Looking at these figures (George had several booklets on his desk) you can see we have a large amount of oil discovered, but haven't been able to dig for it yet due to lack of capital. The Alaskan pipeline is a good example of the lack of concern energy has meant to the American government and people."

Masolgites feels the American people have been led down a garden path when it comes to ecology.

"We have a huge supply of coal in this country, but we are not allowed to touch it. Oil shale can be recovered from the ranges of Colorado to supply this nation with oil for years to come, but the cost to extract the oil from the rock is more than Americans have been willing to pay. The American people can not allow a foreign government to dictate our energy needs. We're going to have to become self-sufficient with energy, but the American people are going to have to face the fact that energy costs money."

What kind of changes do you expect to come out of this crisis?

"Small cars are going to take over the highways of this country. Wiser use of energy is already taking place due to our present shortage, and that has got to be good."

A tour of the facilities at ARCO provided me with a little more understanding of the kind of sophisticated research taking place in American industry. I asked George if we still led the world in technology.

"Right now we do. Japan is eagerly learning all they can from us. I've been over there twice this year. They're buying our technology constantly, and putting it to good use."

I asked about Venezuela's policy of price hikes on their oil which so far this year has totaled 11 increases.

"All the oil producing countries are wising up with regard to their price of oil. We've seen the last of cheap foreign oil."

Thornton Bradshaw, ARCO's president was a recent guest on the Dick Cavett show in which Barry Commoner and Ralph Nader matched wits with Secretary of the Interior Rogers Morton and Bradshaw. George was a little disappointed in the way the show progressed . . .

"I just wished I was there to answer some of those lightweight questions posed by Professor Commoner."

George Masolgites made a strong case for American capitalism. The word profit is not and should not become a dirty word in America. If the incentives are greater for the oil companies in other parts of the world than right here in the United States, it's time our leaders in Washington faced up to these new facts and started to do something about such a situation. This country became a world leader, the envy of the world, by its capitalistic economy. A profit is the crux of the whole system. Healthy thriving activity will go where profits are the greatest. Thornton Bradshaw made an eloquent appeal to the American people on the Cavett show declaring that the United States government has lagged in the leadership required to encourage the development of our own energy needs.

Chuck Welch of ARCO put it best when he said, "Remember when you knock an industry for wanting a reasonable return on investment, you're knocking the American way.

CANADA PROTECTS HERSELF

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. GAYDOS. Mr. Speaker, our neighbor to the north may be pointing the way for us in the needed protection of our industries and businesses from foreign takeovers.

As we are all aware, Canada long has had a problem concerning foreign investments there. Our own firms are deeply entrenched in that country. British capital had much to do with building Canada into a viable industrial state.

But now Canada wants to be more on its own. And Canadians, too, fear, as reports from Ottawa stress, that any marked increase now in foreign ownership will threaten their nation's independence and tend to dilute Canada's national character.

So Canada has new legislation being enacted to control foreign investments and the machinery for doing this is simply rigged. Hereafter, the Government will have veto power over efforts by foreign firms to start new businesses in Canada or to take over additional Canadian companies. Such plans will be screened by a government agency to determine if they will benefit Canada. If not, they won't be permitted.

Times magazine quotes Alastair Gillespie, minister of industry, as saying:

> Now we're going to be more than a mere appendage of foreign corporate giants south of the border.

While the new Canadian action is aimed mainly at encroachment by U.S. investors, we also have a growing problem of the same order. The Japanese are steadily buying up companies here and building U.S. plants for their own big corporations which are in head-to-head competition with our firms, all with excess dollars obtained through their past favorable trade relations with us. So, too, are Europeans with their hoards of those notorious "Eurodollars" piled up from our giveaway programs and the multibillion dollar injection of U.S. tax money into their economies by our NATO forces stationed there.

I am a sponsor of legislation here to do for our country what the Canadians are doing for theirs—legislation to limit and control foreign investments in the overall interest and for the strict benefit for the American people. It is high time, certainly, that we act in this matter before we find outsiders so deep into our business affairs that we no longer will be in the driver's seat. Canada is not the only country looking out for itself these days. The United States is alone in taking the idealistic global view that the concerns of others are equal or superior to its own.

THE FUTURE OF THE REPUBLICAN PARTY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. CRANE. Mr. Speaker, there is much discussion at the present time about the future of the Republican Party. The American people are clearly dismayed about the evidence of the abuse of power by some in Washington, and their faith not only in the Republican Party but in our political system itself is in a state of disarray.

The Republican Party must make it clear that it condemns the unfortunate activities which have come to be known by the collective term of "Watergate." Our party has long been in the forefront of opposing the centralization of executive power, which was an essential element of every Democratic administration since the New Deal. Now, it should be plain to all Americans that our fear of centralized power was justified.

There is some danger that the public disaffection with the men responsible for Watergate will cause some in our political arena to seek to change the clearcut mandate of the 1972 election. That election gave the American people the unique opportunity to choose between a philosophy of limited government and national strength and a policy of national weakness, redistribution of wealth, and blatant statism. The candidate who advocated the latter policies carried only a single State. The American people made it clear that they had rejected his program.

It is true that the Republican administration has, in a number of instances, veered away from that platform and program. It has imposed wage and price controls, it has signed the SALT agreements, and it has encouraged East-West trade. I, and many other Republicans, have expressed disagreement with these digressions from our party's principles. The fact remains, however, that the traditional principles of our party are the ones the American people overwhelmingly supported in the last election. To the extent that we remain true to those principles, to that extent we will merit the continued support of the majority of voters.

In a recent speech concerning the future of the Republican Party, Senator JAMES L. BUCKLEY, of New York, noted that:

> Faced with that clear choice, the majority of the American people in 1972 overwhelmingly chose the Republican approach to solving our Nation's problems. Americans chose decentralization and a return of power to the people and the states and the communities rather than the ever-increasing centralization of power in Washington. They chose peace with honor in Vietnam rather than the kind of peace achieved through begging on our knees. They chose Republican fiscal responsibility to Democratic big spending. They chose a strong military to drastic cuts in the military budget.

Senator BUCKLEY declared that:

> Nothing has happened in the intervening period, nothing that has come out of Watergate, in any way distorts or negates that mandate.

Senator BUCKLEY said:

> The Republican Party will become a majority party when Republicans realize that their strength lies in political principles and not in various charismatic figures or slick public relations contrivances.

I wish to share with my colleagues the text of the address by Senator JAMES L. BUCKLEY to the Winnebago County Republican Committee in Rockford, Ill., on "The Future of the Republican Party" and insert it into the RECORD at this time:

BUCKLEY SPEAKS ON FUTURE OF REPUBLICAN PARTY; SAYS GOP HAS ITS OWN ENERGY CRISIS

Declaring there is "a kind of energy crisis in the Republican Party," Senator James L. Buckley tonight announced that he would take on a new responsibility in the years ahead to speak out and explain "what the real issues are and what we as Republicans can do about them."

Sen. Buckley said that Republicans cannot sit back and "wait for some political messiah to solve our party's problems."

He said that the Republican Party will become a majority party when Republicans realize their strength lies in political principles and not in various charismatic figures or slick public relations contrivances.

The 50-year-old Conservative-Republican Senator from New York addressed a fund-raising dinner of the Winnebago County Republican Committee in Rockford, Illinois on "The Future of the Republican Party."

Tomorrow night (Thursday, December 6) he will repeat his theme before a fund-raising dinner of the Wisconsin State Republican Committee in Milwaukee, Wisconsin.

Sen. Buckley, who as a member of the Senate Interior Committee has spent considerable time in recent months concentrating on the energy crisis, said:

"I think I can say that I recognize an energy problem when I see one. I mention this only to point out that it appears to me there is a kind of energy crisis in the Republican party today and it is one that cannot be met by merely turning down thermostats.

"Each Republican has to speak out wherever he or she may have the opportunity," Sen. Buckley told the gathering and added:

"I plan to do that in the coming years as often as I can and I urge all of you and all Republicans everywhere to join me."

He said his task of speaking out on the "complex truth" of the important issues of the day has been made difficult "by the events of the past year, by the bias of the media and by our minority status." But he urged that it is a "task that must be completed not just for the party but for the country."

The text of Sen. Buckley's speech follows:

Tonight I want to talk to you about some problems we Republicans seem to be facing and how we might go about solving them.

Let me begin by saying I am a member of the Senate Interior and Insular Affairs Committee and I have spent considerable time in recent months concentrating on the energy crisis. I think I can say that I recognize an energy problem when I see one. I mention this only to point out that it appears to me there is a kind of energy crisis in the Republican Party today and it is one that cannot be met by merely turning down thermostats.

Slightly more than one year ago, President Nixon was reelected by a landslide. He received an overwhleming 61% of the popular vote; his popular vote plurality was over eighteen million, by far the largest in American history. There was widespread comment in the press that we were about to witness an emerging Republican majority.

Yet only three weeks ago, George Gallup told a meeting of Republican Governors that Republican candidates in 1974 would probably attract so low a vote that President Nixon could lose his power even to sustain a veto. Pollster Lou Harris has found that our party has fallen so sharply that we are already a third party, lagging behind even the percentage of voters who regard themselves as Independents. In recent gubernatorial elections in New Jersey and Virginia, Republicans stayed away from the polls to an alarming degree.

Mr. Gallup has even more bad news. The essential Democratic element of what was in 1972 termed the "emerging Republican majority" is drifting back to the Democrats. Whatever you may call them—peripheral urban ethnics, urban conservatives, or blue-collar workers—today they would, according to Gallup, vote far more overwhelmingly Democratic than they did in 1972. A recent headline tells the story: "New Majority Seen Drifting to Democrats."

The precipitous decline in the fortunes of the Republican Party is a fact of life. While it is necessary and useful to point out the obvious fact that the Republican Party as such had no connection with Watergate, it is idle to speculate on what might have been if Watergate had never occurred. Our task now is to look at things clearly, to recognize both our real strengths and our weaknesses and to do what a political party should do: bring our message to the people. At the risk of being accused of Pollyanna-ism, I venture to suggest that despite the recent pessimistic predictions, the future of the Republican Party, given certain conditions, can be very bright.

At this point some of you might be thinking that I am embarked upon a pep-talk, the kind of locker-room oration inspirational football coaches give at half-time to teams that are losing by three touchdowns. Let me assure you that it is not my purpose to play the role of a political Knute Rockne. I can think of no worse service to our party than to gloss over unpleasant facts and engage in soothing fantasies. No, what I have to say is based on my observations of the realities of where we stand. I believe that, despite recent unpleasantness, the Republican party stands on rock-solid political principles, and that on this foundation Republicans can—and will—build a new majority. But this will take the time and effort—and the energy—of every Republican. I mean by this not merely those usually spoken of as "party spokesmen" but each individual in the party. My task and your task is to bring before our fellow citizens the complex truth about the really important issues of the day. It is a task made difficult by the events of the past year, by the bias of the media and by our minority status. But it is a task that must be successfully completed, not just for the party but for the country. For the Republican party alone has the foundation of solid philosophic principles upon which to continue to build the kind of country most Americans want.

There are many in the media and in the other party who would like Americans to forget the fact that the election of 1972 was one of the most clear-cut choices ever to confront the American people. The Presidential Election was not just between two men but between two clearly identifiable political philosophies.

I don't want to get into a semantic tangle concerning what those philosophies might be called. Some might say that it was Conservatism versus Liberalism. Others might say it was a struggle between the forces of decentralization and those of centralization. Whatever the name of the philosophies involved, one thing is clear: the President was clearly identified with the kind of political philosophy that has been historically associated with the Republican party and Senator McGovern was just as clearly identified as being the spokesman for the philosophical principles of the Democratic party.

Faced with that clear choice, the majority of the American people in 1972 overwhelmingly chose the Republican approach to solving our nation's problems. Americans chose decentralization and a return of power to the people and the states and the communities rather than the ever-increasing centralization of power in Washington. They chose peace with honor in Vietnam rather than the kind of peace achieved through begging on our knees. They chose Republican fiscal responsibility to Democratic big spending. They chose a strong military to drastic cuts in the military budget. They chose to keep the control of local schools in their own hands and not in the grasping hands of Washington bureaucrats. In short, the majority of the voters overwhelmingly chose Republican principles.

Now here is the essential fact: nothing that has happened in the intervening period, nothing that has come out of Watergate, in any way distorts or negates that mandate.

In fact, a recent survey taken by the Senate Subcommittee on Inter-Governmental Relations confirms what most observers have intuitively concluded: the American people agree with the basic Republican principle that government close to the people is best.

The report of the Subcommittee states, and I quote:

"The public underscores its belief in shared governmental responsibilities with an overwhelming endorsement of two policy propositions:

"(1) State and local governments should be strengthened; and

"(2) The Federal government should have power taken away from it."

On nine problems of major concern to Americans, those polled chose non-federal government solutions in seven times. Seventy-two percent say they trust state and local government and private organizations to handle problems of health care for the family as against eighteen percent favoring the Federal government approach in this area. Sixty-six percent chose those same non-Federal government groups to handle problems of help for the elderly. Sixty-one percent said that local government should be made stronger—and forty-two percent said government should have power taken away.

Ladies and Gentlemen, I suggest that these figures are not the sort to warm the hearts of big-government, big-spending Democrats whose fiscal and bureaucratic excesses created the big government syndrome we now endure.

Yet because of the power of incumbency and political habit, the Congress today is still dominated by the big government syndrome that an over-regulated, over-taxed public is coming to reject. In the Congress today, only the Republican minority consistently fights for those policies and principles for which an overwhelming majority of Americans voted for a year ago. Let me illustrate: . . .

It is clear that instead of spending time looking for scapegoats or casting stones, each of us should concentrate our energies on closing the gap between the public's obvious approval of Republican principles and the public's lack of identification with the party that espouses these principles.

Let us not delude ourselves that it will be an easy job. We have to struggle against the reluctance of the media to concentrate on any political story that cannot be dramatized or sensationalized. We have to combat the widespread disillusionment with politics in general that has been one of the terrible legacies of the Watergate affair.

Republicans in positions of responsibility must be prepared to live by their principles, if their party is to regain its credibility. We must abandon political expediency and stand by the often hard position that in the longer run will prove to be and will be seen to be the right position.

The months immediately ahead will give us ample opportunity to test our mettle. I mentioned earlier that I serve on the Interior Committee. In that capacity, I have listened to endless hours of testimony on every facet of our snowballing energy problems. The one inescapable conclusion to be drawn from all that I have heard is that our current shortages are largely self-inflicted. They have resulted from governmental intervention in the workings of the marketplace. Nowhere is this more clinically demonstrable than in the case of natural gas. In 1954, when the Federal Power Commission first began to regulate the wellhead price of natural gas committed to interstate pipelines, we had a vigorous natural gas industry that was developing reserves at a rate faster than they were being consumed.

The result is a classic demonstration of what happens when government attempts to control the price structure. Despite the facts that geologists estimate we have enough gas yet to be found and developed in this country to supply our needs for one hundred years at current levels of consumption, by 1972 potential gas customers in more than twenty-one states were denied service. The waiting list in Chicago in 1971 included the following potential customers: 14,000 residences; 2,000 businesses; and 800 industrial users. The list is far larger today.

By holding the price of natural gas to less than half the price it would take to make it economically feasible for natural gas producers to develop gas fields for sales in inter-state commerce, the FPC in the name of consumerism has condemned consumers in Illinois and New York to do without the most desirable form of energy at any rate.

In the meantime, because intrastate sales are exempt from regulation, three major producing states—Louisiana, Texas and Oklahoma—are currently experiencing vigorous exploration, and natural gas is being sold in a free, competitive market to customers within each state at prices substantially higher than the FPC permits for sale to an interstate pipeline.

It is easy for politicians from consumer states to play games with their constituents and promise that the line will be held on the price of commodities in short supply. The inevitable result of such a policy is to guarantee that those shortages will become chronic. Republicans know better. They know that the market-place and the pricing mechanism is the most effective method for allocating resources and encouraging new sources of supply to meet demand. This is why the only sound policy, the only Republican policy, the only one that will meet the needs of states like Illinois and New York is to abolish FPC price controls on new gas committed to interstate markets. I ask all of you here tonight, all Republicans in Illinois to join me in working to free producers to find the resources needed to meet our needs.

Another hard one involves the specter of gasoline rationing. Oh yes, it is politically easy to say that the government will take charge and assure equity. Anyone whose memory reaches back to the early 1940's will understand the horrors of rationing. They will remember the Black Markets, the bootleg gasoline, the hordes of regulators, the counterfeiting of ration coupons, the guidelines and regulations, and the lying and cheating. The Congressional mania for regulation is nevertheless pressing on with Pavlovian zeal for government rationing of gasoline. Such a move was only narrowly averted a week or so ago in the Senate, but irresistible forces seem to be building to achieve what the Wall Street Journal has described as the "best political solution and the worst economic one."

Walter Heller, Chairman of the Council of Economic Advisors under the Kennedy and Johnson Administrations, has suggested that a fifteen to twenty percent increase in the price of gasoline would decrease consumption by ten percent—more than the estimated seven percent shortfall in gasoline predicted for the coming year. Yet rather than simply allowing the price mechanism to equitably provide gasoline to those who need it most while encouraging all to conserve, the Democrats would saddle us all with yet another legion of bureaucrats. Rationing is not a solution to the energy shortage—it is an expression of the very point of view that created this mess in the first place.

If we are to restore confidence in the Republican party and Republican positions we, public officials as well as workers in the political vineyards, must be willing to point out the hard truths, and to do so consistently.

I have been a Senator for three years. Looking back in midpassage, I see that I have engaged in two major duties. I have attended to my Senatorial responsibilities on the Floor and in Committee. And I have attended to the problems of the people of New York State whom it is my privilege to represent. I plan to continue working in both these areas for the years to come.

But I understand now that I have another responsibility, and that is to help spread these truths, to help the American public gain a better understanding of the major issues that face them. I'm here tonight to tell you that I intend to take on this new responsibility and to ask that each one of you join me in this task. Each Republican has to speak out wherever and whenever he or she may have the opportunity, and explain what the real issues are and what we as Republicans intend to do about them. I plan to do that in the coming years as often as I can, and I urge all of you and all Republicans everywhere to join me. Remember: in debates on the real issues confronting America, Republicans have nothing to lose and everything to gain.

As Republicans, we are the inheritors of political principles that have helped to create the greatest, most prosperous, most politically free nation in all history. As Republicans we know from experience that reliance on the free market—the essential economic tool—is far superior to reliance on big government spending and intervention—the major Democratic economic tool. We know from experience that government close to the people is best. We know from experience that in a world of increasing tension only a strong defense can guarantee peace. We know that centralized government poses the greatest threat to individual freedom. And we know the American people agree with us.

Therefore, each Republican must now see himself not just as a party member, but as a party spokesman. We simply cannot afford to sit back and wait for some political messiah to solve our party's—or our nation's—problems. We will become a majority only when we realize that our strength lies in our political principles and not in various charismatic figures or slick public relations contrivances. If you seek the future of the Republican party, look into your own heart and mind: what you find there will determine the future of the party for a generation.

As we approach a New Year, then, Republicans have every reason to do so with hope and confidence.

In order to help clarify what I think we must do in the year to come and beyond, let me offer, a bit early perhaps, the following New Year's resolutions for Republicans:

Let each of us resolve to bring the Republican message to the American people wherever and whenever we can. This is not a time to hide our light under a bushel. This is a time to speak out on the issues of the economy and energy and peace in the world. This is a time to show our fellow Americans that we are proud of our party and confident of its ability to serve all of the American people.

Let us resolve to apply Republican principles to the problems confronting America. It is pointless, for example, to pay lip service to the idea of faith in free enterprise and then demand economic controls. It is scandalous to speak the rhetoric of fiscal responsibility and then support superfluous programs, that will either produce inflationary deficits or require still heavier taxation. Let us practice what we preach, lest we wake up one day and find out that the American people are no longer listening.

Let us resolve to tell the American people the cold, hard facts about the realities of international affairs. Let us seek detente but let us also recognize that we mean one thing by detent while the Russians and the Chinese mean something else. While we seek a relaxation of tensions, let us also remember to keep our powder dry.

Let us resolve as Republicans to bring our message to those who traditionally have had other political allegiances. We know that we can attract Americans of every age and background. I know from my own experience in New York in 1970 that traditionally Democratic voters will align themselves with the candidate, regardless of party, who represents the values they embrace.

Let us resolve, finally, always and everywhere to adhere to our principles.

A VISION OF PEACE IN THE MIDDLE EAST

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. HAMILTON. Mr. Speaker, one of the most important, first ingredients needed in building a structure of real peace in the Middle East will be to create a new psychology in the region—a way of thinking about problems that reflects a vision of a better tomorrow, a mood that things can be improved and that compromises can be reached which will not force any party to forego vital interests.

In recent days, a few writers observing the Middle East scene have reflected such a vision of peace. Arie Eliav, a member of the Israeli Knesset and former Secretary General of the Labour Party, is one of them. In a December 15 New York Times article, he imparts considerable wisdom on the issues of peace in the Mideast. I commend his remarks to my colleagues:

WHEN PEACE COMES TO THE MIDDLE EAST

(By Arie Eliav)

JERUSALEM.—I believe that peace will come to Israel and her Arab neighbors in the present generation.

Is it possible that we have reached one of the last stations along the terrible path of affliction trodden by our people for the last two thousand years, and that we are now on the road to life and redemption? It is emphatically possible.

We must look ahead. Military victory is ours in yet another dreadful war that the Arabs forced upon us. Israel's armed forces have once more confounded the designs of those Arabs who seek to destroy us.

I believe that there are other Arabs, especially among those living in our midst and our immediate neighborhood, who, like ourselves, are sick and tired of slaughter and who desire to be reconciled to our existence as a people and a state within their world. I believe that now more than ever, in the twilight of war, without for one moment desisting from strengthening our armed forces, we must issue a declaration of peace to today's enemies, who will be tomorrow's neighbors.

We must tell the great Egyptian people without yet budging one inch that in return for a real peace—negotiations, the signing of a peace agreement, mutual guarantees and stages of implementation, the establishment of relations, development of trade, tourism and cultural relations—for such a peace we shall restore Egyptian sovereignty over Sinai, stage by stage, after negotiations and as part of an interim settlement, along with the complete demilitarization of the peninsula, under joint Egypto-Israeli supervision, and with an Israeli presence at the Straits.

We must turn to the Palestinian Arabs and to Jordan, where the root of the conflict lies, and say that in return for real peace we will share with them the inheritance of our fathers—this Israel—from sea to desert, on both sides of the Jordan River.

We must be prepared to negotiate with their legitimate representatives so as to create a basis for a state, or perhaps states, of their own, consisting of the land east of the Jordan River and most of the area of the West Bank and the Gaza strip, the latter two being demilitarized under joint supervision.

Together we must find a special solution for Jerusalem, so that the city may continue as the undivided capital of Israel, while at the same time furnishing the Arabs a corridor to their holy places. We must offer to help find imaginative solutions for the settlement of the Arab refugees in territories that will be restored to them once peace is established.

We must turn to the Syrians and offer in return for real peace to divide the Golan, and, after negotiations, to proceed to the stage-by-stage settlement of their (Syrian) refugees, demilitarization and joint supervision of the parts restored.

I know a declaration of this sort is not yet going to bring peace or an immediate settlement, and that there is still a long way ahead. But I do believe it will serve to dispel the tension prevailing in the Middle East. A declaration of this sort neither requires nor necessitates any retreat from any position we now hold; and it will not materialize unless we have partners among the Arabs who are prepared to conduct negotiations with us, without any victorious trumpetings but with the mutual respect of proud peoples.

I believe that while maintaining Israel's friendship with the United States we can begin to think of renewed and improved relations between us and the Soviet Union. In the future, as the processes of peace begin, we shall also be able to reach various arrangements with the Soviet Union for the large-scale immigration of Jews from that country.

When settlements begin to prevail, I envision an age of peace for Israel that she has never known before.

When that age comes, we shall be at leisure to attend to our truly great tasks. While maintaining a deterrent and unconventional army, we shall devote our energies to the upbuilding of a Jewish society, setting an example of justice, equality and dignity. I believe that Israel will one day be a spiritual center for the entire Jewish people, and a medical and scientific center for the entire world. It will export the know-how needed by the developing world in the fields of health, food and water production. Israel will re-establish its ties and relations with Africa and Asia. It will send brigades of engineers and divisions of doctors to every part of the world where they might be needed.

All this will not happen at a single stroke. But it is on such a vision of peace that we must educate the finest of our sons, the soldiers of the Yom Kippur War. Then they will be well aware of what they are fighting for and why they are at this moment standing near Damascus and in the outskirts of Suez.

CONGRESS OF THE HUNGARIAN ASSOCIATION OF CLEVELAND

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. MINSHALL of Ohio. Mr. Speaker, the Hungarian Association of Cleveland at its 13th annual congress this year, under the able leadership of Dr. John B. Nadas, has adopted the following memorandum, which is also endorsed by the American Hungarian Federation of which it is an active member:

The material follows:

HUNGARIAN ASSOCIATION,
Cleveland, Ohio, December 19, 1973.

Hon. RICHARD M. NIXON,
President of the United States, the White House, Washington, D.C.

DEAR PRESIDENT NIXON: Enclosed you will find a memorandum accepted by our annual Congress at Cleveland on November 26, 1973.

Our Congress is attended by prominent American Hungarian intellectuals and artists both from the United States and Canada and also by some intellectuals and artists of Hungarian descent from Western Europe and Australia.

We would greatly appreciate if the thoughts and concepts contained in the memorandum would strike a positive chord in charting the course of American policies toward Hungary and East Central Europe.

Wishing you Godspeed in your responsible and difficult efforts to secure world peace, we are with best wishes for a merry Christmas and a happy New Year.

Respectfully yours,

DR. JANOS NADAS,
President.

MEMORANDUM

(1) The Congress of the Hungarian Association is greatly concerned about the continued presence of Soviet occupation forces in Hungary. The presence of the Red Army in Hungary is not authorized by covenants freely entered into by the Hungarian people and its government.

The 1947 Peace Treaty with the Allied and Associated Powers provided expressly for the withdrawal of Soviet forces 90 days after the ratification of the Austrian State Treaty. Between 1956 and 1962 the United Nations General Assembly requested in twelve resolutions adopted by ⅔ majority votes, the withdrawal of Soviet forces from Hungary. The May 27, 1957 Soviet-Hungarian Agreement on the Provisional Stationing of Soviet Forces in Hungary was signed by a Hungarian government imposed upon the Hungarian people by direct Soviet military intervention, a government which, even according to Socialist legal theory, failed to attain authorization from a Parliament at that date.

We are appalled by the May 14, 1973 compromise at the Vienna preliminary conference on MBFR. The compromise excluded Hungarian territory from the zone of mutual forces reductions and reduced Hungary to an observer status at the main conference. This was done despite the fact that Hungary serves as an important depot and glacis for Soviet forces both toward Central Europe and the Middle East. The recent Middle East crisis, during which Soviet airborne troops were concentrated in Hungarian airfields in anticipation of their use in Egypt clearly demonstrates the dangerous implication of continued Soviet presence in Hungary to the West, and the United States in particular.

Since the compromise was a temporary one, we trust that the United States Government will utilize all the diplomtaic means at its disposal at the present main conference at Vienna to achieve the withdrawal of Soviet forces in Hungary in coming agreements.

(2) The Congress is also concerned about the indirect, but eminently effective constraints on the sovereignty of Hungary and on her freedom to conduct an independent foreign policy. Hungary today is completely dependent upon Soviet goodwill, militarily as well as economically and politically.

We trust that the United States Government, both by means of bilateral diplomacy and by its efforts within the framework of the Geneva CSCE Conference will promote the restoration of full sovereignty and a free foreign and foreign trade policy by the Hungarian nation and its government.

(3) The Congress recalls that the Peace Treaties after World War I and II were concluded in the atmosphere of postwar hysteria and caused great damage to Hungary. More than 3½ million Magyars now live in the neighboring countries as without any plebiscites minorities, and if the emigres of 1945 and 1956 are added to this total, one out of every three Magyar lives abroad. We hope for the understanding of our Government of the dire consequences of these treaties for these people and we trust that whenever the opportunity arises, our Government will work for the alleviation of these injustices.

(4) The Congress is appalled by the absence of free elections and political constraints still in force upon the freedoms of speech, assembly and religion in Hungary. It requests our Government to promote in its bilateral diplomacy and at the CSCE conference the widest extension of democratic principles in Hungary.

(5) The Congress feels deep solidarity with Hungarians in Hungary the neighboring states of East Central Europe and other states. It calls upon our Government to submit positive proposals at the CSCE Conference in order to achieve a guarantee under international law for human rights and cultural, religious and educational autonomy of these minorities.

(6) Education and culture are the twin pillars of the development of any nation and/or any ethnic group. The Congress expresses its opinion that such development is only fully possible if not limited by state frontiers and suggests free cultural and educational exchange without concommitant political, ideological and nationality considerations.

In doing so, it calls upon our Government to submit detailed proposals on the freedom of cultural and educational exchanges for majority and minority nations in Europe, to be guaranteed under international law at the CSCE conference. This principle is already operative in Europe since 1955. Cultural and educational freedom, in the opinion of the Congress, included also the official use of the minority language.

REPORTS SAY NO SHORTAGE OF FUEL

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. YOUNG of South Carolina. Mr. Speaker, we believe that the energy crisis in this country can be settled by the free enterprise system. We get reports that oil tankers are sitting in the harbors waiting to unload; they cannot unload because all the tanks are filled with fuel. We get reports that additional tanks are being manufactured so that more people can hoard fuel. There is a direct parallel between this energy crisis and the beef crisis. The beef crisis found empty shelves, the hoarding of beef in freezers that had been purchased, cattlemen keeping their cattle on the farm. When the Cost of Living Council released controls on the beef industry, meat filled the shelves again, the price of beef came down, and there was no shortage of beef.

We would like to advocate a 90-day trial moratorium on all controls on the oil industry. The 90-day period would put us beyond the winter months and at that time we would have an understanding of how this system would work. We may feel it necessary then to extend further the moratorium. This would mean removing all trade restrictions by the Federal Trade Commission and the Cost of Living Council. During the debate on the floor of the House, it was pointed out that wells had been capped, and wells were not being pumped simply because they were not operating in a free market.

We feel that the free enterprise system has made this Nation great. The free enterprise system worked in the beef industry; the free enterprise system can work in the oil and fuel industry. Mr. Speaker, we ask for the chance to let this industry operate without bureaucratic interference.

THE DOWNFALL OF SALVADOR ALLENDE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. HARRINGTON. Mr. Speaker, there has been much discussion of the events in Chile that led to the military overthrow of the Allende regime. The following article by Dieter Kroner, South American correspondent of the Neue Zurcher Seitung, a Swiss publication, is one which dispassionately and fairly analyzes the reasons for Allende's overthrow. I would like to insert it in the RECORD at this time for the information of my colleagues:

THE DOWNFALL OF SALVADOR ALLENDE

(By Dieter Kroner)

Salvador Allende failed not only as president but as politician—for the only thing that counts in politics is success. The idea that "it had to happen this way" is naturally being uttered today all too lightly by those who from the outset, and more secretly than openly, desired the failure of Chile's "road to socialism." Such a statement is far too simplistic and makes the wish (which has now been fulfilled) father to the thought. The left too, and particularly the extreme left, now accuse the late Chilean president of failure in their own terms. And there are those, some motivated by understandable emotions and others by political opportunism, who would puff up the image of the unfortunate Allende into that of a martyr, a victim of the dark machinations of international capitalism.

The conditions for success, or at least partial success, could hardly have been better. They were, of course, by no means ideal, but during the first half of his brief period in office Allende masterfully set about improving them. The causes of the ultimate fiasco must thus be sought not only in the admittedly deliberate obstructionism of the opposition, but even more in the ideological and tactical disunity of the left and a complete misestimation of the actual power relationships.

It was thanks to the deeply rooted democratic consciousness of the Chilean people and the traditional political neutrality of the country's armed forces that Allende was able to come to power at all. His election victory, on the basis of a chance plurality of about 36% of the vote, led at first to a state of shock, and the final months of the Frei government threatened to degenerate into a dangerous state of chaos. A small group, gripped not by paralysis but by panic, launched the spectacular attempt to kidnap General Schneider, then Supreme Commander of the army, in order to provoke a military intervention and thus prevent the wheel of history from turning. The attempted blackmail failed and the armed forces maintained their discipline. But the general, who during the critical days after Allende's election victory continued to insist on the doctrine of political neutrality by the military leadership, died as a result of the wound sustained during his abduction.

Fearful of a split in his Christian Democratic Party, President Frei relinquished his ambivalent attitude and decided to throw his weight behind the country's traditional political fair play; in Congress, where Allende's Popular Front had only a minority, the Christian Democrats tipped the scales in favor of Allende's victory. This was in keeping with the Chilean custom—for which, however, there is no compelling legal necessity—of giving parliamentary approval to the candidate winning a plurality of the vote.

By constitutionally anchoring guarantees of freedom which up to then had been safeguarded at best by common law, the new president gave proof of his democratic orientation, which no one had seriously called into question. For their part the Christian Democrats, who had remained the strongest party in the country despite the election defeat of their presidential candidate Radomiro Tomic, believed that they were thus secure against the accusation of having opened the floodgates to totalitarian Marxism.

Under the influence of Tomic, the outlines of whose election program had been nearly identical with that of Allende's *Unidad Popular*, collaboration between the new government and the Christian Democrats seemed by no means impossible, especially since Frei's party, during its six years in power, had had ample experience of the consequences of an obstructive opposition. This period of relative political harmony reached its visible climax in July 1971 with unanimous congressional approval of the nationalization of the country's large copper mines. The National Party, which represented the right wing of the opposition, seemed at first paralyzed before the specter of Marxism; it was only later, but then with marked decisiveness, that it was to regain its full capacity to act.

In the early months Allende, who was thus relieved of some of the burden of inter-party political maneuvering, concentrated largely on the armed forces and on preparations for communal elections. The first nationwide test election, held in April 1971, brought the new regime respectable gains, but Allende still failed to clear the 50% hurdle and so continued to bear the stigma of representing only a minority of the people, a situation which was amply exploited by the opposition. Nevertheless the government had shown that since taking office it had begun to gain support at grass roots level. In the many subsequent parliamentary by-elections, however, the *Unidad Popular* failed to gain any new ground, with both camps successfully defending their percentage of the vote.

At the same time Allende showed great skill in gaining the sympathy or at least the benign neutrality of the military, a success to which the right-wing opposition made a substantial contribution through its sometimes massive campaign of defamation against the armed forces. Allende took advantage of every opportunity to praise the military for their loyalty to the constitution. He appeared at all important military ceremonies and in every major speech expressed his reverence for General Schneider, who had "given his life for the democratic traditions of the country." Allende did not do anything to alter the top military leadership and confirmed General Schneider, despite the fact that the appointment had been made by President Frei. General Prats, who remained as Supreme Army Commander until 18 days before the coup, became one of Allende's principal supporters.

Economic successes, reflected in spectacular growth rates for domestic production, reinforced the political consolidation. During Allende's first year in office Chile experienced a boom which, at least optically, seemed to lead its economy out of years of stagnation. An initial massive wage increase, followed up by rigorous price controls, suddenly created an enormous spurt in consumer demand, and after initial hesitation private enterprise responded with an equally strong increase in production and range of goods. But the end of the boom could be foreseen. The existing reserve capacity of the country's industries was soon exhausted and, faced with the Damocles' sword of nationalization or illegal occupation by the workers, business circles had no interest in undertaking new investments. Even during the first so-called "golden year" gross investments dropped drastically and soon the economy's growth rates began to dwindle.

Developments were even graver in agriculture, where an agrarian reform which deteriorated increasingly into arbitrariness completely paralyzed broad areas of production. The supply situation grew steadily worse. After the synthetic freezing of prices an explosive inflationary spiral suddenly burst forth which, coupled with hoarding purchases stimulated largely by fear, created a black market which threatened to totally choke off normal channels of supply and distribution.

It was primarily the politicians who were disturbed by the deterioration of the economic situation, which could no longer be masked. The masses, on the other hand, seemed to accept with incredible calmness the increasingly chaotic supply situation, which forced many people to spend most of their time standing in line in front of shops whose shelves were virtually empty. Last October, when the first major strike of truckers and retail merchants led to an almost complete collapse of supply lines, a dense network of self-help organizations sprang up with the support of the government and the aid of countless volunteers and kept the chaos within somewhat bearable limits. To the surprise and amazement of even the *Unidad Popular*, the parliamentary elections of last March again yielded favorable results for the regime; the governing parties even managed to gain a few seats, but without endangering the absolute majority of the two opposition parties in both chambers of Chile's legislature.

The election also yielded no resolution of the conflict which was then openly being carried out between the coalition parties. Allende's Socialists, urging a more radical course, did only slightly better than the pragmatic Communists who repeatedly tried in vain to persuade Allende to compromise with the Christian Democrats and the military. At the same time the opposition felt stymied and disillusion set in among rightist factions. Shortly before the amateurish attempt at a coup by Colonel Souper last June, the conviction seemed widely held in leading opposition circles that the regime could no longer be ousted by democratic means.

The conflict between the government and the opposition assumed harsher forms, with the confrontation increasingly shifting away from democratic institutions and political parties to fighting in the streets, subversion and political murder. When the radical rightist paramilitary organization *Patria y Libertad* (Fatherland and Liberty) went underground this past summer in order to topple the Allende government with the weapons of murder and violence, the situation had reached a point of "no exit."

To an increasing degree Chile's political parties, both right and left, saw themselves forced into a peripheral position. The Congress, the heart of the expression of democratic will, was no longer in a position to enforce its decisions. The three branches of government—the legislature and judiciary in the hands of the opposition, and the structurally strong executive in the hands of the *Unidad Popular*—were in a state of stalemate. Into the inevitably resulting power vacuum, new forces flowed from both the right and the left.

The middle class, which suffered the most under Allende's regime, more and more turned away from the traditional political parties from which it could no longer expect any genuine assistance. The result was the creation of a movement known as *Gremialismo*, which used a number of existing middle-class professional organizations to take direct action against the regime. The strength of this new movement, which for tactical reasons never revealed a visible top-echelon leadership, was fully recognized by the politicians only last October, when truckers, retail merchants, bank workers, doctors and engineers declared a well-organized strike campaign which drove the government to the edge of the abyss. The Christian Democrats found themselves outmaneuvered and forced to support the strike against their will, although it was aimed at toppling a legal government by undemocratic means. They also faced the danger of losing leadership of the opposition camp to the National Party, whose concept of the corporate state was in many respects congruent with that of *Patria y Libertad* and *Gremialismo*.

The professional, middle-class movement on the anti-Marxist side was balanced on the left by the systematic organization of the masses. While Allende and his coalition partners pushed on down their road to socialism within the framework of existing legislation, at least formally, the extreme left was never prepared to accept this path. Often called upon to cooperate, it deliberately remained outside the government camp and built up a dense network of cells among the workers, the rural population and in the slums. But it never aroused much of an echo among the masses; in elections to student and worker committees the radical left had to content itself with a very small percentage of the vote.

But its preparatory work paid dividends during the great October crisis, when the *Movimiento de Izquierda Revolucionario* (MIR) quickly assumed leadership of the newly created self-help organizations and, together with the radicalized part of the governing Socialists, organized the mass occupations of factories. So-called *cordones industriales* were systematically established around the capital and other major urban agglomerations, surrounding the cities like belts and controlling not only factory production but also the access roads into these centers. Thus, with the knowledge and tacit consent of the government, a state within the state had been created which operated outside the reach of legal government power and had already established its own judicial organs. Like the Christian Democrats to the right, the Communists, facing decimation by extremists in their own camp, were late to recognize the incursion into their own domain. The *cordones industriales* quickly became a far more active instrument than the traditional, Communist-dominated trade unions.

The division of the country took on the most extreme forms. The economy, schools and universities, the administrative apparatus, were all paralyzed by the daily political conflicts and power struggles. The seed of class hatred had sprouted. The armed forces were the only government institution which remained intact. The specter of civil war, masterfully conjured by Allende as a means of exerting tactical pressure, threatened to materialize. It was evident that, should the military finally be drawn into the "class struggle," a civil war of Spanish dimensions would be unavoidable. The MIR and the hotheads within the government coalition on the one hand, and right-wing radicals on the other, were determined to push on regardless of the bloody consequences.

Allende's position first became completely hopeless when the split began to spread to the armed forces and left-wing extremism threatened to steamroller the country's democratic institutions. Up to then the president had consistently refused to take up a clear position in the now-evident ideological conflict within his heterogeneous coalition. This attitude not only forced him into a dangerous and ultimately fatal immobility, it also endangered his final goal as well as that which had been achieved so far. There is no telling whether he failed to offer resistance to left-wing extremism out of loyalty to his principles or whether his passivity resulted merely from a mis-estimation of the actual conditions of power in the country. The truth will doubtless remain a secret of history.

Allende's indecisiveness, which he tried to mask during his final months by means of a hectic shifting of ministers intended to demonstrate a dynamism in government, robbed the so-called legalists at the head of the military of the last remnants of their influence. General Prats and Generals Pickering and Sepúlveda, who had been labelled "Allendists," resigned. Even their apparent sympathy for the socialist cause had its limits. They stuck to military discipline and, according to all available reports, did not let themselves be lured into attempting the intervention for which the leftists were obviously hoping. Until nearly the end, however, a political way out of the crisis remained open to Allende which, for whatever reasons he may have had, he failed to take advantage of. The arrangement between the moderate wing of Allende's coalition, particularly the Communists, and the Christian Democrats—an arrangement strongly supported by the military—did not materialize. Its precondition would have been a "freezing" of the revolution. Thus the possible solutions were reduced to either civil war or a putsch. Allende, a full-blooded politician, pushed the situation to a non-political resolution.

Whether or not Allende violated Chile's constitution is now rather an academic question. Presumably he could be convicted of this only by the strictest legalistic standards. But there is no denying that he violated the unity of spirit and letter of the law in applying legislation and the constitution, and for the most part hid behind a formal legalism in pushing through his structural reforms. Above all he deliberately refrained from carrying out his constitutional mandate to insure that existing legislation and the decisions of the courts were observed. Chile's military did not make its move in order to punish Allende for his legal violations; they have more fundamental and realistic motives with which to justify their decision.

The political scene in Chile has not grown clearer because of the coup. In fact, it is more obscure than ever. The country's wounds are deep and they affect not only a small minority. For the time being a political solution seems virtually out of the question. And there is hardly any likelihood that the soldiers will quickly return to their barracks, as has been the case in Chile's relatively rare military interventions in the past. Much will depend upon where the military leaders stand ideologically. But whether direct or indirect, in all probability Chile will not be able to do without the political presence of the military for some time to come.

NEA AND EDUCATION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. ASHBROOK. Mr. Speaker, the National Education Association, originally formed as a professional association of teachers, has taken on all the trappings of a union. NEA President Helen Wise has stated flatly:

> Let's face it, we're a union and have been for quite a while.

As part of this transformation, the NEA has become deeply involved in politics. It is actively working for the election of officials and the passage of legislation at all levels of government.

The goals and increasing militancy of the NEA are spelled out in an article by Solveig Eggerz in the November 24 issue of Human Events. The following is an excerpt from that article:

THE LABOR CRISIS IN EDUCATION—THE NATIONAL EDUCATION ASSOCIATION—NEA HAS A STRANGLEHOLD ON THE NATION'S TEACHERS

(By Solveig Eggerz)

What might be the most appropriate way to start another year of low achievement in the public schools? A teacher strike, of course. "We are the biggest potential striking force in this country and we are determined to control the direction of education," boasted Catherine Barrett, outgoing president of the National Education Association (NEA) recently.

Like a teachers union official's dream come true, strikes broke out in Michigan, Ohio, Wisconsin and Pennsylvania this fall, putting 500,000 students out of school. Statistics show a continuing upward curve in NEA teacher militancy as "teacher power" replaces an almost forgotten concern with the quality of education.

Last year's 145 strikes marked a 63 per cent increase over the previous year's teacher work stoppages. The NEA was responsible for 112 of those strikes while the "real" union, the American Federation of Teachers (AFT), caused 23 strikes through its locals. Merged AFT–NEA unions caused the rest.

Prior to 1967–68 the term "strike" was not part of NEA vocabulary. Emerging militancy expressed itself in the imposition of "sanctions" or NEA-mandated boycotts by teachers of school districts which didn't cough up the demanded pay hike. Thus when Florida Gov. Claude Kirk Jr. refused to raise teachers' salaries in 1967, the NEA told its members to boycott Florida schools. Failure to do so could lead to expulsion from the NEA.

In 1968 the first statewide teachers' strike in the nation was called by the Florida Education Association with NEA support. In 1961–62 the NEA reported only one teacher work stoppage, but by 1968–69 the number of NEA-ordered strikes rose to 107, as compared with the AFT's 23.

Today the NEA's primary goals are definitely not of a scholastic nature. They include: increased federal aid—making the federal government responsible for at least one-third of education expenditures, a big leap from the present 7.8 per cent; the placement of "friends of education" in political office; the passage of a collective bargaining bill for public employes. The pot of gold at the end of this rainbow of goals appears to be an unlimited reservoir of funds for teachers at a time when teachers are in surplus.

The increase in teacher strikes might lead one to assume that teachers are in progressively dire straits financially. The exact opposite is true. Since 1966 average teacher salaries have increased by about 8 per cent annually, one-third faster than salaries in general. When teacher salaries are figured as if teachers worked a 12-month year, they average in the $9,000-a-year category, the equivalent of starting salaries for men in industry and more than the beginning business administrators or liberal arts graduate is paid by industry. Teacher salaries have increased by 90 per cent during the same time that industry raised salaries by 74 per cent.

MILITANT STANCE

The NEA's switch to militancy and the use of hardline union tactics puts the 1.4 million NEA members in the same league with the 400,000-member AFL–CIO-affiliated AFT, long noted for raucous gatherings and violence-prone strikes. At this moment the only difference between the two groups appears to be that while both are grasping for more funds than most legislatures can bear, the NEA continues an interest in controlling the substance of education.

While the NEA meddles with textbooks, content, the AFT goes for carving out more minor comforts for teachers such as excusing them from playground supervision. Both unions are milking school districts of every penny they can get and then lobbying for federal aid to provide what the local area lacks in funds. Both NEA and AFT argue that higher teacher salaries will somehow benefit children.

Weary taxpayers don't agree and their disenchantment with the idea of more funds for less performance can be measured by the pocketbook. In 1965 almost 80 per cent of school-bond referendums for elementary and secondary public schools were approved by taxpayers. In 1972 only 47 per cent were.

During the past decade the NEA's entry into politics has included not only support for germane legislation but all-out backing for political candidates. "The NEA has helped to get the education 'train' started and the NEA will work to see that it never gets stopped," wrote the *NEA Journal* prophetically, following passage of the 1965 Elementary and Secondary Education Act. Much of the NEA's political activity has been through political action groups. For instance:

The Emergency Committee for Full Funding of Education Programs, formed in 1969 with the NEA as a key group, persuaded the House of Representatives to add $894.5 million to the President's budget, half of which went toward that dubious reservoir of education funds—"impact aid."

CAPE (Coalition of American Public Employes) was formed to circumvent the ban on union political activity and is channeling its energies into lobbying for HR 8677, the Public Employes Relations Act, which would permit public employes to strike against the public.

In addition to the NEA, CAPE includes the American Federation of State, County and Municipal Employees, the International Association of Firefighters and the National Association of Internal Revenue Employes. A cause of some chagrin to the AFT, which hopes to merge with the NEA, is the rumor that CAPE may become a union, which would make it the biggest public employes' union in the world. This could create a stranglehold on public services.

NEA-PACE is a political action fund formed last year to permit NEA to fund political elections without violating the 1925 Federal Corrupt Practices Act, a circumvention that has the same effect on elections as the law seeks to prohibit. NEA-PACE made its debut in the 1972 elections by supporting 184 national races. Of the 1965 NEA-supported House candidates, 128 won. Thirteen of the 19 candidates supported for the Senate won, which Catherine Barrett called "clear evidence that teachers have become activists in the political process."

Despite an almost even political division by party among NEA members, most NEA-supported candidates were Democrats. Many are key figures in education committees on Capitol Hill such as Sen. Claiborne Pell (D.-R.I.), who heads the Senate Education subcommittee.

Said Pell at the NEA convention in Portland, Ore., last July: "Before teachers began to help me, I was a 2-to-1 underdog. My election is a victory for teacher power." NEA's Rhode Island local and its political action committee, RIPACE, received an award at the convention for "outstanding political activity in the cause of quality education."

The American School Board Journal reports that teacher union political funds are providing strong support for school board candidates in grassroots elections as well. "In California," says the *Journal*, "teacher union-backed candidates won local school board office in 60 per cent of the 114 elections they entered. The political arm of the California Teachers Association, the Association for Better Citizenship, contributed more than $100,000 to 258 candidates, who won 152 board seats." The *Journal* points to the union's attempt to impress the state legislature with teacher political muscle in the hope of pressing through a collective bargaining bill.

Zealous political activity on the part of the NEA caused raised eyebrows in the late '60s with regard to the NEA's tax-exempt classification under Section 501(C) (3) of the Internal Revenue Code, which applies largely to foundations organized for religious, charitable, scientific, literary or education purposes. As a result, the NEA's tax-exempt status was changed to 501(C) (6), which applies to business leagues, and thereby lost its right to charitable deduction on contributions. As the NEA steps up its collective bargaining practices, it might be more appropriate to change its tax-exempt status to 501(C) (5), which is that of labor unions.

"Let's face it, we're a union and have been for quite a while," said incoming NEA President Helen Wise, a social studies teacher from Pennsylvania, at the Portland convention, and she reiterated her predecessor's interest in a "war chest" of funds for the 1976 election. Sounding like a fusion of George Meany and a welfare rights leader, Wise said further:

"In the meantime, we will continue to drive for a federal collective bargaining law for public employes and for a substantial increase in the federal share of the total public school dollar expenditure. To show the politicians and the White House we mean business, we'll put teachers on the Capitol steps if we must. If it is necessary to mount a march on every state capitol, we will do it."

SENATOR SAM J. ERVIN, JR.

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. MIZELL. Mr. Speaker, today the distinguished senior Senator from North Carolina, Senator SAM J. ERVIN, JR., announced that he would be retiring at the end of his current term, in January 1975.

Senator ERVIN has served his State and his country with dedication and distinction for more than half a century.

While the Senator and I have had our honest differences on some issues of public policy, I hold nothing but the highest respect for him personally, and I have always appreciated his kindness and his thoughtfulness toward me.

Though it is a sad occasion to see a long and distinguished career in public service come to an end, Mrs. Mizell and I wish Senator and Mrs. Ervin much happiness and fulfillment as they return to North Carolina and home.

A TIMELY THOUGHT

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. PATTEN. Mr. Speaker, at a time when the U.S.S.R. is continuing to increase its military strength and presence in many areas of the world and when the Arab countries are practicing oil blackmail and toying with the European economy, the need for a strong and unified NATO is more than ever necessary.

The News Tribune, a major newspaper in the 15th Congressional District, carried a timely lead editorial on the importance of the role of NATO and its support by the United States. A strong American participation in NATO makes for a strong NATO. I recommend this editorial to my colleagues who I think will find it very thought provoking.

[From the Woodbridge (N.J.) News Tribune, Dec. 13, 1973]

What Is Russia Up To?

A lesson from the past was underlined by Joseph A. Luns, secretary-general of the North Atlantic Treaty Organization (NATO) in an address before the opening session of NATO foreign ministers in Brussels.

He warned the alliance that "the Soviets may be talking softly but they are still carrying a big stick."

He recalled the years before World War II when, "then, as now, a country was piling up armaments while signing non-aggression pacts. But those whose ideological views were opposed to Nazism were also most reluctant to draw the necessary lessons."

Referring to the Russian military buildup and a weakening of NATO ties in Europe as a result of the Arab-induced oil shortages, Luns appealed for unity of purpose and strength within the NATO organization.

"If the balance of conventional strength is upset," he warned, "and if the direct involvement of the United States in European defense is reduced, the day is brought closer when the Russians might be tempted to believe that the dangers of military adventures are not as high as in the past."

The remarks were intended for those in this country and elsewhere who would reduce the strength of American forces or their own in Europe while at the same time curtailing military expenditures in general.

Pointing to Rusisa's massive efforts in the opposite direction, Luns said "countries do not equip themselves with vast armaments and devote enormous resources to the acquisition of immense military strength if they do not contemplate exploiting it."

The warning was explicit and the lesson should be clear.

WHITE HOUSE NATIVITY SCENE

HON. WALTER E. POWELL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. POWELL of Ohio. Mr. Speaker, I would like to take this opportunity to express my dismay at a recent decision by the U.S. Court of Appeals for the District of Columbia. The court ruled that the Nativity scene which traditionally appears on the Ellipse behind the White House during the annual National Pageant of Peace at Christmas, could no longer be financed by the National Park Service. The court held that the erection of the Nativity scene on park grounds constituted a breach of the doctrine of separation of church and state, which is required by the first amendment to the Constitution.

In my view, the court has made a shocking and regrettable misinterpretation of the fundamental precepts of the Constitution. The establishment of a Nativity scene on the White House Ellipse in no way infringes on the right of any individual to exercise his religious freedom. The presence of the Nativity scene coerces no one to subscribe to a religious faith to which he does not agree.

Notwithstanding the views of many individuals who would like to see every vestige of the Nation's religious heritage expunged from its traditional observances, it must be pointed out that the Christian heritage has played a strong and fundamental role in both the founding of our country and in its historical development.

The erection of the Nativity scene on the White House Ellipse merely takes cognizance of that heritage. Only a very distorted view of the language of the first amendment and the intent of the framers of the Bill of Rights could have led to the unfortunate decision of the Federal appeals court.

FINANCIAL STATEMENT OF REPRESENTATIVE ELWOOD H. HILLIS

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. HILLIS. Mr. Speaker, when I made the decision to run for public office, I also made the decision to make myself responsible to the public I was elected to represent. I respect the public's right to know more fully the person they choose to elect as their representative. In keeping with this personal belief, I am submitting a copy of my personal financial statement:

Elwood H. Hillis—Unaudited Financial Statements, December 31, 1972

ACCOUNTANT'S COMMENTS

The accompanying Balance Sheet of Elwood H. Hillis as of December 31, 1972 and the related statement of Cost and Market Values of Investments for the period then ended were not audited by us and accordingly we do not express an opinion on them.

Jasper W. Kendall.

October 26, 1973.

ELWOOD H. HILLIS, UNAUDITED BALANCE SHEET, DEC. 31, 1972

	Cost	Depreciation	Net value	
Assets:				
Current assets:				
Cash on demand deposit				$11.70
Union Bank & Trust Co., escrow account				677.66
Accounts and loans receivable				9,896.98
Investment in stocks and bonds, stated at cost (estimated market value, $683,578):				
Ralph Golightly, Inc. (preferred stock and bonds)				4,500.00
Indiana public school bonds				8,493.70
Central Leasing Co.				12,000.00
Hillis Enterprises				50,318.23
Union Bank & Trust Co. (2,000 shares of capital stock)				14,056.50
Union Carbide Corp. (1,102 shares of common stock)				28,633.66
Elwood H. Hillis Trust (9,400 shares of common stock, Union Carbide)				32,743.02
All other				1,602.41
Subtotal				152,347.52
Total, current assets				162,933.86
Fixed assets:				
Residences and land	$140,949.84		$140,949.84	
Office furniture and equipment	16,317.11	$11,778.28	4,538.83	
Airplane engine overhaul (leased)	11,145.77	7,120.91	4,024.86	
Automobiles and boat	19,840.34	1,000.00	18,840.34	
Total	188,253.06	19,899.19	168,353.87	168,353.87
Other assets: Investment in congressional retirement and life insurance plans				7,273.23
Total assets				338,560.96

ELWOOD H. HILLIS, UNAUDITED BALANCE SHEET, DEC. 31, 1972—Continued

Liabilities and net worth:	
Liabilities:	
Notes payable	$68,583.26
Real estate mortgage notes payable	28,651.00
Consumer finance notes payable	1,758.81
Accounts payable	5,129.06
Total liabilities	104,122.13
Net worth	234,438.83
Total liabilities and net worth	338,560.96

FUELS RECYCLING AT ANNISTON ARMY DEPOT IN ALABAMA

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. NICHOLS. Mr. Speaker, throughout the Nation Americans are realizing that the oil shortages are real and not contrived. Men and women in all parts of the country are using their ingenuity to develop techniques of saving and conserving our precious energy supplies.

In Alabama, there is a group of men at one of America's finest Army depots, the Anniston Army Depot, who started a conservation process more than a month before the oil embargoes started.

These men, Mr. Joel Douglas Pelham, depot chemist, Mr. Harold C. Wisener, quality inspector, Mr. K. V. Liphan, quality inspector, and Mr. Clifton Bourg, Jr., value engineer manager, all Federal employees at the Anniston Army Depot, began the project as a cost reduction method by reclaiming contaminated fuels from vehicles sent to the Alabama installation. Since beginning the reclamation process on September 12, the Anniston Army Depot has saved 94,000 gallons of petroleum fuels at a savings to the American people of $18,583.

I would like to submit to the CONGRESSIONAL RECORD the Anniston Army Depot's report on this project and hope that all Members of Congress will take note of the outstanding work that is being done by Col. Robert L. Bergquist, commanding officer, Anniston Army Depot, and his energy-conscious personnel. The report follows:

THE ANNISTON ARMY DEPOT TAKES ACTION TO SAVE MONEY, TIME, EFFORT, AND FUEL

The Anniston Army Depot is saving a lot of dollars in all categories. In support of saving fuels, the Depot obtained three fuel separators and during the period 12 September through 12 December, 1973, has saved 94,000 gallons of gasoline. The process of purifying the fuels provides for reuse in heating and vehicle operation at the Depot.

Prior to the present procedure, diesel fuel and gasoline was drained from the vehicles which had been returned to the Depot for rebuild and from rebuilt vehicles after test operations. The drained fuel from these vehicles was stored in storage tanks and sold as contaminated fuels through the Property Disposal activity. The contaminated fuels could not be reused in combat vehicles due to inadequate filtering equipment.

The Depot Value Engineering Manager, Mr. Cliff Bourg, began research for high quality filtering equipment and found the required items through Department of Defense excess materiel listings. The idea of purifying contaminated fuels for reuse in depot operations was coordinated between Mr. Bourg, Mr. Harold C. Wisener, quality inspector, Mr. K. V. Liphan, quality inspector, and Mr. Douglas Pelham.

JAMES J. ROWLEY—35 YEARS OF FAITHFUL PUBLIC SERVICE

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. ROONEY of New York. Mr. Speaker, it was with deep regret that I read of the decision of James J. Rowley to retire as Director of the U.S. Secret Service after 35 years of matchless service to his country and to six Presidents of the United States. It was the rare good fortune of our Government to have secured the remarkable talents and outstanding ability of a man of as high a caliber as Jim Rowley.

Jim joined the Secret Service in 1938 after 1 year as an FBI agent. His talents, skill and good judgment soon earned him a transfer to Washington and to the job of protecting the life of the President of the United States.

During the years of World War II Jim Rowley made many trips with President Franklin D. Roosevelt and was responsible not only for his protection but also for all of the painstaking security operations necessary during President Roosevelt's many trips overseas.

Under President Harry S Truman, Jim Rowley was made special agent in charge of the protection of the President. He accompanied President Truman to the Potsdam Conference. In addition, he went with President Dwight D. Eisenhower to Korea.

His promotion to the Directorship of the U.S. Secret Service was made by President John F. Kennedy on September 1, 1961. After the tragedy of the death of President Kennedy, Jim initiated an extensive reorganization and expansion of the role of the Secret Service. He also helped initiate the Federal Law Enforcement Training Center and the Executive Protection Service.

During his long and illustrious career, Mr. Speaker, Jim Rowley won many honors and awards, including the Outstanding Federal Government Employee Award from the National Civil Service League, the United States Treasury Exceptional Service Award, and the Presidential Distinguished Federal Civilian Service Award.

It was with deep regret that I saw Jim step down as the Director of the Secret Service. It was a post he filled well and honorably under six Presidents of these United States. We shall miss him in the Government service but we are all better off both as individuals and as a country that Jim Rowley chose to serve his country as his life's work.

IN PRAISE OF AMERICA

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. CARTER. Mr. Speaker, too often, too many people fail to see the basic and good qualities of our Nation. I believe that is a mistake to forget the long history of good will and understanding that the United States has exhibited. The free world has depended heavily on our strength and ability to face serious crises, and our Nation has built a superior record in the recognition of responsibility toward the needs of others.

I feel that the following editorial provides an interesting view on this subject:

IN PRAISE OF AMERICA

NOTE.—The following editorial was broadcast over Toronto radio by commentator Gordon Sinclair.

This Canadian thinks it is time to speak up for the Americans as the most generous and possibly the least appreciated people on all the earth.

Germany, Japan and, to a lesser extent, Britain and Italy were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up, and their reward was to be insulted and swindled on the streets of Paris.

I was there. I saw it.

When distant cities are hit by earthquakes, it is the United States that hurries in to help. . . . This spring, 59 American communities (were) flattened by tornadoes. Nobody helped.

The Marshall Plan and the Truman Policy pumped billions of dollars into discouraged countries. Now newspapers in those countries are writing about the decadent, warmongering Americans . . .

Why does no other land on earth even consider putting a man or woman on the moon?

You talk about Japanese technocracy, and you get radios. You talk about German technocracy, and you get automobiles.

You talk about American technocracy, and you find men on the moon—not once but several times—and safely home again.

You talk about scandals, and the Americans put theirs right in the store window for everybody to look at . . .

When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the

New York Central went broke, nobody loaned them an old caboose. Both are still broke.

I can name you 5,000 times when the Americans raced to the help of other people in trouble. Can you name me even one time when someone else raced to the Americans in trouble? I don't think there was outside help even during the San Francisco earthquake.

Our neighbors have faced it alone, and I'm one Canadian who is damned tired of hearing them kicked around. They will come out of this thing with their flag high. And when they do, they are entitled to thumb their noses at the lands that are gloating over their present troubles.

I hope Canada is not one of these.

IMPEACHMENT

HON. SAMUEL H. YOUNG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. YOUNG of Illinois. Mr. Speaker, Members of the House are fully aware, as was Alexander Hamilton, that the issue of Presidential impeachment is a mixed one of politics and legality.

Impeachments, as Hamilton noted in Federalist No. 65, published in the New York Packet on March 7, 1788, involve offenses "of a nature which may with peculiar propriety be denominated political (sic), as they relate chiefly to injuries done immediately to the society itself."

Hamilton continued:

> The prosecution of them, for this reason, will seldom fail to agitate the passions of the whole community, and to divide it into parties more or less friendly or inimical to the accused. In many cases it will connect itself with the pre-existing factions, and will enlist all their animosities, partialities, influence, and interest on one side or on the other; and in such cases there will always be the greatest danger that the decision will be regulated more by the comparative strength of parties, than by the real demonstration of innocense or guilt.

Mr. Speaker, I commend to my colleagues a more up-to-date newspaper article on this same subject and dealing with a current situation. It is an article by Mr. George Anastaplo, a lecturer in the liberal arts at the University of Chicago and published in the University's campus newspaper, the Maroon, on November 30. On December 9, it was reprinted by the Chicago Sun-Times.

Mr. Anastaplo's approach to the issue is philosophical. It is by no means one favorable to the incumbent President. His thesis is that we may be going too far, that we may be "playing with fire" on the impeachment issue because in his opinion it is not good for the country.

Since Mr. Anastaplo's views present a somewhat different perspective on Presidential impeachment than the majority of those being offered, I insert the article for the benefit of my colleagues.

The article follows:

IMPEACHMENT IS PLAYING WITH FIRE

(By George Anastaplo)

I believe it unlikely, despite all the agitation of this subject we have had, that Mr. Nixon will ever be impeached by the present House of Representatives. I am confident, moreover, that if he should happen to be impeached by the House, he cannot readily be convicted by the Senate on the curiously flimsy (yet genuinely disquieting) evidence now available. But I am also confident that further available revelations of executive misconduct in recent years can revive serious impeachment talk from time to time. Both partisanship and curiosity can keep the pot boiling through 1974. What, then, is the best way for us to proceed now?

Is this not the time, before civil discord shakes the country even more than it has already, for the leaders of Congress and the executive (with the support of the responsible press) to settle the prolonged crisis which has been generated by the unseemly Watergate exposures? Should it not be kept in mind, in the interests of moderation, that the harm done to this country by the acknowledged conduct (especially with respect to foreign policy) of the last four Democratic administrations in Washington has been no less serious than the harm done by the criminal conspirators of the present Republican administration? That is, should we not restore among ourselves a sense of proportion about what the Nixon administration has and has not done and, even more important, about what it can reasonably be expected to do hereafter?

I believe there are, in our present circumstances, three prudential courses of action to choose among. That is, domestic tranquility seems to me to require, well before the end of January 1974, one of these three settlements of a constitutional crisis which is both nightmarish and ludicrous: (1) the removal of Mr. Nixon from office, or (2) his resignation for the good both of the country and of himself, or (3) the firm and announced determination by all our principal political leaders to close accounts on the 1972 presidential campaign and to let bygones be bygones.

Immediate removal of the President from office requires more efficiency, self-assurance and toughness than Congress seems capable of at this time, unless much more evidence than is likely to be available should be brought forward to implicate Mr. Nixon personally in "bribery, or other high crimes and misdemeanors," or unless he should become so disturbed as to make his removal appear obviously necessary to everyone with whom he comes into contact.

Resignation would be, of course, the simplest of the three prudent settlements I have listed. But this action may be more self-sacrificing than Mr. Nixon is capable of—unless he should become even more depressed than he has sometimes appeared to have been in recent months. Were Mr. Nixon selfless enough to resign for the good of the country, it might be argued by his more cynical critics, there would never have developed around the White House the grasping attitudes which have spawned the present general distrust of the President. I, however, do not consider his resignation unthinkable. Certainly, he could well resign if he should happen to be impeached by the House of Representatives.

But since we cannot count on Congress acting expeditiously or on Mr. Nixon conveniently resigning, the third course I have suggested (that of "closing accounts") seems to me the most sensible for the country to rely upon. It is a course which does lie within the capacities both of Congress and of informed citizens to pursue responsibly in the present circumstances. Indeed, it is a course which utilizes those political skills of self-restraint and compromise which seasoned politicians are good at.

Thus, it seems to me prudent to propose at this time, Congress should, with all deliberate speed, terminate its public investigations of the 1972 campaign and permit the Department of Justice to return to its normal functions. Public speculation about possible impeachment should be firmly discouraged. This means that Mr. Nixon should be tacitly granted an amnesty of sorts, an amnesty which both recognizes his abilities and his foreign policy contributions and guards against his character and his domestic shortcomings. He should be allowed, that is, to finish the remainder of his term "on probation." By early 1975 we and a chastened President will already be looking ahead to the election and inauguration of a new Chief Executive.

It is salutary to remind ourselves that the immediate causes of trouble for the Nixon administration have not been its financial shenanigans and farcical burglaries but rather the subsequent ill-conceived official attempts to conceal the ramifications of such criminal misbehavior. (Does not this mean that unless an administration is in the position to proceed ás effectively as President Johnson's seems to have been in covering up the ramifications of the Bobby Baker scandal, it is far safer not to try at all?)

I am reminded, by the crowd of incompetents around Mr. Nixon at the time of the Watergate burglary, of the crowd of incompetents around Mr. Kennedy at the time of the Bay of Pigs invasion. That Kennedy crowd exhibited the reckless side of Democratic crusading. This Nixon crowd exhibited the seamy side of Republican law-and-ordering.

We continue to pay a high price for the 1961 Bay of Pigs debacle. Indeed, was not the 1972 Watergate burglary team itself, with its dedicated Cuban-American participants and with its absurd campaigns against subversion, rooted in the 1961 debacle? It should be emphasized, on the other hand, that little damage would have been done to the country by the amateur efforts of the Nixon crowd if they had never been exposed. Perhaps, however, this chance exposure can be somewhat helpful if it induces us both to cut a long-exalted presidency down to constitutional size and to reform our overly-permissive election laws. These corrections we see some signs of already, as well as the resurrection of an independent Department of Justice. That being so, we should quit while we are still ahead—before our politics become truly desperate and nasty.

Desperation may already be evident in Mr. Nixon's erratic reversals with respect to the release of the White House tapes—those mischievous tapes which (for all the fuss which have been made about them) are not likely to do much more than confirm our worst suspicions about the way Richard Nixon has always conducted his political affairs. Has not the self-righteous Nixon administration been sufficiently exposed, humiliated and even crippled? Do we dare continue to play with fire?

Responsible leaders of the country (in government and out) should, it seems to me, make some such appeal as this to American public opinion:

"We play with fire if we use, or appear to use, the courts and congressional committees to second-guess the American electorate, especially when its verdict is as massive as it was in the 1972 election. That election, we should remember, concluded with about as honest a count as any we have had in recent years, despite the misguided efforts of the overfinanced and underbrained Committee to Reelect the President. It is likely to be suspected and hence resented, when public passions cool, that the implacable critics of Mr. Nixon eagerly exploited one last chance to 'get' him. Mr. Nixon is indeed a man who makes it easy (if not even fashionable) to dislike him. The depth of the animus against him is reflected in the fact that not even a spectacular Mideast war or the unprecedented disgrace of a vice-president can long keep presidential scandals out of the headlines. But the temptation to settle old scores with Mr. Nixon should be resisted, lest new and even more serious grievances be created with which we will all have to live for a generation.

"We play with fire if we ever establish in this country the precedent of using a Congress dominated by one political party to undermine by plausible threats of impeachment an administration of another party. We should be careful, that is, not to stumble into a de facto parliamentary form of government, a constitutional arrangement which requires that the executive retain the 'confidence' of the legislature. There are for us advantages in having fixed terms of office, especially as protection for those presidents who are obliged to sacrifice popular support while pursuing the common good. (The experience of President Lincoln in disciplining his generals comes to mind, as does that of President Truman after he fired the temporarily popular but clearly insubordinate General Douglas MacArthur.) That is, we don't have, nor are we likely to develop soon, the pervasive social checks on a volatile public opinion which are needed to make parliamentary government work responsibly.

"We play with fire if we allow our television-heightened taste for theatrical excesses to influence our politics. We the people are on the verge of believing that nothing is significant if it is not outlandish. Are we compensating ourselves, by staged experiments in impeachment, for the boring character both of the 1972 election and of the Nixon administration? And, even more important, are we using a dramatic hounding of the President as a means of purging ourselves of the killing we should never have permitted in Vietnam? However that may be, we should moderate our fevered public discussion and thereby make less likely any recourse to foolish measures aboard or at home by a desperate President or by his indignant critics.

"In short, the fire which threatens to get out of hand should be deliberately covered up and smothered, lest unrelenting political warfare and demagogic manipulation of the Constitution become routine among us."

This is, it seems to me, the sort of public appeal that responsible leaders, with the concurrence of a repentant President, should make to the mature citizens of this country—an appeal which recognizes shortcomings and mistakes and, if need be, even corruption in high places. Impeachment, it should never be forgotten, is not intended primarily to punish past misdeeds but to prevent future misgovernment. The political health of the country always depends on sensible Congressional determinations as to which (if any) "high crimes and misdemeanors" should be taken seriously for impeachment purposes.

The time to have talked seriously about presidential impeachment, I should add, was during our ruinous involvement in the Vietnam war, not after a President's secretary of state has been awarded the Nobel peace prize. There is, after all, a limit to how seriously such crimes as burglary should be taken, even when they have been aggravated by an attempted obstruction of justice.

I should also add that everyone who is concerned about the sanctity of the rule of law among us should be reassured that there will be, within the five-year period provided by the statute of limitations, time enough when a new administration takes charge in January 1977 to expose and indict any unpunished criminals of the 1972 presidential campaign. In the meantime, much more than enough has already happened (without the need for actual impeachment) to impress upon presidents, present and future, that the laws of the land are not to be trifled with. However that may be, a responsible public should be concerned both about the moral fitness of its leaders and about a measured response to revelations of moral failings.

Thus, it should be recognized that there may be, in the current demands for investigation and impeachment, a considerable amount of silliness and self-indulgence, if not even hysteria. There may be as well too much of the political paranoia which has, for a quarter of a century, corrupted the crowd around Mr. Nixon. Some of Mr. Nixon's crowd have long seen foreign subversion lurking behind every domestic dissenter. Some of his critics, on the other hand, now manage to see an incipient dictator even in a president who is very much on the run. Both camps of extremists should be counselled, along with the American people and the American press, to "take it easy"—a most salutary prescription for the perpetuation of constitutionalism in the United States.

FINAL ACTION, BEFORE ADJOURNMENT, ON SOCIAL SECURITY BENEFIT INCREASES AND OTHER PRIORITY MEASURES IS IMPERATIVE IN THE NATIONAL INTEREST

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. DONOHUE. Mr. Speaker, on the eve of ending this first session of the 93d Congress, there are innumerable measures still waiting upon final legislative action, and they are all, of course, of real importance.

However, if the time element makes it physically impossible to process every pending bill, I most earnestly believe that we should and I hope that we will unite in concentrating our efforts for the completion of action on those bills that obviously and tremendously affect the basic spiritual morale and material welfare of the average American individual and family.

In this regard, I would particularly mention, among others, the imperative urgency of finalizing our action upon such pending measures as those designed to grant an immediate social security increase to the economically harassed millions of our citizens trying to exist on fixed incomes; to overcome the afflictions of our short- and long-range energy crisis by creating a special Federal Energy Administration, insuring against unconscionable profiteering by oil suppliers and making certain that energy conservation sacrifices will be equally imposed upon each individual and every segment in our society; to establish a comprehensive employment program with expanded and extended unemployment insurance compensation and providing retraining and relocation costs to avoid the real personal and family tragedy of widespread unemployment resulting from the energy crisis, military base closings and other causes; and also to effect the operating reorganization of the several bankrupt railroads involved in providing essential rail passenger and freight services to the millions of people in our Northeast section of the country.

Mr. Speaker, these are some of the priority, fundamental measures that I believe are imperative to the retention and the strengthening of our national unity and stability during this historical emergency period, and I sincerely hope that any thought of adjournment will be suspended until and unless the Congress, in seasonal good spirit and good will, completes action on them in the national interest.

THE PRICE OF INDEPENDENCE

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. LONG of Maryland. Mr. Speaker, on September 25, I addressed my colleagues suggesting that if we move quickly and wisely, the United States need never be at the mercy of black oil blackmail. My position has been that the United States should never let other nations shape U.S. foreign policy.

I submit the following article by Joseph Alsop, published in the Washington Post, December 17, on the subject of the significant interrelationship between total independence in energy and drawbacks to rationing:

THE PRICE OF INDEPENDENCE

(By Joseph Alsop)

The sharpness of the energy bind has just been uncomfortably dramatized by the price of $17.40 a barrel recently bid for good quality Iranian crude oil. To show what this means, remember how it was just two years ago.

At that time, other government experts said it was a sign of madness, when the two U.S officials who were right about energy, Jack Bridges, then of the joint Atomic Energy Commission, and James Akin, now U.S. ambassador to Saudi Arabia, predicted a future price of more than $5 a barrel for Arabian crude! The astonishing bid for Iranian crude therefore means that things are likely to get a lot worse, before they get much better.

To be sure, that dazzling negotiator, Secretary of State Henry A. Kissinger, has a hole-card which he has no doubt played for all it was worth on his arduous travels. Only he, as representative of the United States, can possibly offer the Arabs anything like an acceptable settlement with Israel. To do so, even Kissinger will have to deal with Israel on the rule of "an ultimatum a day keeps the doctor away."

With the Arabs, therefore, Dr. Kissinger can say, and no doubt has said in effect, "If you want a settlement with Israel, you have got to come to me. There is no use coming to me, until I am not being asked to negotiate under duress. Until the oil boycott is ended, I shall be under duress. So if you really want a settlement, you must first end the oil boycott."

This approach just may work, which would mean an earlier end than most people expect to the acute phase symbolized by the recent Iranian oil price! It is known that King Faisal of Saudi Arabia is not unsympathetic to Dr. Kissinger's arguments, although Faisal cannot easily change his stand except in concert with other Arabs such as the Kuwaitis. But it is a good sign that the hot-headed and doctrinaire Algerians said they would restore diplomatic relations with the United States after Dr. Kissinger's visit there.

Meanwhile, however, the United States has had a harsh and salutary lesson. This reporter was publicly mocked a good many months ago for saying that an energy crisis was bound to come eventually, and adding that this country's actual independence and freedom of action would depend on dealing boldly with the crisis. The crisis came sooner than was anticipated, and it has proved the point about national independence to the hilt. We are now being subjected to oil blackmail, in fact.

The blackmail is much, much uglier, moreover, than is generally supposed. The states of the Arabian peninsula, with no serious military power of their own, would never have dared to seize the rest of the world by the throat, and to squeeze with all their might, if they did not have external protection. That external protection, unmentioned but always there, is the heavily superior Soviet naval power in the Red Sea-Indian Ocean-Persian Gulf area.

This makes such counter-measures as economic blockade of the Arabian peninsula wholly impractical. Down the road, moreover, if Dr. Kissinger gets his Mideast settlement, the first consequence will be the reopening of the Suez Canal. Thereby, Soviet naval supply lines to the Red Sea-Indian Ocean-Persian Gulf area will be shortened from 11,000 miles to 2,000 miles.

The U.S. naval staff therefore predicts that with the canal re-opened, Soviet naval power in the area will be promptly multiplied by at least four. Instead of 20 vessels on station, there will be 80. So the little, unpopulated, powerless Arab states that own the main oil resources, will spend their nights and days staring down the throats of rows of missile launchers on Soviet cruisers.

In short, there is a lot more to the problem of national independence, posed for the United States by the energy crisis, than now appears on the surface. This is one reason for opposition to rationing. Significantly, rationing is also opposed by the wise chairman of the House Ways and Means Committee, Rep. Wilbur Mills (D-Ark.).

The fact is that high energy prices are positively desired by Chairman Mills, and also by the new and able energy boss of the Nixon administration, Deputy Secretary of the Treasurer William Simon. Paying high energy prices will be a grating way of facing the music in this country, which has always been accustomed to abnormally low energy prices. But it is still the only possible road to national self-dependence in energy, and therefore to avoidance of any threat to national independence.

We need high prices of the sort that would come from a guaranteed price of $10 a barrel for crude oil. Such prices are necessary, in turn, in order to induce the capital investments of up to $100 billion over 10 years that are required for full exploitation of oil shale, coal gasification and so on and on. And if this is the only sure way to national independence, it is better to pay up and look pleasant.

YOUTH ADVISORY COUNCIL

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. SYMINGTON. Mr. Speaker, 3 years ago I formed a youth advisory council to serve me in my congressional district of St. Louis County consisting of one student from each high school in the district. During this council's existence, several important and relevant reports have been produced covering a range of legislation before the Congress. At the beginning of the 1973-74 youth council, this past September, I presented to the council, for their review, two pieces of legislation: H.R. 1807, the House Runaway Youth Act, and S. 645, the Senate Runaway Youth Act, sponsored by Senator BAYH.

I submitted these bills for the council's review, and the Subcommittee on Juvenile Justice has just completed a report on their opinion of these two bills. I present their findings to you with pride in the intelligence and dedication with which they have addressed the questions.

The material follows:

JUVENILE JUSTICE COMMITTEE: COMPARISON REPORT ON H.R. 1807 AND S. 645

FINDINGS AND RECOMMENDATIONS

While these two bills deal with the same problem, Runaway youth, we found several major differences in both policy and funding. The following are our findings and recommendations concerning specific points covered in these two bills.

1. Concerning H.R. 1807, Title I, we find it inappropriate to assign authority for making grants for runaway youth reporting services to the Administrator of the Law Enforcement Assistance Administration. This diversity in funding, we feel, can lead only to confusion. We agree with S. 645, which assigns authority for grants to both Runaway Houses and Reporting services to the Secretary of Health, Education and Welfare.

2. Concerning appropriations of funds, we find that the funding of H.R. 1807, which provides $2,000,000 for each year (1974, 1975, and 1976) for Runaway Houses, and $2,000,000 for reporting, is entirely inequitable. The Runaway House should be the principal object of planning and funding under this bill.

The funding provided under S. 645 is, while rather vague, somewhat more acceptable. It provides $10,000,000 for each year (1974, 1975, and 1976) with no provisions for allotment to the two separate programs, Runaway Houses and Reporting services.

3. We agree with provisions in both bills which provide for aftercare, once the runaway has left the care of the Runaway House.

4. We find that the provision in S. 645 requiring that each Runaway House have a maximum capacity of no more than 20 children is unnecessary. In certain areas in which the runaway problem is great and facilities for runaways are not sufficient, this number may serve to lock out youths who need counselling.

5. Concerning that part of Section 102(b) which provides "that records maintained on individual runaways shall not be disclosed without parental consent to anyone other than another agency compiling statistical records or a governmental agency involved in the disposition of criminal charges against an individual runaway," we question whether sole responsibility for disclosing these records should rest with the parent; and while we agree that there should be some provision for protecting these records, we feel that the runaway himself should have a voice in whether these records should be disclosed.

6. While both bills provide for a study to be made by the Secretary of Health, Education and Welfare to determine the problems, needs, and methods of dealing with runaways, only S. 645 provides that records gathered for the study shall not be disclosed to any individual or agency.

7. We find that requirements under H.R. 1807, which provide that Runaway Houses must contact authorities to determine if a runaway is being sought by law enforcement agencies within 48 hours, and which require that the runaway under 18 must contact his parents within 36 hours, are reasonable and necessary. Such requirements are not set forth in S. 645.

8. One addition which we feel should be studied is a provision for some kind of communications system between Runaway Houses. Such a system would aid in exchanging information on runaways who might have been to other Houses, and also would assist in exchanging new methods being used by a Runaway House.

In conclusion, we find the Senate Bill 645 to be a more acceptable program. Both the provisions for Runaway Houses and other services for runaways, as well as the funding for these programs, are much more serviceable.

Although neither bill is entirely free from discrepancies, we find that S. 645 is basically sound, and if certain minor problems are eliminated, the bill will adequately fill the pressing need for runaway facilities.

ADDENDUM

To gain further insight to these bills, we interviewed Mr. Joseph Palozolla, Director of the Youth Emergency Service, who has studied H.R. 1807 and S. 645, and as the operator of a facility such as would be financed in the Runaway Youth Acts, he has developed definite opinions on the provisions of these bills.

On almost all points, Mr. Palozolla feels that the Senate bill deals with the problem of runaways much more effectively. The House bill, he feels, just doesn't seem to have the fate of the runaway as its primary interest.

In the matter of funding, he feels that allocating equal amounts for Runaway Houses and reporting services, as is done in H.R. 1807, is entirely inequitable. In fact, he questions the need for any reporting service at all, as described in these bills. By handing out two million dollars for reporting services, he said, the bill isn't dealing with the problem.

Also pertaining to funding, Mr. Palozolla agreed with our Committee that by assigning some of the fund allocating responsibility to the Law Enforcement Assistance Administration, H.R. 1807 is only adding to the bureaucracy which will be handling the money. "I see no reason to fund anything through LEAA," he said. He also said that 10,000,000 dollars is a more realistic figure in dealing with the runaway problem.

Mr. Palozolla said that he was against any requirement for the Runaway Houses to report all runaways to the authorities. He feels that if the runaway knows that the police will be told where he is as soon as he walks in the door, he probably won't come in at all. He does, however, agree that all runaways should attempt to contact their parents within 36 hours, as required in the House bill.

In conclusion, he said that he would favor passage of S. 645, but that any bill which placed the restrictions on individual Houses such as H.R. 1807 did, would not be acceptable to him, and if such a bill were passed, his house would probably not even apply for funds.

COMING OF VARIOUS ENERGY SHORTAGES

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. WOLFF. Mr. Speaker, with the coming of various energy shortages in areas across the country, there can be little doubt of the need to develop a strong, Federal energy policy. Herbert P. Becker, P.E., has drawn up a comprehensive statement about setting goals for efficient energy consumption. The statement draws on his experience in energy systems engineering, and I would like to place the following summary of his statement in the RECORD for the attention of my colleagues:

A COMPREHENSIVE SUMMARY OF A STATEMENT ON THE URGENT NEED FOR A NATIONAL APPROACH TO THE ENERGY CRISIS

The shortage of clean energy mandates consideration of a strong, Federal Department of Energy with full, legislative authorization to establish and enforce a national energy policy that would set goals for the sources and consumption of energy; set guidelines for desirable and attainable energy consumption levels in all applications; devise legislation for achieving such goals through economic inducements and restraints; finance its activities through an Energy Fund, with revenue generated from, (1) an equitable balancing of energy costs throughout the nation, and between the small and large-block users, (2) rational penaltes, surcharges and taxes against recalcitrant decision-makers who manufacture, design, purchase, produce, apply and operate the energy hardware and systems which waste energy.

Rather than depend upon the groups and individuals affecting the energy problem, to seek their own, self-interested solutions, which may or may not coincide with those of the public at large, this national agency would coordinate a broad policy in the national interest to penalize waste and reward conservation, with a minimum of repression against freedom of action. Any existing situations which tend to perpetuate waste and indiscriminate use of energy would be modified to make such actions economically unattractive, while choices which move in the direction of the desirable goals would be broadened by appropriate economic inducements.

Legislation would be structured from a philosophy of energy conservation and pollution control affecting the supplier, producer and consumer of energy, throughout all sectors of commerce and industry. Statutes governing Utilities, rate schedules and taxes would be modified to reduce or eliminate those characteristics which encourage undesirable action.

Proposed treatment of restraints and inducements include:

1. Revise tax laws to eliminate property taxes on higher capital investments required for energy-saving systems; reduce tax rates on operating cost savings (profits) accrued from same; reduce allowable deductions on operating costs of wasteful systems; raise investment credits and depreciation rates on energy-saving systems and lower them on wasters.

2. Allocate cleaner fossil fuels on a national basis more generously to savers and regulate curtailment of wasters.

3. Eliminate waste in low-energy cost localities by surcharge on inequitably low rates in areas which are geographically favored.

4. Modify mortgage laws for investments on saver-systems by increasing the portion which can be financed, subsidizing costs, and reducing interest rates by government guarantee.

5. Reduce or eliminate the savings to the Purchaser for equipment or systems with high initial and ongoing energy consumption and short life, by surcharge or excise tax. On these inferior products, mandate & police "Truth in Advertising".

6. Structure laws, taxes and rate schedules to eliminate systems which transfer excessively high energy consumption burdens from Landlord to Tenant and encourage those which minimize the combined usage of Landlord and Tenant.

7. Structure inducement benefits to permit Engineering and Architectural Designers to optimize energy designs without suffering loss of fee.

8. Modify the philosophy and structure of energy rate schedules so that:

(a) Plus or minus rate adjustments may be selectively applied to wasters and savers respectively, instead of employing across-the-board increases in all energy rates.

(b) Avoid regressive rate increases for lower income groups.

(c) Permit higher Utility profits for energy sales based upon substantially higher energy conversion efficiency than is normal, but reduce profit formulae for those based on wasteful practices.

(d) Mandate new schedules which encourage private users to optimize fuel conservation without penalizing an acceptable Utility profit margin for special stand-by or auxiliary services.

9. On a National basis, co-ordinate the expertise of all professional and trade groups concerned with energy to establish acceptable guidelines for reasonable energy consumption in all applications of science, commerce and industry.

It is felt that these steps, taken in time, can alleviate the energy shortage on a current basis, and lengthen the lead time our researchers need to evolve new and practical energy sources, with minimum detriment to our environment and the least disruption to economic growth, life style and a free economy. Much dialogue is required on the concept proposed to enhance its validity as a solution acceptable to the entire public, despite its tone of federal interference.

ENERGY AND DEFENSE INDUSTRY PROTECTION ACT

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. MOSS. Mr. Speaker, I am introducing today the Energy and Defense Industry Protection Act. This legislation is designed to prevent control by foreign persons of American companies engaged in the energy and defense industries.

In recent months we have witnessed an increasing number of takeovers of American companies by foreign persons. This situation can probably be traced to the devaluations of the dollar and the decline in prices on our Nation's stock markets.

I am concerned with the possibility of American companies engaged in vital industries being taken over by foreign persons. My bill attempts to deal with this by prohibiting foreign persons from owning, either directly or indirectly, 10 percent or more of such companies voting securities.

I intend for this bill to be a vehicle for hearings on this topic. It is my hope that the uSbcommittee on Commerce and Finance, which I chair, will be able to hold such hearings during the second session of the 93d Congress. It would be my intention to solicit the widest possible comment and to give all interested persons every reasonable opportunity to appear and testify.

SOVIET JEWS AND IRISH NATIONALISTS: PRISONERS OF CONSCIENCE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. MOAKLEY. Mr. Speaker, out of my profound concern for the basic human rights of all peoples, I wish to bring to the attention of my colleagues the similarity of the tragic plight of both Soviet Jews and Irish nationalists at the present time.

It is my fervent hope that these "Prisoners of Conscience" as my constituent, Fred Burns O'Brien, so aptly describes them, will soon be accorded the full justice and dignity guaranteed them by international covenants and due them by all tenets of civilized society.

The following article states the case in such compelling terms that I am pleased to share it with both Members of Congress and the American people:

SOVIET JEWS AND IRISH NATIONALISTS: PRISONERS OF CONSCIENCE

(By Fred Burns O'Brien)

The basis of a democratic political system is the foundation, firmly entrenched, that each individual has the right to express his or her views publicly regardless of its content, even if it is deemed in derogation of the existing government. To have less than complete political rights is surely a breeding ground for violent confrontation. A political conscience might take a variety of forms, but it is housed within the confines of sound democratic principles that are permitted expression for the consumption and digestion of the beholding public.

Violence in Ireland is the direct consequence of a rejection of full implementation of demands for equality in the area of civil, human and political rights which generally encompasses the full spectrum of social interaction. The civil rights campaign was transposed to a more violent effort by an abject refusal of legitimate authorities to comprehend the necessity of immediate change. It was this same authority that catapulted the peaceful demonstration into armed revolt against the repressive statelet. Civil rights demands were of necessity transubstantiated into a demand for self-determination where the people themselves could institute a resolve for their own problems independent of an outside factor (Britain) that could only offer an imposed solution, whereby, irrespective of its motive, bears of the fact alone that it is an outside force of a foreign element seeking a foreign solution to an Irish domestic problem.

In a similar fashion, the struggle of Soviet Jews had commenced as a civil rights struggle in the same vein as that of the Irish but with a different final demand to effect justice. It is entirely possible that the demands of Soviet Jews may yet result in violent confrontation if their political exhortations are ignored.

As Soviet citizens, the Jewish community—a minority group liken to many others in Russia—is allegedly allotted the same rights as other citizens, but in practical application their rights are denied by those designated to implement such guarantees. Soviet law embraces the guarantee that all national groups are entitled to their own culture, language and traditions. This is deemed as a necessity due to the conglomeration of national groups that comprise the multi-national Soviet Union. To impose a Soviet culture would be unacceptable and impractical to such an array of diverse peoples and it was further concluded that all groups, save the Jews (in practice, not law), would be granted minority group social-autonomy within the massive Soviet society. The abrogation of these inherent rights of Soviet citizens in the instance of the Jewish minority group is a violation of the Soviet Constitution and the international covenants of human rights.

The Jewish crime is in requesting the right to emigrate to Israel and when this was denied them, they spoke out in political demonstration for which they have been harassed and incarcerated. The Irish crime is the desire for self-determination and the reunification of their nation, for which pursuit they have been interned without charge or trial.

Russian Jews ask only for rights awarded other citizens and they are denied, just as the Nationalists are denied equity within the Northern Irish society. The end result for the Jews is to seek to emigrate to Israel, because there would be no basis for self-determination within the present structure of the Soviet Union. Instead, they exercise the right under the Universal Declaration of Human Rights which states: "Everyone has the right to leave any country, including his own, and to return to his country." The Irish and Jews both sought civil rights and were rewarded negatively, coercing present courses of action as being of last resort. While the Jews emigrate to Israel, the Irish Nationalists demand self-determination in order to seek their national destiny.

In both cases of reference, the majority denied the minority the rights guaranteed both internationally and domestically. In the two instances, the peoples sought by peaceful means to effect a rectification and upon this failure resorted to more drastic measures. For pursuing political equity, the Irish and Jews alike were imprisoned for their thoughts of challenging, not legality, but raw authority and the power structure itself. There are no crimes involved in these situations, only political crimes as defined in a completely self-serving manner by those with the reins of authority.

The Soviet Union and Northern Ireland are by no means democracies, but they both purport to entertain all citizens as equal, though this is selective equality. A jew is treated like all Jews collectively and an Irish Nationalist like other Irish Nationalists and within these select confines there is equality; however, in the broader spectrum of society as a whole, there is group equality, but there is also the placement of one group over another in a ladder of equality. Structurally, there are barriers between classes of national or religious and political groupings whereby one is favored over the other(s) by reason of the dictates of the given power structure.

The Jew and the Nationalist are incarcerated for expressing political views that weigh heavily upon their conscience. This is morally and legally wrong by definition of equitable law and must be, in fact has been, rejected in its entirety by interested parties. No one should be imprisoned for his or her political beliefs or definition of social existence in political terms, but it happens continuously and must be curtailed for the protection of future generations.

But for the Irish Nationalists and Soviet Jews, the crisis has gone beyond the point of rectification, and far more serious alternatives have been incorporated into the situations. Those in Soviet prisons and British concentration camps are suffering indignities for their thoughts in a political context and are not the real criminals, whereas, the authorities demanding the incarceration of these political defendants embrace criminal actions.

Political imprisonment for crimes of thought and conscience evidence the weakness of a system or government that cannot survive the truth regardless of its detriment. A solid and just government can bear any tempest and survive if it encourages dissidents to make known their dissent and is prepared to act equitably in instances of clear abuse.

WILL THE REAL STOCKOWNERS PLEASE STAND UP (SO WE CAN FIND OUT WHO YOU ARE)?

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, one of the many problems corporations have is identifying the real holders of their corporate issue.

This might not seem like much of a problem, but it is when one realizes that many small shareholders prefer to keep their stock in their broker's name, an activity encouraged by brokerage houses to cut down on their own paperwork.

Thus when a corporation contacts its shareholders it must communicate through various second-party brokerage houses.

This time-consuming and wasteful practice is the cause for growing concern among corporations seeking to increase dialog between stockowners and themselves.

A recent Business Week article carried the following note:

Union Electric Corporation of Carnegie, Pa., was so concerned about the problem that it commissioned a nationwide study and presented it to the Securities and Exchange Commission. The study, now being reviewed by the SEC, shows that of the 17% of all corporate stock now held in street names, as many as 68% of the actual owners are not getting reports and other information in a timely fashion.

The article, which I will put into the RECORD for the information of my colleagues, discusses some legislative remedies for the problem which the Congress should consider:

THE SILENCE IMPOSED BY STREET NAMES

In a move to simplify its bookkeeping, Tyler Corp., a diversified Dallas-based trucking and manufacturing company, last month offered to pay cash bonuses to holders of 20 shares or less of its common stock if they would turn the stock back to the company within 30 days. But the company expects that as many as 25% of its shareholders will not get the word in time because their stock is listed in a broker's "street name."

Tyler's frustration in trying to communicate with its stockholders is increasingly shared by other corporations, large and small. The problem is that since brokers refuse to divulge client lists, which they consider proprietary information, companies must rely on the already overworked brokers' back offices to pass along to stockholders all manner of important things—proxy statements, dividends, quarterly and annual reports, and, in Tyler's case, a special exchange offer. Companies are increasingly complaining that the brokers are falling down on the job.

Union Electric Steel Corp. of Carnegie, Pa., was so concerned about the problem that it commissioned a nationwide study and presented it to the Securities & Exchange Commission. The study, now being reviewed by the SEC, shows that of the 17% of all corporate stock now held in street names, as many as 68% of the actual owners are not getting reports and other information in a timely fashion.

PAPERWORK

The problem of communicating with the "real" stockholder is not new. Brokers encourage customers to keep their stock in the broker's name to cut down on Wall Street's massive paper work, which has crushed many a mismanaged firm to death. And many customers prefer the anonymity as well as the convenience of keeping their stock with a broker in a street name.

But at a time when many stockholders grumble about poor stock performance and stingy dividends, and as SEC disclosure rules grow more demanding, corporate managers are finding plenty of good reasons to want direct communication with all their stockholders. A big Midwest appliance manufacturer worries that the growing proportion of street names will make takeover attempts more difficult to spot, even though any holder of 5% or more of a company's stock is legally required to inform the SEC that he is making such a move.

International Multifoods Corp., a Minneapolis-based diversified food processor and restaurant chain operator, has a two-year program to woo "the mom and pop shareholder"—for example, by making its annual report more readable. The company also offers to mail copies of its "10 K" annual report filed with the SEC, perhaps the most useful source of information about any company. But in the last six months, street name holdings of the stock have increased nearly 12%. Thus, because of the costs involved, the company's offer does not extend to shares that are held in street names.

LUNCH DATES

Giant companies such as RCA Corp. spend $50,000 a year or more just to maintain special staffs that work only with brokerage back offices to get information to street name shareholders. "It also pays to take the head proxy clerks out to lunch once in a while," confides one corporate secretary. "When they have the big crush of proxies to mail out at annual report time, you know your stuff will go out first." And big brokers such as Merrill Lynch have invested heavily in computers and automatic labeling and envelope stuffing machines.

But a great many companies, it appears, are not getting the kind of service they want. For this reason, securities reform bills in Congress include provisions ordering the SEC to study the whole question of street name and nominee holdings and the impact of such practices on corporate stockholder communications.

Thus far no solutions are at hand, but two ideas are considered front runners. One would require brokers to give stockholders lists to companies under safeguards that would prevent a broker's competitors from seeing the names. The other idea, which many brokers favor, is to have companies "spread out" the closing dates of their fiscal years so that brokers are not deluged with work each spring.

TACHOGRAPH WILL HELP MONITOR FUEL SHORTAGE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. FINDLEY. Mr. Speaker, on November 15, I introduced the Bus and Truck Safety Act of 1973. This bill would require each truck and bus under the jurisdiction of the Interstate Commerce Commission to be equipped with a tachograph, a recording instrument which provides a permanent record by chart of speed in miles per hour, distance traveled, and the number and duration of stops, as well as other pertinent information.

Experience in foreign countries where the tachograph is mandatory equipment shows clearly that these devices promote speed control, serve as a warning to drivers, and provide accurate records for owners, drivers, and law enforcement agencies. Several States already have such laws or are considering them. Bills have been introduced to require tachographs on buses in Connecticut, Massachusetts, and Rhode Island. A bill to require the use of tachographs on other vehicles in addition to buses was introduced in New York.

I am hopeful that hearings can be held on this bill and the Congress will enact it at an early date for several reasons.

Of primary concern to everyone is the urgent necessity to conserve our precious energy supplies. The House and Senate have passed bills setting a national speed limit of no more than 55 miles per hour for all vehicles. Enforcement of that standard will be left to State and local officials.

The tachograph will make enforcement much more uniform. It will make it quite unlikely that the giants of the highways—trucks and buses—will violate the new speed law and jeopardize the lives of passengers and other motorists alike.

A recent article in the Washington Star indicates that such violations are widespread among truckers and almost impossible to combat. Through the use of a secret and largely illegal network of citizen's band radios in the cabs of trucks, many have secured virtual immunity from speeding and overweight arrests.

Key codewords are exchanged by as many as 25 percent of the truckers on our Nation's highways, thereby informing each other of the locations of police vehicles, speedtraps, and law enforcement officials.

The bare statistics on truck accidents show the dangers involved. According to the National Safety Council, in 1972 alone there were approximately 3,500,000 big-rig accidents that killed 5,500 persons and caused $6 billion in property damage.

Obviously, it is hard enough for a truck to stop when it is traveling the legal speed limit. When it is speeding, it is even more difficult, and it is less likely that it will be able to stop with safety.

Text of newsstory follows:

RADIO CHATTER OK'S TRUCKS' HIGHBALLING

How many times have the big trailer trucks thundered by at 70-plus m.p.h. on major turnpike straightaways to leave motorists wondering how they get away with it?

How they get away with it, according to Pennsylvania State police, is through a secret and largely illegal net of citizen's band radios in the cabs of the trucks. The radios tell truckers where the law is—and where he is not.

Exchanging key code words over the radios, truckers know when police are not around and can roar down the highway as fast—and as overweight—as they please.

Key words include "Smokey the Bear," referring to state policemen, "chicken coops," for weighing stations, and "c'mon and run," meaning the coast is clear.

Estimates of the number of truckers equipped with radios vary upward from the federal government's 25 percent. There are no accurate figures because most truckers don't obtain the required federal license.

One new owner of a citizen's band radio is state police Cpl. Gary Mysel.

As he sat in his patrol car on the shoulder of Interstate 81 near Harrisburg, a group of tractor-trailers passed. Seconds later, the radio came alive.

"Smokey the Bear's sittin' near exit 28. He's in a plain wrapper (unmarked car)," it barked.

"Within five minutes they'll know 20 miles in both directions that we're sitting here," explained Cpl. Edward Fraser, Mysel's partner. Truckers hummed by at the legal speed for the next 30 minutes.

Officers say the two-way network gives truckers virtual immunity to speeding and overweight arrests. It had become a national highway safety problem before speed limits were lowered because of the energy crisis.

The network also helps explain what has long been a mystery to the average motorist: How can those trucks keep barrelling along at 70 miles per and never seem to get stopped by police?

"Now watch this," says Mysel as he drove the patrol car well away from the highway.

Picking up the microphone from his citizen's band radio and speaking in his best truckdriver voice, he broadcasts:

"I'm out here near exit 28 and Smokey's nowhere in sight. C'mon and run, C'mon, c'mon."

Minutes later, the rigs whiz by at well over the 55 m.p.h. limit.

"This is their free ticket," Fraser says of the radios. "The only truckers we get are the ones who don't have radios, or have them turned off."

No one has yet found an effective way to thwart the truckers' system.

The report on the truck drivers operation was developed by reporters for the Philadelphia Inquirer.

POLICE OFFICER IS HONORED FOR BRAVERY

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. HASTINGS. Mr. Speaker, I should like to pay tribute to a young police officer from my district, who recently was awarded the Salamanca, N.Y., Police Department Medal of Honor for bravery.

The award was presented to Officer Timothy Jackson for rescuing a woman, trapped in her automobile which had plunged into the Allegany River. In the best tradition of the thousands of police officers throughout the Nation daily serving their communities, Officer Jackson entered the icy stream, removed the woman and performed mouth-to-mouth resuscitation until she regained consciousness.

Officer Jackson, married and the father of two children received scores of other honors from his community as well as a special letter of commendation from FBI Director Clarence Kelley.

In receiving the Medal of Honor, it was typical of Officer Jackson to say:

> In honoring me, they have also honored each and every member of this department.

I insert in the RECORD an article which gives an account of the Medal of Honor presentation and why Officer Jackson is so deserving of it.

The article follows:

PRESENT "MEDAL OF HONOR" TO SALAMANCA POLICE HERO

SALAMANCA.—City police paid tribute Saturday to Patrolman Timothy Jackson, whose heroism saved the life of Mrs. Wesley Fisher of Bradford, on November 6.

In a brief ceremony at the Coachman's Inn, Sgt. Perry Barrett, president of the Seneca Police Club of Salamanca awarded the 26-year old rookie policeman an engraved, bronze Medal of Honor on behalf of his fellow policemen in recognition of the valor he displayed "above and beyond the call of duty."

The medal, which hung from a wide band of green satin ribbon, was accompanied by a matching green bar or "ribbon"—highest awards for distinction that the Police Department can bestow.

Jackson will be permitted to wear the bar on his uniform every day, beginning this week, Police Chief John R. Kowalski told the Times Herald. It is the only such recognition ever given a policeman in this city.

Accepting the awards and a certificate in honor of his heroism, Patrolman Jackson said that ever since the near-tragic mishap occurred early last month, he has heard many expressions of appreciation from citizens of Salamanca for services performed routinely by all members of the Police Department.

Kiwanis members, Rotarians and other residents, Jackson said, have told him that the events of November 6 have provided citizens here with an opportunity to appreciate the police, and to publicly recognize the entire department for their work.

"In honoring me, they have also honored each and every member of this department," the young hero told his fellow police officers, city officials and their wives at the dinner Saturday.

"I am glad that I was able to help Mrs. Fisher, but I am certain that any policeman on the force could have done what I did."

Police Chief Kowalski read a letter from Clarence Kelley, director of the Federal Bureau of Investigation in Washington, DC, which praised Jackson for his prompt response, and for his concern for the life of another individual.

"My associates join me in extending our congratulations to you for your outstanding performance. We trust your career as a police officer will be rewarding in the future, and that you will continue to be an example to all law enforcement officers . . . in our profession," Mr. Kelly wrote.

Chief Kowalski also read a letter from C. William Baker, clerk of the Cattaraugus County Legislatire, enclosing Resolution 404 of Nov. 14, which commended the policeman for his bravery. The resolution had been presented by Legislators Carl E. Monkhouse of Allegany, Howard Peterson, Edward Nugent and Kenneth McClune of Salamanca, and approved by the Legislature.

James Griffiths and Marion Fisher of the Salamanca Police Commission presented Patrolman Jackson with certificates of recognition. Mr. Fisher on behalf of the Salamanca Moose Club, awarded Jackson a $100 check for the courage he displayed on Nov. 6. A letter of commendation from Sheriff Charles B. Hill was also read at the dinner.

Last week the policeman was the recipient of many citations, having been honored by the Kiwanis and Rotary Clubs, the County Civil Defense and Legislature.

Among those attending the dinner were policemen and their wives, members of the Common Council and Police Commission, and Mr. and Mrs. Wesley Fisher of Bradford.

Mrs. Fisher has said that she "always" wears her seat belt . . . but on the night of the accident, for some unexplained reason, she did not buckle it. She told Patrolman Jackson later that she also "always" locks her auto doors, and that on the night of Nov. 6, she failed to lock them.

If she had done either one of these things Nov. 6, it is doubtful whether Patrolman Jackson would have been able to save her life, police officers told the Times Herald.

PEANUT PROFITEERS—TAXPAYERS' BURDEN

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. BAKER. Mr. Speaker, in recent weeks, a bill has been introduced to revise the present peanut program. I have taken the time to look into this program and have been fascinated with some of the little publicized information concerning this peanut program.

I want to turn a spotlight today on peanut profiteering and the peanut profiteering industry.

Peanut profiteers are forcing stagnation on a potentially great agricultural industry in order to line their own pockets with Government money. They are ripping off the Federal Government to the tune of increasing millions of dollars each year.

And it is all perfectly legal. Not right—but legal. Not necessary—but legal. Not just—but legal.

The peanut profiteering industry neatly slips a pork barrel onto every peanut bag—then the profiteers divvy up the contents of the barrel, while the American taxpayer is left holding the sack.

Other farm programs have been evolving over the years, moving away from Government controls and subsidies, toward market expansion and free enterprise.

Not the peanut program. The peanut profiteers have stayed clamped to high subsidies like an unweaned child with a full set of teeth.

What is peanut profiteering? How and why does it exist? Who are the peanut profiteers?

Two provisions of the permanent legislation for peanuts are the basic flaws:

One is the provision setting a minimum national acreage allotment of 1.61-million acres. This is divvied up among allotment farmowners. If you do not have an allotment, do not bother to grow peanuts because a big penalty is imposed to make sure there is no profit in growing peanuts without an allotment.

No. 2 is the provision that says peanuts grown on allotment acres get Government price-support at no less than 75 percent of parity.

That is the picture; only allotment holders can grow peanuts, and their peanuts are guaranteed price-support at a high level.

Now, add another—and vital—fact. Farmers have made such good use of technology that since 1955 peanut yields have gone up an average of 70 pounds per acre each year. This means that while the national peanut acreage allotment cannot, by law, be cut below 1.61-million acres, farmers really only need about 1.1-million acres to grow all the peanuts that go into U.S. food.

On about half a million acres each year, peanuts are grown which the Government does not need but has to buy.

That is what peanut profiteering is all about—using every device possible to maintain this ridiculous position in which the Government pays for the production of too many peanuts.

Profiteering comes in because the support is so high that an allotment is a very valuable asset to own. If you have a peanut allotment, you can lease your allotment acres for more than $100 an allotment acre to some dirt farmer who really wants, or needs, to farm for a living—and you can live high off the pork barrel of peanut profiteering.

Just about 25,000 allotment farmowners deal off their allotments each year—by sale or lease—to someone who wants to grow peanuts; and both parties profit because of the Government guaranteed bonanza price for peanuts.

Some 40 years ago when allotments went into effect, they were meant to prevent excess production and give each farmer his fair share of the market. Well, they have not prevented excess production—and all sense of equity has long since been lost in the shuffle and scuffle of dealing in allotments as if they were blue-chip securities—as indeed they seem to be for the peanut profiteers.

Let us take the profiteering out of peanuts and put production back into the hands of young farmers who will grow peanuts for the market, not the Government.

A PROPER MOVE BY REPRESENTATIVE TREEN

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. HÉBERT. Mr. Speaker, my Republican colleague from Louisiana, the Honorable DAVID TREEN, has worked hard in behalf of the delegation for our fishermen.

As you know, Louisiana has many people who depend upon fishing for a livelihood, therefore the welfare of the industry is of vital concern to me and the rest of our State's delegation.

As dean of the Louisiana delegation, I want to commend DAVE TREEN for his efforts and in particular for his resolution expressing concern over the Nation's declining fishing industry which this House has approved.

It is best summed up by an editorial which appeared in the Baton Rouge Morning Advocate, which I include in the RECORD at this point:

A PROPER MOVE BY REPRESENTATIVE TREEN

In the light of more pressing affairs, the resolution approved by Congress at the behest of Rep. David Treen expressing concern over this nation's declining fishing industry may seem insignificant.

American fishermen have long been the underdog in the international quest for food from the sea and little attention has been paid to the fact that other nations sweep the waters off the United States coast clean through use of their highly developed technological skills.

Yet, as Treen noted, the industry does play a key role in the economy of the Louisiana coastal area and the same is true of other states along the Gulf of Mexico and the Atlantic and Pacific oceans.

Treen's resolution will not solve the problems of the American fishing industry, but it is, as he noted, a start toward at least doing something about them.

One of the first benefits from the resolution undoubtedly will come during the Law of the Sea Conference, now underway in New York.

If nothing else, the member nations of that conference can be advised that Congress is cognizant of the problems.

Just what can be done about them remains to be seen. There has been some talk of expanding the U.S. jurisdiction from the present 12 miles to 200, as other nations have extended their limits of "control." And there may be a request later for government subsidy of fishing fleets.

The communist nations have long subsidized such fleets. Russia has supplied Cuba with factory ships and trawlers so that nation can reap harvests from the Gulf of Mexico. Spain is currently building more ships for the island nation.

There is some sentiment that the United States cannot compete with the subsidized fleets. And there have been expressions in some quarters that the seas have been largely "fished out" and that it would be useless to expand the American fleet.

But insofar as can be determined, there has been no official establishment of the truth of these contentions.

Part of the plan, under Treen's resolution, is to hold hearings around the country in an effort to determine the true scope of the fishing industry's problem, then go back to Congress with proposed legislation to improve its stance.

The recommendation may be for subsidy. It may be for extending the jurisdictional limits. Or it may even be that, in order to ensure a continuing supply of fish, this nation turn to inland fish culture as China and Russia have done.

But, whatever the outcome, there will have been at least some effort made to perpetuate this little recognized, but valuable American industry.

Treen's resolution is not insignificant, either, to Louisiana or to the nation as a whole.

MRS. GORDON McLINTOCK

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. ROONEY of New York. Mr. Speaker, I was shocked and saddened at the death, a few months ago, of Mrs. Gordon McLintock, wife of Vice Adm. Gordon McLintock, Superintendent of the U.S. Merchant Marine Academy for nearly 23 years, until his retirement in 1970. I had known the admiral and Mrs. McLintock all of those years. She lived a wonderful life and she wove into the fabric of that life loyalty, dedication, concern and love of a most admirable quality and pattern.

Mrs. McLintock's death came a day before commencement exercises of the last class of midshipmen to have attended the academy while her husband was its chief. The couple had been invited by the class president "to share our joy" on that day, but news of Mrs. McLintock's death arrived instead at the campus where she had been instrumental in raising a large part of the construction money and helping design the interior and decor of the U.S. Merchant Marine Interfaith Memorial Chapel.

A warm, charming woman, Mrs. McLintock became well known for her works in Nassau County during her husband's tenure at Kings Point.

Along with Mrs. William Paley and Mrs. John Hay Whitney, she inaugurated the annual North Shore Hospital Ball at the Academy in 1950 and had been deeply involved in the building of the hospital.

She was active in the Women's Propeller Club, a group of wives of men in shipping, and in Snug Harbor, a home for aged mariners on Staten Island.

Mr. Speaker, Mrs. McLintock was a lovely lady who was very good and very kind to both me and my family over the many years that we have known each other. Some of the finest memories of the relationship was of Mrs. McLintock taking my daughter, Mary Ann, and her brothers to academy football games during the fall.

We shall all miss Mrs. McLintock very much, Mr. Speaker, for she was a most unusual and wonderful woman. To Admiral McLintock the Rooneys extend their deepest sympathy and prayers during this hour of his great loss.

Under the permission heretofore granted me I include for the attention of my colleagues and the numerous friends of Mrs. McLintock, the memorial service held at Fort Myer Chapel, Arlington, Va.

Present at the service and interment were leaders of the maritime industry, the educational world, the armed forces, and representatives from the embassies, and graduates, and condolences received included those from the Chairman of the Joint Chiefs of Staff Admiral Moorer and Mrs. Moorer. While there was no official representation from the academy a number of the staff, officers, faculty, enlisted men and former stewards whom she had loved also attended.

MEMORIAL SERVICE

Fort Myer Chapel, Arlington, Virginia, June 27, 1973.

The Service is held in loving memory of: Wynne Russell McLintock.

THE ORGAN PRELUDE

THE INVOCATION

Captain R. W. Radcliffe, CHC, USN.

Jesus said, "I am the resurrection and the life; he who believes in me, though he die, yet shall he live, and whosoever lives and believes in me shall never die." (John 11: 25–26)

The eternal God is your dwelling place, and underneath are the everlasting arms. (Deuteronomy 33: 27a)

The Lord is my light and my salvation; whom shall I fear? The Lord is the stronghold of my life; of whom shall I be afraid? (Psalm 27: 1)

HYMN

America the Beautiful

O beautiful for spacious skies, for amber waves of grain,
For purple mountain majesties above the fruited plain!
America! America! God shed His grace on thee,
And crown thy good with brotherhood
From sea to shining sea!—Amen.

THE EULOGY

Captain Joshua Goldberg, CHC, USN (RET).

Delivered at her Funeral Service at the National Cemetery, Arlington, where she has the honor to be interred among all the great heroes of America.

Dear Gordon, dear sister Margaret and dear friends—

It is not easy to encompass in a few words at this parting service the full meaning of Wynne McLintock's life, its place in her family circle and its impact on her happy and tender life with Gordon, with whom she walked hand in hand and heart with heart to the very end of her mortal existence.

I shall permit myself to voice only a few points of her radiant personality. As a child, her sister Margaret tells me, Wynne was called in the family "Winsome Winnie." How charming and appropriate!

Later, as a senior girl at Dame Allen's School, Newcastle upon Tyne, she was voted "the most popular girl in the school" and crowned Queen Winnie at a lovely ceremony of flowers.

And "Winsome Winnie" grew up, when we met and learned to know her, into a Lady in the grand manner—a truly Grand Lady.

She came to us from the British Isles—the cradle of our culture—and brought blessings to our land. She cherished it and always prayed that our lucid banner ever shine as a symbol of the dignity and sacredness of the human personality.

The freshly blooming heather brought yesterday from Scotland by Captain and Mrs. Dry, and placed in her casket, unites her symbolically in death with her native land from which she carried so many precious gifts of mind and spirit to us.

Wherever Wynne moved she scattered around her serene graciousness. The hospitality in her home was infectious. Whoever found himself under her roof had the joyous privilege of feeling the warm spirit of the incomparable hostess. To be at the McLintocks' was to be and feel at home!

As Chaplain in the Third Naval District, I had the opportunity for some twenty years to observe Wynne at Gordon's side as his helpmate and life companion, guiding together the destiny of the United States Merchant Marine Academy, which, under her devoted stewardship has gained world-wide reputation and recognition.

Wherever American Merchant Marine Officers man our ships their hearts stir with fond memories of and affection for our departed Wynne—The First Lady of the Academy.

Her deep and abiding love for the midshipmen who studied and graduated from this unique institution is well known to them and how richly she contributed to every facet of the Academy's life not sparing her health even to the breaking point.

Wynne was not only winsome, a Lady in manner and thought, and dedicated to her husband's career, she was also deeply religious.

She was a main inspiration and deeply involved in the building of the majestic and beautiful chapel on the campus of the Academy—a veritable footstool to God's Eternal Throne. She worked tirelessly for the erection of this Sanctuary to glorify God's name and to serve as inspiration to worshippers within, and as a reminder to every passerby and passing ships that spiritual vitality has been woven into the fabric of the U.S. Merchant Marine Academy.

What a woman of sweetness and valor!

Now, Death has summoned our beloved Wynne. Our souls cry out unto Thee, O Lord, "What is man?" Is he the creature of dust, whose destiny is but to return to the dust from which he came?

The ancient sage has taught us, "The spirit of man is the lamp of the Lord." Not even the darkness of death can extinguish God's light, which He has kindled in the sanctuary of Wynne's soul. Therefore, O Lord, we thank Thee in this solemn hour for that which was deathless in the life of our cherished Wynne McLintock, and which is now revealed to us in all its beauty.

For her love that united us in life and which death cannot sever; for her companionship which we shared along life's path, and which still continues through the tenderness of memory; for the gifts of her heart and mind which brought us joy and happiness and now have become a precious heritage of the spirit: for all these and more, we give Thee our praise.

Grant us, O Lord, the strength of all the generations who in the face of bereavement proclaimed: The Lord hath given, the Lord hath taken away; blessed be the name of the Lord.

Our Eternal God and Father, send Thy angels from above to lift tenderly heavenward this precious soul. Dearest Wynne go thy way for the Lord hath called thee. Go thy way and may the Lord be with thee. May thy righteousness go before thee and the glory of the Lord receive thee.

Rest in Peace!

THE TWENTY-THIRD PSALM

Dominus regit me

The Lord is my shepherd; I shall not want.

He maketh me to lie down in green pastures:

And leadeth me beside the still waters.

He restoreth my soul: he leadeth me in the paths of righteousness for his name's sake.

Yea, though I walk through the valley of the shadow of death,

I will fear no evil: for thou art with me; thy rod and thy staff they comfort me.

Thou preparest a table before me in the presence of mine enemies: thou anointest my head with oil; my cup runneth over.

Surely goodness and mercy shall follow me all the days of my life; and I will dwell in the house of the Lord for ever.

THE GOSPEL ACCORDING TO ST. JOHN, 14: 1–6

Let not your heart be troubled: ye believe in God, believe also in me.

In my Father's house are many mansions: if it were not so, I would have told you. I go to prepare a place for you.

And if I go and prepare a place for you, I will come again, and receive you unto myself; that where I am, there ye may be also.

And whither I go ye know, and the way ye know.

Thomas saith unto him, Lord, we know not whither thou goest; and how can we know the way?

Jesus saith unto him, I am the way, the truth, and the life: no man cometh unto the Father, but by me.

HYMN

Faith of Our Fathers

Faith of our fathers living still,
In spite of dungeon, fire, and sword,
O how our hearts beat high with joy,
Whene'er we hear that glorious word:
Faith of our fathers, holy faith!
We will be true to thee till death.—Amen.

THE PRAYERS

Captain R. W. Radcliffe, CHC, USN.

Almighty God, with whom live the spirits of those who depart in the Lord, and with whom the souls of the faithful after death are in strength and gladness: We give our grateful thanks for the good example of your servant, Wynne, who, having finished her course in faith, does now rest from her labor. We pray to you that as a God of infinite compassion you will look down in tender love and pity upon your servant. In the stillness of our hearts we entreat for her your sustaining grace. Be her stay, her strength, and her shield, that trusting in you, she may feel your presence and, in the assurance of your love, be delivered out of her distress and sorrow. Through Jesus Christ our Lord. Amen.

Now the laborer's task is o'er
Now the battle day is past
Father in your gracious keeping.
Leave we now your servant sleeping.

Unto him who is able to keep you from falling and to present you faultless before his throne with exceeding joy, to the only wise God, our saviour, be honor, glory, dominion and power now and forevermore. Amen.

THE LORD'S PRAYER

(In unison)

HYMN

Eternal Father

Eternal Father, strong to save
Whose arm hath bound the restless wave,
Who biddest the mighty ocean deep
Its own appointed limits keep:
O hear us when we cry to thee
For those in peril on the sea!
*Lord stand beside the men who sail
Our Merchant Ships in storm and gale,
In peace and war their watch they keep
On every sea, on thy vast deep.
Be with them Lord by night and day,
For Merchant Mariners we pray.

THE BENEDICTION

Captain Theodore C. Herrmann, CHC, USN.

"And now, Wynne, unto God's gracious mercy and protection we commit you.

May the Lord bless you and keep you.

The Lord make his face to shine upon you, and be gracious unto you.

The Lord lift up his countenance upon you, and give you peace, both now and evermore. Amen.

THE ORGAN POSTLUDE

GRAVESIDE SERVICE

Captain R. W. Radcliffe, CHC, USN.

Our help is in the name of the Lord, who made heaven and earth. (Psalm 124: 8)

Say to them that are of a fearful heart, "Be strong, fear not! Behold your God will come and save you." (Isaiah 35: 4)

The steadfast love of the Lord is from everlasting to everlasting upon those who fear him, and his righteousness unto children's children. (Psalm 103: 17)

Forasmuch as the spirit of Wynne McLintock has entered into the life immortal, we therefore commit her body to its resting, but her spirit we commend to God, remembering how Jesus said upon his cross, "Father, into thy hands I commend my spirit."

Blessed are the dead who die in the Lord from henceforth: Yea, saith the Spirit, that they may rest from their labors; and their works do follow them.

Wynne Russell McLintock, beloved wife of Vice Admiral Gordon McLintock, former Superintendent of the United States Merchant Marine Academy, was born in Newcastle upon Tyne, England, the daughter of Captain John Russell Kidner of the British Merchant Navy, and Mrs. Kidner, and became an American citizen upon her marriage.

Loved throughout the world and affectionately remembered by so many of the midshipmen she served at Kings Point.

The richest gifts of nature and of grace adorned her mind and heart.

She was as the morning star in the midst of a cloud,

And as the moon at the full:

As the sun shining upon the temple of the Most High,

And as the rainbow giving light in the bright clouds:

And as the flower of roses in the spring of the year.

CHILD BATTLES WITH HIMSELF

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. HELSTOSKI. Mr. Speaker, diabetes is a surprisingly widespread, though little understood disease that presently affects nearly 6 million Americans. Diabetes is a metabolic disorder occurring in individuals with a hereditary predisposition to the disease, and scientists have not been able to determine the precise genetic defect which causes diabetes.

The most obvious characteristic of the disease is the patient's inability to metabolize carbohydrates properly. Metabolism, used within this context, refers to the breakdown of food substances into energy-releasing or storable forms. Carbohydrates, which include sugars and starches, are generally acknowledged to be the body's primary source of energy.

There are two basic forms of diabetes—juvenile diabetes and maturity-onset diabetes. Juvenile diabetes is generally considered to be the most severe form of the disease and its onset occurs early in life.

Many tragic complications may arise as a result of prolonged diabetes. These include disorders of the nervous system, gangrene, cerebral hemorrhage, hardening of the arteries, coronary disease, stroke, heart attack, renal problems, and blindness.

The Library of Congress estimates that by 1975, 1 in every 25 persons will be diabetic. Today, 30 million people throughout the world are affected by the disease.

Mr. Speaker, these facts clearly underscore the need for an expanded research and treatment program. In addition, I have received letters from many constituents who either have children afflicted with the disease or have it themselves, asking that we provide additional funds to fight diabetes.

A variety of bills designed to aid those who have the disease are presently before Congress. I have sponsored one of these, H.R. 6193—National Diabetes Act—which would expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes. Hearings have been held on this bill and other similar legislation, and presently it is pending before the House Commerce Committee Subcommittee on Public Health and Environment.

Mr. Speaker, in addition, today I would like to share an article with my colleagues which appeared November 29 in the Washington Post. The article, entitled "Child Battles With Himself; Learns to Control Diabetes," is a first person account by Richard A. Kasschau of life as a young diabetic. I call this article to the attention of my colleagues, because I believe Mr. Kasschau succeeds in providing additional insight into the rough life most diabetics face.

The article follows:

CHILD BATTLES WITH HIMSELF; LEARNS TO CONTROL DIABETES

(By Richard A. Kasschau)

This story is published to reflect another side of the disease of diabetes in the wake of widespread reaction to the account two weeks ago of William Gibson White's chilling early experiences with a diabetic child. Diabetes is one of the most serious diseases that strike Americans and, compared to some others—heart disease, cancer—is a mystery to the unaffected public. We hope that the combination of this account and White's, while still not telling the whole story of diabetes, will advance education about the disease.

I was eating like a horse ("as if each bite was the last straw!" to quote my father). I gradually started getting up for what became nightly trips to the bathroom, and all the while I was losing weight. On a Friday in May, 1951, my parents were finally moved to contact the family doctor, and his first reaction was to curtail my consumption of strawberries with sugar. That was my first contact with diabetes, a contact that has been maintained now more or less successfully for 22 years.

Diabetes entered my life at the end of fifth grade. Not even out of elementary school, and already a significant challenge: Was I to control my diabetes or was it to control me? My initial reaction was quite negative, but a father who was an engineer and a mother who was willing to learn were quickly to conspire to insure the result.

I was placed in the hospital the following Monday for a four-day period of adjustment to stabilize my condition and approximate the insulin dosage and diet I would require. The nurses educated me about insulin, diet and exercise and educated my parents about insulin reactions, prohibited foods and how to give injections.

Because of the seriousness with which my parents approached the condition, I became increasingly disturbed about my diabetes and gradually more rebellious. I didn't want to play with other boys, and increasingly I didn't want to assume responsibility for managing my diabetes. Testing the urine was fun for the first two weeks: Would the results be blue (good), green (OK, but you can do better), or yellowish-orange ("What did you snitch from the cookie jar?"). But I quick tired of the necessary routine.

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*Second verse composed by Wynne McLintock, 27 Feb. 1968.

I was sent to the first year of the Tennessee Camp for Diabetic Children (TCDC) just outside Chattanooga in August, 1952. The camp was the turning point in my response to life's challenge. Aside from one episode in the fall of 1952, when I became completely fed up with giving myself my own injection, but finally did so under stern injunction from my father, I have given myself an injection unhesitatingly every morning for 21-plus years.

For the next five years, I returned each summer to TCDC as a camper. The next two years I went back as a junior counselor; the following two as a senior counselor in charge of 8 to 10 diabetic boys.

After nine years as camper and counselor I returned as an assistant in the camp infirmary for two years, and I finished my formal association with TCDC as assistant director of the camp during my last two years in college. I continue to support the camp with monetary contributions.

I finished graduate school and have since been employed as a professor at the University of South Carolina. Diabetes has been no hinderance at any time.

Watching the progress of research into the causes of diabetes over the years has been interesting. When asked each year at the diabetic camp, 50 to 60 of the 100 campers would indicate that they had a relative with diabetes. The apparent responsibility of inheritance as a causative factor has been widely confirmed. Beyond that the evidence is mixed, but generally negative. To attribute specific events with responsibility for "causing" diabetes is to indulge in potentially false reasoning. Night follows day, but it's not caused by day. Similarly, diabetes may follow "being dropped on the head" or "always eating candy," but there is very little evidence of cause.

More recently, the focus of research has been on a kind of hormonal imbalance. The solution may or may not be at hand, but the search continues.

Diabetic coma has been described to me many times: It results from consistent neglect usually covering a period of many days, even weeks. Except in the instance of "brittle" diabetics such as the White case in last week's story, those few whose insulin-diet-exercise balance are extremely narrow and difficult to maintain, a coma is a very rare thing and neither I nor many of my diabetic friends have ever experienced it.

Insulin reaction is something else, which may result from too much insulin or exercise and/or too little to eat. One winter morning in Rochester, when I was in college, I awoke the morning after a very active day in an insulin reaction. I dressed quickly and set out for the dining hall, realizing only after I had gone about 30 feet in the snow that I had forgotten my shoes! With my shoes on, the insulin reaction was corrected by the first glass of orange juice.

I have learned a number of things down through the years, both from personal experience and as a result of dealing with several hundred diabetics and their parents while at the Tennessee Camp for Diabetic Children. Perhaps the worst problem most diabetic children have is over-reactive parents who are well-intentioned but misguided in their emotionalism.

As with so many things in life, diabetes yields to reasonable treatment on all fronts. Treat the condition with respect and understanding and the conditions will respond predictably; abuse it and it will abuse you. Every time you eat too much you're going to spill the excess sugar through your urine; every time you exercise too much without taking in sufficient food you will have an insulin reaction.

As a child, in fact through the 12th grade, my parents weighed all of my food as part of the necessary program of balanced intake of food and insulin. Many adolescents rebel over cigarettes or sex or drugs or drinks, but I rebelled over controlled dieting. I had so many secret trips to the corner drug store for food during high school, that I finally had to start adjusting my own insulin to compensate for the excess calories I was always consuming.

As I entered college the many years of watching food being weighed finally began to return dividends to me because I quickly realized I had unintentionally become an expert at estimating what bulk of food represented how many grams.

Judging amounts of food is easy, but juggling insulin is a nightmare: You plan for an active day and cut the dosage and then end up going to the movies. You plan an inactive day, increase the dosage and then end up skiing all day. You can't win, but you try to break even. By leaving the insulin dosage constant and then consuming additional food if your schedule of activities warrants it, control becomes much easier and much more susceptible to an hour-by-hour modification.

The key to control, both for the parents of diabetic children and also for the diabetics themselves is to watch behavior. Most diabetics know what it's like to be going into an insulin reaction (or "shock" as some extremists like to call it), but different types of insulin, if present in excess amounts, cause different types of insulin reactions, some perceptible by the diabetic and some not. Even perceiving an oncoming reaction is not always enough.

Last year in Columbia, S.C., I left my university office to conduct an interview across town. I needed a coke when I left, but knew there was a soft drink machine where I was going. When I got there I was late, so I figured I'd conduct the interview and then get the coke.

During the interview I started into the reaction, and by the time I had completed the interview I was focused only on getting back to the university. But, while driving back, I remembered I had a check to deposit and that my bank was only a couple of blocks out of the way.

I never made it. Recognizing I was no longer in full control of myself, I pulled the car over to the side of the street and was slumped against the car window for four hours before the police decided there might be need for action. The result? Overreaction: an ambulance was called ($25) and I was rushed to a local emergency ward and admitted (another $25), all for the want of a Coke or some orange juice, which was all I required once in the emergency ward.

Thirty minutes after entering I was fully competent to drive myself back to the university, suffering only embarrassment at my second contact with a hospital in 22 years.

The insulin reaction is a most unusual thing to experience, but also to watch. In some diabetics it is accompanied by profuse sweating, an apparent thickening of the tongue and increasing inability to carry on normal activities, verbal or physical.

It is easy to correct, requiring only food (preferably with high sugar content), but it is widely misunderstood as a phenomenon. Many view it as a seizure, which it most definitely is not. The only real danger to the diabetic and his friends is the very rare convulsive insulin reaction in which a diabetic could potentially damage himself or others during his convulsions. However, these are very unusual, involving only 1 to 2 per cent of all diabetics and then only occasionally.

A diabetic insulin reaction is almost never fatal and likewise extremely unlikely to harm anything but pride. If all else fails, since reactions are caused by the relatively short-lived overabundance of insulin, diabetics will typically pull out of insulin reactions unaided, although this may well take many hours.

The lesson is not a hard one to draw: Overreaction on the part of well-meaning, but ill-informed people is the major problem most diabetics, whose disease is under control, have to face. Enough of the diabetic's good friends and supervisors should be informed of the condition so that they may be of help in the situations where an insulin reaction is most likely to occur. But activity should never be curtailed either for or because of a diabetic, and food, drinks, and merriment should continue independent of the presence of a diabetic participant. Each diabetic generally has enough knowledge of himself and his condition to know what he can and what he can't do or eat.

I'll give you one hint: "If anyone ever uses diabetes as an excuse for not doing or eating anything (except sugar or sugar-coated food items) you have just experienced someone inappropriately using diabetes as an excuse rather than the challenge most of us accept it to be.

By the way, if anyone has strawberries . . .

Richard A. Kasschau is an associate professor of psychology at the University of South Carolina who is on leave in Washington this year working in the Educational Affairs Office of the American Psychological Association. He received his Ph.D. in psychology from the University of Tennessee in 1967.

OUR AMERICAN SYSTEM IS ESSENTIALLY SOUND

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, December 21, 1973

Mr. RANDOLPH. Mr. President, last June a Canadian radio commentator, Gordon Sinclair, was fed up with the constant harangue of hate against the United States, and attempted to set the record straight. He succeeded to the extent that his editorial commentary is well on its way to becoming a classic statement in defense of America.

Columnist Mario Rossi recently observed in the Syracuse Herald-American, that Sinclair's biting reminder of America's true greatness is "a rare and welcome exception to the growing ranks of those who seem to take perverse pleasure in disparaging the United States." The approaching holiday season promises to give us only a brief respite from the troubles that beset us; the continuing crises of energy shortages, inflation, Watergate, and other problems will not suddenly disappear.

Yet, in the words of a dear friend, O. G. (Red) Kennedy of Chicago:

> Surely 80 percent or better of our laws, principles and our judicial and legislative systems are very sound—as is the free enterprise system.

Our challenge is to try to perform selective surgery on the parts of our system which need it—not destroy the whole system.

Mr. President, I feel that Mr. Sinclair's warm words of praise for America deserve the widest possible dissemination. I ask unanimous consent that the article by Columnist Rossi containing Mr. Sinclair's reassuring message be printed in the RECORD.

There being no objection, the article

was ordered to be printed in the Record as follows:

[From the Syracuse Herald-American, Nov. 25, 1973]

Post Scripts: Welcome Voice

(By Mario Rossi)

At a time when American prestige seems to be at a low point in the world and many of our beneficiaries of yesteryear are turning their backs on us, an editorial statement by Gordon Sinclair, Toronto radio and television commentator, is commanding wide attention.

Sinclair is a rare—and welcome exception—to the growing ranks of those who seem to take perverse pleasure in disparaging the United States. He cites American greatness and generosity and expresses confidence we'll be "up there" again. Here's part of what he said in his now famous broadcast.

"This Canadian thinks it is time to speak up for the Americans as the most generous and possibly the least appreciated people on all the earth.

"Germany, Japan and, to a lesser extent, Britain and Italy were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts. None of these countries is today paying even the interest on its remaining debts to the United States.

AMERICANS PROPPED IT UP

"When the franc was in danger of collapsing in 1956, it was the Americans who propped it up, and their reward was to be insulted and swindled on the streets of Paris.

"I was there. I saw it.

"When distant cities are hit by earthquakes, it is the United States that hurries in to help. This spring, 59 American communities were flattened by tornadoes. Nobody helped.

"The Marshall Plan and the Truman Policy pumped billions upon billions of dollars into discouraged countries. Now newspapers in those countries are writing about the decadent, warmongering Americans.

"I'd like to see just one of those countries that is gloating over the erosion of the United States dollar build its own airplanes.

"Come on, let's hear it!

"Does any other country in the world have a plane to equal the Boeing Jumbo Jet, the Lockheed Tristar or the Douglas 10?

"If so, why don't they fly them? Why do all the international lines except Russia fly American planes?

"Why does no other land on earth even consider putting a man or woman on the moon?

"You talk about Japanese technocracy, and you get radios. You talk about German technocracy, and you get automobiles.

MOON ACCOMPLISHMENTS CITED

"You talk about American technocracy, and you find men on the moon—not once but several times—and safely home again.

"You talk about scandals, and the Americans put theirs right in the store window for everybody to look at.

"Even their draft-dodgers are not pursued and hounded. They are here on our streets, and most of them, unless they are breaking Canadian laws—are getting American dollars from Ma and Pa at home to spend here.

"When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the New York Central went broke, nobody loaned them an old caboose. Both are still broke.

"I can name you 5,000 times when the Americans raced to the help of other people in trouble. Can you name me even one time when someone else raced to the Americans in trouble?

"I don't think there was outside help even during the San Francisco earthquake.

"Our neighbors have faced it alone, and I'm one Canadian who is damned tired of hearing them kicked around.

REASSURING WORDS

"They will come out of this thing with their flag high. And when they do, they are entitled to thumb their nose at the lands that are gloating over their present troubles.

"I hope Canada is not one of these."

With the season of Thanksgiving still upon us, those reassuring words give us something extra to be grateful for. They constitute encouragement and they seem to tell us that all of America's humanitarian striving in the nearly 200 years of its history have not been in vain.

True, Mr. Sinclair seems to be in the minority in the arena of world opinion. True, he is just one voice. But in time he must be joined by many others, for good, which is its own reward, cannot help but persevere. When we stand in the sun again we won't, of course, as Mr. Sinclair suggests, thumb our nose at other nations.

The reason?

That would be un-American.

MONOPOLIES BLAMED FOR FOOD INCREASE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. MOAKLEY. Mr. Speaker, there is a growing concern in this country that we face a food crisis which may parallel or even surpass the energy crisis in gravity.

Documentation about this serious problem was provided recently at hearings conducted by the Monopoly Subcommittee of the Senate Select Committee on Small Business. I am including a pertinent article on the subject from the Boston Herald-American of December 11 which was furnished by a distinguished constituent and former town manager of Norwood, Mass. Mr. Walter Blasenak.

I am anxious to bring this to the attention of my colleagues because it is imperative that we act promptly and forcefully to prevent further food increases resulting from these monopolistic practices.

The article follows:

Monopolies Blamed For Food Increases

(By William Robbins)

Washington—An official of the Federal Trade Commission told a Senate subcommittee yesterday that monopolistic practices were a significant cause of recent increases in the costs of the nation's food.

"Food price increases are equivalent to a regressive tax which transfers income from the poor, the old, racial minorities and other persons on the bottom of the socio-economic ladder," said Russell C. Parker, assistant to the director of the Federal Trade Commission's Bureau of Economics. He added that "if that transfer of income is to holders of monopoly power it is particularly repugnant."

Parker backed up his testimony before the monopoly subcommittee of the Senate Select Committee on Small Business with extensive statistics from studies by the agency.

The hearing on "corporate giantism and food prices" also heard a call by A. C. Hoffman, a retired vice president of the Krafts Foods Company, for intervention by the government to stop monopolistic trends, as well as demands by the food action campaign, a coalition of consumer-oriented organizations, for both legislative and administrative action.

Jim Hightower, campaign coordinator, former Sen. Fred R. Harris (D.–Okla.) and Sen. James Abourezk (D.–S.D.) all asserted that increasing monopolistic power in the food industry threatened to create food problems even more serious than the current energy crisis.

Recalling that 50 large companies had owned half of all food manufacturing assets in 1965, Parker said that concentration had continued to increase to the point where "I estimate that the current 50 largest companies may account for close to 60 percent of total food manufacturing assets."

Those same companies receive a still higher percentage of profits, the economist said.

THE PROBLEMS OF THE U.S. FISHING INDUSTRY

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mrs. SULLIVAN. Mr. Speaker, a recent editorial in the St. Louis Globe Democrat highlights the deplorable condition of our U.S. fishing industry.

The editorial points out that foreign fishing vessels taking fish off our shores are on the increase; that the type of equipment used by some of these vessels is like a vacuum cleaner, sucking up everything that moves; that many of these offshore fisheries resources are being depleted; and that, as a result of these activities, our seafood prices are soaring.

Mr. Speaker, I insert this editorial in the Record at this point:

Prevent Extinction of Ocean Fish

It would enrage food shoppers to know they are paying double to quadruple the amount they should pay for seafood because Russia and other nations are catching our fish.

It would enrage sportsmen to know that bluefin tuna, swordfish, white, striped, and Atlantic and Pacific blue marlin face near-extinction because foreign trawlers are wiping out whole species off our shores.

The depletion of almost all fish life off our shores is no longer just possible, but probable. Our herring population is down 95 percent, and sea scallops, haddock, mackerel, cod, yellow tail flounder and others are now almost endangered species.

Why? Because Russia harvests one-half of the total catch off New England. Because Japanese "long-line" fishermen put out baited hooks on lines 50 miles long. Because Norwegian trawlers, and others, are often longer than a football field and are sea-going vacuum cleaners which sweep the seas clean of all fish life. Because foreign ships operate for months as complete processing plants.

But most of all, because the United States has a 12-mile fishing limit. Many countries have a 200-mile limit.

In the past, The Globe-Democrat has pushed for an international treaty to regulate catches and fishing territories. But the situation is now too grave to await such a conference.

Therefore, the United States should take the advice of the newly formed Salt Water International Fishing Treaties (SWIFT), a conservation organization spawned by executives of Field and Stream Magazine. SWIFT calls for setting a five-year 200-mile fishing limit off American waters, limiting catches of tuna, and regulating the size by weight of each individual catch. It's time the United States protected its own continental waters—it's a cinch no other nation will.

Mr. Speaker, the members of my Committee on Merchant Marine and Fisheries are well aware of the problems enumerated in this editorial. We have been and will continue to take steps to alleviate this disastrous situation.

For instance, on December 4, 1973, the House passed legislation reported by my committee which declares the American lobster a creature of the Continental Shelf. This will make it unlawful for foreign vessels to take this species, thereby reserving this important resource—a fishery valued at approximately $35 million annually—for American fishermen only.

On the same day—by a rollcall vote of 405 to 0—the House passed a concurrent resolution reported by my committee declaring it a policy of Congress to support, protect, and enhance the coastal and offshore fisheries resources of the United States.

Another approach to resolving this problem that has been utilized lately is that of multilateral and bilateral agreements. We have worked out a number of these agreements with nations fishing off our coast, such as Russia, Japan, Poland, and, more recently, Rumania. Similar agreements should be entered into with other countries fishing in these waters, including East and West Germany, Bulgaria, Norway, Canada, Cuba, Spain, France, Greece, and Italy. My committee is on record urging the State Department to formulate such agreements at the earliest possible date. These agreements alone will not solve the problems of our declining fisheries. However, they do represent a step in the right direction and, if strengthened as they come up for renewal from time to time, they should assist considerably in the protection of our offshore resources.

Just recently, the State Department informed my committee that because of the United States firm stand at a recent meeting in Canada of the International Commission for the Northwest Atlantic Fisheries, agreement was reached on a 3-year program covering virtually all fisheries outside the U.S. 12-mile fisheries limit in the area from the Canadian border to North Carolina. Under the agreement, overall quotas will be reduced to allow the stocks to recover to a level which will produce the maximum sustainable yield. At the same time, individual allocations of these overall quotas will permit the United States to increase its catch and will decrease the allowable catch of foreign fleets.

Except for this resolute stand by our representatives, over-fishing would have continued in this area. The United States should take an equally firm stand with Japan regarding our Pacific salmon fishery.

Mr. Speaker, our coastal fisheries resources are in danger; corrective action is needed but the solution to this dilemma is complicated.

Our fishing industry, in general, supports the United States position recently advanced at the Law of the Sea Conference in Geneva which was held under the auspices of the United Nations Seabeds Committee. This position advocates coastal nation control over coastal species, coupled with a coastal nation preference to the fish based on that country's capacity to harvest. This right to control would extend to the full range of the species whether it is 13 miles, 213 miles, or more from shore. Also, the U.S. position advocates control by coastal nations of anadromous species—such as Atlantic and Pacific salmon—and international control over the species that are highly pelagic, such as tuna. This long-term approach should be vigorously pursued and, hopefully, it will provide the necessary controls to conserve these valuable resources of the sea.

In the meantime, certain segments of the U.S. fishing industry are urging the unilateral extension of our exclusive fisheries zone from 12 to 200 miles from shore as a means of protecting our fisheries resources. In fact, there are a number of bills pending before my committee to accomplish that purpose. The complexity of this issue, however, is demonstrated by the fact that our fishermen in the mid-Atlantic who fish off our coastal shores would be helped by such an extension; whereas, U.S. fishermen of the Gulf States and southern California who fish off the coasts of other countries would be severely damaged.

Mr. Speaker, my committee intends to do everything it can to help our U.S. fishermen and to preserve our fishery resources for the future. Each step, however, must be carefully weighed to assure that it does not do more harm than good. We will thoroughly investigate all proposed solutions. For instance, despite the alleged adverse effect the 200-mile legislation may have on some segments of our fishing industry, my committee plans to begin hearings on these bills in the next session of the 93d Congress.

All of the aforementioned concepts are sincerely proposed efforts to protect and conserve our coastal fisheries resources. Many problems confront us and solutions will not be easily found. They will require the wholehearted cooperation of industry, Government, and the consuming public. I am confident, however, that together we can and will meet these challenges and find workable solutions to our fisheries problems.

THE PROBLEMS OF INCENTIVES TO CONVERT FROM OIL TO COAL

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 18, 1973

Mr. HUBER. Mr. Speaker, last Friday, December 14, I introduced an amendment to the emergency energy bill that was then being debated. I did not call up the amendment because debate was severely limited. I did not think it wise to present such an important matter amid the chaos that prevailed late Friday evening and early Saturday morning. The energy bill already had far too many important amendments attached to it that were never properly discussed. I did not see the need for another in light of the fact that it would not receive the full consideration it deserved.

Nevertheless, I do want to discuss my proposal here, for I do not intend to give up on this matter. My amendment reads as follows:

AMENDMENT TO H.R. 11882

On page B after line 4, add the following new paragraph:

All existing electric generating plants with the exception of those operating in areas within which air quality is below the minimum standard set forth in the Clean Air Act (42 U.S.C. 1857 et seq.) are encouraged to install equipment for rapid conversion to coal and may account for the cost of such equipment as an operating expense rather than as a capital investment.

and renumber accordingly.

At that time, I also intended to comment upon how this measure would protect the consumer. I would now like to insert into the RERORD the remarks I would have made Friday if I had been able to present my amendment:

Mr. Speaker, the purpose of my amendment is to insure that the consumer will not be faced with rising utility costs due to the fuel conversion requirement contained in the energy bill. If we are going to force electric generating plants to convert to coal, then there should at least be some incentive, other than Government coercion, for them to do so. The way to provide this incentive is for us to allow these companies to account for the conversion as an operating expense rather than as a capital investment, as provided for in this amendment. By doing this we will insure that the cost of such conversion will not be passed on to the consumer.

Without this amendment consumer costs will rise even higher, and the persons who will suffer the most will be the people who can least afford it. The wealthy will be able to pay for the higher costs without too much difficulty, but if you want to put more and more lower income citizens out in the cold then just pass this bill without the proposed amendment.

It also seems to me that we have a certain moral obligation to offer this "operating expense" incentive for it was the Government that urged and pleaded with these electric generating plants to convert from coal originally. In my own State of Michigan, in the city of Detroit, the Misterski Power Plant just finished converting from coal to oil this year. This was done, despite the fact they did not want to do it, because of constant harassment from the Wayne County Air Pollution Control Board to comply with the Environmental Protection Agency's directives. Now oil is in short supply and the Government is going to have the gall to tell this company that they must convert back to coal. It is obvious to me that the EPA's left hand doesn't know what the right hand is doing.

It is unfortunate, too, that it will cost more and use up more fuel for this plant to convert back to coal. In fact, I am advised that it would be more economical and save more fuel if this plant was now allowed to continue to operate on oil. If this is what is happening in my district I am sure it is happening in others as well.

Last April I wrote the then Administrator of EPA, William Ruckelshaus and told him that it was my strong feeling that we were on a collision course on the matter of energy versus the environment. I then urged him to co-ordinate this matter more carefully so that the environmental changes did not too adversely affect the ability of industries to function. Obviously, if corrective action had been taken at that time it is pos-

sible that we would not be here today debating this measure.

NIXON TAPE AT PARTY DRAWS COURT REBUKE

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. NELSEN. Mr. Speaker, I take this opportunity to insert in the RECORD a story which appears in the Evening Star for this date, December 19, 1973, setting forth the circumstances wherein an attorney for consumer advocate Ralph Nader admitted before a U.S. District Judge William B. Jones that he had played a subpenaed tape at a Georgetown party at which a number of people were present.

The tape was apparently one of those subpenaed by the Nader organization in the legal fight with the Nixon administration over public contributions by the dairy industry. The newspaper account does not make it clear, but it was stated that it was understood by those who attended the party that they knew in advance that the tape would be played, which would clearly indicate, if true, that the attorney acted willfully and intentionally in disclosing this information.

The article indicates that the attorney may face disciplinary action by a legal grievance committee. My question is, Does not the action violate title 18, section 401, of the U.S. Criminal Code, wherein a U.S. judge has the power to punish contempt of its authority on the following three bases:

First, misbehavior of any of its officers in its presence or so near thereto as to obstruct the administration of justice;

Second, misbehavior of any of its officers in their official transactions; or

Third, disobedience or resistance to its lawful writ, process, order, rule, decree, or command.

The article follows:

NIXON TAPE AT PARTY DRAWS COURT REBUKE

(By Barry Kalb)

An attorney who played a White House tape at a party Monday night may face disciplinary action by a legal grievance committee.

William Dobrovir, an attorney for consumer advocate Ralph Nader, admitted today before U.S. District Judge William B. Jones that he had made "a very foolish mistake" in playing the tape at the Georgetown party.

Jones called it a "very serious" matter and suggested that if Justice Department attorneys feel Dobrovir committed a serious breach of legal ethics, the case should be referred to the Committee on Admissions and Grievances of the District of Columbia Bar Association.

The tape was one of those subpoenaed by a Nader organization in its legal fight with the Nixon administration over political contributions by the dairy industry. The tape was turned over to Dobrovir by the White House last week.

Justice Department Attorney Irwin Goldbloom told reporters after the brief hearing before Jones that he would consider the judge's suggestion.

One aspect of the incident remains in dispute. Dobrovir insisted he played the tape on the spur of the moment, but both Goldbloom and ABC news correspondent David Schoumacher, the reporter who first broke the story, said they understood that those who attended the party knew in advance that the tape would be played.

Dobrovir represents Nader and a number of consumer groups in a suit charging that the Nixon administration illegally raised federal milk subsidies in 1971 in return for what eventually amounted to some $422,500 in campaign donations from milk producers.

As part of the pre-trial investigation, Dobrovir subpoenaed a tape recording of a meeting of March 23, 1971, attended by President Nixon, several of his aides, and attorneys and representatives of the nation's three largest milk cooperatives—Associated Milk Producers, Inc., Mid American Dairymen, and Dairymen Inc.

Less than two weeks before that meeting, then-Secretary of Agriculture, Clifford Hardin, had refused to raise the subsidies.

But within days after the meeting, the administration reversed Hardin's decision and raised the subsidies. The extra profits to the milk producers resulting from this decision has been estimated at between $500 and $700 million.

The President has said that he raised the price supports under pressure by Congress.

Dobrovir said that he received the tape from Goldbloom last week, and emphasized that there were no outstanding judicial orders or claims of executive privilege that would dictate the tapes' being kept secret.

Dobrovir said that on Monday morning, with the help of a network correspondent—CBS correspondent Fred Graham said he was the one—he made two copies of the subpoenaed tape, and took one of them with him to play on his home tape recorder.

However, he said he stopped on the way at a party to which he had been invited and which was attended by himself and six other persons.

Dobrovir said he and the others were eating salami and chopped liver and having drinks when "I made a very foolish mistake, in the relaxation of the moment—I said I've got in my pocket . . . the hottest news item in town."

He said he took out his copy of the tape, and played "perhaps five minutes worth," but said it was very difficult to make out the conversation.

He admitted that when Schoumacher called him the next day to ask if he could hear the tape and mentioned that it had been played at the party the night before, he might have told Schoumacher, "Well, that was just for fun."

"I have a flip way of talking sometimes, which I certainly regret this time," Dobrovir told Jones.

Dobrovir said he has received a number of calls from reporters since Saturday asking if the tape would be made public, and he told them that in accordance with "my usual practice," it would be released to the press if and when it was filed in the court record.

Goldbloom asked Jones for a court order that would bar any use of pre-trial material for anything other than the case itself. Jones said he would sign such an order, but indicated that he would not keep any material filed in the record from being made public.

Jones said that while he considered the matter serious, he felt that to date Dobrovir had handled himself in a responsible manner. "I certainly accept Mr. Dobrovir's explanation, I'm quite satisfied that there will be no other occasion such as this," Jones said.

He also said he hoped the incident "will not in any way impede the progress that has recently been made in pre-trial discovery."

Dobrovir concluded his remarks to Jones by saying, "I realize I've made a very foolish mistake. I hope I've learned." He insisted that none of his clients in the case knew in advance that he was going to play the tape at the party.

The hostess for the party, an employe of a foundation-funded study group, objected to the characterization of the gathering in some news reports as a cocktail party.

"It was six close friends sitting around the fireplace eating salami," said the hostess, who preferred that her name not be used. "It was a very sedate kind of drop-by, because I think my Christmas tree is groovy. I just called them and asked them to stop by after work."

TESTIMONY OF RUSSELL D. HEMENWAY, NATIONAL DIRECTOR OF NCEC ON PROPOSED CONSTITUTIONAL AMENDMENT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. DRINAN. Mr. Speaker, this morning, before the Senate Judiciary Committee's Subcommittee on Constitutional Amendments, Mr. Russell D. Hemenway, National Director of the National Committee for an Effective Congress, testified on behalf of H.R. 630. This amendment, proposed by Senator BAYH and myself, proposes to lower the age for eligibility for election to the Senate and the House from 30 to 27 and 25 to 22 years, respectively.

Mr. Hemenway's testimony was an excellent addition, and his support is welcome for the proposed amendment.

I attach here also the testimony of Mr. Karl Rove, the national chairman of the College Republican National Committee, the Student Auxiliary of the Republican Party. Mr. Rove will, hopefully, testify before the House Judiciary Committee's Subcommittee on Constitutional Rights which will hold hearings on this matter after the recess, at the beginning of the next session. I commend the following testimony to the attention of my colleagues:

TESTIMONY OF KARL ROVE

DEAR MR. CHAIRMAN: My name is Karl Rove and I serve as Chairman of the College Republican National Committee, the student auxiliary of the Republican Party. The College Republican movement, organized in all fifty states on over 1,000 campuses, is the nation's largest student political group with over 150,000 members. From its ranks have come many of the young leaders of the Republican Party including Congressman Bill Steiger of Wisconsin, a former national chairman.

I appreciate the opportunity to testify today in support of S.J. Resolution 5, which proposes a Constitutional Amendment to lower the age of eligibility for the House of Representatives from 25 to 22 and the age of eligibility for the United States Senate from 30 to 27.

Unlike other portions of the Constitution, the age clauses did not inspire lengthy exchanges in the Constitutional Convention of 1787 or THE FEDERALIST essayist published in the New York papers during 1787–1788.

The only direct reference to the age requirement came on June 22, 1787, during action by the Constitutional Convention on a resolution dealing with the House of Representatives.

George Mason of Virginia, after whom my college, George Mason University, is named, proposed an amendment adding "twenty-five years of age as a qualification for the members of the first branch." In the records of the Convention, Mason is quoted as saying that he "thought it absurd that a man today should not be permitted by the law to make a bargain for himself, and tomorrow should be authorized to manage the affairs of a great nation.

It was the more extraordinary as every man carried with him in his own experience a scale for measuring the deficiency of young politicians; since he would if interrogated be obliged to declare that his political opinions at the age of 21 were too crude and erroneous to merit an influence on public measures. It had been said that Congress had proved a good school for our young men. It might be so for anything he knew but if it were, he chose that they should bear the expense of their own education.

Mason was answered by George Wilson, who argued that he "was against abridging the rights of election in any shape. It was the same thing whether this were done by disqualifying the objects of choice, or the persons choosing. The motion tended to damp the efforts of genius, and of laudable ambition. There was no more reason for incapacitating youth than age, when the requisite qualifications were found."

Mason's amendment was carried that same day by a vote of seven states to three with one, New York, divided.

There is no discussion at all concerning the age requirement of thirty for membership in the Senate.

The Federalist Papers contain only a few oblique references to the necessity of a high degree of maturity in the representatives of the people.

Mason's arguments have not stood the test of time. Where once the legal age of majority—the ability to enter into contractual agreements and be classified as an adult in legal proceedings—was almost uniformly pegged in state statutes at twenty-one years or more, today only nine states have a legal age of majority greater than 18. This coupled with the recent enfranchisement of 18, 19, and 20 year olds, is a general recognition that America's young are mature enough to shoulder the burdens of citizenship.

It seems strange at the same time we are extending the franchise and lowering the age of majority because of a recognition of the maturity of young people, that the Constitutional age requirements for Congress are retained. The retention of these requirements is a further abridgement of the "rights of election" that Wilson referred to.

The Constitutional Amendment proposed by Senate Joint Resolution 5 would be a signal that the Constitution is not an arbitrary document, constructed for a time and a set of circumstances long past, but instead capable of rational change.

STATEMENT OF RUSSELL D. HEMENWAY

MR. CHAIRMAN: The National Committee for an Effective Congress is pleased to have been invited to testify before the Senate Subcommittee on Constitutional Amendments on a measure of particular merit. S. J. 5, the resolution which proposes a Constitutional Amendment to lower the minimum age requirement for Senators and Congressmen by three years, is consistent with a philosophy of government which our Committee has advocated and endorsed for many years. That is, that the interests of the American people are best served by a legislature that is continually refreshed by new ideas and responsive to the constant change which permeates our modern society. If enacted, we believe that the current measure could do much to bring increased vitality to Congress and our national deliberations.

History leaves scant information on the origins of our Constitution's present minimum age requirements. The very brevity of the record, however, gives some insight into the Founding Fathers' thinking on this issue.

The Virginia Plan as offered to the Constitutional Convention in 1787 by Edmund Randolph left room for age requirements to be prescribed for Congressmen, Senators and the President, but no specific ages were mentioned in that document. Rather, three blank spaces were left for the delegates to consider. There seems to have been no precedent for age requirements for all three offices. The Virginia Constitution of 1776, on which much of the Virginia Plan was predicated, had a minimum age requirement of 25 for that state's Senators and none at all for its Representatives. The concept of an age requirement for members of "the most numerous branch" seems to have originated in the deliberations of the Virginia delegates prior to the Convention and of those deliberations, no record remains.

The issue came to the floor of the Convention late in the afternoon of Tuesday, June 12, 1787. Resolved into a Committee of the Whole, the delegates had been in continuous session for three weeks, laboring with the ponderous questions of bicameralism and a national versus a federal structure. Age requirements for legislators apparently was a subject of relatively low priority, almost a last minute detail to be dispensed with quickly so that the Committee of the Whole could report out the revised Virginia Plan to the full convention the next day.

Madison reports that the first motion to be introduced was on the issue question of "The words requiring members of ye 1st branch to be the age of —— years." With *no* debate and over the dissenting vote of a single state (Maryland), this provision was overwhelmingly *struck down*. The delegates then moved directly to the question of Senatorial age and again *with no debate* inserted the minimum age of thirty.

Some ten days later the issue was reintroduced with a motion to fix the minimum age for Congressmen at 25. George Mason of Virginia, himself one of the oldest delegates, spoke briefly in favor of the motion pointing out that all men—in reflection—see their own younger years as lacking in wisdom and maturity. George Wilson, in dissent, argued that by passing the provision the country would deny to itself the energies and opinions of younger men and noted several examples of individuals younger than 25 who had made significant impact on the course of history.

This short but curiously modern sounding debate was resolved in Mason's favor—though it might be noted here he never signed the finished document. On a vote of 7 to 4 the minimum age of 25 years for Congressmen was inserted into the Constitution.

We review this chronology of events in order to draw three conclusions:

First, the subject of minimum age requirements was a subsidiary and not a primary concern of the Constitutional Convention. There was little or no debate devoted to the subject and the votes reflect far from unanimous opinion.

Second, the five year graduations from 25 to 30 and 35 which appear to have such internal logic and consistency were never proposed as a package, but were each arrived at separately.

Third, it was the Senatorial age of 30 which was arrived at first and which most concerned the delegates. This is completely understandable in light of the then prevailing concept of the Senate's future role. The upper body was to represent the States' interests in juxtaposition to those of the people. Patterned on the English House of Lords and the earlier Senates of Greece and Rome, the upper body was expected to be a council of noble and powerful elders whose wisdom would restrain and check the actions of the more numerous branch. This concept of a near-oligarchical system reflects the fact that the 18th century mind feared pure democracy nearly as much as it feared monarchy.

Our history since has proved this fear to be unfounded. With increasing faith in our noble experiment, the American people have passed amendment after amendment which reflect constantly growing reliance on the wisdom of the people regardless of their race, sex, station in society and, most recently, their age. Seven of the 26 Amendments to our Constitution, one quarter of the total, have served to broaden the base of democracy. The 17th Amendment greatly modified that earlier view of the Senate and the 14th, 15th, 19th, and 23rd, 24th, and 25th Amendments struck down the archaic poll tax and extended suffrage to members of all races, women, residents of the District of Columbia, and 18-year-olds. And each extension of the suffrage has been followed by similar extensions of representation in our national legislature. One could hardly argue that the resulting infusion of opinion from varying elements of our society has been anything but beneficial.

Accordingly, the NCEC would like to go on record in support of the currently proposed amendment as an appropriate further step in an historical progression which has proven eminently successful. By extending the vote to 18-year-olds the country demonstrated its overwhelming willingness to incorporate the judgments of its younger citizens. We can find no evidence that that trust has been misplaced. Nor can we find any evidence to support the view that the inclusion of younger persons in our national councils would somehow prove a detriment.

It will be argued that persons of less than 25 and 30 years do not possess the wisdom, judgment and maturity to hold a place in Congressional deliberations. This argument used by George Mason 200 years ago, and indeed as old as time itself, is, I feel, the only argument that can be brought against this proposed amendment. But I would submit it is neither a compelling, nor even a particularly relevant one.

The terms "wisdom," "judgment," and "maturity" are as ambiguous and defiant of definition as any in the English language. Yet doubtless much of the testimony from this witness chair will be concerned with their definition and application to young American citizens. Moreover, the great weight of evidence that will be drawn from sociologists, anthropologists, psychologists, and other scientists whose task it is to quantify the word "maturity" will undeniably indicate that people today mature faster both mentally and physically and are better educated than ever before. That data was persuasive in the case of the 18-year-old Amendment, and is equally as relevant and persuasive now.

In the same vein, it will be noted that the median age of all Americans has now fallen to 25 years of age. Can it be said that we have a truly democratic representation of national views if we have no representatives below this age?

Finally, it will be rightly pointed out that society may yet come to grief in the hands of the aged as quickly as in the hands of the youthful. The older person may indeed have more seasoned wisdom, but the younger has perhaps the more inquisitive and flexible mind, greater energy and a devotion to ideals and idealism which in recent months we have found to have been in sadly short supply. One need only look at the record of Congress in recent years to note the especially notable contributions of many freshmen members and other young Congressmen and Senators.

The Committee for an Effective Congress

by all means wishes to pursue this issue to the extreme. No one is suggesting that an entire generation be elected to the halls of Congress. What we do hope is that those individuals who are perceived by the electorate to best represent the views of that particular constituency *not* be denied election merely on the basis of the current age restrictions. Over the past 25 years, the NCEC has met with, endorsed, supported, and worked with hundreds of candidates for the House and Senate of all ages and political affiliations. We assert unequivocally that there are men and women across this country who regardless of their age are fully qualified to represent the public's views. Nevertheless, were there only *one* man or woman "under age," and the electorate in *its* wisdom found him or her adequate for the job, should that person be denied the chance to serve? We feel the answer must be no.

An oligarchy elects those wiser or more powerful than the electorate; a democracy elects representatives from its own ranks. Our history has been one of constant discovery of that larger wisdom. This seems to us to be a good time to take yet a further step on that road of self-discovery and we support the proposed Amendment with the hope that it will be swiftly enacted.

WHEN WILL THE U.N. ACT?

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. WOLFF. Mr. Speaker, the latest tragic news of Arab guerrilla massacres of unarmed civilians reminds us in the starkest terms that elements of the Arab world simply do not believe in the settlement of serious international problems by any method other than murder and terror. This is certainly not a new development by any means, but it again raises the very serious concern of the absolute lack of action by the United Nations on this problem. The international organization, which is purportedly dedicated to the enhancement of civilized discourse among nations, has not taken one step in the direction of condemning, censuring, or controlling the outrageous activities of the Arab guerrillas or the states that permit their training and planning within their borders.

When will the United Nations act? Do we have to wait until all air travelers and all diplomats are in constant terror? And when will the United States insist upon the U.N. taking responsibility?

Below is a chronology of the long series of acts of terror perpetrated by the terrorists, followed by an editorial which appeared in this morning's New York Daily News.

The articles follow:

Arab Terrorism: A Chronology

1968

July 23—El Al airliner hijacked en route from Rome. Landed in Algiers.

December 26—El Al airliner attacked at Athens Airport. One Israeli citizen killed.

1969

February 18—El Al airliner attacked in Zurich. One pilot killed and another wounded.

May 22—An attempt on David Ben-Gurion's life, thwarted, while he was in Copenhagen.

August 17—An incendiary bomb thrown into Jewish-owned Marks and Spencer chain store in London.

August 18—An act of sabotage perpetrated in the Israeli Tourist Office in Copenhagen.

August 23—Sabotage act carried out against Jewish children's school in Teheran.

August 25—Bomb thrown into Zim Israel Shipping Lines office in London. A female employee wounded.

August 29—TWA airliner hijacked to Damascus. Two Israeli passengers were held prisoners in Syria for many months.

September 8—Hand grenades thrown into Israeli embassies in The Hague and in Berne, and into El Al office in Brussels.

November 9—Time-bomb discovered at Jewish community center in Berlin.

November 27—Hand grenade thrown into El Al office in Athens. A Greek child killed and two Greek civilians wounded.

December 21—Attempt to hijack airliner in Athens.

1970

February 10—El Al airliner attacked in Munich. An Israeli citizen killed and eight wounded.

February 13— Jewish home for the aged set afire in Germany. Seven aged persons killed and others wounded.

February 21—Forty-seven passengers and crew of Swissair airliner died when the plane blew up in mid-air, en route from Zurich to Lod. There were 13 Israeli citizens among the dead.

February 21—An Austrian airlines plane was miraculously saved from similar fate, when an explosive charge went off while it was in flight. The plane landed safely in Vienna.

February 22—Lufthansa jumbo airliner hijacked and landed in Aden.

May 4—Terrorists opened fire in Israel Embassy in the capital of Paraguay, killing the wife of the Embassy secretary and wounding a female employee.

September 6—Three passenger airliners of Pan American, TWA and BOAC hijacked with 400 passengers. The first was blown up in Cairo and the other two landed at Zarka, Jordan.

September 6—Abortive attempt to hijack an El Al airliner en route from Amsterdam to New York. A steward was wounded.

September 9—A BOAC plane—en route from Bahrein to London—was forced to land at Zarka, Jordan.

1971

June 11—Terrorist speedboat fired upon and damaged an Israel-bound Liberian tanker sailing into the Red Sea.

November 28—Wasfi el Tel, Premier of Jordan, was gunned down and killed by terrorists in a Cairo hotel.

1972

February 6—Gas tanks sabotaged in Holland.

February 8—Engine plant blown up in Hamburg.

February 22—Oil pipeline sabotaged near Hamburg.

April 29—Letter-bomb sent to Israel Pavilion at German exhibition.

August 5—Oil storage tanks blown up in Trieste.

August 16—Explosion in the luggage compartment of El Al airliner after takeoff from Rome.

September 5—Eleven Israeli participants in the Munich Olympic Games murdered.

September 19—Economic adviser to Israel Embassy in London killed in the explosion of a letter-bomb. The Embassy received three additional letter-bombs, mailed from Holland. Letter-bombs mailed to Israel Embassies in Paris, Geneva, Montreal, New York, Vienna, Washington and Ottawa.

September 20—Letter-bomb sent to Israel Embassy in Brussels. Bomb explosion at Buenos Aires synagogue.

September 21—Letter-bombs sent to Israel Embassies in Kinshasa, Buenos Aires and Phnom Penh.

October 4—Letter-bomb received at offices of the H.I.A.S., Jewish welfare organization.

October 10—Letter-bomb to two Jews in Rhodesia and to a woman heading the Hadassah organization in New York.

October 13—Bomb discovered at El Al offices in Paris.

October 14—Letter-bomb addressed from Malaysia exploded in New York, wounding a local post office worker.

October 17—Bomb discovered at the entrance to a Rotterdam office building, housing the agency of Zim Israel Shipping Lines.

October 29—Lufthansa plane hijacked en route from Lebanon to Turkey and flown to Yugoslavia. The airliner was released in Munich.

October 31—Letter-bomb received at Israel Embassy in Nigeria.

November 4—Letter-bomb to Zionist youth club in Frankfurt.

November 11—Five letter-bombs to Israeli delegation and to Jewish organizations in Geneva. Fourteen letter-bombs in the period of November 1–11 to Jewish addresses and organizations in Britain, one of them severely wounding a Jewish merchant.

November 21—Four letter-bombs discovered in Toronto, two of them addressed to Jews.

December—Terrorist group uncovered in Greece. Planned to arrive by ship at Haifa on a suicide mission. The terrorists came from Lebanon. Terrorist arrested in London in possession of weapons and explosives, which he planned to use against an Israel embassy in Scandinavia.

December 28—Six members of the Israeli diplomatic mission to Bangkok kidnapped and held as hostages. They were released after 19 hours; the kidnappers flew to Cairo.

1973

January 9—Bomb explosion in front of Jewish Agency in Paris. Terrorist group disembarked from S.S. Messapia in Cyprus, planning to carry out sabotage acts in Haifa. The terrorists flew from Cyprus to Beirut.

January 24—Letter-bomb mailed to Israel consul in Santiago, Chile, wounding police handling it.

January 25—Letter-bomb sent to rabbi in Montreal discovered at Montreal Airport.

January 31—Three terrorists detained in Vienna on January 20 and three others arrested at the Austro-Italian border. All six had travelled from Beirut planning to attack Jewish immigrants from the U.S.S.R.

February 7—Arab terrorists attempted to hijack a train carrying Soviet Jewish emigrants in Austria.

March 1—Murder by Arab terrorists of U.S. and Belgian diplomats in Khartoum.

March 3—Attack in Beirut harbor on Cypriot vessel carrying Christian pilgrims to the Holy Land.

March 6—Attempts to blow up an El Al terminal and Israeli bank offices in New York.

March 12—Murder of Israeli businessman in Cyprus.

March 15—Attempt to blow up the Israeli Embassy in Paris.

March 20—Attempted terror operation at Rome Airport.

April 20—Explosive experts uncovered and dismantled a letter-bomb sent to the Israeli Ambassador in Bolivia.

April 27—An Italian employee of El Al in Rome shot to death by an Arab terrorist.

May 2—Two Arab terrorists opened fire on Dutch police who tried to check their papers.

May 8—Attempt to machine-gun the Israeli Embassy in Paris.

May—Arab terrorists threatened British businessmen with violence unless they paid blackmail money to the "Palestine People's Fighting Fund."

July 1—Col. Yosef Alon, Israeli air and naval attache in Washington, shot to death in front of his home.

July 19—Attempt to blow up El Al offices in Athens.

July 20—A Japanese Air Lines jumbo jet with 143 persons on board hijacked.

August 5—A gunfire and grenade attack by Arab terrorists at Athens Airport killed three persons and left 55 wounded.

September 6—Three Arab terrorists seeking the release of a fellow terrorist, imprisoned in Khartoum after the murders of one Belgian and two American diplomats, seized the Saudi Arabian Embassy in Paris taking 11 hostages, including five Arab diplomats, and threatened to execute one or more of the hostages or blow up the Embassy. Italian police arrested four Arabs near the Rome airport. The terrorists had ultra-modern ground-to-air missile launchers and intended to shoot down an Israeli El Al airliner on its stopover at the Fiumicino Airport.

September 7—Black September terrorists responsible for an explosion at the West Berlin Radio and Television Fair. The explosion rocked the exhibit of a West German firm promoting Israeli products and blasted a hole in the exhibition floor, shattered windows and destroyed electronic equipment on the shelves.

September 30—Two Arab terrorists seized four hostages on the Moscow-Vienna express—three Soviet Jews on their way to Israel and an Austrian customs officials—and forced the Austrian government to yield to terrorist demands that it restrict transit through its territory for Jewish emigrants from the U.S.S.R. and close down the transit center at Schoenau Castle near Vienna.

[From the New York Daily News, Dec. 19, 1973]

A MURDEROUS BAND

Arab terrorists bombed and machine-gunned an American airliner in Rome on Monday, hijacked a German plane and, after stops in Greece and Syria, finally gave up in Kuwait.

The trail of carnage these savages left in their wake set a new record in senseless, cold blooded butchery.

This horror to end horrors occurred just about a week after the United Nations General Assembly, for the umpteenth time in the last five years, pushed aside consideration of international action against terrorism. The excuse this year was lack of time.

How long should it take the supposed conscience of mankind to work up a righteous rage over wanton murder? Either the UN lacks the guts to take a stand, or the dominant Third World forces that rule the Assembly secretly condone terrorist outrages that they publicly condemn.

The Assembly has just voted to recess instead of adjourn the present session so that members will be on call for long-range kibbitzing of the Geneva conference.

Instead of moping around waiting for opportunities to posture and speechify, the members should turn their full attention to the scourge of terrorism.

Let's at least force a vote on stern retribution for international outlaws. Then the world can see who stands for law and order and who sides with kill-crazy terrorists.

If the Assembly can't do that, it ought to redesign the UN's blue-and-white symbol in more appropriate colors—like blood red or glaring yellow.

PHILLIP CARL KAZANJIAN NAMED "OUTSTANDING LAW STUDENT IN CALIFORNIA FOR 1973"

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. DANIELSON. Mr. Speaker, I would like to bring to my colleagues' attention the extraordinary achievements of a young Californian, Phillip Carl Kazanjian, who has recently been selected as the "Outstanding Law Student in California for 1973." Mr. Kazanjian was chosen by the California Law Student Association from more than 16,000 law students attending California law schools. I think that after learning a little more of Mr. Kazanjian's successes, you will agree with me that the law students made a wise choice.

Few young people have accomplished as much as Phillip Kazanjian has in so few years. While a student at Lincoln University Law School in San Francisco, he was editor-in-chief of the Lincoln Law Review, president of the Student Bar Association, and editor of the Amicus Curiae, the law school news journal. He was also a member of the Lincoln Law Honor Society. Despite all these activities, Mr. Kazanjian had time while a law student to become recognized as one of the Nation's leading authorities on legal education, law and youth. He has had articles published in the American Bar Association Journal, the California Trial Lawyers Association Journal, the Student Lawyer Journal, and the Town Hall Reporter.

Mr. Kazanjian has been active outside of law school as well. On the State level, he has participated as a commissioner on the California Attorney General's Commission on Community-Police Relations and as president of the California Law Student Association. Nationally, he has served as chairman of the 1972 annual meeting of the American Bar Association Law Student Division, as a delegate to the American Bar Association's Young Lawyers Section, and in 1971 as governor of the Ninth Judicial Circuit, representing more than 18,000 students attending 43 law schools in five Western States.

Mr. Kazanjian has received numerous honors for his amazing list of accomplishments. He is the only law student in the Nation to be honored twice with the American Bar Association Law Student Division's Gold Key Award for his contributions to the legal profession. He was commended by the California Assembly and Senate in 1971 and named Lincoln University's "Man of the Year" in 1972. Twice he was a recipient of the American Jurisprudence Award for excellence in scholarship. Upon graduating from Lincoln University Law School in July, 1973, Phillip Kazanjian was honored by the California Senate "on assembling perhaps the most outstanding record of accomplishment ever attained by a law student."

The honors that have been showered on Phillip Kazanjian in recognition of his achievements leave no doubt that he has concentrated on putting his extraordinary talents to the best possible use. His efforts thus far deserve our congratulations, our admiration, and our respect. I predict that he will make an outstanding contribution to his chosen profession in the years to come.

ENVIRONMENTAL CONCERN

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. BROTZMAN. Mr. Speaker, nearly 4 years ago I first proposed that the House of Representatives reorganize itself to the task of eliminating environmental degradation in the United States. To this end, I proposed the establishment of a standing Committee on the Environment with jurisdiction to consider legislation on the subjects of air pollution, water pollution, solid waste disposal, noise pollution, herbicide and pesticide abuse, and weather modification. By the end of the 92d Congress, 215 of the Members of Congress were cosponsors of this proposal. Now, I am pleased to note, the Select Committee on Committees has recommended the establishment of a standing Committee on Energy and Environment with jurisdiction over the areas generally specified in my original resolution.

Changes in the structure of this institution take place in a deliberate and evolutionary fashion; and rightly so. The constant realignment of the committee structure to meet the exigencies of the day would retard our ability to enact sound legislation. With regard to the environment, the House of Representatives can claim, with some pride, to have addressed the major pollution problems endemic to this industrial-technological age. I do claim, however, that some of these problems currently are under the scrutiny, irregularly, of two, three, and even four different committees, a situation which is neither efficient nor conducive to the coordinated leadership which the Nation and world so desperately need for the environmental quality crusade.

Consequently, Mr. Speaker, I heartily applaud the thrust of the Select Committee on Committees' recommendations relative to the Committee on Energy and Environment. A single standing committee would have numerous advantages over the present approach to environmental problems. Its members would be chiefly concerned with the subject of environmental degradation. They would have the benefit of a professional staff whose chief efforts would be directed to environmental matters. Especially important they could view our environmental problems from a broad prespective, taking care to not attack one form of pollution by generating another of greater magnitude. Moreover, a standing committee would have the obvious advantage of the ability to provide enabling legislation and funding.

I also approve of the Select Committee's recommendation that the new committee have jurisdiction over energy matters. It is my view that a conserving attitude toward our environment and its natural resources can go hand in hand with efficient, economical use of fuel. While the Nation's current energy dilemma will require more mining and burning of coal, more construction of refineries and pipelines, more offshore drilling and experimental mining, these measures can be carried out with a minimum of expense to the environment. Again, however, it is incumbent on the Congress to provide a mechanism that cuts through the jurisdictional quagmire which prevents concerted action.

We are not talking in terms of a few years or even a decade of environmental therapy, Mr. Speaker. It may well take 100 years or more of research and applied science to restore clean air, with a proper balance of carbon dioxide and oxygen. Or to rescue bodies of water such as Lake Erie, San Francisco Bay, and the Potomac River from their current status as open sewers. Or to learn how to dispose of our solid wastes and our chemical and radiological poisons without having them turn up to bedevil our children and grandchildren like Biblical plagues. Or to learn how to control insect and plant pests without killing our wildlife and upsetting our ecological balances.

I ask my colleagues, then, to carefully consider the Committee on Committees' report on "Committee Structure and Procedures of the House of Representatives." We must now take advantage of the momentum of support which has developed since the original introduction of my proposal before the effective capacity to produce answers to the earth's environmental problems is lost. The early consideration of the Select Committee's working draft will enable us to fulfill our obligation to leave the Earth, its atmosphere and waters in better condition than we found them.

THE ESTABLISHMENT OF A FEDERAL ZOOLOGICAL AND AQUARIUM BOARD

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. WHITEHURST. Mr. Speaker, today I am introducing legislation to provide badly needed assistance to our Nation's zoos and aquariums. This bill establishes a Federal Zoological and Aquarium Board, consisting of 17 members representing both Government and private groups knowledgeable regarding the needs of zoos and aquariums. The Board is authorized to determine standards for the accreditation of zoos and aquariums, and it will also provide assistance through direct project grants and loan guarantees to help zoos and aquariums improve their facilities in order to meet these standards. In addition, the Board will sponsor pilot projects which will serve as models for high national standards.

This bill is the product of substantial consultation with many representatives of zoos, aquariums, and zoological organizations, as well as private citizens. Senator MARK HATFIELD and his staff have also provided invaluable assistance and cooperation in the development of this legislation. Indeed, Senator HATFIELD has introduced a companion bill, S. 2774, in that body.

As what we like to call civilization expands into more and more wilderness areas, zoos may well become the last refuge of many vanishing species. It is incumbent upon us to see that zoos and aquariums are maintained so that these creatures receive the best possible care.

Consequently, I urge that the Congress act quickly to pass this measure.

VOLUNTEER DEVELOPMENT CORPS AT WORK

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, as you recall, in December Congress approved a thorough-going reorientation of U.S. foreign assistance aimed at—

Sharing American technical expertise,

Food production, rural development and nutrition,

Maximum use of the private sector, including cooperatives, and

Undertakings that governments and organizations in the developing countries request.

I was very pleased, therefore, when my constituents, Mr. and Mrs. Francis J. Zehren of Sheboygan, reported to me December 13 on their return from Costa Rica. For what they have done with a few of the dollars we authorized and appropriated for the Agency for International Development seems directly in line with the policies Congress established in the Foreign Assistance Act of 1973.

Late last summer, a dairymen's cooperative in San Isidro, Costa Rica, asked Volunteer Development Corps, a private organization U.S. cooperatives have established, to help get its new milk pasteurizing and bottling plant in operation. The co-op is Cooperativa Agropecuaria de Coronado, 10 miles outside San Jose.

VDC's president, David W. Angevine, asked Truman Torgerson of Manitowoc, general manager of Lake-to-Lake Dairy Cooperative, which operates five milk processing plants in our area, to recommend for the assignment someone qualified who might be able to volunteer his services. Mr. Torgerson recommended Mr. Zehren, Lake-to-Lakes plant coordinator, and offered to grant him leave with pay if Mr. Zehren wished to volunteer his services. Mr. Zehren agreed to do so.

When the Costa Rica co-op received its plant equipment in early November, Mr. and Mrs. Zehren followed. VDC paid their travel, lodging, and meals. The Costa Rica co-op provided Mr. Zehren's in-country transportation, an interpreter, and secretarial help in preparing his report and recommendations to the Costa Rica co-op's manager.

Mr. Zehren spent 6 weeks in Costa Rica. He helped the co-op's staff place the equipment, connect it, and begin operating it efficiently. The co-op, Mr. Zehren tells me, has chosen its equipment well. The plant can process a half-million pounds of milk a day, which is about what the co-op's members now produce. Its building and production line can be readily expanded when this becomes necessary.

Eighty-five dairymen own the co-op. Some of them have 2 cows; others have 60 or 70. Until it built this plant, the co-op has functioned as bargaining agent for its members with milk processors in San Jose.

Mr. Zehren's recommendations were very simple. In the plant itself, he recommended the co-op buy one additional piece of laboratory equipment, costing about $20, establish proper records to control product inventories, and improve sanitary facilities for plant employees.

To improve the quality of milk received at the plant, Mr. Zehren recommended that members install cooling equipment on their farms. He feels that perhaps half the members have large enough herds, can afford joint ownership of cooling equipment centrally located on another member's farm. He also suggested a system of monetary and nonmonetary rewards for premium producers.

Mr. Zehren believes the Costa Rica co-op will act on his recommendations. The co-op's manager, Octavio Barquero Alvarado, is an experienced businessman, and he has assembled a competent staff. Mr. and Mrs. Zehren are expecting Senor and Senora Barquero to visit them in Sheboygan next summer.

I was amazed at how little this all cost. Lake-to-Lake Dairy Cooperative provided the essential ingredient—Mr. Zehren's services for 6 weeks. VDC spent $3,500 for the Zehren's travel and living expenses. The Costa Rica co-op provided perhaps $1,000 worth of services to Mr. Zehren.

U.S. cooperatives organized VDC 3½ years ago to provide short-term volunteer, technical help to cooperatives and Government agencies responsible for developing cooperatives overseas. U.S. co-ops provided VDC's basic financing, and AID has five times granted VDC project and operating funds, totaling $425,000. VDC has two persons on its staff, and its 41st volunteer left the United States in December. Four others are ready to go in January.

These volunteers have undertaken a great variety of short-term assignments. They have trained credit union fieldmen and rural development specialists. They have established data gathering systems, recommended accounting systems, determined the feasibility of importing bulk fertilizer, milling rice, and processing soybeans for human consumption. They have helped Government agencies plan cooperative development on a national scale. They have worked with farmers' co-ops, handicraft marketing co-ops, housing co-ops, consumer co-ops, credit co-ops, transport co-ops, fishermen's co-ops, and workers' co-ops. They have helped overhaul feed mills and redesign production lines for prefabricated homes, and furniture. They have served in Latin America, Africa, Southeast Asia, and the West Indies.

The list of persons who have gone to the developing countries as VDC volunteers is most impressive. It includes presidents, vice presidents, and general managers of some of the largest co-ops in the United States—Farmland Industries in Kansas City, Tri-Valley Growers in San Francisco, Agway in Syracuse, Dairylea in New York City—as well as those who, like Mr. Zehren, have more specialized skills. Some are recently retired. Some are mid-career professionals.

I am especially impressed that each VDC project is based on the application of a co-op or Government agency in a developing country for specific assistance and on its agreement to commit some of its own resources. The co-op or agency overseas is, it seems to me, in the best position to know if it needs help and to know what kind of help it needs. VDC does not try to substitute its own judgment, or the judgment of AID's mission in that country, or the judgment of some outside official.

I commend my constituent, Mr. Zehren for volunteering for this assignment and his general manager, Mr. Torgerson, for letting him go. And I commend his experience to the thoughtful consideration of my colleagues.

ONE MAN'S OPINION

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. SHOUP. Mr. Speaker, on December 10, KGVO–TV in Missoula, Mont., ran the following editorial which I commend to my colleagues for its candid view of the energy crisis:

> ONE MAN'S OPINION, DECEMBER 10
>
> The so-called "Energy Crisis" has become a forum for finger pointing and opportunism.
>
> Environmentalists charge big business is using it as the "Ultimate Rip-Off." Big Business in turn blames the shortage on environmental groups for throwing too many legal roadblocks in the path of progress. News writers see easy copy—"The Energy Crisis" is something each of us has an interest in to one degree or another, therefore it is news. You, as a citizen, are told to stay home on weekends. At the same time it is suggested by newspaper advocates TV stations cut down your viewing time by shutting down earlier. Mention is not made of the amount of energy that might be saved should the newspapers cut back publishing one day a week. You are told not to use decorative lights on your Christmas tree. Yet little is said about all those lights in the house that go off when the Christmas tree lights go on.
>
> Public officials are checked by reporters to see what kind of vehicle they are using to and from work—that makes good copy with little effort on the part of the reporter.
>
> We seem to be in the midst of a national shoulder shrugging dilemma, It would seem news reporters should be doing some deeper digging—rather than devoting time to finger pointing, although it is a popular past time these days.
>
> It is time to stop nit-picking and find the truth—that goes for the news media and the U.S. Government. Our government takes pride in its ability to flex its muscle, yet it can't force oil companies to open their books and lay-it-on-the-line. It required a group of irate truck drivers to *force* the government to investigate price gouging. I-R-S officials reported just today they did find more than one-fourth of the dealers checked, more than 8-hundred were checked, were indeed charging higher than allowed prices.
>
> Our public officials seem to be shaking their collective heads and declaring there is indeed an energy crisis but they can't seem to agree among themselves to what extent.
>
> What is clearly needed are some positives in this blurry world of negatives. Instead of finger pointing, issue forcing, buck passing, buck making, tisking and tasking, and all-out opportunistic game playing, why can't we demand some answers. Once those answers are found and clearly defined then, and only then, can reasonable solutions be offered. If there is an energy crisis and it is up to us as consumers to solve it we should be shown why it is our responsibility and not the responsibility of industry and government. There is no greater waste of energy than cause favoring decisions. That's one man's opinion.

HOME RULE AND THE LEGAL PROFESSION

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. BRECKINRIDGE. Mr. Speaker, a milestone was reached Monday when the House passed S. 1435, the District of Columbia home rule bill as reported by the conference committee on which I was honored to serve as a freshman member. Throughout this effort on the part of those who supported this measure to final fruition, the continuing support of the legal profession—as evidenced by telegrams from the presidents of the American Bar Association and the American Judicature Society—was strongly felt. I would refer you back to the RECORD of October 10 on page 33637 and that of October 13 on page 34124 at which points I inserted telegrams from Messrs. Chesterfield Smith and John S. Clark, presidents of the American Bar Association and the American Judicature Society, respectively, into the debate leading to passage of the House version of home rule which then went to conference.

At that time H.R. 9682 contained professionalizing the administration of justice by the establishment of both merit-selection and retention procedures through the creation of Nominating and Tenure Commissions composed of nine members each, insuring the appointment and reappointment of qualified judges to the Superior and Appellate Courts of the District of Columbia, based upon their abilities as jurists rather than political considerations.

Mr. Speaker, although the composition of these Commissions was somewhat altered in conference—by substituting the President of the United States for the Mayor of the city of Washington as the appointing authority, and providing for the appointment of two lay members to each Commission—I wish to emphasize the fact that the essential safeguards establishing in our Nation's Capital the principle of merit selection and retention of the judiciary has been propounded for all to see by S. 1435—a fact which the leaders of our country's legal profession will fully appreciate.

In recognition of their continuing support of this landmark legislation, which constituted a significant contribution to the granting of self-determination to the citizens of the District, I place in the RECORD at this time telegrams of final endorsement of S. 1435 which I received on Monday afternoon from presidents Clark and Smith:

> I wish to reaffirm my support of S. 1435 as contained in Conference Report, 93–703.
>
> JOHN S. CLARK,
> *President, American Judicature Society.*
>
> I wish to advise you of my continuing support of S. 1435 with modifications effected by Conference Report, 93–703.
>
> CHESTERFIELD SMITH,
> *President, American Bar Association.*

Mr. Speaker, as everyone in this House knows, we are experiencing a period of disenchantment with American political life; our people are questioning the relevance and durability of our governmental institutions no less than the motivation and integrity of our political leadership. Yet on Monday we participated, overwhelmingly, in the restoration of political power to the people of the city of Washington by the passage of the District of Columbia home rule bill.

To the extent that we continue to provide the people with representative government—which our Constitution demands, if such power is to remain legitimate—our people's faith in our democratic way of life will remain as a matter of course and as an antidote to the poisonous miasma of the Watergate.

MORE FOR THE MILITARY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. GAYDOS. Mr. Speaker, I was amazed and so, I suspect, were many other concerned Americans at the word from the Department of Defense that, despite the energy crisis, it will ask from $400 to $500 million more from this Congress to meet its fuel costs through next June.

The Pentagon, of course, blames the sharp increase in the prices being paid for petroleum products which it says has more than offset the economies made in our military operations. Flying time and ship "steaming" time have been cut back 20 percent worldwide, Rear Adm. Nathan Sonenshein, the Pentagon's energy task force chief, announced the other day.

But why only 20 percent? It seems to me that our bloated Military Establishment could do better when we consider that the major part of its present operations mission is of dubious worth to the fuel-short American public. I refer to those armies stationed and kept in readiness in Europe and Korea and at other points outside our borders. We have yet to hear an acceptable explanation of why it remains the responsibility of our people to provide the defenses of others who have the resources to do so for themselves.

The word "readiness" has become the Pentagon excuse for every cost hike. Unless more is spent and less is saved we invite adverse effects on our military readiness. But I ask—readiness for what? President Nixon's recent alert in the Middle East situation—the only actual test of this readiness since our disastrous adventures in Indochina—now is generally condemned as having been provocative and unnecessary. Where else, then, is there an immediate danger, demanding full readiness?

Rather than voting more millions for the military, I would favor a lid on its fuel uses—one which would restrict it to the $2.5 billion now allocated for this purpose in its present budget. If the $2.5 billion is not enough to keep its forces in readiness in Europe and Korea, then let us bring them home. There is a growing feeling that this should be done even without the prod of a fuel shortage.

AN ENVIRONMENTAL COURT SYSTEM

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. MYERS. Mr. Speaker, in the Federal Water Pollution Control Act Amendments of 1972, the Congress requested the President, acting through the Department of Justice, to study the feasibility of structuring an environmental court system. That report was submitted this past October.

Professor George P. Smith, a member of the law school faculties at Georgetown and Catholic University, has written an article dealing with the need for an environmental court and the report, itself. He has written extensively and taught in the environmental field and served as special counsel to the late Winthrop Rockefeller, Governor of the State of Arkansas. He is National Cochairman of the Environmental Quality Committee of the Young Lawyers Section of the American Bar Association.

His article considers the problem area of consideration in an exceptionally balanced and straightforward manner. He suggests a simple and direct approach to resolving current difficulties in environmental litigation. For these reasons I would like to share that article with my colleagues:

DOES THE ENVIRONMENT NEED A COURT?

(By George P. Smith II)

In one of his last opinions, Mr. Justice Harlan commented that interstate pollution cases were so complex that they might well be beyond the Supreme Court's power to adjudicate.[1] Such intimations, coming at a system is taxed to its capacity [2] and when en- time when many claim the American court vironmental litigation is allegedly skyrocketing, prompt the question of whether we need a new environmental court to handle cases in this specialized field.

By the Federal Water Pollution Control Act Amendments of 1972, Congress directed the Justice Department to study the feasibility of such a court.[3] Since then, this question has been researched by the department's Land and Natural Resources Division (which handles most environmental litigation [4]) in cooperation with 26 federal agencies and nine private organizations. Surprisingly, there are few unwavering supporters of Justice Harlan's position; [5] in fact, there is near unanimity against establishing such a new court.

Among the principal reasons set forth in opposition to the proposed court were: (1) Difficulty in defining the jurisdiction of an environmental court; (2) A belief that the broad range of issues involved in environmental litigation would defy the acquisition of "expertise" in environmental matters; (3) Fear that an environmental court would lack institutional strength to withstand the pressures likely to be focused upon it by special interest groups; (4) Preference for the outlook of "generalist" courts over the narrower view likely to be developed by a specialist court on environmental matters; (5) Belief that an environmental court would be less accessible to would-be litigants than the federal district courts; (6) Skepticism about an increase in environmental litigation of such magnitude as to warrant treatment as a separate body of law; and (7) Concern over the possibility that creation of an environmental court would lead to additional specialized courts and the fragmentation of the judicial system.[6]

SCIENTIFIC MASTERY

The central argument advanced in favor of establishing an environmental court or court system is that it is necessary for the courts to master, in a total sense, the scientific issues involved in a case in order to ensure that it is decided under the best possible circumstances.[7] On the other hand, it is generally regarded as sound practice for the attorneys of record to exert every effort to explain the issues of each case to the court in simple, direct language. Unintelligible jargon can only serve to obfuscate the pleadings and thus penalize the parties.[8]

Proponents of an environmental court also assert that greater uniformity in interpretation of environmental law would result under such a court system and that a greater degree of efficiency would be achieved in disposing of environmental litigation.[9] However, the district courts are accustomed to complex issues of law and to evaluating the testimony of experts in fields with which they are not familiar. There is nothing totally unique in the legal or technological complexity of environmental cases.[10]

Chief Judge William E. Steckler of the Southern District Federal Court in Indiana has suggested that if environmental case loads become a real burden on the court docket, the most direct way to deal with the problem would be to add more federal judges.[11] The judge also proposed that consideration be given to expanding the scope of review and basic powers of the United States Magistrates in order to tackle heavy environmental calendars where they might exist.[12]

Judge Harold Leventhal of the District of Columbia Court of Appeals, speaking against a separate environmental court system, stressed the need for administrative tribunals to become more sophisticated in their areas of technical expertise.[13] Most environmental cases are those of great moment with the court being asked to prevent an imminent action. Reflective consideration cannot be given; "think time" is in short supply. The lower court or administrative record must be complete and tightly organized in order to properly assist the reviewing court in deciding the appeal expeditiously.[14]

The National Environmental Policy Act and other notable federal statutes in air, water and noise, all euphemistically designated "environmental law" because they purportedly deal with the environment, are in reality an amalgam of legal principles rooted in administrative law, constitutional law, equity, corporations, evidence, procedure, legislation, natural resources, etc.[15] In addition, the issue of standing remains a threshold problem in every so-called, "environmental case."

ECOLOGICAL DECISIONS

The typical environmental issues which are presented in a case do not directly involve obscure matters of scientific theory or techniques. Rather, they are more commonly primary questions of evidence or of procedure. Such a typical question might be "What do the facts show the effect of a given factor (i.e., concentration of a pollutant, or use of a control method) to be on a variable (i.e., human health or the survival of certain form of wild life).[16] In the final analysis, the court is invariably forced to balance the equities of the case in making its "ecological decision."

The most direct resolution of present uncertainties in this area is re-education of federal and state judges alike to the nuances of this new commercially packaged body of law, popularly termed "environmental law." At the state level, a popular vehicle for such an undertaking could be found in centers for judicial education patterned after the successful one created in Indiana by Indiana University's Indianapolis Law School.[17] Effective use of other forums such as the National College of the State Judiciary, the Federal Judicial Center, the Northern American Judges Association, the Institute for Court Management in Denver, the American Academy of Judicial Education, the American Judicature Society, state bar association continuing legal education programs, the American Bar Association, the National Association of Attorneys General, to name but a few of the more significant ones for training of both judges and lawyers in the parameters of environmental litigation should be encouraged and developed more fully.[18]

Judicial seminars are conducted annually by the various federal district judges and serve as yet another paradigm of how self-teaching techniques can be employed in educating the members of the bench to current judicial problems. In these seminars, judges teach judges—and sensitive scholars on the bench become equally effective teachers.[19] By educating the bench in this very simple, straightforward way, the bar will educate itself at the same time and thereby assure that the administration of justice in environmental litigation will be both expeditious and consistent with sound principles of due process as it is in every other field of the law.

FOOTNOTES

[1] Ohio v. Wyandotte Chemical Corp., 401 U.S. 493 (1971). *See also*, Boomer v. Atlantic Cement, 26 N.Y. 2d 219, 257 N.E. 2d 879 (1970), where the court held that, ". . . the judicial establishment is neither equipped in the limited nature of any judgement it can pronounce nor prepared to lay down and implement an effective policy for the elimination of air pollution. *See* Whitney, *The Case for Creating a Special Environmental Court System*, 14 WM. & MARY L. REV. 473 (1973).

[2] Professor Paul A. Freund of the Harvard Law School was chairman of a study group appointed by Chief Justice Burger—in his capacity as chairman of the Federal Judicial Center—to study the case load of the Supreme Court and to make necessary recommendations. The report was published in December 1972 and called principally for a new national court to screen all cases which are now filed directly with the Supreme

Court. *See* Freund, *Why We Need the National Court of Appeals,* 59 A.B.A.J. 247 (1973); Editorial Comment, *Help for the Court of Appeals,* 59 A.B.A.J. 51 (1973); Editorial Comment, *Three-Judge District Courts,* 59 A.B.A.J. 279 (1973). *See generally,* Cannon, *Can the Federal Judiciary Be an Innovative System?* Pub. Ad. Rev. at 74 (Jan./Feb. 1973).

The Chief Justice on March 20, 1973, appointed a 16-member Commission on Revision of the Federal Court Appellate System to study how the federal appellate courts can serve the system more efficiently, consistent with the fundamental concepts of fairness and due process. N.Y. Times, Mar. 21, 1973, at 28L, cols. 4-6. *See generally,* Burger, *The State of the Federal Judiciary,* 58 A.B.A.J. 1049 (1972).

Justices William O. Douglas and Potter Stewart together with former Chief Justice Earl Warren have expressed their doubts as to the need for establishing a new national court. *See* The Washington Post, Dec. 20, 1972, at 1, col. 6; Washington Evening Star and Daily News, March 28, 1973, at 4 A, cols. 2-3. *See also,* Gressman, *The National Court of Appeals: A Dissent,* 59 A.B.A.J. 253 (1973).

[3] Pub. L. No. 92–500, 86 Stat. 899.

[4] It is called upon to prosecute in criminal actions or sue in civil actions private citizens who violate environmental control laws and is responsible for the defense of Federal officials who are accused of attempting to conduct governmental programs in violation of statutes calculated to insure a better environment—especially the NEPA.

[5] "Environmental Court *Vel Non,*" speech by Walter Kiechel Jr., Deputy Assistant Attorney General, Lands and Resource Division, U.S. Department of Justice, Conference on Environmental Law, Airlie House, in Warrenton, Virginia, April 27, 1973. These remarks are set out in 3 E.L.R. 50013 (May 1973). The actual Environmental Court Study Report was submitted to Congress around October 18, 1973.

[6] Kiechel, *supra,* note 5.

[7] Whitney, *supra,* note 1.

[8] *Supra,* note 5. David Sive in his speech, "National Environmental Policy—Present and Future," delivered at the Columbia University Law School in New York City, March 22, 1973, expressed his belief that if a separate environmental court system were to be established, the rather limited technical aspects of the problem area would be too severely magnified. He disapproved of a separate court for the environment.

[9] Whitney, *supra* note 1.

[10] Kiechel, *supra,* note 5.

[11] Interview with William E. Steckler, Chief Judge, United States District Court for the Southern District of Indiana in Indianapolis, April 13, 1973.

[12] *Id.*

[13] Speech, Conference on Environmental Law, Airlie House, Warrenton, Virginia, April 28, 1973.

See also Judge James L. Oakes of the Second Circuit Court of Appeals, *Developments in Environmental Law,* E.L.R. 50001 at 50012 (April, 1973) where he too expressed his opposition to establishing separate environmental courts.

[15] 42 U.S.C. §§ 4331–47 (1970)—NEPA; 42 U.S.C. § 1857 et seq. (1970)—Air; 33 U.S.C. § 1151 et seq. (1970)—Water; 42 U.S.C. § 1858 et seq. (1970)—Noise. *See also,* 21 U.S.C. § 346 et seq. (1970)—Pesticides and 42 U.S.C. § 3251 et seq. (1970)—Solid Waste Disposal.

[16] F. Grad, Environmental Law, Chapter 12 (1971); *supra* note 16.

[17] Res Gestae, Ind. S. B. J. at 8 (Mar. 1972).

[18] The highly successful Seminar for Appellate Judges conducted at the New York University Law School by Dr. Robert A. Leflar, himself a former member of the Arkansas Supreme Court, serves as yet another example of an educational forum which could be adapted to consider specific problems of environmental litigation.

[19] Two articles by Chief Judge Steckler are illustrative of the "educating" process that is carried on by the judges themselves: *The Civil Jury Trial and Charge to the Jury* at 118 and *A System for Handling Jury Instructions* at 135—both found in Proceedings of the Seminars for Newly Appointed U.S. District Judges (1963).

POVERTY: WOMEN AND CHILDREN LAST

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mrs. GRIFFITHS. Mr. Speaker, I insert in the Record the text of a presentation on the subject of female-headed families, poverty, and welfare. The presentation was given by Dr. Heather Ross of the Urban Institute at the third public welfare seminar organized by the Urban Institute for congressional and executive branch staff members. I believe my colleagues will find Dr. Ross' remarks thought-provoking. The issues she raises are interesting to me personally both as they relate to my sponsorship of the equal rights amendment and to the welfare study of the Subcommittee on Fiscal Policy, Joint Economic Committee, which I chair.

The presentation follows:

Poverty: Women and Children Last

(By Heather L. Ross, Senior Research Associate,[1] the Urban Institute)

There is nothing in the nature of economic progress which assures that all people will benefit equally. Indeed, one of the important functions of government policy is to correct major imbalances which occur when economic activity rewards some people much more than others. People who concern themselves with this kind of policy have been finding that, more and more, the key element which distinguishes who moves ahead in the economy and who does not is family structure. Husband-wife families are making progress in the white community and in the black community as well. But female-headed families are falling behind in both the black and the white communities. We can see the effects of these divergent trends by looking at the dramatic changes in the composition of the poverty population over the last decade. I want to talk tonight about what these changes have been, why they might be occurring, and what their implications are for public policy.

In 1960, there were 40 million poor persons. By 1972, this number had fallen to 24½ million poor persons. But virtually the entire decline was accounted for by persons in male-headed families. The number of poor persons in female-headed families rose by 867,000. This meant a substantial swing in the composition of poor families. In 1960, 29% of poor families were female-headed. By 1972, 43% were female-headed. If we focus further on families with children, the shift is even more dramatic. The majority of these families are now female-headed. And if we disaggregate further, by race, we find that 70% of nonwhite poor families with children are female-headed, while 43% of white poor families with children are female-headed.

Thus, the trend toward female-headed families is more pronounced in the nonwhite community, but it is nevertheless well underway in the white community as well. Table 1 should make the relationships a little clearer. It shows the proportion of poor families with children which are female-headed by race. Looking first at the left hand side, we see that about ¼ of poor white families with children were female-headed in 1960 and ¾ male-headed. Looking down the columns for subsequent years, we see that the proportion of female-headed increased steadily to 43% by 1972. Now looking at the right-hand side for nonwhite families, we see that about ⅓ of poor families with children were female-headed in 1960 and ⅔ male-headed. Again, reading down the columns, we find that almost 70% of these families were female-headed by 1972. Nonwhites have always had a higher proportion of poor families with children female-headed, as can easily be seen in the table. But, the pace at which the population of poor families with children has been tipping toward female-headedness is almost as rapid for whites as for nonwhites. When plotted on a graph, the upward slopes of the two lines are not far from parallel. So the trend toward female-headed families at low income is not exclusively a black phenomenon as many seem to have believed, and as earlier treatments of the subject like the 1965 Moynihan report implied.

(See table 1.)

TABLE 1.—POOR FAMILIES WITH CHILDREN BY RACE AND SEX OF HEAD, 1960–72

[In percent]

	White poor families with children>18		Nonwhite poor families with children>18	
	Female head	Male head	Female head	Male head
1960	24.5	75.5	34.9	65.1
1961	23.6	76.4	35.7	64.3
1962	24.7	75.3	39.5	60.5
1963	26.5	73.5	41.9	58.1
1964	25.4	74.6	39.9	60.1
1965	30.3	69.7	41.6	58.4
1966	33.5	66.5	45.5	54.5
1967	32.9	67.1	51.1	48.9
1968	36.4	63.6	57.0	43.0
1969	40.1	59.9	59.2	40.8
1970	40.1	59.9	62.3	37.7
1971	41.4	58.6	64.6	35.4
1972	43.3	56.7	69.0	31.0

The trend toward female-headed families is not preeminently a poverty phenomenon either. Table 2 shows poor female-headed family growth relative to total female-headed family growth. The left-hand column shows the number of poor female-headed families with children. Their number moved irregularly during the decade but started edging up significantly around 1969. The next column in the table shows the number of poor and near poor female-headed families with children, that is families with incomes up to 125% of the poverty line. Their number remained fairly stable during the 1960's but also began to increase at the end of the decade. The third column shows the total number of female-headed families with children at all income levels. This total number of female-headed families with children has been moving up much more rapidly than the number of poor female-headed families with children. In fact, it has been moving up over twice as fast, so that the great majority of

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[1] These remarks were prepared for presentation to an Urban Institute Seminar on Public Welfare Policy. The work reported here was supported by grants from The Ford Foundation and the U.S. Department of Health, Education, and Welfare. The author thanks her colleagues at the Urban Institute, particularly Robert Harris, Anita MacIntosh and Belle Sawhill, for their helpful comments. Opinions expressed are those of the author and do not necessarily represent the views of the Urban Institute or its sponsors.

new female-headed families with children formed in this era were non-poor. The last column in the table shows the welfare caseload growth as measured by the number of female-headed families with children served each year by AFDC. It starts in the base year 1960 with an annual caseload size less than ½ the poverty population, but grows steadily, especially at the end of the period, and by 1971 totals almost 70% of all female-headed families with children.

(See table 2.)

TABLE 2.—TRENDS IN POVERTY, WELFARE, AND FEMALE FAMILY HEADSHIP, 1960–71

[Numbers in thousands]

	Number of poor female-headed families with children>18	Number of poor and near poor female-headed families with children>18	Total female-headed families with children>18	Annual female-headed family AFDC caseload
1960	1,476	1,742	2,621	692
1961	1,505	1,793	2,687	813
1962	1,613	1,874	2,701	844
1963	1,578	1,881	2,833	935
1964	1,439	1,776	2,895	1,020
1965	1,499	1,817	2,872	1,070
1966	1,410	1,756	2,993	1,139
1967	1,418	1,747	3,187	1,385
1968	1,469	1,842	3,271	1,509
1969	1,497	1,905	3,373	1,817
1970	1,680	2,067	3,814	2,460
1971	1,830	2,315	4,078	2,837

A few cautions are in order when interpreting the numbers in this table. First of all the family unit definitions for a welfare unit and for a female-headed family unit as measured by Census are different, with the former being broader than the latter. Secondly, the use of an annual caseload figure for AFDC gives a much higher caseload total than the monthly figure usually reported, since the annual number of units served is much higher than any average monthly total due to high caseload turnover. The figure does not mean that all poor and near poor female-headed families with children are presently receiving welfare, nor does it men that large numbers of relatively high income ineligible women are presently receiving it. What it does show is that the number of female-headed family units served by welfare over the period has risen dramatically, and that this number is now quite large relative to the total count of female-headed families measured by the Census Bureau.

There are three major factors to be cited in connection with this large welfare caseload growth. One is an increasing participation rate. The probability that a female-headed family with children which is eligible for welfare will actually be receiving it at any point in time has grown significantly, especially since 1967. **This is the result of changes in both client and agency behavior, and is** an important topic for analysis in its own right, but one which we will not have time to go into here. Work by Barbara Boland of The Urban Institute explores the magnitude and sources of this increasing participation rate for the period since 1967.[2]

The second factor is increasing coverage of female-headed families with children through raised income eligibility ceilings. As states have raised their welfare benefit levels over the 1960's, the incomes at which families can establish eligibility for welfare have gone up correspondingly, so that welfare coverage has extended higher and higher up the income distribution of female-headed families with children. The third factor is simply increased formation of female-headed families with children at low income. And the issue here, which we will come back to shortly, is what role, if any, welfare has played in this growth.

To sum up, what we have seen here is that female-headed families with children are on the increase at all income levels, with many more being formed who are nonpoor than are poor. But because the number of poor families who are male-headed has declined so significantly over the 1960's, the poverty population has come to be increasingly characterized by female-headed families. We have seen that this tipping toward female-headedness is going on almost as rapidly in the poor white community as in the poor black community.

TABLE 3.—COMPONENTS OF GROWTH IN THE NUMBER OF FEMALE-HEADED FAMILIES WITH CHILDREN LESS THAN 18, 1960–71[1]

[Numbers in thousands]

Number of female-headed families with children less than 18	White	Nonwhite
1960	1,191	448
1970	1,891	840
Total growth, 1960–70	700	392

Components of change	White		Nonwhite	
	Number	Percent	Number	Percent
Total	700	100	392	100
Living arrangements (EFHFC/DC+NFHFC/NC)	70	10	31	8
Presence of children (DC/D)	138	20	92	24
Marital dissolution (D/E)	161	23	59	15
Population growth (E+N)	174	25	61	16
Illegitimacy (NC/N)	63	9	82	21
Interaction	94	13	67	17

[1] Methodological note: Based on substituting 1970 values for each individual component into 1960 equation where:

$$FHFC=\frac{EFHFC}{DC}\cdot\frac{DC}{D}\cdot\frac{D}{E}\cdot E+\frac{NFHFC}{NC}\cdot\frac{NC}{N}\cdot N$$

(See appendix A for definitions and raw data from which these calculations were made.)

Source: 1960 and 1970 census (see appendix A).

Why are female-headed families with children increasing? This is an important question and a difficult one to answer. One way to get started on answering it is to break down the growth of female-headed families with children by its various demographic components. Is it marital disruption, illegitimacy, changes in housing patterns, or what that is contributing to this growth? Table 3 shows major components of growth which can be identified in published Census data, and their importance in contributing to the growth of female-headed families with children over the decade 1960 to 1970 for nonwhites and whites separately.

The total growth to be explained is 700,000 families for whites and 392,000 families for nonwhites. Part of this increase is due to population growth. More adult women would mean more women heading female-headed families with children even if the proportion of women heading such families had not changed. This is shown as "population growth" in the table. But the proportion of women heading families with children has changed for several reasons. One is marital disruption. With a significantly increasing divorce rate, the chances of a woman experiencing marital disruption have increased considerably. This tends to increase the number of female-headed families with children even if no other change occurs. This is shown as "marital dissolution" in the table.

But other changes are occurring. The probability that a woman who experiences marital disruption will have one or more children living with her has also increased considerably. This reflects more divorced women and fewer widows among the maritally disrupted population, younger ages of divorced women, and dropping childlessness among the population as a whole. It is shown in the table as "presence of children". Furthermore, the probability that a woman who has experienced marital disruption and has at least one child will set up her own household rather than doubling up with relatives has also increased. Similarly, unmarried women with children are more likely to have their own household. The joint effect of these undoublings is shown as "living arrangements". It reflects increasing economic ability to establish independent households plus a trend away from extended family living patterns throughout society.

Finally, the probability that an unmarried woman will have a child living with her has grown and this is shown as "illegitimacy". It reflects the increasing illegitimacy rates for first births of both whites and nonwhites. The "interaction" term shows the residual growth that is not explained by any one factor independently but rather by the joint effect of two or more of them operating in conjunction with one another.

Over the period 1960 to 1970, we see that the largest components in the growth of female-headed families for whites are population growth and marital disruption, with presence of children in disrupted marriages coming in a close third. Living arrangements and illegitimacy make only modest contributions to the total growth. These results on living arrangements run counter to arguments by other researchers that changed housing patterns are perhaps the most significant element in the recent growth of female-headed families with children. For nonwhites, it is the child-related components—illegitimacy and presence of children in disrupted marriages—which account for the lion's share of growth.

Contrasting the behavioral differences between whites and nonwhites it appears that the combination of marital dissolution and presence of children in disrupted marriages accounts for a similar percentage of growth for whites and nonwhites, but with a slight emphasis on increased dissolution for whites, and, to a greater degree, on increased presence of children for nonwhites. The major behavioral difference lies in the role of illegitimacy, with nonwhites showing a greater effect here despite the fact that the nonwhite illegitimacy rate peaked in the middle 1960's and has declined since, while the white rate continues to climb. This is apparently because illegitimacy declines for nonwhites are concentrated in other than first births, and because nonwhites are much more likely than whites to keep their illegitimate children rather than placing them for adoption.

Behavioral change of all kinds has clearly been more important for nonwhites than for whites. Simple population growth accounts for considerably less nonwhite growth than white over the period, even though the total population growth for nonwhites far exceeded that for whites during those years.

These tables provide a context for asking the important question of what role the welfare system has played in the growth of female-headed families with children. By restricting its benefits for the most part to these kinds of families, has welfare encouraged their formation, and has it done so through illegitimacy, through family splitting, through undoubling of families, or how?

The first point to note is the magnitude of the financial incentive to become female-headed—that is, the dollar value associated with not living with the father of one's children and receiving welfare versus the value associated with living with him and forfeiting welfare. The trade-off between what low-skilled men can provide and what welfare can provide has been tipping over the last decade in favor of welfare, especially when the value of benefits tied to welfare status, such as medicaid coverage, are figured in too. It is relatively easy to calculate these trade-offs for different state welfare programs and different local labor markets, and this has been done recently by a number of analysts.

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[2] See Barbara Boland, "Participation in the Aid to Families with Dependent Children Program (AFDC)," in the *Family, Poverty, and Welfare Programs: Factors Influencing Family Instability*, Paper No. 12 (Part I), Studies in Public Welfare. Prepared for the use of the Subcommittee on Fiscal Policy, Joint Economic Committee, U.S. Government Printing Office, Washington, D.C. 1973, pp. 139–179.

But determining the behavioral response to these trade-offs—that is, the way people actually act when confronted with these financial incentives—has proved very difficult. On illegitimacy, for example, some researchers have found that the birth rate is directly related to the size of available AFDC benefits for some groups of women. But most research has not found such a relationship, and no one has yet found statistical evidence that higher AFDC payments are related to higher illegitimacy, even though many people think this may be true.

On marital disruption the picture is also mixed. Some analysts have found that higher AFDC benefit levels mean higher proportions of ever-married women with children living as heads of households, and some have found that they do not. The bulk of the evidence supports the latter finding, but the most sophisticated recent work suggests the former.[3]

It should be noted that in the case of both illegitimacy and marital disruption, welfare could contribute to the total number of female-headed families by keeping people in that status as well as by putting them in that status. This could occur if women failed to marry or to remarry due to concern for losing welfare benefits. This is a particularly interesting aspect of the effect of welfare on family organization right now because the rules of the game in this area have recently been changed.

In 1968 the Supreme Court invalidated the man-in-the-house rule, and in 1970 it further ruled that in the case of a man assuming the role of spouse, including a non-adopting stepfather, no presumption could be made that the man was contributing any of his resources to the support of children in the family. Documentation of an actual flow of resources of some particular amount from the man to the children would have to be made before any adjustment in benefits to the children could be carried out.

Thus, welfare no longer discriminates against married people: it discriminates against natural parents. A woman can marry a man who is not the father of her children without any necessary loss in their benefits. The potential for significant change in the living arrangements of welfare families is evident here. Women will be able to marry and continue welfare coverage of their children. If the poor are at all sensitive to financial incentives structured into government programs one would expect some response to this rule change, and indeed this seems to have occurred. Stepfather cases in AFDC have grown appreciably since the court rulings, and are currently increasing half again as fast as the overall caseload.

Finally, on the issue of living arrangements, it seems likely that welfare has contributed to the Census count of female-headed families with children by providing recipient units with the resources needed to establish their own households rather than doubling up with relatives. But again the empirical evidence to make this case and to measure the magnitude of it has not been assembled.

The message from this discussion of welfare effects on female-headed families with children is that little is known conclusively about what these effects are, although there are considerable hints of several different influences that may be operating. Most of the work done in this area is recent and exploratory but a start is being made. In particular, the recently released Paper No. 12 (Parts I and II) in the series, *Studies in Public Welfare*, published by the Fiscal Policy Subcommittee of the Joint Economic Committee adds significantly to our knowledge. There is a definite need for continued work to raise our level of understanding and help in the design of improved social policy.

But what can we say now with the information we do have at hand about how policy should deal with the changing demography of poverty? Without waiting for more information, can we draw some conclusions about how policy should respond to increasing numbers of poor female-headed families with children? I would like to distinguish four strategies here. The first I will call broadened income maintenance eligibility. This could mean coverage of working poor families with children as in the Administration's Family Assistance Plan or it could mean broader coverage for families with or without children or universal income maintenance for all low income people. The major benefit of this policy would be aid to needy people who are making an effort at self-support but still have inadequate income. This would mean more equitable treatment of low income people, with its incentive counterpart of removing the penalty against marrying and living together with one's own spouse and children. The goal here would be a neutral policy which removed the penalty of the present AFDC system.

How to structure such a neutral program is a complex question. Different methods of defining a recipient unit and measuring its resources can have profound effects on the way people choose to group themselves. Considering people as individuals, as families, as households, or groups of persons legally responsible for each other will affect the costs and distribution of benefits of an income maintenance a stem, and also the way people live or appear to live.

But the question that I want to address here is not whether or how a neutral definition might be established, but how much regrouping or staying together of families that neutral policy would buy. The answer to this is probably not much. The trend toward marital instability is going forward in all segments of society, and among low income people, where instability is still most pronounced, the existence of an income transfer program could operate to sustain rather than retard this trend. Consider for example a program like the Family Assistance Plan in which the benefit reduction rate was 67%—that is, a 67 cent benefit loss for every dollar earned. If you add to that the benefit reductions which accompany rising income in other programs usch as food stamps, public housing, and medicaid, there's not much gain left to a family from having a man with earnings as part of their family unit. It will probably be more attractive for him to stay outside the family and have some informal income sharing arrangement which is difficult to spot, much as in the present situation. Also, results of the New Jersey income maintenance experiment, which paid welfare benefits to intact families with children, show that income maintenance did not lead to greater family stability among those getting benefits than among another group of similar people who were observed but not supported. The New Jersey results suggest that what people use money for is not to buy stability but to buy personal independence and the opportunity to move among different family relationships.

We need welfare reform of this broadening sort. But it is not a program which is likely to regroup families significantly and it is not a program which is, by itself, going to lead to more income for women and children who are already covered by welfare.

A second strategy is the Moynihan strategy, taken from his 1965 Labor Department report, *The Negro Family: The Case for National Action*. Although no explicit policy recommendation appears in the published document, there is a strong implication in the text that the key to dealing with female-headed families and poverty is improving the economic status of men so that they are better providers. This too is a good idea. Increased capacity for self support is the main chance for ending poverty. But the outcome of this for regrouping families or keeping them together is very uncertain. Divorce rates have increased over 60% since 1960, and reliance on men's earning power is no longer a very sure protection from poverty for women and children. Helping male teenagers to find work and earn a living wage has great value in its own right and may well encourage families to form, but it is no assurance that those families will stay together. And even if those males later form a new family, as the great majority of divorced men do, there will be a transitional period for women and children when an adequate income of their own is required. So again, this is good and necessary policy, but not sufficient to the task of keeping women and children out of poverty.

The third strategy I will call the income-by-right strategy. This is also a welfare approach, and in that it is similar to strategy number one, but it emphasizes making benefits more adequate for those currently covered rather than extending coverage to others. The argument here is that women have a right to traditional roles of full-time homemaker and mother and that they should not be denied those roles because they're poor or without a husband. In the case of illegitimacy or marital disruption, if the missing male parent does not provide adequate support, the state should step in and support women so they can stay home with their families.

This is an increasingly unpopular view, especially as women in the non-poverty segment of society are found more and more in the labor force while the labor force participation of low income women is dropping. The result is a growing rift between the poor and nonpoor. As the latter increase their labor force participation, the former go on welfare and reduce theirs. A comparison of the income distribution of female-headed families with children in 1967 to that in 1970 shows that between 1967 and 1970, while the total number of female-headed families with children increased by 16%, the number of female-headed families with children with no income other than Public Assistance increased by 30%, over twice as fast. Furthermore, those with income other than Public Assistance in the $1,000–$5,000 range, the range of earnings which many of these women with few skills might expect to get full-time or part-time in the labor market, actually declined.

This split in behavior is one of the elements leading to an increasing unpopularity of the AFDC program. That program is inadequate now, judged by the fact that over half its female-headed family recipients are still poor after receiving benefits. Thus many women and their families are not well provided for by welfare currently, but there is little hope for increasing benefits to them significantly through this mechanism.

This brings us to strategy four: full economic independence for women. With the breakdown of traditional families where men have supported women and children, women need the economic capability to support themselves and to contribute to the support costs of their children. Developing this capability means several things. For one, it means a concerted attack on sex discrimination in the market. This means equal pay for equal work. A five-year panel study by the University of Michigan found that if women who headed families in economic need had been paid wages equal to the wages paid men of comparable skills and experience, 55% would have been nonpoor.

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[3] See Marjorie Honig, "The Impact of Welfare Payment Levels on Family Stability," in Paper No. 12 (Part I), op. cit. pp. 37–53.

It also means an end to occupational discrimination which crowds women into low paying jobs. There is a great irony here. Women coming on welfare now are younger, healthier, have fewer children and a better education than any group before them, but the jobs they can get are being relegated more and more to the backwater of the economy. An example is clerical work, where many women are employed and where wages have risen much less rapidly than overall wages in the economy. The result is that women are opting for wefare rather than work in this lagging, low paid sector.

Another aspect is equal access to education, training and other institutions in our society—not for example the present priorities in the welfare Work Incentive Program which place men in training and employment first.

There are two final points to be made about this strategy. One is that some protection must be afforded to women for whom the rules of the game are being changed. They were raised to play a traditional role which is now slipping beyond their grasp, and they are ill-prepared for the new functions they must take on. This suggests a voluntary program which stresses opportunity in attracting women into the labor force, rather than a mandatory program which forces them to take the low level jobs they are currently rejecting.

The second point is that we must recognize that these efforts will make female-headed status much less undesirable by increasing the resources available to families headed by women. Women and children are certainly paying a heavy penalty now for living in female-headed families, even with AFDC. Is making these families more viable, and thus perhaps increasing their numbers, against the public interest? Some people have argued that it is. Here is Daniel Patrick Moynihan in a 1965 article in the magazine America.

"From the wild Irish slums of the 19th century eastern seaboard to the riot torn suburbs of Los Angeles, there is one unmistakable lesson in American history: a community that allows a large number of young men to grow up in broken families, dominated by women, never acquiring any stable relationship to male authority, never acquiring any set of rational expectations about the future—that community asks for and gets chaos. Crime, violence, unrest, disorder—most particularly the furious unrestrained lashing out at the whole social structure—that is not only to be expected; it is very near to inevitable. And it is richly deserved".

It was perhaps easy in 1965 to blame urban riots on female-headed families. But careful research since then has shown this accusation to be false. In the first place, it is clear that female-headed families are not totally devoid of male influence. But the second more important point is that it is not the lack of male influence or the limitation of having one versus two parents which is the problem, but the lack of economic resources of female-headed families with children. Moving to help women acquire these resources for themselves is the most direct solution to the problems which they face and which society faces with them. Once we have accomplished this, we will see how independent adults choose to group in families for their own satisfaction and joint well-being, and for the well-being of their children. This will be a good family policy.

So we have come down to our conclusion. We have seen that female-headed family growth is proceeding in all segments of society. We have seen that there are strong forces at work here which have been in operation for many years. We have seen several strategies which could contribute something worthwhile to the problems at hand, and there are others such as contraception and abortion and increased efforts to get male parents to support children which have not even been discussed here. But mostly what we have seen is that this is not an issue with a welfare solution. Welfare cannot bring families together or keep families together even if we wanted it to. It cannot provide adequate resources to women and children to keep them from falling behind the mainstream of progress in society. So the main chance for women, with or without children, is the same as for other disadvantaged people—improving their opportunity and capability to earn a decent living in the market that has offered them so little for so long.

APPENDIX A

DEFINITIONS AND DATA USED IN COMPONENTS OF CHANGE ANALYSIS

	1970		1960	
	Nonwhite	White	Nonwhite	White
EFHFC=Ever-married female headed families with own children<18 [1] (excludes subfamilies)	672	1,803	391	1,165
DC [2]=Women in disrupted marriages with own children≤18=VC+WC+SC+ (includes subfamilies)	754	2,055	489	1,418
VC [2]=Divorced women with own children<18	179	952	86	554
WC [2]=Widowed women with own children<18	168	603	133	530
SC [2]=Separated women with own children<18	407	500	270	334
V=Divorced women	414	2,559	249	1,609
W=Widowed women	1,078	8,463	954	6,908
S=Separated women	726	996	576	741
E=Ever-married women	5,795	53,825	5,362	47,225
NFHFC=Never-married female headed families with own children<18 (excludes subfamilies)	168	88	57	26
NC [2]=Never-married women with own children<18 (includes subfamilies)	277	144	73	32
N=Never-married women	2,327	15,048	1,511	10,815
D=Disrupted marriages=V+W+S	2,218	12,018	1,779	9,258
Total FHFC=EFHFC+NFHFC	840	1,891	448	1,191

[1] Excludes female-headed families where a woman was married and her husband was absent for reasons other than separation.

[2] Derived by adding female-headed families with children 18 and female-headed subfamilies in the appropriate marital status category.

Sources: 1970 Census of Population, Subject Reports, "Family Composition," PC(2)—4A, tables 20 and 25, and "Marital Status," PC(2)—4C, table 1. 1960 Census of Population, Subject Reports, "Families," PC(2)—4A, tables 6 and 21, and "Marital Status," PC(2)—4E, table 1.

THE PSYCHE AND THE SURGEON

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, on Friday a number of colleagues and I took a special order to discuss privacy issues that concern us as Members of Congress as well as discussing the need for a Select Committee on Privacy in the House as proposed in my House Resolution 633. In my speech, "The Failure of Congress To Deal With the Assault on Privacy," I referred to a number of relevant documents and articles that I was unable to include in the RECORD because of the two-page limit on material. Therefore, I indicated that I would enter these materials this week.

The first such installment is an excellent article that appeared in the September 30, 1973, issue of the New York Times magazine entitled "The Psyche and the Surgeon":

THE PSYCHE AND THE SURGEON

(By Lee Edson)

At 18, Julia stabbed an unknown girl who jostled her arm in a movie theater. Months later, she nearly killed a nurse in a mental hospital in a fit of rage over a minor incident. By the time she was referred by a psychiatrist to Dr. Vernon Mark, head of neurosurgery at Boston City Hospital, Julia was 21—a comely, musically inclined woman with a record of a dozen unprovoked assaults on acquaintances and strangers.

This much Dr. Mark knew: As an infant, Julia had suffered a severe attack of encephalitis, an inflammation of the brain. Several years later, she began to have epileptic seizures, including convulsions. Psychotherapy, drug therapy and electroshock treatments had been tried over the years, to no avail. As a last resort, Julia had been referred to Dr. Mark, one of the nation's leading experts in a demanding and ever-more-controversial specialty, psychosurgery. He performs operations on the brain, not only to remove diseased tissue, but to alleviate neurotic and psychotic symptoms—in short, to alter human behavior.

Initial examinations of Julia showed, not surprisingly, that she had brain wave patterns typical of an epileptic. But a special, newly developed X-ray technique disclosed a physical abnormality, a shrinkage of a portion of the brain in the vicinity of the amygdala, which has been described as the seat of the emotions. Through tiny holes drilled in Julia's skull, Mark implanted electrodes in her brain. The hairlike wires made it possible to continuously monitor electrical signals from her brain and to send bursts of stimulating current into the amygdala. Moreover, the process could be remotely controlled, so that Julia could move freely about her room in the hospital and could be observed from a position out of her sight.

Julia was seated quietly one day, playing a guitar, when suddenly the monitoring equipment picked up electrical activity from her brain typical of the onset of an epileptic seizure. Julia did not, however, go into convulsions. Instead, she bared her teeth, her face contorted in anger and she smashed the guitar to bits against the wall. Scientists had previously known that fits of uncontrollable rage sometimes accompanied certain forms of epilepsy, but this was the first time that the connection between disease and violent behavior had been experimentally demonstrated. Later, by electrically stimulating the amygdala, Mark was able to reproduce the same symptoms.

With the assent of Julia's parents, Mark proceeded to surgically remove a section of her right amygdala—guided by the results of the electric stimulation tests. In the traditional sense, the operation was far from an unqualified success. Much like psychosurgical operations in general, it could not cure Julia's underlying psychosis; the most Mark could hope for was a beneficial alteration of her behavior patterns. And indeed, Mark says, Julia has had fewer epileptic seizures, and no uncontrollable rage episodes, in the five years since. She still exhibits abnormal anger occasionally, but she is no longer institutionalized—she can live at home, she sings in a church choir and she recently passed her high-school equivalency exam.

The treatment of Julia had its dramatic aspects, but none to match the uproar that followed in its wake. The case has become a cause célèbre, a focal point for the attacks of the critics of psychosurgery. Mark has been accused of changing Julia irrevocably into a "vegetable" who leads a wasted life. Some have described him as being a Clockwork Orange type who carries his patients screaming to surgery, who seeks to develop psychosurgery as a dehumanizing and dictatorial instrument for pacifying and controlling man's mind.

Recently, radical students picketed his hospital during a symposium on psychosurgery. They carried placards with such messages as: "Psychosurgery is Mutilation." "Stop Pithing [a reference to the procedure whereby frogs are paralyzed by running long pins or wires through their nervous system]." Frank Ervin, a psychiatrist who was co-author of the book "Violence and the Brain" with Mark, was the object of a similar outburst at the University of California at Los Angeles, where he has been seeking to set up a center for the study of violence.

The book, published in 1970, included a description of the case of Julia, with its use of electrodes in the brain to stimulate and monitor behavior. One interested reader was a former Ervin student in medical school, Michael Crichton, who proceeded to write the best-selling Frankensteinian novel "The Terminal Man," in which the brain of a violent epileptic is tied into and controlled by a computer. Aside from adding fuel to the controversy over phychosurgery, the novel led to a public identification of criminal violence (as exhibited by the main character) with epilepsy. The vast majority of epileptics do not display such behavior, as Crichton felt impelled to make clear in a disclaimer in the paperback edition of his work.

There is some irony in the fact that Mark has become such a storm center of the controversy, since he is generally viewed by his colleagues in the field as among the most cautious of psychosurgeons. There is further irony in the notoriety attached to his treatment of Julia, since surgery was actually performed on damaged tissue in the brain to treat the behavioral symptoms of a disease—epilepsy—generally conceded to have an organic cause. In the typical case of psychosurgery, there is no such evidence of observed brain pathology. But the controversy over the field is so heated, the issues are so emotionally charged, that no psychosurgeon can expect to escape a share of public, and professional, hostility.

Some of the questions raised by critics: Is current knowledge of brain function sufficient to justify such irreversible surgery? Are there adequate safeguards to ensure that psychosurgery is always, truly, the court of last resort—that all other possible therapies have been tried and failed? Doesn't surgery on patients in such institutions as prisons and mental hospitals raise the specter of indiscriminate operations to "pacify" those considered to be "dissidents" or discipline problems?

The debate over psychosurgery figured large in hearings on human experimentation conducted early this year by a Senate subcommittee chaired by Edward M. Kennedy. And the Senate bill that emerged calls for a national commission to examine the ethics of psychosurgery. At the hearings the battle lines were clearly drawn, including that between the neurosurgeons, with their emphasis on the biological underpinnings of mental illness, and those psychiatrists who emphasize the role of environment in determining abnormal behavior. But much interest focused on the work of one of the more controversial psychosurgeons, Dr. O. J. Andy of the University of Mississippi, and his operations on hyperactive, hard-to-manage institutionalized youngsters.

In one case, Dr. Andy removed a part of the brain of a 9-year-old hyperactive boy. The results of the first operation were not considered satisfactory, and several more such operations were performed. In the end, the boy's hyperactivity was ameliorated, and Dr. Andy believes the operation prevented the child's being kept under permanent sedation and restraint. But critics emphasize that the boy's intellectual capacity deteriorated after the operations, and that—since some important brain development continues through childhood—the youngster never got his chance to learn what nature might eventually have done for him. It is mainly because of this uncertainty that American doctors have shied away from using the scalpel in such cases, though operations on hyperactive children as young as 5 years are performed with regularity in Japan, Thailand and other nations.

In the United States today, the number of psychosurgical operations is estimated at 500 to 600 a year and appears to be on the increase, though no one has really accurate figures. They represent only a small fraction of the 38,000 brain operations performed each year, but they grow out of the same dramatic increase in scentific understanding of the function and structure of the three-and-a-half-pound pinkish-gray blob inside the skull that makes man what he is.

There are some 12 billion nerve cells in the brain, creating a fantastically complex network of chemical-electrical switches. But the whole is so highly organized into functional centers that it can receive millions of messages from the environment, process and evaluate them and respond almost instantly with appropriate behavioral orders to the muscles.

The brain sits on the spinal cord like a cabbage on a stalk, directing the body through a number of outposts. Start with the brain stem, which joins the upper end of the spinal cord to the rest of the brain. It contains the primitive core—400 million years old on the evolutionary scale—and has to do with such elementary functions as breathing and heartbeat.

The brain stem branches into two main protuberances. At the lower end is the cerebellum, with its controls on such primitive characteristics as balance and muscle tone. The upper end comprises the two hemispheres of the cerebrum, each half of which is divided into lobes according to their position in the skull. The frontal lobe, for example, up front; the temporal lobe just beneath the temple and ear.

Around the rim of the brain stem is the limbic system, so called because its components are in a kind of physical limbo. Here are the structures—including the amygdala and the thalamus—that are said to be involved with the body's survival responses, often emotional and violent, to the terrors and demands of the environment.

In the higher animals, the cerebrum includes the cerebral cortex, a wrinkled and folded sheet of gray matter that in humans covers the top of the brain to a thickness of a quarter of an inch and fits snugly under the arch of the skull. Nine billion of the human brain's nerve cells show up in the cerebral cortex—a proportion so large compared with that of the lower animals that scientists have concluded that it must be the seat of man's ability to think. "To look into our hearts . . . is not enough," T. S. Eliot once observed. "One must look into the cerebral cortex."

Psychologists have long been interested in the cerebral cortex in general, but the psychosurgeon's first target area was the frontal lobes—and that came about by sheer accident. In 1848 a railroad foreman, one Phineas Gage, was directing the work of a construction gang when an explosion sent an inch-thick, 4-foot-long iron rod through his head. Gage survived for 12 years, and an autopsy revealed that the rod had penetrated his frontal lobes, causing considerable damage. Yet much to the surprise of psychiatrists of the day, who had assumed that such damage must affect a victim's mental capacities, Gage never lost his memory or other intellectual abilities, though he suffered personality changes.

During the nineteen-thirties, scientists pursued this lead, cutting away the frontal lobes of chimpanzees, whose brains are not too different structurally from man's. One such exeriment involved a group of young female chimps subject to violent tantrums. When their frontal lobes were removed, the tantrums disappeared—the animals spent their days sitting in a bedroom munching bananas and nothing disturbed them.

The portion of the frontal lobe involved in this behavioral change was mapped out by a Swiss physiologist, and later Nobel Prize winner, Walter Hess, who died last month. He was the first to implant wires in an animal brain to record electrical activity. Hess subsequently found that the hypothalamus and associated neural structures located on the rim of the brain stem—the limbic system—controlled emotional and aggressive behavior. It was also, incidentally, the site of appetite (motivating the animal's aggressive acts), the focal point of sexual behavior, and was tied to the sense of smell.

On the basis of this new knowledge—and the growth of brain surgery in general—a Portuguese physician, Antonio Caetano de Abren Freire Egas Moniz, in 1935 introduced the operation known as prefrontal lobotomy, the destruction of large sections of the frontal lobes. His patients were long-time psychotics who had undergone other available treatments without effect. Of his first 20 patients, Moniz reported "cures" in seven, help in eight, no change in the rest.

Though Moniz won the Nobel Prize in medicine, he paid a high price for his pioneering excursions into the brain. He was shot five times by a lobotomized patient; one bullet lodged in his spine, leaving him a hemiplegic. But he lived to see prefrontal lobotomy reach almost boom proportions. During the decade following the end of World War II, 50,000 lobotomies were performed in the United States alone—the numbers swollen by Veterans Administration backing of the operation for G.I.'s with severe emotional problems.

The boom was based on thousands of apparent successes, patients who had been unable to function in the community who were returned to active, "normal" lives. But reports of frequent dismaying side effects began to appear; some lobotomized patients lost their "creativity" and higher reasoning powers and became vegetablelike in their placidity. Some doctors performed lobotomies for mental ailments that did not require such radical treatment. Horror tales proliferated: Walter Freedom of George Washington University, who brought lobotomy to the United States from Lisbon, performed some 4,000 of the operations with an ice pick. Critics told of a Freeman lobotomy on a Peeping Tom. After the operation, the patient no longer slunk through back alleys to take his visual pleasures—he walked right up to the front windows. The operation had apparently freed him of any sense of shame, but not of his abnormal tendencies.

It was not the medical profession, however, that eventually put a stop to lobotomy in this country. It was actually the development of shock treatment and certain psychoactive drugs which apparently performed the same function as did the operation with (it was thought) less deficit to the patient. Yet lobotomy did not die out everywhere. Today in England, where the operation was handled more cautiously, lobotomies in various forms are still the therapy of choice in many instances. (The American surgeon Dr. William Beecher Scoville, who has possibly performed more lobotomies than any other surgeon alive today, says that at least 50 per cent of his patients were benefited enough to be discharged from the hospital—but, he admits, at a price: "the blunting of higher sensibilities, such as intelligence, abstract thinking and ability to fantasize.")

The medical profession soon began to realize, however, that drugs and shock therapy had their limits. In many cases the benefits of the treatments wore off, or there were adverse side effects. And there developed a renewed interest in the possibilities of surgery.

Meanwhile neurosurgical techniques had been improved, so that doctors could go deep into the brain with the help of well-worked-out three-dimensional maps. Dr. Scoville was one of those who felt the Moniz type of lobotomy was too gross; fibers were cut without much knowledge of their functions. He began to seek methods of pinpointing more exact sites in the brain for surgery. In the early nineteen-fifties, an intensive study at Columbia by a group of psychiatrists and surgeons focused on three areas of the brain—the superior, orbital and medial parts of the frontal lobe—which connect to the limbic system. Various operations were attempted: leucotomy, for example—the cutting into the white matter to disconnect the inflow and outflow of neural information to and from the frontal lobes. But they were not fully satisfactory. As Scoville points out, the brain isn't a switchboard in which you can easily cut out or repair the wire you are looking for. So many interconnections exist in the brain as to make the outcome of such delicate operations uncertain.

To overcome these disadvantages, Scoville developed a new surgical technique called orbital undercutting, which he describes as comparable to lifting a blanket off a bed. In the old lobotomy, the surgeon cut a narrow slice through the base of the frontal lobes along the midline, taking both gray and white matter and disrupting fibers and blood vessels along the way. In contrast, Scoville delicately peels off only a thin sheath of white matter at the base of the frontal lobes, without touching the underlying blood vessels.

Scoville now performs about 25 such operations a year—for many types of mental disease where there is abnormal compulsion—and he is gratified, he says, that 85 percent of his patients are returned to normal living. He claims his greatest success is with the obsessive neurotics such as the "hand washers," who must wash their hands constantly. One such patient washed his hands in carbolic acid until the skin came off and gangrene set in. The brain operation removed the obsession.

Another psychosurgical procedure was developed by neurosurgeon Peter Lindstrom of San Francisco, former husband of Ingrid Bergman, and has been applied to 500 patients. He uses a technique known as prefrontal sonic treatment (PST), which focuses a beam of high intensity ultrasonic sound into the prefrontal white matter of the brain. This causes some change in electrical activity, but it does not damage brain tissue.

Dr. Lindstrom devised the method for use in the alleviation of epileptic seizures, but over the years he has extended it to the treatment of many kinds of neurotic and psychotic symptoms. He reported recently that patients with anxiety, depression, obsessions and compulsions, as well as those with phobias, have responded favorably to the treatment in the sense that many have been able to return to work and to family life. Many other doctors, while favorably impressed with the reported results, regard the ultrasonic technique as too specialized—requiring special training on the part of the practitioner—and the Lindstrom-developed equipment has not been commercial available.

Meanwhile, other psychosurgeons were placing their emphasis on another part of the brain—the cingulum, a small bundle of fibrous tissue that connects the front brain with the midbrain. In many hospitals, cingulotomy has now become a standard operation for intractable pain, such as arises in terminal cancer cases—it reduces the anxiety associated with pain, giving the patient a measure of relief. Dr. H. T. Ballantine, of Harvard Medical School—the Mr. Cingulum of psychosurgery—has been using the procedure on severe cases of neurosis over the past 11 years. He recently revealed a follow-up on 68 patients who suffered from various mental disorders, including severe depression, anxiety and obsessional neuroses that proved not amenable to other kinds of treatment. He found that 14 cases could function satisfactorily in society without help; 38 were added, but needed some support, and 14 showed little or no improvement. Two could not be traced.

At the University of Texas at Galveston, Drs. Glenn Meyer and Winston Martin have used cingulotomies to relieve anxiety and tension in drug-addicted patients. They report that these patients have lost their addictive habit after the surgery.

Another frequent target of phychosurgeons has been the amygdala, the limbic-system structure involved in the case of Julia. Doctors found early on that when the amygdala of chimpanzees is destroyed, there is a strange spectrum of changes, all related to emotion. In one colony of monkeys, the operation led to placidity; in another colony, a postoperative pugilist was created who beat down his opposition until he became boss monkey. The doctors think that adversary systems that may govern opposing behavior patterns are involved. In the case of human patients, especially young men who have suffered cranial injuries to the limbic system, there is a phase of hyperactivity and belligerence traceable to defects in the amygdala. Viral diseases, such as encephalitis and rabies (from the Latin for "rage"), cause aggressive behavior and correlate with lesions in the amygdala or nearby structures. Epilepsy of the limbic system, some clinicians have found, gives rise to destructive impulses.

Surgeons Vernon Mark and Thomas Sweet of Massachusetts General Hospital have now performed amygdalectomies on 13 patients who had shown violent behavior associated with epilepsy, including Julia. Mark's most successful case was that of Clara, a 62-year-old, 86-pound woman who suffered 20 epileptic seizures a day and became so violent she had to live in restraint. After the operation, Mark reports, not only did she lose her violent impulses but her seizures declined radically and she became well enough adjusted to take on a responsible job. The doctors now bring her to medical meetings to show the beneficial effects of amygdalectomy.

An even more dramatic before-and-after case occurred on the West Coast, where a waitress had shown such violent rages that at times she tried to mutilate herself with a knife. She had been kept in a strait jacket for several years, and nothing, it appeared, could quiet her. Within a few months of the operation, according to Dr. L. Jolyon West of U.C.L.A., she was out of the hospital. Her insanity cleared and she found a steady job. And her I.Q., previously thought to be subnormal, tested out at 130, a level achieved by only 1 per cent of the population.

Such success stories, however, have done little to soothe psychosurgery's critics. The most vocal of them is Peter Breggin, a Washington, D.C., psychiatrist and novelist who in 1972 persuaded former Representative Cornelius Gallagher of New Jersey to put his case against psychosurgery into The Congressional Record. He has carried his campaign to the courts, and pursued it in the halls of Congress and the newspapers and medical journals. He has invented such terms as "cranial clean-out" and "abortion of the brain." Breggin sees the psychosurgeons, along with such behavioral scientists as B. F. Skinner of Harvard, as representing "the greatest future threat that we are going to face for our traditional American values." He adds: "If America ever falls to totalitarianism, the dictator will be a behavioral scientist and the secret police will be armed with lobotomy and psychosurgery." Breggin also opposes "tampering" with the brain on "spiritual" grounds: "I believe your eternal spirit passes through your brain and lives there for a while and then goes on."

Breggin claims, with apparent justification, that he and his supporters have stirred up enough opposition virtually to stop Federal spending for psychosurgical experimentation. In the past, funds have been made available in the main by three agencies: the National Institutes of Health; the Veterans Administration, for use in its hospitals, and the Justice Department, for work in prisons investigating the relationship between mental disease and criminal violence. In addition, a number of state agencies have underwritten the costs of a variety of state institutional projects. Much of this money has recently dried up, one of the latest casualties being the rejection this year of a $348,000 proposal to N.I.H. by Dr. Mark who has been funded by the Government for several years.

The antipsychosurgery point of view has numerous supporters among scientists. "Nobody knows the cost of surgery to the organism," says Dr. Michael Gazzaniga, an experimental psychologist at the State University of New York at Stony Brook. "Neurosurgeons are not disposed or trained to judge long-term improvements in the total person. They tend to look at just one dimension of a multifaceted human being. Even if psychiatry isn't successful, it is better to continue it in many cases than to alter the person forever."

"The big problem is that the neurosurgeon doesn't really know how to follow up his patients," adds Dr. Fred Plum, chief of neurology at the School of Medicine, Cornell University. "You can't really take his word for what happens to the behavior of the patient after an operation. It is not because he, and the psychiatrist who may be on the case with him, aren't honest, but because they may easily be biased toward their own work"

Dr. Robert Neville of the Institute of Society, Ethics and the Life Sciences at Hastings-on-Hudson, N.Y., head of a recently formed task force designed to study the full social impact of psychosurgery, says that psychosurgery has potential for mischief, especially in institutions. "It can be the cheapest and easiest treatment to adopt for controlling patients," he says, "and therefore potentially dangerous, especially because it can be used improperly to subdue aggressive dissidents on the theory that they're diseased. Our preliminary conclusion (though I don't know what the full task group will determine) is that psychosurgery should never be performed on persons under court jurisdiction as a result of criminal activity." This same concern was reflected in a decision last July by a circuit judge in Michigan, which ruled that psychosurgery for "experimental purposes" could not be performed on mental-hospital patients or prison inmates. And Representative Louis Stokes of Ohio has introduced a bill in Congress to levy a fine of $10,000 for each psychosurgical operation performed in a federally connected facility; he fears the procedure might be used against institutionalized blacks, in particular.

Perhaps the most devastating criticism arises from those psychologists who challenge the merits of the theoretical foundations of psychosurgery. Eliot S. Vallenstein of the University of Michigan, in a forthcoming book called "Brain Control," questions the validity of the proposition that the stimulation or destruction of certain regions of the brain results in predictable changes in behavior. No specific behavior, he says, is consistently elicited in response to stimulation.

Even the legendary story of the charging bull of Yale University's Jose Delgado which was supposedly stopped in its tracks in the arena and turned into a placid Ferdinand by a radio-transmitted surge of current to its brain, leaves him skeptical. "The bull," he says "was forced to turn around and around in the same direction, but no evidence was presented to prove that the bull's aggressiveness was modified. The bull was simply confused and frustrated, not altered."

Psychosurgeons are outraged by attacks on their professional judgment. While they admit that there is no unified theory of the brain, or even a complete map of all its interconnections, they insist that more than three decades of clinical evidence, actual case histories of human patients, not to mention extensive animal experimentation, have shown that psychosurgery, properly practiced, brings beneficial behavioral changes. "Until we get a truly good nondestructive treatment, surgery is the only alternative for thousands of desperate patients for whom all other forms of therapy have failed," says Dr. Mark.

"People think that operations on simpler organs are all right," says one surgeon. "The brain is a mysterious *sanctum sanctorum*, and God knows what the potential side effects might be. But with these other organs, people feel, the surgeon knows exactly what he's doing and what might go wrong. The truth is that many kinds of medical procedures, ranging from treatments for the common cold to open-heart surgery, are based entirely upon empirical findings without completely defined theoretical foundations. And without exact knowledge of every detail or possible side effect." Dr. Karl Pribram, a former neurosurgeon and now professor of psychology and psychiatry at Stanford University, is one who suggests care in the selection of cases for psychosurgery; but he adds: "We must work in partial ignorance to relieve suffering."

Psychosurgeons seem to respond most heatedly to criticism from the psychiatric side, pointing out that psychiatry has the poorest data base—the worst record of clinical and experimental results—in all of medicine. Dr. Mark, for example, is quick to criticize what he says is all too frequent in conventional psychiatry; the tendency to ignore the organic causes of much mental disease. "At Boston City," he says, "a 29-year-old patient given to spells of headache, backache and nausea had been treated by eminent psychiartists for a number of years without much improvement.

"After one of his visits to the psychiatrist, he returned home, fell into a coma and died. I examined him and found that he had a tumor which covered one-sixth of his cranial cavity. Some of the signs of this disease were visible through the eyes, but the psychiatrist, concerned only with the outward behavior, failed to see it."

It is not likely that this in-house argument will be soon resolved—nor does it seem likely, notwithstanding the controversy over the procedure, that psychosurgery will be banned.

But the concern among the public and within the medical profession does suggest that there will be increasing pressure for stricter controls on psychosurgery. Many hospitals now have medical committees that review any proposal for psychosurgery. And Boston City Hospital is trying out a variation of that approach, by having a lay review committee (its members include a civil-rights attorney, a nun and a sociologist) make certain that the patient or his family understands the consequences and potentials of the operation before consent is given.

Some in the medical profession are uncomfortable with even such a minimal intrusion of laymen into the traditionally sacred patient-doctor relationship. Other doctors feel it is hardly enough, and much tougher controls are being urged. Dr. Willard Gaylin, president of the Hastings Institute, stated his views this way before the Kennedy subcommittee: "I do not want abandonment of psychosurgery, because I think it may have some potential. I am sure it has not been given adequate safeguards, and supervision—and this is the current urgent need." He would have the Federal Government, through the National Institutes of Health, insist upon certain standards before any psychosurgery is performed.

As Dr. Bertram S. Brown, director of N.I.M.H., has observed, psychosurgery has become a kind of "lighting rod," drawing to itself public and professional concern over a host of issues, ranging from doctors' prerogatives to civil rights—the whole given special emotional fervor by fears of an Orwellian future. The danger in such a continuing controversy seems very clear. It poses a threat to the progress of brain research and to the alleviation of those diseases that plague man's peace of mind.

FORTRESS AMERICA BACK AGAIN

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. GAYDOS. Mr. Speaker, for too many years omnipotent optimists have tried to sell Americans on the idea it was their obligation to feed, finance and, when necessary, fight for the rest of the world, regardless of the cost.

Some of us tried to point out the inherent dangers in that philosophy. We warned of the consequences if our Nation lost its ability to produce for itself and relied upon other sources for vital resources and materials. We were ignored. For nearly 30 years, the Nation has followed the folly road, trying to be all things to all people. Where has it led?

Mr. Bob McCarthy, an editorial writer for the Times-Express in Monroeville, Pa., discussed this subject in a recent editorial. I would like to insert his article into the RECORD for the attention of my colleagues, particularly those who would rather buy abroad than produce at home.

The article follows:

FORTRESS AMERICA BACK AGAIN

(By Bob McCarthy)

Isolationism looked like it was going down for the last count in America three decades ago.

The world was at war and America was in it right up to its elbows. The patriotic thing was to support the war effort, love, aid and comfort our allies in Britain, Russia and China and hate those nasty Japanese and Germans.

Even such noble American Firsters as Charles "Lucky Lindy" Lindberg had abandoned the cause of isolationism and become a part of the United State's powerful international military force. What's more, it was clear even during the war that America could not return to its old isolationism once the war was over. Leadership had been cast upon us and like it or not the world was the arena in which America had to operate.

But 30 years and billions of dollars in foreign aid later we are suddenly face to face with the grim reality that we are all alone. And the doctrine of American self-sufficiency tempts us to turn inward once again and look to ourselves and no one else for the strength we need.

That, dear brothers and sisters, is the new isolationism. And don't scoff at it. For some of us there is a certain amount of comfort and assurance in the idea of the United States standing again all by its lonesome and relying on absolutely no one for anything.

We're smarting, along with millions of other Americans, that the Arabs are blackmailing us with their oil because of our support for Israel. They have precipitated an energy crisis that is entirely of their own doing and it has Americans walking around talking to themselves over what to do about it.

Our allies in Europe . . . those grateful slobs we bailed out of defeat in World War II and then delivered from the clutches of Red Russia after the war . . . have spit on us. They told our armed forces not to use American bases on their soil to ship arms and ammunition to Israel; they have consistently refused to bear their relatively small share of the burden for maintaining the defense of Europe, but insist that we have an obligation to remain.

Like hell we do.

We owe them nothing, absolutely nothing. The only obligation America has in this situation is to remain strong and capable of protecting our own vital interests. And that doesn't include maintaining troops all around the world.

This writer agrees with President Nixon and his call on good old Yankee ingenuity to get us out of this energy mess. If we can't deal with responsible people in other countries for our energy needs, then we have to develop our own. Any country that can unlock the secret of the atom as we did in relatively short time with the now famous Manhattan Project ought to be able to solve this crisis, too.

We would not deliberately oversimplify the difficulties of dealing in world markets. America must trade for its own economic well being. But we must deal from a position of strength as we have done in the past and not from weakness as we do now in this energy shortage.

Those countries which will not deal with us now in our time of need must be made to pay the price for their shortsightedness. They cannot share in our technology, our surplus in food, nor in our industrial genius. That's reserved only for our friends.

Of course, we realize that America can never return to those isolationist days of old. The world is much too small now to permit that. We have to take our place in the family of nations and help find solutions to its problems.

But we don't have to play the role of Santa Claus. Or involvement must be based on a high price of responsibility from those who seek our cooperation; we must become dependent on no one for the goods and services our country needs to make it work the way we want it to work; we must make the penalty for those who resort to international blackmail so terrible and awesome that no sane government will attempt it.

Is this impossible? Not at all. It's the way America used to be and can be again if we are tough enough get mad enough and stay angry long enough to do something about it.

PASSING THE BUCK

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BAUMAN. Mr. Speaker, I voted against the emergency energy bill, H.R. 11450, and one of the principal reasons for my opposition was the provisions in the bill which turned over to the President powers which only the Congress should exercise. At a time when many in Congress are criticizing the President's alleged usurpation of legislative powers, it is totally contradictory to be giving the Chief Executive all power over one of the most serious crisis this country has faced.

The Times Crescent of LaPlata, Charles County, Md., one of the oldest papers in our State dating from 1844, has recently made an editorial comment on the lamentable tendency of Congress to give up its power and avoid its responsibilities. I include the editorial at this point in the RECORD.

CONGRESS SHOULD DECIDE

People don't know whom to believe on the energy crisis. There is a good deal of skepticism.

Until we feel its effects more noticeably, we are inclined to doubt its reality.

The trouble is that if we wait until we feel it, in our complex industrial society it may be too late to do much about it.

Shareholders have felt it already. The plunging stock market has testified to the belief of many stockholding firms and individuals that the energy crisis is real and is a threat to the economic health of the nation.

We know they are sincere in their belief because they are demonstrating it by hard decisions in the marketplace.

The stock market is not always right but it is always sincere.

The energy picture is not as clear in Washington as it is on Wall Street.

The Senate has passed an energy bill giving the President wideranging power to ration energy. But, even though the senators recently have been asserting their prerogatives, they did not choose to exercise them in the energy crisis.

Instead, they bucked the tough decisions to the President. They did not order rationing but only gave him the power to do so. Let the White House decide.

Divided counsel prevails in the executive branch. Some high officials predict gasoline rationing will be needed soon. Some prefer a high tax on gasoline to rationing. Others oppose both rationing and a tax, favoring instead the removal of all price controls on oil products.

Obviously, it is difficult for government to impose needed controls on a public that is not yet convinced of the need.

But when industry grinds to a halt, when jobs are lost for lack of energy, there will be consensus that mandatory priorities must be established.

Unless leadership is asserted soon, it may come too late.

SUPPORT FOR THE PRESIDENT—I

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. MYERS. Mr. Speaker, Mr. Lawrence Sawyer, editor of the Star, Terre Haute, Ind., and president of the Indiana Republican Editorial Association, offered the following observations on the current political crisis in our Nation in a recent editorial. I commend it to all my colleagues as representative of the sentiment I find through my district and Indiana:

NIXON AND LIBS; THEY STILL HOPE TO REVERSE ELECTION

If the liberals and their allies, the win-at-any price politicians, succeed in impeaching or convicting Pres. Richard M. Nixon, history will never allow them to forget it.

Their effort would be viewed in the light of later and considered judgment as wholly political opportunism.

And such an attempt now is much less likely since the court will receive the Watergate tapes, even though they are not as complete as thought.

When the President, at the demand of any committee or minion of either house of Congress, must hand over his private and confidential records, then the Presidency has become a subordinate creature of the Congress and there no longer are three separate branches of government.

The refusal of the President to let the legislative branch browse in his private records is no proper basis for impeachment, especially since he had arranged for a highly respected Senator to act as a surrogate for the legislators and pass along any proper information.

In another phase of the tapes question, it is quite clear that the Attorney General and any of his subordinates is simply a hired hand of the President, and if he does not obey the Presidential orders he can be fired. If this were not the case, then any ambitious or rebellious Attorney General could have the President indicted and arrested and block the proper course of government.

The recent discharge of a special prosecutor and of a deputy Attorney General was well within the correct powers of the President, and no proper cause for impeachment.

The public will not care for the legal quibbling, but will want to know if the President is a criminal of not. If he is, the public will want him thrown out of office.

The basis for thinking he may have violated the law is in the testimony of his former Presidential counsel, John Dean. Dean said he thought the President knew about coverup attempts in the Watergate case, particularly that he thought the President agreed to pay the Watergate burglars for their silence. This agreement, he said, he thought was spoken when he talked to the President. It was supposed the conversation was recorded, but now it is learned the machine did not function.

It is most interesting to note that politically ambitious Democrats such as Senator Kennedy are eager for the downfall of the President, but at the same time the mayor of Chicago and Governor of Illinois called for a go-slow policy.

Some Republican leaders too, eager to separate themselves from Nixon, to those coattails they were clinging not long ago, also desire his political extermination.

It must be said again that the liberals and their opportunist camp followers, who have been defeated more than once by Nixon, hate him most bitterly and again are attempting to destroy him and reverse the 1972 election, which was so humiliating to their cause and such a rejection of the liberals by the American people.

CENSUS BUREAU DOES ITS PART TO HELP NATION IN ENERGY CRISIS

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WHITE. Mr. Speaker, as chairman of the Subcommittee on Census and Statistics, I have worked closely with the Bureau of the Census, over which the subcommittee has jurisdiction and legislative oversight.

While we have not always been in agreement over the many issues involving the Bureau that have come up for the subcommittee's consideration, I was very pleased to read in the December 12, 1973, issue of the New York Times that the Bureau is making a significant contribution to the Nation's current energy crisis. For the public's benefit, I would like to reprint that article in the RECORD at this time:

CENSUS BUREAU IS OFFERING DATA FOR WORKERS TO FORM CAR POOLS

The Census Bureau has responded to the call for increased car pooling to save gasoline by offering computerized local geographic data that, when integrated with information on participants, provide lists of riders along efficient car-pool routes.

The heart of the system is a computerized tape that is available for 267 metropolitan areas in the United States. The tape costs $70. With it, "any group a company, local government agency, anyone can put a car-pool program into operation in a matter of weeks," according to John K. Tabor, Under Secretary of Commerce.

"We think this is the fastest, cheapest and most efficient carpool systems now available," Mr. Tabor said at a news conference called to start the program. It has already undergone testing in Los Angeles, where it was originally conceived as a means of solving parking and traffic congestion problems and reducing air pollution.

A group interested in forming car pools must first collect information from potential participants. This includes such data as the home address, business address and telephone number, hours of employment, and whether the person desires to be a driver, passenger or both.

This information is then fed into a computer containing the census information and results in lists of potential car-pool candidates for each participant.

A spokesman for the Commerce Department said that the computer tape was done in the simplest computer language to make it compatible with most computer systems.

The system is available from the Users Service Staff, Data Users Office, Bureau of the Census, Washington, D.C. 20233. Noncomputerized documentation is also available.

UNITED NEGRO COLLEGE FUND

HON. LAWTON CHILES

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Friday, December 21, 1973

Mr. CHILES. Mr. President, recently I was asked to serve as honorary chairman for a fundraiser held last Saturday. Although it is a time worn ritual for most Senators, I agreed to this particular one with a great deal of enthusiasm.

First of all, the money raised, above expenses, is to go to a very worth while cause—the United Negro College Fund.

Second, the money is to be presented in the name of Dr. John S. Jackson, the current mayor of Lakeland, Fla., my hometown. The theme chosen to honor Dr. Jackson—"Lest we forget those who serve with honor and dignity"—was quite appropriate for the man. Earlier I stated that Dr. Jackson is mayor of Lakeland; however, his selection as mayor is only incidental to the esteem in which he is held by the people of Lakeland.

John S. Jackson came to Lakeland in 1950 searching for a hospital that would allow a black surgeon to be on its surgical staff. Lakeland General Hospital opened its arms to Dr. Jackson and the total community has been richer for his presence. He was not content to merely practice medicine, that alone would have been extremely beneficial; but John Jackson participated in every conceivable way to become a vehicle for positive action in Lakeland's total community.

After serving on the Lakeland Zoning Board of Adjustment and Appeals, Dr. Jackson in 1968 decided to run for elective office. He did not "pick a spot" for his first attempt at elective office. He spurned running as a district commissioner, choosing instead to run at-large to represent what he called "total Lakeland." His opponent was a highly respected ex-mayor, a man mutually respected in both the black and white communities. The campaign was hard fought and honorable. Dr. Jackson won and became the first black city commissioner in Lakeland's history. But John Jackson was saving his biggest triumph for his second campaign when his ideas were to be tested by the voters.

Running on his record Dr. Jackson lost only one precinct and that by less than 10 votes. In one virtually all-white precinct Jackson's margin of victory was 2 to 1.

His selection to serve as mayor was another significant niche in the personal history of this outstanding American and a great event for the city of Lakeland.

To cite every example would fill this RECORD but I can happily recall a few. When organizers of the Neighborhood Service Center in Lakeland sought public response to their needs, they found a prompt response not only financially but also politically from Dr. Jackson. He gave more than money and lip service. He gave his time and expertise. He became a member of the board of directors.

When negotiations broke down between laborers and contractors in a heated labor dispute, John Jackson bridged the gap and helped to prevent viewed as almost synonymous with helped to restore confidence between the former antagonist. When disturbances in the schools involved the community to the extent that serious consequences could have evolved, John Jackson helped to provide a forum where reason won out over emotion and calm prevailed over confusion.

At a time in our country when political figures are viewed with suspicion—some justly so—where scandals in government have become as common as elections, when the title "politician" is viewed as almost synonymous with scoundrel, it is refreshing to join other Floridians in paying honor to a man who has epitomized all of the virtues found in holding public office.

There is an anecdote that I believe is appropriate. During the 1968 campaign for the city commission, a 68-year-old lady indicated that she would vote in a local election for the first time in over 20 years. She was queried as to why she picked this time to vote and she replied:

> I don't know that much about politics but I do know about Dr. Jackson. When he gives his word, he keeps it.

In light of the public's confidence in governmental officials that might be the highest praise a politician could expect to receive.

John Jackson's sincerity of spirit and determined purpose has successfully transcended political ideology, racial lines, and class identification. He is truly an ecumenical man.

He stands for all that's good in our system of government. He is very definitely the kind of political leader that we need at all levels of government—local, State, and national. I commend his example to young people who are reluctant to get involved with the political system.

I am proud to call him my friend.

CROSSROADS OF CRISIS OR CHANGE

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. DENHOLM. Mr. Speaker, I have authored and today I have introduced legislation that provides for an immediate emphasis on solutions to the supply of petroleum and petroleum products—and it also has an established safeguard for the long-term need of the people of America.

The legislation that I have proposed will accomplish three basic objectives:

First. Produce the energy essential to satisfy all current and future demand of the American people,

Second. Maintain an ecological balance and essential reclamation and research, and

Third. Establish a permanent Energy Trust Fund.

It has been necessary to submit three different proposals to accomplish the objectives to correct the economic wrongs perpetrated upon the American people by current and past policies of the administration.

First, the Economic Stabilization Act of 1970 must be amended to eliminate all price controls on petroleum and petroleum products.

Second, the applicable depletion allowance must be doubled on all new sources of energy discovered and produced after January 1, 1974, and for a period of not less than 3 years thereafter.

Third, an excess profits tax must be imposed to constrain those engaged in the industry and vested with supplies and access to resources from manipulating prices to the disadvantage of consumers and competitors, and

Fourth, the establishment of a permanent Energy Trust Fund to be funded from the excess profits tax imposed for:

First, the purpose of essential research of all sources of energy, and

Second, the conservation, protection, and reclamation of the environment.

The legislation that I have proposed is essential—it is a solution to the shortfall in supply and it provides for a long-term and continuous program of full development of the resources of our land. However, my proposal does not neglect the concepts of conservation, preservation, and reclamation of our natural environment and resources essential to the ecological balance of life.

OPPOSITION TO THE DISPOSAL OF METALS

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. McKAY. Mr. Speaker, I am disturbed by the House's approval of the release of our strategic reserves of copper, zinc, and aluminum. On December 18, the House approved the release of the entire aluminum strategic and critical materials stockpile, virtually all of the copper stockpile and a substantial portion of the zinc stockpile. In view of this Nation's shortages in these important metals, this action may have been shortsighted.

The disposal of the stockpiles was justified to Congress on two grounds. First, the disposal was proposed to help alleviate current shortages in these metals. While selling these reserves will create a temporary improvement in the supply of these metals, when the reserves are sold the basic causes of the shortages will still exist and America will be without needed reserves in case of a major crisis, such as a war. These shortages are due to increased demands, declining imports, and declining domestic production. Second, the disposal of stockpiles was justified on the economic ground of raising additional revenue. I certainly support increased fiscal responsibility but this can be better accomplished by controlling expenditures rather than selling important reserves. It should be remembered that part of the current energy crisis was created because fuel allocation decisions were being made purely on economic grounds.

I urge Congress to take positive steps toward heading off a metallurgical crisis before it approaches the seriousness of the energy crisis.

MS. ABZUG'S IMAGE SHIFTS, BUT IS SHE SAME OLD BELLA?

HON. JOE D. WAGGONNER, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WAGGONNER. Mr. Speaker, for our colleagues who did not have an opportunity to see it, I would like to call attention to an article that appeared in the New York Times for November 29 about our colleague, the Congresswoman from New York, Bella Abzug. I know my fellow colleagues will enjoy reading it, for it looks like times have finally caught up with Bella; she is beginning to mellow.

Mr. Speaker, I ask unanimous consent that the article entitled "Mrs. Abzug's Image Shifts, But Is She Same Old Bella?" follow my remarks at this point. We, from now on, will know her as "Mellow Bella."

Mrs. Abzug's Image Shifts, But Is She Same Old Bella?

(By Martin Tolchin)

Washington, Nov. 28.—She takes the floor of the House of Representatives less often these days, and when she does, her words flow more slowly and more softly. She works more quietly in committees, introduces fewer amendments and takes an unaccustomed back seat in some important legislative battles.

Has Bella Abzug mellowed?

Has the controversial, 53-year-old West Side Congresswoman-feminist been caught up in the social processes of the House of Representatives, which biennially receives dozens of feisty freshmen, heady with victory, and transforms them into subdued sophomores?

WHAT THEY SAY

"I would say she has mellowed," says Speaker of the House Carl Albert of Oklahoma, "at least on the surface. She measures her activities more than she did at first; she's learned that she doesn't have to get out in front on every issue."

But Democratic Majority Leader Thomas P. (Tip) O'Neill of Massachusetts emphatically disagrees. "She's the same old Bella," Mr. O'Neill says. "She hasn't changed a damned bit. The first call I get every week is from Bella, trying to tell me how to run the place."

Mrs. Abzug herself insists that underneath that omnipresent broad-brimmed hat she is essentially the same woman who first entered the House three years ago. It is the other members of the body who have changed, she says, because they are only now beginning to appreciate her complexity.

"I was originally a pressure force on these people," she says, recalling her days as an organizer and a lobbyist for Women's Strike for Peace. "It takes time to get to know a personality, especially one that has a lot of nuances and is prepared to show them all. They're getting to know me and I'm getting to know them."

REMAINING A PRESENCE

There seems to be little question about this. Mrs. Abzug is now seen bantering more with colleagues of all political persuasions. No longer do conservative members of the House post themselves at the entrances to the chamber to inform members that a vote is on an "Abzug amendment—vote no."

She remains, throughout, a presence in Congress, a large seemingly ubiquitous woman of great vitality striding into committee rooms and cloakrooms in a wardrobe that owes much to Loehmann's and Alexander's.

Those who discern a change in Mrs. Abzug's personality note that she allowed others to take the lead in the debate on a bombing halt in Cambodia and was persuaded by legislative leaders not to introduce an amendment to the mass transit bill for fear that the amendment might lead to the bill's defeat. Perhaps most uncharacteristic, in the eyes of these observers, was her back-bench role in the resolution calling for the impeachment of President Nixon.

Mrs. Abzug maintains that her activities were more a reflection of strategy than fundamental changes in position, philosophy or personality.

"I use all the tactics that everyone else uses of compromise and vote-getting," she said the other day during an interview.

Nonetheless Mrs. Abzug outraged some of her New York colleagues on Monday by calling a news conference upon returning from a visit to Israel to display photographs of alleged atrocities committed by Syrians against captured Israeli soldiers. The photographs were obtained from Prime Minister Golda Meier at a meeting also attended by Representatives Benjamin S. Rosenthal and Edward I. Koch, who felt that the news conference should have been conducted jointly.

"It was a surreptitious, devious, mischievous act," said Mr. Rosenthal. "We're supposed to operate as a team, but she's not a team player."

Taking the long view, some of her colleagues in the city's Congressional delegation say that Mrs. Abzug would have encountered hostility among some of her colleagues, regardless of her personality, simply because she is an articulate, liberal, New York Jewish woman. They contend that any of these qualities alone would have raised eyebrows in some quarters.

"She could be a combination of Helen Keller and Joan of Arc and some of these people still wouldn't accept her," one colleague says.

ON REPRESENTING AMERICA

Mrs. Abzug, for her part, finds that "most of the people here are from one grouping: white, middle-aged men—lawyers and businessmen."

"The style here is conservative," she says. "They don't really represent America. Congress needs more women, some trade unionists, city planners, younger people and minority members.

Even though Mrs. Abzug feels that her colleagues do not represent America, she says she has learned that she must deal with them.

Mrs. Abzug contends she deliberately relinquished a leading role in the debate on the Cambodia bombing halt, which was led by Representatives Joseph P. Addabbo, a Queens Democrat, and Robert N. Giaimo, a Connecticut Democrat.

Mr. Addabbo and Mr. Giaimo agree. "She realized that if you push too hard, you scare people away," Mr. Addabbo says. "She agreed to work more in the background than up front leading the charge."

"She had an image problem to overcome," Mr. Giaimo adds. "She's earned respect from more people than she used to have. Mainly, she does her homework, she's very knowledgeable, she's aware of the issues and of the parliamentary proceeding. She's developing the ability to cooperate with other members."

VICTORIES IN COMMITTEE

As the city delegation's representative on the public works committee, however, Mrs. Abzug has succeeded in gaining approval of her amendments to direct the Army Corps of Engineers to clear debris and sunken vessels from New York harbor and to proceed with erosion control of the Rockaways.

She also is credited with persuading the public works committee to relinquish Federal air rights to enable the city to build low and middle-income housing above the Morgan Annex Post Office, on 12th Avenue between West 29th and 30th Streets.

Mrs. Abzug regards these achievements as victories in her relationship with committee members. "In my committee, some of the members from the South and West saw me as a very strange being," she says. "They didn't see me as interested in marriage, a family and a home. Now they understand that a lot of my passion comes out of a deep commitment."

Does Mrs. Abzug feel the effects of the social processes of the House?

"Very definitely," she says. "But since it's a club—essentially a male club—it affects men more than it does women."

Does she want peer approval?

Mrs. Abzug smiles wistfully.

"Everybody likes to be loved," she says.

H.R. 10509: THE FEDERAL STATISTICAL COMMISSION ACT

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WHITE. Mr. Speaker, on September 25, 1973, I introduced H.R. 10509, the "Federal Statistical Commission Act", which was cosponsored by Congressman James M. Hanley, Democrat of New York; Charles H. Wilson, Democrat of California; and William Lehman, Democrat of Florida.

The bill calls for the establishment of a Commissioner on Organization of the Federal Statistical Establishment. The Commission would have the task of conducting a study of alternatives to the present organizational structure of the Federal statistical establishment, with a view toward identifying the organizational posture that would best insure efficiency, accuracy, integrity, and maintenance of confidentiality of the production, dissemination, and control of public use statistics.

A report of the Commission's findings is to be made not later than 1 year after its creation. The Commission would be composed of seven members appointed by the President on the basis of professional eminence in the area under study. Their appointments would be subject to Senate confirmation.

Federal statistics play an extremely important role in our society. They are highly visible indicators of the state of the Nation and represent a key resource in both public and private decisionmaking. It is imperative that these statistics be accurate, relevant, and completely free of political influence or manipulation. Equally important, the production and dissemination of statistical data must be accomplished in an efficient manner.

I am not convinced that Federal statistical operations are presently organized in support of these goals. The responsibility for producing and disseminating Federal statistics is diffused among several different Government agencies. This diffusion leaves open several unattractive possibilities, including first duplication in the gathering and reporting of certain related statistical data; second, inefficiency occasioned by excessive multiagency requirements for complex data processing equipment and other resources; and third, confusion and inconvenience in potential data users attempting to locate Federal statistics relevant to their needs.

I am also highly concerned over the fact that major Federal statistical agencies now fall under the control of political appointees. This state of affairs accentuates the risk that someday Government statistical output will be manipulated for purposes of political gain. Such prospects do little to encourage public confidence in Federal statistics or the Government in general.

These and other disturbing features of the present statistical organization prompted the staff of the Subcommittee on Census and Statistics, of which I am chairman, to suggest in a 1972 investigative report that Congress consider the desirability of creating a central independent statistical agency within the Federal Government. I concur with this recommendation. However, before Congress can consider the desirability of creating such an agency, we need a more definitive study of the benefits and problems involved.

My bill provides for such a study within the context of a general inquiry into alternatives to the present satistical organization. While this would not be the first such inquiry, it would to my knowledge be the first undertaken at the specific request of Congress. I believe the study would provide the up-to-date, focused guidance Congress needs in order to make a wise and informed choice in a very important area.

Shorty after H.R. 10509 was introduced, I received a letter from the Honorable CHET HOLIFIELD, chairman of the Committee on Government Operations, to which the bill was referred, stating that:

> The subject which the bill addresses is obviously important, and I am hopeful that we can consider it early next year.

I urge my colleagues to give H.R. 10509 their serious consideration.

CAMPAIGN FINANCING AND REFORM

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. SMITH of Iowa. Mr. Speaker, there has been much discussion recently concerning campaign financing and campaign reform. It seems to me that one of the benefits which can flow from something like the Watergate situation is to make people more cognizant of the need for certain changes in the laws and for a recognition of existing laws.

It would be far better to have a large number of small contributors than to have a few large contributors. This is the idea behind the new checkoff system on both the Federal and State income tax returns. Every person who files a tax return can, by merely putting an X in the box of the party of his choice, have a contribution of $1 made to the party of his choice from the income tax he has paid. In the case of joint returns, both the husband and wife can make such a choice. This money goes directly to the State party headquarters. Candidates for various offices will continue to need to raise funds but at least this will permit the political party headquarters to secure some funding from a broader base and depend less upon big contributors.

Iowa is one of the few States which has this checkoff system on their income tax returns. The place to check is toward the bottom of page 1. This makes it easy for each individual who pays taxes to contribute $1 to the party of his choice and it does not increase the amount of taxes which he is required to pay. If enough people make contributions in this form, it is hoped that the political parties themselves will be able to function without big contributions.

CONSTITUENT TRIES OWN MILEAGE EFFICIENCY TEST

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. ALEXANDER. Mr. Speaker, as we complete action today on the Emergency Energy Act, I wish to share with my colleagues the experience of a constituent of mine who conducted his own test to determine the efficiency of gas mileage at various speeds. I would like to share his comments with you at this point:

CROSS COUNTY BANK,
Wynne, Ark., December 6, 1973.

Hon. WILLIAM V. ALEXANDER,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR BILL: Enclosed is a copy of an article that I read which interested me greatly and I wanted to pass it along to you. Sometimes I believe our oil companies in Arabia are in with the Arabs on this price increase, too.

You and I, and everyone else knows that something must be done immediately in order to prevent a heavier gasoline shortage. I am definitely in favor of putting a 50 to 55 mile an hour limit on all our highways and we will have gasoline running out of our ears and have new filling stations opening up to sell it.

This past weekend I had to make a trip and I was somewhat concerned that I wouldn't have enough gasoline to get home as all the filling stations were to be closed as of 9:00 p.m. Saturday night. As the trip was absolutely necessary, I left and decided to conduct my own mileage test. . . . I drove 50 to 55 miles for 75 miles, arriving at Arkadelphia on Sunday where I found three fillling stations open. I told the attendant to, "Fill it up," and it cost me $1.45. From that point I drove on to Little Rock, the same distance of 75 miles only I drove at a speed of 65 to 70 miles per hour and it cost me $7.00 to fill up that time. See what speed will do for you?

I think the solution to our problem is cut the speed limit, it's just that simple. Don't let them raise the price of gasoline and don't ration. We need your help and all of us in this area will certainly appreciate anything you can do for us.

A good democrat,

W. W. SHAVER, Jr.

THE PEOPLE'S BICENTENNIAL COMMISSION

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. ICHORD. Mr. Speaker, my attention has been called to the activities of an organization calling itself the People's Bicentennial Commission (PBC) which has gained considerable publicity recently for its programs and "counter-celebration" of the Boston Tea Party. This group has duped many responsible Americans into believing that it is a legitimate patriotic organization developing commemorative celebrations of the events leading to the founding of our country. For the information of my colleagues, I would like to furnish the following background on the PBC:

The People's Bicentennial Commission was formed in the summer of 1971 and was first known as the People's American Revolutionary Bicentennial Commission. The PBC stated its goal as "rekindling the revolutionary spirit of 1776." The concept behind the PBC ("revolutionary" being dropped in the name on printed materials but retained as a motivating force and in the current telephone listing) appears to have originated with the Johnny Appleseed Movement for Peace and Human Rights, which also provided the New American Movement (NAM) with its early philosophy.

The Johnny Appleseed Movement was first noticed in Chicago soon after the disintegration of Students for a Democratic Society (SDS) in 1969, when John Rossen produced a number of pamphlets calling for a new revolutionary force based on a combination of Marxism and American nationalism. At this time, Rossen organized the Johnny Appleseed Movement for Peace and Human Rights and published a tabloid, *The New Patriot*.

John Rossen, owner of the Three Penny, a Chicago moviehouse of dubious respectability, and one-time organizer of the Illinois Communist Party, was in 1969 also the owner of the building housing the SDS national office. A veteran of the Abraham Lincoln Brigade who still affects "revolutionary" garb consisting of black suit, black turtleneck and black beret, Rossen was a southern Illinois and eastern Missouri field organizer for the Communist Party, U.S.A. (CPUSA) in the 1940's. During recent years, Rossen has been associated with, and has helped fund, many radical causes.

Rossen's pamphlet, *Toward a New Patriotism*, explains the reasoning behind this Marxist nationalism: "Essentially, the New Patriotism is a political tendency based on the concept . . . that the American Revolution is a continuing, ongoing liberatory process, an unending drama of ever-present conflict and the forward march of human over property rights . . . a political movement or

> party based on the New Patriotism would be socialist, humanist and internationalist in substance and content, and nationalist in form and rhetoric. . . ."
>
> This pamphlet cites North Vietnam and Cuba as examples of this sort of desired "continuing revolution that starts with bourgeoise-democratic national-liberation and continues through (and beyond?) a socialist revolution," beyond to their goal of Communism. Rossen further notes that the two prime benefits of this New Patriotism approach are an end to the social alienation left by many New Left radicals, and a contradiction of the statement that "radicalism and revolution are alien or un-American."

In the summer of 1971, Rossen's ideas, rhetoric, revolutionary quotations of Americans, graphic designs, et cetera, were taken over by the then 26-year-old Chicagoan, Jeremy Rifkin, who had been active in the antiwar movement since 1967.

Since opening its offices in Washington, D.C., in 1971, the PBC has organized chapters in many States and has established offices in Philadelphia and Chicago. According to the Potomac magazine of March 18, 1973:

> The PBC is supported by foundations. Financed through the utilization of tax loopholes by the rich, the PBC attacks the rich and their loopholes.

Among the foundations donating to the PBC are the Stern Fund and the Center for Investigative Journalism.

In September 1972, the PBC gained notoriety with the publication of a lengthy attack on the American Revolution Bicentennial Commission—ARBC—in the Progressive. Written by Jeremy Rifkin and Erwin Knoll, the article was made possible by the theft of confidential documents over a period of months by an ARBC employee who gave the papers to Rifkin and Knoll.

One of the PBC's attempts to inject Marxist-Leninist theory into the Bicentennial involves supporting Angolan terrorists via the U.S.-based Gulf Boycott Coalition. The PBC's bimonthly tabloid Common Sense, draws a twisted analogy between the American War of Independence and the Angolan guerrillas, stating "the 'Spirit of 76' and the Angolan spirit are one and the same."

The PBC has issued instructions to its supporters on organizing "People's Bicentennial Celebrations." The PBC states:

> Make it colorful—fly "Don't Tread on Me" and Thirteen Star flags; use lots of red, white and blue bunting. Use Revolutionary symbols . . . Designate a tree on your town green or in your park as the Liberty Tree, and fly a red flag from its top . . . Wear patriotic costumes . . . hand out copies of the Declaration of Independence.

But the PBC warns its supporters, "Do not exclude folks by unnecessary militance and rhetoric."

The cleverness of the PBC in disguising its goal of making a "new American Revolution—a revolution in fact" has succeeded in duping large numbers of concerned Americans. The PBC tabloid gleefully publishes pages of letters from these Americans, including leaders of the Girl Scouts, teachers, boards of education, the American Bar Association, local ARBC committees, et cetera, supporting PBC programs and requesting large amounts of PBC literature, radio spots, et cetera, to use as part of upcoming Bicentennial celebrations.

On Sunday, December 16, 1973, the People's Bicentennial Commission staged a demonstration in Boston attended by several thousand people marking the 200th anniversary of the Boston Tea Party. After using Faneuil Hall for a preliminary rally, the PBC contingent marched to the harbor where street theater skits drew analogies between present conditions and abuses at the time of the War of Independence. Under the slogan, "Impeach Big Business, Too," PBC organizers vilified national leaders.

I realized the difficulty some of my colleagues and their constituents might have in distinguishing between the official American Revolution Bicentennial Commission and the People's Bicentennial Commission, and would forwarn them that it is the People's Bicentennial Commission which has stated that its goal is "making a revolution in fact"—not merely commemorating a historic event.

DAVID BEN-GURION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. MAZZOLI. Mr. Speaker, the passing of David Ben-Gurion this past December 1, removed from the world scene one of its truly great statesmen. Perhaps no other individual throughout history has so symbolized and personified the attributes of the country which he founded and nurtured to its maturity.

The dream of the Israeli State and the triumphant survival of the Jewish homeland sustained Mr. Ben-Gurion throughout a lifetime of turmoil and upheaval. And, his perseverance was eventually rewarded when on May 14, 1948, he read in Tel Aviv, the declaration of Israel's independence.

During the first 15 years of its existence, Israel benefited from the astute leadership Mr. Ben-Gurion provided as its Premier. It was his firm leadership that enabled the young nation to survive the early confrontation with the Arab countries. It was his leadership also that brought Israel into close alinement with the United States in the early 1950's.

In June 1963, Mr. Ben-Gurion resigned as Premier with the announced intention of writing a history of the Jewish return to the homeland. He completed three large works, one of which was entitled "Israel, a Personal History."

But even in retirement he continued to influence the destiny of his country and, in turn, of the world.

David Ben-Gurion has been eulogized in the manner that is customary for those who have risen to the pinnacles of power and influence. His notable attributes and remarkable achievements have been acclaimed throughout the world.

But, the greatest memorial to the spirit of David Ben-Gurion and the most fitting memorial would be a lasting peace in the Mideast.

So, on the very threshold of the start of the Mideast peace talks in Geneva. It is most appropriate we all join in paying tribute to a man of peace—David Ben-Gurion.

APPALACHIAN'S MESSAGE

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. DAN DANIEL. Mr. Speaker, in the Sunday, December 16 edition of The News, Lynchburg, Va., there appeared a very timely editorial which has much pertinence to the current energy crisis.

Entitled "Appalachian's Message," the editorial is based upon reports given by officials of Appalachian Power Co. on its foresighted program to deal which fuel shortages. Appalachian some years ago began looking ahead and the results of its planning are being enjoyed today by its customers.

In my view, this is one of the most cogent accounts of what the energy crisis means in the local areas, what is being done to meet the needs and what plans are being made for the future.

I would like to insert the editorial in the Record at this point and commend it to the reading of the Members of the House.

The editorial follows:

Appalachian's Message

Barring a crisis which might force the Federal Government to ration electrical energy, the Appalachian Power Company has sufficient power to meet the needs of the Lynchburg area this winter. This power is available because Appalachian projected area needs and built the facilities to supply them more than a decade ago. It has made similar projections and plans for future needs. But unless environmental restrictions are modified and available fuel supplies are utilized, it may not be able to meet those needs a decade hence.

This, essentially, was the message Appalachian laid before Lynchburg area business and professional leaders this past week in a series of luncheon meetings. James B. White, president of Appalachian's Lynchburg division, explained the company's role in the energy crisis, outlined the environmental modifications which must be made to enable the American Electric Power System (Appalachian's parent company) to use its present coal resources to generate electricity, and to assure the public that Appalachian can supply area needs this winter. While AEP retains "absolute" control over its power and its 1.7 million customers in a seven-state area get first priority, a severe shortage of power in other parts of the country could force the Federal Government to order AEP to share some of its power. This could result in local shortages.

Although there is sufficient power to meet present needs, White noted, people should be conserving what they can, not only to comply with the national effort to conserve energy of all kinds, but to enable AEP's present capacity to serve additional customers produced by an expanding population and additional power demands created by technological developments.

The public can conserve electrical power primarily by turning down their thermostats, White said, because heating units consume the most electricity. While home and commercial lighting is relatively "insignificant" in the total AEP output, the public should be encouraged to reduce its use, also, because of the need to conserve energy wherever possible. A kilowatt is a kilowatt however it is used or saved.

If future power needs are to be provided for, recent environmental restrictions must be modified, particularly those controlling the use of coal. AEP produces some 93 per cent of its power from coal and most of its plants are located right over coal fields.

The company recently took out full page advertisements in all daily newspapers in its seven-state area urging President Nixon and the Congress to modify the Environmental Protection Agency requirements for measuring sulfur-dioxide emissions at generating plants and open large reserves of Government-owned low sulfur coal in the Far West.

Modifying EPA plant emissions could enable power plants to burn the billions of tons of mineable, high sulfur Eastern coal now available. The power industry seeks to measure emissions at the ground level, where they affect people, plants and animals, instead of at the top of 600-feet chimneys. Ground-level emissions are constantly monitored and can be controlled. Such controls would enable power plants to use high sulfur coal without violating air quality standards.

This modification would permit AEP to use the coal nearest its plants, reducing expensive transportation charges and thereby the costs of producing power which can be recouped, White reminded his audiences, only from the customers.

As it is, he predicted that the increased costs of materials, money and environmental restriction would double the cost of energy in the near future.

If these steps are taken, White said, the power industry, and AEP particularly, will be able to provide sufficient energy to meet present and future needs. There is enough coal in this country, he added, to last from 600 to 1,000 years at the present rate of consumption.

This was the message, then, Appalachian wanted to get across to the public. Judging from the interest shown and the quality of the question coming from the audiences, the people are keenly aware of the nature and extent of the energy crisis, are well-informed, and concerned. People with that attitude can get the best out of any situation.

The extent of that interest and concern was shown this week by General Electric Company's distribution of a detailed, documented book on conserving energy. Its statistics on home and commercial lighting as compared to heating corroborated White's estimates.

Basic energy uses were broken down to three categories: transportation—25.2 per cent; industrial—41.2 per cent; and residential and commercial—33.6 per cent. Of that 33.6 per cent, space heating consumed 53 per cent, water heating 12, air conditioning 8, refrigeration 7, lighting 5, other electrical appliances 5, cooking 4, clothes drying 1, and miscellaneous uses, 5.

In a letter accompanying the book, GE Vice President Richard P. Gifford called attention to the transportation statistics: automobiles consume 17 per cent of all energy used for this purpose. This equals the energy used for heating homes and offices. Yet, as Gifford pointed out, "how much less time we are in an auto vs home or office;" He also noted that there is a 9 to 12 per cent fuel saving in cutting back thermostats at night.

This is the kind of information—from Appalachian and GE—that the public needs to reach sound decisions and avoid snap judgments. It is reliable and the people can act upon it with confidence.

We particularly liked White's closing remarks concerning the lack of technology to construct high voltage lines underground and reduce the sulfur dioxide emissions from coal. There is no such technology now, he said, and no indication that there will be in the near future, "but, of course, everything is possible."

While we have reservations about that, one cannot but admire such an attitude. It is typical of American business and industry. It is the philosophy that built this country, and it is the philosophy that will save it.

SALUTE TO ARENDS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. DERWINSKI. Mr. Speaker, one of the great Congressmen of Illinois, Les Arends, has already announced his retirement. I believe it is especially significant that the constituents that Les has served so well, demonstrated their appreciation of his dedicated service by their commentary in the local papers in his district.

A very fine testimonial to Les appeared in the Williams Publications whose editor, Bill Williams has known Les for many years. The editorial by the publication very eloquently comments on Les's outstanding career.

The editorial follows:

Salute to Arends

Cong. Leslie Arends of Illinois, oldest Republican member of the U.S. House of Representatives in point of service, is going to call it quits.

A veteran of 20 campaigns, Arends, 78, has decided that he will not run for re-election next year. He made the announcement himself, from the floor of the House, and other members on both sides of the aisle gave him a standing ovation. A few shed tears. Speaker Carl Albert said the emotional reaction came from the "admiration and love and respect which every member of the House has for the distinguished gentleman from Illinois."

A native of Melvin in Ford county, Arends represents the 15th Congressional district, which includes nine counties, including Grundy. Before Congressional redistricting in 1971, he represented the old 17th district which included part of Will county. As Republican whip, a post he has held since 1943, Arends has a voice in the determination of party policy and strategy on all measures coming before Congress. He also is senior member on the House Armed Services committee.

Arends was first elected to Congress in 1934, one of the few GOP Congressional candidates to survive the Roosevelt-inspired Democratic sweep that year. He came into national prominence during the Eisenhower administration, when he was a frequent visitor to the White House and a favorite Eisenhower golfing partner.

A commanding figure with courtly manners and long, flowing white hair, the veteran congressman has never been the least bit flamboyant. But then he has had no need to be. He has earned the respect of his colleagues and the admiration of constituents by quietly doing the best job of which he was capable. His constituents have repaid his efforts in their behalf by sending him to Congress 20 times.

And now, by Arend's own decision, there will be no more campaigns. He said he talked the matter over with his wife and they had decided that the time had come for them to do some of the things they had always wanted to do.

Rep. Arends will be missed in Illinois political circles and on the Hill in Washington. So will his wise counsel.

REVENUE SHARING AND TAXES: A SURVEY OF PUBLIC ATTITUDES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. PICKLE. Mr. Speaker, it is important for the Members of Congress to be aware how the public feels about taxes and whether they feel the Federal Government is giving them their money's worth. In these times of rising prices we need to be particularly conscious of the burden of taxation and how the American taxpayer who must pay the bills views the Federal programs. The Advisory Commission on Intergovernmental Relations that was created in 1959 to monitor the operation of the American Federal System and to recommend improvements has published a survey that was conducted by the Opinion Research Corp. of Princeton, N.J., as a result of opinion sampled last May that I thought was interesting. It was particularly encouraging to read that the public thinks that the Federal Government gives the taxpayer the most for his tax dollar. However, a change in the public's attitude toward the personal income tax was noted and while this may be because of the way the question was asked this year, this was before the recent controversy over the President's tax returns arose and may indicate increasing dissatisfaction with this tax and a need for reform.

The staff interpretation of the data follows submitted by Wm. R. MacDougall, Executive Director of the Advisory Commission on Intergovernmental Relations:

Revenue Sharing and Taxes: A Survey of Public Attitudes

INTRODUCTION

Three major findings emerged from an appraisal of public opinion on revenue sharing and taxes conducted in May of this year.

1. By a large margin, the American public approves the present Federal revenue sharing program. Yet, the public also believes that Federal dollars are more efficiently used when directed to specific purposes rather than given to State and local governments to spend as they think best.

2. People feel that the Federal government gives the taxpayer the most for his tax dollars. The "most-favored" position of the Federal government relative to State and local governments is slightly less pronounced than it was the year before when ACIR asked the same question in a similar poll.

3. The Federal personal income tax and the local property tax are virtually tied as the least fair tax. This is a major change in results from a year ago when the local property tax was declared the most unfair tax by a wide margin.

REVENUE SHARING

The revenue sharing program was strongly supported by public opinion. Specifically, the question and national response were:

In addition to providing certain monies to State and local governments for specific purposes, the National government has begun a new form of Federal aid called revenue sharing. Under this new program, State and local governments will receive $5.5 billion this year to use as they think best. Do you favor or oppose this new revenue sharing form of Federal aid?

[Percent of total U.S. public]

Favor	56
Oppose	18
No opinion	26

All categories of respondents exhibited this strong response in favor of revenue sharing. (*See Table 1.*)

FEDERAL DIRECTION VS. LOCAL DISCRETION

The research queried people about their attitude toward the principle of revenue sharing—the provision of Federal financial assistance to States and localities with no expenditure "strings" attached.

Specifically, the question and national response were:

When the Federal government gives funds to State and local governments, do you feel the money is used more efficiently when it is given out for specific purposes or when it is given out for the State and local governments to use as they think best?

[Percent of total U.S. public]

For specific purposes	48
As they think best	30
No opinion	22

This preference for Federal "strings" over local discretion was exhibited by all categories of respondents. (*See Table 2.*)

LEVEL OF GOVERNMENT

More Americans feel that they receive more for their money from the Federal government than they do from State or local governments. Both last year and again in May of this year, the public was asked:

From which level of government do you feel you get most for your money—Federal, State or local?

[Percent of total U.S. public]

	1973	1972
Federal	35	39
State	18	18
Local	25	26
Don't know	22	17

Most interestingly, while some diminution in public esteem for the Federal level did occur, this decline did not redound to the benefit of State and local governments—it merely increased the "Don't know" category. To put it in another way, a "bad press" for the Federal government does not appear to enhance the standing of State and local governments. (See Table 3.)

THE LEAST FAIR TAX

A remarkable shift appears to have occurred in public thinking about the "worst" tax. The research last year reported that the local property tax was by far the most unpopular of all the major revenue producers. This year it was almost a standoff between the Federal income tax and the local property tax when the respondents were asked to designate the "worst" tax. Also the State sales tax was mentioned more frequently as the worst tax in the current survey.

These findings emerged when the pollsters asked,

Which do you think is the worst tax—that is, the least fair?

[Percent of total U.S. public]

	1973	1972
Federal income tax	30	19
State income tax	10	13
State sales tax	20	13
Local property tax	31	45
Don't know	11	11

This dramatic shift in public attitude may be more apparent than real. Last year the respondents were asked four tax preference questions before they were asked to respond to the "worst tax" question. (See Appendix A.) This year due both to the interest in federal revenue sharing and to budgetary constraints, the tax preference subject was limited to the "worst tax" question. Thus, the fact that this year the respondents were "hit cold" when asked their views on the "worst tax" may partially explain the significant differences on this issue in the results obtained by the 1972 and 1973 surveys. (See Table 4.)

To the extent that there has been an actual change in tax preferences, several factors may account for it. A year ago the property tax was being denounced by policy makers at all levels of government and judicial decisions had created the impression that the local property tax was ill-suited as a means of financing schools. At the time the second poll was take the property tax was enjoying a somewhat better press. Moreover, in the course of the year, pressure on the local property tax has been reduced by the earmarking of Federal revenue sharing funds and state surpluses for new property tax relief programs.

DESCRIPTION OF POLL

This report is based on the findings of a personal interview research survey conducted among 2,023 men and women 18 years or over living in private households in the continental United States.

Interviewing for this survey was completed during the period May 12 through June 3, 1973, by members of the Opinion Research Corporation national interviewing staff. All interviews were conducted in the home of respondents.

The most advanced probability sampling techniques were used in the design and execution of the sample plan and the results, therefore, may be projected to the total U.S. population of men and women 18 years of age or over.

Only one interview was taken per household, regardless of the number of people 18 years of age or over in the household. Weights were introduced into the tabulations to ensure proper representation in the sample.

RETIREMENT OF MARY LOUISE SERRIN

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. EILBERG. Mr. Speaker, I would today like to pay tribute to a person who has given many years to serving the American public. Mary Louise Serrin, chief of the telephone and personal the Department of State, is now retiring.

Mrs. Serrin has been in public service for more than 46 years. In 1927 she worked for the Department of Agriculture and the War Department and, thereafter, joined the Visa Office where she has worked for 45 years which includes 21 years in her present position.

Like many of my colleagues, I have had constituents with relatives abroad who have immigrated to, or visited the United States. Inevitably, some of these immigrants and visitors have had problems. In seeking the assistance of Mrs. Serrin, she has always demonstrated a willingness to cooperate and has made every effort to resolve their difficulties Through Mrs. Serrin's dedication and hard work, she has developed a profound knowledge of the intricate laws and regulations which characterize our visa process. Because of her expertise, she has been able to handle the many cases that have come to her attention in an efficient and equitable manner.

Mrs. Serrin has a deep interest in people and a genuine desire to help them. Her continued interest in the public has never waned. I am certain it will be very difficult to fill the position that Mrs. Serrin leaves in the Visa Office. However, my colleagues and I wish her the best of everything in her retirement years.

ADMINISTRATOR OF SOCIAL AND ECONOMIC STATISTICS ADMINISTRATION SHOULD BE CONFIRMED BY SENATE

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WHITE. Mr. Speaker, on July 12, 1973, I introduced H.R. 9260, which provides that the Administrator of the Social and Economic Statistics Administration—SESA—of the Department of Commerce shall be subject to confirmation by the U.S. Senate.

My bill is identical to S. 2020, introduced by Senator WILLIAM PROXMIRE, Democrat of Wisconsin.

The Subcommittee on Census and Statistics, of which I am chairman, has jurisdiction and legislative oversight over the Bureau of the Census and the collection of Federal statistics generally.

I believe that Congress should have the final say in who heads the statistical agencies of our Government, and that the private and public sectors should be afforded an opportunity to voice their support for, or opposition to, the persons nominated to head such agencies. H.R. 9260, and S. 2020, will accomplish that end as far as SESA is concerned.

The position of Administrator of SESA is a very important one. At least 16 of the major monthly economic indicators are prepared by the Department of Commerce and SESA. These include: The Nation's income, expenditure, and savings accounts; the gross national product; sources of personal income; national income; disposition of personal income; corporate profits; gross private domestic investment; new plant and equipment expenditures; new construction; new housing starts; business sales and inventories; manufacturer's shipments, inventories, and new orders; merchandise exports and imports; the U.S. balances of goods, services, and transfers; the U.S. overall balances of international transactions; and the Federal sector of the national income accounts.

These are among the most important and sensitive statistics the Government produces. They are equaled in importance only by the unemployment figures and the Consumer and Wholesale Price Indexes.

Moreover, the Administrator of SESA has under him the Director of the Bureau of the Census, who by law is required to be confirmed by the Senate. This anomaly should be corrected.

The only statistical position in the Government in comparable importance to the head of SESA is that of the Commissioner of the Bureau of Labor Statistics. That position is for a 4-year term and also requires Senate confirmation.

It is imperative that only persons of demonstrated professional eminence and competence be appointed to the important position of Administrator of SESA, and this goal can be obtained through the process of Senate confirmation required by my bill. I strongly urge that my colleagues give H.R. 9260 their serious and favorable consideration.

PENNSYLVANIAN HONORED

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. GAYDOS. Mr. Speaker, years ago when I embarked on a career in public service I was fortunate to come under the tutelage of a man who lived by the concept that a public office was a public trust—something sacred and never to be violated.

It was a principle this remarkable gentleman practiced throughout his 36 years of service in various levels of government—local, county, State, and Federal. It was the philosophy he instilled into those he helped in political life, including two U.S. Congressmen, two judges of the Pennsylvania Court of Common Pleas, and a host of lesser public officials.

Yet, though this wise and respected man touched elbows with some of the most prominent leaders of our time, including two Presidents of these United States, he, himself, never wandered far from those he had been chosen to serve. He walked with the people of his community, talked with them, listened to them, and took their opinions and advice under consideration.

It is true he was a political leader; in fact, one of the most astute in southwestern Pennsylvania. He served many years as tax collector of his community, chairman of the Democratic organization there, and as a National Democratic committeeman. But, this man was much more than just a political figure. He was a sports enthusiast in the community, active in civic and community affairs, a devotel husband and father, and a true and loyal friend to those fortunate enough to know him.

Last weekend this gentleman, who is the most outstanding individual it has been my privilege to associate with, was honored by his friends and neighbors. I was proud to be chosen to participate in this testimonial, I was delighted that the wife and family of the honoree were able to witness the tributes accorded their husband and father and to see for themselves the esteem in which he is held by the residents of his home town.

I shared the program with a host of distinguished guests and citizens. Among them were Judge John P. Hester, Judge Samuel P. Weiss and Judge Robert A. Doyle of the Pennsylvania Court of Common Pleas; Judge Joseph Weis of the Federal 3d Circuit Court; State Senator Edward P. Zemprelli and State Assembly Regis Malady; County Commissioner Leonard C. Staisey; County Sheriff Eugene L. Coon; County Register of Wills, Mrs. Rita Wilson Kane; Pittsburgh Controller, John E. McGrady; Glassport Mayor, Charles C. Gorun; Nicholas G. Siudela, president of the Polish American Political Club; the Reverend Stanley Jozwiak of Holy Cross Roman Catholic Church; Felix P. Zyra, past Commander of Post 433, American Legion, and Walter Cross, chairman of the testimonial committee.

Mr. Speaker, with great pride and pleasure I call the attention of my colleagues to a man I believe exemplifies all that we consider the qualities of a true and great American—Joseph T. Witkowski, of Glassport, Pa. On behalf of my colleagues, I extend to Mr. Witkowski, his gracious wife, Amelia, and their four children my very best wishes for a long and healthy future together.

JOSEPH VERNER REED DIES

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. GIAIMO. Mr. Speaker, it is with deep regret that I call to the attention of the House of Representatives the recent death of a great and multitalented man, Joseph Verner Reed. As one of the founders of the famed American Shakespeare Festival at Stratford, Conn., and as a man who headed the Connecticut Commission on the Arts for a number of years, Mr. Reed is well-known and respected in my State. His fame and his influence were not limited to Connecticut, however, and I know that many of my colleagues in this House are already familiar with the many accomplishments of this outstanding man as an author, an international diplomat, a devotee of the arts and a philanthropist.

A man of great vision and foresight, Mr. Reed's efforts to help develop a major theatrical activity outside New York City gave American actors vastly increased opportunities to perform the classics and brought pleasure and increased cultural opportunities to countless thousands of theater-lovers. He was active in the famous Shakespearean Festival at Stratford, Conn., from its inception, serving first as a trustee of the American Shakespeare Festival Theater & Academy there and later as its president and executive producer. At the time of his death in November and at the age of 71, he still served as chairman of the board.

Throughout his long and active life, Mr. Reed had many interests in this country and abroad. His career included service as a special assistant to the Ambassador of France from 1957 to 1960. He wrote of his experiences as a cultural attache in the well-received and highly acclaimed book "To the Embassy," published in 1963. Theater and the arts remained his primary concerns throughout his lifetime. Widely known nationally and abroad among patrons of the arts, Mr. Reed was hailed in my home State not only for his work with the Shakespearean Theater but also for his leadership as chairman of the Connecticut Commission on the Arts and his service as a member of the University Council of Yale University, his alma mater.

Mr. Speaker, I wish to extend my condolences to Mr. Reed's family in their loss. At this point, I insert in the RECORD the New York Times' account of the exceedingly full and active life of this outstanding man, Joseph Verner Reed:

JOSEPH VERNER REED, 71, DIES; LED STRATFORD, CONN., FESTIVAL

(By Steven R. Weisman)

Joseph Verner Reed, a founder of the American Shakespeare Festival in Stratford, Conn., and a leading patron of the American stage for a generation, died yesterday in Memorial-Sloan-Kettering Cancer Center. He was 71 years old and lived on Jupiter Island, Hobe Sound, Fla.

During a career that included a great variety of accomplishments, Mr. Reed was a hustling theatrical entrepreneur in New York, a land developer in Florida, a diplomat in Paris, a newspaper reporter, art collector, author and loving compiler of word games and cryptograms.

But nothing enticed him as much as the theater. No experience, he once wrote, equaled the thrill of sitting in a front row, "living it, loving it, as the curtain falls."

"The Curtain Falls" was, in fact, the title of Mr. Reed's first book, published in 1935, which Brooks Atkinson, former drama critic of the New York Times, praised for its insight, its evocation of the frantic chanciness of theatrical success and, most of all, its gracious sense of humor. He termed it "one of the most amusing volumes the theater has recently yielded."

The book was something of a valedictory to a short, tempestuous and financially disastrous career with the New York Stage, and Mr. Reed promised himself and others that never again would he return to the headaches of producing plays.

He bought property in Florida and developed it as a resort then served in the Army Signal Corps during World War II, attaining the rank of major, then plunged into a variety of civic and philanthropic activities in New York.

In 1955, however, Mr. Reed was lured back to the stage to become a trustee and later president of the American Shakespeare Festival Theater and Academy in Stratford, founded that year by Lawrence Langner. In 1961, he was named executive producer of the theater after the resignation of its artistic director. He served as chairman of the board until his death.

Joseph Verner Reed was born in Nice, France, Jan. 18, 1902, the son of Verner Zevola Reed, a banker and mine-owner in Denver, and the former Mary Dean Johnson. The son grew up in Denver and graduated from Phillips Academy in Andover, Mass., and in 1926 from Yale College.

INCOME ON INCOME

Once out of college, as he later put it, there was nothing to do but earn income on his income, so he worked for a while as a reporter for The Chattanooga Times and later began an apprenticeship as a messenger-runner on Wall Street. In 1929, Mr. Reed jumped into the theater with an associate, Kenneth Macgowan, beginning what one writer later said was to be a long "acquaintance with red ink."

In four years, Mr. Reed's career in show business never really reached a stable level of success. Among the plays he and Mr. Macgowan produced for Broadway were "Children of Darkness," "Twelfth Night," "Mr. and Mrs. Bottle," "Lady With a Lamp," and "Springtime for Henry."

After that Mr. Reed bought Jupiter Island and substantial property on the mainland of Hobe Sound and started the Hobe Sound Company to develop it. He entered the Army in 1941 and, upon his return, became a trustee of the Yale University Art Gallery, the Al-Shakespeare Association of America as well as a fellow of the Morgan Library.

An active Republican, Mr. Reed served from 1957 to 1960 as a special assistant to the Ambassador to France, Amory Houghton, working as a cultural attaché.

FOUNDED TRITON PRESS

His experiences were recounted in another well-received book, 'To the Embassy," published in 1963.

Mr. Reed also founded the Triton Press in New York, which specialized in printing art books. Under his leadership, the company reproduced the work of Andrew Wyeth in limited-edition folios.

Among Mr. Reed's other activities were his service on the Yale University Council from 1962 to 1968 and the chairmanship of the Connecticut Commission on the Arts.

He is survived by his widow, the former Permelia Pryor, whom he married in 1927; a daughter, Mrs. Laurel Reed Hemmes; 4 sons, Adrian, Nathaniel, Samuel and Joseph Jr., and 16 grandchildren.

There will be a funeral Wednesday at noon in Christ Church (Episcopal) Greenwich, Conn.

QUESTIONNAIRE RESULTS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. COLLINS of Texas. Mr. Speaker, it has been my regular practice since entering Congress to periodically poll my constituents about their views on many of the most pressing issues which face Americans today. I have received thousands of responses to my most recent questionnaire. I am entering the results of this survey in the CONGRESSIONAL RECORD to share with my Third District constituents and also with my colleagues here in the U.S. Congress.

One issue which has been the subject of a great deal of discussion in Congress is the Federal registration of firearms and other gun control measures. The responding citizens of the Third Congressional District have clearly indicated their opposition to any form of gun control or registration. Sixty-eight percent favored no gun control laws while 32 percent preferred gun control. Of that 32 percent, 11 percent would not accept gun control if it infringed on the individual rights of sportsmen. Most respondents argued that the Federal Government has no constitutional right to control firearms. Some asked that severe mandatory punishments be imposed on those who use firearms during the commission of crimes.

By a margin of 58 to 42 percent Texans favored conversion to the metric system by the United States. Many noted that the United States is the only nation in the world not using the metric system, which places "American industry at a tremendous economic trading disadvantage." Several parents mentioned that their children are already learning the metric system in school.

Most Third District respondents indicated that the energy shortage this Nation presently faces, warrants measures which would greatly increase the exploration and supply of oil and natural gas. The vast majority favored delays in implementation of air quality standards. Eighty percent favored the reduction of Environmental Protection Agency's air quality standards to permit the increased burning of coal. The survey pointed out that 83 percent favored, both, the reduction of new car emission controls and the elimination of environmental lawsuits against companies which build energy pipelines and participate in offshore drilling.

Ninety-two percent of those Third District residents responding favored the restoration of the 27.5 percent oil depletion allowance to provide sufficient incentives for increased oil exploration.

Furthermore, 58 percent would deregulate the price of natural gas to stimulate exploration.

Many constituents wrote that the United States must remain concerned with improving the quality of our environment; however, with serious energy shortages we need to move forward slowly and with moderation. "We need to balance our need for fuel conservation and our desire for clean air," one constituent noted.

The subject of providing tax credits to parents who send their children to non-public schools and colleges brought a 60 to 40 favorable response.

Eighty-eight percent of Third District residents signified that they oppose the Department of Transportation's directives which force car manufacturers to equip cars with mechanical devices forcing mandatory use of seat belts and shoulder harnesses. While many respondents indicated that they normally use seat belts, they resent the Federal Government "forcing" them to use these restraints. Many comments were received about malfunctions of the starter-interlock system which comes on 1974 cars.

Fifty-one percent of those answering the questionnaire believe the President's authority to impose price and wage controls on the economy should not be extended. Forty-nine percent favored the extension of the President's authority.

I believe the last question provided a fairly accurate barometer of the issues that are most important to the citizens of the Third District. As a top priority the majority called on Congress and the President to act swiftly and effectively in dealing with the energy crisis. Nearly 25 percent expressed the desire to see the Watergate matter brought to a swift conclusion in order that the public and the Congress refocus its attention on other important national concerns. While both these two issues were predominant, the need to stop busing and to curb inflation were very frequently mentioned.

It is with considerable gratitude that I thank those of my constituents who completed this questionnaire. I am always glad to receive your comments on national issues.

Mr. Speaker, I hope that this summary of the results of my recent survey will aid the Congress in properly assessing the mood and priorities of Americans.

AGE REQUIREMENTS FOR SERVICE IN CONGRESS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. DRINAN. Mr. Speaker, yesterday the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee, chaired by the distinguished Senator from Indiana, Mr. BIRCH BAYH, held hearings on a proposed constitutional amendment to lower the age for eligibility for election to Congress. The proposed amendment, would lower the age for eligibility in the Senate from 30 to 27 years and in the House from 25 to 22 years.

One of the witnesses was a very bright young man named Charles Schollenberger, a student at the College of Wooster in Wooster, Ohio. Mr. Schollenberger has made an excellent and indepth study of the constitutional history and desirability of this amendment. I commend the text of this young man's testimony to my colleagues:

TESTIMONY TO BE DELIVERED BEFORE THE SENATE JUDICIARY SUBCOMMITTEE ON CONSTITUTIONAL AMENDMENTS ON LOWERING THE AGE REQUIREMENTS FOR SERVICE IN CONGRESS

(By Charles D. Schollenberger)

Senator Bayh, Representative Drinan, members of the Senate Judiciary Committee and fellow guests,

It is an honor to appear before the distinguished members of this Senate subcommittee on Constitutional Amendments to present testimony in favor of a constitutional amendment to lower the age requirements for service in Congress.

My name is Charles D. Schollenberger and I am a student majoring in political science at the College of Wooster, in Wooster, Ohio. My experience in the subject of concern today has been wide. I have been committed to opening our government to youthful participation for five years now: first in lowering the voting age, and now in lowering the age requirements for services in Congress. In 1969 I helped in a campaign to lower the voting age in my native Ohio, and testified before a committee of the Ohio legislature to that effect. In 1970 I participated in the movement for a new Congress, and organized a group of students at my college who donated a considerable amount of their time to elect a peace candidate to Congress. That candidate, incidentally, was elected and has served in the Congress with distinction. I have been an advocate of lowering the age of service in Congress since December, 1971. In May of this year, while attending American University, I completed a fifty page study on this proposed amendment and the likelihood of its passage. My last qualification is that I am a young man myself, and am interested in applying my talents in politics. I thus offer testimony in support of Senate Joint Resolution 5, which follows:

That the following article is proposed as an amendment to the Constitution of the United States:

Section 1. No person who shall have attained to the age of twenty-two years shall be disqualified to be a Representative on account of age.

Section 2. No person who shall have attained to the age of twenty-seven years shall be disqualified to be a Senator on account of age.

There are many reasons for lowering the age requirement for service in Congress. This world is a much different place today than it was in 1789 when the Constitution was adopted. Our citizens have the benefits of public schools now, and in 1970 seventy-five percent of those eligible to attend high school were graduated from them. In contrast, in 1910 only fourteen percent of those eligible were graduated from high school. The number of college graduates has increased five-fold in that same period. Our young citizens are not only better educated, they have newspapers, magazines, radio, and television to bring the news of happenings around the world to their immediate attention.

Young people are taught in the schools today to be socially and politically conscious and are encouraged to become involved in civic affairs. Any person may observe City Council meetings throughout the country and many of our schools have governments in which students participate. The world is indeed a much different place today than it was even in Abraham Lincoln's time. Yet Lincoln, who had less than a year of formal schooling in his entire life, began his public career at the age of twenty-three.

There can be little doubt that this present generation is one of the best informed and best educated and best prepared to enter public service in history. This already has been recognized in many places. In eighteen of our states, young people under twenty-two years of age serve in both houses of State legislatures. Overseas individuals below the age of twenty-two serve in the parliaments of Great Britain, Australia, Finland, Denmark, Sweden, Switzerland, Indonesia, the People's Republic of China, and several other countries. In Finland, Iceland, and New Zealand the age requirements for serving in Parliament is twenty years. In Canada the minimum age for a member of the lower House is eighteen years. It is interesting to note that in the states of three members of this committee—in California for Senator Tunney, in Hawaii for Senator Fong, and in Nebraska for Senator Hruska, the minimum age for serving in both houses of the State legislature is eighteen years. The same situation exists in the state of the distinguished Majority Leader, Senator Mansfield, and in my own state of Ohio. Young people also constitute a sizable element in our population; former Senator Fred Harris said in Senate debate on March 11, 1970 that one half of the American population will be under twenty-five by 1972. Increasingly, young people's lives are affected by decisions of peace and war and government policies concerning everything from educational loans to the Selective Service System to job opportunities. Young people deserve a role in the policy-making process that affects their lives.

Another persuasive argument for amending the Constitution to permit youthful participation in Congress is that young people have often started a family or another career upon becoming twenty-five, and this tends to discourage government as a career. Congress turns away many talented individuals because they must make a living in some other way. Mr. Chairman, by the time we're twenty-five or thirty we have just begun a career and it is not easy to leave. Why not let us begin a career in government? That people under twenty-five serve in legislatures around the world is a recognized fact.

It is time that we recognize that young people have a significant contribution to make in the national interest. Not every young person will seek a career in government, but those of the caliber of John F. Kennedy who was himself a youthful career politician would be reason enough to lower the age requirements. The move to amend the Constitution to allow younger people to serve in Congress might be seen as a sequel to Vote 18. Age requirements for Congress would be lowered the same amount—by three years—as was the voting age.

One of the great strengths of the American politcal system is that it invites participation from young and old alike. It has been said that our democracy is the history of an everwidening participation of a people in the affairs of its nation. Democratic societies can only gain by opening wider access to their most meaningful political processes to more of their people. This amendment would do just that.

Let me point out some reasons given by the founding fathers for the present age requirement. James Madison wrote in the *Federalist Papers,* No. 62, that:

"A senator must be thirty years of age at least; as a representative must be twenty-five. And the former must have been a citizen nine years; as seven years are required for the latter. The propriety of these distinctions is explained by the nature of the senatorial trust; which, requiring greater extent of information and stability of character, requires, at the same time, that the senator should have reached a period of life most likely to supply these advantages."

That was James Madison writing in 1787. But I contend that today a young person of twenty-seven years has a "greater extent of information" provided by nearly universal secondary education, the newspapers, and the other media, than did the young person of age thirty in 1787. Furthermore, the young person of twenty-seven years today is held by many states as legally accountable for his actions from the age of eighteen years, *for nine years* before qualifying to run for the Senate under the proposed amendment. Thus Madison's second criterion of "stability of character" is also recognized at an earlier age today in many states.

I recently wrote to Dr. Margaret Mead, the distinguished anthropologist, concerning "stability of character" at age thirty. Dr. Mead replied:

"Since Madison recommended 30 as the age for Congressmen, the average age of puberty has dropped some twenty months and the level of education has risen enormously . . . Younger people are therefore more physically mature and more mentally sophisticated than at the founding of the United States. Furthermore, with the present rapid culture change, young people have experienced new situations while they were growing up which their elders have only encountered as adults and young people are therefore able to contribute new viewpoints on new aspects of our social life."

Dr. Mead's statement leaves little doubt that both Madison's criteria of "extent of information" and "stability of character" are thus met at an earlier age today than in 1787, when the Constitution was first proposed.

We also have record of opposing viewpoints of the founding fathers on the age for service in Congress, largely because Madison took painstaking notes of the proceedings of the Constitutional Convention. For example, one founding father who favored no age requirements was James Wilson, the distinguished jurist and delegate from Pennsylvania. Madison gives an account of a motion to make the age for the House of Representatives twenty-five years in his journal entry of Friday, June 22, 1787:

"Mr. Wilson was agst. abridging the rights of election in any shape. It was the same thing whether this were done by disqualifying the objects of choice, or the persons chusing. The motion tended to damp the efforts to genius, and of laudable ambitions. There was no more reason for incapacitating *youth* than *age,* when the requisite qualifications were found. Many instances might be mentioned of signal services rendered in high stations to the public before the age of 25: The present Mr. Pitt and Lord Bolingbroke were striking examples."

Thus we have evidence that James Wilson, one of the founding fathers of the Republic, felt, as we do today, that significant contributions in the public interest can be made by persons before attaining twenty-five years, and that they should therefore be seated in the Congress. Unfortunately, James Wilson did not prevail upon the men of his time, so we must try to prevail upon the men and women of ours. Incidentally, the Mr. Pitt referred to by Wilson was probably William Pitt, the British champion of the House of Commons.

Pitt became a Member of Parliament and and Chancellor of the Exchequer at age twenty-one and Prime Minister at age twenty-four. History tells us that our founding fathers were themlseves a youthful group: Alexander Hamilton was writing pamphlets for the patriot cause at age nineteen and was elected as a delegate to the Confederation Congress at age twenty-seven. James Madison helped to write the first independent Virginia Constitution at the age of twenty-five years. A leader of a different era—Theodore Roosevelt—became a New York state assemblyman at the age of twenty-four. Abraham Lincoln, as was mentioned earlier, began his public career at the age of twenty-three. Young people have served in positions of authority in the past and have served notably.

I would now like to refer to the findings of my study of legislation to lower the age required for service in Congress. The situation today, with regard to lowering the age for membership in the House and Senate, is comparable to the situation of lowering the voting age some three and a half years ago. Bills have been introduced in both houses to amend the Constitution to allow persons twenty-two years of age and older to serve in the House of Representatives, and persons of twenty-seven years of age and older to serve in the Senate. In my study I used a technique which involved hypothetical roll call votes. These hypothetical votes were on the amendment under consideration, and were determined by the members voting record on lowering the voting age. The hypothetical votes were projections of the outcome of voting behavior on lowering the voting age. The study analyzes a number of roll call votes on this issue in the House and Senate, and assumes that those members who consistently supported lowering the voting age were likely to support lowering the age of service in Congress. Only time will reveal the accuracy of this method, but it did correctly predict the sentiments of thirty-four members of the House of Representatives who were co-sponsors of the amendment in the House.

The findings were not encouraging. According to my study, the chances of reporting the amendment out of this subcommittee and the full Judiciary Committee seem slim. It centers on a possible switch vote, although it admittedly does not take into account popular response to the issue, and the impact of these very hearings on committee members. An interesting corollary to the study would involve polling committee members after these hearings to learn of any change in your opinion.

Despite the dim outlook for the bill in this committee, a hypothetical roll call vote to lower Congressional age requirements passed by a comfortable margin in the whole Senate, although it fell eight votes short of the necessary two-thirds majority needed to pass a constitutional amendment. Passage could, however, be affected by recruiting eight votes from among the undeclared votes. The hypothetical popularity of the measure in the whole Senate could indicate that the position of the members of the Judiciary Committee are not representative of the Senate as a whole.

The situation in the House was not so optimistic. If my figures err, I believe they err on the side of optimism for passage because the present amendment is not as compelling as the Vote 18 amendment. The Vote 18 amendment, properly the twenty-sixth amendment, affected eleven million people, and these eleven million, once enfranchised, could vote against incumbents who voted against their enfranchisement. So a pressure existed for Vote 18 that does not exist for a lowered Congressional age. The difficulty to be overcome then is reporting the bills out of committee. Once this is done in the Senate, I believe that the measure stands a fair chance of passage. Once the bill is reported out in the House, I believe that a large lobbying effort will be needed to secure the necessary two-thirds majority.

As a student of political science, I hope that my figures are correct, but as a partisan in favor of the amendment, I hope that they are not. Only time will reveal this, and until then this somewhat crude guess will have to suffice. I am anxious to see how close my hypothetical votes come to what happens. I will leave a copy of my paper with the chief sponsor of the bill. Senator Bayh.

Mr. Chairman, and distinguished members of the subcommittee, give us the chance to enter public service at an earlier age and we will accept the challenge. I issue a call to my contemporaries—let us seek public service and devote our talents to making America a strong yet just nation. For in a few short years the destiny of our nation will be intertwined with our own. This generation might remake America in an image of justice and compassion. It will shape and set foreign and domestic policy for the next fifty years. Some cry to "stay away" from the political system, but those who stay away are destined to suffer government by default. Let us be motivated in our efforts, in the words of a government conference held several years ago, by a disappointment over and love for the unfulfilled potential of this nation.

ERNEST PETINAUD

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WALDIE. Mr. Speaker, I know of no person in Washington who has been more solicitous of my needs or more responsive to and understanding of my constituents than has been Ernest Petinaud.

Not only have I felt more comfortable in the sometimes puzzling climate of the House of Representatives because of Ernie and his warmth but my constituents have left Washington impressed with the House—and often with me—because of Ernie's never failing humor and warmth as he greets them and me in the House restaurant.

We will miss him. I have already.

THE RIGHT TO FINANCIAL PRIVACY ACT

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WHITE. Mr. Speaker, on September 10, 1973, I introduced H.R. 10139, the "Right to Financial Privacy Act of 1973," which has been referred to the Committee on Banking and Currency.

I introduced this bill to accomplish three goals:

First, the confidential relationships between financial institutions and their customers are built on mutual trust. This trust must be preserved and protected.

Second, the procedures and policies governing the relationship between financial institutions and Government agencies have, in some cases, developed without due regard for the constitutional rights of American citizens. This situation must be remedied.

Third, customers of financial institutions often have no protection against unwarranted disclosure of their financial records without their consent. This protection must be assured.

My act would prohibit any Federal agency or employee, or any State or local government, from obtaining copies of, access to, or the information contained in, the records of any financial institution's customer unless the records are described with particularly and: First, the customer has authorized such disclosure, or second, such records are disclosed in response to an administrative subpena or summons, a court order, or a judicial subpena.

The act further states that no financial institution may provide to a Federal agency or employee, or to any State or local government, copies of, or the information contained in, a customer's financial records except in accordance with the act's requirements.

Moreover, the act provides that the Treasury Department may not require an institution to maintain or transmit any financial records on its customers unless such records are required for use by an agency of the Treasury, or are required to be maintained by the Internal Revenue Code.

Those, in essence, are the primary provisions of my act.

Mr. Speaker, in recent years we have seen all too much of an increase in the power of Government—Federal, State, and local—at the expense of the individual and his privacy. If this trend continues, the Orwellian "big brotherism" predicted for barely more than a decade hence may well occur.

The U.S. Supreme Court enunciated the doctrine of an individual's legal right to be free from unwarranted invasions of his privacy only a few years ago. Yet, the past few months' revelations of the "Watergate horrors" are ample evidence that unethical invasions of our citizens' legal right to privacy continue untrammeled. In addition, we have seen proposals bandied about that call for a centralized Federal data bank whereby every conceivable type of data on individuals can be collected and stored.

The problems confronting those who believe in the right of the individual to his privacy are not soluble by any one piece of legislation.

Nonetheless, I submit that my act is a needed step in the right direction in the area of the individual's right to privacy regarding his legitimate financial transactions. I believe this act strikes a proper balance between protection of the American citizen and the valid needs of the Government.

It is my hope that my colleagues will give H.R. 10139 their serious consideration.

EMERGENCY COAL ADMINISTRATION NEEDED

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. PEPPER. Mr. Speaker, we have necessarily had to concentrate in recent days on the problem of saving energy and allocating the limited supplies as equitably as possible among the various users of energy in our society.

This troubled me, especially when I learned that the United States has half of the world's known reserves of coal—enough coal to meet our total energy needs for hundreds of years. Coal cannot easily replace petroleum for the manufacture of gasoline for motor vehicles and aircraft, although even this is possible as the German Government demonstrated during World War II, when it manufactured the gasoline for its planes and tanks from a coal processing plant in what is now East Germany.

Nevertheless, it is entirely feasible to generate most of our electricity from coal and to vastly expand the use of coal as an energy source through the development of coal gasification and coal liquefaction processes that are now at or near the commercial operations stage. It is possible to do this without undue damage to our environment, if we facilitate the use of the production methods and equipment that meets the approval of our environmental protection authorities.

What is missing, I believe, is the focusing of responsibility and concentrating of authority for getting the job done. We did this in World War II when we established production czars who had the authority to set goals, establish priorities and mobilize the resources to see that what was needed for the war effort was produced and delivered where it was needed and when it was needed.

We must do this with the coal production problem. If we do, I am convinced that we can increase our coal production substantially during the current energy emergency and move on from there to a greatly expanded utilization of coal to meet the energy needs of the American people for many decades ahead. We can come much closer to self-sufficiency in energy than any other country in the world, as a result of our great coal deposits, and I believe the American people will demand that we use this great energy resource to meet their needs.

I therefore, have introduced H.R. 12045, the Emergency Coal Administration Act of 1974, which would establish an Emergency Coal Administration under the present Federal Energy Administrator, Mr. William Simon, so that he will have not only the authority to allocate scarce fuels, but the power to develop greatly expanded energy resources for the American people for the future.

A summary of the provisions of H.R. 12045 is contained in the new release I issued at my news conference today. I include this summary in the RECORD, along with the text of H.R. 12045 at this point in the RECORD:

NEWS RELEASE FROM THE OFFICE OF REPRESENTATIVE CLAUDE PEPPER OF FLORIDA

WASHINGTON, Dec. 20.—Congressman Claude Pepper (D-Fla.) announced today the introduction of legislation to create an Emergency Coal Administration with extraordinary powers to develop the vast coal resources of the United States.

His bill would make Federal Energy Administrator William Simon also the Coal Administrator who would have powers similar to those of the war production czars who mobilized the industrial resources of the country in World War II.

"The greatest energy resource the United States has is its coal. We have half of the world's known coal reserves, enough to supply a major part of our energy needs for hundreds of years. Yet we have let ourselves become dependent upon foreign oil, even for the generation of electricity, and in doing so, we have made ourselves vulnerable to economic disruption and political blackmail by these foreign oil producing countries," Pepper said.

"If we are to achieve any degree of self-sufficiency in energy production by 1985 or any time in this century, we will have to utilize the coal resources at our disposal within our own borders."

Pepper noted that the Joint Economic Committee has published a study showing that coal accounts for 73 percent of the total recoverable fossil fuels in the U.S. Oil and natural gas account for 9 percent and oil shale about 17 percent.

To utilize this energy resource, Pepper said, "it is necessary that there be a single agency with adequate authority to coordinate all elements necessary for the desired increase in the production and conversion of coal into energy."

To accomplish this the Coal Administrator would be empowered to set goals for the production and conversion of coal into energy, to assure a market for coal producers by giving them long term contracts for the purchase of their output, to resell the coal to utilities and other users, and to issue producion orders to give coal producers first claim on materials and supplies needed to increase production, transportation, and conversion of coal into energy.

The Administrator also would be authorized to make loans to those engaged in the production, transportation and conversion of coal for energy purposes, to give financial assistance to railroads to buy additional coal hopper cars and to improve their roadbeds, and to give financial aid to utilities and others converting to the use of coal as a source of energy.

To minimize pollution and environmental damage, he would have the power to make grants and loans to coal producers, transporters and users to enable them to utilize the best production methods and equipment approved by the Environmental Protection Agency. He further would have the authority to waive federal, state and local environmental restrictions where he found this necessary and for such periods as he found it would take to implement effective pollution control measures.

The powers of the Administrator would also include the waiving of any federal, state or local order, certificate, license, rule or regulation which would interfere with the increased production, transportation and use of coal, provided it did not impair the safety of employees engaged in these fields.

The Administrator could, if it should prove necessary, acquire by purchase, donation or condemnation proceedings, any property he deemed essential to increased production, transportation, conversion and use of coal, and he could buy directly for the government or indirectly for a private producer, transporter or user, any equipment, parts or other essential items needed to increase the use of coal for energy production.

He further could provide financial assistance to labor organizations engaged in the production, transportation and conversion of coal to recruit and train or retrain the people necessary for an expanding coal industry. In addition he could appoint a labor-management board to handle mediation of labor contracts and disputes in the coal producing industry.

The Administrator also could override the Cost of Living Council on any decision relating to the prices paid for coal or any of the products he found necessary to the production, transportation and conversion of coal into energy.

Exports of coal would be subject to the Administrator and he would be empowered to obtain any information from industry or labor which he might deem necessary to carry out his mandate to increase the use of the country's coal resources.

The Administrator's authority would continue during the "present energy crisis," a term which the legislation would leave to a presidential determination of when "the energy requirements of the United States are insufficient to meet the energy needs of this country."

H.R. 12045

A bill to increase the production, transportation, and conversion of coal as a source of energy

Whereas the United States is facing an acute shortage of fuel necessary to the production of energy; and

Whereas bituminous, anthracite, and lignite coal is a proven source of energy, either in its natural state or in a converted form of petroleum or oil and gas or gasoline; and

Whereas it is estimated that the United States has half the coal reserves of the world; and

Whereas it is essential to the health, welfare, and interest of the people of the United States that we increase the availability of additional sources of energy as rapidly as possible; and

Whereas to produce a continuing increase in the availability of coal as a source of energy for the Nation, it is necessary that there be a single agency with adequate authority to coordinate all elements necessary for the desired increase in the production and conversion of coal into energy in the Nation: Now, therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Coal Administration Act of 1974".

SEC. 2. There is hereby established within the Office of the Federal Energy Office of the President an Emergency Coal Administration. The Administrator of the Federal Energy Office shall be the Administrator of the Emergency Coal Administration, hereafter in this Act referred to as the "Administrator". The Administrator is authorized to appoint all personnel necessary to carry out this Act and to fix the compensation thereof.

SEC. 3. The Administrator is authorized to take such action as may be necessary to insure the maximum increase in the production, transportation, and conversion of coal so long as the present energy crisis exists and the Administrator shall exercise such emergency powers as may be necessary to attain such objectives.

SEC. 4. To carry out the purposes of this Act, the Administrator is hereby authorized to exercise the following authority:

(1) To set goals for the production and conversion of coal into energy.

(2) To encourage, assist, and take such steps as shall provide for increased production, transportation, and conversion of coal into energy.

(3) To enter into contracts with coal producers for the production of coal for such term of years and at such price as he determines will afford reasonable and fair incentives for increasing the production of coal in the United States. The Administrator is authorized to enter into such contracts on behalf of purchasers of coal or on behalf of the United States Government for the purpose of stockpiling coal. The Administrator is authorized to sell coal or its derivatives which he may acquire on behalf of the United States upon such terms and at such price as shall be in the public interest and contribute to the production and use of coal and the derivatives thereof as a source of energy.

(4) To issue orders which shall constitute a prior claim upon producers of materials and supplies essential to the increased production, transportation, and conversion of coal into energy.

(5) To provide all necessary funds to carry out the purposes of this Act.

(6) To make such loans on behalf of the United States as he finds to be necessary at such rate of interest as he considers reasonable and proper. Such loans shall be made to responsible persons, firms, or corporations to insure increased production, transportation, and conversion of coal or derivatives thereof as a source of energy.

(7) To provide all necessary and reasonable financial assistance to railroads so as to enable them adequately to prepare necessary roadbeds and to purchase necessary coal cars or other equipment essential to the transportation of coal.

(8) To afford necessary, reasonable, and proper financial assistance to persons, firms, or corporations converting to the use of coal as a source of energy.

(9) To minimize the pollution of the air incident to the burning of coal and to minimize other environmental damage by rendering all necessary, reasonable, and proper financial assistance to those producing, transporting, or using coal to enable them to obtain and use the best available methods and equipment approved by the Environmental Protection Agency for minimizing pollution and environmental damage. When he shall be satisfied that producers, transporters, and users of coal are employing all the available methods and equipment approved by the Environmental Protection Agency to prevent or minimize environmental damage, the Administrator is authorized to issue certificates of compliance with the requirements of the Clean Air Act, Federal Water Pollution Control Act, National Environmental Policy Act of 1969, and related provisions of law, after consultation with the Administrator of the Environmental Protection Agency. Such certificates shall be determined and held to establish compliance during the course of the present energy crisis with the requirements of the applicable

Acts or other Acts of Federal, State, or local authorities respecting the protection of the environment. The Administrator may at any time modify or cancel any such certificate of compliance issued by him.

(10) To provide or to assist in procuring necessary insurance required to increase the production, transportation, conversion, and use of coal.

(11) To waive any order, certificate, license, rule, or regulation of Federal, State, or local authorities which, in his judgment, would prevent his accomplishing the purposes of this Act: *Provided, however,* That this subsection shall not impair any substantial laws, rules, or regulations for the protection of the safety of employees engaged in the production, transportation, and conversion of coal and particularly the provisions of the Federal Coal Mine Health and Safety Act of 1969, as amended.

(12) To acquire by purchase, donation, or condemnation proceedings, according to law, any property essential to increased production, transportation, conversion, and use of coal.

SEC. 5. In carrying out this Act the Administration is authorized to enter into agreements or contracts without regard to any other provision of law relating to the making, performance, amendment, or modification of contracts.

SEC. 6. The Administrator is authorized to enter into contracts directly or for the account of any person, firm, or corporation engaged in the production, transportation, and conversion of coal upon terms he deems fair and reasonable for any equipment or parts or other essential articles necessary to increase the production, transportation, and conversion of coal.

SEC. 7. In his discretion, the Administrator is authorized to set up a labor board composed of such number of persons, including representatives of coal associations and labor organizations employed in the coal industry, as he shall determine, and whose members shall be named by him. Such board shall have all authority now vested in the National Mediation Service or any member thereof to mediate contracts respecting terms of employment (including but not limited to wages, hours of work, conditions of work, and related matters) of persons involved in the production, transportation, and conversion of coal.

SEC. 8. In order to provide necessary personnel to make possible carrying out this Act, the Administrator is authorized to provide all possible assistance, including financial aid, upon such terms as he deems reasonable and proper, to labor organizations engaged in the production, transportation, and conversion of coal, to recruit, train, or retrain all necessary personnel to carry out the purposes of this Act.

SEC. 9. The Administrator is authorized to engage in such research and development as he deems necessary, including, but not limited to, the construction and operation of pilot plants and projects relating to the production, transportation, and conversion of coal. He is authorized to engage in such research and development either directly, or by contract or agreement with others.

SEC. 10. The Administrator is authorized and directed to pay a necessary, fair, and reasonable price for whatever products, commodities, articles, or supplies he may acquire either on behalf of the United States or for the benefit of any person, firm, or corporation engaged in the production, transportation, conversion, or use of coal. The Administrator is also authorized to permit only such prices for the production, transportation, and conversion of coal as are necessary to carry out the purposes of this Act. In determining prices he pays or prices he permits the Administrator shall consult with, but shall not be bound by, the Cost of Living Council or by other provisions of law or authority.

SEC. 11. The Administrator is authorized to prohibit or limit, as he deems it necessary to the accomplishment of the purposes of this Act, the export of coal or the derivatives thereof essential to the production of energy.

SEC. 12. The Administrator is authorized to require all persons, firms, or corporations engaged in the production, transportation, or conversion of coal to reveal to him such information as he deems necessary to carry out the purposes of this Act.

SEC. 13. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 14. For the purposes of this Act the term "present energy crisis" shall mean that period during which the President determines the energy requirements of the United States are insufficient to meet the energy needs of this country.

ENERGY BILL IS BAD BUSINESS FOR AMERICA

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. COLLINS of Texas. Mr. Speaker, today we are reviewing the national energy bill as it comes out of conference. As the bill was prepared, it lacked purpose; and as it came out of the conference, it is an absolute disaster. The bill's only outstanding feature, the one which saved gasoline wasted on busing beyond neighborhood schools, was deleted.

The President already has all of the powers that he needs to meet the oil allocation situation. But in this energy bill we are not providing the solutions which are so urgently required in America today.

Let us first review the situation that led to the present crisis. Ever since 1968 this country has been consuming more oil and gas than we had been producing or discovering in new reserves. Instead of moving forward, we have moved backward through harassing environmental law suits like those that delayed the Alaska pipeline for 5 years. Moreover, we took an incentive, the depletion allowance and cut it from 27.5 percent to 22 percent. This discouraged oil men and we are now drilling half as many wells. In other words, we have been living on oil that we discovered back in 1950, 1940, and 1930.

The oil companies have been aggressively reinvesting their capital in exploration but they lack the sufficient capital to reinvest. The refinery capacity in America is running at absolute capacity. It has been difficult to build refineries because ecologists in local communities have objected to having them.

Let us take action on the issues that would help solve the energy crisis.

First. In January 1974, the Atomic Energy Committee, under Chairman MEL PRICE, has announced that they will hold hearings on licensing procedure for nuclear power plants. With only 37 nuclear plants in the country today, the great opportunity for solving our energy needs is expansion and development of nuclear power. This committee has top priority in moving forward and making a workable, practical system of licensing where delays will be kept to a minimum and action will be expedited in every way. Nuclear energy could provide the power need for the 1980's, but we must begin in January of 1974 with licensing for these nuclear plants.

Second. Pollution control balance. In our desires to have clean air, we have instituted many environmental controls. Environmentalists today realize this is a time for moderation. We must take 4 or 5 years to make this transition. The soundest suggestion made in the hearings came from Congressman LOU WYMAN of New Hampshire. He took the critical areas where pollution is the strongest, and kept the controls working. But for the rest of the country, the environmental impact is adjusted so that we can get a greater utilization out of our fuel. Congress refused the Wyman plan by a close vote, but it is essential for 1974 energy balance needs.

Third. Price control. All fuels must be priced in terms of current market supply and demand. There must be an incentive for production. Since all fuels are related, pricing begins with natural gas. Natural gas has been controlled in price so that the price was 21.5 cents MCF in 1963, and it has now been reduced in 1972 to where it is 16.9 cents MCF in terms of 1972 dollars. What this means is the price of natural gas in terms of 1972 dollars is less than one-third the cost of oil. If the raw material of gas is tripled, this does not mean the final product is tripled, because the actual raw gas makes up less than 20 percent of the cost to the final consumer. There are pipelines, distribution systems, office work, but you first must have the raw gas.

On the other hand, look at the price of crude oil which dropped from a price of $3.93 a barrel in 1963 to $3.39 a barrel in 1971, if we are comparing in terms of constant 1972 dollars. Remember that it is not in line with true value. Last week Iran unloaded oil at $16 a barrel. Venezuelan oil is bringing $8 a barrel. Canadian oil is $6.50 a barrel. The oil from the Arab countries would be $10 a barrel if we could get it.

In the 10-year period from 1963 to 1973, the price of natural gas and oil has decreased 7.1 percent in real dollars. When we compare these decreases to the real dollars—purchasing power increases in wages, the distinction becomes clear. In real terms, carpenters in New York City have had a 14-percent increase in the same 10-year period. Electricians in San Francisco, 20 percent; autoworkers in Detroit, 20 percent; steelworkers in Pittsburgh, 12 percent; classroom teachers in Florida, 21 percent.

We must come to realistic fuel pricing or we are going to be out of energy. And if we are out of energy, we are going to find ourselves in the middle of a depression. No energy means closing factories and lost jobs.

Fourth. Coal. Every form of encouragement should be given to coal. Although we only have 5 percent of the world's reserves in oil, the United States has 50 percent of the world's reserves in coal. One deterrent to coal production has been the fact that gas has been priced so low that coal cannot be competitive in the areas of labor cost, cost of handling and transportation. When gas is priced at a realistic level, then coal can, in turn, be produced in greater abundance and meet the shortages. Going a step further, it is going to require some adjustment and some tolerance of coal from environmentalists as we go through this transition the next 5 years. We need flexibility on air quality standards to permit the burning of high sulphur content coal.

Fifth. Solar energy must be researched and tested for full commercial adaptability. It is a solution for the 1980's but probably not the 1970's.

Sixth. Encourage profitability. During the first 9-month period of 1973, the oil and gas industry made 7.5 percent profit on sales revenues, and this compares to 6.2 percent on revenues in 1972. A 7.5 percent profit margin is not out of line with most business returns. But the interesting thing is that back in the 1950's when the United States experienced the most active exploration and development, the profit margin was 11 percent. In other words, when oil companies were making money, they were aggressively reinvesting this money in more drilling, more exploring, and in building refineries and pipelines.

When you study this energy conference report, you will see that all it builds is more bureaucracy, more red tape, and more confusion. What this country needs to do is encourage free enterprise, to aggressively go out exploring for new and additional sources of oil, gas, and coal. Unless Congress balances the price control and pollution control programs, this country will have an energy shortage that will lead to a depression in 1975.

WAYS TO GET WELFARE IN HAND: SUCCESS FOR TWO BIG STATES

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. ROUSSELOT. Mr. Speaker, the December 24, 1973, issue of U.S. News & World Report contains an article on welfare reform which I believe should be brought to the attention of all Members of Congress. The article tells how the two most populated States—California and New York—have been able to reduce welfare rolls and costs.

I have been a strong supporter of Governor Reagan's welfare reform policies. Finding employment for able-bodied welfare recipients and getting them off the welfare rolls is an important step. The State has been able to accomplish what the Federal program could not.

The Constitution specifically itemizes the proper roles of the Congress, the Executive, and the Judiciary in our Republic, and the 10th Amendment provides that:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

The Federal Government should disengage itself from the welfare business, and properly return this function to the sole jurisdiction of the State and local governments, the levels closest to the people and the taxpayers. This article clearly demonstrates that the States are better able to administer welfare programs than the Federal bureaucracy, and I urge that it be carefully studied by my colleagues:

WAYS TO GET WELFARE IN HAND: SUCCESS FOR TWO BIG STATES

Three years ago, a welfare crisis confronted the nation's most populated States—California and New York. Relief rolls were shooting up. Costs were soaring to budget-breaking heights.

Today, in both States, relief rolls are down significantly and costs are being brought in hand.

The reforms that produced these results are becoming models for the rest of the nation. Federal officials are urging other States to follow suit.

Basics of the reforms are these:

A crackdown on cheaters, tightening of eligibility requirements, tougher screening of applicants and repeated rescreening of the recipients of public assistance.

Major stress on better management in the multibillion-dollar programs which in the past have been run mainly by social workers.

Strong emphasis on jobs—including work for community agencies if other jobs are not available.

TRIMMING THE ROLLS

California and New York are not alone in cutting welfare rolls. Nationwide, the number of people receiving aid has declined every month for six months.

West Virginia, for example, is another State which has led the way in setting this new trend.

What gives special significance to events that have been unfolding in California and New York is that the two States have on their combined rolls nearly one fourth of all the nation's welfare recipients.

These States spend almost 40 per cent of the more than 20 billion dollars that welfare costs the U.S. each year.

Following are the details of what has been done to reduce the welfare load in these two giant States.

CALIFORNIA: STRESS ON JOBS FOR THOSE WHO CAN WORK

SACRAMENTO, Calif.—When he became Governor of California in 1967, Ronald Reagan was determined to get control of runaway welfare costs. But, for four years, the problem got worse. All too often, he was frustrated either by courts or by officials in Washington, or both.

Mr. Reagan was an early and vocal foe of President Nixon's plan for a federal takeover of welfare and a guaranteed minimum income for all.

In 1971, Governor Reagan began his own comprehensive welfare reform. Instead of a massive overhaul and a federal take-over, he wanted tougher and more-efficient administration of present laws, tightening of some rules and keeping State control of local programs.

For months, there was conflict. The U.S. Department of Health, Education and Welfare frowned on many of Mr. Reagan's reform proposals. Many lawsuits challenged the new State laws and regulations. The Governor did not hesitate to take the fight either to the White House or to the Supreme Court.

BIG GAINS FOR REFORM

Today, Governor Reagan is winning his battle. Many—although not all—of the lawsuits have been defeated. Mr. Nixon's welfare reform has been abandoned.

The California reforms are working so well that HEW called to Washington former California Welfare Director Robert B. Carleson and other key people responsible for California's new look in welfare. They have been assigned major roles in reshaping the federal system to fit Mr. Reagan's pattern.

The Governor's successful plan grew out of a fiscal crisis, a large part of which was due to welfare costs' running almost out of control.

In early 1971, there were nearly 2.3 million Californians on welfare. Rolls were going up at a rate of 40,000 persons per month. Spending was over 2.1 billion dollars a year. The next year's budget, barring drastic changes, was expected to reach 3 billion dollars, with welfare rolls rising to 3 million out of a total population of 20.5 million.

Spending for all phases of welfare—public assistance, social services, and medical care—now totals just under the 3 billion dollars predicted for 1971. The increases are due mainly to the soaring cost of living and some increases in relief benefits. Savings in the first two years of reform are estimated at up to 1 billion dollars.

Even before the legislature acted on his reform proposals, Governor Reagan installed a new management team in January, 1971, led by Mr. Carleson as welfare director, and began to put changes into effect by executive action.

Relief rolls peaked at 2,293,280 in March, 1971. They have declined nearly every month since then. Latest figures available show 1,916,000 persons on welfare—down nearly 400,000 from the top.

HOW IT HAPPENED

It took a lot of work and planning to produce this reversal.

In August, 1970, Mr. Reagan created a task force to study what was wrong with welfare and how it could be corrected. This group included key men in the State administration, mostly those with proven management ability. They were wondering why welfare rolls had risen 400 percent in a decade when the State's population had gone up only 25 percent and employment remained relatively high.

One problem that became quickly apparent was that welfare had grown into a huge fiscal operation, serving millions of people, but it still was run by the same social-work-oriented persons who were in charge when the program was much smaller. This was why Mr. Carleson, who had been chief deputy director of the State public-works department, and a number of management-oriented persons were put in charge.

Mr. Carleson remembers there were at least two other major factors uncovered by the task force. One was a practice of interpreting regulations in a way to make as many persons as possible eligible for welfare.

"Perhaps the provisions were put in originally to give a social worker discretion as to whether someone should be put on welfare or not," he says. "But these had become loopholes giving access to people who were not in need."

The second factor, says Mr. Carleson, was the liberal deductions permitted for child care, work-related expenses and a large portion of income earned while on welfare. These were intended to encourage people to work their way off welfare. The task force found, however, they made it possible for many self-supporting people to stay on welfare.

"Under that system," Mr. Carleson says, "a woman with three children might stay on welfare until she reached an income of $10,000 or $12,000 a year. In fact, we found that a mother of three in the Los Angeles area would be making around $1,300 a month before she would have to leave welfare.

"Our reform program brought that back down to $900 a month. We feel this still is excessive."

A new California law setting a limit of $50 a week for work-related expenses is held up by a court fight.

ADJUSTING THE BENEFITS

The reform program, as it was finally adopted, also:

Reduced benefits for working families on welfare but increased them for those subsisting solely on relief checks, and provided for cost-of-living boosts.

Gave the State—instead of counties—authority to set uniform eligibility requirements for each county.

Required that all employable welfare recipients—mostly adult males and mothers of school-age children—must report regularly and accept jobs or job training, or take part in a community work force. Refusal meant loss of aid.

Required a much more strenuous search for deserting parents. Support now is being collected from 24 per cent of deserting fathers, with payments in excess of 55 million dollars last year.

Counties are encouraged to pursue the runaway parents by a provision permitting the counties to retain a substantial amount of the money recovered.

PUTTING PEOPLE TO WORK

From the start, Governor Reagan has stressed jobs for persons able to work. Officials say an average of about 130,000 persons now receiving assistance report regularly for work under two programs. One is the Employables Program, which seeks to find private jobs for those on welfare. The other is the Comunity Work Experience Program, which requires part-time community work for a relief check. These programs started in 16 counties and now have expanded to 35.

Between July 1, 1971, and June 30, 1972, an estimated 25,000 persons were put into private jobs. This more than doubled—to 57,000—the next year, and 23,500 were put to work in the first three months of the fiscal year that began last July 1.

Peter Rank, deputy director of the California State department of human resources, says the community-work plan has a limited goal. He explains:

"There's no intention of replacing regular workers with welfare recipients, but there is no reason why people can't do some work for the community at the same time they are looking for jobs."

About 3,000 worked for welfare benefits in the fiscal year that ended last June 30, helping out in schools, libraries, doing whatever work was needed on a temporary basis by the community. More are expected to work on a part-time basis this year as the program spreads to more counties.

INCENTIVE TO WORK

Governor Reagan says the program improves the "job-getting potential" of inexperienced people by giving them the chance to work on a job. Also, he adds:

"It provides an incentive to those few welfare recipients who would rather live off the earnings of others than support themselves, even though they are capable of performing an honest day's work.

"When given the option of finding regular employment or performing public-service jobs for their welfare check, such persons often leave the welfare rolls entirely."

New York: Tougher Rules and Better Management

Albany, N.Y.—In 1971, New York's relief rolls were skyrocketing. Welfare costs had risen at an average rate of more than 26 per cent a year for seven years—and a 40 per cent increase was included in the new State budget.

As a result, New York State Commissioner of Social Services Abe Lavine recalls:

"Support for the program was disappearing. 'What about the welfare mess?' was a question being heard every time a request for more money, anywhere, in any program, appeared."

With his budget stalled in the legislature and problems growing, Governor Nelson Rockefeller began a massive reform of the State's welfare system.

Today, relief rolls are going down. Costs still are rising, mainly because of inflation, but not nearly as fast.

What caused this change was a crackdown on ineligibles, a much tougher attitude toward work for those on relief and infusion of management talent from the business world to run the program that now spends some 4.7 billion dollars a year for public assistance, social services, and medical care.

CITY-STATE CONFLICT

Welfare reform in New York is similar to what happened in California and West Virginia, but there are differences. Many of these differences grow out of the fact that 70 per cent of the State's welfare cases are in New York City.

County and city officials administer local welfare programs under State supervision in New York State.

New York City, for example, has more people in its welfare bureaucracy—about 28,000 persons—than most cities have on their relief rolls.

Kenneth L. Harris, a management specialist who now is assistant administrator for management and control in New York City's Human Resources Administration, remembers what it was like when he was hired in 1971:

"Over the last seven years, the cost of welfare had exploded.

"The number of persons on welfare had skyrocketed from 550,000 to 1,300,000 [1 of every 6 residents of the city]. And while the welfare rolls were growing, we had to assimilate a whole host of new Great Society programs—day care, manpower training, medicaid, youth services, many others.

"On check day, welfare centers looked like Fort Apache. Addicts were rampaging the centers. With over 30,000 addicts on the rolls and less than half in treatment, we were running the world's largest heroin-maintenance program and subsidizing the underworld to the tune of about 50 million dollars a year."

Then, Mr. Harris relates:

"In mid-1971, the whole thing blew up. Fraud and agency error became intolerable. Services deteriorated, and the work force became unproductive and unmanageable. Because we didn't have the advanced administrative technology needed to handle this kind of operation, the public turned against many of our best programs."

SIGNAL FOR ACTION

The move to reform in New York City, however, came on the heels of strong action in Albany.

In April 1971, Governor Rockefeller signed a series of bills overhauling the State welfare system. The most important changes were:

Shifting authority to appoint the commissioner of social services from the State board of social welfare, which previously set policy, to the Governor.

Creating the office of welfare inspector general, an independent official whose job is to check out complaints about welfare, anywhere in the State.

Adopting a one-year residence requirement before a family can receive a relief check. This later was ruled invalid by federal courts.

A 10 per cent cut in benefits in the two family categories—State-financed home relief for the working poor and federally assisted aid to families with dependent children. This cut will be restored January 1 to help meet cost-of-living increases.

A general tightening up in eligibility for medical assistance and a cutback in the level of benefits.

A requirement that all employables in family categories appear in person to pick up their checks twice monthly at a State employment office and accept jobs or job training, if available. Also established was a program requiring recipients to work for community agencies in return for their relief checks.

A requirement that welfare recipients have photo identification cards to prevent fraud in cashing checks.

MANAGEMENT CHANGES

In May, 1972, the Governor replaced George K. Wyman, career social worker, as commissioner of social services. The new commissioner, Abe Lavine, had a business background and had been the State's chief labor negotiator.

One place where the reform in New York stands out, say federal officials, is in its use of audits and quality control.

Martin Sacks, director of audit and control, is a systems expert who was recruited from a major job in the Apollo program at the National Aeronautics and Space Administration.

Mr. Sacks has conducted two complete audits of State welfare rolls. The latest showed that 17.6 per cent of all AFDC cases were ineligible, that 30.8 per cent were overpaid and 11.6 per cent underpaid. That added up to errors on 60 per cent of all checks written.

To eliminate such errors, several policy changes have been made. The first audit revealed that 48 per cent of all changes in eligibility occurred within 90 days after families first went on the rolls. Thus, a new policy now requires family recipients to come in after three months for a complete recertification interview.

Audits also showed 4 of every 10 cases of ineligibility involved an unreported father in the home who, presumably, could have provided some support. Checks are withheld now in cases involving a deserting father until a thorough check is made of his whereabouts.

In only two months, officials say, the 90-day recertification rule resulted in 8,908 cases' being cut off rolls.

SCRUTINY ON NEW YORK CITY

In September, 1971, the Governor appointed George F. Berlinger as the first welfare inspector general, a job unique in the nation. Mr. Berlinger had been a member of the State board of social welfare for seven years and was an outspoken critic of the welfare system.

Mr. Berlinger immediately focused his attention and his investigators—now up to 40 in number—on New York City.

This occurred at about the same time Mayor John Lindsay began to make big changes in the city's welfare system, bringing in management experts, technicians and computer experts from the business world. What followed was an angry running battle between the State and city that still continues.

Mr. Berlinger held repeated news conferences to tell about such things as: the man who received checks from nine different New York City welfare centers; the man who turned down a job 16 times and still drew welfare; or the woman receiving a regular check even though she filled out only about three lines of her application form.

City administrators fired back, disputing Mr. Berlinger's statistics and defending their programs. Meanwhile, State officials were pressing the city to change its ways, several times withholding funds when action was too slow.

Despite the angry words, progress seems to have been made both in the city and across the State.

Change is, perhaps, more difficult in New

York City than elsewhere in the State. Virtually all the approximately 28,000 employes of that city's Human Resources Administration (HRA) are represented by unions. Thus, changes must clear both city civil-service and union officials.

PERSONNEL TURNOVERS

When management specialists came in, new problems developed.

"Our basic problem was trying to blend the experience of the old-line workers with the new management types," explains Robert F. Carroll, deputy HRA administrator. "These guys out of the business world are used to moving. Bureaucrats are used to a more leisurely pace."

In early 1972, the HRA began rating directors of the 44 city welfare centers on the basis of performance of their staffs. In April, 1972, 18 of the 44 directors were replaced.

"We took out the directors who were casework-oriented and replaced them with people having more management experience," explains Mr. Carroll.

One program that has worked well in the city is addict control.

"We found we had 34,000 addicts on welfare," says Mr. Carroll. "In April, 1972, we began asking whether they were on treatment. We required this before they could get their money. They went off welfare if they left the treatment programs. We set up a computerized central index of drug addicts so centers could find out quickly whether they had applied elsewhere. In a year, the number of addicts on welfare had dropped from 34,000 to 15,000 and now it is down to about 11,000."

Despite the growing emphasis on work and work requirements, many experts are skeptical that great inroads into welfare rolls will come from putting people to work—except possibly on public jobs.

"The problem is that out of 1.8 million on the rolls, you get down to only about 60,000 who are really employable," says Paul Simmons, executive assistant to the State commissioner. "You have a hard time finding jobs for these."

STATE TO TAKE OVER?

Both city and State officials favor an eventual take-over of the system by the State. The legislature rejected the plan this year, but the issue will come up again next year.

Even without all reforms completed, officials are pleased with their progress so far. Commissioner Lavine sums it up:

"We have created a different tone in the State. Persons now recognize that they can't take it for granted that they will get welfare checks. Many who might have applied in the past now seek employment on their own."

CONGRESSIONAL APPROVAL OF ECONOMIC CENSUS QUESTIONNAIRES

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WHITE. Mr. Speaker, on September 25, 1973, I introduced H.R. 10510, which was cosponsored by Congressmen HANLEY, Democrat, of New York; LEHMAN, Democrat, of Florida; PICKLE, Democrat, of Texas; and CHARLES H. WILSON, Democrat, of California.

The purpose of this bill is to permit congressional approval of the form, length, and content of economic census questionnaires distributed by the Census Bureau.

The current law, section 131 of title 13, United States Code, provides that, the Secretary of Commerce shall take various economic censuses in years ending in "3" and "8." No provision is made in the law, however, for any congressional approval of such questionnaires.

My bill would require the Secretary to submit to the Congress his determination of the questions proposed to be included, and the type of information to be compiled, not later than 2 years prior to the taking of such censuses. Not later than 1 year thereafter, the committees of Congress having jurisdiction over the Census Bureau may notify the Secretary of their recommendations for acceptance or rejection of the form and content of the questionnaires.

I have received numerous complaints from my constituents, and from citizens in other congressional districts, about the form and content of economic census questionnaires. In particular, many small businessmen have complained about the length of the questionnaires, the many detailed questions asked, and the time and expense involved in completing the questionnaires. If they fail to answer these questionnaires, they are subject to fines and/or jail sentences.

While I recognize the validity of the Government's need for accurate economic census data, particularly from our large corporations and businesses, I nonetheless also believe that the people's representatives should be given the opportunity to review, and make recommendations, regarding the form and content of these questionnaires.

I believe that congressional review will assure that the questionnaires will not be unduly voluminous, burdensome, or violative of the individual's right to privacy. In particular, I think congressional review will result in easing the burden on the small businesses and corporations who are most affected at present by the time and cost involved in completing these questionnaires.

There is merit to the viewpoints of both the Census Bureau and of the small businessmen in this matter. I feel that passage of my bill will give both groups a proper forum in which to air their views for consideration by the people's elected representatives. This would certainly be an improvement over the present situation, where the Census Bureau is given sole and arbitrary discretion to decide the form and content of the economic census questionnaires.

The Subcommittee on Census and Statistics, of which I am chairman, will hold hearings on this matter in the very near future, and I urge my colleagues to give H.R. 10510 their serious consideration.

WOMEN'S ARMY CORPS FOUNDATION

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. NICHOLS. Mr. Speaker, I recently received a resolution drafted and passed by the Women's Army Corps Foundation, of Fort McClellan, Ala., that brought to the surface the importance of one of America's finest Army bases, Ft. McClellan, Ala.

In the resolution, the civic minded women of the Women's Army Corps Foundation resolved that since Ft. McClellan is "an active post of the U.S. Army, an essential element in achieving an All-Volunteer Army and a permanent place to the members of the Women's Army Corps, past and present, in the history and heritage of the U.S. Army" the Army installation should remain as an integral part of our U.S. Army.

I concur with the resolution of the Women's Army Corps Foundation and that the resolution be placed in the RECORD for all Members of Congress to read:

RESOLUTION

Whereas, it has been publicized that the Department of Defense is considering the closure of Fort McClellan, Alabama; by majority vote, the members of the Board of Directors of the Women's Army Corps Foundation do hereby vow and declare their strong opposition to such action and urge all who bear witness to this statement to support their position, and

Whereas, the United States Women's Army Corps Center and School, Fort McClellan, Alabama, as the major basic training base for members of the Women's Army Corps, is currently operating at full capacity, training approximately 12,000 women volunteers annually, the closure of this base would destroy and disrupt the most successful training and recruitment momentum created in recent years by the United States Army, and

Whereas, the creation of an all-volunteer Army has been established as a National goal and the enlistment of thousands of women is critical to the successful achievement of this goal, it is deemed unsound and illogical to close the ONE military post where the initial training of women is conducted with economy, competence, and skill, and

Whereas, funds were appropriated by Congress in 1953 for the construction of a permanent training base for women at Fort McClellan, Alabama, closure of this post would contradict the purpose and intent of this expenditure which was to guarantee a permanent "military home" and historical base for women—a guarantee upon which women could rely and which reflected the good faith of the American people toward the thousands of women who have voluntarily devoted their lives, their careers and their fortunes to the United States Army, and

Whereas, Fort McClellan, Alabama, is internationally known as the "home of the Women's Army Corps," and is the ONE site upon which the historical heritage and tradition of the modern Women's Army Corps is based, it possesses an intrinsic and intangible value to women and to the American people which is beyond physical measure, and

Whereas, it has been publicly announced that the United States Army Military Police School will be relocated to Fort McClellan, and retracting that announcement and closing the post will have an adverse impact on the Army's credibility, therefore be it resolved: that the Women's Army Corps Foundation, its Board of Directors, members and friends support the continuance of Fort McClellan, Alabama, as an active post of the United States Army, as an essential element in achieving an all-volunteer Army and to show good faith in the commitment made by Congress to insure a permanent place for members of the Women's Army Corps, past and present, in the history and heritage of the United States Army and in the hearts of the American people, to whom they have dedicated their lives and their careers unselfishly.

ISRAEL IS NOT TO BLAME FOR OUR ENERGY CRISIS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. ANDERSON of California. Mr. Speaker, the energy crisis, which will result in colder homes, greater inconvenience, higher unemployment, and increased prices, presents a situation ripe for exploitation by demagogs looking for scapegoats.

Some, no doubt, will point an accusatory finger at Israel as the reason for the Arab policy that led to the cutoff of oil.

Others will call for a cessation of our support for the safety and security of the State of Israel, hoping that the oil will again flow to our plants, homes, and automobiles.

Still others will attempt to place the blame for the oil shortage on our Jewish citizens who have been in the forefront of efforts to resist religious persecution, terror tactics, and economic blackmail.

The facts, however, show that the Arab oil embargo is but only a part of the cause of today's energy crisis.

For example, Arab oil imports account for only 6 percent of our energy sources, yet we face at least a 17-percent shortage—perhaps 25 percent would even be closer to reality.

Thus, even if the Arab embargo were lifted, our supply of oil would still fall short of our needs by a significant amount.

Mr. Speaker, Israel is not to blame for the energy crisis. Rather, a shortsighted public policy, that did not forecast our need to conserve energy and at the same time develop new sources, must accept the responsibility for the crisis with which we are presently confronted.

With this in mind, Mr. Speaker, I ask unanimous consent to place in the RECORD an editorial entitled "Wake Up, Jewry," which appeared in the December 7, 1973, edition of the B'nai B'rith Messenger.

[From the Los Angeles (Calif.) B'nai B'rith Messenger, Dec. 7, 1973]

WAKE UP, JEWRY

This has been a nation where it was more than acceptable to have a bumper sticker which reads, "Honk If You Love Golda Meir" or "Shalom Means Peace" or "Phantoms for Israel" or "Justice for Soviet Jews."

This has been the America in which we have been told that overt and open anti-Semitism was a thing of the past. So is it acceptable today to have a bumper sticker reading "We Need Oil, Not Jews"?

Indeed, the present energy crisis and the subsequent communist-orchestrated Arab oil squeeze on the free world have made it a brand new ball game for professional bigots and those who harbor what has been latent anti-Semitism.

You're being furloughed from your job because of the oil shortage. Who is to blame? Well, why not the Jews? It's their Israel.

You can't take that camper-trailer up into the mountains with your family this weekend. Who is to blame? Well, why not the Jews? It's their Israel.

Your house is cold. There's no fuel oil. Who is to blame? Well, why not the Jews? It's their Israel.

Downtown Burbank is browned-out. There's not enough oil to last the winter. Who is to blame? Well, why not the Jews? It's their Israel.

It's Christmas, the birth of "our Saviour." But where are the lights? Who is to blame? Well, why not the Jews? It's their Israel.

It is almost fruitless to protest that it is not the fault of the Jews and "their Israel," that the energy shortage is the result of misuse and lack of planning, that the Arab blackmailers are seizing the opportunity to make Israel the scapegoat for their own dreams to control the world.

My God, if there were no Israel, the Arabs would still be turning off the taps at the behest of the Russians to sap the strength of the Free World. Israel is there—it has survived again—and it is so convenient to use the Jews. They have been used by so many for so long. (And all those who have done so have fallen—Rome, Spain, the Third Reich.)

"We Need Oil, Not Jews." This is more than a bumper sticker. It is a warning to the Jewish establishment in America—an America which has been home to Jews for more than 300 years. It is a warning to the so-called defense agencies, to the Federations, to the Jews of the left and the Jews of the right.

We are confronted with a situation which has a parallel in the Weimar Republic, when it became not only fashionable, but policy to "blame the Jews."

These crisis days are days of testing, not only for American Jews, who must find new ways to cope, but for all America as well. Can it, in the trying days ahead, survive as a nation for all peoples?

Wake up, Jewry. We must not drown in oil.

PARK RIDGE, ILL.: A CENTURY OF PRIDE

HON. SAMUEL H. YOUNG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. YOUNG of Illinois. Mr. Speaker, I would like to call the attention of my colleagues to a centennial celebration taking place in Park Ridge, Ill. It has been said that the family is the cornerstone of the community, and the community is the cornerstone of the Nation. With cornerstones like Park Ridge, the United States has an unparalleled foundation in the history of the world. I would like to insert in the RECORD the following remarks about Park Ridge:

PARK RIDGE, ILL.: A CENTURY OF PRIDE

This year, 1973, the city of Park Ridge celebrates its centennial. One hundred years have passed since Park Ridge was incorporated under the law of Illinois.

The growth of Park Ridge is typical of many communities across the U.S. In the early 1800s peaceful Indians and farmers occupied the area. Fertile land, forests, and waterways such as the Des Plaines River offered ideal conditions for farming. More people came to this wilderness and settled. The Maine Township political government was officially organized in 1850.

The population began to increase after George W. Penny opened a brickyard in 1854. He was able to make bricks of excellent quality from a wealth of rich clay in the area and his business boomed. For the next five years the community was known as Pennyville. Penny's brickyard flourished when the railroad came through several years later. He was able to load his bricks on box cars and ship them to Chicago.

Pennyville was a community in which the people worked together and helped one another. When a structure was needed on property to cross the Des Plaines River, neighbors helped Mancel Talbott to construct a bridge, which lasted until an 1890 flood. Talcott was the first postmaster in the vicinity, and Talcott Road is named in his honor.

Education was, from the beginning of the community, important to the early settlers. The tiny school-house built by the pioneers grew into District 64, which today consists of nine public elementary schools, two junior high schools, and two public high schools.

The area was changing from an agricultural community to an affluent business town. Because of the brick industry the community continued to expand. At George Penny's request the name of Brickton was adopted. Penny's bricks were used for homes and churches throughout the area. The clay supply grew less and less until finally, in 1872, bricks were no longer manufactured. The people of Brickton wondered whether the town would survive without the brick industry.

It was the Great Chicago Fire of 1871 which turned the tide of events. Although much of Chicago was destroyed, the fire drove stricken city-dwellers out to the suburbs for a fresh start. Once again, Brickton began to grow. Incorporated as a village in 1873, the name of Park Ridge was selected on the Fourth of July. The name was an appropriate choice because of the high appearance of the town. George B. Carpenter was elected the first president of Park Ridge. In 1910, it was voted to change from village government to the city form of government. Dr. A. J. Buchheit, who still resides in Park Ridge, was elected its first mayor.

The centennial festival was held June 29 through July 4. This six-day "Birthday Party" was held at West Park, the Centennial Festival Fairgrounds. Festivities included performances by the Maine Township High School South Concert Band and Cavalier Drum and Bugle Corps. Featured also were rock band contests, a variety show, games and carnival rides for the children, and speeches by Mayor Martin Butler and other prominent citizens. The turn-out was tremendous. The plans and efforts put forth by the Centennial Committee were well-received and appreciated. Other events of the centennial celebration include the Centennial Ball, ceremonies on Armistice Day, and the Christmas Parade.

I would like to congratulate Mayor Martin Butler, the Park Ridge Historical Society, the Park Ridge Chamber of Commerce, and the citizens of Park Ridge for all of their efforts in making the year a memorable one. A great deal of community spirit and involvement went into making the centennial a success.

The officers of the Park Ridge Historical Society deserve special mention for their efforts: Peter Malone, Chairman; Paul Carlson, President; Harry Madsen, Treasurer; Eleanor Schiessle, Secretary; as well as the Board members; Mrs. Roberta Mellon, Mrs. Gladys Ahrensfeld, Mrs. Dorothy Hansen, Norman Brown, Mrs. Jan Juckett, Dr. Frank Lonan, Mrs. Denis Pomeraning, David Barnes, Robert Schwarz, James Schaefer, Irving Gillick, Herbert Anderson and Alden Wilson.

Park Ridge has indeed been a century of pride. It's a great city, and I'm privileged to represent its citizens.

CONGRESSMAN OTIS G. PIKE REPORTS TO HIS CONSTITUENTS ON 1ST SESSION, 93D CONGRESS

HON. OTIS G. PIKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. PIKE. Mr. Speaker, this is my 13th annual report to my constituents of the First Congressional District. During the 13 years that I have been in Congress the First Congressional District has changed dramatically. Because of our exploding population on eastern Long Island several reapportionments of the area which I represent have caused the district to shrink. When first elected in 1960 the First Congressional District of the State of New York included all of Suffolk County and about a fourth of Nassau County. That same area today has three Congressmen.

While the size of the district which I represent has shrunk, the size of the job has increased just as dramatically. In 1961, the first year in which I served in Congress, the congressional session adjourned on September 27. This, believe it or not, made it the longest congressional session in 10 years. Those were the good old days. This congressional session will adjourn—hopefully—at the end of this week. That first session of my stay in Congress had a total of 116 recorded votes. This session of Congress has already had 530 recorded votes as this is written, and will probably reach 540 before the session finally ends.

When I first started issuing these annual reports it was possible to list almost all of the votes in reporting to you. Now it is only possible to hit the highlights of the year.

What a year it has been. First, it has obviously been an exciting year to be a Congressman. It has also been a controversial year and a difficult year, because of the aura of crisis which has hung over Washington for much of the year, and because of the critical nature of so many of the issues which were before Congress. The year started out easily enough. The Republican President had won a landslide victory, but so had a heavily Democratic Congress. It was a time in which peace had been declared if not achieved, and Congress started the year by devoting some time and energy to reforming its own rules and procedures. We opened up almost all of our committee meetings to the public unless closed for national security reasons. We finally adopted an efficient system of electronic voting; made it easier to pass noncontroversial bills, and embarked on a new study of the entire structure of the House of Representatives.

As the year progressed, however, the continuing Watergate revelations and continuing confrontations between the President and the Congress on many issues made the debates sharper and sometimes acrimonious. Issues on which Congress and the President split sharply included everything from minor issues such as keeping open America's 10 public hospitals to such vital ones as the war powers of the President.

The first issue involving widely differing positions as between the President and the Congress included the President's refusal to use funds previously authorized and appropriated by Congress for certain specific purposes, such as water pollution control, sewer construction, health and education. While Congress looked, usually in vain, for a means by which to compel the President to go ahead with these programs, court decisions throughout the country declared that the President had no legal authority to refuse to carry out the laws. The President responded by saying that Congress was fiscally irresponsible and had no overall budget controls.

The next major crisis involved the continued financing and fighting of the war, no longer in North and South Vietnam but now in Laos and Cambodia. While the Tonkin Gulf resolution could certainly have been interpreted as an action by Congress to authorize the prosecution of the war in Vietnam by the President, there was no congressional authority for fighting a war in Cambodia, and in fact for a long time the administration denied formally that any such activities were going on. Congress voted to cut off the funds for the war in Cambodia despite warnings from the military that Phnom Penh would fall within a matter of days if this were done. The President vetoed the bill, Congress failed to override the veto, and eventually the President agreed to stop the bombing.

By early in the year problems at home had diverted the Nation's attention from problems overseas. The economy was in trouble with inflation rampant and shortages developing in many areas of the economy. There were shortages of lumber, especially plywood; shortages of railroad boxcars; shortages of newsprint; shortages of certain textiles. As an effort was made to limit inflation through price controls, it became more profitable for producers of items in short supply to ship these items abroad. So Congress authorized new controls limiting exports of goods in short supply.

In the summer the first shortage felt by everyone appeared—the meat shortage, which was in turn caused by a shortage of livestock feed—primarily soybeans—which may in turn have been caused by a shortage of wheat resulting from the prior year's wheat sale to the Soviet Union. Meat prices were decontrolled and rose rapidly, but the shortages ended. The worst shortage was still to come. For years and years Americans have been consuming energy at an ever-increasing pace, especially petroleum. Between World Wars I and II our Navy switched from coal to petroleum as its principal source of power. American homes and industries which had traditionally relied on coal for heat switched to petroleum and natural gas. At the end of World War II America was only using about 5 million barrels of oil a day. By 1960 this had doubled to approximately 10 million barrels a day; by 1965 11½ million barrels a day, and today approximately 17 million barrels a day. If we were using the same amount of petroleum which we were using only 10 years ago we would be producing it all in America. Today, however, we import approximately 30 percent of our supply, half of this from the Arab world. The energy crisis has been with us for years, but until the Arab oil cutoff came no one had felt it.

This Congress through a great number of proposals has addressed the energy crisis. We have directed the allocation of gasoline, diesel fuel, home heating oil and other petroleum products, and regulations have been announced under that law. We have undertaken measures to increase the production of coal and to liberalize its use. We have authorized the expenditure of money for geothermal energy research, solar energy research, research in coal gasification, and the production of oil from both coal and oil shale. None of these measures will get us through our energy crisis without conservation efforts in which all Americans will have to share.

Hanging like a great dark cloud over all of the operations of Congress and of our Government has been that complex of issues ranging from burglaries in California and Washington to bombings in Cambodia, milk prices in America, illegal campaign contributions, and dubious tax returns bearing the general label—Watergate. The House Judiciary Committee has been given the momentous job of determining whether or not a resolution impeaching the President should be approved by the committee and voted on by the members of the House of Representatives. If such a resolution is approved by the committee and passed by the House, whose role is similar to that of a grand jury in such cases, the issue will be tried by the Senate of the United States. It will be a tough issue for everyone, and judging from my mail it may bring out the worst in many people. Old Republican friends have said they will no longer support me because I have gone too far in approving the investigation by the Judiciary Committee. Old Democratic friends have said they will no longer support me because I have not gone far enough in calling for impeachment.

So be it. No Congressman can ever please all of his constituents all of the time, nor do I make any pretense of doing so. What a Congressman can do and should do to the best of his ability is represent his district on a great many issues in a great many areas in a great many ways. We try. During the course of our 530 votes to date this year I have been present and voting on 519 issues.

Through our offices in Washington and Riverhead and through our representatives in Smithtown, Mr. Joseph Quinn, and Brookhaven, Mr. Robert Waldbauer, we have tried our best to take care of the thousands of problems, large and small, of average people which cross our desks each week. Both in the Armed Services Committee and on the floor of the House I have tried to assist our big industries with their big problems, and particularly in the case of our aerospace industries and electronics industries have been able to show some positive results.

This year for the first time the workings of the seniority system, in which I am not a great believer, nevertheless brought me to the chairmanship of a permanent legislative subcommittee of the Armed Services Committee. This subcommittee has jurisdiction over all of the real estate and military bases, including all of the construction done at these bases both in the United States and overseas. The bill which our subcommittee reported out this year totaled $2,651,227,000. This figure represented a cut of 11 percent in the Defense Department's request, was reported unanimously by the full committee, and passed by a vote of 359 to 28 on the floor of the House.

Toward the end of the session I was given the responsibility of being chairman of another special subcommittee dealing with the energy needs and energy resources of the Department of Defense. The Department of Defense through four naval petroleum reserves, principally in the States of Alaska and California, controls a very significant portion of the oil reserves of America, yet particularly in Alaska we have no idea of how much oil is contained in this vast reserve. It will be the job of our subcommittee to recommend how these reserves should be used for defense purposes and how the Department of Defense can join with the rest of the Nation in energy conservation measures.

All in all it has been the most challenging year which I have enjoyed in the 13 years I have had the privilege of being your Representative. Following you will find a list of some of the more critical—and expensive—votes which we have had this year. I only regret that space and cost limitations make it impossible for me to list the entire 530, but I would be delighted to have the views of my constituents on this report and on these highlights of the 1st session of the 93d Congress. The voting record follows:

VOTING RECORD—1ST SESSION, 93D CONGRESS

JANUARY 3 TO DECEMBER 19, 197:

Date, issue, and Pike vote

Jan. 3—Election of Speaker (Albert 236; Ford 188), Albert.

Jan. 31—Create special committee to study role, jurisdiction and procedures of the standing committees of the House (yea 282; nay 91), yea.

Feb. 21—Extend through June 30 funding for Departments of Labor and Health, Education and Welfare at annual level of $29.8 billion and foreign military and economic aid programs at annual level of $3.6 billion for remainder of fiscal 1973 (yea 311; nay 73), nay.

March 7—Amend House rules to require open committee meetings except where national security or personal privacy was involved, or where a committee decided by majority vote to close its doors (yea 370; nay 27), yea.

March 13—Strengthen and expand programs under Older Americans Act of 1965, authorize $1.4 billion over three-year period; strengthen representation of interests of the elderly at the federal level (yea 329; nay 69), yea.

April 10—Pass over President's veto bill prohibiting impoundment of monies appropriated by Congress each fiscal year for water and sewer grants to rural communities (yea 225; nay 189), yea.

April 12—Authorize urgent supplemental appropriations for fiscal 1973 of $26.8 million for CAB, $468 million for the Veterans Administration, $872 million for college student aid programs and $1.8 million for the General Services Administration (yea 367; nay 0), yea.

April 16.—Extend President's authority to control wages and prices for one year to April 30, 1974 (yea 293; nay 114), yea.

April 18—Extend and expand Older Americans Act of 1965 authorizing $54.6 million as necessary for fiscal 1973–5 and strengthening interests of the elderly at the federal level (yea 348; nay 0), yea.

April 19—Amend Federal Aid Highway Program to permit urban areas to use $700 million in each fiscal years 1974–76 from the Highway Trust Fund for mass transit projects or roads (yea 190; nay 215), yea.

May 7—Provide additional burial allowances for veterans and consolidate most federal cemeteries under the Veterans Administration (yea 340; nay 1), yea.

May 8—Extend the National Sea Grant College and Program Act of 1966 and authorize funding of $30 million for fiscal 1974; $40 million for fiscal 1975 and $50 million for fiscal 1976 (yea 368; nay 9), yea.

May 10—Provide supplemental appropriations of $2,855,542,209 for 10 cabinet-level departments, several federal agencies and legislative branch operations for remainder of fiscal 1973 and prohibit appropriations or transfer funds from being used in or over Cambodia (yea 284; nay 96), yea.

May 15—Authorize $40 million contribution by the United States over fiscal 1974–78, with a maximum of $10 million for fiscal 1974, to the U.N. Environmental Fund for international environmental concerns (yea 266; nay 123), yea.

May 22—Amend Railroad Retirement Act and the Railroad Retirement Tax Act to extend temporary retirement benefit increases through December 31, 1974 and to liberalize eligibility requirements for railroad retirement (yea 387; nay 5), yea.

May 23—Pass, over President's May 18 veto, bill temporarily abolishing the Office of Management and Budget and subject director and deputy director to Senate confirmation, etc. (yea 236; nay 178), yea.

May 23—Authorize $3.1 billion for the National Aeronautics and Space Administration for fiscal 1974 for the U.S. space program and related activities (yea 322; nay 73), yea.

May 30—Authorize $8.68 million to complete the renovation of Washington's Union Station as a National Visitor Center and to direct secretary of the interior to provide for transportation services between the center and other points in the capital (yea 288; nay 75), yea.

May 31—Authorize $145 million for fiscal years 1974–76 for grants to local communities to plan, establish or initially operate emergency medical care systems and for research and training in emergency medical services (yea 261; nay 96), yea.

June 7—Authorize $687.4 million for the Department of State and related activities, require certain nominees to ambassadorships to disclose campaign contributions, and prohibit use of any funds authorized for reconstruction aid to North Vietnam (yea 331; nay 57), yea.

June 12—Adopt conference report on bill authorizing $77 million for Peace Corps in fiscal 1974 (yea 329; nay 64), yea.

June 15—Reduce 1974 crop price support ceilings from $55,000 per crop to $20,000 per person (yea 195; nay 157), yea.

June 15—Appropriate $9,385,750,600 for agricultural, environmental and consumer protection programs for fiscal 1974 (yea 304; nay 3), yea.

June 20—Appropriate $2,753,216,000 for the Department of Transportation and related agencies (yea 414; nay 2), yea.

June 21—Establish independent Legal Services Corporation to replace the legal services program operated by the Office of Economic Opportunity since 1965 (yea 276; nay 95), yea.

June 22—Prohibit National Science Foundation from funding research on live human fetuses (yea 28; nay 73), yea.

June 22—Authorize $612.9 million for the National Science Foundation in fiscal 1974 (yea 364; nay 6), yea.

June 22—Appropriate $19,070,954,000 for the Department of Housing and Urban Development, the National Aeronautics and Space Administration, the Veterans Administration and six other independent agencies for fiscal year ending June 30, 1974 (yea 316; nay 21), yea.

June 25—Authorize $2.4 billion for fiscal 1974 operations and programs of the Atomic Energy Commission (yea 398; nay 4), yea.

June 26—Appropriate $32,816,467,000 for the Departments of Health, Education and Welfare, Labor, and the Office of Economic Opportunity for fiscal 1974 (yea 347; nay 58), yea.

June 27—Pass, over the President's veto, $3,362,845,279 in supplemental fiscal 1973 funds for several departments and agencies and to bar funds in the bill and in previously enacted appropriations bills from being used to support U.S. military activity in or over Cambodia and Laos (yea 241; nay 173), yea.

June 27—Appropriate $2,269,554,200 in fiscal 1974 funds for the Department of the Interior, and $191,200,000 to liquidate contract authority (yea 405; nay 4), absent.

June 28—Add $4.7 million for geothermal energy research to Public Works, Atomic Energy Commission Appropriations, fiscal 1974 (yea 206; nay 205), yea.

June 28—Appropriate $4,676,395,000 in fiscal 1974 for public works, flood control and electric power projects, the Atomic Energy Commission and related agencies (yea 384; nay 26), yea.

July 10—Prohibit use of Commodity Credit Corporation funds to finance or guarantee the sale of wheat or feed grains to the Soviet Union and the People's Republic of China (yea 139; nay 264), yea.

July 17—Adopt conference report on bill authorizing $185 million for fiscal years 1974–76 for federal assistance to area emergency medical care systems and to prohibit the Secretary of Health, Education and Welfare from closing 8 Public Health Service hospitals without specific authorization from Congress (yea 306; nay 111), yea.

July 18—Require President to report to Congress within 72 hours any commitment or increasing commitment of U.S. combat troops abroad, require him to terminate any such action within 120 days of his report unless Congress authorizes continuation, and allow Congress to direct by a concurrent resolution the termination of U.S. commitment at any time (yea 244; nay 170), yea.

July 19—Establish for four years a modified price support program for wheat, feed grains and cotton, continue food for peace and food stamp programs, establish a limitation of farm subsidy payments of $20,000 per farmer and prohibit the issuance of food stamps to strikers and their families (yea 226; nay 182), nay.

July 20—Authorize $80 million for fiscal 1974 and $95 million for fiscal 1975 for programming and construction of facilities for the Corporation of Public Broadcasting (yea 363; nay 14), yea.

July 25—Set a $267.1 billion ceiling on federal spending in fiscal 1974, provide procedures for either the House or the Senate to force the President to release impounded funds and direct the President to impound funds proportionately from controllable federal spending programs to meet the ceiling (yea 254; nay 164), yea.

July 26—Prohibit foreign assistance to any country which expropriates any property owned by U.S. citizens, repudiates any contract or imposes any discriminatory measures having the effect of expropriation, unless the President determines that appropriate steps toward compensation are being taken (yea 278; nay 102), yea.

July 26—Authorize for fiscal year $978.9 million for foreign economic assistance, $632 million for Indochina postwar reconstruction, $1.15 billion for foreign military assistance and credit sales, and for fiscal 1975 $821 million for foreign economic assistance (yea 188; nay 183), nay.

July 30—Adopt conference report on Public Works-AEC Appropriations, to appropriate $4,749,403,000 for fiscal 1974 for public works, flood control and power projects, and for operations and facilities of the Atomic Energy Commission and other agencies (yea 373; nay 9), yea.

July 31—Prohibit U.S. forces from being stationed in any nation after June 30, 1974, for defense of that country unless the country paid proportionately (based on gross national product) as much as the U.S. for its national defense (Pike amendment) (yea 130; nay 282), yea.

July 31—Authorize $20.45 billion for military procurement, research and development and military assistance to South Vietnam and Laos in fiscal 1974 (yea 367; nay 37), yea.

August 1—Adopt conference report on appropriations of $19,056,500,000 for Department of Housing and Urban Development, the National Aeronautics and Space Administration, the Veterans Administration and six other independent agencies (yea 401; nay 9), yea.

August 2—Require President within six months after enactment to develop a National Petroleum Contingency Plan to assure equitable allocation of available crude oil and petroleum products among the states and the five Petroleum Administration for Defense districts at nondiscriminatory prices during periods of disproportionate shortages (yea 179; nay 233), yea.

August 3—Adopt conference report on Minimum Wage bill to increase the hourly minimum wage for most workers covered under the Fair Labor Standards Act of 1938 to $2.20 an hour after June 30, 1974, and to extend coverage to approximately 6.7 million additional workers (yea 263; nay 152), yea.

August 3—Adopt conference report on D.C. Appropriations appropriating from local revenues $954,731,200 for the District of Columbia for fiscal 1974 and setting the annual federal payment to the city (paid in lieu of taxes on federally owned property) at $187,450,000 (yea 342; nay 47), yea.

August 3—Adopt conference report appropriating $2,898,446,000 for fiscal 1974 operations and programs of the Department of Transportation and related agencies (yea 359; nay 5), yea.

September 5—Increase total face value authorized for federal flood insurance programs to $10 billion from $6 billion and to deny, after July 1, 1975, federal financing for acquisition or construction purposes to any community designated as a flood prone area which does not participate in the federal flood insurance program (yea 359; nay 21), yea.

September 6—Amend Export Administration Act of 1969 to require the Secretary of Commerce in most instances to determine materials or commodities to be subject to export controls as a result of current or prospective domestic inflationary impact or short supply of such materials (yea 220; nay 133), yea.

September 12—Pass, over President Nixon's Aug. 1 veto, Emergency Medical Services bill authorizing $185 million in fiscal 1974–76 for federal assistance to area emergency medical care systems and prohibiting the Secretary of Health, Education and Welfare from closing eight Public Health Service hospitals without specific authorization from Congress (yea 273; nay 144), yea.

September 13—Increase basic federal payment for each meal served under the National School Lunch and Child Nutrition Acts to 10 cents from 8 cents (yea 389; nay 4), yea.

September 13—Allow 3 years of television broadcasts of home games of certain professional sports if tickets had been sold out for at least 72 hours prior to gametime (yea 336; nay 37), yea.

September 18—Provide for the conservation, protection and propagation of species or subspecies of fish and wildlife threatened with extinction (yea 390; nay 12), yea.

September 19—Pass Minimum Wage bill, over the President's Sept. 6 veto, amending the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act and expand the coverage of that act (yea 259; nay 164), yea.

September 20—Adopt conference report on $2,433,137,200 appropriations for fiscal 1974 for the Department of Interior and related agencies (yea 385; nay 14), yea.

September 25—Adopt conference report on Agriculture, Environmental and Consumer Protection Appropriations of $9,927,667,000 for agricultural, environmental and consumer protection agencies for fiscal 1974 (yea 348; nay 24), nay.

October 2—Adopt conference report extending through fiscal 1976 the National Foundation on the Arts and Humanities Act of 1965 and authorize appropriations of $597 million for the 3-year period (yea 294; nay 106), yea.

October 3—Authorize $800 million for fiscal 1974–5 grants to state and local agencies for urban mass transit operating subsidies and increase the federal share of assistance for mass transit capital grant programs (yea 219; nay 195), yea.

October 4—Appropriate such sums as necessary up to a limit of $2,203,000,000 to maintain the gold value of U.S. financial commitments to the International Monetary Fund and international development banks in terms of the dollar which was devalued by 10 percent on Feb. 12, 1973 (yea 274; nay 90), yea.

October 11—Authorize $2,651,227,000 in fiscal 1974 appropriations for construction projects at military bases in the United States and overseas (Pike bill) (yea 359; nay 28), year.

October 12—Adopt conference report on War Powers bill establishing a 60-day limit on the President's powers to commit U.S. troops abroad, unless Congress declared war or specifically authorized the action or was unable to meet because of an armed attack on the United States, and permitting Congress to end such a commitment at any time by passage of a concurrent resolution (yea 238; nay 123), yea.

October 16—Adopt conference report appropriating $5,233,189,000 in fiscal 1974 for Treasury Department, U.S. Postal Service, Executive Office of the President and related agencies (yea 403; nay 10), yea.

October 16—Adopt conference report appropriating $605,189,933 for fiscal 1974 operations of the legislative branch (yea 400; nay 11), yea.

October 17—Direct President to establish a mandatory program to allocate crude oil and refined petroleum products to assure that shortages are shared equally by all users and all regions of the United States (yea 337; nay 72), yea.

November 6—Extend term of the federal grand jury of the District of Columbia investigating the Watergate break-in and coverup for six months beyond its normal expiration on Dec. 4, 1973, and permitting the U.S. District Court of the District of Columbia to extend it an additional six months upon the request of the grand jury (yea 378; nay 1), yea.

November 7—Pass, over President Nixon's Oct. 24 veto, War Powers bill establishing a 60-day limit on the President's powers to commit U.S. troops abroad (yea 284; nay 135), yea.

November 7—Reduce proposed temporary federal debt ceiling level to $475.7 billion from $478 billion (yea 263; nay 147), yea.

November 7—Increase temporary federal debt to $475.7 billion from $465 billion and extend temporary limit from Nov. 30, 1973 to June 30, 1974 (yea 253; nay 153), yea.

November 8.—Authorize $421.5 million plus $1 billion in federal loan guarantees to reorganize the six bankrupt railroads in the Northeast into one profitable corporation (yea 306; nay 82), yea.

November 13.—Adopt conference report appropriating $4,687,527,000 in fiscal 1974 for the Department of State, Justice, Commerce, the federal judiciary and 15 related agencies (yea 394; nay 11), yea.

November 14.—Appropriate $2,609,090,000 for fiscal 1974 Department of Defense construction of family housing, bachelor living quarters and other armed forces facilities (yea 366; nay 29), yea.

November 15.—Provide $1 million for the House Judiciary Committee to carry out its investigation of impeachment charges against President Nixon (yea 367; nay 51), yea.

Increase Social Security benefits by 7 per cent in March 1974 and an additional 4 per cent in June 1974, increase the Social Security payroll tax wage base to $13,200 in January 1974 and provide future adjustments in the payroll tax rate and move up to January 1974 from July 1974 scheduled increases in benefits under the federal supplemental security income (SSI) program which was scheduled to replace existing federal-state matching assistance programs for the aged, blind and disabled poor (yea 391; nay 20), yea.

November 27—Provide for daylight savings time from the first Sunday occurring 15 days after enactment until the last Sunday in April 1975 (yea 311; nay 88), yea.

November 28—Extend Manpower Development programs providing for employment and training opportunities for the unemployed (yea 369; nay 31), yea.

November 29—Provide for House disagreement to Senate amendments to the federal debt limit bill and return the bill to the Senate (Senate had added to the bill amendments to provide for federal financing of presidential and congressional election campaigns) (yea 347; nay 54), nay.

November 30—Appropriate $74,488,609,000 for Department of Defense activities and all major armed forces and weapons programs in fiscal 1974 (yea 336; nay 23), yea.

Appropriate supplemental funds totaling $1,433,035,718 for several federal departments and agencies in fiscal 1974 (yea 295; nay 8), yea.

December 3—Authorize $600 million in fiscal 1974–76 for prevention and treatment of child abuse and neglect and establish a National Center on Child Abuse and Neglect (yea 354; nay 36), yea.

December 3—Amend International Travel Act of 1961 to authorize $40 million in fiscal 1974–76 for programs to encourage foreign travelers to visit the United States (yea 272; nay 120), yea.

December 4—Adopt conference report on bill authorizing $2.4 billion for foreign economic and military assistance in fiscal 1974 and $922 million in economic assistance in fiscal 1975 (yea 210; nay 193), nay.

December 4—Declare it the policy of Congress to support, protect and enhance the coastal and offshore fisheries resources of the United States (yea 405; nay 0), yea.

December 5—Adopt conference report on bill appropriating $32,926,796,000 in fiscal 1974 funds for the Department of Labor and Health, Education, and Welfare and related agencies (yea 371; nay 33), yea.

December 5—Revise congressional procedures to give Congress better control over federal spending and fiscal policy and allow either the House or the Senate to direct the

President to spend impounded funds (yea 386; nay 23), yea.

December 6—Confirm President Nixon's nomination of Rep. Gerald R. Ford (Mich.) to be Vice President of the United States (yea 387; nay 35), yea.

December 7—Adopt conference report on bill appropriating $2,658,861,000 in fiscal 1974 for construction of military family housing, bachelor quarters and other installations in the United States and overseas (yea 329; nay 40), yea.

December 11—Forbid extension of credits or guarantees by any federal government agency for trade with a Communist nation if the President found that its government denied the right to emigrate or imposed more than nominal fees or taxes on citizens who wished to emigrate (yea 319; nay 80), yea.

December 11—Give President broad powers to negotiate trade expansion agreements and to take steps to reduce trade barriers subject to congressional veto procedures, grant import relief, provide adjustment assistance for workers and industries hurt by imports and retaliate against unfair trade practices (yea 272; nay 140), yea.

December 11—Authorize $2.2 billion in emergency security assistance for Israel (yea 364; nay 52), yea.

December 11—Reduce funds for emergency military assistance for Cambodia to $50 million from $150 million (yea 147; nay 256), yea.

December 11—Appropriate $5,833,912,000 in fiscal 1974 for foreign economic and military assistance (yea 219; nay 180), nay.

December 13—Ban allocation of petroleum for busing of students to schools farther than the school nearest to their homes (yea 221; nay 192), nay.

December 13—Extend through the 1977-model year the interim federal vehicle emission standards for the 1975-model year (yea 199; nay 180), nay.

December 14—Direct President to take action to assure, through energy conservation, rationing and other means, that the essential energy needs of the United States are met (yea 265; nay 112), nay.

December 17—Adopt conference report providing elected Mayor and City Council for the District of Columbia (yea 272; nay 74), nay.

December 19—Reorganize and consolidate certain functions of the Federal government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions (yea 355; nay 25), yea.

PRESIDENT'S RECORD GOOD

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks, I include the following newspaper article:

President's Record Good

(By Ira C. Eaker)

Mr. Nixon, any president, has many very important responsibilities, but the conduct of foreign affairs and command of our armed forces must be the most decisive roles he plays.

Errors and mismanagement in none of his other duties can cost our people their freedom.

Fundamental errors in diplomacy and mistakes in the command of our armed forces can lead to our defeat or destruction.

Leaving to those experienced and informed in those areas an assessment of his accomplishment in all of his other duties and responsibilities, I shall confine my observations only to his performance as commander-in-chief.

When Richard Nixon became President, the United States had 500,000 men bogged down in the jungles of South Vietnam.

President Nixon, mindful of his resources and with a better understanding of enemy capabilities, obtained a cease-fire agreement.

He accomplished this by destroying enemy sanctuaries in Cambodia, by intercepting supply routes in Laos, by attacking the sources of enemy power in North Vietnam and by mining Haiphong Harbor.

His intemperate critics were certain that these bold steps would stop the progress on détente with Russia and Red China. Instead these much criticized initiatives facilitated his diplomatic efforts to reduce cold war tensions.

Mr. Nixon announced a new U.S. policy, which now bears his name, to curtail our involvement in future Vietnams. The United States would help other nations to resist Communist aggression by supplying them with weapons and equipment only when they showed the will and determination to do the fighting.

After the wind-down of the Vietnam War, Mr. Nixon reduced the armed forces by a million men, civilian and military, without destroying their continued effectiveness as a credible deterrent to nuclear war.

This decisive point was proved when Brezhnev refrained from unilateral, armed intervention in the Middle East war after the President alerted our strategic forces.

President Nixon clearly has demonstrated that he is a successful negotiator with the Communists. He understands them and that they respect only military force.

The rapport or mutual respect he has established with the leaders in Moscow and Peking is our best prospect for mutual reduction of nuclear forces. Congress could defeat his efforts by insisting upon unilateral disarmament and dangerous reduction of defense appropriations.

President Nixon abandoned the inequitable, iniquitous system of raising military manpower by conscription and wisely substituted all-volunteer defense forces.

He has recommended and requested funds to modernize our strategic forces with new weapons systems that have been long delayed. This necessary and all-important program now requires only favorable congressional action on the '74 and subsequent defense budgets.

Finally, President Nixon undoubtedly saved Israel by the prompt air resupply effort in the first 10 days of the war, when all other nations had abandoned her, and by dissuading Russia from unilaterally intervening with combat forces. This required prompt and decisive diplomatic initiatives, backed by adequate military resources.

When passions have cooled, Mr. Nixon, like his bitterly criticized predecessors, Abraham Lincoln, Franklin D. Roosevelt and Harry S. Truman, may be vindicated.

Those who revile and castigate him today may reluctantly admit that he was eminently successful in his greatest responsibilities: the conduct of foreign affairs and as commander-in-chief of our defense forces. That, I believe, will be the verdict of history.

NATIONAL EMERGENCY ENERGY ACT

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. ROUSSELOT. Mr. Speaker, it becomes obvious to me as we await the return of the conference report on S. 2589, the so-called National Emergency Energy Act, that we in the Congress are overreacting and channeling our legislative efforts in the wrong direction. Rather than freeing the energy industries from controls and regulations, we are adding to them, and delegating almost unlimited authority to the Executive.

This legislation ignores the fact that overregulation by the Federal Government has actually discouraged the necessary capital investments by the energy industries to find and produce additional supplies, as well as explore and develop alternatives. Regulation of gas at the wellhead, oil import quotas, wage and price controls, combined with the reduction of the oil depletion allowance in the 1969 tax law, have all been responsible for creating an atmosphere of investment uncertainty in the industry. For these reasons, I am opposed to S. 2589 which can only make a bad situation worse for the American consumer.

The following statement given by Mr. John G. Winger, vice president of Chase Manhattan Bank and manager of the bank's energy economics division, before the Subcommittee on Energy of the Senate Committee on Finance on November 29, 1973, clearly states the causes that have led to our energy problem reaching the crisis stage. In this statement, Mr. Winger points out:

> Government must take several constructive steps before domestic resources can be developed. It must remove the price controls that prevent the generation of sufficient capital funds and stifle the incentive to invest. It must permit much greater development of the energy resources located on the vast public lands under its jurisdiction. And it must rewrite the environmental law to make it more realistic, practical, and compatible with the nation's over-all needs.

I urge all my colleagues who are inclined to vote in favor of S. 2589, and subsequently more involved Government intervention in the private sector, to consider and study Mr. Winger's remarks in the hope that we in the Congress can redirect our thinking. The only solution to assuring an adequate supply of energy is to free the industry from controls and allow the free market forces to function.

The statement follows:

Statement of John G. Winger, Vice President, the Chase Manhattan Bank, N. A., New York, N.Y., Before the Subcommittee on Energy of the Senate Committee on Finance, Washington, D.C.

Mr. Chairman and members of the Subcommittee: My name is John G. Winger. I am a vice president of The Chase Manhattan Bank in New York and am manager of the Bank's Energy Economics Division. I have been associated with the Bank as an energy economist for the past 24 years. I am appearing before you today to discuss the financial requirements of the energy industries if they are to provide an adequate supply of energy.

My testimony today will prove more meaningful if two vitally important facts are understood at the outset. First, we should recognize that the satisfaction of virtually all needs for goods and services involves the use of energy. In fact, I can't think of a single business activity that is not dependent to some degree upon some form of energy. In the United States, as much as 70 per cent of all energy consumption is related to business activities. For a long time there has been a consistent relationship between energy consumption and the nation's Gross National Product, measured in constant dollars. And there are no apparent reasons for expecting this relationship to change in the future. Obviously, an adverse impact on the nation's economy would be the certain consequence of an energy shortage.

We should also realize that the supply of energy is directly related to the expenditures made to provide that supply. That principle applies to all forms of energy—fossil fuels, water power, nuclear power and the various exotic forms not yet in use. If the expenditures required to find, develop, or otherwise make available a supply of energy are insufficient, a shortage will surely occur no matter how abundant the basic energy resources.

The United States does not lack basic energy resources—an enormous additional supply could be made available if the necessary expenditures were made. But the nation is now on the threshold of a serious energy shortage because the required capital investment has been inadequate for a long period of time. It is a shortage that existed before the current crisis in the Middle East. Our concern about the likeihood of an energy shortage was aroused nearly 20 years ago when we first detected the signs of inadequate capital spending. The failure of the energy industries to spend more was not the result of an arbitrary decision on their part—it was instead the result of faulty policies of government that prevented the generation of the necessary capital funds.

The nation must now live with the harvest those policies have reaped. Numerous business activities are now unable to obtain all the energy they require and the situation is certain to worsen in the years immediately ahead. By 1976, the energy needs of the United States are expected to be 20 percent larger than in 1972. But there is no possibility that the supply of energy can be increased that much. Let's consider separately the outlook for each of the various sources of energy.

The supply of natural gas will actually be lower in 1976 than it was in 1972. Production can't be increased because the capital expenditures needed to find and develop a new supply have been inadequate for the past two decades as the result of restrictive price controls.

The same price controls created competitive conditions that prevented the generation of the capital funds needed by the coal industry to expand its productive capacity. And there is now a shortage of coal despite the known existence of vast coal reserves. In fact, the United States has within its borders one-third of all the coal in the entire world. Only a modest increase in the supply of coal is in prospect for 1976, not only because of the financial limitations, but also because of environmental restraints on both the production and the burning of coal.

An even smaller increase is in prospect for water power because only a small number of dam sites remain to be developed in the United States. Conceivably nuclear power might be expanded substantially but environmental restraints, the failure of the Atomic Energy Commission to license new plants soon enough, the continuing failure of contractors to deliver plants on schedule, and problems associated with the enrichment of nuclear fuel will all operate to restrict severely the growth that actually can be achieved by 1976.

Because of the extremely limited ability to expand the supply of other forms of energy, the demand for oil in 1976 is expected to be fully one-third greater than in 1972. But none of the increased needs can be satisfied from domestic sources. There is absolutely no possibility that oil from the North Slope of Alaska can be brought to market as soon as 1976. And other domestic supply is expected to decline as a result of the long lasting inadequate search for new reserves in the past. Therefore, all of the increased demand will have to be satisfied with imports—if possible. That means imports must more than double by 1976 and constitute more than half of the nation's total oil supply.

But there is no likelihood that the United States will be able to import as much oil as it will need in 1976. In recent years the petroleum industry has been unable to build new refineries as a result of environmental restraints. Consequently, market needs have had to be satisfied increasingly with imported refined products. The refinery deficiency can't possibly be overcome by 1976 and the need for imported refined products at that time will be more than twice as great as in 1972. But it can't be satisfied—there is not enough spare refinery capacity anywhere in the world now and there won't be enough in 1976 either. Moreover, the governments of other nations can be expected to place an embargo on the export of refined products if their internal needs are not fully satisfied. As you know, the United States Government recently took a similar action in respect to agricultural products. In addition, there is the continuing possibility that some of the major crude oil exporting nations may restrict the outflow of oil for either economic or political reasons, as is now happening in the Middle East and Africa.

Under the most favorable circumstances that can be expected, the United States will experience a 5 percentage shortage of energy in 1976. But it is quite possible that the shortage could be as great as 15 percent. As more and more business activities are forced to curtail operations because of a lack of energy, a chain reaction can be expected. Shortages of other commodities and goods and rising unemployment are among the certain consequences. It is inconceivable that the Gross National Product can continue to grow as much as otherwise might be expected if the supply of energy is inadequate.

These, of course, are developments that hopefully will bring forces of correction into play. But they are likely to be slow in coming. The United States must develop its own basic energy resources. It can't depend upon outside supplies—there simply isn't enough elsewhere. Government must take several constructive steps before domestic resources can be developed. It must remove the price controls that prevent the generation of sufficient capital funds and stifle the incentive to invest. It must permit much greater development of the energy resources located on the vast public lands under its jurisdiction. And it must rewrite the environmental law to make it more realistic, practical, and compatible with the nation's over-all needs. Until such legislation is enacted, much of the development of energy resources can be obstructed.

At best, the United States is destined to experience an energy shortage for several years to come. Whether conditions improve thereafter will depend upon how soon corrective forces are applied.

An energy shortage is by no means limited to the United States. It looms for the rest of the world as well. Time does not permit a full discussion of the prospects for all forms of energy so I am going to concentrate on the outlook for oil alone. Oil is the single most important form of energy—it will satisfy a much broader range of purposes than any of the other forms. Between 1970 and 1985 oil alone is expected to be called upon to satisfy nearly 60 percent of the total energy needs of the non-Communist world.

On a worldwide basis, and quite apart from the current cut-off in the Middle East and Africa, the availability of oil can be termed tight. And it is likely to become even tighter. In the brief period ranging from 1970 to 1985 the world will consume nearly three-fourths of the total proved reserves of oil now in existence. Obviously, the proved reserves—or underground inventories—in 1985 will have to be much larger to accommodate a worldwide demand for oil that is expected. Therefore, the petroleum industry will have to find twice as much new oil in the 1970–1985 period as it did in the preceding 15 years.

If the industry is to find that much oil, it must greatly expand its search. And that will necessitate, of course, a much greater capital investment. Approximately 450 billion dollars will have to be spent for capital purposes between 1970 and 1985—far more than the 104 billion actually invested in the search for petroleum in the preceding 15 years. In addition, the petroleum industry will need to spend another 360 billion dollars for refineries, tankers, pipelines, storage equipment, and marketing facilities. Therefore, if the world's needs for petroleum are to be fully satisfied, the industry will have to invest more than 800 billion dollars in the 1970–1985 period. That's four times more money than was spent in the previous 15 years.

There are other financial needs to be met, of course. For debt service, enlarged working capital, and dividends the industry will require nearly 550 billion dollars. The total financial requirements for the 15 years, therefore, will amount to 1,350 billion dollars. There are, however, reasons for doubting that the industry can generate such an enormous amount of money. Unless the industry can experience a much greater growth in earnings than it has achieved in recent years, it will fall far short of its goal. In that event it will be unable to make the investment required to find the oil the world's markets will require. And that would indeed create a worldwide shortage of energy.

I am sorry I must paint such a bleak picture. But the problems are real and they demand our attention. They can be solved if we are willing to pay all the costs of providing a sufficient supply of energy. If we do not pay them, the ultimate costs in terms of an economic and social impact will be much greater.

H.R. 9935: A BILL TO PROTECT PRIVACY OF INDIVIDUAL INCOME TAX RETURNS

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WHITE. Mr. Speaker, on August 3, 1973, I cosponsored H.R. 9935, introduced by Congressman LITTON, Democrat of Missouri. This bill has 23 other cosponsors. It is awaiting action in the Committee on Ways and Means.

H.R. 9935 will amend the Internal Revenue Code to make it more difficult for Federal agencies and employees to gain access to the individual income tax returns of American citizens. In essence, it provides that no Federal agency or employee may inspect any tax return pursuant to sections 6103 and 7213 of the Internal Revenue Code except upon a specific order of the President which identifies by name the person who filed such return.

I have cosponsored this bill because of information revealed during the extensive hearings held in July 1973, by the Subcommittee on Census and Statistics, of which I am chairman, on the administration's attempt to postpone the statutorily required 1974 census of agriculture. In those hearings, the testimony of several witnesses was heard in opposition to the President's Executive Order 11709, which would permit any employee of the U.S. Department of Agriculture to inspect any and all farmers' tax returns, provided that the information inspected could be considered as a measure of the size of the farmer's farming operation. Obviously, almost any piece of information on the farmer's tax return could be examined in eliciting this information.

I am opposed to any Executive order, or legislation, that would give blanket authorization to Federal employees allowing them to snoop at random through the tax returns of any person simply because he happens to be a member of a particular group—a farmer, in the instance brought to my attention.

If inspection of an individual's tax return is warranted, the bill I am cosponsoring will require that the person be specifically identified by the President before the confidentiality of his tax return will be violated.

I urge my colleagues to give H.R. 9935 their serious consideration.

BO LUNDBERG: STOP THE SST

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. REUSS. Mr. Speaker, despite the decision by Congress in March 1971, to terminate the SST development program, NASA still is spending $11.7 million a year for SST research. This was justified in the President's 1974 budget as necessary "to provide the United States with the option to initiate development of an advanced supersonic transport later in the 1970's."

Bo Lundberg's article, "Why the SST Should Be Stopped Once and for All," in the September 1973, issue of Search, the journal of the Australian and New Zealand Association for the Advancement of Science, gives some good reasons why this option should be discarded and forgotten. A summary of Mr. Lundberg's article follows:

Why the SST Should Be Stopped Once and for All

(By Bo Lundberg)

SUMMARY

SSTs will inevitably be far more complex than subsonic aircraft because they have to fly in two widely different aerodynamic environments, subsonic and supersonic. And, as the time interval between two consecutive models must be much longer than for subsonics, a great number of innovations must be introduced simultaneously for each new SST model to catch up with the continuing progress in subsonic technology.

The possibilities of minimizing the basically foreseeable accident risks through long service experience—the main foundation for flight safety—are far less for the SSTs because the volume of SST operation can never, even nearly, approach that of subsonic aviation. Furthermore, laboratory testing is much less efficient for SSTs due to the exceptionally long testing times required for simulating their aerodynamic heating.

With respect to unforeseeable risks—which cause most air disasters—it follows from statistical reliability laws that the probability of accidents increases very rapidly with the number and complexity of innovations introduced simultaneously.

Mainly because of these "laws" SSTs will be much less safe than subsonics.

The inevitable SST sonic boom is definitely unacceptable over inhabited land and will often be annoying, sometimes frightening, to people at sea. Furthermore, SSTs are bound to produce much greater airport noise than quiet subsonic jets, primarily because large-diameter engines are incompatible with supersonic speeds.

For these reasons SSTs are socially unacceptable even disregarding their appallingly high fuel consumption per passenger kilometer, and the cosmic radiation and ozone depletion hazards.

Because above all of the shock-wave drag—requiring more powerful engines with higher fuel consumption—and the greater complexity, the hull, engine and fuel weights of an SST inevitably add up to a much higher percentage of the gross weight than for subsonics, yielding a much smaller payload/gross weight ratio. The complexity, and limited production, results also in a considerably higher production cost per pound empty weight.

The resulting very high price/payload ratio and the excessive fuel consumption can but to a small extent be compensated by the only moderately higher productivity (= aircraft mileage per year). For this main reason SSTs will be grossly uneconomic in competition with subsonics.

As the usually marginal benefit (to a small minority of air passengers) of the moderate time gain by SSTs cannot by far outweigh any of these three serious drawbacks, each one alone is more than sufficient reason for abandoning the SST dream once and for all.

FAUNTROY INTRODUCES URBAN HOMESTEAD BILL FOR DISTRICT OF COLUMBIA

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. FAUNTROY. Mr. Speaker, I am pleased to announce that today I am introducing legislation to establish an urban homestead program for the District of Columbia. This program has been designed to offer a family of low or moderate means the opportunty to own their own home.

As many of you know, the District has nearly 2,800 tax sales per year of which most are single family dwelling units. Of this figure, nearly 1,800 are abandoned. Almost all of these units need substantial rehabilitation or will require the construction of a new facility upon them. Additionally, this bill would make all of the land at the Bolling-Anacostia Air Field, which was exempted from construction of military facilities by the National Capital Planning Commission, eligible for urban homesteading. I estimate that 2,100 houses can be constructed there.

The purpose of this bill is to make it possible for a low- or moderate-income family with little capital, but the will and capacity to restore an abandoned house to purchase the house for $1 in return for an agreement to rehabilitate the house and live in it for 5 years. The program will be administered by a Homesteading Commission composed of representatives from each segment of the community that is affected—financial, realty, and legal—will be members of the commission, along with six residents of whom at least two must have low or moderate incomes.

Whenever property which is delinquent in its tax payments is not redeemed by an owner or a lien holder, it will be given to a qualified applicant by Homesteading Commission. To qualify, an individual must be at least 18 years old and the head of a household domiciled in the District. The person must agree to rehabilitate or construct a dwelling in which he will live for at least 5 years. After that time, he will become the absolute owner and will then be able to do whatever he wants with the land and the building. Of course, only those individuals who do not own other real estate can participate.

In order to assist this person obtain the necessary financing to repair or build a dwelling, the Homesteading Commission is authorized to guarantee a loan or advance money if the otherwise eligible applicant cannot obtain financing. Furthermore, during the 5-year period as which the city has a right to reacquire the property for some default on the agreement, any financial institution which lends money will receive the proceeds of a default sale of the property which must be for its fair market value.

My bill should not impose unreasonable costs to the District. The city can expect to lose the amounts that it would have received from a tax sale plus whatever amounts of money it loses in the guarantees that it may have to give. And, of course, there are staff salaries and other related expenses, which I expect will be minimal. The resulting gains will, however, more than offset any monetary expenditure. In the first place, abandoned property, of which much is held by speculators will be put into the hands of low- and moderate-income families who will fix it up and make it into tax paying property. Second, it will bring added stability to a neighborhood by driving out speculators who tend to create fears and additional deterioration by depriving them of a prime source of property which is traded by the current tax sale mechanism. Finally, it will bring into productive use the Bolling-Anacostia site which must be developed for private use if our long awaited dream of bringing an engine of economic growth and stability to that area is to be realized.

While this program will not resolve all of the housing problems of our low- and moderate-income families, it will offer to a substantial number of them the opportunity to own a home of their own. Essentially what is being provided is the capital stake for a family able to make regular monthly payments but unable to save enough for the downpayment and settlement fees that are required. The overwhelming majority of persons who will be helped are those who are now living in crowded rented quarters at fairly high rents. This bill can change that for many of these families.

The recent series of articles in the Washington Star-News has once again served to reemphasize the desperate shape of the existing housing programs in the city. I hope that this bill coupled with a renewed interest by the city administration will ameliorate part of the plight of our citizens.

I have now introduced four major pieces of legislation designed to affect the housing programs of this city in addition to numerous other bills which I have cosponsored. These four bills constitute a sizable package which lessen our housing needs. The first of these two are the Urban Development Bank and the Urban Development Corporation. The former would have provided funds for those projects that the private commercial banks are unable to undertake while the latter would have consolidated the numerous alphabet agencies that have a little responsibility for housing and economic development into a single viable agency with the full panoply of powers to deal effectively with our needs. The hird tool in this arsenal is the recently enacted rent control law, on which city hearings are scheduled for January.

The last is this bill. Homesteading is not a new idea. It is the mechanism that allowed rural America to develop and prosper and to expand westward into the frontier and more recently into Alaska. It is premised upon hard work by the citizen and minimal assistance by the government. I have broadened that concept by bringing it into this city, into our own urban environment, and making it possible for the poor urban family, as well as his rural counterpart, to have a stake in the land.

In its various sections, the bill provides as follows:

Section 1.—Titles the Act as the District of Columbia Urban Homestead Act of 1974.

Section 2.—Lists five findings of Congress of the need for this program.

Section 3.—Provides definitions of certain terms used in the bill.

Section 4.—Establishes a nine member Commission appointed by the Commissioner with the advise and consent of the City Council so that one each will represent the financial, realty, and legal profession. The remaining six will represent the general interest of D.C. residents of whom at least two must be of low or moderate incomes. The Commission is also given appropriate rule making authority.

Section 5.—Requires the D.C. Assessor to maintain lists of property which are delinquent in tax payments and to transfer such lists to the Commissioner who shall offer the properties for sale to only record lien holders.

Section 6.—Provides for the conditions of the sale authorized in Section 5. If no recorded lien holder should bid the amount of taxes, penalties, and costs, and if the record owner should fail to redeem the property within six months, the property shall be transferred to the Commission with all claims against the property by anyone being extinguished.

Section 7. Lists the requirements of a qualified applicant and the procedures to be followed in determining a recipient if more than one qualifies for a particular property as well as the execution of the agreement which is to be signed at the time of the transfer. To qualify, one must be at least 18 years old and domiciled in the District of Columbia as the head of a household. The individual may not own realty and he may not have been the beneficiary of this or another similar program. The agreement into which he enters provides that he will construct or rehabilitate and live in the dwelling for five years during which time it will be maintained in all manner of obligations including mortgages, taxes, and insurance. Should the owner-applicant fail to comply, the property reverts to the Commission which shall sell it for its fair market value and apply the proceeds to the record liens. This section also authorizes the Commission to guarantee an applicant's loan for construction or rehabilitation for as long as there exists a possibility of reverter. An eligible applicant or owner-applicant can also receive funds from the Commission if he cannot obtain a loan provided, however, that he is otherwise qualified.

Section 8. Provides the method of title recordation and requires the owner-applicant to pay all proper taxes and assessments.

Section 9. Transfers the Bolling-Anacostia Air Field to the Commission to be used in this program. It also authorizes the Commission to lease portions of the Base for services and facilities which would be provided by the lessee. Finally, all land and property held by the RLA which can be used to further this program is also transferred to the Commission.

Section 10. Authorizes an appropriation to carry out this Act without fiscal year limitation.

Section 11. "Quiets" the title in the owner except for actions brought pursuant to the Act.

H.R. 11225 SEEKS TO PROHIBIT DISREGARD OF THE LAW BY CENSUS BUREAU

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. WHITE. Mr. Speaker, on October 31, 1973, I introduced H.R. 11225, which was sponsored by Congressman JAMES M. HANLEY.

Quite simply put, this bill requires the Census Bureau to timely carry out the statistical compilation and periodic censuses that it is already mandated by law to do. The bill also provides penalties for those failing to adhere to its provisions.

I, indeed, regret that the introduction of such a bill was necessary. However, the events of the past summer concerning the administration's attempted postponement, for 4 years, of the statutorily required 1974 Census of Agriculture led Congressman HANLEY and me to the conclusion that such legislation would be required if, in the future, the statistical and census programs the Bureau of the Census is obligated to undertake are to be conducted timely and efficiently.

The Subcommittee on Census and Statistics, of which I am chairman, held extensive hearings in July of 1973 on the administration's proposed scuttling of the 1974 Census of Agriculture. We received numerous statements for the record, and heard testimony from many witnesses. These witnesses represented data user groups, the Census Bureau, the Department of Agriculture, and the Office of Management and Budget—OMB.

Though section 142 of title 13, United States Code, required, in plain English and beyond cavil, that a census of agriculture was to be conducted by the Bureau in 1974, OMB, as it did with so many other congressionally funded programs in 1973, impounded the funds that Congress had lawfully appropriated to enable the Census Bureau to adequately prepare for the taking of the 1974 Census of Agriculture.

OMB, without any legal sanction whatsoever, thus sought to arbitrarily thwart the will of the Congress that the 1974 Census of Agriculture be taken.

When called to testify before my subcommittee, the OMB representative attempted to justify the administration's plan to postpone the agriculture census by asserting the rather futile hope that Congress would enact amendatory legislation, submitted several months earlier by OMB, to postpone the taking of the agriculture census to 1978. OMB took its action in spite of the fact that not a single Representative or Senator, Democrat or Republican, had introduced or sponsored its proposed legislation.

In September 1973, OMB saw the handwriting on the wall, relented on its impoundment of the agriculture census funds, and reluctantly agreed to the taking of that census as scheduled. All of this occurred, of course, after a period of almost a year had elapsed during which the Census Bureau was not able to carry out the tasks it normally would have in preparation for taking the agriculture census.

What has been recounted above points out the danger that could be posed in the future to other vital Census Bureau periodic censuses and statistical compilations that are required by law.

Congressman HANLEY and I have, accordingly, introduced H.R. 11225 to prevent such a situation recurring.

Our bill provides that statutorily required Census Bureau censuses and statistical compilations shall be adequately prepared for and taken in a timely and accurate manner. Any officer or employee of the executive branch who, without the prior consent of Congress, evinced by a concurrent resolution, acts or otherwise seeks to delay or postpone the preparation for, or the taking of, any of such censuses or compilations within the 12 months preceding the statutorily prescribed date for taking same shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

The bill also provides, however, that it is not applicable to officers or employees of the executive branch in the exercise of their constitutional right to urge legislation upon the Congress, and to testify in support of introduced legislation, which would have the effect of delaying, postponing, or abolishing a statutorily required Census Bureau census or statistical compilation.

I believe that the bill put teeth in the present law to assure that the Census Bureau's lawfully required censuses and compilations are timely taken, and to prevent any further executive branch meddling with the production of economic and other data that is obvious benefit to our Nation. In addition, I believe the bill will allow the expression of sincerely held viewpoints by the Census Bureau, OMB, and others who seek changes in the timing or content of laws requiring the production of such data.

I urge my colleagues to give H.R. 11225 their serious consideration.

IT IS TIME TO END NIGHTMARE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks, I include the following article appearing in the San Diego Union of November 12, 1973:

IT IS TIME TO END NIGHTMARE

When wages and prices were frozen in the United States of America for the first time during peacetime in 1971, controls were accepted as a temporary expedient to meet an economic emergency.

The emergency was real enough. The economic havoc created by years of excessive federal spending and deficit budgets had caught up to us in the form of rampant inflation. The stress on temporary controls also was realistic. The experience of the United States with controls during World War II and the Korean War made the country aware that they were not a substitute for the law of supply and demand.

So the United States determined on Aug. 15, 1971, to freeze wages and prices for only 90 days while a program was devised for an orderly phase out of controls. Phase II, the first refinement followed on Nov. 15. Since then we have waded through Phase III in 1972 and embarked on Phase IV last July 18.

Throughout the period it has been evident that the earlier experience of the United States with controls was not an aberration. The housewife who tries to stretch her budget to meet the inroads of rising prices knows it. Dairy farmers who are going broke because they cannot earn enough to meet expenses know it. The farmers, who see fertilizer that they need being shipped to Europe where it commands higher prices, keenly feel the bad effects of controls. So does the working man who is paid more than ever but who finds it harder to make ends meet. The list is endless. It includes the industrialist who is confronted with shortages of raw materials or prefabricated parts, the gasoline station operator who was forced to sell gasoline at a loss, and so forth.

Thus, it is no surprise that the clamor for removal of controls as soon as possible is widespread, extending across the country and among citizens of all walks of life. Indeed, the awareness also extends to the Administration where Cost of Living Director John Dunlop is pondering the same problem that his predecessors pondered back in 1971—how to phase out of controls with the least damage.

One of his thoughts is that should controls be permitted to expire on April 30 when the present statutory authority for them expires, the federal government must create a permanent economic stabilization board to act as a watchdog over labor and business. His view is shared by such eminent and powerful economists as Arthur F. Burns, chairman of the Federal Reserve Board. Even George P. Shultz, secretary of the Treasury, is warning about a void that might exist when Phase IV has ended. Mr. Shultz has been an ardent opponent of any form of controls in the past.

Our three years of nightmares with wage and price controls should have convinced us that there is no easy way to shuck them. When controls expire, as they must, prices will rise until the distortions that they have created are removed. This is the price we must pay for interference with the free market.

The nightmares also should have convinced us that the less government intervention in the market the better off we will be—that none would be the best of all.

OVERTHROW OF ALLENDE APPLAUDED BY CHILEANS

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. CONLAN. Mr. Speaker, one would hardly know from most outside accounts of the September overthrow of the Communist Allende regime in Chile that the military coup was thoroughly popular with the vast majority of Chileans themselves.

There is little reason to believe that Allende's ouster would not have been welcomed by the people of Chile. The country's economy had been shattered by 3 years of Marxist rule. Allende's control of consumer goods, his ideological takeover of schools and education, and his attacks against a democratic Congress and the courts had broken the moral, social, and political spirit of the country.

The broad mass of middle-class workers, farmers, shopowners, truck drivers, and professional people in Chile had become sick and tired of roving bands of Marxist bureaucrats who nationalized their businesses, thus confiscating their life's efforts and hopelessly regulating their everyday existence.

They were broken by horrendous inflation and repression. They knew that Allende was the puppet of the Communist leaders in Moscow and Havana. They believed revolution was inevitable, and welcomed it when it came as the only remaining chance to stop the Soviet Union and Cuba from seizing power entirely.

Nena Ossa, Chilean correspondent for National Review, neatly compares enthusiastic support for the military coup inside Chile with the fictional accounts one generally finds in some of the world press and in socialist organs throughout the world. I commend her report in the magazine's current issue to the attention of all my colleagues:

[From National Review, Dec. 21, 1973]

LETTER FROM ROME—FACT, FICTION, AND AGITPROP

(By Nena Ossa)

I flew from Santiago to Rome on August 15. The night before I left an army officer told me that Marxist activists had hidden away eighteen thousand military uniforms smuggled in from Cuba; that left-wing students were shedding their craggy Che Guevara locks for soldierly crewcuts; that the stores of illicit arms the army had been uncovering here and there were just a small portion of the whole; that, in sum, the army expected a bloody coup from the Left in which as many as thirty thousand Chileans might die. It was only under extreme pressure from the navy, he said, that Carlos Rodriguez, Cuba's prime minister, and Manuel Pineiro, Cuba's secret service chief, had been forced to leave the country. The military suspected that they were in Chile to prepare for the coming insurrection.

The Western press back then, in late August/early September, was having its doubts about Senor Allende's Chilean way. "It seems a mighty peculiar road to socialism—or to anywhere else for that matter," wrote David Holdin of the London *Sunday Times* on September 5. "The tragic prospect is that while the harassed and embattled president may succeed in averting a military coup, he may soon be powerless to govern or stave off overt civil war," said *Time* Magazine at about the same time. *Le Monde* admitted that Allende's Popular Unity had been a failure. Yet one week later, after Allende's fall, the press, from Marxist to socialist to independent, was as one in its shock and horror at what the generals had wrought.

The news caught me in Rome. "*Colpo di stato nel Cile,*" headlined an evening paper. Within 24 hours posters glorifying Allende were plastered all over the city. "*Morti ai fascisti cileni,*" they said, "*Imperialismo Americano e la Democrazia-Christiana cilena hanno creato un nuovo Vietnam,*" "*Viva la lotta del popolo cileno.*" The instant Communist slogans infuriated me. But my anger soon gave way to admiration for the skill and speed displayed. By poster, on podiums, in the press, all over Italy, Allende was being alchemized into a martyr of major proportions. At noon on September 12, the day after the coup, Allende's charming ambassador to Rome, Carlos Vasallo, told me that all Chilean airports had been closed, that all communications with the outside world had been suspended, that the only news reaching the outside world was from a pro-Allende clandestine radio station beaming to Argentina. Yet three hours later the Communist *Paese Sera* was announcing "*Allende assassinato.*"

The most outrageous report was by *Newsweek's* John Barnes, who accepted uncritically all the horror reports and totally refused to give credence to the possibility of a planned left-wing coup on September 17. *Der Spiegel's* beautifully written but equally undiscriminating piece blamed the right-wing Patria y Libertad movement for the chain of events—the strikes, demonstrations, rallies, etc.—that preceded the coup, but made no mention of the fourteen thousand foreign activists in Chile and ignored entirely the virulent campaign against the armed forces orchestrated by Senator Carlos Altamirano, the secretary general of the Socialist Party.

In Germany, a fortnight before the coup, a commentator on Deutsche Welle scornfully reported over the radio on Allende's "final grotesque trampoline gymnastics." Two weeks later, he would not interview me. "You are too far to the right," he said. But he was interested in interviewing Herr Meschkat, a friend of "Red" Rudi Dutschke, one of the five German leftists originally held in the National Stadium in Santiago. "I will not criticize Allende now that he is dead," said the man on Deutsche Welle. And it was to no avail to try to explain to him or to anyone else that Allende, a minority president, had managed to destroy everything Chile stood for before his election—and that he ruined the country. It proved impossible to explain that even if Chile if far away and not important to others, the havoc wrought by Allende distresses—Chileans.

In Geneva I talked to a Czech cab driver. To my astonishment he compared the Chile coup of 1973 to the Prague coup of 1968. The facts that no foreign army had marched on Chile, that Chile was not a dictatorship made no difference to him. He was ignorant of the fact that Chile's Communist Party was the only Latin American Communist Party to applaud the entry of Soviet tanks into Prague. While I was in Geneva I watched a French-language TV program which scandalized Chileans who had been out of the country for the last few years. It showed soldiers patrolling the streets of Santiago, others keeping watch along the roofs of the city. What no one pointed out was that the building on the rooftop of which the soldiers were watching was the building from which snipers had planned to fire on anti-Allende students at nearby Catholic University. These same Chileans and their Swiss friends, who were so loud in their denunciation of the Black Septembrists in Munich and Paris, apparently saw no parallel with terrorists in Chile. A British journalist who eyed the activities of Chilean guerrillas benevolently would turn around and tell me that Irish rebels should be shot out of hand. What tickled and amused me was how Allendista diplomats all over Europe—now out of jobs—hurried to and were warmly greeted, fed, lodged, and taken care of by their friends—in what they were accustomed to calling fascist Franco Spain.

This was how it was appraised from the outside. And yet a German businessman living in Chile would write me: "We must all thank the Chilean armed forces for liberating us from Marxism. I say this not only in the name of Chile but in the name of all the free world. This is the first time a country has been able on its own to get rid of a Marxist regime. I am conscious that international opinion is derogating this. It is necessary to have lived in Chile to understand. This was not a coup organized by a bunch of ambitious generals. It was the last and only chance to stop Russia and Cuba from seizing power entirely."

THE MOUNTAIN MASTERS FOUR-WHEEL DRIVE CLUB

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. McCORMACK. Mr, Speaker, I want to take this opportunity to publicly commend several unsung heroes from my congressional district who recently were called upon and responded in an attempt to help their fellowmen in a time of peril and tragedy.

On the evening of November 3, three men crashed in a small plane in the snow-covered mountains near Wenatchee, Wash. One of the men, Mr. Fred Scroggie, was a member of an organization known as the Mountain Masters Four-Wheel Drive Club. The members of this club, on being informed of the accident, set out in the night, slogging through deep snow, using their citizens' band radios to organize a search for the downed plane.

Almost 24 hours after the crash, the plane was found by the Mountain Masters. One of the three occupants, Mr. Jim McMullen, was badly injured but still alive. He had lain under the plane in in the snow for about 20 hours. Mr. Scroggie and the pilot, Mr. Bill Vaile, were both killed in the crash.

The Mountain Masters is an organization of average citizens who, in search of their friends, went out in the mountains, risking their own safety in giving of themselves. They even rented a private helicopter to aid them. It was in the truest tradition of neighbors helping neighbors and friends sacrificing for friends.

The touching footnote to this story is the fact that Mrs. Fred (Vicki) Scroggie, the widow of Fred Scroggie, suggested that a memorial fund be set up to provide the Mountain Masters with radio communications gear and other search and rescue equipment. On November 29 she presented $575 to the group. The next morning she gave birth to her first child, a daughter named Shannon Marie.

Sometimes, Mr. Speaker, I think that under the pressure of our responsibilities here in Congress we all tend to forget that we are indeed representing individual human beings, with all of the warmth and love and problems and tragedy that human beings normally experience. The story of the courage and dedication and sacrifice of these men and women from my district brings this message back to us, it seems to me, and makes us all proud.

LIFETIME TENURE FOR FEDERAL JUDGES

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, December 21, 1973

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent to print in Extensions of Remarks an editorial from the Anderson, Md. Herald concerning lifetime tenure for Federal judges.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

KINGS, QUEENS, MAHARAJAHS, AND U.S. FEDERAL JUDGES

Throughout the world today about the only people who have life-time tenure are kings, queens, maharajahs and U.S. federal judges. Thus noted Sen. Harry Byrd (Ind. Va.) in support of his proposed constitutional amendment that would require federal judges to have their appointments reconfirmed every eight years.

Under terms of the proposal, terms of federal judges would be limited to eight years with reappointment automatic for a similar period subject to reconfirmation by the U.S. Senate. In other words, instead of holding office for life as now, judges would be subject to reassessment on the basis of their records every eight years.

To guarantee the financial independence of the federal judiciary, should a judge be rejected, he would be retired at full pay.

Urging prompt consideration of his reform proposal, Sen. Byrd pointed out that limited judicial tenure already is widely in effect throughout the United States.

"Forty-seven of the 50 states have fixed tenure for their state judges," the Virginian declared. "Obviously, they deem this a sound and desirable practice. These 47 states clearly consider it essential that their judiciary be held accountable, and there is no valid reason why this same fundamental principle should not apply to the federal judiciary."

Byrd stressed, "I think it's time something be done about these uncrowned monarchs. I submit that in a democracy, it is neither logical nor wise for a public official to have life-time appointment and be completely unaccountable for his actions."

In addition to the fact that conditions are ripe for such a reform, Byrd also noted there was a crying public demand for it.

Sen. Byrd's proposed amendment has considerable merit and deserves the serious consideration of every American citizen because, if adopted by the Congress it will be a subject for debate and action by every legislature in the nation.

SUPPORT FOR THE PRESIDENT—II

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. MYERS. Mr. Speaker, today I call to the attention of my colleagues a second editorial on the current political crisis in this Nation written by Mr. Lawrence Sawyer, distinguished editor of the Star, Terre Haute, Ind., and president of the Indiana Republic Editorial Association. With its companion editorials which appeared in yesterday's CONGRESSIONAL RECORD, this expression of sentiment represents the majority feeling among the people of my district and Indiana:

LET US HOPE NIXON DOES NOT HAND LIBERALS GREAT VICTORY

Are the nation's liberals on the verge of a great victory, which will be a political and economic turning point in United States history? One would think so from the trumpeting in parts of the press recently, as the resignation of Pres. Richard M. Nixon is freely predicted.

One such liberal, asked what Nixon has done that he should resign or be impeached, replied, "Why, nothing, of course, but he is up against a psychological condition that he can't beat."

In other words, he should surrender to hysteria.

It is a condition of national hysteria, whipped up by "show biz" news coverage by both the electronic and some of the print news media, that has led to calls for Nixon's resignation. Of what is he guilty? Of what, even, is there a strong presumption of guilt? Again, one surely would have to answer, Nothing.

Most oddly, the resignation of Spiro Agnew as vice president is taken as proof there is some fault in Nixon. On the contrary, Mr. Agnew had served for four years without reproach when his troubles began. Even so, Mr. Nixon did not disown him—Mr. Agnew acknowledged his kindness and tolerance. Nor did he say, "I'm for him, 1,000 per cent," and cast him aside the next day.

Currently, there has been a furor over the fact that some White House conversations were not recorded on tape. There is reference to "missing tapes," when it seems clear the tapes never existed except in somebody's imagination—and what never existed can't very well be missing. Now the President is faced with a demand that he prove something never existed. This gets silly.

One might go on from this and remind everybody that in our system we don't demand a man prove he is innocent—yet this is the demand hurled at Nixon. In our system it is up to the accuser to prove his charges.

As to Watergate: There is ample proof that bands of men broke into the Democrat national headquarters. From there on back the proof gets very vague. It seems more likely than anything else that the burglars far exceeded their instructions. The investigations have gone on for more than a year, and there has been nothing to connect the president with any wrongdoing other than unsubstantiated accusations.

Much of the current criticisms of the president deal with his supposed unpopularity. It is said, for instance, that a Gallup poll shows him almost as unpopular as Harry

Truman at one point of his career. But Mr. Truman didn't quit. We hope Richard Nixon won't either.

Should the undesirable happen, and Pres. Nixon feels compelled to resign due to the weight of public criticism, it would mark a victory of the first order for the liberals, who have not fared badly in recent years. Enemies of Nixon since he ran for the Senate against a liberal, and even more embittered when he proved the infiltration of government by communists, the President has been their consistent target for a generation.

Should their constant attacks finally force him out, few conservatives would wish to brave their hatred again. The political effect on the future of the United States would be far-reaching. This might well mark the beginning of the installation of a more authoritarian, neo-Marxist government which would bury the American state as we have known it.

Curiously, during the Nixon Presidency, few conservatives have come forward to assist him, even as he has fought their battles. The long Democrat ascendancy beginning with Franklin D. Roosevelt had, to a degree, Balkanized the Republican party into local and state strongholds. The Eisenhower period did nothing to help.

When the public decided to retain Mr. Nixon in the White House by a landslide margin, it also chose to give him a strongly Democrat Congress. This reinforced the hostility that is reaching greater intensity today. In spite of this the President has achieved much—and it was commonplace to see him deserted by nominal Republicans, particularly in the Senate, where several of these men should more properly have been listed as Democrats.

And all in all, wouldn't it be better to clam down a bit and go along with a President who has ended, American participation in the Vietnam war, brought the prisoners home, brought the national budget more nearly into balance, reversed the adverse trade balance, made progress against inflationary price increases, with his great Secretary of State Kissinger won a cease fire in the Middle East, and is attempting to deal with the crisis in supply of energy sources?

We hope the President stands firm, and in the idiom of Harry Truman, stays at work in the kitchen where we need him.

THOMAS M. PELLY

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. ROBISON of New York. Mr. Speaker, at this time of year one's thoughts turn toward one's loved ones—and home—and also toward those who, in the past, have been friends, but are no longer among us.

One of those, in that latter category. is my friend, and former colleague, Thomas M. Pelly, of the State of Washington, who passed away a few weeks ago.

Tom was a delightful man; decent and honest—straight-thinking and straight-talking—as well as one who truly worked his heart out in behalf of his Nation and the people he was chosen to represent, for so many years, in this House.

When he retired, at the end of the past Congress, he was sorely missed, for he was—in his own, special, quiet way—a tower of strength. He was a "big man" in more than physical ways, and determined to do the right as God gave him to see the right. There are those, Mr. Speaker—as we so well know—who are now critical of the institution that is the Congress of the United States, and equally critical of those who serve therein to the best of their ability. If all of us who do try to serve therein were of Tom Pelly's caliber that criticism, I am sure, would be muted. But, we can all remember—and try to emulate—his example.

To his beloved wife, Mary Virginia—who was an especial friend of my wife—and to his two children, Mrs. Robison and I extend our deepest regrets, and our prayers at what will surely be a difficult time of the year for them.

THE LITTLE POLISH ROOSTER

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. OBEY. Mr. Speaker, John Wyngaard is the dean of Wisconsin's Capitol press corps in Madison.

He recently wrote a column summarizing the effectiveness of the dean of Wisconsin's congressional delegation here in Washington. The article captures well the effectiveness that Clem Zablocki displays around this House and it also captures well the reasons why he is held in such affection.

One of the noticeable qualities about Clem, as we all know, is his ability to maintain a high degree of respect for people with whom he sometimes disagrees. The article captures that quality as well, and I insert the article at this time because I think a good many of Clem Zablocki's colleagues would enjoy reading it.

The article follows:

The Little Polish Rooster

(By John Wyngaard)

Madison.—There was a little party at the national Capitol in Washington the other day for one of the state's most effective as well as one of the senior politicians whose skills and influence are strangely little recognized here beyond the confines of his parochial district which is the south half of Milwaukee and environs.

Rep. Clement Zablocki is now the dean of the Wisconsin congressional delegation as he nears the 25th anniversary of his election to the House of Representatives.

The celebration in the office of one of his colleagues was by way of respectful tribute to his patient campaign to limit the warmaking powers of the president according to the common assumptions about such limits that have been held in the country until the 1960s.

In a vote that suggested the depth of the nation's distress about presidential warmaking as well as the Wisconsin congressman's political skills and the regard in which his colleagues hold him, the Congress overrode President Nixon's veto of the measure to reestablish the warmaking powers of Congress.

CONGRATULATIONS FROM MUSKIE

According to some recent news accounts, Sen. Edmund Muskie of Maine was among the first to congratulate the Wisconsin congressman on his patient and victorious campaign. He probably put it best when he said, "I didn't think you could do it, you little Polish rooster." Sen. Muskie, of course, is the Polish-American whose career has been eagerly watched in a thousand enclaves of Polish immigrants' descendants all over the country.

Hereabouts Rep. Zablocki is the most distinguished of Polish-Americans who have chosen politics as a career. There are those surviving in Madison who remember his arrival as a state senator in Madison more than 30 years ago.

For reasons that some day should persuade a serious student of politics to undertake a formal study, Milwaukee has produced fewer state political leaders of stature and influence in recent times than in the 19th Century, and surely fewer than its population and economic importance in a comparatively small state would suggest.

But there are oldtimers in the lobbying corps, in the bureaucracy and elsewhere who quickly recognized in the young Zablocki, in combination with the security of his home base, a politician of promise. Colleagues regarded him affectionately. If he early accepted the supposed rule that "to get along you go along," he was doing no more than many of his now forgotten contemporaries of the 1940s who were also so disposed but could not do so because of their more tenuous constituencies.

TOLERANT OF DISSIDENTS

Zablocki has not always been happy with some of the more aggressively liberal elements of his party. But, again, he has not been overly concerned about them. Thus when a district caucus of his party during the last election campaign publicly condemned his support of the Vietnam war, it had no visible effect on his relations with his constituents. Nor did he respond in kind. This may have shown that when tolerance of dissenting views is involved, his is the more liberal position.

In historical perspective, Zablocki's triumph in repudiating the presidential presumption during the last decade of presidential warmaking powers—Lyndon Johnson's as well as Richard Nixon's—may well be his most important career achievement.

It was the achievement of a man who upheld his own convictions, but was finally and sadly persuaded that the Congress has been deceived by two presidents and that representative government has been seriously imperiled.

ERNEST PETINAUD—BELOVED FRIEND

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. FUQUA. Mr. Speaker, Ernest Petinaud is saying farewell to his duties as maitre d' of the House Restaurant.

For every Member of the U.S. House of Representatives this is a sad occasion.

Ernest just happens to be one of those people who brightens the corner of the world where he exists. It mattered not how busy, irritated, frustrated, or rushed a Member might be—Ernest made everything seem a little less of a crisis.

Not only was Ernest loved and respected by the Members of the Congress, but he was the respected friend of the staff members as well as the tens of thousands who have met him.

I remember on one occasion I had the opportunity to introduce the four most important people in the room to a constituent. They were members of the leadership and Ernest. His grin and comments put my friends at ease and they always ask about Ernest—and it has been nearly a decade since that meeting.

Yes, Ernest is an institution. More than that, he is a friend.

As he retires, I could ask for no more than that he be allowed many years of good health and happiness. They are richly deserved.

And on a very personal note, old friend, I am going to miss you. Ernest Petinaud, the great Shriner, will always have a very special place in my heart.

STEWART I. SUTLIFFE

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. O'HARA. Mr. Speaker, in a few short weeks, the Ford Motor Co. will be paying formal tribute to a man who has devoted many years of his life to that company and to perfecting the American automobile. This man is Stewart I. Sutliffe, of Dearborn.

It was 40 years ago last May that Mr. Sutliffe began his career at Ford, when he became an apprentice toolmaker at the Rouge plant, an apprenticeship which included course work at the Henry Ford Trade School. Several years later he began working in tool and die design, receiving his diploma in design and toolmaking in 1940 and successfully completing his apprenticeship. Mr. Sutliffe's work as a manufacturing process engineer for manufacturing operations led to his appointment to a supervisory position with Ford's field services unit. Not long afterward, he was made supervisor of the tool design section.

With the Ford-Mercury merger in 1960, Mr. Sutliffe became supervisor of the trim process section for the manufacturing engineering office of the automotive assembly division. That year also saw him travel to Germany, for work on the Cardinal program. Two years later, Mr. Sutliffe was back in the United States, this time as supervisor of the body process section.

It was not long, however, until the Ford Motor Co. sent him off again—this time on speical assignment to Ford of England.

This "assignment" provided him the opportunity to engage in one of his favorite hobbies—travel. The mid-1960's brought Mr. Sutliffe and his family back to the United States—he, as usual, with another promotion. This time it was as supervisor of the tool design section.

Mr. Sutliffe became, in 1970, the supervisor of the tool procurement section—structures—for the passenger assembly Division—Ford again recognizing the ability and dedication of a true craftsman. November of 1971 saw him take on the stewardship of the tool procurement section for tool service activities.

And now, with the close of 1973, Mr. Sutliffe will be closing out a career that has spanned many years, many miles, many responsibilities, and many triumphs. He has had the chance to do some traveling in his work, one of his hobbies. This fall, he visited Japan and Hong Kong, and I understand he plans to continue his "examination" of the real estate of the world. I envy him this.

But January 4, 1974, will bring with it the departure from the Ford Motor Co. of a truly valued employee. There is nothing finer than a skilled craftsman—and that is what Mr. Sutliffe is—a man who loves his trade, and is a perfectionist at it. That contribution to a company is great, but it is also a tremendous contribution to the community at large, and America has benefited from his ideas and his efforts. I understand that, as yet, Ford does not have a "replacement" for Mr. Sutliffe. That is understandable. The kind of skill, concern, and dedication that Stewart Sutliffe has shown over the years is, indeed, irreplaceable.

I want to take this opportunity to publicly commend him and to join with his countless friends and fellow craftsmen in paying him tribute. He will be missed, but not forgotten—because he has given so much.

DEMOCRATIC LEADER CHOATE TO RUN AGAIN

HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. GRAY. Mr. Speaker, on December 5, we were all saddened in southern Illinois to learn that the Democratic leader of the Illinois House of Representatives, the Honorable Clyde L. Choate of Anna, Ill., had announced his retirement from public life after 28 years of continuous service. However, I am happy to advise my colleagues that after an outpouring of affection and respect by the people of his 59th Representative District, he has consented to seek reelection to the 79th General Assembly in Springfield, Ill.

Mr. Speaker, this is indeed good news for the people of Illinois and the people of the Nation. There is not enough room in this RECORD for me to list all of Representative Clyde Choate's accomplishments. He has not only been a brilliant legislator during his 28 years of service to Illinois and the Nation with most of these years in leadership positions, but he was also an outstanding soldier during World War II, who attained the Nation's highest award when former President Harry Truman presented Representative Choate with the Congressional Medal of Honor.

Representative Choate has been a leader in the fields of education, highways, veterans benefits, housing, conservation, agriculture, small business, children and family services, hospitals and nursing homes, better medical care, cleaner air and water, recreation and in all the good and necessary things of life you will find Clyde L. Choate's name connected with legislative efforts in Illinois.

Mr. Speaker, for almost 20 years, I have worked hand-in-hand with Representative Choate in providing a Federal and State cooperative effort for the citizens of Illinois and I know firsthand of the 16- to 20-hour days he has devoted to his people. Mr. Speaker, Representative Choate has been recognized as a true leader of his party by being chosen Democratic leader of the Illinois House of Representatives. I predict next year that Clyde Choate will be elected overwhelmingly and will become Speaker of the Illinois House of Representatives. This is truly an all-American story: A young soldier fighting for his country who refused a battlefield commission, was presented the Congressional Medal of Honor, and then rose through the ranks to be the leader of his party in the State Legislature.

As I retire from Congress at the end of this session, it had been my hope that Representative Choate would consider the U.S. Congress, however, he chose to remain in southern Illinois with his friends and constituents which I think speaks far more eloquently than any words I can say about his devotion to his people.

I wish for Clyde, his lovely wife, Madonna, and beautiful daughters, Libby and Kim, many years of health and happiness.

HEALTH INDUSTRY

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mrs. CHISHOLM. Mr. Speaker, the "health industry," as it has accurately come to be called, has suddenly exploded to the $80 billion per year mark with an average health bill for each person in the country of $379. This figure, which represents the cost for medical care in 1972, is $36 more per person than the comparable figure in 1970. The $80 billion figure reflects annual increases since the late 1960's of 6.1 percent, greatly exceeding the 4.2 percent rate for the general economy.

The two fastest-rising medical care prices are hospital charges and doctor's fees. Over the past decade, hospital charges have tripled. Since 1966, doctor's fees have gone up 40 percent, more than double the cost-of-living rise—with private funds paying for three-fourths of doctor's fees.

Drug companies, whose profits are reportedly even higher than those of the major oil companies, are notorious for hoodwinking the patient, the taxpayer—through federally subsidized health care programs—as well as the physician who is lured by expensive advertising to prescribe overpriced drugs. HEW is finally planning to lower their annual $1.2 billion bill for drugs provided under medicare and medicaid.

The plan would limit reimbursements to the lowest cost at which the drug question is available. This means a switch to generic drugs, rather than highly touted brand name drugs, at a saving of as much as 30 percent or mor

Simultaneous with these rapidly ascending costs are public protestations over the inaccessibility, inadequacy, and poor quality of medical care. Americans receive poorer care and die sooner than the citizens of most of the other industrialized countries of the world. The United States ranks:

Fourteenth in infant mortality. If we had the same rate as Sweden, 40,000 fewer American babies would have died last year.

Eleventh in maternal. In 1952, the United States had the lowest rate of maternal mortality of any country in the world.

Twenty-second in life expectancy for men. Eighteen of the 25 countries in western and eastern Europe have lower male mortality rates.

Seventh in life expectancy for women. Women in Holland can expect to live 2 years longer than American women.

Sixteenth in the death rate for middle-aged men. Since 1900 life expectancy in the United States has risen 21 years, but only 3 years for men over 45.

Eighth in doctors per population. The Soviet Union has twice as many doctors as the United States. Moreover, our doctor population is maldistributed in terms of national health needs.

These overall statistics do not tell the entire story. Infant mortality among nonwhite is almost double the rate for whites—35.9 versus 19.7 per 1,000 births. Persons in the lowest income category are four times more likely to have an activity-limiting chronic condition as those earning over $10,000 per year. The poor average 50 percent more disability days per year than the nonpoor. In short, the poor get sicker and the sick get poorer.

Health care in the United States has long been the domain of the medical profession, operating in concert with hospital bureaucracies and the purveyors of private health insurance. This health industry has successfully thwarted development of a coordinated Federal program for disbursing funds, not to mention a national health policy to guarantee adequate health care for all Americans.

Prior to the enactment of medicare and medicaid in the mid-1960's, the Federal role in the health field was confined to regulation of drugs and other medical paraphernalia—Pure Food and Drug Act of 1960—the disbursing of funds under formula grants for hospital construction and modernization—Hill-Burton Act of 1946—and, more recently, Federal funding for a variety of medical education and research programs. Attempts during the 1950's to provide assistance for private hospital insurance programs. State programs for elderly sick persons were stymied by the American Medical Association.

The AMA was unable to stop the enactment of medicare and medicaid in the mid-1960's, so it concentrated on insuring that these programs would be dominated by the medical profession in such a way that said profession benefited greatly.

Over the 5 years of the Nixon administration, HEW's health programs have been extended and perfected by the Congress, but administration funding requests have consistently fallen far below congressional authorizations. Yet, the Nation depends on these programs for improvement of health services and development of health resources.

While Federal public health programs and medicare/medicaid have made significant contributions in research and in increasing the accessbility of health care, our health care delivery systems are at the point of breakdown. Runaway inflation of medical costs and porous health insurance programs mean that millions of Americans receive inadequate health care. The wastefulness of the delivery system is attributed in large part to the medical profession which dominates the entire health arena.

In the last Congress, Members began to make a serious attack on these problems. We hoped that at last, action was coming that would lead to high-quality, low-cost medical services that would be available to all our citizens. No action occurred at that time.

Financing health care and delivering it effectively to the consumer depend on organization of resources, personnel, and facilities. Just this week, however, Congress has moved in that direction. We have sent to the President the Health Maintenance Organization Act of 1973, passed by both houses with overwhelming support.

Legislation to provide Federal support for HMOs was first requested by the administration in 1971 in the President's Health message to Congress. Again in his 1972 message, HMOs were advocated. We have presented the President with a good piece of legislation. Perhaps for once, this Congress and the present administration can work together for the benefit of all Americans. Support for the HMO comprises the first few steps on a long road to national health security. It is a moderate proposal—voluntary, private, still physician-controlled. No real power is being given away to the consumer. However, the HMO is a promising direction, for it has proven successful in several ways that I will describe here.

Because HMO revenues are fixed, their incentive is to keep patients well, for patient sickness costs them money. Their entire cost structure is geared to preventing illness, and promoting prompt recovery through the least costly services consistent with maintaining quality. This also tends toward less frequent use of high-cost services and fewer unnecessary medical procedures. Patients spend significantly fewer days in the hospital and a greater number receive ambulatory care. Preventive treatment and performance of more medical procedures in the doctor's office account for the decrease in hospitalization.

A study done in one local area showed that while the number of hospitalized surgical cases per 1,000 persons who used other kinds of health services numbered 69, only 49 cases per 1,000 showed up among HMO patients among the same kind of population.

It has also been demonstrated that HMOs are responsible for lower total health-care costs of families and individuals and that their premiums cover a greater percentage of total costs.

A most encouraging finding is that the results for three indicators—premature birth rates, infant mortality, and elderly mortality—suggest that HMOs can actually improve the chances for life itself. All three were found to be significantly lower for whites as well as nonwhite populations among HMO clients.

It is my sincere hope that the President will sign this maiden bill into law so that we may proceed with the task of providing maximum health security for all Americans.

BAUMAN HONORS DEMOCRATS' REQUEST: AMERICA COMES FIRST

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BAUMAN. Mr. Speaker, today I received a telegram from my constituent, Mr. George H. Williams, who is an official of the First District Democratic Club of Harford County, Md. Mr. Williams has brought to my attention a recording of an article which was written by a Canadian citizen entitled, "Americans" which has caught the fancy of a great many people.

I am pleased to insert the article in the RECORD together with the telegram from Mr. Williams in the hope that it will inspire people all over the country.

ABERDEEN, MD.,
December 20, 1973.

U.S. Congressman,
Capitol Hill, D.C.

DEAR SIR: This letter is being sent to you as our Republican Representative, by the First District Democratic Club of Harford County, because the subject matter cuts clearly across political party lines. I have just heard a recording called "Americans" written by Canadian citizen Gordon Sinclair and recorded by Byron McGregor on the Westbound label. The text appeared in the Baltimore News-American on December 10, 1973 page 6B.

It is my feeling, as publicity chairman for our club, that this message must be conveyed forcefully to the public in general, and to our history teachers and professors in particular. The facts enumerated in this message can not be refuted, nor the logic disputed. No other nation, in the history of the world, has ever labored so unselfishly for the common good.

No other nation, in the history of the world, has ever returned territory to the conquered people, and then financed most reconstruction efforts.

No other nation, in the history of the world, has allowed their educators to avoid the truth. That truth being: This is the country with a conscience.

I urge you to acquire the text and read it into the CONGRESSIONAL RECORD, on the floor of Congress, before the Christmas recess. The impact at that time should be maximum, especially if the message gets reproduced and widely distributed. America comes first; political affiliations must come later.

Respectfully yours,
GEORGE H. WILLIAMS,
Publicity chairman.

[From the CONGRESSIONAL RECORD, Dec. 3, 1973]

AMERICANS

(By Gordon Sinclair)

The United States dollar took another pounding on German, French and British exchanges this morning, hitting the lowest point ever known in West Germany. It has declined there by 41% since 1971 and this Canadian thinks it is time to speak up for the Americans as the most generous and possibly the least-appreciated people in all the earth.

As long as sixty years ago, when I first started to read newspapers, I read of floods on the Yellow River and the Yangtse. Who rushed in with men and money to help. The Americans did.

They have helped control floods on the Nile, the Amazon, the Ganges and the Niger. Today, the rich bottomland of the Mississippi is under water and no foreign land has sent a dollar to help. Germany, Japan and, to a lesser extent, Britain and Italy, were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts. None of these countries is today paying even the interest on its remaining debts to the United States.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up and their reward was to be insulted and swindled on the streets of Paris. I was there. I saw it.

When distant cities are hit by earthquake, it is the United States that hurries in to help . . . Managua, Nicaragua is one of the most recent examples. So far this spring, 59 American communities have been flattened by tornadoes. Nobody has helped.

The Marshall Plan . . . the Truman Policy . . . all pumped billions upon billions of dollars into discouraged countries. Now newspapers in those countries are writing about the decadent war-mongering Americans.

I'd like to see just one of those countries that is gloating over the erosion of the United States dollar build its own airplanes.

Come on . . . let's hear it! Does any other country in the world have a plane to equal the Boeing Jumbo Jet, the Lockheed Tristar or the Douglas 10? If so, why don't they fly them? Why do all international lines except Russia fly American planes? Why does no other land on earth even *consider* putting a man or woman on the moon?

You talk about Japanese technocracy and you get radios. You talk about German technocracy and you get automobiles. You talk about American technocracy and you find men on the moon, not once, but several times . . . and safely home again. You talk about scandals and the Americans put theirs right in the store window for everybody to look at. Even the draft dodgers are not pursued and hounded. They are here on our streets, most of them . . . unless they are breaking Canadian laws . . . are getting American dollars from Ma and Pa at home to spend here.

When the Americans get out of this bind . . . as they will . . . who could blame them if they said "the Hell with the rest of the world". Let someone *else* buy the Israel bonds. Let someone else build or repair foreign dams or design foreign buildings that won't shake apart in earthquakes.

When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the New York Central went broke, nobody loaned them an old caboose. Both are *still* broke. I can name to you 5,000 times when the Americans raced to the help of other people in trouble.

Can you name me even *one* time when someone else raced to the Americans in trouble? I don't think there was outside help even during the San Francisco earthquake.

Our neighbours have faced it alone and I'm one Canadian who is damned tired of hearing them kicked around. They will come out of this thing with their flag high. And when they do, they are entitled to thumb their nose at the lands that are gloating over their present troubles.

I hope Canada is not one of these. But there are many smug, self-righteous Canadians. And finally, the American Red Cross was told at its 48th Annual Meeting in New Orleans this morning that it was broke.

This year's disasters . . . with the year less than half over . . . has taken it all and nobody . . . but nobody . . . has helped.

IN DEFENSE OF PRIVACY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, few journalists have been as alert to Federal and private invasions of privacy as has Tom Wicker of the New York Times. Long before the unbelievably ignorant actions at the Watergate, Mr. Wicker has pointed to the increasing threat posed by surveillance and the computer and he has constantly reported on the distressingly few actions taken by the Congress to assure the law-abiding American the right to be let alone.

On December 11, 1973, Mr. Wicker published a column on this issue and I believe it discloses additional evidence for the House of Representatives to begin to formally address these problems. Along with 25 of my colleagues I have introduced House Resolution 633 which will establish a Select Committee on Privacy here in the House of Representatives so that we too may demonstrate our concern about "A massive problem already has been created by these new techniques for storing and retrieving the most minute data about people."

I do not wish to appear simplistic, but it is perfectly clear to me that the problems have already been created, are already being felt by our constituents, and yet we have not even begun to address ourselves to devising a framework in which the most basic solutions may be advanced. I insert Mr. Wicker's article in the RECORD at this point and would urge my colleagues here in the House to ask themselves what we are doing in this area of such genuine and immediate concern to the American people.

The article follows:

IN DEFENSE OF PRIVACY

(By Tom Wicker)

NEW YORK.—In the rush of more spectacular news, it escaped public notice that the Senate recently took a small step toward closing a large loophole Congress had opened in the 4th Amendment rights of American citizens. A nice bit of political footwork by Sen. Sam Ervin, chairman of the constitutional rights subcommittee, should at least make the supervisors of federal narcotics agents keep their men on a tighter rein.

Ervin took advantage of a measure that the House had passed to amend a Justice Department reorganization plan. The Nixon administration had promised to secure the amendment, which would bar the pending transfer of hundreds of immigration inspectors, because without such amendment the federal employe unions would have blocked the reorganization plan.

As chairman of the government operations committee, Ervin sat on the amending bill until the administration also promised not to oppose a rider providing that the victims of so-called "no-knock" raids could sue the federal government for any damages suffered in such raids. Victims of these raids, which require no warning before entry, could also sue the agents involved, or both the government and the agents.

Such victims have often been totally innocent persons, subjected to "no-knock" entry, terrorization, embarrassment, property damage, and personal injury (a few deaths also have resulted) either through mistaken identity or over-zealous agents. The Ervin rider—which ought to clear the House, too, because of the administration's promise—will provide additional means of redress and probably will make agents and supervisors more careful and supervisors more careful and respectful of the rights of citizens.

That is useful progress toward undoing the damage done in the long years of national security and anticrime mania, when the American people have been driven further than most of them know toward an Orwellian era of surveillance and state control of the individual. Now the Senate has an opportunity to take an even more important remedial step, thanks to a bill introduced by Sens. Gaylord Nelson and Henry Jackson.

This measure would establish a Senate-House "Joint Committee on the Continuing Study of the Need to Reorganize the Departments and Agencies Engaging in Surveillance." Nelson and Jackson will have to find a handier title than that—say, The Joint Committee on Spooks—but theirs is an idea whose time has not only come but is long overdue.

This committee—to be drawn from the membership of numerous others that now have some relationship to federal investigative and police agencies—would have two basic functions. It would undertake a continuing study of the nature and scope of all surveillance activities conducted by federal agencies, with officials of each of these agencies required to appear once a year to justify their activities.

The committee would also review the relationships between these agencies, and with similar local and state agencies, with a particular eye to the sharing of information among them, and the safeguarding of shared information. This is a particularly important point, owing to the proliferation in recent years of computerized data banks linked by high-speed communications.

A massive problem already has been created by these new techniques for storing and retrieving the most minute data about people. For only one example, a study by the Urban Policy Research Center for the that by November—1972—there were in that state alone the incredible number of 139 "computerized criminal justice information and communications systems," many of them supported by various federal grants. They ranged from a statewide "integrated program to combat organized crime" to say, the city of Mountain View's "traffic records project."

Surveillance—much of it appearing harmless enough—is obviously a growing concern. From Nelson's speech introducing the bill for a joint commitee to check up on federal spies, just a few examples suffice to make the point:

Alan Westin in his book, "Privacy and Freedom," reported that "at least 50 different federal agencies have substantial investigative and enforcement functions, providing a corps of more than 20,000 "investigators' . . ."

Until checked, the Army in the 1960s had more than 1,500 plainclothesmen reporting on individuals to scores of data banks.

Between 1968 and 1972, federal, state and local government wiretapped more than 1,623,000 conversations involving about 120,000 people.

A report from the Department of Health, Education and Welfare said flatly last summer, "Under current law, a person's privacy is poorly protected against arbitrary or abusive record-keeping practices."

THE SUDDEN ENERGY CRISIS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. HEINZ. Mr. Speaker, these days we all are concerned about the sudden energy crisis which we fear will result in shortages of many critical commodities, cause rapid price increases, and threaten the jobs of American workers. But for the last several years the domestic steel industry has been suffering from shortages of critical basic commodities and rapidly rising prices of raw materials. Together these threaten domestic steel production and American workers' jobs.

Mr. E. F. Andrews, Allegheny Ludlum Industries vice president for materials and services, in a recent address discussed the growing problems of raw materials shortages. I include here a summary of Mr. Andrews' thought-provoking remarks, and I urge all my colleagues to study them carefully:

SUMMARY OF REMARKS BY E. F. ANDREWS

As a boy on the farm in Indiana during the 1930's, I learned that the chickens you let out in the morning come back to roost at night. A great percentage of the industrial and governmental leadership today also grew up during the "great depression." Thus, it is little wonder that this generation set for itself very high materialistic goals. It is a generation that knows what it is to be poor. Following the depression and World War II, it set in motion the most rapid rise in standard of living known to history. We are the richest nation in the world and have more than our share of the world's "good life." We have more cars, bathtubs, radios, and televisions, by a great majority, than anyone else. We not only built a great capacity to produce but indeed a greater capacity to consume. We have 6% of the world's population but consume 36% of the material produced worldwide. We have taken items which are to the rest of the world luxuries and have built them into our society as necessities. All of this was done with the underlying assumption of our economic thinking that the supply of goods was unlimited and that all we needed to be concerned about was demand. Thus, our traditional approach to controlling our economy was the manipulation of demand.

For those of you who follow the National Association of Purchasing Management Business Survey Report, I have been saying for many months that the Purchasing Executives around the country have been extremely vocal concerning the basic, growing, underlying shortage of raw material. Now, all of a sudden, the entire populace is very much aware of our shortage problem because of a few Persian Gulf nations reducing the relatively small percentage of our oil that they supply. To those who watch the materials supply side of our economy, the energy shortage has been very apparent for from five to seven years, and has been caused almost entirely by inflexible government regulated and unworkable demands of environmentalists. Similar shortages in a variety of other basic raw materials are equally apparent. If we take the President's Conference to forecast our growth and assume it is reasonably acccurate, allow for the uncertainties of new discovery, technological breakthrough shifts in life style, we can still forecast our raw materials needs within tolerable limits of accuracy. Metals present the greatest problems of future adequacy. The domestic ore reserves are much smaller in relationship to growth and anticipated demand than is the case of fuels. The cold fact is that the resource base of the United States has been and is declining. We are 100% dependent upon foreign sources for such vital material as chromite, tin, and many others and for a very long list of strategic and vital materials that require from 60% to 90% from foreign sources.

Generally speaking, we have gone since World War II from a "have" to a "have-not" nation. But, we have not reordered our priorities which are based on the assumption that our supplies are unlimited; and we have not reordered the policies which we have followed over the years to control our economic well-being. Since World War II, we have permitted political and social considerations to substantially out-weigh our economic needs when setting our course of action.

All agree that, during this period of time, inflation has been one of our most recurring and aggravating problems. Now the simplest definition of inflation is that demand exceeds supply. Since we have had recurring inflation through a large portion of the last several years, has not the economy been continually signaling that we have a basic underlying shortage problem? Our approach to answering that inflation was to ignore the cries of those pointing to the underlying shortage problem and to pin our hopes on developing an economic slowdown or perhaps precipitating a recession, increasing unemployment, and thus cooling down demand to slow down the inflation. Each time, the pent up demand built during these recessions merely aggravated the shortage problem in the ensuing recovery period. It would now appear that we are probably at the point in time where, for the first time in history, we are on the verge of precipitating a recession caused by the lack of supply. The future growth of this country and your company is going to be determined more upon what you can buy than on what you can sell. We have, perhaps, arrived at the point that a great many Americans thought we would never come to—that is, of reducing our standard of living because we ran out of material. You are now being asked to drive slower, walk, and to wear a sweater in your livingroom.

Accepting the premise that our basic, underlying problem is that supply is inadequate to demand and thus inflation is afoot in the land, let us examine a sample of our activities and programs and see if they are truly pointed to answering this basic and underlying problem—shortages. The most simple way to alleviate shortages is to increase supply, both foreign and domestic.

Because of inflation, we have the *Cost of Living Council*. The Cost of Living Council's objective is to keep prices down. They do this by retarding price increases and controlling profits. Because of the restrictive prices, numerous companies have announced plans to discontinue the production of many items, thus aggravating the shortages. The Cost of Living Council does not attempt to control the price of exported goods, thus tending to force supplies out of the country when they are needed here. The control on profits tends to retard the reinvestment into new capacity to increase supply because the funds are not available and the return on investment is not adequate. Thus, while the Cost of Living Council busies itself attacking the symptoms, its efforts are counterproductive to the cause.

The *Environmental Protection Agency* with its admirable objectives of clean air and clean streams has closed down our coal mines, held up our nuclear power stations, and delayed the oil pipelines, virtually insuring an energy shortage, as we now know the energy shortage is causing plant shutdowns and postponing new capacity investments necessary to correct the shortage problem. Further, they have forced into nonproductive investments the new capital dollars that were permitted, thus again drawing away from correction of the underlying problem.

The *Petroleum Allocation Program*, necessary because of the energy shortage mentioned above which was unnecessary in the first place, has given industry the lowest priority, thus retarding production and new investment. they have told our transportation system which carries the supplies to our waiting factories to slow down, thus causing delay of raw material deliveries which causes a further drop in the availability of material—counterproductive to the underlying problem.

The *Department of Commerce* has as its objective an increase in exports to help the balance of payments—an admirable goal. But, in permitting the export of 12 million tons of scrap, they have not only permitted the export of nickel, chrome, and iron, which we must buy from foreign countries, but they have permitted also the export of 150 trillion BTU's of energy in that scrap. That is enough energy to heat 725,000 six-room homes for a year or furnish the electrical power needs of Boston, Hartford, Pittsburgh, Philadelphia, and Chicago, combined, for one year. By seeking the highly inflated foreign market for this scrap, the price of that raw material in this country has been inflated by $1,350,000,000; thus adding to the inflation which brought in the Cost of Living Council which is retarding supplies which is driving up prices.

The *GSA* has a basic stockpile of many of these critical raw materials; but we now have great pressure to dispose of that stockpile because it is no longer needed—again, seeking after the short-term ease at the expense of the long-term problem. To those who produce items contained in the stockpile, the overhanging threat of dumping causes them to hold back on new capacity investment, thus creating future problems of shortages. Since most of the stockpile items are not in great supply in the United States, the stockpile has served as a buffer against the blackmail of nations who do control the supply. Think where this country would be today if we had a ten-year supply of oil in a stockpile. Once we dispose of the cobalt, the tungsten, and the tin in the stockpile, the Congo, China, and Bolivia will be in a position to do to us what the Persian Gulf nations are doing now.

The *State Department and the United Nations* have also aggravated our supply situation by giving virtually no consideration or weight to our domestic economic needs and giving almost full consideration to the moral, social, and political aspects when formulating our policies for the underdeveloped nations who control large quantities of the raw materials we need. The most glaring example of this are the economic sanctions on Rhodesia, prohibiting the importation of Chromium. Chromium is the most essential metal and was the first one placed in the stockpile in 1939. Chromium is absolutely essential to your mass transit program, to your energy needs, to your food needs, and to your defense needs. Because of the overriding compulsion of the social and political considerations, we are being asked to shut ourselves off from 89% of the world's supply of this material. These sanctions were on for almost five years;

and during that time, we dropped from being 95% self-sufficient in ferrochrome to less than 50% self-sufficient and an entire industry was destroyed which was vital to our economic well-being. We certainly agree with Senator William Fulbright when he said:

"There is no limit to the mischief to be wrought by a policy of basing detente upon sweeping standards of morality . . .

"The establishment of normal trade between two countries, like diplomatic ties, should carry no implication of approval or disapproval of the internal policies of each nation."—Business Week Magazine.

The whole body of *laws* or lack of laws is also further aggravating our efforts to correct our underlying problem—shortages. As we have noted, the recent legislation of safety laws, ecology, beautification, while highly desirable, is retarding our efforts to improve our supply problem. It has become necessary to revise a whole body of legislation governing American business so as to enable private enterprise to more effectively pursue economic while still protecting the public interest. It is particularly obvious that American business is at considerable disadvantage with the foreign corporations which do not labor under the same type of restrictive policies and laws. The laws, regulations, antitrust restrictions, and governmental practices that choke off our resource base and render American firms uncompetitive cry out for review. International laws lack effectiveness in disputes between governments and business corporations. Must the operation of American multinational enterprise continue to be restricted by the conflicts of national law and the absence of international law.

Recognition by government of industry's supply problem is essential. The Japanese government has issued a white paper which says the government problem of obtaining a stable and adequate supply of raw materials competitive with world conditions is one of the most important issues facing the government and the country's economic development in the next decade and thus has the highest priority. We must move quickly and wisely or be shut out from vital resources essential to our economic existence.

We can no longer afford the recurring recessions and unemployment as a national policy to mask our failure to develop adequate raw material supply lines. We cannot accept a retardation in our standard of living as national policy. We must reexamine the trade-off between the social, political, and economic considerations. The rules and policies and the thinking that served us when we had unlimited supplies will no longer work, and the first supply shortage recession of many to come may be on the horizon.

HOPE SPRINGS ETERNAL

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. JOHNSON of California. Mr. Speaker, amidst the worldwide confusion, uncertainty, and turmoil we have experienced in 1973, I would like to take this opportunity to spend a couple of quiet moments with you.

My message really is quite simple: As we approach Christmas, the most majestic of Christian holidays, let us remember that hope springs eternal.

So let us hope the burning flame of war may be permanently extinguished; Hope that want be no man's constant companion; and hope that all the disease man endures may be controlled.

Let each of us search into his own heart and soul—and with that knowledge go forth and each in his own way spread goodwill to man, hopefuly leading to peace on Earth.

I want to wish you and your loved ones a very Merry Christmas, a truly happy New Year, and close with the Charles Dickens' plea: "God Bless Us Everyone."

BUSING AND THE ENERGY BILL

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BADILLO. Mr. Speaker, it is gratifying that the conferees on the emergency energy legislation have dropped the antibusing amendment adopted last week by the House, in what in my judgment was one of the least distinguished moments in this body's history. As I said at the time, if the Congress wished to use the energy crisis as a pretext for suspending the Constitution, it should go the whole way, and not cloak its assault in such an emotional and distorted issue.

With the thought that we have not heard the last of attempts to enact antibusing legislation, I include herewith the text of a letter to the chairman of the Committee on Interstate and Foreign Commerce from the staff director of the U.S. Commission on Civil Rights. The letter analyzes the antibusing amendment passed by the House and effectively rebuts the case presented by proponents of that amendment. It deserves the careful consideration of every Member of Congress.

U.S. COMMISSION ON CIVIL RIGHTS,
Washington, D.C., December 18, 1973.

Hon. HARLEY O. STAGGERS,
Chairman, House Interstate and Foreign Commerce Committee, Washington, D.C.

DEAR MR. CHAIRMAN: This is to provide you with the views of the U.S. Commission on Civil Rights regarding the inclusion of an anti-busing amendment in the proposed Emergency Energy Act now before the Congress. The Commission on Civil Rights is opposed to any such amendment.

Recently, Congressman Dingell offered an amendment to H.R. 11450, the proposed Emergency Energy Act, which prohibits the allocations of any refined fuel product for use in the transportation of public school students to a school farther than the public school closest to their homes.

The Commission on Civil Rights is of the opinion that Mr. Dingell's amendment is unconstitutional. On its face, the amendment has the appearance of neutrality; however, an examination of the effect of this amendment raises serious and complex constitutional questions. It is obvious from the thrust of this amendment that it is aimed at the pupil transportation features of court ordered and voluntary plans for desegregation. The Supreme Court in *Swann v. Charlotte-Mecklenburg Board of Education* recognized pupil transportation as a legitimate and ofttimes necessary means for eradicating dual school systems. The Court recognized that in many situations pupil transportation is an essential tool in the establishment of unitary school systems. Mr. Dingell's amendment would have the effect of nullifying the use of this tool in desegregation efforts and would thus seriously hamper, and in some instances completely impede, the continuing efforts to eliminate segregation. Voluntary plans would be similarly affected.

It is a well settled principle of constitutional law that neither Congress nor any branch of the government can circumvent the Constitution by doing indirectly what it is forbidden to do directly. It is quite obvious that Mr. Dingell's amendment is an attempt to do just this. The Supreme Court has definitively stated that segregation of school children violates the 14th Amendment of the Constitution. Thus the Congress is precluded from doing anything that would foster segregated schools. However, the Dingell amendment, by forbidding the use of busing—a tool which the Supreme Court has already found essential to the elimination of segregation—would in essence be fostering segregation.

The charge of unconstitutionality is further buttressed by the discriminatory nature of the Dingell amendment, i.e., the amendment applies only to public schools, thus exempting all private school transportation systems. Ostensibly, the purpose of the Dingell amendment is conservation of fuel. However, this motive is questionable in that families who are able to afford private schools for their children are exempted from having to adhere to the restrictions that less financially able families are being asked to make. Assuming for purposes of argument, that the energy crisis is of such a nature that infringement of constitutional rights is justified, financial ability should not be the basis for determining the class of individuals who are to be restricted. It should also be noted that by exempting private schools the amendment gives aid and comfort to those private segregated academies that have been established to avoid the desegregation required by the courts.

The Commission would also like to address a point raised by those supporting the amendment offered by Representative Dingell to H.R. 11450. It was asserted that the elimination of "forced busing" will bring about a saving of gasoline. Offered in support of this assertion are comparative figures showing gas savings in two different years—one year in which a school district operated a dual or segregated school system in violation of the Constitution, and a second year in which a desegregated system was in operation and presumably there was court ordered or voluntary busing to achieve desegregation. Such comparative figures are unreliable for the following reasons: (1) such figures fail to reflect that busing has increased overall, apart from desegregation, primarily for reasons of pupil safety; (2) such figures do not account for consolidations and mergers of urban/suburban, urban/rural, etc., districts, which have not been occasioned by voluntary or involuntary desegregation where race is not an issue; (3) the figures fail to acknowledge instances where increased busing occurs for such reasons as special education classes, schools for the mentally retarded or physically handicapped, and special curriculum schools which attract students from an entire metropolitan area.

In the *Congressional Record* on Friday, December 14, 1973, Representative Dingell quoted a Library of Congress study as showing that the Nation's 290,000 school buses consumed 626,400,000 gallons a year—78,300,000 gallons of that amount having been used annually to transport children to schools to achieve desegregation. According to the Department of Transportation, there are 262,000 school buses in use by public and private institutions. This figure represents a marked decrease from the 290,000 figure cited in the *Record*. Neither the Department of Health, Education, and Welfare nor the Department of Transportation can supply definitive information with respect to how many students are bused for purposes of desegregation, nor how many buses are used for that purpose. Only estimates are available and they vary with the source.

The use of school buses in the 1972–73 school year, including pupil transportation to achieve desegregation, transportation of the handicapped and for extracurricular activities amounted to 2.3 billion miles. This is the most reliable figure available, since no known source indicates for what purpose a bus was being used when mileage is logged. Taking this gross figure, however, it would appear that there are other areas where gas savings could be achieved without abridging anyone's constitutional rights. For instance, nothing is sacrosanct about "extracurricular activities," particularly athletics. Use of school buses for such activities could be prohibited. This would cause the responsibility of conserving energy to be shared by all and prevent a disproportionate part of this burden from falling on minority school children. In the Commission's view, the reduction or elimination of pupil transportation for athletic events and other extracurricular activities would conserve a substantial amount of gas and preserve the constitutional rights of many minority school children.

Similarly, the *Congressional Record* quoted figures regarding Prince Georges County, which estimated that ". . . enforced school busing for racial balance uses up about 750,000 gallons per year." Actual figures are only available for the second half of the 1972–73 school year, when Judge Kaufman's order went into effect. These figures show that 350,000 gallons were used solely for pupil transportation of the handicapped and for extracurricular activities.

Returning to the figures cited in the *Record* and using the 262,000 figure for the total number of buses [290,000 (number of buses in use) × 60 (miles per bus per day) /5 (average miles per gallon) × 180 (number of school days) = Total gallons consumed by school buses per year], one arrives at a figure of 475,000,000 gallons for all pupil transportation per school year as opposed to 624,000,000 gallons per school year. Inasmuch as no reliable figures are available for determining what percentage of the total gas mileage is chargeable to desegregation, the statistics quoted in the *Record* are at best speculative. Even if we were to assume that the figures Mr. Dingell used were accurate, the amount of gasoline to be conserved amounts to .0008 (eight ten-thousandths) of the total amount of gasoline used in America for all purposes. Surely this is not too great a price to pay to protect the constitutional rights of our children.

Assuming that relative gas savings were to occur by eliminating the allocations of gasoline to school districts desegregating voluntarily or under court order, the unavailability of the district's gasoline allocation does not alter the school district's constitutional obligation to desegregate. Consequently, any gas savings occasioned by this legislation might be liquidated by parents using personal cars to transfer students still required to attend certain schools to achieve desegregation.

Furthermore, the proviso that "Nothing in this section shall prohibit allocation of refined petroleum products for student transportation . . . where the transportation is within the regularly established neighborhood school attendance areas," belies the expressed intent of the Dingell amendment and militates against fuel conservation. The proviso ignores the fact that "regularly established neighborhood school attendance areas" currently compel many students to attend schools which are not those closest to their homes. Clearly, attendance at the "regularly established neighborhood school" is not synonymous with attendance at the closest school where local school officials have drawn gerrymandered school attendance areas lacking compactness.

Let me conclude, however, by emphasizing the Commission's position that no energy crisis, however real or rampant, mandates the denial of rights protected by the United States Constitution and articulated by the Supreme Court. Such a denial would provide a negative precedent in America's constitutional history. The Commission believes that the inclusion of an anti-busing provision in a bill to resolve the current energy emergency is both regressive and unconstitutional.

Sincerely,

JOHN A. BUGGS,
Staff Director.

THE ASSAULT ON PRIVACY BY DRUGGING GRAMMAR SCHOOL CHILDREN

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, the following article by Charles Witter, "Drugging and Schooling," appeared in the July/August 1971 issue of Trans-Action. It is the best description written for laymen on this complicated issue. Since the hearings in 1970, which forms the basis for the article, no congressional committee has considered this incredible problem that has about 600,000 children now receiving ritalin and amphetamines to modify their behavior.

This is the second installment of relevant material that was cited in my speech "The Failure of Congress to Deal With the Assault on Privacy" during my special order on privacy which appeared in the December 14 RECORD on page 41782.

The article follows:

DRUGGING AND SCHOOLING

(By Charles Witter)

Minimal brain dysfunction (MBD), one of at least 38 names attached to a subset of learning disabiilties, can significantly hinder a grammar school student of average or above-average intelligence from achieving his full potential. Hyperactive, often loud and demanding and little responsive to the feelings of others (or himself), the MBD child can be seen as the very model of the uncontrollable student. Then, 30 years ago, it was discovered that amphetamines, stimulants and/or tranquilizers could calm the hyperactive child who was so often disruptive in class or at home. Amphetamines and stimulants such as Ritalin have a "paradoxical effect" in the prepubescent child: instead of being "speed," they actually slow him down, make him more tractable and teachable and permit calm to be restored for the harassed parent and overburdened teacher.

Such was the conventional wisdom on 29 September 1970 when Congressman Cornelius E. Gallagher (D-New Jersey) convened a hearing of his House Privacy Subcommittee. This article is a critique of the hearing and an urgent appeal for social scientists to assert humanist concern in a world increasingly reliant on biochemical manipulation.

For the child who is very carefully tested by a team of neurologists, pediatricians, psychologists and educators, the symptoms of MBD can be masked by drugs in as high as 80 percent of the cases, according to some authorities. Others say 50 percent, while dissenters state that the good results are either the result of increased personal attention received by the child or the magical properties the child ascribes to the drug. A careful reading of Department of Health, Education, and Welfare (HEW) testimony at the Gallagher hearing suggests that 200,000 children in the United States are now being given amphetamine and stimulant therapy, with probably another 100,000 receiving tranquilizers and antidepressants.

All the experts agree, however, that the use of medication to modify the behavior of grammar school children will radically increase—"zoom" was the word connected with the man most responsible for the promotion of the program at the National Institute of Mental Health (NIMH). Already specialists in this therapeutic method state that at least 30 percent of ghetto children are candidates, and this figure could run as high as four to six million of the general grammar school population. The authoritative *Journal of Learning Disabilities* puts it bluntly: "Disadvantaged children function similarly to advantaged children with learning disabilities."

Not all children with the ill-defined, perhaps indefinable, syndrome are likely to be treated with medication, but it must be recognized that drugs are a cheap alternative to the massive spending so obviously necessary to revitalize the public school system. Lest there be any doubt about whether leadership in America would be reluctant to embrace quick, inexpensive answers to social problems, consider the plan of the president's former internist, Dr. Arnold Hutschnecker, who would give all six- to eight-year-olds in the nation a predictive psychological test for their criminal potential. Those who flunked these tests—which have been shown to provide successful individual prognosis slightly over 50 percent of the time—would be sent to rehabilitation centers "in a romantic setting with trees out West," as Hutschnecker phrased it. This late, unlamented proposal was sent on White House stationery to the secretary of HEW with a request for suggestions on how to implement it. Once again, Mr. Gallagher's was the only congressional voice raised in opposition, and he branded those camps "American Dachaus." After hearings were threatened, HEW reported unfavorably, and the White House dropped the idea. Many other plans have gone forward, but the Hutschnecker proposal is important because of its high-level endorsement and encouragement, and the distressing impact it would have had on virtually every American family.

The National Institute of Mental Health, which studied the Hutschnecker plan for some three months, has granted at least $3 million to study drug therapy. The clearest statement on the reality of minimal brain dysfunction, however, has come from Dr. Francis Crinella, a grantee of the Office of Education. He said that MBD "has become one of our most fashionable forms of consensual ignorance." No simple medical examination or even an electroencephalogram can disclose the presence of the disorder; "soft" neurological signs seem to be the only physical manifestation.

PASSING THE BUCK

Dr. John Peters, director of the Little Rock Child Study Center of the University of Arkansas, testified that the only way to separate the active child from the hyperactive one was to have had his long experience in seeing thousands of normal and "deviant" children and then making a personal judgment. In Omaha, where the drugging was first discovered by the *Washington Post's* Robert Maynard, the doctors are not even that confident. How else does one explain the lines, reported also by Nat Hentoff, from the *Bulletin of the Omaha Medical Society:* "The responsibility of the prescription was not that of the doctor, but rather of the parent. The parent then vests responsibility in the teacher."

Wow! One could say with equal validity that the facts in a book are not the responsibility of the author; rather, he has vested responsibility in the researcher, who in turn has relied solely on secondary sources.

The conclusion must be that it is behavior and behavior alone that creates the diagnosis of MBD, and this behavior can only be found in the classroom or at home. Mark Stewart, who received NIMH support, wrote in the July 1970 *Scientific American*: "A child who has been described by his mother as a demon may be an angel when he comes to a psychiatrist's office. Most hyperactive children tend to be subdued in a strange situation and to display their bad behavior only when they feel at home. The explanation may lie in a stress-induced release of norepinephrine in the brain cells. Thus, *a state of anxiety may produce the same effect as a dose of amphetamine—through exactly the same mechanism"* (emphasis added). With relentless logic, Stewart then discusses the behavior of lobotomized monkeys.

Two points on the physical aspects of drugs demand emphasis. First, John Oates of Vanderbilt University has found that "chronic use of amphetamine in small doses may produce symptoms which very closely resemble paranoid schizophrenia." Second, Stewart discredits the alleged "paradoxical effect" by pointing out that "it has been found that amphetamine has a somewhat similar effect on the performance of normal adults who are assigned a boring or complex task."

Would it then be unduly provocative and aggressively argumentative to phrase the question: "Does a long-term dosage of amphetamine and/or Ritalin induce stress in the bored child, producing a perfect student, whose anxiety-ridden behavior may be paranoid schizophrenic and resemble that of a lobotomized monkey?"

It was to speak to a considerably less loaded version of that question that Gallagher invited the provocative educator John Holt. Holt's contempt for orthodox teaching is well known; he compares today's schools to maximum security prisons. Gallagher had phrased his concern, "I fear there is a great temptation to diagnose the bored but bright child as hyperactive, prescribe drugs, and thus deny him full learning during his most creative years," and he introduced Holt's testimony as putting the discussion in the most important context, that of the child.

Holt's response did nothing to lower the issue's hyperbolic content:

We take lively, curious, energetic children, eager to make contact with the world and to learn about it, stick them in barren classrooms with teachers who on the whole neither like nor respect nor understand nor trust them, restrict their freedom of speech and movement to a degree that would be judged excessive and inhuman even in a maximum security prison, and that their teachers themselves could not and would not tolerate. Then, when the children resist this brutalizing and stupefying treatment and retreat from it in anger, bewilderment and terror, we say that they are sick with "complex and little-understood" disorders, and proceed to dose them with powerful drugs that are indeed complex and of whose long-run effects we know little or nothing, so that they may be more ready to do the asinine things the schools ask them to do.

Unfortunately, there are those of us who have either forgotten our own grammar school experiences or who think that only an in-depth, scholarly, jargonized study can yield an accurate description of reality. As a result, Holt's testimony needs reinforcement. This was made distressingly clear to me when, during the weeks prior to the hearing, I would describe our witness list and state: "John Holt, a former grammar school teacher." Invariably, the reply would be, "Yes, but what are his credentials?"

Among the abundance of supportive evidence of Holt's findings is that contained in Charles Silberman's recently published *The Crisis in the Classroom*. This study, commissioned by the prestigious Carnegie Corporation, found today's schoolrooms to be "grim" and "joyless." Could we not then wonder if the predicted "zoom" in hyperkinetic diagnosis and its concomitant drug therapy will not be used against precious childhood joy? Has Hutschnecker become institutionalized within the medical-educational complex? Have we put the Dachaus in the pill and then put the pill in the kid?

Dr. Rada Dyson-Hudson of Johns Hopkins University begins a letter to Gallagher: "As an anthropologist with a background in genetics and biology who is also the parent of a hyperactive son," and goes on to describe how her family moved to a rural setting to avoid being mangled by urban society. Based on her own personal observations, she says, "Where there are important tiring or responsible physical jobs to do, a hyperactive child is a joy to have around." But a hyperactive child is no joy in overcrowded city classrooms or to the modern housewife.

Dyson-Hudson's professional judgment is also fascinating. She suggests that the prevalence of MBD in the population could mean that it is an inherited trait, has a selective advantage and, therefore, should not be regarded as pathological. She says that the selective advantage must be quite large, in order to counterbalance the higher mortality rate in hyperactive children. This is confirmed in dozens of letters to Gallagher that describe the MBD child as a mass of bandages and stitches, and Mark Stewart finds that many of the children he has studied have been victims of accidental poisoning.

On the other side, a recent New Jersey report states that in 80 children studied, four times as many children who show learning disabilities are adopted than those not adopted. But Dyson-Hudson's point demands further extensive research for two reasons.

First, pediatricians, psychiatrists and educators, particularly school administrators, contend that parents of hyperactive children are excitable, have a history of alcoholism and instability and fail to provide the child with a warm and loving upbringing. (This point is directly denied by hundreds of letters disclosing a real agony in parents who must finally go to drugs as a last resort.) With that sort of finding buttressing the experts' faith in themselves, it is easy automatically to write off the complaints of a child's parents and to coerce them into acquiescing to or embracing drug therapy.

Second, it is fair to speculate that hyperactivity may well be a considerable advantage for children, especially for ghetto kids. The latter truly have no childhood; they are instantly forced to match wits with hustlers, gang leaders, police and antipolice violence and an entire milieu where the prize of physically growing up goes to the toughest and the shrewdest. Theodore Johnson, a black chemist from Omaha, testified to the problems of coming of age in the ghetto and listed causative agents that could produce MBD-like behavior. In the school, he mentioned racist attitudes among teachers and administrators, inferior and outdated textbooks, irrelevant curriculum and inadequate facilities; and for the child, he found malnutrition, broken rest patterns, unstable home environment and physical fatigue.

On a larger social plane, it is possible to speculate that the use of drugs to make children sit perfectly still and reproduce inputs may once have had some functional purpose. Schools formerly trained the vast majority of students to become effective cogs in giant factories, and they were designed so that assembly line learning production during working years. Yet, it is now obvious that service-oriented businesses are rapidly replacing manufacturing as the major source of employment. It is not unreasonable to suggest that children no longer need to be preconditioned for the rigid regimentation involved in earning a livelihood; an inquiring mind in an inquiring body is now marketable.

There would be far less need for additional McLuhanesque probes into MBD drug medication if we could rely on the testimony of the Department of Health, Education, and Welfare before the Gallagher Privacy Subcommittee. If that testimony could stand up under informed scrutiny and if it reflected a conscientious effort to understand and to disclose all the facts, this article would also be unnecessary.

When the federal government sends officials to the Congress to defend a program of such impact, one has a right to expect that rigorous research and rigid control have gone into the decision. In my judgment, both were lacking, and several examples will illustrate my conviction that this massive technological incursion into the sanctuary of the human spirit operated on intelligence just as faulty as that surrounding last winter's Laotian sanctuary incursion.

First, with $3 million from NIMH alone, and with at least 300,000 children and 30 years' experience in the program, it could be expected that hundreds of studies could be cited to show the long-term effect on the children who have been given drugs. Yet, only in 1970 had funds been granted for this essential study, and the man selected to follow up on 67 children was Dr. C. Keith Conners. The HEW witnesses bristled when Gallagher offered the comment that Conners was engaged in evaluating "his own thing," but it is a fact that, prior to the grant for evaluation of these specific children, Conners had been given $442,794 in grants beginning in 1967 to test the effectiveness of drugs on children. Those studies were cited by HEW witnesses as confirming the validity of the treatment.

WANTED: SCIENTIFIC DEDICATION

So, as we zoom up to and beyond six million grammar school children on drugs, we are offered a study of 67 cases that was begun in 1970, is now only in its preliminary data-gathering phase and is being carried out by a man whose prefessonal career has been spent proving how effective the therapy is. One can scarcely imagine the cries of rage that would greet any mayor or governor proposing to evaluate road construction in this manner, but one can only assume that scientific research rises above such petty considerations as conflict of interest. In fairness to the selection of Conners, Ronald Lipman, Ph. D. (chief, Clinical Studies Section, National Institue of Mental Health), pointed out at the hearings: "I think one of the reasons why there have been so few followup studies is that they are so very difficult to do. They involve going back into medical records that are very difficult to come by. They involve tracking down people after a period of 20 years. This is very difficult logistically. *It requires a certain kind of scientific dedication that you just don't find too many people have*" (emphasis added).

Other testimony confirmed Lipman's pessimistic view of his colleagues. Dr. Dorothy Dobbs, director of the Food and Drug Administration's Division of Neuropharmacological Drug Products, and HEW's chief witness, Dr. Thomas C. Points, deputy assistant secretary for health and scientific affairs, both testified that they had conducted "cursory" investigations of the administration of these drugs in Omaha and that nothing was wrong. Later in the hearing it was disclosed that Dr. Byron Oberst, the program's primary proponent in Omaha, was unaware that the Food and Drug Administration (FDA) had listed two of the drugs he was using as "not recommended for use in children under 12." Dr.

John Peters, director of the Little Rock Child Study Center, was found to be equally in the dark about FDA guidelines on one of the drugs he dispensed. (It must be mentioned that FDA has no authority to insist that drugs not be used; it has a formal mechanism that permits just about anything to be administered under a doctor's prescription.)

Two points are crucial, however: 1) the HEW witness did not volunteer the information that the department had communicated with Oberst pointing out his oversight; and 2) leading practitioners of drug therapy were unaware of FDA's recommendations.

Moreover, while the HEW witnesses cited some 40 studies conferring validity on the use of drugs to mask hyperactive behavior, they did not refer to Crinella's Office of Education study referred to earlier—"one of our most fashionable forms of consensual ignorance" is a line certainly worth repeating—nor did they mention HEW's own studies by John Oates and Mark Stewart. But perhaps most compellingly, we heard nothing of the June 1970 statement of the American Academy of Pediatrics Committee on Drugs. In light of the supposedly wide support within the medical community for the efficacy of drugs, the academy's words are particularly significant:

> An accurate assessment of the effectiveness of the chemotherapeutic approach poses enumerable difficulties. These stem from factors such as 1) the lack of uniform terminology, 2) marked variability in methodology for evaluation, 3) the absence of standardized requirements for precise diagnosis and classification of the symptomatology constituting learning impediments, and 4) the paucity of long-term, properly controlled studies. As a result, a valid evaluation of response and objective comparison of the effectiveness of drugs administered in an attempt to mitigate or lessen learning impediments becomes impossible.

Finally, the HEW testimony dismissed any possible connection between children relying on drugs during grammar school and the incredible problem of drug abuse in high schools and in the rest of society. The hearing ran for approximately eight hours, and Gallagher hammered away all day long on this most obvious "paradoxical effect," but it was only during the questioning of Sally Williams, chief of the School Nurse Division of the National Education Association, that a glimmer appeared. She had strongly supported the use of behavior modification drugs (controlled, naturally enough, by the school nurse), but, almost as an afterthought, she disclosed that ten students at her school were now on Ritalin at their own discretion. Her exact testimony is most revealing: "They were taken off the medication and they still came back to the 'springs inside,' the inability to control their behavior. So the doctor has put it on a PRN, which means when necessary, so because they are senior high school students they come up to the health office and come to me and say, 'I think I need my Ritalin now.' "

Apparently, the administration shared some of these doubts, because two short weeks after the hearing, the director of the Office of Child Development at HEW announced his intention to form a "blue ribbon" panel to consider the problem. Dr. Edward F. Zigler's statement of 12 October is very different from the tone of the HEW testimony of 29 September: he said the panel would "inform educators that perhaps it is as much a problem of the kind of schoolroom children have to adjust to rather than what is wrong" with the nervous systems of the children. On 10 March 1971 the panel issued its report, and Gallagher commended it for approximately one-half of his remarks in the *Congressional Record* of that day. He singled out two sentences:

> It is important to recognize the child whose inattention and restlessness may be caused by hunger, poor teaching, overcrowded classrooms, or lack of understanding by teachers and parents. . . . Variations in different socioeconomic and ethnic groups must be considered in order to arrive at better definitions of behavior properly regarded as pathological.

In light of the evidence we gathered that drug company salesmen were huckstering their products' wonder-working capabilities at PTA meetings and at professional educational society gatherings, Gallagher also praised this stern warning: "These medicines should be promoted ethically and *only* through medical channels" (emphasis in original).

Unfortunately, the second half of Gallagher's statement was not reflected in media reports. He was sharply critical of the panel's failure to do any independent investigation; they had only produced a compendium, in layman's terms, of existing studies. Moreover, while the report reiterated many of the criticisms surfaced by the Privacy Subcommittee, the report made no comment on the desirability of having a mechanism within the federal establishment to encourage sensible caution at the local level. Gallagher said that "the suspicion still exists that these programs will be used to modify the behavior of black children to have them conform to white society's norms," and that "as admirable as the recommendations in the report are, they will be nothing but high sounding platitudes unless supervision of local schools can assure that they are given the attention I think they deserve." He called for the Office of Child Development to become the mandated overseer of the increasing nationwide use of behavioral modification drugs.

Assumption of this responsibility became absolutely essential when the Privacy Subcommittee was abolished by its parent Committee on Government Operations on 31 March 1971. Along with a special panel under Congressman Benjamin Rosenthal (D-New York) that had a remarkably effective record of protecting the consumer, the new committee chairman, Chet Holifield (D-California), decreed, as was his right with subcommittees without direct jurisdiction over specific federal agencies, that these issue-oriented studies were outside the committee's ambit. (Holifield has been either chairman or vice-chairman of the Joint Committee on Atomic Energy since its inception. At the risk of being labeled hyperactive myself, it is disquieting that the man who now says there is no valid reason for concern over privacy or consumer matters in the House has consistently stated that there are no dangers from nuclear power plants.)

It would be possible to continue to discuss privacy generally and behavior modification therapy specifically at a length only slightly less than that of the collected works of Dickens, but a brief reference to the National Education Association (NEA) is essential. It has become one of the most effective lobbies in the legislative and executive ambits in Washington, and its proposals often quickly turn into public policy. For that reason, it is important to find out just what it has in mind for future generations of American children. A particularly relevant example comes from the *NEA Journal* of January 1969 in an article entitled "Forecast for the 1970's." Two professors of education at Indiana University point to a radically altered school environment, but one of their statements says it all: "Biochemical and psychological mediation of learning is likely to increase. New drama will play on the educational stage as drugs are introduced experimentally to improve in the learner such qualities as personality, concentration, and memory. The application of biochemical research findings, heretofore centered on infra-human subjects, such as fish . . ."

Fish? Fish! Gallagher has long been concerned with the privacy-invading aspects of credit bureaus, electronic surveillance, the computer and psychological testing, and he has said that the Age of Aquarius will become the Age of Aquariums, in which all our lives are lived in a fish bowl. His assumption, up until the investigation of drugging grammar school children, was that there would still be ordinary water in those aquariums; now the concern must be that human rights will be drowned in an exotic brew of biochemical manipulators, stirred and watched by an untouchable medical-educational complex.

The implications and ramifications to our future were well expressed in June 1970 by America's most highly placed social critic. Social scientists would do well to take action on the words of the former president of the Baltimore County Parent-Teacher Association, Spiro T. Agnew: "We as a country have hardly noticed this remarkable phenomenon of legal drug use, but it is new, it is increasing, and the individual and social costs have yet to be calculated."

STATE CAPABILITY FOR HARDSHIP FUEL ALLOCATION NEEDS STRENGTHENING

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. FRASER. Mr. Speaker, the proposed mandatory fuel allocation regulations, issued under the Emergency Petroleum Allocation Act of 1973, Public Law 93–159, have serious shortcomings as far as State capability to allocate heating oil in hardship situations is concerned. In the following comments submitted to Federal Energy Administrator William E. Simon, I have urged that the final regulations include provision for improved and timely reporting procedures to States and for strengthened State set-aside programs:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 15, 1973.

Hon. WILLIAM E. SIMON,
Administrator, Federal Energy Office, Washington, D.C.

DEAR MR. SIMON: I wish to comment on serious inadequacies in the proposed Mandatory Fuel Allocation Regulations with regard to State responsibility for hardship allocation of middle distillates.

The final regulations should include provision for the following:

(1) Improved and timely reporting procedures to the States.

(2) Increased allotment to State set-aside programs and stockpiling by States of these set-asides in order to permit swift response to spot emergencies caused by unusually cold weather.

(1) Improved and Timely Reporting Procedures to the States: (Subpart K 200.70 (b)).

Experience confirms that information channelled directly to the Federal allocation authority, in this case the Federal Energy Office, does not reach the State in time for rational planning purposes. As Mr. Cy Carpenter, Executive Secretary of the Minnesota Farmers Union has declared: if the farmers of the State only knew how much fuel would be available, they would know how much acreage to plant.

In addition to being largely after-the-fact, data now being reported to the State does not include essential end-use information that State planners must have if they are to be prepared for the emergency needs of exceptionally cold weather.

Therefore, it is suggested, that Subpart K 200.70 (b) be modified as follows:

After subsection (1) there be added the following sentence:

"Every refiner and importer into a State who is a supplier of any allocated substance will report monthly to the Governor of that State, at the same time that reports are filed with the Federal Energy Office, the following information for each allocated substance he supplies (reports are to be made by calendar month in gallons):"

After item (x) there be added the following:

"(xi) Such additional information on end-use as the State finds necessary for its program under 200.48(k) 'to alleviate end-user hardships within the State.'"

(2) Improvements in State Set-aside programs: (Subpart F 200.45 (4), 200.47 (f)-(m); Part 202, Subpart B 202.20).

Minnesota's Civil Defense Division, which has been authorized by the Governor to administer the petroleum allocation program for the state, has estimated that ten consecutive days of temperatures lower than 20° above zero could leave half of Minnesota's 1800 heating-oil jobber-distributors without supplies. A three-week period of 10° colder than usual temperatures—i.e. 210 additional degree days—would mean that 10 to 15 million gallons would be needed immediately for home-heating.

It is imperative that the State have at its immediate disposition supplies roughly equal to this shortfall of 10 to 15 million gallons. This amount is roughly 10% of the total heating oil reported coming into the State for the month of December to users of less than 500,000 gallons.

If one or more of Minnesota's 1800 distributors suddenly had not enough fuel to supply customers, the State could not afford to wait to send a requisition to Washington for more oil. It must act immediately to fill the gap before furnaces are shut off and pipes begin to freeze. The State of Minnesota must have at its disposition stockpiles of from ¾ to one million gallons, accumulated as part of the State hardship set-aside program. Minnesota's Civil Defense Division expects to have access to oil storage facilities with 750,000 gallons capacity. Other reserves could be maintained for the State at refineries within Minnesota.

Because action in an emergency must be swift, the State must have the distribution capability to respond immediately to an emergency situation.

Therefore it is strongly suggested that Part 202, Subpart B 202.20(d) be eliminated. ("The state reserve may not be accumulated or deferred.")

It is further suggested that the regulations governing State set-asides be modified as follows:

Provision for the following be included in Subpart F 200.47:

The Governor of a State may allocate at least 10% of available supplies of heating oil within the State for any given month.

This set-aside allotment may be accumulated or deferred, as a State may deem necessary in order "to alleviate end-user hardships within the State."

With best wishes.

Sincerely,

DONALD M. FRASER.

CANADIAN STANDS BACK OF AMERICA

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. HUDNUT. Mr. Speaker, in view of the vote today on the adoption of the conference report on H.R. 11771, the Foreign Assistance Appropriation Act—which I opposed—I feel it is appropriate to call attention to a letter written last June by a Canadian in Toronto named Gordon Sinclair. Little is known about him at this time except that he has some strong feelings to share with Americans. His message, which is being read over radio stations in Indianapolis, points up the fact that the United States has always come to the aid of the peoples of other nations at a time of need, yet we receive little or no consideration in return. As Mr. Sinclair puts it:

> I can name you 5,000 times when the Americans raced to the help of other people in trouble. Can you name me even one time when someone else raced to the Americans in trouble?

I am pleased to insert the complete message—as it was brought to central Indiana courtesy of radio station WXLW and the Indianapolis News—in the RECORD in order to bring it to the attention of a wide audience. Bear in mind it was written last June:

CANADIAN STANDS BACK OF AMERICA

The United States dollar took another pounding on German, French and British exchanges this morning, hitting its lowest point ever known in West Germany. It has declined there by 41 percent since 1971, and this Canadian thinks it's time to speak up for the Americans as the most generous, and possibly the least appreciated people on the face of this earth.

As long as 60 years ago when I started to read newspapers I read of floods on the yellow river of the Yangtze. Well, who rushed in with men and money to help? The Americans did. They've helped control floods on the Nile, the Amazon, the Ganges and the Niger. Today the rich bottom land of the Mississippi is under water and no foreign land has sent a dollar to help.

Germany, Japan and, to a lesser extent, Britain and Italy were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts. None of those countries is today paying even the interest on its remaining debts to the United States.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up. And their reward was to be insulted and swindled on the streets of Paris. I was there and I saw it.

When distant cities are hit by earthquakes, it's the United States that hurries to help. Managua, Nicaragua, is one of the most recent examples.

So far this spring, 59 American communities have been flattened by tornados and nobody helped. The Marshall Plan, the Truman policy all pumped billions upon billions of dollars into discouraged countries. Now the newspapers in those countries are writing about the decadent, war-mongering Americans. I'd like to see just one of those countries that is gloating over the erosion in the United States dollar build its own airplanes. Come, let's hear it. Does any other country in the whole world have a plane to equal the Boeing jumbo jet, the Lockheed TriStar, the Douglas DC-10? If so, why don't they fly them? Why do all international lines except Russia fly American planes? Why does no other land on earth even consider putting a man or woman on the moon? You talk about Japanese technocracy and you get radios. You talk about German technocracy and you get automobiles. You talk about American technocracy and you find men on the moon; not once, but several times and safely home again.

You talk about scandals and the Americans put theirs right in the store window for everybody to look at. Even their draft dodgers are not pursued and hounded. They are here on our streets in Toronto. Most of them, unless they are breaking Canadian laws, are getting American dollars from Ma and Pa back home to spend up here.

When Americans get out of this bind—as they will—who would blame them if they said "to hell with the rest of the world, let someone else buy the bonds, let someone else build or repair foreign dams, or design foreign buildings that won't shake apart in earthquakes."

When the railways of France and Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania and the New York Central went broke, nobody loaned them an old caboose. Both of them are still broke.

I can name you 5,000 times when the Americans raced to the help of other people in trouble. Can you name me even one time when someone else raced to the Americans in trouble? I don't think there was outside help even during the San Francisco earthquake. Our neighbors (Americans) have faced it alone and I am one Canadian who is damned tired of hearing them kicked around. They'll come out of this thing with their flag high, and when they do they are entitled to thumb their noses at the lands who are gloating over their present trouble. I hope Canada is not one of these. But there are many smug, self-righteous Canadians.

And finally, the American Red Cross was told at its 48th annual meeting in New Orleans this morning that it was broke. This year's disasters, with the year less than half over, have taken it all, and nobody but nobody outside that country has helped.

That's the view from a Canadian.

COMPUTER CARPOOLING

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. LONG of Maryland. Mr. Speaker, the energy crisis hangs like a dark cloud over the economy and our private lives. But the ingenuity of some private businesses that have responded for the good of the public offers a silver lining.

I submit the following article from the November 29 issue of the Capital, a Maryland newspaper, as an example of how private business, the media, and the State government are cooperating to save fuel:

STATE RUNNING CARPOOLS THROUGH THE COMPUTER

What started out as a way to relieve automobile pollution and traffic congestion around metropolitan Baltimore may also turn out to be one answer to alleviating excess gasoline consumption.

The idea is carpools, and one program is already under way and another is being designed.

AAA Automobile Club of Maryland has the program in effect. According to William Zorzi, who is in charge of that program, Commuter Computer plans started in September right after the Environmental Protection Agency held its hearings in Baltimore.

The cost of the program is minimal, he said, because the club already has a computer. However, the response wasn't much at all until the energy crisis became more evident in the last month.

Under the program, the Baltimore metropolitan area—which includes Anne Arundel County and Annapolis—was sectioned off into grids of one square mile each. The computer merely connects persons who live and work in the same two grids. He didn't have an estimate of how many applicants his office is handling now.

Some time in the future, probably next year, Zorzi said the project will be turned over to the state Department of Transportation, which is in the process of developing its own program.

Although that program is expected to coordinate carpools throughout the state when it gets under way, transportation secretary Harry R. Hughes said the initial thrust would be the Baltimore metropolitan area and Baltimore-Annapolis commuters.

A spokesman for the transportation department stressed the program was in the beginning stages and the department has not even decided where the headquarters will be.

Although the department has not tallied the number of cars that might be affected by carpools, the Bureau of Highway Statistics records of vehicles on major Baltimore area roads in October show 2,010,449 vehicles passing through the Harbor Tunnel; 2,204,757 vehicles on Interstate Highway 695 south of U.S. 1 at Bellaire Road; 1,233,049 vehicles on the Baltimore-Washington Parkway south of Maryland Route 176; 836,747 vehicles traveling on Ritchie Highway south of Glen Burnie; and 595,225 vehicles crossing the Chesapeake Bay Bridge.

THE POOR RICHARD CLUB OF PHILADELPHIA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. EILBERG. Mr. Speaker, on January 17, 1974, the Poor Richard Club of Philadelphia will observe, for the 68th year, its annual commemoration of the birthday of its patron, Mr. Benjamin Franklin, distinguished Philadelphian and citizen of the world.

The Poor Richard Club is the oldest and among the largest of the professional organizations in the United States whose membership is comprised of practitioners in the communications world, in public relations, in journalism, in advertising. Over the years, it has made notable contributions in sponsoring the drive which led to the founding of the world-renowned Franklin Institute in Philadelphia, the Better Business Bureau, the renovations at historic Christ Church, and many other contributions to Philadelphia. The club also sponsors the Charles Morris Price School of Advertising and Journalism.

In accordance with the club's tradition, again this year, it will sponsor a most meaningful daylong set of ceremonies memorializing the contributions which Benjamin Franklin made to his day and time and to the growth and development of this Nation. This observance will take the form of a pilgrimage in which the members of the club and their families, led by its president, James P. Dwyer, will be joined by a number of distinguished Americans—walking in the pathways of Franklin and Washington and Jefferson and so many of our Founding Fathers.

Included in the pilgrimage as special guest of honor will be the Poor Richard Club's Gold Medal recipient, Mr. Edward J. Piszek, a distinguished entrepreneur and philanthropist. As 42d recipient of the club's annual Franklin Day award, Mr. Piszek will join a distinguished company of previous winners that included Walt Disney, Dwight D. Eisenhower, Richard Rodgers, and Oscar Hammerstein II, and John S. Knight of Knight Newspapers, Inc. Mr. Piszek is being honored for his unique contributions to communications both in the field of business and on behalf of the causes of increasing peace and understanding among the world's peoples.

Born in Chicago on October 24, 1916, Mr. Piszek is a first generation Polish-American whose parents operated a small farm near Tarnow, Poland, before they emigrated to the United States. Shortly after he was born, his family moved from Chicago to Quakertown, Pa., and then to Philadelphia where they opened a retail grocery store in 1925.

Mr. Piszek attended Philadelphia's public schools and evening classes at the University of Pennsylvania, graduating with a degree in business administration. In 1946, with $450 and the help of a close friend, he founded Mrs. Paul's Kitchens, Inc., which he developed into one of America's largest producers of frozen prepared foods. Today, he heads a company which employs over 1,200 people in four processing plants located in Pennsylvania, New Jersey, and Maryland.

During a visit to the land of his ancestors in 1963 he witnessed widespread suffering and severe economic loss caused by the high incidence of tuberculosis. He began his fight against the disease with the donation of an ambulance to the hospital in Tarnow in memory of his parents. Subsequent contributions to Poland, in an effort to stop tuberculosis, included 11 mobile X-ray clinics, 4 mobile generating trailer units, 42 support vehicles to transport technicians, 5 microbuses, 5 X-ray photo enlargers, a research microscope, 200 numbering machines, 100 automatic skillets, plus subscriptions to assorted American medical journals.

A practical idealist, he felt that the donation of the equipment was secondary when compared to the effect of the entire project. The people of Poland were shown that through their own efforts and energies and following a systematic procedure with proper equipment they could bring tuberculosis under control.

In 1966, during a visit to Ireland, he recognized the need for adult education and, in conjunction with Irish scholars, established the Limerick Adult Eucation Institute.

A man of considerable talent, energy, and imagination, Mr. Piszek has involved himself in scores of projects in the field of human relations, some recent examples of which follow:

July 1970: Helped sponsor the European tour of the Philadelphia Boys Choir.

August 1970: Traveled to Israel to attend the 20th anniversary Jerusalem Conference.

November 1970: Was presented with "The City of Jerusalem Peace Award." This is presented to non-Israelis who distinguish themselves in behalf of the people of Israel.

February 1971: Financed a trip to the United States for a Polish heart surgeon and his patient for the purpose of implanting an artificial artery. After a completely successful operation, both doctor and patient were returned to Poland.

March 1971: Received "Man of the Year" Award from St. Joseph's College in recognition of his special dedication to the ideal of "Freedom From Hunger."

May 1971: Sponsored a concert tour of the United States for the Poznan Boys' Choir, highlighted by a White House performance for President Nixon on June 3.

May 30, 1971: Received an honorary doctorate of humane letters from Alliance College.

October 1971: Launched "Project POLE" in Detroit. This mass media communications project dedicated to elevating the Polish image was introduced in the major cities of the United States and is a continuous effort. It is underwritten for $500,000.

April 1972: Established a pilot program for ethnic libraries at Germantown Academy.

This bibliography includes cultures such as Chinese, Arab, Jewish, Russian, African, Irish, and Polish.

October 1972: Was involved with the pilgrimage to Poland taken by John Cardinal Krol. This close relationship between them provided the unique combination of clergyman and industrialist on a mission of good will.

January 1973: Established the Copernicus Society of America.

April-August 1973: Sponsored the exhibition tour of the original scientific instruments of Copernicus in France, the United States, Canada, and Great Britain.

June 1973: Received an honorary doctorate of human relations from St. Joseph's College.

June 1973: Coordinated "Visit to a Troubled Land." This was the visit of John Cardinal Krol to Ireland.

July 1973: Was appointed to the Executive Board of the Philadelphia Bicentennial Committee.

On an international scale, he is dedicating himself to the world hunger problem. As the vice president of the American Freedom from Hunger Foundation, he espouses the conviction that the only way to feed the estimated 4.5 billion people who will populate the Earth by 1980 is to show the emerging countries how to produce more food and then encourage and inspire them to do it with a self-help philosophy. He believes that the future of America depends on the markets of tomorrow which can be developed only by helping solve the problems of the underfed.

Thus, Mr. Speaker, while fostering an appreciation for the enrichment that our diverse ethnic and cultural heritages bring to American life, Mr. Piszek has demonstrated through his actions that he, like Poor Richard's patron, is not only a proud patriot, but a concerned citizen of the world.

FURTHER INFORMATION ON THE ASSAULT ON PRIVACY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, many studies are going forward today on the causes of what has become known as minimal brain dysfunction. This information, often disclosing physical reasons for the disorder and which tend to place in doubt the standard therapy of giving the child amphetamines or Ritalin, have yet to be brought to the attention of doctors around the country which have the responsibility to prescribe these dangerous chemicals to grammar school children. Certainly far too little is known by the Members of the Congress, and in spite of a widely publicized hearing in September 1970, and a Health, Education, and Welfare Department report in March 1971, we have seen the number of children being given behavior modification drugs double since 1970.

That is why I was very interested to read of a study which suggests that food additives produce symptoms very similar to minimal brain dysfunction in certain children. As I commented on the floor of the House during my speech on my special order on privacy of December 14, 1973, it may be that dangerous chemicals are being prescribed to cure the effects of the ingestion of other dangerous chemicals. A Select Committee on Privacy such as is envisioned in House Resolution 633, would have as a major purpose the wide dissimenation of and the thorough understanding of information which now appears spasmodically if at all.

Mr. Speaker, I attach two brief descriptions of the study linking hyperactive behavior to food additives: a report by Judith Randal in the Washington Star-News of June 26, 1973, and an article by Morton Mintz in the Washington Post of October 29, 1973:

[From the Washington Star-News, June 26, 1973]

ADDITIVES BLAMED IN CHILD ILLS

(By Judith Randal)

NEW YORK.—A San Francisco physician has raised the possibility that food additives which lend color and flavor to many grocery products may be the unsuspected cause of such behavioral problems in children as learning disabilities and hyperactivity.

While the case is not yet proven, Dr. Ben F. Feingold told the 122nd annual meeting of the American Medical Association here yesterday, he is already prescribing an additive-free diet for about 25 children and has seen several improve dramatically.

Feingold, an allergist with the Kaiser Foundation Hospital, became suspicious of coloring and flavoring agents after recalling that a woman who had been referred to him for treatment of allergies, but who at the same time had been psychotic, had improved with respect to both disorders after he discovered that she was sensitive to aspirin and other compounds containing salicylates.

Since many synthetic coloring and flavoring agents are also salicylates, he reasoned, the additive-free diet which had helped this adult might help his young patients, too.

To test this theory, Feingold first determined that some 34 food colors and 1,610 flavorings—all on the Food and Drug Administration's Generally Recognized As Safe (GRAS) list—contain the suspect chemicals. He then instructed a group of children with allergies or both allergies and behavior problems which foods not to eat.

So successful was this experiment that he decided to prescribe the diet for some patients who had no signs of allergy such as hives, widespread itching and asthma. It worked for them, too.

Indeed, Feingold reported, some of the children were able to stop taking Ritalin and some of the other stimulant drugs that are paradoxically often prescribed for hyperactivity.

In many cases these children also improved their school performance in only a few weeks. But if they cheated on their diets—by drinking colored soda pop or eating artificially flavored cereals, for example—their symptoms returned immediately.

Following the diet requires avoiding not only most "convenient" foods, bottled soft drinks and packaged mixes, but also a number of common fruits and vegetables which naturally contain salicylates. Among these, said Feingold, are apples, oranges, peaches, berries and tomatoes.

[From the Washington Post, Oct. 29, 1973]

STUDY LINKS FOOD ADDITIVES TO HYPERACTIVITY IN CHILDREN

(By Morton Mintz)

A medical specialist says that artificial colors and flavors in foods and beverages may be an important cause of a serious behavior disorder believed to afflict millions of school children.

He bases his theory on experiments in which afflicted children come to behave normally when put on a diet free of synthetic colors and flavors, only to revert to their maladjusted condition when they violate the diet by so much as a bite.

The specialist is Dr. Ben Feingold of San Francisco. He is chief-emeritus of the Department of Allergy of the Kaiser Foundation Hospitals and Permanente Medical Group.

The disorder, called hyperkinesis or hyperactivity, interferes with a child's attention span—leading to reading, spelling and other learning difficulties—and is reflected in disruptive and even compulsively aggressive behavior.

The disorder occurs almost exclusively in boys. Usually only one child in a family is affected.

Hyperkinetic children generally—but not always—are genetically predisposed to allergies. Usually they have normal or high IQs. And, says Feingold, they ingest substantial amounts of chemical colors and flavors, as shown by diet diaries.

Frequently, physicians prescribe for hyperkinetic children drugs that in adults are stimulants. The drugs are amphetamines and Ritalin, the trade-name of the CIBA-Geigy Corp. for methylphenidate hydrochloride.

Feingold has found that sharp increases in the disorder and in learning difficulties over the last 10 years have occurred in parallel with increases in the dollar value of the production of artificial flavors and soft drinks.

There are 2,500 to 3,000 flavors—some of them secret chemical formulations—but only 11 basic synthetic colors, Feingold says.

The colors and flavors constitute about 80 per cent of all food additives. They proliferate in "convenience" foods and products such as soft-drink powders, the physician says.

Feingold reported initial findings to an American Medical Association meeting in New York City in June and at an international food symposium in London in September. He said in a phone interview with The Washington Post that he is now preparing an article for the British Medical Journal published by the British Medical Association.

At the time of the AMA meeting, Feingold said, he had achieved "dramatic results" with the special diet in 15 to 18 of 25 hyperkinetic children in his practice. Some of the children who did not improve did not stick to the diet, he said.

Currently, the allergist told a reporter, he has successfully treated more than 50 children. In addition, he said, other physicians independently have duplicated his results.

Feingold emphasized that the special diet doesn't always work, because there are apparently multiple causes of hyperkinesis. Sometimes it works in harness with standard allergy control procedures, he said.

Feingold told of a 7-year-old boy who had been hyperkinetic during much of his life. No therapy worked. But after a few weeks on the special diet the boy became well adjusted at home as well as at school.

The physician said that even a slight violation of the diet can cause symptoms of hyperkinesis to emerge within a few hours and to persist for 24 to 48 hours.

"In view of our ability to relate this behavioral disturbance in children to food additives by 'turning on' and 'turning off' these adverse clinical responses," Feingold told fellow allergists at the AMA meeting, "we raise the following question:

"Is it possible to attribute the increase in hyperkinesis and learning difficulty . . . to the increased consumption of these chemicals in our foodstuffs?"

Feingold told of a California study indicating that in the last 10 years the incidence of hyperkinesis in certain school populations increased from an average of 2 per cent to 20 to 25 per cent and, in some cases, to 40 per cent. He said no correlation has been shown between rates of affliction and socio-economic factors.

The dominant occurrence of hyperkinesis in boys and its absence among a victim's brothers and sisters may offer clues for researchers, but "we really do not know" the explanation, Feingold said.

"Do the additives ingested by the mother during pregnancy affect the unborn child?" the allergist wonders.

He points out that additives, like drugs, can cross the placental barrier to the fetus and affect its development. It is at least conceivable, he says, that increased consumption of food additives by pregnant women could be an "important factor" in conditioning a fetus to react to additives in childhood with hyperkinesis.

An average child's breakfast today may include foods "loaded" with enticing flavors and colors, including cereals, beverages, pancakes made from a mix and frozen waffles tinted by a chemical called tartazine. Feingold said.

A "conscientious and concerned" mother may give her child chewable vitamins. These, too, contain chemicals.

The child goes off to school where, at lunch, he gets more flavorings and colorings in hot dogs, luncheon meats, ice cream and beverages other than milk.

"Is it any wonder that our children are jumping and failing to learn?" Feingold asked at the AMA session.

The conscientious mother, or school authorities, may try to cope with the possibly chemically-created disorder by dosing the child with more chemicals—an amphetamine or Ritalin. These drugs, too, are dyed Feingold said. Some children also are given strong tranquilizers that, again, are artificially colored.

How many children get the amphetamines and Ritalin, which CIBA-Geigy has heavily promoted for hyperkinesis, is unclear.

The number estimated in 1971 by the National Institute of Mental Health was up to 300,000. The current estimate made by CIBA-Geigy for Ritalin alone is 250,000.

A company spokesman said Friday that the firm was trying to clarify the figures in the light of testimony given at a Senate hearing in July, 1971, by CIBA-Geigy president Thomas O. Boucher.

He said that the firm in 1970 sold 243 million Ritalin tablets, that some 2 million persons took the drug, and that "its use for hyperkinesis is approaching 50 per cent . . . of production." In the same year, Ritalin accounted for $11 million in sales, or 15 per cent of the firm's total.

Feingold's research associates were Drs. Donald F. German, Alice Friedman, Richard Braham and Ellamae Simmons.

In a related development at Georgetown University, researchers have reported on a laboratory study of some food additives used to prevent spoilage of beverages and canned and frozen foods by disease-producing bacteria.

The additives act as strongly against animal and human cells as against the germs, the study indicates.

Further investigation is necessary, "but present evidence would urge caution in eating large quantities of food containing such additives," said microbiologist Thazepadath Sreevalsan.

The Georgetown study, done in collaboration with the National Institutes of Health, involved tissue cultures in which additives were shown to inhibit the growth of cells, to alter their shape, and in some cases to destroy them.

The results, reported in the Proceedings of the National Academy of Science in August, also showed that the chemicals did not act selectively merely against the bacteria that cause spoilage, but were at the same time anti-cell agents.

"There may be a mechanism whereby the stomach tissue in a whole organism is able to de-toxify the compounds in humans, but even in that case, ingesting too much might overload the mechanism and still pose a danger," said Associate Prof. Sreevalsan.

He said that most anti-bacterial food additives are fatty acids that, in the concentrations in which they are used to prevent spoilage, have not exhibited "any gross animal or human toxicity."

All human cells in the study are inhabited by these compounds, as well as by nitrite. For that reason, the large consumption of foods containing the compounds "may potentially interfere with the function of some human cells," Sreevalsan said. The same would apply to drugs such as salicylates—aspirin, for example—that also are fatty acids, he said.

The study was done with cells from human livers and intestine and with chicken embryo cells grown in laboratory tissue cultures.

Sreevalsan's co-researchers were Elliot Ginsburg, Daniela Salomon, and Dr. Ernest Freese.

THE IMPORTANCE OF IMPROVED PLANT DISEASE DETECTION

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. VANDER JAGT. Mr. Speaker, during the past year I have been pleased to receive reports from Prof. Axel L. Andersen of the Department of Botany and Plant Pathology, Michigan State University, on the establishment of a national plant disease detection and information program. Chaired by Dr. Andersen, an ad hoc committee of plant pathologists associated with the Plant Disease Detection Committee of the American Phytopathological Society has provided the leadership to get this tremendously important project underway.

I am delighted that various Federal agencies including elements of the Department of Agriculture and the Environmental Protection Agency have cooperated with this undertaking, which seeks to protect our Nation's food and fiber resources by preventing the spread of plant diseases. Because I believe that this objective is vital to the future of this country and to the protection of the world's food resources, I am pleased to bring this initiative to the attention of my colleagues in the House of Representatives.

A number of factors are giving rise to increased incidence of plant diseases and the possibility of extremely costly destruction of food and fiber resources by disease. Exemplifying the hazard which plant diseases constitute is the corn leaf blight of 1970, which caused the loss of more than $1 billion worth of production. This national program would provide a means for detecting and monitoring plant diseases and for improved communication throughout the country about diseases and appropriate responses. The program's central features are the development of indicator plots and an information system which will increase availability of vital data and facilitate its exchange and application in disease control programs when and where problems appear.

Pioneering work in this field has been undertaken in several States including Michigan with a limited number of crops. Now is the time to undertake an orderly expansion of the basic principles developed in these demonstrations, and to bring the benefits of a comprehensive plant disease detection and information program to all major crops and to the entire country. Use of electronic data processing equipment and techniques will permit the development of data centers and the retrieval of vital information for expeditious use as needs arise.

The benefits that will be achieved through this program are extremely valuable. In summary, the program will provide protection for the environment, and facilitate production increases, greater profitability and maintenance of a low-cost food supply for consumers.

I commend Dr. Andersen and his colleagues for their dedication and leadership in developing this program, and I urge the U.S. Department of Agriculture, other Federal agencies and relevant units of State government to maximize their responsiveness to the program. It deserves strong support from executive and legislative branches of Government.

AMNESTY MUST NOT BE FORGOTTEN

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. DELLUMS. Mr. Speaker, this Christmas comes at the end of a year of unprecedented recrimination and bitterness. Those who thought that the end of our direct military involvement in Southeast Asia would mean reconciliation and unity have been disappointed. What we have seen in the last year is true Vietnamization—the Vietnamization of American public life.

Christmas symbolizes the birth of a new concept of unity and human brotherhood. I feel it is appropriate at such a time to introduce into the RECORD two statements on amnesty for the powerless minority whose conscience created legal difficulties for them, and who have had the bad luck to have to pay the full penalty. I say "lucky," because events of the past year should have taught us that the machinery of justice is sometimes inefficient and arbitrary in whom it decides to crush.

The question of amnesty, in real terms, is the following: "Do we want those individuals who believed that conscience prohibited them from following the Government's order to prosecute its foreign policy in Southeast Asia should be forced to remain in prison or in exile?" And if so, what purpose would it serve?

The first statement is a proposed petition advocating repatriation by the Veterans for Peace. The second statement comes from the New World Outlook, which is published by the United Methodist Church. During a holiday celebrating family unity, this article brings out the special tragedy of broken homes that our failure to act on amnesty is creating.

The articles follow:

1868—AMNESTY FOR REBELS: 1974—REPATRIATE RESISTERS!

July 4, 1868 President Andrew Johnson pardoned all participants in "the late rebellion". After the Civil War, America was willing to forget the crime of taking up arms against the government. Similar amnesties can be documented following the Whiskey Rebellion (1795), the War of 1812, Spanish-American War, World Wars I & II and Korea. That is amnesty—to forget.

In 1974 the need is to remember, not forget, the resisters who were the conscience of the USA during the criminal war in Vietnam. Repatriation—restoration to the nation of those whose "crime" was being right—is the urgent necessity.

President Nixon and his crew are trying to create the impression that "only a few hundred . . . who chose to desert the United States or to break the law by dodging the draft" would be affected by repatriation.

We veterans know that this is the latest big lie used to sell the war to the American public. With as many as 800,000 resisters and other victims to be repatriated, the total number affected may reach 3,000,000, immediate families included.

Why are Nixon, the Pentagon and their industrial allies desperately trying to belittle the motives and minimize the numbers of the resisters and victims?

Veterans for Peace, like most Americans, want no more Vietnams. Until the US faces the fact that this war was a criminal adventure, we are in constant danger of being dragged into future Vietnams. To repatriate the resisters is to announce that we have learned the lesson of Vietnam. Therefore, the fight to repatriate is the fight to prevent future Vietnams.

Veterans for Peace, like most Americans, now realize we and our elected representatives permitted the military and other "experts" to usurp the constitutional right to decide questions of war and peace. The resisters were vanguard citizens who put their lives on the line opposing the military juggernaut. The fight for their repatriation is the fight to cut the military down to size. Only then can we unite our country behind a sensible system of priorities, limiting the military appetite for power, money, and bodies.

Veterans for Peace, unlike most other Americans, are familiar as veterans with three aspects of the US military machine and its use in Indochina.

(1) Who fought the war? At first it was the poor who joined the military in peacetime, notably its extra-pay elite units, to escape unemployment at home. Especially if home was the ghetto, barrio or reservation. As these elite units were decimated and more bodies were needed, the military filled the ranks with draftees. Now it was the poor and the sons of workers. They weren't favored by college deferments, expert anti-draft counseling, resources to emigrate and relatives in high places.

(2) Who resisted the war? Not a few hundred, but scores of thousands of young Americans fought to stop the criminal Indochina War.

Some resisted the draft by not registering, refusing to report for induction, fighting for conscientious objector status and leaving the country.

Others raised a history-making storm of anti-war protest within the military. Tens of thousands of GI's were active in:

Publishing scores of underground anti-war newspapers on their bases worldwide, including Vietnam itself;

Marching in anti-war demonstrations; Armed Forces Day, 1971 alone involved thousands of anti-war GI marches nationwide;

Circulating anti-war petitions signed by thousands of courageous GI's;

Patronizing in throngs dozens of anti-war GI coffee houses;

Challenging the war in numerous Federal Court suits;

Refusing orders for training, shipment to Indochina, and combat orders in Indochina; and

Turning attempts of the military to stifle anti-war dissenters through courts-martial into major anti-war demonstrations and victories.

Still others saw the criminal nature of the war and deserted the military, becoming exiles abroad and exiles underground here at home.

(3) Who are the victims of the war? All resisters were victimized by the Indochina War. They paid with interrupted lives, broken careers, public contempt, surveillance, harrassment, expensive trials and often jail.

Additionally, many GI's, though not conscious resisters, were victimized by the war and need REPATRIATION. Behind a large proportion of the 560,000 bad discharges, 1961–1973, lie the conflicts of millions of ordinary young Americans with the military on three fronts.

First, unreasonable military discipline, unquestioned in a war of self-defense, became unbearable in this war against a remote people who did not threaten our nation. Low morale demolished discipline, accounting for thousands of courts martial for minor infractions.

Second, the same low morale, combined with cheap drugs available to GI's, enmeshed scores of thousands. Many were court-martialled. Others, not court-martialled, still suffer as addicts.

Third, though racism is traditional within the military, the conduct of the Indochina War was racism paralleled only by the genocide of American Indians. Would the US have conducted such a war in Europe? Minority GI's, seeing the connection, rebelled in many ways. More thousands of courts martial and bad discharges.

Lastly, we must include the immediate family members of all these victims, who suffer along with them. Not to mention the families of the dead, for whom there can be no Repatriation, and of the wounded, for whom Repatriation requires far more than a decree.

TO REPATRIATE, 1974

We, the undersigned veterans, demand that Congress act, because the President won't.

We veterans demand passage of a law upgrading all discharges immediately to honorable. This means that no veteran will face a job market from which he is excluded. This doesn't imply that sentences for crimes recognized by civilian courts should not be served. However, the GI should receive an honorable discharge after completing the sentence. It does mean that all sentences for resisters be commuted to time served.

We veterans demand passage of a law for blanket repatriation of all draft resisters. This means immediately releasing those in prison, expunging all criminal records, dropping all pending indictments and welcoming back all those in exile, underground at home, or abroad.

We veterans demand that in order to heal the wounds, all those who deserted the armed forces in resistance to the war should be restored without prosecution to their full rights as citizens.

We ask all Americans, veterans and non-veterans alike, to join us in putting constant pressure on Congress until these demands are met. In 1974, an election year, it must be driven home to every Congressman, Congresswoman and Senator that repatriation may be the price of reelection.

Home for Christmas

(By Louise Ransom)

Christmas, 1973. For the first time in over a decade no American soldiers are eating their C Rations in the fields of the Mekong Delta, or drinking a holiday toast in the tinselled bistros of Saigon. Even Bob Hope is spending Christmas with his own family this year. And, after so long, a few hundred former Prisoners of War are celebrating Christmas at home instead of Hanoi. Thank God for that.

But what of the more than half a million American families for whom "Peace on Earth, Good Will to Men" is still an unrealized dream?

THE RANSOMS

I will start with my own family, because it is our experiences with the Vietnam War that have helped us to understand the plight of others.

Our oldest son, Mike, was killed near Mylai six years ago this spring. He arrived at his first assignment—a new 2nd Lieutenant infantry platoon leader—on the very day of the massacre, March 16, 1968. After that unspeakable atrocity committed by our own American troops, who could blame the embittered South Vietnamese farmer who set the mine that killed Mike such a few weeks later.

My husband and I have long faced the difficult truth that there was no gain for this country from our son's death. His life was wasted by his own government and nothing we do can alter that.

The only thing that sustains us at this gentle season is the hope that the sacrifices of this war will somehow be redeemed by bringing us together and making us more generous than we now are, as symbolized by our capacity to grant the unconditional universal amnesty so sorely needed by other families.

THE WALKERS

George and Edith Walker's son is in jail in Allenwood, Pa. (This is a composite family, representative of the more than 13,000 men convicted, imprisoned, or under indictment for violation of the Military Selective Service Act.) George, Jr. was able to convince his Boston draft board that his belief in a Supreme Being based on his early religious training qualified him to be excused from service by reason of conscience. However, he denied the right of the government to compel him to alternate service, and was sentenced to three years in jail.

It is easy to understand George's case for being granted amnesty. He proved to his draft board's satisfaction that conscience was his motivating force, still broke the law, and paid the penalty of an arduous jail term. He is highly sophisticated and articulate, well educated at a prestige university, and his action was in the best tradition of Thoreau-like civil disobedience. He is deeply religious with the extraordinary amount of inner strength. But he is not home for Christmas, and when he is released, his civil rights will be severely restricted as a convicted felon.

THE ALLENS

(This family represents the 20,000–40,000 draft resisters in Canada.) John Allen, also from Boston, is the son of Martha and Peter Allen, and is living in exile in Canada. He is George Walker's good friend and college roommate. Ironically, the very same draft board turned down John's application for Conscientious Objector status though he and George had similar religious training and shared the same basic beliefs. When induction became imminent for John in 1971, he found his conscience still would not permit him to serve in the army. He did not see the value of going to jail, so he went to Canada.

Can we say that he was any less motivated by conscience than George simply because his draft board ruled against him? But he too has not been home for two years, and cannot return without probable arrest, even for his grandmother's funeral.

THE RODRIGUEZES

(They represent the largest and saddest group of all, the families of the more than 450,000 veterans who have received less than Honorable Discharges from the services.) Angel Rodriguez is in jail too, but under very different circumstances. He was drafted and served in Vietnam in the 101st Airborne Brigade. He is one of seven children of Felipe and Theresa Rodriguez from east Harlem. A high school drop-out, he was working in a local A & P when his low draft number was called in 1970. He didn't have enough knowledge of the Vietnam War to know whether or not he opposed it, though he certainly learned the Ten Commandments in the Religious Ed. class at Immaculate Conception Church where his family went to Mass. He would have had a hard time discussing "Thou Shalt Not Kill" before his draft board since he spoke very poor English. Besides he thought the Army might teach him a trade. Unfortunately no doctor ever saw the severe shoulder separation he had from playing basketball at PS #101.

By the time he arrived in Vietnam, he was convinced that his dark skin was responsible for every dirty job his superiors could think of, including Search and Destroy missions in the jungle. He witnesed the rape of a twelve-year-old Vietnamese girl by some of the soldiers in his unit, and received a Purple Heart when he was wounded by a mine that killed his best friend. He was sent back to combat twice after requests for respite when his shoulder injury became increasingly painful. Finally, given a Rest and Recuperation period in Honolulu, he just kept going and came home to Harlem—AWOL. When he finally surrendered to the Army two months later, he was given a Dishonorable Discharge.

He is in jail now for selling drugs to support a habit that started in Vietnam. With his DD, the A & P wouldn't take him back, nor would any other employer consider him. His parents will not pay him a Christmas visit in prison and feel he has disgraced their family.

THE HOWARDS

(This family represents the more than 32,000 men who have deserted the armed forces and are in exile, or underground in this country.) Joe and Mary Howard are a black family who live in a small mountain cabin in Tennessee. Joe drives a truck for a cement company. Their son, Dan, volunteered and was rejected by the Army as being in no way qualified. However, under Defense Secretary McNamara's "Project 100,000", designed to "salvage" men considered unfit for military service, he was encouraged to volunteer again, because McNamara thought that men like him could be educated and trained for productive military careers. During his basic training period he was so apathetic about participating that he was finally put in the stockade for disobedience. He was so brutally treated there that he became psychologically upset and attempted suicide. Before the Army could give him the Bad Conduct Discharge which was prevalent in such cases, he found a chance to run away, and his family has no idea where he is, or even if he is still alive.

The catalogue of family heartbreak goes on and on, and one wonders if all this suffering is really necessary. The suffering extends beyond the young men themselves, who, because of the war, were forced to make a choice between military service and some other alternative. If we count a low average of two family members per man, we expand the war's miserable heritage to an additional million Americans. Has there not been enough hardship already? My family is one of 57,000 whose sons will never be home for Christmas. And who can count the Vietnamese sufferers?

There is no question that a broad general amnesty can help relieve some of this suffering. It is a lawful act, with historical precedent, which neither condemns nor condones, but moves to wipe the slate clean for a fresh start. For the men indicted, sent to prison, or forced into exile for violations of the draft laws, amnesty would provide the opportunity to resume productive lives without penalty and permit them to make once again a contribution to the society in which they live.

For the veterans with less than Honorable Discharges, amnesty would upgrade the discharges and make them uniform, enabling the veterans to compete more equitably in the job market. It would also restore their Veterans' benefits like educational assistance, loans, medical and psychiatric care—the least a society can do that forcibly deprived them of freedom of choice, disrupted their lives, and placed a burden on them far out of proportion to the rest of the population.

For those veterans who are "at large"—in exile or hiding somewhere—amnesty would make possible a reunion with their families so they, too, could rebuild their broken lives.

The complicated question is how to achieve such an amnesty when the President is opposed to it, and the American public seems to be uninformed as to the extent of the problem and the amount of injustice involved.

Some legislators have proposed that the only way to decide who should receive amnesty is to set up regional review boards to hear each case individually and mete out either amnesty or penalty—alternate service, or whatever. In this way, it is argued, it can be determined whether legitimate motivation for war refusal, such as conscience, was present. I submit that such a solution is impossible and would lead to grossly inequitable decisions.

Conscience, for example, is a complex concept. In all our religious teaching we honor it, perhaps above all else, yet who does not have difficulty defining it? Even the Supreme Court has changed its definition of conscience within the last few years. How do we compare the consciences of George Walker, Jr. who went to jail for reasons of conscience, and Angel Rodriguez who refused to participate in any more Search and Destroy missions?

United Methodist Bishop John Wesley Lord, testifying for amnesty before a Senate subcommittee, said: "Conscience is not always a static conclusion of an ideology. Often it is a process. It is the process of discovering that something is wrong, and trying to discover what it is and how it can be rectified. Conscience is the process of trying to understand how to work for a better world. The process of conscience always requires risk-taking."

By this definition, virtually all of those in need of amnesty would qualify, yet there is no possibility that review boards, by their very nature, could act consistently.

Would a review board in Mississippi handle the case of Dan Howard's desertion in the same way as a review board in Boston? It would be hard to say that conscience was his motivation, since he volunteered for the Army, and never went to Vietnam. And yet if it had not been for the Vietnam War, with its inexorable demand for more American bodies, Dan would never have been in the service at all. Should he be penalized for the rest of his life for a mistake in judgment by the military authorities?

If regional review boards would inevitably render inconsistent and inequitable decisions, it has been proposed that one National Review Board undertake the task. Half a million men would grow old waiting for their day in court.

A far more satisfactory solution could be found by simply granting an across-the-board amnesty for all classes of war resistors, and thereby weighting the balance on the side of social justice and humanitarian relief for the many, rather than on vindictive judgment for the few.

Another very troubling issue in the amnesty question is that of fairness. Is it fair to those who served or to those who died to grant amnesty to those who refused to participate? On this matter, I can only speak personally. I find it offensive that many people think I should exact a price from another woman's son for the life of my child. It is inconceivable that anyone could place the blame for those that went to Vietnam upon those that didn't. It was clearly the government that put our sons in an untenable position, and for that we must all share blame.

If I could see how punishment for the men who said "No" to war could in any way be of benefit to those who served, or to our nation, I might better understand a firm position against amnesty. The empty place at our Christmas dinner table will not be filled by the sacrifice of others.

Dishonoring the dead by granting amnesty, as President Nixon describes it, implies that we do honor them by not granting it. The dead have their own honor no matter what we say or do here, but true peace with honor will only come to us as a nation when we can move ahead positively, learning from the tragedy of the past. A universal unconditional amnesty would be a positive first step.

THE COYOTE MENACE TAKES ITS TOLL

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. FISHER. Mr. Speaker, when some 2 years ago the President, acting in response to pressures from environmentalists, imposed arbitrary restrictions on the sale of various chemical toxicants for use against predators, American livestock growers were flabbergasted. The Wildlife Services, Bureau of Sports Fisheries and Wildlife, which has the responsibility for Federal assistance against predators, confirmed that some 80 percent of predators destroyed had been through the use of toxicants.

Thus, the President's order, implemented by another EPA directive on the same subject, in one fell swoop deprived ranchmen of their major weapon in coping with a constant menace. And, as predicted, the problem has grown more serious since that mantle of protection was thrown around the coyote and all predators. A coyote population explosion has ensued.

Even though the environmentalists have found no valid argument against the use of the M–44 cyanide gun, they persist. That gun produces no after effects. The cyanide sprung into the coyote's mouth causes almost instant death and then immediately disappears, in either the air, soil, or in an animal's body. Its use is highly selective. It is humane, and leaves absolutely no environmental contamination. But the extremists persist in their opposition. This, and other poisons such as 1080, can be used by experts with practically no adverse effects to the environment.

Mr. Speaker, we are still hoping for some help from the Environmental Protection Agency, where there are some who appear to understand the magnitude of our problem. In the meantime, the crafty coyote continues to take its toll—as do scores of other predators. An indication of this is revealed in an Associated Press article dated December 15 which cites some recent experiences on this subject. The article follows:

Tools To Continue Coyote Battle Strongly Sought by WT Ranchers

Sterling City, Tex.—Coyotes are fine, believes Bert Dennis, as long as they're dead.

The Borden County rancher does not like coyotes. And he is not too fond of anyone who does.

"I don't like killing. I wouldn't shoot a quail or anything. But I thoroughly enjoy seeing those damn coyotes roll," says Dennis.

In 30 years of ranching around Gail, Tex., Dennis has "rolled" more than his share. But he feels, as do other Southwest Texas sheep ranchers, the coyote now has seized the upper hand.

Stockmen across this vast, rugged rocky, sometimes flat, sometimes mountainous territory contend the predator problem has become critical.

Harassed by environmentalists and banned from use of poisons by presidential decree, they feel almost powerless against the multiplying coyote.

Unlike the clever, cuddly animals seen in Walt Disney productions, those found here, they say, are lazy, cunning, opportunistic, nocturnal killers.

The coyote has slaughtered their lambs, their kid goats, their ewes and their calves. He has depleted the wildlife in many sections, already confronted by wolves, red fox, wild dogs, eagles, mountain lions and other predators.

They point to mounting evidence that without proper tools, particularly poisons and a "coyote-getter" device known as the M44, the sheep and goat industry will continue to suffer drastic setbacks.

Environmentalists contend poisons and such devices as the M44 are biologically unsound, inhumane and hazardous to non-target animals.

Stockmen disagree, of course.

Meanwhile, many "outside" ranches—those fighting back the invasion of coyotes on the front line—are surrendering, permitting the invaders to advance to the "inside."

Dennis says Borden County now has only four ranchers, yet the total cost of predator control, including state and federal funds, runs as high as $30,000 annually.

And with the diminishing number of sheep, coyotes have turned to calves as a convenient target of opportunity.

Dennis tells this story of a Borden County cattle rancher:

"When I moved out here, those people liked the coyote. They wouldn't let trappers on their place.

"Well, here about five years ago, the coyotes started working on their calves. They (the coyotes would) get after him and pretty soon his tongue would come out and they'd snip the end of it off. Twenty calves were involved and they all died because they couldn't suck before their tongues got well.

"In the last five years, they've lost 65 calves. When they got the tongue snipping stopped, the coyotes started killing the calves outright."

That rancher has joined the war.

"It would take the United States Army to stop them with the present tools we have . . . And I don't really think the Army could do it. When we lost the tools, we lost control," said Dennis.

"Hell, we're not even holding our own, much less eradicating them."

In the Van Horn area on Interstate 20 between Odessa and El Paso it is said coyotes have killed fawns to the point that the deer population is all but wiped out.

Ellis Helmers of Uton County said hunters normally took 100 to 150 black tailed buck in the area each season.

"They took two last year," he said.

He said a "fellow the other day told me about four coyotes that killed a big buck deer . . . when they run out of sheep, they turn to calves. Whatever's available, they kill."

Upton County Agent Dub Day of Rankin said, "There is a coyote north of McCamey that will hold a lamb or a grown ewe down and eat the entire hind quarter off and not kill him. If that's not cruel, I don't know what is."

The Texas & Southwestern Cattle Raisers Association said of 1,310 members responding to a September poll, 87.2 per cent indicated they had a predator problem.

"These same people owned or controlled 10,088,812 acres of land," said Paul Horn of Fort Worth. "They reported a loss of 13,512 goats, 13,550 sheep and 3,574 cattle in a year's time.

"In dollar value, the loss was over $1.25 million."

Adds Don King, the TSCRA general manager: "We're not on a crusade to eradicate any species of animal. We're concerned when an agency of the federal government denies ranchers the use of the tools they need to protect their domestic animals.

Bill Sims of San Angelo, a rancher and executive secretary of the Texas Sheep and Goat Raisers' Association, said the red fox is his main problem "but the coyotes are coming."

He said coyotes virtually have driven sheep and goat ranchers out of Coleman County and are moving steadily southward.

"I haven't had the coyote trouble that my neighbors to the northwest have had," said Worth Durham, a Sterling City attorney-Rancher. "Eagles are the big problem now."

A single eagle he said, may kill a lamb or kid goat a day, and sometimes two.

"You don't have to have many eagles to add up to a bunch of lambs and a bunch of dollars," he said.

Marshall Yates of Lamesa says he lost two heifers and at least 10 calves last fall.

"We had a heifer who had a hard time having her calf. They had slashed her throat and eaten the calf."

Just recently, Yates said, he and a companion entered a Martin County pasture and spotted five coyotes eyeing a cow about to calve.

"Good God, look out there!" he quoted his friend as saying. "They're big old coyotes, not little ones like we used to have!"

Around Kermit and Ft. Stockton, "You couldn't sell a cow that doesn't have horns," Yates said.

"They've got to have something to fight back with."

So, say the ranchers, do they.

BIG BROTHER AND PSYCHOTECHNOLOGY ASSAULT PRIVACY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, in my speech under the Special Order on Privacy of December 14, 1973, I referred to an article from the October 73 Psychology Today which, in my view, lays out in truly appalling detail the interrelated developments of the technology of behavior. Psychotechnology, the skillful manipulation and alteration of the behavior of Americans is proceeding without the informed interest of the Congress and unless we take action soon, very real decisions about how Americans live their daily lives and about what the framework will be for the continuation of the American system of political democracy will take place at a level totally beyond the understanding of elected officials. I contend that such a development would make us irrelevant to the formulation of policy and yet we would still be held accountable for the results of this policy.

I, therefore, urge my colleagues to ponder their role in what Dr. Chorover states is an immediate problem:

> With courage and insight we may still be able to seize back from technology both our freedom and dignity.

Please note that Dr. Chorover is not discussing science fiction or what may happen someday. He says we "must seize back," and so I believe we in the House must not draw back from the creation of a Select Committee on Privacy.

The articles follow:

ADDICTION AS A SOCIAL PROBLEM

(By Margie Casady)

When Stephan L. Chorover was invited to participate in a conference on biological approaches to drug addiction, he outlined a talk on physiology. Then President Nixon expounded about addiction as a social problem, and Chorover revised his talk to discuss the developing methods of controlling deviance. He knew psychologists were coming face to face with the reality physicists had agonized over when we dropped the first A-bomb: politicians decide how to use the fruits of science. Chorover intensified his investigation of the growing social-science technology, and wrote "Big Brother and Psychotechnology" (page 43) for this issue of PT.

Chorover was born and raised in New York City. He attended the Bronx High School of Science, and graduated from the City College of New York in 1955. Four years later he received a Ph. D. in physiological psychology from New York University, where he conducted research on mescaline. He then went to England for two years and studied brain-injured humans and brain-lesioned monkeys at the National Hospital in London and at Cambridge University. In 1961 he became research associate at M.I.T. He is now professor of psychology and brain sicence. Most of Chorover's research has concerned disorders that produce seizures and the effects of electroconvulsive shock and other physical treatment on learning and memory. He is completing a book on research methods in physiological psychology.

BIG BROTHER AND PSYCHOTECHNOLOGY

(By Stephan L. Chorover)

Once again, our urge to invent new technologies is outrunning our wisdom in applying them. We can surgically enter the living brain to permanently alter personality. Behavior modification, psychology's fastest-growing branch, can be defined as the "ability to get someone to do one's bidding." And the use of psychochemicals to control people is now common, notably in our schools.

"I feel very strongly that this country wants and this election will prove that the American people want . . . a new feeling of responsibility . . . of self-discipline. . . . The average American is just like the child in the family. You give him some responsibility and he is going to amount to something. . . . If, on the other hand, you make him completely dependent and pamper him and cater to him too much you are going to make him soft, spoiled and eventually a very weak individual."—Richard M. Nixon, New York Times, November 10, 1972.

"There are people in our society who should be separated and discarded. I think it's one of the tendencies of the liberal community to feel that every person in a nation of 200 million people can be made into a productive citizen. I'm realist enough to believe this can't be . . . we're always going to have our places to preventive detention for psychopaths; and we're always going to have a certain number of people in our community who have no desire to achieve or who have no desire to even fit in an amicable way with the rest of society. And these people should be separated from the community, not in a callous way, but they should be separated as far as any idea that their opinions shall have any effect on the course we follow."—Spiro T. Agnew, Boston Evening Globe, July 1, 1970.

These statements are clear and forceful. They are of special interest because they invoke some popular ideas about human nature and psychology to justify the development and deployment of repressive public policies. These ideas assert that the basic causes of our more serious social conflicts lie neither in blocked economic opportunities nor in frustrated human needs, but rather in the prevalence of obnoxious behavioral traits among certain individuals or groups.

This view holds that some people have contemptible moral and psychological defects and that their behavior is ultimately traceable to deeper sources of personal weakness. It claims that permissive parents and lenient public officials spoil people and thereby encourage offensive social behavior. It follows from this view that when we formulate public policies to deal with social conflict, we should focus not on faults in the social system, but rather on disorders of personal adjustment. In other words, we should develop behavioral "remedies" instead of social reforms.

Biological and behavioral technologies such as neurosurgery, drug therapy and behavior modification are being used more and more as "remedies" for socially offensive behavior. I believe that this *psychotechnology* is being fraudently advanced as a rational and humane approach to the solution of social conflicts, and that it is being abusively deployed to repress social dissidence, deviance and disorder in ways that are essentially totalitarian. I want to describe how psychotechnology is being used to predict, isolate, identify, monitor and control several kinds of individual and social behavior, and show that the entire enterprise is arbitrary, arrogant, irrational and inhumane in both conception and execution.

DISEASES TO JUSTIFY SLAVERY

In 1851 Samuel A. Cartwright, M.D., delivered a detailed lecture to the Louisiana Medical Association on "The Diseases and Physical Peculiarities of the Negro Race." The Cartwright Report was published in the prestigious *New Orleans Medical and Surgical Journal*. It remains a classic contribution to the vast literature of white racism. It attempted to justify the institution of Negro slavery on the basis of "incontrovertible scientific evidence" showing the "unalterable" biological inferiority of blacks.

Cartwright used the language and presumed authority of science to show that "the slothful negro" was biologically destined for bondage by virtue of his "childlike" body and mind. He described a host of peculiarities, stigmata, disorders and diseases from which "indolent Negroes suffer" and which are "the true cause of that debasement of mind which has rendered the people of Africa unable to take care of themselves." He claimed to have discovered anatomical and physiological facts that confirmed the essential justice and humaneness of slavery.

He reported, for example, that he had found clear anatomical confirmation of, "the Creator's will with regard to the Negro." Specifically he found their knees to be "more flexed or bent than any other kind of man," and concluded that this makes the Negro, "the submissive kneebender which the Almighty declared he should be."

More importantly, we would now call two of the "diseases" he identified "behavior disorders." Cartwright insisted that slaves who ran away from their masters were not willfully disobedient. On the contrary, they were suffering from a disease of the mind. He named this disease *drapetomania* (from the ancient Greek words *drapetes* for *runaway*, and *mania* for *madness*) and suggested that the best remedy is to treat all "Negroes with firmness and kindness, and they are easily governed."

But sometimes the treatment fails, Cartwright said, because of another disease also "peculiar to Negroes." This one he named *dysaesthesia aethiopis*, or "hebetude of mind and obtuse sensibility of body." He described it as one of the more prevalent "maladies of the Negro race" and expressed wonder that it had escaped the attention of his medical colleagues for so long. Afflicted individuals, he said, tended to engage in much mischief, to slight their work, to abuse tools and break them and generally to raise disturbances. Most remarkably, he saw the disease as being accompanied by an "obviously pathological" change in the functioning of the nervous system: an apparent insensibility to "pain when being punished." The treatment Cartwight prescribed included anointing the entire body with oil and, "slapping the oil in with a broad leather strap," and then putting "the patient to some hard kind of work in the open air and sunshine."

We cannot dismiss Cartwright as a mere crank. He was a distinguished physican and a leading figure in the medical community. Nor can we dismiss his report as a quaint relic of bygone days. The mentality that spawned it lives on in the scandalous racism of contemporary "scholarship" on the genetics of intelligence. It also lives on in the "scholarship" that proclaims social dissent and deviance to be the result of diseased brains, disordered minds or inadequate histories of reinforcement.

THE "INSANE" DISSENTER

The Soviet Union has a notorious reputation for treating political dissidents as if they suffered from mental disorders. Many distinguished writers, scientists and artists have been confined to mental hospitals after speaking out against official policy. Consider the case of Zhores Medvedev. In 1969 the well-known biochemist and gerontologist was dismissed from his scientific post. In 1970 he was forcibly confined to a mental hospital where he underwent various "diagnosis" and "treatment" procedures. His only "disorder" was the insistence on writing and publishing strongly worded critiques of official Soviet policies. Yet psychiatrists diagnosed him schizophrenic, on the grounds that he engaged in two unrelated activities, gerontology and public criticism. Two noted members of the Soviet Academy of Sciences then wryly suggested that the psychiatrist should receive a Lenin Prize for discovering a new psychopathological entity—the Leonardo da Vinci syndrome. But Medvedev, like most of those who come to our attention, has an international reputation and few are ready to consider him really insane. Those who deserve our attention, therefore, are the "common people" who may be psychiatrically labeled and "treated" without provoking world opinion.

Traditionally, political criminals have been taken seriously, dealt with as enemies of the state, and punished with prison, exile or execution. Political conflict, however, involves the clash of ideas and principles—things which cannot easily be destroyed with criminal penalties. In fact, criminal sanctions often serve to emphasize the importance of outlawed ideas.

More than any other form of public behavior, political activity depends upon the credibility of the participants. In order to be credible and have a chance of success, the political individual, especially the dissident, must be perceived as a serious source of ideas. Something special happens, then, when a political dissident is authoritatively labeled "mentally ill" by someone who enjoys a position of public power and trust. When psychologists or psychiatrists "diagnose" dissident behavior as the product of an unbalanced mind, they declare (on the basis of science no less) that the individual is not to be considered a serious adversary, but rather a mere lunatic.

The political dissident successfully deprived of his presumed sanity becomes a mere invalid, and his opposition is thereby invalidated. Unless he is like Medvedev, with influential friends who know the truth, the authorities can hardly lose this game of psychological power politics. And unless the people at large stop believing in these absurdities, the authorities will continue such totalitarian tactics.

PSYCHIATRY AND THE PENTAGON PAPERS

It would be a mistake to imagine that the Soviets are alone in the deployment of psychiatric diagnoses and treatments for political purposes. A case in point from our own country is that of Daniel Ellsberg. It was clear from the outset that the Government, fearing additional disclosures and adverse publicity, was reluctant to proceed with the prosecution of the Pentagon Papers trial. It is against this background that we may inquire into the reasons for sending a White House burglary team to Los Angeles, where on September 3, 1971, they allegedly broke into the offices of Ellsberg's psychiatrist, Lewis Fielding.

According to the testimony of E. Howard Hunt (one of the accused leaders of the break-in who was subsequently tried and convicted in the Watergate case) the mission of the burglars was to obtain material for use by the White House in constructing a "psychological profile" of Ellsberg. Why? I believe that what the Government hoped to find in Fielding's files was something about Ellsberg that would suggest that he was "psychologically disturbed" on or about the time that he released the Pentagon Papers. If an argument to that effect could have been successfully advanced, the Government might have used it in at least two ways. First, it might have been used simply as a publicity device, as a means to discredit the belief that Ellsberg was a man of principle whose dramatic actions had been based mainly on political and moral considerations.

Against Ellsberg's contention that the Government had consistently lied, and that the American people were entitled at last to learn the full, sordid details about our involvement in the Indochina war, the White House might have hoped to show that Ellsberg himself was a disturbed individual whose private reasons for acting as he did were less wholesome than the reasons he publicly professed. A second way in which the Government might have sought to use psychiatric information about Ellsberg was as a means of avoiding the trial itself, and its attendant disclosures and embarrassments. After all, if a case could be made to the judge that Ellsberg acted irrationally and was therefore not legally responsible for what he had done, then the way might have been opened for a ruling that Ellsberg was not competent to stand trial and ought to be committed, instead, to a mental institution, where he would be able to receive appropriate diagnostic and treatment services. While admittedly speculative, this "scenario" is hardly implausible. It is, on the contrary, consistent with the prevalent practice of using an ostensible humane and enlightened process to achieve essentially inhumane and repressive ends.

Not every attempt to invalidate dissent by attributing it to a mental disorder is so easily recognizable as political repression. Most are even more dangerous because they are undertaken in tones of responsibile humanitarianism that leave little room to question the moral convictions that lie behind them. Cartwright's report, for example, probably arose from the very heart of his belief in the rightness of slavery. Similarly, many Soviet psychiatrists probably believe that their social system is so manifestly sane that there must be some form of mental illness lurking in a mind that would seek to change it. And if that is the case, isn't it more humane to "cure" someone than to shoot him?

The origins of this abuse of science lie partly with behavioral scientists themselves, with the choices they make about how to study man and society. Whenever we begin to investigate a social or behavioral problem, how we decide what the cause and best solution are—in other words, how we make a diagnosis—depends on what aspects of the situation we choose to study. When we decide to study a problem in a certain way, we are making a decision that has political impact, for this choice heavily influences what our conclusion will be.

A QUESTION OF SCIENCE

From a scientific point of view, no single aspect of a phenomenon can be assumed to take precedence over another. All aspects contribute equally to our understanding of it. The physicist, for example, accepts the equal validity of one theory that explains physical systems in terms of waves, and another that explains the same systems in terms of particles. But whenever he chooses to use one, it precludes using the other. We face a similar situation when we try to describe the behavior of a human organism. We must decide whether to focus on molecules and cells, tissues and organ systems, the individual, interpersonal groups, or social institutions. All of these levels are equally important. Each provides information available from none of the others.

In conventional technological practice we tend to view "the problem" in only one way at a time. But if we start with a predisposition to identify and deal only with symptoms or disorders of the individual, as many behavioral scientists do, we adopt an arbitrary and essentially non-scientific perspective. We inevitably tend to ignore other possible approaches. Once we focus our attention on the behavior of the individual, it becomes highly unlikely that we will be disposed to deal with the larger social context in which the behavior occurs.

That context becomes for us what the physicist calls a *frame of reference*—a set of objects or events assumed to be unchanging. Thanks largely to the insights of Einstein, the physicist now knows, in elegant mathematical terms, that he cannot presume to understand the events he observes without taking into account the nature of the frame of reference and his own position in it. Many behavioral scientists and public officials responsible for dealing with social problems have yet to learn that they cannot understand the behavior of individuals without studying the context in which it occurs.

THE SYSTEMS VIEW OF CONTROL

The biologist approaches living organisms with an awareness that each living thing is really a complex system made up of other interacting subsystems and is itself part of larger environmental and social systems. The biologist also knows that the behavior of organisms exhibits a high degree of control, but can rarely point to a single center or controller. The life processes of an organism are controlled in many ways, both by the organization of its internal systems and by its interaction with environmental systems. This general systems view denies the simplistic "law and order" view that social conflicts are caused by deviant individuals who are unable or unwilling to "fit in."

Persuading people to abandon the "law and order" concept of control is one of the more serious problems facing us in the conduct of our interpersonal and social affairs. If we seriously accept the more sophisticated and scientific concept of system control, we would then think not of the individual in isolation, but as part of the larger context in which he or she behaves.

The family is a good example. It is a typical complex, self-regulating system, each member of which is vulnerable to pressures from other systems. Yet individual members are often treated as if they were not part of the larger systems of control. In many families, for example, a member occasionally begins to exhibit some form of unexpected or deviant behavior. Once the rest of the family see this behavior, they tend to close ranks and agree that the deviant person "is in trouble," "needs help," or, "ought to be taken care of." They may seek the aid of their physician, a policeman, a religious counselor, a psychotherapist, or other available social resources. Generally, the individual who has been "acting up" is duly placed in the hands of a person or agency supposedly competent to help "solve the problem."

Whether or not this brings the disturbing behavior under control is beside the point. The family presumes too much when it places the cause of the difficulty within the deviant individual. They assume that the cause is located where the effect occurs. Such an arbitrary assumption can rarely be justified scientifically when one deals with complex systems.

In asserting itself as the frame of reference, the family ignores the possibility that the problem's cause may be deeply embedded in the family system as a whole. Their group consensus may in fact function as a defense against considering this possibility. The assumption that cause and symptom lie in the same individual may protect the immediate coherence of the group, but at the cost of long-run disaster.

LIVING BOUNDARY MARKERS

This same process appears to function in larger social groups. Many social scientists contend that deviance can help preserve a social group by drawing its nondeviant members together in a posture of solidarity and mutuality. Some social systems actually seem to need deviant individuals as living boundary-markers. They help maintain the system by showing its members the limits of acceptable behavior. They also enable people to deny in themselves the bad qualities they attribute (often falsely) to the deviants.

Deviance is thus not a property of behavior itself as much as a value judgment conferred upon it by the group. If we accept this idea, we see that deviance is a pattern of behavior that a group considers so dangerous, embarrassing or irritating that it brings sanctions against it. This is an important point, because it establishes a basis for distinguishing between *deviance* and *disease*. That the definition of deviant behavior is *essentially* social and cultural suggests that it ought to vary with time and circumstance. History testifies to the fact that types of biological disease remain constant (for example, cancer, epilepsy, gout) whereas types of deviance change as society evolves. The deviant in one social context may be the witch, the heretic or the sorcerer, and in others, the runaway slave, the juvenile delinquent, the homosexual, the Jew, or the junkie.

In both families and societies practical and political interests may be served by attributing blame, by identifying symptoms as causes, and by controlling individuals whose behavior is defined to be dangerous or disturbing. But to contend that such practices have a scientific justification denies the insights of science itself and confuses authority with wisdom.

Once deviant behavior has been successfully reduced to the status of a personal affliction it has been taken out of its social context and stripped of its countercultural connotation. This is what the Cartwright Report attempted to do. It is precisely what is happening in our own society. Let us examine a few instances in which American psychotechnologists are attempting to "separate and discard" deviant individuals.

SURGERY OR SOCIAL VIOLENCE

Soon after the Detroit riots in 1967, an important letter appeared in the *Journal of the American Medical Association*. The authors acknowledged that the social causes of urban rioting are "well known," and that the "urgent needs" of the underprivileged should not be minimized. But they did not propose to deal with these causes or needs. They focused instead on the search for, "the more subtle role of other possible factors, including brain dysfunction in the rioters who engaged in arson, sniping and physical assault."

Just as Cartwright cautioned his readers not to mistake the "misbehavior" of slaves for international rebellion, the authors of this letter warned that we shouldn't believe the urgent social and economic needs of the ghetto are solely responsible for urban riots. "If slum conditions alone determined and initiated riots," they asked, "why are the vast majority of slum-dwellers able to resist the temptations of unrestrained violence? Is there something peculiar about the violent slum-dweller that differentiates him from his peaceful neighbor?"

After raising these "scientific" questions, the authors proceeded to cite evidence showing that focal lesions in the brain are capable of spurring "senseless" violent outbursts. Although the available evidence comes from patients with longstanding histories of severe epilepsy, they concluded that violent behavior in general likely has a comparable biological basis. They insisted that, "we need intensive research and clinical studies of the individuals committing the violence. The goal of such studies would be to pinpoint, diagnose and treat those people with low violence thresholds before they contribute to further tragedies."

The letter was written by William Sweet, Chief of Neurosurgical Services at Massachusetts General Hospital, Vernon Mark, Director of Neurosurgical Services at Boston City Hospital, and Frank Ervin, then a psychiatrist at Massachusetts General Hospital. Ervin is now at the University of California at Los Angeles Medical School where he is an associate of the recently formed Center for the Prevention of Threatening Behavior. In 1970 Mark and Ervin published *Violence and the Brain*, an account of their methods of identifying and treating people with "poor control of violent impulses."

In their psychotechnological approach to what they term "the dyscontrol syndrome," Mark and Ervin focus on the limbic system of the brain. This complex system plays an important role in the diverse moods and feeling-states we associate with subjective experiences of pleasure, pain, anxiety, sadness, fear and anger. Within the limbic system, a cerebral region called the *amygdala* is a main target for contemporary neurosurgeons interested in "violence and the brain."

DIAGNOSIS BY BEHAVIOR

Mark and Ervin's book claims to describe their work with patients suffering from "dyscontrol syndromes" due to "limbic brain disease." But as a scientific treatise it has many shortcomings. For example, the authors fail adequately to describe their methods of diagnosis, except to acknowledge that, "since we do not at present have any way to test directly for the presence of limbic brain disease, we must rely on two indirect methods of diagnosis. The first is to see if the violent person has any signs and symptoms of recognizable brain disease . . .," and if this fails, "to compare their behavior with that of people known to have this sort of disease."

Their book is mainly a promotional treatise. It explicitly seeks to justify as "therapeutic" the destruction of brain tissue in people who exhibit allegedly unprovoked, uncontrollable and unreasonable fits of violent behavior. They do not seriously consider the possibility that the causes of such behavior may lie elsewhere than within the brain of the individuals committing the violence. And they do not give clear and complete accounts of the sysmptoms that justify the use of radical physical treatments such as injections of various drugs, surgery on the limbic system, and electrical stimulation of the brain with implanted electrodes. Nor do they provide a critcial assessment of a number of disastrous outcomes from their "therapeutic interventions."

Mark and Ervin dedicate their book to, "the Neuro-Research Foundation of Boston, whose goals for the early diagnosis and proper treatment of the violent patient parallel our own." They and Sweet established it for that purpose and first planned to locate it at the Massachusetts General Hospital, a prestigious private institution in Boston catering mainly to the needs of middle- and upper-class patients. When scientists, physicians and administrators there raised objections, Mark, Ervin and Sweet moved it to the Boston City Hospital. This ancient, beleaguered public institution caters primarily to black and lower-class patients from the surrounding South End.

PSYCHOSURGERY'S FRIENDS

The psychosurgical approach to violence may be regarded with disdain by much of the scientific and medical communities and may provoke apprehension among the general public, but certain law-enforcement agencies have greeted it with enthusiasm. During one six-month period, for example, the work of the Neuro-Research Foundation was aided by a grant of $109,000 from the Law Enforcement Assistance Administration of the U.S. Department of Justice. They used the money to develop methods of identifying penitentiary inmates with patterns of habitual violence and evidence of brain damage.

The number of neurobiological projects aimed at controlling the behavior of deviant individuals rather than at understanding the complex causality of social conflict is growing disproportionately. In 1971, for example, R. K. Procunier, Director of Corrections of the State of California outlined a "proposal for the neurosurgical treatment of violent inmates." According to this plan, aggressive inmates would first be taken to medical facilities at Vacaville and then to the Unievrsity of California at San Francisco Medical Center where, "surgical and diagnostic procedures would be performed to locate centers in the brain which may have been previously damaged and which could serve as the focus for episodes of violent behavior. If these areas were located and verified that they were indeed the source of aggressive behavior, neurosurgery would be performed, directed at the previously found cerebral foci."

Who would be the patients in such a program? Here is part of an official affidavit describing one inmate who was being transferred to Vacaville for psychiatric evaluation:

"——— was 25, older and more mature than the bulk of the . . . inmates. He was aggressively outspoken, always seeking recruits for his views that the institution and its staff were oppressing all the inmates and particularly the black inmates. He was proficient at karate, and his files showed that he had been observed teaching other inmates karate techniques at another institution . . . [he] had been one of a half-dozen men who led a work-stoppage and attempted general strike which had lasted for several days . . . he was continuously in contact with friends and attorneys on the outside who encouraged his activities and provided him with books attacking society. He set a fire in May as a demonstration of his political views."

Although psychosurgery has been performed on a number of inmates in the California Correctional System, the Director of Corrections' plan was not put into effect. It was stalled by public protests when news of it leaked to the press. But early in 1973, Governor Ronald Reagan announced his support for the formation of the Center for the Reduction of Life-Threatening Behavior at UCLA. This center is attempting to mount a controversial program unmistakably similar to that outlined by Mark and Ervin.

SURGERY AND SOCIAL REFORM

The new wave of psychosurgery that threatens to become a political tool has been made possible by important advances in brain-behavior research. While we are still far from a detailed understanding of how brains work, we do know that the continuity, coherence and stability of our life experience depends on the structural and chemical integrity of our brains. We know that when the brain is damaged by injury or disease, behavioral changes are likely to result. From this we have come to view certain behavior disorders as dysfunctions of the brain.

We have developed powerful techniques for treating some of these dysfunctions directly. We can treat epilepsy and Parkinsonism with drugs and sometimes with neurosurgery. We know that certain forms of mental retardation result from hereditary defects in metabolism, and we now can detect and correct some of these in infancy. Perhaps the most dramatic and gratifying examples of brain-behavior relationships are those in which the surgical removal of a brain tumor causes a complete disappearance of the symptoms.

For patients whose behavior problems clearly result from underlying brain disorders, we often have no alternative to using psycho- or neurotechnology. No amount of attention to the social environment, no amount of counseling, psychotherapy, argument, punishment or other indirect approach will suffice. We simply have no more effective or reasonable way of dealing with some disorders than by means of a direct assault on the brain itself.

But few cases are this straightforward. In many instances of interpersonal conflict, the causes are clearly social and the wisest treatment would be social reform rather than biological manipulation. The fact that we *can* alter violent behavior patterns with chemicals and surgery does not mean that a brain dysfunction or "limbic brain disease" causes them. Even if we can discover a difference in a deviant individual's brain, we cannot conclude that this causes his deviant behavior or that it is justifiable to correct his behavior by altering his brain.

Too many contemporary neuro- and behavioral scientists seem committed to a narrow, unrealistic view of human social behavior. They focus mainly on the possibility of controlling behavior. If this trend continues, psychotechnology will increasingly become a favorite tool of social and political repression.

SPARE THE SPEED AND SPOIL THE CHILD

Psychosurgery is not the only threat in this respect. For instance, no one doubts that we are in the midst of a drug crisis. But in reality it is a crisis of tranquilizers and stimulants much more than of marijuana and LSD. The use of psychochemicals to control deviant behavior is more widespread than any time in the past, and growing rapidly. Not only do doctors and psychiatrists use them to control the mood and behavior of their patients, but most Americans use them to control themselves. Their erroneous assumption is that if an individual can't cope with his social world, the problem lies within himself. The danger is that people are using drugs to overadapt themselves to the pressures of society rather than mobilizing their discontent to make society more humane.

Certainly there are cases in which the use of psychochemicals is appropriate. But to the extent that drugs soothe and eliminate tensions that otherwise would produce beneficial social changes, psychochemicals may also serve as tools of social control. An alarming example is the growing use of chemicals to control children.

Parents and teachers have always had problems controlling children. Traditionally they have used such tools as coercion with punishment or threat, and persuasion with encouragement, love and education. But these do not always work the way they are supposed to, and both families and schools frequently produce "misbehaving" children.

Many authorities focus solely on the children themselves, and fail to consider seriously that the causes of their misbehavior might lie in the social systems of which they are a part. Like Cartwright, they deny that misbehavior may be intentional or socially "meaningful." They prefer, like Cartwright, to use the social status quo as their stable frame of reference and maintain that deviant behavior is a symptom of a disturbance within the child. Some of these authorities thus declare that certain children are victims of a newly discovered disease (known mainly to American psychiatry) called "minimal brain dysfunction" (MBD). According to Paul Wender's authoritative text on MBD, it "is probably the single most common disorder seen by child psychiatrists. Despite this fact, its existence is often unrecognized and its prevalence is almost always underestimated."

Doctors can find nothing demonstrably "wrong" with the brain biochemistry or physiology of "MBD" children. They do not suffer from epilepsy, postencephalitic mental retardation or other identifiable diseases. They are diagnosed as having MBD on the basis of behavioral criteria that are socially defined. The principle symptom of MBD is "hyperactivity," but by a curious pharmacological process no one really understands, the way to slow down a hyperactive child is with stimulants such as amphetamines or Ritalin (methylphenidate hydrochloride).

DIFFERENT ENVIRONMENTS AND BRAINS

Many scientists are searching for the biochemical, physiological and structural differences in the brains of hyperactive children. I suspect they will eventually find them, and that their discovery will be hailed as evidence that MBD is a truly biological disease. This conclusion then will be used to further justify the use of powerful psychochemical "remedies" for the behavioral "symptoms." But we know from recent experiments that we can induce measurable changes in the anatomy, physiology and biochemistry of the brain by exposing laboratory animals to different experiences. Animals raised in one kind of environment develop brains that are substantially different from those of litter mates raised in radically different environments. This suggests that the diversity of life experiences can induce a diversity of brain characteristics. But it does not imply that such diversity is undesirable, or that certain characteristics are bad or unhealthy. And it certainly does not justify the use of drugs to deal with "problem children."

Even if we knew beyond doubt that the children's symptoms arose independently of environmental influences, resorting to psychotechnological management would remain highly questionable. We should never intervene without the assurance that the child's brain differences pose a larger threat to his health than does the treatment. Today, many MBD children are being treated without either assurance.

I doubt that anyone really knows how many American children are being treated with daily doses of stimulants. One practitioner who uses them estimates that the number exceeds 250,000 nationwide.

Such "treatment" sometimes continues for years, at dose levels that can produce various side effects. Undesirable side effects occur "in an appreciable fraction" of cases, according to Wender, who points out that the long-term (postpuberty) fate of the MBD child "is uncertain and his clinical picture cannot be drawn."

With the "discovery" of the MBD syndrome, the seemingly endless search for biological determinants of social problems appears to have reached a new dimension. Highly potent drugs that act on the brain in unknown ways are being deployed on a large scale to control children with no demonstrable biological disease.

The advocates of drug-management often pay lip service to alternate approaches, but generally fail to explore them. But if we let scientific method rather than technical expediency guide our efforts, we would investigate family systems and school environments as well as individual behaviors. Of course this would require serious scientific research and might involve great complexity and expense. And in the end it might turn out that the most reasonable "treatment" would be more freedom or better schools. But as long as our priority remains behavior management, technological approaches will grow stronger.

We are laying the groundwork in childhood for the psychotechnological control of adults. In my judgment the widespread use of stimulants to control children represents an official form of drug abuse. As the tools grow more powerful, the prospects are vanishing for saving our children and for saving ourselves from this dehumanizing chemical and biological warfare.

THE "BAD" DRUG

While official forms of drug abuse continue almost unnoticed, our political leaders keep us preoccupied with the "heroin problem." Yet biologically, heroin is actually one of the least threatening drugs. Contrary to popular belief, prolonged heroin use causes no apparent tissue damages, little impairment of judgment or coordination, and no inclination to engage in violent behavior. It is not necessarily addictive; addiction occurs as a result of complex physiological and psychological circumstances that we do not understand well. And it is not a "killer" drug. Nearly all the deaths blamed on it are due either to impurities, to its adverse action with other drugs, or to the criminal and clandestine conditions surrounding its distribution and use.

Heroin use does drain vital human resources from our communities, but this is not the real cause of public concern. The real cause is crime. Our leaders are not particularly concerned with the social conditions that produce drug use, or with the fate of drug users. They encourage us to believe that the "heroin problem" is one of protecting ourselves and our possessions. Toward that end they encourage the use of psychotechnology.

In the 19th century, morphine was proposed as a cure for opium addiction. Soon after Bayer laboratories synthesized heroin, they announced it as a cure for morphine addiction. Now we have Methadone as a cure for heroin addiction, and Methadone itself is addictive. Leaders of communities that experience the most devastating effects of drug abuse know that replacing one form of narcotic with another will not solve the problem. They also know it merely soothes the effects of poverty and discrimination, enabling victimized people to live with conditions that they might otherwise attempt to change.

It is highly doubtful that heroin itself causes crime. But it is fairly certain that its high price does. If we followed Britain's example and legalized it, we could supply it for about 18 cents per prescription and eliminate the motivation for heroin-related crime. We could save billions of dollars each year. Of course, this would not "solve" the problem, but it would be a reasonable first step.

Beyond that, effective treatment programs cannot be based, as they are now, on coercive narcotic maintenance or withdrawal. They must be based on voluntary use, withdrawal and rehabilitation. And they must involve at least equal attention to the systems that produce and maintain illicit drug use. There is no rational basis for concentrating more attention on the junkie than on the systems that control his behavior. The refusal to analyze and change larger social systems is one of the reasons that programs to control individuals (like Methadone-maintenance) do not work.

Past failures have not brought about a reexamination of the basic premises, but rather a hardening of hearts. Last January, for example, Governor Nelson Rockefeller called for mandatory life imprisonment of drug sellers and proposed that bounties be offered to those who inform on users or sellers. Jerome Jaffe, formerly the Administration's highest drug-abuse official, proposed that detection, detention and treatment techniques similar to those used by the military might be used in schools and other institutions to break the back of our heroin "epidemic." [See "As Far As Heroin Is Concerned, the Worst Is Over," August.]

In spite of the failure of both legal and technological approaches to the drug problem, I see little indication that the Government will change its policy. Until a more rational approach becomes politically feasible, I expect the search for more sophisticated control techniques will continue and I know that there are behavioral scientists eager to participate in the venture.

PSYCHOLOGY WITH BINDERS

Behavior modification also has mushroomed into prominence during the last decade. It is now used with growing confidence in mental institutions, schools, business and individual therapy. Its proponents urge parents and Government authorities to give up their outmoded methods of coercion and punishment in favor of more efficient and "humane" behavior-management techniques. Their promotion has proven effective, and these techniques are catching on.

Proponents of behavior mod often distinguish it from other psychotechnologies. They generally reject the notion that deviance and misbehavior result from mental illnesses or diseases within the individual. They hold instead that behavior patterns are largely conditioned by rewards and punishments from the environment, and some behavior modifiers seriously seek social reform. But many never attempt to find the causes of the behavior problems they treat. They may even cite this as an advantage. With behavior modification, their argument goes, there's no need to waste time and money hunting for the causes of a problem in order to cure it. Behavioral engineering can "remedy" it directly.

"Behavior control," says Perry London in a book by that title, "is the ability to get someone to do one's bidding." From the viewpoint of someone in a position of power, this definition is as congenial as it is useful. Accordingly, the "behavior-modification remedy" often consists of simply giving those in authority the tools to control others. Rarely does the behavior modifier question the legitimacy of this authority and rarely does he pause to analyze the responses, the systems, and values that the deviant individual is being conditioned to accept.

Behaviorists do change the environments that shape deviant behavior. But this usually means little more than giving increasingly effective means of control to those in power. Their techniques are often based on "pressure reinforcement" and thus may not frighten us as much as the manifestly cruel "aversive conditioning" depicted in *A Clockwork Orange*. But it is precisely because they are superficially more acceptable that they may be more dangerous to all of us in the long run.

Behavior modification shares with the other psychotechnologies a narrow problem solving perspective and a naive "law-and-order" concept of control. Behaviorists often assert that all behavior can be adequately described in terms of stimuli, responses and reinforcements. This view leads to a preoccupation with only those aspects of a problem that can be analyzed in these terms, and permits only a narrow range of possible solutions.

From a scientific point of view, the idea that control involves getting "someone else to do one's bidding," is a woefully impoverished concept. Behavior is regulated in many ways, and people can be controlled by various techniques. The crucial questions, however, concern how, and to what degree we should endeavor to control each other. If we remain predisposed to study the control that can be exerted over the behavior of isolated individuals and continue to ignore the complexity of underlying systems, we may fail to discover a whole range of possible solutions to our most crucial problems.

BENEATH THE RHETORIC OF SCIENCE

Technology seems to carry a halo of sophistication and respectability in our society. We tend to associate technology with efficiency and impartiality, two of the dominant ideals of our culture. But when we look below the superficial phrases used to justify psychotechnology, we see that its deployment is neither scientific nor politically neutral. Our wisdom has fallen far behind our technical ability.

Technology, like every instrument of power, should be applied with sensitivity as well as authority. I believe wisdom is tragically absent from the growing use of psychotechnology to control social deviance and political dissent. In each case I have discussed, a narrow technological definition of "the problem" is being used to justify repressive programs. Neither the appeal to "scientific objectivity" nor the resort to humane-sounding medical terminology should be allowed to obscure their repressive intent.

There are many who would blame this state of affairs on technology itself, or on the scientific knowledge that supports it. I believe, however, that the problem lies in the social practices that permit and encourage the unbridled pursuit of power. Those who seek and hold power have found that technology can be a valuable ally. They have shaped its development and deployed its results to their own advantage.

If we are ever to discover a humane approach to social conflict, we will have to recognize that human behavior is part of a complex sociobiological *system*. If we are ever to end the use of our knowledge about brains and behavior as a tool to repress, separate and discard deviant human beings, we will have to recognize that deviance is mainly an issue of sociology and politics rather than biology and psychology. Deviance reflects a divergence of ideas and a clash of behavior patterns. We must recognize its social meaning and deal with it on this level.

Neuropsychology teaches us that human beings are varied, complex and poorly understood. If we accept this modest insight, we will take an important step away from the arbitrary and rigid technological posture into which we have become frozen. Then we may see that the obsession to control behavior ignores the subjective, sociological and historical context in which all behavior occurs. In spite of its great practical power, the purely technological orientation toward human beings is blind to these important aspects of our existence.

CURIOSITY AND COMPASSION

Once we recognize that political expediency and not scientific objectivity lies behind the growing use of psychotechnology, we will have begun to move the serious problems of human society into the arena of ideological controversy where they rightfully belong. For too long the "experts" and politicians have been allowed to carry on a mutually self-serving dialogue. They assert that there are certain "basic issues" in every important policy matter that are either too complicated or too sensitive for the average citizen to deal with. This position can never be justified in a society that claims to be democratic. I am something of an expert in neuropsychology myself, and I am certain that every citizen is qualified to pass judgment on the public policy issues of psychotechnology.

If science teaches us anything, it is to believe in doubt, respect complexity, and rigorously search for deeper understanding of the human condition. The basis of science should be curiosity, just as the basis of our relations to each other should be compassion. Curiosity and compassion are two complementary aspects of human existence. They are part of the same system of thought, and there is no reason to drive them apart. We need both if we are to develop a humane science of human behavior.

With courage and insight we may still be able to seize back from technology both our freedom and our dignity. In the words of a poet, *No equation can divine the quality of life, no instrument record, no computer conceive it—only bit by bit can feeling man lovingly retrieve it.*

MINIMUM WAGE: A BILL OR AN ISSUE?

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. CLEVELAND. Mr. Speaker, 5 weeks ago I introduced, for appropriate reference, compromise legislation to raise the minimum wage as a substitute for the bill vetoed by the President.

This bill is identical to that introduced by the gentleman from Minnesota (Mr. QUIE), several minortiy members of the Committee on Education and Labor, and other Republican Members.

My purpose is to lend my support to legitimate and much needed catchup increases in minimum wage legislation which have a reasonable chance of being passed and signed into law.

When I joined in voting to sustain the veto of H.R. 7935, I expressed objections to it, including the absence of a youth differential and extension of the act's coverage to employees of State and local government.

The legislation which I am now, in effect, cosponsoring represents a reasonable compromise. It provides a youth opportunity wage differential for those under 18 or for full-time students. And while State and local employees would be covered by the minimum wage, overtime provisions would not apply.

We all recognize that those at the lower end of the earnings scale need to catch up; in this respect, I have been unimpressed by the argument that a reasonable rate of increase would be inflationary.

But too rapid an increase would be inflationary and disruptive, and in the absence of a youth differential would decrease the employment opportunities open to the young, inexperienced, and unskilled.

The record in support of the youth differential strongly argues for this provision in the substitute. We already have partial precedent in the law. It has been applied successfully in other industrialized nations. The substitute contains safeguards against abuse.

Civil rights spokesmen and others concerned about the tragic rate of unemployment among black youth have recognized the effect of minimum wage increases on this group. Respected economists have expressed similar concerns. When one recalls that initial entry into the world of work was one of the objectives of programs like the Neighborhood Youth Corps, it is ironic that inflexibility in the minimum wage is permitted to foreclose similar opportunities in the private labor market.

The compromise is quite similar to the vetoed bill in several major respects. Both would raise the minimum wage this year to $2 an hour from $1.60 for workers covered prior to the 1966 amendments. True, the 1974 increase under the substitute would be $2.10 an hour—versus $2.20 under the vetoed bill—with the $2.20 rate reached in 1975.

The substitute is in line with the administration's proposals, and has been pending since September 20. Are the differences so great, the opposition to the youth differential so stubborn, that supporters of the original bill are unwilling to compromise? Is their objective a bill or an issue? Workers now denied an immediate increase of 40 cents an hour are entitled to an answer.

DEATH OF CAPT. RICHARD MORGAN REES IN SOUTH VIETNAM

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BIAGGI. Mr. Speaker, it was with a great deal of shock and outrage that I learned of the death of Capt. Richard Morgan Rees, who was killed on Sunday by Communist soldiers in a brutal and senseless attack 12 miles south of Saigon.

The fact that an American soldier is killed is cause enough for concern but the particular barbaric and ruthless way Captain Rees was murdered represented one of the most despicable acts I have ever heard of.

According to American sources, Captain Rees was disembarking from a helicopter being used by the joint Four Party peacekeeping force. According to Col. William W. Tombaugh, chief of the U.S. delegation, the other members of the force were also getting out of the helicopter when suddenly, without warning Communist forces unleased a savage attack upon the group.

The next part of Colonel Tombaugh's account is the most shocking and gruesome.

> In accordance with standard regulations, one United States officer stood with his arms in the air to demonstrate that the team personnel were unarmed and to ensure that the distinctive joint military commission markings were clearly visible.
>
> He was gunned down in cold blood from two positions only 30 meters away, quite clearly close enough for the Communist soldiers to ascertain the peaceful nature of the mission.

Yet, my feelings are only partially a result of the actual killing of Captain Rees. They are also a result of the seemingly callous and indifferent attitude of the American public toward this brutal and horrendous act. Where are those who advocated nonviolence, who preached to us all during the 1960's? Why were they so quick to condemn their own Government for the use of understandable violence in warfare, but now so conspicuously silent when an enemy mercilessly murders an unarmed American soldier, who himself was trying to restore peace? Where is their inherent sense of justice?

It has been a great source of distress to me over the last several days to realize that these same advocates of nonviolence can show no consistency in their beliefs over an incident which should bring them out in unanimous condemnation of this damnable act. We all deplore violence, but there are times and conditions where it may be the only viable solution. But each and every one of us both as Americans and as human beings should be outraged and sickened over the killing of Captain Rees.

It is also inconceivable to me that the only response of the American Government to this tragic incident is to lodge a mere protest. Can they be content merely to conduct an investigation? How does one investigate such a clear-cut case of murder?

This event will go down as one of the darker days in American history, yet I will not be surprised if millions of Americans never even hear of it. The nonviolent movement in this country has had some merit, and their objectives were commendable. But the failure of many of their leading spokesmen to respond to this atrocious act of violence to me casts an indelible black mark on their credibility.

Mr. Speaker, my reasons for discussing this matter today is merely to express my feelings as an American citizen to the killing of another one of our gallant men in uniform. As we approach the Christmas season, let us look to God to bring us the lasting peace we so desperately need in this troubled world.

SELECT COMMITTEE ON PRIVACY MATERIALS

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, during my discussion of invasion of privacy on December 14, of this year, I alluded to a plan to assist probation workers in juvenile courts by computer. I commented that many other such programs were underway in the United States today and as further evidence for the necessity for the Congress to understand the new and sophisticated ways computerized information systems actually dictate the law's applications to our children, I wish to insert at this time an investigative article from the now defunct Washington Daily News of July 10, 1972. The system described in such detail by Ms. Diane Bauer has, I am informed, been dropped by the State of Maryland, but we are unaware of what has happened in the 15 other States which had adopted it.

There are those who say that my concern over using computerized decisionmaking is based on something which may happen at some future time. Yet, as this article demonstrates, the technology is already in place around the country and is an additional reason for the Congress to inform itself fully of what is no longer a theory. This is an industry, Mr. Speaker, and I call my colleagues attention to the attached article because it very clearly highlights both the potential for good and for evil.

The article follows:

COMPUTER MAY PROBE COURT WARDS

(By Diane Bauer)

Maryland juveniles in the hands of the law could have their fate—jail or freedom—by a computer in Colorado that spews six to eight feet of pink computer print-out every two minutes, giving a psychological evaluation plus recommendations for $7.

Tests may be given any juvenile facing court action, either on trial as a suspect in a criminal case or as a neglected or dependent child.

The computer plan is now used in some court systems in 15 states, and Maryland would become the 16th if adopted. It would be used state-wide in Maryland.

Ten Montgomery County juveniles have already been evaluated by the computer, after taking a 45-minute multiple choice test, with results which many psychologists and psychiatrists say have "the scientific validity of a tea leaf reader's predictions" going into their permanent records.

Dr. Lee Gurel, president of the American Psychological Association's Division of Psychologists in Public Service, said the computer print-outs "make general statements that have the 'P. T. Barnum sucker effect'—like bump-readers, tea-leaf-readers and palm readers that are successful because they say very general things."

Dr. Gurel, a clinical and research psychologist and director of Special Projects of the Veterans Administration's Evaluation Service, said the computer's evaluations are "meaningless to an experienced clinician because you can say the same thing about any child—and yet it has the potential for damning him."

"It's the Ann Landers for probation officers," Dr. Peter Breggin of the Washington School of Psychiatry said. "It gives advice on therapeutic techniques you can interpret almost any way you want to."

Robert C. Hilson, director of Maryland's Department of Juvenile Services, said the department had planned to adopt this test (or a similar one) statewide by fall.

But, following inquiries into the program by The Washington Daily News, Mr. Hilson said he now "would want advice from Maryland's Commissioner of Mental Health before we go any further."

Mr. Hilson said that the purpose of the plan is that "we are looking for a better way to diagnose. . . . The probation officer needs to find out as much about the child or refer him to an agency.

"This (the computer plan) might stop kids from going to the Maryland Children's Center.

At present psychological evaluations are made by a private or state-paid psychologist or psychiatrist, if recommended by a juvenile's case worker or order by a juvenile court judge.

A judge also may order a child to spend 30 days in jail at the Maryland Children's Center to get a psychological evaluation while in custody.

It was not made clear who would order the computer test, or at what stage in the court procedure it would be used. Officials said it could be a screening tool to see if the child should have live psychiatric or psychological counseling.

The computer test itself costs 15 cents, plus $7 for the computer interpretation, saving Maryland the cost of a $100 evaluation by a psychologist, the juvenile service department says.

The test asks questions such as "Would you rather be: a. a traveling TV actor; b. uncertain; c. a medical doctor; and " 'Truth' is the opposite of: a. fancy; b. falsehood; c. denial."

On the basis of the child's answers, the Probation Service Institute in Boulder, Colo., sends back evaluations and recommendations such as:

"This boy may have relatively severe sex role conflicts, and actual homosexuality is a possibility . . . (statement applies only if this is a boy)."

It includes predictions on drug usage and suicide potential plus recommendations such as "include close watch on his friends;" "consistently puncture his fantasies;" and "must be watched closely."

Dr. Ivan H. Scheier, founder and director of PSI, says, "We don't claim it's as sophisticated as a $100 diagnosis."

He says the information in the computer which makes the evaluations comes from him and is a result of nine years as a volunteer with Boulder's juvenile court, in which he came into contact with about 2,000 cases.

He says, "Much is inference and intuition, and to a large extent the program simply recapitulates the best inferences we are able to muster. . . ."

Dr. Scheier acknowledges that the program, which he has sold to courts in 15 states and which is federally financed in some areas, depends "on my judgment alone."

"Insofar as (my) judgment is poor, the program is poor; insofar as it is good, the program is good," Dr. Scheier said.

A brochure sent to potential state juvenile court buyers, says the PSI computer can make recommendations on "To what extent is this a hard-core case? How closely must the youngster be watched, i.e., how high is the probability of further offenses, and consequently, how great is the need for intensive structured supervision?"

Maryland's Department of Juvenile Services acknowledges that the test results will be used in probation reports and that they could govern whether a juvenile does time while undergoing further evaluations.

Mr. Hilson "was not available" for comment about the allegations about the computer system plan.

One Montgomery probation officer praised the "computer shrink" plan highly in a memo to the department saying:

"The results from the computer were uncannily real. The computer printout provided me with more information and better insight than the combined results of a psychological, a psychiatric, the general aptitude test battery, a physical exam, and a vocational test battery."

He added, however, "The child who completed the testing for me is a heroin addict. At the time she took the first test, she was actually (high) on heroin having 'shot-up' approximately one hour prior to testing. She took the second test approximately a day after completing detoxification. From my understanding of the (PSI) test profile, she tested a great deal mentally healthier on heroin than off heroin. . . ."

Dr. Gurel said the program's recommendations "have tremendous potential for being abused—because somebody will think they have the authority of God behind them because they come from a computer."

Joel Crausman, a professional school psychologist in Montgomery County, said the computer's analysis is based on "flim-flam validation procedures. For these statistics they'd stone me out of the building.

"Everyone's entitled to intuitions—but not to hanging them around the kid's neck for life."

Martin L. Gross, author of The Brain Watchers, the book that triggered Sen. Sam Ervin's 1965 investigation of U.S. government psychological evaluations—which resulted in reforms of federal agency testing—said Maryland's proposed program is "unscientific, careless and psychologically ignorant. To use it is to play havoc not only with normal decency but to play havoc with scientific validity.

"Probation officers should not be permitted to give psychological tests—that's why you license psychologists. Tests should only be conducted by a psychologist—and only in a face-to-face situation."

Both Dr. Breggin, who brought nationwide and congressional attention to the abuse of brain surgery in controlling behavior problems for thousands of American children and adults, and Dr. Gurel agreed that the computer's statement are "hostile to the child."

In a bulletin to courts who use his service, Dr. Scheier recommends that the best way to prepare the child for the test is to have the judge "lay it on right from the bench that the testing is to be taken seriously."

A suggested speech to the child, to be given "loud and clear" includes, "It is . . . to your best interests to answer the questions as honestly as you can. Besides, the people who look at these tests are able to spot faking, copying or cheating . . . If we find evidence of this on your tests, it will be a bad mark on your record, but you have nothing to be afraid of if you just do your best to answer the questions honestly. . ."

Dr. Breggin said, "The stress on bullying the child into taking the test indicates PSI's attitude toward children. 'Laying it on from the bench' would just increase the child's anxiety level and would tend, if anything, to make it harder for the child to concentrate and the test even less valid."

The printed test results would go in the child's files, large portions of which are now being programmed onto a computer at Maryland state police headquarters which is hooked up to Maryland state police communications headquarters and the FBI's national computer system.

The computer system is already under investigation by the Maryland chapter of the American Civil Liberties Union as both a possible violation of privacy and a violation of a juvenile's right to confidentialness as a result of articles in The Washington Daily News.

Charles Witter, former staff director of a U.S. Congress subcommittee on Invasion of Privacy, said, "Two of the leading fakes in this nation are the mystique of the computer and the expertise of the psychologist. It was only natural that they should form this unholy alliance . . . I think you could do just as we, by reading the entrails of sheep."

Mr. Witter, whose book on privacy, "Big Brother is a Mother," is soon to be published, added, "This bogus evaluation can follow these children all their lives."

RESPONSIBLE JOURNALISM THE CRISIS DEMANDS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. VANDER JAGT. Mr. Speaker, on December 12, 1973, an editorial appeared in the Muskegon Chronicle captioned "There's More to the Story . . . U.S. Fuel Oil Exports Up, Yes, But Read This Before Exploding." This is responsible reporting at its best. At a time when much information is being given to the reading public, I believe my colleagues will find the editorial of considerable worth.

The editorial follows:

[From the Muskegon Chronicle,
Dec. 12, 1973]

U.S. Fuel Oil Exports Up, Yes, But Read This Before Exploding

There has been a lot of talk—angry talk—about reports that the United States is exporting huge quantities of fuel oil while Americans are being asked to turn down their thermostats or possibly freeze this winter.

If that's true, there is plenty of reason for indignation. A sizeable segment of the public already believes the big oil companies stand to reap a bonanza while they suffer, and it seemed beyond belief that precious fuel oil was being shipped abroad in this time of domestic crisis.

The report first hit the wires last month when Rep. Les Aspin, D-Wis., cited government figures that fuel oil exports in 1973 would soar 284 per cent above last year.

That figure is still being kicked around and, under the circumstances, it *does* sound incredible. Even criminal.

But simmer down. There's more to the story.

It happens that the congressman's figures were accurate enough—as far as they went. In 1972, exports of distillate oil—mainly home heating and diesel fuel—came to 448,443 barrels. This year, the projected figure is 1,200,000 barrels, a whopping percentage increase.

But the fact is that the 1973 figure is *less* than the distillate oil exports in 1969, 1970 or 1971. Exports in 1972 were far below normal, for reasons not fully explained, so the return to about normal figures (an average of roughly 1,000,000 barrels since 1968) is less than scandalous.

The public heat generated by the report this week prompted Duke R. Ligon, director of the Interior Department's Oil and Gas Office, to rush out an explanation. Bureau of Census figures show, he said, that the 1973 reports of fuel oil represent just two-tenths of 1 per cent of U.S. total demand.

While this may amount to more than "just a drop in the proberbial bucket," as he put it, it seems clear that it constitutes no threat to the country's supplies.

It was explained that much of what is exported (buyers include the United Kingdom, Mexico, Venezuela, the Netherlands Antilles, Denmark and Japan) goes to meet long-term contracts that cannot be voided.

Further, a lot of it goes to Venezuela, where it is not consumed, but is used to dilute the extra heavy crude oil produced there, for easier shipment to the United States.

The American Petroleum Institute points out that when the Venezuela crude reaches the United States for refining, the distillate oil is retrieved and shipped back to dilute another batch of crude. Thus it becomes another "export" each time the process is repeated and pads the export figures.

The picture is full of such complexities, but this amount of explanation is sufficient, we think, to knock the cutting edge off the sensational charge that oil exports are up 284 percent.

There is much that is legitimately questionable about the government's oil policy; enough, certainly, without weighing the scales unfairly with a publicity-grabbing half-truth.

SPACE SHUTTLE IS BASIC BUILDING BLOCK OF FLIGHT

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the United States is now in its third year in the development of a Space Shuttle—a reusable low-cost earth-to-orbit transportation system. By 1980, the United States, if we remain on schedule, will be going to space routinely at low cost. It is now clear from Skylab, Apollo, Earth Resource, and weather navigation satellite experience that such a low-cost transportation system will make space a place of commerce and routine operation at reasonable cost.

A recent article in the Torrance, Calif., Daily Breeze of November 7, 1973, summarizes the Space Shuttle program today. I include this interesting article in the Record for the benefit of my colleagues and the general public:

Space Shuttle Is Basic Building Block of Flight

America's astronauts, 20th Century Magellans who set sail so recently, may be a vanishing breed when a new generation of spacecraft carries ordinary folks into space.

The National Aeronautics and Space Administration over the years has proved the value of exploiting the new space environment. Now the agency has come up with a vehicle that can fly to Earth orbit and back routinely at low cost: the space shuttle.

Early manned spacecraft flew only once in Earth orbit or to the moon. The space shuttle will make as many as 100 flights, returning each time to runways as jet airliners do. NASA says this will slash millions from the cost of space travel.

For example, today's unmanned Earth satellites must be extralight and superdependable, once launched, they can't be repaired. But the shuttle will carry satellites to orbit, repair them, or bring them home if necessary, then put them back again.

The space shuttle looks like a fat, ungainly airplane, about the size of a small airliner. Slung beneath its fuselage is a mammoth fuel tank. Two large solid-rocket motors will boost it toward space.

The underslung tank and rockets drop off after launch * * *. After performing its mission, the craft can fly down through Earth's atmosphere and land on an airport runway.

The space shuttle will carry a four-man crew—pilot, copilot and two cargo specialists who will control a 15- by 60-foot cargo bay. Satellites, sections of space stations to be assembled in orbit, or interplanetary probes can be dropped off in space.

Nine European countries have joined NASA to build a spacelab for the shuttle. The mini-laboratory can carry scientists into space, nestled inside the cargo bay.

Experiments might include cameras to record Earth's features for environmental studies, instruments to investigate the sun and stars, medical hardware to examine the effects of space travel on people, and manufacture of exotic materials in the weightlessness and hard vacuum of space.

After his record-shattering Skylab flight, astronaut Charles (Pete) Conrad said he is one of a vanishing breed. He believes men like today's airplane pilots will command the space shuttle. With little or no astronaut training, others can perform valuable scientific tasks in space.

Nearly every state in the United States will supply NASA with parts for the space shuttle. The prime contract was let to Rockwell International's Space Division in California.

Others went to TRW Inc. in Texas, McDonnell-Douglas in Missouri, Grumman Aerospace in New York, Intermetrics, Inc. in Massachusetts, Rockwell International in Oklahoma, Sperry Rand in Arizona, United Aircraft in Connecticut and others scattered around the nation.

Thousands of men and women around the country are working on the program, feeding, housing and clothing their families, educating their kids, buying cars and homes, paying taxes—working on a program that one day will benefit all mankind.

The shuttle is the basic building block in an entire space flight system—like the locomotive is to the railroad train. Other building blocks may include a space tug to push satellites farther into space; orbiting space stations to fly in orbit for 10 years or more; and even a transportation system to return men to the moon to occupy permanent scientific bases.

PROCESS OF LAWMAKING

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BROTZMAN. Mr. Speaker, on December 11, the Daily Times-Call of Longmont, Colo., printed an interesting editorial on the subject of congressional legislative procedure.

I am inserting it in the Record, and strongly recommend that my colleagues take the time to read the thought-provoking message that this editorial sets forth:

Piggybacking Unjustified

Congress repeatedly attempts to piggyback important pieces of legislation in order to worm through some unpopular measure by attaching it to a piece of legislation which is desparately needed.

The latest attempt was the effort to attach a landmark federal election financing proposal to a law raising the national debt ceiling.

The country was in serious condition, in fact nearing technical bankruptcy because of the debt limitation. It was necessary to increase the debt liimt in order for government to continue functioning.

Congressional liberals attempted to use the debt ceiling bill as a vehicle to assure quick passage of the campaign financing bill.

Sure enough, there was a filibuster mounted against the campaign funding portion of the bill and the Senate finally had to give in and separate the two proposals. The Senate even held a Sunday session in an effort to get the legislation through.

This is a common practice. In far too many cases, the legislators will lump two important proposals together in an effort to slip an unpopular proposal into law.

For example, a social security increase, opposed by the president, will be added to a military spending bill which the president wants very much. Thus, the president is faced with a choice of signing both or vetoing both.

Thus, he is unable to apply decision making on the validity of each. It is simply a question of whether he wants to give up on his opposition to one item in order to gain passage of another.

This results in poor governemnt. Our leaders should be in a position to make intelligent decisions on major issues. Further, these issues should be presented as clearly as possible to assure that political leaders face up to actual issues instead of being able to hide behind a secondary issue.

Congress desperately needs to react to pressing national problems and deal with the issues facing the nation. This cannot be done as long as this process of piggybacking major proposals into one bill continues.

The House and Senate should immediately enact a law which would forbid unrelated proposals from being in the same bill.

There can be no justification for attaching election financing reform to a bill increasing the national debt. Each of the issues should be debated and voted on separately.

The process of lawmaking is critical in a complex society. We must do everything possible to simplify and streamline this process to assure the best possible legislation is passed.

This cannot be accomplished as long as we continue to piggyback important legislation.

"IT IS AN UNSTADIUM"

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. HELSTOSKI. Mr. Speaker, one of the major issues presently confronting the State of New Jersey concerns a proposed $280 million sports complex to be built in the Hackensack Meadowlands.

Personally, I have reservations about the project, particularly with regard to its impact on the environment and the lack of a transportation plan. Virtually every environmental concern imaginable—clean water, air, preservation of a natural marsh and flood plain, excessive traffic, population congestion, just to name a few—are intertwined with this project in some way. And thus far, satisfactory plans for dealing with these factors have not been presented.

In addition, many critics of the proposed complex contend that by the time it is finished, it will cost over three times as much as is now anticipated as a result of interest to be paid from the initial sale of bonds, and that this additional financial burden will result in increased State taxes. In other words, with interest and principal, the true cost of the complex over the life of the bonds will probably be about $900 million which conceivably could be borne by the taxpayers by virtue of the moral commitment made by the State.

Presently, there are some communities in the Nation contemplating projects similar to the one proposed for the Hackensack Meadowlands. Throughout America, we have moved into an era of increased leisure time, and our interests in sports and recreation have grown quickly.

Mr. Speaker, an excellent article, concerning a large sports complex presently being built in New Orleans appeared in the October issue of Signature magazine. Entitled "It's an Unstadium . . . " and written by David Snell, the article focuses on some of the problems inherent in building a large sports complex in a highly urbanized area. I found this article informative and useful in gaining further insight into some of the problems posed by such a project. Perhaps we in New Jersey may benefit from some of the views in this article, and as a result Mr. Speaker, I would like to share this article with my colleagues:

IT'S AN UNSTADIUM . . . IT'S AN INDOOR MARDI GRAS . . . IT'S A TAX BURDEN . . . IT'S NEW ORLEANS' SUPERDOME

(By David Snell)

What is big enough and pretty enough to gift wrap the Houston Astrodome in, provided you stuff the empty spaces around the edges with a Mardi Gras parade, a couple of Creole gumbo cook-offs and a dozen or so Dixieland jazz bands to make sure the parcel won't rattle?

Nothing—at least not for awhile. But just wait until 1974, around late October. That's when New Orleans is aiming to unveil her greatest splendor since Oysters Rockefeller. The French word *"Voila!"* seems hardly broad enough to encompass the incredible concept of it all, but there it'll be—the Louisiana Superdome!

In fact it is there right now. Its colossal skeleton, fully formed, is as tall as a 27-story building and frowns upon the New Orleans skyline like an approach thunderhead. On a wet gray day the illusion is heightened by the flashes of blue lightning from welding torches which send down showers of sparks from the high steel.

Already it has become a tourist attraction. Unlike Houston's outlying Astrodome, the Superdome is downtown, right in the heart of things, and close enough to existing buildings for comparison of size. Sightseers from the nearby French Quarter are clearly awestruck.

But the Louisianians among them are mindful of the squalls of controversy which have roiled around the project from its inception. Those who are true connoisseurs of Louisiana politics, with memories of Huey Long, may even interpret those lightning flashes as long-range portents of calamitous public indebtedness.

No matter how the rest of Louisiana might feel about the Superdome and its probable future as a statewide financial burden, New Orleans is caught up in excitement and pride. There is grandeur here, of a kind that this French-flavored city can savor better than any other in America.

The projected cost of the Superdome—$153 million—is roughly five times what it cost to complete Houston's domed stadium eight years ago. Yet in New Orleans the very audacity of this expenditure comes across as a measure of the city's jaunty confidence and a symbol of its commercial renaissance. The implication could hardly be lost on its Texas archrival, Houston.

In the rarified competition of big-domedom, New Orleans gallantly acknowledges a debt to Houston. After all, the Astrodome was the pioneer, the proving ground where costly mistakes came to light. Case in point: the clear plastic roof which finally had to be painted over so that during daytime baseball games the outfielders wouldn't misjudge pop flies against the intricate patterns of the supporting girders.

The Superdome, a second-generation beneficiary of such expensively gained know-how, will have no skylight. If fielding averages suffer because of poor visibility, somebody forgot to pay the electric bill. Like its smaller big brother, the Superdome will be a climate-controlled cosmos, and its main function will be to serve as an athletic arena. But it will be so much more that its planners have nicknamed it "The Unstadium."

It will rearrange its configuration for baseball, football and other major sports such as basketball, hockey, boxing, soccer and track. In a trice it can shift gears for grand opera, symphonic concerts and theatrical productions. To provide close-in viewing of the far-off principals and soloists, a monster-size hexagonal gondola hanging from the ceiling will show simultaneous color telecasts. For sports events the six TV screens also will run instant replays.

The Superdome will be able to accommodate jazz and rock festivals—full volume or pianissimo—as well as trade fairs, circuses, horse shows and rodeos, and Billy Graham-type revival meetings. Four separate conventions could take place simultaneously in the quadrants of the building, each attended by as many as 3,000 people, at the same time a football game is playing to SRO in the main arena. None of these events would interfere with the others.

At Mardi Gras time up to now, only the chosen few could watch the carnival parades from windows and balconies along the routes of march. To stand up front on a balcony you practically had to hold the rank of Mussolini or have inherited a Louis XIV land grant. The other rib-gouging revelers, tens of thousands of them, had to marinate and mildew out in the rain at curbside. Well, the day will soon come when all that will be just a hungover memory. For those who are willing to pay for the convenience, plans are afoot to channel the Mardi Gras parades right through the Superdome—and *that* could make for history's greatest drunk-ins.

Like the Astrodome, the Superdome plans to lease luxury sky-boxes to individuals and corporations. But in New Orleans the boxes will pull double-duty—as *office suites* for companies desiring a prestige address. Just how much of a distraction that might prove to the office help on game days will remain to be seen.

"This," says Dean Gerald McLindon of Louisiana State University's School of Environmental Design, "will be the most usable public building ever designed in the history of man."

To cater to the anticipated epicurean cravings of its clientele, the Superdome has awarded a franchise to the Ogden Food Corporation to operate all stadium restaurants, cafeterias, snack bars and vending concessions. Detailed plans and menus were required demonstrating that Ogden could match both the quality and prices of the city's finest restaurants in serving exquisite local specialties.

Depending on what the hungry ticket-holder is willing to spend, his à la carte could range from simple shrimp po'-boy sandwiches to the Heaven-sent creation called pompano *en papillote.* And who knows what the hawkers in the left-field bleachers might offer for dessert? ("Hey, getcher hot creeps-suzette, eat 'em while they're *flambée!"*) If the Superdome fails to become the first stadium ever to win three stars in the *Guide Michelin,* it won't be for lack of trying.

Such frills were not imagined back in the hardy pioneer days of 1965, when Judge Roy Hofheinz of Houston astounded the world by inventing the Astrodome. Lots of doubters in other cities were wont to call the new stadium Hofheinz' Folly.

"How's that again? Y'gonna try to grow grass on an indoor field?" said the wiseacres in the lawn-care industry. *"It can't be done!"*

Undaunted Judge Hofheinz thrust his chin forward and pressed right ahead, until he got daunted. The wiseacres were dead right and the Astrodome's grass died. Yet, that milestone in brown-thumbery became the mother that necessitated the invention of plastic turf.

Suddenly the concept of domed stadia made a lot of sense, especially in cities where neither snow, nor rain, nor heat, nor gloom of night stayed the faithful sports fan from slouching at his own TV set instead of queuing up at the box office. There are no rainchecks at the Astrodome.

New Orleans was really grabbed by the idea. There, the climate favors football. But baseball, as decades of minor-league frustrations have proved, is a contest of spectators vs. the elements. The annual rainfall, among the heaviest in the nation, appears to concentrate on the summer months as though there were statutory requirements that it should. When the heat of summer turns from merely miserable to flat-out ferocious, daytime attendance at outdoor sports events—or at anything else not air-conditioned—becomes an ordeal. When mosquito storms blow in from Lake Pontchartrain or the swamps above Barataria Bay, nighttime attendance is misery.

Still, here is a city blessed with as fine an audience potential as any in America—composed not only of its own sports-minded residents but also of the hordes of vacationers drawn to New Orleans in all months of the year. Moreover, leaders of the business community had long chafed over the eclipsing of their city by Houston as the principal port and commercial center on the Gulf Coast.

So before that summer of '65 had passed, talk of a domed stadium was swinging through the old city like a Dixieland jam session. One day in the fall a committee of boosters went up to Baton Rouge and laid the idea before Governor John J. McKeithen. He listened with rapt attention, then slammed a gubernatorial fist into his desk and said, "We'll do it!"

Early the following year the formal proposal went before the state Legislature. It turned out that the proponents had not brought along so much as a rough sketch of what the finished product might look like. Somebody reckoned that the stadium might cost—oh, let's see now—somewhere in the neighborhood of $35 million, and for that price they could figure on seating maybe 50,000.

Of course there was acrimony and suspicion, as there always is on such occasions in Louisiana when noble public endeavor is in the offing and representative democracy is at work. Some of the suspicion peevishly centered on the fact that the plan's sponsors, for some curious reason, declined to accept a top limitation of $50 million on a project that was only supposed to cost $35 million.

But in autumn of 1966 an enabling amendment to the state Constitution was put to a statewide referendum. It provided that the bulk of the construction costs would be met from the sale of simple revenue bonds. These would be no obligation by the state or involvement of its good name and credit. Truly, here was pie in the sky—a magnificent stadium that would pay for itself with its own revenues, with no need for legislative bailout or higher taxes. The voters naturally approved it, by a margin of three to one.

With that, Governor McKeithen made like Napoleon's courier, leaping onto his horse and clattering off in all directions, to try to generate interest in banking circles in the forthcoming bond issues. As is well known in Louisiana, Governor McKeithen was and is a gentleman of the old school, tempered and balanced in the skills of government, eloquent and persuasive in the arts of diplomacy. The message of faith and inspiration which he took to the nation's financial capitals—except those in Texas—was:

"We're going to build something that will make the Astrodome look like a country outhouse!"

And Louisiana is doing its level best. Almost any comparative thing you'd care to say about the Louisiana dome and that one in Texas can be expressed mathematically by the ratio of three to two.

Total possible seating capacity, including use of the arena floor? Score it 103,400 in the Superdome as compared with 70,000 in the Astrodome.

Seating capacity for football? Figure 80,000 for the future home of the Saints, to a mere 50,000 where the Oilers gambol. Baseball? S-dome 59,000; A-dome 45,000. Height of dome above the arena floor? 273 feet vs. 208 feet. You could go on and on.

In one interesting way, however, the pattern reverses. The Astrodome sits out there on 237 acres of bald Texas prairie like a country . . . well, Governor McKeithen said it. The Superdome scrunches up on 55 acres. The Houston stadium provides on-site parking for 30,000 cars; the Superdome will be lucky to fit 5,000.

So motorists who can't get into the Superdome's own lot will just have to use commercial facilities in the area, or leave their cars at home or at their hotels and take the shuttle buses or walk. Out-of-towners may worry some about the predictions that have been made of heroic post-game traffic jams. Oh well, nobody's ever in much of a hurry to leave New Orleans anyway.

The decision to build the Superdome downtown, where real estate comes dear, was an important one, linked up with the special character of New Orleans. There were those who favored building it somewhere out in the swamps, among the cypress and alligators. But almost alone among major cities of America New Orelans' downtown area is lived in, its inner city happily and safely flocked to and strolled through, and it doesn't turn into a ghost town come sundown. The stadium commissioners opted for a downtown location because that's where all the fun is.

Meanwhile, what of the far-ranging Governor McKeithen who was out yonder somewhere with his bond prospectus, drawing comparisons with outhouses and ringing the doorbells of banks? To fully appreciate his wondrous achievement in bringing home the bacon, you've got to understand the nifty move that was finessed to make the bonds attractive.

Remember that enabling constitutional amendment that the voters of Louisiana approved? Well, right in there were a couple of little old clauses that few people paid much attention to at the time. What these clauses said was that the State of Louisiana, at its discretion, could *lease* the Superdome from the stadium commission for 99 years and take over the function of subleasing it for specific events. The rental which the State would have to pay as lessee was not spelled out.

Things rocked along in a gathering storm of invective and lawsuits as the real meaning sank in.

The State of Louisiana would indeed lease the stadium upon completion of the project. And the stipulated rental? Precisely the operating deficit of the Superdome, whatever that might be, *plus any unpaid portion of the cost of servicing any bonds that would be sold.* In other words, year in and year out, for one year shy of a century, the people of Louisiana would have to pay for their costly playpen.

Besides its income from rentals, concessions and advertising, the stadium will receive the proceeds of a 4 percent room-occupancy tax which the constitutional amendment imposed on hotels and motels in the New Orleans area. To meet the balance of the $153 million construction cost, there have been two bond issues totaling $129.5 million. Amortization figures out at roughly $22,000 a day. Add the operation and maintenance costs and you're talking about $40,000 a day just to break even—rain, shine, Mardis Gras or Lent.

But of course the New Orleans Saints pro-football team is a guaranteed tenant. Possibly, Tulane University will abandon its aging and decrepit Sugar Bowl and come in too. The 1975 Super Bowl will be Superdoomed. Then there's always baseball.

Baseball? What baseball? Unless you count the outdoor gatherings where mosquitoes feed on minor-leaguers, there ain't none.

So Ben Levy, the salaried executive director of the Superdome, is commuting these days to wherever there are concentrations of power and influence in major league baseball. Object: a full franchise for New Orleans—any old franchise at all.

And Levy talks confidently of having a team for the 1975 season, his senses highly attuned to California and the Oakland A's or the Angels. Nevertheless, two New York teams—the Yankees and the Mets—will play the first exhibition baseball game in the Superdome in early April, 1975.

But Ben Levy can't help thinking how nice it would be if the eventual franchise turns out to be an American League team. New Orleans might someday play Houston in the first indoor World Series.

There is something about the Superdome that inspires such flights of fancy. The other day Levy had to go to City Hall to take up some matters with Mayor Moon Landrieu, who is president of the Superdome Commission. After the meeting Levy returned to his own office and got to musing over the possibility that the Mayor will invite the Democrats and the Republicans to hold their National Conventions in the Superdome in '76. They could meet in opposite ends of the Hall—simultaneously! The very thought of it is enough to make a TV anchorman slip his moorings.

Pretty soon Levy's reverie was interrupted by the arrival of some people who wanted to talk about advertisng revenues in the Superdome. Somebody said it is really too bad they won't be able to make a deal with the Goodyear people for overflights by the blimp. Ben Levy pondered that for a few seconds.

"Maybe," he said, "we can figure out a way to fly the Goodyear blimp *inside* the dome!"

NEWSLETTER RECAPS 1973 ACTIVITIES

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. HEINZ. Mr. Speaker, I am mailing this week my regular Newsletter to each of the 174,000 households in the 18th District of Pennsylvania which I represent.

In it, I have attempted to provide my constituents with both a review of the major proposals and initiatives in the House of Representatives during 1973 as well as a few legislative challenges and hopes for the new year we face.

Perhaps my colleagues will find the contents of this newsletter of interest. With that in mind, I herewith reprint the text:

NEWSLETTER

DECEMBER 1973.

DEAR FRIEND: Greetings of the season and every wish for a healthy and happy New Year 1974! What with the present and predicted fuel shortages and energy crisis, perhaps this year the true warmth of the human spirit will light all our lives. In many respects, this would be a return to the tradition of families together, candles and fireplaces, and a real sense of sharing. Desirable virtues, I admit, but we must recognize that the dilemma we face will be with us long after wreaths are put away and glasses are raised to toast the challenges of a new year.

Those challenges take on special significance this year. They will be more difficult than ever, especially since the energy crisis is not easily understood, by you, or for that matter, by us here in Washington. I myself am frustrated in getting an exact idea of what petroleum reserves *really* exist and can be tapped. What we will be able to understand, however, are cutbacks in gasoline and heating oil for our homes, as well as electrical "brownouts" if they occur. There's also the real possibility that rationing, restrictions in goods and services, and other strong measures may be levied against us.

THE ENERGY CRISIS AND US

There is much all of us can do voluntarily to ease the shortages of oil, natural gas, and coal this winter. Failure to minimize waste of electricity, gasoline, and home heating fuels will necessitate that government take additional steps to conserve, allocate and ration fuels. Perhaps we can develop reasonable and fair ways to do this, perhaps not. I do know that this is on your mind. I've found out as I travel in the 18th District to meet and talk with you, at my regular "town meeting" workshops, especially, such as the one pictured here held recently in Greentree. I value these sessions because through them I get a first-hand picture of your concerns and your frustrations. In any event, your thoughtful energy conservation by carpooling, turning down the thermostat, driving more smoothly and at less than 50 mph will help avoid controls and bureaucracy other than what is absolutely necessary. Moreover, any conservation of energy will also protect jobs.

I was recently shocked to learn that American crude oil is being exported to Amsterdam, refined there, and then imported back into the United States to be sold at vast profits—obviously in violation of our domestic price controls. I am working for changes in the law to prohibit any unauthorized export of crude oil or other petroleum products, and am also supporting legislation to prevent windfall profits by anyone taking advantage of the energy shortage.

Some have suggested that an extra 30 or 40-cent tax should be placed on gasoline. I oppose such a tax increase. It would fall heaviest on those least able to pay. Instead, I'm convinced we should consider other measures, including gas rationing, as alternatives. In this connection, Congress is just nŏw taking final action on the Energy Emergency Act. In my view this bill forces the President to make . . and allows Congress to avoid . . . too many far-reaching decisions. I don't believe Congress should "pass the buck" this way. Instead, any additional powers we give the President to cope with the energy emergency should also permit Congress a 15-day period in which to disapprove any major steps before they go into effect. In this way, we can ensure more fair and just solutions to our current problems while achieving the balance of powers the framers of our Constitution intended.

MY RECENT POLL SHOWS YOU CARE ABOUT YOUR GOVERNMENT

The response to my Nixon-Court Crisis questionaire, which went out to each of the 174,000 households in the 18th District, was swift, overwhelming, and informative. Nearly 36,000 filled-in forms were returned to my district office, representing some 70,000 opinions, since both "his" and "hers" answers were requested. The fact that people care and are concerned about how our government is being run came through loud and clear. I had the chance to discuss this recently when I fielded some very sharp questions from a group of student leaders at North Hills High School. I told them that these returns indicate to me that public confidence in our government is seriously eroded. It can be restored only if the public is willing to accept full disclosure by the President and the results of a thorough investigation of the various charges. Vital to this investigation is the continuance of the Watergate grand jury and Congressional action assuring a strong and thoroughly independent special prosecutor to complete a full investigation of all Watergate-related crimes. In this regard, I have co-sponsored legislation to have the special prosecutor subject to Senate confirmation and subject to dismissal only by the Civil Service Commission for gross impropriety and after a full public hearing. In addition, I support continuing the Watergate grand jury as well as the House Judiciary Committee's efforts to investigate what, if any, grounds exist for impeachment.

I might add that I've received nearly 5,000 pieces of mail relating to this matter, each of them expressing valuable points of view, and I am now in the process of responding to each of them. In the hope you might find the tabulations of my poll responses informative, I am printing them here, figures representing percentages:

1. Did you vote in the 1972 Presidential election?

Yes	93
No	7

2. Would you vote if a national election were held right now?

Yes	96
No	4

3. Do you intend to vote in the 1974 General Election for a governor, U.S. Senator, and U.S. Representative?

Yes	99
No	1

4. What is your political registration? (Republican, Democrat, Not Registered, Other).

Republican	54
Democrat	42
Other	4

5. Which of the following best describes your political views? (Check one)

Conservative	36
Moderate	56
Liberal	8

6. Do you feel that the office of the President is above the law under any circumstances?

Yes	10
No	90

7. With the abolition of the office of the Special Prosecutor, would you favor action by Congress to establish a Special Prosecutor's Office to pursue the Watergate grand jury investigation?

Yes	74
No	26

8. Which of the following best expresses your feelings about the President's actions to dismiss Special Watergate Prosecutor Cox and force the resignations of Attorney General Richardson and Deputy Attorney General Ruckelshaus? (Check one)

Strongly approve	18
Mostly approve	13
Mostly disapprove	10
Strongly disapprove	56
No opinion	3

9. How would you feel about impeachment proceedings if the President refuses to obey a court order to turn over Watergate tapes, telephone logs and other relevant documents?

Strongly favor	42
Mostly favor	17
Mostly opposed	10
Strongly opposed	26
No opinion	5

10. How would you describe your attitude toward elected public officials? (Check one)

Trust all	1
Trust most	22
Trust some	63
Trust none	14

MY PUBLIC HEALTH SUBCOMMITTEE VERY ACTIVE

This year has been a particularly active and satisfying one for the Public Health and Environment Subcommittee of the House Interstate and Foreign Commerce Committee on which I serve. Some of the more vital pieces of legislation I have been involved with this year include:

Emergency Medical Services.—This bill was at last signed into law by President Nixon despite a series of controversies we finally overcame. The need for this bill was obvious from the beginning, and it is estimated that because of it, as many as 35,000 Americans will be saved each year from tragic, senseless death due to auto accidents and heart attacks.

Community mental health centers.—Legislation I sponsored and on which hearings will be held early next year. I am convinced this worthwhile program must go hand-in-hand with any effort to provide a system of national health care for our citizens.

Health maintenance organizations.—I expect President Nixon to sign this important bill into law, increasing the accessability and competition among health care delivery systems, thus improving the quality and lowering the cost of such care.

Diabetes bill.—This is my legislation which would increase and extend basic research into the true causes of this terrible disease which affects as many as 1 in every 20 Americans and which is not readily understood by the average man.

Even with these and other pieces of legislation that require long hours of meetings, hearings and research, there was still time to visit with this year's National Poster Child for the Cystic Fibrosis Research Foundation, little Tracey Forehand. Tracey, a bright and winsome 6-year-old from Missouri, gave all of us the urging we needed to get busy and attempt to solve the pressing health needs of this country.

LEGISLATIVE ACTIONS IN YOUR INTEREST

It is my privilege to represent you in many ways. In some cases I prepare and introduce legislation, other times I co-sponsor bills and in other cases, amend or speak out in favor or against bills as they come up for votes. While I know I can't please "all the people all the time," I hope to maintain a respectable average and ask you to judge for yourself. Some of the more important areas this year:

War powers, enacted with my strong support over a Presidential veto, limiting U.S. troop involvement to no more than 60 days without Congressional approval.

Budget control, another example of Congress asserting its Constitutional authority. The Budgetary Control Act contains anti-impoundment provisions which were included in my amendment. In taking the offensive to fix spending ceilings and limit impoundments, Congress is getting back into the driver's seat where it belongs in setting this nation's priorities.

Truth in Government, important because it troubles me to see so many instances of officials misleading the public. I believe it's better to say nothing than to lie. For this reason, I introduced a bill to give every American the right to go to court to force the Attorney General to investigate any government official suspected of lying to Congress, the press, or the public.

Social Security. I was pleased to support the Social Security Benefit Increase Act in the House, which will barely keep even with inflation, by granting some 20 million elderly an 11 percent increase in their monthly incomes during 1974. The last increase was over a year ago, and with the cost of living up nearly 8 percent since then, raises in fixed incomes are vital. Unfortunately, still more inflation is predicted in coming months.

Scrap steel. A year-long campaign of mine to put a lid on the inflationary situation prevailing in the steel industry because of the exporting of vast amounts of valuable and recyclable scrap steel resulted in Commerce Dept. action I feel will protect local jobs and improve our economy. An export licensing policy of only 2 million tons for the first quarter of '74 was announced, just about what an amendment I proposed earlier would have done.

Railroad bill, which my Commerce Committee reported out and which, when enacted, should finally provide a workable, if not perfect, solution for the financially-troubled railroads in our part of the country. I successfully amended the bill to provide for full public hearings before the new corporation set up by the legislation could abandon any line.

Pensions, on which Congress is moving, although not fast enough for me, to provide legislation protecting private pension plans that contain solid vesting and portability provisions. I testified before the House Education and Labor Committee in your behalf, urging a strong, workable and responsible pension reform bill.

Tax reform. I re-introduced my bill to provide for full review of tax preferences, commonly called loopholes, and forcing Congress to vote them up or down over a 3-year period. I'm also happy to say that my committee, with my strong support, voted to forbid the Federal Government from imposing parking taxes on drivers commuting into our cities.

INTRODUCTIONS IN ORDER FOR MY DISTRICT STAFF

To most of you, my hard-working District Office staff is little more than a friendly voice in the Federal Building or a letter typed for my signature. I think it's high time you got to know them better so at least you'll have some idea who you're talking to or hearing from when you have a problem with your Social Security check, the Veterans Administration, or Immigration officials, among the many problems handled by my capable District Office staff. Grouped around Dixie Wulf, seated at the phone, are, left to right, Barbara Buscemi, Mrs. Hermine Butch, my District Administrative Assistant Keith Swenson, and John McCartney. With me, they and my Washington Office staff are available to lend whatever assistance we can, so don't hesitate to write or call.

MONEY JUST WAITING TO BE CLAIMED

If you are a retired Federal employee, you might be among those who have failed to file a claim on some $26 million in retirement benefit contributions to the Civil Service Commission. If you worked for the U.S. government since 1920 and are retired and think you might qualify for some of this money, send me your name, address, Social Security number, birth date, and dates and place of your employment and we will find out whether or not you have a lump sum payment coming your way. This is just one of the ways I and my staff can be of service. If we can answer a question or get to the bottom of a problem with the government for you, please don't hestiate to contact us. Our numbers are (202) 225–2135 in Washington, and 562–0533 in Pittsburgh. And remember, although I get to meet many of you at workshops and in schools, your letters are very helpful in that they give me the benefit of your thinking on issues important to you. Please stay in touch. My door is always open.

GILMAN INTRODUCES DISASTER AID BILL FOR FARMERS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. GILMAN. Mr. Speaker, today I am introducing a bill that would permit the Secretary of Agriculture to be more responsive to our farmers in disaster situations enabling long-term refinancing of debts incurred as a result of such disasters.

As proposed, my bill would apply to any farmer, rancher, oyster planter, corporation, partnership, or other person eligible to receive a loan under subtitle C of the Consolidated Farm and Rural Development Act. This is the identical language currently used in the act for the loans that it authorizes.

Additionally, this proposed legislation would relax one of the major obstacles barring refinancing assistance to many farmers. This is the existing Farmers Home Administration regulation that bars emergency loans to refinance debts where the total indebtedness secured by liens on the farmer's property exceeds the market value of the property or $300,000, whichever is the smaller amount. I am not suggesting that any bad loan be made where the indebtedness already exceeds the market value of the property. But where the value of the property far exceeds indebtedness, the $300,000 limitation—arbitrarily contrived by the FHA in conjunction with the Office of Management and Budget—has simply proved to be too stringent a cutoff. My bill imposes a more realistic indebtedness limitation of $1,000,000.

In such cases, short-term emergency loans of the operating type have provided stopgap assistance, but it is important to note that after almost 1 year's experience under this method of financing a farmer's operation, it is becoming more obvious that many farmers may never truly recover from the Hurricane Agnes or other major disaster losses.

The vegetable farmers in my congressional district in southeastern New York, for example, suffered virtually a total crop loss as a result of Hurricane Agnes in June 1972. Most of them were able to obtain only short-term production loans. The $300,000 indebtedness limitation barred long-term refinancing of debts in several cases. As a result, there is little likelihood that these farmers can profitably recover the lost income in order to pay off the indebtedness incurred in connection with the destroyed 1972 crops.

While the future of many of these small- and medium-sized farming operations is still a big question mark, it is a fair assessment of the facts to state that these farmers were not restored to the position, economically or otherwise, that they were in immediately prior to Agnes.

I invite my colleagues attention to this problem and encourage their support of this proposal which I am introducing today, the full text of which follows:

H.R. 12072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) is amended by inserting at the end thereof the following new section:

"SEC. 329. The Secretary may make loans to refinance debts to any farmer, rancher, oyster planter, corporation, partnership, or other person eligible to receive a loan under this subtitle and secured by liens on real property which would not cause such person's debts to exceed the lesser of the market value of such property or $1,000,000.

A POSITIVE APPROACH TO THE ENERGY CRISIS

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. HOSMER. Mr. Speaker, as the real impact of the energy crisis becomes clear, it is increasingly important that we keep our heads in studying the problem and developing solutions to it. This is simply not the time to begin blaming one another for what is happening. All of us bear some measure of responsibility for the situation and all of us will have to contribute to a solution.

One of our chief advantages in dealing with the energy crisis is our impressive pool of knowledgeable men and women of goodwill who will occupy leadership positions in the energy sector while solutions are being identified and acted upon.

Foremost among these people is Dr. Dixy Lee Ray, a marine biologist and the highly respected Chairman of the Atomic Energy Commission. I note that she displays laudable attitudes of fairness and levelheadedness in approaching the energy crisis.

Recently Dr. Ray headed a prestigious panel which looked into the energy situation and listed findings on potential courses of action. The report which they issued earlier this month is likely to be the handbook of upcoming efforts to find a way out of the energy briar patch. The most important thing about "The Nation's Energy Future" is that it makes no attempt to lay blame or create scapegoats. The report simply declares that we can solve this problem if we simply sheathe our political hatchets and work together for the common good. There is much truth in this attitude and perhaps the holiday season is a particularly appropriate time to recognize this fact.

Mr. Speaker, columnist James Kilpatrick has described this panel and its finding in some detail. His article follows:

[From the Washington Star-News, Dec. 21, 1973]

POSITIVE APPROACH TO ENERGY CRISIS

(By James J. Kilpatrick)

Considering the rivers of information that are flowing along these days on the energy crisis, it is not surprising that little attention has been paid to a report submitted to the President three weeks ago by Dr. Dixy Lee Ray, chairman of the Atomic Energy Commission. Yet this voluminous report is the best documented and most comprehensive study of the situation I have seen thus far. It merits careful consideration.

The report is the product of five months' labor by 16 panels of experts recruited from 36 federal departments and agencies. They were assisted by 282 consultants drawn from the private sector. Their review covered more than 1,100 specific proposals for energy research and development. It seems a fair assumption that nothing of significance has been ignored.

Our energy problems, in the view of these experts, are not to be blamed upon the extravagance of Americans or the stubbornness of the Arabs. The crisis stems, in large part, from the lack of a coordinated program of research and development over the past 20 years. Obviously, the United States not alone in its difficulties. The energy shortage is worldwide.

Looking to our own needs, Dr. Ray and her associates are optimistic. Their encouraging conclusion is that "the United States has the resources and technology for self-sufficiency." Given a sustained and vigorous national commitment, that goal can be attained. They urge five simultaneous efforts to reach it.

The first of these is to conserve the energy sources on which we now rely. That sounds elementary, but the opportunities for conservation outlined in this report go far beyond the familiar areas that have been most widely discussed. Tremendous savings can be achieved merely by salvaging wasted heat and by increasing the efficiency of energy-consuming machinery now in use.

As a second step: "Increase domestic production of oil and natural gas as rapidly as possible." Again, this goal seems too self-evident to merit discussion, but the consultants plunge head on into a controversy others have sought to avoid. They are talking of "improved drilling methods for off-shore sites, release of gas from tight formations, and extraction of oil from shale." While scrupulous attention must be paid to environmental risks, "such attention cannot be allowed to interfere with production increases." For the short haul, at least, the energy is more important than the damage that may be done.

The third recommendation is to substitute coal for oil and gas "on a massive scale." This is seen as essentially a short-term measure. The fourth recommendation, tied closely to the fifth, is that we move ahead on crash programs for developing, first, atomic energy, and farther down the road, solar power.

Still more distant is the development of energy from wind currents, geothermal resources, and ocean thermal gradients, but these also must be vigorously explored.

All this will cost money. Dr. Ray and her associates call for a five-year, $10-billion program of federal research, to be closely coordinated with development efforts in the private sector. They acknowledge the political and economic pitfalls along the way: care must be taken to ensure that no industry realizes windfall profits at the taxpayers' expense, and due regard must be given to such national goals as price stabilization and consumer protection.

It is the spirit of Dr. Ray's report that is most significant. Here is no defeatism, and no wringing of hands. The energy problem—the experts do not speak of it as a "crisis"—is not beyond solution within a reasonable span of years. America, they are saying, has the imagination, the know-how, and the physical and financial resources to achieve energy independence. Let us take heart: We will make it yet.

STATEMENT ON A BILL TO IMPLEMENT THE RECOMMENDATIONS OF THE PUBLIC SAFETY COMMITTEE TASK FORCE ON RAPE TO THE DISTRICT OF COLUMBIA

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. KEATING. Mr. Speaker, today I am introducing a bill to implement some of the recommendations of the Public Safety Committee Task Force on Rape for the District of Columbia.

This task force, consisting of volunteers from public and private institutions interested in problems associated with the crime of rape, was created to study problems encountered in the administration of the laws relating to rape in the District of Columbia.

The task force report included a number of recommendations for improving the handling of rape cases in the District of Columbia. Some of the recommendations, such as those concerning police procedures, medical treatment for victims of rape, forensic medicine in rape cases, and procedures of the U.S. Attorney's office in prosecuting rape cases, may be implemented by the District of Columbia City Council.

Other recommendations, however, require action by the Congress since they involve amending the District of Columbia Code relating to the crime of rape, and the legislation I am introducing today would implement these recommendations:

First. The standard of proof for forcible rape shall require that the victim's submission was achieved by the use of force or the threat of force which put her in actual fear of physical harm.

Under the present District of Columbia statute, as interpreted by the courts, one of the elements of forcible rape, which must be proven in order for a conviction to be obtained, is commission of the act forcibly and against the will of the victim. This requires the prosecution to show sufficient force to overcome the victims resistance, or that the victim was induced to submit on the basis of "reasonable" fear of death or grave bodily harm.

The practical effect of this statute is to require the victim to choose between injury and being unable to prove a charge of rape. That is to say, if a woman now resists, she faces almost certain physical harm, the degree of which is unknown. If she does not resist but submits out of fear, she then has no "proof" that the threat was of death of grave bodily harm, or even that there was any threat at all.

No person should be required by law to make a choice between being injured and being able to prove a charge of rape. Any behavior on the part of the attacker which produces submission out of fear of any harm whatsoever should be sufficient to constitute rape. Implementation of this recommendation will achieve that objective.

Second. The crime of rape shall encompass other forms of compelling nonconsensual sexual intercourse.

This provision will expand the definition of the crime of rape to include sexual intercourse resulting from threats of harm against other persons, such as friends or relatives of the victim, threats of kidnapping, and impairing the victim's resistance to the use of drugs or intoxicants without the victim's knowledge or consent. The maximum sentence for forcible rape and these other kinds of nonconsensual conduct would be 20-years imprisonment.

Prohibited conduct would also include sexual intercourse with the knowledge that the victim is mentally incompetent to understand the nature of the conduct, sexual intercourse with the knowledge that the victim is unaware that a sexual act is being committed—for example, where the victim is unconscious—and sexual intercourse resulting from threats other than of physical harm, such as blackmail. The maximum penalties for these offenses would be 10-years imprisonment.

This provision would also prohibit sexual intercourse between persons in official custody or detained against their will in a hospital, prison, or other institution, and persons who have supervisory or disciplinary authority over them, since in these situations there is a strong likelihood that coercion is present. The maximum penalty for this offense would be 5-years imprisonment.

Third. The penalty for the crime of rape shall be lowered to bring it into line with the penalties for other serious violent crimes.

Under present law, the maximum penalty for rape is life imprisonment, and severity of this sanction has made convictions difficult to obtain. As indicated above in outlining the proposed penalties for various kinds of rape, this legislation will reduce the penalties to bring them more in line with the penalties for other serious violent crimes.

Fourth. The instruction to the jury on assault with intent to commit rape in use prior to the decision in United States against Bryant shall be restored by statute.

Prior to the decision of the U.S. Court of Appeals for the District of Columbia Circuit in United States against Bryant, the essential elements of the crime of assault with intent to commit rape were defined to juries as follows:

The Government must prove beyond a reasonable doubt: That the defendant made an assault upon the complainant; that he did so with specific intent to have sexual intercourse with the complainant; and that he did so with the purpose of carrying this intent into effect by force and against the will of the complainant.

Under the Bryant decision, however, the essential elements of the offense of assault with intent to commit rape, each of which the government must prove beyond a reasonable doubt, are: That the defendant made an assault upon the complainant; that he did so with specific intent to have intercourse with the complainant; and that he intended to rape the victim against her will and by using such force or threat of force as might be necessary to overcome resistance or make further resistance useless.

By this decision, therefore, the court of appeals ruled that it is not sufficient to prove beyond a reasonable doubt that a defendant assaulted the complainant with intent to have sexual intercourse against her will. The defendant, in the words of the Bryant opinion, must have "intent to use force at the time of sexual intercourse."

I believe that the standard instruction in use prior to Bryant sufficiently defines the elements of assault with intent to commit rape without imposing the unrealistic requirement of intent to use whatever force might be necessary to overcome resistance at the time of intercourse as an additional element which must be proved beyond a reasonable doubt in all cases.

Fifth. An aggrevated assaults statute with a penalty of up to 10 years shall be inactive.

Under present law, there are three principal assault statutes: simple assault, a misdemeanor, punishable by a maximum of one year imprisonment; assault with a dangerous weapon, punishable by a maximum of 10-years imprisonment; and assault with intent to kill, to commit rape or robbery, punishable by not less than 2 or more than 14 years.

These statutes leave a gap in the law in rape situations. For example, there are incidents of an assault with intent to commit rape in which the victim was clearly assaulted by the defendant and suffered significant injuries, but the evidence is deemed by the courts to be insufficient to prove the specific intent to rape.

Under present interpretation of the law, such a fact situation is not infrequent, and if no weapon was used, the defendant could be convicted only of simple assault, a misdemeanor.

This provision will therefore provide an aggravated assault statute to cover assaults involving serious injury, and further provide a penalty of up to 10-years imprisonment, the same penalty as for assault with a dangerous weapon. Also, if the penalty for rape is lowered to 20 years, a rape aggravated by serious injury to the victim should be subject to additional penalties for aggravated assult.

Sixth. The crime of carnal knowledge—statutory rape—shall be limited to offenses against children below the age of 12 years.

Under present law, the elements of statutory rape are sexual intercourse with a female under 16 years of age. Neither consent nor a mistaken belief of age above 16 is a defense.

This provision of the bill will assure that a statutory rape statute be retained, but that the statute should be limited to offenses against children under the age of 12.

Because statutory age at common law was 10 years, and the Model Penal Code statements maintain that 12 years is the most common age for the onset of puberty, it is believed that a statutory age of 12 is one that will more accurately reflect the absence of an informed consent in appropriate cases.

This portion of the bill, therefore, provides that carnal knowledge shall be limited to offenses against the children below the age of 12 years, but that such an offense shall be punishable by a maximum of 20 years imprisonment.

Seventh. A "corruption of minors" statute shall be enacted protecting young persons of 12, 13, and 14 years of age from certain forms of sexual activity.

In any case of sexual intercourse or sodomy, where the young participant is below the age of 15 years but above the age of 12 years, and the older participant is between 4 and 15 years older than the younger participant, the older participant shall be imprisoned for not longer than 1 year; or the older participant is 16 or more years older than the younger participant, the older participant is at least 4 years older than the younger participant and occupies a special relationship with the younger participant such as parent, sibling, aunt, uncle, or grandparent, or the older participant is a guardian or a person with authority over the younger participant in an institution, the older participant shall be imprisoned for not longer than 5 years.

This provision would also require that in corruption of minors cases, a reasonable belief on the part of the older participant was 15 or older be made an affirmative defense.

Eighth. Forcible heterosexual intercourse and forcible heterosexual and homosexual sodomy shall be covered by the same criminal statute and treated in precisely the same manner.

All provisions of this bill relating to forcible and statutory rape and corruption of minors shall apply equally to forcible and statutory sodomy.

Under present law, sodomy, whether consensual or forcible, is a criminal offense punishable by a maximum of 10 years imprisonment. Therefore, a person who exerts exactly the same amount of force or threat of force or harm, that engages the victim in sexual acts other than sexual intercourse against his or her will, is liable to a significantly lower penalty than for rape.

In reality, however, the physical and psychic damage to the victim is just as severe in a case of forcible sodomy as forcible rape, since both are essentially crimes of violence and exertion of power over an unwilling person.

Thus, this portion of the bill provides that forcible sodomy and forcible rape shall carry the same criminal penalties, a maximum of 20-year imprisonment.

Ninth. Revisions in the law shall be nonsex specific; that is, statutes shall not refer to the actor or the victim as male or female.

This provision is included in the bill for two reasons. First, each of the proposed revisions in the law cover both homosexual and heterosexual acts; and sexual acts other than sexual intercourse may, of course, be accomplished by any two persons regardless of their sex.

Second, the definition of involuntary sexual acts includes behavior that could be perpetrated by a female upon a male, for example, intercourse with a male child under 12 years of age or intercourse with a male mentally incapable of understanding the nature of conduct.

Tenth. Explicit legislation abolishing the corroboration requirement for all offenses in the revised criminal statutes proposed herein.

The corroboration requirement has perhaps been debated more than any other area of the laws surrounding rape, probably because it is through this additional proof requirement that rape has been most clearly singled out from other crimes for special treatment.

The primary justification given over the years, both in public debate and judicial decision, for the corroboration requirement is that "for these offenses, the risk of unjust conviction is high. It is said that many rape complainants have had an urge to fantasize or even a motive to fabricate, while typically the innocent, as well as the guilty, have only their own testimony upon which to rely."

It has been found that this allegation, by now transformed into an accepted "truth," even in judicial doctrine, that women often fantasize or fabricate false charges of rape, has been repeated over and over without citing any supporting evidence.

On the other hand, it should be noted that 35 States do not have a corroboration requirement and that corroboration was not required in common law. Nevertheless, this is almost uniformly ignored in most judicial opinions.

It must be recognized, of course, that in all offenses, including rape, some false and mistaken accusations will be made. For example, it is not uncommon for a person to complain that a friend pointed a gun or waved a knife at them in assault with a dangerous weapon. It may well be that no weapon is found and the complainant has a motive to lie, but there is no corroboration requirement.

Moreover, the possibility of mistake and falsity is precisely the reason behind constitutional and judicial safeguards protecting a criminal defendant, such as the presumption of innocence, the reasonable doubt standard of proof, the right to waive public jury trial and the opportunity to cross examine witnesses, as well as other constitutional rights guaranteed to the defendant in a criminal case.

The corroboration requirement poses many other difficulties as well. Some rapes entirely lack corroboration—for example, the rapist's use of a gun may make bruises and torn clothing unlikely—and it is probable that the existence of the corroboration requirement is a factor in the significant nonprosecution rate of forcible rape charges.

The belief that a rape charge is not often prosecuted and that a conviction is difficult to obtain undoubtedly discourages many women from even reporting rapes to the police.

In my judgment, therefore, there is no justification for singling out rape and related offenses for special proof requirements not required for conviction of other offenses. It should be emphasized that this is not a provision for a more lax standard of proof than in other criminal cases, but only for the same standard of proof: proof beyond a reasonable doubt.

Eleventh. Prior instances where a defendant has claimed consent to a charge of rape shall be admissible in a trial where he raises a defense of consent to a charge of rape.

A defendant whose defense is fabrication may introduce evidence that his alleged victim has made a prior complaint of rape, not because it is impossible for a woman to have been raped twice, but because it is deemed relevant to the possibility that the charge against the defendant is fabricated. In this regard, rape is no different from other offenses.

The converse of the above, however, that another woman said that the defendant raped her and that the defendant claimed consent, should also be admissible when the defendant again claims consent to a charge of rape.

It has been found that most prosecutors believe that a trial judge would now exclude such evidence, despite its probative value, under the rule that evidence of other crimes by a defendant shall not be admitted at his trial for a different crime.

Such a rule has exceptions, however, and one exception makes admissible evidence of other acts which the Government claims are criminal, but which the defendant claims are not criminal, in order to prove, by accumulation, that an innocent explanation such as accident or mistake is not responsible for the results.

For example, when a woman is charged for murder for poisoning her child, the fact that another of her children also died by poisoning at an earlier time is admissable to negate a defense that the child was poisoned by accident. Whereas it is possible that one child would accidentally poison herself, it is highly improbable that two children in the same household would do so at different times.

So too, whereas, it is possible that one woman would consent to intercourse with the defendant and then claim rape, it is highly improbable that two women would do so in connection with the same defendant.

Accordingly, this portion of the bill provides that prior instances where a defendant has claimed consent to a charge of rape should be admissible in any trial where he raises a defense of consent to a charge of rape.

Twelfth. Under no circumstances shall a complainant's prior sexual history be admitted as evidence if the circumstances which led up to it are not similar to that which the defendant alleges precipitated an act of consensual intercourse with him.

At present, when a defense of consent is interposed in a rape case, evidence of the victim's sexual history is frequently introduced. While juries are instructed that such evidence is brought out only so that they can weigh the likelihood of consent, it is clear the juries sometimes misuse the evidence and conclude that even though there was a rape, they should acquit because the woman was not "worthy of protection." Because of this real danger of serious prejudice from such evidence, I believe it should be excluded unless clearly relevant in a given case.

Some believe that when a victim has had prior sexual activity under circumstances similar to that alleged, it may be relevant on the issue of consent, whereas others believe that prior sexual acts of a victim are never relevant.

It is argued that prior sexual acts with the same defendant are relevant but not if with other persons. For example, if a defendant alleges that he picked up a total stranger in a bar and then engaged in consensual intercourse with her, the fact that she has had consensual intercourse 10 times with men she has known well would not be relevant. If she has engaged in intercourse with strangers she has met in bars 10 times in the past, this may lend credence to the defendant's story and may have some bearing on the likelihood of consent.

Therefore, this portion of the bill provides that under no circumstances should a prior act of sexual conduct by the complainant be admitted if the circumstances which led up to it are not similar to that which the defendant alleges precipitated the act of sexual conduct with him.

Finally, this legislation provides that any person who engages in a consensual act of sodomy or sexual intercourse in public shall be imprisoned for not longer than 1 year, or fined not more than $5,000 or both.

Mr. Speaker, it is widely agreed that the present laws have failed to adequately resolve the problems surrounding rape and related sex offenses.

A new approach is needed which would place the needs of the victim, as well as the rights of the accused, in a more balanced perspective.

The provisions of this bill are intended to improve the criminal laws relating to rape and other sex offenses, and to put them more in line with the laws governing other crimes of violence.

Mr. Speaker, I commend this legislation to the favorable attention of each Member of the House and strongly urge that it be promptly enacted into law.

OBJECTIONS TO SONNENFELDT CONFIRMATION MUST BE ANSWERED—PART XIV

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. ASHBROOK. Mr. Speaker, although the Senate confirmed Helmut Sonnenfeldt yesterday as Counselor of the State Department many questions which were raised during the Senate hearings still remain unanswered. Clark Mollenhoff, the Pulitzer prize-winning investigative reporter and author goes into the matter of some unfinished business in his December 16 column in the Des Moines Register.

Another source which has been following closely the controversial Sonnenfeldt case is TACTICS, the newsletter published by Edward Hunter, who coined the term "brainwashing" and who has over the years appeared before various congressional committees in connection with the subject of psychological warfare.

I insert at this point the above-mentioned Mollenhoff column and two TACTICS items of November 20 and 29, 1973:

SEES KISSINGER RISKING OWN WATERGATE

(By Clark R. Mollenhoff)

WASHINGTON, D.C.—Secretary of State Henry A. Kissinger is risking his own Watergate scandal at the State Department by issuing secrecy orders to protect a good friend.

The State Department has informed the House Internal Security Committee that Francis Niland, a former State Department security official and now a Justice Department lawyer, will not be permitted to testify about the security investigation of Helmut Sonnenfeldt, an expert on Soviet affairs.

Representative John Ashbrook (Rep., Ohio) has challenged both the authority of the State Department and the political wisdom of the Nixon administration in ordering Niland to remain silent.

At issue is the effectiveness of the State Department security procedures, possible perjury by Sonnenfeldt or others, and the extent to which the executive branch will be permitted to go in blocking a proper congressional investigation.

Sonnenfeldt, a career foreign service official, is accused of having leaked highly classified information to a foreign power—Israel. He also is accused of having lied about the alleged leak in a hearing before the Senate Finance Committee recently.

The Sonnenfeldt case is only one of many State Department cases that involve highly questionable security and unresolved problems of perjury and lack of co-operation with congressional committees.

It could be the most explosive, however, because it centers on the activity and testimony of a man who is a long-time friend of Kissinger and who, as a Soviet expert, has been privy to the nation's highest classified secrets as a staff member of the National Security Council (NSC) for the last years.

Last spring, Sonnenfeldt was nominated by President Nixon to be undersecretary of treasury—a role in which he would have had top influence in East-West trade relations.

The nomination ran into long delays in the Senate Finance Committee because of questions Senator Jesse Helms (Rep., N.C.) raised about the security investigation, and those by Senator Harry Byrd (Dem., Va.) regarding Sonnenfeldt's role in the disastrous Soviet wheat deals.

Sonnenfeldt assured the Senate committee that the U.S. had learned many lessons from the disaster and would not make the same mistakes again.

But the admission of past mistakes was not enough to convince Helms or Byrd that Sonnenfeldt should be promoted to a broader role over all East-West trade.

Senator Russell Long (Dem. La.) bent to the pleadings of the White House and gave the nomination the cautious approval of the Senate committee after the White House arranged for its edited version of the Sonnenfeldt security investigation.

The Sonnenfeldt nomination delay started when William P. Rogers was secretary of state. He resigned and Kissinger was confirmed as secretary of state.

By that time, Kissinger wanted Sonnenfeldt at the State Department as one of his top aides on Soviet affairs, and he persuaded President Nixon to withdraw the undersecretary nomination in favor of a nomination as counselor of the State Department.

This will bring the nomination before the Senate Foreign Relations Committee headed by Chairman J. William Fulbright (Dem., Ark.).

Retired foreign service officer Stephen Koczak, now the director of research of the American Federation of Government Employees, has testified that he was present when Sonnenfeldt told Israeli intelligence agents information that was so highly classified that it was restricted to only a handful of the highest-level aides to the secretary of state.

Another key witness in the Sonnenfeldt case is John D. Hemenway, a retired foreign service officer who served with Sonnenfeldt in Soviet affairs.

Koczak, Hemenway and former State Department security evaluator Otto F. Otepka contend that questioning Niland in a public session would establish the laxity of security procedures in the State Department.

Sonnenfeldt's supporters argue the allegations concern an incident that took place more than a decade ago. They also argue that the Soviet expert's performance in high sensitive posts in government since that time should demonstrate he is not a security risk.

Sonnenfeldt's critics contend there has never been an adequate investigation of the Sonnenfeldt "leaks" and that evidence is in existence that will establish that he perjured himself in explaining his action to the Senate Finance Committee earlier this year.

State Department orders blocking testimony of Niland before the House Internal Security Committee is pictured as a "cover-up" comparable to Watergate in a matter that could be more important to national security than Watergate.

As far as Ashbrook is concerned, the confirmation of Sonnenfeldt by the Senate as counselor of the State Department will not end his drive for the full facts.

"If they haven't got something to hide, why won't they let Niland testify?" Ashbrook questions.

WHY HE WAS PLANTED IN TREASURY: SONNENFELDT CASE EXPLAINED

As of November 8, after six months, the Senate Committee on Finance has reported the nomination of Helmut Sonnenfeldt as Treasury undersecretary out of committee, but not yet to the floor of the Senate for a roll call or voice vote. At the start of confirmation hearings on May 15, Sen. Russell B. Long (D–La.), chairman, expressed the hope they could be concluded "before the day is out." He added, "I think it is the kind of thing that would be best not to carry over for a future day if we can avoid it."

What was this all about?

On Oct. 18, 1972 the United States and Soviet Russia signed a "trade negotiation agreement," in the preparation of which Sonnenfeldt played a major role. He was then on the National Security Council staff, as Henry Kissinger's principal assistant on the USSR, and on such missions as that of Maurice H. Stans, Secretary of Commerce, to Moscow. Stans, now indicted, had Sonnenfeldt as his principal assistant in preliminary negotiations.

Longterm, substantial commitments were made to the USSR, including American food and technology, in return for a promised slackening of tensions, under the label of "detente."

The full commitments are not yet made known.

Kissinger was strategically located, in the White House and State Department, to fulfill these commitments, except for certain financial arrangements. He needed, for these, a trusted collaborator who had his viewpoint. Sonnenfeldt was the man, so he was nominated by President Nixon.

He had been senior NSC staff member dealing with East-West relations, and now was to handle East-West trade as envisioned by the "detente" agreements. Although appointed to the Treasury, he had no special knowledge on taxation. He would simply be Kissinger's agent to quietly implement decisions from this key vantage post.

DEVICE TO CENTRALIZE CONTROL

Kissinger and Sonnenfeldt had served together as enlisted, German-born members of an intelligence unit under Fritz Kraemer, an immigrant, who spurred Kissinger to go on to Harvard.

Kissinger was now faced with the need to control two variable functions to keep up the momentum of "detente." First, was the national security-diplomatic factor. He himself could control this as the President's advisor on National Security, heading practically every important committee in the NSC structure.

The other factor dealt with money, its allocation at home and abroad. The "detente" stipulation to foster trade with Moscow through the granting of commodity credits required money—lots of it! The grain deal was a vivid enough example.

Financial realities could wreck Kissinger's program unless he had his man in Treasury to deal only with East-West trade, in the desired manner.

The newly created office, with this mandate, was able to instruct the other Treasury undersecretaries to collect taxes needed, and regulate the amount of currency in the money supply, while on matters of East-West trade, only Kissinger's man, Sonnenfeldt, would be the oracle from Delphi.

This clever bureaucratic setup could run around any opposition with what, in effect, was a Marshall Plan for economic and technological aid to Moscow in return for whatever "detente" might be secured.

NOMINATION MAY BE WITHDRAWN

Two months ago, when Nixon seemed determined to fulfill the commitments, Sonnenfeldt was urgently needed at the Treasury post. The Chicago Tribune of August 20 reported that Nixon might telephone Long, urging him to push ahead with the nomination.

The Israeli-Arab War, however, upset the apple cart. Congress and the President gave up plans, at least temporarily, to grant Moscow "most favored nation" treatment.

On November 7, a Senate staffer reported that the Administration had signaled it would not move forward at present for a floor vote on Sonnenfeldt's nomination. The source of the report was traced to George P. Schultz, Treasury secretary himself.

The prolonged hearings, with heavy attack upon the nomination, combined with the shift in international affairs, were having their effect. What would still be needed was a way to save Sonnenfeldt's face.

Sonnenfeldt's transfer back to the State Department, where he could work hand-in-glove with Kissinger, could be the face-saver. Long was reported anxious that this confirmation hot potato be taken out of his committee's hands, and be given to the much more agreeable Foreign Relations Committee, that is headed by J. W. Fulbright and his all-out "doves."

The vote of the Finance Committee was said by Long to have been unanimous. But three key senators were not present for the favorable vote.

One was Harry F. Byrd, Jr. (D–Va.), whose incisive questioning brought out Sonnenfeldt's lack of qualifications for a Treasury post. Asked about his position on taxes, Sonnenfeldt told Byrd:

"Well, I come from a background, Senator, in Europe where high taxes have prevailed for generations."

"I take it," Byrd then remarked, "you have no particular concern then about high taxes. I rather suspect what you are bringing out there is going to be the new line beginning in January that we are not as heavily taxed as many other countries are, so we are going to have to become more heavily taxed."

Obviously, we cannot provide an aid program for the communist nations, enabling them to cut the cost of foodstuffs so as to stall off revolt, without paying more in the groceries ourselves.

Herman E. Talmadge (D–Ga.), simply did not attend any of the confirmation hearings.

Walter F. Mondale (D–Minn.), declared the post was "one of the most important in the American government," that "I intend to vote for his confirmation," but did not show up for it.

WHAT MADE CASE EXCEPTIONAL

Normally, a nomination of this sort is routinely discharged from the committee after a session of 30 to 60 minutes. Two additional elements to this nomination made its handling exceptional.

Firstly, Sonnenfeldt has a long record of security problems. Stephen A. Koczak, who was a State Department officer in Tel Aviv, testified, for example, that at that gathering of Israeli officials, Sonnenfeldt in detail disclosed matters supposed to be completely secret. Koczak said:

"It involved all kinds of arrangements that would take place, how the Lebanese government would react to landing of American troops [in 1958 and 1959] and support services for them. It did involve the questions of the support of U.S. troops. It was the problem of the fear of the overthrow of the Lebanese government, many of whom would be highly compromised. They might be shot by some Palestinian guerrillas even now if it were known that they were in fact negotiating the landing of U.S. troops and what the arrangements were."

Second, Sonnenfeldt played a key role in the John D. Hemenway case. Hemenway testified:

"The reason I have taken a rather personal interest in Mr. Sonnenfeldt is that I have pursued the first grievance hearing in the history of the State Department. In effect, in September 1972, that hearing vindicated me by recommending my reinstatement and apology from the State Department. In the course of that hearing, I had to examine written statements submitted to the Secretary of State which contained 140 untrue or false statements.

"Now, one of those statements was either introduced by Mr. Sonnenfeldt or two ambassadors falsely citing Mr. Sonnenfeldt. At one point in my federal service history I worked for Mr. Sonnenfeldt."

Hemenway, testifying the first day, named a number of prospective witnesses, and the testimony they might give. He named Koczak, Otepka, and more than a score of others. The committee simply could not ignore all this. It had to listen. Hemenway, equipped by his own long and admired record in civilian and posts for Uncle Sam, felt he had a responsibility to disclose, to the proper authorities, the compelling facts that he knew.

He displayed sincerity, buttressed by documentation, that other knowledgeable witnesses confirmed. Skeptical senators became convinced. Against advice by more cautious colleagues, he testified against the confirmation of Howard P. Mace as ambassador, before no other than Fulbright's committee. Mace was not confirmed, the first such rejection for any career ambassador-designate in the Senate.

Between May 15, when Hemenway testified, and October 1, nothing was done in the Sonnenfeldt case. No hearings were called. During August, a desperate rescue effort for Sonnenfeldt enlisted the news and editorial help of the fake "liberal" press, led by the Washington Post and N.Y. Times, naturally.

Then, October 1 and 2, Senator Long sought to railroad the nomination through by insisting there was nothing substantive in the allegations. Hemenway thereupon produced a telegram from Otepka.

The dramatic introduction of Koczak into the affair, who had not intended to appear, set the stage for Otepka's personal appearance the next day.

Koczak spoke up extemporaneously.

ACCUSATIONS MADE UNDER OATH

The effect was that Sonnenfeldt stood accused of indiscretions, certainly improprieties, that technically could border upon espionage, that these witnesses insisted made him unfit for an office requiring discretion.

The two witnesses, appearing under oath, cited others for corroboration. Hemenway wrote Robert H. Bork, acting attorney general, on November 1, to formally raise the perjury question. In the House, John M. Ashbrook (R-Ohio), printed the letter, along with a letter of inquiry of his own to Bork, in the Congressional Record of that date.

In a news release, Ashbrook explained that the Sonnenfeldt case was one of a number under inquiry by the House Internal Security Committee, in its examination of federal security and suitability procedures.

The release, ignored by the press, asked about a purported readiness by the Justice Department to prosecute Sonnenfeldt, but being frustrated because the State Department refused to declassify pertinent telegrams, so they could be used as evidence.

Enlightening background is found in the testimony published in the Senate Finance Committee publication, "Nominations of Helmut Sonnenfeldt," etc., on U.S. Government Printing Office sale at $1.25.

EDWARD HUNTER,
PUBLISHER AND EDITOR,
Arlington, Va., November 29, 1973
TACTICS, *Arlington, Va.*

DEAR FRIEND: The sort of conniving that one comes up against in Washington, D.C., is just now being vividly demonstrated by efforts to bring about the confirmation of Helmut Sonnenfeldt for a top Treasury post, where he can act as State Department agent in so-called East-West trade, by which Soviet Russia would get militarily strategic material and technology in exchange for a promise to let up on "liberation war" and other pressures against us. This is what really is meant by "detente."

The key figure at this time is Francis Niland, a Justice Department internal security specialist who personally conducted thorough investigations of Sonnenfeldt, while Niland was employed in the State Department. Niland, according to what this analyst is informed, is anxious to testify, to support evidence already presented under oath by Otto F. Otepka, former State Department chief security evaluator, and John Hemenway and Stephen Koczak, both former career Foreign Service officers and intelligence specialists in Soviet affairs.

Obviously, in such investigations, Niland would be brought before the Congressional Committee concerned, either in executive (secret), or public session. This testimony would be about conclusive, on top of what already has transpired. But a maneuver has just been put across by Senator Russell Long, Democrat of Louisiana, chairman of the Finance Committee, who called Niland for a private talk, not under oath, depriving others on the committee of the opportunity to hear what he had to say. Niland is said to be extremely upset over this irregularity, because he wants to testify under oath, preferably in open session where he can be fully questioned about his knowledge of Sonnenfeldt's alleged infractions. Long's action has the effect of suppressing essential evidence by barring the appearance of the key witnesses.

A floor debate is scheduled on Sonnenfeldt's confirmation in the Senate on December 10, when he will be approved if the various maneuvers, of which the suppression of Niland's evidence is the latest example, cannot be counteracted. Because of the time element, perhaps the most effective action by recipients of this special alert would be conducting Senator John Tower, Texas Republican, chairman of the Republican Policy Committee. He can be asked to urge President Nixon, especially at this time, to make good his promise not to prevent government employes from testifying before Congressional committees on alleged wrongdoing in government departments. He should allow the full facts in the Sonnenfeldt case to be brought out before the Senators who are to decide one way or another on his confirmation for a high-ranking, Presidential appointment.

Especially scandalous, and in shocking conflict with the President's promise, is the House situation. A House special subcommittee headed by Richard Ichord, Missouri Democrat, asked the Justice Department to let Niland appear before it. Justice passed the buck to State to decide. Security specialists expect that the State Department either will prevent Niland's appearance, or restrict him to testifying from elaborating in any way on the Sonnenfeldt case.

The three former State Department experts gave sworn testimony that Sonnenfeldt provided classified information without authority to a representative of the government of Israel, and that he previously leaked sensitive data to selected members of the press.

Senator Jesse Helms, Republican of South Carolina, has directly challenged the White House and Secretary of State Henry Kissinger, who had strongly urged Sonnenfeldt's appointment to the Treasury post when Kissinger was Nixon's special assistant for national security affairs, before the State Department was added to Kissinger's direct control.

Senator Helms is concerned that by denying under oath, to the Senate Finance Committee, that he was guilty of serious transgressions against security regulations, Sonnenfeldt indulged in deliberate falsehoods. By doing so, Sonnenfeldt would have to rely on injunctions of executive secrecy, which his superiors have invoked against Senators who are demanding in absolute truth.

Koczak testified as the actual witness to Sonnenfeldt's act of passing U.S. government secrets to a foreign government without obtaining permission. Otepka and Hemenway, in their official work in the State Department, obtained precise knowledge of this and other leaks by Sonnenfeldt.

My best,

EDWARD HUNTER.

P.S.—This follows up the article in TACTICS magazine of Nov. 20, 1973, entitled, "Sonnenfeldt Case Explained . . . Why He Was Planted in Treasury."

ACTION ON UNEMPLOYMENT NEEDED NOW

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. JAMES V. STANTON. Mr. Speaker, yesterday I sent to the President a letter urging his support for an expanded program of public service employment in order to combat the joblessness that is certain to result from the energy shortage. For the information of my colleagues I am inserting a copy of this letter into the RECORD.

I believe it is vitally important that we prepare for the possibility of large scale unemployment, and the suffering it would bring. As my colleagues know so well, little preparation was done for the possibility of a shortage in energy, and the result has been a frenzy of activity, the product of which is certain to be marked with the errors of haste. I hope that the Government will be able to respond to an employment crisis with more foresight and planning than it has to the energy crisis, and to this end the ongoing public employment program can be of great usefulness. Thus we ought to use it to its fullest advantage, as I have described in my letter, which follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 20, 1973.
The PRESIDENT
The White House.

DEAR MR. PRESIDENT: I write to you out of deep concern over the prospect of substantial unemployment in the coming year due to the energy shortage, and the failure of the Federal Government thus far to prepare for this eventuality. A shortfall in energy requiring cutbacks in business takes away not only existing jobs, but also new jobs that would have been created by normal expansion. Industries whose products use a large amount of energy but are in the category of a luxury are going to be especially hard hit. Indeed, it takes little imagination to envision the coming of a serious recession, which would cause great economic hardship.

I believe the Federal Government has an overriding responsibility to act to alleviate the human suffering caused by unemployment. There have been reports that you are considering a special program of unemployment compensation for those who lose their jobs due to the energy shortage. Action on this would be very commendable. However, I would point out to you that already in existence is a Federal program whose record for effectiveness in terms of offering meaningful jobs, rather than merely compensation, is undisputed. I have reference to the Public Employment Program, which was created by the Emergency Employment Act of 1971. I was dismayed to learn that if present plans, which your Administration supports, go into effect, this program will not be expanded to meet the increased need, and instead it will be cut back.

I need not dwell on the many accomplishments of the Public Employment Program. Over 300,000 people have received jobs working for their state or local government through funds granted by the Federal Government, and over one quarter of these have been unemployed veterans of the Vietnam era. While performing needed services for their communities in such areas as law enforcement, education, health, and environmental protection, these people have been put on their way to permanent jobs, not supported by special funding.

The proposed Comprehensive Manpower Act, which Congress probably will complete action upon in several days, continues the Public Employment Program, but at a much reduced rate. Under current law, funds are generally available to state and local government whenever national unemployment is 4.5% or above, and additional funds are available to areas with more serious unemployment. The proposed Act limits eligibility to areas of 6.5% unemployment. What sense is there in waiting until disaster has already struck an area before public employment funds will be granted? Furthermore, funding under the new Act is at about the same level as under existing law, and I believe this amount will be grossly inadequate.

There is however, a bill in Congress, S1560, which would build on the accomplishments of the Public Employment Program. It would continue present eligibility and would provide funding of over $3 billion for jobs. While this bill has already been approved by the Senate, a companion measure failed to be approved by the House in a close vote on April 18 of this year.

Your endorsement of this bill, based on the needs created by the energy shortage, would, I am certain, result in prompt Congressional action to extend and expand this program. The main reason the bill failed to pass last spring was the near unanimous opposition of the Republican members, and your influence on this issue would be crucial.

On the merits of government being—in time of emergency—an employer of last resort, there can be no question: people eager to work are given jobs which benefit both themselves and the place where they live. The administrative machinery for operating the Public Employment Program is already in existence and is functioning smoothly, and so no new bureaucracy has to be created.

Thus I ask for your cooperation, and your leadership, in enacting legislation on this subject which is so important to the well-being of the American people.

Sincerely,

JAMES V. STANTON,
Member of Congress.

CENTRAL MIDDLE SCHOOL ENERGY SURVEY

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. CULVER. Mr. Speaker, the seventh grade class at Central Middle School, taught by Mr. Richard Frett, recently took a survey on attitudes about the energy crisis. They asked 310 adults in the town of Camanche, Iowa, whether or not they favored several possible solutions to the fuel shortage and whether Americans could reduce their use of several appliances and other items. Both the concern and initiative shown by this class and the attitudes of the respondents may have broader interest, and I therefore ask that the results be printed in the RECORD.

CENTRAL MIDDLE SCHOOL,
Camanche, Iowa, December 5, 1973.

DEAR CONGRESSMAN CULVER: My students thought that maybe you would be interested in seeing the results of a survey they took last month on the energy crisis. They interviewed 310 adults in Camanche and received the enclosed results.

Sincerely yours,

RICHARD FRETT,
Seventh Grade Social Studies Teacher.

SEVENTH GRADE FUEL CRISIS SURVEY

Please check whether you would be for or against the following possible solutions proposed by the Seventh Grade Class to relieve the fuel shortage in the United States.

1. Use other resources besides oil, such as coal, atomic power, and steam. For, 87 percent; against, 13 percent.

2. Use other means of transportation besides cars, such as bicycles, buses, and trains. For, 72 percent; against, 28 percent.

3. Have the U.S. refrain from getting involved in foreign wars which use up our fuel resources. For, 79 percent; against, 21 percent.

4. Allow the building of only smaller cars with smaller engines. For, 49.5 percent; against, 50.5 percent.

5. Ration gasoline, allowing only a certain amount to each person during the year. For, 28 percent; against, 72 percent.

6. Reduce the speed limits to save on gasoline. For, 79 percent; against, 21 percent.

7. Remove fuel consuming pollution devices from cars and allow more coal burning, even if the air is polluted. For, 28 percent; against, 72 percent.

8. Allow the off-shore drilling of oil and the building of the Alaska pipeline even if the environment and wildlife are harmed. For, 41 percent; against, 59 percent.

9. Buy as much foreign oil as is necessary to prevent any shortages in the United States. For, 65 percent; against, 35 percent.

10. Cut down on the use of energy in the home by using fewer lights, appliances, stereos, etc. For, 89 percent; against, 11 percent.

Please put a check in front of any items that you feel Americans could do without, or could drastically cut down on the use of to conserve energy in the United States. Out of 310 people. Number that checked.

146 dryers; 107 lights in the home; 219 air conditioners; 57 cars; 26 heat for the home; 295 stereos; 140 televisions; 201 power lawn mowers; 30 stoves and ovens; 75 street lights; 160 humidifiers; and 268 electric garage doors.

9 refrigerators; 136 washing machines; 185 boat engines; 270 electric blankets; 221 electric tooth brushes; 250 electric can openers; 95 power tools; 126 telephones; 125 mixers; 263 snow mobiles; 217 motorcycles; 150 electric clocks; and 220 door bells.

Do you believe that a reduction in the use of energy consuming products would harm our nation's economy and standard of living? Yes, 41 percent; No, 59 percent.

SYRIAN TREATMENT OF ISRAELI POW'S

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. KOCH. Mr. Speaker, an open letter was printed in the New York Law Journal from Bernard Katzen, chairman of the International Association of Jewish Lawyers and Jurists, protesting Syria's violation of the Geneva Convention Treaty and the rights of Israeli POW's. So many have stood silently by while savagery has been committed on Israeli prisoners and have done nothing to stop these outrages. Mr. Katzen urges, as do I, immediate action to demand that human rights be protected. His letter follows:

[From the New York Law Journal, Nov. 16, 1973]

AN OPEN LETTER TO MEMBERS OF THE BENCH AND BAR

In an effort to ameliorate one cruel aspect of the inhumanity of war, the Geneva Convention Relative to the Treatment of Prisoners of War (August 12, 1949), carefully spelled out the legal obligations of governments with regard to such prisoners. Israel, Egypt and Syria all accepted without reservation.

The Convention provides that "prisoners of war must at all times be humanely treated" (Article 13), and with "respect for their persons and their honour" (Article 14). It provides that "immediately upon capture, or not more than one week after arrival at a camp, even if it is a transit camp," every prisoner shall be enabled to write directly to his family and to the International Committee of the Red Cross, a card "informing his relatives of his capture, address and state of health." The card, a model of which is annexed to the Convention, must be "forwarded as rapidly as possible" (Article 70).

The Convention also provides that upon the outbreak of a conflict, each of the parties involved shall establish an Information Bureau for Prisoners of War, to which information on prisoners shall be forwarded for immediate transmittal through the Red Cross to the Powers concerned (Article 122). It provides, further, that Parties to the conflict "are bound to send back to their own country, regardless of number or track, seriously sick prisoners of war, after having cared for them until they are fit to travel (Article 109), and that prisoners "shall be released and repatriated without delay after the cessation of active hositlities" (Article 118).

On October 6th of this year, Syria and Egypt waged war against Israel. Prisoners were taken by both sides. Israel complied with the provisions of the Treaty in its humane treatment of Syrian and Egyptian POW's, and by submitting lists of POW's through the International Red Cross and facilitating visits by the Red Cross. Both Egypt and Syria refused to abide by the terms of the Treaty. However, on November 10th Israel and Egypt entered into a truce agreement by which Egypt did agree to comply. Israel and Egypt are presently exchanging POW's.

Syria refuses to abide by the Geneva Convention Treaty and is in flagrant violation of its commitment to the articles on the treatment of prisoners of war.

This is an appeal to the members of the bench and bar individually and collectively through their Bar Associations, to protest Syria's intransigence and to take all appropriate measures to arouse the conscience of the international community in bringing Syria into compliance with the Prisoner of War Articles of the Geneva Convention Treaty and concomitantly resolving the accuracy of reports of Syrian atrocities perpetrated on Israeli prisoners of war.

The alleviation of the agony of families, both Arab and Israeli, concerning the fate of their dear ones is a humanitarian cause which transcends partisan considerations. POWs must not be held hostage to political settlements.

The legal fraternity should not insulate itself behind the ramparts of narrow professionalism. It should achieve significant visibility on the horizon of world opinion as protagonists for the preservation of basic human rights.

Please write individually and also urge your Bar Associations and other concerned groups to write protesting Syria's violation of the Geneva Convention Treaty and the rights of Israeli POW's.

Make your views known to the Secretary General of the United Nations, the Syrian U.N. Mission and Embassy, Members of the Security Council of the United Nations, the National and International Red Cross, spiritual leaders of all faiths and international associations which are devoted to the protection of human rights.

A PRIMARY OBJECTIVE OF THE ASSOCIATION IS: (ARTICLE 3., a.)

"To contribute, alone or in cooperation with other International or National organisations, towards the establishment of an International legal order based on the Rule of Law in relations between all Nations and States; and to promote Human Rights and the principles of equality of men and the right of all states and people to live in peace."

MEMBERSHIP IN THE ASSOCIATION IS OPEN TO: (ARTICLE 4., C.)

". . . Lawyers and Jurists and organisations of Lawyers and Jurists of whatever race, colour, or creed, who identify themselves with the objects of the Association."

BERNARD KATZEN,
Chairman, American Section, International Association of Jewish Lawyers and Jurists.

BAN THE HANDGUN—XI

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. BINGHAM. Mr. Speaker, this week there appeared in New York newspapers two alarming stories regarding the proliferating movement, legal and illegal, of handguns in interstate commerce. The compelling conclusion reached is that New York City's strict gun laws are rendered useless because other jurisdictions are so lax. How much evidence must be laid before the American people before the administration and the Congress realizes that comprehensive gun control should be Federal policy?

The articles which appeared, respectively, in the December 17 edition of the New York Times and December 19 edition of the New York Post are reprinted herewith:

Lax Gun Laws in Other States Called a Cause of Crime Here

Mayor Lindsay charged yesterday that ineffective gun laws in other states, especially those in the South, were directly responsible for gun crimes committed in New York City. He called, as he has many times, for Federal legislation to end the situation.

The Mayor's charge was contained in a statistical report prepared by his office and the Police Department that he announced he was sending to all members of Congress and to the Mayors of the largest cities.

Entitled "The Case for Federal Gun Control," the report includes data developed from a special investigation by the New York police on illegal interstate gun-running operations as well as that from other official studies. It also includes specific proposals by the Mayor for Federal gun-control legislation.

"In the past few months there has been an increased effort by Federal and New York City officials to enforce the existing firearms law in New York," Mr. Lindsay said in an introduction to the report.

500,000 GUNS STOLEN

"Data developed from this effort is presented in this document," the introduction continues. "It demonstrates the inadequacy of the present structure, which allows illegal gun-running operations to move across state lines."

The report estimates that 500,000 guns are stolen each year in the United States and that, except in New York City, there are no laws mandating specific security measures for the protection of firearms from theft.

Deadly (Gun) Traffic

It is encouraging to hear that gasoline shortages seem to be having at least one beneficial effect: a measurable decline in automobile accident fatalities on the nation's highways. Not so fortunately another form of deadly long-haul traffic appears to be getting worse.

Reporting on a well-warranted investigation that was started some weeks ago, the U.S. Treasury Dept.'s Bureau of Alcohol, Tobacco and Firearms has collected evidence suggesting a "growing pattern" of cheap handguns in interstate commerce. According to bureau director Rex D. Davis, "a corridor of traffic between the South and the New York area" is notably pronounced.

The data bear him out. Apparently almost half of approximately 2500 handguns confiscated by police following crimes in this city were sold originally in the South, most frequently in South Carolina and Georgia; two-thirds of the weapons were cheap "Saturday night specials." The national figures—four cities were studied—are comparable.

Investigations by the bureau have already turned up evidence enough for Washington to file criminal charges in scores of cases. When will the Administration and Congress make comprehensive gun control a federal case?

LOSS FOR JACKSONVILLE

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. CHAPPELL. Mr. Speaker, on December 2, Jacksonville, Fla., lost one of its long-time civic leaders. Perhaps his proudest achievement was helping to found the University of Florida. Perhaps he will be most remembered by those thousands of students who benefited so immensely from his fine generosity.

On December 4, the Florida Times Union printed an editorial which expresses the feeling of those who knew Carl Swisher. It reads as follows:

Carl S. Swisher: 1891–1973

The circumstances that shaped the life and character of Carl S. Swisher had lasting effects on the educational life of Northeast Florida.

There was the eye trouble at the age of eight that hampered his efforts to get a formal education and necessitated his being tutored at home for a good part of that education. The deep reverence for learning, demonstrated again and again by Carl Swisher, had its roots in his boyhood.

There was the capacity for hard work and the business acumen that caused him to learn the cigar-making business from the ground up and to revolutionize that industry and help build the family business into one of the giants in its field.

There was the conviction, stemming from the forces that molded his character, "that it is every citizen's duty to make his community the best possible community in which to live."

Uncounted thousands of young people, past, present and future, have had, have, and will have, access to a better education because Carl Swisher passed this way.

He was instrumental in the formation of Jacksonville University, first helping it to acquire its first permanent home in 1943—an old mansion on Riverside Avenue—and then being instrumental in the acquisition of the present Arlington campus and the building of the university itself, as evidenced by the buildings bearing his name. Other institutions to which he contributed heavily include Bethune-Cookman College, The Bolles School, Stetson University, St. Bernard College at Cullman, Alabama and many of the area's hospitals.

He was a moving force in the cultural life of Jacksonville, the Little Theatre, the Symphony, the Friday Musicale.

Among his other civic activities were the Boy Scouts, the American Cancer Society and the tough, thankless task of serving on Jacksonville's Selective Service Board for 25 years. Carl Swisher died Sunday at the age of 82. He left his community a better place in which to live.

Mr. Speaker, Carl Swisher was not only a friend of mine and so many—he was truly a friend of mankind. He will be missed by all of us, but the heritage he has left for the people of the Jacksonville area will live on and on. He was a great man and an outstanding citizen. This is an expression of gratitude for the life of Carl Swisher—his 82 years of accomplishments made Jacksonville, and many other places, a better place for us all.

WAYS AND MEANS COMMITTEE INVITES COMMENTS ON H.R. 5902, THE NATIONAL OIL RECYCLING ACT

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. VANIK. Mr. Speaker, the Ways and Means Committee announced today that it was inviting public comment on a number of miscellaneous tax bills. Included in the list is H.R. 5902, the National Oil Recycling Act of 1973. I introduced this legislation on March 20, 1973, and have received the cosponsorship of 31 of my colleagues.

The major thrust of this legislation is to rectify an inequity in the tax code which has existed since the passage of the 1965 Excise Tax Reduction Act. Under this act, off-highway users of new oil were granted an exemption from the 6 cents/gallon tax that applied to all sales of new oil. This exemption created a hardship for the re-refiners of waste oil for whom the off-highway market is an important part of their business. A re-refiner commonly mixes purified waste oil with new oil to come up with his final product. He must pay a 6-cent-a-gallon tax on all new oil he uses, and he is not eligible for a rebate. As a result, the re-refiner who mixes new oil with used oil in a one to one ratio has his product taxed at an equivalent rate of 3 cents a gallon.

My legislation eliminates this inequity by doing away with the off-highway exemption for lubricating oil. We must begin now to encourage the recycling of our waste oil. We are presently generating over one billion gallons of waste oil a year and recycling only one-tenth of it. This oil can be reused. The Bureau of Mines is doing important work in reformulating used oil with additive packages and coming up with a product whose performance characteristics rival those of new oil.

I encourage my colleagues and other interested individuals to comment on this important legislation. Comments should be sent to Mr. John M. Martin, Jr., counsel of the Committee on Ways and Means, House of Representatives, room 1102 Longworth Office Building, Washington, D.C. 20515. Comments should be received by the Committee no later than the close of business Friday, January 18, 1974.

MONTANA TIMBER

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, December 21, 1973

Mr. METCALF. Mr. President, earlier this year, the President's Advisory Panel on Timber and the Environment—PAPTE—released a voluminous study of the Nation's timber supply and what we should do to enhance it.

The Panel was headed by Fred Seaton, Secretary of the Interior under President Eisenhower. It made a number of recommendations, the foremost of which was to accelerate cutting on national lands until certain private forest lands come into their own.

As I read the report, I was struck by the constant emphasis on increased timber cutting and the relative absence of concrete recommendations for conservation or environmental safeguards. I find that my reaction is shared by Dr. Arnold Bolle, professor of forestry, and former dean of the forestry school at the University of Montana. Dr. Bolle is one of the leading national experts on management of our natural resources.

Dr. Bolle, writing in the Sunday Missoulian and on 16, December 1973, gives a lengthy explanation of the report and concludes that:

> PAPTE is a crash program. Its recommendations largely ignore established policy. We have good laws and we are just beginning to learn how to live with them. Multiple Use, Wilderness, National Environmental Policy Act and others are mentioned and largely violated.

Dr. Bolle also feels that the continued cutting of our public forests as long as old growth is standing is not only destructive of the resource but also inhibits development of needed new technology. He cites impressive research findings to show that a modernized timber industry could increase the output of products enormously simply by using more efficient methods.

The PAPTE report deals with large, aggregate national figures. It is easy to talk of slight increases in national cutting percentages, but when those increases are concentrated in a handful of Western States, the destruction can be devastating.

Mr. President, I feel Dr. Bolle has made a contribution to the understanding of this important issue, and I ask unanimous consent that his article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Montana Timber Economy Would Be Destroyed

(By Arnold W. Bolle)

(Note.—On Sept. 24 a presidential advisory panel released a report concerning timber and the environment. What does this mean to western Montana? Arnold Bolle, professor of forestry and former dean of the University of Montana Forestry School, explains that it means a lot.—The Editor)

The report of the President's Advisory Panel on Timber and the Environment (PAPTE) is of particular concern to us in Montana because its main recommendation is to accelerate the harvest of old growth timber on the national forests of the West.

The document is long and complicated: 541 pages of which 115 pages are report and 426 pages appendix of staff reports which provide the basis for the report. It seeks to provide a formula for resolving all conflicts surrounding forest lands while meeting our needs for forest products and simultaneously enhancing the environmental values. It promises to do all these things on the basis of an increased annual appropriation of $200 million.

It is easy to criticize or praise the report in far too limited a context. People are already talking past each other on this basis. As an attempt to reconcile diverse interests in a common effort in support of a new program for the national forests, the report is a failure. So far it has only increased the polarization of interested groups.

The panel was established by the President on Sept. 2, 1971, to "advise the President on matters associated with increasing the nation's supply of timber to meet the growing housing needs while protecting and enhancing the quality of our environment." The panel did both of these things, but did not reconcile them very well.

The immediate problem in 1971 was to hold down skyrocketing timber prices. "Timber changed from a glut on the market to a scarce item." The panel has both short range and long range recommendations concerning timber supply and environmental quality, but the emphasis on the short run timber supplies was primary and may account for the pro-industry bias of which PAPTE has been accused. The report, dated April, 1973, was released in September. The President declared himself pleased with the report. Secretary of Agriculture Butz, in a separate statement, considered the additional funding highly unlikely.

TIP OF THE HAT TO ENVIRONMENT

PAPTE emphasizes that, "forest resources are to be cherished, nurtured and used." In its concern for the environment it calls for "expansion of recreation and wilderness areas, protection of water supplies, protection of fragile soils on erodible steep slopes by their withdrawal from timber harvest, protection of wildlife including rare and endangered species." It urges acceleration of efforts "to complete the national wilderness preservation system as rapidly as possible including quasi-wilderness in the East."

On the basis of thorough analysis of available research the panelists conclude that, "timber harvesting, where properly planned and supervised, does not cause flood, significant soil erosion or impoverishment of wildlife habitat. However, the potential of modern logging machinery, when improperly used, to cause significant damage should not be dismissed, nor should the need for careful supervision of logging operations be disregarded."

And again, "the panel finds that the nation faces neither scarcity of forest land nor standing timber; neither scarcity of forest wildlife nor recreational opportunities, nor existing and potential wilderness areas."

It concludes that, "forests are not merely growing in a physical sense, they are growing in importance, in economic output, and social possibilities as well. The challenge to the nation and to those directly involved in forest management is to optimize forest multiple use potential."

PANEL RECOMMENDS SEVERAL THINGS

While the high price of timber in 1971 was the chief concern of the panel, it was also concerned in the long run cyclic movements in the price of timber and in maintaining supply. The panelists are convinced the nation can meet its supplies if sufficient investment is made in timber growth. They show that the growth on our forest lands, which cover approximately one-third of the continental United States, is only about 25 per cent of its biological potential. The application of known methods of forest management could accelerate this growth to at least double by the year 2020.

These investments, however, have to be made now if we are going to provide the estimated timber needs at this time, and that is the basis for the recommendation for an increased appropriation, in the form of an investment, of $200 million annually.

The panel admonishes that no increase in cuts should be made unless this investment in management is made. This is an important precaution repeated several times throughout the report. The panel recommends further that the forest land not set aside for other uses after careful consideration of wilderness recreation, etc., be classified as primarily timber producing lands.

This does not jibe very well with the panel's earlier remarks about multiple use. Chief of the Forest Service McGuire declared this recommendation illegal.

The panel also recommended an early warning system on price fluctuations and government manipulation of housing funds and loans to even out the cyclic movements in timber demand and price. This calls for controls of the type we have not been using customarily.

The panel found that timber demand is firm and inelastic and not much substitution is possible. When demand and prices are up, many users, such as home builders, are not able to cut back. Transport may be inadequate, strikes and unfavorable weather may prevent expansion of output. Plant capacity is limited and extra equipment and labor may not be readily available. The industry, therefore, needs more time to adjust.

In addition to the warning system for short run price demand rises, housing programs should be planned well ahead and move more gradually so that timber can be released by increased sales on the national forests.

The panel recommends that more timber should be under contract at all times, and perhaps its most important recommendation is that the idea of an evenflow sustained yield management of output of timber from the forests be abandoned for a cyclic or unevenflow which could be then related to anticipate housing demand, lumber demand, high prices. It is on this basis that the panel, in 1971 and 1972, recommended the accelerated increased cut on the national forests for the next decade or two. Of course, since then, as could have been predicted, the price of timber has started to move back down, the demand is down, housing starts are down for a variety of reasons.

THE IMPACT ON WESTERN MONTANA

However, it is the short run recommendations to meet timber demand that are perhaps most startling and of most significance to us in Montana. The biggest problem facing foresters, says the report, is the rate of liquidation of the old growth timber. The rate of cutting old growth timber on the national forests has been paced to the growth of second growth timber or timber that was burned in earlier times.

There is in general a considerable gap between the volume of old timber available and the young growth coming along. The present plans of management call for liquidation of old growth at the rate that will carry us to the time in which timber industry can move to the younger timber. Most of the old growth is in the West, on the western national forests. The forests of the Southwest are moving into a "third forest." Almost all the private lands in the West, the North and Northeast have been cut over and the industries are now depending on second growth timber.

CUT NOW, PAY LATER

The report is concerned primarily with softwood timber, (coniferous forests), and since its recommendations deal mostly with the old growth, the effects concern mainly the West. PAPTE estimates that if the proper management is instituted, the rate of old growth liquidation can be accelerated by 50 to 100 per cent. This could start immediately if the money were promised.

We see a new term called "allowable cut effect." A sort of cut now and pay later idea. You can harvest now at the rate of anticipated returns on present and planned investment. This is all right if you know what is going to happen as a result of those anticipated investments in management and if you are assured that you are going to get those results.

This is where the weakness lies, and if there is any weakness in getting the money, we are likely to find ourselves over-cutting seriously. I would like to see about 10 years of operation on the new level of management to test results, and also the funding, before we greatly accelerate cut.

Even if we get the money, Montana could get hurt. The panel emphasizes that it is concerned with the national supply of timber. It recommends accelerated cutting of old growth on the national forests for a period of one to two decades, then moving our dependence on timber to the private lands, particularly industrial lands which have been cut over and will be ready for harvest about that time.

This is a gamble. No provisions are made to assure their supply. There are no recommendations for regulations, for example, which may be needed to assure the supply. Under PAPTE's plan, the forests of Montana would be overcut during the next one to two decades with little regrowth and second growth available for harvest after that. The industry would move to the large industrial land holdings on the West Coast and in the Southeast. To be sure, as the panel puts it, it would not make any difference to the national supply where the timber came from, but it could have serious effects on Montana's timber industry.

In the Rocky Mountains we have to depend for future supply on relatively extensive management of low quality sites. Intensive management based on expected high returns to management will necessarily be on the highly productive sites in the Northwest and the Southeast. So we must manage our old growth to bridge the gap to the second growth timber which will be coming along later, but we can increase our industry by greater utilization, more efficient manufacture, greater utilization of waste materials at the mill and the woods, the use of smaller materials, dead trees, salvage, etc., on sites of low aesthetic, wildlife and watershed values.

PANEL IGNORED IMPORTANT POINT

PAPTE's recommendations are based on the idea that the forestry supply is flexible and can be considerably increased. I agree.

But there is another flexibility which they largely ignored, and that is the potential to increase output of wood by greater utilization. The staff paper by Jerry Seaman regarding project STRETCH of the Madison Forest Products Laboratory is a refreshing change of pace.

The laboratory's project STRETCH looks at a new type of flexibility in the timber supply. In PAPTE it is reported that approximately 4 billion board feet can be saved annually by greater utilization at the logging site, in the sawmill, by veneer processes, particleboard, and more efficient building. (Actually 4 billion is a conservative figure. When I visited Madison a few months ago their figure was more than twice that high.)

There is a further potential saving of 6 to 8 billion board feet by diverting saw logs now used for pulp. Pulp mills could use other wood wastes or chips from smaller logs and the larger sawmill sized logs could be sawed for lumber. Using round wood (mostly logging wastes) for pulp and chipboard could double the production of the forests of this region.

Seaman's plan calls for the use of X-ray scanners, computers, various edge gluing and laminating proceeses to extend the use of wood. His most promising product is flakeboard, which can be made to duplicate the qualities of either plywood or lumber at competitive prices and can be made from low grade materials.

This process could make usable a vast area of low grade forests in this country—areas which are not now being used. The net result of his disclosures would greatly extend and expand the amount of raw materials available in this country and wipe out the threat of timber famine indefinitely.

STRETCH comes out as the best alternative to increasing allowable cut in this country. This may be why the National Forest Products Association (NFPA), unbelievably, protested this project last year. A number of individual forest industries disagreed with NFPA.

TECHNOLOGY NEEDS EXTENSION

The low price of timber depresses our reliance on innovative technology. In fact, a good friend of mine in the industry was very unhappy with a recent order for accelerated cuts because he said it acted as a deterrent to innovation.

Our brightest hope for becoming more competitive on national and international markets is to extend our technology in forest products as we have in most other commodities. One way of improving manufacturing efficiency would be to base timber appraisals on the national forests on the use of the most efficient manufacturing equipment available. Even if we got the $200 million a year and expanded our production as PAPTE recommends, we should move as rapidly as we can to improve technology. PAPTE says these words, but I don't quite believe them. I would like to see the $200 million distributed perhaps one-half to improving growth of forests, the other one-half, though, to technological improvement. It would be interesting to see which pays off best.

PAPTE is a crash program. Its recommendations largely ignore established policy. We have good laws and we are just beginning to learn how to live with them. Multiple Use, Wilderness, National Environmental Policy Act and others are mentioned and largely violated.

Accelerating the cut of residual timber will clash head-on with the 1972 Water Pollution Control Act, and its requirement for control of non-point pollution from forest land. In the Rocky Mountain region we would have to cut the remaining timber in watersheds already cut to the danger point of hydrologic balance and a massive invasion of roads into unroaded areas. Our earlier cuts favored the best sites, so that even to continue present levels of cut we tend to become increasingly dependent on poorer sites which are more likely to erode and are more costly to harvest.

WHOLE PICTURE TOO OFTEN IGNORED

I heartily agree with the panel's recommendation for a National Forestry Board or Council at the presidential level after the model of the Council of Economic Advisors and the Council for Environmental Quality. One of our big problems is that forestry matters are dealt with at too low a level in government. Our knowledge of the problems is coming from interest groups and agencies with increasing narrow specialization, so we end up with partial and biased knowledge and we don't get a look at the whole picture. We do not have—and we need to develop—a broad picture of what we want from our forests for the nation in total and for now and into the future.

The rush to designate all public forest lands for committed uses such as PAPTE recommends, wipes out our options. The main freedom we ought to be preserving for the future is the freedom of choice to meet new and developing needs, and so I agree that a national council on forestry problems should be developed. I agree and have agreed in the past; the idea is not a new one with PAPTE or with me. Forestry decisions have now become political decisions too often made in private. We need the decisions to be broad and public.

Marion Clawson, a member of the board, urges industry to become very active in pushing for support of PAPTE, "Before it dies like previous reports." I am afraid that is its fate, that at this time a recommendation for a large increase for internal improvement seems to be out of the question. By the time we move to it our thurst may have changed. The PAPTE report has some good things in it, but it may only become a useful reference or an interesting document sitting unread in various libraries.

OIL SHORTAGE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. KEMP. Mr. Speaker, I think the following article by the very able columnist Henry Hazlitt, best explains where we are in the fuel shortage, and where we should be going if we really want to help the millions of consumers in the country in the most constructive manner.

The article follows:

[From Human Events, Dec. 22, 1973]

THE OIL SHORTAGE IS NOT AN ACT OF FATE, IT IS THE GOVERNMENT'S FAULT

(By Henry Hazlitt)

The oil and gasoline measures announced by President Nixon in his talk of November 25, plus the measures that would be forced on him by Congress if the National Energy Emergency bill becomes law in anything like the form it passed the Senate, are likely to create the maximum disruption and the minimum relief.

They are a headlong response to the hysterical demands that Washington do something! The typical politician's idea of Doing Something is almost invariably to pass a law or an edict forbidding somebody else from doing something.

The one measure that would be more efficacious than all others combined would be the immediate repeal of all the price controls that have been straitjacketing our economy for the last two years—or failing that, at least the repeal of all price controls on petroleum or its products. No other step would have a comparable effect in assuring that fuel oil and gasoline would be conserved and be employed first only in their most essential uses.

Instead, there are shrill demands for rationing, with no concern for the insoluble problems this would raise.

On what basis are ration coupons to be issued—per car, per household, per capita? How are the issuers to distinguish between "essential" and "non-essential" driving? With everybody given an incentive to lie, to get as many coupons as possible, how are the issuers to distinguish the liars from the truthtellers? None of these problems trouble the legislators who now demand rationing. The rationing is to be "fair," and everybody knows by instinct what fairness is.

Another idea now in great favor with the bureaucrats is to impose a federal surtax on gasoline. Compared with rationing, at least, this does have the merit that it would give the user a direct incentive to conserve gasoline. But who would know where to fix the rate?

If the tax were too low, it would not be enough to do the job. If it were too high, it would unnecessarily reduce travel and production. It would in any case be too rigid to take account of constant changes in the demand and supply of gasoline. It would surely be kept long after any crisis had passed. And it would do nothing whatever to encourage the production of or refining capacity for gasoline and fuel oil. It would in fact tend to do the exact contrary.

By far the most urgent step toward a solution of the problem would be to remove all price controls on oil products. These price controls, which have been in existence in one phase or another since Aug. 15, 1971, have encouraged wasteful consumption and discourage both immediate production and the expansion of capacity.

Last summer, long before the Arab countries threatened to choke off our supply, the press was running feature stories on the shortage of gasoline. But our officials weren't worried about the shortage. All they were worried about was keeping down the price.

At the end of an article in its July 23 issue, the *U.S. News & World Report* was writing: "On July 10, the Cost of Living Council announced a nationwide investigation of the petroleum industry—from the oil well to the gas pump—to determine whether prices have been increased illegally. If violations are found, officials said, prices may be rolled back to mid-May levels."

Lifting the ceilings, letting the market prices of oil products go up, would give each of us a direct and immediate incentive to economize on oil products. A genuine free market would let the price go up to the point where supply and demand came into balance.

A recent survey of the National Association of Purchasing Management found that "almost everything is in short supply," notably aluminum, castings, chemicals, coal, copper, cotton, forgings, oil, paper, plastics, propane, steel, tires, valves and zinc. A few of these shortages, of course, are the result of special situations; but the overriding reason is price controls (combined with the false export stimulus created by devaluations of the dollar).

What the price-control fanatics have never remotely understood is the tremendous importance of *relative prices*. It is the constant daily changes in price relationships in a free market that are constantly changing relative profit margins and hence constantly guiding production out of one commodity and into another. A free price system not only maximizes production but balances it as among the tens of thousands of different goods and services. When price controls are imposed, the effect over time is to lead to more and more unbalanced production and to create increasing shortages and bottlenecks.

The longer price controls are imposed, the more harm they do in reducing and distorting production; yet the longer they have been in existence, the more politicians and even businessmen lose the courage to ask for their repeal.

They are met with two main arguments. The first runs: "If you take price controls off gasoline (say), the poor man will be forced to buy less; he will be hurt more than the rich man." This argument can of course be applied equally well to any commodity whatever, as long as it bears any price and is not given away free. One of the great functions of a free market and a free price system is that it forces consumers to economize most on the commodities in shortest supply.

The second main argument runs: "If you take price controls off widgets, the widget companies will make exceptionally big profits." So they may. And it is precisely this that will encourage more people to go into the widget business and increase the supply, until the profit in making widgets falls to the profit in making other things.

It is our government's obstruction that has done most to produce the increasing shortages that now plague us. This includes the shortages of petroleum products. For more than a decade, beginning in 1959, our government put arbitrary limits on the amount of oil that could be imported. By years of inaction and outright hostility, Congress prevented construction of an Alaskan pipeline. By regulating natural gas for the last 20 years as a "public utility" the government has forced down the price arbitrarily, so discouraging exploration and production and encouraging wasteful consumption. And today the government is still creating shortages everywhere, and intensifying the energy shortage, by imposing and keeping price controls.

As Thoreau put it more than a century ago: "Government never of itself furthered any enterprise, but by the alacrity with which it got out of its way."

JAMES McCORMICK

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. BURKE of Massachusetts. Mr. Speaker, today I join with the citizens of Quincy, Mass., in mourning the death of a man who was dedicated to the future of Quincy—its youth. James F. McCormick, Sr. devoted his life to the betterment of the Quincy youth through the educational system in Quincy. A selfless, compassionate, totally dedicated man, Mr. McCormick spent countless hours working for the people of the city of Quincy—through the school committee, the Quincy Park and Recreation Board, the mayor's youth committee, South Shore Council on Alcoholism, and the Saint Ann's Boys Scouts.

A man of Mr. McCormick's caliber will be sorely missed. Mr. Speaker, at this time I would like to submit for my distinguished colleagues, an article taken from the "Quincy Sun," a weekly newspaper, which so aptly describes the sentiments of all those who experienced the kindnesses and warmth of James McCormick. The article follows:

THREE MAYORS AMONG THOSE IN FINAL TRIBUTE TO JAMES McCORMICK

(By Tom Henshaw)

He was called the father of the Quincy Vocational Technical School.

He served on the Quincy School Committee for 13 years, four of them as vice chairman.

And, when he retired from public life two years ago, Jim McCormick went back to school and got a high school diploma of his own.

James F. McCormick Sr., 60, of 100 Reservoir Rd., died Nov. 27 at Peter Bent Brigham Hospital, Boston, after collapsing at his home on Thanksgiving night.

He was buried Saturday in Pine Hill Cemetery, West Quincy, after a funeral mass in St. Agatha's Church, East Milton, attended by the top echelons of political and educational life in Quincy.

Mayor Walter J. Hannon directed that the city's flags be lowered to half mast in honor of "a totally dedicated man who gave so much of himself for Quincy.

"Truly, he was the father of the Quincy Vocational Technical School. It was through his tireless efforts that the school finally became a reality.

"His death means a great loss to the city for which he served so diligently without remuneration."

Mr. McCormick, a stock broker in business life, was born in Boston and had to quit school at the age of 16 to help support his family working as a page boy in the Boston Stock Exchange.

He worked his way up to messenger, rail clerk and then bookkeeper with the New York Stock Exchange firm of E. J. Kitching Co. of Boston. When Kitching went out of business, he started over as a messenger with Chandler Hovey Co.

He was manager of Hovey's trading department at the age of 25 and a year later passed the first test ever given by the New York Stock Exchange for registered representatives.

He was a junior partner in Mixter and Co. and later became manager of the Quincy office of A. C. Allyn and Co. and associate manager of the Francis I. duPont and Co.'s Quincy office.

He was manager of the Quincy office of H. C. Wainwright and Co. of Boston and New York at 1245 Hancock St. at the time of his death.

Mr. McCormick ran for Quincy School Committee in 1955 and 1957, failing both times. He was appointed to the board to succeed Paul K. Duffey in 1959 and that started his political career.

He served as vice chairman of the School Committee in 1966–67 and again in 1970–71 before retiring in 1971 to run unsuccessfully for mayor.

Mr. McCormick started campaigning in 1960 for construction of the Quincy Vocational Technical School and his efforts were rewarded in 1967 when the school was opened on Coddington St.

"Upon his retirement from public life in 1971, Jim returned to school and worked toward qualifying for a high school diploma," said School Superintendent Dr. Lawrence Creedon last week.

"This goal was reached last year when, in a special ceremony, the Quincy School Committee awarded its former vice chairman his high school diploma.

"James F. McCormick was a very great friend of the Quincy public schools.

"He loved young people and took a fatherly pride in their accomplishments.

Mr. McCormick was chairman of a Quincy Lions Club scholarship fund started this year in memory of the late Capt. Edward Alan Brudno, the Quincy man who was a prisoner of war in North Vietnam.

He was also chairman of the Quincy Park and Recreation Board from 1966–71, chairman of the Mayor's Youth Committee in 1969, former leader of St. Ann's Boy Scouts and a member of the board of the South Shore Council on Alcoholism.

He was past president of the Quincy Lions Club, a charter member of the Quincy 100 Club, a member of the National Securities Traders Association, the United Commercial Travelers, North Quincy Knights of Columbus and the Quincy Elks.

On behalf of the School Committee, Vice Chairman Paul C. Kelly said:

"He served the city for many years, not only in the school system but in the parks and recreation department. He was devoted to this city and gave a great deal of himself to it over a long period of time."

Said former Mayor Amelio Della Chiesa:

"He always wanted the best of education and teachers for our school children.

"In my opinion he was one of the finest members of the school committee. He certainly was a dedicated man and it was a pleasure to work with him."

Said former Mayor James McIntyre:

"He was a man who dedicated much of his life to the city of Quincy, not only in the school committee but in so many ways committed his personal life to the city."

Mr. McCormick leaves his wife, Mrs. Nancy [McNally] McCormick; two sons, James F. Jr. of Norwood and John A. of Quincy; four daughters, Mrs. Nancy Devine of North Quincy, Mrs. Mary Hayes of Quincy, Mrs. Patricia Peters of Decatur, Ga., and Mrs. Theresa O'Connor of Hawaii; and 15 grandchildren.

Rev. Edward O'Brien, pastor of St. Agatha's Church, was the celebrant of the funeral mass. Those in attendance included:

Mayor Walter J. Hannon, former Mayors Amelio Della Chiesa and James R. McIntyre, Senator and Council President Arthur H. Tobin, School Committee Vice Chairman Paul C. Kelly, School Committeeman Charles T. Sweeney.

School Superintendent Dr. Lawrence Creedon; Maurice J. Daly, assistant superintendent for vocational education; Wilfred Nolan, coordinator of elementary education; retired school teachers Ruth and Edna Abbiatti.

Edward T. Lewis, former city manager and executive secretary to Mayors Della Chiesa and McIntyre; former Fire Chief Thomas F. Gorman; George Smith Jr. of the Planning Board; Joseph Graziani, Milton town treasurer.

Quincy businessman Larry Antonelli, Federal Mediator John J. Sullivan Sr., Everett Tatreau, president of the Quincy Lions Club, former Lions President Arthur Gillis; Henry Bosworth, publisher of the Quincy Sun; and Quincy Parks and Recreation Board.

Jack Osterman, assistant superintendent for personnel; Stephen Moynihan, administrative assistant for business affairs; Peter Chrisom, principal of North Quincy High School, Robert Laign, president of the Quincy Education Association; Harold Crowley, former QEA president and Quincy teacher Anna Robison.

Funeral arrangements for Mr. McCormick were handled by the Keohane Funeral Home, 785 Hancock St., Wollaston.

"HILLTOPS" EDITORIAL IN NEW YORK TIMES OF DECEMBER 25, 1955 IS APPROPRIATE FOR READING AT THIS CHRISTMAS SEASON

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, December 21, 1973

Mr. RANDOLPH. Mr. President, the story of Christmas will never grow old. It grows richer and newer with each retelling. Over the past 20 centuries, writers have tried to express the meaning of this miracle in terms of their own understanding. Each relates to his own interests and his own suroundings. To me, the story of Christmas is beautifully portrayed in an editorial in the New York Times almost two decades ago. It is entitled "Hilltops," and was written by Hal Borland while a member of the editorial staff. Mr. Borland is a nature writer who lives at Salisbury, Conn., and he contributes weekly nature articles to the Times. He is the author of several books; his latest is "Seasons." The editorial appeared on December 25, 1955. As a man of the hills, I understand the close kinship of Christ's life with the hills. I wish to share it with my colleagues. The editorial was clipped by me from the New York Times 19 years ago and I have told hundreds of persons of its message.

I ask unanimous consent that the editorial be placed in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"HILLTOPS"

It was the shepherds on the lonely hilltop, out where the night sky lay close and the feel of the earth was familiar to their feet, who heard the angels singing and followed the star. They followed it over the hills to the hill town of Bethlehem and it was there, in the stable at the inn, that they saw the wonder. In a stable on a hill in Judea.

It was there among the hills, that the story began, where the stars came close and the night winds were the winds of song. And, as we know the later story, the hills and the open country where He was born were to be always there in His life and in His teachings. His parables had the strength of the hills and their simplicity. He knew the land. He knew it intimately, and its birds, its beasts, its shrubs and bushes. The sermon in which the enduring principles for which He stood were probably most simply and eloquently set forth is still known as the Sermon on the Mount. He knew the seaside and the valley, but best of all He knew the hills. And in the end He climbed the fearsome slope of the hill known as Gethsemane.

The story is both brief and simple. Luke, the physician, set it down in four hundred words. Others expanded it, but always and ever it had the thread of the hilltops running through it, the everlasting hills, where it began. It was on the hilltop that the unforgettable words were said: "Fear not." And the enduring song: "On Earth Peace, Goodwill Toward Men." We read the story again and again, and always with the hush and the awe, and with the sense of stars gleaming on the hilltops.

LEVITTOWN ALTERNATIVE PROGRAM—INNOVATION IN PUBLIC EDUCATION

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. LENT. Mr. Speaker, there appears to be a great interest on the part of educators to make school curriculums more relevant to the real world. For example, there is a movement toward the "high schools without walls" program and the "universities without walls." The staffs and students convene periodically in theaters, meeting halls, large public auditoriums and homes. The students' pursuit of knowledge is done in law offices, places of business, hospitals, and the like. However, this program is still in its experimental stage and it is still premature for us in the Congress to responsibly comment on its results.

Another thrust to relate the academic curriculum to real life activities has been made by the U.S. Office of Education with its emphasis on career education. The impetus there has been to bring into the school a knowledge of the world at work. Thus curriculum modification is being made from the kindergarten through the senior high levels. However, the world of work is only one part of the real world that we wish our youngsters to know and be able to deal with.

Therefore, between these two programs I would like to advise you of a third one which is achieving much success and recognition on Long Island and in New York State. The program of which I speak is known as Levittown alternative program. I wish to commend the Levittown School District in general and Mr. James Farley, the program director, in particular, for their pioneering efforts in this innovational educational approach.

The Levittown alternative program is a forward-looking curriculum supplement. It consists of bringing in speakers every day from all walks of life. These experts give a short talk on their area of expertise and then open themselves up for questions.

Strangely enough, the project started out as a more planned approach to providing coverage for teacher absences. If a teacher becomes ill and reports this to the school officials in the morning of his absence, there is not much time to obtain a substitute teacher. And more times than not, that person does not have the subject background of the teacher who will be missing. So Levittown decided to act rather than react. Levittown chose to bring in specialists to speak a number of times during the day along with providing several other educational options for the youngsters of absent teachers, as well as those members of the student body who, with permission of their teachers, wished to participate. These additional options consist of enrichment films, independent study and small group seminars.

One of the byproducts that resulted is that, financially, it is less expensive to provide the Levittown alternative program than to pay the wages of substitutes each day. Levittown during the past 2 years has actually effected a savings and in turn has offered an added enrichment feature for youngsters seeking to know more about the world around them.

TRADE REFORM ACT

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. GIAIMO. Mr. Speaker, when the House of Representatives voted 272 to 140 earlier this month to approve the Trade Reform Act, I was among those who voted against that bill. After careful consideration, I decided to oppose the trade bill because I believe the Congress must stop delegating its proper responsibilities to the executive branch.

Under the bill approved by the House, the President is granted sweeping powers to conduct this Nation's foreign trade as he determines best over the next 5 years. He can be a free trader or a protectionist without any clear direction from the Congress because the Trade Reform Act makes no serious effort to establish any policy guidelines.

At a time when there is so much being said about the erosion of congressional authority, I was most disappointed that the Trade Reform Act made no real effort to establish a congressional policy. Admittedly, this is difficult, but I think Congress must face the dfficult problems if it is to live up to its responsibilities.

Our policies have permitted unilateral tariff reductions, yet we have been frozen out of other trading blocs. Our industrial plant is aging and inefficient, yet millions of dollars are being exported for foreign plant expansion. Our dependence on foreign energy sources is increasing, yet many of the goods we import are nonessential and adversely affect our balance of trade. At the same time, we have experienced food shortages, largely because we lack a trade policy that defines essentials.

While I am not in favor of a protectionist policy, I am concerned by the probability that increased imports under the bill will lead to higher unemployment, and that the only answer proposed seems to be in taking care of the unemployed without trying to keep them at work.

The President, of course, can address many of these problems under the authority given him by H.R. 10710. It may very well be that I will favor many of the policies he adopts, but I believe the Congress should have done more toward establishing policy guidelines for foreign trade as the Constitution contemplated. Since the rule under which the trade reform bill was considered basically permitted only a vote for or against the bill, I decided to cast my vote against this abdication of congressional authority.

A TRIBUTE TO DR. PAUL DUDLEY WHITE

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. O'NEILL. Mr. Speaker, I wish to call to the attention of my distinguished colleagues a fitting and noble tribute to a great physician and fine humanitarian, Dr. Paul Dudley White, which appeared in the Belmont Herald.

We are all only too well aware that the life of a great physician is a selfless one dedicated to the cause of humanity. Most importantly, it is a life of service and personal sacrifice in the name of clemency and the common brotherhood of man.

Mr. Speaker, I salute the fine tribute to Dr. Paul Dudley White and ask unanimous consent that it be printed in the RECORD as follows:

TRIBUTE TO DR. WHITE

(By Maurice Goldsmith)

In Memory of Dr. Paul Dudley White "For Services Rendered." Who shall measure devotion or put a price on sacrifice? Who shall assess the long war against the power of death? Or set a sum upon the gift of life? There is a service beyond the measure of a fee. A cause above remuneration. An ideal for which there is no price. This is the service—the cause—the ideal of a great Physician and Humanitarian. How shall we reckon it and by what formulae? How much for the laughter of a little child rescued out of crisis? What's the cost of discouragement? Who can pay for a sleepness night? Name the price of a cure? There is no algebra for it, no scribble of figures, no proper value. For this is a service as large as life and as manifold. It is a soldier crying in agony on a thousand battlefields. It is the terrible word "why?" under the surgeon's probe. It is the end of pain. It is hope. It is the lonely unending quest for knowledge. It is the fight against ignorance, sloth, superstition. It is the dumb unspeakable joy in the kiss of a parent. It is the rock of grief. It is cold rain and pounding storm and bone-weariness and the new-born babe grasping its first breath in the grey dawn. It is all this and the quiet glory of the job done, dedicated to service in the name of mercy and the common brotherhood of man.

Dr. Paul Dudley White will be remembered not only as a brilliant and dedicated physician, but also for his personal qualities as a warm and giving human being truly dedicated to the cause of humanity. He will be sorely missed by millions the world over.

EDUCATIONAL TECHNOLOGY IN HIGHER EDUCATION

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. KOCH. Mr. Speaker, Prof. Seymour N. Siegel, director of the City University of New York, Office of Educational Technology, recently wrote an article on some of the problems in the use of educational technology in higher education. Professor Siegel is former director of WNYC, a good friend and one whose work has been highly regarded. I am appending this article which appeared in Broadcast Management Engineering for the interest of our colleagues at this point:

IS INSTRUCTIONAL TECHNOLOGY MORE THAN A PROMISE IN HIGHER EDUCATION?

(By Seymour N. Siegel)

Comparing apples and oranges is traditionally the wrong thing to do in the American classroom. It might be equally frowned upon to compare farmers with university professors. But the introduction of technology into American higher education has been likened to the beginnings of the agricultural technological revolution. Robert Thomas, formerly vice chancellor for communications for the State University of New York, said some time ago, "The fundamental problem in both instances in the basically conservative constituency with which the innovators had to work . . . on the one hand self-employed farmers free to pursue their own ways without interference and deeply conservative and resistant to change; on the other hand, tenured faculty members relatively free to pursue their own ways, and again, conservative and resistant to change. Neither group was likely to embrace technology warmly, yet gradually over a period of time a technological revolution in agriculture did in fact take place. The fruits of that revolution have resulted in greatly improved products at lower production cost per unit."

Americans have always had confidence in the ability of technology to solve any problem even before a particular technological process had been invented. It would seem that with the availability of television, computers, film, and cassettes—to say nothing about the great strides in cable television—somewhere along the line the machine might be harnessed to assist in teaching and learning. The fact is, however, that all over America, educational technology with slight exceptions is being-used minimally.

Almost two and a half decades ago, the educational community in the United States managed to achieve unanimity in the presentation of a case before the Federal Communications Commission for the reservation of television channels for education. The glowing promises of scholars and academics, of educational administrators, and school board chairmen, of politicans and government officials, as well as the practitioners of educational broadcasting, that the new technology would be the answer to many of education's problems were persuasive. The commercial broadcasting industry was caught off guard and more than 250 valuable channels were reserved for education. The performance by educational television stations throughout the United States, certainly in the field of higher education, has not met the promise. They have gone public. The euphemistic change in title from "educational television" to "public television" is more than that. It may well be that educators and non-commercial broadcasters "overspoke" themselves 20 odd years ago. Some hard-nosed reading of the testimony before the FCC might even allow the conclusion that this was one of the outstanding snow jobs ever achieved before that regulatory body.

In the context of the "go-go years" in the nation's financial community, it's interesting to note the high degree of correlation between the rates of support for public stations from school systems and the efforts to use the stations for instructional purposes. Back in 1966 the Ford Foundation's Fund for the Advancement of Education published a report which flatly stated that an educational station's income "from school programming is the most secure foundation of its solvency." In the intervening years there's been a sharp decline in the amount of support received from schools for television services. In New York State, for example in 1968–69, the educational stations averaged a little over 16% of their income from this source. In 1972–73, the estimated income has apparently dropped to 5% of the public stations' total income. This reluctance of schools to pay for television instructional facilities may have a serious impact on public stations' fiscal problems, but it is indicative of the overall decline in commitment to the promises made in the original petition for licenses years ago.

The onus for this failure to perform as promised should not perhaps be placed entirely on the technicians who operate public stations. The 1973 Report of the Legislative Commission on Expenditure Review of Educational Television in New York State devotes considerable space to an analysis of under-utilization: ". . . television was originally expected to be a prime instructional instrument replacing teachers and providing the central component for a complete instructional system. It was envisioned as a live, as well as taped, medium through which a professor could lecture with maximum coverage. A great deal of campus equipment and physical plant were designed and acquired under the influence of this "total teaching" concept but, after a period of time, this concept was abandoned.

Because there was a need for interaction between teacher and student, televised instruction on the campuses of the State University of New York is now used as a means of providing instruction for only part of a course. It's the general policy that no more than one-third of any three-credit course be taught by television. A great many programs are recorded on tape and seldom shown live. In other words, despite the considerable expenditure for equipment and hardware, television is used only as a supplement to traditional instruction. Because of the need for redesigning teaching methods which are necessary to accompany any major technological introduction, and since these have not been implemented in a manner conducive to achieving either an increase in productivity or a decrease in total costs, instructional television has remained peripheral to instruction."

As in the City University of New York System, where the Chancellor's Committee on Educational Communications has recently reported an investment of more than five million dollars for hardware, and an almost equal annual expenditure for the maintenance and operation of that hardware, questions as to television's proper role in the State University System still remain. While instructional television serves many purposes "its real function on the campus has not been adequately defined to preclude its haphazard and wasteful use." Problems of campus acceptance and integration remain.

SOME HOPEFUL STEPS; OBSTACLES TO OVERCOME

Considerable positive steps are being taken at CUNY. Negotiations for consortium-sharing of resource and possible co-production with CUNY and the California State System are far advanced and may have salubrious effects on high costs of acceptable software. Studies on the potentials of the cable and the formation of a community "education user committee" are new constructive developments.

In evaluating the overall problem, however, it has been often stated that there's considerable indifference or outright antipathy toward using technology in higher education. The major objection by faculty seems to be based on reams of research which almost always suggests "no significant difference" in learning performance in the use of technology vis-a-vis conventional modes.

The few faculty members who have been "doing something with technology" have a deep-seated feeling that reliance on instruction of one's own design is pure virtue. There is almost an insurmountable feeling that most educational televised programs, for example, are poor programs, especially if done by somebody else. Most educators believe that television lessons, films, and computer programs are of poor quality, and do not meet individualized needs.

Problems of incompatibility and poor design in equipment are being overcome, but slowly. This, of course, has haunted the audio-visual field in education almost from the beginning. To administrators, the rapidity of obsolescence which is characteristic of the communications revolution seems to be a cultural shock of overwhelming proportions.

The details of advanced planning in obtaining accessibility to both hardware and materials seem to be more than most faculty members care to cope with. Copyright problems always seem to lift their ugly heads, and the normal difficulties of the identification of cogent material are much more complex than merely flipping through a textbook.

With the normal lack of know-how and training in instructional technology, and the exclusion of media specialists from central planning, the greatest utilization of technology has been in the area of enrichment or enhancement, not in "stand-alone" instructional capability. (See box, Modumath.)

Despite the hundreds of millions of dollars which have been expended over the past two decades, on hardware and on materials, the penetration of new learning materials and media into higher education has been shallow. What many people feel is needed now is somewhat less financial support for the invention of equipment and more financial support for the development and utilization of what one already has.

It may seem an oversimplification to suggest that the capabilities of instructors would be expanded by the use of technology. To relieve them of the need to personally prepare and deliver elementary course segments, that change little from year to year, might normally be considered a welcome development. It would seem that time-saving methods would be provided which would permit the drilling of students in knowledge that must be mastered if the rest of the term's course content is to be fully understood. Certainly the capability for demonstration and illustration would be expanded. It would seem logical to believe that this would permit more time for preparation, as well as time for meeting with students and providing individual counseling and advice.

There is a pervading feeling that there is a lack of definitive administrative commitment to the use of technology throughout the educational establishment. This has to do with the reward system within higher education. Such goodies as tenure, promotion, and salary, go to the most productive in terms of research and writing, and not to those faculty members who are interested in improving the quality of instruction, or in reaching more students at lower costs. What seems most important at this juncture is the utilization of existing mediated courses prepared by someone else. Released time, salary improvements, and professional recognition would seem to be imperative. Any new reward system which might be devised, and which might provide faculty incentive for both participation and utilization, would be a plus in the introduction of technology.

Both the McMurrin Report, published four years ago, and the more recently published report by the Carnegie Commission on Higher Education, emphasized the fact that a college instructor purely as a purveyor of information is obsolete. His new role, not necessarily yet recognized by faculty, is the utilization of educational technology to make him a master of the resources of learning, with time and opportunity to cultivate students as individual human beings.

There also appears on the horizon a need for new instructional professionals in higher education. To assist professors, there will have to be a considerable number of information specialists, media technologists, and instructional technologists to create the necessary software.

From the Aspen Program on Communications and Society, from the Rand Corporation, and from Harvard University's program on informational technology, among others, numerous reports and studies are being released concerning the potential of cable television for instructional purposes. Even though this is but another delivery system, many dedicated and enthusiastic individuals tend to disregard the 20-year experience with ETV and ITV. Meetings, seminars, and conferences are being held in various parts of the United States to study the potential of cable as a delivery system for educational materials to attract new clientele, i.e., to bring the store to the consumer. There is considerable study and resource being exerted in the direction of non-traditional and innovative means of improving learning performance. In higher education there is considerable thought being given to opening up the avenue of accreditation to all who need post-secondary education. Together with the growing budgetary crunch in both public and private institutions, all hold promise for the adoption of technology for the delivery of instruction. And cable holds forth two-way capability as well as the elimination of the scarcity factor inherent in over-the-air transmission.

One study points out that "if 20 years of largely futile experimental instructional television has shown anything, it is that such efforts stand or fall on the professional quality of the programming. Whether educators like it or not, television is firmly entrenched as an entertainment medium, and educational programming must compete in effect with all sorts of non-instructional, even mindless, fare." And this means expenditures of large sums of money. Hundreds of thousands of dollars will have to be invested in high level production of visually mediated courses. Universities are no longer dealing with captive markets. They are in a competitive situation which needs and requires serious consideration of the advantages and opportunities of the technological revolution in higher education.

While there are success stories here and there in various institutions in the United States, there are no simplistic answers available as to the precise "how" and "when" of the solutions to technology's application to education. Whether it be cable or computer, cassette or closed circuit, it will require considerably more resource to apply technology to instruction on an accelerated scale to meet the Carnegie Commission's expectations for the 1980s or the year 2000. The price of course will be high. Technological revolutions are not purchased cheaply in any field, particularly not in a field as wondrously resistant to change as higher education. While it may in fact become a fact in time, the educational technological revolution is not yet at hand.

SOCIAL SECURITY

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. SEIBERLING. Mr. Speaker, reserving the right to object, I would like to ask the chairman a question about this bill. I certainly do commend the acting chairman for getting out a bill which is acceptable to the other body on this very important subject. However, I have been greatly concerned about the implications of future increases in the social security costs, because each time we increase social security benefits we raise the payroll tax. It is gratifying that this time it has been done in a manner that makes the tax somewhat less regressive than it already is, but I wonder if the acting chairman could tell the House what steps are being taken in the committee to try to develop a less regressive method of financing social security, either by putting a part of the cost into general revenues or some other means.

Mr. ULLMAN. Mr. Speaker, if the gentleman would yield to me, as to this specific bill, I think it is a very responsible bill in that we have taken a minus 0.76 deficit in the long-range actuarial position of the social security trust funds and brought it back down to a minus 0.51, which the actuaries tell us is within the responsible range.

We have not in this bill made any immediate increase in rates, but we have increased the base, as the gentleman knows, from $12,600 to $13,200 as of the first of the year. Also, I want to say to the gentleman that we have spent a good deal of time discussing the very matter that he has raised within the committee, and in our committee report on the bill on page 7, which I urge my friend to look at, the language is very clear in setting up a study to do exactly what the gentleman suggests. We need to try and get this social security program tax on a less regressive basis and to find mechanisms that will keep the fund responsible but at the same time stop this drift that we have had toward more and more regressive taxation.

Mr. SEIBERLING. Mr. Speaker, I might say that the gentleman and his committee are deserving of great commendation for proceeding with that study, because not only is the payroll tax becoming unduly burdensome for the middle and lower income workers in this country, but I think we are going to run into increasing resistance to future increases in social security benefits because of the tremendous burden that is now being placed on the working people of the country.

Mr. Speaker, I withdraw my reservation of objection.

THE KARAMANLIS SOLUTION FOR GREECE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. ROSENTHAL. Mr. Speaker, the recent military revolt in Athens which overthrew another military government, raises serious questions about both the stability of Greece and about the wisdom of past American policy toward that country.

Since the parliamentary government of Greece was overthrown in April 1967, we have practiced a policy of uncritical support for the military regime of George Papadopoulos. We did this, ostensibly, to insure the continuing operation of American air and naval bases. This cynical policy has eroded badly the traditional Greek friendship for the United States.

The United States faces sharply reduced options today in Greece. We can either use all of our influence with the present interim military government to seek a democratic restoration or we can continue to drift, hoping that somehow our military base rights will survive in an increasingly turbulent political environment.

George Anastaplo, professor of political science at Rosary College, Chicago, recently wrote the following letter which was published in the Chicago Tribune on December 11. Professor Anastaplo gives one prescription for the return of democracy to Greece. He suggests that the present military government recall Constantine Karamanlis, the most successful of postwar Greek Prime Ministers, who directed the country for nearly 8 years.

I think Professor Anastaplo's views are well worth reading:

> DECEMBER 10, 1973.
>
> *To the Editor:*
>
> The crisis which has toppled the bloody Papadopoulos dictatorship in Athens cannot be resolved, or even smothered, by recourse to still another military strongman, especially one with so much recent experience in torture of his fellow citizens. This crisis is rooted in the incompetence and arrogance of colonels who cannot be expected to handle intelligently the complex social and economic problems of Greece. Such usurpers cannot enlist the necessary services and good will of the better professionals, politicians and military officers of that country for the great work of reconciliation and austerity which Greece so desperately needs.
>
> The shortsighted role played by our government since the colonels first took over in 1967 has already (and perhaps even permanently) comprised, in the eyes of the resentful Greek people, our legitimate interests in that country and hence in the Middle East. Among our mistakes of the past six years has been that of publicly backing the wrong men in Greece. I have found, in my visits at the State Department and the Pentagon during this period, that our policymakers have been remarkably unequipped to consider seriously the long-range consequences of the policies they were pursuing.
>
> We should, before still another dictator becomes consolidated in Athens, try to redeem somewhat our good name by using our remaining influence in Greece and NATO to help the Greek people recover control of their own affairs. This can best be done, it seems to me, by vigorously encouraging the colonels to step aside for Constantine Karamanlis, the man whose prestige as a former conservative prime minister still recommends him to the Greek people as the best way to avoid the even bloodier crises which now threaten their country.
>
> Greece may be the only country in the world today where the genuine popular alternative to domestic tyranny is so moderate and so experienced a politician as Mr. Karamanlis. What more can the Greeks or the United States hope for? Dare we or they risk further deterioration in Greece and in American-Greek relations? Everyone should realize by now that phony constitutions and fake elections cannot work in Greece today.
>
> GEORGE ANASTAPLO,
>
> *Lecturer in the Liberal Arts, the University of Chicago; Professor of Political Science, Rosary College.*

OIL PROFITS KEEP RISING

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. HELSTOSKI. Mr. Speaker, virtually every American knows that our Nation is in the throes of a severe energy shortage. People in north Jersey, for example, as a result of the shortage have begun to modify their lifestyles. The notion of driving merely for enjoyment, for one thing, is almost passé; and the predominance of single passenger vehicles on the highways has begun to decrease. In addition, my office, and many other offices, have been inundated with inquiries from constituents in search of specific information concerning how the crisis will affect their businesses and their lives.

Yet, while our national concern grows each day and experts everywhere offer only pessimistic predictions, the profits of the large oil companies, ironically, continue to skyrocket. As a result, many citizens are cynical about the shortage, and believe it has been manufactured by the oil companies themselves.

Mr. Speaker, nevertheless, the facts show that the oil companies are now enjoying record profits. To illustrate this, I wish to share with my colleagues some statistics which have recently come to my attention. The following information, which appeared November 5 in U.S. Oil Week, vividly underscores the fact that the oil companies themselves have succeeded in remaining unscathed by this so-called crisis:

SOME MAJORS COMPLAIN DESPITE BIG THIRD QUARTER EARNINGS JUMP

Our final tabulation of third-quarter oil company earnings appears below. Last week several more companies reported record high earnings. Also last week, oil company executives were quick to point out that some of the booming figures were the result of depressed earnings in 1972. The execs were critical of those who would maintain that the higher earnings were the result of contrived shortages and antitrust violations:

	Net income 3d quarter (millions)	Percent gain	Net income 1st 9 mo. (millions)	Percent gain
Amerada Hess	$43,800	294.0	$113,879	88.0
Amer. Petrofina	9,200		20,222	58.0
Arco	59,784	16.0	178,488	37.0
Ashland[1]	24,400	17.0	85,200	25.0
Citgo	28,600	61.0	104,800	24.8
Clark	9,154	284.0	22,413	349.6
Commonwealth	9,200	3,965.0		
Continental	54,200	38.0	153,400	24.1
Exxon	638,000	80.0	1,660,000	59.0
Getty	33,700	57.5	90,100	22.9
Gulf	210,000	91.0	570,000	60.0
Imperial			111,000	39.6
Kerr-McGee	13,191	17.0	44,100	20.0
Marathon	30,700	36.0	82,500	49.0
Mobil	231,200	64.1	571,200	38.4
Murphy	15,175	379.9	34,598	371.3
Occidental			55,400	7,153.0
Phillips	53,850	43.0	143,700	30.0
Shell	83,600	23.0	253,300	41.0
Skelly			27,200	9.5
Sohio	18,000	14.0	62,500	55.0
Standard of California	226,000	50.6	560,500	39.7
Standard of Indiana	147,300	37.0	389,800	32.0
Sun	573,000	45.8	154,900	43.2
Tenneco	53,300	20.0	149,300	12.9
Texaco	307,358	48.2	838,917	34.8
Union	50,700	61.0	129,100	44.0

[1] 4th fiscal quarter.

A FAREWELL TO A FINE FRIEND

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. MILLER. Mr. Speaker, it is my privilege to join with my House colleagues on this occasion to pay tribute to our distinguished friend, Mr. Ernest Petinaud, who is retiring after more than 40 years service on Capitol Hill.

I recently attended a reception honoring Ernie, and was deeply moved by his comments on that occasion. He said then:

> To me whenever a man or woman is elected to the Congress, he instantly becomes my friend, regardless of his or her race, creed, or political persuasion. I have continued to maintain that feeling through the years of my service in the House of Representatives Dining Room and thank God I have never had to regret that attitude and manner.

Long after leaving the Congress and the hustle and bustle of Washington, my wife, Helen, and I will remember the thoughtfulness of Ernie and his charming wife Jeannette. More than the maitre d' of the Members' dining room, Ernie himself is an institution. Always on the job and always cordial, he seems to take the greatest pleasure in doing things for others.

His consideration for the Members of Congress, their families, our staffs, and the thousands of visitors to the Capitol Building is unmatched in sincerity and I know that I echo the sentiments of all who know Ernie well, or who have met him only once, in saying that we appreciate his hard work, his personality and his perseverence.

He is one in a million.

Ernie called his retirement the "end of an era" and, indeed, it is. He has been a familiar figure at the Members' dining room for more than three decades. Ernie told me once that he most enjoyed the atmosphere of friendship on Capitol Hill. The fact is that it is persons such as he who create that atmosphere, and we're all extremely grateful for it.

We wish Ernie and Jeannette the very best for years to come.

ISRAELI PRISONERS OF WAR HELD BY SYRIA

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. RONCALLO of New York. Mr. Speaker, two of the recurring and tragic realities connected with any war situation are once again manifest in the aftermath of the latest Arab-Israeli conflict. The first is the cold-blooded and opportunistic attitude adopted by some nations in handling the prisoners of war they have captured during the course of hostilities. The second is the apparent unwillingness or inability of the world community to enforce universally approved directives of international law regarding treatment of such prisoners.

As far as can be determined, Syria is currently detaining some 100 to 150 Israeli soldiers. While this may not seem to be a huge absolute number, in proportion to Israel's population it is the equivalent of 10,000 Americans being held by enemy forces. We have but to remember U.S. actions in Indochina on behalf of 1,000 American POW's to recognize the justification and urgency of Israel's concern. The cynical manipulation of these unfortunate noncombatants on the part of Syria is in blatant violation of the Geneva Conventions of August 12, 1949. It is clear that Syria has refused in any way to comply with the very minimal standard of morality and there is growing evidence that acts of the most barbaric and hideous quality have occurred.

After the Syrian forces that had penetrated the region of the Golan Heights had been driver back. Israel defense troops discovered proof that 28 Israeli soldiers, who had been taken prisoner by the Syrians, had been murdered in cold blood after their capture.

The bodies of 11 Israeli soldiers were found at the Hushneyah crossroads.

Seven bodies were found at Hushneyah village.

Three bodies were found at Tel Faris.

At least 7 Israeli POW's were murdered by the Syrians at the Israel defence forces strong-point on Mount Hermon.

In the light of the condition in which the bodies were found, it is clear that the Israeli soldiers were murdered systematically and in cold blood after they had been taken prisoner: They were blindfolded, their hands bound, and in some cases their legs were bound as well.

The material follows:

MURDERED IN COLD BLOOD

HUSHNEYAH

The bodies were found in a wadi concealed methodically but not completely by stones and shrubs. In every case, their hands were bound behind their backs with laces taken from their own boots, and their eyes were blindfolded with rags or bits of clothing. Some of the bodies were found unclothed and unshod. Examination of the bodies discloses that the prisoners were shot at very close range. Every body was riddled by a number of bullets. Considering that some of the bodies were found unclad and stripped of all their personal belongings, including identity discs; it has been possible to identify only six by name.

HUSHNEYAH VILLAGE

The murdered Israeli P.O.W.'s were found all together in a field near the village, their hands bound, their eyes blindfolded. Of the seven bodies, only three could be identified by name. Five of the bodies were found with their upper parts bare. Two other bodies were discovered dressed only in undershirts. All the bodies were found, as said, together in one spot. Beside the bodies were found shirts of the murdered men. On examination, it was seen that the shirts were intact and not pierced by bullets. Empty cartridges were found only a metre away from the bodies. One of the murdered men was found with his legs bound.

TEL FARIS

Here the bodies were found in a ditch, the hands of all three of the murdered men tied with rope. The men were clad in their underwear only. All had been shot at very close range. All have been identified by name.

MOUNT HERMON STRONG POINT

At least 31 soldiers of the Israel Defence Forces surrendered on 8 October 1973 to a Syrian force which surrounded the position. According to the testimony of Syrian Forces, the last 5 of the 31 Israeli soldiers to emerge from the strong-point when the garrison gave itself up were shot dead while their hands were raised and they were unarmed. The testimony in question affirms that the 5 Israeli prisoners who were shot were murdered on the specific orders of the officer commanding the Syrian battalion on the spot.

Two other Israeli soldiers were murdered as the line of prisoners marched towards the neighbouring Syrian strong point. According to the evidence of the Syrian prisoners, orders were given to the Syrian escort to kill every Israeli prisoner who lagged behind. Two of the prisoners had difficulty in walking because they were wounded, and they were accordingly shot dead by the Syrian soldiers.

The purpose of the Geneva Conventions is to prevent prisoners of war from being made into political pawns and to safeguard their most elementary rights as human beings. We must make it clear to the Syrian Government that rules of law do not depend for their force on the bargaining position of the parties involved at any point in time.

I have cosigned a letter to Secretary of State Kissinger calling upon him to instruct the U.S. Representative to the United Nations to introduce a Security Council resolution asking Syria to fulfill Geneva Convention requirements by providing the International Red Cross with a full list of prisoners and permitting the Red Cross to visit POW facilities and contact those held captive. This letter also calls for the immediate exchange of wounded prisoners. It is our moral duty to call upon the International Committee of the Red Cross to take, at once, the necessary steps to condemn the barbaric and disgusting crimes that the Syrian Government has taken and to insure that proper and full protection be extended to all Israeli POW's. It is my sincere hope that the United States can pressure Syria to honor her commitments to human decency and bring about a full exchange of prisoners.

I work and pray for a favorable resolution for Israel in this latest conflict and shall do all in my power to assist in any way possible.

ERNEST PETINAUD

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, Decmber 20, 1973

Mr. PRICE of Illinois. Mr. Speaker, I join my colleague from Illinois, Mr. FINDLEY, and I congratulate him for his foresight in giving recognition to the years of honorable and dedicated service to the membership of the House by the friend of all of us, Mr. Ernest Petinaud.

Others before me today have traced Mr. Petinaud's long years as maitre de of the House Restaurant and have discussed many interesting experiences he has been through since he began work here in 1925. Ernie came to Washington before Mr. Smith and was here to welcome him in the movie "Mr. Smith Goes to Washington." In fact, reruns of that famous movie would show Ernie prominent in the cast.

In my years in the House I have never heard Presidents or any of the many foreign potentates who have visited here receive the enthusiastic applause which Ernie received tonight, not once, but twice—at the beginning and the close of the many tributes to him—everyone from the heart of the Members who have known him so well. I was thrilled as I joined in the thunderous applause as Ernie and his lovely wife stood in the gallery to acknowledge the tribute.

One Member spoke of the consideration Ernie has always shown to the Members and their wives, saying the wives would join in this evening's tribute. I can certainly say that Mrs. Price, who has so often spoken of the kindness and thoughtfulness of Ernie, would have loved to have been here to witness this well-deserved tribute.

I think it was the gentleman from Ohio, Mr. CARNEY, who unveiled Ernie's wrestling career. I can say with authority that he has maintained his love for all sports. I am only sorry that Ernie's friend, Sam Muchnick, of St. Louis, president of the National Wrestling Alliance, could not be here tonight to witness the acclaim given to Ernie by the House membership.

REPORT OF THE 1ST SESSION, 93D CONGRESS

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. PRICE of Illinois. Mr. Speaker, the 1st session of the 93d Congress has been historic. Exercising needed leadership at a time our governmental system has faced its severest test since the Civil War and the depression, because of an executive branch crippled and crisis-ridden by unparalleled scandal has earned this Congress a special place in American history.

As we prepare to celebrate our Nation's 200th anniversary we can readily appreciate the wisdom of our Founding Fathers. Their efforts have produced a remarkable political system with sufficient flexibility and durability for handling crises that would render total chaos in other nations. That the administration has not collapsed under the weight of Watergate and former Vice President Agnew's clouded departure is living testament to the work of the 1787 Constitutional Convention.

The session has reflected congressional concern over restoring public confidence in the Government. Congress has acted decisively to strengthen its partnership with the executive branch and the capability of the Federal Government for meeting the problems facing the American people. Congress has continued to reform itself in order to improve its public accountability. It has initiated and deliberated upon legislation concerned with important public policy, particularly that relating to the energy crisis and the economy.

EXECUTIVE-LEGISLATIVE RELATIONS

Debate over the partnership, heated at times, has centered on revitalizing the Federal Government so that it effectively conducts public business. Congress has reaffirmed its constitutional role in decisions involving the commitment of U.S. military forces to combat areas. Overwhelmingly, the Congress has adopted a war powers resolution establishing guidelines delineating the roles of Congress and the President in the warmaking process. Overriding President Nixon's veto of the resolution, the Congress has made it clear that it expects to participate as a full partner in this crucial policy area.

Earlier in the session, Congress enacted a measure banning bombing or other military activity by the United States in Indochina after August 15, 1973.

Congress is reasserting its constitutionally prescribed check and balance role by improving its capability of reviewing the executive branch's budget proposals. The Congress has moved toward creating a joint budget committee that would enhance congressional oversight and participation in the budget making process. In the interim, the chairmen and ranking minority members of the budgetary and finance committees have been meeting with Office of Management and Budget officials on next year's budget. Also, the budget control legislation which should be finalized early next session defines the President's authority on budgetary impoundments of funds. A number of Federal court decisions, totaling about 50, have upheld Congress' position that the congressional mandate must be followed by the Executive unless Congress acts otherwise. To date, some $12 billion has been impounded by President Nixon.

The House has enacted a resolution providing funds for the Judiciary Committee to undertake its investigation into the question of impeachment of President Nixon. The committee will recommend to the full House either for or against further action. It is expected to report its findings by April of next year.

CONGRESSIONAL REFORM

Congress continues to build upon the foundation it laid last year when it enacted the Campaign Reform Act and instituted improved voting procedures in the House. Improved selection methods of committee and subcommittee chairmen, modification of the seniority system, increased public access to committee meetings and improved policy assessment capability have been implemented since January.

A select committee appointed by House Speaker ALBERT has undertaken the most comprehensive study of the House committee system since the 1946 Legislative Reorganization Act. The purpose of the study is to find ways to improve and strengthen committee operations. Because the committees are the lifelines of the legislative process the study may have profound impact on how the Congress operates in the years to come.

Campaign finance reform efforts have made headway during the session. The House Administration Committee has indicated that it will report out a campaign finance bill based upon its recent hearings in the early part of the second session. In the wake of Watergate the question of how we pay for politics in this country is looming as an important policy question that must be resolved if confidence in our political system is to be restored.

THE ENERGY CRISIS

The Arab oil embargo crystallized the energy crisis facing this Nation. Long in making the crisis has been accelerated by the Arab policy. Congress has been warning for some time that the country faced a severe energy shortage. Unfortunately, the administration did not heed congressional advice until after the crisis had hit.

Congress provided the President with authority to impose fuel allocation several years ago. In April the Congress strengthened this authority when the Economic Stabilization Act Amendments were enacted. This was subsequently improved upon with enactment of the Emergency Petroleum Allocation Act. The Congress could see the energy shortages and fuel allocations coming and provided the President with the authority to deal with them.

Additionally, Congress is completing action on the Energy Emergency Act which seeks to minimize and make as equitable as possible the economic hardships associated with the energy crisis. Among other things, it provides for increased utilization of coal, protection against job loss, limitation of windfall profits, tighter control over petroleum exports, and congressional oversight of any proposed fuel conservation measures.

Earlier, the Congress enacted the trans-Alaska pipeline legislation to increase oil production for the United States. Congress has also appropriated $23 million more than the President's budget request for coal gasification and liquefaction. Increased funds have been appropriated for geothermal, solar, gas, and nuclear power research. Unfortunately, more than $20 million in energy research and development money has been impounded by the President's Office of Management and Budget.

To improve administration and policymaking in energy research and development, the House has approved creation of the Energy Research and Development Administration. This new agency will be responsible for directing the proposed $10 billion program aimed at achieving a national capacity for energy self-sufficiency by 1980.

Other energy-related legislation the Congress has considered this session includes implementation of year-round daylight savings time, reduced highway speeds, urban mass transportation operating subsidies, and Federal highway assistance which authorizes in our area the on-grade rail crossing elimination project on U.S. Highway 460. The project is designed to improve highway safety, eliminate hazardous crossings, and improve railroad operations which will produce energy savings.

THE ECONOMY

Directly related to the energy crisis is the state of our economy. Faced with the prospects of inflationary recession the Congress extended the economic stabilization program providing the President with the necessary authority to fight inflation.

To protect the elderly and disabled from the ravages of inflation Congress has boosted social security benefits by 11 percent in a two-step increase. The first 7 percent increase is effective in March and the second 4 percent increase takes effect in June. Veterans will receive a cost-of-living increase in their pension rates and income limitations as soon as the House and Senate can work out their differences. This should be one of the first orders of business in the new session.

Pension reform legislation is nearing final congressional action. Designed to protect workers with private pensions the legislation has passed the Senate and should be cleared for House consideration early next session. It is one of the most important pieces of legislation awaiting congressional approval.

A new farm program has been established as Congress has enacted the Agriculture and Consumer Protection Act. It encourages production of food in order to meet increased demands and forestall shortages. The measure establishes a target price concept for farm commodities under which no support payment will be made if the market price exceeds the target price.

Congress has voted extension of the Public Works and Economic Development Act, the Airport and Airways Development Act, and Rural Electrification Act amendments, all of which are designed to strengthen the economic base of the country.

The Railroad Retirement Act has been amended to permit disability benefits to the children of retired railroad workers if their disability begins before age 22. Full retirement benefits under the program have been authorized at age 60 after 30 years of service instead of age 65. Extended unemployment compensation benefits have been approved in States with an unemployment rate of more than 4.5 percent.

Congress has approved a comprehensive manpower act designed to improve training and employment opportunities. The bill enables local areas to act as sponsors for manpower programs.

To spur economic development in the 23d District, Congress has appropriated $20,080,000 for seven area navigation and flood control programs. Included are: St. Clair-Madison County interior flood control program, $1,200,000; Cahokia Creek low-water dam construction, $900,000; Kaskaskia River navigation project, $8,700,000; Alton lock and dam, No. 26 project, $1,500,000; Silver Creek flood control programs, $180,000; Chain of Rocks navigation lock construction, $4,100,000; and the Mississippi River navigation channel regulating works program, $3,500,000.

HUMAN RESOURCES

Congress has approved a health maintenance organization program for improved health care delivery and reduced medical costs. It has extended the basic public health training, hospital construction, and health research programs. Federal assistance has been authorized to develop local emergency health care services.

Increased Federal assistance under the school lunch and child nutrition programs has been voted. Funds have been authorized to prevent health damage from lead-based paint and final action is underway for establishing a comprehensive child abuse prevention program.

The Older Americans Act has been extended. It provides Federal assistance to help the elderly. The vocational rehabilitation program has been strengthened. Despite Presidential opposition to the cost, the program provides assistance to States for vocation rehabilitation programs, with special emphasis on helping the most severely handicapped.

In closing, it is noted that Congress will have a heavy workload when it returns in January. I am confident that the Congress will continue to take the necessary action to promote this Nation's general welfare. As the most representative legislative body in the world, it is our responsibility to protect the rights and interests of the American people. I firmly believe that with the help of the American people we will be equal to the occasion.

SPEECH OF JUDGE ABRAHAM H. LIPEZ

HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. JOHNSON of Pennsylvania. Mr. Speaker, recently, I had the honor of attending the testimonial dinner of Judge Abraham H. Lipez on the occasion of his retirement. I felt his speech was such a moving one that I respectfully submit it as part of the Record.

Response of Judge Abraham H. Lipez at Testimonial Dinner Held December 1, 1973

This is an emotional moment for me. The presence here tonight of so many of my long time friends, the distinguished guests and the generous comments of the speakers make it difficult for me to contain myself.

It is almost twenty-one years since I was appointed Judge and sworn in before many of you whom I see here tonight.

As some of you may remember, I had been a general practitioner especially active in trial work. However, it did not take me very long to realize the great difference between a judge's approach to legal problems and that of a lawyer. After all the lawyer's approach is partisan and largely dictated by the needs of his clients. Hence, his energies, his research and thinking is directed towards that end; whereas, the judge must decide between the conflicting self-centered claims of the litigating parties. And the trial itself I found was a far cry from the objections one makes as a lawyer compared to being the target of barrages of objections, and the necessity of shooting from the hip in making instant rulings.

And soon I learned the meaning of the soul-searching experiences a judge goes through in the isolation and loneliness of trying to decide—perhaps the fate—perhaps the liberty—perhaps the property—of the people before him. I was awed by the power vested in the judge in making decisions in which he had such a wide discretion—decisions which could change the whole course of a person's life.

Should a person be placed on probation, or should he be imprisoned? If so, for how long? Should a youngster be counselled and remain home under supervision or is he now beyond the control of his parents and the community, requiring some kind of institutionalization. To whom should custody of the child be given between bitterly contending parents? For whom should he decide in non-jury actions and what should be the nature and extent of a decree or judgment. Should he set aside a verdict and grant a new trial in those delicate weighing situations in the interest of justice. These are but a few of the countless problems which are the almost daily lot of a judge.

So often I was surprised by novel situations which seemed to arise, raising questions of first impression or changes in the law where the appellate courts had reversed their prior holdings. Sometimes I wished I was in the position of those judges Mr. Justice Miller used to talk about, who said that a prime factor in shaping the law in our western states was ignorance; these first judges did not know enough to do the wrong thing, so they did the right thing.

Perhaps I longed for absolute principles of law to guide me to right decisions. Maybe I had been unduly influenced by the quotation from Lord Coke which I saw almost daily as student at the University of Pennsylvania Law School inscribed over the stairway to the balcony that, "The known certainty of the law is the safety thereof." My naivete in believing that certainty was attainable was especially impressed upon me during my years on the Bench. I soon concluded that in many areas the law's only certainty was its uncertainty—that today's certainty often became tomorrow's fallacy.

Most of us had believed that at least in the field of science, certainty could be attained. Then over a generation ago, scientists announced their Principle of Uncertainty based on the observation that all knowledge is limited and, therefore, not absolute; that after all science is a very human form of knowledge and hence, as the noted mathematician Bronowski recently stated, "every judgment in science stands on the edge of error and is personal."

All of us who have spent our lives in the law, recognize the applicability of these observations to the law, which so often is vague and variable. Yet, how can it be otherwise for the stuff of law is life and the experience of mankind. Judges are only too aware that their judgments stand on the edge of error; that time may disprove their most cherished concepts.

Judging is indeed a humbling experience. How can a judge ever know he's decided wisely. Only time can tell. You will remember Shakespeare has Mark Antony saying:—"The evil that men do lives after them. The good is oft interred with their bones."

Perhaps the same may be said of a judge's mistakes.

Well, I'm sure I've been in error many times—for I am but a fallible human being. I have so often been assailed by doubts and I have never failed to consider that I could be wrong. But decisions had to be made—thousands of them, and I can only hope that on balance they have been right ones.

Well, how can one sum up the challenge of twenty-one years as a judge—what can one say to all of you who have touched me so deeply by your presence here tonight.

I borrow from that great Judge Learned Hand, who said in his 84th year:

"By some happy fortuity man is a projector, a designer, a builder, a craftsman; it is among his most dependable joys to impose upon the flux that passes before him some mark of himself, aware though he always must be of the odds against him. His reward is not so much in the work as in its making; not so much in the prize as in the race. We may win when we lose, if we have done what we can; for by so doing we have made real at least some part of that finished product in whose fabrication we are most concerned:—ourselves. And if at the end some friendly critic shall pass by and say, 'My friend, how good a job do you really think you made of it all?' We can answer, 'I know as well as you that it is not of high quality, but I did put into it whatever I had and that was the game I started out to play.'"

With all my faults, and they are legion, and with all my errors, and they are many, I did put into my job everything I had. Perhaps it was not of high quality—man is not granted omniscience, but I tried to be right with my conscience and my God, and can only hope that I have made some contribution to the pursuit of justice.

And so tonight, on the eve of my farewell as your Judge, I say to you, my fellow citizens of this county—thank you for the opportunity you gave me to be your Judge through the years—and to you, my fellow workers, thank you for the years of devotion and loyalty. And to all of you here tonight, my heart overflows with gratitude for this demonstration of your feelings.

I make but one request—that you accord my able successor, Judge-elect Carson Brown, the same cooperation and consideration in carrying on the difficult duties and responsibilities of this office which you have given me through the years.

YWCA STATEMENT ON ABORTION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. RANGEL. Mr. Speaker, the YWCA, an organization with a Christian purpose and a long history of thoughtful concern for the ethical implications of legislative action, is deeply disturbed about the present threat to the Supreme Court ruling that abortion is a private matter between a woman and her physician.

The majorty of their more than a million members had been convinced that Federal and/or State laws in the area of abortion that permit one group of people to impose their views on another are unconstitutional and an invasion of privacy. They believe that any woman should be able to have access to safe medical abortions if this seems the solution that she and her physician decide upon in her best interest.

The issue of moral and ethical values related to abortion must be considered from many perspectives in a nation of such religious, cultural, and racist diversity as exists in the United States. A highly ethical stance must also concern itself with the quality of life for the living as well as for the potential of life. The coercive effects of laws which limit a woman's right to decide in this area are also of paramount ethical concern. The YWCA believes that the individual rights and liberties of all citizens and the right of privacy guaranteed by the Constitution must be respected. In further explaining this position, the YWCA has prepared a position statement on abortion. I now submit it for the RECORD, for the benefit of my colleagues:

POSITION STATEMENT OF THE YWCA OF THE U.S.A.

NEW YORK, N.Y.

In the 24th National Convention of the YWCA of the U.S.A. in Boston, Mass., April, 1967, the delegates voted to work to liberalize the abortion laws, and in the following three year period many YWCAs studied the issues, attended hearings in their State Capitals, and kept in touch with the results of liberalization. Across the country members became convinced that repeal of abortion laws was the answer because laws with specifications can discriminate against the poor who cannot afford to travel to places where legal, safe abortions are available. These women are at the mercy of unskilled abortionists working under unsanitary facilities.

The decision to give emphasis to the repeal of all laws restricting or prohibiting abortions performed by a duly licensed physician was voted in the 25th National Convention of the YWCA of the U.S.A. in Houston, Texas, in April 1970. Delegates representing 48 states were selected by their local Associations, and voting delegates were empowered to cast their votes, keeping in mind the best interests of the total YWCA. The decision to support repeal of restrictive abortion laws was passed unanimously.

In the 26th National Convention in San Diego in March 1973, delegates voted to "support efforts to provide safe, low-cost abortions to all women who desire them."

In line with our Christian Purpose we, in the YWCA, affirm that a highly ethical stance is one that has concern for the quality of life of the living as well as for the potential for life. We believe that a woman also has a fundamental, constitutional right to determine, along with her personal physician, the number and spacing of her children. Our decision does not mean that we advocate abortion as the most desirable solution to the problem, but rather that a woman should have the right to make the decision. Along with the YWCA many religious, social work and medical groups have endorsed repeal of laws because this makes it possible for a woman to have access to safe medical service if this seems the solution that she and her physician decide upon. This point of view is taken by many women who themselves would not seek an abortion.

Because the YWCA voted as its overall imperative to work to eliminate racism wherever it occurs in institutions, it has a concern that no woman should be deprived of services that others can have, but it also is concerned that no women be pressured into decisions which are not in their best personal interest.

SOCIAL SECURITY TAXES

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. SYMMS. Mr. Speaker, the Washington Star-News carried a very enlightening editorial this morning about the social security system which I would like all Members of Congress have available to read. The burden of taxation in this country is scandalous, and I am glad to see some members of the press putting the picture into perspective.

I am only sorry the Congress has not gotten the message yet.

The editorial follows:

SOCIAL SECURITY TAXES

Some startling information on the impact of Social Security taxes was revealed the other day in hearings before the House Ways and Means Committee. It is that more than half of all American households pay more Social Security taxes than they do income taxes. To put it another way, the bite for Social Security is higher for them than it is for all the other multitudinous functions of the federal government.

Now, the Congress is considering yet another increase in the tax to finance further increases in Social Security payments. Somewhere along the line, a halt has to be called. It was never intended that the Social Security System enacted in 1936 would become such a drain on the wage-earner.

As Representative Karth of Minnesota, a member of the Ways and Means Committee, said: "People already are beginning to rebel, and if we increase the rate substantially there will be an open rebellion."

Under existing law, the tax rate for a worker is 5.85 percent on income up to $10,800, which comes out to a maximum of $631.80 a year. Next year, the wage base on which the tax is levied was scheduled to go up to $12,600, which means the maximum tax would be $737.10 for the year. A new proposal in Congress would raise the base to $13,200 in January, meaning a maximum tax of $772.20.

The person hardest hit by the Social Security tax is the low-income worker. The 5.85 percent tax is extracted from his pay no matter how small.

A number of proposals have been made to reduce the burden on those least able to pay. The Nixon administration is reported to be considering eliminating the tax on workers with income below the poverty level. Some would have a graduated tax—small at the low-income levels and increasing at higher income levels. Some would keep a flat rate but impose a firm cutoff point and make up any deficits by appropriations from general tax funds.

It seems to be time for Congress and the administration to take a serious look at whether some basic changes need to be made in the method of financing. The Social Security System has been of such enormous benefit in alleviating poverty among the elderly that nothing should be done to endanger it. But the simple truth is that the point will come—if it is not already at hand—when the workers will rebel against the payroll taxes that finance the system.

THE 10-HOUR DAY, 4-DAY WORKWEEK AS A RESPONSE TO THE ENERGY CRISIS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. RANGEL. Mr. Speaker, the daily worsening energy crisis demands both swift and determined action to use what resources this Nation possesses in the most practical and efficient manner. Measures to ameliorate fuel shortages this winter and certainly for many years to come are of instant importance.

I am submitting for the information of my colleagues a copy of a letter sent by the President of the National Federation of Federal Employees to President Nixon concerning the NFFE proposal that a 10-hour day, 4-day workweek for departments and agencies in the Federal Government be placed into effect at the earliest possible time.

The implementation of the NFFE proposal would be a significant contribution toward savings in both fuel and electrical power at a time when these scarce reserves must be apportioned in the national interest.

The letter follows:

NATIONAL FEDERATION OF
FEDERAL EMPLOYEES,
Washington, D.C., December 13, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As Americans, as taxpayers and as sharers in the freedoms and responsibilities of citizenship in our great nation, employees of the Federal Government are concerned and deeply involved in the energy crisis now facing us.

Scores of thousands of these dedicated career civil servants are represented by this union; the oldest and largest independent general organization of employees in the Federal service.

We are confident that the measures your Administration has taken and will take in the foreseeable future to assuage the fuel shortage and its attendant widespread deleterious effects upon the national economy will reflect what we know to be your own genuine concern with the problem and its many serious ramifications.

It is toward this end that the National Federation of Federal Employees submits the following proposal; one which would at the same time render appreciably less the consumption of energy by Federal departments and agencies, while accomplishing this important contribution with minimum disruption of vital government services to the people.

The National Executive Council of this union has authorized me to propose that, by Executive Order, you place into operation the earliest possible time a 10-hour day, 4-day work week in the Federal Government, except for such agencies and installations wherein presently constituted work weeks are essential in the national and public interest; the basic work week to consist of 4 consecutive 10-hour days, followed by 3 consecutive days off. Hours worked in excess of 10 hours per day or 40 hours per basic work week to be considered overtime hours.

Institution of the 4-day week at this time would result in substantial savings in fuel with respect to the heating of and supplying of power to public buildings. To those who question 2 additional hours of fuel consumption per work day, we would answer that maintaining heat and power in a public building for 2 more hours would be negligible compared to that expended for an entire day. Moreover, the driving to offices by car would be reduced by 20 percent. These actions would be a significant contribution to solution of the immediate problem facing the nation this winter.

Implementation of this plan by the Government could serve as a catalyst for private industry, as well as setting an example of positive action in a national emergency by Federal employees, so often unfairly accused of putting self-interest first.

There are, of course, obvious objections to be expected to a plan which calls for a longer workday, but we feel that they do not constitute a valid reason for failure to act on the NFFE proposal and to set the program in motion to secure its many advantages, nationwide, at the earliest possible date. Indeed, there already has been too much delay in the implementation of decisive plans and policies to meet this ever-deepening crisis.

Mr. President, we are aware that no one plan or action can solve the energy problems confronting us. This organization is eager, however, to contribute in full measure toward amelioration and eventual solution. Because we are convinced that others should do no less, we commend this proposal for your consideration.

I am available at your convenience for further consultation on this or any other Federal employee-management relations matter to which our more than half-century of experience and dedication can contribute.

Sincerely,

Nathan T. Wolkomir,
President.

STRENGTH OF OUR FOSSIL FUEL

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. PICKLE. Mr. Speaker, the Nation needs to know the strength of our fossil fuel reserves in oil, gas, and coal, as well as electric power and all methods for meeting our energy needs. Our Nation needs to know exactly what our economy requires in the way of energy in order to continue to function. A great deal of this information is already being collected by the Federal Trade Commission and other governmental agencies but it has not been properly coordinated. Therefore I think it is desirable to set up a separate entity to gather the vital statistics on our energy needs as well as our energy reserves.

Recently Senator Jackson and other Senators introduced a bill that attempts to accomplish this purpose. The provisions classifying information confidential or secret may need to be reexamined and possibly strengthened in order to adequately protect information that concerns our national security or information that might affect reasonable competitive equities necessary in our free enterprise system. Nevertheless this bill can serve as a vehicle to provide essential information necessary to us if we are to adequately solve our energy requirements.

Therefore, I am introducing today the Energy Information Act, a bill establishing a national energy information system in the Department of Commerce so that other Members may study it and offer suggestions to me. It is likely that a new and different version will be introduced after the recess but the basic information must be given whether in this form or in another. This is information that should be given, information that is needed by our Government and information that hopefully will help us solve the energy crisis.

NEEDED: A NEW BALANCE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. CRANE. Mr. Speaker, in the wake of the Supreme Court's January decision allowing just about any abortion on demand, many citizens throughout the land, including several of my colleagues, have rallied around the most visible and most obvious means of redress, a constitutional amendment to prohibit abortion on demand. I share their fervor, and agree completely that something must be done to limit unscrupulous destruction of the unborn, but I have my own doubts about the effectiveness or feasibility of that approach.

For quite a while I have been interested in another possible means of redress known as the jurisdictional limitation, that is, for Congress to pass a law simply declaring that abortion is beyond the pale of the Supreme Court, legislating that the Court has no power to make any decisions on it one way or another. I have tried to explain the advantages of this approach, and I am glad to see that, its magazine, Young Americans for Freedom, is also looking into the possibility. YAF, a nationwide youth organization of some 50,000 members, has taken a position against abortion, and at the national convention this past August the membership adopted a very strong resolution against the decision.

The article I refer to, "Needed: A New Balance" appeared in the December issue of New Guard, YAF's monthly magazine. Its author, Bascom Slemp, covers Washington affairs for another conservative journal, The Alternative. I wish to commend this article to my colleagues' attention, especially those with whom I share a deep hatred of abortion, and ask them to consider the jurisdictional limitation. It is certainly an avenue to explore, as this article demonstrates, and I might hope reading it would produce a fruitful exchange of ideas.

The article follows:

Needed: A New Balance

(By Bascom Slemp)

In recent weeks the phrase "constitutional crisis" has made increasing headlines. Critics both within and outside government are debating the viability of our political process in its present form.

But although Watergate, and the constitutional questions surrounding the President have come to overshadow all other political events in terms of press coverage, if not public concern, a constitutional question is now being posed which could have even more far-reaching implications. The question being posed by some constitutional lawyers and many of our national legislators, is to what extent Congress can control the jurisdiction and power of the Federal courts to redress alleged violations of Constitutional rights. Although the question is not entirely novel, it has taken the Supreme Court's decision on abortion to move it into the forefront of debate.

In the Supreme Court's 7 to 2 decision earlier this year, the majority of the court determined that during the first three months of pregnancy abortion is a right of the individual's privacy. Needless to say, this decision has evoked extreme emotional response on both sides of the political spectrum, with very little middle-ground. Although no one can ignore the social and moral questions involved in this decision, many constitutionalists are now asking whether or not the Supreme Court has stepped too far into the legislative arena and, if so, what Congress can do?

Father Daniel Lyons, S.J., in a recent article in the *National Catholic Register*, argued that Congress could pass a law restricting the appellate jurisdiction of our Federal courts. And indeed, based on judicial precedent and interpretation of the U.S. Constitution, Father Lyons' position is essentially correct. Under Article III (Sections 1 and 2) of the U.S. Constitution, Congress has within its power to "from time to time ordain and establish" inferior courts and to make "exceptions" and "regulate" the appellate jurisdiction of the Supreme Court.

Critics of this expansive interpretation argue, however, that the extent to which Congress may restrict the jurisdiction of the courts is not settled when it would, as for example in the 1948 case of *Battaglia* v. *General Motors Corporation,* be exercised in a way that violates other specific provisions of the Constitution, i.e., deprives "any person of life, liberty, or property without due process of law." Taking this interpretation within the context of the Supreme Court's recent decision on abortion such suggested restrictions might be indicative of a weakness in a Congressional Act attempting to prohibit the courts from hearing abortion cases. In the abortion decision the Supreme Court interpreted the due process clause of the Fourteenth Amendment so as to include within the right of privacy a woman's decision whether or not to terminate her pregnancy. The implication is that any Congressional attempt to preclude a woman from attempting to remedy a deprivation of that right in court may, in effect, deny her due process of law.

Even on the issue of busing, some constitutional lawyers who do not share this broad interpretation of Article III argue that a more limited view is appropriate. They contend that in general all the cases which have dealt with the question of the separation of powers have dealt with Congressional curbs arising from the Common Law and Federal Statute. In other words, the rights affected were not constitutional rights. The same, they argue, might not be said on the issue of abortion, or even busing. Opponents of the expansive interpretation would consequently also attempt to defend the Supreme Court's decision on abortion and busing under the Fourteenth Amendment, i.e., no state shall deny to any person within its jurisdiction the Equal Protection of the Law, by citing the 1969 court decision in *Shapiro v. Thompson:* "Congress may not authorize the state to violate the Equal Protection Clause".

But although legal precedent is not so clear that Congressional action in this area would escape challenge, proponents of this expansive interpretation are confident that early constitutional history, as well as more recent judicial decisions, will support their viewpoint.

One of the earliest test cases on this question was the 1865 case of *Daniels v. Railroad Company* in which the Supreme Court said:

> . . . it is for Congress to determine how far, within the limits of the capacity of this court to take, appellate jurisdiction shall be given, and when conferred, it can be exercised only to the extent and in the manner prescribed by law. (In these) respects it is wholly the creature of legislation.

Some of the cases from modern history also seem to indicate that modern statutory precedent supports an expansive view of Congressional authority to regulate lower Federal court jurisdiction. The most commonly cited cases in modern history in which Congress used its constitutional right to restrict the jurisdiction of both inferior courts and the Supreme Court to hear certain cases are: the 1932 *Norris-LaGuardia Act*, the *Johnson Act* of 1934, the 1942 *Emergency Price Controls Act*, and the 1965 *Voting Rights Act*. Probably the most explicit support for the expansive viewpoint came in the constitutional challenge to the *Norris-LaGuardia Act*. In the 1938 challenge (*Lauf v. E.G. Skinner and Co.*) the Supreme Court said: "There can be no question of the power of Congress thus to define and limit the jurisdiction of the inferior courts of the United States."

It is clear then that some unresolved questions remain pertaining to Congress' authority under Article III of the U.S. Constitution to accomplish a partial or total withdrawal of Federal Court jurisdiction in such areas as abortion and bussing. A further point which critics of the recent Supreme Court decision on abortion often fail to mention is that even if Congress were to pass an Act which would preclude abortion from the jurisdiction of the Supreme Court, such legislation would not operate ex post facto. Thus an Act would not repeal the Supreme Court's decision on abortion. It would first be necessary for Congress to pass a Constitutional Amendment which would guarantee the right to life of the unborn child (the Hogan amendment), or return the jurisdiction of abortion to the states (the Whitehurst or O'Brien amendments). Nonetheless, given the current debate on the "constitutional crises" and the alleged decline of Congressional power, this is certainly a subject which deserves the attention of the United States Congress.

Such legislation would reestablish Congress' basic authority to regulate the jurisdiction of inferior courts and the appellate jurisdiction of the Supreme Court. And in this particular case a simple majority in Congress could prevent the Supreme Court from ruling on abortion (and possibly even bussing) again. Given the reluctance to date of the House and Senate Judiciary Committees to initiate hearings on the remedial legislation pertaining to abortion, the introduction of legislation, which would control the jurisdiction and power of the Federal Courts and redress violations of constitutional rights, would also provide a vehicle for a discussion on the ethical and constitutional questions surrounding abortion.

For years some of our Congressmen and Senators have spoken with concern about the increasing centralization of power in the Executive branch, and the growing advocacy role of the Supreme Court. These spokesmen now have the opportunity (if we might use a Nixonian phrase) to give us deeds and not rhetoric, action and not words. It is an opportunity which should not be neglected.

THE ENERGY SQUEEZE

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Ms. HOLTZMAN. Mr. Speaker, the energy crisis facing this country is a grave matter and I believe it requires thoughtful and decisive action. In this regard, I would like to commend to the attention of my colleagues an article by Mr. Chester Bowles, former director of the Office of Price Administration, that appeared in the New York Times. Although he recommends a "drastic program," his suggestions may warrant serious consideration.

THE ENERGY SQUEEZE: EITHER/OR

(By Chester Bowles)

ESSEX, CONN.—Unless drastic steps are taken soon the present chaos of the petroleum industry will bring our economy to a halt and will ultimately erode the economic basis of our society. The following actions by the U.S. Government are, I believe, essential:

(1) The Government must assume direct responsibility for the operation of the entire petroleum industry as it did successfully during World War II.

(2) The Government should place price ceilings on all petroleum products at every level from the refinery to the price the consumer pays at his local gas station or to his fuel dealer. These ceiling prices should be set at levels that reflect the present prices of crude oil, allowing profit margins that are generally fair and equitable.

(3) Clearly, these price ceilings cannot be maintained in the face of rising prices of crude oil. Consequently, all crude oil from domestic or foreign sources should be purchased only by the Government and then resold to the refineries at prices which reflect the price ceilings. If, as seems likely, crude oil prices continue to rise, the Government will, of course, take a loss on this operation which may be substantial. This loss, which constitutes a subsidy to the consumer, is justified by the fact that we are faced with a national emergency, the burden of which should be carried by all of us as taxpayers.

(4) In addition, some form of rationing will most certainly be required. Mr. Nixon, whose expertise on this complex subject was gained during his brief service as a junior official of the San Francisco regional office of the Office of Price Administration, warns us that rationing will only create black markets and further expand our bureaucracy. This overlooks two essential points: the World War II rationing system was directly managed, not by the bureaucrats, but by some 300,000 unpaid volunteers working at local rationing boards, and to argue that we should avoid rationing because it creates black markets is like arguing that we should refuse to pass laws against breaking and entering because they will create burglars. During the war, moreover, the black market, although troublesome in the early stages, was eventually brought under control.

During World War II, the consumer allotments for gasoline, fuel oil, diesel oil, etc. was only half the prewar consumption. Under these conditions rationing was essential. If, as some experts now assert, our present oil supply is no more than 15 per cent short of our normal requirements, it might be possible to squeeze through by lowering our thermostats, cutting our driving speeds, and similar voluntary actions. As an alternative to our wartime rationing system, it has been suggested that every car owner be given the same basic ration, and that those who require more, could purchase it legally at a higher price. This system provides the well-to-do with whatever they require, while lower income families would be called upon to make the major sacrifices. This would be truly unfair.

This is a drastic program. But if the shortages are as great as the Government and the oil industry say they are, I do not see how we can get by with less. Only with the combination of price ceilings, major Government subsidies and rationing can the general public be assured of a fair share of whatever supply may be available at stable prices, with reasonable profit to the petroleum industry.

THIRTIETH ANNIVERSARY OF INTERNATIONAL HOUSE

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mrs. BOGGS. Mr. Speaker, in the midst of World War II, some 30 years ago this month, my husband Hale Boggs joined with 13 other business and civic leaders in the city of New Orleans to establish an organization designed to foster peace and good will among all men, an organization to flourish in peacetime and to discourage war. That organization was International House.

The inscription in the foyer, "Dedicated to world peace, trade, and understanding," of International House's building on Gravier Street in New Orleans best describes their purpose in inaugurating this new venture.

Certainly, the driving force behind the founding of International House was the late Rudolph S. Hecht, then chairman of the board of the Mississippi Shipping Co.

Now, in the years since its founding a score or more cities in our country have followed the highly successful pattern of New Orleans' International House, and organized similar institutions themselves.

It was December 28, 1943, when the articles of incorporation for International House were signed in New Orleans, and a unique and farsighted plan for peacetime was born. The establishment of this progressive organization was a significant factor in assuring there would be no return to "isolationism" in my part of the country. Its purpose was, and is, to develop and promote trade and commerce between the people of the whole Mississippi

Valley and those of the nations of the world, particularly the countries in our own hemisphere. In the three decades since its founding, International House has served as the great catalyst for the benefit of the port of New Orleans, and business and industry throughout the Mississippi Valley. Its success has been phenomenal, and this success has been showered on all who have worked through International House.

Since the founding of New Orleans in 1718, trade has always been the very life's blood of the city. International House's greatest contribution to our city has been its efforts to provide the tremendous increase in the past 3 decades in the volume of imports and exports handled by the port of New Orleans, which is today, and has continued to be, in most postwar years the Nation's No. 2 port, next only to New York City. The fine work of the officers and staff of International House has helped the port of New Orleans to enjoy this great development and prosperity.

My husband Hale had the honor and privilege to be the first executive secretary of International House. In November 1943 the completed plans for establishing this now world-famous organization were announced, and the next month, its articles of incorporation were signed. The 13 distinguished citizens of New Orleans who joined in forming International House were: William G. Zetzmann, who served as its first president; Wilmer Hayward; George H. Terriberry; Leonard K. Nicholson; E. O. Jewell; Charles Denechaud, Sr.; Salvador D'Antoni; A. B. Paterson; George E. Schneider; Eddie F. Lebreton; Theodore Brent; W. P. Flower; and Solon B. Turman. Many of these men are no longer with us to celebrate this anniversary but their good works live after them and are a daily reminder of their vision and their dedication.

In its membership, International House boasts the leading business, civic, and professional leaders of many communities, who represent all forms of transportation and every kind of business and industry engaged in trade and commerce.

International House is a nonprofit organization supported by its 2,600 members, and is a fine example of the fruits of energetic and imaginative men working together under our free enterprise system. It is literally an "international clubhouse" which sells no physical products. But it does sell, or promote, friendship and good will, trade and commerce, throughout the world.

What was it that prompted this group of leaders in New Orleans to envision such an organization and work toward its establishment during World War II? During the war our port was enjoying a great boom, and the most immediate reason was their determination to maintain New Orleans as the Nation's second port in the postwar era. Our businesses and industries, especially those geared to the war effort, also were thriving. In 1943 the port of New Orleans handled a total of $657 million in combined imports and exports. What would happen to this boom when the war ended? How could we maintain New Orleans' position in trade and commerce in the competitive postwar years?

They believed the establishment of an organization like International House was the answer.

Through the spring and summer of 1943 the idea for an international clubhouse to foster trade and commerce between the Mississippi Valley and the nations of the world advanced toward reality. By the time the articles of incorporation were signed in December, a total of more than $500,000 had been raised to help establish International House. This institution has fostered the reputation of New Orleans as a truly international, cosmopolitan city. Our port has continued to reign as America's second port. Scores of businesses and industries in Louisiana and other States drained by the waters of the Mississippi and its tributaries have realized the benefits of the constructive work of International House. All of this has been done through the basic concept, in the words of Paul Fabry, the managing director of International House, that:

> Friends always do business easier than strangers, and strangers can, and do, become friends through understanding and trade.

A list of the many projects International House has executed successfully are innumerable, but I would like to cite some of the most prominent ones over the years. They are:

The annual trade and cultural missions of International House members to nations all over the world.

The annual Pan-American press seminars which bring together leading editors of America with those of all media in Latin America.

Scholarships to deserving Latin American students for attendance at American colleges and universities which are provided through the Cordell Hull Foundation.

Two-way tourist promotion between New Orleans and the Mississippi Valley, and the nations of Latin America particularly, although travel to and from Europe and Asia also is promoted. International House members often guide VIPs through New Orleans and the Deep South.

Special programs for foreign students who are attending universities in Louisiana and Mississippi.

Periodic publications and directories to complement the cultural and trade works of the various Government departments and agencies.

Special exhibits for foreign artists in this country and exhibits of our art abroad.

Various educational television programs sponsored by International House.

Probably the most publicized and most successful work that International House does to promote trade and commerce through New Orleans and the Mississippi Valley is through its many trade and cultural missions to countries all over the globe. Their purpose is to spread the name of New Orleans and its port, to cite the advantages of engaging in trade and commerce through the port and with the businesses and industries of my city and in the Mississippi Valley. Most of these missions have been to the nations of Central and South America, but there have been several to western Europe, to Africa, to the Soviet Union and the eastern European countries, and to the Far East.

A very worthy and continuing program sponsored by International House is the foreign language instruction it provides at very low cost to New Orleans citizens. It offers regular courses in Spanish, French, English, German, and Italian.

Another of the splendid services which International House provides to American businessmen and those of other nations is through its Thomas F. Cunningham Reference Library. This specialized library on world trade matters was established with the founding of International House, and today its multilingual staff members answer questions of all kinds from all over the world. In effect, the Thomas F. Cunningham Library serves as an international information service on world trade and enjoys a worldwide reputation.

Some of its old periodicals cannot be found in any other library in the New Orleans area, and thus the International House library is a well spring not only for the businessman, but also for the student and the scholar.

The cornerstone of the daily operations of International House is its world trade development department, whose principal job is to bring buyers and sellers together from the four corners of the earth. The work of this department is enhanced through its close contact with American and foreign chambers of commerce, U.S. Government Foreign Service posts, foreign government representatives living in the United States and trade promotional organizations over the world. The department also studies the results of other American city missions to foreign countries for the purpose of trade, travel, and cultural promotion, and participates in many annual international trade conferences.

Another vital department of International House is the international relations department, which serves as guide and host to both government officials and private citizens from around the world when they visit New Orleans. This department also directs International House's student exchange program, through which hundreds of students have received scholarships and other forms of financial assistance. International House administers the Cordell Hull Foundation, which is a nonprofit corporation to aid needy and worthy students from Central and South America to obtain a college education in America through special loans.

Mr. Speaker, International House was the first American World Trade Center, and today it is still going strong and continues to serve as a prototype to most of the 85 "newcomers" in this field in some 32 countries around the world.

While there remains a justified and continued interest in Latin America, the thrust of International House now is worldwide and it plays an important role in the World Trade Centers Association, founded in New Orleans in 1968. This includes projects in the U.S.S.R., the People's Republic of China, and African nations.

Mr. Speaker, on the 30th anniversary of the founding of International House, it is with a feeling of intense pride that I salute all those, both past and present, whose vision, dedication, and hard, effective work have made of International House such a bright and successful venture toward a better world for all.

A CONGRESSIONAL TESTIMONIAL TO THE HONORABLE ARMEN BOYAJIAN AND COMMEMORATION OF THE 15TH ANNIVERSARY CELEBRATION OF THE PATERSON LYRIC OPERA THEATER, THE RESIDENT OPERA COMPANY OF WILLIAM PATERSON COLLEGE OF NEW JERSEY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. ROE. Mr. Speaker, object d'art, the entertainment and artistic talents of our people have always provided a necessary expression of the spirit from the doldrums of everyday living and contributed a most important element of cultural enrichment to all of our people. They provide quality of life and the opportunity for re-creation and diversion after toil—for that's what "recreation" means—refreshment and strengthening of the spirit of each and every citizen of our country.

Mr. Speaker, today, I would like to call to the attention of you and our colleagues here in the House the professional expertise of the Honorable Armen Boyajian, a native Patersonian of my congressional district, who has achieved an esteemed place in our community, State and Nation, as a concert pianist and accompanist for many artists of the Metropolitan and New York City Opera Companies. May I also highly commend to you the Paterson Lyric Opera Theater—PLOT—organized by Mr. Boyajian in 1958, which has flourished under his direction as a professional workshop for talented young singers and artists to a fully recognized opera company and just recently the resident opera company of the William Paterson College of New Jersey, performing full-length operas and graduating many of its members to the Metropolitan and city opera.

Mr. Boyajian's choral group includes volunteer students, businessmen and women and senior citizens. In tribute to all of his good works and in commemoration of the 15th anniversary celebration of the Paterson Lyric Opera Theater, a testimonial dinner was recently tendered in my hometown of Wayne in honor of Mr. Armen Boyajian under the auspices of leading citizens, connoisseurs and patrons of art dedicated to the preservation and enhancement of our cultural heritage. The committee members and supporters of this anniversary celebration program are as follows:

PROGRAM

Introduction: Bianca Hancock.

DINNER

Master of ceremonies: Ivan Charters.

Guest Speaker: Frank Gratale.

Guest of honor: Armen Boyajian.

Presentation: Lenny Kotz and Bianca Hancock.

Entertainment: Dancing.

Committee: Bianca Hancock, Charles Marootian, and Richard Boyajian.

Tickets: Dorothy Malizia and Joseph Hancock.

Souvenir program: Mary Weinheimer.

Cover: Dorothy Weinheimer.

Publicity: Pat Comer, Milena Jost, Janet Sellitto, and Minerva Wiener.

Guest Book: Willane Ennis

Reception: Debbie Fraser, Suzanne Giglio, Judy Telep, and Dorothy Weinheimer.

To the many generous contributors, thank you:

Mr. & Mrs. M. Aliotta, Peter & Geraldine Beversluis, Mr. & Mrs. Nazareth Boyajian, Grace Castagnetta, Nancy Eaton, Mr. & Mrs. Norman Feldhun, Margaret Fromentin, and Mr. & Mrs. John Jansen.

Ruth M. Kutner, Doris Montville, Katherine & Walter Pelensky, Denice Poschowicz, Sherwood Stedman, Selema Steinberg, Mr. & Mrs. Samuel A. Wiener, Mr. & Mrs. David Cassells.

BOOSTERS

Sally & Louis Albano, Teresa Apolei, Avagardo Family, Lucille Bender, Orlando Calcagano, Mr. & Mrs. David Cassells, Mr. & Mrs. D. Comer, Mr. & Mrs. Anthony Cornetto, Sam & Vera Cuccinello, Mr. & Mrs. E. Cupo, Mrs. J. Cypranowski, Mr. & Mrs. E. D. Arnese, Glori D. Arnese, Rose de Flora, and Isabel Bograd Fleiss.

Betty de Francesco, Mrs. Italo de Francesco, Rose Marie de Francesco, Diane de Lauiso, Gloria de Lucca. Debbie Fraser, Canio Del Vento, Domenic de Marco, Josephine de Marco, Anthony & Mary de Nova, Ron & Maria de Stefano, Elaine di Ricco, Joseph Dorfman, Ann & Renee Ennis, and Mr. and Mrs. William Ennis.

Kathy Flatley, Joseph & Victoria Fiore, Edward & Louise Fuller, June Fiske, Mr. & Mrs. Frank Geddes, Jennie Giannantonio, Suzanne Giglio, Mr. & Mrs. Robert Gorun, Mr. & Mrs. Frank Gratale, Philip John Graziano, Jason & Neil Hancock, Joseph & Bianca Hancock, Tom Honnick & Family, John H. Humber, Mr. & Mrs. Richard Jost, and Mr. & Mrs. Karney

Daniel Keith, Elaine De Francesco Keith, Mr. & Mrs. G. Kornbluth, George & Elsie Krause, John Lacz, James La Mont, Mr. & Mrs. J. La Sala, Mr. and Mrs. M. Laskowski, Sal & Nancy Longo, Mr. & Mrs. P. Richard Macaluso, Jennifer Malizia, Richard Malizia, Emily Manzi, Larry & Gloria Marcantonio, and Charles Marootian.

Frank Martino, Anita Meyers, Elio Messano, Louise Micca, Theresa Minnocci, Mr. & Mrs. Joseph Murano, Joyce Nieto, Lois Nordling, Ann R. Pepoon, Mr. & Mrs. E. Patrizio, Mr. & Mrs. Al Passaretti, Jean Perriner, Angela Profita, Eve Queler Opera Orchestra, N.Y.,

William & Rose Rosato, Kathern Saccoman, Sue Schell, John Scalafani, Janet Sellitto, Regina Serniak, Daniel R. Serritello, Annemarie Stark, John & Sonia Takoushian, Ruth Thompson, Beverly Triggan, Carl Wegmann, Isabelle Wegmann, Judith Weinberg, The Weinheimers, and Irma Zuberer.

The success and splendor of the performance of the Paterson Lyric Opera Theater and its artistic and musical director Armen Boyajian is eloquently reported in a recent news article that appeared in the Paterson News, one of New Jersey's most prestigious newspapers, under the byline of the distinguished correspondent James A. Marnell. With your permission, Mr. Speaker, I hereby submit Mr. Marnell's feature story to be included at this point in the RECORD of our congressional proceedings. The news report is as follows:

PLOT IS A HIT AT SHEA

(By James A. Marnell)

WAYNE.—William Paterson College should feel a deep sense of pride as its resident opera company—The Paterson Lyric Opera Theatre—has just concluded its brilliant inaugural production of Giuseppe Verdi's "Don Carlo."

"Don Carlo" is a musical-tragedy of multidimensions, involving a vast array of emotions, and the Opera Theatre's performance was well above the mean. This success ought to insure the beginning of a long and rewarding tenure for PLOT, as the Opera Theatre is called.

Armen Boyajian, who founded PLOT in 1958 and who is its artistic and musical director, has added more form, more breadth to PLOT with an orchestral accompaniment in the pit of the new Marion Shea Center auditorium. This is in addition to the regular soloists and choral members. The new contingent is composed of 35 members, some of whom are student music majors.

For the "Don Carlo" production, the bolstered musical accompaniment provided dramatic pluses in just the right spots. And there were certainly plenty of "right spots" in this most difficult opera.

While Verdi created a splendid score, he nevertheless weighted the production with the torment of emotions, including the conflicts of paternal love, jealousy and friendship. But there were other themes as well.

There was the theme of anti-clericalism, for instance, which placed the church above all, a condition incidentally which Verdi decried. Verdi was only too happy to be able to throw some mud—if you please—on the Grand Inquisitor in Paris.

"Don Carlo" is a four-act opera, and it is somber and profound. It centers on the aborted and subsequent fatal love affair of Don Carlo and his stepmother, Elizabeth of Valois. Elizabeth is married to Philip II, King of Spain, but before her marriage had been betrothed to Don Carlo. For "reasons of state," Philip decided to marry Elizabeth, who apparently is more able to make the adjustment than Don Carlo, the son of Philip.

Philip eventually discovers their relationship and misreads their intent. And in the meanwhile, Don Carlo's political ambition runs headlong into an obstinate Philip. Don Carlo wants to rule over the newly conquered Flanders, but is rejected. In a fury, he draws a sword on the King, but his comrade Rodrigo intervenes and disarms Don Carlo.

Philip confers with the Grand Inquisitor, and the two talk of bringing about Don Carlo's death. The finale sees Don Carlo being dragged off in the chapel—where all four acts take place—to "eternal peace."

The entire production—including the period costumes and the delicate, tasteful chapel set—provided the near-capacity gathering at Shea Center with a most pleasant evening. Given the circumstances of this heavy, compelling, powerful opera, "Don Carlo" easily could have been translated into a boorish affair. But talents like Edward Perretti (Don Carlo), Maria Mastrangelo (Elizabeth), David Cornell (Philip), Dante DiFiore (Rodrigo), and Mary Swanson (Princess of Eboli) instead guaranteed a par excellence performance.

The Don Carlo-Rodrigo tenor-baritone duets were sheer delight, bringing cries of "Bravo" throughout the auditorium, as did the marvelous area duet of Don Carlo and Elizabeth in the final act. This was preceded by Elizabeth's glorious prayer, "Tu che la vantai' conoscesti del mondo" (Thou, who knowest the frailty of mankind"), sung with remarkable empathy.

DiFiore, as Don Carlo's most loyal friend, Rodrigo, provided an excellent tonal bridge between the smallness of Perretti's tenor voice and the booming intonation of bass Cornell as Philip.

Certainly, a kind word must be extended to Robert Swanson (the Grand Inquisitor), Frank Bardol (a friar) and to Suzanne Giglio, who portrayed Tebaldo and the celestial voice. And enough couldn't be said for Regina Serniak and Philip Graziano for the scenery and lighting, costumes and the commanding solid stage direction.

Mr. Speaker, I am pleased and honored to have this opportunity to present the foregoing background information to you and seek national recognition of the good works of Armen Boyajian. I am sure you will also wish to join with me in extending our heartiest congratulations and best wishes to the members of the Paterson Lyric Opera Theater on its 15th anniversary celebration as well as to Mr. Boyajian and the William Paterson College of New Jersey on this outstanding partnership bringing together talented artists, college campus and local community residents in a common endeavor for the musical relaxation, recreation, and enjoyment of all of our people. We do indeed applaud their outstanding achievements and wish them continued success and happiness in all of their future endeavors.

RONCALLO POSITIONS ON ENERGY AMENDMENTS

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. RONCALLO of New York. Mr. Speaker, due to a severe illness in my immediate family, this House was kind enough to grant me a leave of absence for Friday, December 14, after 12 o'clock noon. Had I been present, I would have voted as follows:

Roll No. 668, Relax Clean Air Standards for part of United States, "No."

Roll No. 669, Permit busing for Racial Balance, "No."

Roll No. 670, Time limit for debate, "Aye."

Roll No. 671, Strike enacting clause, "No."

Roll No. 672, Federal Government to use economy cars, "Aye."

Roll No. 673, Windfall exemption for independent producers, "No."

Roll No. 674, Plan for Mass Transit support, "Aye."

Roll No. 675, Committee Rise, "No."

Roll No. 676, Additional unemployment assistance, "Aye."

Roll No. 677, Exempt late-hours convenience stores, "Aye."

Roll No. 678, Expanded definition for Agriculture, "Aye."

Roll No. 679, Embargo of Petroleum Exports if unemployment, "Aye."

Roll No. 680, Naval Reserves exclusively DOD, "No."

Roll No. 681, Windfall exemption for small producers, "No."

Roll No. 682, No freight rate bias vs. recycled materials, "Aye."

Roll No. 683, Committee Rise, "No."

Roll No. 684, Embargo unless does not contribute to shortage, "Aye."

Roll No. 685, Relax Clean Air Standards for part of U.S., "No."

Roll No. 686, No oil for military uses in Indochina, "Aye."

Roll No. 687, No oil for military uses in Israel, "No."

ADDITIONAL SPONSORS FAVOR HOUSE OIL INVESTIGATION

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. GUNTER. Mr. Speaker, I have been encouraged by the support Congressman BILL LEHMAN and I have received in a very short period of time among the Members of the House who agree that we should appoint a select committee to investigate the Nation's oil and gas industry.

In addition to the 37 sponsors of such legislation filed with the House yesterday, I am pleased today to add the names of the Honorable SPARK M. MATSUNAGA, of Hawaii, and the Honorable ROBERT A. ROE, of New Jersey.

What is striking, Mr. Speaker, is the diverseness of this group of 39 Congressmen. It numbers two committee chairmen, conservatives, liberals, Democrats, and Republicans. I intend with the new year to seek additional support from other Members of the House who believe it is high time we investigate and judge for ourselves what we have in the past too readily relied on as the facts as presented by the gas and oil industry.

It is not only the Congress, but the new Federal energy apparatus we so recently established that has been making assumptions based on questionable figures on fuel supply and demand.

If we continue to rely on the information as presented by the oil and gas industry as fact without making our own independent inquiry, then, as the Washington Post points out this morning in its lead editorial:

Bad statistics inflict their own punishment.

I commend the editorial entitled "The Unknowns in the Oil Shortage" to my colleagues:

THE UNKNOWNS IN THE OIL SHORTAGE

The biggest mistake that anyone could make, in oil policy, is to assume that he has accurate and complete figures on fuel supply and demand. The second biggest mistake is to assume that anybody else has accurate and current figures. This truth is slowly dawning on government officials here and around the world. It apparently is one very large reason why the governments of the industrial nations, including this one, are being very cautious about rushing to drastic conservation programs like rationing. They have learned not to trust their own figures. While the political perils of underestimating the coming shortages have been obvious from the beginning, governments are beginning to think about the political perils of overestimating them. Presidents and prime ministers are going to have to take a jump in the dark, and it is not an appealing prospect.

Here in Washington the new Federal Energy Office is contributing generously to the confusion by publishing weekly supply and demand figures for oil, suggesting that the government knows much more than it actually does. If the Federal Energy Office were held to the same salutary labeling requirements as the people who make sausage, it would have to attach a tag to its weekly "Energy Scorecard" identifying the contents as 90 percent hokum and 10 per cent wishes for the New Year. The original idea had a certain catchy appeal: the scorecard was to let the American people know each week how the battle against the shortage was going and doubtless, to crank up a glowing sense of public participation. The difficulty is that there is no way of knowing how the battle is going. It takes several months to collect data on retail gasoline sales. The demand figures in the unfortunate scorecard are only the shipments of petroleum products out of what the industry calls primary storage, which means the major terminals. From there they go to a vast variety of wholesalers and distributors, and from there on to retailers. Whether they are storing it or selling it, and at what rate, nobody will know for months.

Bad statistics inflict their own punishment. When Mr. William E. Simon, the head of the Energy Office, published the first weekly scorecard two weeks ago, it showed a sudden drop in demand. That, according to the administration, showed a heart-warming public response to Mr. Nixon's appeal for conservation. But last week's scorecard showed a sudden rise in demand. Does it mean that the consumer is now thumbing his nose at conservation? That the American motorist gave conservation a week's try and got fed up? Not at all. It only means, according to those persons who regularly work with these figures, that they always bounce around a lot and do not give any reliable indication of retail sales trends.

The scorecard's weekly imported figures are behaving much the same way. The first scorecard showed imports going into a nosedive, precisely as the administration had warned they would. But to everyone's embarrassment the second week's scorecard showed imports actually increasing. Nobody seems to have much of an explanation for that one, except to say that, once again, the figures certainly do bob around a lot.

The first step in making any rational decision is to face up to the unknowns. Mr. Simon has now got himself into a rather awkward posture by overlooking that rule. He has promised an announcement on rationing by the end of the month. He has pushed a variety of voluntary programs to save fuel, and suggested that the response to the voluntary programs will determine whether we must go into a mandatory rationing. But, as he has now learned, there is no way to find out in time how successful the voluntary programs are proving.

If the energy czar doesn't know what's going on, who does? Those who follow the conspiratorial theory of the oil crisis suspect that the great international cartel must have the crucial data in a vault somewhere. (Americans suspect that the vault is in London, while Europeans assume that it is in New York.) But the quality of the information available in the inner circles of the big oil companies is open to some doubt. The British government is the majority owner of one of the biggest companies, British Petroleum, and Britain does not seem to have enjoyed any better intelligence in recent months than anyone else.

Even the Arab oil states may not know with any certainty how much is being produced by whom. There is quite a lot of leakage in the production cutbacks, further complicating the job of estimating the exact extent of the shortages. Iraq has stated quite openly that it will produce as much as it can

Libya, for all of its frothing rhetoric, appears to be doing approximately the same. There are reports that others may also be shipping a bit more than their public pronouncements might indicate. That does not substantially change the prospect for the United States, where the shortages are far beyond the capacity of covert trickles to fill. But wise governments will not make major decisions based on the latest fluctuations on statistical charts of dubious accuracy.

Wise governments will, instead, prepare for the worst and then wait to see what happens. That, Mr. Simon hints, may be exactly what he will recommend to the President. It would mean deciding immediately what kind of rationing to impose, and if it involves coupons and stickers it would mean distributing them as rapidly as possible. Everything would be done but setting the date when it would take effect. That strategy would give the government the ability to respond immediately to a danger that will be profound, but the dimensions of which cannot yet be precisely measured.

THE SAHEL DROUGHT: A CONTINUING DISASTER

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. RANGEL. Mr. Speaker, for 5 years drought in the "Sahel" region of western Africa has been a fact of life for 23 million human beings. It has been estimated that 6 million lives are threatened in Chad, Mali, Mauritania, Niger, Senegal, and Upper Volta. And there is no end in sight to all of this.

I once again ask that Congress carefully consider the efforts of Congressman DIGGS and Senator HUMPHREY to provide relief to those suffering people. There is no time to waste.

I now submit an article which describes the inadequacy of the effort we are making to provide desperately needed funds.

THE SAHEL DROUGHT: A CONTINUING DISASTER

(By Herschelle S. Challenor)

Although more than two weeks have passed since Mr. Nixon assured President Laminzana of Upper Volta that the United States would continue to provide assistance to the West African Sahel countries stricken by the drought, no new authorization has been announced. Moreover reliable sources indicate that the House Senate conference committee on the foreign aid bill failed to restore the Diggs' amendment which earmarked $30 million for the Sahel and committed the United States along with other donors to develop a program for long range rehabilitation of the area.

Arriving at a time when American officialdom is preoccupied with armed conflict in the Middle East, President Laminzana said of the Sahelian drought, "it is another form of war. There are not bombs or bullets but the people die away."

Laminzana was a logical spokesman for the Sahel states since his country hosted two key meetings of the affected countries of Senegal, Mali, Mauritania, Niger and Chad, and the Voltan Minister of Agriculture, Cpt. Antoine Dakoure spearheaded the African six member Inter-State Committee for drought control.

While some of these states began taking measures to counteract the drought as early as 1971, it was not until the March meeting at Ouagadougou that the Sahel six took the critical step of declaring their countries disaster areas. Slow to respond, the international community did not launch a famine relief campaign until May 1973. Then the Food and Agricultural Organization (FAO), designated to coordinate the international emergency relief effort by United Nations Secretary General Kurt Waldheim, called for contributions of $15 million. By late September only $5.7 million had been donated. Japan was the second largest contributor after Sweden. Although the World Food Program (WFP) estimated that these countries required 1,080,000 metric tons of food grains, the world community has provided only 625,000 metric tons.

The second Ouagadougou meeting was held two months after the U.N. sponsored meeting on coordinating famine relief at Geneva June 27, and was in part a response to it. Ouagadougou II provided a forum for Africans from the six affected states to devise a common strategy for drought control and set guidelines for meeting their medium and long term development needs. By insisting on a solely African definition of rehabilitation needs, the Sahelians both angered and frustrated the participating representatives of donor countries, U.N. specialized agencies and international voluntary association.

From August 30 to September 6, African experts from the six states and the Gambia outlined a number of development projects costing nearly $3 billion. Included among them was the development of water resources of all four major river systems in the Sahel region: the Senegal River Basin, the Niger River Basin, the Volta River and the Lake Chad systems; major reforestation programs, utilization of Earth Resources Technology Satellites (ERTS) to study potential underground water and other resources; creation of a meteorological and food supply early warning system; integrated pasture and livestock development projects and the creation of a regional center for arid lands research.

This $3 billion price tag was whittled down to about $1 billion over ten years by the Ministers from the six states, after some persuasion from the United States and other donors. Although the five chiefs of state—President Tombalbaye of Chad sent a representative—endorsed the $1 billion Ministerial report, they enthusiastically applauded the Niger President, Hamani Diori's call for a Marshall Plan for the Sahel zone.

Paradoxically though France has special interests in this region, the United States sent the highest ranking government delegate to the meetings in the person of Maurice Williams, the Special Drought Coordinator and the President's special representative. In a statement to the New York Times correspondent, Mr. Williams said that it was not enough to restore the Sahelian countries to the status quo ante, new technology should be introduced to totally rehabilitate the area. Such pious statements have not been reflected in policy.

The U.S. has committed nearly $47 million of the $135 million given to the Sahel area by the international community. However, the U.S. allocated $50 million for relief in the Philippines and $318 million for Bangladesh. A large percentage of the American contribution is spent handling and transporting the food—primarily sorghum. The Agency for International Development (AID) pays the Department of Defense $1,300 per flight hour for the airlift the U.S. operates in Mali and Mauritania, which in effect results in foreign aid to the U.S. military establishment. The commander of the professionally run airlift is Colonel Solomon Harp, III, a Black tactical bomber pilot who has served in Korea and Viet Nam.

A special American AID task force that was seeking small projects that can be funded in the drought area within the next two months that will address the recovery problems of adequate food supply and refugee resettlement, has just returned to the U.S. Shortly before the September Ouagadougou, II meeting, AID announced a grant of over $1 million to the Massachusetts Institute of Technology to conduct a "scope of work" study which would define the broad outlines of medium and long range rehabilitation requirements for the Sahel area. In the aftermath of the Ouagadougou meeting, this charge seems both wasteful and redundant.

Preliminary estimates indicate that this year's harvest is far below normal. And if, as some scientists suggest, this drought is the beginning of general world wide climatic change resulting from man-induced pollution, the situation in the Sahel will become more critical in the years ahead. One recent report indicated that as many as 12 to 15 refugees were dying per day in a camp near Niamey, Niger. Constant vigilance will be required to keep the problems of the Sahel in the minds of U.S. policy-makers and to wrest from this government the necessary financial commitment that this area requires.

THE NEW YEAR

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. WALDIE. Mr. Speaker, the coming of the New Year is not only a time for celebration, but is also a moment when we can reflect upon the strains of the past year and anticipate some of the trials of tomorrow.

I recently received a particularly thoughtful and perceptive letter in this regard from Mr. Harold S. Stein, Jr., president of Crane Pest Control in San Francisco, which I would like to share with my colleagues as we break for the Christmas recess:

DECEMBER 6, 1973.

Hon. JEROME WALDIE,
House of Representatives,
Martinez, Calif.

DEAR MR. WALDIE: Once again, at year's end, may I express my very personal thoughts about the subject we often refer to as "quality of life."

In view of current conditions, this is a most difficult letter to write. During the past year as a citizen, parent and businessman, I have felt besieged by the myriad opposing issues with their peculiar justifications and yet apparent incompatibility with cherished values.

I want a world of peace, but cringe at the thought of economic compromise with justice. I need to believe in my government, but not to the extent that blind faith mutes the voice of my conscience. Most importantly, I need the assurance that problems of the future will be dealt with forthrightly to the benefit of our nation and all mankind.

We have neatly labelled one of the more visible of these problems as the "energy crisis," replete with international politics, domestic shortages and a growing awareness that the natural resources we have taken for granted are actually finite.

But on deeper reflection, I believe that the real energy crisis most intimately related to our quality of life has to do with human energy, both physical and of the spirit. We are buffeted by a multitude of political, social, technical and economic forces. We will either control or be controlled by them.

Do you and I and all citizens have the collective energy, the commitment, the courage and the reverence for democratic principles to sustain us in this confrontation?

Can we give unwavering defense of human rights, human dignity in the face of national and international stress?

Are we willing to demand less in order to achieve more for the generation of our children?

As 1973 comes to a close our nation is gasping for breath. The surge of events has left us bewildered, frustrated, maybe angry. And yet, will you share with me the faith that our democratic system and our human resources provide us with the capacity to heal seemingly irreparable wounds?

Sincerely,

HAROLD S. STEIN, Jr.

MORE ASSASSINS GO FREE

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. BRASCO. Mr. Speaker, the other day, a number of innocent people, including some Americans, were brutally murdered by Arab terrorists in the latest airplane hijacking.

This time, the kidnapers took the plane on a long odyssey of terror, finally ending with their walking off the plane in Kuwait with their hands raised in the victory sign.

While the world watched, the murderers were taken into a travesty of custody, which will eventually and inevitably end in their being freed without trial or punishment.

Never in my life have I seen or heard of such an outrage as this heinous crime. Never before in my life have I observed such craven behavior on the part of a group of so-called developed nations, who cringe when such a crisis is forced upon them by a band of modern mad dogs, armed with Soviet weapons and determined to force their rule of savagery upon innocent people.

The world and what passes for international organizations stand shamed before history because of their collective and individual cowardice. People join together in a society for primarily mutual protection. That is what we pay taxes for.

An international organization is like a nation, only on a much larger scale. People or members subscribe to its tenets and join its ranks for some form of reassurance that their existence will be made a smidgin safer or easier because of membership.

Where are the international organizations? They are not to be seen anywhere, challenging the international terror and murder presently stalking the world's airports and airways.

The nations of Western Europe and Japan are giving them their cue, crawling before the Arab States in the name of ending the oil boycott. Where is the so-called honor of these nations? Their self-respect? Do they really think anything will be solved by giving in to these barbarians, who murder POW's, break contracts, unilaterally raise oil prices, indulge in international extortion, and a variety of other criminal acts?

We are witnessing another repetition, only on an ever more vast scale, of what happened to Czechoslovakia in 1938. Israel stands up to these people, and she is deserted by the international community.

Emboldened by their success in these areas, the Arabs only heighten their demands, requiring more in the way of international concessions. Next they will demand the right to use the family toothbrush, to eat off the family plate, and to exercise the droit du seigneur on the lady of the house.

Consider what results have emerged from previous international indugence of such assassins. Thirteen different hijackings have ended in the Arab countries in recent years. In several of these cases, coldblooded murder has been done by Arab terrorists to innocent, totally guiltless human beings. In one other case, the American Ambassador to the Sudan was murdered.

In no case was there any doubt as to the identity of the murderers, or the fact that murder was done. In each case they even proclaimed their guilt with pride, and were acclaimed in the Arab world as heroes. In each case they were incarcerated, held in a playful way for a time and finally quietly released. Occasionally, the releasing government bowed in the direction of foreign visitors or public relations, stating something to the effect that there was insufficient evidence to hold a trial, or some such idiotic excuse.

Shortly thereafter, the guilty parties were roaming the streets of Arab capitals, being lionized for their feats of derring-do and courage.

Certainly this is true of the butchers who perpetrated the unspeakable atrocity at Munich last year. Yet the only nation which has the courage to stand up to these people and fight back is almost totally alone in the world community today, and the few nations who dare to side with her are also considered pariahs; Holland being the foremost example of this situation.

Now we have the latest unspeakable crime. Everyone bleeds publicly and deplores the sad situation in the Middle East. No one indicates that the terrorists are an establishment subsidized by the Arab countries, paid by them, and treated as public heroes in their press. No one points out that they do not speak for any organized group of people, and that they have a vested interest in further bloodshed and turmoil.

Instead, the world yields to them while it deplores and wails over their actions. It is a spectacle of international hypocrisy that defies description and beggars imagination.

As long as we allow Israel to be abandoned and terrorists to be free, we shall have much more of the same. Who will it be tomorrow? And who will bet that Kuwait or any other entity will ever brings these murderers to trial, much less to justice?

WELLESLEY SHOWS WAY IN RECYCLING

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, the recycling of waste materials into useful products offers one of the most meaningful ways of conserving this Nation's resources. And the community of Wellesley in my 10th District of Massachusetts, I am proud to note, has one of the most innovative and successful recycling programs in the country.

Much of the credit goes to the talented Martha Stone, town public works commissioner, and the dedicated group of women who worked with her to establish the recycling center. Working with these energetic ladies was the town's able environmental coordinator, Terry Colby.

Wellesley has now recycled used cardboard milk containers into stationery and paper tissue in what is believed to be the only program of its kind in America. I would like to share with my colleagues an excellent story about this program which appeared recently in the Boston Patriot Ledger:

WELLESLEY RECYCLES MOOS TO A-CHOOS!

(By Barbara Merguerian)

WELLESLEY.—Used cardboard milk containers have been successfully recycled into stationery and paper tissue in what is probably the only program of its kind in the nation.

Martha Stone, town public works commissioner reported yesterday that she has been informed that 22 tons of the containers, which were collected in a pilot program and shipped to a plant in Augusta, Ga., have been successfully reprocessed.

"We are receiving $25 per ton and they pay the freight," Mrs. Stone said.

"This is the only program of its kind that we know about in the nation," Mrs. Stone said. "It is certainly the only one on the Eastern seaboard."

Wellesley residents deposit their used cardboard milk containers at the town recycling center while most of the elementary schools also have a collection program.

The technology to recycle the containers has been well-established in the industry, Mrs. Stone said, but it has never before been economically feasible.

EXPERIMENT

The industry reprocesses unused containers that have been printed wrong, but it has not successfully reprocessed used containers before.

In one experimental industry program in the Midwest, the costs of collecting the used cartons made the process unprofitable.

In Wellesley, collection costs are minimal because residents have been instructed to deposit their used containers at the town recycling center at the town incinerator, along with newspapers, cardboard, glass and tin.

Beneath the plastic coating, these containers consist of long-fiber virgin pulp that is top quality, according to Mrs. Stone.

The pilot program here for collecting milk cartons was begun a year ago when a Cincinnati firm agreed to purchase them, according to Mrs. Stone.

However, by the time the town collected the 22 tons of cartons necessary to fill a railroad car, the Cincinnati firm was no longer interested in the purchase.

VOLUME INCREASE

"I was two months on the telephone before I found a paper broker in Chicago who found a mill in Augusta that would give us a chance," Mrs. Stone explained.

Volume of the deposited cartons has increased here due to a collection program in most of the town's elementary schools.

In addition, a collection program will begin at the junior high school, with the cooperation of the student government, in January, and plans are being made for a program at the high school.

Mrs. Stone is now looking for better ways of storing the cartons at the recycling center to keep them clean.

At the present time they are set outdoors where they collect silt and grime.

The Augusta company has offered to pay a higher price if they are received in a cleaner condition.

GREAT POTENTIAL

Mrs. Stone believes the program has great potential not only in towns such as Wellesley, which incinerate their waste, but also in towns with sanitary landfills.

Because of the plastic coating, milk cartons do not disintegrate in a sanitary landfill.

For Wellesley, in addition to the income from the sale of the cartons, the town will be saving the $10.65 per ton it will be paying for the disposal of waste when the new private incineration system is put into effect in January.

Carton collecton is an excellent program for students in the 70 colleges in the Boston area who are looking for projects of this kind, according to Mrs. Stone.

The only problem is that the cartons have to be completely drained of all milk or they will soon begin to sour.

All that is necessary is a paper dealer who has access to a railroad spur line and who will provide bailing and storage until a railroad car is filled, Mrs. Stone said.

RECYCLING CENTER

Prior to her election to the board of public works Mrs. Stone was active in the citizens' Action for Ecology group which established the recycling center at the town incinerator.

The town has no municipal refuse collection system, so residents regularly deliver waste at the incinerator.

The recycling program was subsequently taken over by the town and it incurs expenses of about $15,000 annually for monitoring and transportation.

Revenue from the sale of recycled materials this year is now over $12,000. With an increasing volume of materials deposited at the recycling center and rising prices paid for recycled goods, the program may well become self-sufficient or even profitable in the near future.

ERNEST PETINAUD

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. CARTER. Mr. Speaker, I want to point out that I have known Ernest Petinaud for 9 years, and he is certainly one of the finest maitre d's I have ever seen. He never fails to be courteous and helpful, and he always attempts to see that Members, Members' families, and guests are properly seated. His appropriate attention to every situation and his expert handling of various arrangements are characteristic of his knowledge and ability. Without doubt, Ernest Petinaud is a gentleman of the highest caliber, and, as the minority leader stated, "Vaya con Dios,"—go with God.

ENERGY CRISIS

HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. DELLENBACK. Mr. Speaker, as we come to the end of our first session of Congress I feel it is time that we take a close look at what we in the Congress have done to help find a solution to the energy crisis that is now upon us.

Two years ago, the Interior Committee, of which I am a member, held energy hearings and at that time I urged the Congress and the President to do whatever they could to move toward finding a solution to the impending shortages.

Today we are not much closer to finding a solution and I find this kind of foot dragging on the part of the administration and the Congress deplorable.

We are fortunate, in a sense, that the recent Mideast embargo on oil exports came at the time it did. Most experts have agreed that, considering our Nation's history of a tremendous steady increase in consumption of energy, an eventual crisis was inevitable. The United States has simply been incredibly greedy when it comes to consuming energy, and we have been becoming more and more dependent on foreign sources to supply the additional amounts of oil and gas required each year.

If the energy crisis had not come upon us until a few years from now, by then we would certainly have been far more dependent on Mideast supplies than now, maybe almost irreversibly so. Had this occurred, our situation in international relations could well have been grim. Right now Japan and Western Europe are finding out what it can mean politically to be predominantly dependent on Mideast oil as the Arab threat of an oil embargo in those areas proves to be an overwhelmingly powerful diplomatic weapon. They are in a position that we must never permit our Nation to be placed in.

And what if the present crisis had hit us some years ago? Each year has brought important progress in the development of our technological capacities which now enable us to explore alternative sources of energy for ourselves, bringing us closer to the goal of self-sufficiency. There is no question that even a very few years ago we would not have been as prepared to pursue alternative sources within our own boundaries as we are now.

We are fortunate then that we, in Congress, and the administration have the opportunity to meet this challenge. And that we must do.

As I see it, we must take action in three major areas, reorganization, conservation of energy, and research and development of alternate sources of energy.

Over the past few months the structure of the Energy Policy Office has changed considerably. In the past, energy policy has been managed on a piecemeal basis, with the Department of Interior, the Atomic Energy Commission, the National Science Foundation, and the Environmental Protection Agency among those departments most involved in the policy setting functions. Early this year the President established an Energy Policy Office in the White House under the direction of Gov. John Love to oversee energy policymaking. Recently, Governor Love resigned and the President established a temporary Federal Energy Office and appointed William Simon as Director. Congress now has before it a bill to establish a Federal Energy Administration which if passed would assume the responsibility for energy policymaking which is currently vested in many other departments. I am hopeful that Congress will act on this proposal early next year.

The Congress also is considering legislation to establish an Energy Research and Development Administration which would centralize the various forms of energy research and development engaged in by the Federal Government into one agency. This bill passed the House on December 19 and will go to conference with the Senate passed version in the near future.

I am pleased to see that Congress and the administration are taking steps to coordinate the heretofore fragmented approach the Federal Government has taken to energy policymaking and research and development.

Another area which deserves more attention is the field of energy conservation. This Congress I have cosponsored several pieces of legislation which would increase the Federal funding level for research into energy conservation measures. I also supported amendments to the bill to establish the Energy Research and Development Administration to help stress the importance of energy conservation to any national energy program.

This Congress recently passed legislation to establish year round daylight savings time for a 2-year trial period. This will go into effect on January 6 and could reduce energy demand by as much as 2 percent. Another piece of legislation passed recently by the House was a bill to establish a national 55-mile-per-hour speed limit. In this time of energy shortage, I feel strongly that we must take every reasonable action we can to conserve our scarce fuel supplies. While this kind of move is an inconvenience to all of us, and certaintly not by any means a total solution to our problems, it is a step in the right direction and I voted in favor of the measure.

Massive conservation campaigns have begun all over the country as many industries and private citizens turn down their thermostats, form car pools and in other ways reduce their energy consumption. In a recent interview Russell Train, Administrator of the Environmental Protection Agency, stated that our Nation's energy demand is rising 5 percent a year, and suggested a 2- to 3-percent growth rate as a desirable goal. In light of this I recently sought the adoption of an amendment to an energy bill to study the best way to accomplish this without hurting the nation's economy. I feel strongly that energy conservation will be playing an even greater role in the future in helping relieve our energy shortage. I have supported and will continue to support sound moves in the field of energy conservation.

The third area which demands more attention is the field of energy research and development. The Environment Subcommittee, on which I serve, of the Interior Committee has been holding hearings on major energy research and development bills this year. One of the bills we are considering is one I have cosponsored which would increase the energy R. & D. budget for the study of alternate sources of energy such as solar, geothermal, wind, tidal, coal gasification, coal liquefaction, and others.

The President indicated his commitment to increasing R. & D.'s efforts by announcing a $10 billion 5-year program to start at the beginning of fiscal year 1975. The Congress is also continuing to move in this area in order to facilitate coordination of these programs. I supported the recent bill which establishes the Energy Research and Development Administration because I feel a central coordination like this is necessary. However, I did support efforts seeking to strengthen the bill in the area of policy direction.

The Congress has moved quickly in other areas too. The Senate and House recently passed the Alaskan pipeline bill which would eventually make available our crude oil reserves in Alaska. In spite of certain unfortunate provisions in the bill, I am pleased that this bill passed as it is clear that the Nation badly needs this oil.

On November 13, the House passed the Emergency Petroleum Allocation Act which would put all petroleum products on a mandatory allocation program. I supported this bill because, while it will not increase available supplies, it should assure that those which are available will be equitably distributed. It was signed into law on November 27 and regulations were issued on December 13. I feel it is important that the available supply of petroleum products be equitably distributed, but I do have some reservations about the proposals as they now stand and have been in contact with William Simon's office to try to change this.

The gasoline allocation section disturbs me, because I fear it does not have the flexibility to deal with special hardship cases such as have occurred in the Fourth District. My State of Oregon was particularly hard hit by the gasoline shortage this summer which caused a great number of gasoline station closures. Because of this many of our smaller towns have been left with few functioning gasoline stations, and this has proven an extreme economic hardship to a series of areas. I am hopeful that the final guidelines will take into consideration these special circumstances so that these towns and smaller communities will not be even more harshly penalized by an unfair allocation system. I wrote Mr. Simon urging him to consider calculating gasoline allotments on a town-by-town or area-by-area basis rather than station-by-station in order to relieve this inequity.

Another major piece of legislation that the Congress has acted on this year is the Emergency Energy Act which gives the President the authority to put energy conservation measures into effect such as gas rationing, reduced speed limits, et cetera. It passed the House on December 15 and is expected to be enacted by the end of the year. I voted against this legislation, because I feel it is careless, reckless legislation that is likely to cause more problems than it solves. Instead of responding to the energy crisis by taking responsibility for decisions on its own shoulders, Congress has chosen to give the President vast and often vaguely defined new powers.

In the tremendous push to get this bill through, the House ended up spending only 1 minute of debate on each of the last 10 or so amendments, some of which were critical. Even at that, there were some 40 amendments scheduled that had never been dealt with when all consideration of the bill stopped.

I particularly object to provisions of the energy bill that would permit overriding the National Environmental Policy Act of 1969. As severe as the energy crisis is, I think it can be weathered without totally undermining the important progress the Nation has made in recent years toward protecting our environment.

I also am opposed to an amendment approved by the House to ban the allocation of fuel for busing students to schools other than those nearest their homes. This amendment is nothing more than a back-door attempt to prohibit busing for the purposes of desegregation, disregarding court decisions, and ignoring the Constitution. It is not an energy-saving measure and it has no place in this legislation.

If this bill does pass as is expected, it will give the President the authority to ration gasoline if he chooses. Up to now President Nixon has said that he will resort to gas rationing only as a last resort. But the fact is that the Nation faces an acute oil shortage, and it is estimated that we will have to cut gasoline consumption by 25 percent over this winter. If we are to meet this goal, it is clear we are going to have to face more stringent measures than those that have been announced so far.

The two most frequently discussed possibilities for the future are, first, increasing the Federal gasoline tax to force people to cut down on gasoline consumption; and, second, implementing a rationing system. I feel that both have serious disadvantages.

Perhaps the most obvious disadvantage to an increase in the Federal gasoline tax is that it would work a particular hardship on the poor whose jobs may well depend on gasoline. Pleasure driving could become a pastime reserved strictly for the wealthy.

Moreover, economists have warned that a significant increase in the gasoline tax could have a depressive effect on the economy and lead to higher unemployment.

A straight gasoline rationing system poses its own problems. It would require a huge administrative bureaucracy that would be costly as well as unwieldy. And experience from World War II tells us that rationing is hardly ever fair and leads to "black marketing."

With these very significant problems in mind, what is the answer? A system of "semirationing," now under consideration by the administration, seems to make a good deal of sense. Semirationing would combine aspects of rationing and of taxation, hopefully minimizing the weaknesses of each approach on its own.

Under semirationing a substantial Federal tax would be placed on all gasoline. At the same time each person would be given a ration of gas stamps for a certain weekly allotment of gasoline. Those stamps could either be used to pay the tax at the time the basic allotment is purchased or they could be redeemed or sold for cash. Any person purchasing more than the basic allotment would pay full price therefor, including the tax.

The hardship on low-income persons would be much less than if the tax on gas were increased with no rationing. Since people could still buy gas without stamps, there would be very little profit in black marketing. Since the additional cost would be to pay a tax, the oil companies would not profit. Finally, the amount of money taken out of the economy would be less than a straight increase in the gasoline tax, reducing the likelihood of a recession.

One thing is clear. The problem is not going to disappear. The administration should move firmly and swiftly, and I have urged them to do exactly that.

The Congress still has many proposals under consideration which would in one way or another help ease the shortage we are now experiencing. I am hopeful that the Congress will move swiftly, yet act carefully, on these proposals which include authorizing the construction of deepwater ports, looking into the desirability of deregulating natural gas prices at the well head, modifying the tax incentive system for encouraging oil exploration, establishing Federal criteria for powerplant siting, opening up new offshore oil reserves, and also tapping our Elks Hill reserve. These and many other proposals must be studied carefully but rapidly by Congress and the administration in the new year. We owe the country some answers on these questions.

While the Congress and the administration do have some direct control over certain aspects of the energy crisis, there are others which are more difficult to get a grasp on. Currently, the United States imports around 25 percent of its total petroleum consumption. This comes from the Mideast, Mexico, Nigeria, and other countries. Recently, this supply has been cut back for political reasons which has led both to decreased supply and increased prices.

While there are price controls in effect to help curb inflation in all sectors of the economy, the petroleum industry has been allowed to pass through product cost increases. Since oil is in demand the price has soared, taking with it the price of petroleum products such as gasoline. This cannot be helped when we are dealing with foreign imports, but it disturbs me to hear of domestic oil companies having some of the highest profits ever. I am checking to see whether there have been studies to measure a profit variance accurately with an eye to introducing legislation to curb excessive profits if that is what the study turns up. While I strongly favor free enterprise, I feel it would be unfair for the petroleum industry to profit unduly from the troubled times the country is now experiencing.

As well as being concerned about the price increases which have been brought on by the fuel shortage, I have been disturbed over recent reports that the United States is exporting oil. In an attempt to learn more about this situation I have been in contact with the Cost of Living Council, the Department of Interior and the Subcommittee on Energy and have learned that, while the exporting of oil is a legitimate concern, the United States currently exports only 1 percent of our total consumption of petroleum products and half of these to the U.S. Pacific Territories. We export less than one-tenth of 1 percent of our heating oil and import 30 times as much petroleum and petroleum products as we export.

More important, our petroleum exports are, to a large extent, exports in name only. For example we receive imports of heating oil three times as large as our exports from the same countries to which we export. Some of our exports are lubricants and fuel for foreign facilities producing and refining petroleum for the United States. Because of this and because our exports are generally part of agreements with nations from whom we import more than we export, an embargo on petroleum exports could hurt this country far more in the long run than it could help in the short-run.

As we in the Congress, and the administration continue to wrestle with this very difficult problem we must be certain to study our actions carefully so that in haste we do not reverse some of the environmental or social advances that we have made. While we must move ahead quickly in order to solve the problems created by the energy crisis we must remain aware that there are other limited natural resources besides coal, oil and gas, such as our clean water and clean air.

I look forward to the next year as one offering promise of and potential for great strides in this field. I am pleased that the Nation is responding to the crisis and I feel confident that we can overcome it if the Nation continues in its firm commitment to find a solution.

THE 1973 BINGHAM POLL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. BINGHAM. Mr. Speaker, every year I send a questionnaire to registered voters in the 22d Congressional District in the Bronx, N.Y., to learn the views of my constituents on selected public policy questions.

I have just completed the tabulation of 7,750 questionnaires which have been returned to my Washington office. The tabulated answers to several of the questions have already given me valuable guidance in casting my vote on issues before the Congress. For example, 68.5 percent of those responding to the questionnaire opposed giving favorable trade terms to the U.S.S.R. until the Soviets take steps to increase freedom of emigration in their country. My constituents' views were reflected in my votes to deny such trade terms through amendments which were adopted by the House on the trade reform bill earlier this month.

Among the other significant tabulations are the 72 percent favorable response to the concept of Federal assistance to citizens groups to deter and report crime, the 68 percent favorable response to some form of public financing for election campaigns for Federal offices, and the 59 percent support for an investigation of impeachable offenses which may have been committed by the President.

The questionnaire follows:

1973 BINGHAM POLL

(Results in percentages)

1. At this time, I think—

(A) President Nixon has basically done a good job and should not be further bothered. Yes, 40.5; No, 51; Don't know, no opinion, 8.5;

(B) the House should conduct a vigorous investigation of Mr. Nixon's conduct to determine whether he has committed impeachable offenses. Yes, 59; No, 34.5; Don't know, no opinion, 6.5;

(C) President Nixon should resign. Yes, 40; No. 45; Don't know, no opinion, 15;

(D) President Nixon should be impeached and removed from office if he fails to resign. Yes, 45; No, 44; Don't know, no opinion, 11.

2. I think the President's nomination of Representative Gerald Ford to be Vice President;

(A) 61.5—should be voted on by the Congress as soon as a full investigation of his background is completed;

(B) 31—should not be voted on until the question of President Nixon's own tenure in office has been resolved;

(C) 7.5—don't know, no opinion.

3. When Representative Ford's nomination to Vice President is voted on by the Congress, I think—

(A) 61—he should be confirmed;

(B) 24—he should not be confirmed;

(C) 15—don't know, no opinion.

4. Do you favor a Federal program of assistance to citizens' groups to encourage and cover costs of citizen activities to deter and report crime? Yes, 72; No, 6; Don't know, no opinion, 12.

5. Public funding of election campaigns for Federal offices (President and Congress) has been suggested as a way of ending the kind of corruption revealed during the Watergate crisis. I feel that such use of Federal tax dollars—

(A) 22.5—should not be supported;

(B) 37—should be supported on a matching basis—a dollar of public funds for every dollar raised in small contributions—and within strict total campaign expenditure limits;

(C) 31—should cover completely the costs of running for Federal elective office, together with a ban on private contributions;

(D) 9.5—Don't know, no opinion.

6. As far as giving favorable trade terms to the Soviet Union is concerned, I think we should—

(A) 68.5—not give such terms until the Soviets take steps to increase freedom of emigration in their country;

(B) 17.5—grant favorable terms without consideration of freedom of emigration;

(C) 14—Don't know, no opinion.

A CONTINUING STORY IN THE DRAMA OF GIVEAWAYS IN THE FEDERAL OIL SHALE LEASING PROGRAM

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. VANIK. Mr. Speaker, I have today introduced a bill to protect and preserve publicly owned Federal lands that otherwise stand to be misused in the recently announced Federal prototype oil shale leasing program.

Mr. Speaker, for background, the Federal oil shale lease program will initiate commercial-scale operations to mine oil shale rock, and then process it to recover the otherwise solid form of oil it contains. Six tracts of land, each about 5,100 acres in size, will be leased starting in January 1974. Colorado, Utah, and Wyoming will each have two leased tracts.

Shale oil can be recovered from its parent rock in three different ways. Two of the processes, the most environmentally destructive but also the cheapest and most efficient methods, involve an actual removal of the oil shale rock from the ground and a crushing and grinding operation to prepare it for the "retorting" process that heats the shale until it yields its oil contents. After the oil is recovered, the "spent shale" residue is discarded.

Mr. Speaker, the soil-colored, floury, spent shale is essentially sterile after the 900° heat of the retort process. Experiments by the oil industry and also by concerned citizen groups have shown that it is virtually impossible to make plants live on processed shale without large amounts of fertilizer, water, and careful care and supervision. The Department of the Interior Final Environmental Impact Statement also voiced pessimism over the prospects of revegetating spent shale.

Additionally, because the compact shale rock must be crushed and broken up in the mining process, the volume is increased by at least 10 percent, thus requiring large amounts of land for disposal. Because deep mining operations require special methods, that process will be able to return only 600 percent of the mined shale to the mines, leaving almost half of the mined shale to be disposed of above ground.

The Notice of Sale remarks to the Federal Register's oil shale lease program announcement imply that oil industry developers are to be allowed to dump any or all of these massive amounts of processed shale on nonleased Government lands. This amounts to nothing else but a large Federal giveaway since the oil industry will not be required to pay for these additional lands. The quality of the lands will naturally suffer severely.

Mr. Speaker, this is an unconscionable abuse of public land. The Department of the Interior, in the Notice of Sale remarks, lists statutory authority for such dumping under section 101 of the Public Land Administration Act (43 United States Code 1362), but that provision certainly did not anticipate the massive amounts of shale that would have to be dumped in a commercial application of oil shale technology.

My bill, Mr. Speaker, very simply requires that the oil shale lessee use only the 5,100-acre leased tract acreage for disposal of waste shale, with violations resulting in an end to the remaining years of the 20-year lease.

This legislation is not meant to harass or limit the developers of oil shale. It is meant to assure the American public that their lands will not be mistreated or given away, rent free, to a profit-making private industry.

Mr. Speaker, the entire oil shale program is rapidly turning into a giveaway of rich resources of the public domain. There are trillions of dollars of shale oil on public lands and a large part of it is being turned over to private development at ridiculously low land rental and mineral royalty rates. Billions of dollars of public oil shale lands are also being transferred to one particular State in exchange for relatively valueless land. Now, we find that the public land is going to be used as a garbage pit for the shale wastes of the private shale oil developers.

Mr. Speaker, I am for the development of new forms of energy and the opening up of this enormous national oil shale treasure—but in our rush and panic over the energy crisis, we are giving away the public interest. If the oil monopoly needs extra space to dump their wastes, then they should pay a rental for it out of the excess profits which they now enjoy at the public's expense.

But better yet, it is time that we develop these lands in the public interest—for the public and by the public.

I believe that the public oil shale lands of the American West can provide this Nation with one of those important policy choices which could shape the direction of our Nation for years to come. These first leases are the equivalent of the Muscle Shoals controversy of the 1930's. Forty years ago, during another crisis, this Nation saw fit to turn the Muscle Shoals project into the TVA project—and thereby rejuvenated a whole section of the Nation. Today, if we would demand the public's interest in the oil shale lands—if we would develop a TVA-type project, we could begin a new energy policy in this Nation. This new policy would be one that breaks the monopoly of the oil companies, and provides new reserves of fuel at fair prices, while at the same time insuring the environmental rehabilitation of oil shale lands.

THE SUCCESSFUL PEOPLE-TO-PEOPLE PROGRAM OF THE CITY OF CORAL GABLES, FLA.

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. FASCELL. Mr. Speaker, one of the most important tools in the growth of friendship and understanding among the peoples of all nations is the special project conducted abroad by private U.S. citizens. The greatest factors in improving relationships—certainly as far as the Western Hemisphere is concerned—are the work and efforts of hundreds of nongovernmental organizations and groups of people.

Such efforts, both sectarian and nonsectarian, help millions of people in Latin America in thousands of ways and create the opportunity for North Americans to get to know Central and South Americans, and vice versa. These relationships provide a mutual understanding of, and respect for, all involved and do much to dispel the myths which often, without good reason, sow the seeds of distrust and discontent between individuals from diverse backgrounds.

More good will is achieved through such programs than could ever be achieved by the millions upon millions of dollars spent on impersonal government-supported programs.

I am delighted to call to the attention of our colleagues that for the ninth year in a row the city of Coral Gables, Fla., in my congressional district, has been awarded the Reader's Digest "Best Overall Program Award" for its people-to-people program with the Colombian city of Cartagena. The vitality and viability of this project is a tribute to the people of both cities but, particularly, to the people of Coral Gables.

Coral Gables has made its program a true community project. The hallmark of the Coral Gables program might best be summed up with one word—participation. Literally hundreds of citizens from all walks of life actively take part in the program. In addition to individual participation, the Coral Gables program is aided by civil and service-oriented organizations such as the Chamber of Commerce, Lions, Kiwanis, Rotary, Civitan, Knights of Columbus, Women's Club, and a host of others.

The Coral Gables-Cartagena sister city program clearly demonstrates the impact and effectiveness of such people-to-people projects. The Coral Gables program is making a significant contribution to a larger national effort. I would urge each of our colleagues to encourage similar programs all over the country.

I extend my congratulations to Mayor Bob Knight and Commissioners Bob Brake, Al Jacobson, Bill Kerdyk and Bill Chapman, along with City Manager Jimmy Robinson and his assistant, Joe Mantinan, for their support and efforts in behalf of this outstanding program.

ERNEST PETINAUD, THE MEMBERS' FRIEND

SPEECH OF

HON. JOHN C. KLUCZYNSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. KLUCZYNSKI. Mr. Speaker, I rise to pay tribute to a special type of person, and a good friend, Ernest Petinaud, who, I am sorry to learn, has decided to retire.

To begin with, may I cite one of Dr. Samuel Johnson's frequently quoted remarks—

> There is nothing which has yet been contrived by man by which so much happiness is produced as by a good tavern or inn.

We do not have to strain this saying too far to allow this meaning to apply to a good restaurant. The Members' restaurant in the House has been a good restaurant, and has always been a very pleasant one, largely because of Ernest Petinaud.

This man not only saw that our bodies were well fed in a congenial atmosphere, but he gave us some real soul food by his genial and generous desire to make our daily brief stays with him as pleasant as possible. We owe Ernie a lot, and I am pleased to have this opportunity to pay tribute to a truly great personage.

There is still another old English verse that comes to mind in thinking of Ernie—

> Who ever has traveled life's dull round
> might sigh to think that he has found his
> warmest welcome at an inn.

It is no exaggeration that for most of us one of the very warmest welcomes we have had in our daily rounds—which in truth can be sometimes dull and routine, or even depressing—was from Ernie. No matter how dull or overcast the day, there was a welcoming smile on his face remindful of the Sun breaking through some gray clouds. After a very short while the genuine welcome at the door became something to look forward to every day.

Ernie Petinaud will be greatly missed, but he can be certain that our sincere thanks and wishes for all that is good for him will go with him into his future years.

My personal best wishes to Ernie and his lovely Jannette. May they always experience the happiness they have placed in our hearts.

LET'S KEEP IRS NONPOLITICAL

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. LITTON. Mr. Speaker, October 17 I introduced legislation which together with our other efforts, such as the war powers bills and our appropriations mandates, reasserts the role of Congress as the prime policymaker, thus placing restraints on arbitrary power and renewing our people's confidence in American political institutions. My bill seeks to bolster an obviously sagging public confidence in our tax system by preserving the confidentiality of income tax returns and information. Confidence in our tax system, heretofore a glorious hallmark of the American system—and a vital American monopoly—like so many other matters in the Watergate era, is on the wane. Testimony before congressional investigating committees, as well as recurrent rumor in and out of the press, strongly support my belief that the temptation to trade information on file with the Internal Revenue Service for shoddy political ends has proven irresistible. Quick enactment of my bill, coming on top of earlier successful efforts to prevent abuse of confidential information filed by classes of American taxpayers, will make unmistakably clear that the Congress is opposed to Big Brother tactics and in favor of the citizens' rights to privacy.

Since the beginning of the year, I have been doing everything within my power to block bureaucratic schemes which would lay bare information contained in individual tax returns.

On January 17, 1973, the President issued Executive Order 11697 which authorized the Department of Agriculture to inspect farmers' tax returns, the stated purpose being to obtain data about farm operations for statistical purposes. The scope of the order was very broad and went beyond the mere statistical needs of the Agriculture Department. In my remarks of May, before the Subcommittee on Foreign Operations and Government Information of the House Government Operations Committee, I noted some of the dangers of such a broad tax inspection operation. In fact, the breadth of the order was a surprise to even agriculture officials who had requested a more restrictive order tailored to their particular needs. During public hearings held on March 28, Department officials admitted that the authority given them by the order was broader than necessary but stated that they would be opposed to attempts to rescind it.

At that time, I introduced a bill in the Congress that would have limited the scope of tax inspection by the Agriculture Department and rescinded the broad mandate of Executive Order 11697. Letters and inquiries directed to USDA officials failed to elicit their support for this legislation. At that time I asked the question why USDA was willing to embrace the broad authority which had been given them in the Executive order—authority which was subject to abuse and posed a great danger to the American farmer—when legislation specifically tailored to their needs was pending. The answer became clear later.

In the face of mounting opposition to the Executive order, the President issued a revised order on March 27. While the revised order somewhat limited the scope of information available and access to the information, it still made farmers' tax returns an open book and the basic issues of privacy and political pressure, alluded to in my prior remarks, remained.

Eventually, the real purpose behind the original Executive order was revealed, though, and, like in so many other instances in this administration, our worst fears had come true.

In responding to inquiries from the House Subcommittee on Foreign Operations and Government Information, the Department of Justice dropped the following bombshell:

> The Original Order was prepared by the Department of the Treasury in language designed to serve as a prototype for future tax return inspection orders.

Another letter addressed to Norm Cornish, deputy staff director of the same subcommittee, signed by Don Paarlberg, Director of Agricultural Economics at USDA, said:

> We understand the first Order was designed as a model to be used by other departments requesting Executive Orders . . .

The fears that I had expressed in my earlier remarks of a proliferation of Executive orders authorizing myriad Government departments to snoop on the tax returns of American citizens were now a reality, for that indeed seemed to be the intent of the administration. The invasion of the privacy of American farmers was not to be the exception to a tradition of tax return confidentiality, but the model for a wide-scale erosion of the rights of privacy of all Americans.

There is a very clear desire on my part and on the part of my colleagues here in the House of Representatives to preserve the confidentiality of tax returns. This desire has been demonstrated by the interest generated following the introduction of my bill, H.R. 9093 on July 20. Over 90 Members of Congress have cosponsored this bill to date.

Although these earlier efforts seem to have temporarily stalled the drive toward victimizing the American taxpayers, more lasting steps will have to be taken to prevent any future recurrence.

The House Government Operations Committee has since issued a bipartisan report, following unanimous acceptance of its subcommittees—Foreign Operations and Government Operations—recommendations, which calls on the Agriculture Department to halt its efforts to gain access to the private financial information of 3 million farmers, and that appropriate congressional action be undertaken in amending section 6103 of the Internal Revenue Code to make tax returns explicitly confidential, except as otherwise limited for tax administration and law enforcement purposes.

Accordingly, I have introduced legislation (H.R. 10977) which, if enacted, would substantially alter the current treatment of tax returns, making the information contained therein inherently private rather than inherently public record.

Under these new rules, tax returns will be available for inspection by certain groups and entities, solely for purposes of tax administration and/or law enforcement.

My bill would still allow for the inspection of information by select groups for valid purposes. In so doing, it would dismiss current apprehensions that tax files will be used for questionable purposes.

As noted at the outset, there is a great uneasiness in our political system today. Cynicism regarding our legal institutions is considerable. Allowed to continue, it will impair and ultimately destroy not only our tax system but all of what we have heretofore regarded as hallowed institutions. Adoption of my bill marks a step in the right direction. It will offer evidence that the American experiment is alive and well and that ours is a Constitution for both "rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men, at all times, and under all circumstances."

AIRLINE SERVICE

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. DU PONT. Mr. Speaker, a few months ago, I testified on behalf of the State of Delaware before the Civil Aeronautics Board in a litigation to oppose the withdrawal of airline service to the city of Wilmington, and thereby the entire State of Delaware.

Since that day, Mr. Speaker, the energy crisis has come down upon us with a vengence. Even though the CAB has yet to rule on the Delaware case, Eastern Airlines and Allegheny Airlines are availing themselves of the crisis to withdraw the service that the CAB has yet to permit them to do. Low-profit runs is the reason given. Mr. Speaker, certainly they are low-profit runs as now being operated. Schedules are disjointed, inconvenient, and infrequent. Surveys clearly show that we in Delaware need, use, and deserve air service. If Eastern and Allegheny would give us the service we need, I think they would quickly see the low-profit runs turn into moneymakers.

I again protest the plans to withdraw air service from Delaware, Mr. Speaker, under the guise of an energy shortage, or any other guise. Delaware can support first-rate service. It cannot support second-rate service.

LET US NOT SAVE FUEL AT THE EXPENSE OF OUR SCHOOLS AND HOSPITALS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. RANGEL. Mr. Speaker, most school officials are frustrated and upset by the present fuel crisis. They recognize the problem and they want to cooperate with State and Federal officials in doing their part to solve it, but they are concerned by what they see as developing policies which are placing education very low on the list of priorities.

They have been told to cut back on heat and to reduce gasoline consumption by curtailing transportation for children. Yet, they see stores, shopping plazas, streets, theaters, and similar places blazing with lights. They know of government officials still using their gas-guzzling limousines and of the President's plans to winter in Florida, with little evident concern for the crisis that confronts the Nation.

Schools, senior citizens, and local services should have the highest priority in the allocations of now scarce fuel resources.

To further explain this problem I include in the Record a letter from the New York State School Board Association, Inc., to New York State Commissioner Ewald B. Nyquist concerning the need for adequate fuel allocation to the schools and a press release urging that children not be shortchanged during the energy crisis:

New York State
School Boards Association, Inc.,
Albany, N.Y., December 12, 1973.

Mr. Ewald B. Nyquist,
Commissioner of Education,
State Education Building,
Albany, N.Y.

Dear Commissioner Nyquist: As you know and would expect, most school officials are frustrated and upset by the present fuel crisis. They recognize the problem and they want to cooperate with state and federal officials in doing their part to solve it, but they are frustrated by what they see as placing education very low on the list of priorities.

They have participated in meetings conducted by the State Education Department and they read the bulletins on the energy crisis which your Task Force has disseminated. They know you—and all of us—should be and are examining all possible alternatives in resolving this crisis.

But then having been told to cut back on heat and to reduce gasoline consumption by curtailing transportation for children, they see stores, shopping plazas, streets, theatres, and similar places blazing with lights and all kinds of automobiles, buses, and trucks running helter-skelter, with little evident concern for the crisis that confronts us.

Earlier this week Mrs. Janet W. Richardson, NYSSBA president, and Mrs. Barbara D. Reimers, president of the National School Boards Association, issued the joint release which is enclosed. This statement voices our concern for meeting the present crisis and our willingness to help, but there is a limit as to how far our associations and local school officials can go successfully without help from higher authorities such as you, the Regents, the Legislature, and the Governor.

We believe firmly that our state officials must reach out to the public and let them know that education is important. If education does not warrant a place on our list of priorities, then we all must conclude that education is not very important in our daily lives or to our society.

We call upon you, the Regents, the Governor, and our legislative leaders to speak out on behalf of the children of this State to get the message across that our priorities must be placed in proper perspective and that our school children should not be expected to bear a disproportionate load in resolving this crisis. Children should learn to accept their responsibilities, but they should not be the first shock troops. Adults bear that responsibility.

While we urge you to take stronger action, President Richardson, President-elect George Hillman, Our Board of Directors, and I offer to you whatever assistance we are able to provide.

Sincerely yours,
Donald G. Brossman,
Executive Director.

[Press Release]

December 10, 1973.

Albany, N.Y.—The presidents of the New York State School Boards Association and the National School Boards Association today urged the nation's energy crisis decision-makers to give schools a high priority status in allotment of scarce fuels.

"We will teach a sad lesson", NYSSBA president Janet W. Richardson and NSBA president Barbara D. Reimers said today, "if we give higher priorities to nonessential use of energy and assign a lower pirority to our more than 50 million school children". The statement was made following a meeting of the board of directors of the New York State School Boards Association held in Albany this past weekend.

The longtime school board presidents from Painted Post, New York, and Branford, Connecticut, said they agree with Health, Education and Welfare Secretary Casper Weinberger when he told a school boards convention recently that:

"I don't see any reason why the reduction of fuel supplies need necessarily adversely affect schools or hospitals. I think it is a matter of priorities, and these are our very highest priorities", Mr. Weinberger said.

The presidents of the state and national school board organizations of elected public school officials urged school policy-makers to share in conservation of energy in areas that do not affect the health and welfare of children.

They said, on the other hand, that "school leaders must find creative solutions to the energy shortages rather than over-reacting with ill-conceived programs of closing schools, cutting heat and light, neglecting food services, cutting recreational programs, and reducing the school year".

Granting that the schools must share the national necessity to conserve energy wherever possible, Mrs. Richardson and Mrs. Reimers said that a nationwide survey of states and school districts made by NSBA last week revealed that widespread efforts by schools to reduce fuel consumption are already under way.

Noting that schools must, and are, sharing the national necessity to conserve energy whenever possible, Mrs. Richardson and the board of directors called on the State Education Department to provide general guidelines and assistance to the local school districts in the state.

While this problem will affect local school districts in different ways, we urge each district work with the other districts in its area. "We firmly believe that the energy crisis should not be paid for by our children through restriction of their educational programs."

AMERICANS MUST FORGIVE, LOVE, AND UNITE

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. VANDER JAGT. Mr. Speaker, as we approach Christmas and the New Year, we hear deepening cries for a renewal of brotherhood, love, and forgiveness, and for a recognition of our common dependence upon God's will.

Yesterday, Senator Mark Hatfield introduced a joint resolution calling for a national day of humiliation, fasting, and prayer, a time to rekindle the values that are the foundation of our Republic. The initiative has poignant and meaningful precedent in President Lincoln's comparable acts of faith amid the darkest days of our civil conflict. Senator Hatfield's resolution was immediately adopted by the Senate, and awaits House consideration early in the coming year.

The message of Rev. Sun Myung Moon, founder of the Unification Church International, represents another inspirational appeal to America, one which is especially appropriate at this time of national political tension, I am pleased to bring this message to the attention of my colleagues in the House of Representatives:

America in Crisis—Answer to Watergate—
Forgive, Love, Unite

Ever since I was 16 years old, I have constantly encountered the presence of God. I have been able to share with the world numerous insights that He has shown me. On January 1, 1972 God spoke to me again in my prayers. He told me to go to America and speak to the American people about hope and unification.

In obedience to God's call, I came and began the Day of Hope tour. In 1972 I took this message to seven American cities. The current nationwide speaking tour began in Carnegie Hall, New York on October 1, 1973, and will go to 21 American cities, declaring a message of hope and unification.

After New York, I spoke in Baltimore, Philadelphia, Boston, Washington, D.C., New Orleans, Dallas, Tampa, and Atlanta. The kind welcome I received in these great American cities deeply moved me. I am especially grateful to the mayors and other officials who responded by proclaiming "The Day of Hope and Unification" in their communities.

My travels in America have shown me a troubled land. The moral and spiritual decline is tragic and shocking. Many people are no longer proud to be Americans. The American nation seems mortally wounded in spirit and soul by the tragedy of Watergate. We are witnessing a crisis probably unprecedented in American history. The situation is very serious.

It is more than a political, social and economic crisis; it is a crisis of the human soul. This is not only the problem of the man in the White House; it is a crisis for all of us.

On November 10, 1973 I took two weeks out from my tour and returned to Korea. I spent that time for prayer and meditation in a desperate search for an answer and new hope for America.

Today we hear so much about America's troubles—what is wrong and who is to blame, what should be done and what cannot be done. Vicious accusation is becoming a daily staple in the American diet. Hatred and bitterness are killing the human soul. Some people cry out "Impeach the President". Opinion is divided, and the people talk on. Should the President remain in office? Should the President resign or be tried?

We were all eye-witnesses to America's assassination of her President, John F. Kennedy, in 1963. But today, without many realizing it, America is in the process of slowly killing her President once again.

A bullet killed Kennedy, yet the nation united in a common feeling of sorrow and repentance.

This time the "bullet" of hatred and acconcern for the future of their country. Some even believe America has been struck a fatal blow. However, at this critical moment in cusation is capable of destroying not only the President, but the nation with him. In a war of hatred, no one is the winner.

All thinking American people feel grave American history it is disappointing and strange that no one is asking, "What is the will of God?" If America was conceived as "One Nation under God," then the answer must come from Him. Have we stopped asking?

I bend my head and place my ear upon the heartbeat of America. I hear no one seeking the solution from above. We keep on criticizing, and the nation sinks—we criticize some more and the nation falls even farther, deep into greater peril. Now is the time for America to renew the faith expressed in her motto "In God We Trust." This is the founding spirit that makes America great and unique. God blessed America because of this spirit. Furthermore, America is fulfilling a vital role in God's plan for the modern world. God is depending on America today. Therefore, the crisis for America is a crisis for God. An answer must come from above, from God, from the one who has the answer. I have prayed to God earnestly, asking Him to reveal His message.

The answer came. The first word God spoke was "Forgive."

America must forgive. Whatever wrongs have been done, whatever mistakes are being made, America has a noble deed to perform. America must forgive. The Watergate affair is an error, not only the error of a few men, but the error of humanity, the error of the American people. The Lord's prayer says, "Forgive us our debts as we also have forgiven our debtors." If we want God to forgive us, we have to forgive each other first.

The Watergate is not merely a test of the President. The Watergate is a test of America's faith. How will this nation stand before God in the midst of moral crisis? Can this nation, which was founded 200 years ago based on the Christian tradition, uphold that same tradition today? Can this nation prove its generosity and mutual forgiveness? Can it love? This is the test for the American people. Long ago the American settlers on the New England shores made many grave mistakes. But with their trust in God they came through many crises. They could then lead America to prosperity.

The Bible speaks of the time the scribes and pharisees tested Jesus. They brought him a woman to be stoned. She had been caught in the act of adultery. Mosaic law demanded retributive justice. But, Jesus' message was forgiveness. He stood up and said to them, "He that is without sin among you, let him first cast a stone at her . . . and they which heard it, being convicted by their own conscience, went out one by one, beginning at the eldest, even unto the last: and Jesus was left alone, and the woman standing in the midst. When Jesus had lifted up himself, and saw none but the woman, he said unto her, 'Woman where are those thine accusers? Hath no man condemned thee?' She said, 'No man, Lord.' And Jesus said unto her. 'Neither do I condemn thee: go and sin no more!'" (John 8:3–12). Nobody dared to cast the first stone!

Who among you will be the one to cast the first stone? This is no time to cast stones upon your leader. This is no time to cast stones upon one another.

I have been praying specifically for President Richard Nixon. I asked God, "What shall we do with the person of Richard Nixon?" The answer did come again. The second word God spoke to me was "Love. It is your duty to love him." We must love Richard Nixon. Jesus Christ loved even his enemies. Must you not love your President?

What do you do when a member of your family is in trouble? Do you criticize him and tear him apart? Of course not. You guide him. You comfort him. You love him unconditionally. You belong to the American family, and Richard Nixon is your brother. Will you not then love your brother? You must love the President of the United States.

This nation is God's nation. The office of the President of the United States is, therefore, sacred. God inspired a man and then confirms him as President through the will of the people. He lays his hand on the word of God and is sworn into office. At this time in history God has chosen Richard Nixon to be President of the United States of America. Therefore God has the power and authority to dismiss him. Our duty, and this alone, is that we deeply seek God's guidance in this matter and support the office, itself. If God decides to dismiss this choice of His, let us have faith that He will speak.

I continued in prayer, and the third and last word God spoke to me was "Unite." "America must unite".

Let us unite in the spirit of forgiveness. Unite in the spirit of love. Now is the time for national repentance. Love is the power to unite. America once knew how to come together to create a powerful nation for goodness upon the face of the earth. America is a beautiful land to behold, a nation of all nationalities, all races and all religions united together into one working whole. The source of power has been love and faith in God and in one another.

The crisis in America today can be overcome. We must rekindle our faith in God and reunite ourselves in love, America's destiny is inseparable from the destiny of the world. America's well-being affects the plan of God. God chose this nation as His champion in His modern day dispensation. With the bi-centennial celebration a few years away. God is testing America through the Watergate problem. America must demonstrate unity in love and forgiveness. Let us renew our faith in God for this has been the wellspring of America's power. America must live the will of God. She has no alternative.

Who am I to say this to the American people? I am not even a citizen of the United States. I am a Korean, a guest.

However, I do this because I love America as much as my own country. This is a country God loves. And I love God and He is our Father in Heaven. Wherever God my Father dwells, there is my country. Indeed, the Father's country is also the son's. America belongs to those who love it most. I am as concerned for America's well-being as for my own. This is the foundation of my courage to speak out on this issue.

Furthermore. I waited; I waited long. I anticipated that some great American Spiritual leader or evangelist would rally America around God above the Watergate at this stormy and depressing time.

However, there has been no American spiritual leader speaking out for unity. I heard no articulate voice in the wilderness crying this to Americans. By this time, God spoke to me again. "Fear not! Remember Jonah in Ninevah. Speak out!" and I obeyed.

And this is why I am doing this.

As Founder of the Unification Church International, I have declared the next 40 days, starting December 1, 1973, as a period of prayer and fasting by our members all over the world.

In this we are determined to awaken our nation to this national emergency. America must unite in her Christian tradition of love and forgiveness in the face of the grave crisis created by the Watergate. We hereby launch this National Prayer and Fast for the Watergate Crisis as the only way to heal and unite this nation.

This is indeed the day of dismay and moral crisis. Yet, this is also a great opportunity for America, an opportunity in which the American people can demonstrate America's true greatness in faith and courage. Historically great peoples have proved their greatness not during normal situations but in crises.

This is the time the American people must act as a great people who put trust in God. Then this day will be a day of new hope and unification.

"In God We Trust." In these four words lie America's key to survival and prosperity. America must live the will of God, and God's command at this crossroads in American history is Forgive, Love, and Unite!

SOLAR HEATING AND COOLING INCENTIVES

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. MARTIN of North Carolina. Mr. Speaker, I am introducing today a bill amending the Internal Revenue Code to provide tax deductability for solar energy-powered environmental conditioning apparatus installed by homeowners, in addition to improved new insulation and heating and cooling facilities.

This bill is based on one introduced earlier by the gentleman from Maine (Mr. COHEN), with cosponsors including myself. This bill introduced today differs from the one previously introduced in two ways.

First, it specifically includes solar energy apparatus among the items qualifying for a tax deduction.

Second, it restricts deductions under the amendment to those costs incurred for energy-conserving improvements in fulltime residences. By specifying that, to qualify for a deduction, the cost be incurred on a residence normally expected to be occupied most of the year, we can avoid having the taxpayers subsidizing vacation and weekend homes which would not give us a substantial energy payoff.

I find no major fault with the previous bill, of which I am a cosponsor. However, with legislation likely to arise next session providing for solar energy demonstration projects, I believe we must begin looking toward tax incentives to encourage utilization of a new technology. For a while after industry starts producing solar heating and cooling systems, we can expect those systems to be relatively expensive. We want them to be more than toys. We want them used by millions of American homeowners. They can, and I believe they will, contribute substantially toward meeting our midrange energy demand in the residential sector. But, to get them used by middle-income Americans, the costs will have to be reasonable. Until economies of scale can work the prices down, the most effective method is a tax incentive.

I am well aware this will cost money. If we are talking about $3,000 to $3,500 for a solar unit, fully installed, on top of the stand-by system, we can foresee about $750 per unit in revenue lost to the Treasury. If, over 5 years, a million taxpayers take advantage of this tax break, it will cost three-quarters of a billion dollars, or $150 million per year. That is a substantial sum, but not as substantial as what would be needed to underwrite new solar R. & D. programs. I believe that the existence of a ready market for residential solar units will, of itself, perfect the technology we hope to demonstrate as a result of other related legislation.

We can create the ready market with a tax deduction. A taxpayer is likely to finance his solar unit by borrowing. Getting a $750 tax break in the first year will cover his downpayment and related costs. Energy savings in succeeding years will service the debt.

When industry gets going on a fully commercial basis, producing these solar units at competitive costs, we should then repeal this provision.

A JUST AND LASTING PEACE IN THE MIDEAST

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. MAZZOLI. Mr. Speaker, recent news accounts of the murder of innocent airline passengers and the hijacking of a Lufthansa airline by Palestinian terrorists is shocking, distressing, and deeply appalling to all who are dedicated to peace and to the dignity of human life.

And, certainly, this barbarous act cannot serve to facilitate or smooth the Mideast peace talks in Geneva which began today.

Another impediment at these talks is Syria's failure to abide by the Geneva Accords with respect to its treatment of the Israeli prisoners of war it now holds captive.

I have joined over 130 of my colleagues in demanding the Secretary of State Henry Kissinger exert every influence on Syria, directly or indirectly, to secure the release and/or accounting of the Israeli prisoners it now holds.

The acts of brutal terrorism by fanatic Palestinians, the inhumane and illegal actions of Syria regarding the POW's are outrageous, because they are crimes against human nature and regrettable because they might undermine the current peace talks.

Hopefully, basic human decency will prevail in the final analysis. But, the parties to the talks must not be diverted nor deterred from fulfilling their objective: establishing a just and lasting peace in the Middle East.

TRANSPORTATION NEEDS OF THE HANDICAPPED

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mrs. CHISHOLM. Mr. Speaker, the energy crisis may be a blessing in disguise for the long-term prospect, but in the interim many people will suffer. Poor people, workers, truckers, plastic producers, schoolchildren, independent gas station owners, farmers, automobile manufacturers, and many more will be victims, but the people who will possibly suffer the most are the 25 million handicapped Americans.

We need to consider the needs of the handicapped when implementing measures to meet the energy crisis. Very little has been said about the handicapped and their need of gasoline for cars. This need exists and it is a drastic one. Many handicapped people are solely dependent on various supportive agencies for their medical care, socialization, diagnosis, vocational evaluations, training, and employment. This necessitates a need for large amounts of gasoline so the volunteers can get to their handicapped outpatients.

It is indeed important to realize that handicapped people are not able to use public transportation because of the manner in which it is designed; therefore, many must rely on their own specially equipped vehicles to go to work, to attend a school, and just to live. Some people say to let them use carpools, but many handicapped people will tell you that the average commuter does not want to be bothered by the "extra responsibility."

If President Nixon implements a gas rationing system I call on him to set up a special exempt status for the handicapped people who use cars and for the agencies which provide supportive services. During World War II the handicapped were exempted; I see no reason why it should not be done in this crisis. If President Nixon chooses the other option of higher prices, I suggest that we heavily tax the increasingly rich oil companies and make appropriations to the handicapped and poverty programs.

Just suppose for a minute that a handicapped person has to go to a college way out in the country and because of rationing could only get 3 gallons of gas, but he or she decides to go because its important. What will happen if this person runs out of gas on the way home in the middle of the night on a snowy dark road, but cannot walk anywhere to get help. This kind of situation is a very real possibility. Of course there are many real situations. There are many preschool programs for the severely multiple handicapped that are not connected at all with the public school system. These young children have to depend on private volunteer programs for transportation to and from the facilities. The need is there; it cannot be ignored.

EFFECTIVENESS OF FOREIGN OR DOMESTIC POLICY MUST BE A SENSE OF REALITY

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. SYMINGTON. Mr. Speaker, about 2 weeks before the latest Mideast war I prepared remarks for a meeting which was not held. On reading them over in the light of developments since that time including the war itself, the pending negotiations in Geneva, and the domestic political repercussions of those negotiations, I thought it might not be inappropriate to share these thoughts with my colleagues in the House.

A cornerstone of any effective foreign or domestic policy must be a sense of reality.

America's concept of world order or global morality cannot simply piggyback upon that of another nation with which it has even the most deep-rooted affinity. We have not allowed this to be the case with our oldest friends in the family of nations.

We must always set our own policies in the light of our perception of what is not just "best for us" but what set of conditions is best calculated to permit us to engage most effectively in the great work of preserving peace in the world, perhaps the world itself in this thermonuclear age—with a minimum of injustice. Let us not continue to delude ourselves that we have the wisdom, much less the power, to ordain and maintain justice in the family of nations. We have a mandate to try. I believe that. But history and common sense compel a certain modesty, and its corollary, caution. It could even be said we have a few loose ends to tie up here at home as we tender our enlightenment to others.

As a great power our responsibility in the peace search extends well beyond a willingness to proffer our "good offices" to negotiations between other powers. Our vision and our preparation must reach beyond the line of those discussions to that bleak moment in time at which the world would arrive should they fail. If we are then strong only in moral purpose or resounding rhetoric, we cannot dampen the explosive charges.

In what must our strength consist? In a world where speed of movement, reliability of communications, and magnitude of production determine a nation's self-confidence and influence upon others, then, other than the spirit of its people, its technology base is its principal resource. And each nourishes the other. Conversely, a diminution in one produces a reduction in the other.

Let us look now at the productive capacity of America as related to demand. It is leveling off and beginning to decline. If energy sources diminish relative to demand as they are expected to do over the next decade, given the most optimistic resolution of pending questions re nuclear fission, coal gasification and liquefaction, solar, and geothermal research and development, and of course alternative oil sources such as Alaska, then we would at least hope to be able to face the oil producing nations of the Middle East, not as penitents, not as supplicants, certainly not as threatening aggressors, but as a nation and people whose policies have not proved patently prejudiced against those of their interests which objective reasoning would deem legitimate as distinct from their other possible aims. Among the latter, for example, might be the destruction of their neighbor, our friend, Israel, or even the maintenance of agreements and structures toward that end. Among the former might well be the return of certain lands occupied since the conclusion of the 6-day war—even as General Dayan has recently suggested. More precise delineations still await negotiations which have not yet occurred. They await, too, a broad multinational initiative for the resettlement of refugees. The delicate fabric of such negotiations might also benefit from the cement of great power investments in agriculture, water development and other areas of shared need throughout the Middle East. The sums would be considerable when looked at alone, but minuscule compared to the cost of putting out a great fire there, if, indeed the firefighters would be working together at that point.

What is needed then in my view is a vigorous and fair-minded initiative on our own part, in close concert with others if possible. Certainly Europe and Japan have as much or more at stake given their reliance on Mideast oil. Nor has the Soviet Union with its evident interest in free-world trade a great deal to gain by remaining aloof, or, worse, working to frustrate progress in this regard.

But the U.S. Government, in order for it to move with the necessary confidence and dispatch, must have the overwhelming support of the American people. From time to time we relearn the old lesson that effective government here depends on the consent of the governed. This is such a time. Is there such support? Until the American people are sufficiently informed of a situation, the goals to be achieved, and the alternatives, their "support" is a reed whose thickness would be dangerously tested by the first storm of demagoguery. For we must realize that the best policies will produce such winds.

My hope then is that the President will take the American people into his confidence, share with them the full outlines of the dangers ahead, and the perilous choices they require. Then he should tell us the course he would chart and ask our help and support. That I think, generally, is the formula for a successful Presidency and a secure America.

Certainly there are those in the country and in the Congress who believe our Mideast policies to be forever in thrall to the passions of ethnic identity. And a certain paralysis sometimes intrudes on the discussion. But we must not confuse awareness, poignant memory, or the sensitivities that only kinship can confer, with the clearheaded perspective America needs. Americans of Italian, German, Slavic, Irish, English, African, Latin, Japanese, Cherokee, and Sioux origin, to name a few, have undoubtedly been given cause to grieve by the circumstances of history, and the cruel national choices they provoked. But there is no blood in the rich veins of America which has not met that test. The reason is perhaps too simple to be noticed. It is that there is such a thing as America. And it is a new world. Its citizens are American citizens. And the decisions of their freely elected governments are American decisions. This, as I said earlier, is no guarantee that they will be correct, but that they will be the American distillation of the wisdom and love of us all for our country, and our collective faith that its honest expression at the point of the President's pen is the best we can do for ourselves and our world home.

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL—NO. 61

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. HARRINGTON. Mr. Speaker, at this festive time of year, most people are caught up with holiday preparations and tend to put serious matters aside. But homicides will not stop because it is Christmas or Hanukkah. Handguns will still be used to kill more than five people every day.

It is too late for Congress to act on the handgun legislation pending before the Judiciary Committee this session. When Congress reconvenes in January, however, strong handgun control legislation should be one of the first orders of business. As I have said before, the responsibility for a large part of the crimes committed with handguns is shared by Congress. With each passing day, we all commit an act of omission by refusing to pass the legislation that would prevent a large majority of these crimes from occurring. Therefore, I urge my colleagues to look into their hearts during this holiday season and ask themselves if they can condone the recurring tragedies committed by handguns.

Included below is a recent article from the Washington Star-News:

As American As Apple Pie

(By Robert Sherrill)

The revolver, the repeating rifle, the metallic cartridge, smokeless powder, pump action, bolt action, self-loading, and other firearm perfections have helped establish the American way of life and have sanctified the names Colt, Winchester, Sharps, Remington, Smith & Wesson, Gatling, Derringer, Thompson, Browning, and Savage.

To say that these weapons have helped establish the American way of life is actually too modest a judgment; they are a part of America's life, and we respond to and with guns in a very American way.

Could any response be more American than that of the two New York youths who shot and killed a storekeeper because they had asked for apple pie and he had offered them Danish pastry instead? Or the husband who shot and killed his wife for being thoughtless enough to run out of gas on the way home? Or the jivey New York youth who shot the discotheque manager who wouldn't sell him a ticket? Or the Maryland host who decided to restore gaiety to his party by shooting the guest who refused to stop arguing with his own wife?

Or the New York woman who killed one and wounded two in a gunfight over a parking space; or the Virginia woman who, claiming she was run off the road by another motorist, climbed out of her car with a .38 pistol in hand and dispatched the driver who had irritated her—one year after her husband had been arrested for shooting another motorist in a highway dispute?

What speaks more eloquently of rootless America than the Californian who expressed his irritation toward his Glendale landlady by shooting her with a six-foot-long German antitank weapon? Seeing a parked motorist discard a crumpled cigaret package on his front lawn, a Washington, D.C., suburbanite picked up the rifle he always kept handy at the front door and shot him dead. What other nation's environmental movement could inspire such zeal?

We have flattered ourselves in pretending that the gun-control debate in this country is based on philosophical differences. We like to think that we hang on to our guns and buy more, and then more, because of our "frontier heritage" or because, as one Texas historian wrote for a government publication, "A boy still becomes a man, usually on his birthday or at Christmas, when his father gives him a gun (and) in his gun ownership he is following a tradition that goes back to John Smith and Jamestown and has persisted ever since." Or we like to talk about how, by God, nobody's going to come into our homes and rape our wives.

Such convictions do have a profound influence on the debate, of course, but they are not the biggest obstacle to establishing reasonable gun controls.

The individual emotions wrapped up in gun-ownership could be dissipated. Plinking at tin cans can get extremely boring. Waiting for the burglar who never arrives will ultimately make any man feel foolish. Owning a gun just because Daddy owned one is not the most persuasive argument in an increasingly sophisticated society. Arming for bear in a city that supports only rats and mice would strike most people as nonsensical. The tradition that was made at Jamestown can be unmade, in time, in New York City.

But none of these changes will happen—none can happen—because of one insurmountable hurdle: the money in guns and ammunition and all the concomitant services and auxiliary equipment.

It's a very big business, big enough to prevent the rest of us from coming to terms with each other. Gun owners spend an estimated $2 billion a year, at the minimum, on this business—quite enough money to keep Congress and all state legislatures apprised of the desires of the gun and ammunition manufacturers, retail gun dealers, sports-clothes manufacturers, gun-magazine publishers, antique-gun dealers, hunting-resort owners, and "conservation" groups who get a kickback from ammunition sales. At bottom, it isn't tradition but trade that controls this issue.

There's a bright side to it. The trade does have a lilt. Madison Avenue responds with all its heart: a military surplus submachine gun was offered for sale as "The Perfect Father's Day Gift".

In the good old pre-1968 Gun Control Act days, when only money stood between the citizen and his own private war, perhaps the acme of advertising was reached by the Service Armament Co., of Ridgefield, New Jersey:

U.S. 60mm Morter (sic) complete with bipod and base plate etc. An ideal item for your den or front lawn can be easily packed into trunk of any automobile. This is the perfect tool for 'getting even' with those neighbors you don't like. Perfect for demolishing houses or for back yard plinking on Sunday afternoon."

Since we already have many millions of guns on hand, it isn't always easy to figure out what to do with the 5 million new guns that come off the proud U.S. assembly lines each year for civilian consumption, but somehow we do make a place for them. We find them very useful, tucked into the night-table drawer for security or tucked into the belt.

We use them to conclude dreary marriages with much more passion than the marriages ever knew in their most romantic moments; the Houston real estate executive who pumped 24 bullets into his wife was giving her more attention than she was accustomed to receiving.

And, to mention the most important of the many other uses of the firearm in America, the gun, of course, provides the prime requisite for our most profitable industry: crime.

To be sure, white-collar crime does not depend on it, but in a democracy it is fitting that a trade be open to the lowest as well as to the highest, and without the gun the underprivileged would be cut out of much crime that now is profitable.

As an inmate of the Joliet penitentiary, a former stickup artist, explained wtih impressive simplicity to a visiting reporter, "With a gun in your hand, it's a little bit more easier to control the situation, no matter grocery store, bank, or what it is. I mean, you can't go in wtih a broomstick and secure any authority for an armed robbery."

Some contend that peaceful citizens are at the mercy of gun abusers because there are so many guns available and because it is so easy to obtain a weapon if one is not immediately available. Where there is a will, there is a weapon.

Just how many guns are floating around the country is anybody's guess "experts" have appeared before congressional committees in recent years to estimate everything up to 200 million guns, or about one per person for the entire population.

The National Commission on the Causes and Prevention of Violence guessed 90 million in 1969. It's a guessing game that depends very much on the mood, shortly after John Kennedy's assassination a writer for the Reporter magazine got carried away and estimated one billion guns in America comes only in spurts in this country and cools swiftly. In 1971 the National League of Cities, an organization representing fifteen thousand municipalities, advocated federal laws prohibiting interstate sale of all firearms to individuals and mandating a minimum ten-year sentence for the use of a firearm in any federal, state, or local crime.

But the very next year it withdrew this advocacy and by a lopsided margin voted down a substitute resolution calling for national legislation to prohibit the manufacture, importation, sale, and private possession of handguns. Apparently the smaller cities, which predominate in this organization, had lost sympathy with the gun problems of their big brothers.

Some ask, why not arm everyone? It's the only proposal that was not seriously made during the Great Gun-Control Debate in Congress during the last decade, and considering the categorical bilge, historical cant bogus piety, and flimsy sociology that accompanied most other suggestions, it would seem to be at least a refreshing alternative.

It has been the most remarkable Congressional debate of modern time. On no other recent legislative question has so much passion been spent, with so little effect.

There are probably 50 million more guns loose in the land today than there were on the day President Kennedy was assassinated in 1963—an event which most people thought would bring about rigorous gun controls almost immediatley.

And although there were a few restrictions put on the sale of guns by legislation passed in 1968—the first gun-control law passed by Congress in 30 years—generally speaking, the traffic in guns for either criminals or law-abiding citizens is as brisk as it has ever been.

THE "MONEY WEAPON"

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. WOLFF. Mr. Speaker, I would like today to bring to the attention of my colleagues and the American people an article which appeared on Monday in the Washington Post entitled "The Money Weapon," by Victor Zorza. I have already distributed this article to members of the Foreign Affairs Committee during our recent deliberations. The column vividly points out how the Soviet Union has actively encouraged the Arab oil interests to go even beyond their outrageous blackmail of the free world evidenced by the oil boycott. Yet we are told by supposedly responsible spokesmen in our own State Department that we will not even now alter our policies toward the Arab States. I wonder how long this country will continue to absorb the abuse and humiliation of these blackmailers.

The article follows:

THE "MONEY WEAPON"

(By Victor Zorza)

The new Arab decision to use the "money weapon" against the West is being dismissed by Western bankers in as cavalier a manner as some experts once dismissed the oil weapon, but the Kremlin has high expectations from it.

The economic ministers of the Arab League member-states met in Cairo earlier this month and agreed to begin the "gradual" withdrawal of Arab funds from Western banks. Financial experts concede that if the Arabs withdrew the $10 billion they now keep in Western banks, or any major part of it, this could play havoc with the intricate economic and financial mechanism of the Western world.

But, they contend, the Arabs would do no such thing, because they could not find a better home for their money—which is much like the earlier argument than the Arabs could not stop selling oil to the West, because they could not drink it. Moscow, on the other hand, is telling the Arabs that they certainly ought to use the money weapon—and give the money to the Russians.

The Arabs, say the Western bankers, would not be as simple-minded as to do that. But the Kremlin, which knows that it cannot dupe the canny Arab finance ministers, has devised a round-about way to achieve its purpose.

A typical Moscow broadcast, just before the Arab League meeting, complimented the Arabs on their "effective" use of the oil weapon, but reminded them that their potential was "not confined to oil alone." The withdrawal of funds, it said, could have "a great effect" on the Western countries which were helping Israel in its "aggressive policy."

After the Arab League meeting, Moscow welcomed the decision to begin the gradual withdrawal but evidently felt that this did not go far enough. An inflammatory broadcast promptly sought to arouse Arab suspicions with talk of an international Zionist conspiracy. In terms reminiscent of the Protocols of the Elders of Zion, it linked the "oil monopolies" with Jewish-controlled banks, and the Rothschilds with the Rockefellers and the Gettys.

It mattered little that the Rockefellers and the Gettys were not Jews, Moscow explained, since they were beholden to the Jews. They profited from the industries which supplied arms "to the Israeli aggressors at low cost." Had it not been for Arab oil, which was "the life blood of modern industry," hundreds of major factories in the West "would have ground to a halt." That was just before they had indeed ground to a halt in Britain.

What Moscow now seems to be concerned about is that the Arabs might weaken in their resolve to use the oil weapon, and it is therefore urging them to supplement it with the money weapon. The West's major industrial corporations, it says, are "subservient to the Zionist banking capital which dominates, according to economists, 80 per cent of the financial system of the West." And yet the Arabs put their money in these banks which "use Arab capital to develop the war industry and to give direct economic and financial aid to Israel."

When the money theme of recent broadcasts is examined against the background of what the Russians have been saying to the Arabs over the years, it adds a further strand to the pattern which has begun to emerge lately. Now the "reactionary Arab oil kings" who insist on keeping their money in Western banks are seen to be "secretly" in league with Western imperialists and Jewish capitalists, and, indeed, with Israel itself. The aim of this international conspiracy is to preserve Israel's power and to protect the kings against the "Arab revolutionary movement," in which the Communists would one day play a leading part.

Moscow's recent pat on the back for King Faisal of Saudi Arabia is certain to be followed, sooner or later, with a blow under the belt. The Kremlin expects that when the "reactionaries" are overthrown, the Arabs would establish the political and economic links with the Soviet Union which would not only give it a share in the Mideast's oil, as has been suggested, but would also help to redirect the flow of Arab oil money to Moscow.

This is the long-term plan, which depends to some extent on continuing tension to produce the sparks that would ignite the flammable revolutionary material lying around the Mideast. In the short term, as another Moscow commentary on the Arab League decision made clear, the Arabs must withdraw the money from the West because "tomorrow" another devaluation could again cost them hundreds of millions of dollars. At the same time Moscow warned them that if they used it to buy shares in Western industry, as some Arab leaders propose, their dependence on the West would only increase.

The way out of the dilemma, according to Moscow, lies in using the Arab money withdrawn from the West to buy, from a certain country that remains coyly unnamed, the equipment, machinery, and whole factories which it would supply—unlike you know who—"on the basis of equal and mutual economic cooperation and cordial and honest assistance." That way, it said, the Arabs would be "assured" that their money would not be used to finance Israeli aggression, "which is what is happening now."

Of course, as Moscow has often told the Arabs, its own interest is entirely unselfish. It certainly wants them to use the money weapon, but for their own good only—or so it says.

PROBLEMS OF BLACK MAYORS IN THE NEW SOUTH

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. RANGEL. Mr. Speaker, the election of black elected officials, particularly mayors, in the South, has heralded a new era for black people and politics in this area of the country. This new era reflects a coming of age of political power long repressed and the flowering of alliances between blacks and whites based on the reality of growing black voting power.

The new era does not mean, however, a waving of a magic wand to eliminate the social and economic problems of the rural South. A black face in a public office formerly occupied by a white does not mean automatic benefit for the black voting population, no matter how great the difference in sensitivity toward the problems of the poor between the two.

Kenneth S. Colburn, deputy director of research for the Joint Center for Political Studies, has just completed a study of 39 southern towns with black mayors. The results of his study indicate that these mayors, and their towns, continue to suffer from the neglect of Federal and State governments that has victimized the ruraly South in the past.

The Boston Globe, in a recent series of articles on the Colburn study by John Robinson, makes the point that no matter who holds elected office in these towns, the solution to the problems they face in common must begin with a Federal commitment to solve the problem of poverty in rural America.

I place the Robinson articles in the Record for the information of my colleagues:

Building a Rural America

(By John Robinson)

There are at least 46 black mayors in nine of the 11 states of the old Confederacy. A few, like Maynard Jackson in Atlanta and Clarence Lightner in Raleigh have inherited essentially urban areas, with all the promise and problems that the nation and the cities across the country have been trying for a decade to cultivate and cure.

Their difficulties have been endlessly studied, publicized, addressed and otherwise dealt with. The search to turn the urban environment from a self-destruct projectory has absorbed billions of tax dollars with varying degrees of success. That is as it should be. But the vast majority of black officials in the South (as well as their white counterparts) inherited rural towns and cities with unique problems only dimly perceived by the affluent urban-suburban middle American.

For the most part, these rural spots have no formal budgets, few operational functions and virtually no history of problem solving.

A study authored by Kenneth S. Colburn of the Joint Center for Political Studies in Washington reports the following disconcerting facts based on an analysis of 39 southern towns with black mayors:

30 percent have per capita incomes below $2000 with at least four towns below $1000.

Nearly a third of the housing units lack one or more plumbing facilities.

More than a quarter of the housing units are without flush toilets.

Roughly a quarter of the units are considered overcrowded.

About two-thirds of the housing units are owner-occupied but, because of poverty, lack of municipal services and ignorance, few can tap sources of funds for basic improvements.

President Lyndon B. Johnson had a feeling for the rural poor and it was his intensity of feeling that channeled some measure of assistance to Appalachia and the rural South as well as to cities. (Walter Lippmann once wrote that, on the theme of poverty, Johnson had "fire in his belly.") But urban rioting and pork-barrel mentality in the Congress swung the emphasis of the War on Poverty to the powerful, populous urban states.

Johnson's several attempts to reallocate some of that emphasis by pooling resources of rural counties and towns and dispensing more funds through Office of Economic Opportunity programs faltered in the face of the ever-increasing appetite of the Vietnam war.

Thus, many rural towns, particularly in the South and especially those with a majority of black citizens, appear little better off than they were eight years ago. The Joint Center's report seems to bear this out, as do the data from the Departments of Commerce and Labor which supplied some supplementary statistics.

While stating that the record of Federal aid to the communities studied in the report was "sketchy," the author concludes, "It is fair to suggest that it (Federal aid) is far below the level required to meet even the most basic needs."

The needs are clear and the mayors interviewed for the study are in agreement: financial aid to improve the quality of life, technical assistance to the black mayors and a special designation for the towns and others like them to focus the energies and resources of the existing Federal bureaucracy on their needs, their aspirations and their reasonably achievable goals.

Johnson once wanted to create a rural America so promising to youth that they would not flee to overcrowded cities as soon as they could save the bus fare. It is a healthy and desirable possibility.

Problems of Black Mayors in South

(By John Robinson)

The world of the cities and towns of the new South that are spawning black elected officials by the dozens is centuries apart from the troubled, still decaying urban environment of the industrial North.

The problems that both worlds share are magnified a hundred times over in the old Confederacy. The biggest difference is the degree in which state and Federal responses to these problems have been mustered and implemented.

This view, not at all new nor held solely by discriminated racial minorities, is greatly supported by a recent study authored by Kenneth S. Colburn of the Joint Center for Political Studies in Washington. The study is the result of a request from southern black mayors for assistance in documenting the needs and problems of southern communities headed by black mayors. It could be the starting point for an improved national response much in the way studies by Banfield, Wilson, Moynahan and Glazer among others helped share the last decade's response to urban problems.

The record of blight, decay and neglect in the South may not be more shocking than in northern cities but the resources allocated and squandered, to some degree, to address the problems were lavished on the North. This was probably as much owing to the wish of the bureaucracy to still truculent voices in seething ghettoes as it was due to a real feeling that the fate of the nation was somehow identical to the fate of the cities. In terms of population density, that fear has its sticking point. However, that does not detract from the sorry scene down South.

There are now 46 black mayors of southern cities and approximately 1200 black elected officials. For the generations that lived through Jim Crow, interposition and nullification, this is a monumental achievement.

There are, however, a host of problems which these newly elected officials face, many of them because of unconscionable neglect by white officials who preceded them. Most of the mayors govern small cities and most are without prior administrative experience. There is no machinery administered by experienced, talented personnel. Many mayors serve on a part-time basis. There is still racial discrimination, which has its telescoping effect in education, jobs and housing. And there is the all pervasive poverty, of a sort that is rarely experienced in the North.

Twenty eight of the 46 towns have per capita incomes below the non-farm poverty level ($1900) as defined by the Department of Labor. Fifteen of those are below the level for farming districts ($1600). At least 15 towns have twenty percent or more housing units without flush toilets. Places like Edmonson and Mitchellville, Ark. and Princeville, N.C., have 75 percent or more of their units without toilets. The problems of overcrowding, certainly not one confined to the South, is nevertheless acute. Sewerage, clean water supply, health facilities are scandalous rarities.

The mayors believe their major problems are solvable and over the short-run rather than in two or three generations. In a future column I will report some of their thoughts in the problem-solving arena.

INDEPENDENT PROSECUTOR ADVOCATED

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. HUNGATE. Mr. Speaker, the Illinois State Bar Association's bulletin the Bar News has an article in which I am sure my colleagues will be interested.

The article follows:

[From the Illinois State Bar News, November 1973]

Independent Prosecutor Advocated—ISBA Assembly Suggests Congress Appoint Watergate Prober

Chicago.—The Assembly of the Illinois State Bar Association approved a resolution November 3 advocating the creation by Congress of an independent Office of Special Prosecution to further investigate the Watergate controversy.

The resolution, which was adopted by the policy-making body of the ISBA by a vote of 59 to 16, was introduced by David P. Peskind of Aurora.

In introducing his resolution Peskind criticized President Nixon for his recent firing of Archibald Cox and quoted American Bar Association President Chesterfield Smith in saying, "The President . . . instituted an intolerable assault upon the most rudimentary and basic principles of justice."

The resolution reads: "Resolved that the Illinois State Bar Association advocates the appointment of an independent prosecutor to investigate the Watergate affair and other matters and that the Congress of the United States, consistent with the provisions of Article II, Section 2 of the Constitution, or such other power as may exist, create by legislation an independent Office of Special Prosecution in relation to the matters in question and now under investigation."

ISBA President William P. Sutter, who presided at the Assembly session, said: "There is nothing more important than to clean up and bring to an end the present situation. When the current Watergate matter is ended, the better off the country will be."

He added that the resolution was not to imply that the special prosecutor that Presiden Nixon had just appointed, Leon Jaworski, was not qualified, but that the ISBA Assembly feels that the only route for the guarantee of an independent investigation of the matter is through Congress and not the executive office.

AMERICA, THE BEAUTIFUL

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. HANRAHAN. Mr. Speaker, at a time when the troubles of our Nation run high, I found the following article a warm and very pleasant intermission from the type of journalism which seems to dominate our newspapers. I hope my colleagues will enjoy this article:

IN PRAISE OF AMERICA

(The following editorial was broadcast over Toronto radio by commentator Gordon Sinclair.)

This Canadian thinks it is time to speak up for the Americans as the most generous and possibly the least appreciated people on all the earth.

Germany, Japan and, to a lesser extent, Britain and Italy were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts. None of these countries is today paying even the interest on its remaining debts to the United States.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up, and their reward was to be insulted and swindled on the streets of Paris.

I was there. I saw it.

When distant cities are hit by earthquakes, it is the United States that hurries in to help. . . . This spring, 59 American communities (were) flattened by tornadoes. Nobody helped.

The Marshall Plan and the Truman Policy pumped billions upon billions of dollars into discouraged countries. Now newspapers in those countries are writing about the decadent, war-mongering Americans . . .

Why does no other land on earth even consider putting a man or woman on the moon?

You talk about Japanese technocracy, and you get radios. You talk about German technocracy, and you get automobiles.

You talk about American technocracy, and you find men on the moon—not once but several times—and safely home again.

You talk about scandals, and the Americans put theirs right in the store window for everybody to look at . . .

When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the New York Central went broke, nobody loaned them an old caboose. Both are still broke.

I can name you 5,000 times when the Americans raced to the help of other people in trouble. Can you name me even one time when someone else raced to the Americans in trouble? I don't think there was outside help even during the San Francisco earthquake.

Our neighbors have faced it alone, and I'm one Canadian, who is damned tired of hearing them kicked around. They will come out of this thing with their flag high. And when they do, they are entitled to thumb their noses at the lands that are gloating over their present troubles.

I hope Canada is not one of these.

THE ENERGY CRISIS IN PERSPECTIVE

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. HEINZ. Mr. Speaker, recently a valued constituent brought to my attention an important article from the November 30 edition of the Wall Street Journal. "The Energy Crisis in Perspective," by W. Philip Gramm, analyzes how incentives to develop nonpetroleum based energy forms will result from the rapidly rising world crude oil prices.

Mr. Gramm argues that as the era of cheap energy comes to an end, many of the more expensive and, until now, more exotic, energy forms will become economically feasible. And higher prices will attract private capital into taking the risks necessary to develop the supplies of clean energy we need for national security and economic stability.

I urge my colleagues to study Mr. Gramm's article, for it provides another important perspective on the present energy crisis:

THE ENERGY CRISIS IN PERSPECTIVE

(By W. Philip Gramm)

Much of the prevailing rhetoric on the "energy crisis" expresses the kind of logic: Since there is just so much oil, coal, natural gas and other energy sources, sooner or later we are going to run out. We must, therefore, begin to ration these resources not only to meet the current crisis but to conserve energy in our time and move the day of reckoning further into the future. Americans have been "energy pigs," according to Stewart Udall, and have been operating on the misguided assumption that there is no limit to the quantity of energy. Since we are at the end of the era of cheap fuel and dealing with a problem without precedent, strong and previously unacceptable policies are called for: government regulation of the production and distribution of energy.

Ignored is the fact that mankind has frequently experienced instances of increasing scarcity, and by ingenuity and free action has solved all of them. In fact, we are currently experiencing the *second* major energy crisis in American history.

From the colonization period until the Civil War the major source of artificial lighting in the U.S. and Europe was whale and sperm oil. Since there were no good substitutes for these oils as sources of light, the world's supply of artificial light depended almost exclusively on the whaling industry. People did not need computers to project that the supply of whales could not keep pace with the rapid expansion in demand.

Sperm oil rose from 43 cents per gallon in 1823 to $2.55 a gallon in 1866. Whale oil rose from a low of 23 cents in 1832 to $1.45 a gallon in 1865. As prices rose, gas distilled from coal became an economically feasible substitute causing whale oil demand to fall off sharply in Europe.

In 1859 sperm oil was over $1.36 a gallon. But that same year, an event which in nine years would end the whale oil crisis forever occurred; petroleum was discovered in Pennsylvania. In the meantime, the demand of the Civil War boomed whale oil prices. Not only was there increased demand, the war disrupted production. Conscription of whaling vessels as freight ships and the capture or destruction of ships by Southern privateers caused a decline of more than 50% in the number of U.S. ships in whaling and a 60% decline in tonnage. By 1866, sperm oil had reached a high of $2.55 a gallon.

The high prices for whole and sperm oil between 1849 and 1867, provided a growing profit incentive to develop an efficient refining process of crude petroleum and induced kerosene. Beginning in 1867, kerosene broke the sperm and whale oil market and prices tumbled. By 1896, sperm oil was cheaper than it had been in any recorded period—40 cents a gallon—but whale oil lamps were no more than relics for succeeding generations.

TWO VITAL FUNCTIONS

Aside from providing an incentive for the development of petroleum products rising whale and sperm oil prices performed two other vital functions. Rising prices caused consumers to act out of their own self interest to economize the use of oil. Rising prices gave an inducement for producers to increase output of whale and sperm oil through increases in investment, improvements in technology, and increased labor input. The rise in prices from 1820–1847 included a rise in the tonnage of whaling vessels of almost 600% and produced numerous technological improvements in the whaling industry. It appears that rising prices caused output to increase perhaps by 1,000% or more. Had government possessed the power and volition to ration whale and sperm oil to hold its price down or to levy a tax on oil to reap the gains from the price rise, the shortage would have been catastrophic and the advent of kerosene and other petroleum products might have been delayed for decades.

The whole oil crisis is a case study of how the free-market system solves a scarcity problem. The end product of this process of discovery and innovation is the Petroleum Age in which we live. We owe the benefits and comforts of the present era to free enterprise and the scarcity of whales.

The history of our first "energy crisis" demonstrates that there is no reason to believe that we face long-term doom. If technology were suddenly frozen, some of the dire projections being made now might be realized in several hundred years or less, depending on which "expert of the week" one believes. But technology is *not* frozen. It is instead progressing at a rate unprecedented history. The Petroleum Age will pass as did the Stone Age (and the Whale Oil Era). The real danger is that we may foolishy restrict the exploitation of current sources and allow them to become valueless. Only if we eliminate the market incentives for innovation and investment will we face a real, long-term "energy crisis."

Though there is no long-term "energy crisis" there is a short-term problem. Economic science teaches that shortages cannot exist in free markets. In free markets prices rise in order to eliminate shortages. "Crisis" as opposed to simple scarcity, results from market disruptions; and the *only* sector of society which possesses the power to disrupt a large market is the government. Government price ceilings on natural gas at the well-head have been one of the most disruptive public policies. By setting the price of natural gas artificially low, the government has stifled the incentive of producers to increase supplies, while the artificially low price has stimulated demand. Furthermore, since profits are low at these artificially low ceiling prices, investment and exploration have fallen off sharply.

Price controls have also had a detrimental impact on the supply of petroleum products and the construction of refinery capacity, essential to increasing domestic energy supplies. Due to the pressure to keep prices below what the free market would specify, shortages of petroleum products have occurred at both the retail and wholesale levels. Had prices been allowed to rise, the quantity supplied would have expanded to meet the quantity demand; and each consumer would have had direct incentive to economize on usage. We are only now beginning to realize the distorting impact on the production of inputs essential to fuel production (drilling equipment, tubular steel, etc.) which four phases of price controls have produced.

Environmental legislation and court action also have had a significant impact on the supply and demand for energy. Injunctions against atomic and conventional power plants have prevented the supply of electricity from keeping up with the demand. The injunction against the Alaskan pipeline has impeded the growth of oil supplies. Pollution control devices on automobiles have increased fuel consumption and, thereby, increased the demand for gasoline. Mass conversion from high sulphur to low sulphur fuels in order to comply with EPA regulations to abate pollution has caused a change in the composition of energy demand from plentiful, cheap sources of energy to scarcer more expensive ones.

The energy crisis has made it clear that pollution abatement has a definite cost to society. Only by understanding the costs involved in various forms of pollution abatement can we choose how much environmental protection is optimal.

The bureaucratic method of looking at the supply and demand for energy products differs substantially from the market-directed approach. The bureaucrat presumes first of all that the supply of the product is absolutely fixed. Price does not matter. A price rise, he argues, will not put more oil in the pipelines—at least not before the next election. People "need a certain amount" of the product, and they will always buy the same quantity regardless of price unless they are too poor to afford it at all. These views are, of course, economic nonsense. In weighing the various courses of action which might be followed in minimizing the cost of dealing with the current energy problem it is useful to make a ball park estimate of the price level that the free market would yield in the shortage period.

ESTIMATING OUTPUT AND DEMAND

Estimates of how much the demand for energy sources would decline in a period less than a year, if prices rose by 1%, range from roughly 0.2% to 1.2%. Estimates of how much the quantity supplied would rise in the same period, if prices rose by 1%, vary from roughly 0.6% to 2%. A reasonably conservative estimate is that a price rise of 1% will provoke a decline in the quantity demanded of 0.5% and a rise in the quantity supplied of 1%.

The practical importance of these estimates is that a 10% shortage in the supply of fuel at current prices would yield a free market rise in price of less than 7%. If we are more pessimistic about the shortage and assume that demand exceeds supply by 20% at the current price, we might expect a price rise of less than 14%.

The above estimates, though conservative, do not take account of the disruption produced by the crisis atmosphere that surrounds this issue. Since the magnitude of the crisis has been blown out of all reasonable proportions and people fear shortages and rationing, hoarding by both the supplier and demanders is a genuine possibility. In the very short run (up to three months) we might expect prices to rise above the long-term market price. After roughly one to three months we should expect the crisis mania to pass and a general dishoarding to occur so that prices would fall to a level below the above estimates. The estimates are of course based on the assumption of unhampered market adjustments. Government attempts to interfere with this market process would tend to shift the estimates upwards.

The first step in solving the energy shortage is to allow the free market system to work. *All price ceilings and government controls should be eliminated.* Such action would greatly stimulate the supply of energy sources and eliminate shortages. Prices would rise but the expansion of output would hold prices to the minimum which current conditions dictate. Furthermore, the free market will insure that energy will be allocated to the highest priority users. Price increases are not pleasant, but they are better than low prices and no energy. If these higher prices work hardships on the less fortunate among us, special provisions, which would be preferable to the distortions and waste of rationing, could be provided for this small minority.

There is an additional advantage of allowing domestic prices to rise. As prices rise in the U.S., the cost to the Arabs of maintaining the restriction on sales to the U.S. will get higher. If we simply allow the market to work, the agreement to restrict sales to the U.S. will break and with it Arab unity will break. The Arabs are playing a dangerous game. If we allow prices to rise we can expect the development of new domestic sources such as oil shale and domestically produced substitutes for petroleum.

COSTS AND CLEAN AIR

Another step in solving the energy problem is to *inform society of the cost of environmental and ecological programs and allow the people to chose.* If people want the end products of such programs, they will have to pay the cost in higher energy prices. Without adequate information, society will not be able to decide which programs are worth the cost and which are not. If people prefer cleaner air to lower fuel cost they can choose to convert from coal to oil. If they choose lower fuel cost they can burn cheaper and dirtier fuels. Such a system seems preferable to allowing a bureaucrat to decide for them.

To increase supplies we should *open the continental shelf for drilling* but make firms liable for oil spills and other forms of ecological disturbances. Most oil spills are not from drillings but from tankers. By employing the Naval oil reserves, the continental shelf and areas which will become economically feasible at higher prices, output could be greatly expanded.

We should *institute peak-load pricing for electricity in shortage areas.* Brownouts and blackouts occur because in peak use periods overloads occur. By charging more for power in peak use periods, nonessential use would occur in nonpeak load periods when power is cheaper. Under the current system there is no incentive to spread out power use. Peak load pricing could minimize overloads in the current system and allow time for supply sources to catch up to peak load demand.

A LETTER FROM MR. JAMES A. RICHARDS

HON. JOSEPH J. MARAZITI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. MARAZITI. Mr. Speaker, I submit for consideration a letter from one of my constituents, Mr. James A. Richards, dated December 10, 1973, which I feel will be of interest to the Members of the House of Representatives and the citizens of this Nation.

This letter is typical of the many that I have received in recent weeks.

The letter follows:

ANNANDALE, N.J.,
December 10, 1973.

DEAR CONGRESSMAN MARAZITI: I voted for the President. I am pleased with his record. During the Viet Nam war he kept his word. Every troop withdrawal was met. He told me no lies unlike the man who served before him.

We have had no new wars. We seem to be calmer now than we were two years ago. My income tax has been going down the past three years while my income goes up. He ended the draft. He got the 18 year old vote. Although inflation is bad, I believe he has the right idea.

So as you can see, in spite of the television, there are people who are happy with Nixon.

I think, it does no good to go around trying to impeach the President. Perhaps next week the television will leap out that the President painted the oval office without first asking the director of parks and playgrounds.

That is where this whole issue of impeachment belongs, in a playground. OK, so some don't like him. I did not like Kennedy or Johnson, and they brought me a war. All Nixon did was make peace.

Now that they kicked him down and rubbed his face in the dirt why don't they leave him alone.

He is my President too.

JAMES A. RICHARDS.

ERNEST PETINAUD

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. ROONEY of New York. Mr. Speaker, with the retirement of our friend Ernest Petinaud as maitre d' of the Members' dining room in the Capitol, a long and warm era ends here on Capitol Hill. Ernie will be sorely missed by all those who have known him and who have been greeted by his usual warm handshake, broad smile, and hearty hello.

During his more than 40 years of service to the House of Representatives and its membership, Ernest has been able to number among his many friends the great and the famous who have worked in this Chamber.

His consideration for the Members of Congress, their families, their staffs, and the thousands of constituents who come to the Capitol every year was unmatched in sincerity and warmth. I know that I echo the sentiments of all of us who have known Ernest in saying that we appreciate his hard work, his personality, and his perseverance.

When asked recently by one of our colleagues what he would miss most about working on the Hill, Ernie answered without hesitation: "I will miss the atmosphere of friendship."

He went on to paraphrase the great Will Rogers by saying that he has "never met a Member he did not like."

Mr. Speaker, it goes without saying

of course, that I personally never met a Member or anybody else for that matter, who did not like Ernest Petinaud.

We shall all miss Ernest and I feel it a privilege to join with all the other Members and his friends in wishing him a long, happy and well-earned retirement. The editor in chief goes back into the woodwork.

GARBAGEMEN AND CONGRESSMEN

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. BAUMAN. Mr. Speaker, as one Member's thoughts on the crisis of public confidence in government and its leaders, I would like to share with the House the contents of my weekly column entitled, "Garbagemen and Congressmen" and as I do so I would also like to wish my colleagues a happy new year.

The article follows:

GARBAGEMEN AND CONGRESSMEN

(By Congressman BOB BAUMAN)

WASHINGTON, D.C.—You may recall reading a few weeks ago about a Lou Harris poll which showed that only 18% of the American people have a great deal of confidence in the President, while 52% of all Americans have a great deal of confidence in the man who collects their trash. There was a great deal of chuckling when the poll was made public, and most people wrote it off to the Watergate scandal. But a close examination of the poll data shows that more serious conclusions are to be drawn from this survey.

The poll was conducted in September, 1973, at the direction of the Senate Subcommittee on Intergovernmental Relations. Harris was commissioned to survey public attitudes toward government at federal, state, and local levels throughout the country, and some of the results were startling.

While the comparison between public confidence in trash collection and the Presidency got most of the attention, few noticed that the Senate and House of Representatives did not fare much better. While 18% had "a great deal of confidence" in the White House, only 29% felt that way about the House, and only 30% about the Senate.

An even more telling response came when the interviewers asked, "What do you feel are the two or three biggest problems facing the country?" Understandably, 72% said the economy/inflation. The same response was at the top of the list when the question was asked a year ago. But the second most numerous response was "integrity in government," the answer given by 43% of those polled, up from only 5% a year earlier.

The tabulations brought Mr. Harris to remark, in summing up the results of the survey, that "The key to any kind of successful leadership must be iron-bound integrity. This matter of honesty and straight dealing is one that has the public deeply alarmed. It cannot be underestimated."

Fully 67% of those polled said that there was a general lack of trust and confidence in government, while 70% said that corrupt politicians were a major problem in America.

It is time, I believe, for public officials to turn over a new leaf, and these survey results provide hard evidence that the public will insist on it. Full financial disclosure, not only of campaign receipts and expenditures, but of personal financial stature, should be required of every public official. Whether fairly or unfairly, numerous scandals concerning the expenditure of funds collected by the Committee to Re-elect the President last year have resulted in a general public cynicism about political campaign financing at all levels. This doubt and cynicism can be dispelled only if full, honest, and complete public disclosure of campaign financing is mandatory.

Questions about the President's personal finances have in turn raised questions about the personal finances of every other public official. Just as early and regular disclosure of Mr. Nixon's personal finances would have staved off much of the deepening doubt which now plagues his administration, it will save all of us from doubt and suspicion about other elected officials at all levels if personal disclosure becomes commonplace. It is something I have long favored.

It is also vital, of course, that all of those involved in the Watergate affair and the subsequent cover-up be brought to justice. Many have already been tried and convicted. But the continuing controversy over the missing tapes, and other developments, demonstrate that the case is far from closed. However painful it may be, all of the facts in the Watergate case must be brought to light, for if they are not, the loss of public confidence in government may become irreparable.

Finally, it should be noted that one bright light did shine through the survey results, which indicates that there is still hope for elected officials who wish to regain the confidence of the public. By a large margin, Americans still hold to a firm belief that our governmental institutions are sound, and they continue to have faith in our system of government. Present concern stems not from shaken beliefs in the structures of federal, state, and local governments, but from doubts about the manner in which those governments are being run today. Significantly, Mr. Harris sums up the results of his survey by concluding that ". . . there is virtually no evidence that the American people are spoiling to change the basic structure of their free and voluntary society." If anything, Harris says, Americans are looking for more contact between elected officials and the public, "as well as more division of the labor of governing among the federal, state, and local levels."

As we begin the year 1974, I pledge to you my continued support of these values and recognize my duty to exercise my responsibilities as an elected official honestly, and with integrity. It is my sincere hope that the new year will bring a renewed faith and confidence in our governmental institutions, as we work to correct that which has disappointed us in the past.

ERNEST PETINAUD

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. DE LA GARZA. Mr. Speaker, saying "adios" is always a wrench to the heartstrings—and we are saying "adios" now to our good friend, Ernest Petinaud who's leaving the House of Representatives restaurant as its maitre d' for the easy life. It will be nice for his wife and family to have Ernest home—but his departure will make a change for all of us.

The words, "loyal," "faithful," "helpful," "cooperative," "kind"—just begin to describe Ernest—all that and even more—a great ambassador of good will—the real American story all over again of the poor immigrant boy rising to heights of true professionalism and widespread respect for his abilities. That is the story of Ernest Petinaud.

Coming from south Texas, I have a bilingual constituency—and Ernest had a particular penchant for recognizing those who spoke Spanish and always welcomed them in the most fluent of those dulcet tones—as he leaves us, we say to him, "Vaya con Dios, Ernesto—que siempre tenga todo lo mejor en esta vida."

WHAT GOVERNMENT SHOULD DO IN THE ENERGY CRISIS

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. KYROS. Mr. Speaker, there is no more pressing subject today than the energy crisis. Therefore, I wanted to take this opportunity to share the following article with my colleagues. Its author, Mr. Edward Falck, is an oil and energy expert who has had extensive experience with the energy shortage during World War II. His excellent article, which appeared in the Public Utilities Fortnightly, is insightful and timely, and I commend it to my colleagues' attention at this point:

WHAT GOVERNMENT SHOULD DO IN THE ENERGY CRISIS

(By Edward Falck)

(EDITOR'S NOTE: The legislative situation in Washington is fluid. Events concerning energy are outpacing even daily newspapers. In this situation, rather than discussing specific bills and events as normally done in this space, it was felt the Fortnightly could make a better contribution by opening a discussion relating to the basic thrust of that legislation: How government should approach rationing and allocation of fuels. A logical place to begin is to explore some of the lessons of the past when the supply of energy was threatened. We contacted Edward Falck of Washington who was Director of the Office of War Utilities from 1943 through 1945. His views, which follow, reflect not only experiences of that earlier "energy crisis" but also his strong, personal advocacy of how government might approach the present dilemma. The Fortnightly invites letters and opinions from others toward the end of helping government formulate a program that will have the least deleterious impact on people's lives, the economy, and utilities. Above all, to help government obtain a program that will work.)

I have been asked to express my views on how government might approach the problems of rationing and fuel allocation in today's energy crisis, based on my experience with the Office of War Utilities. There are similarities between the fuel supply problem then and now. But there are differences, too. In order to provide the necessary rationale for my conclusion that a new government agency is needed, it is necessary to recall briefly those earlier times, the atmosphere, and my own role.

The war between Germany and Britain, France, and their allies was in full swing in 1940 and early 1941. President Roosevelt was concerned with defense mobilization in the event the United States might become involved. The Office of Production Management had been created.

One question of major concern was the "readiness" of the electric industry to meet power requirements in the event of war. The President had asked for a report on this important subject and one was prepared and presented by Mr. Kellogg of the Edison Electric Institute and Gano Dunn, a well-known engineer. The Roosevelt advisers believed this Kellogg-Dunn report was too conservative and did not allow for probable contingencies that might greatly expand the requirements for electric power. At this point, President Roosevelt called upon Julius A. Krug, then manager of power with the Tennessee Valley Authority, to come to Washington. Mr. Krugg, called "Cap" by his friends, asked me to leave my work with Consolidated Edison Company of New York, Inc., to come to Washington as a "Dollar-a-year man" and be his deputy.

NEEDS ESTIMATED

My first assignment was to forecast the peak electric power requirements that would occur under conditions of full military and civilian mobilization. In this work I had the highly competent assistance of an able statistician, Constantine Bary, who had been loaned by Philadelphia Electric Company. We estimated power requirements would peak in the year 1943 at a level very substantially higher than had been predicted in the Kellog-Dunn report. Immediate steps were taken to expand the hydroelectric capacity of TVA and the Bonneville Power Administration and also to expand the steam power-electric generation capability of important private power systems serving defense production loads.

The Office of War Utilities had a quality organization of men and women. Their morale was always high. No one complained when called upon our staff to work long hours. Everyone knew "there was a war on." (Government workers today exhibit no such knowledge toward the energy crisis.)

Our personnel was recruited with great care to balance out conflicting points of owned electric companies, federal agencies such as TVA, Bonneville Power, Federal Power Commission, and Rural Electrification Administration. We made every effort to prevent the use or abuse of the priorities-allocation system to further the special interests of any particular company, public versus private ideology, etc.

We gave much thought to avoiding conflicts of interest. Judge John Lord O'Brian, who was general counsel of WPB, set up guidelines that helped keep the entire operation of WPB above suspicion and beyond wrongdoing. First, it was a rule that no Dollar-a-year official could pass on priorities or allocations affecting his own industrial or utility company. Secondly, all top policy determining jobs were held by governmental employees on the government payroll. No Dollar-a-year man could make any important policy decision. (When I accepted appointment to be Deputy Director of the Office of War Utilities in 1943, I was forced to resign my job with Consolidated Edison and go on the federal payroll.)

POLITICAL CLIMATE

The political climate in 1941–43 was very different than it is today. Although a small minority of right-wingers were strongly opposed to President Roosevelt and even accused him of conniving to induce the Japanese attack on Pearl Harbor, the vast majority of Americans were solidly behind the President and the war effort against Nazi Germany and Japan. There was little or no dissent when Americans were called upon to accept gasoline rationing and electric dimouts.

We did not fear the political effect of decisions to restrict public consumption of energy for nonessential purposes. For example, we prohibited use of outdoor lighting for advertising, display, and ornamental purposes. We prohibited night baseball and football games. We turned the lights off on Broadway. Today, one may wonder whether the government will go this far in an effort to balance energy requirements with available energy supply.

It may be noted that unless nonessential uses of electricity are curtailed, there will inevitably occur power shortages which will force the cutting off of electric service to essential, even vital, uses such as schools and hospitals.

What is needed first is establishment of categories of essential uses and categories of nonessential uses. To do this involves the making of top-level value judgments in terms of the national public interest. Consideration must be given to the impact of electric power curtailment upon national defense, industry, trade, and employment.

BURDEN BORNE EQUITABLY

Also, a balance must be sought between and among power supply areas throughout the country. The power shortage should be shared insofar as possible on an equitable basis.

During World War II we acted on the basis of judgment and common sense without the benefit of lengthy time-consuming studies, reports, hearings, and debates. Today we have had too many studies and hearings and not enough decisive action.

Governor Love has stated many times that priorities solve no supply problem; they merely allocate the shortage. I agree with this generalization. The only way to solve an energy shortage is to increase energy supplies and cut off or dampen energy requirements. Shifting energy requirements from natural gas to propane or to fuel oil and from fuel oil to coal does nothing to cure the overall energy shortage. We must find ways quickly to increase production of all our hydrocarbon resources, coal, oil, and natural gas. This will take time. Meanwhile, we must have curtailment and rationing.

ASKS BOLD ACTION

One of my few criticisms of Governor Love and his staff is their reluctance to proceed boldly with mandatory fuel curtailment and rationing. There has been too much table tennis between the administration and the Congress as to which branch of government would be willing to take the political heat for inaugurating these something-less-than popular rationing programs.

There are ageless imperatives which it would do no harm for the current generation of regulatory writers to learn. Among these are: that nonessential and less essential uses of energy or other scarce resource must be prohibited with sanctions against violators and broad enforcement. Another rule is that the regulations must be written in understandable English. A third, perhaps most important, is that the philosophy behind the regulations must be one of reasonableness and fairness so that the public will be convinced of their equity and will help in their enforcement. This means the regulations must be equitable as among groups; viz., labor *versus* management; large *versus* small business; rural *versus* urban populations, etc.

SEES EARNINGS HOLDING UP

I do not think the energy shortage will result in a sharp decline in electric utility sales or earnings. The shortage may cause a shifting of demands during the day and the seasons of the year that will improve average annual load factor. Also, the shortage of natural gas and house-heating oil is bound to result in greater use of electric service—even in spite of the well-known fact that converting oil or gas into electricity is less efficient, thermally speaking, than using the same oil or gas directly for thermal application.

If electric utilities can increase their winter (off-peak) sales and decrease their summer (on-peak) sales, their annual load factor will improve. As for increased cost of coal and oil for generation, most electric utilities have fuel escalation clauses in their commission-approved rate schedules, so that they are fairly well protected from the inflation in cost of purchased coal and oil.

What is much more important, as a threat to future net income of privately owned electric utilities, is the necessity to replace old low-interest bonds and debentures with new securities bearing very much higher interest rates and more onerous provisions for amortization of the principal of such new issues.

The Office of War Utilities was created by the chairman of the War Production Board, with the approval of President Roosevelt, as an autonomous agency, within the War Production Board. The President of the United States had delegated to the chairman of the WPB the mobilization authority which Congress had given to the President. The WPB chairman, in turn, delegated to the Director of the OWU such authority as was necessary to regulate and control the utility industries.

WORKED WITH MANUFACTURERS

In addition to planning and implementing the expansion of these industries to meet wartime requirements, the OWU had responsibility for allocating and scheduling the manufacture and delivery of critical components such as steam and hydraulic turbines, large boilers, transformers and switchgear, etc., to meet the more urgent defense requirements in the U.S., Canada, United Kingdom, Soviet Russia, and other allied countries.

The authority of the OWU was plenary. It transcended the authority of the Federal Power Commission, the Department of the Interior, the TVA, and so on, insofar as priorities, authorization of new construction, and allocation of service were concerned. This temporary eclipse of peacetime agencies was essential in order to have a central, fast decisionmaking authority to help achieve the national purpose in record time. The OWU co-operated to the fullest extent and under conditions of maximum secrecy and security to mobilize the electric power resources needed for the production of the atom bomb. This was then known as the "Manhattan Project."

LESSONS FOR TODAY

What lessons might be gained from the procedures adopted by WPB that might be helpful today in solving the energy crisis?

The first lesson it seems to me that we learned in operating the Office of War Utilities was the great importance of having a staff of individuals who were competent, objective, and dedicated. The second lesson was the importance of having available all the relevant information and statistics needed to make major decisions on an objective basis of fact. A third lesson was the absolute necessity for centralizing authority and responsibility in a single agency that could operate with speed and decisiveness.

We felt strongly then, as I do now, that the regulatory agencies, such as the Federal Power Commission, should not be used because their method of operation under the Administrative Procedure Act, requiring as it does public hearings, interventions, court appeals, etc., is too time-consuming. In times of emergency, we cannot afford the luxury of such snail-paced regulatory decision making.

As an example, I might mention the current history of FPC approvals for new projects involving the importation of liquefied natural gas (LNG). The Columbia LNG proceeding before FPC required more than four years between the date of initial application and final FPC approval. I am not suggesting that FPC is entirely at fault. There were adversary interventions by environmentalists and others. Energy shortages require a faster system of decision making.

ADVOCATES NEW AGENCY

The fourth lesson is that we urgently need in government at a very high level an agency that can perform affirmative functions in beefing up power supply and energy resources. Such an agency should have broad responsibility for planning and co-ordinating major expansions of energy facilities, working cooperatively with both private industry and public groups. It should have the authority to schedule production of equipment and also authority to break bottlenecks that are interfering with the progress of any authorized energy program. Such an agency should be able to issue necessary directives to other departments of government that may be delaying the rapid completion of any new energy project or program.

It is fortunate that the U.S. has received an "early warning" signal of Arab intentions and ultimate use of oil as a political and/or military weapon in world affairs. The answer by the United States, an answer often suggested in Congress by Senator Jackson (Democrat, Washington), is to make the United States as self-sufficient as possible and as quickly as possible. As soon as we attain that goal, we can happily purchase all of the crude oil that the producing countries agree to sell to us. Even if there is a peace treaty between Israel and the Arab countries, we should be on guard with respect to future *dependence* on the Middle East oil supplies.

I would recommend setting up an agency of government that would push ahead vigorously to aid business and industry to increase energy supplies and electric power-generating capacity. Today, most of our federal agencies have jurisdiction to stop or veto new projects; e.g., Federal Power Commission or Environmental Protection Agency. However, the value judgments as to which industry or class of consumer should receive power or fuel and which should be cut off cannot be made either by the energy companies themselves or by any government energy department. Such decisions affect national security, national defense, Gross National Product, employment, and the public interest in its broadest significance.

That is why I recommend re-establishment of an Office of Emergency Preparedness or a National Security Resources Board. Such an office or board would report directly to the President and to a joint committee of Congress as well. Only such an agency would have the capability of setting national goals, national priorities, and values.

TRIBUTE TO ERNEST PETINAUD

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. McCLORY. Mr. Speaker, Ernest Petinaud is both a friend an an institution. No individual who has come into my experience during my service in the U.S. House of Representatives has displayed greater warmth or genuine affection towards me and my family than this great man of the U.S. Capitol.

As a true personification of the very best in American character and personality, Ernest Petinaud reflects in word and action those cherished qualities of love and understanding which bring comfort and satisfaction to one's fellow man.

My wife, Doris, who has had frequent contact with Ernest Petinaud, shares the same opinions which I have endeavored to express here. In a very real sense we love and honor this man of dignity, stature, and of human affection.

In this tribute we wish also to remember his faithful wife, Jeannette, and his family. This family will now have more opportunity for being together and I join in extending to Ernest and Mrs. Petinaud best wishes for good health and much happiness together.

AN ALTERNATIVE TO PUBLIC FINANCING OF POLITICAL CAMPAIGNS

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. MARTIN of North Carolina. Mr. Speaker, I do not believe there breathes a Member who does not see the need for some change in the way we raise funds for political campaigns. Nobody likes to ask for money and nobody enjoys the prospect of having to explain away later a contribution that seems legitimate when made. Unless we completely ban private political contributions, we will probably never eliminate these problems. Such a ban, however, would raise constitutional as well as practical difficulties.

What we can, and must do is increase the number of small donors in order to minimize the influence of large donors—be they the corporate directors, the labor czars, or the playful rich. Or, we could go to public, direct financing of candidates.

I am today introducing a very simple piece of legislation—less than a page in length—opting for the first alternative. I propose we double the political contribution tax credit to $25—$50 in the case of a joint return—and quadruple the related tax deduction to $200—$400 in the case of a joint return. There is no doubt in my mind that such a step, adequately publicized, will spur contributions from middle income and lower income Americans.

I offer this proposal as an alternative to public financing. I do so because I firmly believe that public financing of candidates is wrong. I would not relish having to explain to my constituents why either I or a given constituent's least favored public official got a check from the Treasury to finance his or her campaign—or, even worse, why some candidate viewed with distaste got more, because of some matching arrangement, than some other candidate viewed as being the paragon of all virtue.

Can you imagine the operation of public financing? If it were based on matching funds, the donor list would have to be submitted to someone in this city and verified and a calculation made and a check written and mailed. If the Government in such a case does no better than it does with my constituents who are due tax refunds and VA educational benefit checks, I can see these Federal checks arriving with Santa Claus, long after campaign creditors have sent their 10th dunning letters.

On the other hand, if there were no matching requirement, we would have to choose between financing every candidate who files, versus financing only those who can meet some hypothetical test of candidate viability. There are many of us serving here who just were not viable candidates when we began campaigning and there are some who have not been elected on "major party" tickets. If we finance primary candidates, then the doors are wide open to an unlimited number of beneficiaries. If we finance only those primary candidates who show certain support evidenced by signed petitions, we must validate petitions and bar a citizen from signing more than one. If we do not finance primary candidates, they will be financed as in the past and there is a problem of funds not expended being available for a general election. And, if we finance only party nominees, we effectively eliminate independents and minor party candidates. We will make dark horses extinct and gray horses very much darker.

But, we must find a way to minimize the role of the "fat cat."

Yet, we must remember that one man's "fat cat" is another's deeply concerned citizen. Over reliance on big donations imperils a candidate's objectivity as seen by his constituents. That is true whether the big donor is a corporate executive with certain goals in mind, a labor union leader with certain goals in mind, or the scion of a wealthy family with certain goals in mind. We should not adjudge one category of big donor more public spirited than the other, or less. All give us a way of advancing particular views.

We must minimize their importance. Realistic campaign spending ceilings, coupled with enforcement of the statutes already on the books, with incentives for the smaller donor can help do the job.

An improvement in the tax break for the smaller contributor can be a significant factor. It is indirect Federal financing, but it is totally dependent on each taxpayer's free choice among candidates. The citizen picks the candidate and is in part underwritten for his choice. The candidate with no supporters would get no free support. The doubling of the tax credit makes it really worth considering for all but the poorest. Any organization or interest group could impress on its members and friends the utility of the tax credit. It is the perfect vehicle for the lower income citizen who knows he will owe the government something but whose income is not so structured as to make itemizing worth his while. Quadrupling the tax deduction will spur donations from those in the middle income group who do itemize and who just do not seem to bother with the deductible political contribution allowance because it is too low.

This proposal must be accompanied by

realistic campaign spending limitations An overabundance of funds, we know now, can be as dangerous as a shortage of funds. We must see that the coffers do not overflow. That is the function of other legislative initiatives which are under study.

BERTRAM M. BERNARD

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. EILBERG. Mr. Speaker, at the end of this month, my good friend, Bertram M. Bernard, district director of the Philadelphia District of the Immigration and Naturalization Service, will retire after 32 years of service to his country and community.

I have known Bert since he came to Philadelphia in 1966. As a member and now chairman of the Immigration Subcommittee, I have come to know him to be a hard working and compassionate administrator who compiled one of the finest records in the service.

Additionally, Bert Bernard is a man who believes in serving his community. Over the years he has given his time and talent to helping his neighbors, young people, and his fellow workers.

At this time, I enter into the RECORD an article published in the Philadelphia Evening Bulletin about Bert Bernard and the record of his service to his community.

DISTRICT HEAD OF IMMIGRATION TO RETIRE AFTER 32 YEARS WITH U.S. AGENCY

(By Henry W. Messaros)

Bertram M. Bernard, district director here of the U.S. Immigration and Naturalization Service since 1966, said yesterday he will retire at the end of the month.

Looking back on his service here, Bernard said the cases that were of most interest to him involved national security.

But, he said, he can't recall any names of persons in the cases.

DID NOT LOOK AT NAMES

"I can't ever remember names," Bernard said. "They were subversive-type cases and I always took the position not to memorize the names of persons involved."

"To be fair in reviewing these types of cases, I always felt that it was best not to look at the names. Names, can often take your mind away from making the proper and final decision."

Bernard, who will be 60 in January, began his career as a naturalization examiner in 1941 and worked up through the ranks.

FIVE THOUSAND PERSONS

His job here has been to enforce the immigration and naturalization laws in Pennsylvania, Delaware and West Virginia. He figures he's over-seen the admission of more than 50,000 persons as naturalized American citizens in this area.

Bernard said two names he does remember are Jack Paresi, of Hazleton, and Russell Buffalino, an upstate businessman. They weren't cases involving subversion and national security.

Bernard sought to block Paresi, an Italian from becoming a citizen, he said, because of his alleged involvement in the rackets and alleged participation in a number of murders.

BUFFALINO CASE

"But we lost out, he explained, "because the Federal Government couldn't produce any corroborating witnesses."

Immigration and Naturalization won the case against Buffalino after taking it to the U.S. Supreme Court several times, Bernard said. The government wanted Buffalino deported to his native Italy because of his alleged participation in underworld activities.

"But even though we won," Bernard said, "Buffalino is still here because Italy has refused to take him back. We're stuck with him because nobody else wants him."

Bernard, a lawyer, has been honored by the Philadelphia Bar Association for his work in his field. He also has been honored for starting a federal program which allows federal employes to go to college while on the job and for another involving the tutoring of slow-learning children by employes of his agency.

When he retires from his $33,000-a-year post, Bernard plans to serve as a consultant to attorneys and companies with problems dealing with naturalization. He also hopes to continue teaching immigration law at Temple University.

MOVE TO MARGATE

Bernard and his wife, Esther, live in Mt. Airy with their son, Harvey. Another son, Dr. Robert W. Bernard, a physician, is married and lives in New York. After he's retired a while the family plans to move to Margate, N.J.

During his career, Bernard has worked in most of the large cities of the East, and some in the Midwest.

"I think the people in Philadelphia and the surrounding areas are the warmest I've met," he said.

BERTRAM M. BERNARD—SERVICE RECORD

In Burlington, Vermont, he was awarded a citation for his contributions to the educational welfare of youth by the Vermont Educational Association on recommendation of the Burlington Teachers' Association.

To foster an appreciation of the culture and historical heritage of ethnic and racial groups within this country, Mr. Bernard has served (and is still serving) as a member of the Board of Directors of the Ethnic Heritage Affairs Institute, Inc. of Philadelphia, Pa.

To assist newcomers to this country to adapt to our American way of life, he has become a member of the Board of Directors of the Nationalities Service Center, a constituent member of the American Council of Nationalities Services.

In pursuit of his efforts to provide a college education to federal employees, Mr. Bernard has virtually singlehandedly established a successful Community College educational program in the several federal establishments leading to Associate Degrees in Urban Affairs and Business Management, enrolling approximately 500 students in the past school year.

Mr. Bernard has served in various capacities in the Boy Scouts of America for the past 25 years, serving as Cubmaster, Scoutmaster and most recently as Chairman of a District Exploring Committee of the Philadelphia Council.

He is an officer and member of the Board of the Adult Education Council of Philadelphia, giving his time and efforts in support of the cause of adult education.

He has been an officer, including president, of the Northwest Neighbors' Association, a civic organization in Northwest Philadelphia, serving the needs and interests of his neighbors and the community at large.

He has been and still is a prime mover and coordinator in Operation G-I-V-E, a project sponsored by the Philadelphia Federal Executive Board to provide tutoring by federal employee volunteers to underachievers in the fourth, fifth and sixth grades of the primary schools in Philadelphia.

He is an active participant in a civic organization known as the Northwest Task Force on Youth, dedicated to provide employment and recreation as an antidote to gang activity.

He received the 1970 Citizenship Award from the Philadelphia Bar Association in recognition of his effective leadership, personal interest and ceaseless efforts in the enhancement of U.S. citizens and citizenship education of our youth.

THE RETIREMENT OF SENATOR SAM ERVIN

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. TAYLOR of North Carolina. Mr. Speaker, with a feeling of personal loss, I learned of Senator SAM ERVIN's plans to retire from the U.S. Senate at the end of 1974.

Senator ERVIN rose from a small-town lawyer to a position of national leadership and to become a national celebrity, and managing through it all to retain a warm folksy humility which has endeared him to his State and the Nation. Long after Watergate has faded from memory, SAM ERVIN will be remembered because he held firm to the belief that ours is a nation of laws, not of men.

In the April 16, 1973, issue of Time magazine, SAM ERVIN was described as "the last of the Founding Fathers." Uncle SAM, as his friends affectionately call him, stands for the "Spirit of '76" and the "Spirit of Patriotism."

He has fought for his belief in government as provided in the Constitution whether it caused him to be tagged as "liberal" or "conservative." He has neither sought controversy; nor has he tried to avoid it. He has marched down the path carved out by the Nation's earliest statesmen and is certain to take his rightful place among them.

In my opinion, Senator ERVIN today is held in higher national esteem than any other governmental leader from North Carolina during the history of this Nation. Western North Carolina's Zeb Vance became a North Carolina legend. Senator SAM has become a national legend.

James J. Kilpatrick commented in his column that "if SAM ERVIN did not exist, as Voltaire once remarked of God, it would be necessary to invent him." SAM ERVIN does exist and the Nation is better off because of it. He is indeed "the right man in the right place at the right time."

As SAM ERVIN leaves "the Senate for sunset," I hope that his years of retirement will be long, pleasant, productive, and useful, as his public service career has been. I hope that he, like Harry Truman, can spend many years as a senior statesman in the Democratic Party. Evelyn and I wish many years of health and happiness for Sam and Margaret Ervin.

TAPES: A TECHNICAL MONOGRAPH FOR THE LAYMAN

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. WOLFF. Mr. Speaker, the American people have rightfully been concerned with the many questions that have arisen recently in the public discussion of the Presidential tapes and the special Watergate Grand Jury. There seems to be a great amount of confusion as to what can or cannot be done to edit or alter electronically recorded material. My constituent, Joseph L. Stern, an expert with 30 years of experience in broadcasting, communications and electronics, has written a comprehensive, unbiased, technical monograph for laymen, so that individual Americans can better understand the events taking place in Washington. There are many sophisticated techniques that can be applied to recordings of this type, and Mr. Stern has contributed to our comprehension of the employment of these techniques.

I believe that the article, reproduced below, is informative and important reading for all Americans:

TAPES—A TECHNICAL MONOGRAPH FOR THE LAYMAN

(By Joseph L. Stern)

ABSTRACT

Audio tape recordings and tape machines are commonplace to most Americans. Tape recordings are accepted as permanent records of sounds and voices. They are assumed to be susceptible to editing, copying and creative production techniques. The electrical signal applied to a tape generally leaves a mark, or signature. There are various sophisticated laboratory processes which can be used to read these marks which may permit identification of the machine or machines used to produce the tape. Edited tapes and copied tapes may also be identified as such—i.e. not original. Authenticity and integrity of tapes may be confirmed or denied by existing laboratory techniques.

INTRODUCTION

The audio tape recorder is a familiar device to millions of Americans. Tape recorders varying in price from $15 to $15,000 are used daily throughout the country for business and recreation. These versatile devices form the backbone of broadcasting, serve as dictation units in business offices, are a source of high fidelity music, are used to record conferences and telephone conversations, and perhaps a baby's first words. They are also used for sophisticated scientific data recordings.

Tape recorders were developed in the mid-1940's, applying the simple physical principle that magnetized material memorizes the manner in which it became magnetized:

In an audio tape recorder an electrical signal generated by a microphone is fed to an electromagnet, creating a magnetic field of energy near the ends of the magnet. When a piece of plastic tape, coated with iron oxide particles, is passed through this magnetic field at a fast even rate, the particles become magnetized. The iron oxide particles become magnetized in groups, forming a pattern corresponding to the sounds picked up by the microphone. When the same piece of tape is later moved over the ends of a similar electromagnet connected to an amplifier and a loudspeaker, a fair reproduction of the original sounds is produced.

Many sophisticated tape machines are available in today's market ranging from portable cassette recorders through complex dictating machines and on to the extremely high fidelity machines used in the broadcasting and recording industries. All utilize essentially the same electrical principles and permit varying degrees of fidelity and/or selective editing and mixing of information.

An original tape recording of a broadcast interview, for example, may be edited in length, or have words or paragraphs inserted, or deleted. Facilities are available in many tape recorders to allow for the insertion of material between that already recorded or the overlaying of background music, voices or other sounds. The post-production edited tape resulting from such activities is what is normally heard in radio broadcasts or on the sound track of motion picture films.

In the record industry, many separate recordings are made simultaneously of the individual instruments in a musical ensemble or from different microphones at different locations. These separate recordings are carefully edited and mixed together to form the desired creative illusion.

In dictating machines it is more or less standard procedure for the person dictating to make corrections on the tape by backing the tape up to the point where he wishes to insert a correction and then, recording. With careful control, words or sentences may be eliminated, replaced or added in a manner allowing the tape to sound like one continuous recording.

Dictating machines are generally operated by a switch on a hand-held microphone during recording and by a foot-switch when playing back or transcribing. In most modern machines the hand-held switch controls both playback and recording while the foot-switch controls only playback and not recording. In many offices playback-only versions of dictating machines are used for transcribing to avoid the possibility of accidental damage to a tape.

ARE TAPE RECORDINGS PERMANENT?

The magnetic signal placed on the tape is generally permanent under normal storage conditions. Tapes kept at reasonable "human comfort" temperature and humidity may last indefinitely so long as they are stored away from strong magnetic fields such as those near powerful transformers or motors.

Accidental Erasure. Accidental erasures are possible under certain circumstances. In cases where a reel of tape is exposed to a magnetic field from a high-powered device, the resultant damage is usually partial erasure. A reel of tape lying flat on a table near a powerful transformer would probably suffer erasure in a manner which would cause periodic interruptions in the taped material when played back. An accident of this type would probably "wipe" or erase a band or wedge of information extending from the center to the reel edge. When the tape is unwound as it is played, the result would be gaps in the sound at spacings equivalent to the circumference of the tape on the reel.

This may be more easily understood by assuming that the accidental magnetic field is a paint brush which paints a stripe on the side of the reel. When the tape is unwound there would be periodic paint marks on the tape, each mark representing an erased or damaged portion of tape.

A reel of tape could be completely erased if it is immersed in a strong magnetic field which fully surrounds the reel. Commercial devices are available to professionally erase tapes prior to a recording session and these units require that the tape reel be slowly rotated in the intense magnetic field to ensure complete erasure. Accidental erasure is rarely complete.

Erasure During Playback. It is possible to erase or damage a tape while it is being played but only under most unusual circumstances. If a tape machine is operated in the "play" position, the "record" portion of its circuitry is not operative. If it were, the machine would be erasing the tape as it moved and the listener would hear no sound. All machines have a system of interlocking which prevents recording unless an overt action is taken to press both the "record" and "play" buttons, at the same time. It is a very rare case where this interlocking circuitry fails and, if it did so during a playback, the listener would hear no sound.

If a tape machine is being operated as a transcriber, without a microphone connected, and both the "record" and "play" buttons were pressed at the same time, the result would be that the tape passing the erase and recording heads would be erased. If there were strong magnetic fields from transformers or motors near the tape machine at this time, it is conceivable that a 60 or 120 cycle per second hum signal could be recorded on the tape. It is likely however that the magnetic field causing this hum would also partially erase the outer layers of tape on the reel nearest to the magnetic field. It is also quite likely that the outer layers of tape on the reel farthest from the magnetic field would also be partially erased, but to a lesser degree. Unlike the case noted above, there would not be periodic erased portions on the outer layers of the tape since the reel of tape would have been rotating within the magnetic field very much like the action of a professional erasing machine.

Erasure by the tape machine is rarely complete and some residual sound is usually left on the tape. This is usually inaudible when played on a simple tape machine but may be made audible with laboratory facilities. For complete erasure a professional, intense magnetic field, rotating erasing machine is required.

CAN TAPE EDITING BE DETECTED?

When editing is professionally done it is virtually impossible to *hear* if the tape was edited. With careful laboratory analysis, however, there are many types of editing that can be detected. If there are a number of tapes that were allegedly made on the same machine and with the same microphone and room conditions, it may be possible in the laboratory, to determine the minute differences between the tapes, assuming one was edited and the other was not. The same type of analysis may be possible on one tape, comparing portions of the tape with each other.

Voice-Operated Control. If the tape has been recorded in a system using a voice-operated start/stop system, each conversation will have a very small time-lag before the recording is started, with the possibility that part or all of a syllable will be missed. This should be detectable throughout the tape, at the start of each conversation. This same "lag" could be purposefully introduced while editing, minimizing detectability. Careful study, however, could show whether or not the "lag" in starting was the same throughout the tape and if the "lag" and transient start of each conversation matched throughout, as well as whether or not the "lag" in the stop of the recording was also the same throughout.

Erase and Bias Signals. Measurement of the erase and bias signals on the tape may show if the tape was all recorded on one machine or if editing had been performed using a different machine. Many tape machines provide an erase signal immediately preceding the recording action; if this comes from a separate erase head it may be possible to ascertain in the laboratory, the frequency and amplitude of the erase signal and to compare it with the machine allegedly used for the recording. Another signal on the tape, not audible, is the bias signal used to improve the clarity of the recording. In some machines this signal can be found during quiet periods or immediately following a portion of recording. The frequency and the amplitude of these signals can be measured in the laboratory. They should be the same throughout a tape made on the same machine, and not edited.

Print-Through. Many times the signal on one layer of tape will "print through" to another layer of tape causing what may sound like an echo or the crosstalk of another word or conversation. This is usually caused by the close proximity of the two magnetic signals on a tightly wound tape with the resultant transfer of some energy, from layer to layer throughout the reel. The consistency of this "print-through", if present, would be indicative of the authenticity or integrity of the tape as unedited.

Since the signal produced by "print-through" is very low level, it might not be carried in a copying operation and this lack could be detected. A copy could be consistent with no "print-through" whereas an edited tape might show changes in print-through".

Track Alignment. Every tape machine has its particular mechanical alignment. The position of the magnetic recording head relative to the position of the mechanical guides which carry the tape in front of the recording head, determines the location of the recorded magnetic "track" on the tape. While in no way as distinct and unique as fingerprints, there are determinable differences between machines which could be a major aid in learning if a tape were made on one machine with portions edited in from another machine.

A laboratory analysis can show if the recorded "track" throughout the tape has been consistent and compares properly with the mechanical alignment of the machine allegedly used. If there are differences at various points in the recording this would indicate that a portion of recording on the tape came from a different machine.

It must be noted that a copied tape however, will show only the track location of the machine making the copy. While differences in track location will show if more than one machine was used, a tape with no differences should show a track location consistent with the machine allegedly used.

Residual Hum. Many recording systems will pick up 60 or 120 cycle per second hum signals from the AC wiring in the room, from desk lamps, or other devices. Quite often these signals are of such a low intensity that they cannot be heard in playback but are still measureable in the laboratory. If the recording was all made on one machine with a fixed microphone setup, there should be a consistent hum "signature" on the tape. If it is found not to be consistent this might indicate that editing had been performed.

In a laboratory setup it may be possible to measure the frequency of the residual hum signals and to compare it with that on other portions of the tape, to determine if the hum signals properly relate to the location where the tape was allegedly recorded. The hum pickup characteristics of the machine and microphone system used should also be compared to the tape signals.

Spectral Signature. A spectral analysis of the signals, made with sophisticated laboratory equipment may serve to show if the entire tape was recorded with the same equipment in the same room. The analysis is similar to now accepted "voiceprint" techniques and should allow a determination of the effect of microphone placement and room acoustics on a known voice. It should also allow determination of the constancy of these effects throughout the tape, particularly for the same speaker.

The recordings in question may have been initiated at times by sounds other than voices and also have quiet periods when outside sounds may be recorded. An identifying pattern of room acoustics and repetitive outside sounds could be found by spectral analysis.

CAN THE MACHINE USED FOR TAPING BE IDENTIFIED?

In addition to the location of the recorded "track" on the tape, there are a number of other characteristics of tape machines that can be used to determine if a tape was made on a particular machine or if there were more than one machine used in recording on any one tape.

Mechanical Signature. In the laboratory it is possible to make a detailed mechanical inspection of both the tape and the machine allegedly used to see if the two conform. There may be repetitive marks on the tape caused by mechanical guides, slightly eccentric rollers and pressure capstans which can be made visible in a laboratory. In some cases there is creasing of the tape caused by guides and in others there is a rippling of the tape edge due to a minor misalignment of the tape guides relative to the reel location.

If the tape has been replayed on other machines a number of times, however, the playback machine will also introduce a mechanical "signature" which can obscure the marks made by the recording machine.

Tape Tension. The mechanical drive of the tape machine, along with the torque applied by the takeup reel will provide tension on the tape which will effectively stretch the tape. It is possible that a measurement can be made in the laboratory to determine the location of the recorded signal relative to the position of the erase signal and this measurement should conform to the machine allegedly used.

Tape Speed. Minor variations in speed are often found on different machines which may slightly alter the pitch of the sounds when played back. If the tape is alleged to have been made on one machine it is likely that the tape speed will be constant throughout a recording. Inserts made on another machine may be detectable.

If the tape has been copied the speed variations will not show through except as possible minor shifts in pitch. In such a case an analysis of individual speakers' voices would have to be compared with the sound on the tape to detect if a second machine was used. Again, a reference recording from the machine in question is required.

Magnetic Energy. Under certain circumstances the amount of magnetic energy applied to the tape by a particular machine may be measured in a laboratory. If a tape has not been copied, but has been edited on other than the original machine, a laboratory analysis of the tape may show this. If the entire tape has been copied on another machine, this type of test may not produce meaningful information.

Transition Information. When a tape machine starts and stops there may be finite differences between machines, in the timing of getting "up to speed" and the time at which the recording is started. This is a very fine measurement and might be performed in the laboratory by physically coating the tape with fine magnetic particles in solution, to microscopically analyze the pattern created at "starts" and "stops" of the recording. A test tape from the machine in question, started and stopped by the automatic voice-operated relay system, is required for comparison.

Bias Field Location. Different designs of tape machines contain different recording, erase and bias head configurations. In some all three functions are included in one head assembly. In others the erase head precedes the recording head. In still others a bias head is set opposite the recording head creating a crossing of magnetic fields during recording. Careful laboratory analysis can identify the residual signals on a tape, allowing comparison with the magnetic sample from the machine allegedly used.

CAN A "DAMAGED" TAPE BE RESURRECTED?

There are times when spurious unwanted signals may be recorded over a desired tape recording and there are a number of methods available to eliminate these undesired signals, allowing the original material to be retrieved. Through the use of laboratory audio processing, it may be possible to filter out the unwanted signals, allowing the desired material to be heard.

"Inaudible" Sounds. Selective amplification and enhancement techniques are readily available in the laboratory to bring out desired voice signals and reduce room, exterior and hum noises or signals which may reduce intelligibility under normal playback conditions.

Hum signals. Unwanted interference from hum, caused by alternating current devices, will have a constant frequency of either 60 or 120 cycles per second. A discrete frequency can easily be filtered out of a tape playback to allow the original material to be heard. In the filtering all frequencies in the voice presentation that are 60 or 120 cycles per second will also be filtered out, mildly affecting the fidelity.

If the unwanted hum signal is extremely intense however, it may act like an erase signal and completely obliterate all previously recorded material. Sophisticated laboratory processing, with selective amplification and enhancement of signals, should be able to bring out portions at least.

There are also methods of masking which can be used to cancel out unwanted signals such as hum. In such a case the hum signal on the tape is amplified and recorded on another tape. It is then played back during the playback of the original and mixed with it in such a manner as to cancel out the hum. Many other analytical and processing procedures for determining tape authenticity and integrity are available in the laboratories.

JOHN F. KENNEDY REGULAR DEMOCRATIC CLUB OF QUEENS URGES SUPPORT FOR ISRAEL

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. ROSENTHAL. Mr. Speaker, the Congress has emphatically voiced its support for Israel by voting to provide $2.2 billion in emergency military aid to help Israel rebuild her defenses following the October war.

Israel is the bulwark of democracy in the Middle East. Her loss would result in total Soviet-Arab dominance over that part of the world.

In recognition of this, the board of directors of the John F. Kennedy Regular Democratic Club of Queens unanimously passed the following resolution which I am inserting in the RECORD at this point:

> Be it *resolved*, that the John F. Kennedy Regular Democratic Club urges the Queens representatives in Congress to support the independence and defensible boundaries of the State of Israel, and it is further
>
> *Resolved*, that our representatives make known to the "Administration" our opposition to any pressure on the State of Israel to accept a compromise which would endanger its capacity to defend itself from surprise

Arab attacks, and be it further

Resolved, that the United States should, under no circumstances yield to Arab blackmail, and be it further

Resolved, that our duly elected Representatives of Queens County use all the influence of their high offices to effectuate the mandate of their constituents with courage and firm resolve.

H.R. 12066: PROPOSED FEDERAL REAL ESTATE SETTLEMENT AND ESCROW ACCOUNT ACT

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

MRS. SULLIVAN. Mr. Speaker, in preparation for further hearings early in the next session by the Subcommittee on Housing of the House Committee on Banking and Currency into real estate settlement abuses, I am today reintroducing as a separate bill—with some significant changes—the major provisions of a settlement reform statute we approved in the Subcommittee last year as title IX of the 1972 omnibus housing bill. The bill is H.R. 12066.

Title IX was severely weakened in the full committee last year by adoption of a substitute sponsored by the gentleman from Georgia (Mr. STEPHENS), but the omnibus housing bill to which it was attached subsequently died in the Rules Committee and the House never had an opportunity to vote on the issues involved in this controversey.

Meanwhile, the Housing Subcommittee has held 2 days of hearings earlier this month on proposed Federal standards for real estate settlements. Virtually the entire real estate industry and spokesmen for lawyers specializing in title and settlement work have enthusiastically endorsed H.R. 9989 as introduced this year by Mr. STEPHENS containing the provisions of his substitute last year to title IX; at subsequent hearings, however, we will hear from consumer-oriented experts who will undoubtedly point up the inadequacies of H.R. 9989 and discuss the need for stronger consumer protections such as were contained in the original title IX and in the version I am introducing today.

Among other things, the new bill proposes formal machinery for dealing equitably with the estimated $9.4 billion of home owners' funds annually set aside by mortgage lenders—almost always in non-interest-bearing escrow accounts—for payment of taxes and casualty insurance premiums when due. Lenders are usually able to invest these amounts in short-term interest bearing paper or otherwise use the money temporarily for their own financial benefit. The sections of the new bill dealing with escrow funds are based on the results of a comprehensive study of residential real estate escrow accounts made at my request in the past year by the General Accounting Office.

NEED FOR LEGISLATION

The mysteries—and shocking surprises to most home buyers—in connection with the charges made for closing a home purchase have long been a source of dismay to the average family in entering into the biggest financial transaction of their lives, the purchase of a home. At the time of signing a contract to buy a home, the purchasers are usually called upon to commit virtually every cent they can scrape together for the purpose of making a downpayment. Only after the purchasers sign the agreement to buy a home do they begin to learn of the sizable additional amounts they will be called upon to pay at the time of settlement.

If a family has previously purchased a home and had experience with the last-minute nightmare of finding the money to pay unexpectedly high closing costs, it will try to prepare in advance for the settlement charges it anticipates will be made. Even when they ask for this information, however, the purchasers are nevertheless often given deliberately understated estimates of what the closing costs will actually be. The experience in the title company or settlement office when the final transfer ceremonies take place is almost always financially and emotionally traumatic for the buyer.

In addition to the high—and sometimes unconscionable—settlement charges themselves, there is the sense of bewilderment over what some of the charges are for, and why they are made. Unless the purchaser has his own lawyer present for the settlement, he is usually "advised" by a battery of lawyers and real estate people representing other parties to the transaction that such-and-such is the required charge and you have to pay it. The most ironic aspect of this experience is that the fees for the services of all of the experts participating directly or indirectly at the closing, including fees for services which may not actually have been performed—in other words, kickbacks to lawyers and side-payments to developers and commissions for originating a loan or referring business to a particular title company—are all paid for by the purchaser although the services rendered, or claimed to have been rendered, are primarily for the benefit of other parties to the transaction, not the home buyer. He just pays the mysterious charges and staggers out of the settlement office in a state of financial shock, wondering what hit his bank account so many resounding blows he had not expected and was not prepared for.

One of the problems, of course, is that of communication—making sure that the home buyer knows in advance what payments and fees, legitimate or otherwise, are involved in taking title to his home. There is now general agreement throughout the real estate industry that the buyer deserves to have a written statement of the prospective settlement charges in advance, and an explanation of what they are for.

But in the absence of legislation requiring such advance notification, many real estate brokers and lenders fail to provide advance notification, and do not even provide the required truth in lending disclosure form on the credit charges until the actual day of settlement, when the disclosure information is buried in a mass of other papers which all have to be signed at one time.

But equally important with advance notification—and such notification of the settlement charges should be required to be made as far in advance as possible, either at the time of entering into the contract to buy the house or, at the latest, at the time of applying for a mortgage—is the need to assure the home buyer that the settlement fees he is going to be charged are fair and reasonable, and do not involve charges for legal work not done, or for disguised kickbacks to persons with no moral right to a share of the settlement charges.

Another area of serious abuse in the transfer of real estate is the fictitious sale of property to "straw parties" at inflated prices in order to try to establish an artificially high market value. Although the fictitious sales price will show on the real estate records, the property itself has not actually changed hands, and is still held by the true owner, but in the name of a relative, friend, business associate or employee, who is perhaps paid a nominal fee for acting as a "straw." Low-income families, particularly, have been victimized by such practices when buying a home from a real estate speculator who had previously kited the alleged market value of the property through one or more sales to straw parties. In cases brought to light in the Banking Committee, lenders with close business ties to real estate speculators were willing to accept the alleged previous selling price to a straw party as a legitimate indicator of the property's market value, and issue a mortgage based on the fictitiously high value. Two of the biggest victims of this kind of speculative skullduggery have been the Federal Housing Administration and the Government agency which insures deposits in savings and loans, the Federal Savings and Loan Insurance Corporation, which ended up owning many of the overpriced homes involved in straw party transfers.

The bill I am introducing addresses itself to all of these problems, as did the version of title IX I sponsored in the Housing Subcommittee last year. Changes from last year's version are based on further study of the effectiveness of some of the proposed solutions.

The provisions on escrow accounts, as I said, developed from information amassed in a General Accounting Office study of the costs to lending institutions of maintaining such accounts for the payment of taxes and insurance compared to the benefits the lenders derived from the use of the nearly $10 billion annually handled in such accounts.

Home buyers have been indignant over the fact that such accounts generally pay no interest. Lenders have contended that if they had to pay interest on these accounts, the costs of maintaining them would make them uneconomical. The GAO, while inconclusive on the feasibility of requiring interest to be paid on such accounts, nevertheless points out that many larger mortgage lenders do derive substantial revenues or other benefits from temporary investment or other use of the moneys put aside in escrow.

FINDINGS AND PURPOSE

Mr. Speaker, in passing this legislation Congress would be making a determination that consumers throughout the Nation—especially low- and moderate-income family consumers—must be protected from widespread abusive, inequitable and fraudulent real estate transaction practices which have bilked our citizens of billions of dollars and have caused enormous hardship and deprivation. These practices make the consumer easy prey for housing speculation, result in grossly inaccurate housing appraisals and are characterized by inflated or completely unjustified real estate settlement commissions, fees, and charges. It is the purpose of this act to protect the consumer (a) by eliminating self-serving conflict-of-interest situations between lenders, sellers, and all others providing real estate transaction services; (b) by establishing a standard for reasonable real estate settlement transaction costs; (c) by requiring advance disclosure to both homebuyers and home sellers of real estate settlement commissions, fees, and charges in order to provide buyers and sellers alike with the knowledge and opportunity to protect their interests; (d) by establishing an efficient, uniform system of recording real estate transactions; and (e) to encourage the establishment of an equitable system for the payment of real estate taxes and hazard insurance.

MAXIMUM SETTLEMENT CHARGES

First, and most crucial, the bill calls for the establishment by the Secretary of Housing and Urban Development, in consultation with the Administrator of Veterans Affairs, the FDIC, and the Federal Home Loan Bank Board, of maximum charges which can be imposed for each of the principal kinds of charges incident to a residential real estate settlement in any "federally related" mortgage loan. This is without doubt the most controversial section of the bill. A federally related mortgage is defined generally as one insured or subsidized by a Federal instrumentality; or issued by a lending institution regulated by or whose deposits are insured by the Federal Government; or eligible for purchase by a federally established secondary mortgage market such as FNMA; or issued in whole or in part by any "creditor" subject to the Truth in Lending Act who makes or invests in residential real estate loans aggregating more than $1,000,000 a year. This would cover virtually all purchase money first mortgages and most second mortgages.

The Secretary of HUD already has the authority under section 701 of the Emergency Housing Act of 1970 to impose maximum settlement charges on FHA-insured or VA-guaranteed mortgage loans, but has not put such maximum charges into effect. Former Secretary Romney, who carried out a comprehensive study of this issue following passage of the 1970 act, proposed a regulation to carry out section 701 before he left office, but his successor has declined to put it into operation. My new bill retains this authority but provides that any maximum charges imposed under section 701 of the 1970 act of FHA and VA transactions would be superseded by those imposed on all federally-related mortgages. Most of the lobbying activity last year against title IX was aimed not only at blocking maximum charges on federally related mortgages generally, but also at the repeal of section 701 of the 1970 act. The Stephens substitute reflects the industry position on this issue of maximum charges—none would be imposed under H.R. 9989.

STANDARDIZED FORM

Next, my bill provides for the development of a single, standardized Federal settlement form to be used in all transactions covered by the definitions of a federally related mortgage loan. Among other things, the form would clearly itemize charges imposed upon buyer or seller and specify which portion of a title insurance premium covers the lender's interest in the property and which portion insures the borrower's interest.

SPECIAL INFORMATION BOOKLETS

In addition, the Secretary of HUD would be required to prepare and issue special information booklets outlining to every home purchaser the nature and purpose of every charge incident to a real estate settlement, indicating the maximum allowable charges, spelling out the rights of buyers in arranging for the performance of some settlement services; and explaining the pitfalls and unfair practices to be avoided in a settlement.

ADVANCE DISCLOSURE OF SETTLEMENT COSTS

At the time of entering into a loan commitment to issue a federally related mortgage, the lender would have to provide to the prospective borrower and to other parties, including any Federal agency insuring or subsidizing the loan, an itemized disclosure in writing of all charges which will arise in connection with the settlement. In the event the exact charge in any instance cannot be determined that far in advance, it would be permissible to provide a good faith estimate of that particular charge.

PROHIBITION AGAINST KICKBACKS

It would be a criminal offense, subject to a fine of up to $10,000 and/or imprisonment up to 1 year, for any person to accept or furnish "anything of value" for referring business incident to a residential real estate settlement.

PROHIBITION AGAINST CERTAIN ATTORNEY FEES

No attorney who performs any legal services in connection with a real estate settlement may receive a commission for issuance of title insurance on the property involved in the transaction.

LENDER AND BUYER SHARE EQUALLY IN PAYMENTS FOR TITLE SEARCHES, PROPERTY SURVEYS, AND PROPERTY EXAMINATIONS

The lender and buyer would be required to share equally in the payment of all charges, fees and commissions assessed in connection with a federally related mortgage loan for title searches, surveys of property boundaries, and examination of property boundaries.

TITLE INSURANCE PAYMENT

Any fees charged for title insurance to protect the lender's interest would have to be borne solely by the lender.

TAX AND INSURANCE ESCROW ACCOUNTS

Like the two preceding sections, this provision of the bill is new this year.

It provides that on federally related mortgage loans the borrower may elect to pay his own taxes and casualty insurance premiums when due, but if he elects to have the lender set up an escrow account for this purpose, the borrower and lender may mutually agree between them as to whether interest shall be paid the borrower on his escrow deposits, and what rate of interest is to be paid.

When the borrower elects to pay his own taxes and insurance, the lender would have the right to step in and pay the amounts if overdue, and assess the borrower for any deficiencies, plus interest.

Retained in the new bill is a provision from last year that lenders maintaining escrow accounts may not require monthly payments in excess of one-twelfth of the estimated annual amounts due for taxes and insurance.

DISCLOSURE OF PREVIOUS SELLING PRICE

As rewritten this year, the provision of last year's bill on disclosure to a buyer by the seller of the previous selling price of a home which had changed hands in the preceding 2 years must be made not at the time the loan commitment is being obtained, but prior to the signing of the sales agreement. If this information is furnished at the time the buyer is arranging to obtain a mortgage, it is too late for him to back out of the sales agreement upon discovering he is paying an obviously excessive price, based upon the amount of a recent sales price of the same property plus any improvements made in the property in the 2-year interim. The only obligation on the lender regarding the previous selling price is to make sure at the time of entering into the loan commitment that the seller has actually given this information to the buyer prior to the point of signing the sales agreement.

Disclosure of the previous selling price or prices is one important method of uncovering and checking out fictitious sales through straw parties during the previous 2 years.

OTHER PROVISIONS CARRIED OVER FROM 1972 BILL

The remaining provisions of the bill are carried over with little or no change from the original title IX of the 1972 housing bill.

They include:

A prohibition of any fee for preparation of a Truth in Lending disclosure form; establishment of a demonstration program by use of computers to record land parcels in a number of areas of the country to determine the feasibility of a national uniform computerized system of land parcel recordation in order to facilitate and simplify land transfers and mortgage transactions; regulation of conflicts of interest in title company operations and authority for title companies to provide full services through the employment of persons qualified under State law to perform such services; and required disclosure to insured savings institutions of the identity of any person receiving the beneficial interest of any loan obtained through an agent, trustee or other person acting in a fiduciary capacity.

DIFFERENCES BETWEEN SULLIVAN AND STEPHENS BILLS

Mr. Speaker, from a quick glance, the Stephens bill, H.R. 9989, sounds enough like the original title IX of last year's housing bill, and like the bill I have introduced today, to convince many people that it is an effective measure to protect consumers in the purchase of a home. As a matter of fact, it contains numerous sections taken almost verbatim from last year's title IX, such as: the requirement for a uniform Federal settlement statement; the issuance of special information booklets; advance disclosure of settlement costs; a prohibition against kickbacks in title settlement fees; a limitation on the amounts which can be required to be deposited in tax and insurance escrow accounts; required disclosure of previous selling price; prohibition of fees for preparation of Truth in Lending disclosure forms; establishment of a demonstration land parcel recordation system; a prohibition against sellers dictating the selection of a title insurance company; and requirement of full disclosure to an insured lender of the identity of the person receiving beneficial interest of the loan.

H.R. 9989 also retains the provision of last year's title IX for a study of escrow accounts by the Federal Reserve Board.

There is, of course, some reason for consumer gratification in the fact that the real estate industry's support for the provisions of H.R. 9989 reflects a recognition that many of the practices which have grown up in the real estate industry in the transfer of residential property can no longer be defended. But there is more to this than meets the eye, as will be noted in comparing H.R. 9989 with the original provisions of last year's title IX and the provisions of the bill I have introduced today.

The most important difference is that H.R. 9989 not only deletes any authority to set maximum settlement charges on all federally related mortgage loans but actually repeals the existing authority of section 701 of the Emergency Housing Act of 1970 for the setting of maximum settlement charges on FHA-insured and VA-guaranteed mortgages.

A survey ordered by former Secretary Romney following enactment of the 1970 act clearly established the need for protecting purchasers of homes with mortgages insured by FHA or guaranteed by the VA from unconscionable settlement charges and practices. Secretary Romney came before our subcommittee last year, and later the full committee, to describe his plans for implementing section 701 of the 1970 act and stated that the Department would move expeditiously to put maximum charge regulations in effect in those areas of the country where prevailing charges were found to be excessive.

However, after Secretary Romney left the Department, HUD apparently lost its interest in implementing section 701 of the 1970 act. It has failed to do so. One reason given by the Commissioner of FHA for this failure is that the House Banking and Currency Committee late last year, in the omnibus housing bill, voted for the Stephens substitute which would repeal section 701. An action by one committee of the Congress to recommend repeal of a statute certainly does not change the law. In the meantime, however, many purchasers of homes under mortgages backed by FHA or the VA are paying inflated and unjustified settlement charges which HUD could reduce on specific items by 50 to 75 percent in some areas in the Nation.

Secretary Romney pointed out in his testimony before us that even if Congress did not require maximum settlement charges on conventional mortgages, the maximum settlement charges imposed on FHA and VA housing, as authorized under section 701 of the 1970 act, would serve as a guide and yardstick for all home purchasers in those localities to determine what fair and equitable settlement charges should be. Of course, this was an aspect of section 701 that those engaged in the business of handling real estate settlements were not anxious to see go into operation.

While repeal of section 701 of the 1970 act and blocking of any maximum settlement charges on federally-related mortgages appear to be the main objectives of H.R. 9989, there are other important differences between this bill and my settlement reform measure which will be brought out in our subsequent hearings. My bill is aimed primarily at the buyer's protection, as a consumer measure. I hope the Housing Subcommittee will once again approve the stronger version of the legislation, as it did last year, and that we can then defeat efforts in the full committee to weaken it, in contrast to what happened in the full committee last year.

ORIGINS OF THE LEGISLATION

The serious abuses in the residential real estate settlement field were first brought to the attention of the Banking and Currency Committee in 1969 after Chairman PATMAN appointed an ad hoc Subcommittee on Home Financing Practices and Procedures to investigate speculative housing sales activity in inner-city housing in the District of Columbia. This investigation grew out of a series of articles in the Washington Post on the operations of the Republic Federal Savings and Loan Association which had financed a large number of inner-city residential properties purchased and resold at unconscionable prices by real estate speculators victimizing low-income families in the District. Republic was so badly damaged by the resulting inevitable foreclosures that the Federal authorities insuring its depositors against loss moved in and ordered the association merged into another savings and loan. The Federal Savings and Loan Insurance Corporation, as part of the merger deal, had to assume ownership of many of the abandoned properties covered by the bad loans.

As chairman of the special investigating subcommittee in 1969, I had the assistance of Congressmen JAMES M. HANLEY and FRANK J. BRASCO of New York on the majority side, and on the minority side, former Congressman Chester L. Mize of Kansas and the present junior Senator from Maryland, the Honorable J. GLENN BEALL, JR. In our investigation, in addition to alarming instances on the part of lenders in joining with unscrupulous speculators to inflate the value of inner city housing, we uncovered the outlines in the District of Columbia of the FHA 235 scandal on subsidized housing which was later documented in great detail by the full committee in a comprehensive national investigation.

In the course of our ad hoc subcommittee inquiry into real estate abuses in the District of Columbia, we also went into the matter of settlement charges and settlement practices. Section 701 of the 1970 Emergency Housing Act reflected the disturbing information we developed.

Subsequently, another series of articles in the Washington Post, by Ronald Kessler, spotlighted the widely varying settlement charges in different areas of the country. This led to the introduction by Chairman PATMAN of the parent committee of a bill in the 92d Congress dealing with settlement reform which formed the basis for the provisions of title IX which I sponsored in the Housing Subcommittee. Many of the provisions of title IX later won the support of Secretary Romney following the survey into FHA and VA settlement charges which he had made in conformance with the Emergency Housing Act of 1970.

The issue of settlement reform has been thoroughly studied and the need for action fully documented.

THE GAO STUDY ON ESCROW ACCOUNTS

Last year's title IX directed that a study be made by the Federal Reserve Board into the feasibility of requiring interest to be paid on tax and insurance escrow accounts. When the 1972 housing bill died in the Rules Committee, I then asked the GAO to make such a study. In the course of its investigation the GAO attempted to determine the costs and profits made, or losses sustained, by lending institutions in maintaining escrow accounts.

Out of an estimated 19,000 lending institutions and mortgage bankers involved in the residential mortgage market, GAO sent questionnaires to a randomly selected sample of 971 commercial banks, mutual savings banks, savings and loan associations, and mortgage bankers. It received 684 responses, from 70.4 percent of the sample institutions, who reported owning or servicing about $80.2 billion in residential mortgages.

The mortgage bankers included in the survey reported that they did not earn income from escrow funds because they generally deposited them in noninterest-bearing custodial accounts. But the mortgage bankers did acknowledge, however, that they use escrow collections to establish lines of capital credit with banking institutions.

Of 505 other lending institutions contacted, only 220 reported any gross income from escrow operations: 29 percent claiming annual gross income from this source under $10,000; 51 percent under $25,000; and 83 percent under $100,000.

Only three institutions—1.4 percent of those providing data—reported annual gross income from escrow accounts in excess of $500,000.

Of the 505 responses from banks and savings and loans, 96 reported they did not require or maintain escrow accounts; 246 said they maintained them, but they did not report either income or costs, or both, in connection with their escrow accounts; and 163 furnished data on the estimated profitability of these operations. Among the 163 which gave data, 52 reported overall losses from escrow operations; 17 said costs and revenues were about equal, and 94 said that escrow operations resulted in a net profit.

In following up with 18 sample institutions which had reported cost and profitability data, the GAO found that in all but one instance the data was not supported by accounting records or specific cost studies. In the remaining instance, the institution's own studies showed the escrow operation not profitable. Subsequently, the GAO itself made its own cost analyses at four institutions. This part of the study showed that the profitability or loss to the lender of maintaining escrow accounts and investing the funds temporarily varied widely according to the method used of allocating to the escrow operation a pro rated share of the institution's operating costs. Where costs were figured only on the basis of overhead and general and administrative costs that would be avoided if the escrow operation were eliminated, the four institutions studied in depth showed profits ranging from $8.48 to $18.77 per escrow account.

The economic point most clearly established in the GAO study is that the Nation's taxing bodies benefit significantly from the maintenance of tax escrow accounts by mortgage lenders, since tax payments are always made promptly by lenders and in large amounts, compared to the many small payments which would have to be accounted for from individual homeowners paying the taxes directly.

VOLUNTARY ARRANGEMENT FOR PAYING TAXES AND INSURANCE

The GAO study was carefully constructed and conscientiously pursued by highly competent investigators. But it was inconclusive as to whether it is feasible to require interest to be paid on escrow accounts without causing excessive cost burdens on smaller lending institutions.

Hence, my new bill does not require payment of interest on escrow accounts. The existence of escrow accounts for taxes and insurance assures to the home buyer and to the lender, both, that the necessary funds to pay these essential costs will be available for payment when due.

On the other hand, there is no question that a great many home buyers are perfectly capable of setting aside in interest-bearing accounts of their own the funds to pay taxes and insurance premiums when due, and would be conscientious about paying those necessary costs related to homeownership. To be required to deposit substantial sums with the lender each month to cover taxes and insurance, and derive no interest income from the money so set aside, is a mortgage loan condition many financially responsible homeowners bitterly resent. Such escrow accounts are required in all FHA loans, and are generally required on conventional mortgages as well.

Therefore, in order to assure equity both to the lender and mortgage borrower, my new bill gives the home buyer the right to pay his own tax bills and insurance premiums, with the right accorded to the lender to step in and pay these costs when the borrower fails to do so on time and assess interest penalties on the borrower to cover the added costs. At the same time, if a borrower prefers to have the lender set up an escrow account for these purposes, the bill encourages lender and borrower to bargain on the terms and conditions of the escrow arrangement, including any interest rate they can mutually agree upon for the nearly $10 billion in such funds now being placed in such accounts during a year. But no set interest rate would be imposed by law on escrow accounts under the bill as introduced.

THE STATES AND THE ENERGY CRISIS

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Friday, December 21, 1973

Mr. HARTKE. Mr. President, I ask unanimous consent to print in the Extensions of Remarks, a resolution adopted by the National Conference of Lieutenant Governors at their convention in Phoenix, Ariz., on December 1. The resolution pertains to the role of the States in meeting the energy crisis.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

NATIONAL CONFERENCE OF
LIEUTENANT GOVERNORS,
Phoenix, Ariz., December 1, 1973.

RESOLUTION CONCERNING THE STATES AND THE ENERGY CRISIS

Whereas, the nation now faces serious needs to conserve and allocate its supplies of energy in various forms, since available and foreseeable supplies fall short of meeting normal demands; and

Whereas, the states are responding in imaginative and effective ways to cooperate in the attainment of national goals for reducing waste and curtailing other consumption of energy; and

Whereas, situations differ between and among states, and even within individual states, in the extent to which specific energy conservation and allocation measures can be implemented with minimal impact on the economy and on social well-being; and

Whereas, the states are in a better position than are federal authorities to adapt a national program in such a manner as to minimize the undesirable and avoidable impacts of such programs as are now or will become involved;

Now, therefore, be it resolved, that the National Conference of Lieutenant Governors urges the Congress and the national Administration to assure the retention of a meaningful, primary role for the several states to fill in any and all energy legislation enacted and administrative steps taken, while still assuring the achievement of national energy conserving goals.

FINANCIAL STATEMENT OF CONGRESSMAN CHARLES W. WHALEN, JR., AND FAMILY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. WHALEN. Mr. Speaker, I fully supported the action taken by the House of Representatives in requiring Members to report certain sources of income to the Standards of Official Conduct Committee. However, the credibility of Government now is so low that I feel it is incumbent upon me to make a full disclosure of my income and assets. President Nixon has done this, as have other public officials. I do not believe that there should be a double standard, one which applies to the executive branch and another for the legislative branch.

The following is a statement of my wife's and my combined net worth, as of January 3, 1973, and a breakdown of our income tax return for the year 1972. I also am providing this same information for our six children: Charles E., age 13; Daniel D., age 11; Edward J., age 9; Joseph M., age 7; Anne E., age 6; and Mary B., age 1.

Similar reports will be provided in early May 1974, upon completion of my family's tax returns for 1973.

The statements follow:

FINANCIAL STATEMENT AS OF JANUARY 3, 1973: CHARLES W. WHALEN, JR., AND BARBARA G. WHALEN

ASSETS

Cash, $1,443.73.

Ninety-day notes—General Motors Acceptance Corp., $61,000.

Common stock

Allegheny Power Systems (1,100 shares)	$26,400.00
American Cyanamid (200 shares)	6,400.00
Baltimore Gas & Electric Co., (100 shares)	3,025.00
Beneficial Finance Co. (188 shares)	9,823.00
Carolina Power & Light Co. (800 shares)	5,546.00
Coca Cola (240 shares)	35,190.00
Copeland Corp. (400 shares)	20,300,00
Delmarva Power & Light Co. (1,000 shares)	16,875.00
Detroit Edison Co. (1,000 shares)	20,750.00
Duke Power Co. (1,000 shares)	23,125.00
Ex-Cell-O Corp. (100 shares)	2,112.50
Federated Department Stores (220 shares)	12,347.00
General Telephone & Electronics (300 shares)	9,187.50
Gulf State Utilities (400 shares)	8,850.00
Hubbard Real Estate Investment Co. (120 shares)	2,445.00
Merrill Lynch, Pierce, Fenner and Smith (50 shares)	1,612.50
Minnesota Mining and Manufacturing (600 shares)	51,450.00
Owens-Illinois Glass (200 shares)	8,400.00
Charles Pfizer Co. (510 shares)	22,248.75
Phillips Petroleum Co. (200 shares)	8,875.00
Public Service Elec. & Gas (2,350 shares)	57,281.25

Reynolds & Reynolds Co. (500 shares)	24,312.50
Royal Dutch Petroleum (188 shares)	7,708.00
South Carolina Elec. & Gas (500 shares)	12,375.00
Steadman American Ind. Fund (123½ shares)	512.53
Texas Utilities (400 shares)	13,550.00
United Gas, Inc. (1,000 shares)	30,500.00
Unity State Bank (2 shares)	50.00
Virginia Electric Power Co. (2,000 shares)	45,000.00
Westinghouse Electric Corp. (400 shares)	17,800.00
Total	504,052.03
Cash value—Paid up life insurance	61,990.82
Cash value—Outstanding life insurance	18,346.00
Contribution to public employees retirement system of Ohio	4,290.61
Contribution to Teachers Insurance & Annuity Association	11,031.17
Contribution to civil service retirement deposit	17,435.43
Partnership interest, Whalen Investment Company	112,500.00
Residence—228 Beverly Place, Dayton, Ohio	35,000.00
Furniture—228 Beverly Place, Dayton, Ohio	1,000.00
Residence—5301 Portsmouth Road, Bethesda, Maryland	140,000.00
Furniture—5301 Portsmouth Road, Bethesda, Maryland (1969 valuation)	25,000.00
Jewelry (1969 valuation)	25,000.00
1971 Ford Country Squire Station Wagon	2,500.00
1965 Ford Mustang	500.00
Total assets	1,021,089.79

LIABILITIES

Loan—Charles W. Whalen, Sr.	30,500.00
Loan—Mutual Benefit Life	4,235.00
Total liabilities	34,735.00

NET WORTH

Total assets	1,021,089.79
Total liabilities	34,735.00
Net worth	986,354.79

FINANCIAL STATEMENT AS OF JANUARY 3, 1973: CHARLES E. WHALEN

ASSETS

Cash in bank	$17,395.01

COMMON STOCK

Allegheny Power Systems (500 shares)	12,000.00
Atlantic City Elec. Co. (400 shares)	9,150.00
Baltimore Gas & Elec. Co. (100 shares)	3,025.00
Carolina Power & Light Co. (700 shares)	20,650.00
Consolidated Edison (100 shares)	2,587.50
Copeland Corporation (200 shares)	10,150.00
Duke Power Company (500 shares)	11,562.50
Florida Power & Light Co. (460 shares)	17,365.00
Illinois Power Company (300 shares)	10,275.00
Pfizer, Inc. (65 shares)	2,835.63
Public Service Electric & Gas Company (300 shares)	7,312.50
Third National Bank & Trust Company (183 shares)	5,398.50
United Gas, Inc. (400 shares)	12,200.00
Total assets	124,511.63
Total	141,906.64
Liabilities	None
Net worth	141,906.64

FINANCIAL STATEMENT AS OF JANUARY 3, 1973: DANIEL D. WHALEN

ASSETS

Cash in Bank	$15,256.69

COMMON STOCK

Allegheny Power Systems (500 shares)	12,000.00
Atlantic City Elec. Co. (400 shares)	9,150.00
Baltimore Gas & Elec. Co. (100 shares)	3,025.00
Carolina Power & Light Co. (700 shares)	20,650.00
Consolidated Edison (150 shares)	3,881.25
Copeland Corporation (200 shares)	10,150.00
Duke Power Company (500 shares)	11,562.50
Florida Power & Light Co. (560 shares)	21,140.00
Illinois Power Company (300 shares)	10,275.00
Pfizer, Inc. (65 shares)	2,835.63
Public Service Electric & Gas Company (300 shares)	7,312.50
Third National Bank and Trust Company) (181 shares)	5,339.50
United Gas, Inc. (200 shares)	6,100.00
Total assets	123,421.38
Total	138,678.07
Liabilities	None
Net worth	138,678.07

FINANCIAL STATEMENT AS OF JANUARY 3, 1973: EDWARD J. WHALEN

ASSETS

Cash in Bank	14,285.32

COMMON STOCK

Allegheny Power Systems (500 shares)	12,000.00
Atlantic City Elec. Co. (400 shares)	9,150.00
Baltimore Gas & Elec. Co. (400 shares)	3,025.00
Carolina Power & Light Co. (700 shares)	20,650.00
Consolidated Edison (100 shares)	2,587.50
Copeland Corporation (200 shares)	10,150.00
Duke Power Company (500 shares)	11,562.50
Florida Power & Light Co. (500 shares)	20,385.00
Illinois Power Company (300 shares)	10,275.00
Pfizer, Inc. (65 shares)	2,835.63
Public Service Electric & Gas Company (300 shares)	7,312.50
Third National Bank and Trust company (181 shares)	5,339.50
United Gas, Inc. (100 shares)	3,050.00
Total assets	118,322.63
Total	132,607.95
Liabilities	None
Net worth	132,607.95

FINANCIAL STATEMENT AS OF JANUARY 3, 1973: JOSEPH M. WHALEN

ASSETS

Cash in Bank	$15,317.64

COMMON STOCK

Allegheny Power Systems (500 shares)	12,000.00
Atlantic City Elec. Co. (400 shares)	9,150.00
Baltimore Gas & Elec. Co. (100 shares)	3,025.00
Carolina Power & Light Co. (700 shares)	20,650.00
Consolidated Edison (100 shares)	2,587.50
Copeland Corporation (200 shares)	10,150.00
Duke Power Company (500 shares)	11,562.50
Florida Power & Light Co. (420 shares)	15,855.00
Illinois Power Company (300 shares)	10,275.00
Pfizer, Inc. (65 shares)	2,835.63
Public Service Electric & Gas Company (300 shares)	7,312.50
Third National Bank and Trust Company (181 shares)	5,339.50
United Gas, Inc. (100 shares)	3,050.00
Total assets	113,792.63
Total	129,110.27
Liabilities	None
Net worth	129,110.27

FINANCIAL STATEMENT AS OF JANUARY 3, 1973: ANNE E. WHALEN

ASSETS

Cash in Bank	13,828.61

COMMON STOCK

Allegheny Power Systems (230 shares)	5,520.00
Baltimore Gas & Elec. Co. (100 shares)	3,025.00
Carolina Power & Light Co. (700 shares)	20,650.00
Consolidated Edison (75 shares)	1,940.63
Copeland Corporation (200 shares)	10,150.00
Duke Power Company (300 shares)	6,937.50
Florida Power & Light Co. (440 shares)	16,610.00
Illinois Power Company (300 shares)	10,275.00
Pfizer, Inc. (65 shares)	2,835.63
Public Service Electric & Gas Company (300 shares)	7,312.50
Third National Bank and Trust Company (181 shares)	5,339.50
Total assets	90,595.76
Total	104,424.37
Liabilities	None
Net worth	104,324.37

FINANCIAL STATEMENT AS OF JAN. 3, 1973: MARY BARBARA WHALEN

ASSETS

Cash in Bank	$23,998.50

COMMON STOCK

Carolina Power & Light Co. (100 shares)	2,950.00
Pfizer, Inc. (65 shares)	2,835.63
Total assets	5,785.63
Total	29,784.13
Liabilities	----------
Net worth	29,784.13

THE 1972 INCOME: MARY BARBARA AND CHARLES W. WHALEN, JR.

SOURCE	*Gross amount*
U.S. House of Representatives—Salary	$42,500.00

Net Partnership Income—Whalen Investment Company (Rental Property)	10,877.74
Rental Income—204 Lookout Drive	400.00

Interest received

Prudential Insurance Agency	31.69
Third National Bank and Trust Company—Commercial Notes	1,920.38
Total	1,952.07

Taxable dividends received—common stock

Allegheny Power Systems	1,540.00
American Cyanamid	250.00
Baltimore Gas & Electric	425.25
Beneficial Corporation	205.10
Carolina Power & Light	826.00
Coca Cola Company	393.60
Copeland Corporation	249.60
Duke Power Company	1,400.00
Ex-Cell-O Corporation	80.00
Federated Dept. Stores	226.60
General Mills, Inc	511.00
General Telephone and Electronics Corporation	462.00
Gulf States Utilities	320.32
Hubbard Real Estate Investments	178.80
Merrill, Lynch, Pierce, Fenner and Smith	25.50
Minnesota Mining & Mfg. Co	577.20
Owens Illinois, Inc	277.50
Chas. Pfizer & Co	603.00
Phillips Petroleum Co	260.00
Reynolds & Reynolds	112.50
Royal Dutch Petroleum	359.35
Southern California Edison	477.36
Texas Utilities Company	396.00
United Gas., Inc	810.00
Westinghouse Electric Corp	374.40
Total	11,341.08

Nontaxable return on capital

Caroline Power & Light	1,239.00
Gulf States Utilities	95.68
Orange & Rockland Utilities	1,800.00
Public Service Elec. & Gas Co	3,995.00
Southern California Edison	458.64
Virginia Electric Power	560.000
Total	8,148.32

Remuneration for articles

Dayton Newspapers, Inc	150.00
New York Times	150.00
Total	300.00

Speeches—Honorarium

Brookings Institute	600.00
St. Charles Parish	200.00
Dayton Area Business Society	50.00
South Park United Methodist Church	15.00
Bethany Lutheran Village	100.00
Western Electric	500.00
Total	1,465.00

CAPITAL GAINS

(1) Sale of home—204 Lookout Drive, Dayton Ohio	
Sale price (net, after commission payment of $2,900.00 and $89.00 deed conveyance fee)	61,011.00
Purchase price	56,000.00
Less depreciation	1,974.37
	54,025.63
	6,985.37
(2) Sale of 700 Shares General Mills Commmon Stock	8,694.94
Total capital gains	15,680.31

CAPITAL LOSSES

(1) Sale of 2,000 shares—Orange & Rockland Utilities Common Stock	−5,511.19
(2) Sale of 600 shares—Southern California Edison Common Stock	−3,882.69
Capital losses	−9,393.88
Net capital gains	6,286.43

THE 1972 EXPENSES

1. Standard Exemptions—6 children.	
2. P.L. 471, 82nd Congress, P.L. 178, 83rd Congress—"Away From Home" Living Expense Allowance	$3,000.00
3. Standard Deduction for Stock Dividends	200.00
4. Interest Paid on Loans:	
Northwestern Mutual Life Insurance Company	636.98
Mutual Benefit Life Insurance Company	749.10
Charles E. Whalen	21.00
Total	1,407.08
5. State, county, and municipal taxes:	
City of Oakwood—income tax	211.72
Montgomery County, Ohio—204 Lookout Drive Residence	999.60
Intangibles Tax—Montgomery County, Ohio	653.90
State of Ohio Personal Income Tax	1,050.90
Montgomery County, Maryland—5301 Portsmouth Road Residence	1,776.15
Netherlands Government—tax on Royal Dutch Petroleum dividends	42.41
State and Local Gasoline Taxes	88.91
General Sales Tax	435.42
6. Allowable Medical Deductions for Family	150.00
7. Charitable Donations (including $349.50 to Little Flower Church, $120 to University of Dayton, $100 to United Appeal, and $80 to Dayton Art Institute)	991.00
8. Office and Professional Expenses	784.89
9. Travel to and from District (for which not reimbursed by Federal Government Payment)	874.50
Total taxes paid to IRS—1972	18,740.85

THE 1972 INCOME: WHALEN CHILDREN

CHARLES EDWARD WHALEN

	Gross amount
Taxable dividends received:	
Allegheny Power Systems, Inc.	$700.00
Atlantic City Elect. Co	84.56
Baltimore Gas & Electric Company	141.75
Copeland Corporation	124.80
Duke Power Company	700.00
Illinois Power Company	660.00
Mid-Continent Telephone Corp.	644.00
Third National Bank & Trust Co.	181.17
United Gas, Inc	324.00
Florida Power and Light	506.00
Total	4,066.58
Nontaxable return on capital:	
Atlantic City Electric Company	480.90
Consolidated Edison Company	180.00
Public Service Elec. & Gas Co.	510.00
Total	1,170.90
Interest:	
Loan to Charles W. Whalen, Jr.	21.00
Interest on Bonds	430.20
Total	451.20
Deductions:	
Treasurer, Montgomery County, Ohio	135.13
Accountants' fee	20.00
Total	155.13
Total taxes paid to IRS—1972	597.40

DANIEL DENNIS WHALEN

	Gross amount
Taxable dividends received:	
Allegheny Power Systems, Inc.	$700.00
Atlantic City Electric Company	84.86
Baltimore Gas & Electric Company	141.75
Copeland Corporation	124.80
Duke Power Company	700.00
Florida Power & Light Company	616.00
Illinois Power Company	660.00
Mid-Continent Telephone Corp.	644.00
Third National Bank & Trust Co.	179.19
United Gas, Inc	162.00
Total	4,012.60
Nontaxable return on capital:	
Atlantic City Electric Company	480.90
Consolidated Edison Company	270.00
Public Service Elec. & Gas Co.	510.00
Total	1,260.90
Interest:	
Loan to Joseph Whalen	2.50
Interest on Bonds	450.00
Total	452.50
Deductions:	
Treasurer, Montgomery County, Ohio	129.86
Accountants' fee	20.00
Total	149.86
Total taxes paid to IRS—1972	588.40

EDWARD JAMES WHALEN

	Gross amount
Taxable dividends received:	
Allegheny Power Systems, Inc	$700.00
Atlantic City Electric Company	84.86
Baltimore Gas & Electric Company	141.75
Copeland Corporation	124.80
Duke Power Company	700.00
Florida Power & Light Company	594.00
Illinois Power Company	660.00
Mid-Continent Telephone Corp	644.00
Third National Bank & Trust	179.19
United Gas, Inc	81.00
Total	3,909.60
Nontaxable return on capital:	
Atlantic City Electric Company	480.90
Consolidatd Edison Company	180.00

Public Service Electric & Gas Co	510.00
Total	1,170.90
Interest:	
Interest on bonds	430.20
Deductions:	
Treasurer, Montgomery County, Ohio	123.78
Accountants' fee	20.00
Total	143.78
Total taxes paid to IRS—1972	565.74

JOSEPH MICHAEL WHALEN

Taxable dividends received:	
Allegheny Power Systems, Inc	$700.00
Atlantic City Electric Company	84.86
Baltimore Gas & Electric Company	141.75
Copeland Corporation	124.80
Duke Power Company	700.00
Florida Power & Light Company	462.00
Illinois Power Company	660.00
Mid-Continent Telephone Corp	644.00
Third National Bank & Trust Co	179.19
United Gas, Inc	81.00
Total	3,777.60
Nontaxable return on capital:	
Atlantic City Electric Company	480.90
Consolidated Edison Company	180.00
Public Service Electric & Gas Co	510.00
Total	1,170.90
Deductions:	
Treasurer, Montgomery County, Ohio	123.78
Accountants' fee	20.00
Total	143.78
Total taxes paid to IRS—1972	458.45

ANNE ELIZABETH WHALEN

Taxable dividends received:	
Allegheny Power Systems, Inc	$322.00
Baltimore Gas & Electric Company	141.75
Copeland Corporation	124.80
Duke Power Company	420.00
Florida Power & Light Company	484.00
Illinois Power Company	660.00
Mid-Continent Telephone Corp	644.00
Third National Bank & Trust Co	179.19
Total	2,975.74
Nontaxable return on capital:	
Consolidated Edison Company	135.00
Public Service Electric & Gas Co	510.00
Total	645.00
Deductions:	
Treasurer, Montgomery County, Ohio	73.03
Accountants' fee	20.00
Total	93.03
Total taxes paid to IRS—1972	316.21

DR. EDWARD WENK, JR.

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Friday, December 21, 1973

Mr. MAGNUSON. Mr. President, on November 1, 1973, President Nixon signed the bill permitting the Office of Technology Assessment to begin its operations, with the Honorable Emilio Daddario as its first Director. This new office will provide Congress with the wherewithal to analyze policy matters containing complex technological components. The establishment of OTA represents a historic advance in Congress' capabilities for assessing the possible impacts of proposed technologies.

Dr. Edward Wenk, Jr., one of the originators of the OTA concept, was appointed in 1959 by the Library of Congress' Legislative Reference Service as the first full-time science adviser to Congress. Since then Dr. Wenk has served on the White House staff and as Executive Secretary of the National Council on Marine Resources and Engineering. In 1971 he joined the University of Washington as professor of engineering and public affairs.

Professor Wenk is truly one of the most far-sighted and public spirited engineers in the country. His dedication to the principle of using technology to promote the public welfare sets an example for the entire engineering and scientific community.

Mr. President, a profile of Dr. Wenk appeared recently in the weekly newspaper Argus. I ask unanimous consent that this article be printed in the extensions of remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RALPH NADER OF TECHNOLOGY

(NOTE.—The Trident issue raises in sharp focus the question of how in a democracy such crucial but highly technical questions are to be assessed. "The great issues of nuclear strategy," Hans J. Morgenthau has written, "cannot even be the object of meaningful debate, whether in Congress or among the people at large, because there can be no competent judgment without meaningful knowledge. Thus, the great national decisions of life and death are rendered by technological elites." One of the most important persons concerned with this question of "technology assessment" is a professor at the University of Washington, Ed Wenk, who is profiled in the following article.)

(By Daniel Jack Chasan)

I met Edward Wenk, Jr., more or less by accident in the summer of 1971. I had called a member of Sen. Warren Magnuson's Commerce Committee staff to ask about two bills Magnuson had recently introduced, calling for the establishment of a national Technology Assessment Commission.

The idea was that this commission would examine innovations in non-military technology to determine their probable positive and negative effects. This would be done before basic ideas had been transformed into immutable hardware. The commission then would publicize its findings, so that the nation could choose intelligently among courses of technological development—not be forced by ignorance to leave the choice to interested industries and government agencies, or leave new technology's negative side-effects entirely to chance. The commission also would serve as an expert witness in courtrooms and before Congressional committees. It would be funded by the federal government but not be responsible to any branch or agency of it.

The committee staff-man said he'd be glad to talk with me but suggested that, since I was in Seattle, I might go out to the University and talk to Ed Wenk. It was all Wenk's idea in the first place.

AEROSPACE LAB

So I went out to see Ed Wenk. I found him in a big corner office on the fourth floor of the aerospace research laboratory. There were two secretaries in the anteroom, a long row of metal filing cabinets in the office proper, an inscribed photograph of Hubert Humphrey on the wall. Wenk turned out to be a husky man with silver hair and a strong, ship's-prow face.

He told me he preferred the term "social management of technology" to "technology assessment," although "technology assessment" was indeed the usual phrase. That was the name under which it had been pushed—to little visible effect—in Congress by former Rep. Emilio Q. Daddario, had been studied by the national academies of Sciences and Engineering and was being discussed, in various forms, in rather rarified scientific and public-policy circles.

Wenk said his own idea of an assessment commission had been described accurately as a "fourth branch of government." It also could be described as an institutional version of Ralph Nader. Actually, he said, although the Magnuson bills incorporated his ideas, they didn't incorporate all of them. What he really wanted was a commission that could haul industries and government agencies into court on its own initiative. But he knew that no politician was prepared to introduce that concept at that time. "You can see," he told me with a smile, "why some people might not like it."

By 1971, Wenk had become a professor of engineering and public affairs at the University. He had started his career as an engineer, specializing in the structural design of ships, then narrowing it down to the design of submarines, figuring out how to build submarine hulls that could withstand water pressure at great depths without being too heavy to float. He had the dubious honor of taking his products down for their first dives, which doubtless sharpened his interest in the design work.

ADVISER TO CONGRESS

In 1959, during the federal government's post-Sputnik burst of enthusiasm for science and space, Wenk was hired by the Library of Congress' Legislative Reference Service as Congress' first full-time scientific adviser. He started rubbing shoulders with a lot of powerful people at that time, and he is pleased to be able to say that, for instance, a study he made for then-Sen. Lyndon Johnson evolved into the idea of the Comsat Satellite.

After Kennedy's inauguration, Wenk moved over to the White House as an assistant to Presidential Science Adviser Jerome Weisner. That was a boom time for federal interest in (and spending on) science and technology, and Wenk's main job consisted, as he describes it, of "orchestrating the bureaucracy"—something he found was more easily said than done. He quickly discovered that, instead of cooperating, the various agencies "cut each other up, just like Chrysler and G.M."

After three years in that job, he went back to the Legislative Reference Service to set up its Science Policy Research division. He recalls that while he was there, as a result of a meeting with Daddario and Charles Lindbergh, he introduced the basic idea of technology assessment.

Wenk had planned to stay at the Library of Congress, but in 1966 he was asked to become executive secretary of the cabinet-level National Council on Marine Resources and Engineering, and he accepted. The condition of his acceptance, he says, was that he be able to pick his staff with no regard for political affiliation. Vice-President Humphrey said all right, and kept his word (Wenk says he respects Humphrey a great deal for that), and Wenk assembled what he calls "the best damn staff I've seen in government, with the exception of Henry Kissinger's."

Wenk stayed there through the change in administrations—political affiliation became a more important criterion for staff selection after Nixon's inauguration in 1969—then left in 1970 to come here.

He still occupies that corner office in U.W.'s aerospace research laboratory. He still clearly likes to think of himself as, and still clearly is, a busy man, difficult to reach by phone, out of town for days at a time, in touch with a lot of things that happen in the other Washington.

OCEAN POLITICS

But a number of things have changed since my first meeting with him in 1971. For one, he has grown a beard. For another, he has published a book, *The Politics of the Ocean* (University of Washington: 1972; 590 pp. $14.95), which *Foreign Affairs* described as "A detailed examination of the domestic and international politics of ocean policy, which is as much a work of political science as of oceanography. The author skillfully examines the experience of the past decade, and proposes initiatives for future United States oceanographic policy and its governmental formulation."

Back on Capitol Hill, Congress has rewarded Daddario's efforts by passing a law that will establish an Office of Technology Assessment for its own use. Very few members of Congress ever came to know or care much about the idea, but most were persuaded that they needed some additional technical staff to offset the huge reservoirs of technical expertise in the executive branch. That is how most of them see the new Office. Daddario himself, who hasn't forgotten the broader purposes of technology assessment, probably will be named director of the Office.

Here in Seattle, "the social management of technology" is now a full-fledged subject at U.W., and Wenk has put together a full-fledged department to teach it. He was sounded out, he says, not long ago about returning to Washington, D.C., and he gave it a lot of thought, finally decided that he wants to stay right here. He hasn't given up pushing for an independent technology assessment office, and he wants to be able "to say what I think, which you can't do if you're working in government."

He believes that universities are the only institutions in our society that can develop an ability objectively to assess both technology and technology policy. Industry and the government agencies have their own axes to grind and can't reasonably be expected to do the job.

Therefore, one of the two main things he hopes his program in the social management of technology will achieve is building the university into a center of policy research. The other is simply producing students who are trained in technology assessment. Wenk doesn't believe there ever will be a great many jobs for such people, but he wants the few jobs there are to be well filled.

NO FEDERAL FUNDS

Because he wants to cultivate independence and objectivity in his department, Wenk plans to avoid taking money from the federal government. "Long before Watergate," he says, "I was convinced that the government is skittish about supporting independent research it can't control." For now, the department is financed by state funds and by a two-year grant from the Sloan Foundation.

This year there are five senior faculty members, drawn from a variety of disciplines, and eventually there may be eight or nine. The professors have been selected with an eye to their ability to communicate clearly, without using technical jargon, and their willingness to participate in group research, with each person working on portions of a common problem.

A handful of universities on the East coast have established similar programs, some successfully and some not, as have three other universities in the West. There is no such program elsewhere in the Northwest and this, Wenk says, "is one of the reasons why I decided to come here."

He thinks that in order to be useful, any university program of technology assessment, or social management of technology, or whatever will have to develop close ties to the region in which it operates. He wants the University's program to get involved in both state and local issues, analyzing such problems as the siting of nuclear-power plants, the advisability of building superports and the control of local cable TV.

SPEAK TO PUBLIC

Wenk also wants to influence the region's point of view. To that end, he already has told the organizers of EXPO '74, for which he is a consultant, that instead of sponsoring scientific colloquia where "you have experts talking to experts," they should find some way of communicating the experts' knowledge to the general public. He also has suggested to the Seattle City Council that the Science Center be changed from the promoter of a " 'gee whiz' attitude toward science" to a source of public information about important technical issues.

It will be interesting to see how the region—and ultimately the nation—takes to his ideas. What is at stake, he argues, is nothing less than public control of technology. Public control will require a continuous flow of intelligible information about the choices at hand. However difficult it may be to supply such information, the alternative is to leave technology in the control of government and industry, which is to invite a 1984.

In a recent speech entitled "Hardware, Software and Squishyware," Wenk noted that, "Most protagonists would agree that science, notwithstanding an ethic of internal objectivity, has no predilection toward external evil or good. Whether it is utilized to benefit society or to subvert it depends on moral acts of man, collectively expressed through his social institutions. The [current] attack on science and technology may thus be leveled at the wrong target . . ."

ERNEST PETINAUD

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. JONES of Oklahoma. Mr. Speaker, I want to take this opportunity to join my colleagues in expressing our deepest gratitude and appreciation to Ernest Petinaud, and to wish him and his lovely wife, Jeannette, the best of everything in the years to come.

It was my privilege to first meet Ernest nearly 12 years ago, when I first came to work as a congressional staff member on Capitol Hill. Since that time, and during my years on former President Johnson's staff, Ernest and I have remained close friends. I, like so many of my colleagues, have long admired Ernest's qualities and abilities; his ever-pleasant humor, unlimited patience, and dedication to all who pass through the House of Representatives restaurant.

I believe we all feel deep regret in seeing Ernest leave our midst, and yet we know also how richly he deserves an opportunity to enjoy life away from his very demanding responsibilities.

I want to wish Ernest and Jeannette a very happy holiday season, and a successful and prosperous New Year. May their blessings be as bountiful as those which they have brought to us all over the years.

THE 1ST SESSION OF THE 93D CONGRESS

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. ALBERT. Mr. Speaker, the 1st session of the 93d Congress has been of tremendous significance for the American people.

During the past 12 months, our Nation has faced problems of a magnitude greater than any we have witnessed in a generation, including severe food and energy shortages, inflation, threatened abolition of a host of domestic legislative programs fashioned by Congress over the years, and even attacks on the freedoms of our citizens by the Federal Government's own executive branch.

Throughout this period of uncertainty and danger, one fact stands out over all others to reassure our people, and that is that the Congress has held firm, a stabilizing influence in the economic affairs of the Nation, a bulwark of strength against usurpation of power by the executive, and a defender of the social and economic welfare of the American people.

The past 12 months have seen concern over lack of leadership in the executive branch give way to lack of confidence, and then to outright anger over excesses of executive branch behavior. But during this period, a time in which the ship of state has seemed more and more frequently to be drifting helplessly, with no firm hand on the helm, the Congress has proven its worth as a great stabilizing institution in our democracy.

Throughout this difficult period, the Congress has not merely responded to the immediate difficulties which have beset our Nation from week to week, but it has actually been able simultaneously to bring reform to its own house, improving its ability to function both as the representative of various interest groups in our society and as fashioner of national legislative policy. Thus, the Congress has been able to assert, with renewed strength derived from reform, its traditional authorities in formulating legislative policy and in fulfilling, along with the courts, its somewhat newer role of the session of Congress just ended, against abuses of authority by the executive branch.

These contentions are most easily illustrated by turning to an examination of the session of Congress just ended, wherein may be seen a record of strong achievement in safeguarding the social and economic welfare of our people, and in protecting the traditional rights of our citizens and the structure of our democratic government from attack by an executive branch grown too often irresponsible, and heedless of our liberties.

I. REASSERTION OF CONGRESSIONAL AUTHORITY

The 1st session of the 93d Congress has been characterized by a strong spirit of renewal and reassertion of the authority of the Congress.

This spirit of renewal was first evidenced in sweeping reforms made within the Congress itself at the beginning of the session, and was then directed at reasserting the legislative powers of the Congress vis-a-vis the executive branch. What began as a straightforward assertion of congressional legislative authority, however, was soon transformed by events into an exercise in curbing executive branch misconduct.

A. REFORMING THE CONGRESS

In order for the Congress to play its proper legislative role, successfully asserting its equality with the other branches of the Federal Government, the judiciary and the executive, the Congress must first have its own affairs in order.

Members of the House of Representatives began their work at the beginning of this session by laying the groundwork for the most far-reaching reforms of Congress in more than 60 years.

1. REFORM OF THE COMMITTEE SYSTEM

On January 31, 1973, the House passed a resolution creating a select committee to review the structure and jurisdictions of House committees. This select committee, which has just presented its excellent first report to the Congress, was given $1.5 million with which to examine the optimum number and size of committees, the need to establish new committees in certain areas and to do away with old ones, the functions of subcommittees, and committee rules and procedures. Adoption of the select committee's recommendations, as modified by the desires of the House, is one of the major items of unfinished business in the House. I expect that this matter will receive proper attention early in the second session of the Congress.

2. AUTOMATIC VOTE ON COMMITTEE CHAIRMEN

Committee chairmen are tied more closely to the desires of members of the committee and the caucus by the fact that they must face an automatic vote on their selection at the beginning of each Congress. Furthermore, to make the election meaningful and prevent possible reprisals, the vote on committee chairmen must be by secret ballot if so requested by at least one-fifth of the caucus members present.

3. OPEN COMMITTEE MEETINGS

While the executive branch has been growing more closed and secretive, with its excessive claims of executive privilege, the House of Representatives has opened up its workings to closer inspection by the public. Committee meetings are automatically open to the public, and a separate rollcall vote is now required to close any committee meeting or hearing. As a consequence, only very rarely during the first session of this Congress have committee meetings been closed from public scrutiny.

4. OTHER REFORMS

Even while under attack from the executive branch, the House has initiated a long list of other reforms, including:

Reconstituting the Democratic Steering and Policy Committee with broadened party representation and closer ties to the party leadership;

Providing an appeal procedure on closed rules;

Guaranteeing at least one major committee assignment to all Members and requiring members of exclusive committees to give up other assignments at the end of this Congress;

Requiring clarification of subcommittee jurisdictions, adequate funding of subcommittees, approval of subcommittee chairmen and membership, and referral of legislation to subcommittee;

Limiting caucus officials to two terms;

Placing the leadership on the Democratic committee on committees and providing greater flexibility for the Speaker in determining meeting times in the House;

Providing $2 million in funds for Congress new Office of Technology Assessment, designed to give the Congress information on the effects of new technological developments;

Limiting participation in House business by Members convicted of crimes;

Initiating a new, faster electronic voting system;

Beginning work on important election reform legislation, which will probably be completed during the second session; and

Clarifying limitations on the congressional franking privilege.

These changes in the rules under which the House of Representatives operates are indicative of the strong desire of the Members of Congress to reassert the traditional prerogatives of the legislative branch and their acknowledgment of the need to put the affairs of the House in order so that they can proceed with greater effectiveness to bring order to the affairs of the Nation.

I believe that the fact that these changes in the procedures of the House were adopted at a time when the Congress was under heavy attack from the executive branch gives eloquent testimony to the sincerity of the Congress in wishing to become more responsive to the needs of the Nation. At a time when even such fundamental prerogatives of the Congress as control of the purse have been challenged, and the Congress reaction might well have been to withdraw into greater secrecy, the Congress demonstrated its vitality as an institution by opening up its workings, and growing closer and more responsive to the desires of the people.

B. REASSERTING THE POWERS OF THE CONGRESS

The spirit of internal reform and institutional revitalization of the Congress did not wane with the opening days of the session. In fact, the pace of reform has continued unabated, resulting in what I consider to be some of the most far-reaching legislative reform proposals to be placed before the Congress in this century.

1. CONTROLLING THE BUDGET AND UNWARRANTED IMPOUNDMENTS

At the end of first session, the House of Representatives passed the Budget and Impoundment Control Act of 1973. This bill, which is the product of real statesmanship by members of all segments of the Congress, makes real progress on two crucial fronts: overhauling congressional handling of the budget to enable the Congress to exercise its power of the purse effectively; and providing procedures through which Congress can control impoundments of appropriations by the President.

Impoundment of small and reasonable sums has a long and respectable history, dating back at least to Jefferson. But where the purpose of previous impoundments has been to prevent spending of funds in excess of those actually needed to carry out a congressionally authorized project, the current occupant of the White House seems bent on preventing the intent of Congress from being fulfilled at all, in effect, repealing the laws and overturning the priorities established by Congress. President Nixon has attempted to use impoundment as an item veto, giving the executive branch the legislative authorities specifically reserved by the Constitution for the Congress. And the President has made clear his intention to use the legislative power which he has seized to strike down the domestic programs passed by the Congress over the last 40 years.

The impoundment control procedures established by the Budget and Impoundment Control Act will give Congress the means by which to review Presidential impoundments. We do not deny to the President the power to impound funds with this bill, because there is a legitimate need to effect economies when the purposes of Congress can be achieved with lower expenditures than was originally calculated.

We will no longer, however, countenance wholesale invasions of legislative powers of the Congress by the Chief Executive, and President Nixon and future President's should be aware of this. The mood of the Congress, and especially of the House of Representatives, has changed. We have the will and, with the Budget and Impoundment Control Act, we will soon have the means to repel unwarranted incursion by the President. Completion of work on the impoundment control legislation will be one of the highest priorities of the 2d session of the 93d Congress.

Equally as important as controlling Presidential impoundments is improving priorities through the budget process. The Budget Control Act will give the Congress much-improved methods for making budget determinations and will bring increased discipline to the entire financing process.

By setting budget ceilings early in the year, curtailing backdoor spending, and a host of other budget reforms, the new budget control measure promises greatly to increase congressional control over the budget and therefore congressional authority in national affairs. I am hopeful that the Senate will act quickly on similar legislation and that these far-reaching budget and impoundment control procedures can take effect at the beginning of the next Congress.

There may be some question as to how the Budget and Impoundment Control Act will be received by a President, assuming for the moment that it is sent to him by the Congress in a form not too different from the version passed by the House last month.

The answer to this question must necessarily lie hidden in the future, but I personally believe, for many reasons, that this budget and impoundment measure has an excellent chance of being enacted into law.

First, it is a very well-constructed and much-needed piece of legislation and it stands squarely in the path of reform and reassertion which has so strongly colored this entire Congress.

Also, a reasonable President is likely to realize that neither the Congress nor the Nation is in the mood to condone further excessive exertions of Executive powers.

The Budget Control provisions are plainly a matter of internal congressional housekeeping and are of little legitimate concern to a President. The impoundment control provisions would not unduly restrict the President from legitimate impoundments for the purpose of economy; but they most certainly would make exceedingly difficult wholesale incursions by a President into the rights and responsibilities of the legislative branch. A reckless and irresponsible President might be tempted to veto the measure. I doubt whether, at this point in our history, the Congress could tolerate such an action.

The reasons why veto of the Budget and Impoundment Control Act by a President could not be accepted by the Congress are simple.

The Founding Fathers could not readily conceive that there would ever be a President so audacious as to create unilaterally, through impoundments, his own legislative policy, without even the pretense of congressional consent and, furthermore, that such a President would then enforce that policy on the congressional majority through use of the veto power coupled with support of a small congressional minority. Thus our forebears did not equip us to deal with this problem quickly or easily.

Under the old constitutional arithmetic, the majority was to rule, and the rights of the minority were to be protected.

In place of this system, we have come dangerously close to Presidential rule, backed by a bare one-third minority in the Congress, with total disregard for the traditional rights of the congressional majority. Under the new arithmetic, the President simply abolishes a program by Executive fiat, or impounds funds unilaterally, with utter disregard for the rights of the majority. Then when the majority moves to redress the President's mistaken and unconstitutional action, a small minority on the Congress backs the President and frustrates the will of the majority of the Congress and the majority of Americans who are represented by these Congressmen.

An excellent example of this misuse of our constitutional system is offered by the rural water and sewer grant program. The Congress properly established and funded this program and President Nixon implemented it. Then, at the beginning of this year, the President abruptly terminated the program, impounding appropriated funds without even a vestige of congressional approval for this action.

In March, the congressional majority, expressing the will of a majority of the American people, passed legislation directing the President to reinstate the water and sewer grant program. The President vetoed this bill, and the minority in Congress upheld the veto, effectively preventing the will of the majority from being carried out. In essence, the President—and not the majority of the Congress—created legislative policy, and that policy was forced on the congressional majority by a small congressional minority.

It is precisely to such Presidential actions as the above that the impoundment control measure is directed. The measure represents a legitimate means by which the Congress may confront the impoundment problem and the perversion of the intent of the Constitution which it represents. Should this means of redressing improper Presidential actions itself fall victim to the very problem it is intended to correct, then the Congress would be forced to take yet stronger and more direct measure.

I doubt very much, however, that the budget and impoundment control bill would be vetoed, for there is every reason to expect that a veto of this important legislation would be overridden.

In order to sustain the veto of legislation reinstating the rural water and sewer grant program, it was necessary for almost 100 Republicans in the House, who thought the bill was a good one and who voted for it on original passage, to cross over and vote against it.

These Members were seeking narrow, partisan advantage by going along with the President, who was playing fast and loose with the Constitution, rather than working to preserve our constitutional framework of government with its safeguards for the rights of the majority of Americans.

But the mood of March is not the mood of December, and like the weather, the temper of the Nation has grown cold and hard toward such partisan actions. As the real extent of the corruption and decay of the executive branch have become apparent, I believe these Congressmen have come to realize that they were not just playing politics and supporting their President—they were tearing at the Nation's constitutional fabric. The American people expect—and will receive—more from their Congress than this. If called upon to defend the legislative prerogatives of the Congress and the rights of our citizens, I believe these Congressmen will eschew narrow partisanship; and the climate of moral rot and disregard for the Constitution so prevalent in the Executive branch will not prevail.

2. WAR POWERS RESOLUTION

A good indication of the change of mood within Congress toward insistence on proper assignment of constitutional responsibilities was evidenced by the vote on the war powers resolution.

The Constitution clearly gives to the Congress—not to the President—the power to declare war, but in the face of the complexities of the modern world, there occurred a gradual erosion of this congressional warmaking authority until, in Vietnam, we had what had become in its final months a Presidential war, to which a majority of both Houses of Congress were opposed.

With the agonies of Vietnam behind us, it was clear that the time had arrived to restore the balance between President and Congress with regard to the power to make war, and to reassert congressional authority in this important area. We could no longer afford to allow the President to make vital decisions regarding war and peace without effective review by the Congress.

Like the budget and impoundment control measure, the war powers resolution provided a reasonable compromise, properly balancing the need to allow the President flexibility in responding quickly to emergencies with the need to keep the war powers firmly in the control of Congress.

Of great significance is the fact that many, many Republicans joined in making the more than two-thirds majority of the Congress which overrode President Nixon's veto of the war powers resolution.

C. CURBING EXCESSES, AND OVERSEEING MISCONDUCT OF THE EXECUTIVE BRANCH

The line between reasserting the powers of the Congress and curbing excesses of the executive branch is a thin one at best. Often, as in the case of the Budget and Impoundment Control Act, these two concepts are simply mirror images of one another.

In some instances, however, there is a decided difference in spirit and motivation. For example, the budget control provisions were passed in the spirit of reform and with hopeful expectations for the future. Unfortunately, a substantial portion of the time and energies of the 1st session of the 93d Congress have had to be devoted to activities such as the following—activities undertaken with a sense of disappointment, regret, and growing anger.

1. IMPEACHMENT INQUIRY

Primary among actions of the House undertaken with a sense of regret, and yet an equal sense of necessity, is the

Judiciary Committee's inquiry into whether grounds exist for impeachment of Richard Nixon. The House, in mid-November, provided an additional $1 million in funds for the committee, and this inquiry is now underway. Overwhelming majorities on both sides of the aisle voted in favor of supplying additional funds for the committee.

2. HEARINGS AND CONFIRMATION OF GERALD FORD

Following the resignation of Spiro Angew as Vice President, after his plea of no contest to charges of income tax evasion, the Judiciary Committee of the House undertook hearings and investigation into the qualifications of **GERALD FORD** to serve as Vice President in Mr. Agnew's place. The House confirmed the Ford nomination early in November.

3. SPECIAL WATERGATE PROSECUTOR

Following the dismissal of Archibald Cox as Special Watergate Prosecutor, and the forced resignations of Attorney General Elliot Richardson and Deputy Attorney General William Ruckelshaus, who had refused to remove Mr. Cox on the grounds that he had committed no improprieties, the Judiciary Committee of the House prepared legislation to establish an Independent Watergate Prosecutor under the purview of the Federal District Court for the District of Columbia. This bill has not yet been brought to the floor of the House. Its existence, however, almost certainly played a part in the President's decision to appoint another Special Watergate Prosecutor, and hopefully will help assure his continued independence.

4. WATERGATE GRAND JURY EXTENSION

Early in November, after it had become apparent that the Federal grand jury investigating the Watergate break-in and coverup could not complete its work in its assigned time, the House passed legislation extending the life of the grand jury for an additional 6 to 12 months. The Congress has also passed legislation giving the courts jurisdiction to implement the subpena power of the Senate Watergate Committee.

5. ATTORNEY GENERAL'S SALARY

The House passed in early December legislation reducing the salary of the Attorney General. This bill was necessary to make possible the appointment of William Saxbe, who was serving in the Senate when the salary was raised, to be Attorney General—Mr. Nixon's third Attorney General this year.

6. G. GORDON LIDDY CONTEMPT CITATION

The House Armed Services Committee brought before the House, and the House approved in mid-September a resolution citing G. Gordon Liddy a convicted Watergate conspirator, for contempt of Congress for refusing to testify before the committee's Special Intelligence Subcommittee concerning the burglary of the office of Daniel Ellsberg's psychiatrist.

7. EXPENDITURE OF GOVERNMENT FUNDS ON PRESIDENTIAL PROPERTY

The House Committee on Government Operations has conducted investigations and hearings into Government expenditures on Presidential properties at San Clemente and Key Biscayne, uncovering thousands of dollars of Government funds spent, not on security-related items, but rather on items more properly defined as homeowner's expenditures.

8. ITT AND VESCO INVESTIGATION

The House Interstate and Foreign Commerce Committee has held hearings on the administration and application of the Federal security laws as they pertain to the International Telephone & Telegraph Corp. and Robert Vesco.

9. POLITICAL ABUSE OF THE INTERNAL REVENUE SERVICE

The Joint Committee on Internal Revenue Taxation is conducting an investigation into possible political abuse of the Internal Revenue Service based on revelations contained in the White House "enemies list."

10. SECRET BOMBING IN INDOCHINA

The House Foreign Affairs Committee has inquired into the administration's secret bombing in Indochina.

11. POLITICAL ABUSES AND MISCONDUCT IN THE SMALL BUSINESS ADMINISTRATION

The House Banking and Currency Committee is investigating possible administrative deficiencies and corruption within the Small Business Administration, including possible political abuses of the Agency

12. WHITE HOUSE "SPECIAL PROJECTS" FUND

The House Appropriations Committee requested a detailed accounting of funds expended under the White House's "Special Projects" fund during fiscal 1973. The White House refused to comply with the committee's request for information, and so funding for the special projects fund was dropped from appropriations bills.

13. EXECUTIVE PRIVILEGE

The House Government Operations Committee held hearings on the subject of Executive privilege. These hearings were precipitated by unwarranted expansion by President Nixon of the concept of Executive privilege and repeated denials by the executive branch of information requested by the Congress. The committee is now considering legislation to curb this abuse.

14. REVIEW OF THE PRESIDENT'S TAX RETURNS

The Joint Committee on Internal Revenue Taxation is undertaking an investigation of President Nixon's tax returns for the purpose of determining whether additional taxes are due to the Federal Government.

15. CENTRAL INTELLIGENCE AGENCY INVOLVEMENT IN WATERGATE

The House Armed Services Committee has held hearings on alleged involvement of the Central Intelligence Agency in the Watergate matter.

16. RUSSIAN WHEAT DEAL

The Agriculture Committee of the House, following hearings on the disastrous handling of grain sales to Russia, is preparing legislation to assure that a repetition of the administration's costly errors will not take place in the event of future sales.

17. INVESTIGATION OF FARMERS HOME ADMINISTRATION

The House Government Operations Committee has held hearings and investigations into administrative deficiencies and possible political abuses of the Farmers Home Administration.

18. IMPROPER USE OF THE POCKET VETO

The House Judiciary Committee is preparing legislation to curb improper use of pocket vetoes by the President. A bill has been reported by subcommittee. The full committee, which has been so heavily involved with more fundamental matters, such as the inquiry into grounds for impeachment of the President and confirmation of a new Vice President, plans to act on this important bill early in the next session.

19. RELEASE OF INFORMATION BY THE U.S. INFORMATION AGENCY

"Executive privilege" has become a means of preventing the elected representatives of the people in Congress from knowing what the executive branch agencies are doing with the people's tax money. In an effort to counter the far-reaching claims of secrecy of the Nixon administration, the Congress passed a bill requiring cutoff of funds for the U.S. Information Agency if it failed to provide information about its activities requested by the Congress. Unfortunately, this measure was vetoed by the President and the veto was sustained, thus denying the traditional right of the American people to have their elected representatives oversee expenditures of tax money.

20. CONFIRMATION OF THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET

The Congress passed legislation to require Senate confirmation of the Director of the Office of Management and Budget OMB, which has become a sort of "super-Cabinet" position, passing on the budgets presented by Cabinet officers who must themselves be approved by the Senate. The bill was vetoed by President Nixon, but the Senate overrode the veto, with responsible Republicans joining Democrats in preventing expansion of the vast Presidential structure which has clearly become as capable of threatening our liberties as of supporting them. Unfortunately, the veto was sustained in the House, supporting a continuation of the pattern of irresponsible and lawless behavior which has characterized the actions of so many of Mr. Nixon's top-level appointed officials.

The above list of investigations, hearings and legislation designed to explore and curb misconduct within the executive branch is a very long one, but it is by no means complete. Even this abbreviated list, however, is unprecedented—not just in modern times, but in the entire history of our Nation.

Complaints by the Congress against Presidential philosophy are nothing new. But widespread executive branch criminality and misconduct are something which our Nation had been spared prior to the arrival of the current administration.

Naturally, the lawless behavior of the executive branch has had its effect on the ability of the President to obtain the authorities he believes he needs to deal with our problems.

The unwillingness of the House to grant Mr. Nixon carte blanche in the area of emergency energy conservation actions offers an example—probably the clearest so far—of mounting congressional mistrust of the executive. A more trusted President, under circumstances prevalent through most of our Nation's history, would most likely have willingly been granted the powers requested by Mr. Nixon.

In fact, we have reached a state of affairs so unhappy that, in passing the appropriations bill for the Departments of Labor and Health, Education, and Welfare, the Congress felt obliged to add a provision prohibiting any funds in the bill from being used for publicity or propaganda against any legislation pending in Congress. This is a provision which would not even have occurred to Members of previous Congresses.

While it is deeply regrettable that there has arisen within the Congress such deep mistrust of the executive branch, it is clear that our worst suspicions have been justified. It is equally apparent, however, that the legislative branch is meeting the test. The Congress has reformed itself, preparing some of the most meaningful congressional reform legislation of this century, it has begun to assert with renewed vigor its Constitutional prerogatives, and it has done these things while under a heavy burden of hearings and investigations designed to curb misconduct within the executive branch.

II. PROTECTING THE SOCIAL AND ECONOMIC WELFARE OF THE AMERICAN PEOPLE

While congressional reform and executive misconduct have required much of the time and energy of the session of Congress just ended, by no means have they received our exclusive attention. In fact, the lion's share of our attention has been directed toward defending the social and economic well-being of our citizens—placed in jeopardy by an administration which has shown not merely indifference to the well-being of Americans, but which has proved itself dedicated to abolishing the improvements in our way of life legislated by the Congress over the last several decades.

In the face of outright hostility to betterment of the lot of the common man, it has been difficult indeed for the Congress to legislate new programs to improve the lives of Americans. Some progress has been made, but a good deal of our effort has been expended merely to retain valuable existing programs which we once were able to take for granted.

A. LEGISLATION AFFECTING RURAL AMERICA

Members of the 93d Congress arrived in Washington last winter to face a situation nearly unprecedented in the history of our Nation. In late December—during the hiatus between adjournment of the 92d Congress and formation of the 93d—President Nixon unilaterally suspended operation of a number of important programs which help assure the well-being of rural America.

This was no routine impoundment of a small amount of funds appropriated in excess of those needed to operate a program. Instead, it represented cancellation of a law by the President, in an action which amounted to telling the Congress that it need not bother to enact legislation because the President feels no obligation to carry it out.

The President chose four programs of assistance for rural America as his initial battleground: the emergency farm loan program; the rural electrification and telephone loan program; the rural environmental assistance and water bank program; and the rural water and sewer grant program. Each of these programs had been properly established and funded by the Congress and approved by the President.

However, even as he took his oath of office, promising to uphold the laws and Constitution of the United States, the President was defying the spirit and letter of the law by impounding funds for these rural development programs.

It is instructive to examine the outcome of the disagreement between Congress and the President over these four measures, because the course of this struggle was so typical of the many battles which were to take place later in the session.

The overall result, I believe, was a clear—if not unqualified—victory for the Congress and the American people.

The emergency farm loan program, which provided emergency loans to disaster stricken victims of floods following Hurricane Agnes and other disasters, was reinstated over strong administration and Republican congressional opposition.

The rural electric and telephone loan program, which has brought electricity and telephone service to hundreds of rural communities, received similar strong support from the Democratic Congress.

The Congress had appropriated $780 million for bringing essential utilities to rural communities, but rarely half this amount had been spent when President Nixon acted suddenly—and probably unconstitutionally—to impound the remaining appropriated funds.

Congressional Democrats moved quickly to reassert the authority of the people and their representatives in Congress and to save the REA program, in which attempt we were ultimately successful following a difficult contest with the President and his Republican congressional allies.

We attempted to accommodate some of the administration's objections, always seeking compromise rather than confrontation, but we did not sacrifice important principles.

The final outcome was to assure continuation of valuable REA electrification and telephone programs, thus continuing the Democrats' longstanding efforts to improve life in rural America and to demonstrate the ability of the Congress to resist attempts by the President to deviate from the course of action required by him under the law.

In late December of last year, President Nixon attempted to cancel by Executive fiat the rural environmental assistance and water bank programs—programs which have been encouraging farmers to use good conservation practices, like reseeding grasslands, since the Great Depression of the 1930's and the "Dust Bowl."

The Congress moved quickly to counteract the President's usurpation of constitutionally delegated congressional authority. The Congress passed legislation to force expenditure of these environmental assistance funds, but instead of sending the bill to the President, the purposes of the program were incorporated into the Agriculture and Consumer Protection Act of 1973 and are now being carried out. On only one of the four rural assistance programs which the President unilaterally cancelled was the Congress not successful in asserting the rights of the majority of the American people as expressed by their representatives. The rural water and waste disposal grant program, which I discussed previously when speaking of the need to control Presidential impoundments, was cancelled by the President in January of 1973. The Democratic majority in Congress passed legislation to force reinstatement of this program, but that legislation was vetoed by the President and the veto was sustained.

On balance, I believe that it is fair to say that the Congress faced—and passed—an important test at the beginning of this session by prevailing on three out of four struggles with the President to cancel needed rural development legislation. On the fourth issue, on which the Congress was defeated, a structural problem was revealed which is now being dealt with in the budget and impoundment control legislation. With regard to overall agricultural policy, as opposed to constitutional questions, by far the most important rural legislation passed by the House this year was the Agriculture and Consumer Protection Act of 1973. This legislation completely revamped the Agriculture Act of 1970, establishing a new "target price" payment system under which the Federal Government would pay farmers the difference, if any, between the market price they received for their crops and a specified target price. The bill also extended the food for peace and food stamp programs for 4 more years.

B. LEGISLATION AFFECTING WORKING PEOPLE

One of the most important bills affecting working people of this session of Congress was the Democrats' effort to raise the minimum wage from $1.60 to $2.00 per hour by July 1974, and to expand coverage of minimum wage legislation to include an additional 6.7 million workers.

Democrats in Congress succeeded in passing this bill to provide a decent living wage for millions of low-income Americans. But, President Nixon vetoed the legislation and his veto was sustained by a small minority of Republicans in the House—providing a textbook case of how a Republican President, with the backing of his Republican supporters, can frustrate the efforts of the Democratic majority to pass legislation beneficial to the great majority of our fellow citizens.

As a result of the veto, minimum wage workers, who have not received a pay increase since 1968, will receive no relief from the more than 30 percent erosion of their purchasing power caused by the Nixon inflation during these years.

With the pace of inflation quickening,

rather than slowing as the Republicans have promised, minimum wage workers will be squeezed harder than ever before over the coming months, and so another effort to increase the minimum wage may be one of the top Democratic priorities during the second session of the 93d Congress.

After almost 2 years of battling with President Nixon and his Republican congressional supporters, Democrats managed once again in the session of the Congress just ended to keep alive for another year the valuable job creating programs authorized under the Public Works and Economic Development Act.

More than half a million jobs have been created in depressed areas during the 8-year life of this program. Despite this admirable record, however, Republicans are strongly opposed to the Public Works and Economic Development program, which aids unemployed and low-wage working people and their families. President Nixon pocket-vetoed a major extension bill last year, and this year's 1-year extension was achieved only through great efforts and painful compromises with an administration which has shown little concern for our Nation's working people.

In view of continued high unemployment and probable major recession next year, an expansion of this long-term job development program, due to expire in June of 1974, will certainly be in order in the coming session.

Manpower development and public service employment are two other areas in which the Congress has refused to let the President's "policy of neglect" prevail. After a long battle, the President has finally agreed to accept a bill which incorporates a moderate-sized public service employment program.

President Nixon and his Republican allies wanted to kill the emergency employment program outright, preferring to put Americans on the unemployment and welfare rolls, rather than to pay out the same money in wages for useful public projects such as health care, housing, education, public safety, crime prevention and control, prison rehabilitation and other essential purposes. House Republicans cooperated with the President, tying up the Emergency Employment Act extension on procedural questions and putting 300,000 working men and women out on the street.

House Democrats have managed to fashion a compromise program authorizing $250 million for fiscal 1974 and $500 million for fiscal 1975 for public service jobs. Obviously, in light of the rapid rise in unemployment which is surely coming, we would much prefer to have a substantially larger program. Unfortunately, this was not possible in light of the low priority given by the administration to providing training for unemployed Americans and putting them to work, and the compromise we have passed is certainly better than no program at all.

C. HEALTH-RELATED LEGISLATION

The Congress enacted several urgently needed health-related measures during the session just ended, measures enacted over the strenuous objections of the President and his Republican supporters.

The emergency medical services bill, for example, reveals clearly the tremendous differences in outlook and philosophy between the Democratic Congress and the Republican President.

Tens of thousands of Americans die needlessly each year because of a lack of adequate emergency medical services. The Democratic Congress recognized the tremendous need for improved emergency medical treatment, and so we pased the Emergency Medical Systems Act to initiate these services.

The bill would result in the saving of about 60,000 lives each year—lives now wasted because we do not apply readily available medical techniques to victims of accidents and other emergencies.

Unfortunately, President Nixon saw fit to veto this lifesaving legislation and the Republican minority in the House voted to sustain the veto, condemning thousands of their fellow citizens needlessly to death each year.

House Republicans who voted to sustain the veto echoed the administration line that the total cost for improving emergency medical services and operating Public Health Service hospitals—about $60 million dollars per year over 3 years—is too high. What these Republicans did not mention is that the dollar cost of 60,000 unnecessary deaths each year runs into billions—not to mention the unmeasurable costs of human anguish and suffering.

Democrats in the Congress later came back and passed a second emergency medical services bill almost identical to the one vetoed. This time, the President was forced by the overwhelming weight of public opinion to sign the legislation, even though it runs counter to his policy of neglect for the urgent social needs of America. Smilarly, the provision for continued operation of Public Health Service hospitals, dropped from the second bill, was also passed, as part of another measure, and has been signed into law.

Thus, in the case of emergency medical services and Public Health hospitals the Democratic Congress—with the strong support of the American people—was able to force meaningful, progressive legislation on an unwilling Republican administration.

Unfortunately, our effort to obtain an adequate program of rehabilitation services for America's handicapped was not blessed with the same good success as was our endeavor on emergency medical treatment.

In September of this year, a watered-down version of our original rehabilitation bill became law, following veto by the President of two earlier, far more adequate measures.

Our first bill, passed unanimously by the Congress, would have provided a really meaningful program of rehabilitation services for more than half of the 10 million handicapped Americans. President Nixon vetoed this measure.

In search of compromise, Democrats cut more than 25 percent of the funds from this program so desperately needed by our handicapped citizens. But President Nixon would have none of this compromise, and vetoed the bill a second time.

A rehabilitation program has now finally been enacted, but it represents far less than half the effort we in the Democratic Party in Congress believe is needed. Unfortunately, we were unable on this measure to overcome the Republicans' long-established policy of disregard for the poor, the disabled, the elderly, and other groups of Americans in need of assistance.

We in the Democratic Congress had greater success in our efforts to provide adequate school and other nutrition programs than we experienced on rehabilitation services.

The future of Democratic-sponsored child nutrition programs—and the future health of our children—was placed in jeopardy by the Nixon inflation, under which food costs have jumped 20 to 30 percent during the past year.

Congressional Democrats wanted to increase assistance for nutrition programs to assure nutritious food for more than 25 million schoolchildren and other youngsters, many of whom are poor and could not afford healthful food without Federal assistance.

President Nixon opposed passage of this Democratic sponsored nutrition legislation because he believed that increasing the Federal payment from 8 to 10 cents per lunch would be "inflationary."

Fortunately for the health of America, the views of Democrats in Congress prevailed on this issue, and we were able to assure that these children will continue though the Republican administration would have preferred, quite literally, to let the needy schoolchildren and newborn babies go hungry.

D. LEGISLATION AFFECTING ELDERLY PERSONS

The Democratic majority, during the session just ended, enacted a broad program of assistance for older Americans, the Older Americans Act, which included improvements in transportation, housing, and employment for our elderly citizens.

Unfortunately—like so many other products of battle with an uncaring Republican administration—the bill finally enacted will not be as effective as our original legislation, which was passed by Congress and vetoed by the President last year.

Nevertheless, even though we had to cut $1 billion from our first measure, the Older Americans Act we have passed still provides a small-scale expansion of programs for the elderly, for example, by establishing a $160 million community service employment program for older Americans.

Another significant area of conflict over President Nixon's program of neglect for the needs of elderly Americans has taken place over social security and social services programs.

In the spring of 1973 Democrats in Congress wanted to pass legislation increasing social security benefits for 30 million persons, whose purchasing power was rapidly being eroded by the Nixon inflation. The cost of food alone was rising at an annual rate of more than 20 percent, so we sponsored a cost-of-living benefits increase, effective in January 1974, to help older and disabled Americans catch up to where they had been a year earlier in terms of purchasing power.

Republicans in Congress opposed the social security increase, saying it would be "irresponsible" or "inflationary" to give the average retired person $174 per month to live on, instead of $165.

Republicans also opposed our attempts to undo the mischief prepetrated by the Nixon administartion in the area of social services program, such as food for the elderly poor, health care programs for the disabled and aid to the retarded.

Completely ignoring congressional intent, the Nixon administration proposed regulations drastically restricting eligibility, and in effect cutting funds for the program by about $700 million.

Recognizing the need to pass a catch-up increase in social security and to maintain social services programs, we attached these measures to a debt ceiling bill, which would be very difficult for the President to veto.

Unfortunately, Republicans in the House managed to kill our first attempt, but we later came back with a compromise measure, providing a cost-of-living increase in social security benefits effective in June 1974, 6 months later than our first proposal. We also managed to force a gradual loosening in social services regulations.

Just recently, however, we passed another speed-up in social security and supplemental security income benefits—made necessary by the terrific inflation of the last 18 months. This time, the Republicans did not even bother to oppose us on the floor of the House—although they still advocated delay in committee.

Thus, even though we were not at first successful, it appears that congressional Democrats ultimately will prevail on the question of immediate improvements in social security, supplemental security and social services programs. Unfortunately, however, much of the improvement in purchasing power that increases we pass may bring has been erroded by inflation—the Nixon tax on the poor, the elderly, and those living on fixed incomes.

E. FUNDS FOR DOMESTIC PROGRAMS

While conflict over constitutional prerogatives has commanded our attention to an unprecedented degree during the first session of this Congress, the great majority of our battles have been fought over the traditional differences in philosophy between the Democratic and Republican parties.

Probably no legislation shows more clearly than the appropriations bills the great difference between the Democrats' commitment to see that the promise of America is fulfilled for all of her citizens and the Republicans' lack of commitment to this goal and general policy of neglect for the needs of our citizens.

We in the Democratic Congress have tried to forestall President Nixon's efforts to cut the heart out of programs which help people to live healthier, fuller lives by passing appropriations at meaningful levels for the Departments of Labor and Health, Education, and Welfare. President Nixon has vetoed these appropriations.

We have on three recent occasions passed Labor-HEW Appropriations bills, which would keep alive programs President Nixon wants to kill or curtail for elementary and secondary education, libraries, training programs for doctors and nurses, aid to the handicapped, higher education, public service employment for the elderly, veterans education, and a variety of other useful and essential purposes.

Twice these appropriations bills have been vetoed. We are hopeful that our third bill, signed into law just a few days ago, will at least prevent outright abolition of the many worthwhile programs sponsored through Labor-HEW appropriations. Sadly, even though the bill was signed, some funds from this bill are almost certainly to be impounded.

Among the many valuable efforts funded through the Labor-HEW Appropriations are:

Manpower training;
Unemployment benefits;
Occupational safety and health;
Alcoholism and drug abuse prevention;
Health manpower;
Elementary and secondary education;
Higher education;
Rehabilitation for the handicapped;
Biomedical research;
Office of Economic Opportunity;
Vocational and adult education;
Delivery of health services; and
Office of Child Development.

F. OTHER LEGISLATION TO MEET THE NEEDS OF AMERICA

Democrats have led the way on a host of bills to improve the lot of the ordinary American citizen.

The story of some of these measures is well known, for example, disaster relief legislation, increased veterans and railroad retirement benefits, clean air, housing, and Law Enforcement Assistance Act extensions, and legal services legislation.

Much good, progressive legislation, however, does not make headlines, such as veterans health care, environmental education, biomedical research, and solid waste disposal legislation. But behind each of these measures stands much hard work by Democrats in Congress and many battles with an administration bent on ignoring the urgent domestic needs of our Nation.

My only regret is that we have had to fend off so many unconscionable attacks by the Nixon administration on legislation aimed at improving the lives of Americans that we have not been able to build as rapidly as we might wish on the firm foundations laid by previous Democratic Congresses over the past 40 years.

G. DEALING WITH INFLATION AND SHORTAGES

Under the Nixon administration, America has already undergone a transition from abundance to scarcity, and is now moving from prosperity to recession.

In the last year—for the first time in a decade—the real wages of a typical working person actually declined by several percent. The food segment of the Consumer Price Index has risen almost 20 percent in the last 12 months, and not since the Great Depression 40 years ago has there been such great difficulty for so many Americans in finding and paying for food. All indications are that finding work will soon be equally difficult for Americans.

And now, on top of all our other problems, we face energy shortages, a crisis in large part created by the Nixon administration, which has had years to prepare to avert this problem, but only yesterday awoke to the fact that our citizens are without enough oil to heat their homes this winter.

1. FOOD PRICES AND SHORTAGES

The Nixon administration has, through an incredible compounding of errors, managed to bring unprecedented high prices, instability, uncertainty, and shortages both to the farm and to the food markets.

From the Russian wheat deal to intentionally restricting the food supply, from miscalculating foreign demand to freezing domestic prices at the wrong time and curtailing supplies, the administration has pursued a policy which few people thought could be created—a policy which has hurt both the American consumer and the American farmer, a policy which has left our overseas trading partners aghast and our American food processors without supplies. The administration kept wheat export subsidies at artificially high levels in July and August 1972, even while massive wheat sales to Russia were being consummated.

The effect of this action was to waste hundreds of millions of dollars in public funds, which went straight from the pockets of American taxpayers to the pockets of big grain dealers. Even worse, the price paid by American consumers for wheat rose from about $1.70 per bushel in July 1972 to $3 per bushel in May 1973, and on to over $5 per bushel by September of this year.

These increases in the costs of grain have brought about concomitant increases in prices for beef, pork, poultry, eggs, and dairy products, and a severe disruption of transportation facilities accompanying the grain deals has brought higher costs and shortages or delays in delivering supplies.

Food shortages need not have been so severe, but the Nixon administration—in the face of growing world demand—actually took action to reduce food supplies. The Department of Agriculture took millions of acres of wheatland out of production at the same time that they were negotiating the huge Russian wheat deal.

And then, in March 1973—acting against the advice of practically all food experts—the Nixon administration imposed a politically motivated price freeze on food. The effect was to freeze prices at the highest level in years and cause shortages of many products, especially meat, because feed grain prices were not controlled and it became uneconomical for farmers to produce livestock.

The ceiling did nothing to increase supplies and reduce prices and, in fact—by restricting supplies—the ceiling actually eventually forced food prices even higher.

The food shortage and price problems we are now experiencing result largely from mismanagement by the Republican administration.

The Congress can legislate, but it cannot implement that legislation. We can give the President the powers he needs to deal with food prices and shortages, but we cannot make him use those powers well. We have given the President authority to restrict grain production, and we have provided authority for negotiating large sales of grain—but the implementation of these authorities is in the hands of the President. Only he can decide whether to use them to complement one another or to destroy the purchasing power of the American consumer.

Nevertheless, the Congress has taken action to counteract the administration's policy of food scarcities for Americans. We passed the Agriculture and Consumer Protection Act of 1973, which will help assure to consumers plentiful supplies at reasonable prices. We successfully defeated the administration's efforts to "get the Government off the farm" because such an action would have spelled disaster for the farm, the Government, and the consumer as well.

Moreover, Members of the House are now hard at work on legislation to assure that, should further grain sales be arranged, the abuses we have experienced in the past will not be repeated.

Food prices are high now, and I have little doubt but that they will move much higher next spring, as the shock waves from the last price freeze reverberate through the economy under the rules of phase III. The Congress has taken such legislative steps as are possible to remedy the consequences of maladministration, including expansion of export control authorities, but unfortunately administration of food and agriculture legislation remains in the hands of a President who has shown little understanding of the food production sector of our economy and even less concern for the needs of consumers.

2. INFLATION

The American economy is now experiencing its worst round of inflation in a generation, and the Nixon administration has not only failed to stop it—but the Administration's disastrous economic policies have actually been a primary cause of this unprecedented price spiral.

For years, we have been hearing from administration economists that "next month things are going to be better," and each month things get worse. Most economists expect that the pace of inflation in 1974 will outpace even this year's terrific price spiral.

The Congress has given President Nixon the tools he needs to deal effectively with our economic problems. This President, like most Republican Presidents before him, has resisted using these tools and—when he has finally admitted that he must—he has used them very badly. Mr. Nixon's mishandling of the authorities under the Economic Stabilization Act has been nothing short of scandalous.

Immediately after taking office, the Nixon administration emphatically abandoned all forms of price-wage policy. There would be no guidelines, no more jawboning. An open invitation to raise prices with total impunity was issued and accepted. By the time the administration had been in office 1 year, the inflation rate had reached 6 percent—more than double the average rate of inflation during the preceding 5 years of the Democratic Johnson administration.

With inflation off and running, the President then turned to the classic Republican medicine of tight money and tight fiscal policy, throwing the economy into its first recession in a decade, forcing unemployment above 6 percent, and producing—because of lost income—two $23 billion budget deficits in a row. Inflation raged on.

In desperation, the President finally implemented price and wage controls which a Democratic Congress had forced on him more than a year earlier, but which he had steadfastly refused to utilize. The freeze was followed by phase II controls, which seemed to be working, when the administration suddenly—in an incredible blunder—abandoned the workable anti-inflation program the Congress had authorized.

Over the summer, President Nixon had to acknowledge his mistake and, with typical bad timing, reimposed a freeze. All this accomplished was to curb supplies, cause shortages, and eventually force prices even higher. The President initially promised to reimpose controls after ending the freeze, but it is now apparent that we are on our way to phase IV, which means that the price-wage control program is, in effect, about to be dropped.

The President is blaming the Congress and the price-wage control legislation for the inflation which his own mistaken policies and maladministration have caused.

Nothing could be further from the truth. The economic stabilization authorities are workable and were proving effective under phase II when the administration abandoned them. Furthermore, if the administration had needed different or additional authorities, the Congress would have been pleased to consider them, but no requests were ever presented.

In vetoing appropriations bills for needed domestic programs, the President has blamed Congress for budget deficits and said that, because of these deficits, he must veto appropriations measures. In fact, the deficits belong at the doorstep of the administration—they result from revenue shortfalls caused by the administration's own high unemployment and recession prone policies. The simple fact is that the Nation has lost more than $200 billion in income since President Nixon took office because of bad economic policies.

We in the Congress have done our part to control inflation. We have given the administration the tools it needs, under the Economic Stabilization Act which we extended this year, to fashion a sound program to curb the price spiral. And when the administration has taken a particularly destructive course, for instance, removing interest ceilings from certificates of deposit, the Congress has passed remedial legislation.

What the Congress cannot do is to administer the anti-inflation program. That responsibility lies in the hands of the executive branch, and unfortunately, the President has shown little inclination or ability to fulfill his obligation to keep price increases within reasonable levels.

3. ENERGY SHORTAGES

The last food price spiral had not yet subsided when the energy price spiral began. And once again, the lion's share of responsibility for price increases and shortages—which could have been avoided—lies with the Nixon administration.

The administration's activities in the energy field have been characterized by inconsistency, confusion and a belated response to congressional initiatives. The administration has never had—and apparently does not yet have—a meaningful energy program.

The Congress has provided authority for fuel allocation programs, energy research and development and energy conservation. However, each time we have dealt with energy matters, the administration has resisted our efforts.

One obvious reason why the Nixon administration has not fashioned a meaningful energy program is that we have had a long succession of energy policy heads, none of whom had the authority he needed to do the work which ought to have been done. Furthermore, the administration has by and large ignored the recommendations of its own members. For example, recommendations of staff members of the Office of Oil and Gas, Office of Emergency Preparedness, and the President's own blue ribbon, Cabinet-level task force were largely ignored. It was therefore not until the spring of 1973, when severe shortages were already upon us, that the administration finally accepted the need to take even limited action.

A number of other serious administration policy failures have also exacerbated our energy shortages. For example, the President has mishandled price-wage controls under the Economic Stabilization Act. He froze gasoline prices at seasonal highs and heating oil prices at off-season lows, causing refiners to convert a maximum percentage of crude oil to gasoline, rather than to fuel oil, which is what we have needed most. This action—taken several years ago—was not reversed until December 1973.

The administration's failure on mandatory allocation is equally serious. Congress gave the President authority to implement mandatory fuel allocation, but in May 1973, Mr. Nixon initiated only a voluntary program—later proven a disastrous failure by the closing of thousands of independent service stations.

By the summer of 1973, when it became clear that Congress was about to force mandatory allocation authority upon him, President Nixon did finally implement a partial mandatory allocation program. But the program was implemented very badly: needed forms had not been printed, there were no priorities for fuel allocation, and Governors from around the country who desperately want the allocation to work quickly and well actually had to write to Washington asking that the program be withdrawn and then implemented again, this time properly.

The Nixon administration has also erred in handling energy conservation matters.

The President has promised to veto Congress' mass transit legislation, which offers one of our best opportunities for really large savings of fuel.

Administration spokesmen testified as recently as last month against such useful conservation measures as encouraging more efficient, less energy-consuming automobiles. In practically every area, the Congress has led the administration on energy issues. For example, major energy research and development legislation has been proposed in the Congress for years, and the administration has without fail opposed this legislation. As late as last summer, just before President Nixon announced his misnamed "Project Independence," administration spokesmen were testifying in the Senate against major energy research and development efforts. And when Congress has insisted on energy research and development, the administration has moved to impound funds, for example, impoundment of more than $20 million in energy research and development funds from the Public Works and Atomic Energy Commission appropriations. These funds were released only at the end of November 1973, after the administration had been placed under tremendous congressional and public pressure.

The Congress has been far ahead of the Nixon administration in preparing to deal with energy shortages and in providing legislation and funds to prevent shortages from occurring.

All the authorities the President used in taking his November "emergency actions" had been provided far earlier by the Congress. And the Congress has passed:

Year-round daylight savings time;

The Alaska pipeline legislation;

Mandatory petroleum allocation legislation;

Authorizations for the Atomic Energy Commission and Appropriations for Energy Programs of the Department of the Interior and the AEC; and a host of other energy-related measures.

The Congress also has much other energy-related legislation: deepwater ports; reorganization of energy research and development; strip mining regulation; urban mass transit legislation; energy research and development legislation; conservation legislation; demonstration programs for various types of energy; and maximum national speed limit legislation. As I write, in the closing hours of the first session of this Congress, it appears likely that several of these bills may be passed before we adjourn, or very early next year.

As in the case of inflation, the Congress can only provide authorities for the President to deal with energy problems. We cannot make his use them wisely and well.

Mandatory allocation, research and development, conservation, and other energy authorities have been available to the President for years, and he has refused to use them and mishandled them. These authorities might have been used to head off rising inflation, drain on our balance of payments, strain on relations with our allies, lost production and wages, and inconvenience and even danger for American citizens.

All these problems might have been avoided had President Nixon utilized the authority Congress has given him and accepted additional authorities for new programs.

Mr. Speaker, I include at this point for the information of Members a more detailed summary of legislative accomplishments of the 1st session of the 93d Congress:

MAJOR LEGISLATIVE ACCOMPLISHMENT FOR THE 1ST SESSION OF THE 93D CONGRESS

AGRICULTURE

Omnibus Farm Bill.
Emergency Loan Program.
Rural Electrification Act Amendments.

CONSTITUTIONAL ISSUES

War Powers Resolution.
Impoundment of Funds.
Confirmation of Gerald R. Ford as Vice President.
Funding Resolution for Impeachment Inquiry.
Executive Privilege.

DISTRICT OF COLUMBIA

Home Rule.
Subsidy Payments for Child Adoption.

ECONOMY, TRADE AND HOUSING

Trade Reform.
Economic Stabilization Act of 1970 Extension.
Interest Equalization Tax Extension Act.
Public Works and Economic Development Act.
Interest Rate Control.
Federal Financing Bank.
International Economic Policy.
Public Debt Limit Extension.
Second Public Debt Limit Extension.
Par Value Modification Act.
Public Works on Rivers and Harbors.
Home Loan Insurance.
Housing and Mortgage Laws.

EDUCATION

Vocational Rehabilitation.
School Lunch Programs.
Child Nutrition Programs.
Basic Educational Opportunity Grants.
National Foundation for the Arts and Humanities.
Environmental Education Extension.

ENERGY NATURAL RESOURCES AND THE ENVIRONMENT

Emergency Energy Act.
Emergency Petroleum Allocation Act.
Alaska Pipeline.
Energy Research and Development Administration.
Daylight Savings Time.
Ocean Pollution Control.
Emergency National Maximum Highway Speed Limit Act.
Endangered Species Act.
Atomic Energy Commission Authorizations.
National Flood Insurance.
Rural Environmental Assistance Program.
Toxic Substances.
Wild and Scenic Rivers System Act.
Saline Water Program Authorization.
Clean Air Act Extension.
Solid Waste Disposal Act Extension.
National Sea Grant College Extension Act.
Water Resources Development Act.
User Fees in Recreational Facilities.
Sewage Treatment Plants.

FEDERAL EMPLOYEES

Federal Employees Annuity Increase.
Federal Employees Health Program.
Federal Employees Leave.
Civil Service Annuities.

FOREIGN AFFAIRS AND NATIONAL DEFENSE

Vietnam Bombing Halt.
Foreign Aid Authorizations.
Military Procurement Authorizations.
Military Construction Authorizations.
State Department Authorization.
USIA Authorization.
Israel Emergency Assistance.
Radio Free Europe and Radio Liberty.
United Nations Environment Programs.

HEALTH AND MEDICAL CARE

Health Maintenance Organizations.
Emergency Medical Services.
Health Programs Extension Act.
Lead-Based Paint Poisoning Prevention.
Hazardous Materials Transport.

LABOR AND IMMIGRATION

Comprehensive Manpower Act.
Jointly Administered Trust Funds for Legal Services.
Extended Unemployment Benefits.
Railroad Retirement Amendments.
Immigration Limits.

LAW ENFORCEMENT AND CRIMINAL PROCEDURE

Law Enforcement Assistance Amendments.
Drug Abuse Education Act.
Jurisdiction of Civil Actions by Senate Select Committee on Presidential Campaign Activities.
Watergate Grand Jury Extension.
Federal Prisoners, Limits of Confinement.

SCIENCE AND ASTRONAUTICS

NASA Authorization.
National Science Foundation Authorization.

SOCIAL WELFARE

Social Security Benefit Increases.
Older Americans Service Amendments.
Child Abuse Prevention and Treatment Act.
Domestic Volunteer Service Programs.
Supplemental Security Income.
Legal Services Corporation.

TRANSPORTATION AND COMMUNICATIONS

Federal Aid Highway Act.
Urban Mass Transportation.
Airport Development Acceleration Act.
Regional Railroad Reorganization.
Amtrak Improvement Act.
Public Broadcasting Authorization.

VETERANS

Veterans Health Care Extension Act.
Veterans Disability Benefits Increase.
Veterans National Cemetary Act.
Tax Treatment for Prisoners of War.

VETOES

Vocational Rehabilitation.
Rural Water and Sewer Grants.
Confirmation of Director and Deputy Director of the Office of Management and Budget.
Second Supplemental Appropriation Act of 1973.
Emergency Medical Services System Act of 1973.
Minimum Wage Act.
Small Business Amendments.
USIA Authorization.
War Powers Resolution.

OTHER

Bicentennial Administration.
Indian Claims Commission.
National Biomedical Research.

Professional Sports-TV Blackouts.
Export Administration Act Amendment.
Franking Reform.
Attorney General Salary Increase.

AGRICULTURE

Omnibus Farm Bill (P.L. 93-86, approved August 10, 1973)—In an effort to encourage food production and eliminate subsidies in times of high market prices, Congress approved a widely innovative four-year farm program guaranteeing farmers a "target-price" return on three basic crops (cotton, wheat, feed). If the market fail, to pay those prices, government payments make up the difference, while "target-prices" will be adjusted to reflect production cost increases during these years. The Farm Bill also establishes a $20,000 per person payment limitation; suspends the "bread tax" on domestic wheat that was passed on to the consumer; increases dairy price support to 80 percent of parity for two years, then drops it to 75 percent; and extends food stamps for four years while providing for semi-annual cost-of-living adjustments. Finally, a major new rural conservation program is authorized to succeed REAP including a pilot forestry incentives program.

Emergency Loan Program (P.L. 93-24, approved April 20, 1973)—This year Congress helped the farmer faced with natural disaster by providing a modification and extension of the emergency rural loan program, which authorizes the Farmers Home Administration (FHA) to provide five percent loans to farmers for loss of crops and other property due to natural causes. The measure provides for an 18-day extension under which rural residents might file with the FHA for the one-percent, $55,000 forgiveness loans available under the Hurricane Agnes program. Rural residents are eligible to obtain one-percent, $55,000 forgiveness disaster loans for loss only of dwellings and household contents between December 27, 1972 and April 20, 1973. Congress also established a new disaster relief program under which the Small Business Administration and the FHA may grant five-percent, no forgiveness loans to persons not able to obtain loans elsewhere.

Rural Electrification Act Amendments (P.L. 93-32, May 11, 1973)—Congress took action to assure the continuation of the low-cost loans made by the Rural Electrification Administration (REA) which had been terminated by the Nixon Administration in December, 1972. Congress approved legislation restructuring the REA and converting the program into an insured and guaranteed loan program, permitting two percent loans for electric and telephone systems in sparsely populated areas, and creating a revolving fund with unlimited borrowing authority for making insured electric and telephone loans. Loans will be made from the large REA revolving fund, using the current assets of REA, estimated at more than $4 billion. The Administration has promised that REA will make loans each of the next three years at levels at least as high as those budgeted for fiscal 1974, which means a total REA loan level of $758 million, with at least $105 million for the two percent loans for sparsely populated areas.

CONSTITUTIONAL ISSUES

War Powers Resolution (P.L. 93-148, without approval November 7, 1973).—Congress reasserted its constitutional role in the war-making area by placing restraints on the authority of the President to commit U.S. forces to hostilities without congressional consent. This historical move came about after the President, and in the absence of any congressional declaration of war, conducted massive air bombardment over Cambodia and Laos after the signing of the Paris accords and return of U.S. troops and POWs. Even after a record of opposition by both the House and Senate to the bombing, President Nixon vetoed legislation providing for a cutoff of funds. Subsequent congressional investigations revealed a pattern of secret bombings of Cambodia and Laos, activities conducted despite congressional prohibitions against invasion from land, air, or sea. The facts were concealed from the public and Congress until uncovered in investigations. Congress was compelled to restrain the President by forcing him to terminate bombing after August 15 of this year. Congress subsequently gave final approval to the War Powers Resolution, which requires consultation with Congress if at all possible in advance of any introduction of U.S. forces to hostilities and a full report to Congress within 48 hours after taking such action. If Congress does not expressly authorize the commitment, the President must withdraw troops within 60 days (a 30 day extension is permitted if the safety of troops so requires). Anytime after the commitment of forces, the Congress could mandate immediate withdrawal through passage of a concurrent resolution—which is not subject to veto. In addition, the resolution stipulates that none of its provisions are to be construed as granting any authority to the President that he would not have had in the absence of the resolution. The power of the President to commit forces is defined to include only situations where Congress has declared war or provided other statutory authorization, or when a national emergency exists because of attack on the U.S. or its forces. The President, claiming that the resolution imposed "unconstitutional and dangerous" restrictions on the President's warmaking authority vetoed the measure on October 24, only to have both Houses override the veto on November 7.

Budget and Impoundment Control Act of 1973 (H.R. 7130 passed the House December 5, 1973)—A major step toward restoring Congress' control over the Federal budget was taken in early December when the House approved legislation which would significantly reform the budgetary process and provide for congressional review and control of presidential impoundment of funds. Title I provides for the adoption each year of a congressional budget, including a determination of the appropriate levels of revenues, expenditures, and budget surplus or deficit. A Committee on the Budget in both the Senate and the House would be established along with a joint Legislative Budget Office to serve both Committees. In addition the Appropriations Committee would be given authority to control all new back-door spending. The bill would require Congress to establish an overall spending ceiling with sub-ceiling levels in program categories. It would revise the timetable for the authorization and appropriations processes, setting April 1 as the date for Congress to complete action on authorization bills and an August 1 date for appropriations bills to be cleared by both Houses. The start of the fiscal year would be changed from July 1 to October 1, and Congress would adopt a final concurrent budget resolution by September 15 reaffirming the original ceilings, or revising them upward, or directing the Appropriations Committees to make cuts in appropriations to bring them in line with the ceilings. A first concurent resolution establishing an overall spending ceiling and sub-ceilings would have to be passed by May 1, hopefully providing Congress the opportunity to debate national priorities and to make major policy choices on spending. If the ceilings were increased, the Ways and Means Committee of the House would be required to draft tax measures to raise additional revenues, and Congress could not adjourn without passing the final budget resolution. Title II establishes a control procedure whereby either House of Congress may prohibit the President or any other officer of the executive branch from continuing an impoundment. The bill requires the President to notify Congress ten days after any impoundment of appropriated funds has been made. If either House approves a resolution disapproving the impoundment within 60 days, the impoundment would have to be terminated. (H.R. 7130 brings together two distinct legislative initiatives: the report of the Joint Study Committee on Budget Control and the impoundment controls contained in S. 373 (H.R. 8480) which is described below.)

Impoundment of Funds (S. 373 passed the House July 25, 1973. In conference.)—President Nixon has impounded an average of $11 billion in appropriated funds each year since taking office, far above the average during past Administrations. Unfortunately, most of these impoundments have been for vital domestic programs and needs. For example, he has impounded $6 billion in contract authority for construction of sewage treatment facilities to clean up the Nation's waterways (enacted by Congress over the President's veto). In a case probably headed for the Supreme Court, the thrust of Federal judges rulings is that the Administration must release the full $6 billion. So far, the Nixon Administration has lost the overwhelming majority of cases this year involving billions of dollars in impounded funds. Both Houses of Congress have responded to this excessive and mostly illegal impoundment of funds by passing legislation to prohibit impoundments unless approved by congressional action. Both versions establish an expenditure ceiling for fiscal 1973 in recognition of the need for some Federal expenditure guidelines. Both versions also require the President to notify the Congress of impounded funds within ten days via special message. The House-passed measure specifies the following information to be contained in the President's message: amount of funds impounded; date the funds were impounded; any account, department, or establishment of the Government to which such impounded funds would have been available for obligation except for such impoundment: period of time during which the funds are to be impounded; reasons for the impoundment, including any legal authority invoked by him to justify the impoundment; and to the maximum extent practicable, the estimated fiscal, economic and budgetary effect of the impoundment. Both bills require reports within ten days of the impoundment whereas existing law requires quarterly reports. The major difference between the Senate and the House versions is in the procedure to approve or disapprove a presidential impoundment. The House version provides that impoundments must cease within 60 calendar days only if the specific impoundment is disapproved by either House of Congress by passage of a resolution. Failure to act within that period would, in effect, sanction the impoundment.

Ford Nomination—On December 6, 1973, by a vote of 387 to 35, the House of Representatives confirmed Gerald R. Ford as the fortieth Vice President of the United States. Mr. Ford was the first person ever to be confirmed by the House of Representatives and the first person to be confirmed by either House under provisions of the 25th Amendment. Adopted in 1967, section 2 of the 25th Amendment provides that "whenever there is a vacancy in the office of the Vice President, the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both Houses of Congress." The Senate approved the nomination on November 27, 1973 by a vote of 92 to 3. The Office of Vice President became vacant on October 10, 1973 when Spiro Agnew submitted his resignation.

Impeachment of the President (Hearings scheduled by the House Judiciary Committee early 1974)—During the First Session of the 93rd Congress a number of Impeachment

Resolutions were introduced along with other resolutions urging an investigation into the activities of the President of the United States, Richard Nixon. All resolutions were referred to the Committee on the Judiciary which is conducting an investigation to determine whether or not grounds exist for impeachment. On November 15, 1973 the House authorized one million dollars to fund the Committee's investigation.

Executive Privilege (Legislation not yet reported; hearings underway)—At a time when the Congress has voted to open its operations and procedures to public scrutiny, the Nixon Administration is using executive privilege to withhold vital information from the Congress and to block even Federal law enforcement officials and the courts from access to materials which in their judgment bears on possible criminal activity. Executive privilege, even though practiced by past Presidents, is mentioned neither in law nor the Constitution, and has never been tested in the courts. Previous Presidents, however, have made only limited use of executive privilege, and then only to protect legitimate national security interests. On the other hand, President Nixon's interpretation of executive privilege, as expressed by his former Attorney General Richard Kleindienst, is that it may be invoked to prevent any one of the millions of executive agency employees from testifying before a congressional committee. Both Houses have held extensive hearings in the area of executive privilege and the House Committee on Government Operations is currently drafting legislation to establish criteria governing and restricting the use of executive privilege and to require that all information be made available to the Congress by executive agencies—except when the President himself invokes executive privilege.

DISTRICT OF COLUMBIA

District of Columbia Home Rule (P.L. 93-198, approved December 24, 1973)—For the first time this century, Congress has restored elected local government to the people of the District of Columbia in legislation that allows voters to choose a mayor and a thirteen-member City Council, previously appointed by the President. The Act retains the authority of Congress to control municipal spending and to veto all actions by the elected city government. Voters are to cast their ballots in May 1974 in a referendum election in which they will decide whether to approve a city charter embodying the new form of government. If the proposed charter is approved in the referendum, primary elections for mayor and City Council will be held in September with the general election in November. The elected government would then take office in January, 1975. The Council chairman and four Council members are to be elected at large with the other eight members elected from each of the eight wards, with guaranteed minority party representation on the Council. The city will be prohibited from taxing Federal or local government property in the District, but will be able to enact other taxes, except for a tax on commuter income. Congress will retain control of how the District spends its money. Approval of the city budget by the Appropriations Committee of Congress each year will be required. The Federal payment to the District is set at $230 million for fiscal 1975, gradually increasing to $300 million by fiscal 1978.

Subsidy Payment for Child Adoption (H.R. 11238 passed the House November 26, 1973)—The House provided for an improved system of adoption of children in the District of Columbia by authorizing the Commissioner of the District of Columbia to make adoption subsidy payments on behalf of children with special needs, where such children otherwise would in all likelihood go with adoption, and where the adoptive family is deemed appropriate in all respects but for its economic inability to meet the child's needs. Currently it is estimated that in the District there are between 2,500 and 2,700 children who are wards of the District Government. Of these it is estimated that between 200 and 300 could be placed in permanent families with the assistance of an adoption subsidy program. Approximately 150 such placements are expected within the first year alone.

ECONOMY, TRADE AND HOUSING

Trade Reform (H.R. 10710 passed the House December 11, 1973)—In a major step toward liberalized world trade the House approved a comprehensive trade bill which represents a major step toward formulation of a new round of international negotiations that will increase world trade by giving the President broad authority to reduce U.S. tariffs and other barriers to freer commerce. The House adopted an amendment to the bill which denies most favored nation treatment for Russian exports to the United States as well as long term credits (such as funds for machine tools, oil pipeline machinery and goods and food stuffs) for Russian imports until the President certifies that the immigration of Jews from Russia is not being impeded. Responsibility for negotiating trade agreements lies with the Executive Branch, but since expiration of the 1962 Trade Expansion Act in June of 1967, the President has had no authority in this area. Yet, over the past twenty years a number of factors have contributed to the need for this legislation, including the fact that world trade has increased rapidly but unevenly because of non-tariff barriers, and expanded world productive capacities have shifted trading patterns. Second, a massive balance of payments disequilibria between nations has arisen, with the U.S. going from substantial surpluses to recurring deficits. Third, European and Japanese economic resurgence led to a breakdown of the world's monetary system, and subsequent realignment of exchange rates and devaluation of the dollar. Fourth, unfair and discriminatory trade practices have thwarted U.S. exports and unduly stimulated imports into the U.S., with harmful effects on domestic industry. Fifth, multinational adjustment and relocation assistance has provided little help in ameliorating the dislocations caused by foreign imports. Sixth, multinational corporations have combined U.S. technology and low-wage foreign labor to erode the domestic production base and threaten American jobs and business opportunities, as well as markets in third countries. Also, trading relationships involving lesser developed countries, negligible ten years ago, have increased in significance. The Senate will consider the Trade Bill during the Second Session of the 93rd Congress with passage expected in early 1974.

Economic Stabilization Act of 1970 Extension (P. L. 93-28, approved April 30, 1973)—Faced with the pressing concern of a record inflation severely ravaging our economy, Congress extended the Economic Stabilization Act of 1970 which authorizes the President broad powers to stabilize prices, rents, wages and salaries. It also gives the President authority to establish, after public hearings, priorities of use and allocation system of supplies of petroleum products, including crude oil, in order to equitably meet needs in various sections of the country and to prevent anti-competitive effects which could develop from shortages of petroleum products. In February, the President asked for major economic powers, promising prosperity without inflation in return. This Act granted some of the most sweeping economic powers a Congress can confer upon a President. Because the President was slow to act, however, the cost of living is up 8 percent compared with 3.4 percent for all of 1972, with price increases hitting every American family.

Interest Equalization Tax Extension Act (P. L. 93-17, approved April 10, 1973)—Another major congressional initiative extended the application of the interest equalization tax for 15 months, to June 30, 1974, and provided for certain exclusions from the tax. It is the interest equalization tax which equalizes the differential in interest costs as between domestic and foreign securities, thus assisting to stem our outflow of dollars.

Public Works and Economic Development Act (P. L. 93-46, approved June 18, 1973)—After vetoing a similar bill in 1972, the Administration continued its non-support of the program which provides many Americans with jobs in depressed areas of our country, proposing abolishment of the Economic Development Administration and transferral of its functions to other agencies. Congress voted to continue it for at least one more year and to continue important direct Federal support for the seven regional economic commissions. To further continue support for economically depressed areas and achieve minimum unemployment, Congress extended the Public Works and Economic Development Act through fiscal year 1974. For this Congress authorized funds for public facility grant programs, business development programs, technical assistance in alleviating unemployment in certain of our Nation's areas, and for economic development centers. The Public Works and Economic Development Act, originally enacted in 1965, provides Federal assistance to areas that lag behind the growth of the rest of the Nation and suffer from high unemployment and underemployment. With the Act's extension, Congress continues to provide Federal assistance, in cooperation with States and localities, to enable areas and regions suffering economic distress to help themselves to develop the planning and financing capability for long lasting improvement and for the creation of permanent jobs. It is estimated that the public facilities grant program alone has made possible some 330,000 permanent jobs in over 1,460 communities across the country. A conservative estimate for the entire program would bring the figure to over half a million jobs located by these programs since enactment of this legislation in 1965.

Interest Rate Control (P.L. 93-100, approved August 16, 1973)—Congress extended until December 31, 1974 the authority of Federal bank regulatory agencies to set feasible interest rates on time and savings deposits held by commercial banks, savings and loan institutions, and mutual savings banks. The law limited NOW, or interest bearing, checking accounts, to two states, Massachusetts and New Hampshire, on an experimental basis under Federal supervision. In addition, the law permits national banks and savings and loan associations chartered by the Federal Home Loan Bank Board to invest in State housing corporations in the States where their headquarters are located, and it creates a new procedure for payment by savings and loan associations of premiums into the Federal Deposit Insurance Corporation's Reserve Fund.

Federal Financing Bank (P.L. 93-224, approved December 29, 1973)—This Act establishes a Federal Financing Bank under the general supervision of the Secretary of the Treasury through which the marketing of Federal and federally-assisted borrowing activities will be centralized. The Bank is authorized to buy securities issued by Federal agencies to finance their activities, and to fund its operations by selling its own securities. The Secretary of the Treasury is authorized to approve or disapprove in advance the financing of programs planned by separate Federal agencies. That authority will provide the Secretary with the means to judge borrowing methods, sources of financing, timing, interest rates, maturities and other conditions adopted by the agencies in issuing obligations. Certain Federal agencies and types of securities are exempted from the review of the Treasury Department. The Act also places a time limit on a Treasury decision approving or vetoing an agency's financing plans to prevent any administration from ending a program simply by withholding judgment.

International Economic Policy (P.L. 93-121, approved October 4, 1973)—Congress extended for four years—until June 30, 1977—the Council on International Economic Policy whose statutory authority expired June 30. The Council coordinates the efforts of more than 60 Federal agencies or other units involved in some aspect of foreign economic affairs. It focuses on international economic policy issues and recommends policies consistent with domestic economic policy and basic foreign policy objectives. P.L. 93-121 requires Senate confirmation of any future Executive Directors of the Council, exempting the present Director, Peter Flanigan. The measure also removes the President from the Council, while allowing him to appoint a chairman from among its members, and adds the Secretary of Transportation as a new member. A total of $1.4 million was authorized for fiscal 1974 for the Council's operations.

Public Debt Limit Extension (P.L. 93-53, approved July 1, 1973)—Congress continued the debt limitation level at $465 billion through November 30, 1973. This measure in addition extended unemployment insurance benefits in States whose rates of insured unemployment are at least 4.5 percent; extended for one year the authorization for project grants under the maternal and child health program which was scheduled to expire June 30, 1973; and provided for a transition in funding to a state-coordinated program of maternal and child health programs. Congress also requires the presidential campaign checkoff provisions on the income tax return form to be placed either on the front page of the return or where signature is required. Congress also eliminated separate funds for the two major parties, consolidating all money into a general fund.

Second Public Debt Limit Extension (P.L. 93-173, approved December 3, 1973)—Congress approved for a second time this session an extension of the temporary Federal debt limit through the end of fiscal 1974, increasing the ceiling to $475.7 billion. The previously existing $465 billion temporary debt limit expired on November 30 allowing the ceiling to fall to its permanent $400 billion level. During the course of debate, the House deleted $2.3 billion from the committee's recommended debt ceiling.

Par Value Modification Act (P.L. 93-110, approved September 21, 1973)—This Act authorizes the Secretary of the Treasury to raise the price of gold to $42.22 an ounce from $38 (a devaluation of ten percent) and repeals a prohibition on ownership of gold by private citizens when the President determines that repeal would not affect adversely the international monetary position of the United States. The law ratifies the Administration's 1971 agreement to international monetary reform, precipitated by inflation and by the worst trade imbalance in U.S. history.

Public Works on Rivers and Harbors (H.R. 10203 passed the House October 12, 1973)—The House authorized a total of $1.25 billion for construction, repair, design, and development of navigation, flood control and other water resource projects with new emphases on environmental and recreational considerations, innovative alternatives to existing flood control methods and demonstration projects to prevent shoreline erosion. This legislation, which is similar to the flood control bill vetoed by the President in 1972, would authorize a new procedure for uniform cancellation of out of date projects and would take the authority Congress granted in 1965 to the President and the Water Resources Council to determine the formula by which water resource projects were approved or disapproved. Since the President had vetoed the 1972 bill as inflationary, the House designed this bill to counter the inflation argument by initiating a two-step authorization process.

Home Loan Insurance (P.L. 93-117, approved October 2, 1973)—With the Federal Housing Agency's insuring authority expiring a second time this year (October 1), Congress authorized an extension of the FHA's authority to set government-insured mortgage interest rates and authorized funds for its basic Federal housing and urban development programs until October 1, 1974. Congress increased by $140 million the authority of the Secretary of HUD to enter into annual contracts with local housing authorities and extended the Secretary's authority to set maximum interest rates for FHA mortgages and Veterans Administration guaranteed loans. Authority for new community development guarantees was increased and various rural housing authorizations under the 1949 Housing Act (P.L. 81-171) were extended until October 1, 1974. Also extended until the October date were the authority of the Government National Mortgage Association to purchase mortgages, necessary to permit continuation of HUD's special tandem plan for low-income housing financing and the period in which the HUD Secretary is authorized to make rehabilitation loans. A total of $110 million for fiscal 1974 was authorized for comprehensive planning grants, $664 million for urban renewal, $63 million for open space, and $40 million for neighborhood facilities.

Housing and Mortgage Laws (H.J. Res. 512 reported from conference July 31, 1973. Conference report recommitted September 5, 1973)—Faced with a moratorium on low-income and middle-income housing imposed by the Nixon Administration in January 1973, Congress attempted to take action to terminate the moratorium and extend programs suspended on urban renewal, model cities, water and sewer and other community development projects. The bill also would have renewed the authority of the Secretary of HUD to set mortgage rates for the FHA scheduled to expire June 30, 1973. When the President assured Congress of a veto, Congress passed an emergency measure (P.L. 93-85) extending the FHA insuring authority until Congress could approve a compromise bill, later to become P.L. 93-117 (above).

EDUCATION

Vocational Rehabilitation (P.L. 93-112, approved September 26, 1973)—The training of handicapped Americans for productive jobs has also been a top priority of this Congress. Unfortunately, two such bills were vetoed within the past year by the President. Congress was advised that aid to the handicapped had to be drastically cut, and training for those suffering from spinal cord injuries and severe kidney diseases eliminated, before any legislation passed by Congress would be signed into law. Congress was forced as a result to approve legislation with a substantial reduction in authorizations for the handicapped. This Act authorizes $1.55 billion in fiscal years 1974 and 1975, an amount substantially lower than those authorized in the vetoed bills—$3.5 billion and $2.6 billion respectively. The 1973 Act requires State rehabilitation agencies to serve the most severely handicapped first, with each State to receive a basic allotment of at least $2 million or one quarter of one percent of funds appropriated the basic program, whichever was greater. Congress also required that personal guidance services be established, that an Architectural and Transportation Barriers Compliance Board be created to enforce existing requirements that public buildings and transportation be accessible to the handicapped, and that Federal mortgage insurance be available for construction of rehabilitation facilities. The Secretary of HEW may authorize research and training grants and contracts for work in the rehabilitation field. Congress authorized such sums as necessary for construction of rehabilitation facilities and for grants to provide vocational training services for the handicapped.

School Lunch Programs (P.L. 93-150, approved November 7, 1973)—Congress increased Federal aid to school nutrition programs hard hit by rising food costs in order to more adequately meet the nutrition requirements of needy children in our public school systems. The Federal payment per school lunch served was increased to ten cents, from the existing level of eight cents. The Act also increases Federal payments for school breakfasts and for free and reduced-price lunches served to needy students. The Federal payment for free lunches is increased to 45 cents, from 40 cents, and the minimum payment per reduced-price lunch to 35 cents, from 30 cents. Although President Nixon opposed the two-cent increase and threatened to veto the measure, Congress sought to reduce the financial burden to the States and the approximately 28,000,000 students participating in the programs. The Act guarantees to the States cash payments instead of school food commodities in situations in which the Federal Government could not deliver food during a school year. The eligibility requirements were broadened for fiscal 1974 for the reduced price lunch program to children of families whose income was as much as 75 percent over the applicable poverty guidelines prescribed by the Secretary of Agriculture. The Act requires that school lunch funds be allocated to the States by a formula based on the number of free and reduced-price lunches served, rather than on the number of children classified as coming from low income families. A special provision authorizes semiannual cost-of-living adjustments beginning January 1, 1974 to reflect automatically changes in the consumer price index for food served away from home. Congress also assured that children who qualify for free lunches shall also be eligible for free milk.

Child Nutrition Programs (P.L. 93-13, approved March 30, 1973)—Because of a delay in purchases of food commodities for child nutrition programs by the Department of Agriculture, Congress was prompted early in the session to pass legislation requiring that Federal commodity purchases for the school lunch and breakfast programs remain at the level budgeted by Congress for fiscal year 1973. The Secretary of Agriculture was required to determine by March 15 the total value of commodities the Department would be able to deliver to the States in the remaining four months of fiscal 1973 and to pay the difference by April 15 to State education agencies if the total value of those commodities was less than 90 percent of the value of commodities originally programmed. At the time, this Act was passed, donations of beef, pork, cheese, fruits and vegetables were running behind, threatening the nutritional content of school meals and the continuation of free lunches for needy youngsters. Most States were receiving half as much in commodities as they received last year, and some States were even receiving as little as 30 percent of last year's level.

Basic Educational Opportunity Grants (P.L. 93-35, approved May 16, 1973)—Congress determined that for the first time grants under the new Basic Educational Opportunity Grants program should be limited to first year fulltime college students, thereby increasing individual grants to an average $250 and a maximum $600. Had Congress not limited the funds to first year students, the average grant under the program, it is estimated, would have only been a total of $80, costing $10 to administer per student. Funds for the grant program totalled $122 million in fiscal 1973. The Act also extends the National Commission on the Financing of Postsecondary Education to June 30, 1974.

National Foundation for the Arts and Humanities (P.L. 93–133, approved October 19, 1973)—Congress has approved legislation substantially increasing authorizations for the National Foundation for the Arts and Humanities which has advanced Federal and local encouragement and support for the arts and humanities. Congress authorized a total of $145 million for fiscal 1974, $200 million for fiscal 1975, and $252 million for fiscal 1976. The minimum allotment for Federal arts grants to the States was increased to $200,000 from $65,000, and Federal art funds were authorized to be used for payment of up to 50 percent of the total cost of an approved project. Should the total allotment of the project exceed $125,000, excess funds could be used to finance the entire cost of project so long as the total amount of full Federal funding did not exceed 20 percent of the total State allotment. For the humanities endowment, the new law provides equal funding with the arts and a requirement that the chairman correlate humanities programs with the States. The law increases to $17,500 the limit on grants made by the chairman without consent of the respective councils.

Environmental Education Extension (H.R. 3927 passed the House October 24, 1973)—This legislation extends the Environmental Education Act (P.L. 91–516) for three years, authorizing appropriations of $5 million in fiscal 1974, $15 million in fiscal 1975 and $25 million in fiscal 1976. First approved by Congress in 1970, the Act supports environmental education in elementary and secondary schools and in communities through curriculum development, teacher training, aid to State and local education agencies, preparation and distribution of materials for the mass media, planning of outdoor ecological study centers, and establishment of community education programs.

ENERGY, NATURAL RESOURCES AND THE ENVIRONMENT

Emergency Energy Act (S. 2589 passed the House December 15, 1973. Conference report filed in Senate December 20, 1973)—America faces an extremely severe energy shortage during the coming winter months and for the foreseeable future. At best, these shortages mean serious inconvenience and potentially even danger for American families, who will find themselves without enough fuel to heat their homes this winter, without sufficient gasoline for their cars, and with less than sufficient energy to run their places of employment, their factories, their farms and businesses. In an attempt to face immediately the problems of these shortages, both Houses approved differing versions of the Emergency Energy Act which authorizes a variety of emergency measures to conserve and allocate available energy resources, including investing the President the exclusive right to declare rationing. The conference version establishes a system of congressional approval for such energy conservation measures as restricting store hours, setting shorter workweeks and requiring car pooling. Any conservation measures proposed by the President or his staff between enactment and March 1 would go into effect immediately. Either House of Congress, however, could repeal them by a majority vote within 15 legislative days of their taking effect until Congress has had 15 legislative days to study them. Either House could veto a conservation measure by a majority vote. After June 30, any presidential proposal to conserve energy would require approval by both Houses of Congress as a part of the regular legislative process, this is, through introduction and passage of a bill. The conference version also provides general guidelines for granting priorities for scarce fuel, such as for moving men and farmers, and it provides for strict antitrust provisions. Any inclusion of fees or taxes in presidential rationing plans, without the express consent of Congress, would be banned.

Emergency Petroleum Allocation Act (P.L. 93–159, approved November 27, 1973)—Although Congress gave the President authority to require sensible allocation of available fuel supplies nearly a year ago under the Economic Stabilization Act Amendments (P.L. 93–28), Congress was compelled because of the President's delay in taking action to require the President to put into effect a mandatory allocation program within 30 days of enactment of P.L. 93–159. Additional time was granted for the allocation of gasoline and products already being allocated under the President's current plan, including propane, home heating oils and jet diesel fuels. The measure also covers the allocation of crude oil and refined petroleum products and permits retailers to pass on to consumers increases in wholesale prices while banning most oil exports and offering protection for independent retailers and refiners. Congress specified objectives to be considered by the President in drafting Federal regulations to establish guidelines for the use of fuels taking into consideration priorities such as maintenance of residential heating, operation of refineries at full capacity, protection of small refineries, and maintenance of fuel production.

Alaska Pipeline (P.L. 93–153, approved November 16, 1973)—The Congress cleared the way for immediate construction across Alaska of a 789-mile oil pipeline to be built by a consortium of seven oil companies at a cost now estimated at $4.5 billion. The pipeline will carry oil from Alaska's rich North Slope fields at Prudhoe Bay nearly 800 miles through the permafrost and tundra to the southern port of Valdez. From there, the oil will be shipped by tankers to the West Coast. It is estimated that by 1980 these fields can supply 2 million barrels a day of the total anticipated U.S. daily need of 22 million barrels. The Act imposes strict damage liability of up to $50 million without regard to fault on the owners of the pipeline for any polluting incident on land. Strict liability on the owners of tankers carrying oil from the pipeline without regard to fault is set at $100 million for any one oil spill, with the owner or operator liable for the first $14 million and a liability fund, established by the bill, liable for the balance. Congress also authorized the Secretary of the Interior to issue a permit granting a right-of-way across Federal lands for construction of the pipeline and barred further judicial review of the pipeline's impact under the National Environmental Policy Act. Despite threats of a presidential veto, Congress included two unrelated provisions, one of which allows the Federal Trade Commission to seek preliminary injunctions to stop deceptive or unfair practices and to represent itself in court if the Justice Department fails to take action within ten days. The second provision allows independent regulatory agencies to seek data from businesses without the approval of the Office of Management and Budget, if the General Accounting Office certifies that the information is not available elsewhere and no major burden is placed on the businesses.

Energy Research and Development Administration (H.R. 11510 passed the House December 19, 1973)—The House approved a reorganization and consolidation of certain functions of the Federal government in a new Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions. The new Energy Research Administration would be headed by an Administrator who would be appointed by the President with the advice and consent of the Senate. Serving under the Administrator would be five Assistant Administrators, who, respectively, would head the following five major areas: first, fossil energy development; second, nuclear energy development; third, research and advanced energy systems; fourth, environment safety and conservation; and fifth, national security. The authority of the Administration would include nonregulatory functions of the Atomic Energy Commission, in addition to energy research and development programs from other agencies. The Atomic Energy Commission, renamed the Nuclear Energy Commission, would continue as a smaller organization to administer nuclear licensing and related functions. The Energy Administration would serve as a central agency to develop energy policies and programs while exercising the central responsibility for planning, managing, supporting and conducting research and development programs and projects involving all energy sources and energy utilization techniques. Its range of programs would be broad, encompassing but not limited to, solar, tidal, wind, hydrogen, fossil fuel, synthetic fuel, nuclear and geothermal sources and processes. It would seek to exploit all promising energy potentials based on present knowledge and to take new directions pointed to by future research results. The Administration's overall responsibilities also would include the encouragement and conduct of research and development for the conservation of energy, for increasing the efficiency and reliability of energy sources and energy-utilizing devices, and for safeguarding the quality of our environment.

Daylight Savings Time (P.L. 93–182, approved December 15, 1973)—In order to save an estimated two percent of the fuel used for the generation of electricity, Congress placed the Nation on year-round daylight savings time until the last Sunday in April 1975. The switch over which took place on January 6, 1974 is estimated to save an estimated equivalent of 150,000 barrels of oil a day during the winter months. AM radio stations allowed to operate only during daylight hours will be allowed to come on the air one hour in advance of local sunrise. The Act further provides for the Department of Transportation to study the energy conserved as a result of the move to daylight savings and to determine whether daylight savings should be extended after April 1975.

Ocean Pollution Control (P.L. 93–119, approved October 4, 1973)—This Act seeks to curb discharges of oil from ocean-going vessels and to regulate oil tankers by implementing the 1969 and 1971 amendments to the 1954 Convention on the Prevention of Pollution of the Seas by Oil. The 1969 amendments to the Convention deal with the routine discharge of oil from tankers and other ships arising principally from tank cleaning operations while at sea. The 1971 amendments were a first step at the international level toward developing tanker construction standards that will minimize the impact of spillage by limiting the volume of oil that may be carried in each cargo cell of the ship. Under present conditions, it is estimated that a total of almost one million metric tons of oil are discharged into the ocean each year from tank washings and oil blast discharges. Of this amount, U.S. registered tankers are estimated to contribute approximately 53,000 or about six percent of the total. This Act increases the penalties to provide a more realistic sanction for violators. The new penalties for oil spillage provide for a maximum fine of $10,000 and imprisonment for not more than one year for willful discharges in violation of the Act, a civil penalty of not more than $10,000 for either a willful or negligent discharge in violation of the Act, and a civil penalty of not more than $5,000 for any other violation of the Act or regulation not amounting to a discharge. Under the present provisions, the maximum fine is $2,500 and there are no civil penalties. This legislation is an important step forward in our effort to reduce and eventually eliminate all intentional discharges.

Emergency National Maximum Highway Speed Limit (P.L. 93-239, approved January 2, 1973)—To effect an immediate decrease in gasoline fuel consumption, Congress passed legislation seeking to create uniformity throughout the United States in reduced speed limits by permitting States to lower their speed limits below 55 miles per hour, and setting a mandatory 55-mile-per-hour limit on multiple-lane highways which were divided by medial barriers. The Secretary of Transportation is directed to cut off Federal highway funds to States which failed to establish a maximum speed of 55 miles per hour within 60 days of enactment. The Act also authorizes the use of up to $1 million in Federal highway funds for each State which establishes a one-year demonstration program to encourage the use of carpools and sets an expiration date for the legislation of June 30, 1975.

The primary thrust of the bill is to conserve energy. It was also necessary, however, to come up with the proper speeds which would not only present an optimum of fuel savings, but at the same time preserve the economic, safety and public-acceptance considerations which would make such a provision most effective. It serves as an action which can be done now without any cost to the Federal Government and can be a major step forward in conserving energy.

Endangered Species (P.L. 93-205, approved December 28, 1973)—Congress passed legislation to extend existing protections of fish and wildlife to species that were likely to become endangered in the foreseeable future as well as those in immediate danger of extinction. This Act would extend protection to animals which were having trouble surviving in any significant portion of their habitat, rather than only those facing extinction; make it a Federal offense to import or export endangered species, to transport such species within the United States, upon its territorial waters or upon the high seas, to possess, sell, transport or receive species in violation of the Act, to deliver, sell, receive, or transport endangered species or products made from them in interstate or foreign commerce, or to trade or possess specimens contrary to the Convention on International Trade in Endangered Species of Wild Fauna and Flora signed on March 3, 1973. The Act also establishes fines of $10,000 for violations of its provisions which were committed knowingly or by commercial operators, $5,000 for violations of regulations and $1,000 for ignorant violations. States are permitted to enact laws that prove to be more restrictive than the provisions of this Act, and a total of $10 million is authorized for grants to the States to establish conservation and management programs for these endangered species. In addition, the Secretaries of the Interior and Commerce are authorized to acquire lands and waters for the purpose of protecting, restoring or propagating any endangered or threatened species of plants and animals. Funds under the Land and Water Conservation Fund Act are to be available for acquisitions and the existing $15 million ceiling on the use of such funds is eliminated. The Department of Commerce is authorized to manage endangered and threatened species that were transferred to it under Reorganization Plan No. 4 of 1970. That plan transferred to the Commerce Department programs of the Department of the Interior relating to sport and commercial fishing in the oceans. Appropriations of $27.5 million were authorized for the next three fiscal years.

Atomic Energy Commission Authorizations (P.L. 93-60, approved July 6, 1973)—Congress authorized a total of $2,429,055,000 for the Atomic Energy Commission for fiscal year 1974. The amount was $103,495,000 less than the Administration request of $2,532,550,000. Increases over budget requests were authorized in the areas of uranium enrichment, civilian reactor programs, nuclear fusion and underground stimulation of nuclear gas. Major decreases were approved in the weapons program and in capital and equipment funding. The Atomic Energy Commission has the responsibility to protect the health and safety of the public, and to regulate the control and use of sources, by-products, and special nuclear materials. In addition, the Commission is charged with the responsibility to consider whether major actions in the development and conduct of AEC programs and in its licensing activities would be likely to result in a significant, adverse impact on the environment.

National Flood Insurance (P.L. 93-234, approved December 31, 1973)—As passed by Congress, this Act increases coverage limits under the Federal insurance program and requires communities designated as flood-prone areas to participate in the program. The National Flood Insurance Act of 1968 is amended to raise the limit on the amount of Federal flood insurance coverage that could be outstanding at any one time to $10 billion, from the existing $6 billion level, and coverage available for residential and nonresidential structures and their contents is significantly increased. Communities identified by the Secretary of Housing and Urban Development as flood-prone areas would be required to participate in the flood insurance program or face withholding of certain Federal funding. Priority consideration would be given to the establishment and maintenance of conservation areas in the formulation of land use and control measures under the flood insurance program. In addition, the Secretary of HUD would be required to establish procedures for consultation with elected community officials in notifying and identifying flood-prone areas and applying criteria for land management and use. The governing body of any community which is adversely affected by a final determination by the Secretary under the bill or the 1968 Act may appeal the determination to a U.S. District Court within 60 days after receipt of notice of the determination.

Rural Environmental Assistance Program (H.R. 2107 passed the House February 7, 1973. Reported from conference to the House April 2, 1973)—Conferees reported legislation awaiting House and Senate approval that would require the Secretary of Agriculture to carry out a rural environmental assistance program. An attempt was made to terminate both REAP and the water bank program by the same action of December 26, 1972. Under the legislation both programs would be restored and the Secretary of Agriculture required to make payments under the REAP in the full amount appropriated therefor and to enter into agreements under the water bank program to the full extent permitted by available appropriations therefor. The Water Bank Act of 1970 authorizes the Secretary of Agriculture to formulate and carry out a continuous program in important migratory waterfowl nesting and breeding areas to prevent the serious loss of wetlands, and to preserve, restore and improve inland fresh water and adjacent areas as designated in the Act. In passing the 1970 Act, Congress found it is the public interest to provide for the conservation of surface waters to preserve and improve the habitat for migratory waterfowl and other wildlife resources, to reduce runoff, soil and wind erosion and to assure its contribution to water control.

Toxic Substances Control Act of 1973 (S. 426 passed the House July 23, 1973. In conference.) The House and Senate passed legislation this session giving the Environmental Protection Agency the power to control the sale and production of potentially harmful chemicals. Both bills contained provisions for citizen suits against alleged violators of the Toxic Substances Control Act. The House-passed bill would authorize the administrator of the EPA to require testing of certain chemical substances if necessary to protect health or the environment; direct the EPA administrator to identify and publish in the Federal Register a list of chemical substances which he finds could pose substantial danger to human health or the environment; prohibit the manufacture, for new use, of any existing chemical listed by the administrator as potentially dangerous unless at least 90 days prior to production the manufacturer submits test data to the administration showing the new use does not pose a danger to health or the environment; prohibit the manufacture and distribution of any new chemical listed by the administrator as potentially dangerous unless at least 90 days prior to production the manufacturer submits test data showing the substance poses no unreasonable risk to health or the environment; authorize the administrator to require chemical producers to submit reports to him on manufactured chemicals; and establish a 12-member Chemical Substances Board in the EPA to advise the administrator in carrying out provisions in the bill. The House version would authorize funds for fiscal 1974 through fiscal 1976.

Wild and Scenic Rivers System Act (S. 921 passed the House December 3, 1973)—The House and Senate passed legislation amending the Wild and Scenic Rivers Act of 1968 to prohibit, for an additional five years (until 1978), the licensing and construction of all potentially dangerous water resource projects on designated waterways and adjacent land areas, which have been included or are under study for inclusion in the wild and scenic rivers system. The House version would authorize a maximum funding ceiling for land acquisition at existing units in the system and set an expiration date at the end of fiscal year 1978. The bill would require the Secretary of the Interior and the Secretary of Agriculture (when national forest land is involved) to notify Congress 180 days prior to publication in the Federal Register of a decision that a river is unsuitable for inclusion in the system. This provision allows Congress sufficient time to review such findings before any activities which might carry adverse effects on the water are initiated. The bill would also broaden the definition of scenic easements to include lands which contribute to the wild and scenic quality of the designated river. The 1968 Act was enacted to save the few remaining free-flowing rivers and their immediate environments from pollution and commercialism. The Act designated segments of eight rivers as initial components of the system, and also named twenty-seven additional rivers for study for possible inclusion. These rivers are a part of the national wild and scenic rivers system and are maintained and administered by appropriate Federal and State agencies, in such a manner that enhances and protects their scenic, historic, and recreational values. The Act also placed a five year moratorium on all Federal agencies with regard to the licensing and construction of any water resource project which might adversely affect the water or immediate environment of the selected rivers.

Saline Water Program Authorization (P.L. 93-51, approved July 1, 1973)—Congress authorized $9.1 million to be spent on research, development, construction and operation of saline water conversion test beds and facilities, construction and operation of saline water conversion modules, and administration and coordination of the program, despite the President's substantial reduction in funds for the saline water program in fiscal 1974. The Administration had asked for only $2.5 million in new funds. Authorized by Congress in 1952 the saline water program is responsible for research into the conversion of brackish water and seawater into fresh water at costs that would be comparable to that of supplying natural fresh water.

Clean Air Act Extension (P.L. 93–15, approved April 9, 1973)—In extending the Clean Air Act of 1970, Congress authorized $475 million for fiscal 1974 for air pollution and automobile emission control programs established under the Act. Included in the authorizations are $150 million for research on fuels and vehicles and $25 million for development of low-emission vehicles.

Solid Waste Disposal Act Extension (P.L. 93–14, approved April 9, 1973)—Congress also extended the Solid Waste Disposal Act of 1970, authorizing $238.5 million for fiscal 1974 for waste recycling programs funded under the 1970 Act. Included in the authorizations are $76 million for development of recycling and waste-disposal techniques, $140 million in grants for demonstration of resource-recovery systems and construction of waste-disposal facilities, and $22.5 million for research on disposal of mining wastes.

National Sea Grant College Extension Act (P.L. 93–73, approved July 10, 1973)—In extending the National Sea Grant College in the Department of Commerce, Congress provided authorizations of $30 million, $40 million, and $50 million for fiscal years 1974, 1975, and 1976 respectively. Congress also authorized $200,000 for a study of the means of sharing, through cooperative programs with other nations, the results of marine research and provided the Secretary of Commerce with authority to make contracts and grants to participate for this purpose without matching share requirements.

Water Resources Development Act (H.R. 10203 passed the House October 12, 1973)—This legislation provides for the construction, repair, and the preservation of certain public works on rivers, lakes, and harbors for navigation and flood control. The bill authorizes a program to develop and demonstrate low cost means to prevent and control shoreline erosion, directing the Secretary of the Army to establish and conduct for a period of five years, a national shoreline erosion control development and demonstration program. The program is to consist of planning, constructing, operating, evaluating, and demonstrating prototype devices.

User Fees in Recreational Facilities (P.L. 93–81, approved August 1, 1973)—This Act specifies those kinds of outdoor recreational facilities at which Federal agencies may charge user fees. It amends the Flood Control Act of 1968 to allow for the collection of fees for the use of highly developed Federal outdoor recreation facilities. The Act does not allow for fees to be charged for daily use of water areas, lightly developed shoreland or boat-launching ramps where no mechanical or hydraulic equipment is provided.

Sewage Treatment Facilities (P.L. 93–207, approved December 28, 1973)—Congress authorized $600 million to reimburse communities for the full amount of Federal assistance for sewage treatment construction between 1966 and 1972. In 1972, the Environmental Protection Agency had estimated that $2 billion would cover the reimbursements. That amount, however, proved to be insufficient by $600 million. In addition to providing the sufficient funding necessary, the Act extended for one year a program to train workers for sewage treatment plants.

FEDERAL EMPLOYEES

Federal Employees Annuity Increase (P.L. 93–136, approved October 24, 1973)—Retired Federal Government workers and postal employees will receive a 5.5 percent annuity increase effective January 1, 1974 to be reflected in their February annuity checks due on the .8 percent increase in October's consumer price index. The new CPI base figure is 136.6. In order to trigger the next annuity increase, it would have to rise to 140.7, the minimum 3 percent increase required by law. For the first time Federal and postal employees will no longer be required to retire before the date of the increase to get the raise. Under the recently enacted deferred annuity law, employees who retire after the date of an annuity raise will receive at least as great an annuity as if they had retired before the date of the increase.

Federal Employees Health Programs (P.L. 93– , approved December 1973)—Congress approved a compromise health insurance bill for Government workers that increases the Government contribution to employees' health care plans from the present 40 percent contribution to 50 percent in 1974 and 60 percent in 1975. The legislation requires the health insurance companies to comply with Civil Service Commission rulings in case of disputed claims filed by Federal and postal workers. In the past employees who have been dissatisfied with the way their health insurance claims have been settled have had little chance of getting the matter adjudiciated.

Federal Employees Leave (P.L. 93–181, approved December 14, 1973)—Congress gave final approval to legislation liberalizing Federal employee use of annual leave. The Act gives employees cash for the unused annual leave they earn during the year they leave the Government, and protects their annual leave against loss as a result of administrative error or because work exigencies prevent their using it.

Civil Service Annuities (H.R. 9107 passed the House December 7, 1973)—The House voted for legislation that would provide a $20 a month increase for persons who left the Civil Service before October 20, 1969 and an $11 a month increase for surviving spouses. The purpose of the legislation is to guarantee a minimum Civil Service retirement annuity parallel to Social Security benefits and to increase annuities for Civil Service employees who retired before the October date.

FOREIGN AFFAIRS AND NATIONAL DEFENSE

Vietnam Bombing Halt (P.L. 93–52, approved July 1, 1973)—In a major congressional initiative, Congress voted to halt United States bombing in Cambodia, effective August 15, ending the U.S. combat role in Southeast Asia. The amendment to the Continuing Appropriations Act for fiscal 1973 bars the use of any past, present or future appropriations to support combat activities in or over not only Cambodia, but Laos, North Vietnam, and South Vietnam after the deadline date. The Act prohibits any funds appropriated under it to be used to provide assistance in the reconstruction or rehabilitation of North Vietnam. Similar provisions were approved by Congress as an amendment to the Second Supplemental Appropriations Act for fiscal 1973 (P.L. 93–50). Earlier this year, the President vetoed the original Second Supplemental Appropriations Act for fiscal 1973 (H.R. 7447) which contained a provision cutting off immediately all funds for combat activity in Cambodia and Laos.

Foreign Aid Authorization (P.L. 93–189, approved December 17, 1973)—For foreign military aid for fiscal 1974, Congress approved an authorization of $962.5 million for military assistance and $1,429.7 million for economic assistance, including $504 million in postwar aid to South Vietnam, Laos and Cambodia. The Act authorizes $300 million in military sales credits for Israel and grants the Department of Defense authority to borrow up to $200 million worth of munitions from its stockpile for aid to Cambodia. The total figure for foreign aid of $2,392,234,000 represents an amount nearly $400 million less than the Administration's request. The largest cut was in the Administration's military aid request. Conferees approved provisions which bar aid to countries expropriating U.S. property until U.S. claims are settled (but giving authority for a presidential waiver) and which cut aid to Portugal, if such aid is used for Portuguese military operations in Africa.

Military Procurement Authorizations (P.L. 93–155, approved November 16, 1973)—For military weapons procurement and research and development of weapons systems, Congress authorized $21,299,520,000 for fiscal year 1974, $660 million less than the Administration requested. Included in the authorizations were funds for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons. For research and development a total of $8,194,885,000 was authorized. The Act also authorized an active duty force of 2,232,902 persons, a reduction of 43,000 from the present level of 2,289,000. A reserve force of 924,065 persons was authorized. A prohibition was placed on the spending of any funds for deployment or construction of any anti-ballistic missile system other than at Grand Forks, North Dakota. The Act also contains a provision directing the Secretary of Health, Education and Welfare to take all necessary steps to ensure continued inpatient services at eight public health service hospitals throughout the country which the Administration had attempted to phase out. The President vetoed legislation containing funds for the hospitals on August 1 of this year.

Military Construction Authorizations (P.L. 93–166, approved November 29, 1973) Congress cleared an authorization of $2,773,584,000 for military construction projects in the United States and overseas for fiscal 1974. The amount approved was $218,929,999 below the Defense Department request of $2,992,513,000. The largest single program authorization was for military family housing with an authorization level of $1,179,039,000. The average ceiling cost of a family housing unit was increased by Congress from $24,000 to $27,500 in the United States and $33,500 to $38,000 outside the country. In addition to family housing authorizations, the Act contains construction authorizations for the Army, Navy, Air Force, Defense Agencies and Reserve Forces for fiscal 1974. Congress also approved a $12 million authorization for transfer of the Navy's weapons testing range from the Puerto Rican island of Culebra to two uninhabited islands nearby.

State Department Authorization (P.L. 93–126, approved October 18, 1973)—Another congressional protest over the manner in which this Administration has handled U.S. involvement in the Indochina War is embodied in P.L. 93–126. It requires prior congressional authorization for use on or after August 15, 1973, of any funds "heretofore or hereafter appropriated" to finance the involvement of U.S. armed forces in hostilities in, over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia. Congress also barred the use of funds "heretofore or hereafter appropriated" for aid to North Vietnam unless specifically authorized by Congress. The two prohibitions were approved as amendments to this year's State Department Authorization Act which authorizes $682 million for fiscal 1974. In an attempt to curb the practice of rewarding campaign contributors with top diplomatic posts in other countries, Congress required in this legislation that any person nominated by the President for ambassador or minister must disclose at the time of his nomination all political contributions and those of his immediate family for the period from the first day of the fourth calendar year preceding the year of the nomination and ending on the date of his nomination.

USIA Authorization (P.L. 93-168, approved November 29, 1973)—Congress cleared an authorization of $215,614,000 for the U.S. Information Agency in fiscal 1974 after a Presidential veto of a similar bill (S. 1317) on October 23. The original bill contained an access-to-information clause, directed at expanding congressional access to USIA documents. The provision would have required a cutoff of funds for the USIA if the agency failed to respond within 35 days to a written request of either the House Foreign Affairs or the Senate Foreign Relations Committees for documents or other information relating to the agency. In vetoing this bill the President claimed that the access-to-information provision was an unconstitutional encroachment on executive prerogatives. The new Act bars the use of any appropriation for programs not yet authorized or any appropriations above the amount authorized, but makes this provision non-applicable to funds subsequently authorized or to funds made available through the fiscal 1974 continuing funding resolution.

Israel Emergency Assistance (P.L. 93-199, approved December 26, 1973)—In order to assist Israel to replace military equipment used during the recent Mideast war between Israel and the Arab states, Congress voted $2.2 billion in aid. The assistance authorization was attached to the Foreign Aid Appropriations Act for fiscal 1974, and agreed to after the House rejected an effort to cut from the bill $20 million in military credit sales for Saudi Arabia. The purpose of the emergency assistance measure is to help maintain a military balance necessary for the acheivement of peace in the Middle East through authorizing funds in emergency security assistance to Israel. The legislation places certain restrictions on the use of assistance in excess of $1.5 billion. Prior to the obligation or expenditure of such assistance the President will be required to make a determination that the aid is needed, and he must report to the Congress at least 20 days prior to the date on which funds are obligated. Congress also authorized the President to use such sums as may be necessary from the amounts authorized in the bill, for payment of the U.S. share of the expense of the United Nations Emergency Force in the Middle East. The legislation directs the Secretary of Defense to conduct a study of the 1973 Arab-Israeli conflict to ascertain the effectiveness of the foreign military assistance program as it related to the Mideast conflict and to report to Congress no later than December 31, 1974. The President is authorized, at any time prior to June 30, 1974, to release Israel from its contractual liability to pay for defense articles and services purchased or financed under the Foreign Military Sales Act during the period from October 6, 1973 through June 30, 1974 and to apply the funds approved in this Act to those contracts.

Radio Free Europe and Radio Liberty (P.L. 93-129, approved October 1, 1973)—For fiscal 1974, Congress authorized appropriations of $50,209,000 for operation of Radio Free Europe and Radio Liberty. The Act creates a new seven-member Board for International Broadcasting to make grants to the stations and to oversee their operations, a duty previously performed by the Department of State. The Board had been recommended by a presidential commission set up to study alternative methods of financing the two radio systems.

United Nations Environment Programs (P.L. 93-188, approved December 15, 1973)—Congress provided authorization for participation by the United States in the United Nations environment program, including authorization to contribute funds to the U.N. Environment Fund which was created largely as a result of U.S. efforts. The purpose of the Fund is to coordinate and support international environment activities under the United Nations Environment Programs, and provide assistance to programs in the fields of identification and control of pollutants, monitoring, conservation, human settlements, information exchange, education, training and research. The total amount authorized to be appropriated under the Act is $40 million, out of a total of $100 million for the entire United Nations Environment Fund, including contributions of other Nations. Not more than $10 million is authorized to be appropriated during fiscal year 1974.

HEALTH AND MEDICAL CARE

Health Maintenance Organizations (P.L. 93-222, approved December 29, 1973)—Faced with increasing problems in the delivery of health services in this Nation and the spiraling expenses of adequate health care, Congress passed one of the most significant, innovative health bills in recent years by approving development on an experimental basis of health maintenance organizations with Federal assistance. Health maintenance organizations are to deliver medical care to enrollees who, for a prepaid amount, have a right to contract for care by the health organizations. Health maintenance organizations differ from insurance companies in that for a prepaid premium they deliver actual health care services to the enrollee rather than pay for health care delivered by others. Congress recognized the obvious advantages which health maintenance organizations offer. An HMO can take advantage of efficient management and more productive use of health manpower. Since an HMO may be responsible for an individual over a period of time, it can provide more preventive medicine, and thus correct some problems before they require expensive hospitalization. HMO's can also provide physicians' pay which is competitive with what physicians make in fee-for-service practice. In addition, a physician can plan his working hours, while being assured other physicians will cover for him while he is off duty. Most of the Health Maintenance Organizations have been financed without Federal assistance. Federal aid, however, is essential in many cases to groups serving inner-city or rural or other now under-served areas, or groups, started by doctors lacking working capital. Although the system has operated for some years now, with services to some estimated seven million people, Congress has passed this legislation to assure that adequate financial assistance will be provided to the existing organizations and to new organizations so that any person will have the option of such an organization from among health benefit plans. The Act will provide funds for feasibility studies, planning, development and initial operating expenses of the Health Organizations.

Emergency Medical Services (P.L. 93-154, approved November 16, 1973)—Although President Nixon initially vetoed legislation that would have improved care for victims of auto accidents, heart attacks and other emergencies, Congress approved similar legislation that will provide Federal aid to area-wide systems of emergency medical care. In this second version of the emergency services bill Congress dropped provisions to block Administration efforts to end inpatient services at seven of eight Public Health Service hospitals. Congress authorized $185 million for fiscal years 1974, 1975, and 1976 for grants and contracts to plan, establish, initially operate and expand area emergency care systems, to train personnel and to conduct research in emergency medicine. It is estimated conservatively that 175,000 people die needlessly each year. Experts estimate that each year 15 to 20 percent of all highway victims could be saved if prompt and effective emergency care were available, with approximately 8,000 to 11,000 highway deaths prevented each year. In addition, ten percent of the 275,000 heart attack fatalities, they say, could be saved by proper emergency care. In just these two areas alone, auto accidents and heart attacks, each year as many as 35,000 Americans could be saved from tragic, unnecessary deaths. Hearings uncovered that each year more than 20,000 Americans are permanently injured or disabled by untrained ambulance attendants. Although Congress finally voted to drop the provision prohibiting the hospital closings, Congress attached the prohibition to the defense procurement bill, cleared November 5. P.L. 93-154 increases grants to rural areas to 20 percent from 15 percent. The maximum Federal share of the cost of expanding and improving emergency care systems in areas of exceptional need will be increased from 50 percent to 75 percent. Substantial emphasis has been placed on the development of emergency medical services to rural areas.

Health Programs Extension Act (P.L. 93-45, approved June 18, 1973)—Despite Administration opposition, Congress earlier this year voted to continue a group of health programs the President tried to terminate, including programs such as aid to schools of public health, comprehensive health services, Hill-Burton hospital construction, migrant health programs, family planning and community health centers. Congress believes these and other programs are absolutely necessary if we are to continue to deliver quality health care to all Americans. With this one-year extension, Congress will have an opportunity for orderly consideration of proposed revision in these health programs. Congress authorized $1.27 billion for one year to extend the twelve expiring health authorities under the Public Health Service Act, the Community Mental Health Centers Act, and the Development Disabilities Services and Facilities Construction Act. The legislation denies any court, public official or public authority the right to require individuals or institutions receiving assistance under the above Acts to perform abortions or sterilization contrary to any person's religious beliefs or moral convictions.

Lead-Based Paint Poisoning Prevention (P.L. 93-151, approved November 9, 1973)—In an effort to hasten Federal efforts against lead-based paint poisoning, Congress approved legislation amending and extending the Lead-Based Paint Poisoning Act of 1970. Congress authorized $63 million in each of fiscal years 1974 and 1975 to detect and treat the disease, to eliminate lead-based paint hazards in older dwellings and to conduct further research to determine allowable lead content in household paints. To assure that paint manufacturers meet a national uniform standard, local and State laws covering allowable lead content are pre-empted. The maximum Federal share of local government agency treatment and detection programs is increased to 90 percent from 75 percent.

Hazardous Materials Transport (P.L. 93-90, approved August 14, 1973)—Congress for the first time in P.L. 93-90 earmarked funds authorized to enforce rail safety regulations for the hazardous materials control program authorized in the Railroad Safety Act of 1970. In addition, Congress authorized the Federal Railroad Administration to add 95 new employees to enforce Federal railroad safety laws and regulations and required the Secretary of Transportation to submit to Congress a report evaluating the hazardous materials control program and offering suggestions for alternative routes to avoid transporting hazardous materials through densely populated areas of the country.

LABOR AND IMMIGRATION

Comprehensive Manpower Act (P.L. 93-203, approved December 28, 1973)—To ease the rising unemployment threatened by the energy crisis, Congress approved a job training bill which develops a comprehensive national manpower policy and establishes a decentralized and decategorized manpower program responsive to local needs while maintaining necessary Federal direction and supervision. The Act establishes a program of financial assistance to State and local prime sponsors, enabling them to provide manpower services. Local prime sponsors are to include units of general local government with a population of 100,000 or more, combinations of such units which exceed 100,000, and certain rural areas without population requirements. Included among the authorized manpower services are all programs and activities authorized under existing law. The Act provides a program of assistance to qualified prime sponsors and to Indian tribes or transitional public service employment in areas with a rate of 7 percent or more unemployment. Manpower services are also provided to segments of the population in particular need, including programs for Indians, migrant and seasonal workers, and youth. The Job Corps would be continued under the Secretary of Labor, who would be authorized to conduct programs of research, training, evaluation, labor market information and a computerized job bank. An open authorization was approved for fiscal 1974 through fiscal 1977.

Jointly Administered Trust Funds for Legal Services (P.L. 93-95, approved August 15, 1973)—A far greater number of Americans will have access to legal services for a fixed fee as a result of legislation passed this year by Congress. Under a new system employers in business are authorized to contribute to jointly administered trust funds established by unions for the purpose of providing their members with prepaid legal services for tenant, debt, consumer, property, family relations and other matters. Previously, a legal services plan through collective bargaining could have been established only if the employer or a third party served as administrator. This legislation now makes legal services available to a large portion of the estimated 50 million American working people with moderate incomes who presently cannot afford the cost of adequate legal assistance. It is aimed at making legal services available to the blue-collar, middle-income working American, at a time when a great many Americans are not receiving adequate legal services. The Act also contains safeguards to prevent abuses by prohibiting suits against employers, except in workman's compensation cases, and by prohibiting suits against unions.

Extended Unemployment Benefits (P.L. 93-53, approved July 1, 1973)—As an amendment to the first debt ceiling limitation bill, Congress passed provisions allowing States with annual unemployment rates of 4.5 percent and above to provide 13 weeks of extended benefits to unemployed workers during 1973 (to be financed by matching Federal and State funds) without regard to an existing law specifying that the level of unemployment in States had to increase by 20 percent over two years before States could provide the additional assistance. The provision, expected to affect six States, will provide extended benefits to an estimated 176,500 workers at a cost of $60.6 million to the Federal Government and $55.1 million to the States. As a part of the same debt ceiling bill, Congress approved an extension through fiscal 1974 of Federal project grants for maternal and child health programs. Direct grants had been scheduled to expire with the end of fiscal 1973 on June 30, 1973.

Railroad Retirement Amendments (P.L. 93-96, approved July 10, 1973)—While Congress made clear its intent to place the railroad retirement system on a permanent and sound financial basis before January 1, 1975, Congress passed a temporary solution to the retirement system's problems by implementing an agreement liberalizing eligibility requirements for railroad retirement and by extending benefit increases. Congress extended the three benefit increases enacted since 1970 to about one million railroad workers and their dependents through December 31, 1974, allowing employees to receive their full retirement benefits at age 60 after 30 years of service. Almost one half of the tax burden will be shifted from employees to employers to finance the retirement system, resulting in an increase in employer taxes from 10.6 percent to 15.35 percent of wages.

Immigration Limits (H.R. 981 passed House September 1973)—The House voted to amend the Immigration and Nationality Act of 1952 by imposing a worldwide limit on immigration visas of 20,000 annually per country. Priority would be given to those persons desiring to reunite with other members of their families and to persons with skills needed in the United States. A limit on immigration from Mexico and Canada would be established for the first time in U.S. history in an effort to establish a uniform treatment for all countries.

LAW ENFORCEMENT AND CRIMINAL PROCEDURE

Law Enforcement Assistance Amendments (P.L. 93-83, approved August 6, 1973—In an effort to reverse the alarming rise in crime, Congress authorized more than $2 billion to give local law enforcement officials in our neighborhoods the training and equipment they need to protect citizens against criminal acts. Congress quickly acted this session to extend the authorizations for the Law Enforcement Assistance Administration through fiscal year 1976, along with an extension of the Federal grant-giving authority of the LEAA for these three years. The Act provides for an expansion of the LEAA's mandate to include the improvement of criminal justice as well as law enforcement; increses the minimum state planning grants to $200,000 from $100,000, allowing planning grants to interstate metropolitan regional planning units; reduces all matching requirements to a single requirement that ten percent of the cost of an LEAA-funded project be met by State or local funds; establishes requirements for acceptable State programs; authorizes the LEAA to assist State and local police training programs and to act as a clearing-house for information relating to the improvement of law enforcement and criminal justice; and provides for termination of funds to any State discriminating in recruiting on the basis of color, national origin or sex. States are required to provide for the development and operation of alcoholism prevention and treatment programs as well as narcotic treatment programs in correctional facilities.

Drug Abuse Education Act (H.R. 9456 passed the House October 30, 1973)—Despite Administration opposition, the House extended the Drug Abuse Education Act of 1970 (P.L. 91-527) for three years, authorizing $48 million for fiscal years 1974, 1975 and 1976 for school-based and community-based programs of drug abuse and alcohol education and training programs. This legislation would set priorities and allot specific amounts for Federal programs, State and local education agencies and community projects. The 1970 Act was designed to train elementary and secondary teachers in drug abuse courses and to meet the lack of scientifically accurate teaching materials on the subjects.

Jurisdiction of Civil Actions by Senate Select Committee on Presidential Campaign Activities (P.L. 93-190, approved December 18, 1973)—Congress conferred jurisdiction on the U.S. District Court for the District of Columbia with respect to certain civil actions brought by the Senate Select Committee on Presidential Campaign Activities in order to enforce—or secure a declaration concerning the validity of—any subpoena or order issued by the Select Committee to the President, or Vice President or other Federal officer for the production of information relevant to the Committee's function. The Select Committee is given authorization to prosecute such actions to enforce such subpoenas and orders issued by it, and may be represented by such attorneys as it may designate in any action under this Act. The legislation was needed because of a ruling in October by Judge John J. Sirica of the U.S. District Court that dismissed an action brought by the Select Committee to enforce its subpoenas requesting certain tape recordings which were in the possession of the President. The dismissal followed a finding that there is no statute upon which the suit could be based. This Act provides the necessary jurisdiction for the district court.

Watergate Grand Jury Extension (P.L. 93-172, approved November 30, 1973)—The Congress provided for two six-month extensions of the Watergate grand jury of the District of Columbia, which is hearing evidence concerning the break-in at the Democratic National Committee and related matters. Under current law, which limits grand juries to 18 months, the term of the Watergate grand jury was scheduled to expire on December 4, 1973. This measure makes the first six-month extension mandatory but leaves the second extension to the discretion of the District Court if it determines that the business of the grand jury will not be completed at the end of the legislatively authorized time.

Federal Prisoners, Limits of Confinement (H.R. 7352 passed the House September 17, 1973. Passed Senate amended October 8, 1973)—The House passed legislation expanding existing law to permit more use of furloughs to aid prisoners in adjusting to non-prison community life. Existing law allows 30-day furloughs for work, training, or emergency circumstances. The bill would allow furloughs for inmates to establish or re-establish family or community ties or for any other significant reason consistent with the public interest. Individuals would be carefully selected for the furloughs, and only non-dangerous inmates would be considered. The Senate passed the measure with an amendment authorizing a program of compensation for innocent victims of crime.

SCIENCE AND ASTRONAUTICS

NASA Authorization (P.L. 93-74, approved July 23, 1973)—Congress reinstated several terminated and postponed space programs in the NASA Authorization Act for fiscal 1973. Among the space programs reinstated are the second Earth Resources Technology Satellite, postponed in January from late 1973 to 1976, to survey earth resources with cameras and sensors; an increase in programs of solar energy research; development of a quiet aircraft engine; development of a quiet, experimental short take-off and landing aircraft; and continuation of a program in space nuclear propulsion. The total authorization Congress approved was $288,650,000, an amount less than that authorized for NASA in fiscal 1973. Although it represents the lowest funding level for NASA since fiscal 1962, it is $48.5 million more than the amount requested by the Administration for fiscal 1974.

National Science Foundation Authorization (P.L. 93-96, approved August 16, 1973)—Congress authorized $635.6 million for the National Science Foundation in fiscal 1974, an amount $53 million more than the Administration requested. The main increases were approved for energy and other basic research programs and for applied research science education and training. The measure requires the NSF to spend not less than $25 million for energy research programs, and authorizes additional amounts for earthquake prevention engineering, oceanography programs, institutional improvement of science, graduate student report, and for science education improvement. The Act also prohibits the Foundation from supporting research on live human fetuses outside the womb in the United States or abroad.

SOCIAL WELFARE

Social Security Benefit Increases (P.L. 93-233, approved December 31, 1973)—To help senior citizens keep up with the cost of living and face the impact of a record-breaking inflation in 1973. Congress approved a two-step social security increase which will raise benefits for 29 million Americans by eleven percent by June 1974, rising by seven percent in March and by an additional four percent in June. To finance this increase the social security tax wage base will go from this year's $10,800 to $13,200 on January 1, but the social security tax rate, which is 5.85 percent for both employee and employer, will not change. The average monthly benefit for elderly couples will increase from the present $277 to $310. President Nixon has continually threatened a veto of any increase in social security outlays before the new fiscal year starting next July, saying that the legislation would be inflationary.

Older Americans Service Amendments (P.L. 93-29, approved May 3, 1973)—On its own initiative Congress greatly expanded benefits for our older Americans although President Nixon had pocket vetoed similar legislation in October 1972. In enacting P.L. 93-29, Congress extended and expanded Federal grants for programs to assist the elderly, authorized under the Older Americans Act of 1965, through fiscal year 1975. The compromise legislation removes the Administration on Aging from HEW's Social and Rehabilitation Service and places it directly under the Secretary of HEW. It establishes a national information clearinghouse on the aging to collect, analyze and distribute information on the needs of older Americans. The Act also provides Federal grants to States and communities for social service programs for the aged and authorizations for grants for training and research in the field of aging, and for acquisition and staffing of multi-purpose senior citizen centers. Funds are also authorized for the National Older Americans Volunteer Program, Foster Grandparents, and other senior volunteer programs.

Child Abuse Prevention and Treatment Act (P.L. 93- , approved December , 1973)—Realizing the responsibility of the Federal Government to demonstrate leadership in helping address the appalling problems of abused and neglected children, Congress acted to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and to establish a National Center on Child Abuse and Neglect. The National Center will compile, analyze, and publish annually, a summary of research on child abuse and neglect and develop an information clearinghouse on child abuse programs and publish training materials for personnel in fields dealing with child abuse and neglect. Technical assistance will be provided to public and nonprofit agencies and organizations concerned with this problem. A National Advisory Board on Child Abuse, created by the Act, will assist in coordinating Federal programs and activities, developing standards for such programs, and preparing reports on the programs.

Domestic Volunteer Service Programs (P.L. 93-113, approved October 1, 1973)—In keeping with the American spirit of assistance to those less fortunate in our society, Congress authorized funds for our domestic volunteer programs including VISTA, the university year action, the retired senior volunteer program, the service corps of retired executives, and the foster grandparent program. For the first time, Congress has given legislative authority to ACTION, created through an executive reorganization plan in 1971 to coordinate the Peace Corps and all other domestic volunteer programs sponsored by the Federal Government, and has consolidated all domestic volunteer programs sponsored by the Federal Government under one Act. Congress also has provided for several new voluntary activities designed to place special emphasis on the problems of poverty and other human social and environmental problems. Among these are the senior companions program and a program for senior health aides. Emphasis is placed on encouraging minority group participation in all of the programs administered under the Act.

Supplemental Security Income (P.L. 93-66, approved July 9, 1973)—Amendments enacted earlier this year by Congress provide for a boost in payments for up to six million needy blind, disabled and aged persons. The effective date in P.L. 93-66 is stated as July, 1974. However, in subsequent legislation Congress set January, 1974 as the effective date when the Federal Government assumes responsibility over the State welfare programs assisting these persons. Current beneficiaries are to be protected from any loss of payments as a result of the changeover.

Legal Services Corporation (H.R. 7824 passed the House June 21, 1973)—The House passed legislation that would establish an independent corporation to replace the Office of Economic Opportunity's legal services program. Under the OEO program, more than 2,250 lawyers have assisted the poor in about 900 neighborhood law offices. The bill would establish an eleven-member board to run the corporation, with all members appointed by the President and subject to Senate approval. A majority of the board would have to be lawyers, and only six could be of the same political party. Terms would be for three years. Authorization for the corporation would be set at $71.5 million for fiscal 1974, expanding gradually to $95 million for fiscal 1978. The corporation's board would be empowered to make grants to individuals, partnerships, firms, State or local appropriate entities to provide legal assistance to the poor. State advisory councils would oversee local programs. Curbs on political activities of full-time poverty lawyers would be tightened and several restrictions would be extended to part-time poverty lawyers. A lawyer receiving more than half of his income from the Legal Services Corporation could not, even in his off time, be involved in voter registration drives or in transporting voters to the polls, nor could he take an active part in political campaigns. A ban on lobbying was extended to poverty lawyers, including Congress, State legislatures, or any other legislative body. The only exception would be if a legislative body issued a formal invitation for them to testify. Poverty lawyers could not receive full-time compensation for off-the-job practice of law; furnish legal counsel to persons whose lack of income resulted from their refusal, without good cause, to seek or accept employment; or handle for personal gain a personal injury or other profitable case. The bill would also prohibit funding by the corporation of any proceeding or litigation relating to the desegregation of schools or institutions of higher education. Other restrictions would be placed on lawyers handling abortion and child abuse cases.

TRANSPORTATION AND COMMUNICATIONS

Federal Aid Highway Act (P.L. 93-87, approved August 13, 1973)—Congress has approved a precedent-setting highway construction bill which, for the first time since the Federal highway program was established in 1956, allocates funds for urban mass transit. Cities will be permitted by 1976 to finance a portion of their urban mass transit projects, including subways, from the Highway Fund. The Act extends highway programs, including the interstate system, for three years (1974-1976) and includes authorizations to be drawn from the trust fund, totaling $6,049,000 for fiscal 1974, $6,851,000 for fiscal 1975 and $7,010,000 for fiscal 1976. Also for the first time, the urban share of Highway Trust Fund authorizations match authorizations for rural highway needs for the three-year period of the bill, at a level of $10.7 million in fiscal 1974 and $11 million for each of fiscal 1975 and 1976. Along with the trust funds authorized for mass transit, Congress approved additional contract authority for the Urban Mass Transportation Administration in the Transportation Department for grants and loans to States and local public bodies for mass transit projects.

Urban Mass Transportation (S. 386 passed the House October 3, 1973. In conference)—For the first time ever, both Houses approved legislation offering deficit-ridden, urban mass transit companies Federal subsidies for operating expenses to supplement revenues derived from passenger fares. This legislation provides non-matching operating subsidies for fiscal 1974 and 1975. The assistance under the proposed Act is to be made on a formula based upon the following three factors: population of the area served by the mass transportation system; total number of revenue population carried by the system; and total revenue vehicle miles traveled by the system. The three factors for each eligible applicant are to be weighed against all eligible applicants. Mass transportation systems receiving benefits under the operating subsidy provision must provide half fare for the elderly and handicapped during non-peak hours. In order to be eligible for grants under the House version the applicant must submit to the Secretary of Transportation a comprehensive mass transportation service improvement plan. Grants for operating assistance are to be a flat 100 percent grant. The House version also requires model cities transit programs to comply with labor provisions of the Urban Mass Transportation Act, increases special mass transportation services for the elderly and handicapped, and provides for State and local Mass Transportation Advisory Councils. It permits grants for evaluation as well as planning, and requires a study of transportation needs of rural and other non-urban areas.

Airport Development Acceleration Act (P.L. 93-44, approved June 18, 1973)—This year Congress increased the annual authorization level for airport development grants from $280 million to $310 million and raised from 50 to 75 percent the Federal share of construction costs, except at the largest airports in the country. The bill bans the use of airline passenger fees (head taxes) collected previously at 44 of the Nation's airports, and increases the Federal share for airport safety and security equipment assistance to 82 percent from 50 percent. The development grants in the measure would come from the Airport and Airway Trust Fund and therefore would not drain the general tax revenues. A similar measure was pocket vetoed in 1972.

Regional Railroad Reorganization (P.L. 93-236, approved January 2, 1973)—With six of our Nation's railroads in the Northeast bankrupt, Congress approved legislation establishing a new railroad corporation to replace the region's six companies. To do so, Congress authorized funds to design the new system from existing lines of the six companies. The Act provides that a new profit corporation with federally guaranteed loans will buy out the creditors of the companies, repair tracks and operate the system. A new government agency will supply the loan guarantees to both the new corporation and to non-bankrupt railroads in that region. Funds are also authorized for labor settlements which guarantee existing salary levels for every railroad employee.

Amtrak Improvement Act (P.L. 93–146, approved November 3, 1973)—Amid controversy over operation of the National Railroad Passenger Corporation (Amtrak), the Congress voted to give increased authority to the Corporation to manage the Nation's passenger rail system while seeking to strengthen Amtrak's bargaining position with the railroads which operate passenger trains. The measure also limits executive branch control over the corporation's budget. Congress approved an authorization of $154.3 million in fiscal 1974 for Amtrak, and agreed to a loan guarantee authority increase to $500 million from $200 million. Amtrak is required to continue operating service along its basic route system through fiscal 1974.

Public Broadcasting Authorization (P.L. 93–84, approved August 6, 1973)—Subsequent to a presidential veto of funding for the Public Broadcasting Corporation in 1972, Congress passed a compromise measure authorizing $120 million over two years for the Corporation. The vetoed bill called for a funding level of $155 million for fiscal 1973. Congress subsequently cleared a one-year authorization of $45 million for fiscal 1973 only to have appropriations vetoed by the President as part of the Labor-HEW Appropriations Act for 1973. The new funding measure requires that public broadcasting stations receiving Federal funds maintain audio recording logs of all programs on which public issues are discussed. It further requires that $10 million be raised by the Corporation as matching grants from nonfederal sources bringing the total two-year authorization to $130 million. A total of $25 million in fiscal 1974 and $30 million in fiscal 1975 is authorized for construction of public broadcasting facilities.

VETERANS

Veterans Health Care Extension Act (P.L. 93–82, approved August 2, 1973)—Despite a presidential veto in 1972 of similar legislation, Congress quickly approved comprehensive veterans' health care legislation, a significant step forward on behalf of the health care of all veterans. The Act extends outpatient care privileges to veterans currently eligible for hospital care to peacetime veterans and to those 80 percent or more disabled because of a service-related cause. It also extends VA medical care to certain dependents and survivors of veterans. In addition, Congress directed the VA to develop a health manpower training program and to study the staffing needs of VA hospitals; to set up a VA program for treatment of sickle cell anemia; to require the VA to staff and maintain enough hospital beds to admit all eligible veterans in need of care and to double the number of VA nursing home beds to 8,000.

Veterans Disability Benefits Increase (P.L. 93–177, approved December 6, 1973)—Concern over the effects of domestic inflation on veterans' pensions prompted Congress to approve an increase in the monthly payments to single and married veterans. The approximate ten percent increase would also raise the pensions received by widows and children of deceased veterans, surviving parents of veterans, and veterans under hospital care.

Veterans National Cemetery Act (P.L. 93–43, approved June 18, 1973)—After a presidential veto of similar legislation in the 92nd Congress, a second effort proved successful. In enacting P.L. 93–43 Congress increased veteran funeral and burial allowances and established national cemetery system to be administered by the Veterans Administration. A special plot allowance of $150—in addition to the existing VA allowance for burial and funeral expenses of $250—for veterans not buried in a national or other Federal cemetery was authorized, with additional benefits of up to $800 provided for veterans who die of service-connected disabilities. Finally, the Act directs the VA to conduct a comprehensive study of the U.S. national cemetery system and burial policy.

Tax Treatment for Prisoners of War (H.R. 8214 passed the House August 3, 1973)—To assist our prisoners of war and the families of those missing in action, the House amended present law to provide certain relief for military and civilian personnel returning from the Vietnam conflict and the families of those individuals who are listed as missing in action and are subsequently determined to have died at an earlier time. First, the bill would extend the provision under present law which permits military personnel who are hospitalized as a result of service in a combat zone to exclude military pay they receive during the period of hospitalization to cover for a period of time the pay they receive while hospitalized after all combatant activities have terminated. Since the exclusion under present law only applies during the period in which they are in combatant activities in a combat zone, the bill would extend this exclusion for a period of time to cover a member of the Armed Forces who was hospitalized for an injury incurred in a combat zone in the waning days of the Vitenam War. Second, the bill would extend the provision which forgives another provision, in the case of a member of the Armed Forces who dies while serving in a combat zone to cover the period he is in a missing status even though it is subsequently determined that he actually died at an earlier time. The House felt it appropriate to prevent any additional hardship to his family which could result from the collection of taxes for years following his actual death, and therefore extends his forgiveness to cover the years a serviceman is in missing status until his status is changed. The measure would provide that the widow be eligible for surviving spouse tax treatment for the two years following the year in which her husband's missing status is changed rather than the two years following the year of actual death.

VETOES

Vocational Rehabilitation (S. 7 vetoed by the President March 27, 1973)—President Nixon vetoed for the second time in less than a year a program that passed both Houses of Congress with overwhelming bipartisan support and had successfully brought opportunity and hope to thousands of physically handicapped Americans. This bill cut the legislation the President vetoed in 1972 by nearly a billion dollars, reducing it to an amount less than what was appropriated for the program in either fiscal year 1971 or 1972. The President particularly objected to funds contained in the bill for patients suffering from kidney disease, spinal cord injuries and other severe handicaps. A significantly reduced rehabilitation bill was finally signed into law September 26, 1973.

Rural Water and Sewer Grants (H.R. 3298 vetoed by the President April 5, 1973)—On January 10, 1973 President Nixon abruptly terminated the rural water and sewer grant program which he had labeled as "praiseworthy" the year before. By a vote 297 to 54 the House directed the Secretary of Agriculture to restore full funding for this successful program which had received consistent bipartisan support and was crucial for pollution control and health in rural America. Since 1965 more than 2,650 rural water and waste disposal systems had been assisted with the grant money provided by this program. Without federal assistance many small, poor communities throughout the country could not possibly pay for the construction and maintenance of sophisticated water and sewage plants.

Confirmation of Director and Deputy Director of the Office of Management and Budget (S. 518 vetoed by the President May 18, 1973)—This bill would have abolished the offices of Director and Deputy Director of the Office of Management and Budget and then recreated these offices, making them subject to Senate confirmation. In vetoing the measure, the President termed it "a back-door method" to force removal of the incumbent Director and Deputy Director. Passage of the bill reflected the concern of Congress in asserting congressional control over budgetary decisions as well as a more immediate interest in subjecting high ranking officials to the constitutional requirement of Senate confirmation.

Second Supplemental Appropriation Act of 1973 (H.R. 7447 vetoed by the President June 27, 1973)—Both Houses approved in a fiscal 1973 supplementary appropriation of $3,362,845,279 an amendment prohibiting immediately funds in the bill and in previously enacted legislation from being used to support U.S. combat activities in or over Cambodia or Laos. It was the first time since the United States became involved in the Indochina War that both chambers had approved a bombing restriction provision. The President, however, vetoed the bill. With mounting congressional sentiment against continued involvement in Indochina conflicts, the Administration intimated that it could accept compromise that would allow the President to continue the bombing for two or three months while negotiations to reach a cease-fire in Cambodia continued. The day after a veto, the House attached a similar bombing restriction to a continuing resolution for fiscal 1973. Congress approved legislation requiring the President to cease U.S. bombing in Indochina after August 15.

Emergency Medical Services System Act of 1973 (S. 504 vetoed by the President August 1, 1973)—This vetoed bill would have authorized the expenditure of $185 million over the next three fiscal years to help State and local jurisdictions establish emergency medical systems. Funds would have been used for training of ambulance attendents and other emergency personnel, improved transportation for emergency victims, expansion and upgrading of emergency rooms. The closing of eight PHS hospitals, previously announced by the Administration, would have been prohibited, because HEW failed to show that patients would receive equal or better medical care at other facilities. The emergency medical services provided in the bill would save an estimated 60,000 lives annually. That includes some ten percent of the current annual 275,000 coronary fatalities (by American Heart Association estimates) and fifteen to twenty percent of the 55,000 annual traffic deaths.

Minimum Wage Act (H.R. 7935 vetoed by the President September 6, 1973)—H.R. 7935 would have required wage increases for four million of the nation's worst paid workers—some five percent of the work force—and would have extended minimum wage coverage to seven million additional employees, including domestic employees, government employees, certain employees of conglomerates, retail and service employees of chain stores, and others. The minimum wage earner has lost ground since the last increase in 1966, which boasted the minimum to the poverty level. Today, even at $2 an hour, the full-time worker would gross only $4,000 a year, less than the poverty level of $4,200 net for a non-farm family of four, and he would enjoy less purchasing power than he had with the pre-1966 minimum of $1.25. The cost of living has risen one-third since 1966; even to keep pace, the minimum wage would have to be raised to $2.13 immediately. The vetoed bill would have raised the minimum wage from its present level of $1.60 an hour to $2 on November 1, 1973 and to $2.20 by July 1, 1974 for workers covered before 1966; non-farm workers covered after 1966 would have risen in four steps to $2.20 by July 1, 1976; farm workers would have risen in four steps to $2.20 by July 1, 1976. The bill would have covered 935,000 domestic workers for the first time, with a $1.80 minimum in November and $2.20 by July 1975. Today, half of all domestics earn less than $1 an hour—a liveable wage nowhere in the U.S. While the President called the legislation inflationary, the non-inflationary character of wage increases at this level has been recognized by the Cost of Living Council which indicated it had no interest in wages below $3.50 per hour. The U.S. Chamber of Commerce and all responsible economists deny that increases in the minimum wage are inflationary. Secretaries of Labor Hodgson and Shultz issued reports to this effect. The bill would have increased the annual wage bill for American workers by less than four tenths of one percent. In a trillion-dollar-plus economy, this is hardly an inflationary force. A major point of contention was the subminimum wage for youth, which the Administration strongly backed for broad categories of young workers. The Congress rejected this in favor of a limited subminimum for full-time students working in certain occupations. The Congress determined that a general youth subminimum would violate the basic objective of the law—that of raising the wages of the poorest paid who are in no position to bargain for themselves. The Administration's youth subminimum wage would exploit youth and threaten the jobs of breadwinners and heads of households—simply moving unemployment to the older group.

Small Business Amendments (S. 1672 vetoed by the President September 24, 1973)—Congress amended the Small Business Act to increase to $6.6 billion, from the existing $4.3 billion ceiling, the authority of the Small Business Administration to provide loans to small firms in the event of natural disasters. Effective April 20, 1973 to July 1, 1975, disaster relief loans would have been available to victims of disasters from the Small Business Administration and the Farmers Home Administration. The proposed Act would have authorized a uniform program of disaster loans at three percent with $2,500 forgiveness, or one percent of the total amount and would prohibit sex discrimination by the Small Business Administration. Special consideration would have been given to veterans and survivors. The President objected to the repayment features which included very low interest repayment rates, the "forgiveness" clause, and to the increased outlay of expenses necessary to assist those hurt most by natural disaster.

USIA Authorizations (S. 1317 vetoed by the President October 23, 1973)—Congress authorized $216,775,000 for the U.S. Information Agency for fiscal 1974 in a bill vetoed by the President because of an amendment claimed to be an unconstitutional encroachment of executive authority. The provision would have required a cutoff of funds for the USIA if the Agency failed to respond within 35 days to a written request of either the House Foreign Affairs or the Senate Foreign Relations Committees for documents or other information relating to the Agency. Subsequently, Congress approved USIA authorization of $215,614,000 for fiscal 1974 and barred the use of any appropriation for programs that had not been authorized or any appropriation that was above the amount authorized for fiscal 1974, excluding continued funding resolutions.

War Powers Resolution (P.L. 93–148, without approval November 7, 1973)—Congress reasserted its constitutional role in the warmaking area by placing restraints on the authority of the President to commit U.S. forces to hostilities without congressional consent. This historical move came about after the President, and in the absence of any congressional declaration of war, conducted massive air bombardment over Cambodia and Laos after the signing of the Paris accords and return of U.S. troops and POWS. Even after a record of opposition by both the House and Senate to the bombing, President Nixon vetoed legislation providing for a cutoff of funds. Subsequent congressional investigations revealed a pattern of secret bombings of Cambodia and Laos, activities conducted despite congressional prohibitions against invasion from land, air, or sea. The facts were concealed from the public and Congress until uncovered in investigations. Congress was compelled to restrain the President by forcing him to terminate bombing after August 15 of this year. Congress subsequently gave final approval to the War Powers Resolution, which requires consultation with Congress if at all possible in advance of any introduction of U.S. forces to hostilities, and a full report to Congress within 48 hours after taking such action. If Congress does not expressly authorize the commitment, the President must withdraw troops within 60 days (a 30 day extension is permitted if the safety of troops so requires). Anytime after the commitment of forces, the Congress could mandate immediate withdrawal through passage of a concurrent resolution—which is not subject to veto. In addition, the resolution stipulates that none of its provisions are to be construed as granting any authority to the President that he would not have had in the absence of the resolution. The power of the President to commit forces is defined to include only situations where Congress had declared war or provided other statutory authorization, or when a national emergency exists because of attack on the U.S. or its forces. The President, claiming that the resolution imposed "unconstitutional and dangerous" restrictions on the President's warmaking authority vetoed the measure on October 24, only to have both Houses override the veto on November 7.

OTHER

Bicentennial Administration (P.L. 93–179, approved December 11, 1973)—In an effort to better coordinate the activities of State, local and private groups in preparation for the American bicentennial, Congress changed the American Bicentennial Commission to the American Bicentennial Administration. The new Administration will have an eleven-member advisory board and a 25 member policy council to replace the Commission's 50-member board, with Senate confirmation of a presidentially appointed administrator. The board is to elect a director from its membership. The Act provides a $20 million matching grant program that would allocate approximately $200,000 to States and territories for bicentennial activities, and authorizes $410 million annually for administration of the programs. By this action Congress can be better assured that our 200th birthday as a Nation will be appropriately celebrated.

Indian Claims Commission (P.L. 93–37, approved May 24, 1973)—Congress authorized $1.2 million for the operation of the Indian Claims Commission increasing by $900,000, to $2.7 million the Expert Assistance Revolving Loan Fund, which enables Indian plaintiffs to borrow money at 5 percent interest to hire experts in the preparation of claims. Established in 1946, the Commission is to be terminated in 1977 at which time pending cases are to be transferred to the U.S. Court of Appeals.

National Biomedical Research (H.R. 7724 passed the House May 31, 1973. In conference)—To prevent an Administration decision to stop awarding medical research training grants and fellowships in fiscal 1973, the House and Senate passed legislation guaranteeing the program's continuation. The House version would extend these existing research grant and fellowship training programs through fiscal 1975 and add new requirements for post-graduate service in the research and training field. The Senate version would provide for the same and also set up a new unified training program of national research training awards and a new commission to develop regulations to protect the rights of humans in research.

Professional Sports-TV Blackouts (P.L. 93–107, approved September 14, 1973)—This Act amends the Communications Act of 1934 to provide that if any game of a professional sports club is to be televised pursuant to a league television contract and all tickets for seats made available 120 hours (5 days) or more before the scheduled beginning time of the game have been purchased 72 hours (3 days) or more before such time, no agreement preventing the televising of such game at the same time and in the area in which the game is being played would be valid. The person or persons having the rights to telecast the game locally would be required to make those rights available to a television broadcast licensee on reasonable terms and conditions.

Export Administration Act Amendment (H.R. 8547 passed the House September 6, 1973)—The House gave the President new flexibility and more authority to control exports of materials and commodities. The President's expanded authority would allow him to impose controls to protect the domestic economy from an excessive drain of scarce materials or to reduce the serious inflationary impact of abnormal foreign demand. Under existing law the President could impose controls on exports only if conditions both of an excessive drain of scarce materials and an abnormal foreign demand existed. The bill requires the Secretary of Commerce to make public each week forecasts of domestic demands on materials and commodities subject to export controls. It also authorizes the formation of a technical advisory committee to evaluate technical matters, licensing procedures, materials availability and other matters.

Franking Privilege (P.L. 93–191, approved December 18, 1973)—Congress passed legislation to clarify the proper use of the franking privilege by Members of Congress. The Act provides that mass mailings (defined as newsletters and similar mailings of more than 500 substantially identical pieces) may not be mailed less than 28 days before any election in which a Member is a candidate for public office, except for mailings—(1) in direct response to inquiries of requests; (2) to colleagues in Congress or to Federal, State, or local officials; and (3) of news releases to the communications media. The Act also allows postal patron mailings by Members of the House in the same manner as is presently utilized today, and prohibits consideration of the cost for franked mail, notwithstanding any Federal, State or local law to the contrary, as a contribution to or expenditure with respect to any limitation on campaign expenditures. In addition, a provision allows costs due to the Postal Service for the sending of Mailgrams to be paid for under the frank.

Attorney General's Pay (P.L. 93–178, approved December 10, 1973)—Congress took action to lower the salary of the Attorney General to pre-1969 levels to eliminate the constitutional ineligibility of the nominee by the President for that office, Senator William Saxbe. The Constitution states that "No Senator or Representative shall, during the Time for Which he was elected, be appointed to any civil office under the Authority of the United States, which shall have been created, or the Emoluments whereof shall have been increased, during such time." Since Congress had voted to increase the salary of the Attorney General during the tenure of Mr. Saxbe as Senator, Congress cleared the way for eligibility of the President's nominee by reducing the salary from its present level of $60,000 to the pre-1969 level of $35,000.

APPROPRIATIONS ACTIVITY

[Thousands of dollars]

Bill title and number	Budget request	House action to date	Senate action to date	Conference action	Public Law
FISCAL YEAR 1973					
Urgent supplemental, 1973 (H.J. Res. 496)	$1,340,000	$1,341,800, passed, amended (Apr. 12, 1973).	$1,341,800, passed, amended (Apr. 17, 1973).	$1,341,800	93-25.
Second supplemental, 1973 (H.R. 9055)	$3,496,731	$3,321,420, passed (June 29, 1973).	$3,321,420, passed (June 29, 1973).	$3,321,420	93-50 (July 1, 1973).
FISCAL YEAR 1974					
H.J. Res. 636 (continuing)		Passed (June 26, 1973).	Passed, amended (June 29, 1973).		93-52 (July 1, 1973).
H.J. Res. 727 (continuing)		Passed (July 25, 1973).	Passed, amended (Oct. 3, 1973).		93-124 (Oct. 16, 1973).
H.J. Res. 748 (par value modification)	$2,250,000	$2,203,000, passed (Oct. 4, 1973).	$2,203,000	$2,203,000	93-142 (Oct. 26, 1973).
H.J. Res. 753 (continuing)		Passed (Oct. 3, 1973).	Passed (Oct. 3, 1973).		93-118 (Oct. 4, 1973).
H.R. 6691 (legislative branch)	$677,151	$550,045, passed (Apr. 18, 1973).	$640,559, passed, amended (July 19, 1973).	$605,190	93-145 (Nov. 1, 1973).
H.R. 8619 (Agriculture—environmental and consumer protection)	$9,519,551	$9,385,738, passed (June 15, 1973).	$10,176,926, passed, amended (June 28, 1973).	$9,927,667	93-135 (Oct. 24, 1973).
H.R. 8658 (District of Columbia)	$432,998	$427,717, passed (June 18, 1973).	$417,717, passed, amended (July 20, 1973).	$417,717	93-91 (Aug. 14, 1973).
H.R. 8760 (Transportation and related agencies)	$2,955,435	$2,662,871, passed (June 20, 1973).	$2,868,991, passed, amended (July 28, 1973).	$2,808,086	93-98 (Aug. 16, 1973).
H.R. 8825 (HUD)	$18,617,453	$19,070,954, passed (June 22, 1973).	$19,118,373, passed, amended (June 30, 1973).	$19,056,500	93-137 (Oct. 26, 1973).
H.R. 8877 (Labor and HEW)	$33,733,904	$32,816,467, passed (June 26, 1973).	$33,396,379, passed, amended (Oct. 4, 1973).	Recommitted	
H.R. 8916 (State, Justice, Commerce, the judiciary, and related agencies)	$4,522,901	$4,152,946, passed (June 29, 1973).	$4,459,478, passed, amended (Sept. 17, 1973).	$4,466,012	93-162 (Nov. 29, 1973).
H.R. 8917 (Interior and related agencies)	$2,377,467	$2,269,554, passed (June 27, 1973).	$2,488,774, passed, amended (Aug. 1, 1973).	$2,443,137	93-120 (Oct. 4, 1973).
H.R. 8947 (Public Works for water and power development and AEC)	$4, 757, 469	$4,676,395, passed (June 28, 1973).	$4,772,082, passed, amended (July 23, 1973).	$4,749,403	93-97 (Aug. 16, 1973).
H.R. 9590 (Treasury, Postal Service, and general government)	$5,373,345	$4,844,723, passed (Aug. 1, 1973).	$5,123,352, passed, amended (Sept. 5, 1973).	$5,233,189	93-143 (Oct. 31, 1973).
H.R. 11459 (military construction)	$2,980,300	$2,609,090, passed (Nov. 14, 1973).	$2,670,972, passed, amended (Nov. 20, 1973).	$2,658,861	93-194 (Oct. 12, 1973).
H.R. 11575 (DOD fiscal year 1974)	$77,250,723	$74,101,309, passed (Nov. 30, 1973).	$73,264,617, passed, amended (Dec. 12, 1973).	$73,714,930	93-238 (Feb. 1, 1974).
H.R. 11576 (supplemental)	$1,428,790 (Nov. 30, 1973).	$1,432,686, passed (Nov. 30, 1973).	$1,891,425, passed, amended (Dec. 12, 1973).	$1,703,125	93-245 (Mar. 1, 1974).
H.R. 11771 (foreign assistance)	$6,866,567	$5,883,912, passed (Dec. 11, 1973).	$5,612,402, passed, amended (Dec. 17, 1973).	$5,780,434	93-240 (Feb. 1, 1974).

MY FRIEND ERNEST S. PETINAUD

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. NATCHER. Mr. Speaker, I rise to salute my friend, Ernest S. Petinaud, who will retire next week after serving a great many years in the House restaurant and in other capacities as an employee of the House of Representatives.

His concept of public trust is without parallel and words are inadequate to fully describe his tremendous capacity for loyalty and love of his country and of the House of Representatives. In every position that he held, he achieved distinction and his service in all of his assignments was marked by a high sense of conscience and duty.

Mr. Speaker, his outstanding moral and intellectual qualities have endeared him all down through the years to every Member who served in the House during this time. He has always been patient and understanding and has had the friendship of every Member of the House who served during his tenure.

I have always enjoyed our friendship and again, Mr. Speaker, I salute my friend, Ernest S. Petinaud and want to wish him and his lovely wife the best of everything in the future.

ERNIE PETINAUD, A GENTLEMAN WE ALL ADMIRE

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. HOLIFIELD. Mr. Speaker, I have served in the House for 31 years. When I first arrived in Congress in 1943, Ernest Petinaud was the major domo of the House Dining Room. He has served the Members of the House for almost 40 years. He has served all of us with fairness and unfailing good humor. Ernie has earned the admiration and friendship of every Member. To many of us he has become a friend and has in fact become one of the legendary institutions of the House.

We who have known him for so many years will miss him and the atmosphere of cordiality which has been so much a part of the Dining Room of the House will somehow be lacking.

We wish Ernie and his devoted wife the best of health and happiness. We hope that they will enjoy their years of retirement and that their years of happiness and good health will be many.

AIDING THE SMALL COAL OPERATOR

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. MILLER. Mr. Speaker, today I introduced into the House a bill that has great significance for the small coal operators throughout the country. The bill exempts owners and partners, who do not employ others, from some of the burdensome provisions of the Coal Mine Health and Safety Act of 1969. That act was drawn up with large coal corporations in mind. The act has extensive equipment and safety requirements in it that are not practical when we talk about a small mining operation by brothers or partners who are the sole workers in the mine. The act is designed to protect employees in large mining operations. When applied to the small coal operator it attempts to protect self-employed miners from themselves.

In these small mines there are no employees to protect, but there are the interests of those who depend on their coal. There are still hundreds of these small mines around the Nation. If they are forced to comply with the present act they will be put out of business, as many already have been. They cannot possibly afford the expensive machinery the act requires. Their thousands of customers will be forced to look for new energy sources or go cold. Adoption of the amendment I have introduced today will prevent this tragedy from taking place.

ASHER H. ENDE, DEPUTY CHIEF OF COMMON CARRIER BUREAU TO RETIRE

HON. GALE W. McGEE

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Saturday, December 22, 1973

Mr. McGEE. Mr. President, on December 21, 1973, the retirement of Ashe Ende as deputy chief of the Common Carrier Bureau of the Federal Communications Commission was announced.

Not only is Mr. Ende a personal friend of mine, but he also has been a respected and stalwart member of the FCC for 27 years. He has earned the well-deserved reputation for being one of the most effective and public service minded members of any Federal regulatory agency. For these reasons I regret his decision to retire since his dedicated public spirit will be sorely missed.

The notification of his retirement was released last Friday by the FCC and a story appeared in the business, finance section of the Washington Star-News on the same day.

I ask unanimous consent that both the Washington Star-News and the FCC announcement be printed in the RECORD.

There being no objection, the article and FCC announcement were ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, Dec. 21, 1973]

FCC REGULATOR QUITS

(By Stephen M. Aug)

One of the toughest regulators at the Federal Communications Commission decided to leave the agency immediately after the commissioners announced the appointment of a new chief of its bureau that regulates the telephone industry.

The twin moves could well have considerable significance for the future telephone regulation at the commission, since the individual who is leaving is chief of a longstanding FCC investigation into American Telephone & Telegraph Co.

"If the commission, which has the right to pick its own bureau chiefs, doesn't like my brand of regulation, that's their prerogative, and I shouldn't stay." Asher Ende, 59, deputy chief of the common carrier bureau, said yesterday after word of his early retirement filtered out of the agency.

Ende, in addition to being deputy bureau chief, had been for three years managing counsel of the commission's AT&T Task Force.

The six commissioners announced the appointment of Walter R. Hinchman as chief of the bureau. Hinchman, a former assistant director of the White House Office of Telecommunications Policy, has been for the past year chief of the FCC's Office of Plans and Policy.

Hinchman, who holds a bachelor's degree in physics from Ohio State University, has spent 13 years in the federal government, seven of them with the Central Radio Propagation Laboratories of the Department of Commerce.

Hinchman also served on two White House task forces on domestic satellites. One, appointed by President Lyndon B. Johnson, recommended a pilot domestic satellite system to be set up solely by Communications Satellite Corp. The second, appointed by President Nixon, recommended a virtually opposite "open skies" approach—allowing anyone technically and financially qualified to set up a satellite system. The FCC bought the Nixon task force view.

The twin moves—Hinchman's appointment and Ende's departure—came on top of the early retirement of Bernard Strassburg, long-time chief of the Common Carrier Bureau. Strassburg announced his retirement earlier this month. Ende's retirement will be effective Dec. 31.

Ende, who came to the FCC along with Strassburg, has spent 27 years in the Common Carrier Bureau as a lawyer.

Asked about his "brand of regulation," Ende said he had been described once as "firm, unintimidated and irreverent. My brand of regulation is simply this: You get the facts, use your intelligence to analyze them, and call them as the facts require, without fear or favor of either regulated, the regulators or the consumer groups."

Ende has—when asked—been outspokenly critical of some policies of AT&T and its subsidiaries in the Bell System. He recalled that until recent years AT&T was reluctant to borrow, and had a lower debt ratio than probably any other utility. As a result, when interest rates were low, AT&T failed to borrow—and relied on more expensive equity financing—and only when interest rates "went through the ceiling in the 1969–71 period, it borrowed heavily.

"The reason AT&T needs so much money," he once told The Associated Press, "is because of poor management. If regulation merely covers up these mistakes, efficiency doesn't improve."

Ende declined to speculate on the future of the task force which he has directed—a group which is looking into the relationship of AT&T with its supply subsidiary, Western Electric, and into the manner in which AT&T and its subsidiaries determine rates and make investment decisions.

But one other FCC official said the task force's chief attorney, Peter Anderson, is "considered extremely strong . . . and one hopes that things will go on."

After Hinchman was appointed to the top post in the bureau, the commissioners asked Ende to remain at the agency in his present positions as deputy and chief of the AT&T task force.

[From the FCC News, Dec. 21, 1973]

ASHER H. ENDE, DEPUTY CHIEF OF THE COMMON CARRIER BUREAU, TO RETIRE

Asher H. Ende, Deputy Chief of the Common Carrier Bureau for the past ten years announced today that he plans to retire at the end of the month. Ende, who has been employed by the Commission for almost 27 years, with special responsibilities in the international and satellite field, will be completing well over thirty-one years of service at year's end.

Ende began his service with the Federal Communications Commission as an attorney in the Common Carrier Division of the then Bureau of Law in February 1947. He served successively as Chief of the Rates and Revenues License Branch and as Administrative Law Judge before becoming Chief of the Office of Satellite Communications and Deputy Chief of the Bureau in 1963. He served as a member and chairman of U.S. Delegations to various international conferences. In September-October 1973 he was spokesman for the U.S. Government on the major working committee at the Plenipotentiary Conference of the International Telecommunications Conference.

As Chief of the Office of Satellite Communications, Ende was responsible for formulating policies with regard to the establishment of the international satellite communications system. He also served as the principal Federal Communications Commission member at the negotiations which resulted in the conclusion of the definite arrangements for Intelsat.

Since January 1970, Mr. Ende, in addition to other duties, had served as head of the Special Trial Staff established by the Commission to handle the investigation of AT&T's rate increase requests. He also was active in formulating policy in such areas as computer communications, interconnection, the Specialized Common Carrier decision, and domestic satellite proceeding.

Mr. Ende was a recipient of several awards for excellent service, including the highest cash award ever given by the Commission.

He was born in New York City in 1914 and received his B.A. from Brooklyn College. He also holds an LL.B. from Brooklyn Law School and a Master of Business Administration degree from New York University. Ende is a member of the District of Columbia, New York and United States Supreme Court Bars.

FULL DISCLOSURE

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. GUNTER. Mr. Speaker, people who hold public office must conduct themselves in a manner that inspires confidence and trust.

When I decided to enter public life, I did so voluntarily, recognizing that the holding of elective office entailed doing more than is required by law.

That is why when I offered myself first as a candidate for the House of Representatives from the Fifth Congressional District, I voluntarily chose to make public my Federal income tax returns for the prior 3 years.

All of us in Government and especially in the Congress have an obligation to demonstrate a frankness in our public and private lives that goes far beyond fulfilling merely what is required by law.

Which is why I filed a copy of my Federal income tax return for 1972 with the Committee on Standards of Official Conduct of the U.S. House of Representatives and instructed that it be placed in a file open for public inspection.

I intend to make this a practice throughout my career in elective office.

For the record, my 1972 return showed an adjusted gross income of $30,348.10

from my position as district manager of a general insurance agency in Orlando and as a member of the Florida State Senate.

This became a net income after taxes, expenses and exemptions of $14,267.68.

I make these figures available because I believe that the public has a right to know where an elected official receives his income and how he chooses to spend it.

NEW TECHNOLOGY WILL GIVE US ALL THE ENERGY WE NEED

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 19, 1973

Mr. CONLAN. Mr. Speaker, the House Science and Astronautics Committee, of which I am a member, took a major step forward today toward a long-term solution to our national energy problem.

The committee favorably reported out solar energy legislation, which I am cosponsoring, to provide for a 5-year program to test heating and cooling of residences and other buildings—under all weather conditions—with energy from the sun.

Experts testifying before our House Energy Subcommittee during hearings on this bill estimated that the demonstration project, to involve 6,000 homes, apartments, mobile homes, office buildings, factories, and schools, would put us well on the way toward heating and cooling more than a third of all buildings in the United States with low-cost, clean solar energy.

I certainly hope that this important legislation receives speedy consideration by the Congress so that we can get the Nation off dead center in developing this vital new and inexhaustible energy resource.

Mr. Speaker, I firmly believe that there is much more that Congress can do, and must do, to relieve our national energy crunch. It is not enough only to debate shortsightedness over the past several fuel shortages. Precisely this sort of shortsightedness over the past several decades caused the problems we now face.

We must think ahead with bold vision. We must realize that the American people will not accept—nor should they accept—a national policy of back-pedaling and lowering our standard of living.

This does not mean that we have to rape the Earth and squander precious natural resources to maintain a high quality of life. It simply means that we must put into gear the same old American commonsense and ingenuity that made us the greatest free Nation in the world, and pull ourselves out of this energy predicament with new and exciting technology.

That is our goal as members of the House Science and Astronautics Committee. And I earnestly hope that it is the goal of every Member of Congress and every official charged with sorting out our energy priorities.

A good article spelling out the infinite possibilities from harnessing energy of the Sun, the wind, heat under the Earth's crust, and even man's wastes, as alternatives to almost total reliance on conventional fossil energy sources is published in the current issue of National Review.

Its author, Stephen A. Kallis, Jr., is a computer systems expert with a major computer manufacturing firm, and his article further elaborates my view that technology can solve our energy woes if only we will get on with the job. I commend it to the attention of all my colleagues. The article follows:

A First Hurrah for Technology

(By Stephen A. Kallis Jr.)

In one very important sense, the energy crisis so much in the news is a fraud. The same can be said of many aspects of the various forms of environmental crisis. These problems are not in themselves insoluable; all too often, people just will not let them get solved. In fact, the only great crisis we are facing is that which I call the technology crisis. And that crisis can be identified as the unwillingness of many to let our technology solve the problems forming the other so-called crises.

A few background remarks are in order. First and most important, many judgments about technology and its supposed limitation are based on questionable assumptions. This has long been the case, of course. It was once "proven" that commercial heavier than air transport was impossible, because aircraft power plants would always remain as inefficient as the early ones. That a rocket could never reach the moon, since it must use as weak an explosive as nitroglycerine, and its upward acceleration could hardly exceed 32 feet per second. That electrical power generation to numerous private homes could not be achieved, because half the total electrical losses, in the form of heat, would occur at the generator. That one could never determine what the stars were made of, because the identification of chemicals required contact. And, most famous of all, that it was aerodynamically impossible for the bumblebee to fly, a thesis which depended upon treating him as a fixed-wing aircraft rather than as one wtih moving wings.

Second, many antitechnological arguments present only two "realistic" alternatives. A familiar example is that of the truck and the underpass. The truck reaches an underpass which the driver finds is one inch too low for clearance. Should he unload the cargo and restack it? Should he take a long detour? Neither. The solution is simply to let enough air out of the tires to permit the load to sink the necessary inch and then to drive through.

Third, our technologists are not credited with much ingenuity. Yesterday's impossibility becomes today's development and tomorrow's commonplace. There are many examples, but the most mundane is the transistor radio. Not so long ago, the idea of a shirt pocket size (or smaller) radio was considered comic book stuff. Today, most American teenagers own at least one such device.

Finally, many "opinion leaders" actively mistrust things technological. Their mistrust is all too often exceeded by their ignorance of technology, an ignorance generally cultivated from youth, when many of them cleverly avoided taking any course in science or mathematics beyond the required minimum.

HUMAN INGENUITY

The trouble with the antitechnological attitude, of course, is that problems just cannot be wished out of existence. To say that the answer to the gasoline crisis is seriously to curtail driving is no solution to the real problem. But it is a way to stifle development of the true solutions: substitutes for gasoline and new power sources.

In Devon, England an inventor named Harold Bate has developed a method of powering his car with common barnyard manure. He uses bacteria to convert his raw materials to methane gas, which enters the engine through a modified carburetor. Since Bate has been driving cars this way for 17 years, this can be called a proven system—and an alternative power source, high octane and pollution free.

The print? Simply that while some claim nothing can be done to cope with the car fuel problem, or insist that any available solution would be rife with geopolitical significance, the technologist just goes ahead and solves the problem. Today's municipal sewer may fuel tomorrow's municipal vehicles.

With a couple of hundred feet of black garden hose and an insulated storage tank, any homeowner can help cut his own consumption of utility-supplied energy. How? Simply arrange the hose in a flat pattern on a frame, place the frame in an area of shadowcasting obstructions like trees, face the frame south, and, for best results, tilt it so that the northernmost side is elevated by an angle equaling the latitude of the location (say, about forty degrees for New York and southern Connecticut). Run water through slowly on a sunny day (stopping the flow for about half an hour after the hose first fills, to give it time to heat), and pipe it to the insulated tank. The yield: about ten to twelve gallons of hot water per hour, and free—compliments of solar power.

SOME LESSONS

Why bring up this sort of "energy crisis victory garden" suggestion? Merely to point out that there are dozens of untapped energy sources all around us. And that if we approach our energy problems like technologists instead of doomsayers, the future will look far less bleak. Let us examine some of the lessons of technological history.

1. *New energy sources are constantly being developed*. Once upon a time, man could keep warm only by wearing fur or exercising. Then he discovered fire, from which most of our modern energy is derived. But look at the succession of fuels: wood, animal fat, coal, and, lately, petroleum (once thought useless except as a medicine—the "snake oil" of yore). Man has also used wind power, water power, animal power—even human power—and now nuclear power. But all these by no means exhaust his power options.

For instance, there is tidal power. To take a purely hypothetical example, a sea-level Panama Canal could make use of the differences between its Atlantic and Pacific tides. If the sea water were allowed to go through hydroelectric turbines, a considerable amount of electricity could be generated. More practically, studies have been made for tidal power stations at such places as the Bay of Fundy, where the difference between high and low tide can be as great as fifty feet.

Or take the temperature-difference engine. The thing that makes energy generation possible is the attempt of two unequal conditions to equalize. Thus a gasoline engine turns because the high pressure of the gasoline combustion pushes against the piston in order to more nearly match the atmospheric pressure on the other side of the piston. Similarly, current flows in an electric circuit because a surplus of electrons is flowing along a conductor to reach an area with a deficiency of electrons. The temperature-difference engine works on the same principle. It could take two forms.

A seaborn version would use an insulated pipe to bring water from the depths of the sea and place it in one side of a mechanism, the other side of which would contain the sea's surface water (kept warm, of course, by the sun—so that the whole device relies on a form of solar power). A working medium could be used to transfer heat from the warm side to the cool side, doing work in the process. This medium, which would have to be a vapor at the warm temperature and a liquid at the cool temperature, could drive a turbine that would pump up more water and run a generator to produce electric power. And just to keep the ecologists at bay, the warmed cool water and the cooled warm water could be discharged at an intermediate level at the same temperature—thus avoiding thermal pollution. Such engines (pilots of which were made years ago, and forgotten in the absence of an energy crisis) would be floating stations, relatively immune to things like earthquakes.

The second temperature-difference engine would be more directly solar-powered. Anyone who has opened a sealed automobile on a sunny day knows how hot the sun can make an enclosed airspace. Imagine such an airspace in a desert—bug big, a sort of hot-house, that did not need to be completely enclosed. Add to this an insulated chimney reaching up (for, say, a mile) into the cooler upper air. The heat difference between these two regions could drive a very large turbine—perhaps large enough to supply an appreciable fraction of the electrical demand of several cities. And if the chimney could be built along a steep mountainside the construction cost would be greatly reduced.

Another potential source of energy is in the very air we breathe: electrostatic differences in the atmosphere. A bolt of lightning wastes thousands, even millions of volts at an equivalent number of amperes—to produce a blue-white spark and a sonic boom. Benjamin Franklin was not really "the man who tamed the lightning": he merely put them into scientific perspective. But to speak of taming lightning is no more farfetched than talk of splitting the atom was a few years ago. And there are even more far-out potential energy sources: but let us move on.

2. *New ways are developed to exploit existing energy sources.* Both the old-fashioned water wheel and the modern hydroelectric turbine exploit the same energy source: falling water. The difference between them is an increase in the efficiency of energy gathering; the turbine makes far better use of the water than the wheel does. In the same way, while an ordinary nuclear reactor merely expends its fissionable fuel, a breeder reactor converts previously nonfissionable material into usable fuel: this increases the efficiency of uranium, since otherwise most of it could not be considered an energy source.

Similarly, other forms of energy generation that are already known can be developed in new ways. One such is geothermal power. Since the center of the earth is extremely hot, if follows that the deeper one drills, the hotter it gets. However, nature sometimes provides us with a form of free drilling in which the earth's interior heat is spectacularly brought to the surface—volcanoes, hot springs, and geysers are examples. Here is massive fuel-free heat, if only we can exploit it.

As it happens, there are already small geothermal plants in operation, tapping natural steam vents or drilling for underground hot springs. But vastly greater results could be obtained if a large heat-exchange chamber were constructed near a great heat source (perhaps a volcano). One of the current difficulties with geothermal power is that the use of natural steam releases such natural fumes as sulfur dioxide, which smells things up somewhat. The use of a heat-exchange system would eliminate this.

Another power source that will become increasingly important is nuclear fusion. At present, the only way we know to exploit this is through catastrophic explosion in the form of a thermonuclear bomb. Most of those who speak of "taming" nuclear fusion hold that it is remote as a practical goal, perhaps a half century or so away. Oddly enough, such people were making similar predictions about nuclear fission in the 1920s; and their current speculations are probably equally reliable. After all, if early experimental methods of atom smashing were still the only methods in use, a modern nuclear reactor could never be built.

As with fission in its early days, so with fusion now. Laboratory attempts to produce low-level nuclear fusion have thus far been experimental. Moreover, as far as is publicly known, they have employed only direct combination of atoms, rather than the catalytic process used by the nearest successful fusion reactor: the sun. Perhaps the use of nuclear catalysts will make fusion a practical energy source.

To judge from the past performance of technology, this sort of breakthrough will take place. And well within fifty years.

3. *Engineering efficiency increases.* As devices have developed, technological advancements, spurred by consumer demand, have made them more efficient, which in turn means that each device uses less energy. Thus, each unit of energy goes a lot farther than before. This is especially evident in electronics. The transistor radio is a prime example; but even more interesting is the electronic computer. The first such mechanism used vacuum tubes, required extensive cooling, and consumed vast amounts of power. From large vacuum tubes, computers progressed to small ones, thence to transistors, to integrated circuits, and finally to medium-scale integration (MSI) and large-scale integration (LSI). By now the power requirements have diminished to the point where a fully operational electronic computer can fit on the top of a desk and consume no more power than six ordinary roomlights. (If you had asked one of the early computer men how long it would take to design such a unit, I suspect he would have guessed around a hundred years.)

STANDPATTERS

Similar (though less spectacular) advances can be seen in internal combustion engines, particularly jet engines. Of course, the efficiency of any mechanical device is much lower than that of an electronic device, but the principle is the same: Improve the efficiency, and you reduce the energy waste.

The problem, again, is with people, not with technology. Exploitable energy surrounds us everywhere, had we the will to use it. Some of the problems are political (Europe and Africa could have vast amounts of hydroelectric power were they to dam up the pillars of Hercules, using the pressure difference produced by evaporation from the Mediterranean to drive a vast number of hydroelectric turbines; the damming job would be scarcely more difficult than the digging of the Panama Canal, but, for now at least, politics would get in the way). But politics can be either external or internal. And regrettably, much of our internal politics of energy rests on questionable assumptions.

If we think of oil and coal as our only energy sources, we would seem to be in for trouble. But to think so is totally unrealistic, because there are so many other ways to obtain energy. All will take a little time (one does not build, say, a nuclear power station overnight), but it would be time well spent if invested soon.

Some may balk at such energy projects for selfish reasons (someone with heavy interest in fossil fuel might not welcome a tidal generating station, and nuclear power plants face the not-in-*my*-back-yard-you-don't syndrome); but I rather suspect that a lot of the opposition comes from those who would just prefer not to think of technological progress. Who perhaps echo Theotocopulous of H. G. Wells' *The Shape of Things to Come*, who cries, "We mean to put an end to this inhuman foolery!" Or who wish that things could remain stable for some indefinite time.

Energy, like pollution, population, or anything else, can become a critical problem. But only if we let it. We can sit back and think of energy in classical terms of oil, gas, and coal, just as our ancestors once thought of it in terms of horses, oxen, and men. But if we wish to progress, we had better broaden our vision a little. Because even if we don't, someone else is bound to.

THE FALTERING ECONOMY AND THE CONTRIVED ENERGY CRISIS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Ms. ABZUG. Mr. Speaker, the United Electrical, Radio and Machine Workers of America executive committee has produced an outstanding document on the energy crisis, its origins and its profiteers and its effect on the economy. I would like to include this report in the RECORD and commend it to the attention of my colleagues:

THE FALTERING ECONOMY AND THE CONTRIVED ENERGY CRISIS

Watergate politics and Watergate economics are the opposite sides of the same coin. Just as in politics the big business Administration of President Nixon undermined the constitutional rights of the American people, so, too, in the economy, the Nixon Administration, using the wage controls voted him by a Democratic-controlled Congress, has undermined the living standards of American workers: during a period of unprecedented boom and rampant corporate profiteering American workers are suffering sharp cuts in their purchasing power.

The controls program is a multi-billion dollar payoff to the huge corporations including oil companies and banks for their $60 million contributions to President Nixon-Watergate slush funds. Endorsing corporate propaganda that wage increases are responsible for inflation, the major objective of the Nixon control regulations has been to restrain wages. All other parts of the controls program are window dressing designed to make the program appear impartial between worker and profiteer.

After two-and-one-half years of the so-called controls program, President Nixon and his advisers have to admit that while they controlled wages, prices have gotten out of hand. Inflation is far greater now than before the Nixon phases were launched, unequalled since the Korean War 22 years ago, and it threatens to become even worse.

In the six months before controls were established in 1971, overall consumer prices increased at the annual rate of 4.2%; in the latest six months period through October 1973, the inflation rate more than doubled to 9%.

In the six months before controls, retail food prices increased at the rate of 5.6% a year; in the latest six month period the rate of increase skyrocketed to over 17%.

Rising living costs and federal taxes have far outstripped wage increases so that by October 1973 the take home pay of the average worker in private industry was 3.3% less than a year ago and at its lowest level in almost two years. By contrast, corporate profits in the third quarter of 1973 were up 30% over record profits in the third quarter of 1972, and 1972 profits were 16% higher than 1971.

Deprived of the false argument that rising wages cause high prices, the apologists for the profiteers now lay high prices to "shortages." The facts are that in industry after industry in meat, wheat, corn, steel, chemicals, lumber, etc. companies have contrived shortages by withholding goods or exporting them to soak the American people by raising prices.

The big ranchers, feed lot operators, meat packers, corporate farms, the huge food companies have held back food supplies to force high prices on the consumer. When price controls were lifted, withheld food supplies were made available.

This is especially true of the giant natural gas and oil monopolies who have for several years deliberately engineered gas and oil shortages with the compliance of the Administration. According to the Business and Finance Section of the New York Times:

"This crisis is not a result of the Middle East war. It was already well under way beforehand. Through blunder, conspiracy or something in between, the political leaders, of the Western world and the business leaders of the petroleum industry permitted or created a situation in which the supply of energy was barely enough to meet the demand." (November 4, 1973)

The oil and natural gas companies, much like the President in Watergate, refuse to make available to the public or even the government information on their domestic reserves of natural gas and oil.

The natural gas companies have refused to explore for new resources, the oil companies have refused to build new refineries, all part of their plan to restrict the needed growth in supply.

The 23 largest oil companies who also own 10% of our nation's coal reserves and 50% of its uranium also block the development of alternate new clean energy sources. They spend only 0.7% of their sales on research and development. They have retarded research in oil shale, capable of producing 500 billion barrels of oil, for fear of developing a new competitive energy industry.

The restricted supply has served as a justification for their price increases and favored tax position with respect to depletion allowances. They have used their contrived oil shortage to put independent dealers who have been cutting prices out of business. The oil shortage has also been contrived to set aside laws and regulations preventing oil companies from polluting coastal waters, destroying the land by strip mining for coal, and polluting the air and water, thus destroying the people's health by permitting unrestricted use of "dirty" fuels.

The oil companies have been singularly successful so far in using the oil shortage scare to achieve their objectives.

The wholesale price of refined petroleum products, including gasoline and heating oil, have risen 89.1 percent in the past year, 34.7 percent in the last month alone, and government economists assert that further substantial increases are inevitable.

Even before the full impact of the energy crisis was felt, President Nixon had once again set the nation on a recession course, to use rising unemployment as a weapon to discourage workers from seeking wage increases that would match rising living costs. To curb expansion, the government has again driven interest rates up, adding to the cost of living and the cost of doing business, thereby contributing to inflation. High interest rates also caused the slump in housing since would-be home buyers cannot meet skyrocketing mortgage rates and finance charges.

In a further move to cut the people's purchasing power, the Administration has impounded $18 billion of funds appropriated for social needs by Congress, sparing neither the old or the young, the sick or disabled, nor any others who have been denied the right to enjoy the great resources of our society.

At the same time the President proposes substantial increases in wasteful military spending, a major cause of inflation, to record peaks.

The government's oil policies, always dominated by the oil companies, plan to saddle working people with the major burden in meeting the so-called energy crisis.

It proposes hefty rises on oil and gasoline prices together with heavy taxes to expand domestic energy supplies and severely cutback fuel consumption, thus rewarding the companies for their contrived shortages by compelling workers who need autos for their work and fuel for their homes to pay through the nose.

This will mean further sharp increases in the profits the oil companies have already reported in the third quarter of this year: Exxon's profits are up 80%; Mobil, 64; Gulf Oil, 91.

Although the factories and utilities consume 70% of gas and 60% of all fuels and experts have found that industry is extremely wasteful of fuels, nevertheless the consumer is asked to make the major sacrifices in the use of oil and gas for home and transportation. Mass transit systems are the most efficient method of bringing people to and from work, and use far less fuel per passenger-mile than the auto. But the Administration and the highway lobbies have combined to starve the railroads and city transit systems while legislating huge highway expenditures.

In the name of the energy crisis, the Administration is abandoning environmental protections, so that we can anticipate dirtier air, polluted coastal waters, and destruction of the land by strip mining, all of which will play havoc with the nation's health and its natural resources.

Before the so-called crisis, the Administration in its usual optimistic underestimate of unemployment trends, had predicted that the jobless rate in 1974 would increase to 5% from its present 4.5% rate. It now predicts a 6% unemployment rate, but estimates by private economists are much higher, with economists working for the oil industry forecasting 8% of the labor force and 7 million workers unemployed.

In like fashion, the Administration optimistically predicted a 5% inflation rate in 1974 before the energy crunch, but estimates now range as high as 8%, taking into account the effects of price increases on fuels, and the shortages it will create in other industries.

We must mount a political campaign nationally and in each community to fight back against the price gouging and extortion by all companies, and with special reference to the oil companies. We must be on guard against efforts by our own companies to use the oil shortage as a pretext for overturning contract protections and relaxing health and safety precautions.

We must enlist the cooperation of other unions and consumer organizations behind the following program to control inflation, overcome so-called shortages and fight for jobs:

LEGISLATIVE PROGRAM

1. Congress shall legislate the roll-back of all prices, including gas and oil, interest rates and rents to August, 1971, levels, with effective enforcement procedures.

2. Congress must oppose the Nixon Administration plan to cut down use of gas and oil by sharply increasing their price and tax, thereby imposing heavy financial burdens on working people who need gas and oil for their work and home, and providing profit windfalls for the companies. A fair rationing program must be enacted to guarantee needed energy supplies to workers without increased prices or taxes. The legislation should also provide for enforcement procedures with adequate personnel and heavy penalties to discourage black marketeers.

3. Congress shall direct the President to stimulate the production and distribution of government oil reserves including the development under government ownership and control of gas and oil shale.

Congress shall create a U.S. Energy Authority with ample research and development funds to develop alternate fuel resources to free the country from dependence on the oil monopolies.

4. Congress shall investigate both the conspiracy among cattle growers, feed lot operators and meat packers to hold back food supplies, and the raids of the grain commission companies and the commodity speculators on the consumer.

Congress shall also investigate the manipulation of gas and oil supplies by the huge oil monopolies to create artificial shortages to gouge the public.

5. Congress shall direct the President to impose export controls on oil, petrochemicals, and other products for which shortages are claimed.

6. We must fight against the sacrifices of environmental standards for air, water and land and against the weakening of legislation protecting health and safety in the shop.

7. Congress must turn back Administration attempts to legislate increased excise taxes on oil and gas which affect working people. Instead, Congress must legislate an excess profits tax on the super profits of oil companies as part of an overall program for removing tax loopholes for the corporations and the rich and lowering the tax burden on working people.

8. Congress must overturn the President's illegal impoundment of appropriated funds. It must provide new jobs by re-establishing an effective program for the building of housing that people can afford and by making available educational, medical, day care and recreational facilities to supplement the woefully inadequate facilities that now exist.

Of special importance in the current situation is the financial support of public low fare mass transit systems in all urban areas, and of a national railroad system that will once again serve all communities.

9. Federal standards must be applied to state unemployment compensation laws to provide payment of two years of benefits to all unemployed workers, and improved benefits amounting to two-thirds of weekly earnings.

10. Congress must cut back inflationary military spending and recast the federal budget to meet the needs of the people.

11. There must be sharp cutbacks in the extravagant use of oil by the military. Similarly, wasteful use of oil by government officials for limousine travel and junkets must be eliminated.

CARPOOLING FOR CAPITOL HILL EMPLOYEES

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Saturday, December 22, 1973

Mr. METCALF. Mr. President, more than half of the approximately 15,500 Capitol Hill employees—including the Library of Congress—travel to work by private automobile. The vast majority of employees live in suburban areas, although there are concentrations of employees on Capitol Hill and in the southwest redevelopment area.

The Joint Committee on Congressional Operations is offering its assistance to the Capitol Hill employees who wish to carpool.

We are not proposing specific plans such as bus service from high concentration areas and priority parking for poolers at this time. However, the joint committee will function as a central clearinghouse for carpool information. Interested parties can, on a voluntary basis, file pertinent data and check availability of rides. This would include a manual matching by the joint committee staff.

Persons interested in using the joint committee to facilitate carpooling should call extension 5-1607.

COMPTON, CALIF.'S, FOREIGN MISSIONS DAY

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. CHARLES H. WILSON of California. Mr. Speaker, on January 19, 1974, the city of Compton, Calif., will hold its third annual California Day for Foreign Missions in order to raise funds to build a church and orphanage for Bishop S. T. Grant and the people of Sierra Leone, West Africa.

District Elder Ralph Lewis and Ambassador Philip Palmer of Sierra Leone will honor this fine program by their personal participation, for both of these men are dedicated and tireless in their efforts to help the unfortunate.

District Elder Lewis has been a Los Angeles resident for the past 28 years where he was a respected building contractor until his call to the ministry in 1965 when he founded Mount Zion. With a small number of faithful workers, he built up his church from a storefront operation to the present site which accommodates 400. In 1970, Zion's Haven Nursery School was opened and has proved a vital community service.

District Elder Lewis and his wife have opened their homes and their hearts to two adopted and two foster children. And, because of their overwhelming interest in providing opportunities for children, the Lewises and one daughter served as principals in an educational pictorial brochure on adoptions and in a documentary film sponsored by Los Angeles County.

An activist and humanitarian, Elder Lewis' Biblical scholarship was recognized when, in 1969, he was elevated to the office of District Elder of the Pentecostal Assemblies of the World. He also serves as chairman of the southern district of the California District Council.

Ambassador Philip Palmer of Sierra Leone has had an auspicious career in service to his country. His scholastic background is strong in English and education; and, before embarking on his governmental career, he taught for 3 years at his alma mater, Durham University in England, before being appointed senior assistant master. This experience trained him well to act as an examiner in English for the West African Examinations Council.

In 1970, he was appointed Sierra Leone's first Ambassador to Ethiopia where he participated actively in the Organization of African Unity and represented Sierra Leone at OAU conferences. At these conferences, he was instrumental in working toward budgetary control for the African nations and in organizing the OAU 10th anniversary celebration.

Appointed Ambassador to the United States in 1972, Mr. Palmer also serves as High Commissioner to Jamaica and Trinidad and Tobago, resident in Washington. In 1973 he was made an honorary citizen of Compton, Calif.

Both District Elder Ralph Lewis and Ambassador Philip Palmer are to be commended for devoting their lives in the service of others and in helping Compton, Calif.'s, charitable endeavors. I know that this third annual California Day for Foreign Missions will be as successful as in the past since the citizens of Compton care deeply about helping their African brothers achieve a better life.

NICHOLAS JOHNSON RETIRES FROM FCC

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Saturday, December 22, 1973

Mr. HUMPHREY. Mr. President, the voices of consumer advocates and public interest lobbyists are beginning to be heard in the halls of Congress and the offices of the Federal agencies, a refreshings change that has long been sorely needed.

While this development has only recently attained much public attention, it has taken years of hard labor begun by a few able and concerned citizens who saw the need for greater effort to counter the influence exerted upon governmental processes by the special interests.

Foremost among these farsighted pioneers was Mr. Nicholas Johnson, who is now leaving his post as a member of the Federal Communications Commission, in which he has served since being appointed in 1966 by President Lyndon Johnson.

Nick has served with distinction, displaying sharp insight, courageous candor and tough determination in identifying, exposing, and fighting those forces and tendencies in the Federal regulatory systems that work against the best interests of the public.

Nick Johnson has served more than 10 years as a public servant, having been appointed Maritime Administrator as a bright, 29-year-old lawyer, and serving with distinction in that post until joining the FCC.

The public will miss his voice on the Commission which has so much to say about our Nation's electronic communications systems. But I am confident that he will continue to build upon his outstanding record of achievement in whatever endeavors he takes up in the future, and that his talents will continue to benefit the public he has already served so admirably.

SENATOR JACOB K. JAVITS' 25TH ANNUAL REPORT, 1973

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Saturday, December 22, 1973

Mr. JAVITS. Mr. President, herewith is my 25th annual report to the people of New York State on my own activities and the work of the 1st session of the 93d Congress.

The November 7 action of the Congress to override President Nixon's veto of the war powers resolution was the single most important action of the Congress in the 1973 session. The war powers resolution, which I authored, should end the post-World War II practice of unilateral Presidential exercise of the war power which culminated in the tragic U.S. involvement in the Vietnam war and restore to the Congress and the people a meaningful role in the critical question of war or peace.

The war powers resolution establishes a methodology which must be observed in committing our Nation to war by assuring that Congress must concur in the transformation of an incident into a war. Nonetheless, it is true that the methodology alone cannot guarantee that wisdom and prudence will prevail—any more than the due process of law and a jury trial can guarantee that justice will be done. The fruits of the war powers resolution will be no better or worse than the use which is made of it by future Congresses and future Presidents. But the vehicle is there to use.

Much of the country's interest this year focused on the "Watergate scandal," and that concern was intensely reflected in the Congress. We have viewed with mounting dismay the successive revelations of corruption and deceit which have brought our country to the brink of constitutional crisis.

No matter what the personal consequences for any one man—even the President—this crisis will be a test of the strength and justice of our democratic system.

Shaken by the resignation and plea to a criminal charge of the Vice President, the indictment of two former Cabinet officers and of members of the President's own staff, and appalled at the apparent lack of moral sensitivity at the highest levels of Government, we enter the new year with concern but hope that the American system of justice and law is working.

During the year, I supported the Senate Watergate Committee's work. I strongly protested the firing of Special Prosecutor Cox and the forced resignations of Attorney General Richardson and Deputy Attorney General Ruckelshaus. Also, I cosponsored legislation to allow the courts to appoint a new Special Prosecutor who could not be dismissed by the President.

Publicly and privately I urged the President to make complete disclosure of all Watergate tapes and documents and personal financial data.

Now that we have a Vice President, the national interest will be best served by an early vote in the House of Representatives on the impeachment question, certainly no later than the end of March. Indictments and other legal proceedings should be settled by the courts expeditiously, for our country through this period of national emergency needs to have settled any questions about the President.

Should the House vote a bill of impeachment, it will be sent to the Senate for trial. I stand ready to hear the facts and the evidence without any personal or political bias.

WAR IN THE MIDDLE EAST

The outbreak of hostilities in the Middle East presented a great challenge to U.S. diplomacy which, under Secretary of State Kissinger, worked effectively for the cease fire resolution adopted by the United Nations October 22.

During the fighting, the Senate adopted a resolution, of which I was a principal sponsor, expressing U.S. support for an end to the conflict and a withdrawal to the previous positions of the parties before the 1973 Arab invasion and calling upon the parties to negotiate an end to their conflict.

The military situation required that these diplomatic moves be immediately supplemented by significant U.S. assistance to restore Israel's arsenal of defense. I joined with Senator HUMPHREY and 65 other Senators in introducing Senate Resolution 189, urging the continued flow of Phantom aircraft and other equipment essential to enable Israel to defend itself and deter further aggression.

Subsequently the Congress approved $2.2 billion in emergency military assistance for Israel as requested by the administration. I regard this as one of the most crucial measures in the cause of freedom to come before this Congress.

Also I strongly supported earmarking of $300 million in military credit sales to Israel included in the Foreign Assistance Act.

SOVIET JEWRY

In our search for stable relations with the Soviet Union we must not sacrifice our dedication to freedom and human dignity. Jews and other minorities in the U.S.S.R. still live under the gravest disabilities, including denigrating emigration restrictions and sanctions. It is important that Congress approve the Jackson amendment to the East-West Trade Relations Act to deny most-favored-nation treatment and other financial advantages to the Soviet Union until the restrictions are ended.

I am principal author of a measure authorizing $36.5 million in settlement assistance to Soviet Jews emigrating primarily to Israel. This was signed into law October 18 and the money has been appropriated by the Congress.

EUROPE AND THE COMMITTEE OF NINE

The discordant notes from members of the North Atlantic Alliance during and just after the 1973 Middle East underlined sharply the need for greater cooperation between the United States and our European allies. A major effort in this respect has been the Committee of Nine, of which I was chairman, established to study and make recommendations on the future of the Alliance.

The Committee submitted its final report to the North Atlantic Assembly in October. This report could play an important role in formulation of a declaration of Atlantic unity, the subject of present United States-Europe negotiations, and the general composition of the North Atlantic Alliance in the decade ahead.

First priority in U.S. foreign policy still must be given to our difficult relations with Europe. Western Europe is now working toward economic and some political unity within the expanded European Economic Community. Changed conditions in Europe, as well as the new shape of international alinements emerging in the post-Vietnam era, require a new kind of Atlantic partnership. Such partnership must also involve a common approach to energy and environmental problems since Europe and the United States have a large stake in finding solutions to this continuing emergency.

INDOCHINA: THE SMOLDERING CRISIS

While a Vietnam peace agreement was signed in Paris on January 27, 1973, the continued bombing over Laos and Cambodia had no legal or constitutional justification and I strongly supported the Senate's May 31 vote of 63 to 19 to bar funds to support U.S. combat activities in, over, or from the shores of Laos, Cambodia, North Vietnam, or South Vietnam. That legislation was vetoed by the President on June 27 and the House of Representatives failed to override the veto by a narrow margin. On June 29, by a 64-to-26 vote, the Senate agreed to a compromise measure—which I helped devise—barring funds for U.S. combat activities effective August 15. The President signed this July 1.

I have been in frequent contact with the State and Defense Departments about the 1,300 American servicemen still listed as missing in action and unaccounted for by the North Vietnamese and their allies. I have been assured that our Government is meticulously exploring all avenues to account for each American lost in Southeast Asia. I support the administration decision that no funds for reconstruction of North Vietnam will be requested and that negotiations on reconstruction will not proceed until the North Vietnamese and their allies adhere to the provisions of the Paris peace agreements providing a strict accounting of the Americans MIA's.

CHINA AND JAPAN

On the question of ending the isolation of the People's Republic of China from the West, a major step—which had my support—was taken this year: The exchange of liaison offices between Peking and Washington.

Japan continues to be our most important ally in East Asia. A close, cooperative United States-Japan relationship is the cornerstone of our Asian policy. There remain outstanding differences respecting trade and monetary issues that must be resolved.

ARMS CONTROL AND NATIONAL DEFENSE

On March 11, 1973, the SALT II negotiations opened in Geneva. Although concrete results are not expected for some time, I hope qualitative restrictions, such as limiting of the MIRV, as well as permanent quantitative limitations, can be agreed upon respecting offensive strategic weapons.

The Department of Defense has requested an $81.1 billion fiscal 1974 budget. I believe our Nation requires strong security, but we also need close scrutiny of all weapons systems and defense spending. I supported amendments to the military procurement authorization bill that would have effectively followed these principles on defense expenditures without impairing our security.

On the other hand, I opposed attempts to reduce the level now of U.S. forces in Europe under NATO because I believe this would signal a lessening of U.S. commitment to Europe's continued stability and security and, therefore, Europe would tend to lean over to the overwhelming presence of the Soviet Union.

SECRETARY OF STATE KISSINGER

The Senate's confirmation of Dr. Henry A. Kissinger to be Secretary of State is a great commendation of our country, its institutions and its people, showing that a naturalized citizen and refugee from Hilter's Germany can attain the Cabinet's highest office. While I have not necessarily agreed with Dr. Kissinger on every national policy, he has demonstrated outstanding service to the Nation.

During Secretary Kissinger's confirmation hearings, controversy arose over his role in wiretaps and other surveillance of 17 individuals in the executive branch and news media. He was cleared, but in view of the surveillance problem I sponsored a resolution, adopted by the Foreign Relations Committee, to fully examine the use of electronic surveillance of U.S. citizens in the conduct of foreign relations in order to establish more satisfactory guidelines and more effective congressional oversight.

ENERGY

The energy crisis surfaced in full flower this year. Unless the burdens of energy shortages are equitably shared, our economy and lives will be seriously affected.

I have long advocated policies to increase domestic energy resources. I supported the Alaska pipeline bill, now law; worked to increase domestic refinery production and speed siting with adequate safeguards of nuclear powerplants.

Last summer, I urged voluntary allocation of crude oil supplies to insure fair sharing of home heating oil and industrial petroleum products. Faced with critical shortages of those supplies I supported mandatory allocations—now enacted—requiring that priority needs be met. I cosponsored the Emergency Energy Powers Act, S. 2589, giving the President authority to cut consumption and increase our energy supplies. I authored amendments to that act which would retain in Congress authority to end the emergency measures if they prove unnecessary or unfair and which direct the United States to negotiate with other Western oil-consuming nations to develop a common front to meet the threat of the "oil weapon" of certain Arab States.

I have urged legislation that would lead to U.S. self-sufficiency in energy, including S. 1283, a massive research and development proposal to utilize our resources of coal, shale oil, and geothermal energy; S. 2560, to begin development of solar power for heating and cooling; S. 2462, to set up a corporation to develop areas that offer substantial potential energy conservation, and S. 2479, for energy conservation at the Federal level.

The bill establishing the new Federal Energy Emergency Administration, written in one of my committees, provides the FEEA with manpower and expertise needed to develop a national energy policy designed to avert widespread hardship to our people and damage to our economy.

Beyond this important measure, the Senate Permanent Investigations Subcommittee—of which I am a member—has and will continue to conduct careful legislative oversight of all actions undertaken during the current energy crisis by both the oil industry and the executive branch. In addition, my committee made substantial progress toward enactment of a new Energy Research and Development Administration, ERDA, to enable the Nation to become self-sufficient in energy resource development.

Finally, I have made every effort to see that environmental standards are upheld as much as possible in the emergency situation. I have supported limited exceptions to laws such as the National Environmental Policy Act and the Clean Air Act only to carry us through the emergency.

TRANSPORTATION

The Senate and House have passed comprehensive legislation—which I supported—to aid the bankrupt northeastern railroads. This measure will help restore a viable and efficient rail transportation system. As a result of amendments I introduced, small profitable railroads will be better able to survive. this massive railroad reorganization and New York City commuter railroads will be better able to provide economical and efficient service and will be entitled to subsidies from the Federal Government.

During consideration of the emergency energy bill, I worked to free urban portions of the highway trust fund for mass transit use during the energy emergency. Although this was defeated, the energy legislation does contain provisions authorizing the administration to develop plans for mass transit aid as well as expanded intercity passenger rail service.

DOMESTIC ECONOMY

Two more "phases" of the President's economic stabilization program were produced in 1973; phase III abandoned mandatory controls on all but three sectors of the economy. I correctly predicted then that it was not the time to abandon mandatory controls. For almost 6 months steep increases in food and industrial prices plagued the country leading to a price freeze June 13. The freeze did not prove effective as food production was cut back with retailers, distributors, processors, and food producers caught in a "crunch."

In August, phase IV was implemented. The freeze's end produced an incentive for increased production by allowing a cost passthrough. There were price increases, especially in food, but the consumer appeared ready to pay more for available food rather than pay more when supplies were limited.

A major reason for the sharp increase in food prices was the abnormal foreign demand for U.S. agricultural products, particularly grain. The sale of one-quarter of our wheat crop to Russia was a serious error which must not be repeated.

To prevent recurrence of such a sale I introduced the Export Priorities Act to regulate U.S. agricultural exports through a licensing system. A sufficient supply to permit a stable American market and meet U.S. consumption demands would first be set aside, with the remainder available for export. This proposal is before the Senate Banking Committee.

When the President anounced phase IV, he again emphasized his desire to return to the free market system and set the end of 1973 as a goal for terminating controls. I stated then, and present conditions bear me out, that while I share the President's belief in a free market system under normal conditions, talk of early elimination of controls is unrealistic and a mistake.

INTERNATIONAL ECONOMY

This year I supported foreign aid legislation—which has been enacted—which emphasizes funding in the areas of agriculture, population growth, health and education, designed to help developing nations focus their resources on problems affecting the vast majority of their citizens. In 1973, committees in both Houses held hearings on the Overseas Private Investment Corporation, a Government agency which insures development-oriented U.S. investments in developing nations. I sponsored the 1969 legislation which created this agency, have actively participated in legislative oversight to insure it fulfills its purposes and am presently involved in legislation to provide for its future.

INTERNATIONAL MONETARY REFORM

In 1973, I strongly urged the United States to seek effective and practical international monetary reform because the present system of nonrules could hamper the growth of world trade. One step should be a gradual withdrawal of gold from the international monetary system so that it can take its proper place as a commodity, owned by Americans and others as is any other commodity. I have urged that the Treasury begin sales of some of its gold stocks to licensed domestic users.

TAX POLICY

There are inequities in our tax system. It is especially disturbing to me that low and middle-income Americans carry the heaviest burdens of those inequities which should be borne more ratably by those in the higher income brackets in better proportion to income. The Treasury Department indicates the aggregate of those advantages, at more than $40 billion annually.

I have introduced a bill to create a Tax Reform Commission to take a long-term look at our system and come up with suggestions for reform.

I supported a recent amendment to the debt ceiling legislation that would have strengthened the minimum tax on those with a high income who sometimes pay small taxes because of large deductions. This amendment was defeated but I continue to feel that tightening up in the minimum tax is essential to increase fairness in our tax system.

REVENUE SHARING

As the Federal revenue sharing program passes its first anniversary, I must report its performance is mixed. No sooner had the program begun than the Federal Government announced cutbacks in categorical grant-in-aid programs totaling billions of dollars.

Many jurisdictions—including New York City—estimated that the cutbacks would come to more than they were getting under revenue sharing. Nor has the administration of revenue sharing been completely efficient. I was deeply concerned that the Treasury Department—which writes the revenue sharing checks—planned to assess in one pay period more than 1,000 counties, towns, and villages in New York State alone for overpayments made in previous pay periods. I led 23 Senators to urging the Secretary of the Treasury that the assessments be made more equitably over a longer time period.

As one of the earliest proponents of Federal revenue sharing, I remain convinced that it must fulfill one of its clear purposes: to help heavily taxed industrial States. New Yorkers carry one of the heaviest self-imposed tax burdens in the Nation. They provide one of the most progressive systems of State education and other impressive State services as a direct result of that burden. But, New Yorkers give far more to the Federal Government than they receive. The disparity is natural but its size is inequitable. I shall continue to press to correct that situation.

In some cases, Federal revenue sharing funds have not gone to the social service programs for which they were intended, but to high visibility items such as police and fire vehicles and public building.

CRIME AND DRUGS

I again supported efforts designed to strengthen the capability of our police departments to obtain professional training assistance through the law-enforcement education program. I also worked to eliminate the paralysis in local criminal courts in many parts of the Nation, and, similarly, sought to expand LEAA programs dealing with corrections systems reform.

During 1973, I introduced several bills designed to have impact upon the urban crime problem by:

Concentrating $300 million for each of the next 3 years in the central cities having the highest crime rates in the country—

Developing a broad-based methadone maintenance program;

Developing innovative manpower training and job placement programs in the rehabilitation of offenders;

Formulating national standards relating to the treatment and rehabilitation of inmates in correctional institutions throughout the Nation; and

Developing a national criminal justice professions development program to attract more qualified people to all professions involved in criminal justice work.

I also vigorously supported legislation to outlaw the so-called Saturday night special handgun, instrumental in the commission of violent crimes and in homicides against policemen. In addition, I supported a bill to provide compensation to crime victims and widows of law-enforcement officers killed in the line of duty.

I proposed and saw enacted legislation designed to improve Federal, State, and local law enforcement in the drug area. Following introduction of my bill, President Nixon submitted to Congress a major plan designed to reorganize totally and upgrade the Federal drug enforcement agencies within the Department of Justice. The new Drug Enforcement Administration brings together the heretofore fragmented and competing efforts of the U.S. Bureau of Customs and the Bureau of Narcotics and Dangerous Drugs. This streamlined organization has already begun to deal more effectively with illicit drug trafficking and smuggling.

To provide a legal remedy for innocent citizens victimized by illegal mistaken raids by Federal narcotics agents, I cosponsored legislation to enable future victims of such conduct to obtain redress in court.

HOUSING

The year 1973 started with an administration-imposed freeze on all subsidized housing programs and many community development programs. I strongly opposed this freeze and have worked hard during the year to get exceptions for meritorious projects throughout the State. Fortunately, quite a few projects have received exceptions and are being built. I have strongly supported an extension of the existing housing laws until adequate substitutes are presented to the Congress. While there has been a temporary extension of these programs, major housing legislation will have to wait until 1974. We must see that adequate housing is provided for all who need it.

My bill to create a National Institute of Building Sciences would help develop nationally accepted standards for local construction and would be an authoritative source on the latest construction advances. This has been included in an omnibus housing bill which will undoubtedly pass the Senate in 1974.

ENVIRONMENT

This year I have vigorously supported all measures to strengthen environmental protection. I worked to see that new legislation, which recently passed the Congress, for allocation of grant money for sewage treatment plants dealt with New York State's problems and needs fairly.

I cosponsored S. 268, the Land Use Policy and Planning Assistance Act, which passed the Senate earlier this year and which seeks to provide money for more comprehensive land use planning desperately needed to make sure orderly development is carried with proper concern for environmental balance.

I also supported bills passed by the Senate to curb the excesses of stripmining, provide for testing and establishment of programs for safe drinking water, and protect endangered species—recently enacted.

I will continue to actively support measures which seek to improve our environment and resist attempts unnecessarily to erode the progress of the last several years.

HEALTH

The year 1973 was an important one for health legislation. I introduced—

A national health insurance bill designed to provide health care services and facilities to all Americans;

The administration's health maintenance organization bill; and

An amendment to develop HMO's, which, in great measure forms the basis of the proposal supporting the creation of HMO's which is being enacted into law.

Public Laws 93-45 and 93-154—assuring the continuation of the Public Health Service Act and developing emergency medical services—are the result of bills I cosponsored.

The Senate-passed bill to safeguard and protect the rights of people involved in biomedical research, soon to become law, was based upon bills I authored and introduced.

Other health bills I introduced would provide consumers increased protection from unfit and adulterated food, assure the safety and effectiveness of medical devices and require disclosure of ingredients on food labels.

I also have authored a bill of rights for the mentally retarded; and, another to establish a national commitment for the diagnosis, control, and prevention of a killer disease of children, the National Tay-Sachs Disease Act.

LABOR

I was chief cosponsor of a Senate-passed bill to immediately raise the minimum wage to $2 and expand the scope of the law to cover additional low-income workers. I authored provisions to extend the prohibition against child labor to children working in agriculture. This measure was vetoed by the President and the House failed to override but it must become law soon.

This year also saw the beginning of a serious effort to enact Federal legislation reforming workmen's compensation. In June, I introduced, together with Senator Williams of New Jersey, chairman of the Senate Labor Committee of which I am the ranking minority member, S. 2008, a bill designed to remedy the defects and inadequacies in existing State laws as documented in the report of the National Commission on State Workmen's Compensation Laws, a commission established as a result of legislation I authored.

Recently enacted legislation granting a social security increase contained my amendment which should make New York State workers eligible for an additional 13 weeks of Federal-State unemployment compensation in addition to the regular 26 weeks.

PENSION BENEFITS

On September 19, 1973, the Senate voted 93 to 0 to approve the Williams-Javits bill, a comprehensive pension reform bill which provides for pension vesting, funding, plan termination insurance, portability, fiduciary standards, disclosure and new tax deductions for employees to establish their own pension plans. Based upon bills I have authored since 1967, H.R. 4200 culminated a 3-year effort by the Senate Labor Committee to focus public attention on inequities in private retirement and welfare funds.

Unfortunately, due to committee jurisdictional problems in the House of Representatives, the House was unable to act on pension legislation this year. However, this legislation will receive top priority early next year.

POVERTY AND WELFARE REFORM

This year was most difficult and disruptive in terms of the Nation's efforts to eliminate poverty and provide training and jobs for unemployed and underemployed persons, as the administration tried to change programs unilaterly and almost overnight through administrative actions alone, often defying the expressed will of the Congress.

By the close of the fiscal year, it was clear that if the administration continued on a unilateral course, these actions would only undermine its own objectives of managerial efficiency, decentralization, and economy and I urged, on July 31, a course of "domestic rapproachement."

Accordingly, I was heartened when the President included in his second State of the Union address a pledge to seek workable compromises with the Congress.

We took him up on that offer in the case of manpower training reform legislation, stalled since 1969, and an area where the administration had planned to carry out its plans unilaterally.

The administration held up implementation of manpower training regulations and agreed to work with the Congress on legislation.

The result is the Comprehensive Employment and Training Act of 1973, a bill based on S. 1559, which Senator Nelson and I introduced and is now law.

This new act authorizes funds over a 4-year period for comprehensive manpower training, public service employment, and related services administered through a decentralized system of State and local governmental sponsors. The administration also agreed to continue authorities for transitional public service employment, both generally and in especially hard-hit areas, such as exist in New York State, as Senator Nelson and I had urged in sponsoring S. 1560, a bill to continue the Emergency Employment Act of 1971. The new act also includes several provisions I sponsored or cosponsored to continue authority for the summer job program, gives special attention to training and employment needs of offenders, and provides special programs for persons whose language is other than English.

A filibuster blocked complete action this year on legislation reported by the Committee on Labor and Public Welfare to establish a new legal services corporation.

Other important unfinished business remains, such as continuation of the antipoverty program beyond this June, child development legislation, community economic development efforts, welfare reform, and the need for a real "full employment policy."

But as we seek these authorities, the experience of this year suggests that the administration may join with us in these efforts and that the final will of the Congress and the Executive, written into the law, will be upheld by the courts.

In another area, my amendment to preserve and expedite Federal support for New York children living in foster homes and institutions was adopted by the Senate.

OLDER CITIZENS

This year, the Congress has taken several important steps on behalf of our Nation's senior citizens.

I actively supported the 7-percent immediate increase and the 4-percent increase in social security benefits effective June 1974, as well as increased supplemental payments to the aged, blind and disabled, which, beginning in January 1974, would go up to a monthly income of $206.85 for New York residents.

I also cosponsored:

The Older Americans Comprehensive Services Amendments of 1973, now law, which dramatically strengthens the Administration of Aging and provides extensive authority to improve nutritional services to the elderly; and

S. 775, the Research on Aging Act, establishing a National Institute on Aging to study the biological and behavioral aspects of the aging process, passed the Senate, pending in the House.

VETERANS

With my full support, Congress passed legislation improving the loan guaranty program for veterans, increasing disability and death pension benefits for veterans, and establishing a national cemetery system within the Veterans' Administration. I shall continue to work for legislation to give today's veteran the same benefits as veterans of World War II.

Greatly concerned over the underutilization of their educational opportunities by our veterans, I sought release of veterans' cost of instruction funds by HEW authorized by the educational assistance allowance amendments, and cosponsored an amendment to permit colleges with a 10-percent veteran enrollment to participate in the veterans' cost of instruction allowance program. This amendment passed the Senate and is pending in the House. I also supported a bill for improved medical care to veterans, and a bill to require comprehensive drug and alcoholism treatment and rehabilitative services for disabled veterans. Both bills passed the Senate.

AGRICULTURE

The Senate passed a a comprehensive Agriculture and Consumer Protection Act (S. 1888). I supported provisions in the act that limit farm subsidies to any farmer to a $20,000 maximum and that revise and extend the food stamp program to insure eligibility to all deserving recipients.

Throughout the year, I closely followed the problems of our State's dairy farmers and made every effort, including introduction of an Export Priorities Act, discussed previously, to insure that our farmers receive their feed grains and other agricultural supplies at reasonable prices.

In addition, I established a task force of farmers and others in agriculturally related industries to advise me on farming community issues.

The Family Farm Inheritance Act (S. 204), which I cosponsor, would exclude the first $200,000 in value of a family farm from the taxable estate of farmers who managed their own farms during their lives and will it to relatives who plan to carry on this tradition.

SMALL BUSINESS

As ranking member of the Senate Select Committee on Small Business, I supported the Senate-passed bill to increase the Small Business Administration ceiling by $2.3 billion to provide additional funds to the small business community.

I introduced the Domestic Enterprise Bank Act of 1973 to establish a corporation authorized, among other things, to make and participate in certain long-term, low-interest loans and guarantees and to provide technical assistance to stimulate employment opportunities in labor surplus areas and to aid businesses seriously affected by foreign imports or technological obsolescence.

CONSUMER PROTECTION

This year I again sponsored the bill to establish an independent Federal Consumer Protection Agency. Now supported in principle by the administration, the bill would give an independent advocate representing the consumer interest the right to intervene in all Federal regulatory agencies and in the courts. I also cosponsored legislation to insure equal access to commercial credit for women.

EDUCATION

The Congress this year has proceeded to fund landmark higher education legislation—which I sponsored last year—placing emphasis on providing assistance to individual students.

The Education Subcommittee, of which I am a member, is completing consideration of measures to expand and extend Federal programs in elementary and secondary education. The subcommittee has approved provisions which I authored giving new emphasis to high school equivalency programs for adults and programs for gifted and talented children, termed those most neglected in American education.

I successfully opposed moves to cut New York's share of education funds, moves based on the erroneous contention that New York receives too large a share.

I have authored a series of bills designed to assure the safety of schoolbuses and prevent repetition of tragedies such as the 1972 crash in Congers, N.Y., in which five lives were lost and 44 children injured.

I have introduced a bill to provide educational benefits to those who have served in the Peace Corps and similar volunteer organizations.

Happily, the Congress enacted legislation, of which I was an author, to extend and expand arts and humanities programs which have enjoyed strong Presidential and public support.

The Senate passed amendments to the National School Lunch Act raising the Federal reimbursement level to federally aided breakfast and lunch programs for the poor. The original bill would have deprived New York school systems of about $2.4 million. However, I introduced an amendment, passed by both Houses, which insures full funding to New York.

THE HANDICAPPED

A new Rehabilitation Act—Public Law 93–112 contains my provisions to encourage hiring and handicapped in programs under Federal contract or which receive Federal grants and for the homebound.

Public Law 93–76 was also enacted, extending the Javits-Wagner-O'Day Act, giving priority in Federal contracts to the blind and severely handicapped.

I reintroduced my bill to give the severely handicapped the same tax deductions now given the blind.

BUDGET CONTROL

For years, congressional procedures governing the Federal budget process have been inadequate for dealing with the establishment of national priorities. This year, the Senate Government Operations Committee—of which I am a ranking member—developed legislation designed to bring about fundamental reform of the budget process. This bill, which I cosponsored and which passed the Senate and is now in conference, requires establishment of a firm overall spending ceiling on both outlays and new budget authority. The bill would create standing committees on the budget in both Houses of Congress; establish a congressional office of the budget to assist the Congress in developing a coherent plan for identifying and funding national legislation priorities and require before April 15 of each year enactment of a concurrent resolution establishing appropriations levels for major categories of spending. This legislation will require the Congress to look at all spending and revenue actions together and to relate them to each other. I authored an amendment to the bill which would require consideration of tax expenditures in each stage of the budget process.

IMPOUNDMENT ISSUE

Sharp controversy between the executive branch and the Congress over the impoundment of appropriated funds gave rise to a serious confrontation between the two branches. The constitutional and legal issues were carefully developed in the Government Operations Committee which recommended strong anti-impoundment legislation, passed by the Senate, which requires the administration to expend or obligate impounded funds except those which under law would create deficiencies not intended by Congress, or which have been expressly ratified by congressional action during the 60-day period following receipt of a Presidential impoundment message. Estimates of the fiscal impact of Federal impoundments, upon local governments throughout our State have been extraordinarily high. The estimate for New York City alone is in excess of $400 million in lost Federal aid.

EXECUTIVE PRIVILEGE

I cosponsored legislation to establish ground rules for the executive and legislative branches to observe in any future disagreements over the availability to Congress of information held by executive officials. These rules preclude officials withholding any information or testimony requested by a congressional committee for executive privilege unless the President is willing to intervene to defend the confidentiality of the materials sought. The bill makes it clear that when such a Presidential action occurs, the Congress will weigh the force of the President's claim against its need and that of the public interest for the information in question.

POST OFFICE AND CIVIL SERVICE

I have urged the U.S. Postal Rate Commission to hold the line on increasing postal rates and continue to support legislation which would help publications threatened by increased postal rates to survive.

I supported: the pay increase for Federal employees under the 1970 Comparability Act; the $20-per-month increase in annuities for Federal retirees who retired prior to October 20, 1969, and the Senate-passed bill to increase the Federal contribution to health benefit costs for Federal workers.

I worked to keep open St. Albans Hospital, Queens. The Defense appropriations bill passed by the Congress provides that St. Albans shall remain open.

CAMPAIGN FINANCING REFORM

I supported S. 372, the Federal Elections Campaign Act Amendments of 1973 which passed the Senate. This bill improves the present Public Law 92–225 by repealing the equal-time provisions for all Federal offices and increasing most criminal penalties in the law. The bill raises the amounts which candidates can spend out of their own or their family's funds. The bill also sets overall limitations on campaign expenditures which are basically 10 cents times the voting age population in the State or district involved for primaries, and 15 cents for general elections. The present law only provides for limits on media expenses. The last major change the bill makes is to establish an independent Federal Elections Commission which would receive all reports and look into violations of the law. This bill has not yet passed the House.

I believe that a substantial element of public financing is needed for all Federal elections. A start on this was made with the taxpayers' checkoff system which will operate in the 1976 Presidential campaign. This provides for $1 out of the taxes of each taxpayer who checks the form at tax time to be used in the Presidential campaign in lieu of private money.

To encourage greater public financing, I cosponsored an amendment to the recent debt ceiling bill which would extend the tax checkoff system to Senate and House general elections and public financing to Presidential primaries. The existing checkoff amount would be doubled from $1 to $2. Money collected would be apportioned to major parties, minor parties and any new parties that could qualify.

ASSISTING NEW YORK STATE

Functioning as full-time extensions of the operations of my Washington office, are offices maintained in Albany, Buffalo, and New York City. Through mail and personal inquiries to those four offices, as well as frequent trips back home, I have been able to direct assistance to many constituents.

I was able to assist a company in a small community in an appeal to the Department of Defense for redress on a contract. Weighing the merits of the case, the Department of Defense paid the company over $1 million in contract adjustment fees, maintaining the life of the firm and the livelihoods of its employees and their families.

As the effects of Hurricane Agnes continue to be felt in New York, my activities have ranged from helping an upstate community secure an amphibious LARC V vehicle for its volunteer fire department to replace one lost in the Agnes calamity, to aiding farmers in their dealings with the Agriculture Department and the Small Business Administration as they sought assistance following the effects of Hurricane Agnes.

I have also been active in obtaining Federal assistance for projects ranging from the Rockaway Beach erosion project to the Great Lakes flood and erosion control project, among others.

The year 1973 has been a year of tremendous demands, and equally tremendous efforts to meet the needs which prompted those demands.

SALUTE TO ERNEST PETINAUD

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BUCHANAN. Mr. Speaker, the stirring tributes which were paid yesterday to Ernest Petinaud were more than well deserved. As one who joined in the sustained standing ovations to our dynamic and illustrious friend, I would like to associate myself with all the eulogies which occured in between. Ernest Petinaud has for many years been a credit to this House and a delight to all who have had the privilege of knowing him. If the Members of this body can do our job as well as he did his, the country will prosper, and the lives of the people will be blessed. May our colaborer find in his retirement, and his lovely wife as well, all the joy and contentment they so richly deserve.

FARMERS HOME ADMINISTRATION

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. HARSHA. Mr. Speaker, during my service in the House of Representatives, I have worked with many Federal officials in various departments on projects of importance to my congressional district. While I have been favorably impressed by officials in a number of the agencies involved, I have been particularly impressed with the consistent agencies involved, I have been particularly impressed with the consistent effectiveness and efficiency of one agency—the Farmers Home Administration—which is of particular importance to my district.

Over the years FHA has distinguished itself as one of the most efficient, effective, and popular agencies in the Federal Government. This excellent reputation would not be possible without the personal efforts and talented guidance at all levels that has been given the program. In my judgment, this is particularly true with reference to FHA activities in my home State of Ohio.

I have had occasion to contact the FHA Director for Ohio, Lester M. Stone, and other officials in the State on innumerable occasions to request advice and assistance on pending or proposed projects in my congressional district. Invariably, my requests have been met with courtesy and cooperation, and, as a result, it has been possible to resolve many problems that have arisen in connection with these projects.

I refer, in particular, to financial problems that plagued many rural water system projects in my area. With the assistance and untiring efforts of Mr. Stone and his associates, some difficult problems relative to financing water projects were satisfactorily resolved, and, hopefully, they are now established on a sound financial footing and able to make ends meet.

I do not mean to restrict my commendation only to the work of FHA on water projects. As you know, FHA also participates in a broad range of rural development activities such as rural housing, the financing of family farms, emergency loans to farmers as a result of natural disasters, and other programs necessary for the development and revitalization of rural America. As the Representative of a predominantly rural area I have witnessed firsthand the positive impact FHA has had in helping people to help themselves in all these areas and I know that I speak for the residents of the Sixth Congressional District in commending Mr. Stone, his able assistant Ralph Voohees, and other FHA employees who have played such a direct and important role in bringing progress to areas where it has long been lacking.

With the passage of the Rural Development Act of 1972, the resources and responsibilities of the Farmers Home Administration were substantially enlarged. This legislation provided funds for sweeping new programs of loans and grants designed to attract job-creating industry to rural areas and to assist rural residents with problems ranging from pollution control to firefighting. Despite the tremendous growth of FHA activities and severe staff limitations which were imposed for budgetary reasons, the FHA proved itself capable of meeting this new challenge and continued to perform its usual excellent job.

I wish to pay particular tribute to the knowledgeability, dedication, and effective leadership of Lester Stone. Since his appointment as director for Ohio in 1969, he has performed ably and energetically—achieving an enviable record which serves as an exemplary example for other public officials. The entire State of Ohio has benefited greatly from the outstanding efforts of this fine public servant and the loyal, dedicated staff with which he has surrounded himself.

A TRIBUTE TO SENATOR YOUNG

HON. JAMES B. PEARSON

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Saturday, December 22, 1973

Mr. PEARSON. Mr. President, I have recently read a speech given by Mr. Kenenth J. Bousquet, executive vice president of the National Environmental Development Association, entitled "Energy and the Environment—The Need for Balance," delivered at the joint meeting of the North Dakota Water Users Association and the North Dakota Water Management Districts Association in Jamestown, N. Dak., on December 6.

Many Members of the Senate will remember Mr. Bousquet for his long and diligent efforts as a professional staff member on the Senate Appropriations Committee handling Public Works appropriations. In his remarks, Mr. Bousquet very forcefully sets forth the many facets of the energy crisis and environmental problems as well. Throughout his remarks he calls for reason to prevail in this area and urges that those interested in our environment undertake to meet together to discuss their joint interest in the critical problems confronting us.

I was interested in Mr. Bousquet's analysis of the energy crisis but I took particular note of his comments about the outstanding work of Senator Milton Young and the significance of his work for the State of North Dakota. I want to associate myself with Mr. Bousquet's tribute to Senator Young. He is one of our finest Senators and held in the highest esteem by all of us in this body. Because he is held in such wide respect his influence in all legislative matters is great, and it will continue to grow in the years ahead. Milt Young is a strong, stable force in the Senate. North Dakota can, indeed, be proud of the strong leadership of its senior Senator.

Mr. President, I ask unanimous consent that Mr. Bousquet's remarks be inserted in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

ENERGY AND THE ENVIRONMENT—THE NEED FOR BALANCE

(Remarks of Kenneth J. Bousquet, executive vice president, National Environmental Development Association)

Mr. Chairman, Members of the North Dakota Water Users Association, and the North Dakota Water Management Districts Association, Ladies and Gentlemen, I was delighted to receive the invitation to speak to you this evening. I have had a long association with North Dakotans, in my former official capacities with the Corps of Engineers and the Senate Appropriations Committee. However, my closest ties to North Dakota are the result of my long association and deep affection for your Senior Senator, the Honorable Milton R. Young. I suppose I would have had some misgivings about coming here today had it not been for a previous experience.

In my opinion North Dakota has a very strong Congressional Delegation—Senator Burdick is most effective and influential, not only on the important committees to which he is assigned but on the floor of the Senate. Congressman Andrews is a great asset to the state on the House side, collectively they are working for our country and North Dakota. I am certain that Governor Link, is as hard working now as he was back in Washington. I have had occasion to work with Bill Guy when he was Governor, and I know of his deep interest in water resource projects, and in looking out for the interests of the state.

Some years ago Senator Young asked me to meet Milo Hoisveen in Bismark on January 2nd. Now I didn't object to traveling on New Years day, but I did not relish the thought of the cold and snow. In discussing the trip, I remarked to the Senator that I thought we were friends, and here he was sending me to North Dakota in the dead of winter. He reassured me by saying that I was going to the "banana belt". Well, the cold, ice and snow did not quite measure up to my preconceived idea of a "banana belt", but I must say the hospitality and warmth of the people I met more than made up for the weather.

I realize that there has been a lot of criticism of the seniority system. It has its drawbacks, but the fact of the matter is that it is a very practical system that works. States, having tested a legislator in his first term and returned him to office, profit by the seniority system in reelecting him in subsequent elections. For instance, some 20 years ago the Dean of the Senate was Walter George, the Senior Senator from Georgia, and the third ranking member was Richard B. Russell, the Junior Senator from Georgia. I know that your Senior Senator has brought many advantages to your state as a result of his seniority on the Appropriations Committee and on the Agriculture and Forestry Committee.

The late Senator Hayden often said that there were two types of Senators, the "showmen" and the "work horses" and that Senator Young was one of the latter.

One of the requirements of an effective Senator, is that he be recognized as a member of the club. I believe that this was brought home to me the first time Senator Ellender, Chairman of the Subcommittee on Public Works, started preparing his recommendations for subcommittee markup. The first question he asked was—"What does Milt want?" I don't mean that he got everything he asked for, but he came pretty close to it.

I suppose I am expected to tell a funny story to get the attention of my audience, but the deliberations of your convention and my topic this evening are far too serious for that. We are in a time of crisis in both our water and energy programs.

I am certain that you are all familiar with the financial and environmental problems associated with the Garrison reclamation project, so there is no need to dwell on that.

In addition to the usual opposition on the part of the Office of Management and Budget to adequately fund water resources programs, the new standard and procedures will make it difficult if not impossible to formulate comprehensive water resource projects, and the report of the National Water Commission will shift the entire financial burden of these projects to the states or their political subdivisions. No doubt these recent developments were discussed at some length today by various members of the panels, so I will not elaborate on these problems either.

I have chosen as my topic, "Energy and the Environment—The need for balance". By way of explanation I should add that my choice of this subject was *not* precipitated by the rising sense of national alarm caused by the recent cessation of Middle East oil imports. My concern here lies beyond that not unanticipated event, and its sudden, abrupt disturbance in our way of life. My subject deals instead with the more basic need to effect an alignment of our energy demands and environmental desires, for this is our underlying problem, one which has been developing for several years, and one that will be with us for many years yet to come.

I am convinced that many people have been taken in by propaganda of the extremists.

A few years ago, if a speaker wanted to gain the support of his audience, he professed to be for the environment and for improving the quality of life. Immediately his listeners were with him with applause, or shouts of "Right on!" He had instant communications—he had closed the generation gap.

But had he, really?

Perhaps he and I had different sets of values—perhaps I had a different concept of what would improve my quality of life. For example, the speaker who was going to improve the quality of my life may have had in mind a system of wild and scenic rivers that he and his family could occasionally visit and enjoy; whereas, my quality of life would be improved if the floods of May and June were released in August and September to assure a harvest.

Any consideration of environmental factors naturally embraces air and water pollution controls. One source of air pollution results from the burning of fossil fuels to produce electricity which has relieved all of us of hard and boring tasks.

Several years ago, speaking in North Carolina, I suggested it might be interesting if, when the gentlemen here return home, they greet their wives something like this. "Honey, I am going to improve your quality of living. I have a device which will reduce air and water pollution." No doubt such an announcement would be welcome—until you presented her with an old-fashioned washboard and a cake of Fels Naptha soap. The reply would probably be—"You are out of your ever-loving mind."

At that time I also suggested that a somewhat similar reaction could be obtained by telling your teen-age son that he has convinced you of the need to protect the environment and improve his quality of living. With such an announcement, the son reacts with the thought—"Gosh, the old man is really with it, he digs what's happening today." So he says, "What are you going to do, Pop?" Obviously, your reply is—"Give me the keys to the car."

This illustrates the real need for meaningful dialogue between developers and environmentalists, for I think they are both pursuing the same ends. It was the hope of the organizers of the National Environmental Development Association to provide a forum for such an exchange of views. We are in fact planning our first annual meeting around the theme of Energy and the Environment during the latter part of February. We expect to have the cooperation of conservation groups, as well as responsible representatives of industry and government. Senator Henry M. Jackson, Chairman of the Senate Committee on Interior and Insular Affairs, has accepted our invitation to be the luncheon speaker.

I do not presume to offer any solution to the energy problem this evening, but I am hopeful that our annual meeting will assist NEDA in refining its position on some of the current issues.

NEDA is committed to the declaration of policy set forth in the National Environmental Policy Act, which reads in part that it is the purpose of the Congress ". . . to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmoney, and fulfill the social, economic and other requirements of present and future generations of Americans."

Let us look back for a moment over the past few decades to put our current environmental concerns in context. We as a nation have experienced unprecedented growth and prosperity which created an unexcelled standard of living. All of this was made possible by the development and exploitation of our land and water resources. We espoused growth as an ultimate goal, and sometimes the only goal, and we sometimes proceeded as if our energy and other natural resources were inexhaustible. During this period economists were at bat. Dissatisfied with the state of affairs, growth was chosen as the means to correct the ills of the day.

In spite of spectacular growth, dissatisfaction, instead of diminishing, grew even faster. By the middle of the last decade there was a reaction. A public awareness of the deterioration of our environment and of the detrimental effect of that deterioration on all living things including man himself took place. The ecologists stressed the environmental damage already done, warned of much more serious blight to come, and demanded that drastic action be taken. Thereupon, there followed a period of environmental and ecological overreaction far surpassing similar movements in other countries. Thus, laws were enacted requiring emission and effluent standards within time frames for which the technological breakthroughs had not been achieved. Indeed in some cases standards were established using data which was later found to be inaccurate or certainly incomplete.

For example, EPA has placed heavy reliance on the catalytic converter to meet the auto emission standards. However, a high level internal memorandum of the Environmental Protection Agency suggests that the catalytic converter, which uses unleaded gasoline may be "nothing more than a Frankenstein monster." That the use of unleaded gasoline and catalytic converters might produce even more serious health hazards than present automobile exhausts that contain lead. The memo concluded: "Environmental controls must be based upon sound scientific evidence and be as scientifically defensible as possible. At this time, the use of the oxidation catalysts is not so based." Dr. Betsy Ancker-Johnson, Assistant Secretary of Commerce for Science and Technology, told the House Science and Astronautics Energy Subcommittee that EPA used inaccurate measurement techniques to establish nitrogen-oxide emission controls.

She said, "We may have been placed in the undesirable position of wasting energy to meet an unnecessarily high statutory limitation on nitrogen oxide emissions. The magnitude of this waste could be very severe." She explained that if a 10 percent increase in fuel consumption is required to satisfy a statutory limitation on nitrogen oxide emissions, about 10 billion additional gallons of gasoline would be consumed annually.

Senator Hart some months ago rightfully pointed out that not enough time has been spent on the cost-benefit evaluation of pollution control. "If it can credibly be said four years from now, that we have caused the expenditure of billions to no purpose or to questionable purposes, the clean air cause will be dealt a blow from which it will be difficult to recover.

In spite of the growing uncertainty of the environmental hazards of the converter and in view of the fuel shortage, EPA's Russell Train is proceeding with plans to require installation of the catalytic converter so as not to lose momentum. With the prospect of high prices for gasoline and penalty for meeting the 1975 emission standards, this is not expected to be an acceptable decision.

In recent hearings on SO_2 removal, one of the installations cited by EPA as proof of their claim that scrubbers are commercially available was the Union Electric 140 Mw coal fired Meramec plant. Well, the facts indicate otherwise. That scrubber was placed in operation in September 1968. Between that time and June 1971, when its use was discontinued, it operated only 120 days.

Even if the scrubbers were sufficiently reliable to justify the cost of installation, there is serious doubt whether they are the most environmentally acceptable means of reducing sulfur oxide emissions. For instance, scrubbers for TVA's eleven coal burning plants would produce 11½ million tons of sludge, or 8½ million cubic yards.

To dispose of this useless material, itself toxic to water and subject to wind erosion, would require each year an area four miles long, 500 feet wide and 20 feet high, or putting it another way, it would cover a football field to a height of one mile.

In order to equip these plants with scrubbers, TVA estimates an investment of over $1.2 billion would be required. Amortization of this investment, together with operating costs, would amount to more than $200 million annually.

As a result of these and other precipitous actions, we face a serious, self-imposed crisis for most of the decade. The great danger of the situation is that people freezing in clean air will say to hell with the environment. As a nation we cannot afford to take that attitude, but in the event we should, you would find NEDA aligned with the environmental purists.

So it is quite evident that ecological considerations and energy demands are on a collision course, and these separate and diverse requirements must be resolved and reconciled. We must look at all the considerations that are important to us—the environment, our national security, the needs of our people for food, jobs and homes—and make reasonable tradeoffs and compromises.

In our headlong dash toward materialistic gain, we have ignored many values which today we must pause and protect. Our problems are enormous; they have been growing at an ever-increasing rate since man first drew breath on this earth, and we are not going to correct them overnight.

I would like to read a statement by a great American: "This country must face squarely the fact that a major portion of its rapidly increasing energy requirements is being met by oil and gas, which constitute only a small portion of our energy reserves. The prospects are that we shall become increasingly dependent on foreign sources of oil unless appropriate action is taken."

This is not a current statement. It came from the State of the Union Message of Harry Truman in 1949, almost a quarter of a century ago. We cannot expect that this problem, so long in the building will be solved quickly or cheaply.

Is there an energy shortage? The answer of course is "yes", for it has now come home to most of us that some form of allocation or rationing will be required. We were headed for an energy shortage prior to the decision in mid-October to embargo Arab oil shipments to the U.S. and the countries that tranship petroleum products to us. Although the effect of that action is just now beginning to be felt. Last month many cities and states had ordered reductions in street, freeway and public park lighting, the shutting off of all outdoor signs, coal mines were complaining that they were running out of diesel fuel to operate their machinery. On November First, Government energy experts in Washington were admitting that they had under estimated the size and impact of the massive oil shortage that will be felt in the U.S. within three weeks. The President's former energy advisor John A. Love said that the Arab oil cut off could mean a deficit of as much as 18 percent of the oil products the nation uses daily up from the previous estimate of 9 percent. Mandatory allocations and at least gasoline rationing are inevitable, but they are essentially short term measures. They neither increase supply nor reduce demand.

There is nothing to be gained now in trying to fix the blame or responsibility for our present situation, for we are all responsible for it. The developer that walked away from the strip mine unreclaimed, the industrialist that insisted on burning the least expensive coal, disregarding its effect on the health and property of others—all must share this responsibility, with, for instance, the so-called friends of the earth, that seem to want to deny them and the country the energy it needs.

I do not suggest that the factors I happen to mention are the only real cause of our problems, but they are all contributing factors, to our basic national energy problem, which now takes the following five forms.

1. Increasing demand for energy;
2. Decreased production of domestic oil and gas;
3. Conversion of power plants from coal to oil and gas;
4. Inadequate refinery capacity;
5. Opposition to new power generating facilities.

Let me briefly discuss each of these five factors. First, the increased demand for energy. The increase in energy demand is about as certain as death and taxes. Over the long-term, the rate of increase may slow down, as our birth rate decreases and energy becomes a more expensive commodity. The legitimate demands of the environmentalists to improve air and water quality to protect the environment in which we and our children must live, will require substantial amounts of energy to run the technology of pollution control. It is essential, therefore, that the vital need for energy to meet our social, economic and environmental objectives be examined in depth. We cannot limit our economy by curtailing the essential demand for energy.

During the present crisis, the people of this country must cooperate in a voluntary energy conservation program that will inconvenience all of us or risk an energy recession with certain industries being required to shut down. At that point, we begin to experience the domino effect on other industries and businesses. The first state to order cut backs in energy consumption was Oregon. That program is working so well that Governor McCall is considering returning the handles for hot water faucets that were removed from the washrooms of public buildings.

I see no substantial decrease in the rate of energy consumption over the short-term period. New households are being established to accommodate the population explosion of World War II, while previously established family units are upgrading their housing facilities The proponents of no growth in electrical demand may be expressing a personal preference, but they are not making national sense. We need a little more explanation from them of just how this would be accomplished nationally. Does it mean that those who have air conditioners keep them? Will those who do not have air conditioners be denied that comfort or luxury?

A middle-aged man with a good job, a comfortable home, well set in his habits of working, playing, and vacationing may be willing to accept the philosophy of "No Growth". But to stop growth and start giving up hope and plans for the future looks very different for our youth and for people in the lower income brackets. Will we compute the total available energy consumption for domestic use, divide it by the population and let each individual have his share of Btu's which he can take in the form of electricity, gas, heating oil, or gasoline? I don't think so. We may have to endure some form of allocation or rationing over a short period of time. However, in our overall planning we must accept and we must provide for increased energy demand.

The second form of our current national energy problem involves our decreased production of domestic oil and gas. About the turn of the century the flow of crude oil from wells in Texas and elsewhere was so great that natural gas, now recognized to be the cleanest and the most desirable of the fossil fuels, was simply flared or burned off at the well head. With the invention of seamless pipe that permitted its transmission to distant markets, its value became recognized, the government regulated its price at the well head in order to encourage its use. Because it was the most desirable of the fossil fuels, its ease of transportation and its regulated price per million Btu's was substantially below the cost of other fossil fuels, its demand burgeoned rapidly,—and as it did the recoverable reserves of natural gas began to diminish rapidly.

As reported by the trade press last December, the average cost of drilling hit a new record in 1971, up 48% from 10 years ago. And only 25,000 wells were drilled in 1971, the lowest number since 1946.

During 1970, when our oil reserve in the lower 48 states was only 9 times the annual production, Mr. Hollis Dole, then an Assistant Secretary of the Interior, urged greatly expanded leasing of the outer continental shelf, and incentives to attract additional investment capital for oil and gas exploration and development, citing the perils of becoming excessively dependent on foreign sources if we did not—perils that unfortunately have now come to pass.

The third form our energy problem takes today involves the conversion of power plants to coal. Beginning around 1966, and particularly following enactment of the Clean Air Act Amendments of 1970, the establishment of more rarified power plant stack emission standards resulted, indeed necessitated, the virtual elimination of coal as a boiler fuel in many of the greatest load centers in the country. This shifted an enormous block of our fuel demand from coal, the country's most abundant energy resource, to oil and natural gas, the country's least abundant, for the reasons mentioned earlier, two of its most depressed resources. In 1970 the rate of growth in the country's recoverable domestic oil and gas reserves were no longer adequate to accommodate this demand—with immediate result being our sudden precarious dependence on alien energy resources that others had warned against, and the economically distressing alterations of our life styles that its sudden interruption entails, which today we must begin to endure.

Since 1970 electrical generating plants consuming 19 million tons of coal annually have been converted to oil (mainly on the East coast). And the further, previously planned switching, between now and 1975, from coal to oil of plants using 6.5 million tons of coal would increase this coal to oil shift for the period 1970 to 1975 to 25.5 million tons. That would be equivalent to about 92.3 million barrels of oil.

But the pendulum of this problem now just as suddenly swings backwards. The Energy Emergency Bill that was being rushed to enactment as I organized these remarks now mandates an immediate conversion of power plants from oil and natural gas back to coal! Yet the ability of the coal industry to absorb this sudden, immense surge of demand is limited—limited by the impairment this industry suffered from the prior prolonged loss of this same market, by the requirement that this industry provide new supplies of environmentally acceptable low sulfur coal, to adjust to the new constraints of recent underground mine safety legislation, and to discern and eventually adjust to the still unknown requirements of the forthcoming surface mining control legislation.

The Senate passed and the House Public Works Committee is considering legislation to permit the Administrator of EPA to act expeditiously to assure that environmental controls do not aggravate the energy crisis. But Senator Muskie, author of the Clean Air Act, emphasized that relaxation of air quality standards cannot be anything more than an emergency measure of limited duration.

To meet the increased demand for coal, new mines must be opened. A large deep mine producing 5 million tons of coal a year would cost between $50 and $75 million. Nobody will open up new mines for short term sulfur variances. Industry can't go to the financial community and get backing without assurance the utilities will be able to burn the coal.

Research is underway for the development of coal liquefaction and coal gasification processes. For instance, Gulf Research and Development Company has developed a bench model of a catalytic coal liquefaction process that works with eastern and western coals as well as with North Dakota legnite. A bench scale coal liquefaction unit utilizing up to 5 pounds of coal an hour produces a low sulfur (0.07%), ash free, pumpable liquid fuel from North Dakota legnite, at economically competitive costs.

Another research project being studied would integrate the Stone and Webster Solution/Gasification Process with the Gulf General Atomic high temperature gas-cooled nuclear reactor. The combined process has the potential for converting essentially all of the coal feedstock into ecologically acceptable fuels. These and other processes under study unfortunately will take time to develop into commercial scale plants and will not be of assistance in our current energy crisis. They are essential for achieving our energy goals for the short term period between now and 1980.

The fourth form of the problem is inadequate refinery capacity. Our oil refineries are currently working beyond their rated capacity, and it is evident that the U.S. needs more refineries. It is evident from the facts, for example, that if we use our refinery capacity to provide the gasoline the nation needs, we cannot supply its homes with heating oil; whereas if we use that capacity to provide the heating oil its homes have to have, we cannot supply the gasoline the nation needs.

In the past two years we have only placed one or two new refineries in operation. A new Gulf refinery went on stream last year in Louisiana which increased Gulf's crude oil refining capacity about 20 percent. Actually we need to complete four or five new refineries a year for the next several years. Construction of a modern, sophisticated, environmentally-acceptable refinery now takes about four or five years to complete and check out prior to production. Fortunately this situation is improving somewhat, the construction of at least 3 new refineries has been announced in the last quarter. These plants costing about $135 million each will have a total capacity of about 600,000 barrels a day. Hopefully they will not encounter environmental delays.

The fifth and last form of our energy problem I will touch on here involves the unfortunate and sometimes unthinking opposition to new power generating facilities. Over the past ten years there has been increasing opposition on environmental grounds to: construction of new coal, oil, or natural gas fossil fueled power plants, construction of new hydroelectric power plants, construction of new nuclear power plants. Everyone has his own illustration of this self-defeating problem, or of the power plant affected by it. I will give you one of mine.

From the standpoint of air and water quality, and often scenic and aesthetic considerations, hydroelectric power is the cleanest method of generating electricity. Consolidated Edison Company of New York's efforts to move forward with its two million kilowatts of hydroelectric pumped storage capacity at Cornwall, New York, was opposed and obstructed by certain environmentalist groups—even though the company agreed to underground and landscape the facilities so they would not be visible, put transmission cables underground, and prevent significant adverse effects on Hudson River fish, either by screening the river water intakes or establishing a fish hatchery. The more than 10-year delay in starting the project tremendously escalated its cost—from $165 million to $400 million today. This additional cost will be borne, not by the opponents of the Cornwall plant, but by the New York City consumers. In the interest of meeting our energy requirements, in the most environmentally acceptable manner, the country's remaining hydroelectric power sites should be developed wherever this can be done without destroying, or in a manner compatible with, their surrounding environment.

As of today, the only source of substantial blocks of power that can be developed with little or no air pollution is nuclear power. I recall testimony presented to the Subcommittee on Public Works of the Committee on Appropriations by a professor of environmental medicine. He stated that anyone living as close to an atomic power plant as is permitted over a 30 year period would pick up 150 millirems of radiation. That sounded pretty scarey. The Chairman asked the AEC about it, and they agreed that that was about right, but they pointed out that you would receive about 200 millirems of radiation from a single chest x-ray. So the Chairman turned to the professor of environmental medicine and said, "What do you have to say to that?" The professor said that was true, but that he was also against chest x-rays, even for diagnostic purposes. Our fears become less irrational when we have such a frame of reference. In this connection, I should remind you that the first detectable clinical effects of complete body exposure to radiation, is in the range of 25,000 millirems and up.

Again with respect to nuclear energy, thermal pollution from light water reactors is greater than from fossil fuel plants of the same generating capacity. On the other hand, the gas-cooled reactors are 22 percent more efficient and operate with about the same thermal releases as the fossil fuel plants. More advanced concepts look even more promising. High temperature, gas-cooled nuclear reactors, for example, combined with a closed-cycle gas turbine would make more efficient use of the heat available than the present low temperature nuclear steam power plants. The large volumes of cooling gas from the high temperature reactor would be used to generate electric power by expanding them through high efficiency gas turbines. Here is a case where aerospace technology experience in closed cycle Brayton systems can make a major contribution to energy conversion systems. NASA—Lewis has undertaken major research in this area since 1945.

Research currently underway to develop a direct cycle gas turbine for application to the High Temperature Gas-Cooled Reactors will not only substantially increase their efficiency but will permit the use of dry cooling towers. When this concept is perfected, nuclear plants can be sited without regard to a source of cooling water and will therefore provide greater flexibility in plant siting.

Also on this subject of environmental opposition to new power plant energy supply, there is the equally strenuous environmental opposition to their essential related or supportive facilities or services, such as the surface mining of the coal they must burn, and the deepwater ports required to unload the supertankers necessary to carry the oil they need, and the refineries essential to process the oil they consume. Also there is the environmentalist opposition to construction of the underground natural gas storage vaults, to meet the peak winter power plant and gas demand, in excess of gas transmission lines' daily carrying capacity.

In the North Atlantic region, where the very restrictive air quality standards adopted required a shift from coal to oil for power plants, and all proposals for deepwater ports to serve the supertankers to comply with this shift met with strenuous environmental opposition. And this occurred despite the recognized fact that an offshore oil terminal would be less hazardous to the environment than an increase in the number of tankers required to meet the new needs of the area. Any proposal for a new refinery meets with organized opposition. I suppose their answer may be to bring the oil in to ports in some other state, and build a pipeline from there across still other states, to meet the needs of their states.

So I believe it is reasonable to say that our current energy problems are the result of frequently well intended but in fact uncoordinated actions by major policy makers or policy influencers—by Congress, the President's Council on Environmental Quality, the Environmental Protection and other government agencies, by environmentalists, by industry, and by a hitherto unconcerned citizenry.

Lack of aggressive action to come to grips with our dwindling domestic oil and gas resources, coupled with a direct attack on the deterioration of air quality resulting from the utilization of high sulfur coal, the only plentiful source of fossil fuel available, has reduced our options for the near and intermediate term.

For the short term, energy conservation, the allocation of available supplies, and relaxation of air quality standards will ease the burden. Last year oil imports cost about $5 billion, and we had a net unfavorable balance of payments of $6 billion. Assuming no significant increase in the price of oil (a big assumption), until recently the cost of oil imports were estimated at $9 billion for this year $10 billion next year, and $12 billion in 1975.

Those estimates were based on normal weather conditions and optimum utilization of refinery capacity. If the winter is even five degrees cooler than normal, if refinery runs cannot be sustained at an average of 97 percent of capacity, or if the level of imports falls three or four percent below our projected average volume of 500,000 barrels per day during the heating season, it was recognized that a crippling shortage would develop. We now know that those estimates, gloomy as they were, were optimistic, or unreal. For there now is no more Middle East oil for us, and the "crippling shortage" we feared is here.

So it is evident that the American era of abundant low cost power is over, at least for awhile, and that a new era of energy paucity is upon us. Admittedly, the near term is not very bright. For the long term, however, I am convinced that once we fathom the full dimensions of our energy dilemma, we can combine energy demands and environmental desires with break-through research and development, to produce the technology to supply our irreducible energy needs, and to sustain the industry and economy that makes America great.

Our own organization, the National Environmental Development Association—and we welcome your support and membership in it—is determined to do what we can to achieve realistic reconciliation of the environmental ideals of America, and the energy supply essential to keep its economy viable and provide an acceptable standard of living for its citizens.

I believe it is clearly evident that the planners, both Federal and non-Federal, must find the best, and most constructive ways of keeping the economy moving. We must seek an accommodation. It is not a question of shall we have either industrial and economic development or shall we have a quality environment. We must have both, for we will not live without either.

The energy crisis will not end with the resolution of the Middle East war and therefore the U.S. cannot return to its previous energy policies. It is now clear that no great nation can be dependent on any nation—friend or foe—for its energy.

I believe that the energy crisis can be shortened if the right long term priorities are established now. The cost will be enormous and the fruits of today's investments will not become apparent for from five to eight years, due to the construction period required for modern power plants, refineries, new oil and gas wells or the opening of a large coal mine.

While energy requirements will have a high priority for new capital, other programs such as housing, sanitation, transportation, educational and environmental control industries will not and cannot be neglected.

Robert C. Holland, a member of the Federal Reserve Board, said that the vast amounts of capital needed to meet the energy crisis during the next 12 years will present the financial industry with a major challenge. He pointed out that these requirements will be in the hundreds of billions of dollars. Whatever the amount it will be considerably more than the industry has ever before needed. The financial community will be confronted by increasing challenges to their capacities to develop innovative financing arrangements.

The solution of these problems must be based on facts, an understanding of alternatives, and above all, a willingness on both sides to achieve an accommodation.

I know that these are your objectives, and I commend your associations for working to achieve a balanced use of our land and water resources.

In conclusion, as we look back over the recent, often tumultuous spectrum and cycle of this controversy—of economy or energy versus the environment—it emerges clearly that there is not, and that there has not been in the American mind, any real conflict between these two indispensable forces.

As we analyze this controversy in the forms it currently takes back in Washington, we see that those who contribute to its solution are not those who urge only one side or the other of this controversy. We see that those who contribute to its solution are those who recognize that both sides must prevail, and that the key to its solution in each instance is a thinking application of new technologies, and a thinking modification of old policies. For it is in this way, and only in this way, that we can bridge and blend together these two great goals, of both environmental and economic growth.

This is our goal, in the National Environmental Development Association.

I thank you for giving me an opportunity to share some of my thoughts with you this evening.

SEMIANNUAL REPORT ON OFFICE ACTIVITIES AND EXPENSES

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. OWENS. Mr. Speaker, as a Congressman, it is one of my responsibilities to be open and candid with my constituency with regard to the manner in which I utilize the funds I receive to staff and run my offices and to carry out my duties as a Utah Representative.

Recently, I decided to close my district office in Tooele because I felt that it was not used enough to justify the expense of keeping it open. I believe the proximity of my Salt Lake office to Tooele, as well as the fact that a staff assistant from the Salt Lake office goes there once a week to help with Tooele County problems, compensates for any inconvenience that might be placed upon my constituents in Tooele County.

I promised to report to my constituency, on a semiannual basis, my office-related activities and expenses. The categories reported herein include my voting attendance record, bills sponsored and cosponsored, staff and office expenses, days spent in the district, town meetings and legislative forums held, and average mail, phone and visitor volume:

SUMMARY OF ACTIVITY AND EXPENSES IN DISTRICT OFFICES—3

(Statistics include average of Tooele Office figures through December 1, 1973)

ACTIVITY

Personnel:	
Full time	4
Part time	2
Interns (non-salaried)	14
Total	20
Letters received (average week)	120
Letters sent (average week)	95
Telephone calls received (average week)	1,245
Telephone calls placed (average week)	680
Memos (inter-office)	16
Office visitors (average week)	162
Cases (average week)	27

EXPENSES

Equipment and furniture (includes present value of furniture and equipment left by predecessor); (accumulative since January 1973):

Allowance	$15,000.00
Utilized	14,288.87

Carpets and drapes (accumulative since January 1973):

Allowance	4,500.00
Utilized	2,350.77

IN-STATE ACTIVITIES

Days working in Utah:

July	13
August	6
September	9
October	11
November	7
December	4

TOWN MEETINGS

(Including "Meet Your Congressman")

Salt Lake County (11)—Central City, East Bench, Butler, Sugarhouse, Murray, Midvale, Sandy (2), Holladay, Kearns, and Granger.

Tooele County (2), Kane County, Millard County, and Iron County.

SUMMARY OF ACTIVITY AND EXPENSES IN WASHINGTON OFFICE

ACTIVITY

Personnel:

Full time	10
Interns	8
Total	18
Letters received (average week)	500
Letters sent (average week)	450
Telephone calls received (average week)	450
Telephone calls placed (average week)	[1]700
Memos (inter-office)	15
Office visitors (average week)	20
Constituent requests (average week)	15
Constituent cases (average week)	9

EXPENSES

Equipment:

Allowance	$5,500
Utilized	4,567

Equipment leased—per month:

Allowance	350
Utilized	350

TOTAL SALARY SCHEDULE

Allowance	$94,791.00
Utilized	94,484.99

LEGISLATION AND VOTING STATISTICS[2]

Bills sponsored or co-sponsored	105
Resolutions sponsored or co-sponsored	23

(In percent)

Voting Attendance Record	90
Attendance Record	87

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[1] Includes Government Code and Centrix System calls.

[2] Figures reflect entire 1st session of the 93d Congress.

PERSONAL EXPLANATION

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I regret, because of a commitment which could not be broken, that I was unable to cast a vote on Friday, December 21, on H.R. 11333, which included an 11-percent social security increase for recipients.

Had I been present I most certainly would have voted "yea," as I did on the original House bill and every bill in the past which authorized increases in social security benefits.

LOUISIANA CARRIES ON LOVE AFFAIR WITH ALOHA STATE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MATSUNAGA. Mr. Speaker, the people of Hawaii have loved the beauty of their home for many generations. When a mainlander falls in love with our islands, however, it gives the Hawaiians feelings of pride and happiness. This is especially true when it is a "Malihini" like Mr. George Lehleitner of New Orleans, La., who helped Hawaii to become the 50th State of the Union and who has visited Hawaii many times. He is most gracious in his description of our State, which has long been known for its majestic mountains, magnificent seascapes and marvelous climate. As Mark Twain remarked after his stay there:

> Hawaii is the loveliest fleet of Islands anchored in our ocean.

Who would care to dispute such poetic truth?

But Mr. Lehleitner's heart has found its way to the most beautiful thing about Hawaii—its people. The spirit of Aloha abides there for tourists and other Hawaiian people alike. Hawaii has been far more successful than most areas in creating a multiracial paradise where the best a group has to offer is adopted by many others to make life a little more worth living.

I am pleased that my friend from Louisiana cares so much for Hawaii, and am proud to present for inclusion in the CONGRESSIONAL RECORD, a portion of a letter he wrote to a friend in May of this year:

> NEW ORLEANS, LA., *May 25, 1973.*
>
> I have been carrying on an outrageous love affair with Hawaii for many, many years . . . and I am most anxious to have other mainlanders share the pleasures of the Islands also.
>
> I continue to refer to "the Islands" whereas in reality I should be saying "the *Islanders*" . . . for the most beautiful thing about Hawaii is not its majestic mountains, or its magnificent seascapes, nor even its marvelous climate. No, Hawaii's richest treasure is its PEOPLE. For it is, to the best of my knowledge, the only place in the United States—and perhaps in the world—where many diverse races with an equal diversity of cultures have been able to live and work together with an amity which must indeed be rare. I would not want to attempt to delude you into believing that Hawaii is completely free of racial bias, for this would not be true. It is, however, entirely true to state that one will find less of it in Hawaii than in any other part of America. And, for me, a pragmatist, who recognizes that man can never obtain absolute perfection . . . he can only honestly strive for it . . . this is enough.
>
> Strangely enough, much of this tradition is traceable to the philosophies of the early Hawaiians who have over the years freely given their blood to the Caucasians, Chinese, Japanese, Koreans, Filipinos, and multiple other races who in smaller numbers have taken residence in Hawaii.
>
> Remarkably, however, not only has Hawaiian blood been widely diffused among the other racial groups who have come to the Islands; the qualities of gentleness and good will to all mankind have been absorbed by the later arrivals as well.
>
> GEO. H. LEHLEITNER.

AN OUTREACH WORKER LOOKS AT DORCHESTER COUNTY

HON. J. GLENN BEALL, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, December 10, 1973

Mr. BEALL. Mr. President, as the ranking Republican member of the Labor and Public Welfare Committee's Subcommittee on Aging and a member of the Special Committee on Aging, I have a special interest in the well-being of our Nation's 20 million senior citizens. I hold our Nation's senior citizens in a position of great respect for they have toiled long and hard on our Nation's behalf, and they have earned the right to live their retirement years in security, dignity, and independence. We owe our senior citizens a debt of gratitude for they are primarily responsible for the prosperity and the greatness our Nation enjoys today.

I have recently received a copy of a research paper from one of my constituents entitled "An Outreach Worker Looks at Dorchester County." Mrs. Ruby Smith is paraprofessional staff member working with the Maintenance of the Aging Community project. MAC is an areawide model program which encompasses the four lower Eastern Shore counties in the State of Maryland. The project began in July of 1972 as a demonstration project sponsored by the Administration on Aging. The success of this areawide model program, and others like it across the Nation, laid the groundwork for the comprehensive service delivery concept which is contained in the Older Americans Act of 1973.

Mrs. Smith serves as part of a network of Outreach workers who have sought to reach needy senior citizens throughout the lower Eastern Shore. Before joining the MAC Multiservices Senior Center, Mrs. Smith worked as a telephone operator and prior to that as an assembly worker. The attitude and enthusiasm which she displays in her research paper clearly indicates that she finds her current undertaking to be rewarding, stimulating, and helpful to her as well as to those she serves.

Mr. President, I ask unanimous consent that the text of Mrs. Smith's paper entitled "An Outreach Worker Looks at Dorchester County" be printed in the RECORD at the conclusion of my remarks.

There being no objection, the research paper was ordered to be printed in the RECORD, as follows:

AN OUTREACH AIDE LOOKS AT DORCHESTER COUNTY

(By Mrs. Ruby Smith)

For the last six months, I have worked as an Outreach Aide for the Multi-Senior Service Center in Cambridge, Maryland. If you have a few moments, I would like to share some of my experiences with you. First of all, let me give you some background information.

Dorchester County is a small, minute area located on the Choptank River. Although the area is small, a great percentage of it is occupied by the elderly. Who are the elderly? What role does Multi-Senior Service Center play in their lives?

The elderly are classified as persons of 60 years of age or over. They are usually semi-retired or fully retired from their lifetime professions. This does not mean that they are ready for senility or the rocking chair. In contemporary industrialized society old age is a nuisance. A rapidly changing society seldom looks to its aged for guidance for people who were socialized two generations ago and are likely to be behind the time. The compulsory retirement at age sixty-five system is an expedient way of discarding the fossils. The role of the aged is a retirement in which their income is reduced, their responsibilities withdrawn, and their influence undermined. Their main function in life is to divert themselves while waiting to die. The role of the aged is a painful transition. To be successful in the active, adult role, one must develop independence and self reliance, must learn to find satisfaction in useful work, and in being adviser and protector of the young. As an aged person, he must become dependent and submissive, able to respect himself with no useful work to do, and must learn to keep his advice to himself while being ignored or patronized by the young. Is it any wonder that many of our senior citizens sicken and die soon after retirement, while many others become bored and fretful? The rapidly developing field of geriatrics indicated a serious concern with this topic, and the picture may change in the future. Multi-Senior Service Center is one of the many services that is opening for the aged. This program has a genuine concern for our aged and is making every endeavor to create a more comfortable environment for them.

Now that I have given you some background information, I would like you to accompany me on an average working day in Dorchester. First of all, we will visit the home of an elderly lady approximately seventy-four (74) years of age. She is a very active and outgoing person. She is suffering from a few minor medical problems but really has no great financial needs. She does need outside stimulation. She is a fantastic cook and shows great pride in her home. She is very artistic with her hands, most of the accessories in her home are hand made. She just loves company, the pot of soup is always on the stove and the biscuits are always in the oven. She enjoys exchanging recipes, crochet patterns, and different little tales of the day. Naturally, she comes to the center to exchange her ideas with the other elderly. She is truly a great asset to the center. I visit her on a regular basis, I inform her of the events taking place at the Center and she has given me names of other elderly people who need help. Indeed, this visit is a pleasure.

As we turn the corner, we will visit another elderly lady who is in great need of transportation. She lives alone and does not possess an automobile. She is suffering from cataracts and has to visit the eye doctor frequently. Dorchester County does not have a licensed eye doctor, therefore, this poses a great problem for her. I arrange her appointments for her in another county and make sure she has transportation to and fro. She can't see very well, but she thoroughly enjoys the beauty of the countryside as we are driving along. It is like a special treat to her, it is a beautiful feeling to know someone cares. The biggest event of the day is a hot dog and coke at the local Tastee Freeze. She says she never gets an opportunity to get out and eat. Would you believe how much happiness a hot dog and coke can bring someone?

Approximately five miles east of Cambridge, we will find an elderly man that lives alone on a meager $55.00 dollars per month. The gentleman is a proud and dignified older man. He does his best in the daily struggle for survival. Can you imagine how alone he feels at times? Can you imagine the feelings of desolation and helplessness that must flow before him daily? Have you ever been totally alone? My first few visits with him were just to tell him of our service and see if he was in need. He did not know that there was a program for the aged and he did not know that anyone cared about him. I had to talk to him and get him to instill his trust in me, it is a very difficult task for someone to really believe there are people who are genuinely interested in helping someone.

They are always wondering "what is the catch". I told him that all of our conversations would be held in the strictest confidence, for this is very important. A lot of the elderly are such proud, staunch people, they want to have dignity in their community, they would not want their personal lives divulged to the entire community. They do not want anyone to think they have to have assistance from an outside source, they want to go out of this world with their prized possession—their dignity. For some people, the idea of food stamps, is a disgrace. They just have to listen and understand that we are there to help them, not to hinder them. I explained thoroughly to this gentleman about food stamps, medicare plans, and various other aspects that he could take advantage of. He became very interested in this and soon he became much more perkier and willing to listen. Everytime I visited him, he came out of his shell, a little more. He found a friend, someone that cared what happened to him. One day during one of my visits there, I noticed that he did not own a refrigerator, I contacted Social Service and he is now the proud owner of a refrigerator.

We will stop by the Center on Muir Street for a few moments on our way back to town. The Center is a rendezvous for the elderly. The women bring their crocheting, knitting, recipes, and paintings, and the men bring their chess, checkers and pinochle games. The Center provides a lounge area for them, they may sit and chat awhile, they may engage in a good olde hearty game of chess. We have special events set up for the aged at the Center. We have a special day once a week when we serve lunch and show movies and just have a funfilled day. We have fashion shows, flower shows, cooking lessons, economists meetings, and different types of lectures that are scheduled throughout the week. This is their home away from home. If their legs are tired and their bodies weary, they are most welcome to stop by the Center for a period of relaxation. We have several people that just come in and say "hello". They feel comfortable and wanted there. This is very important for the elderly in today's times.

After leaving the Center, we will visit the Cambridge Hospital. There are several people there who just can't wait for a visit. I check on a couple of them for relatives who do not have a way of transportation, and the next day I inform them of their condition. I bring good tidings from their relatives and sometimes someone will drop a little gift off for them. All of these things bring them in contact with the outside world.

After we leave the hospital, we will stop and see an elderly lady who is confined to her room. She has been in this room for four years. This is a pitiful sight. She has no idea of time, weather conditions, world events, or anything else pertaining to the outside world. She has not been informed of the food stamps program, medicare, medicaid, or any of the latest programs for the aged. She is completely lost within those four walls. I help her fill in her forms, check on the latest data with Medicare, read her letters, and look out for her general well being.

It is about the end of the day and I must return to the Center to fill out my reports and make a few calls to Social Service. I hope your stay has been an enjoyable one and I would like to leave you with a few remarks.

During these last six months, I have learned there are people in this world that need help. They are not ringing a false alarm, they are in true need. We think we are the "now generation", but one of these days we are going to become a Senior Citizen.

In our society, today, there is little dignity in becoming old. The scientific accomplishments of industrialized society have prolonged the lives of our aged until most people over sixty-five now have a life expectancy of between ten and fifteen years. But the technical revolution has also brought marked change in the family and in the role of the aged in community life. Like adolescents, the elderly are not needed in the contemporary labor market. The information explosion in all fields has made their knowledge obsolete, and rapid change in culture definitions have even made their morals and manners out of date. At best, the "Golden Age" of senior citizenship means taking it easy in a warm climate and staying out of the hair of the rest of society. More often, they mean poverty, boredom, and loneliness. There is a crucial need to locate meaningful roles for the elderly members of our society and to provide adequate socialization to prepare them for these roles. These include the emphasis on the development of hobbies and activities that may be expanded on retirement. Another trend is the growth of specialized facilities which may provide pleasant living in a society segregated on an age basis. These include housing, either in rest homes or specially designed apartments, recreation centers, often given such names as the Golden Years Club, or even the development of an entire village as a living place for the aged, such as Ryderwood, near Longview, Washington. These trends are already changing the status of elderly people, but at present their role involves difficult adjustments at a time of life when such adjustments are not easy to make, so open your heart up and spread the word to your friends, you are helping to create a better world for you tomorrow.

I have to leave you now, for we have school tomorrow, and I have a lot of work to prepare before 5:00. I enjoyed your company.

PRENTISS M. BROWN, SR.

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. WILLIAM D. FORD. Mr. Speaker, I learned with sorrow recently of the death of Prentiss M. Brown, Sr., a former Member of Congress from Michigan and onetime head of the Office of Price Administration during the Second World War.

Mr. Brown died after a heart attack December 19 in his home at St. Ignace, where he was born 84 years ago. During his long life, he carved out a spectacular career which made him truly one of Michigan's outstanding public servants.

He began his career as a lawyer in St. Ignace, served 12 years as prosecuting attorney for Mackinac County and during this same period was city attorney for St. Ignace.

In 1932, he was elected as a Democrat to the 73d Congress, and served until November 1936, when he resigned following his election to the U.S. Senate in a special election upon the death of James Couzens. He served with distinction in the Senate through 1942, when he failed to win re-election.

In January 1943, President Roosevelt appointed him Director of the Office of Price Administration, a position he held until October of that year. He then returned to Michigan and became board chairman of the Detroit Edison Co.

Later he served as chairman of the Mackinac Bridge Authority, the State agency which constructed the 5-mile bridge which now links Michigan's two peninsulas.

Mr. Brown was the first Democrat elected to Congress from northern Michigan. He was elected in the Roosevelt landslide of 1932, but broke with the President over Roosevelt's attempt to reorganize and enlarge the Supreme Court in 1937. He became known as one of the Senate's "Young Turks."

A graduate of the University of Illinois in 1914, he was admitted to the Michigan bar that year and served as a member of the State board of bar examiners from 1930 until 1942. He was chairman of the Michigan Democratic State Conventions on six occasions between 1924 and 1940.

Prentiss M. Brown has made a deep mark on Michigan and on the Nation, and his services and accomplishments will be long remembered. I offer my condolences to his wife and eight children and join with his many friends throughout the Nation in mourning the death of this great statesman.

REVISIONS TO 1973 VOTING RECORD

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. HOGAN. Mr. Speaker, the insertion of my 1973 voting record in the Congressional Record of December 22, 1973, was in anticipation of expeditious House action on the conference report on energy legislation. As we now know, the House and Senate could not agree on the report after considerable debate and legislative maneuvers.

The House actions of December 21 and 22 necessitate revisions of my 1973 voting record as follows:

Against suspending the rules and agreeing to House Resolution 759, dealing with emergency energy definitions and authorities (D)

Against the House Resolution 759, dealing with emergency energy definitions and authorities (D)

Against the suspending of the rules and agreeing to H. Res. 760, assuring through energy conservation, end-use rationing of fuels, and other means, that the essential energy needs of the United States are met (D)

Against suspending the rules and agreeing to H. Res. 761, changing Title I of the Conference Report on the Emergency Energy Act of 1973 to expire on April 1 rather than May 1, 1973 as stated in the Conference Report (D)

For H. Res. 411, giving the authority to the Speaker of the House and the President protempore of the Senate to call both houses back into session if they deem it necessary (D)

Against agreeing to the resolution on H176 (P)

Against H.R. 3926, a bill to extend the National Foundation on the Arts and Humanities Act (P)

For a bill to authorize for activities of the National Science Foundation (H.R. 8510) (P)

Against a motion to recommit (S. 1435) dealing with an act to provide an elected mayor and city council for the District of Columbia (F)

For a motion to adjourn the 1st session of the 93rd Congress (F)

Change Paragraph One to Read:

Mr. Hogan. Mr. Speaker, as has been my custom I am inserting herewith in the Congressional Record my voting record for the 1st session of the 93rd Congress. Since the session began in January we cast 541 recorded votes. Of these I was unavoidably absent for 14 votes.

Delete: For the Conference Report on Emergency Energy Act of 1973, S. 2589 (P)

IS THERE A NATIONAL PARK IN CUYAHOGA VALLEY'S FUTURE?

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. VANIK. Mr. Speaker, for years we in northeast Ohio have been advocating the creation of a national historical park and recreation area in the Cuyahoga River Valley between Cleveland and Akron. This year, park legislation has been introduced in both Chambers and is cosponsored by about 50 Members of the House.

With the energy crisis, the need for a major recreation area close to millions of city dwellers has become urgent. It is estimated that the valley, with its beautiful, unspoiled greenness and open spaces could provide a lasting recreation area for millions upon millions of Americans.

Yet because this undeveloped land is so close to two of America's biggest cities, it is subject to tremendous pressure from developers. It is imperative that the park be developed before the pressures of urban sprawl destroy the beauty of this historic river valley forever.

I would like at this point, Mr. Speaker, to enter in the Record portions of a very fine article by John C. Miller and Robert H. Pettay which appeared in the August 19, 1973, Cleveland Plain Dealer. The article, entitled "Is There a National Park in Cuyahoga Valley's Future?" is an excellent description of the potentials of the valley and the problems facing the creation of a valley park:

Is There a National Park in Cuyahoga Valley's Future?

(By John C. Miller and Robert H. Pettay)

Harry Bowers has a farm. His small house sits close to the gorge where Route 82 crosses the Cuyahoga River. Despite a natural openness, Bowers has grown to distrust outsiders. Motorcyclists have terrorized his arthritic basset hound and vandals have broken into his corncrib.

The water moves gently through the valley that is Bowers' home. Tangled vines and something resembling Spanish moss are hanging from trees along the river's banks. Waterfowl burst into a pattern across the sky, disappearing behind a stand of maples.

Not long ago, Cuyahoga County built a small sewage treatment station near the edge of the Bowers property. Sounds of birds and rustling leaves now compete with a hum new to the environment. Up on the ridge they may widen the road. That means more and noisier highway traffic.

But despite the instrusions, Bowers has no plans to leave his home in the valley. Across the dirt road from his house is a wide ditch that was once the Ohio Canal. In what is now Bowers' front yard, 17-year-old James Garfield, later to become the 20th president, drove the mules that towed the canal boats. According to valley folklore, young Garfield, in the best Honest Abe tradition, would sit on a grassy part of the towpath reading books while his boat, "The Evening Star," was loaded.

* * * * *

Despite a healthy sense of humor, Bowers is uneasy about the valley's days ahead. The future of the land along the river between Cleveland and Akron is very much in doubt. While investors plan increasing development of the area, many residents and interested outsiders would like to preserve the land in its present state.

The Cleveland and Akron Metropolitan Park System, the Western Reserve Historical Society and Blossom Music Center own roughly 4,000 non-contiguous acres in the valley. An additional 11,000 acres can be preserved if legislation to enact the Cuyahoga Valley National Historic Park and Recreation Area passes Congress. The bill was introduced in April by Reps. John F. Seiberling (D-14, Akron), Charles A. Vanik (D-22, Cleveland), and Ralph S. Regula (R-16, Akron). The proposal asks for $40 million to buy and develop 15,000 acres between the rims of the Cuyahoga River valley south of Rockside and north of Bath Roads.

While debate over disposition of the land goes on, life continues pretty much as always in the forested hills and bottomlands of the upper Cuyahoga. The river wanders as it did when the Indians of prehistory lived along its banks; many of their mounds still remain. Half hidden by steep hills are the weathering stone locks of the canal, first suggested as a trade route by George Washington before the Revolutionary War.

Like New York's Hudson River Valley, the Cuyahoga also has its Irvingesque legends. Valley folklore tells of a heartbroken girl who drowned herself in the shallows of the canal and whose spirit now haunts the towpaths. But unlike the increasingly polluted Hudson, the upper Cuyahoga is an affirmation of life in an urban environment. The valley is home to deer and the red fox.

If the national park becomes a reality, this stretch of the Cuyahoga would have clean water for swimming, boating and fishing, and campgrounds would be connected by about 50 miles of hiking and bicycling trails. Plans have already been drawn for restoring a canal boat to carry visitors on navigable portions of that man-made waterway. And a restored passenger train with steam locomotive may run through the valley, taking skiers and park visitors from downtown Cleveland and Akron to Brandywine, Peninsula Playhouse and other river area attractions.

As part of a living museum for the proposed park, working 19th century villages will be built, rekindling cottage industries ranging from maple syrup production to oil-barreling with pre-Civil War techniques.

But there's more to the upper Cuyahoga than aesthetics and recreation. Said Rep. Vanik:

"A national park in the area could bring as much as 100 million additional dollars every year to the economy of northeastern Ohio. It will attract sophisticated, clean industries that, at present, are more likely to locate in California or Florida where they can offer employes attractive life styles with many recreational options. If we have the park, we can compete for these industries. Commercial and residential development will follow."

Overly optimistic? Perhaps, but in every case without exception, areas in which national parks are located make big money from local residents, new business and the ever increasing number of tourists.

Cleveland Metropolitan Parks System authorities say land adjacent to its parks is appraised at a higher value than other lots in the same area. The National Park Service reports that in some cases, land adjacent to national parks has increased in value three times above its originally appraised worth.

"Vanik's figure of $100 million is only a guess, but a realistic guess," said Frank Maris, director of research and planning for the Greater Cleveland Growth Association. "When Cleveland opened its new park on Chester Avenue, the land no longer provided direct tax revenue to the city, but the economic spin-offs from the park have more than made up for lost taxes."

And beyond money, there's life itself. Dr. Robert Rolan, director of environmental studies at Cleveland State University, emphasizes that the quality of life throughout northeastern Ohio may depend on preserving the valley as open land, much of it undeveloped.

"First of all, building in a flood plain violates all rules of logic," said Rolan. "The Cuyahoga, like all other rivers, naturally overflows, and you can expect buildings in a flood plain to be flooded.

"Additional development would mean less open ground to absorb water and less water in the ground could cause wells to go dry. The water which had seeped into the soil would now run off pavements and rooftops into the river, increasing flooding because of a higher volume of water."

Over the years, cost of flooding runs into the millions. Increased building results in demands for channeling or straightening a river so that water moves faster and is less likely to overflow the banks. The financial and aesthetic costs of channeling are high.

Another danger to the area comes from the region's natural salt deposits. The ground water and the plant life already have a high sodium content. If new roads are built or old roads widened, the necessary increased salting for ice removal may destroy plant life and poison the water. Salt contamination closed Barberton's municipal water works in 1949.

"If that weren't enough," continued Dr. Rolan, "building on soil made up of shale and mud like that in the valley is just asking for landslides."

Keeping the valley green helps combat air pollution. The trees and groundcover along the river not only filter the air, but also produce oxygen and help to reduce heat generated in urban areas.

Saving the valley by transforming it into a park has long been considered by both the Cleveland and Akron park systems.

"But they never had enough funds to purchase much acreage in the area," said James Jackson, president of the Cuyahoga Valley Association, a group supporting preservation of the region.

Local, non-profit citizen groups have also tried to preserve parts of the valley. While the Western Reserve Historical Society has restored the Hale Homestead, the original farm established by early settler Jonathan Hale, other attempts by similar groups have failed.

"We've been trying to float a restored boat on the canal for the past two years," said James Kuth, president of the Western Reserve Canal and Transportation Society. Working with private funds, the group had hoped to operate an 80-ton boat on the canal. It would carry passengers between Route 82 and Sagamore Road. It was expected the project would become self-supporting.

That stretch of the canal is maintained in excellent condition by the U.S. Steel Corp. The company leases the 40-foot-wide, four-foot-deep channel in order to have a constant water supply for its cooling operations at its mills on Harvard Avenue.

"U.S. Steel won't let us use the canal because they fear an accident might block the channel and prevent water from getting to the mills," said Kuth. "If we could guarantee them $10,000 for every hour the flow of water was stopped, they'd let us use the canal. We can't get an insurance company to even estimate the cost of that kind of coverage."

Even the state couldn't be expected to allocate necessary funds. Gov. Gilligan's proposal to consider the area as a site for Ohio's bicentennial pavilion is entirely dependent upon receiving federal money. But Congress has not yet even considered granting funds to the states for bicentennial projects.

Ohio's efforts at buying public park lands in the area have thus far been limited to one 10-acre parcel. "We have two million dollars presently appropriated to buy land, and might get an additional four million from the state's return on the federal revenue sharing plan," reported Marvin Katz of the Ohio Department of Natural Resources.

"Eventually the state plans to purchase or obtain scenic easements on 14,000 acres in the area. This is independent of any federal proposal, but we're talking about the same land, and we will be prepared to sell it or trade it to the government." How the state plans to buy so much land at the going price with so little money, Katz never attempted to explain.

In 1971, Rep. Vanik, Rep. Seiberling and others of the Ohio delegation introduced a bill to make the valley a national park. But it died in committee.

"I guess you might say we were a little inexperienced with park legislation at the time," explained a Vanik aide, William Vaughan. "We thought the changing policy of the National Park System—the idea of bringing the parks to where the people live—would give us the momentum we needed to clear the hurdles."

Things are different now, explained Rep. Vanik: "Now we have the full support of everyone in the Ohio delegation, and, with Reps. Seiberling and Regula on the house interior committee, we can expect even faster results. Of all the land now being considered for national park status, ours has the best chance of getting it first." Vanik is confident the Congress will pass the proposal. Funds may be available for land acquisition by 1974, he said.

While most people in Cleveland and Akron aren't even aware of the issue, local valley residents have mixed feelings about park proposals.

One resident with very definite opinions is Robert Hunker, head of an architectural design firm in the valley village of Peninsula. His posh combination office-residence disproves that only a simple cottage can achieve an admirable symbiosis with the landscape. Hunker has directed restoration projects of several old buildings in town including the G.A.R. Hall, once a gathering place for Civil War veterans. He is understandably concerned for the future of the area.

"Only the kind of zoning laws you'd have with a national park could guarantee this valley will be preserved," said Hunker.

Meredith B. Colket Jr., director of the Western Reserve Historical Society, agrees: "In recent years, commercial encroachments have altered the area's natural condition. If development continues, there will not be much left of the valley's beauty and quiet charm."

But the idea of parks, zoning laws and government condemnation procedures is upsetting to some people in the area.

"A lot of acreage in this valley has been handed down from father to son," said Hunker. "There's a real feeling for the land here and people don't like the thought of leaving."

An integral part of the House bill is the provision for private ownership of land within the proposed park's boundaries. Membership on the permanent park commission by people from the valley guarantees local residents a voice in the policymaking process both before and after the park is established.

"The resident's right to remain on and continue using the land, within certain limits, is one of the aspects of the bill," said Linda Billings, an administrative assistant to Rep. Seiberling. Some business judged to be detrimental to the environment plus all substandard buildings would be removed from the park, as the bill does allow for condemnation by the government. More exact zoning restrictions and development concepts are expected to be presented at public hearings.

Before the intrusion of the white man, the stretch of the Cuyahoga between the present sites of Cleveland and Akron was part of a near all-water route used by Indians traveling from the Great Lakes to the Ohio River and beyond. Indians canoed up the Cuyahoga from Lake Erie, carried their canoes over the eight-mile-long Portage Path near the present site of Akron, and followed the Tuscarawas River south. Early explorers discovered that centuries of Indian traffic on the Portage had worn a path nine inches deep.

The oldest residents of the valley were mound-building Indians who moved to the bluffs overlooking the river about 600 B.C. It's significant that the Indians chose not to build in the flood plain. Scattered among their mounds are artifacts of Lake Superior copper and Dakota pipestone. A rock bearing inscriptions possibly made by these Indians is now part of the west wall of the Presbyterian church on the square in Independence.

The mound-builders, inexplicably disappeared about 800 A.D., and the valley remained vacant of permanent residents until sometime in the 14th century when the Erie Indians arrived.

The first white explorers reached the Cuyahoga Valley in 1690. As the Indians were pushed farther west, settlers in search of rich farm land came to the valley.

Yet, for many, the hoped-for prosperity never appeared. Cargo ships could not navigate the twisting Cuyahoga, so the farmer's market usually extended no further than a few miles up a dirt road. By 1819, immigration had virtually stopped and the state was near bankruptcy.

The valley's financial savior was the Ohio Canal. Opened on July 4, 1827, between Cleveland and Akron, the canal introduced the valley to trade with New York and the East. Overnight, the price of wheat tripled. Within the next five years, the 308-mile Ohio Canal linked the northeastern part of the state with the Ohio River and New Orleans beyond.

Warehouses collecting produce from nearby farms and saloons catering to tired travelers and brawling crews grew alongside the canal's locks.

Remains of the aqueduct that carried the canal across the Cuyahoga still stand in Peninsula, although the town's five hotels and 14 bars have since disappeared.

The locks could raise or lower only one boat at a time. During busy periods, 70-ton canal boats were sometimes stacked in waiting lines two miles long.

To avoid delays, the boat captains, bedecked in gold-buttoned blue jackets and peaked caps, had hired the dirtiest-fighting crews they could find to show oncoming boats who had the right-of-way.

Soon after the opening of the canal, Henry Newberry of Tallmadge dug some coal out of a bank of the Cuyahoga, shipped it north on a barge, and found that nobody would buy it. So he gave it away. John Ballard of Cleveland tried a sample in his blacksmith shop. Pleased with the results, he built a foundry by the canal to accommodate coal from the south and iron ore from Lake Superior. Cleveland's steel industry was born.

Halfway through the 19th century, the character of the Cuyahoga Valley began to change. Cleveland and Akron grew into industrial centers. In 1850, the valley railroad was completed, taking business away from the canal, and bypassing many of the towns in the region. With business on the rise in the cities to the north and south, the upper Cuyahoga was left with its farms and scenery.

How about the Nick Mileti coliseum? Now that ground has been broken, it is only a matter of time until the Ohio Environmental Protection Agency agrees to a sewage plan for the project. How will this affect the proposed national park?

"I think Mileti is looking for a foot in the door in this region, said Rep. Vanik. "The coliseum is only the beginning; housing developments will be next."

"The coliseum will probably mean widening roads, especially Ohio 303," said James Jackson of the Cuyahoga Valley Association.

Hunker said that "Mileti has purchased over 290 acres in addition to the coliseum site. Rumor has it, he's already sold a parcel to Holiday Inns. I don't see how the court could give him the right to go ahead with EPA approval."

A much likelier imposition upon the valley is Cleveland Electric Illuminating's plans to string 345,000-volt power lines down the center of the valley paralleling the river and the Chesapeake & Ohio rail line.

"We want to put the lines in the valley because we will receive less opposition placing them there than if we tried to run them through developed suburban areas," said Paul Hayes, the government and community affairs officer for CEI. "And it's too expensive to run the lines underground."

If power lines are put through the valley they could end the area's chances of becoming a national park. The state has no legal jurisdiction over the placement of power lines, neither through the Environmental Protection Agency nor the Public Utilities Commission. And it won't be until next year that the Power Siting Commission, established as a state regulatory agency by the EPA Act of 1969, has the authority to oversee placement of these lines.

"CEI is pushing like mad to get lines up before they come under jurisdiction of the Power Siting Commission," said Norman Godwin, an electrical engineer and chairman of the citizens group known as the Committee on Electrical Power Transmission and Environment. He added that CEI is already drawing up environmental impact studies for other power line placement projects which the company knows can't possibly be developed before the Poker Siting Commission legally goes into action.

"But they're intent on seeing this plan through even though it's possible to put the lines adjacent to wires already in place a short distance away," said Godwin.

But there are two obstacles. The first is the Cleveland Metropolitan Park Board, the second the C. & O.

"In order to follow their plan for stringing these monsters along the river, CEI must cut through 800 feet of land already owned by Cleveland Metropolitan Park," said Jackson. "The park board can say no."

Indeed it can, though in all of the years of its operation compromise with CEI has been the attitude.

A more interesting variable in the power struggle is the C. & O. The line would be smack in the middle of the proposed park. Moreover, CEI needs an easement from the railroad to put up its power lines on railroad right-of-way. And high voltage power lines near railroad tracks often cause interference with the track's electrical signaling system.

There is another threat to the park—water pollution. Vaughn of the Vanik staff feels designation of this area as a national park will increase the likelihood of additional federal funds for water pollution control. While that's probably true, it's unlikely that money would be allocated before the park bill is passed.

"There's the catch," said Erwin Odeal, district engineer of the Three Rivers Watershed District in Cleveland. "The water in the river has to be of a certain quality before the National Park Service will accept administration of the area."

He thinks the water quality of the upper Cuyahoga is acceptable considering present levels of development. "The only time the Akron sewage plant can't handle conditions is during heavy rains when the river would be high and people wouldn't be using the area much anyhow."

The big problem as Odeal sees it is the extension of the sewage lines from the Cleveland Southerly plant to just north of Route 82. This is already planned by Cuyahoga County, and a similar extension of sewerage lines north from Akron is likely. Said Odeal: "The extended sewerage lines will be a reality in less than two years. If the lines are in before land is purchased for the park, much of the area will be lost to heavy development."

"The additional run-off of rain water could be enough to increase pollution levels in the river beyond standards acceptable for the park," said Charles Watkins, executive director of the Lake Erie Watershed Conservation Foundation.

Even more damaging to the park's chances would be the need for flood control should the area south of Tinkers Creek incur additional development. "Something's got to be done right now about flood problems in Independence," said Barry Pritchard, resident engineer of the Army Corps of Engineers. The Corps plans on some degree of channeling in the river north of Tinkers Creek.

Time is running out on the upper Cuyahoga. The valley is the target for development as urban sprawl crawls south from Cleveland and north from Akron.

Like some kind of unwelcome preview of what may come to the valley, scars of past and present intrusions are visible.

The northeastern Ohio chapter of the Sierra Club and other concerned groups periodically sponsor cleanup campaigns along the river. The real danger, is, of course, permanent development. What can you do to help preserve the valley?

"For one thing," said Hunker, "write your Congressman, but perhaps even more important ask your friends, particularly out-of-state friends, to write theirs. And don't forget that CEI, the railroad and other institutions are certainly sensitive to public opinion."

HON. HENRY GONZALEZ RECEIVES THE B'NAI B'RITH HUMANITARIANISM AWARD

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. TEAGUE of Texas. Mr. Speaker, several weeks ago, the B'nai B'rith Association in San Antonio presented our colleague, the Honorable Henry Gonzalez of San Antonio, with their Humantiarianism Award for a "life dedicated to public service."

The following news article outlines Congressman Gonzalez' accomplishments and I wish to add my congratulations to him. It has been a pleasure to serve with him here in the Congress:

> TIMELY HONOR FOR GONZALEZ
>
> Congressman Henry B. Gonzalez will be given B'nai B'rith's gold medallion for humanitarianism at a dinner Saturday evening here.
>
> The congressman is only the second San Antonian ever to receive the award. The other was Sylvan Lang. A House colleague of Gonzalez, Rep. Charles Vanik of Ohio, will speak at the meeting.
>
> The medallion will be presented to the congressman for "a life dedicated to public service." Specifically, the citation will note Gonzalez' sponsorship of an ordinance when he was a city councilman that ended racial segregation in the city's parks and playgrounds, his influence in the defeat of the Bracero program that imported Mexican nationals at the expense of jobs for U.S. residents, and his effective work for local projects requiring federal assistance.
>
> The honor is timely and merited.

THANKSGIVING, ECUMENICISM, AND THE ENERGY CRISIS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. BINGHAM. Mr. Speaker, in my home community of the Riverdale-Kingsbridge section of the Bronx, an ecumenical service is held each year on Thanksgiving Day morning. Twenty years ago, only the Protestant churches and a liberal Jewish congregation were involved. Since then the Conservative Synagogue has joined in, as have several of our Roman Catholic parishes.

This past Thanksgiving, the service was especially moving. It was held in St. John's Roman Catholic Church; about 10 clergymen of different faiths participated in the service; and the sermon was delivered by Rabbi Chaim Pearl of the Conservative Synagogue. Rabbi Pearl is from England and he began his remarks by saying that, not only was it remarkable for a rabbi to be preaching in a Catholic church, but it was also remarkable for a Thanksgiving Day address to be delivered by an Englishman.

At my request Rabbi Pearl gave me the text of the remainder of his sermon, which I commend to my colleagues and other readers of the Congressional Record as being especially appropriate in this time of the "energy crisis":

> Europeans have a few strange notions about Americans. One such notion is that they are bad at improvising. That is, Americans find it difficult to do without the things they are accustomed to have, or to do with less than the amount they normally consume, or to use a temporary substitute for material which is no longer available. By comparison, so it is argued, European nations who have faced shortages and depravations of one kind or another—particularly in times of war—have had to cut their consumption of supplies in relation to the new conditions of the crises they have had to

face. Where the American economy is wasteful, that of other countries is spartan. Where the American people have a built in obsolescence in their manufactured goods, others make their items last and last for years. I don't know how valid such a criticism is. Like so many social observations it is subject to different interpretations. But from time to time we get the feeling that much of the criticism is justified. Our American economy has pampered us to an unhealthy degree. We have become so accustomed to the good things in life that we really believe that they are normal and we demand them as our right. But I think that we could learn much and gain much by doing without the surplus and wasteful layers of a luxury oriented economy, which is frequently bad for the body and harmful to our spiritual health.

Somewhere in our celebration of Thanksgiving 1973 we should become sensitive to the need for a change in our life style. In any case, whether or not we become active and willing partners in such a change; change there will be. And it will be brought about by the force of circumstances in the different world in which we now live.

Modern society has created for us the huge problem of an industrial technological culture which creates its own dynamism so that the more technology we have the more we invent, and the more we become governed by our inventions.

However, we use more technology at enormous material and spiritual expense. The current energy crisis created by the short supply of oil is illustrative of the problem we have made for ourselves. The Arab political ploy in cutting back oil production is not the cause of the energy crisis. It may in fact be the result of the energy crisis. The fact is that we are using more oil today than ever before and at the present rate of increase we could double our needs by 1980. Oil even in the oil soaked regions of the Arab middle east is not an unlimited commodity. Sooner or later those oil wells will be used up. With the increasing demands for more and more energy, the chances are that the wells would be exploited to the last drop in another 2 decades in any event. It is good economic policy for those nations to keep their oil under the ground for as long as possible. The price can be increased so there is no loss of revenue to the oil producing nations, and the scarce commodity can be kept longer.

It has been made clear enough by now that to meet the present energy crisis which will remain with us—with or without the Middle East conflict—we have to do a simple thing. Demand less oil, which means using less gas, less electric power, less mileage in our cars, less fuel consumption all around.

But the indications are that we find it very difficult to do with less. Government spokesmen so far have only talked about the need for conserving energy. As yet they have shown a fascinating reluctance to act. Why? Because it involves lowering our standard of living. There's the rub. We would all have to lower our standard of living.

Would this be such a bad thing? I think not. In fact it might do us all a great deal of good physically and spiritually. Our homes are terribly overheated in any case. To reduce the thermostat by a few degrees will give us all less colds, and our house plants will produce healthier blooms. By walking a little and driving less we can enjoy more of the fresh air and engage in vital exercise. Air lines can drastically cut their overlapping competitive flights and in saving enormous quantities of fuel can decrease the air and noise pollution of our cities. It is suggested by some enthusiasts that without any real hardships we can cut our oil consumption by as much as 30% of our present demand. This may be an exaggerated and over-optimistic estimate, but it is clear that if each responsible member of our society reduced by a small fraction his consumption of energy—the saving would add up to millions of barrels of oil a week.

That we would be healthier as a result goes without dispute. Our water would be purer. Our lives would be refreshed. By preserving more and polluting less we would live healthier, more natural and therefore happier lives.

My point is that some shortages might actually be good for us. It is not our shortages but our surpluses which hurt us. Our cars are too much, we gulp too much gas, there is too much noise, there is too much newsprint. A newspaper article with a message that can be expounded without difficulty in 2000 words or so spills over into 10 pages in the New York Times with all the boredom of repetitiveness and the pains of literary constipation. That example is a symbol of our wasteful life style. We need to cut down, slow up, stay home, eat vegetable soup and call up old friends once in a while. It is argued that Americans have been able to handle adversity. It is prosperity which is the danger. The voice of America is the strident singing commercial. Buy more, consume more, get more things, even if you can't afford them. "Wouldn't you really rather have a Buick?"

We have all become victims of the modern industrial technological syndrome in which we are all consumers. We devour the things produced by others and the more things we have the happier we believe we should be. So we have created a thingolatry—a civilisation which worships things. But there is another important aspect to all this.

A deliberate re-emphasis upon a simpler more natural pattern of life will not only demonstrate our individual and national capacity to make small sacrifices. But it will do more. It will compel us to adopt a more sensitive and finer set of values.

Consider what sort of people were those pilgrims who marked their first Thanksgiving. Of the 102 passengers who landed on Plymouth Rock, 51 died within the first six months. Their graves had to be kept level with the ground in order to save them from desecration and to keep from the Indians the knowledge of the frightful toll of casualties. Not a single family had been spared from death. The survivors lived on the fringe of starvation in a hostile unchartered world. They never knew what it was to have enough or to be secure. They stood alone against the forces of nature and man. These were the people who gathered to give thanks to God for His blessings.

Why did they give thanks? Well, among other things they thanked God for their own lives, for fair health, freedom, family, a home, work, companions, a little more to eat and clothes to wear.

Today we have so much more that by comparison we live like princes in gilded palaces. I don't know if we feel a deeper spirit of thankfulness but we certainly have proper cause for such. We here in America represent the most fortunate section of mankind. Most of the world's teeming population are not so blessed.

It should be natural and easy for us to give thanks. But in truth our appreciation for what we have comes only at widely separated moments. Thanksgiving Day is such a precious moment.

But giving thanks requires wisdom also. The question is what is the cause of our gratitude. To answer such a question calls upon our sense of values. Let us sort out our priorities. Life, health, friends, a home, work; these are the things that alone are of importance. Let us learn to rejoice in them and while we have them to embrace and cherish them for all we are worth. Life is good. Life is abundant. God is merciful. His miracles are with us every day. It is only that we take them for granted too much. We cross a busy road. There is no law that we must reach the other side. We go into a restaurant, eat food prepared by unknown hands. We fly thousands of miles and our lives are in charge of an unknown pilot with all the frailties of human nature. We go to sleep at night and wake in the morning. When someone doesn't wake up we think it strange. The strange thing is that most of us do wake. God's miracles are indeed with us night and day. In an old rabbinic ethic the followers are called on to bless God with 100 benedictions a day. But those lines of gratitude are for the simple things in life that we all take for granted.

One of the spiritual lessons of Thanksgiving will enable us to become aware of the real blessings we have—minds that can think, hearts that can love, hands that can lift, loved ones to whom we matter, freedom to grow and to quest, friends to converse with, books to read, music to hear, art to see. These are the things that make for happiness and call forth for our thankfulness. Not one of them is priced beyond our means. Not one of them will be affected by an energy crisis. Not one of them is associated with a call for a lower standard of living. The other things are the unessential baggage of our burden of life. But these are the elements of life itself.

So then, my message today is one with two sides. First, we can use the energy crisis of the time to improve our life style. Doing without some of the material things we have become used to will do us a lot of good—physically and spiritually. Secondly, as a continuation of this we are called upon to pay regard to the things that really do matter—the blessings of life and health and daily work. A wise man suggested that every man should place himself at zero and then reckon every degree ascending from that point as an occasion for thanks.

A countryman of mine—a son of a noble family—had a family motto—"Think and Thank". The message of that motto can well serve as a reminder of this two fold message. Think and Thank.

THE ENERGY CRISIS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. COHEN. Mr. Speaker, a little over 100 years ago, James Russell Lowell, one of the most distinguished men of letters of 19th-century America, observed:

> It is by presence of mind in untried emergencies that the native metal of a man is tested.

Lowell's message has not been dulled by the iron tongue of time.

In many respects, the energy crisis presently confronting the Nation represents an "untried emergency." The pervasive nature of the crisis threatens not only every facet of American life, but also calls into question the basic tenets upon which our society was founded and has prospered. This Nation has literally been developed without any restrictions due to lack of energy or mineral resources, while operating under the illusion that these resources were infinite. For far too long, we have failed to grasp the fundamental notion that energy is basic, and that in the absence of adequate supplies, our trillion dollar economy, our unprecedented standard of living, and our leadership in world affairs rest on a tenuous foundation.

To the majority of Americans, the

energy crisis represents a confounding experience. While accepting the reality of the shortage, they cannot comprehend why it was thrust upon us so suddenly, what its future impact will be on American society, and what decisions will have to be made to meet the challenge posed by the crisis.

ENERGY MYTHS

In order to understand the complexity and pervasiveness of the problem, it is essential that we first dispose of a number of illusions relative to the energy crisis. In the first place, we must realize that the energy crisis is not a temporary emergency. Our deficiency is a deepening long-term impasse that is certain to affect every facet of American life for at least the next decade. While it is a laudable goal, it is questionable that we can achieve energy self-sufficiency by 1980, as the energy industries need 6- to 10-year leadtimes to increase production to a level that will be adequate to our ever-escalating demand. Moreover, the planning and development of alternative sources of energy is a complicated business, not amenable to instant analysis or simplistic solutions.

It is also essential that we come to grips with the realization that the end of the "fossil fuel era" is approaching. We can no longer afford to ignore the reality that we have fixed resource boundaries, and that radical changes in our oil-based economy cannot be denied any longer. The era of cheap, abundant oil is over, and the sooner we accept this fact, the sooner we can get on with the task of developing alternative energy sources.

Another illusion that has surfaced with the onset of the energy crisis concerns the relationship between the shortage and our efforts to clean up the environment. Many have contended that concern for environmental values is incompatible with the development and use of our energy resources. The simple truth is that our efforts to clean up our air and water can in no way be categorized as a primary cause for the energy crisis. It has aggravated the situation—but it has not caused it. Environmentalists have warned for years that the gluttonous use of our energy resources would exact a stern price on our society if consumption were not moderated. We have now come to realize the foresight and wisdom of these predictions.

It would also be an illusion to blame our energy deficiency entirely on the Arab oil boycott. The crisis was imminent long before the Persian Gulf nations' closed the spigot on the United States, and it would be with us even if the oil embargo were to end today. The boycott simply brought to an explosive point a crisis that had been simmering for almost a decade, and which had erupted quite visibly as early as 1969.

Finally, we must dispel the notion that stringent, mandatory conservation measures are not necessary. While I am hopeful that rationing can be avoided, we must formulate effective waste elimination programs and policies designed to check our profligate use of energy. It is nothing less than a national tragedy that we waste at least one-third of the energy we consume. The average American uses as much energy in just a few days as half of the world's people on an individual basis consume in 1 year. It is critical that each of us redefine what is an essential use of energy, and moderate our excesses accordingly.

SOURCES OF ENERGY

In seeking a fuller understanding of the energy crisis, it is useful to quickly survey the sources of energy at our disposal, and the prospects for their development in the future.

OIL AND GAS

At the present time, oil and gas are responsible for three-quarters of our current energy needs in the United States. In 1970, 86 percent of the energy consumed in Maine was in the form of petroleum products. However, the prospect that oil and gas will meet the anticipated demands of the future is not encouraging. Even with the oil from the trans-Alaskan pipeline, estimated to rise to 2 million barrels per day by 1980, domestic production of oil will not exceed 12 million barrels per day, leaving a balance of 18 million barrels per day to be imported in order to meet estimated 1985 consumption levels. An Atomic Energy Commission report has shown that Arab oil will have to supply as much as 20 percent of our needs for the next 15 years, regardless of what the United States spends on alternate forms of energy. U.S. reserves of oil and gas are limited, and if we were to depend only on domestic sources, experts have predicted that our reserves would be exhausted by the year 2000. While it has been estimated by the Department of the Interior that there could be as much as 7 trillion barrels of oil trapped in shale in the Western States—enough to make this country energy self-sufficient for hundreds of years—a pressing need exists to further develop the technology to extract this oil without doing irreparable harm to our environment.

It seems clear from these facts that our own oil and gas resources are limited and we cannot afford to base our energy policy upon the shifting sands of other nation's passions or policies. The experiences of the Arab oil embargo and exorbitant price increases demanded for this oil of recent date, serve to vividly underscore the inadequacy of such a policy. Therefore, it is incumbent upon us to realize that oil and gas cannot adequately meet the anticipated demands of the future.

COAL

Coal, which accounts for 18 percent of the total energy consumed in this country, is in plentiful supply in the United States. While reserves are adequate for the future, concern over the expanded use of this energy resource chiefly centers on extraction and effluent problems. The extraction of coal not only scars the environment, but can be both unsafe and unhealthy. Unfortunately, environmental damage does not end with extraction. Much of the U.S. coal supply, particularly in the East, has a high sulfur content, which must be removed before combustion.

Nevertheless, we must consider coal a promising fuel for the future. It is vitally important that we press forward to further develop the technology associated with the processes of coal gasification and liquefaction. By 1990, coal could be supplying significant amounts of gas and oil if enough capital is forthcoming, ample water for the manufacturing process is available, and the safety and environmental problems attendant to extracting coal are solved.

NUCLEAR ENERGY

Nuclear energy, at once one of the most troublesome and promising new energy sources, presently accounts for only about 1 percent of our total energy consumption. In view of the fact that it takes 8 to 10 years to get a plant on the line in full operation, it can only be helpful to our energy situation in the long run. At present, 39 nuclear-powered generating plants are in operation, 55 are under construction, and 90 are on order. By 1980, it is estimated that nuclear energy will provide about 7 percent of the national demand for energy.

While many questions need to be asked and answered before full development of nuclear energy can proceed—such as how the hazards of thermal pollution, reactor accidents, and disposal of radioactive wastes can be reduced to an acceptable minimum—this source of energy holds great promise for the future.

SOLAR ENERGY

Solar energy's potential has been long underrated, but is quickly gaining advocates in the scientific community. Direct conversion of solar energy is possible by allowing the solar radiation to act as a heat source or by using photocells which produce an electric current when exposed to light. At the present time, utilization of this source of energy is almost nonexistent.

Although costs are likely to be high, the clean, renewable, and abundant nature of solar energy will provide strong incentive for extensive utilization in the future. Federal funding for solar research has increased fourfold this past year.

HYDROELECTRIC POWER

In consideration of alternative sources of energy, it is my strong conviction that we must have a thorough reexamination of the potential of hydroelectric resources, including tidal power. At the present time, about 70 percent of the hydroelectric power potential in the United States remains untapped. Put another way, an existing resource that could yield almost 500 billion kilowatt hours of electricity annually remains undeveloped.

In the past, the chief obstacle to the development of new hydroelectric resources, or the redevelopment of existing projects, has been expense. But the economics of energy production is undergoing radical change and this may prove to be far less expensive than other energy sources.

In recognition of the foregoing, I recently wrote to President Nixon requesting his support for a reexamination of the potential utility of hydroelectric energy. As we proceed to mold a future energy policy for this country, priority consideration must be given to nonpolluting, renewable, and available sources of energy.

WIND AND GEOTHERMAL ENERGY

Wind and geothermal energy are also being considered as alternate sources of energy, but research in these areas is in the embryonic stage. Limited amounts of geothermal energy are already being tapped, and account for about 0.1 percent of our present electric power capacity. In addition, scientists are exploring the possibility of converting chicken waste into methane gas.

As can be seen from the foregoing discussion, the development of new sources of energy will be neither easy nor immediate. There are substantial environmental, economic, and technological obstacles that must be overcome. For the present we have no choice but to rely on the more efficient use of available conventional fuels.

THE CAUSES OF THE ENERGY CRISIS—SHARING THE BLAME

More than any other single factor, our prolific demand for energy is responsible for the present shortage. Americans have been overheating, overcooling, and overlighting their businesses and residences for years. While we have only 6 percent of the world's population, we nevertheless manage to consume over 35 percent of the world's energy. By comparison, this is twice as much as West Germany and Great Britain consume, and 4½ times the level of consumption in Japan. In 1972, petroleum demand alone grew by 7.2 percent, and demand in 1973 has been running 1.2 million barrels per day ahead of last year. Put in another perspective, our demand for energy continues to increase at a rate far in excess of population growth, while supply has tightened considerably.

But demand has not been the only culprit. A serious lack of refining capacity has also led to our energy problems. Only one major refinery has been built in the United States since the late 1960's. Even if we could import all the crude oil we needed to balance supply with demand, our present refineries could only process about 13 million barrels per day, which is some 6 million barrels less than we are presently consuming daily. It has been estimated that to meet demand by 1985, the equivalent of 60 new refineries, with a daily capacity of 9 million barrels, must be constructed.

As stated earlier, environmental laws may have aggravated the crisis but have not caused it; in protecting the quality of water and air, certain trade-offs have been necessary. But we cannot afford to retreat from our overall commitment to a clean environment. We can take no pride in the fact that we can catch raw sewage in our rivers but not salmon. The goal of achieving energy self-sufficiency is not incompatible with a livable planet.

The oil industry can share a good deal of the blame for the energy crisis. As late as 1972, it refused to acknowledge that crude oil stocks were insufficient to meet anticipated demand. Moreover, for years the industry used its political and economic muscle to thwart efforts to remove import quotas. Even more disappointing, there is evidence the major oil companies may be using the crisis as a vehicle for driving many independent oil dealers out of business. Today, we still are not certain of the severity of the crisis because the oil companies refuse to disclose their reserves.

The ad hoc, diffuse, and often conflicting governmental approaches to energy policy must also be held accountable for our present dilemma. To date, Government responses to the energy problem have been crisis oriented, fragmented, and short term in scope. Energy policy has consisted of a myriad of laws, regulations, actions and inactions, without any consideration of the need for an integrated comprehensive national energy policy. The people of America have every right to expect their Government to act decisively and wisely in public policy matters, and the Government has clearly failed to meet this responsibility on the energy issue. Instead of leadership, statesmanship, and rational judgment, we have witnessed policymaking on the run.

In addition, the need for a mandatory allocation of petroleum products was evident a year ago, yet the administration time and again rejected the notion. The Congress gave the President standby authority to implement a program of mandatory allocation in April, yet it was not until the Persian Gulf nations closed the oil spigot and congressional passage of the measure was imminent, that the administration yielded in its opposition.

It should not, therefore, be surprising that the American people are disillusioned and bitter over the recent turn of events. They have listened to a parade of promises, numerous pronouncements, and addresses to the Nation with little meaningful followup, a lobbyists' convention at congressional hearings on emergency energy legislation, and staggering profits by the major oil companies who now object to any restrictions on the size of those profits while the consumer is told to tighten his belt, drop his thermostat, lower his speed, eliminate Sunday driving and recreational activities to help America meet the crisis and hold the line on inflation. In a year that has already severely tested the strength and resiliency of the American people, it is highly unfortunate that Government efforts to address the problems inherent in the energy shortage have been so feeble and inadequate.

PROSPECTS FOR THE FUTURE

While no one can escape from some share of the responsibility for the energy crisis, the solution does not lie in assessing blame. At best, pointing an accusatory finger is counterproductive, and can only impede our efforts to address the problem rationally and effectively. This is clearly a time when candor and a cooperative spirit must prevail, uninhibited by self-serving and parochial motives.

The immediate concern of this country centers around the short-term availability of fuel supplies. There is little that can be done to increase supply before the end of the decade, and our options have been narrowly restricted. For now, the only answer to our energy deficiencies is to stretch supplies through dampened demand. The degree of Government intervention needed to achieve this aim is largely contingent upon the willingness of consumers to voluntarily cooperate in conserving energy. To date, this response has been encouraging.

While an early settlement in the Middle East might result in increased Arab oil production and a resumption of sales to this country, it is important to realize that renewed imports would still not totally close the gap between supply and present demand. Until we are able to develop new energy resources, it is quite likely that radical energy conservation measures will be necessary.

From a long-term perspective, there appears little relief in sight for at least the next 10 years. Refinery construction takes 3 years, the creation of deepwater ports 5 years, and the development of an oil field 5 years. As noted earlier, the development of nonconventional fuels promises to take even longer. Due to the long leadtimes involved, it is essential that we take up the challenges immediately. Long-range planning and accelerated research by both the Federal and private sectors are necessary to reach solutions in an orderly manner. The national interest will only be further jeopardized by additional delays.

A NATIONAL ENERGY STRATEGY

I cannot overemphasize the urgency of the need for a comprehensive national energy strategy. Energy policy has been poorly defined for years, and we are now reaping the inconveniences and hardships emanating from our past mistakes. Although there is something inherently bad in formulating public policy in the midst of a crisis, we have no choice but to proceed at once in defining the steps necessary to meet the short- and long-term implications of the energy crisis.

During the later part of 1973, the President and the Congress began to respond definitively to the energy crisis. Passage of the trans-Alaskan oil pipeline, a mandatory allocation program, and a bill providing for year-round daylight saving time, represent important steps forward in meeting the challenge posed by the energy crisis. The House and Senate are becoming an "energy-oriented Congress," and 1974 is certain to yield additional legislation increasing funds for energy research and development, streamlining and reorganizing the Federal institutional structure for energy matters, and coordinating existing programs and policies so that an integrated and unified Federal response will be forthcoming to the energy crisis. The President's proposal to spend $10 billion on energy research and development programs over the next 5 years represents an additional affirmative response to the crisis.

The administration's recent announcement that a standby system for nationwide gasoline rationing has been set up is also a positive and necessary undertaking. While none of us hope that rationing will be necessary, it is nevertheless important that the machinery be in place and operable in the event that it might be needed. More importantly, it is essential that a rationing program be structured so as to recognize the special needs and circumstances of the people who are heavily dependent upon their automobile for their livelihood.

The chief aim of a national energy strategy should be to keep the economy operating as close to full employment as possible, and minimizing the inconvenience and hardship resultant in energy shortages. The policy must be flexible enough to recognize special circumstances and must provide significant leeway to encourage State and local governments to develop their own energy conservation plans and means of utilizing energy resources. Moreover, Federal economic and technological assistance must be freely available to these units of government. Most importantly, a national energy strategy must be forward looking, taking into consideration the acute interplay between energy and our political, social, and economic institutions and policies.

In the final analysis, it is possible that the current crisis may—in the long run—prove to be a timely and invaluable lesson for America. As one national magazine put it: "Energy flows through the society like a network of uncharted streams." The ripple effects of the energy shortage have brought this fact of life to the surface with glaring emphasis. To be sure, this "untried emergency" presently confronting the Nation will severely test the "presence of mind" and the "native mettle" of each and every American. I am confident that America will not be found wanting.

GEOTHERMAL ENERGY: A PARTIAL SOLUTION TO OUR ENERGY CRISIS?

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MATSUNAGA. Mr. Speaker, last fall, a House Science and Astronautics Subcommittee held extensive hearings into the potential for harnessing the heat of the Earth, geothermal energy, to meet America's burgeoning energy needs.

Under the leadership of the University of Hawaii and with the cooperation and enthusiasm of other State and county agencies, the Hawaii geothermal project has begun to investigate geothermal sources on the Island of Hawaii, the so-called Big Island, with subsequent surveys slated for all major Hawaiian islands. After geophysical exploration, plans call for construction of a 10-megawatt geothermal pilot plant for the dual purposes of power distribution to Hawaii and international study by scientists and engineers.

In a recent edition of the magazine Honolulu, University of Hawaii Engineering Dean John Shupe explored the potential and the pitfalls of geothermal energy, particularly in Hawaii, and looks to a future when geothermal resources might supply a significant part of our country's energy demands.

I include the article to be printed in the RECORD at this point:

HARNESSING THE HOT ROCKS

(By John Shupe)

Does Hawaii's answer to the energy crisis lie in the tremendous amount of geothermal energy stored in these islands by volcanic activity?

It just might.

Our island state, with its total dependence on imported fossil fuels, is particularly vulnerable to the global energy market and this is a travesty.

There are few areas in the world so generously endowed with natural energy—wind, wave, solar and geothermal. And all are potential nonpolluting power sources.

The Hawaii Geothermal Project has been organized to develop a candidate from these natural sources with the greatest likelihood for an early payoff. Initial exploration for a usable geothermal resource will concentrate on the Big Island but subsequent geophysical surveys will cover all major islands in Hawaii.

Geothermal energy, simply defined, is the natural heat of the earth. Most of this heat is buried deep within the earth's core and can't be used effectively. However, there are certain regions (including the active volcanic area of the Big Island) where this heat is concentrated relatively near the surface and may be tapped as a potential source of power. These hot spots can exist as molten magma, hot rock, hot water or geothermal steam. Throughout recorded history the interface of these anomalies with the earth's surface in the form of geysers, fumaroles and hot springs has provided limited utility to society.

The first major use of geothermal energy as a power source originated in Italy in 1904 when dry steam from the Larderello geothermal field was expanded through a conventional turbine to generate electricity. Since then geothermal power has been developed in geyser fields in California, New Zealand, the Soviet Union, Japan, Iceland and Mexico.

The total geothermal power capacity throughout the world today stands right at 1,000 megawatts—A unit of power equal to one million watts—very nearly equal to the 1,015-megawatt generating capability of the Hawaiian Electric Company on Oahu. However, the technology for utilizing geothermal energy is in its infancy and current estimates from the U.S. Department of Interior predict that this country alone may be generating 100,000 megawatts of geothermal power by 1985.

This upsurge of interest in geothermal resources results, in part, from the energy crisis. The United States, with 6% of the world's population, consumes more than 33% of the world's energy. Unless the pattern changes, by 1985 some 20% of this energy must come from the oil-rich nations of the world, mostly in the Middle East. So whether our motivation comes from concern over power blackouts, gasoline rationing, $20 billion annual deficits in balance of payments, environmental degradation or political and economic pressure from those nations with excess energy, we must develop inexpensive, non-polluting, domestic alternatives.

The University of Hawaii is the lead agency for the Hawaii Geothermal Project but other state and county agencies are playing important roles in the program. There's a great deal of enthusiasm among faculty and staff on both the Manoa and Hilo campuses and 54 researchers have assisted in identifying 38 research tasks related to the exploration, generation and utilization of power in Hawaii. Assisting me with management of the project is George Woollard, director of the Hawaii Institute of Geophysics, and John Craven, dean of marine programs.

The 38 research teams are grouped into three programs. The geophysical program, with Gus Furumoto in charge, will determine if and where usable geothermal resources exist. The engineering program, under Paul Yuen's direction, will develop technology for the generation and distribution of power from the source. Bob Kamins is supervising the environmental and socioeconomics program.

A review of the magnitude of the research program (as well as the conviction that much of the geothermal technology developed in Hawaii would have application for many parts of the Mainland) led to a major proposal for research support from the National Science Foundation.

An initial grant of $252,000 was received from NSF in May of this year which will be supplemented by $200,000 from the state and Hawaii county to implement Phase I of the project. The majority of the effort in Phase I will be for geophysical explorations, with limited support for engineering and socioeconomics studies.

Additional federal support is anticipated to assist in the development of technology to construct a 10-megawatt geothermal pilot plant on the Big Island which will be well instrumented and designed to be environmentally pure. In addition to providing online power for distribution on Hawaii, the pilot plant will form the nucleus of a geothermal laboratory in Hawaii and will be available for observation and study by scientists and engineers from around the world.

Initially the Hawaii Geothermal Project was called the PELE Project in honor of the Hawaiian goddess of fire and in recognition of a number of appropriate acronyms, such as Power Extraction from Lava Energy. But this title was dropped at the request of the Congress of Hawaiian People, an organization that is also trying to establish ownership rights for the Hawaiian people to all geothermal resources.

It's our feeling on the project that, no matter how the ownership issue is resolved, it will be to the advantage of that owner (as well as to all citizens of the state) if our geothermal resources are located and the technology developed for early generation of power.

In our search for a new project name, it was the agile mind of Atherton Richards, one of the early proponents of geothermal power for Hawaii, who suggested *Wela Wela Pohaku* which means hot rock. The term is even more prophetic of later phases of the program when, rather than limiting the study to geothermal steam or hot water, we will endeavor to develop direct energy conversion techniques for extracting power from molten magma.

This project is haunted by the memory of an unsuccessful 1961 effort of the Magma Power Co. of California to drill wells for the commercial generation of steam on the Big Island. We are continually reminded by doubting *kamaainas* of this abortive attempt in which four test wells were drilled along the Puna rift, two of them in the vicinity of the 1960 Kapoho eruption. None of these wells produced significant amounts of steam. However, they were shallow holes—from 180 to 700 feet deep—and the majority of producing wells in the world are thousands of feet deep. So our geophysicists aren't at all discouraged by Magma's earlier venture.

The optimism that geothermal fluid does exist on the Big Island was reinforced recently by a drilling program in Kilauea National Park, again funded by NSF. This hole is being drilled for scientific rather than commercial purposes to check out a theory that a hot spot exists approximately 2,000 feet below the surface.

Early drilling results appear to support this theory and, although this particular site can't be used as a producing well, the likelihood that similar spots occur outside park boundaries is excellent.

What will be the impact on the Big Island and the rest of the state if large amounts of potentially inexpensive and nonpolluting energy are discovered? That's quite a question and one which our socioeconomic program will look into in some detail. Mayor Kimura of Hilo and his staff, particularly Lloyd Sadamoto, director of the county department of research and development, will work closely with the project in the preparation of social and economic models.

Currently, the peak power demand for the Big Island is around 70 megawatts. By contrast the geysers geothermal field is developing new power capacity in excess of an additional 100 megawatts each year. If a geothermal field of this magnitude is found, the pressure to utilize this resource will be tremendous.

Will it cut Big Island power rates? Will it stimulate Big Island industry and, if so, which industries—agriculture, aquaculture, extractive industries from the sea or processing of maganese nodules?

Will it be possible to bring this energy to Oahu, either with an inter-island electric grid or through the conversion and transport of hydrogen? Will the state become a net exporter of energy, again through transporting liquid hydrogen converted through electrolysis from sea water by geothermal energy?

Obviously, the answers to these questions will require concerted efforts in scientific, technological, societal, legal and political areas. The Hawaii Geothermal Project has been successful, to date, in obtaining the cooperation and support of all elements of the public and private sectors. State and county agencies, the National Science Foundation, our congressional delegates, Hawaiian Electric and the Hilo Electric Light Company, and faculty and staff from 14 departments and research institutes at Manoa and Hilo are all involved in bringing geothermal power to Hawaii.

It would appear that, as far as the future of geothermal energy, is concerned, when you're *wela wela*, you're *wela wela!*

CUNY WOMEN FILE SEX DISCRIMINATION SUIT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Ms. ABZUG. Mr. Speaker, today the largest sex discrimination suit ever brought against a university was filed against the City University of New York in the Federal court, southern district, and I fully support this action. The suit, brought by the CUNY Women's Coalition, alleges that women are discriminated against in every possible aspect of employment. The coalition estimates that the suit will cost City University at least $40 million in back pay and damages.

At a press conference at Freedom House, Dr. Lilia Melani, coalition spokeswoman, charged:

> The University has institutionalized second-class citizenship for women. We are conspicuously absent from positions of power and prestige, and our doctorates are worth $1,300 to $3,000 less per year than those of men.

According to the coalition, this suit is a response to the university's refusal to take any substantive actions to ameliorate the discriminatory conditions under which women work. The university has to date ignored charges of sex discrimination filed against it with HEW and EEOC by the coalition and individual women.

The suit deals with discrimination in hiring, initial appointment, salary, promotion, tenure, maternity, pension benefits and other terms and conditions of employment. The changes necessary to remedy current and past discrimination suffered by women will involve total restructuring of university policies "to eliminate the old-boys-club way of doing things," stated Dr. Clara Melman, a plaintiff.

The suit is being brought under title VII of the 1964 Civil Rights Act and section 1983 of the United States Code, on behalf of the 5,000 women faculty in City University.

In her statement, Ms. Melani said:

> CUNY WOMEN'S COALITION
>
> The purpose of today's press conference is to announce that the CUNY Women's Coalition has filed a class action suit against the City University of New York for sex discrimination. The suit has been filed in the Federal Court, Southern District, under Title VII of the 1964 Civil Rights Act and Section 1983 of the United States Code. The Coalition is being represented by the noted labor lawyer Judith P. Vladeck, Esq.
>
> More important than the fact that the suit has been filed is the reason why women brought this suit. the largest class action charging sex discrimination ever filed against a university. Simply because of this: wherever we look in the University, we see men to the right, men to the left, men to the front—and women to the back.
>
> Although women in City University have credentials that equal or exceed those of men, although they perform the same functions, appointed at the lowest ranks and usually regarded as inferior and treated as inferiors, at every level and in every aspect of University life.
>
> At the department level, women are appointed at the lowest ranks and usually remain there. Fifty-nine percent of all the women faculty in City University are in nontenure-bearing ranks. Even in fields where there are large numbers of women, men find no merit in women candidates. In 1972–1973, the English department at City College had 54 tenured men and only 5 tenured women; it should be noted that the City University itself has awarded 19 women but only 14 men the Ph.D. in English.
>
> The departments are run by chairmen, and I mean chairmen. Consider the decade from 1963–1972. In the senior colleges, 84% of the chairmen were men; at the community colleges, 81% were men. Department appointments committees are also predominately made up of men. But then men in the University will tell you that chairmen and members of the appointments committees are elected democratically by members of the department. But are they? First, nearly 70% of the faculty is male. Second, and even more critical, is the fact that the majority of women are in ranks that exclude them from voting for, let alone serving as chairmen or members of the appointments committee. As a lecturer I cannot vote for my department chairman or appointments committee, although I have a Ph.D. and have been in the English Department at Brooklyn College for over ten years. The democratic traditions of this country do not include government without representation; there is no democracy for woman at the City University of New York.
>
> The University has institutionalized second-class citizenship for women. We are conspicuously absent from positions for power and prestige, and our doctorates are worth $1,300 to $3,000 less per year than those of men. Even if women are hired at the same title as men, they are generally hired at the lowest salary step. It takes women longer to be promoted than men, particularly from the assistant professor to the associate professor level. A study by HEW of my department established that it took women two times longer to be promoted than men with comparable credentials. We can only assume that the men making promotion decisions felt that women's credentials were worth only half those of men's.
>
> The discrimination against women follows them even when they retire. The pension plans treat women differently from men. The immediate response is, women live longer than men. But whites have a different life expectancy from blacks, Christians from Jews, why not divide the population into these categories? The reason is immediately apparent: because it would be discriminatory to do so. Currently women either pay more into their pension plans to get the same benefits at retirement as men or pay the same amount into the plan as men but receive lower benefits. However, the living expenses for women are the same as men's, working or retired. Rent and food cost me as much as they do a man, and I suppose that the same will hold true when I retire.
>
> Because of the inequitable treatment of women as professionals and the indignities perpetrated upon women as a sex in City University, we are demanding redress, which, in financial terms, will require at least $40,000,000 in back pay and damages.
>
> In 1620, on this very day, December 21, the pilgrims came to this country in search of religious equality. Continuing this tradition, we the women of City University are also seeking equality, except that ours is a search for equality with men.

Mr. Speaker, it seems incredible that more than a half-century after women won full citizenship under the Constitution, they should still be the victims of such pervasive discrimination and should be forced to resort to the courts to obtain justice.

TRIBUTE TO ERNEST PETINAUD

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. GIAIMO. Mr. Speaker, it is a pleasure to join with my colleagues in paying a well-deserved tribute to our mutual friend, Ernest Petinaud, who is retiring after serving the House of Representatives ably and faithfully for many years as maitre d' of the House restaurant.

Every Member of the House has a genuine affection for Ernest, whose warm and genial personality endeared him to us all. During the 15 years that I have had the privilege to know Ernest, I have been impressed by his constant ability to remain cheerful and tactful no matter how trying the circumstances became in the restaurant. His good humor and innate courtesy were with him always, and he made life more pleasant for all who came in contact with him.

As Ernest retires, Mr. Speaker, I want to take this occasion to express my deep appreciation and my gratitude to him for his many thoughtful kindnesses to me, my family, and my guests. Ernest has been a true friend over the years to us all and a close personal friend to me. We shall miss him.

In the years head, I wish for Ernest and his loved ones, an abundance of good health and happiness. I hope that our paths will cross again.

THE UNIVERSITY IN THE UNCERTAIN SEVENTIES

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. BROWN of Ohio. Mr. Speaker, following is a copy of the address given by Dr. Robert J. Kegerreis on the occasion of his inauguration on November 27, 1973, as the second president of Wright State University, which is located in my congressional district at Dayton, Ohio.

Dr. Kegerreis assumes his duties as Wright State begins the second decade of its existence. The university is one of the 10 outstanding institutions of higher learning in my district, and I am extremely proud of the great strides and accomplishments it has made in its first 10 years. The next decade holds even greater promise for the university's growth.

The address follows:

THE UNIVERSITY IN THE UNCERTAIN SEVENTIES

(By Dr. Robert J. Kegerreis)

NOVEMBER 27, 1973.

I have greatly appreciated the greetings which have been addressed to me today and for the expressions of support which have come to me during recent months.

Every university and college in Ohio looks forward to the remainder of this decade of the 70's with mixed feelings. On the one hand most of these institutions have successfully weathered a pressure-packed transition period in which they left behind somewhat reluctantly the spectacular growth period of the 1960's and entered the relative stability of the early 70's. But there is uncertainty ahead. Historic patterns of enrollment are shifting. Fewer male students are registering at universities than has been the case heretofore.

The entire set of variables with which university administrators contend has developed a greater fluidity and unpredictability than we'd like. Inflationary pressures strike heavily at the universities and our total costs rise faster than traditional modes of income support can follow.

But this is not an occasion today for wringing hands or for crying wolf. It is more appropriate for expressions of confidence and strong resolve. Wright State University is still brimming with youthful vigor, and in many ways confident about its future both in terms of its place in the university system of Ohio and in the support expressed by the citizens of this area. In view of the conspicuous trend, in which universities are moving in the direction of service to their communities, this historically good relationship with its neighbors which Wright State has developed bodes well for us in the uncertain 70's.

Indeed, one of the most rewarding aspects of approaching the Presidency of Wright State is the knowledge that there is a demonstrated record of consistent public support for the university. It began with a spectacular burst of enthusiasm 10 years ago in the remarkable fund drive which furnished $3 million to the University of Dayton and another $3 million to Wright State.

To use the somewhat sterile language of the financial analyst, that $3 million investment had very significant leverage because the value of the university buildings alone today is in excess of $40 million. But the important element to recognize is that a high level of community support continues today!

In this connection it gives me great pleasure and satisfaction to announce today that the Thomas B. Fordham Foundation has given $500,000 to the new medical school at Wright State. The Presidents of our cooperating institutions—Dr. Lionel Newsom of Central State University, and Dr. Phillip Shriver of Miami, both of whom are here today—have agreed with the donor to allocate this magnificent gift to the establishment of the Fordham Medical Library at the new school.

I believe there is significant, as well as historical interest in the fact that seven years ago another local family fund had a central role in the building of the university's main library. At that time the Kettering fund gave more than a quarter of a million dollars to accelerate the acquisition program of the fledgling university library at a most critical point in its development. In a few minutes we shall dedicate the handsome new library building but implicit in our celebration is the recognition of both the significance and the essentiality of these local private gifts to this public university. Public funds are not enough to build a first-rate public university. There should be, indeed there must be, private funds available for a variety of programs and facilities if new State universities are to reach the level of quality which citizens expect. We have happily received such support.

Wright State has undeniably enjoyed a brilliant first decade. It owes a debt to its pioneer faculty and staff, a young, hardworking, admirably enthusiastic group; and to its first president, Dr. Brage Golding who experienced the joy and pain of leading the university through the turbulent early years. And also to Fred White, our senior vice president and first employee; and a further debt to the persevering trustees and to the generous public of western Ohio and the greater Miami valley.

But the first decade is past. Given this background, where does the university go and how does it go as it enters the last six years of the 1970's—those "uncertain seventies"?

HOW DOES IT GO?

Wright State University is still growing and should reach 15,000 students by 1980. The current growth rate is modest—it allows the university to plan carefully and to undertake only those new programs which can be justified on the basis of evident student need and mangeable risk. At the same time, the mission of a modern urban university is to provide new analyses and approaches to pressing social problems when it can be demonstrated that the university is clearly the best equipped institution to forge a coherent response.

The State University must tread a precisely defined track in these complex matters. It is an educational institution, not a social agency. It does not undertake social action—it undertakes social research. It develops educational programs, not political programs—it may study politics but it should not be *in* politics. It may properly study religions and the experience of religion in society but it may not reach. It may offer courses in philosophical, social, religious, and political doctrines, but it must not indoctrinate.

These limitations are really not restrictions upon the university's mission—rather they are bases for the liberation of the university. By adopting these fundamental concepts, the university is able to safeguard the environment of the scholar, to shield the teacher from unwarranted interference, to protect the researcher, to insure academic freedom—the indispensable ingredient. In other words, only by being responsible and accountable can the state university maintain its public support while avoiding absolute public control. There is a very delicate balance between the independence of scholarly thought on the one hand and the accountability to society on the other.

"Where does the university go"?

Taking into account the emerging strengths of the university, the academic areas of growth and promise, and the probable demands of our regional society—I have attempted to synthesize and summarize four goals of the university.

First, further bolster and develop our already comprehensive baccalaureate programs in the humanities, social sciences, the arts, basic and applied sciences, in the business disciplines, in education, in the health sciences, and in the allied health fields including environmental sciences.

Further, we seek to do our part at our Western Ohio Branch Campus and on the main campus to accelerate our development of selected two-year programs both those of terminal character and those which may lead later to the baccalaureate.

Second, very carefully and judiciously develop new graduate programs. We have a State-supported community college in Dayton which has effectively absorbed what would have been a considerable growth in our freshmen and sophomore classes. We consider Sinclair Community College as our partner in this regard and are working closely with them. Not having to care for further expansion at the entry end of our system leaves us free to respond more exactingly to expanding needs at the graduate level, where we experienced a 15% increase in students this year. In terms of the ratio between graduate and undergraduate students, we are tied for second in the State, just behind the Ohio State University. One in five of our students is at the graduate level, and the proportion is increasing.

The Greater Dayton Metropolitan area is noted for its intensive concentration of industrial firms and defense related establishments of a highly technological nature. The graduate programs can be seen in this light to be avenues for retreading, for reorientation, for beginning second careers, and for expanding one's professional career opportunities.

These citations are evidence of the fact, as well as the policy of the university, that our academic programs reflect our public service objective, that we respond legitimately to demands from our service area. This concern will be our guideline for further growth and development of graduate programs in close consultation with the chancellor, his staff and with the board of regents. We fully realize and we concur in the need for considerably more attention to be given in the future to the criteria and justification for proposals for graduate education.

Third, is to respond deliberately and forthrightly to the conspicuous need for education in the health sciences and in closely related disciplines. There is no social field in which higher education is more clearly called upon for intelligent planning and preparation. No doubt remains that the patterns of basic health care are going to change importantly during the time of the careers for which our students are now training.

Wright state has begun its response. Our school of nursing is underway, as are our baccalaureate programs in medical technology and in environmental health. These program areas are almost certain to grow in the years ahead.

And then there is the new medical school. The plan for the Wright State University School of Medicine which we are currently implementing in cooperation with Central State University and Miami University recognizes very clearly the conspicuous need today (and for an unknown number of years ahead) for primary care physicians.

For the first time a medical school has been established for the express purpose of concentrating on community medicine, on family practice, on primary care, on the emerging concept of the health care team which almost inevitably must be managed by a primary care physician. This medical school and its students will work throughout their educational experience in close touch with the community, in neighborhood clinics, in disadvantaged areas, in doctors' offices, and in the existing hospitals of the area to enable our students to become eminently aware of community medical practice and problems. They will be encouraged by a variety of environmental influences and educational designs to stay in greater numbers than ever before in the field of family practice and community medicine. In saying all this we acknowledge that Ohio could not support a plan for a medical school such as ours without the continued existence of the more comprehensive programs offered at the established medical schools at Case Western, Ohio State, University of Cincinnati, and the Medical College of Ohio.

Finally, regarding the new medical school, there has been nothing in my experience in higher education in which I have believed more deeply or about which I have been more confident, both as to its efficacy and as to its rewarding investment potential for Ohio taxpayers.

Fourth, is to concentrate more of our planning resources of perhaps the greatest challenge on the horizon for higher education—the growing realization that lifelong education will become a virtual necessity by the end of the century. In a new book called "Patterns for Lifelong Learning," published just two weeks ago, Hesburgh, Miller, and Wharton put the issue succintly in this way:

"Educational offerings will be expanded to accommodate an increasing demand for external degrees, individualized off-campus study, correspondence study programs and other modes of reaching the varied interests of students. While this growth will be welcome and should be encouraged, much more has to be done. Educational means must be multiplied and made more accessible than is now the case."

As a partial response, Wright State hopes to announce before the first of the year a major step forward in our cooperative program to offer courses and workshops that will upgrade and keep professionally current the engineering and science community in this region. But there is more to do. Chancellor Norton, in speaking to a class of June graduates at Kent State University this year said:

"In all probability you will have a continuing involvement with higher education deeper than any college generation before. Simply to keep in your field, you will probably be renewing your educational involvement with universities from time to time."

At Wright State we realize that we're probably going to encounter some new problems as we make higher education available and attractive to nonconventional students, but we must keep trying—the costs of errors are within limits and the potential for satisfaction on both sides is well worth the risk.

These then are our four immediate objectives: Further to refine our undergraduate programs, to enlarge judiciously our graduate educational programs, to develop greater capabilities in the health sciences, and to make significant strides in offering lifelong educational opportunity at Wright State.

In all these endeavors I shall encourage my colleagues at the University to be alert continually for the potential for joy and personal pleasure in university service, for the small daily satisfactions, for the saving grace of humor.

One thing more. Both Wright State University and I are used to uncertainty, to stress, and to success that is tempered by occasional failure. We look to the remainder of the uncertain seventies, not with apprehension or timidity, but with zestful anticipation, with an actual eagerness to begin the University's second decade. We see the period ahead as one in which Wright State, working hard to reach those four primary goals, will become recognized as a regional university of the first rank.

I pledge myself enthusiastically to the task and I call on all those assembled here for their support.

Thank you.

A TRIBUTE TO THE HOUSE LEADERSHIP

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MATSUNAGA. Mr. Speaker, as we await the final rap of the gavel to adjourn sine die the first session of the 93d Congress, permit me to congratulate the distinguished Speaker, Mr. ALBERT, the distinguished majority leader, Mr. O'NEILL, and the distinguished majority whip, Mr. MCFALL, for their demonstrated outstanding leadership during the past year.

As a deputy majority whip, I have had the invaluable experience of working closely under them and with them, and to feel the pulse of the House as it undertook to resolve the issues of the day. At no other time during my 11 years in this august body did I sense among the Members a closer awareness of what was pending in the House of Representatives.

The formation of the House Democratic Policy and Steering Committee, the beefing up of the whip organization and system with three additional deputies, and the institution of the innovative "Whip Advisory," all helped to make the 93d House of Representatives one of the best informed of them all.

I am sure the chief deputy whip, Mr. BRADEMAS of Indiana, and my colleagues, the other two deputy whips, Mr. WRIGHT of Texas and Mr. FULTON of Tennessee, share this conviction with me.

Although thoroughly handicapped by an uncooperative, most veto-minded Executive in modern history, the 93d Congress will nevertheless be recorded as having made great accomplishments in its first session. In the fields of aid to the aged, the disabled and handicapped, the unemployed, the poor, social security, and retirement benefits, vocational rehabilitation and education, advancements have been made despite the constant threat of a Presidential veto.

A most notable achievement was the overriding of the President's veto to enact a law curbing the war powers of the President. As a consequence we find after too long years, our Nation at peace with the world with no danger of future prolonged Executive wars.

Another historic achievement of the House is its passage of the Budget and Impoundment Control Act of 1973, which has every potential and promise of restoring the legislative branch of our Government to its rightful balance of power with the Executive.

I have no doubt whatsoever that we will overcome the energy crisis and that we can look to bigger accomplishments in the second session of the 93d Congress under the leadership of ALBERT, O'NEILL, and MCFALL.

WHITE HOUSE WORSHIP SERVICE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. TEAGUE of Texas. Mr. Speaker, on Sunday, December 16, my wife and I had the pleasure of attending the White House worship service conducted by the Reverend Dr. Billy Graham. I was much taken with the thoughts advanced by Dr. Graham and would like to share them with others who were not privileged to attend this service:

SUNDAY CHURCH SERVICE, DECEMBER 16, 1973

Reverend GRAHAM. Shall we pray.

Our Father, we thank Thee and praise Thee for this time of season when we can gather together and think of good will and cheer, but most of all the joyful news of the gospel that brings with it its news of forgiveness and transformation, both of people and societies. And we pray together in this house that Thou wouldst bless our President, his family, the members of this household, the friends that are gathered here today, the Nation, the representatives of our Nation throughout the world and we pray that at this Christmas season we may hear once again the voice of Christmas, for we ask it in Christ's name. Amen.

Our scripture today is taken from Luke's gospel, the second chapter beginning at verse eight. Perhaps the most familiar passage that all of us read at Christmas time. "And there were in the same country, shepards abiding in the field, keeping watch over their flock by night, and lo an angel of the Lord came unto them and the glory of the Lord shown round about them and they were very much afraid. And the angel said unto them, 'Fear not, for behold I bring you good tidings of great joy which shall be to all people. For unto you is born this day in the city of David, a Savior who is Christ the Lord, and this shall be a sign unto you. Ye shall find the babe wrapped in swaddling clothes lying in a manger.'

"And suddenly there was with the angel a multitude of the heavenly host, praising God, saying, 'Glory to God in the highest and on earth peace, good will toward men'."

Mr. President, Mrs. Nixon, Mr. Vice President, Mrs. Ford, distinguished guests, I am highly honored to be here today and to have the privilege of spending a part of Christmas at the White House, and I feel a little bit like a story my brother tells about a mule that a man down in Tennessee entered in the Kentucky Derby. And they said, "Well, do you expect your mule to win the Kentucky Derby?"

He said, "No, but look at the company he will be in." (Laughter)

And I feel this is the most distinguished company I have ever been in for a country North Carolina preacher, that I have ever been in at Christmas time and I am very grateful for the privilege.

That song the chorus sang so beautifully a moment ago, as most of you probably know, was written about 100 years ago by an assistant minister of a church in Oberndorf, Austria. The rats had eaten out the bellows in the organ and they weren't going to have any music on Christmas Eve night and he was deeply concerned about it. So he sat down and wrote a little poem and took it over to the church organist and he said, "Put some music to this and you and I will sing it as a duet tonight."

And that was Silent Night. Never dreaming it would go around the world as one of the great Christmas carols of all time.

1973 has been a very convulsive year in American history and millions of Americans at this moment are confused, discouraged, cynical, frightened and disillusioned. It has been a year marked by the death of two former Presidents, the second inauguration of President Nixon, the end of the American military involvement in Vietnam, the fury of Watergate, a devastating war in the Middle East which brought the world very close to Armageddon, and now the energy crisis, and each day seemed to add to our problems.

And in the midst of all this upheaval and crisis, and difficulty and problems and fear, comes the message of Christmas with all of its hope, good will and cheer. And I think the message of Christmas has been terribly misapplied and misunderstood for many years in this country.

Some think of business profits, shopping, gifts, tinsel, toys and celebration. Others think only of Bethlehem, of the star in the sky, shepards in the field and angels singing. Still others cynically ask, "Where is this Prince of Peace in a world filled with so much trouble?"

But the real Christmas message goes far deeper. It answers all the great questions that plague the human race at this hour. The Christmas message is relevant, revolutionary and reassuring to us in this room today. I believe it can be summed up in three words, a cradle, a cross and a crown.

First the cradle. On that first Christmas night the Bible tells us, as we have just read, about the angel coming to those fearful shepards and saying, "Fear not, I bring you good news." What is the real meaning of that good news?

During World War II, many a mother would take their son and try to keep the memory of the father who was away at war in the memory of that boy. And one mother I heard about took her son every day into the bedroom and showed him a large portrait of the father who was away. One day the little boy said to his mother, "Mom, wouldn't it be great if Dad could just step out of the frame?"

That is what happened that first Christmas. For centuries men had looked into the heavens longing for God to step out of the frame and at Bethlehem that is exactly what God did.

Incredible and unbelieving as it may appear to modern man, the Bible teaches that Jesus Christ was a visitor from outer space. He was God incarnate. That virgin born baby was God in human form. He humbled himself, he took the form of a servant. He was made in your likeness and mine. He identified himself with the problems of the human race and thus it was that the Apostle John wrote, "The word was made flesh and dwelt among us, and we beheld his glory as the only begotten of the Father."

In the early days of the 19th century, the world was following with fear and trembling the march of Napoleon across Europe and day after day they waited with impatience for the latest news of the wars. And no one was paying any attention to the babies that were being born.

In just one year, lying midway between Trafalgar and Waterloo, there came into the world a host of heroes. During that year of 1809, listen to the people that were born in that year when everybody was taken up with the problems of Napoleon. Gladstone was born in Liverpool, Alfred Tennyson was born, Oliver Wendell Holmes was born in Massachusetts, Frederic Chopin was born in Warsaw, Mendelssohn was born in Hamburg and Abraham Lincoln was born in Kentucky.

But nobody thought of babies, everybody was thinking of battles. Yet 154 years later with a truer perspective the years enable us to command, we can ask ourselves which of the battles of 1809 were more important than the babies of 1809.

What a difference the baby born in Bethlehem's manger 2,000 years ago makes to our world today. The educational systems he has inspired, the social reforms that his teachings have instituted and the transformation of families and lives that have come about as a result of a baby born at Bethlehem.

The whole world was thinking of Caesar, the whole world was thinking of Rome, but in God's eternal plan he was thinking of a baby in a manger in a little tiny town of Bethlehem.

Secondly, there is the cross. Christmas to have meaning cannot be separated from the cross. The angel said at the birth of Jesus. "He shall save people from their sins." Jesus himself said, speaking of his death, "To this end was I born." He was the only person that has ever been born in history that was born with the purpose of dying.

The Apostle Paul years later said, "Christ Jesus came into the world to save sinners."

The central message of Christmas is that Jesus Christ by his death and resurrection can transform both individuals and society, almost everyone at some time or another feels moral guilt and failure. It is like the little boy who said, "Guess I was born wrong."

Every newspaper or magazine that we pick up and every newscast that we catch, we see a picture of hate, and lust and greed and prejudice and corruption manifesting themselves in a thousand ways. The fact that we have policemen and jails and military forces indicates that something is wrong with the human race, something is radically wrong with human nature. Every time I board an airplane they search my luggage and they even search my clothes on some occasions, especially in Europe today.

And we ask ourselves, "What is wrong? Why can't we solve our problems? Why can't the world find this peace that this Prince of Peace was supposed to bring?"

You see man is actually a paradox. On the one hand, there is futility and sin, on the other, there is goodness and kindness and gentleness and love. On the one hand, he is a moral failure and on the other hand, he has the capacities that would relate him to almighty God. No wonder the Apostle Paul called this moral failure the mystery of iniquity.

The Bible teaches that the human race is morally sick. The disease has affected every phase of our life in society. The Bible calls this sin by an ugly three letter word, "sin".

Dr. Karl Menninger, the noted psychiatrist, has just written a book that startled some of his friends entitled "Whatever Happened or Whatever Became of Sin." It is beginning to dawn on many of our intellectuals on both sides of the Atlantic that something is wrong and that something wrong could be sin, the Biblical sin, the original sin that the Bible talks about.

When President Nixon was a boy, they used to sing a song that I am sure he would remember, "There is Power in the Blood." I expect he could play it on the piano if we asked him to.

The Bible teaches that the only cure for sin is the blood of Christ on that cross. Every Catholic and Protestant church celebrates communion. When we put the wine to our lips, it is the symbol of that blood that was shed and one of the most prominent aspects of the worship of ancient Judism was the shedding of blood to make atonement for sin.

The word "blood" symbolizes life, a life that was given. Christ became the lamb of God that was shed and died on the cross for our sins. The cross and the resurrection stand today as man's only hope.

It was on Good Friday and Easter that God did for man what man could not do for himself. From these momentous events God is saying to sinful man, "I love you, I love you so much I gave my son."

But he is saying more than that. He is saying, "I can forgive you because of what he did on the cross."

And this is good news at this Christmas, but we must also do something. God did his part by giving his son, the great Christmas gift, God's great gift to the human race. But we must do something. We must humble ourselves, we must admit our sins. We must admit that we are moral failures and turn to him by faith. We must say as the publican did, "God have mercy upon me, a sinner."

The scripture says, "A broken and a contrite heart God will not despise."

If we as individuals here today and we as a Nation would humble ourselves and turn from our sins, God has promised forgiveness, healing to the Nation and eternal light to the individuals. This is the good news that the world is morally, psychologically and spiritually longing for.

Some of you may dismiss it as idiotic and ridiculous that a man dying 2,000 years ago could be relevant today. The Apostle Paul anticipated that we would say that because he said, "The proclamation of the cross is, I know, nonsense to those who are involved in this dying world. But to us who are being saved from that death, it is nothing less than the power of God."

Ladies and gentlemen, I believe that America stands on the threshold of divine judgment, morally, socially, economically, politically, and spiritually. We are in deep spiritual trouble. We have turned away from God and every month seems to take us further away from the only one who can reverse the tide, forgive our sins and forestall the imminent judgment. We must alter our course if we are going to see many more Christmas seasons as a free people.

We must reorder our priorities. We must remake the unjust structures that have taken advantage of the powerless and broken the hearts of the poor and the dispossessed.

We all admit that we need more sweeping social reform and in true repentance we must determine to do something about it, but that even as good as it is, is not our greatest need.

Our greatest need is a change in the hearts of people. That is why Jesus said, "You must be born again." That is why he said, "Except Ye repent, Ye shall perish."

The Apostle Paul in his famous sermon at Mars Hill said, "God calls upon men everywhere to repent and he hath appointed a day in which he will judge the world."

Who should repent? Everybody. This is what the cross calls for, the heart of its message is simple, repent or perish.

Thirdly, there is the crown. There is more to Christmas than the cradle and the cross. There is also the crown.

Chiseled into the cornerstone of the United Nations building is a quotation from the Bible that has never yet been fulfilled and it was the quotation that President Nixon put his finger on in his first Inauguration in the Bible and it reads, "They shall beat their swords into plow shares and their spears into prunning hooks, nations shall not lift up sword against nation, neither shall they learn war any more."

This is a thrilling thought. It has often been repeated by men who long for peace and many of those men wonder why peace doesn't come. However, this quotation must not be taken out of context. The passage speaks of the time when the Messiah will reign over the whole earth. This is the era of which Jesus taught us to pray in the Lord's Prayer, "Thy Kingdom come, Thy will be done on earth as it is in heaven."

This is the time when he who came as the baby of Bethlehem shall come back as King of Kings and Lord of Lords.

Queen Victoria once heard a preacher preach on that subject and she said, "I wish he would come in my lifetime so I could lay my crown at his feet."

One hundred and 13 years ago a great French chemist said, "Within 100 years of physical and chemical science, man will know what the atom is. It is my belief when science reaches this stage, God will come down to earth with his big ring of keys and will say to humanity, 'Gentlemen, it is closing time.' "

The Bible teaches us that there will be a close to history as we know it. Man will have his last Armageddon but, when it seems that man is about to destroy him, God will intervene. Christ will return.

At the cradle he was in the stall of an animal. At the cross he wore a crown of thorns, but when he comes again it will be as commander-in-chief of the armies of heaven. He will take control of this war weary world and bring the permanent peace that we strive for and long for. A new world will be formed, a new social order will emerge. Many people wonder why it has taken so long between the time he came 2,000 years ago for all of this to be fulfilled. Why didn't he do it the first time?

Well, something had to be done about our sins so he died for our sins the first time. Why has it taken 2,000 years now of war, trouble and trial and difficulty and death and suffering and sorrow for this peace to come?

You remember in World War II there was D Day and then there was V day and in between there were many long months and thousands of casualties before the final victory was won.

The cross was God's D Day. When the back of the enemy was broken namely sin and the devil. V Day is when he returns in glory to set up his kingdom.

In the intervening period we have much work and much fighting to be done. We must do our best to keep the peace of the world. We must do our best to make better social conditions for our people. The fact that we know that he is coming does not mean that we just sit on our haunches and sing hymns all day.

He said, "Blessed is the servant when his master cometh, findeth so doing."

In the midst of the pessimistic gloom and frustration of the present hour, we are not to wring our hands. The angel said to the frightened shepherds, "Fear not," Jesus says, "Fear not if I go and prepare a place for you, I will come again."

The cradle, the cross and the crown are but three acts in God's grand cosmic plan of the ages. Act one was the first Christmas when God entered history. Act two on the cross when he died for sin. Act three which is yet to come, God will bring the world peace that men long for.

There is a popular song today entitled "The King is Coming." Yes, the King is coming and when he comes, sin will be eliminated, tears will be wiped from every eye, disease will be no more, death will be eliminated, nation will not lift up sword against nation and war shall be no more.

This is the promise of Christmas. This is our hope, this is the Christmas star that lights our evening darkness, this is the assurance that a new day is coming through the Messiah whose name was called by Isaiah the Prophet, wonderful, counsellor, the mighty God, the everlasting Father, the Prince of Peace.

That night, when in Judean skies the mystic star dispensed its light, a blind man moved about in sleep and dreamed he had sight. That night when shepherds heard the song of host angelic hovering near, a deaf man moved in slumber's spell and dreamed that he could hear. That night when in the cattle stall slept child and mother cheek and jowl, a cripple moved his twisted limbs and dreamed that he was whole. And that night when o'ver the new born baby the tender Mary rose to lean, a leper smiled in sleep and dreamed that he was clean. That night, when to the mother's breast the little King was held secure, a harlot slept a happy sleep and dreamed that she was pure. That night when in the manger lay the sanctified who came to save, a man moved in the sleep of death and dreamed there was no grave.

This is God's gift of Christmas, the cradle, his son; the cross, his life; the crown, the coming kingdom. But a gift to be complete must be received.

And now unto him who loved us and washed us from our sins in his own blood and hath made us kings and priests, unto him be the glory and the dominion and the power. Amen.

THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. FISHER. Mr. Speaker, the following is an article by Mr. R. D. Patrick Mahoney, of the Texas Tribune newspaper, regarding the Occupational Safety and Health Act of 1970. I recommend this article to everyone interested in the history of this legislation:

OSHA—REPRESSIVE LEGISLATION: FOUNDED ON MISTRUTH

(By R. D. Patrick Mahoney)

Free enterprise is the lifeblood of our nation. But business cannot be conducted if, at every turn, it is thwarted by repressive legislation which has been based on an illegitimate premise. The Occupational Safety and Health Act of 1970 is just such a piece of legislation. In this article, the first of a series, the history of that act will be studied, as well as the reasons why it never should have been passed. *The Texas Tribune* was created on the belief that if the Texas businesssman knows of the action that is taken in Washington daily to destroy his business, he certainly will be better able to prevent the governmental destruction of free enterprise. Hence, it seems fitting to begin this column with the history of OSHA. We pray that some day, with the right pressure and exposure, we shall be writing a future column on the demise of OSHA.

The OSHA bill was conceived and ratified under the guise of two seemingly indisputable assumptions: 1) that there is a need for factories and other places of employment to be made safer; and 2) that it is the legitimate concern of the federal government to legislate and enforce standards of safety and health in private businesses. Under the provisions of this law, federal specifications are being set for every facet of a functioning business from how many toilets per person per floor are "necessary," to the correct way to chill ice-water (i.e., the ice must not touch the water; it is unsanitary). At this date, the number of volumes of just such specifications which have already been written stack four feet high. Doubtless, there will be more. It will now be necessary for the Texas employer—who is subject to federal punitive action for not complying with any one of this myriad of specifications—to decipher hundreds of pages of "governmentese" in order to understand exactly what these specifications are. Compliance enforcement officers have been stationed in strategic areas throughout the United States; including Dallas, Houston and Lubbock. And all this is the result of legislation which was based on two assumptions, both of which are false.

On January 23, 1968, President Lyndon B. Johnson requested that Congress pass legislation covering occupational safety and health. He gave the following reasons: "Every year 14,500 workers are killed on the job, and 250,000,000 man-days of productivity are wasted." The legislation he wanted allegedly would alleviate this waste and he felt this could only be done by the federal government "strengthening the authority and resources of the Secretary of Health, Education and Welfare to conduct an extensive program of research. This will provide the needed information on which new standards can be developed." After the research needed to justify such a measure was completed, this legislation, according to President Johnson, would "empower the Secretary of Labor to set and enforce those standards."

Shortly thereafter, the House Education and Labor Committee reported out H.R. 2567, which restricted the Secretary of Labor's power to set safety standards and also provided for judicial review of any power that the Secretary of Labor might exercise. Businessmen at that time correctly viewed the legislation as "two steps forward and one step backward." They saw it as a move by the federal government to get its foot in the door with compromise legislation. Once that foot was in, it would be a simple matter to add any administrative law to the Federal Register, ratified by those faceless and nameless bureaucrats in Washington who (despite the fact that American business pays their salaries) are not oriented toward the free enterprise system. Thomas Jefferson once said, "That government is best which governs least." Not so with the Washington bureaucrats. Their philosophy is "that government is best which controls, harasses and eventually destroys business"—the lifeblood of our nation.

President Johnson's OSHA, having been greeted by concerted opposition from businessmen and conservative members of the House and Senate of both parties, met with sudden death in the House Rules Committee. Such a demise called for an agonizing reappraisal. On August 6, 1969, President Nixon sent a special message to the Congress on occupational safety and health.

The message read in part as follows: "Consider these facts. Every year in this country some 14,000 deaths can be attributed to work-related injuries or illnesses. Because of diseases or accidents sustained on the job, some 250,000,000 man-days of labor are lost annually." Additionally the message stated, "It is interesting to note that in the last five years, the number of man-days lost because of work-related injuries has been ten times the number lost because of strikes. What have we done about this problem? The record is haphazard and spotty. . . . The federal role in occupational safety and health has thus far been limited. . . . I am therefore recommending a new mechanism through which safety and health standards for industry in general can be improved . . . appropriate procedures to guarantee due process of law and the right to appeal will be incorporated."

Following this message, hearings were held before both labor committees of the Senate and the House, with a large parade of government bureaucrats from HEW, the Department of Labor and other governmental departments. The disaster figures were consistently repeated, furthering the lie of the impending repressive legislation. Shortly after these hearings Representative William A. Steiger of Wisconsin, co-sponsor of the bill, referred to "the carnage in our nation's workplaces," while speaking of this bill on the floor of the House.

But let us examine some of the completely neglected facts. "Carnage" is synonymous with "slaughter," and it behooves us to scrutinize those heartless leaders of American industry who perpetrate "slaughter" on American citizens. For sixty years the National Safety Council has been gathering statistics on safety in both home and industry; its information and safety-education programs are sacrosanct. The National Safety Council was chartered by an act of Congress; it is a *nongovernmental*, privately supported public service organization. Included in its annual statistical booklet entitled *Accident Facts* are statistics furnished by both government and private enterprise. One must keep this credibility—gained over a sixty-year period—in mind when considering both Presidential messages and the ballyhoo of "carnage" accusers on the floors of Congress.

According to the 1972 edition of *Accident Facts*, in both the manufacturing and non-manufacturing categories for 1933 there were 39,000,000 workers employed with 14,500 deaths attributed to accidents in both areas. In 1971, when all of Steiger's alleged "carnage" was occuring, the National Safety Council reports that there were 80,000,000 employees in America and only 14,200 accidental deaths in manufacturing and non-manufacturing business and industry. Simple arithmetic reveals an increase of over 100% in workers from 1933 to 1971. At the same time, the accident rate in 1933 of .00037, compared with the accident death rate in 1971 of .00017, shows a *decrease* of more than 150% in the death rate for the overall working force in America. The National Safety Council concluded that death rates for both manufacturing categories have, in fact, "reached their lowest levels *in the past five years*." Those who furnished the figures to two successive Presidents, with gross tainting and omissions, were certainly fathers to the lie that has become the basis of another link toward national socialist control of American industry. But let us proceed with the figures.

Considering the principle causes of accidental deaths, the National Safety Council has broken down these figures into several categories: accidents occuring at work, in motor vehicles, in the home, and in public non-motor vehicles. In the statistics from 1961 to 1971 we find that accidental deaths at work have decreased 7%. This figure is exceeded only by the 10% decrease in accidental deaths in the home.

On the other hand, motor vehicle deaths have risen 27% and public non-motor vehicle deaths have risen 21% in the last ten years. Yet the accidental death rates in industry for this ten-year period have *decreased* in all but two industries—agriculture and government. Agriculture death rates have increased 10%. The government's have remained the same. It would appear that where government exerts the most control at present (as, for example, it does in agriculture) there is no incentive to diminish accidental deaths. On the other hand, in private business—which faces such problems as insurance costs, manhours lost, and other related factors—there is the realization that accidents are both expensive and detrimental to business interests. In a future column we shall cite examples showing that if OSHA regulations were complied with by the government, the government would probably cease to function.

Of the Texas delegation, John Dowdy, Graham Purcell, John Young and George Bush were conspicuously absent. Joining the misinformed mobocracy, however, were Jack Brooks, Bob Casey, Eligio de la Garza, Bob Eckhardt, Henry Gonzalez, Abraham Kazen, Jake Pickle, Richard White, James Wright and Bob Price. The only members who voted against the measure, perhaps remembering an earlier Alamo and rising to the role of honor, were Omar Burleson, Earle Cabell, O. C. Fisher, George Mahon, Wright Patman, W. R. Poage, Ray Roberts, Olin Teague and Jim Collins.

Thus we find that these Texas House members represented 49% of all House members present who voted against this legislation, indicating that Texas still has a large percentage of House members conscious of what their vote means. If people analyze the full implications of that vote on OSHA, they will soon be saying that if taxation without representation is tyranny, just look at our tyranny *with* representation.

HOW TO STOP SPRAWL: U.S. GROWTH POLICY

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. JOHNSON of California. Mr. Speaker, it is obvious that the House Public Works Committee's efforts to develop a National Public Works Investment Policy that will enable Federal programs under its jurisdiction to be more effectively used to stimulate and implement national growth and development plans and policies directly reflects a widespread national concern over the problems of our environment, population growth, and economic development. Recent committee hearings and studies clearly support the conclusion that if we are to protect our public works investments, conserve our rapidly disappearing natural resources, and yet still maintain a viable economy, we must give a more rational shape to the future growth and development of our Nation.

Mr. Speaker, the current energy shortage is one salient example of our country's apparent inability to anticipate the expected social, environmental, and economic problems between now and the year 2000 caused by unplanned, often chaotic growth, technological change, increased consumption levels, and public demands. We must be able to assist those areas affected by severe economic adjustments marked by the high levels of unemployment predicted for next year by providing more effective planning systems that will enable us to forecast the consequences of public and private actions on the quality of life for all Americans.

In a recent article published by the Chicago Tribune, Congressman JOHN A. BLATNIK, chairman of the House Public Works Committee, outlined the problems and challenges of our Nation's future growth. Mr. Speaker, under the innovative leadership of Mr. BLATNIK, the House Public Works Committee has begun planning for the Nation's future.

In his article, Mr. BLATNIK points out that—

> Simply because we expect more suburban growth in the future does not mean that we have to accept more of the chaotic "suburban sprawl" of the past quarter-century.

He calls for a National Public Works Investment Policy, recognizing that—

> In the past we have too often been forced to use public works projects to correct past mistakes rather than using such projects as a means to shape more orderly communities.

Mr. BLATNIK emphasized that a growth policy is truly a national concern and "should have as its emphasis people, not places—the priority should be helping people wherever they choose to live."

Mr. Speaker, I include Congressman BLATNIK's remark in the RECORD:

HOW TO STOP SPRAWL: U.S. GROWTH POLICY

(By Representative JOHN BLATNIK)

The House Public Works Committee, of which I am chairman, has begun planning for the year 2000.

This may seem an ambitious role for a congressional committee normally concerned with day-to-day planning for highways, sewers, bridges, and dams but, in the past year or so, we have come to realize that our programs, along with other government actions, have contributed to the unplanned and chaotic growth of our suburbs in the past 25 years.

As a nation, we are already making our future; thru wise public works investments, we hope to give that future a more rational shape.

This fall we asked the population experts to show us the outlines of the American future. They said that if current trends in the birthrate hold—and that is a large "if"—we should have about 270 million people in the year 2000. They also make it clear that both the added people and the jobs they will need will be located in or near our metropolitan areas.

One geographer estimates that 95 per cent of all Americans already live within commuting distance of a major city. By the year 2000, we can expect to add 81 million people to the 144 million already living in urban areas.

By metropolitan growth, the experts mainly mean suburban growth. Despite the increase of population in urban areas, the density of population is actually declining owing to the decline of central cities and the liberal use of land for housing and large-lot zoning at the peripheries of metropolitan areas. Urban territory is expanding faster than urban population.

This seeming paradox is no accident. In one survey after another, Americans have shown a preference for living in small communities within commuting distance of large cities. This desire has proved convenient for developers and employers alike.

Vacant land at the edge of built-up areas is generally much less expensive and less difficult to use than older property that must be redeveloped.

Simply because we expect more suburban growth in the future does not mean that we have to accept more of the chaotic "suburban sprawl" of the past quarter-century, however.

Suburban sprawl is wasteful of land—some of which we may now need to put back into growing food—and it is wasteful of energy. Suburban sprawl is manifest not only in smoggy tract developments in California, but also in declining small towns in the Midwest and decaying slums in Harlem.

Here is where a public works investment policy becomes crucial. In the past, we have too often been forced to use public works projects to correct past mistakes, rather than using such projects as a means to shape more orderly communities.

We all have seen highways congested with traffic as soon as they are built, and new sewage treatment plants that are too quickly overloaded by housing subdivisions.

Federal programs such as the Interstate Highway System, FHA and VA mortgage insurance, income tax policies, economic development assistance, and urban renewal have all contributed to sprawl.

Clearly, any public works investment policy must be a truly national concern. It must be accompanied by the development of more effective areawide planning systems that can forecast job and population shifts and take steps to cushion their impact.

Unfortunately, growth planning is now mostly in the hands of some 16,000 fragmented local government units; by the year 2000, there may be 32,000 such bodies.

A national growth policy should have as its emphasis people, not places. The priority should be helping people wherever they choose to live. Yet, there are steps we can take to make our declining rural areas and our decaying central cities—which share the problems of unemployment and depressed land values—more attractive places to settle.

We can make it more feasible to build high-density housing in the inner-city to accommodate the smaller families and single individuals who may want to congregate there.

We can build better transportation links to rural areas to bring them within the orbit of the cities.

This is not to say that it will be easy to move forward. Most people living in the suburbs like them as they are; they will be reluctant to accept higher density housing and restrictions on land use. We will have other conflicts between consumer preferences and wise use of our resources.

But a national public works investment policy will provide a framework within which such conflicts can be resolved.

THOUGHTS ON THE ENERGY CRISIS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. SEIBERLING. Mr. Speaker, although the Congress has provided the President with the essential legislative powers to deal with the immediate problems facing the country as a result of the energy crisis, it is regrettable that the first session ended without action having been completed to deal with the longer rânge problems or the underlying causes of the problem. Unfortunately, a considerable amount of the blame for this state of affairs must be laid at the door of the administration, which consistently failed to face up to the realities of the situation until late in the year when it became so grave that it could no longer be avoided.

When the President finally did speak out, in his energy message of November 8, he failed to admit the real gravity of this situation. He misled the public through his promise of "self-sufficiency by 1980," a goal that many responsible experts say is impossible to achieve by that date. Worse yet, he failed to provide the kind of forthright and imaginative leadership needed to deal with the crisis in all its many aspects.

Many people have blamed the energy crisis on the cutoff of oil exports from the Arab countries. In fact, we would have had an energy crisis even if there had been no embargo of Arab oil.

Signs of an impending crisis were apparent last year when several Midwestern schools were forced to shut down for lack of heating fuel and the east coast experienced several serious brownouts.

Even before then, it was obvious to anyone who studied it that we would eventually be faced with a critical energy problem. Scientists have been warning for many years that the conventional energy sources we have been relying on are running out. The full implications of our dependence on oil and other limited resources were studied and reported by the House Subcommittee on Science, Research and Development's Task Force on Energy, of which I was a member, in 1972.

The task force found that Americans use six times as much energy per capita as the world average. Our entire Nation of 200 million people burns more energy than the 500 million people of Japan, Great Britain, Germany, and the Soviet Union combined. During the past 40 years, the American population has grown 70 percent, but our energy consumption has increased 310 percent. In just the next 30 years, unless there is a drastic change, the United States will consume more energy than it has in its entire history.

A couple of years ago, I asked one of my subcommittee's scientific advisers what it would mean to cut back on energy consumption to the 1940 level. He answered this way:

> If we had only the energy producing equipment we had in 1940, but consumed energy at the rate we consume it today, that equipment would sustain a United States population of only 20 million people—about one-seventh of the then actual population.

Mr. Speaker, before we start a new session, I would like to record as clearly and as briefly as possible my own understanding of the nature of the crisis and the actions that seem to be necessary to deal with it. As a member of the special Task Force on Energy of the Science and Astronautics Committee in the 92d Congress, and the Subcommittee on the Environment of the Interior Committee in this Congress, I have made a special effort to study and understand the long-range aspects of the energy crisis. Perhaps, therefore, my comments will be helpful to other Members trying to grapple with this complex set of problems.

WHERE WE ARE NOW

No one can have any doubt that this Nation, and in fact the entire world, is experiencing a shortage of energy—that is an insufficient supply of various forms of energy to meet all the essential demands of our technological civilization. However, we find ourselves in the incredible position of not knowing how severe the shortage actually is, or more importantly, to what extent, if any, the shortage has been artifically manipulated.

Every day the American people are faced with new, often contradictory statistics about the energy crisis. Much of what they read tells them that the sacrifices they have been asked to make by their Government under the guise of an "energy crisis" are really unnecessary; that the higher prices and lower temperatures they are living with are all part of a scheme to increase the profits of the oil companies.

We find ourselves in this appalling situation in large part because the Government has always relied solely on the voluntary cooperation of the oil, gas, coal, and electrical companies for any and all information about energy production and supplies. There are serious questions as to whether some of these industries do not suppress or distort information as to their true reserves and capabilities.

The only way this Government can plan for the Nation's energy needs is to develop their own reliable, independent sources of information about energy production. This must begin immediately. To assist the Federal Government, Congress should pass legislation as soon as it returns from the recess to authorize and require the Government to audit information reported by the oil and other energy companies, and to make it a crime to falsely report such information to the Government.

In addition, investigations should be begun immediately, by the Department of Justice and the House Judiciary Committee, into the extent of collusion by the oil companies in restricting supply and raising prices.

Although all the data is questionable, the best available information indicates that the normal demand for petroleum products for the first quarter of 1974 would be 20.2 million barrels per day, assuming a normal winter. Estimated total supplies will be 15.4 million barrels per day—11.0 from domestic sources, 4.4 from imports. In addition, available inventories are about 150 million barrels.

If we use our inventories at the rate of 1.1 million barrels per day, they will last for about 4 months, and we will still be short 3.7 million barrels per day. If we do not cut back sharply on our consummation at once, we could find ourselves, before the winter is over, with nothing but our current supply of 15.4 million barrels per day. The Nation will then be receiving 4.8 million barrels per day less than our normal demand. If we have an unusually cold winter, and do not conserve our inventories, the shortage will obviously be even greater. Yet, as far as I know, the highest figure quoted so far by the administration is a shortage of 3.5 million barrels per day, or 17 percent of projected demand. Even an end to the Arab oil embargo would not have any substantial effect on the oil supply for the first 3 months because of the long lead-time for transporting the oil from the Middle East.

In certain industries, cutbacks in petroleum allocations are more critical than others. For example, the petrochemical industry, which produces the Nation's supply of synthetic rubber, synthetic fibers, and plastics, depends on petroleum for its raw materials as well as its energy. Expert studies have indicated that a 15 percent cut in petrochemical supplies would produce almost immediately a million unemployed workers in the tire, plastics, textile, and related industries, and if continued long would produce almost 2 million unemployed throughout the economy.

Unfortunately, having failed to organize itself to deal with the oil shortage until after it had reached a crisis stage, the administration is still floundering in its efforts to cope with it. It is obvious that the recently abandoned "voluntary" allocations program failed to provide for adequate distribution of petroleum resources for the most urgent needs. The more recently adopted mandatory allocations are still less than adequate to insure that the available petroleum resources are directed where the need is greatest. Certainly neither they nor any other measures adopted so far can assure that the Nation's petroleum consumption will not exceed its available supply.

Supplies of coal appear to be adequate. However, because of the fact that many powerplants, particularly those on the east coast, have been designed to burn oil instead of coal as fuel, there is a strong possibility of regional shortages of petroleum for use in such powerplants. In New England, these shortages may exceed 30 percent. Furthermore, it appears unlikely that expansion of coal production can take place rapidly enough or that oil-burning plants can switch to coal soon enough for coal to make any significant dent in the energy shortage in the next 6 months.

This leaves us with conservation and cubacks in fuel consumption as the only significant short-term solution to the crisis. It also means that supplies must be allocated in some way to meet the most important needs, from the standpoint of health, jobs and essential services. To this end, the Congress has given the President authority not only to control prices but has required him to adopt a mandatory fuel allocation program.

The Mandatory Fuel Allocation Act, which was adopted by Congress over the opposition of the White House, establishes a scale of priorities and, through a provision which I authored, requires that available supplies of fuel be allocated equitably to all users. This means, for example, that a new homeowner cannot be denied a fair share by a supplier merely on the grounds that he had not been a previous customer or had no previous demand.

In addition to curtailed supplies, we can expect the rise in price of petroleum products to continue for several years. This is because foreign suppliers of petroleum are taking advantage of the worldwide shortage to increase prices. These inevitably have an effect on domestic prices. There is no way to keep such price increases from being passed on to the consumer. However, consumers have a right to demand that the increases be no more than are necessitated by the increased cost of petroleum at the wellhead. Fortunately, as a result of the recent truckers' protests, the administration has now assigned 1,000 IRS agents to police oil and gasoline dealers and penalize any who have engaged in price gouging.

This is not to say that any large numbers of dealers have been guilty of such practices. In fact, most dealers are beset with serious problems. As their gasoline sales contract, the right to "pass through" their costs does not compensate the dealers for the loss of earnings resulting from the reduced sales volume. As a result, many thousands of dealers are already being squeezed out of business. It is urgent that the administration modify price regulations to enable them to earn sufficient income to remain in business. A drastic reduction in the number of competing service station outlets would not only inconvenience the public but would reduce retail competition and tend to result in higher prices.

Another energy-saving step, the recently enacted year-around daylight saving law, is expected to result in a reduction of 1 to 2 percent in our national energy consumption. While this seems like a small amount, it is actually quite large in terms of the amount of energy. Considering that an overall reduction of around 17 percent of our normal energy demand is necessary, daylight saving time will actually provide around 10 percent of the total energy saving needed.

Many constituents have expressed an understandable concern about our export of petroleum products in a time of crisis. The fact is that we import 30 times more oil than we export, and to a large extent these exports are exports in name only. They generally result from agreements with other oil-producing nations from whom we import far more petroleum than we export. In any case, as part of the Alaskan pipeline bill, the Congress directed the President to restrict all exports of oil except to the extent that he could certify that they would not result in a net reduction of available supplies.

HOW WE GOT HERE

The crisis did not begin with nor was it caused by the embargo which the Arab States have placed on the export of oil, although the embargo, coming on top of an already developing shortage of fuel, seriously aggravated the situation.

The best figures available indicate that prior to the embargo the United States was importing approximately 7 percent of its crude oil supply from the Arab States and some 30 percent from other areas outside of its borders. However, the Arab oil embargo, by reducing the available oil supply to Japan and Western Europe, both of which were much more dependent on imported oil than is the United States, put a severe strain on the other sources of oil, thereby causing a rapid price increase around the world and much heavier bidding for the available oil supplied by non-Arab countries.

Last spring, in a speech at Kent State University, I noted that oil experts within the administration have been warning for years that the projected demand for oil was rapidly outstripping the supply and that unless stringent conservation measures were undertaken immediately, the United States would become dangerously dependent on the Arab nations for a major part of its energy supply. I pointed out that in this situation the Arab States would inevitably raise prices drastically, which would create enormous balance of payments problems for the United States. I also pointed out the political danger of becoming dependent for a major part of our energy supply on backward nations in a remote and dangerous part of the world.

ENERGY CONSUMPTION

How did we get ourselves into this untenable position? As I pointed out earlier, one of the characteristics of the American economy has been a rapid increase in the Nation's demand for energy. Energy demand in the United States almost doubled from 1950 to 1970. It is expected to double again by 1985 and to triple by the end of the century. But the energy demand in other nations of the world has grown even faster.

One of the largest factors in this increased demand has been the automobile. In 1947, 3.9 million automobiles were produced in the entire world, and 3.5 million of these were produced in the United States. In 1972, over 8 million cars and trucks were produced in the United States alone and some 38 million were produced in the world as a whole. Looking back, it is astounding that the governments of the world gave so little thought to the implications of the policies they were following with respect to their transportation arrangements and the entire way of life that has been built around them. It is particularly astonishing, in view of the fact that our two principal forms of passenger transportation—jet planes and automobiles—rank first and second as the most energy-wasteful forms of transportation in common use. Yet, through the development of the Interstate Highway System and the local highway networks, we have produced a scattered society which has become almost exclusively dependent on these two forms of transportation for moving people and dangerously dependent on them for moving freight.

Coming from a community and an industry whose growth and, in fact, very existence, have been nurtured by the automobile, it is not pleasant for me to have to lay out this picture. But these are the facts and pretending they are not will only make a bad situation worse.

However, if our dangerous dependency on the automobile is the most outstanding example of a lack of intelligent energy planning, it is far from being the only one. Modern office buildings and homes, with their vast expanse of uninsulated windows and dependency on air-conditioning, have been designed to be energy consuming rather than energy conserving. Gas companies have promoted the use of decorative gas lights so successfully that it has been estimated that these alone consume enough gas to heat a city of 170,000 homes. Electric companies promote every conceivable use of electricity. Millions of dollars have been spent on designing ever bigger and brighter and more numerous electric signs to outdazzle each other in a garish contest which gives the public higher prices, and uglier cities, and benefits only the electric companies and the sign manufacturers.

ENERGY PRODUCTION

On the energy production side, likewise, there has been little long-range planning from the viewpoint of the national interest. Oil production is dominated by huge multinational oil corporations, organized on a global scale, using national resources and national tax policies to their advantage not to serve the interests of any one nation but solely to aggrandize the corporate profit. In recent years, these corporations declined to build new refineries in the United States because they found it more profitable to build them in foreign markets. Similarly, they curbed their investment in new domestic oil fields in favor of wells in the Middle East and other foreign areas where the same investment would produce a much higher rate of return. Ironically, the U.S. Government continues to this very day to extend these companies the same depletion allowance and other tax benefits for wells drilled in Arabia and other foreign countries as they receive for wells drilled in the United States.

How little concern these huge multinational corporations have for the needs of the consuming countries is illustrated by the experience of Great Britain in granting them licenses for the development of the North Sea oil fields. After obtaining such licenses, the oil companies then dragged their feet on drilling in the North Sea because it was more profitable to bring in the oil from the Middle East. Now, even though the North Sea fields have an estimated potential sufficient to supply all the oil needs of Great Britain, that country finds itself at the mercy of the Arab oil potentates because of the failure of the multinational oil companies to act in the interest of the British nation.

OIL INDUSTRY PROFITS

While consumers have suffered, profits of the oil companies have soared. In the third quarter of this year, oil industry profits were 63 percent higher than in the third quarter of 1972. In the case of some of the major international oil companies, such as Gulf and Exxon, these profits were 91 and 81 percent higher respectively. At the same time, because of special tax privileges, these corporations have paid income tax at unbelievably low rates. For example, on a net income of $1,300,000,000 in 1971, Gulf paid Federal income tax at the rate of 2.3 percent. The average income tax rate in 1971 for the 18 largest oil companies was 6.7 percent of net income. To fully comprehend the injustice in these figures, one must realize that in the same year a family of four with an income of $10,000 paid Federal income tax at a rate of 10 percent.

In the case of coal, the Nation's most abundant mineral energy resource, the picture shows a similar lack of planning and foresight. Ninety-seven percent of the Nation's coal reserves, including most of the low-sulfur coal, can only be reached by deep mining. Because of the very poor health and safety record of the deep coal mining industry, Congress wisely enacted stringent coal mine safety rules and health benefits some years ago. However, little thought was given to the impact of these added costs on the coal mining industry. As a result, there has been a rapid shift of coal mine production from deep mining to strip mining. Over a thousand deep coal mines have closed in recent years. Belatedly, the country and the Congress have realized the terrible environmental devastation being caused by the growth of coal strip-mining. Not yet so widely recognized is the danger of a collapse of the deep mine industry and with it the ability to mine where most of the coal is.

In the case of research and development of new forms and sources of energy, the story is also one of poor vision and planning. Despite the boasts of corporate advertising, private industry has allocated insignificant amounts of effort and money to basic research. The electric power industry, for example, spends more on advertising each year than it does on basic research. The cost of research into new forms and sources of energy has been funded mainly by the Federal Government. But, the story there is one of under-funding, distorted priorities, and lack of coordination and planning among all the various Government agencies involved.

A single agency, the Atomic Energy Commission, has spent billions of dollars on research and development for atomic power plants—more than all the other Government energy research and development programs put together. Despite this enormous effort, after a quarter of a century, atomic powerplants supply only 1 percent of our Nation's energy demand. In this year's budget, for example, the AEC has been allocated over one-half billion dollars for continuing research on a liquid metal fast breeder reactor. Ironically, many scientists and engineers are skeptical that a practical breeder reactor can ever be developed. Many also feel that, even if one is developed, the problems of disposing of the radioactive waste material and of preventing the fissionable materials from falling into the wrong hands may involve unacceptable hazards and risks. The heat pollution alone from nuclear powerplants is double that of an oil- or coal-fueled plant.

At the same time, budgets for other new energy technologies, many of which are nonpolluting and virtually inexhaustible, have been pitifully small.

One such promising technology is solar energy. Yet the National Science Foundation's budget request for solar energy was only $12 million for this fiscal year as compared with some $500 million for AEC's liquid metal fast breeder reactor. Budget requests for coal gasification, new underground coal mining methods, and hydrogen cycle research have been similarly small or even nonexistent.

WHAT WE MUST DO ABOUT IT

If the present energy shortage is as severe as most statistics indicate, I see little chance that we can get through the next year without some form of rationing for gasoline and petroleum products. The alternatives strike me as either unworkable or unbearable. While voluntary restraints and such measures as bans on Sunday sales of gasoline will have a significant effect, the gap appears to be too great to rely on these measures alone.

Some have suggested that price controls be removed and the price of petroleum products be allowed to rise until they reach a natural level. Unfortunately, in a period of drastic shortages, the price rise would be so great as to be severely inflationary and deprive a great many people of the fuel necessary to heat their homes or get to work. Over a period of 5 or 6 years, such a drastic price rise might be tolerable, because people would have time to shift to smaller cars or other forms of transportation and new mass transit service could be established. Unfortunately, however, we have allowed ourselves to become so dependent on the availability of low-cost fuel, particularly for autos, that a rapid and drastic rise in the price of fuel would work severe hardship on many people.

Another suggestion has been to establish a very heavy tax on gasoline, say 40 cents per gallon. While this might have the advantage of curbing windfall profits for the oil companies, for the consumers it would have the same effect as a price rise.

Thus, rationing seems to be the only way to insure that everyone will get at least a minimum share of the available supply. However, because of the inevitable inequities, Government planning should work toward elimination of the need for rationing at the earliest possible time.

One way to minimize the need for rationing is to encourage and facilitate the use of carpools. At a trifling cost, the Federal Government could provide grants for each major urban area to set up a computerized carpool center, to help people match up with others traveling to and from the same neighborhoods. I am a cosponsor of a bill to authorize such grants.

An end to the need for rationing can be expedited by increasing as soon as possible the availability of mass transit at reasonable cost. Congress should complete action immediately on the $800 million Urban Mass Transit bill now in conference which will provide both capital and operating subsidies. We also expand and advance the effective date for the already authorized diversion of highway trust funds for capital subsidies.

In addition, Congress should enact a bill, introduced by Congressman CHARLES VANIK, to levy a special tax on all new model cars after the 1976 model year which get less than 20 miles to a gallon. I am pleased to be a cosponsor of this bill.

The recently enacted Northeastern Railroad Reorganization Act, with its provision to provide $500 million in federally guaranteed loans to construct a high-speed electrical rail system in the Northeast, is an important first step toward the revival of efficient, long distance rail passenger service. But we must be willing to commit a much greater share of the Federal budget before rail transportation can truly be a meaningful alternative to the automobile and airplane.

An immediate and significant saving of fuel could be achieved by a ban on all use of electrical energy for huge outdoor advertising signs and for lavish floodlighting of buildings and other public facilities. Obviously, exceptions have to be made for business identification signs that consume only small amounts of electricity as well as for illumination essential to safety.

In addition, the Federal Government should follow the example of Ohio's distinguished Governor, John J. Gilligan, in ordering the power companies in Ohio to discontinue their advertising designed to encourage consumption of electricity. Furthermore, the electrical industry's rate structures that reward waste by decreasing the rate charged per unit of electricity as the use goes up should be reviewed and reversed, wherever feasible.

As our distinguished colleague from Arizona, Morris Udall, has so aptly put it, "The energy binge is over." Policies and practices of energy extravagance must be replaced as rapidly as possible by ones of energy conservation.

Another area where significant fuel savings could be achieved is in improved insulation for existing buildings. A Federal program of FHA low interest rate home improvement loan guarantees for home insulation would go a long way to help home owners to meet this particular problem. I have cosponsored a bill, introduced by Congressman COHEN, which would do just that. In the meantime, the administration, by unfreezing funds already appropriated by Congress, could take steps to make funds available for this type of conservation. It is unfortunate that the House, by a narrow margin, failed to approve legislation to authorize the General Services Administration to develop and publish standards for energy conservation in office buildings. Some Federal program to guide local businesses and governments in this area should have a high priority in the next session of Congress.

It is unfortunate that the first session of this Congress was unable to enact a bill creating a unified National Emergency Energy Administration. It seems absolutely essential to have a single agency within the Government which has authority to take steps necessary to insure the availability of supply to essential industries, such as the deep coal mining industry and the electric power industry, and the oil and petrochemical industries. Hopefully, the pressure of public opinion will be great enough to enable the second session to overcome the resistance of the spokesmen for selfish special interests and adopt a fair and effective Emergency Energy Act.

We must place a high priority on developing programs to deal with any increased unemployment caused by the energy crisis. The administration could move immediately to create thousands of new jobs by releasing some of the billions of dollars appropriated by Congress for housing, sewage treatment plants, and other needed programs that have been frozen by the President. Likewise, I hope the administration will move quickly to implement the Manpower Training and Emergency Employment Act just passed by the Congress which contains an important provision to provide new jobs in areas of high unemployment.

For its part, Congress should establish a special National Energy Emergency Employment Council with authority to monitor unemployment related to the energy crisis, to advise the National Energy Administrator on minimizing the adverse impact of energy controls on employment, and to recommend to the executive agencies and to the Congress programs to create new employment opportunities for the unemployed. Finally, Congress should speedily enact the expanded public service employment bill which would provide 500,000 new jobs in State and local government.

In the area of oil industry subsidies, the Congress should take a new look at the incentives for oil exploration, drilling, and the building of new refineries. A strong case can be made that the oil depletion allowance should be abolished and replaced by a direct subsidy for the costs of drilling new wells. Economists believe this would be more effective in stimulating new exploration and would cost the taxpayers far less than the present system of tax breaks for oil producers. In any event, the oil depletion allowance should, at least, be modified to require that the benefits will only be effective to the extent that the funds are reinvested in deeper pools and new wells. Such allowances should not apply to wells drilled outside the United States, except to the extent the President certifies that explorations in a particular country are in the interest of the United States. This would enable the Government to attain some degree of control over the oil companies' future investments in the Arab oil sheikdoms.

An expansion of offshore oil production on both coasts, while it involves serious environmental risks, is undoubtedly essential, and if properly supervised, can, with modern technology, maintain such risks at a minimum. Our immediate needs can also be augmented by increased production from the naval petroleum reserves until such time as other sources are able to meet the demand.

Now that Congress, by statute, has cleared away the major legal obstacles which were blocking the Alaskan oil pipeline, the construction of the pipeline should be expedited. In addition, the ownership of the pipeline should be divorced from the oil companies, and it should be reconstituted as an independent common carrier. In this way, other companies desiring to develop portions of the huge Alaskan oil reserves will have an incentive to do so, since they will have an assured way of transporting their oil from Alaska on an equal basis with their competitors.

It is important to remember that no oil will flow through the Alaskan pipeline until 1977 and that the full capacity of the line will probably not be used until 1983. Furthermore, the oil from the Alaskan pipeline will go to the west coast and will do virtually nothing to meet the demands of the Midwest and the East. Accordingly, negotiations should be initiated at once with Canada looking to the construction of a second pipeline from the North Slope of Alaska through Canada to the Midwest.

Furthermore, the administration must drop the pretense that the United States can become self-sufficient in oil within the next decade. The fact is that we will be dependent on foreign sources for a significant portion of our oil requirements for at least the rest of this century. That does not mean that we need be dependent upon the Middle East. Canada, Latin America, and Africa will all be substantial suppliers. Every effort should be made to work out reasonable long-term supply arrangements with these countries. It is particularly foolish that the administration, in its vacillating oil import policy and in its dealings on the oil pipeline from Alaska, has treated Canada in recent years as if it were a hostile Arab State instead of the neighbor with whom we have our most enduring and substantial trade relations.

Congress must also enact the stripmine control bill now pending in the House Interior Committee. This bill is essential to end the disastrous environmental destruction of stripmining, which every week lays waste 4,500 acres of our land. But it also contains an important provision to help restore the competitive balance between stripmining and deep mining which was unbalanced by the coal mine safety and health legislation. Under this provision, a $2.50 per ton reclamation fee would be charged, against which deep mining operations would be authorized to credit the costs of coal mine safety equipment and black lung benefits. In addition, all coal mines would also be authorized to credit against the fee their costs for reclamation of the surface of the earth disturbed by mining.

The effect of this provision will be to equalize reclamation costs between Eastern and Western coal and thereby strengthen the ability of Eastern coal mines to meet the demand for coal in our most populous and industrialized areas. Although Western coal is somewhat cheaper to mine, it involves tremendous additional energy costs in transporting it long distances to the consuming areas, particularly in view of the perennial freight car shortage.

An essential element in solving our long-term energy needs will be the development of new energy technologies. Here again, the Government's policies have been characterized by lack of foresight. It is tragic that the Interior Department's coal gasification and coal liquefaction programs and its program for developing new techniques for underground coal mining have for years been victims of the administration's misplaced priorities. These programs must be funded adequately and pusned as rapidly as feasible.

A major effort must be made to develop a workable program for extracting oil from the vast oil shale deposit in our Western States. These deposits represent the greatest known oil reserve in the entire world, estimated at 1.3 trillion barrels, of which 600 billion is potentially extractable by existing technology, at a cost which will be competitive with oil from other sources. Unfortunately, the development of this major resource carries with it very serious environmental problems, involving principally the disposal of the pulverized shale after the oil has been extracted and the contamination of ground and surface water. It will also require large amounts of water in areas with a severe water deficiency. It also involves the introduction of new industrial and urban development in a remote and fragile ecology.

Over two-thirds of the oil shale is located on the public lands of the United States. Because of the many unresolved environmental, technical and social problems associated with oil shale development, it would be most unwise for the Interior Department to proceed with its plans for leasing public lands to private corporations desiring to experiment with oil shale extraction. Accordingly, I have joined with Congresswoman MINK, the distinguished chairwoman of the Mines and Mining Subcommittee, as a cosponsor of her bill to provide for a TVA type corporation to develop all oil shale extraction programs on the public lands of the United States and to conduct research necessary to achieve the optimum use of this precious national asset. In any event, it will be some time before shale oil can make a major contribution to our national requirements. Estimates are that by 1985 we could be obtaining about 500,000 barrels of oil per day from this source, but even this represents only about 2.5 percent of our current requirements.

Paradoxically, even while we are expanding oil and coal production, we must be moving ahead as rapidly as possible to end our dependence on oil and coal by developing sources of energy that are inexhaustible and nonpolluting. Oil and coal represent mankind's one great reserve of organic minerals, from which are derived the petrochemicals and lubricants essential to our technology civilization. If they are all burned as fuel within the next few generations, we will have destroyed an asset for which, in many cases, there will be no replacement. We will also have radically increased the levels of carbon monoxide in the Earths' atmosphere, with incalculable and possibly disastrous climatic consequences.

Fortunately, there are several abundant and practicable sources of energy that are also inexhaustible and nonpolluting. The public is accustomed to thinking of nuclear energy as being in this category. Unfortunately, that is not the case with the kind of nuclear programs on which the Government has placed its major emphasis. I have already indicated my misgivings about these programs earlier in these remarks. I am not prepared to say that we should abandon the effort to develop an atomic power industry based on atomic fission. However, I believe the thrust of our research effort should be shifted to placing more emphasis on nuclear fusion, which, though it may be a generation away from practical application, has the potential for solving mankind's energy needs for all time without dangerous levels of radioactive wastes.

In addition, a tremendous increase in research and development for other sources of nonpolluting and inexhaustible energy is urgently needed. The most important of these is solar energy. In Japan today over a million homes are being heated by solar energy. Up to now, the inhibiting factor has been cost. However, the rapid increase in cost of other energy sources will soon eliminate this aspect of the problem. The Energy Research and Development Act recently passed by the House makes provision for development of solar energy for home heating and cooling purposes. However, the National Science Foundaiton and NASA also have programs looking toward the use of solar energy for power generation. It is essential that all of these programs go forward on a coordinated basis with greatly increased funding.

Another potentially fruitful source of energy is the so-called hydrogen cycle. This involves the use of electricity to break water into its components of hydrogen and oxygen. The hydrogen can then be used as a fuel for industry, power plant, surface transportation and possibly even for aircraft. In conjunction with the development of modern techniques for the use of wind power and solar power to generate electricity, hydrogen may well be the major fuel to replace oil and coal. It has the virtue of being universally available and practically nonpolluting, since the end product of burning hydrogen is water.

An expanded energy research and development program will require not only massive funding, but also sound priorities and effective coordination. It must be dominated by those concerned with meeting the interests of the publc as a whole and not merely to profit a particular corporation or interest group. For these reasons, it is essential that the Energy Research and Development Act recently passed by the House be modified to provide for much clearer congressionally defined priorities and goals, much stronger guarantees of public participation, and the authority to coordinate all Government energy research programs, and not only those lodged in the Energy Research and Development Administration.

The Senate bill contains many provisions which would meet some of the deficiencies in the House bill, just as the House bill provides for a more effective administrative framework for the Energy Research and Development Agency. Hopefully, conferees will produce a bill combining the best features of the two.

In a way, it is fortunate that the Congress did not complete action on the Energy Administration bill and the Energy Research and Development bill prior to the year-end recess. The Members of Congress now have time to listen and to reflect, which should result in wiser legislation.

I am hopeful that, among other things, we will grasp the importance of reaffirming our basic commitment to clean air and water and to preserving not only national parks, wilderness areas, and scenic rivers, but the whole of our Nation's heritage of a beautiful and fertile land. To leave our descendants, in the name of energy, a land of slag heaps, spoil piles, poisoned streams, and eroded hills would be as unforgiveable as it is unnecessary. With care and common sense, we can balance the energy budget without destroying America the Beautiful.

I am also hopeful that the experience we are going through will bring home to us that the energy crisis is a worldwide crisis and can only be dealt with on a global basis. Truly it is one world, and a small one at that, with finite resources. The oil companies have organized on a multinational basis to deal with the world as it is, not as it was or as it should be. They are truly global institutions. Multinational corporations can no more be effectively regulated by national governments acting alone than interstate businesses can be effectively regulated by State governments acting alone.

It is high time for the United States to take the lead in developing new international institutions to achieve a better measure of control over these huge enterprises, which allocate capital and resources in accordance with their own internal interests—interests which do not necessarily coincide with those of the people of this country or any other country. We may not like to admit that the situation is beyond the control of any national government, but those are the facts, and it is best we face up to them. As Winston Churchill once remarked upon becoming Prime Minister during Britain's darkest hour, "Facts are better than dreams."

Mr. Speaker, because of the vastness of the energy problem, which lies at the very heart of an advanced industrial society such as our own, I have necessarily spoken in general terms and only touched the highlights. However, my remarks do reflect the matters uppermost in my mind as I study the energy crisis and synthesize the information I have been absorbing for the last several months and years. Undoubtedly, the views expressed will need to be revised as events unfold.

Let me say in conclusion that I believe the Arabs have unintentionally done us a great favor by imposing their oil restrictions at this time. Despite all of the difficulties and dislocations they will cause, these are nothing compared with what they would have been if the Arab States had waited a few more years for us to become even more dependent on Middle East oil.

We now have the opportunity to redirect our economy and our Nation's priorities toward a wiser and, in the end, a more agreeable society in which our uses of energy will be more in harmony with our natural environment and in keeping with the long-range as well as the immediate interests of our people.

U.S.A. IN MINIATURE

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. PARRIS. Mr. Speaker, my constituent, Mr. John R. Kanline of Alexandria, Va., is an ardent promoter and organizer of a proposed Bicentennial project entitled "U.S.A. in Miniature." The following letter which I received over the Christmas holidays updates his latest work with the project:

ALEXANDRIA, VA.,
December 31, 1973.

Congressman STANFORD E. PARRIS,
House of Representatives,
Congress of the United States,
Washington, D.C.

DEAR CONGRESSMAN PARRIS: Your continuing cooperation and help in advancing the cause of "USA in Miniature" is deeply appreciated. Your inserts in the Congressional Record and excellent local newspaper coverage has enabled me, a retired government worker and a layman with limited resources to publicize and entice interested parties to a most worthwhile Bicentennial proposal. This calls for a small park miniaturizing major features of the USA to be located somewhere in the National Capital Area.

How much success we have had to date I cannot tell. Your continuing cooperation in speaking out on this proposal and further help from the media in the form of magazine and newsletter coverage to bring it to the attention of a still wider audience will advance the cause. Follow-up stories and coverage based on the Congressional Record inserts, the local paper's letters to the Editor and the articles in the Washington Post and Washington Star News are in order.

Additional information is hereby provided as the proposal develops and I request this letter be included in the Congressional Record as the fifth insert on this subject.

1. More on the "Action Plan" for "USA in Miniature"

A. The site, surveys and designs:

First, a site is needed somewhere in the Washington Metropolitan area of about twenty acres, with power, sewers and water to accommodate the five acre core of the park. This could be donated by the National Park Service or purchased out of funds yet to be donated.

Secondly, some commitment from potential participants and backers is needed to defray general costs of surveys for marketability, attendance costs, etc.

Thirdly, a basic design of the park itself is needed, locating areas for exhibits, walkways for the circulation of the public, waterways, public conveniences, storage and workshops and for the exhibits themselves (unless the individual participant wants to design his own exhibit).

Certain marketing research and architectural firms have been alerted though no commitments could be made to any of these firms without project acceptance or funding availability.

This outlines the initial steps necessary to bring "USA in Miniature" to reality and to permit enough (not all) exhibits to be completed for the park opening two years hence. I hope the response to this and the previous insert in the Congressional Record will stimulate the needed commitments to participation from industry and philanthropists required to make this small Bicentennial park a major feature of our anniversary.

B. Organization and Operations:

Even at this early stage of the proposal and before it goes much farther toward implementation, I realize that I as a layman and as one single individual cannot begin to cope with all the complications of what will be a sizeable project even with the volunteer assistance offered by friends and interested parties such as Mr. and Mrs. Joseph Keys, and Mrs. Gainer of Alexandria, Mrs. Eccles and Mrs. Griffin of Silver Spring and many others.

What is needed and soon is the funding and establishment of a representative organizational unit to guaranty accountability, make sound technical judgments, make financial decisions, provide authenticity and attend to the day to day workload which will be rapidly developing. This unit should be under control of and primarily represent the contributors and participants and those elements providing backing and support to the project.

2. Observations:

The foregoing is merely a necessary and small inconvenience and price to pay for a very worthwhile and important project, and offers the basis for a sound and honest means of accomplishment. Anything as important and as expensive in total and involving so many different entities cannot be handled in an amateur fashion but should have technical and professional competence from the very beginning.

3. Philanthropic organizations and individuals:

Ideas on sources of philanthropic assistance would be welcomed. The CBS television program on the Rockefeller brothers was most tempting as a potential source to tap for this project. My approaches by telephone to New York to the Rockefeller Foundation and to the Ford Foundation met with questionable success. I am not aware of other sources nor do I know how to search them out.

May those in this great Country who have the vision to appreciate what a major contribution this park could have on the area, the nation, and our citizens and foreign visitors in providing a decent and truthful image of the United States of America and what makes it progress rise to the occasion and participate in this magnification project profiting patriotically in their involvement.

Again I hope that the industry and agriculture, philanthropic organizations and sources, the US Chamber of Commerce, the National Association of Manufacturers, the National Park Service, the US Travel Service and the Smithsonian all have thoughts on how this proposal can be advanced and how the organizational structure should be constituted. Their assistance is needed to steer this project through the stormy days ahead. Some meaningful discussion and interchange needs to be initiated with the new Bicentennial Administration taking the lead. Immediate action is called for and I hope the financial participants and parties concerned now come forward to meet this challenge. If we could get "the most accommodating people in the world" to accommodate and get the "we're involved" people to get involved this proposal would have sound backing and move.

May the seeds we've scattered soon fall on fertile ground.

Thanks again,

JOHN R. KANLINE.

ERNEST PETINAUD

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. SIKES. Mr. Speaker, I join in salute to Ernest Petinaud—one of the most genuine and likable among the hundreds of people who make up the Capitol group. He probably has as many friends as any man on Capitol Hill, and he deserves them.

His duties in the House restaurant have been exacting but he has discharged them ably and fairly. Day in and day out, year after year, Ernest has been the same friendly person, helpful to all of the thousands who flowed through the House restaurant. In the process he became one of the Capitol's celebrities and one of its landmarks.

We will miss Ernest Petinaud, but we will treasure his friendship and the memories of his outstanding service. In retirement we wish for him and Mrs. Petinaud happiness, contentment, and a continuing full life.

TRIBUTE TO ERNEST PETINAUD

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 1973

Mr. BIAGGI. Mr. Speaker, it is my distinct honor to pay tribute to a man who has become a true institution in the House of Representatives, Ernest Petinaud, who is retiring as the beloved and distinguished maitre d' of the House dining room.

Throughout his 25 years of service, Ernest has been held in the highest esteem by thousands of present and former Members of Congress and their families. His retirement marks the end of one of the longest and most exemplary careers of public service ever witnessed in this great city of Washington.

While there are many of my colleagues who have longer memories of Ernest, there are few who have any fonder ones than I. I considered Ernest to be a friend, as well as a first rate maitre d'. His warmth, sincerity, and easy manner complemented his complete and thorough knowledge of his job, thus making him a true master of his profession.

While we in the Congress may feel at times that ours is a life of pressure consider the strain which Ernest Petinaud faced daily in the normal execution of his duties. Consider the daily avalanche of hundreds of Members and their families, all converging on Ernest, seeking to be seated. Yet through it all, Ernest personally saw to it to give each Member personal attention and consideration, something for which I will remain grateful to Ernest for years to come.

Few men have served as many distinguished people in a lifetime as Ernest Petinaud. In his 25 years of service he served three Presidents while they were Members of the House of Representatives. In addition to this, Ernest Petinaud was accorded the distinct honor of being asked to accompany a U.S. NATO delegation to Paris on a study mission. His talents included being able to speak fluently in three languages, and this attribute turned out to be an invaluable asset to the NATO group while in Paris.

I am sure that if the thousands of Members which Ernest Petinaud has served were able to be gathered together, each of them would be honored to add their voices to the accolade of tributes which have been already bestowed on this great man.

Mr. Speaker, my own life in the Congress has been that much richer because of knowing a man of the caliber of Ernest Petinaud. His loss will be felt severely in the House. I extend to Ernest and his wife Jeanette, my sincerest wishes that their future years will be filled with both happiness and prosperity. God's blessings will come easily to Ernest Petinaud because he truly was a godsend to this institution.

HIGHLY RESPECTED CITIZEN OF NEW YORK PASSES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. ROSENTHAL. Mr. Speaker, I would like to insert at this point in the CONGRESSIONAL RECORD the minutes of a meeting of the Trustees of the Central Queens Savings and Loan Association, held on November 19, 1973, memorializing the death of Edward Sharf, the president of that association.

Edward Sharf was well-known to residents of Queens County in New York. He has resided there for years, was a practicing attorney there, and had been most active in a number of community organizations and affairs, had been one of the original funders of the Central Queens Savings and Loan Association, holding the office of president for the years since its formation, and was highly respected by his associates in both the banking and legal professions.

Deepest sympathies on his untimely passing are extended to his wife, Ida, and to the other members of the family.

The minutes follow:

MEMORIAL TO EDWARD SHARF

Mr. Larry Rose, the Chairman of the Board of Trustees, stated that the purpose of the meeting was to memorialize Edward Sharf, the President and founder of the Association, whose untimely and sudden death was mourned by his associates, past and present.

The Chairman called upon Robert Pape as Executive Vice-President of the Association. Mr. Pape stated that the Association has lost a good friend and speaking on behalf of the employees of Central Queens Savings and Loan Association, Mr. Pape extended to the family of Edward Sharf the great sense of loss that he and fellow officers and employees feel at the untimely death of Mr. Sharf.

The Chairman then called upon D. Vincent Tuohy. Mr. Tuohy stated that as a law associate of Mr. Sharf and as an associate in the Association he deeply grieved the passing of Mr. Sharf. Calling attention to a friendship spanning several decades when both Mr. Tuohy and Mr. Sharf as youths were known to each other, Mr. Tuohy noted Mr. Sharf's capabilities both as a lawyer and a banker. He too expressed his sympathy to the family of Edward Sharf.

The Chairman then called upon Hon. Lester Holtzman, former United States Congressman, now a Supreme Court Justice of the State of New York. Judge Holtzman noted his impressions of his first meeting with Mr. Sharf prior to his election to the Congress of the United States, his admirable qualities, basic intelligence and of his long association with Edward Sharf as law partner, associate in the Association and friendship as well as his affection for him. Noting the dedication of Edward Sharf to his family, Judge Holtzman stated that he would be missed by family, friends and associates.

The Chairman then called on Maurice O'Connell who stated that everyone he knew spoke well of Mr. Sharf and that he was generally well thought of and bore a very fine reputation in the savings and loan community.

The Chairman then entertained the following resolution:

Whereas, the untimely passing of Mr. Edward Sharf, President of Central Queens Savings and Loan Association, leaves a deep void and sadness among officers. Trustees and employees, and

Whereas, Mr. Edward Sharf as the first President and one of the original incorporators of the Association rendered yeoman service above and beyond the call of duty for and on behalf of the Association,

Now, therefore, it is unanimously resolved that the Trustees, officers and employees of the Association record their deep sense of sadness upon the passing of Edward Sharf; and it was further

Resolved, that this Resolution and the Minutes accompanying it be forwarded to the widow of our departed President, and that this Association express and extend to his family our profoundest condolences to Mrs. Ida Sharf, his widow, his daughter, Mrs. Enid Ross, and his son, Lawrence Sharf, as well as his brother, Harry Sharf and his sister, Florence Yosnow.

LARRY ROSE,
Chairman of the Board of Trustees.
ROBERT PAPE,
Executive Vice-President.

FORMER HAWAIIAN INVENTS DEVICE TO IMPROVE HIGHWAY SAFETY

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MATSUNAGA. Mr. Speaker, how many times has each of us in the course of our daily lives been struck by the need for a new product? Most of us merely shrug, think to ourselves "someone ought to invent that," and forget it.

Not so with my good friend Andy Fraser, formerly of Honolulu and now a resident of Minnesota. When he nearly ran over a workman on the highway while driving at night, he was determined to do something about it and invented a product which promises to improve significantly the safety of highway construction workers, traffic police, snowmobilers, and others.

As an example of what a little ingenuity and a lot of determination can do, and as an inspiration to others, I submit for insertion in the RECORD the story of Andy Fraser which appeared in Minnesota newspapers:

[From the Edena (Minn.) Sun, June 14, 1973]

NEAR-MISS STIMULATES SUCCESSFUL INVENTION

If you are Andy Fraser, 120 Ashley Rd., Hopkins, you see a problem and you solve it.

Fraser recently took first place in the Industrial Division of the Minnesota Investors Congress for his invention of a hardhat.

Fraser is a life insurance salesman. One day driving on Highway 100, he almost hit a highwayman painting the center line. Fraser decided this was a "hazardous way to make a living," and he decided right there to do something about it. That was in 1966. He had an idea, and he got his friend Malcolm D. Sinclair to back him financially.

The new hardhat has a flashing light in the top. The top of the hat is transparent and raised, with the bulb inside. The hat is designed to meet all the specifications required by the Occupational Health Safety Act.

How does an idea get from the inventor to the public? Fraser says that he and Sinclair were "naive." First they had to find someone interested in the product. It was sheer "determination" and "Scottish" perseverance which kept Fraser going.

He arrived at the patent office with his lawyer and, like in the New Yorker, he says, his invention in a brown paper bag.

"It was right from the word go," he says. He is still slightly surprised with his success. At that time the hardhat had a hole in the top through which Fraser held a flashing light. Quartet International Inc. thought his idea was a good one. It began business with Fraser about a year ago and hopes to market the hat in about six months.

When it comes out, the light bulb will be in snowmobile helmets as well as hard hats. It could be used by police, school children at traffic crossings, night ski patrols, etc.

Of course, the hardhat idea has been refined a little. It now uses 4A rather than 4C batteries, its charge now lasts 40 hours instead of 24, and there could be other modifications. But according to Fraser, "Beyond invention lies innovation, for it is the latter which makes of the former an economic success."

The invention, says Fraser, has "opened up the flood gates." He is now working on a couple of new safety-related devices.

[From the Minneapolis Star, June 11, 1973]

NOT A SINGLE MOUSETRAP—BUT SOME GREAT IDEAS

(By John Carman)

REDWOOD FALLS, MINN.—Ever try to carry on a conversation with a man who's wearing a lighted hardhat, one that blinks on and off?

The hat is a little distracting. But in a way, that is the whole idea behind Andrew Fraser's hardhat invention.

Fraser, 61, of 120 Ashley Rd., Hopkins, almost ran over a workman on Hwy. 100 a few years ago. Now if that workman had been wearing a blinking hardhat, he would have been—well—conspicuous.

The blinking bulb Fraser had atop the hardhat he wore in Redwood Falls last weekend symbolized the event he was attending—the 16th annual Minnesota Inventors Congress.

About 80 inventors demonstrated their brainchildren in booths at the Redwood County Fairgrounds. For a few, it may have been a wayside stop on their way to riches.

Fraser, an insurance salesman who decided only Friday to exhibit his invention, said a corporation already has been formed to make his hard hats.

They'll have a tiny bulb mounted under a transparent crown on hardhats and helmets. Powered by rechargeable batteries, they'll be able to blink for 40 hours between recharges.

They could be worn by highway crewmen, snowmobilers, motorcyclists, even whole families in electrical blackouts.

And, said Fraser, pounding his fist on one of his demonstration helmets, "It has all the attributes of a hardhat."

ACTION ON ENERGY CRISIS IRRESPONSIBLE

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. ARMSTRONG. Mr. Speaker, by adjourning until January 21 without passing legislation to cope with the energy crisis, Congress has acted with utmost irresponsibility.

This Nation urgently needs legislative leadership to deal with both the immediate and long-range effects of the shortage of natural gas, gasoline, heating oil, and other fuels.

For Congress to react to the obvious need by taking a month off for the holidays without enacting legislation is shockingly shortsighted, particularly since the peak winter heating season is just starting and shortages are threatened throughout the country.

This is not to suggest that Congress should have passed any of the three versions of the Energy Emergency Act which were defeated Friday night. This bill was an indecisive, vague, buck-passing bill that had more shortcomings than good features. It deserved to be rejected.

But when that happened, the House-Senate leadership could and should have moved to delete the controversial sections of the bill—particularly those parts of it dealing with rationing and taxation—so that the noncontroversial, but critically necessary, portions of the bill could be approved. I refer to provisions of the bill which would have permitted the President to allow utilities now using oil and natural gas to switch temporarily back to coal, approve requests of powerplants and industry for suspension of emission standards, and similar measures.

These portions of the bill were not controversial and could have an immediate impact on the energy gap which is growing wider every day. These provisions could have eased shortages considerably without undue hardship and without permanently lowering environmental standards.

I believe measures of this type are vastly preferable to gasoline and oil rationing, especially the rationing approach originally established by the bill. I think it is wrong to give the President unlimited power to impose rationing without providing congressional direction as this so-called emergency legislation would have done.

Personally, I hope rationing can be avoided altogether. Rationing does nothing to reduce demand or increase supply; rationing will require the creation of a costly bureaucracy; it will foster black markets and economic dislocations; rationing is impossible to administer fairly.

As far as I am concerned, rationing is the last resort.

Regrettably, by failing to enact other, more promising, solutions, Congress has made the ultimate imposition of rationing more likely. If this becomes inevitable, I hope Congress will face up to its duty to set the priorities instead of passing the buck to the President.

There are probably going to be a lot of cold and inconvenienced people in this country as a result of this week's congressional inaction. I think these folks are going to find it hard to understand why Congress could find time to consider hundreds of bills this year—most of them having little real importance—but could not take the time at the end of the session to work on this problem until a solution had been reached.

I expect a lot of these people will be talking to their Congressmen and Senators during the recess. I hope Members of both Houses will be ready to get down to business when we reconvene.

In addition to some of the worthwhile provisions of the bills defeated Friday, I intend to continue pressing for passage of proposals I have previously submitted which are intended to increase energy supply, curtail demand, encourage energy conservation, and protect the environment.

Among the measures which I recommend are: A new National Energy Policy; accelerated development of offshore oil; increased production of natural gas; tax incentives for energy production and conservation; research and development for new energy sources and environmental protection; deepwater ports; conservation of electric energy and peak demand reduction; leadership for voluntary efforts; free market pricing; and reorganization of congressional committee structure to deal more effectively with energy legislation.

OVERCOMING ADULT ILLITERACY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. BRADEMAS. Mr. Speaker, many Members of Congress have long had an interest in the work of the United Nations Educational, Scientific, and Cultural Organization—UNESCO—in prompting better understanding among the peoples of the world.

In this connection, I wish to cite a significant address by Mr. Rene Maheu, Director-General of UNESCO, delivered on September 8, 1972, International Literacy Day, concerning the efforts being made by UNESCO to reduce adult illiteracy throughout the world.

I should note that although, from 1950 to 1970, illiteracy throughout the world was reduced from 44.3 percent of the adult population to 34.2 percent, because of increased population, the absolute number of illiterates increased during that period by 83 million people.

Mr. Speaker, I insert in the RECORD Mr. Maheu's remarks on the effort to eliminate what he so rightly calls the "scourge of illiteracy":

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

(By Mr. René Maheu)

It is a deep satisfaction to me to welcome here, on the occasion of International Literacy Day, all those who have come to show, by their presence, the interest that they take in the campaign against illiteracy and in Unesco's efforts in this direction.

A WORLDWIDE CAMPAIGN WITH STRIKING RESULTS

We are well aware that the struggle we are carrying on against ignorance throughout the world must be a long one and that a year is a very short time to produce radical, definitive changes. Each year, however, marks further progress and the one which has passed since 8 September 1971 has produced striking results both quantitatively and qualitatively. During this period, the countries in which illiteracy is still rife, have, in the face of tremendous difficulties—particularly financial difficulties—made efforts to promote literacy teaching, remarkable both for their scale and for their diversity. At the cost of heavy sacrifices and unflagging endeavour, having studied the experiments made in other countries and adapted them to their own conditions, they have taken many new measures, launched fresh projects and added to their previous achievements, as can be seen from the many excellent candidatures submitted to the Jury responsible for awarding the Mohammad Reza Pahlavi Prize and the Nadezhda K. Krupskaya Prize.

The Third International Conference on Adult Education, which ended in Tokyo just a month ago, was thus able to record that the impetus which the literacy campaign had received from the World Congress of Ministers of Education, held in Teheran in 1965, has steadily grown and spread. Those attending that conference reaffirmed that the promotion of literacy is an essential factor in development, that it is the basis of adult education and that, far from being simply an end in itself—and still less a blind alley, as some still have the audacity to suggest—it is the most direct route to life-long education for hundreds of millions of men and women.

TO IMPROVE THE BOND OF PEOPLE AND WORK

This is not all. Through literacy teaching and, it must be said, through the carrying out of Unesco's Experimental World Programme, the idea of functional education has gradually been accepted as applying to educational processes in general. This idea was defined by the Tokyo Conference as resting on the bonds existing between man and work, in the broadest sense of the term, and being directed simultaneously to the fulfillment of the potential of the worker himself and to the general development of society. As a means of promoting people's awareness and bringing about change, not of fostering conformity and mechanical integration, functional education assists in the training of an individual capable of producing material goods and creating spiritual ones, who can freely enjoy what he creates. In this respect it is associated with and, ultimately, inseparable from cultural development.

A FUNCTIONAL, WORK-ORIENTED LITERACY

In this general effort to extend and improve education for illiterate adults, Unesco has continued, at the behest of the international community, to provide a motive force and to serve as a catalyst. It has furnished increasingly practical technical assistance to the twelve Member States in which work-oriented literacy pilot projects have been undertaken with the help of the United Nations Development Programme (UNDP) and, in three of these countries, with financial assistance, through funds-in-trust, from the Swedish authorities, a Swiss foundation and the Danish and Norwegian Students' Association. Two of these projects are being carried out in co-operation with the Food and Agriculture Organization of the United Nations (FAO).

UNESCO THE CATALYST IN AFRICA, ASIA, AND LATIN AMERICA

Furthermore, a score of Member States in Asia, Africa and Latin America are benefiting from the services of experts, fellowships and equipment, the cost of which is financed out of Unesco's Regular Budget or by UNDP. The Regional Rural Functional Literacy Centres for Latin America (CREFAL) and for the Arab States (ASFEC), and the International Institute for Adult Literacy Methods, Teheran, have continued and developed their activities, whose importance was emphasized once again by the Tokyo Conference. CREFAL alone, which in 1971 organized ten practical training courses in Latin America for senior personnel for functional literacy work, has organized another ten since the beginning of this year. The Secretariat has also continued to provide the appropriate national centres, universities and research institutes interested, with a wealth of documentation and technical equipment to inform and help them in their literacy work.

The Experimental World Literacy Programme, which came up against a number of difficulties in the beginning, has made considerable headway in recent years, as regards both the increasing scale of operations and the methods employed, the senior personnel and instructors trained, the evaluation of results and the mobilization of public opinion.

METHODS DEVELOPED SPREAD TO OTHER SECTORS OF EDUCATION

The Experimental Programme has made it possible, among other things, to develop new methods which could be used to advantage in the other sectors of education, and thus to make a valuable contribution to the efforts at reform being made more or less all over the world. The distinctive feature of these methods is that education is no longer imposed from without but issues from the environment itself and, for this reason, is naturally attuned to the solution of the problems which this environment faces. With this approach, functional literacy is viewed as an overall educational method, in which reading, writing and arithmetic, vocational training, and the rudiments of social and economic training are all tightly knit together.

It is obvious that this sort of tailor-made education calls for great diversification not only in curricula but also in the educational media used and in the recruitment of teachers, who are being provided more and more by industry. The growth of interest in functional literacy in industrial circles can be judged from the fact that, on their own initiative, such circles frequently ask for the assistance of the specialists responsible for the execution of the experimental projects.

Similarly, vocational training has had to be adapted to the needs of a variety of programmes, and novel methods have had to be devised for this purpose. One of these new methods is the "operational seminar," a practical training course organized at the scene and under the actual conditions of work.

PILOT PROJECTS END; EVALUATION BEGINS

In the present stage of the Experimental World Programme, when many pilot projects are drawing near their end, particular attention is being given, as is only right and proper, to the evaluation of results. After the preparation of a series of measurement indicators, with the assistance of a panel of evaluation specialists, a standard system for the presentation of data was worked out in 1971, to facilitate the international comparison of results. In addition, various studies and investigations have been undertaken to round out and improve socioeconomic and educational evaluation.

Much still remains to be done with regard to evaluation before Unesco can give the international community the scientifically-based conclusions for which it is waiting. Many facts already show, however, that the Experimental Programme is providing inspiration and food for thought, as well as valuable lessons, for the institutions and individuals concerned with literacy work. For example, several Member States which had organized experimental projects have decided to take over the methods and staff of these projects for national use. Some countries, like Mali, are already drawing on the means of functional literacy teaching, and the services of the staff engaged in it, for carrying out agricultural development programmes; and 11 of the 35 projects submitted by Member States under the Country Programming arrangements, and approved by the UNDP Governing Council in 1972, include functional literacy components.

UNESCO WORK PROMPTS 22 COUNTRIES TO EXPAND PROGRAMS

Finally, it should be noted that, in response to the measures taken by Unesco, over and above the Experimental Programme, to encourage national efforts to promote literacy, very many Member States have stepped up their work in this field. They have attempted, among other things to take adult motivation into account as well as the requirements of social, economic and cultural development, and to profit by the results of studies and research on the learning process in adults. Since 1968, 22 States have, in addition, adopted legislation for the establishment of literacy institutions, departments, national committees or centres; for enlisting the educated sections of the population in adult literacy work; for including literacy programmes in development plans; for awarding diplomas to the newly literate; for calling in private firms to organize literacy courses for their workers, etc. In one country, for example, a decree stipulates that every agricultural production unit must have its own functional literacy centre. In another, illiterate industrial workers under the age of 45 are legally obliged to attend the literacy classes organized for them.

PERCENT OF ILLITERATE ADULTS GOES DOWN—BUT ACTUAL NUMBER INCREASES

As this brief survey shows, the results achieved are far from negligible. Nevertheless, much still remains to be done, for it must not be forgotten that, although we have succeeded in reducing the illiteracy rate among the adult population, the absolute number of illiterates none the less continues to rise. From 1950 to 1970, while the illiteracy rate was reduced from 44.3% to 34.2% and the number of literate adults rose from 879 million to 1,504 million, the total of adult illiterates increased by 83 million. In addition, there are still countries where 90%, or even 95%, of the population are illiterate.

THE 1978 GOAL—HOLD TO 1970 ILLITERACY TOTAL

We therefore have to redouble our efforts and to look forward to action on a large scale in order to bring about a gradual reduction in the number of those who, because they have been deprived of an essential means of contributing effectively to the development of their society, have thus been prevented from achieving full human dignity. For this reason, in the Medium-Term Outline Plan (1973–1978) submitted to the General Conference, I have proposed to Member States the initial objective of ensuring that the number of illiterates in 1980 does not exceed the 1970 figure of 783 million. When population growth is taken into account, the world illiteracy rate would consequently drop to 27.7%.

UNESCO'S TASK: INCREASE TECHNICAL ASSISTANCE

Unesco, for its part, would concentrate first of all on completing the execution and evaluation of the projects that form part of the Experimental Literacy Programme, and on starting new activities, in the light of such evaluation, in connexion with development projects undertaken by Member States—in certain cases, with assistance from other organizations of the United Nations system. In particular, it would provide assistance to States wishing to strengthen and improve their functional literacy programmes. The Organization might, to that end, make a greater contribution to the methodology of literacy work, on the one hand, by promoting evaluation, research and experiment, with particular reference to the use of the mother tongue, and, on the other, by taking an active part in the training of leaders and staff, through CREFAL and ASFEC, for example. It would also take steps to publicize the results of the evaluation of the Experimental Programme widely among governments, financing bodies and, in general, among all circles interested.

THEN KEEP THEM READING

Furthermore, Unesco proposes to help Member States in carrying out post-literacy programmes. It is not enough to teach illiterates the rudiments of reading and writing; care must also be taken to see that they are not in danger, for want of practice, of forgetting what they have learnt. It is therefore essential to give them the means of actually using their new skills in everyday life. For this purpose, it will be necessary to make reading matter available to them by encouraging the establishment or development of rural newspapers and libraries. I am very pleased that excellent work has been done on these lines, since the beginning of 1972, in connexion with International Book Year.

AN UNDERTAKING OF LIBERATION

Lastly, since the Experimental Programme is, by definition, on a relatively small scale, and is intended to lead on to more extensive operations, the international community will in fact have to work out and adopt a real World Literacy Programme, drawing on the ideas, methods and means developed in the course of carrying out the Experimental Programme. By that I mean a whole group of national literacy efforts, co-ordinated in a planet-wide campaign, entailing mass mobilization, by the international organizations, of the human and material resources needed to carry out the national programmes. It would be difficult to imagine any undertaking more symbolic of liberation and progress to mark the Second Development Decade. And now is the time to begin steering the authorities and public opinion in this direction.

MARSHAL WORLD BROTHERHOOD

Meanwhile, it is important to give further impetus to international action, involving co-operation among States, the participation of non-governmental organizations, the contribution of financing bodies and the mobilization of all men and women of good will. Books are a light that is cruelly denied to many, many people. In this International Book Year, I earnestly hope that, stimulated by the edifying example of the achievements which the Jury has singled out, all those who are able to do so will combine their efforts, in a great surge of brotherly fellowship, gradually to do away with the scourge of illiteracy, in the same way as the great epidemics, which for centuries ravaged mankind, have now been eliminated.

In conclusion, I should like to convey my most sincere thanks to the distinguished members of the Jury who, under the chairmanship of Her Imperial Highness, Princess Ashraf Pahlavi, have so ably carried out the difficult task of selecting, from among so many deserving nominees, the winners of the Mohammad Reza Pahlavi and Nedezhda K. Krupskaya Prizes, as well as those who have received honourable mentions. Unesco is deeply grateful to them for their faithful and devoted service.

ELECTION REFORM BILL EXPECTED IN MARCH

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. FRENZEL. Mr. Speaker, the House Administration Committee expects to bring out an election reform bill by March. Surely such a bill is overdue, but there are many aspects of election reform on which there is still much disagreement.

One of the items in question is to determine spending limits for campaigns. We know the public would like to contribute less money. We would like to raise less too. But, in setting spending limits, the House should take into account that challengers must spend more than incumbents.

Of the principal election advantages of incumbency, the frank is perhaps the best known. It is a necessary legislative communications tool, and its use should be encouraged. At the same time it is certainly a tremendous political advantage. Its use has grown astronomically in the last 20 years. The following table from page 453 of the House Appropriations Subcommittee hearings in 1973 shows that franked mail has increased six times from 43.5 million pieces in 1954 to 257.6 million pieces in 1972. If congressional mailings from GPO—12.7 million—are added, the total of 270.3 million pieces indicates that the average Member sent 600 thousand pieces of mail to his district in 1972. That would be enough to cover every household nearly four times.

[Millions of pieces]

Fiscal years	Franked mail		Congressional mailings by Government Printing Office	
	Pieces	Percent of increase or decrease (−)	Pieces	Percent of increase or decrease (−)
1954	43.5		(1)	
1955	45.6	+4.8	6.4	
1956	58.2	+27.2	5.3	−17.2
1957	59.6	+2.4	5.4	+1.9
1958	65.4	+9.8	6.2	+14.8
1959	85.5	+30.6	6.0	−3.2
1960	108.0	+26.4	7.2	+20.0
1961	85.1	−21.2	5.9	−18.1
1962	110.1	+29.6	7.4	−25.4
1963 (P.O. letter 2/18/64)	94.7	−14.1	6.0	−5.7
1964 (P.O. letter 3/12/65)	119.5	+26.1	10.1	+73.5
1965 (P.O. letter 3/7/66)	120.9	+1.2	9.7	−4.0
1966 (P.O letter 3/3/67)	197.5	+63.3	10.3	−6.2
1967 (P.O. letter 3/20/68	192.9	−2.3	9.9	−4.8
1968 (P.O. letter 3/6/69)	178.2	−7.6	12.5	+27.5
1969 (P.O. letter 2/9/70)	190.0	+6.6	10.0	−20.0
1970 (P.O. letter 4/6/71)	201.0	+5.8	10.8	+8.0
1971 (P.O. letter 2/1/72)	238.4	+19.0	11.7	+8.0
1972 (P.O. letter 2/1/72)	257.6	+8.1	12.7	[2] −8.5

Footnotes omitted.

If, as seems likely, the average Member sends out three postal patron mailings per year, or its equivalent, a challenger attempting to equal that mailing, even using cheap printing or bulk mailing with volunteer help could be expected to pay about $40 thousand.

The timing of congressional mail has also been significant. The following table from page 983 of the Senate Appropriations Subcommittee hearings in 1972 shows how work piles up in the folding room in September and October of even-numbered years. In these 2 months in 1968, 1970, 1972, the folding room did about twice as much work as in the same 2 months of 1967, 1969, and 1971, and about one-third more than July and August of 1968, 1970, 1971.

PUBLICATIONS DISTRIBUTION SERVICE WORK UNITS FROM JAN. 1, 1967 THROUGH DEC. 31, 1972

	1967	1968	1969	1970	1971	1972
January	10, 234, 668	[1] 39, 618, 717	8, 018, 124	30, 515, 678	10, 693, 112	27, 266, 355
February	20, 073, 323	21, 710, 361	16, 204, 671	32, 807, 839	20, 604, 278	[1] 34, 730, 646
March	25, 257, 823	29, 149, 091	23, 126, 181	33, 527, 972	29, 938, 641	42, 749, 089
April	28, 441, 715	32, 880, 871	26, 905, 750	36, 572, 597	26, 441, 122	[1] 41, 753, 464
May	20, 852, 973	32, 678, 473	30, 663, 759	30, 341, 700	28, 293, 595	[1] 43, 217, 347
June	28, 768, 307	29, 076, 826	29, 574, 476	33, 076, 480	30, 941, 851	[1] 41, 919, 046
July	25, 025, 907	30, 078, 379	28, 696, 231	34, 719, 776	28, 860, 960	[1] 35, 482, 543
August	21, 510, 569	37, 739, 061	29, 931, 334	[1] 38, 766, 596	29, 222, 337	38, 675, 721
September	21, 059, 927	37, 156, 698	23, 407, 573	40, 097, 239	22, 005, 836	[1] 40, 570, 751
October	18, 942, 955	[1] 58, 456, 298	30, 087, 859	57, 323, 394	27, 937, 295	58, 067, 490
November	17, 176, 153	4, 613, 654	[1] 26, 061, 529	5, 189, 919	25, 695, 547	8, 694, 669
December	18, 248, 121	3, 656, 738	[1] 27, 094, 608	10, 229, 440	24, 347, 670	8, 377, 133
Total	255, 590, 441	356, 864, 167	299, 772, 195	383, 177, 630	304, 982, 244	421, 334, 234

Footnote omitted.

The table also shows that in the month of October of 1968, 1970, and 1972, the folding room averaged about 85 percent more work than it did in the average month of those years.

There are good reasons for this work distribution. Many Members feel obliged to report to their constituencies at the end of each session of Congress. That is a good thing for the constituencies. However, it is also a good thing for the incumbent candidate.

With the passage this year of the new franking law, postal patron mailings from House Members will go out before the customary September and October peak periods. The new law is expected to push the hump in the work distribution curve back about 60 days.

These two tables from our congressional records show in an easily understandable way some of the obvious election advantages of incumbents. If we restrict the ability of the challenger to match those advantages, challengers can seldom win.

THE REVEREND DR. JOHN POULOS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. BIAGGI. Mr. Speaker, today it is my distinct pleasure to pay tribute to one of the foremost representatives of the Greek-American community, the Reverend Dr. John Poulos, pastor of St. Demetrious Church, who was recently appointed chaplain of the New York City Police Department.

Father John, as he is affectionately referred to, has had an extraordinary career in terms of both personal accomplishments and service to his fellow man. Father Poulos was born in Greece in 1918. He embarked upon a distinguished scholastic career which included a scholarship received from the World Council of Churches, and culminated with his being awarded a Ph. D. from the University of Athens.

In 1954, Dr. Poulos received still another scholarship and came to the United States where he attended both Columbia University and the Union Theological Seminary. In 1955, he was ordained a priest in the Greek Orthodox Church and was immediately chosen as the pastor of the St. Spyridon Church in Washington Heights, N.Y., a position he served in for 4 years.

While serving in this position Father John was able to translate into meaningful action his lifelong commitment to improving the lives of the Greek-Americans. While pastor at St. Spyridon, Father Poulos was made president of the Clergy Association of New York, at which time he founded the first Greek-American home for the aged in Yonkers, N.Y.

Father Poulos' influence on behalf of the Greek-Americans was felt on a national level as well. In the early 1960's while serving as a member of the National Council of Churches of America he was chosen to serve on a committee which submitted a plan to President Kennedy to revise the immigration laws of the United States, particularly with respect to Greece.

From 1958 to 1966, Father John served as the pastor of the Church of the Annunciation in Jersey City, N.J. As in all his endeavors, Father Poulos served with dedication and distinction in this post and earned the respect and gratitude of the entire Jersey City community.

For the last 7 years, Father Poulos has served as the pastor of St. Demetrious Church in Astoria, N.Y. The significance of this is that St. Demetrious is the largest Greek parish in the United States with a congregation of 22,500 persons. During these years, Father Poulos has succeeded in implementing numerous programs to enhance the quality of life for the Greek-Americans. Some of these programs include the establishment of volunteer committees to provide job opportunities, legal advice, and English lessons for the thousands of new Greek immigrants who come to Astoria each year. In addition, he introduced a highly successful cultural awareness program for his parishioners which features appearances by distinguished representatives from the cultural and educational fields.

Throughout his long years of service, Father Poulos' work has not gone unnoticed. He is the recipient of a number of distinguished awards. These include the Distinguished American Award presented by the Tricentennial Committee of Jersey City and the National Heritage Award. In addition he has received honors from the President of Cyprus, Archbishop Makarios as well as from the Ecumenical Patriarch, who bestowed upon him the highest title given to a married priest.

Yet now, after all these years of service, Father Poulos is entering still another important position, that of chaplain of the New York City Police Department. As a former, 23-year veteran of the department, I know the importance of the chaplain. In a perilous profession like law enforcement, many of its members look to the chaplain for the spiritual guidance and direction they need to carry out their duties. Based on his outstanding years of service to his fellow man, Father Poulos will prove to be an invaluable asset to the New York City Police Department.

Mr. Speaker, it is always a pleasure for me to single out men of such exemplary stature as Father John Poulos. His entire life has been dedicated to improving the life of the Greek-Americans. I wish him continued good health and success in the coming years.

MARINE MASS TRANSIT: AN ALTERNATIVE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MATSUNAGA. Mr. Speaker, there is pending in conference legislation to deal with one of the most pressing problems facing the Nation today, mass transportation. The State of Hawaii, in particular the south shore of Oahu, has the potential to develop an experiment with a rather unique system, marine mass transit.

Mr. Gordon Trimble, an instructor at Honolulu's Chaminade College, and Dr. John Craven, dean of University of Hawaii marine programs, have outlined a detailed program which I would like to bring to the attention of my fellow Members, and I include their program, set forth in a recent article in the magazine, Hawaii Architect, in the RECORD at this point:

OAHU MARINE MASS TRANSIT

(By Gordan Trimble and John P. Craven)

INTRODUCTION

In the history of man, it is only recently that land forms of transportation have begun to reduce man's dependence upon the water. Even as late as the 1880's, 75 per cent of the agricultural lands in the United States were within 20 miles of navigable water. "Ribbons of steel," and later, "rivers" of asphalt and concrete brought, first locomotives, then, trucks and automobiles. While these helped to remove the economic constraints which restricted agriculture to areas within short distances of the water's edge, industry, manufacturing, commerce, and population centers are today still located along the land-water interface.

Within a few short decades the ship went from the most comfortable and convenient form of transportation to the least. Technological innovations including the pneumatic tire, shock absorbers and asphalt helped to make land travel more pleasant than the slow, rocking ride of aquavehicles.

Today the pendulum of technological change seems to be swinging in the direction of marine modes of transportation. Innovations within the last five years have allowed boats to travel not only economically at higher speeds but also without the traditionally characteristic stereo-rolling and pitching which made them undesirable to many as a form of transportation. These innovations make possible a mass transit system which takes cognizance of the Islands' unique beauty and topography. Such a marine system will also be an instrument of change that will help to produce the type of living environment which we want for Hawaii's future generations.

The purpose of this article is to sketch the general layout of a proposed Honolulu Marine Mass Transit System. This system is being proposed because it is far less costly than a land-based system in terms of both direct and secondary costs, and it can be implemented much more readily. A growing sector supports the marine system because its land use implications are preferable to those of alternative systems. These people have begun to view the marine system as a mode which will help channel the future pattern of development of the Islands into one that is uniquely Hawaiian.

SECOND GENERATION HYDROFOILS

While man is no longer constrained to working and living within the confines of water transportation, several recent developments in marine technology have significantly enhanced the ability of waterborne systems to compete with land-based systems. The hydrofoil is perhaps the most significant development in marine hull design since the Polynesian outrigger canoe. While the speed of conventional marine craft is limited by the boat's ability to push itself through the water, the hull of the hydrofoil rides on or above the top of the water. The hydrofoil can thus travel at much higher speeds at lower fuel consumption rates than conventional craft.

The ride characteristics of the first hydrofoils were comparable to modern land vehicles only when traveling across glassy waters. Now, with the second-generation hydrofoils, the foils are electronically controlled so that they automatically adjust to the height and length of the wave. These modern craft can travel at speeds of over 50 miles per hour while the hull of the craft remains remarkably unaffected by the turbulence of the surrounding waters.

Of the 29 countries around the world that are presently using hydrofoils, Russia makes the most extensive use with over 1,000 in operation. These vessels are of the first generation variety, and their use is restricted to canals, lakes, and relatively calm waters.

While Russia is currently manufacturing second generation hydrofoils, the Jones Act requires that any vessel which carries goods or people between two ports of the United States must be of United States construction and flag. The only company within the United States which is currently manufacturing hydrofoils of the type and design necessary for Hawaiian waters is the Boeing Co.

HAWAIIAN MARINE MASS TRANSIT

Marine Mass Transit is the name used to distinguish an integrated transportation system which uses boats from alternate proposals which do not. The marine system proposes to use various marine craft only in those situations where boats can more effectively and comfortably carry goods and people than can an alternative land mode.

The population of Oahu is distributed primarily within a narrow strip running along the coasts, with suburban communities extending up the valleys and ridges from the coastal plain.

The problem of trying to determine the most suitable site of a mass transit system is in many respects similar to one of trying to determine the optimal placement of an elevator shaft in a giant high-rise.

The optimal location of this elevator shaft may depend upon when the decision is made to have the elevator. If somehow the building has already been constructed and is being used, then it may be preferable to affix the elevator to the side of the building instead of tearing up the center portion to make room for the elevator shaft. Similarly putting a mass transit system through the center of downtown Honolulu will seriously interrupt the normal flow of goods and people.

One wonders, just as elevators were affixed to the exterior of buildings whose construction preceded the introduction of the elevator, why the ocean wasn't considered as an alternative in designing a transit system for Honolulu.

The most apparent response is that the initial planning of the fixed guideway system preceded the knowledge of technological innovations which allowed the hydrofoil to compete with other mass transit schemes. Indeed, the cost figure of $700 million for the fixed guideway system was made in 1967, two years before the introduction of the second generation of hydrofoils.

The success of the marine system, as with the fixed guideway system, is dependent upon a fully integrated bus and automobile system. While the marine is far more flexible than any other system, it is generally limited to areas that fall within the 10-foot contour line, as shown below. This line indicates that land area which is ten feet above low-mean tide. Except in the Diamond Head area, this generally falls on the mauka side of the H-1 freeway. Beyond this line dredging costs increase rapidly.

The marine system utilizes three distinct types of craft in serving inland and coastal areas from Hawaii-Kai to Pearl Harbor. Express hydrofoils cruising at speeds greater than 50 miles an hour could connect Hawaii-Kai, Waialae Park (Kahala), the Natatorium, Ala Wai Harbor, the Aloha Tower, the airport, and Pearl City. Locals will ply the same general routes as the express craft, stopping at intermediate terminals along the way. Shuttle craft will connect local and express terminals with inland areas via existing canals and stream beds. As previously mentioned, the 10-foot contour line determines the length of the stream which can be utilized for mass transit. This distance varies from .4 miles with the Manoa stream (mauka side of the H-1 freeway) to 1.5 miles with the Moanalua stream.

At present, the estimated cost of the marine subsystem is $181.5 million. The cost breakdown is as follows:

Dredging	$25,500,000
Lining	35,000,000
Bridges	20,000,000
Terminals	20,000,000
Vessels and spares	76,000,000
Support facilities	5,000,000
Total	181,500,000

EVALUATION OF ALTERNATE SYSTEMS

The most important considerations in evaluating the alternative transportation systems are: rider acceptability, the cost, the time required to implement the system, the interference of the implementation phase on the normal flow of goods and people, the ability of the system to adapt to changing conditions, and the long term impact of the transit system on the pattern of land use and development. The final decision as to whether the fixed guideway system or the marine transit system is chosen will depend upon what the people of Hawaii want Oahu to look like in the years to come, and the extent to which they can make their feelings known.

The 1967 cost estimate of the fixed guideway system was $700 million. The 1973 cost of the proposed marine system is less than $200 million.

The marine transit system has greater flexibility than its proposed alternatives. It is flexible in the sense that the State is not committed to the system even while it is in operation. The hydrofoils which constitute the single major expense of the system can be sold at about or slightly above the purchase price. Hawaii would not be locked in—having spent so much money in the beginning that it feels that it must continue supporting the system regardless of the cost.

For a sum of money less than that which is currently being spent for the planning of Honolulu's mass transit, the essential components of the marine system can be tested for rider acceptability. Only when rider acceptance has been shown do we suggest that the marine transit system, or any other system, be fully implemented.

Schedules, frequency, and destinations can be changed to accommodate the needs and wants of the people of Honolulu instead of trying to force them to fit their schedule and habits to that of the transit system. During off hour weekdays, hydrofoils can service the Neighbor Islands and ply the tourist trade. Evening events, such as trips to Halawa Stadium, can be easily accommodated. On weekends, the boats can service the various beaches around Oahu and travel to the Neighbor Islands.

Classically a good mass transit system has a high-speed spine and a number of subsidiary local loops or feeder routes. A central question is whether the ocean is not as good or better a high-speed spine than any other line drawn parallel to the coast. The fixed guideway is not exactly centered and is about as much mauka of the total city as the ocean is makai. It is not therefore automatically superior. Indeed, it does not directly serve Waikiki or the major Pearl Harbor facilities, even as the ocean does not serve Kaimuki.

The construction of a fixed guideway system in downtown Honolulu will seriously impede the normal flow of goods and people for a considerable length of time. Concomitant noise and dust will make the conduct of normal business activities practically impossible. The marine system, however, does not necessitate the tearing up of major portions of Honolulu or the limiting of access to the Hawaii-Kai. Construction of the marine system is limited to the dredging of drainage canals, raising of bridges, and the building of terminals.

The length of time required to implement the marine system is considerably shorter than that of alternate systems. It is limited primarily by the time required to obtain the necessary craft. For these reasons, the marine system has been suggested as a supplemental system to serve the people of Honolulu during the construction phase of the fixed-guideway system.

LAND USE IMPLICATIONS

Since the beginnings of man, modes of transportation and transportation systems have been instrumental in shaping society, including its physical characteristics. The rapid expansion of suburban America, for example, followed the conclusion of World War II. The private automobile and accumulated private savings together with the government's commitment to build roads made it possible for many to escape the dreary life of the inner city. The subsequent decline of public means of conveyance and the further deterioration of life in the inner city is well documented.

Hawaii's limited land area makes it inadvisable for the State to continue its ad hoc and permissive policy of accommodating an ever-increasing number of private automobiles. We are not ready to continue a policy which will eventually lead to the rezoning of suburban Oahu. And yet, in our search for an alternative we seem bent on recreating the very misery the Mainland tried so hard to escape following World War II. Mass transit, particularly fixed rail and guideway systems, serves densely populated areas. They, in turn, tend to breed even higher population centers.

Construction of a fixed guideway system in Honolulu will, for a while, alleviate much of the visible congestion and pollution. This system, however, will tend to lead to the development of a solid corridor of people some 22 miles long, 3,000 feet wide, and some 500 feet tall. Future generations may refer to this corridor as the Great Wall of Honolulu. With its construction, the charm that was once ours will have vanished in columns of concrete, steel, and glass. Honolulu will be indistinguishable from any Mainland city. Years from now, people may wonder what possessed those who referred to Hawaii as the "Paradise of the Pacific."

Marine mass transit has land use implications far different from those of the automobile, bus, or fixed guideway transportation systems. While the majority of the advocates of marine transit prefers its lower costs, the nondisruptive nature of its construction, and its shorter implementation time, a growing number of people prefer it because they view it as a mechanism which will help develop the type of society and community they would like to see in Oahu and Hawaii.

Much of the Island of Oahu can be characterized as a series of distinct valleys, some one-half mile wide and three miles long, opening onto a narrow coastal plain.

It is these valleys which could become basic planning units. From the old Hawaiians we can borrow the idea of the ahu puaa—a contiguous land area which contained all that was deemed necessary to sustain life and livelihood. With proper planning and appropriate incentives these valleys of Oahu can become a series of modern ahu puaas. Each ahu puaa or community while having the necessary access to every other will have enough seclusion to form a separate and unique identity of its own.

High density living units will be located along the perimeter of the valley at the base of the cliffs. Thus one man's quest for a view will not destroy that of his neigbors and from every lanai there will be an open expanse from the mountains to the ocean.

A natural linear park will stretch along the stream from the upper reaches of the valley to its mouth. From the residential high-rises at the base of the cliffs to the park-shrouded stream would be a five to ten-minute walk. Between these two would be other low density functions such as schools, churches and golf courses.

While some stores will be located within the high-rise residential buildings, most of the commercial and service establishments are contained in the shopping center located along the stream at the mouth of the valley. This shopping center will also serve as a terminal for the marine transit system and a transfer point to the land-based transit system which makes the loop of the valley connecting schools, high-rises and the shopping center.

The marine transit system will connect to other places of employment and universities located in adjacent ahu puaas. The marine system will also carry goods from the commercial harbor to the shopping centers in the ahu puaas.

Each ahu puaa, while having the necessary access to every other, will thus be free to establish and maintain its identity as a living, working, recreating unit.

Many will challenge this concept as a pipe dream. Indeed the custom of our society is to conduct economic and cost-effective studies to justify initial prejudices, and to reject alternatives not previously considered. On occasion, as in the case of marine mass transit, the planners will discover the rude shock that the out-of-hand rejected alternative will survive the cost study. It is submitted that the ahu puaa concept outlined here will also survive any fair cost study which takes into account all of the true costs of a modern society.

PROPOSES MINIATURE VERSIONS OF MAJOR SIGHTS OF OUR NATION

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. PARRIS. Mr. Speaker, on several occasions in the past few months I have brought to my colleagues' attention the work which my constituent, Mr. John R. Kanline, of Alexandria, Va., has done in connection with a project entitled "U.S.A. in Miniature."

Under my leave to include my remarks in the RECORD, I would like to include the following progress report from Mr. Kanline:

ALEXANDRIA, VA.,
December 26, 1973.

Congressman STANFORD E. PARRIS,
House of Representatives,
Congress of the United States,
Washington, D.C.

DEAR CONGRESSMAN PARRIS: I would like to express my appreciation for your three previous inserts in the Congressional Record on the Bicentennial proposal "USA in Miniature." This you recall is a proposal for a small four acre park in the Nation's Capital area depicting the major sights of the United States in miniature and patterned after a similar park in the Netherlands called the Hague.

Recent events call for updating the "Record" to include the following:

1. A recent article in the Washington Star News by Staff writer Betty James in the issue of Dec. 24, 1973 as follows:

"TINYTOWN U.S. PROPOSED AS A MINI-PARK

"(By Betty James)

"An Alexandria man believes his dream for the American Bicentennial would mean "Christmas most of the year" by capitalizing on the fascination for miniatures that has inspired generations of Americans to have trains and towns under the Christmas tree.

"John R. Kanline is into the second year of his one-man crusade to see his concept, "U.S.A. in Miniature," become reality.

"As he envisions it, a new and different kind of park of only four or five acres would be created in the Washington metropolitan area with copies in miniature of historic American sights and scenes from coast to coast.

"Kanline pictures islands of interest and industry including operating miniature versions of historic sights like Niagara Falls, the Golden Gate Bridge, the U.S. Capitol, the Grand Canyon and Cape Canaveral. The park also would include miniature reproductions of national sights like a blast furnace, an oil refinery, a seaport, an auto assembly line, a grain silo, an airport and a railroad. The park would be entertaining as well as educational but wouldn't be an amusement park, Kanline said.

"Kanline is a retired State Department official who was inspired by a 1970 trip to the Netherlands, where he discovered a park near The Hague called "Madurodam."

"Madurodam provides a microcosm of Dutch life carefully done to scale, with buildings about knee high.

Built on four acres, Madurodam features among other things a great church with chiming bells, medieval houses around a castle, a parliament building with carriages and honor guard in the courtyard, an airport, a motorway, a seaport, and a railroad that runs for two miles on a circular track.

"Miniature fountains play; so do miniature bands. The park, which is privately run, was established 22 years ago by the wealthy parents of a student who died in a concentration camp in 1945. The park attracts more than a million visitors each year and the admission charge is turned over to charity, Kanline said.

"Getting backing for his dream is Kanline's problem. So far, his biggest booster has been Rep. Stanford E. Parris, R-Va., who has applauded Kanline's efforts to make the Bicentennial celebration more enjoyable for visitors to the Nation's Capital and has put several communiques from Kanline in the Congressional Record.

"Kanline hopes the newly created American Revolution Bicentennial Administration will be more responsive than the old commission.

"Even the new group won't have authority or money to launch its own projects, but Kanline feels genuine interest on the part of the bicentennial administration would stimulate response from others. Among them would be government agencies like National Park Service and the Smithsonian Institution, industry groups like the National Association of Manufacturers and the U.S. Chamber of Commerce, and philanthropic and agricultural groups.

"He has contacted approximately 125 major American firms. Several have shown interest, but no commitments have been made.

"Mindful of the energy crisis, Kanline said the exhibit would be a 'low energy consumer' even if the park were lighted at night like Madurodam with 46,000 tiny lights. But even if the park were open only during the day it would be worth building, he said."

2. The need for immediate response, action and participation:

This proposal has been well described in the series of articles which you Mr. Congressman kindly inserted in the Congressional Record during 1973 captioned "USA in Miniature".

The time grows short and now, I repeat now is the time for commitment by those industries and agriculture interested in patriotic and tasteful advertising to come forward in the following manner:

The steel companies (U.S. Steel, Bethlehem, Republic, Jones & Laughlin, Armco, etc.) to say in writing to the Bicentennial Administration "we will put up an exhibit in the small park consisting of a miniature blast furnace and steel mill in whatever space provided"; for the oil refineries (Exxon, Gulf, American, Texaco, etc.) to say "we will put up a small refinery, oil storage tanks and float a tanker in the miniature harbor"; for the aluminum companies (ALCOA, Kaiser, Reynolds, Harvey, Anaconda etc.) to say "we will set up a small model of a smelter or a bauxite mine or an alumina plant"; for the power companies of the Nation "we will put in a miniature hydro electric dam, a nuclear power plant and transmission lines"; for the railroads "we will put in the miniature railroad and trains and controls etc."; for the shipping companies "we will float model cargo and passenger liners in the harbor and create the port and port facilities in the small park"; for the automobile companies (General Motors, Ford, Chrysler, American) "we will put in a small scale automobile assembly plant"; for the airlines (TWA, Pan American, United, National, Eastern etc.) to say "we will develop a miniature airport with moving planes taxiing on the runways"; for agriculture (National Grange, Farmers Union, Farm Bureau Fed.) saying "we will see that agriculture is well represented with farm scenes, grain silos, working agricultural equipment (International Harvester and Allis Chalmers please note)"; with the American Roadbuilding Federation, Greyhound, trucking organizations, and other motor carriers saying "we will put in the highway and the busses and trucks to traverse it"; the coal companies to say "we will include a small coal mine exhibit"; for Weyerhauser to say "we with our related industries will put in a miniature forest, saw mill and lumber yard and paper manufacturing plant"; for General Electric and Westinghouse to say "we will do something to help with the electrical elements, the small lights, power for the miniature railroad, lights for the buildings and the park itself"; for the glass companies (PPG, Corning etc.) to provide the small glass for buildings, churches, cathedrals etc."; for the beverage companies (Coca Cola, Pepsi Cola, Canada Dry, Anheuser Busch, etc.) to find a suitable contribution and commit themselves to participate; the same goes for General Foods, General Mills and the food processing industry; for the space industry complex such as Rockwell International to say "we will include a model of Cape Kennedy and other space paraphernalia in miniature"; for the large merchants such as Sears Roebuck, Montgomery Wards, Gimbels, Macys etc. to say "we will include models of some of our best stores in the park"; for the photographic industry such as Eastman Kodak, Polaroid, Sylvania, Honeywell etc. to find an appropriate role in the project; for major hotel chains like Holiday Inn, Marriott, Hilton, Ramada Inn, etc. to say "we will erect facilities near the park for tourists and visitors;" for the restaurants and food chains like Hot Shoppes, McDonalds, Arbys', Burger Chef etc. to commit themselves to serving the park visitors; for DuPont to find an appropriate role in the project and commit themselves to participate; etc., etc., etc.

With only a few of these commitments to the Bicentennial Administration a major step toward our objective would be accomplished. The Bicentennial would then be in position to seek a site from the National Park Service, with the help of the Smithsonian to begin design of the park to approach philanthropic minded individuals and organizations for commitments on the historical and public sector displays and thus the project would begin to take form.

Who will be the first to come forward?

Opportunity exists for the private investment and insurance companies to participate and possibly to help shape an appealing investment package. With maximum participation of U.S. industry, agriculture, philanthropic interests, and Government the cost element will be minimized.

A positive response from industry, agriculture, transportation and philanthropic individuals and organizations to participate in some manner is imperative at this time and not much later and I hope fervently that most have the courage and wisdom to come forward. At this time, all pulling together in such a cooperative effort would be both enjoyable and self-rewarding and should present a challenge to the National Association of Manufacturers, the Chamber of Commerce and the myriad of associations representing the establishment.

Time is a factor with the Bicentennial celebration coming in two years, so some initial reaction is mandatory if this proposal is ever destined to become a reality. Let's start now and individually or collectively commit at least an interest in participation. A show of unity in this Country in these troubled times is in order and there is certainly nothing wrong in truthfully improving corporate images in this fashion.

3. World-wide implications:

As an interesting sideline there are possibilities for other countries around the world to create miniature parks depicting their own modern and historical sights for both tourist and local appeal. This happening could create a demand for certain services and supplies from U.S. sources. In this regard I have contacted Mr. David S. Horner of the Foreign Investment Staff, BIC, Dept. of Commerce to pass this idea on through the commercial channels and facilities of our U.S. Embassies abroad to foreign business communities and governments.

In conclusion I wish to extend my appreciation for your continued interest, cooperation and help and hope that if the opportunity arises you might discuss this proposal "USA in Miniature" with appropriate Members of Congress and speak out on this issue if the opportunity arises.

Many thanks,

Sincerely,

JOHN R. KANLINE.

HUNGARIAN REPRESSION IN TRANSYLVANIAN NATIONS

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. HORTON. Mr. Speaker, a quarter of a century has passed since the United Nations adopted the Declaration of Human Rights. Today I should like to bring to the attention of the House the plight of Hungarians in their native lands whose rights under the declaration have been consistently disregarded. I submit for the RECORD the following letters from the Coordinating Committee of Hungarian Organizations in North America and a memorandum from the Committee of Transylvania explaining this intolerable violation of human freedom:

COORDINATING COMMITTEE OF
HUNGARIAN ORGANIZATIONS IN
NORTH AMERICA,
Washington, D.C., November 30, 1973.

His Excellency KRISHNA RAMPHUL RADHA,
Chairman of the Human Rights Commission of the United Nations, New York, N.Y.

SIR: On December 10, 1973 the United Nations will celebrate the 25th anniversary of the Declaration of Human Rights.

During the last quarter century many new nations have been born and are now independent states and members of the United Nations. Therefore, it is understandable that the Declaration of Human Rights is universally considered as the Freedom Charter of Mankind.

Unfortunately, the rights expressed in the Declaration are not enjoyed by the Hungarian Nation. For the last 25 years the Hungarians have lived under Soviet colonialism and have not enjoyed the rights which are incorporated in the said Declaration. A few examples follow:

Paragraph 19 of the Declaration says: "Everyone has the right to freedom of opinion and expression . . ." If the Hungarians criticize either the Soviet occupation or the Communist party, their personal freedom is in danger.

Paragraph 20 of the Declaration says: "Everyone has the right to freedom of peaceful assembly and association." For 25 years the Hungarians have not been allowed to establish any association or federation in the interest of the nation and the people; they can only have associations which serve the interest of the Soviet government or the Communist party. Neither can they assemble peacefully to discuss their national interest and the Soviet occupation.

Paragraph 21 of the Declaration says: "Everyone as a member of society has the right to take part in the Government of his country, directly or through freely chosen representatives." The Hungarians have not had free elections since 1947; they do not exercise the right of self-determination, without which no national life or independent state can exist.

Every kind of colonialism contains the seed of international turmoil and constitutes a permanent danger to world peace.

Although the General Assembly of the United Nations, in connection with the Hungarian Revolution, has demanded many times that the Hungarian people should exercise their fundamental human rights (1004–ES–H; 1005–ES11; 1006–ES; 1133–XI; 1857–XVII), their resolutions never went into effect, even when many young Hungarians died for the freedom and independence of Hungary during the 1956 Revolution.

We, the undersigned, who represent the Hungarians in the free world on four continents, respectfully request the Commission on Human Rights:

1. to put on its agenda the question of the denial to the Hungarian people of the exercise and the enjoyment of their fundamental rights;

2. to call upon the government of the Union of Soviet Socialist Republics and the authorities of Hungary to respect the above resolutions of the General Assembly, especially since the Hungarian people do not exercise the right of self-determination and the Soviet troops are still unlawfully stationed in Hungary and occupying the country;

3. to report and make the recommendations the Commission may deem advisable to the General Assembly.

Very truly yours,

Dr. JOZSEF KOZI HORVATH,
President, European Congress of Free Hungarians.

Dr. LASZLO VARGA,
President, Coordinating Committee of Hungarian Organizations in North America.

Dr. IMRE GACSER,
Association of Free Hungarians in Latin America.

Dr. ANTAL ENDREY,
Australian Hungarian Federation.

COORDINATING COMMITTEE OF HUNGARIAN ORGANIZATIONS IN NORTH AMERICA,
December 5, 1973.

His Excellency NICOLAI CEAUSESCU,
President of The Socialist Republic of Romania, the Embassy of the Socialist Republic of Romania, Washington, D.C.

YOUR EXCELLENCY: On the occasion of your visit to the United States the Coordinating Committee of Hungarian Organizations in North America is compelled to call your attention to the attached memorandum prepared under the auspices of one of its member organizations, The Committee of Transylania. This memorandum expresses the concern, defines the position and conveys the requests of all Americans of Hungarian descent in connection with the treatment of Transylvania-Hungarians by your government.

We strongly believe that the implementation of the policies outlined by the attached document is necessary to establish and promote a relationship between the Romanian and Hungarian nations in Transylvania which is based on mutual respect for human values and on the enjoyment of equal rights to life, liberty and pursuit of happiness.

Without the fulfillment of the proposals of the memorandum the safeguarding of the inherent civil rights of the Hungarians of Transylvania and the protection of their Hungarian identity in Romania cannot be assured.

We trust that our proposals, which are based on principles expressed by the Declaration of Human Rights and described in the enclosed memorandum, will meet your favorable consideration.

Sincerely yours,

I. B. GEREBEN,
Executive Secretary.

MEMORANDUM ADOPTED AT THE ANNUAL MEETING OF THE COMMITTEE OF TRANSYLVANIA

BACKGROUND

1. As it has been recognized and stated by the United States Department of State, the Romanian Government has pursued a systematic policy of de-Magyarizing the Hungarians of Transylvania.

The Romanian Government's goal is "to solve its Hungarian minority problem by reducing, rather than maintaining or expanding autonomous Hungarian institutions."

In addition the method of assigning jobs to most university graduates tends to scatter Hungarian intellectuals in pure Romanian territories outside of Transylvania.

The Bolyai (Hungarian) and Babes (Romanian) Universities in the Transylvania city of Kolozsvar/Cluj were amalgamated by government orders. All courses are taught in Romanian, even by professors of Magyar origin, except those on Hungarian language and literature.

It appears that the Romanian Government has indeed been following a course aimed at reducing Hungarian cultural and national influence in Transylvania, and at assimilating and absorbing the Hungarians there into the Romanian population.

2. A good number of United States Senators and Representatives have pointed out the oppressive discrimination against Transylvania Hungarians, in the last ten years or so, and have repeatedly protested against these practices of the Romanian Government, on the floor of the Senate and the House of Representatives.

3. On-the-spot reports by prestigious American and Western European newspapers and magazines attest to the same conditions of Transylvania Hungarians as do the above mentioned sources.

4. Conditions witnessed in Transylvania by numerous Americans and other individuals, many of them brought to the attention of Transylvania-oriented organizations, fully confirm the findings of the State Department, and the United States Legislators.

5. More recent reports suggest some degree of improvement in the discriminatory practices in Transylvania, mainly in certain aspects of cultural life. However, being only bits of information, inadequate to form an overall picture, these reports are often found to be out of context and so tend to distort, rather than clarify the situation.

The basic Romanian policy of assimilation, and a quasi second class citizenship assigned to the Hungarian population, may never have been on the books of the Romanian legislature.

Nevertheless, the unwritten law of oppression and discrimination has been the grim practical reality of Hungarian life in Transylvania for too long to believe.

In the last analysis, we do not know of meaningful, overall changes.

OUR POSITION

1. No nation should be destroyed whether by forced assimilation to another culture and gradual absorption thereby or in any other way. Policies against the survival of a nation violate fundamental human rights and international laws and treaties, such as the Charter of the United Nations, the Trianon Peace Treaty of 1919, and the Paris Peace Treaty of 1947.

2. It is the destiny of the Hungarian and Romanian nations to co-exist in the Eastern part of the Carpathion Basin, i.e. Transylvania, where their ethnic frontiers overlap.

There can be no fruitful co-existence, true brotherhood, or genuine peace between oppressed and oppressor, for these things can only exist between equals.

3. We believe that the Romanian Government should give meaningful recognition to the fact that the Hungarians of Transylvania did not immigrate into Transylvania. To the contrary, Hungarians have been the people of Transylvania for many centuries, beginning with the time when Hungary was established 1,000 years ago. Their individual rights to Transylvania are inalienable and not a jot weaker than the right of the Romanian population of many centuries.

4. We believe that the Romanian Government should fundamentally reevaluate its thinking on the assimilation of Transylvanian Hungarians. Renouncing Romani-

zation coupled with good faith implementing this change of policy would be a great contribution to genuine peace and harmony in that part of the world.

5. We believe that the proposals now to follow—if implemented—will serve to make Transylvania a better place to live for Hungarians and Romanians alike.

OUR PROPOSALS

1. Give Transylvania the status of a special province to be governed and administered by Romanians and Hungarians in proportion to their respective population, on all levels of government.

2. Make Hungarian an official state language, equally ranking with Romanian, throughout Transylvania and other former territories of Hungary attached to Romania by the Trianon Treaty.

3. Grant cultural autonomy to the Hungarian population and discontinue the present system of making Hungarian cultural institutions atrophied appendages of corresponding Romanian cultural institutions.

4. Legislate equality of Hungarians and Romanians in civil and national rights in all aspects of human endeavors, including education in mother tongue, job placement generally and in leadership positions, cultural developments, moving into cities, and allocation of funds to government controlled institutions and activities.

Implement State laws against discrimination on all governmental levels with full vigor.

5. Establish a complete and independent Hungarian school system.

6. Make the Kolozsvar/Cluj University again a Hungarian University.

7. Renounce the Romanian national policy aimed at the Romanization, assimilation and absorption of the Hungarian population of Romania. More particularly:

(a) No further alteration of the ethnic structure of Transylvania at the expense of the Magyar population by any means, including resettlement of Transylvania Hungarians outside of Transylvania, or Romanians into Transylvania.

(b) Stop establishing Romanian schools in Hungarian villages.

(c) Do not send Hungarian students to universities outside of Transylvania. Rather increase capacity of the Kolozsvar/Cluj Hungarian University which was drastically reduced as a result of unification with the Babes (Romanian) University.

(d) Stop scattering Hungarian intellectuals in all parts of Romania outside of Transylvania.

(e) Free use of Hungarian language.

LOUIS L. LOTE,
President,
Committee of Transylvania, Inc.

THE 93D CONGRESS—1ST SESSION SUMMARY REPORT

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 21, 1973

Mr. DONOHUE. Mr. Speaker, as we near the end of this 1st session of the 93d Congress I wish to include, in accord with my annual custom, a résumé report of some of the major legislative measures that were considered together with an account of my own convictions and voting actions in connection with these measures.

Of course we cannot, because of time and space limitations, comment upon every bill that was considered but even a summary review of the overall legislative activity that occurred will, I think, reveal that the congress was, in this first session, exceptionally diligent in application and substantially productive in achievement. On this score it may be of interest to note that the House of Representatives was in legislative session on 175 days, approved a total of 717 bills, had 307 yea-and-nay votes and 234 recorded votes which establishes a new record that was partly accomplished because of the installation and use, this year, of a modern electrically automatic voting system.

INFLATION CONTROL—THE ENERGY CRISIS—UNEMPLOYMENT

Although a great deal of Congressional attention and news media publicity was rightfully given to certain constitutionally related issues, such as the House directed Presidential impeachment inquiry and restrictions upon the President's war making powers, I continue to believe, as I have over these past few years, that inflation, now heightened by the energy crisis is still, and will unfortunately remain for the foreseeable future, the most immediately distressing problem that plagues the greatest number of American families and citizens. Because of my persevering, intense concern about this nationwide affliction I advocated and supported several additional inflation restriction bills that were adopted in this Congressional session, such as the extension of the previously approved Economic Stability Act granting Presidential authority to control prices, wages and profits, extension of the Federal authority to regulate interest rates, extension of the FHA Loan and Mortgage Insurance Programs and extension of the Public Works and Economic Development Act. These and other measures are designed to further empower the President to use and further emphasize, to him, the imperative necessity of using his vast Executive Department resources to relieve our beseiged citizens from some of the inflationary pressure sufferings besetting them and to prevent this country from falling into the major economic depression that is threatening us from all economic sides.

THE ENERGY CRISIS

Mr. Speaker, the disastrous energy crisis that has suddenly overtaken the country is even now spurring the inflationary spiral to increasingly higher levels and I most earnestly urge and hope that this Administration will exert every last vestige of its enormous economic control power to detect, publicize and halt any and all attempts by anyone to illegally and unethically profiteer, in this national emergency, from further unconscionable price increases in the basic necessities of life as well as in fuel oil, gasoline and other petrochemical products. In related actions I have introduced legislation and urged the President to stop the American exportation of oil and wheat during this emergency and I have also urged the authorities within my own Commonwealth to insure that the ordinary citizen and his family is not price gouged by any excessive and unjustified "adjustment" rate increases imposed upon them by public utilities and other service corporations allegedly because of the energy shortage. Any such announced charge increases should be required to be clearly justified beyond any doubt and our various State public utility departments and commissions should see to it that they are openly and publicly denied when they obviously cannot be so justified. And with respect to this subject, Mr. Speaker, let me emphasize that the primary reasons why I and so many other Members of the House of Representatives voted against the so-called Energy Emergency Act which was defeated in the House on the evening of December 21, last, were because of the failure of the administration to agree to the inclusion in that Act of realistic provisions to prevent windfall profits; to require major oil company record disclosures of current reserve supplies, past prices and profits and other pertinent information essential for fair and effective Federal restrictions upon exorbitant prices and profits in this emergency; and to give the Congress reasonable review authority over the President's energy control powers.

Mr. Speaker, inflation imposes its cruelest hardships and greatest burdens upon the poor, our older citizens on fixed incomes and low- and middle-income families and I shall remain unalterably opposed to the placement of any additional taxes or other financial sufferings upon this vast majority of our American citizenry because of a national energy shortage that has come about through no fault of theirs. I shall continue in the next congressional session to do everything I individually and cooperatively can to expedite the passage of an Energy Emergency Control Act that will impose equal sacrifices upon every individual in any segment of our American society while insuring that the act cannot be used by an unscrupulous few as a means of engaging in demoralizing profiteering at the economic expense and distress of all the rest of our people.

UNEMPLOYMENT

Mr. Speaker, everyone understands that the most catastrophic event affecting an individual, a family, and a nation is widespread unemployment. Realizing that the energy crisis would inevitably expand the already existing high unemployment rate throughout the country, the Congress approved an Emergency Manpower Utilization and Job Plan Program which I supported that will make public service employment available as the need arises. This wholesome legislation, together with extended and expanded unemployment compensation, which I also supported, will establish a major cushion in this emergency period to ease the tragedy of high unemployment and establish a means of providing meaningful jobs, not just training, to willing and able American citizens who find themselves out of work through circumstances over which they have no control.

SOCIAL SECURITY BENEFITS INCREASES

Inflationary costs of the basic necessities of food, clothing, rent and health care and medicines, predicted by economic experts to go even higher immediately after the New Year, have inflicted and will continue to inflict their worst hardships upon a major number of social security benefit recipients. That is why I introduced, supported and urged the adoption of legislation to grant these more than thirty million individuals a speedup of some 6 months in effective date and an increase of some 5 percent in the previously authorized program. The legislation adopted in this first session provides for a 7-percent increase that will be reflected in social security checks received in early April of 1974 and for a further 4-percent increase that will be included in checks received in early July of 1974; it also provides for an automatic cost-of-living increase in June of 1975. Mr. Speaker, the advance in time and increase in the amount of these payments is only the extension of simple justice to these extremely distressed millions of loyal Americans who are actually desperate these days in just trying to keep their heads above the rising tide of inflation that could economically drown them if any additional financial emergency should arise.

IMPROVING THE NATIONAL HEALTH

There is no question whatsoever that good health is essential to the progress of an individual or a nation.

The Congress in this first session enacted several health improvement measures. Most prominent among these measures were the Health Maintenance Organizations Act, the Emergency Medical Services Act and the National Biomedical Research and Training Act approved in the House. The Health Maintenance Organizations Act would encourage the development of the prepaid groups health programs, now servicing some several million people, which assure, for a single annual fee, that a family will receive a year's annual health care no matter how frequently a doctor's services may be required. It is authoritatively estimated that the Emergency Medical Services Act, designed to give more immediate and better medical attention and care to accident and sudden illness victims, will result in the saving of about 60,000 lives yearly. The Biomedical Research and Training Act, when finally adopted in the Congress, will enable medical scientists to continue their dedicated efforts to find the causes and cures for such grave illnesses as cancer, stroke, heart disease, diabetes, mental health, and many other dreaded human afflictions.

These and other measures such as the limited rehabilitation program and school lunch and child nutrition programs will serve to particularly preserve and protect the health of our school children and improve the health of all our American people in general.

I will continue to support the expansion and strengthening of these health programs and the adoption of a national health insurance program in the next session of the Congress.

LABOR-HEALTH, EDUCATION AND WELFARE APPROPRIATIONS BILLS

Supplementary to a great many of the previously listed programs is the annual Labor-Health, Education and Welfare Departments Appropriations Bill which I have consistently supported.

On two past occasions this bill incurred Presidential vetoes. I am most gratified, therefore, that the President signed into law the bill that the Congress recently passed for the third time to carry on higher education as well as essential elementary, secondary and veterans education programs, library services, training programs for doctors and nurses, aid to the handicapped, public service employment for the elderly, programs of financial assistance to students and many others.

I have long contended that the overly restrictive requirements for participation in current student financial aid programs have unintentionally served to practically eliminate the eligibility of great numbers of students from middle-income families to receive any assistance at all. Such elimination practically amounts to discriminatory injustice. I shall continue to advocate and support measures to remove that injustice and provide middle-income family students with the financial assistance they merit and need to complete their higher education.

Some of the other professionally valuable activities funded through these appropriations are manpower training, unemployment benefits, delivery of health services, vocational and adult education, alcoholism and drug abuse prevention, biomedical research and the Office of Child Development.

These and related activities conducted by two of the most vitally important departments of the Federal Government are chiefly responsible for the forward progress and development of the average American and I shall continue my sponsorship and advocation of them in the national interest.

PROGRAMS FOR OUR OLDER CITIZENS AND WAR VETERANS

Of the Nation's more than 20 million persons 65 and older about 4.7 million or one-quarter of them live in poverty with annual incomes of $2,328 or less for a couple and $1,152 for an individual living alone. It is unfortunately too clear that all our older citizens need every reasonable economic assistance that can be provided by this country and this Government to which they have contributed so much for so long. For these reasons this Congress expanded and strengthened several programs designed to extend further material assistance and morale encouragement to these special citizens. Among these measures are the social security benefit increases I have already mentioned, expansion of the Older American's Act to aid our elderly citizens in the areas of housing, transportation and employment and some limited improvement in social services programs.

Mr. Speaker, no group of citizens is more eminently deserving of our peoples gratitude than those who have militarily served this Nation in time of war and particularly the veterans of the Vietnam war. In recognition of this highest national obligation the Congress approved three measures of significance to our veterans and their families. The first grants an approximate 10-percent increase in the pensions received by disabled veterans as well as those received by widows and children and surviving parents of deceased veterans; the second measure modernizes the present veterans medical care program, extends the VA medical care to certain dependents and survivors of veterans and requires that sufficient hospital beds are made available so that eligible veterans are caused no undue delay in admission and treatment; the third establishes a National Cemetery System to be administered by the Veterans' Administration and provides for limited payments for burial and funeral expenses for veterans not interred in a veterans or other National Cemetery.

These programs, that I advocated and for which I voted, serve to give some reassurance to our veterans that they have not been entirely forgotten by the Congress and the country. However, another objective, that I and many other colleagues advocated, of paramount concern to our Vietnam veterans was not achieved in this first session. This objective is an urgently needed and justified increase, in the face of ever-rising tuition and related costs, of the educational allowances for our single and married Vietnam war veterans attending higher educational institutions and I am hopeful that such increase will be approved as soon as possible in the next congressional session.

Mr. Speaker, fair and just recognition of and response to our traditional obligation to our war veterans and to the basic economic needs of our elderly is essential to the maintenance of an imperatively urgent high national spirit. I shall, therefore, continue to support every legislative effort designed to reasonably aid and encourage our war veterans and older citizens in this turbulent period of our history.

OTHER LEGISLATION OF NATIONAL AND REGIONAL IMPORTANCE

Mr. Speaker, all the bills that were considered under these headings cannot, of course, be listed here but among the more important I think the following legislative actions, which I supported, deserve priority mention: The Cambodia bombing halt which resulted in the withdrawal of our American military forces from Vietnam; the war powers resolution providing for a 60-day limit on Presidential power to commit our armed forces to military action without congressional endorsement; the approval of funds to conduct a Presidential impeachment inquiry; the time extension of the Watergate grand jury; the adoption of rules to initiate a review of our present congressional committee system and to provide for open committee meetings, automatic votes on committee chairmen and other changes constituting the groundwork for the most far reaching reforms of congressional procedures in history; the adoption of a mandatory fuel allocation program; approval of a budget limitation and impoundment control measure to reestablish congressional responsibility in the budget setting and Federal spending areas; reductions in Defense Department and foreign aid programs; the Vice-Presidential confirmation of GERALD FORD; the Law Enforcement Assistance Act extension to provide better protection of area citizens against criminal violence; the Drug Abuse Education Act extending, for 3 years, school and community based programs of drug abuse and alcohol prevention training; the Child Abuse Prevention and Treatment Act; the initiation of the trans-Alaska oil pipeline construction; the expansion of the national flood insurance program; the extension of the Clean Air and Solid Waste Disposal Acts; the Small Business Amendments Act, vetoed by the President, designed to expand critically needed assistance to small firms struggling for survival in this inflationary period; the Water Resources Development Act; the Minimum Wage Expansion Act which was also vetoed by the President last September 6; the Federal Aid Highway Act extension with a provision permitting the use of some allocated funds for urban mass transit projects; the Urban Mass Transportation Act authorizing, for the first time, Federal subsidies for the operating expenses of certain mass transit companies and extending special fare considerations to the elderly and handicapped; the Regional Rail Reorganization Act to restructure and upgrade overall rail service which is absolutely essential to the continued economic well-being of the people in our Northeast region; some increased funding for the National Railroad Passenger Corporation that may hopefully serve to increase the rail passenger service along the "Inland Corridor" through my home State of Massachusetts and on to other points; the reinstitution of daylight saving time; the establishment of a 55-mile-per-hour maximum highway speed limitation; the railroad retirement annuities benefits extension; the initiation of private pension reform; a bill that I managed and that was overwhelmingly approved in the House, to restructure, for more effective operation, the Bicentennial Celebration Administration and a host of other bills that cannot be included here because of space limitations.

CONCLUSION

Mr. Speaker, I have repeatedly stated, through the years of my service here, that the one most vitally important, basic thing a Member of Congress can do to contribute to the success of our national legislative goals is to conscientiously and diligently work and vote with absolute objectivity and impartiality, and without predjudice of any kind whatsoever.

I emphasize this principle because of the very heavy duty facing all Members of the House of Representatives and particularly those of us serving on the Judiciary Committee of the House in our individual determination of the evidence that will be presented in connection with the issue of Presidential impeachment that will be of such paramount concern in the next session of the 93d Congress.

It is my profound conviction that this imperatively important matter must be persistently pursued with the most scrupulous observance of all our traditional rules and standards of thorough study and brought to the most expeditious determination in the predominant national interest. I shall further and faithfully adhere to this conviction in all of my judgments related to the impeachment inquiry resolution and every other legislative challenge that will be presented to the Congress throughout the new year of 1974.

ROSALINA FAGARANG—AN INSPIRATION TO HAWAIIANS AND ALL AMERICANS

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MATSUNAGA. Mr. Speaker, I take this opportunity to share with my fellow Members of Congress the story of a remarkable woman. Rosalina Arzadon Fagarang, despite being handicapped at age 20 with polio, has gone on to help others in many ways. Rosalina Fagarang is a native of my own home island of Kauai, and I have known her for many years.

An accomplished singer, a community worker, and the youngest president in the history of the Hawaiian Federation of Women's Clubs, Rosalina has surmounted significant obstacles while making better the lives of those with whom she comes in contact.

The Pacific Courier recently published a profile of Rosalina which I would like to submit for the RECORD in recognizance of her achievements, and in the hope that her example will assist others struggling to overcome handicaps.

The article follows:

ROSALINA ARZADON FAGARANG— PROFILE OF COURAGE, DETERMINATION, AND ACCOMPLISHMENTS

The story of Rosalina Arzadon Fagarang is an exciting one in spite of that fact that at age 20 she was polio struck and followed by months of helplessness before she could walk again.

It was at that time of her life that she began to plan for the future and determined to lead a full and useful life in spite of polio. Her courage and faith brought her almost complete recovery, except for an ankle which is still weak.

Her illness stimulated her to take up singing and craft work seriously. Today she uses all of her talent to help others

The story of Rosalina is an inspiring one. Her first concert was for the Lions Club of Kauai, who netted $3,000.00 that being her expression of gratitude for their monetary support and moral backing during her illness.

Rosalina is an untiring worker today donating her talents to the Armed Forces, to the crippled children of the Shriner's Hospital, to her people on Kauai and her myriads of friends in the film industry of the Philippines. Her home on Kauai is the headquarters for all her friends. Her doors are always open. She is famed for her hospitality.

Rosalina Arzadon Fagarang, several years after her parlytic polio, was accorded a signal honor. She was elected president of the 1800-member Hawaii Federation of Women's Clubs composed of the Filipino Women's Civic Club, Chinese Women's Club, Hawaii Home Economic Ass'n, South Oahu County Home Demonstration Council and We The Women.

Of Rosalina's installation, then immediate past president Mrs. Edward W. L. Kam said, "She is the youngest president the organization has ever had and therefore has the greatest opportunity to carry on its traditions.

To those who know the dimpled Filipina with her serene self-possession, the honor was no surprise. She resolutely regarded her affliction not as a door slammed shut by a cruel and capricious fate, but a door opened to new vistas she would never otherwise have experienced.

Music and art for instance.

Today Rosalina is known for her lilting mezzo-soprano, a fact that started when she laid in her hospital bed.

"It was part of the training required by my doctor to limber the diaphragm and control the diaphragmatic muscles," she explained. She has been featured in concerts and sang regularly on radio singing light classics and light opera but always including Philippine numbers.

In spite of a slight limp, Rosalina's exuberance has not dampened her participation in multiple activities. In Manila she sang for the patients of the National Orthopedic Hospital where she was received with utmost enjoyment, more so when she said, "I am elated to be with you today, I know how you feel because we belong to the same world." The enthralled audience honored her with a truly resounding round of applause.

Rosalina had to wear ankle braces for six years after her illness but that did not prevent her from being active in club work. She narrated and produced pageants, edited the Liwanag, publication of the Filipino Women's Civic Club, all in addition to her full-time job as a teacher.

A sociology major, Rosalina discovered her aptitudes in arts and crafts during her struggle to overcome the crippling disease. This knowledge she shared with her pupils wherever she taught school.

She undertook the task of teaching the mentally retarded in her search for additional ways to serve. "The experience of being handicapped myself helped me understand in work with the ungraded students," she said.

The bubbling then Miss Arzadon received numerous proposals of marriage including one from a prince of the Sulu Archipelago who sent her a huge pearl bracelet and ring.

In 1963 Rosalina was accorded membership on the honorary committee for the joint anniversary celebration of the National Council of Women of the United States and the International Council of Women. That membership placed her in company of the nation's most distinguished women, including the wives of United States cabinet ministers in addition to the then First Lady, Jacqueline Kennedy. (In photos appearing in this issue, Rosalina is shown in many activities for the National Federation of Women's Club for Hawaii).

In the superlative fashion in which Rosalina met every challenge life has flung at her is an indication, she has every reason to rejoice, for her life has been full and in its fullness she has given joy, comfort and courage to many, many people.

To elaborate on Rosalina's accomplishments, honors received, educational attainments and her many, many contributions to the community would be voluminous.

Currently she serves as Adult Education teacher for the Community School for Adults and most of her students are newly-arrived immigrants who desire to learn basic English.

Besides her singing, Rosalina plays the piano, organ, is an expert on the auto-harp. She is an arts and crafts artist and her painting in oils is inspiring to behold.

She has done mosaics, sculpture, ceramics besides doing pictures in copper tooling. She had produced and directed many International Shows, both in fashion and songs.

Rosalina Arzadon Fagarang served as chairman of the past March of Dimes Campaign!

Talented multiform, a kind person, an understanding person is Rosalina but most of all she is gracious!

A profile in courage, determination and accomplishments!

TRIBUTE TO DR. E. W. DAVIS, THE FATHER OF TACONITE

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. BLATNIK. Mr. Speaker, the passing of one of Minnesota's truly great men of science and industry—Dr. Edward Wilson Davis, the father of taconite—must not go unnoted by the House of Representatives or the Nation.

He died December 3, 1973, at the age of 85, having lived to see his life's work blossom into a billion-dollar investment, and the possibility of a second billion to follow within a few years.

Dr. Davis will be revered in northeastern Minnesota as long as there are working men and women, and taconite jobs to sustain them. But his contribution is to the Nation as well, to whom he gave a new source of domestic iron ore for its backbone iron and steel industry.

He foresaw, as early as 1913, the exhaustion of the high-grade ores of the Nation's fabled Mesabi Iron Range in northeastern Minnesota, and dedicated his life to preparing for the day when the almost limitless supplies of very low-grade taconite iron ore would have to become the economic mainstay for northeastern Minnesota.

His triumph was assured 43 years later, in 1956, when Reserve Mining Co. began commercial operation of a taconite pelletizing plant at Silver Bay, Minn.—grinding to powder the low-grade rock called taconite, which is harder than granite; magnetically separating the iron from the powdered rock; and rolling the ore into high-grade—64 percent iron—pellets for the Nation's steel plants.

This process saved northeastern Minnesota from perhaps permanent economic depression, and assured the Nation a new domestic source of high-grade iron ore for decades to come.

I was first privileged to meet Dr. Davis in 1939 and, a year later, when I was elected to the Minnesota State Senate, I worked with him to write what became the Taconite Tax Act of 1941. This law established the tax climate which encouraged and provided the stimulus for the huge investments needed to build the massive plants and complex equipment which made the taconite process a commercial reality.

But beyond our professional relationship, I was privileged to call "Bud" Davis a friend.

Professor Davis was born in 1888 in Cambridge City, Ind., and graduated from Purdue University in 1911. In 1912 he joined the faculty of the University of Minnesota as a young mathematics instructor in the school of mines, now the school of mineral and metallurgical engineering. The following year he began the first pioneering research work on taconite.

From 1918 until 1939 he served as superintendent of the university's mines experiment station and, in 1939, became its director. It was here that the taconite process was born.

In 1951, Dr. Davis took leave of absence from the university to become associated with Reserve Mining Co., then operating a small pilot plant at Babbitt, Minn. Reserve, soon to become the world's first large-scale taconite processor, was then investing many millions of dollars in construction of a vast complex at Silver Bay, Minn., to process the raw taconite mined at Babbitt. That plant would eventually represent an investment of $350 million and would employ over 3,000 people directly and provide a livelihood for thousands of others in industries supplying the taconite companies.

By special resolution, Reserve's board of directors in 1953 named its Silver Bay plant the "E. W. Davis Works" in his honor.

Following his retirement from the university in 1955, Dr. Davis served as a technical consultant to Reserve until his death. He and his wife, the former Jessie Campbell whom he married in 1914, lived at Silver Bay and were active and beloved citizens of that community which his work, literally, created. His home, atop a high hill, overlooks the E. W. Davis plant.

As the result of Dr. Davis' untiring work, six companies—Reserve, Erie Mining Co., two taconite operations of the Hanna Mining Co., Ford Motor Co., and Oglebay Norton, and the Minntac plant of United States Steel—are now operating in Minnesota. Bethlehem Steel and Pickands Mather have begun construction of a new $150 million plant between Hibbing and my own home town of Chisholm, and Inland Steel is on the threshold of a decision on construction of a major taconite pelletizing plant in the area.

Mr. Speaker, it is given to few men to see their life's work equally fulfilled, and this knowledge gives us consolation as we mourn Dr. Davis.

We have lost a brilliant mind and a great heart, but we have gained, from Dr. Davis, an industry on which Minnesota and the Nation can depend for decades to come.

Dr. Edward W. Davis will be remembered as long as American industry produces, and American society and living standards require, steel from the high-grade taconite pellets he gave to the Nation.

Mr. Speaker, in closing I would like to include, for the RECORD, a copy of an editorial commemorating Dr. Davis, which appeared in the Wednesday, December 5, Duluth News-Tribune, expressing clearly the contributions of this remarkable man to Minnesota.

The article follows:

HE FREED TACONITE IRON

Northeastern Minnesota is saying farewell to Dr. Edward W. Davis of Silver Bay today. He died in Duluth Monday, aged 85. Taconite got its name in 1892, encountered "Bud" Davis at the University of Minnesota in 1913 and lost its stubborn fight to him 43 years later.

Minnesota ores suitable for shipping with or without simple treatment were abundant at the time. Some people thought we'd be finding a lot more of it. The difficulty and cost of tearing tiny bits of high-iron material out of hard, hard rock seemed prohibitive. Making a usable product of the hard-won concentrate was another discouraging problem.

Two world wars and multiplying peacetime demands for iron and steel used up mountains of the easier ore. Technology advanced Dr. Davis still had years of life before him when the taconite industry began to replace conventional iron mining in Northeastern Minnesota. This saved the economy of a whole region.

Although Dr. Davis emphasized the opportunities and advantages given him at the University of Minnesota, and the fine help he had, this whole development was identified with one man to an extent rare in our century. He lived to see—and reside in—a region transformed economically, with hope restored for thousands of people who welcome the work that lets them stay in a part of the country they love. He helped maintain a desirable economic balance in Minnesota. The ultimate contribution to national self-sufficiency was tremendous.

Rarely have education, science and industry, government and people worked so smoothly toward an achievement. Minnesota did its part by providing a university where such devoted research was possible. The tremendous task of educating the state to the tax changes needed found legislators and other spokesmen. Open-minded industrialists were willing to be convinced. Somehow the right man for the job was left free to persevere in it.

Sometimes things do go right. It was a great day for Northeastern Minnesota when a young man came to Minnesota 61 years ago as a mathematics instructor in the School of Mines. Others would have found the answers, eventually. But that is saying that they would not have done it as soon, or as well or with such a combination of persistence and boast-free worth. Even a short list of Minnesota's great men must include E. W. Davis.

LEGISLATIVE SUMMARY, JULY 1, 1973, THROUGH ADJOURNMENT, DECEMBER 22, 1973

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MAZZOLI. Mr. Speaker, in keeping with my policy of providing periodic reports to my constituents describing my legislative activities, I am inserting the following summary in the CONGRESSIONAL RECORD. The report covers the final 6 months of the 1st session of the 93d Congress.

JULY THROUGH DECEMBER 1973; A LEGISLATIVE SUMMARY

Although many troubling events preoccupied our thoughts during the final six months of 1973, Congress, acting without undue haste, emerged as a solid and stabilizing force. By contrast, the executive branch of our government faltered and became mired in controversy and doubt.

Congress enacted measures dealing with a broad sweep of problems and made full and effective use of its fact-finding powers to help bring important information to the public's attention. A number of these recent Congressional achievements, while not spectacular in terms of making headlines, will nonetheless have profound and lasting significance.

I have divided this six-month summary into subject categories. This enables constituents with specific interests to more easily acquaint themselves with my record in each area. More detailed information, as well as additional copies of the summary, can be obtained by contacting my district office in Louisville, Room 551A, New Federal Building, 600 Federal Place, Louisville, Kentucky 40202—582-5129.

1. STRENGTHENING THE ROLE OF THE CONGRESS

By far the most heartening and significant activity in Congress in recent months has been its painstaking self-reexamination. The question to be determined is whether we really are fulfilling the responsibilities assigned us by the Constitution.

In three areas Congress found itself wanting, and moved to reassert its role as envisioned by the framers of the Constitution.

These three vital areas involve decisions affecting war and peace, the power of the Federal purse, and the duties of the Congress when there is loss of confidence in the Executive.

The first of these topics came to the House Floor in mid-July with the passage of the historic War Powers Act. This legislation, which I co-sponsored and vigorously supported, gives the President full and flexible power to deploy American armed forces in instant response to emergencies of any kind.

However, it very strictly requires him to obtain Congressional approval before such "emergency" deployments can drag on into a prolonged, undeclared war such as our tragic misadventure in Southeast Asia, which lasted more than a decade.

President Nixon vetoed the War Powers Act when it was sent to his desk for signature, setting the stage for a critical vote on November 7, 1973, to override the veto. The requisite two-thirds pluralities were mustered in both the House and the Senate, and the veto was overridden. This was the first override of a Presidential veto in nine tries in 1973.

In the second area, the battle over the Federal purse-strings, Congress has not yet completed action. However, the crucial—and most difficult—first step has been taken: Congress has tacity admitted that all of the fault in this area did not lie with the Administration.

Essentially, the battle lines are drawn over the issue of "impoundment"—the President's refusal to spend funds duly authorized and appropriated by Congress pursuant to laws on the statute books.

Instead of simply taking steps to prohibit the President from impounding funds without Congressional permission, the Congress has recognized that it first must get its own budgetary shop into order. In effect, we have admitted to a certain amount of fiscal irresponsibility in our past authorizing and appropriating procedures. We need to set our own budget ceilings, and then keep our spending within them.

Accordingly, legislation was brought to the House floor in late July—followed by another version in early December—which attempts to impose a fiscally responsible budgeting process upon the Congress, while simultaneously requiring the President to spend funds as he is directed by law—unless he can convince Congress of the wisdom of acting otherwise.

I voted for both versions of this legislation, which now awaits the ironing out of technical differences between the House and the Senate. Both Houses of Congress, however, are in fundamental agreement over this orderly and responsible new approach to the caretaking of Federal funds. Therefore, we should have an agreed-upon bill to present the President this year for his approval—hopefully—or his rejection.

The third situation which forced Congress to take stock of its Constitutional responsibilities, of course, was the shocking series of events and revelations which unfolded in the aftermath of the Watergate burglary.

In August, I co-sponsored legislation to explore the need and feasibility of a procedure under which—by a vote of two-thirds of both Houses of Congress—new national elections could be ordered in the middle of a discredited President's term. I'm not entirely convinced such a Constitutional change is needed, but given the current situation, I think it should be studied. In England's parliamentary system, the concept of a "vote of confidence" in the government has served a useful purpose over the years.

As our Constitution now stands, the only procedure for resolving serious allegations against the President is impeachment by the House and trial by the Senate.

Following the firing of Special Prosecutor Archibald Cox, I introduced a resolution directing that an investigation be made to determine whether grounds exist to impeach President Nixon. Such an investigation has been authorized and is now under way. On November 15, I joined in the House vote which approved a $1 million budget to insure that a thorough, responsible and fair inquiry will be made.

Also in November, the House approved extending the life of the Watergate grand jury for an additional six to twelve months to assure that a complete and thorough criminal investigation is carried out, as well. At present, most Members of Congress are satisfied with the independence being accorded the new Special Prosecutor, Leon Jaworski. But swift Congressional action to shore up that independence can be expected at the first hint of any move to curtail Mr. Jaworski's proper authority.

The confirmation of Gerald Ford as Vice President in early December not only restored the line of Presidential succession, but also demonstrated the ability of Congress to rise above Partisan considerations and honor the choice made by President Nixon.

In December, yet another indication of the spirit of self-reform became evident in the House. I refer to the issuance of a draft report by the House Select Committee on Committees, which is drawing up a plan for a long overdue fundamental reorganization of the House Committee system.

Not too many years ago it would have been unthinkable to propose such a reform, given the vested interests of the senior and ranking committee members who wield disproportionate power within the system as it is now organized. But, the mood of the Congress today is not "clubby" mood of old.

Having witnessed the Presidential encroachments, which can result from the creation of a Congressional vacuum, we are now moving to build a more efficient and responsible legislative system. Our balanced system of government depends upon the ability of the legislative branch to pull its share of the load.

2. THE ENERGY CRISIS

The national problem affecting citizens with greatest immediacy is the so-called energy crisis: shortages of gasoline, home heating oil, and in some areas natural gas, along with the threat of reduced electric-generating capacity. These are the issues most disturbing to the American people as winter settles in.

Whether this crisis could have been adverted by wiser planning and more aggressive earlier actions is a question that will be debated for a long time to come.

In this respect, I do not believe that either the Congress or the Administration is entitled to good grades for foresightedness. Most of the legislation requested by the President has been given him, but the final bill—the National Emergency Energy Act—was lost in a welter of confusion just before our December adjournment.

I voted against this bill, which would have granted the President a broad range of powers including the capability to impose gasoline rationing. I did so because I felt the legislation was conceived in haste without adequate review of reliable evidence and without adequate study of its impact.

When the Second Session of the 93rd Congress convenes later this month, there will be time to produce a more conscientious emergency energy bill, based on factual rather than emotional considerations.

Prior to the break-down over the final energy legislation, Congress responded with a number of other laws designed to help restore our nation's energy self-sufficiency.

In August, the House approved legislation clearing the way for construction of the Trans-Alaska Pipeline. I supported this bill after proponents of alternative routes for the pipeline failed to establish a convincing case. The President signed the final version of the bill on November 16, following House approval of a House-Senate Converence Report on November 12.

An Emergency Petroleum Allocation Act also was sent to the President for signature in November. This law, which I supported, requires the President to allocate fuel supplies on a rational basis to prevent regional shortages. Congress previously had granted the President optional authority to take such steps, but he had declined to do so.

Stop-gap measures to get through the present crisis by carefully husbanding existing fuel supplies, of course, will not produce a long-range solution. Year-round daylight savings time (which I opposed) and 55-mile-an-hour speed limits on Federal highways are mere band-aids to help cover-up the most obvious symptoms of the disease.

Over the long-haul, we must gear up our great research and development capabilities so that new energy sources can be harnessed, and known sources used with greater efficiency and less environmental damage.

Toward this objective, I co-sponsored three bills in November which deal respectviely with solar energy research, geothermal energy research, and the development of ground propulsion systems with lower energy-consumption levels. As the world's finite supply of fossil fuel resources dwindle, we must be readying new technologies.

3. HEALTH AND WELFARE

This is another legislative area in which Congress found itself restricted by the President's veto power. Two very important measures, delayed by earlier vetoes, finally were enacted during the closing months of the Session.

One of them is the Emergency Medical Services Act, which will provide Federal support for the development of desperately-needed systems for delivering speedy medical care to accident victims. It has been estimated that 60,000 lives are needlessly lost each year due to the lack of adequate emergency medical services.

On September 12, I voted to override the veto of the original emergency medical bill, but we fell 15 votes short of the needed two-thirds plurality. In late October, we came back and passed a new emergency medical bill, which the President was persuaded to sign.

Similarly, in September, we passed a new Vocational Rehabilitation bill to provide necessary services and training for handicapped citizens. A stronger version of this legislation had been vetoed earlier in the year, but the second—weaker—measure proved acceptable to the President.

Legislation which could profoundly affect the future delivery of health services in the nation was passed by the House in September, was amended by a Conference Committee, and finally was signed into law by the President in late December. This is the Health Maintenance Organizations Act, which will provide Federal assistance for the development, on an experimental basis, of prepaid, innovative, health care organizations geared to the prevention and early detection of illness. In theory enormous sums of money can be saved through preventive medical care which forestalls long and expensive serious illnesses.

Other health related measures which I supported during the latter months of the Session include; the Veterans Health Care Expansion Act, the Lead-Based Paint Poisoning Prevention Act Amendments, a bill including provision for continued operation of U.S. Public Health Service Hospitals, and a three-year extension of the Drug Abuse Education Act.

Also worthy of note was the passage by the House in December of a bill establishing a National Center on Child Abuse and Neglect. Child abuse threatens to reach epidemic proportions in this nation and we need to find new ways to protect children and help parents.

4. FOREIGN POLICY AND NATIONAL DEFENSE

As our nation undertakes the difficult task of seeking to build a foundation for world peace through the establishment of détente with the Soviet Union and its allies, it has been necessary to readjust and realign many of the practices and policies which have carried over from the "Cold War" period of the 1950s and 1960s.

On December 10, the House passed the long-awaited Trade Reform Act of 1973, which will enable the United States to firm up its shaky "balance of payments" condition through the acquisition of important new trading partners.

Although the final version of the bill represented a compromise which did not totally satisfy all interested parties, I supported it in the belief that it may prove to be the key to improved international relations which can only bode well for world peace.

Incorporated in the Trade Reform Act was the thorny issue as to whether the United States should withhold "most favored nation" trading status from the Soviet Union until such time as Russian Jews are permitted to emigrate more freely. In view of the delicacy of attempts to establish détente with the U.S.S.R., I voted for this provision with considerable reluctance. But I voted against a proposal to link Import-Export Bank Credits to the Soviet Jewry question, as well. I had hoped that we might have been able to influence Soviet policy through moral suasion, rather than through the threat of withholding trading advantages.

In another issue related to detente, I voted against the $2.2 billion requested for emergency military assistance to Israel in the aftermath of the Yom Kippur War. First of all, only $1 billion of this amount could be justified as necessary to help Israel recoup her losses suffered in the October Mid-East flare-up.

Secondly, it is my belief that adding to Israel's military capacity at this time puts pressure on Russia to similarly undertake an arms build-up of her Arab allies.

What is urgently needed in the Middle East at this critical moment is not an intensification of the arms race, but instead a joint U.S.-Soviet move to force a peace agreement which both the Arabs and Israels can accept as an honorable settlement. To me, increasing the weaponry in the Middle East is not the recipe for peace.

Two other major bills passed during the closing months of the 1st Session were the Defense Department and Foreign Assistance appropriations bills. I voted in favor of the former, although I supported amendments to tighten up spending and reduce our overall troop strength by a prudent amount. I was unable to support the Foreign Assistance measure, largely because it included continued funding in support of the on-going war in Cambodia and because of the excessive military assistance for Israel.

5. THE DOMESTIC ECONOMY

As we all realize painfully well, the Administration's efforts to hold back inflation have failed utterly. Although presently overshadowed by spiraling fuel prices, the most devastating impact on the American householder's pocketbook has been the rise of food prices.

Congress came to grips with this crucial problem by enacting drastic new farm legislation designed to encourage more abundant production which will lead to lower prices. Through long hours of acrimonious debate, the House last July scrapped several "sacred cow" farm support programs, which had long ago outlived their usefulness and in recent years had become totally unjustified. Many of these Federal farm programs, in point of fact, worked to discourage production and to raise prices, thus contributing directly to the inflationary injuries being inflicted upon the American consumer.

The new Farm Bill became law in August. It will take one or more growing seasons before its effect will be felt. But, at least, I think we can look forward to some relief in food prices as these saner and more sensible policies go into effect.

Another bill important to the economy—and important to the ability of thousands of Americans to exist within the economy—is the measure, which I supported, authorizing a two-stage, 11 per cent increase in Social Security benefits. Retired citizens will receive a 7 per cent increase in benefits in March, 1974, and an additional 4 per cent in June 1974.

Other legislation dealing with trouble spots in our domestic economy included two bills to assist the nation's rail transportation system—an asset that we will become more and more dependent upon as the fuel shortage impedes trips by automobile. I voted to continue Federal operating assistance for AMTRAK and for the Northeast Regional Rail Reorganization Act, both of which I deemed vital to our nation's crucial need to move both goods and people with efficiency and dependability.

I was disappointed to see two other bills fail of passage which would have encouraged more flexible building codes and architectural standards in Federally supported construction and housing programs. These bills would have led to greater efficiency—and hopefully greater economy—through reliance on modern technological developments.

6. PROBLEMS OF THE WORKING MAN

President Nixon vetoed Congressionally-passed legislation to increase the Federal minimum wage standard and to expand the coverage of the Fair Labor Standards Act. In September, I voted with a majority of my colleagues to override this unfortunate veto, but we failed to muster the two-thirds plurality necessary to reverse the outcome.

I very much regret the President's actions in this regard since this legislation directly affects the so-called "working poor" of our nation—the men and women who perform hard physical work for marginal wages rather than hold their hands out to the government for welfare. The 1973 Minimum Wage Bill had been carefully considered and approved by a House-Senate Conference in August and was found to be a responsible and necessary piece of legislation. I expect we will make another try on Minimum Wage legislation in 1974.

In another area, where the stroke of the President's veto pen has been felt in recent years, the Congress hammered out the Comprehensive Manpower Act of 1973, which provides for badly needed public service employment to cushion the shock of business recession, and manpower training programs to provide willing workers the skills they need to compete in today's job market.

I voted for the Manpower Act when it came up for passage in the House in late November, and I'm pleased to report that the President, despite earlier vetoes of similar bills, signed the measure into law.

7. THE ENVIRONMENT

The sudden onset of the "energy crisis" has interposed difficult and regrettable new factors and priorities, which in many instances weigh against steps I would like to see taken to enhance and conserve the environment.

In such a climate, Congress must be more vigilant than ever in meeting its responsibilities toward long-term management of our finite natural resources.

Although no major environmental bills were passed during the latter months of 1973, I was pleased to be able to assist in the passage of undated bills relating to water resources development; protection of the environment from hazardous chemical substances; protection of endangered species of fish and wildlife; establishment of the Big Cypress National Preserve in Florida, and the extension of the Environmental Education Act.

In early August, the House approved the Conference Report on the important Federal Aid Highway Act, in which a symbolic victory was won in the battle to diversify our national transportation strategy. For the first time, a significant proportion of funds under the highway act will be used in support of mass transit systems, rather than for highway construction.

The environmental movement was dealt a blow, in my opinion, by President Nixon's "pocket veto" during the Christmas recess of the Urban Mass Transit Act—passed by the House in October with my fullest support.

8. THE DISTRICT OF COLUMBIA

Although we don't all get to visit it as frequently as we might like—and others of us may, at times, feel we visit it too much—the District of Columbia is truly a Federal City which belongs to all of us.

As a Member of the House Committee on the District of Columbia, and as Chairman on one of its Subcommittees, I have devoted considerable attention to legislaton affecting local matters in our Nation's Capital.

In October, I took great pride in going to the House Floor as one of the co-sponsors and advocates of the historic District of Columbia Home Rule Bill, which restored—after an absence of 100 years—the right of Washington residents to elect their own local government. President Nixon signed this self-determination measure into law in late December, setting the stage for a charter referendum in the spring of 1974, followed by the election of a Mayor and City Council in November, 1974. At present, Washington is governed by officials appointed by the President.

In November, the House passed a bill which was developed in my Subcommittee which will establish a program of subsidies for persons wishing to adopt hard-to-place children, but lacking the financial means to fully meet the needs of such children. This law should enable a great many parentless children to make the transition from foster homes or institutions into adoptive homes in which they become true members of the family in every sense.

THE 1974 BUDGET SCOREKEEPING REPORT NO. 11, AS OF END OF SESSION, DECEMBER 22, 1973

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MAHON. Mr. Speaker, I am inserting for the information of Members, their staffs, and others, excerpts from "1974 Budget Scorekeeping Report No. 11"—the final report for the session just ended—prepared by the staff to the Joint Committee on Reduction of Federal Expenditures. The report itself has been sent to all Members.

This report shows that the impact of congressional actions and inactions on the President's 1974 budget recommendations has the estimated effect of increasing budgeted 1974 outlays by $600 million over the President's revised estimate of $270 billion as submitted in November.

The total impact of congressional actions and inaction in the recent session was to increase outlays by $3.5 billion over the original January budget as amended. However, the impact of congressional actions through mid-November had already been reflected in the President's revised budget estimates for fiscal 1974—that is the 1974 budget estimated in balance with $270 billion in outlays and revenue.

The excerpts from the report which I am inserting here include the highlights of action completed during the session just ended, together with estimated inaction on 1974 budget recommendations. The excerpts also indicate the major actions still pending at the close of the session which will carry over into the next session.

These excerpts follow:

EXCERPTS FROM 1974 BUDGET SCOREKEEPING REPORT NO. 11, AS OF DECEMBER 22, 1973 (END OF SESSION)

PART I—BUDGET OUTLAYS (EXPENDITURES)

1974 scorekeeping outlay highlights

The impact of congressional action to the end of the 1st Session of the 93d Congress, December 22, 1973, on the President's fiscal year 1974 budget outlay requests, as shown in this report, may be summarized as follows:

[In millions]

1974 budget outlay estimate (revised Nov. 15)	$270,000
Completed congressional action:	
Appropriation bills	−534
Legislative bills	+3,332
Inaction on legislative proposals included in the 1974 budget	+728
Total, completed action and inaction	+3,526
Deduct: portion of congressional action included in revised outlay estimate	−2,950
Impact of congressional action in excess of revised outlay estimate	+576
Estimated 1974 budget outlays based on congressional action and inaction during session	270,576
1974 budget receipts estimate (revised Nov. 15) adjusted to include congressional action	$269,867
1974 budget deficit estimate (revised Nov. 15) reflecting congressional action and inaction during session	−709

These figures are based on fiscal 1974 budget estimates as revised through November and adjusted for congressional action and inaction during the session. They do not, of course, reflect changes and reestimates to be expected in the January 1974 budget message.

Completed actions

A summary of major individual actions composing the $3.5 billion total outlay impact of completed congressional action to date on 1974 budgeted outlays follows:

Completed action on budgeted outlays (expenditures)

[In thousands]

	Congressional changes in 1974 outlays
Appropriation bills:	
Regular 1974 bills:	
Labor-HEW	+$510,000
Agriculture	+250,000
Interior	+75,000
Public Works	+20,000
Military construction	−10,000
District of Columbia	−14,500
Legislative	−15,800
Transportation	−30,000
State-Justice-Commerce	−33,000
Treasury-Postal Service	−42,000
Foreign assistance	−250,000
Defense	−1,500,000
1974 Supplemental	−50,000
1973 supplemental bills (1974 outlay impact)	+556,600
Subtotal, appropriation bills	−533,700
Legislative bills—backdoor and mandatory:	
Social security—benefit increase (P.L. 93-233)	+1,061,000
Food stamp amendments (P.L. 93-86)	+724,000
Repeal of "bread tax" (P.L. 93-86)	+400,000
Federal employee pay raise, Oct. 1, 1973 (S. Res. 171)	+357,900
School lunch amendments (P.L. 93-150)	+244,000
Veterans pensions (P.L. 93-177)	+120,000
Unemployment benefits extension (P.L. 93-53)	+115,700
Veterans national cemeteries (P.L. 93-43)	+110,000
Federal employee health insurance (H.R. 9256)	+91,800
Welfare—medicaid amendments (P.L. 93-66)	+82,000
Social Security—Liberalized income exemption (P.L. 93-66)	+72,000
Winema forest expansion (P.L. 93-102)	+50,000
Veterans dependents' health care (P.L. 93-82)	+28,000
Airport development (P.L. 93-44)	+15,000
Petroleum allocation (P.L. 93-159)	+5,900
Civil Service retirement (P.L. 93-136)	+400
REA—removed from budget (P.L. 93-32)	−146,000
Subtotal, legislative bills	+3,331,700
Total, 1974 outlay impact of congressional action (excluding inaction)	+2,798,000

Inaction on legislative proposals

During the past session the Congress did not act on a number of legislative proposals which were contemplated in the President's fiscal 1974 budget requests, thereby having a direct impact on the budget outlay totals.

Inaction on seven proposals to reduce budget outlays has the effect of increasing 1974 budget outlay estimates by $1.4 billion, including proposals involving public assistance, social security, medicaid, and veterans pension reforms.

Inaction on 13 proposals for new or expanded programs has the effect of decreasing 1974 budget outlay estimates by $0.6 billion, including proposals involving Defense all-volunteer forces and retirement reform.

Pending action

At the close of this session, incomplete action has been taken on a number of legislative measures by one or both Houses of Congress. These bills, which remain pending in the second session of the 93d Congress, include incomplete actions affecting 1974 outlays in the following major areas if enacted:

[In thousands]

	House	*Senate*
Mass transit operating subsidies		+$400,000
Trade reform-readjustment costs	+$300,000	
Civil Service minimum retirement	+172,000	+200,000
Veterans drug treatment		+144,136

REVENUE LEGISLATION

Completed legislative action this session affecting 1974 revenue proposals are:

Railroad Retirement: decrease of $612 million due to failure to provide additional trust fund receipts requested.

Social security wage taxes: increase of $270 million in trust fund revenue due to wage base increases in two pieces of legislation.

The failure of Congress to consider certain revenue proposals included in the 1974 budget would have the net effect of increasing 1974 revenue by $297 million over that anticipated in the original budget estimates.

The November 15 budget revisions estimated revenue for fiscal 1974 at $270 billion. This is an increase of $14 billion over the original January estimate of $256 billion, and $4 billion over the June 1 estimate. (The revision includes a net increase of $108 million attributed to congressional action.)

THE DEFICIT

The original January estimate of the budget deficit for fiscal year 1974 was $12.7 billion. The November 15 budget revisions indicated a balanced budget for fiscal 1974, reflecting a federal funds deficit of $15 billion, offset by a trust fund surplus of $15 billion.

The November 15 budget revisions included the effect of certain congressional actions amounting to about $2.8 billion. The impact of further congressional action and inaction this session indicates a budget deficit of $0.7 billion for fiscal 1974.

The fiscal 1974 deficit position, as shown in this report, may be summarized as follows:

	Billions
Original fiscal 1974 deficit estimate	$12.7
Change in deficit due to:	
Budget revisions:	
Outlays	−1.6
Revenue	−13.9
Congressional action and inaction	+3.6
1974 deficit estimate, as revised and adjusted for congressional action	0.7

THE FEDERAL DEBT

The actual federal debt subject to the limit as of the end of fiscal 1973 was $459.1

billion, and it is currently estimated at $468 billion as of the end of fiscal 1974. Interest costs amounted to $24.2 billion in fiscal 1973 and are estimated at $29 billion for fiscal 1974.

The permanent statutory debt ceiling of $400 billion had been temporarily raised to $465 billion through November 1973. The Administration requested further increase in the debt ceiling to $480 billion, and the Congress provided for a temporary limit of $475.7 billion to the end of fiscal 1974.

PART II—BUDGET AUTHORITY

(APPROPRIATIONS AND OTHER OBLIGATIONAL AUTHORITY)

Although the recent revisions did not reflect a revised total for fiscal 1974 budget authority, adjustments commensurate with the outlay revisions supplied indicate that the revised and amended 1974 budget authority total is approximately $294 billion including about $1.7 billion in net congressional increases.

The impact of congressional action to the end of the session, December 22, 1973 on 1974 budget authority, as shown in this report, may be summarized as follows:

[In millions]

1974 budget authority (revisions partially estimated)	$294,032
Completed congressional action:	
Appropriation bills	−$3,320
Legislative bills	+5,340
Shifts between fiscal years 1973 and 1974 due to timing of action on budget requests	+3,890
Inaction on legislative proposals included in the 1974 budget	−295
Total congressional action, inaction and timing shifts	+5,615
Deduct: portion of congressional action included in revised 1974 budget authority request	−1,675
Completed congressional action in excess of revised budget authority request	+3,940
Estimated 1974 budget authority based on congressional action and inaction during the session	297,972

These figures are based on fiscal 1974 estimates as revised through November and adjusted for congressional action and inaction during the session. They do not, of course, reflect changes and reestimates to be expected in the January 1974 budget message.

Completed actions

The following is a summary of the major individual actions completed this session having impact on the 1974 budget requests for appropriations and other obligational authority:

Completed action on budget authority requests

[In thousands]

	Congressional changes in 1974 budget authority
Appropriation bills:	
Labor-HEW	+$1,376,843
HUD-Space-Science Veterans	+439,047
Supplemental, 1974	+168,941
Agriculture	+108,116
Interior	+72,770
Public Works	−8,066
District of Columbia	−15,281
Par value of gold supplemental	−47,000
State-Justice	−56,889
Legislative	−71,961
Transportation	−112,286
Treasury-Postal Service	−140,156
Military Construction	−$286,039
Foreign assistance	−1,212,483
Defense	−3,535,793
Subtotal, appropriation bills	−3,320,237
Legislative bills:	
Railway restructuring (P.L. 93–236)	+$2,080,000
Federal-aid highways (contract authority) (P.L. 93–87)	+1,307,220
Flood insurance (P.L. 93–234)	+750,000
Food stamp amendments (P.L. 93–86)	+724,000
Federal employee pay raise, Oct. 1, 1973 (S. Res. 171)	+357,900
Traffic safety (contract authority) (P.L. 93–87)	+281,000
School lunch amendments (P.L. 93–150)	+244,000
Social security—benefit increase (P.L. 93–233)	+150,000
Veterans pensions (P.L. 93–177)	+120,000
Social security—liberalized income exemption (P.L. 93–66)	+120,000
Veterans national cemeteries (P.L. 93–43)	+110,000
Federal employee health benefits (H.R. 9256)	+91,800
Welfare-medicaid amendments (P.L. 93–66)	+82,000
Railroad retirement—failure to provide trust fund revenue requested (P.L. 93–69)	−612,000
REA loans—removed from budget (P.L. 93–32)	−579,000
Other	+113,400
Subtotal, legislative bills	+5,340,320
Total	+2,020,083

Legislative bills—Shifts between 1973 and 1974

There has been completed action which has had the effect of shifting budget authority between fiscal years 1973 and 1974 as a result of the timing of congressional action on these budget proposals. The items are:

Airport development: enactment of this contract authority in fiscal 1973, instead of 1974 as requested, has the effect of reducing 1974 budget authority by $560 million and shifting it into 1973.

Highway programs: enactment of this contract authority in fiscal 1974, instead of 1973 as requested, has the effect of increasing 1974 budget authority by $1,450 million.

Urban mass transportation: enactment of this contract authority in fiscal 1974, instead of 1973 as requested, has the effect of increasing 1974 budget authority by $3 billion.

Although the so-called "shift" items must be scored as a net increase in 1974 budget authority as proposed in the January budget document, they do not represent true congressional increases over the amounts as requested. For timing reasons they have merely shifted from one fiscal year to another.

Inaction on legislative proposals

During the past session the Congress did not act on a number of legislative proposals which were contemplated in the President's fiscal 1974 budget requests, thereby having a direct impact on the budget authority totals.

Inaction on 7 proposals to reduce authority has the effect of increasing 1974 budget authority requests by $513 million, including proposals involving public assistance, social security, medicaid and veterans pension reforms.

Inaction on 13 proposals for new or expanded programs has the effect of decreasing 1974 budget authority requests by $808 million, including proposals involving Defense all-volunteer forces and retirement reform.

Pending action

At the close of this session, incomplete action has been taken on a number of legislative measures by one or both Houses of Congress. These bills, which remain pending in the second session of the 93d Congress, include incomplete actions affecting 1974 budget authority in the following major areas:

[In thousands]

	House	*Senate*
Mass transit operating subsidies (contract authority)		+$400,000
Trade reform: expansion of readjustment benefits	+$300,000	
Civil service minimum retirement	+172,000	+170,000
Veterans drug treatment		+144,136

AUTHORIZING LEGISLATION

In its actions during the current session to date, the Congress has made increases in various legislative authorizing measures reflected in the budget for continuation of ongoing programs. While these actions in themselves do not mandate additional spending, and are not scored for purposes of this report, they do provide for higher discretionary funding levels.

Further, on its own initiative, the Congress has authorized nonmandatory spending programs which were not proposed by the administration. Such legislation may also create additional discretionary funding requirements—now or in the future. For example, in the case of legislation enacted to extend the unbudgeted Economic Development Administration, supplemental funding was subsequently requested by the President involving increased outlays of $25 million.

Some of the major legislation of this type is listed below:

Major discretionary (nonmandatory) authorization increases

Congressional action increasing authorizations contemplated in the 1974 budget requests

[In thousands]

Authorization of budgeted ongoing programs:	
Enacted:	
Manpower programs (job training) (P.L. 93–203)	+$1,136,008
Housing programs (P.L. 93–117)	+777,000
Sewer plant reimbursements (P.L. 93–207)	+600,000
Health programs (P.L. 93-45)	+491,505
Clean air program, EPA (P.L. 93–15)	+469,000
Vocational rehabilitation (P.L. 93–112)	+260,904
Older Americans Act (P.L. 93–29)	+117,600
Law enforcement assistance (P.L. 93–83)	+108,876
Solid waste disposal (P.L. 93–14)	+93,000
Amtrak grants (P.L. 93–146)	+63,200
National Science Foundation (P.L. 93–96	+53,000
NASA (P.L. 93–74)	+48,500
Emergency medical services (P.L. 93–154)	+45,000
Corporation for Public Broadcasting (P.L. 93–84)	+35,000
Maternal and child health (P.L. 93–53)	+30,105

Nonclosure of P.H.S. hospitals (P.L. 93–155)	+$29, 100
New authorizations not included in 1974 budget:	
Enacted:	
Economic Development Administration (P.L. 93–46)	+430, 000
Lead based paint poisoning prevention (P.L. 93–151)	+63, 000
Pending in one or both Houses:	
National Institute of Health Care Delivery (S. 723)	
Biomedical research (H.R. 7724)	
Comprehensive alcohol treatment (S. 1125)	
Education for the handicapped (S. 896)	
Emergency employment (H.R. 4204, H.R. 7949, S. 1560)	
Rivers, harbors, and flood control (S. 2798, H.R. 10203)	
Energy conservation (S. 2176)	
Energy Research Management Project (S. 1283)	
Safe drinking water (S. 433)	

SCOUT LEADER MASAO MIYAMOTO: INSPIRATION TO YOUNG HAWAIIANS FOR ALMOST HALF A CENTURY

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. MATSUNAGA. Mr. Speaker, in this age when many are prophesying moral decline of America, it is heartening to read of a man who trains our men of tomorrow in the high ideals of Scouting. Masao Miyamoto of Honolulu is such a man. I am proud to number him among my friends.

Knowing that Mr. Miyamoto's story is one worthy of being shared with my colleagues and other readers of the RECORD, I offer for inclusion at this point an article about him by Mr. Thomas Kaser of the Honolulu Advertiser:

[From the Honolulu Advertiser, Feb. 22, 1973]

HE'S REALLY A GOOD SCOUT

(By Tom Kaser)

For nearly 48 years now, Masao Miyamoto has been trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent.

As his friends attest, he has done his best to do his duty to God and his country, and to obey the Boy Scout law.

Also, they say, he has tried to help other people at all times, and he has kept himself physically strong, mentally awake, and morally straight.

In other words, Masao Miyamoto is a "Mr. Boy Scout" of sorts, especially for the countless young men who have known him—as a fellow scout, as an assistant scoutmaster, or as scoutmaster—in Kaimuki's Troop 10 over the last several decades.

Troop 10, in case you don't know, has been a sort of breeding ground for civic and professional leaders. Its alumni includes two chief justices of the Hawaii Supreme Court, including the incumbent, William S. Richardson; Maui Chief of Police Abraham Aiona; many doctors, dentists, architects, engineers and educators; plus many others—known and unknown—who are successful by other standards.

Miyamoto has no children of his own, but Troop 10 has given him thousands of surrogate sons, and he has loved them all. "I like young people and I like scouting; few things in life have given me more pleasure," he says.

He first started raising three fingers in the air back in 1925. Troop 10 was just seven years old then, and its scoutmaster was Charles S. Crane, who was to become mayor of Honolulu between July 14, 1938, and Dec. 30, 1940.

"Kaimuki was really out in the sticks then," he recalled. "There were few houses and paved roads, the area was thick with kiawe trees, and the main link with downtown was with trolley cars."

Scoutmaster Crane had managed to obtain for Troop 10 an old unused water reservoir on Crater Road. By the time Miyamoto joined the troop, Crane and his scouts had started to build a clubhouse inside the reservoir.

From the beginning, Miyamoto took scouting seriously, and in 1932 he earned its highest honor: the Eagle Scout Award. As he grew older, he remained with the troop, and in the late 1930s he served under Crane as assistant scoutmaster.

The war came along, and the clubhouse inside the "Scout Bowl," as the reservoir has come to be known, fell victim to the big guns that had been installed in Diamond Head. Vibrations from the guns' practice firing caused the clubhouse roof to cave in.

Until the war broke out, Troop 10 met every Friday night, but the wartime blackouts forced the troop to hold its meetings every Sunday afternoon. Later, however, evening meetings were permitted, and Miyamoto arranged to purchase a used quonset hut from a surplus dealer named Frank Fasi.

The price was $600, and the building was placed next to the Scout Bowl. Since then, it has been replaced by a more modern building that serves not only Troop 10's scouts but also an Explorer post.

Crane retired as scoutmaster in 1945, and Miyamoto has led the troop since then. He is thus the longest-serving scoutmaster in the Islands and, some say, the nation.

Now 60, he still speaks of scouting with the eagerness of a youngster who has just earned his first merit badge, and he can count on one hand the number of Friday-night meetings he has missed because of illness since he has been with the troop, either as a scout or a leader.

He now lives in Manoa Valley, and for the last 36 years most of his nonscouting hours have been spent as the University of Hawaii's photographer.

What was Miyamoto like as a scout leader? According to some of his former scouts, he was consistent, even-tempered, and interested in the development of character in boys.

"He always wanted to teach us little things that might be of use to us in later life," says Chief Justice Richardson, "like photography, and carpentry and cooking. He never missed a meeting that I can recall; he was there every Friday night."

Richardson also remembers Miyamoto as Hawaii's champion water-boiler. "He could start a fire by friction, and get a pot of water boiling faster than anyone else in the Islands," Richardson recalls.

"It was an amazing thing to see; everybody knew he was the champ."

Walter Nunokawa, professor of educational psychology at the University of Hawaii, remembers Miyamoto as an exceptionally light sleeper—so light that Nunokawa and other boys couldn't play tricks on him during campouts.

"When I was in Troop 10, back in the late 1930s, Masao was assistant scoutmaster, and as such was fair game for little pranks at night, like painting up a guy's face with lipstick while he slept," Nunokawa recalls.

"But Masao—probably because he always felt extremely responsible for us boys—was a light sleeper. Every time we got near him he'd wake up.

"I remember him as being level-headed and patient. Scout leaders can sometimes get a little autocratic, but Masao was always very gentle and understanding. And to him scouting wasn't just fun, although we had a lot of that, too; scouting also meant service, and we did a lot of community things."

William Bains-Jordan—who was in the troop from 1930 to 1938, and is now vice president and manager of the Bank of Hawaii's Kailua branch—remembers Miyamoto for his "gung-ho" spirit and behind-the-scenes hard work.

"When Charlie Crane became mayor, he still tried to come to meetings, and although he retained the title of scoutmaster, Masao did almost all of the work. He kept things going."

Miyamoto, who was recently honored at a testimonial dinner and by separate resolutions passed in the House and Senate of the Legislature, says he likes scouting not only because "boys are fun" but also because of the bridge it often forms between adults and young people.

"Fathers and sons often don't have much of a basis for talking to each other at home, and scouting helps fill that gap. Kids need guidance, and I'm concerned that too many fathers 'don't have time' for their children.

"That's why I have always stressed the importance of parental involvement in the scouting movement. You'd be surprised how scouting brings people together."

SUMMARY OF PUBLIC WORKS LEGISLATION IN THE 1ST SESSION OF THE 93D CONGRESS

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. BLATNIK. Mr. Speaker, under leave to extend my remarks, I submit the following summary of public works legislation and various actions taken by the Committee on Public Works during the 1st session of the 93d Congress.

GENERAL STATEMENT

May I first express my deep appreciation for the efforts of the committee during a particularly long and difficult session. The majority and the minority have been extremely helpful and cooperative in the operations of the committee and in consideration of the legislation the committee handled this 1st session of the 93d Congress.

On February 2, 1973, the committee was formally organized into a structure consisting of six subcommittees:

Subcommittee on Water Resources;

Subcommittee on Transportation;

Subcommittee on Public Buildings and Grounds;

Subcommittee on Economic Development;

Subcommittee on Investigations and Review; and

Subcommittee on Energy.

The committee had 486 bills referred to it during the 1st session of the 93d Congress.

These dealt with a multitude of subjects covering many fields. Among these: amendments to the Public Works and Economic Development Act of 1965; extending the life of the Commission on Highway Beautification; establishing a national maximum speed limit of 55 miles per hour on public highways; the Federal-Aid Highway Act of 1973; amendments to the National Visitor Facilities Act of 1968; further appropriations for the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts; storage space for the U.S. Congress; authorizations for the construction of deepwater port facilities; amendments to the Federal Water Pollution Control Act to provide a formula for the allocation of sewage treatment facilities construction grant funds; the 1973 Flood Control Act.

The committee approved 24 projects, including construction authorizations and leases under the provisions of the Public Buildings Act of 1959, with 3 of the 24 to be financed under the purchase contract provisions of the Public Buildings Act Amendments of 1972.

In April of 1973, the Subcommittee on Energy visited the Tennessee Valley Authority to inspect the operations of the Authority, on the site, particularly as it related to energy matters under the jurisdiction of the subcommittee.

The Water Resources Subcommittee met on April 11 and again on December 12 for the purpose of receiving testimony from knowledgeable individuals and organizations concerned with the present problem of serious flooding on the Great Lakes and the resultant serious erosion. At these hearings, the subcommittee was open to all suggestions and ideas contributing both to immediate relief for property owners, and long-range control of the waters of the entire lake system.

SUBCOMMITTEE ON INVESTIGATIONS AND REVIEW

The subcommittee in 1973:

Held hearings on the safety hazard represented by narrow bridges and issued a formal report summarizing a 7-year inquiry into highway safety, particularly as it can be achieved in the driving environment itself. (Committee print 93–7), July 1973;

Followed developments in the sharply accelerated sewage treatment construction grants program, holding one hearing (June 1973) and scheduling a full series for early in 1974;

Analyzed such varied aspects of the water pollution program as the 1973 "needs" survey, management of program grants to the States, the issuance of permits to municipal and industrial dischargers, and guidelines issued by the Environmental Protection Agency in implementation of various provisions of the 1972 Act;

Probed various aspects of the postal and governmental buildings programs;

Studied urban transportation conditions nationwide and reported its findings in a 44-page document. (Committee print 93–6, April 1973);

Conducted field investigations of disaster relief programs carried out under the Disaster Relief Act of 1970 in California, Pennsylvania, and other States in the aftermath of various natural disasters;

Produced a 30-minute color film entitled "The American Highway," telling the story of the Nation's highway program with emphasis on safety, and made it available to Members, safety groups, and other interests; and

Reviewed the planning criteria for water resource/flood control projects, holding one hearing (February 1973) and contributing several memorandums.

BILLS AND RESOLUTIONS ENACTED INTO LAW

TO EXTEND THE LIFE OF THE COMMISSION ON HIGHWAY BEAUTIFICATION—PUBLIC LAW 93–6

The Commission on Highway Beautification, established by section 123 of the Federal-Aid Highway Act of 1970, was directed to study and make recommendations concerning implementation of the Highway Beautification Act of 1965 and to investigate methods of preserving and enhancing natural beauty along the Nation's highways.

Although the authorizing legislation provided that the Commission should make a final report not later than 1 year after it was funded, August 1971, for various reasons the Commission did not become fully operational until December 1971. Following its organization, the Commission held public hearings throughout the country, and amassed considerable data and information about highway beautification.

The Commission prepared an interim report recommending certain statutory amendments and requesting an extension of time to enable it to complete a number of other investigations. Because of limited time and budget, the Commission had not been able to devote sufficient attention to a number of important matters, such as funding of beautification programs, control of on-premise signs, and the need for improved landscaping and esthetic developments. Furthermore, many problems related to the control of outdoor advertising were not yet sufficiently defined because regulatory legislation had been enacted by many States only in the last few months and was just beginning to be enforced in all States. While the Commission had gathered extensive data in many other matters, such as State and local sign control programs, it needed more time to complete its studies and to prepare a comprehensive report.

Accordingly, the date for the final report of the Commission on Highway Beautification was extended until December 31, 1973, and an additional $250,000 was authorized for support of its activities.

1973 AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965—PUBLIC LAW 93–46

The authorizations of the Public Works and Economic Development Act were extended for an additional year through fiscal year 1974. This legislation provides Federal assistance in cooperation with State and local government to economically distressed areas and regions suffering from high unemployment and underemployment, to enable these areas and regions to help themselves develop new employment for lasting economic improvement to their area. The act emphasizes long-range planning for economic growth and provides technical assistance, public facility grants and loans, business loans and guarantees, and other assistance as tools to implement the plans for economic growth.

The President's budget for 1974 had provided for the termination of the Economic Development Administration as of June 30, 1973. Twenty million dollars was recommended in the budget to administer the phaseout and termination. Other proposals such as rural development, better communities, responsive governments, and special revenue sharing, recommended to the Congress by the President, were to replace the need for the existing EDA programs. The Congress disagreed with the proposed termination.

The committee therefore concentrated its efforts on continuing the existing economic development act by reporting out a simple 1-year extension bill (H.R. 2246) on March 9, 1973. This bill continued existing authorized amounts and provided a total of $1,222.5 million for fiscal year 1974. It was passed by the House without amendment by a vote of 278–108 on March 15. The Senate passed this extension on May 8, but substantially reduced the funds authorized to a total of $362.5 million. The conferees agreed to a new total of $430 million. The conference report passed the House on June 8 by a vote of 276 to 2.

A section-by-section analysis of the bill as enacted into law follows:

SECTION-BY-SECTION ANALYSIS

Section 1—Amends Title I (Public Facility Grants and Supplemental Grants) by amending section 105 of the Act to authorize $200 million for fiscal year ending June 30, 1974 to carry out title.

Section 2—Amends Title II (Public Facility Loans and Financial Assistance for Business Development) by amending section 201(c) to authorize $55 million for fiscal year ending June 30, 1974 to carry out title.

Section 3—Amends Title III (Technical Assistance, Research, and Information:

(a) Amends section 301(b) to permit the Secretary to pay up to 100% administrative expenses of an Indian tribe.

(b) Amends section 302 to authorize $35 million for fiscal year ending June 30, 1974 to carry out title.

Section 4—Amends Title IV (Area and District Eligibility) by amending section 403 (g) to authorize $45 million for fiscal year ending June 30, 1974 to carry out title.

Section 5—Amends Title V (Regional Action Planning Commissions) by amending section 509(d) to authorize $95 million for fiscal year ending June 30, 1974 to carry out title.

Section 6—Amends section 2 of the Act of July 6, 1970 (P.L. 90–304) to reinstate a moratorium on de-designation of "redevelopment areas" to June 30, 1974.

Section 7—Requires a report to Congress within 30 days after enactment from the "Inter-Agency Economic Adjustment Committee" listing details of utilizing unused defense property and other efforts to assist each community with plans for its economic development.

Section 8—Requires the President to instruct the Secretary of Commerce and the Office of Management and Budget to examine past and current Federal efforts to secure balanced national economic development and to submit proposal to Congress within six months for re-structuring Federal economic programs into coordinated plan for assistance.

FEDERAL-AID HIGHWAY ACT OF 1973—PUBLIC LAW 93-87

GENERAL

The Federal-Aid Highway Act of 1973 was reported out of the Committee on April 10, 1973 and was passed by the House on April 19, 1973. Conference agreement was reached with the Senate on July 27, 1973. The conference report was passed by the Senate on August 1, 1973—yeas 91, nays 5—and by the House on August 3, 1973—yeas 382, nays 34—culminating over 3,000 legislative mandays devoted to the highway bill over a 2-year period. The bill was signed into law on August 13, 1973.

HEARINGS

The Subcommittee on Transportation conducted 8 days of hearings in 1973 on all aspects of the Federal-Aid highway program and related activities. A total of 98 witnesses expounding a wide range of divergent views were heard, and more than 124 other statements and supporting material were filed with the subcommittee.

Hearings on highway safety were held on March 1, 6, and 7, 1973, followed by hearings on March 19, 20, 21, 22, and 23, 1973, on the Federal-Aid highway program, mass transit, related activities.

The intent of the hearings was to receive any information which would be of assistance in developing policies and legislation to meet the Nation's transportation needs. Much of the testimony received dealt with the problems of death, injuries and economic waste resulting from accidents on the Nation's highways. A considerable portion of the testimony also dealt with urban transportation problems and proposals for their solution. There was excellent testimony from a number of witnesses on the magnitude of the Nation's highway needs and the necessity for maintaining a viable national highway program. Overall, the hearings provided a basis for evaluating the existing law and developing committee legislation.

SUMMARY OF MAJOR PROVISIONS

INTERSTATE HIGHWAY SYSTEM

Funding authority for continued construction of the 42,500-mile system with allocations from the highway trust fund to be made as follows:

For fiscal year 1974 $2.6 billion, $3.0 billion for each of fiscal years 1975 and 1976, and $3.25 billion annually for 1977 through 1979, of which $12 billion is authorized in existing law.

The 1974 authorization includes an interim authorization approved by Congress at the end of June to enable continuation of the Interstate program while the House-Senate conferees were still negotiating their agreement.

Authorizations for 1974, 1975, and 1976 had been set in the 1970 Highway Act at $4 billion annually.

Over 35,000 miles, 83 percent of the Interstate System, is now open to traffic. On completion of the remaining mileage, the Interstate System will have cost an estimated $76.3 billion based on present estimates.

The deadline for States to schedule the construction of their remaining interstate segments is extended in the Conference agreement from July 1, 1973, to July 1, 1974.

URBAN MASS TRANSIT

Authority for $3 billion in contract authority for Federal grants for capital investment in mass transit facilities to be financed from the Federal Government's general revenues. The conference agreement sets no time limit for distribution of the grants.

This $3 billion authorization is in addition to $3.1 billion already authorized for such grants under the Urban Mass Transportation Act.

NONINTERSTATE FEDERAL-AID HIGHWAYS—URBAN AREAS

For extension of primary and secondary highways in urban areas—the so-called C system—$290 million for fiscal year 1974, and $300 million each for 1975 and 1976. The 1974 authorization includes an interim authorization approved by Congress at the end of June 1973.

For the urban highway system, such as arterial highways within an urban area—the so-called D system—$780 million for fiscal year 1974, and $800 million each for 1975 and 1976.

The urban total comes from the highway trust fund.

Beginning in fiscal year 1975, urbanized areas and certain other smaller urban areas as designated by the State highway department have the option of using their "urban system" allocations from the highway trust fund for either roads or passenger bus purchases, up to a total of $200 million. Beginning in fiscal year 1976, they may use all or any part of those allocations for buses, fixed rail transit systems, or highways. No trust funds may be used for mass transit operating subsidies.

The same option authorized for 1976 is available during fiscal year 1974, except that any such mass transit grants come out of the general revenue instead of the highway trust fund.

NONINTERSTATE FEDERAL-AID HIGHWAYS—RURAL AREAS

For primary road systems in rural areas—the A system—$680 million for fiscal year 1974, and $700 million each for 1975 and 1976.

For secondary road systems in rural areas—the B system—$390 million for fiscal year 1974, and $400 million each for 1975 and 1976.

The A and B rural road authorizations for fiscal year 1974 include interim authorizations approved by Congress at the end of June 1973.

The rural funds come from the highway trust fund.

PRIORITY PRIMARY SYSTEM

For fiscal year 1974 $100 million, $200 million for 1975, and $300 million for 1976, to be taken from the highway trust fund for improvement of heavily travelled sections of Federal-aid primary highways which connect to the Interstate System in both rural and urban areas.

These priority roads would be built to the highest standards required for the traffic they would handle, but need not be built to interstate standards. They could be two- or four-lane roads, or high-capacity city streets which could be upgraded or redesigned as an alternative to the construction of new freeways.

TRANSFERABILITY

The act permits a State to give up a planned segment of interstate highway in one section of the State and use that allocation from the trust fund for interstate mileage in another part of the State. Alternatively, the Secretary of Transportation may determine that the unused allocation may be transferred to another State or States where there is a more pressing need. An additional 300 miles of interstate construction would be authorized for the purpose of making these transfers.

The act provides for 40-percent transferability of funds between the Federal-Aid rural primary and secondary highway systems and 40-percent transferability between urban extensions of the primary and secondary systems and the urban system.

Urbanized areas would be permitted to "trade" their allocations for "controversial" interstate segments for an equal dollar amount of mass transit grants from the general revenues. The grants could be used to build rail lines or to buy rolling stock for any mode of public transportation. The money originally earmarked for the "traded" highway projects would remain in the highway trust fund for highway purposes.

GREAT RIVER ROAD

A total of $60 million for the 3 fiscal years through 1976 is authorized from the highway trust fund, to be allocated among the 10 States bordering the Mississippi River, for construction and reconstruction of a scenic highway along the Mississippi from the Gulf of Mexico to Lake Itasca in Minnesota. The 2,000 miles of its length utilizes both Federal-aid highways, highways on Federal lands and State highways where appropriate.

An additional $10 million for each of those three fiscal years is authorized from general revenues, for construction and reconstruction of roads not on a Federal-aid highway system.

HIGHWAY PUBLIC TRANSPORTATION

Highway funds for the A, B, C, D, and Interstate System may be used for exclusive or preferential bus lanes, fringe, and corridor parking areas, and other facilities to assist public mass transportation.

Additionally, publicly owned transportation authorities may use, without charge, any portion of a Federal-aid highway right-of-way where sufficient land is available to accommodate needed rail or nonhighway public transit facilities.

SPECIAL URBAN HIGH DENSITY TRAFFIC PROGRAM

Authorization of $150 million, out of the highway trust fund, for the 3 years ending June 30, 1976, for construction of short segments of highway connected to the Interstate System in urban areas with high traffic density. These segments can be no longer than 10 miles and must serve the urgent needs of commercial, industrial, airport, or national defense installations. No more than one such route may be built in any one State.

ECONOMIC GROWTH DEVELOPMENT HIGHWAYS

Authorizations of $225 million for the 3 years ending June 30, 1976, for highway construction to serve new "economic growth centers" in rural and semirural areas of the country. These centers, limited to areas with no more than 100,000 population, would be designated by the State Governors, subject to approval by the Secretary of Transportation. The objective of this provision is to encourage development of industries and economic opportunity in areas that have been losing population to the big metropolitan centers and, where possible, to reverse that trend.

HIGHWAY SAFETY

An authorization of $657.5 million for 3 years ending June 30, 1976, to carry out sections 402, 403, and 307(a) safety programs administered by the Federal Highway Administration and the National Highway Traffic Safety Administration. That includes $192.5 million for safety research, and comes out of the highway trust fund; $175 million out of the highway trust fund for the 3 years ending June 30, 1976, to survey and eliminate rail-highway crossings on the Federal-aid system; $175 million out of the highway trust fund for the 3 years ending June 30, 1976, for highway bridge reconstruction and replacement on the Federal-aid system; $175 million out of the highway trust fund for the 3 years ending June 30, 1976, for pavement-marking demonstrations in the various States.

In carrying out these demonstrations, priority would be given to two-lane rural roads, both on and off the Federal-aid system, where two-thirds of the Nation's vehicular fatalities presently occur. Funds not used by a State for pavement-marking demonstrations may be used to eliminate or reduce hazards on high-accident-rate sections of highway.

For spot improvement of hazardous sections of the Federal-aid highway system, $200 million out of the highway trust fund for the 3 years ending June 30, 1976.

For the elimination of road-side obstacles on the Federal-aid system, $175 million out of the highway trust fund for the 3 years ending June 30, 1976.

For a Safer Roads Demonstration Program to bring about safety improvements on roads that are not included in the Federal-aid system, $250 million out of the highway trust fund for the years ending June 30, 1976.

For implementation purposes, this program would be tied directly to the categorical grant safety programs previously enumerated—rail-highway crossings, spot improvements, roadside obstacle removal, bridge reconstruction and replacement, and pavement marking.

The safety section of the conference agreement also authorizes research and studies of the relationship of drug use and driver behavior on highway safety, highway safety education, pedestrian safety and other problems.

The agreement also contains provisions to permit the States to use their Federal-aid funds for bicycle trails and to make planning funds available to local transportation agencies.

AMENDING THE FLOOD CONTROL ACT OF 1968 REGARDING COLLECTION OF SPECIAL RECREATION USE FEES—PUBLIC LAW 93–81

To amend certain provisions of the Land and Water Conservation Fund Act of 1965 relating to the collection of fees in connection with the use of Federal areas for outdoor recreation purposes—Public Law 93–81.

This act amends section 4(b) of the Land and Water Conservation Fund Act of 1965, as amended, to provide for the collection of special recreation use fees for the use of sites, facilities, equipment, or services furnished at Federal expense. The bill prohibits a charge for the use of facilities or areas which virtually all visitors might reasonably be expected to utilize. Also, no fee may be charged for use or access to any campground not having the following—flush restrooms, showers reasonably available, access and circulatory roads, sanitary disposal stations reasonably available, visitor protection control, designated tent or trailer spaces, refuse containers and potable water. This law was enacted in order to stop the practice of Federal agencies of charging daily user fees for minimal and primitive recreational facilities. This law makes it unmistakably clear that the collection of such fees must be restricted to highly developed facilities.

RICHARD B. RUSSELL DAM AND LAKE—PUBLIC LAW 93–139

This act provides that the project referred to as the Trotters Shoals Dam and Lake on the Savannah River, Georgia and South Carolina, shall hereafter be known and designated as the "Richard B. Russell Dam and Lake" in honor of the late Richard B. Russell, the distinguished Senator from Georgia and ranking Member of the Senate at the time of his death in 1971.

B. EVERETT JORDAN DAM AND LAKE—PUBLIC LAW 93–141

This act provides that the New Hope Dam and Lake on the Haw River, N.C., a part of the project of the Cape Fear River Basin, N.C., authorized by the act approved December 30, 1963— Public Law 88–253—shall hereafter be known as the B. Everett Jordan Dam and Lake, in honor of B. Everett Jordan, a distinguished former Senator from North Carolina and former chairman of the Subcommittee on Flood Control-Rivers and Harbors, Senate Committee on Public Works.

WRIGHT PATMAN DAM AND LAKE—PUBLIC LAW 93–186

This act provides that the Texarkana Dam and Lake, Sulphur River, Tex., authorized by the Flood Control Act approved July 24, 1946, shall hereafter be known as the Wright Patman Dam and Lake in honor of Representative WRIGHT PATMAN for his many years of outstanding service to Texas and to the Nation.

JAMES G. FULTON FLOOD PROTECTION PROJECT—PUBLIC LAW 93–231

This legislation names that portion of the Flood Control Project on Chartiers Creek within Allegheny County, Pa., the "James G. Fulton Flood Protection Project" in honor of the late James G. Fulton, the distinguished Congressman from Pittsburgh and ranking minority member of the House Science and Astronautics Committee at the time of his death.

H. V. EASTMAN LAKE—PUBLIC LAW 93–217

This act names the lake to be created by the Buchanan Dam on the Chowchilla River, Calif., the "H. V. Eastman Lake" in honor of the late Harold V. Eastman, an outstanding leader in the development of water resources in the State of California and secretary manager of the Chowchilla Water District at the time of his death.

TO AMEND THE FEDERAL WATER POLLUTION CONTROL ACT, AS AMENDED—PUBLIC LAW 93–207

This legislation provides for a 1-year extension of the pilot operator training program for waste water treatment plants, set up under section 104(g)(1) of the Federal Water Pollution Control Act which would have expired July 1, 1973. In addition, three provisions are made amending section 206: the deadline for filing reimbursement applications is extended from October 28, 1973, to January 31, 1974; the authorization for reimbursement of 50 percent of project costs for sewage treatment plants on which construction was initiated between June 30, 1966, and July 1, 1972, is increased from $2 billion to $2.6 billion; and the Administrator of the Environmental Protection Agency is authorized to make interim payments to projects for which an application has been approved on the basis of estimates of maximum pro rata entitlement of all applicants under subsection 206(a). These provisions will permit the full implementation of section 206 and assure that all eligible applicants will in time receive the full amount of reimbursement to which they are entitled while preventing undue disruption in community plans and while facilitating an orderly cash flow by the U.S. Government.

ENVIRONMENTAL PROTECTION AGENCY "NEEDS" STUDY—PUBLIC LAW 93–243

On October 30 and 31 and November 7, the Water Resources Subcommittee held hearings on the "1973 'Needs' Study" on the Costs of Construction of publicly owned wastewater treatment works. This study was prepared by EPA and submitted to the Congress in compliance with the Federal Water Pollution Control Act Amendments of 1972. The survey was designed so that the results could be used by Congress to allocate among the States the funds authorized for municipal treatment works after fiscal year 1974 as required by the Federal Water Pollution Control Act Amendments.

Witnesses included Russell Train, Administrator of the Environmental Protection Agency and representatives of several States and local communities. These hearings provided a base for Public Law 93-243.

This act amends the Federal Water Pollution Control Act, as amended, to provide a formula for the allocation of sewage treatment facility construction grant funds authorized for fiscal year 1975. The bill requires the Environmental Protection Agency to conduct a new survey of the needs for publicly owned treatment works before fiscal year 1976 construction grant funds are allocated. And, one provision of the bill clarifies the intent of Congress in the 1972 amendment to the Federal Water Pollution Control Act—Public Law 92-500—to specifically approve the practice of phased funding of large waste treatment works.

EMERGENCY NATIONAL MAXIMUM HIGHWAY SPEED ACT—PUBLIC LAW 93-239

To conserve fuel during periods of current and imminent fuel shortages, the act establishes a national maximum speed limit of 55 miles per hour on public highways. Four-lane or wider divided highways which had speed limits in excess of 55 miles per hour on November 1, would have to be set at, but not lower than, 55 miles per hour. This uniform speed would be applicable to all motor vehicles: cars, buses, and trucks, however, if such four-lane or wider divided highways had speed limits less than 55 miles per hour for certain classes of vehicles, such speed limits need not be increased merely for the purpose of achieving uniformity. Lower speeds could be set, under State permit provisions, for specialized heavy vehicles, and under temporary, hazardous road conditions.

To achieve uniformity of speeds to the degree practicable, any other public highway which had uniform speed limits on November 1, 1973, must remain uniform even though changed to comply with this act.

Sign changes required under the act may be paid from the States share of highway funds.

The act avoids the constitutional problems of enforcing a Federal speed limit by authorizing the Secretary of Transportation to withhold approval of highway projects within any State which is not in compliance with the act. States would thus have to utilize their own speed-setting procedures in order to continue to receive Federal highway funds, and would be responsible for enforcement.

This section of the act would terminate on June 30, 1975, unless the President decides it is no longer required before this date.

A car pool incentive demonstration program for 1 year is included in the act, with a study and report of its effectiveness due within 1 year. If the program proves effective, it can be extended at a future date.

The act also includes a provision for the extension of a December 29, deadline for the installation of "emergency locator transmitters" in certain aircraft.

INTERIM APPORTIONMENT OF INTERSTATE AND OTHER HIGHWAY FUNDS—PUBLIC LAW 93-61

Due to controversy surrounding some aspects of proposed changes in highway legislation, Congress was unable to pass a highway bill during calendar year 1972 and early 1973. Although the conference committee had begun to make significant progress by June 1979 in reconciling the differences between the Senate and House bills, final agreement was not likely to be reached within the next few weeks. Many States were being confronted with a shortage of funds for obligation during this critical period. Consequently, an interim highway bill was enacted while the conference committee continued its work on the comprehensive bill.

The interim act directed the Secretary of Transportation to apportion $1 billion of funds authorized to be expended out of the highway trust fund for the Interstate Highway System and approved the 1972 cost estimate, containing apportionment factors for the several States.

In addition, the act authorized $500 million out of the highway trust fund for the Federal-aid primary and secondary systems and for extensions of those systems in urban areas.

The comprehensive highway bill which passed into law August 13, 1973, required an adjustment in apportionments to conform the interim authorizations to the new law. This action, in effect, rendered the interim act inoperative.

NATIONAL VISITOR CENTER FACILITIES ACT OF 1968—PUBLIC LAW 93-62

The act amends the National Visitor Center Facilities Act to authorize the appropriation of $8,680,000 for construction necessary to complete the alteration and renovation of Union Station as a National Visitor Center, and to direct that the Secretary of the Interior provide interpretive transportation services in or between the National Visitor Center, the Capitol Grounds, the Mall, the Ellipse, John F. Kennedy Center for the Performing Arts, East and West Potomac Park, and such other visitor facilities as may be established pursuant to the National Visitor Center Facilities Act.

AUTHORIZING FURTHER APPROPRIATIONS TO THE SECRETARY OF INTERIOR FOR SERVICES NECESSARY TO THE NONPERFORMING ARTS FUNCTIONS OF THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS—PUBLIC LAW 93-67

The act amends the John F. Kennedy Center Act (72 Stat. 1968) to authorize appropriations to the Secretary of the Interior for maintenance, security, information, interpretation, janitorial, and all other nonperforming acts functions at the Center for an additional 2 fiscal years. The act authorizes an appropriation of $2.4 million for fiscal year 1974 and $2.5 million for fiscal year 1975, enabling the Congress to exercise continuing legislative review.

AMEND SECTION 8 OF THE PUBLIC BUILDINGS ACT OF 1959—PUBLIC LAW 93-72

The act authorizes the District of Columbia Armory Board to borrow $1.5 million to increase the seating capacity of the Robert F. Kennedy Memorial Stadium by up to 8,000 seats. It further mandates that in the case of revenue from professional football, 50 percent of the revenue attributable to the additional seats shall be used solely for the purpose of repaying the sums borrowed for the seats; 44 percent of such revenues shall be paid to the team operating under the trade name of the Washington Redskins, or its successors; and 6 percent of such revenues shall be subject to the provisions of section 6 of the District of Columbia Stadium Act of 1957. Upon completion of the repayment of any loan for the building and installation of the seats the previous contractual arrangements between the parties shall apply until their normal expiration date.

Furthermore, no part of any revenues derived from these seats shall be paid to the National Football League or to any visiting team within the League until all sums borrowed for the additional seats have been repaid.

INTERNATIONAL CENTER FOR FOREIGN CHANCERIES—PUBLIC LAW 93-40

The act amends section 6 of the International Center Act (Public Law 90-553) in order to carry out the purposes of that act by providing authority for an appropriation not to exceed $2.2 million, to allow the Secretary of State and the General Services Administration to initiate site development of the Center. The remaining site development costs would be provided through sale of property at the Center to foreign governments; such sales would also provide funds to reimburse the Treasury for all funds expended from the appropriation authorized in this act.

SECURING STORAGE SPACE FOR THE U.S. CONGRESS—PUBLIC LAW 93-180

The act provides that, notwithstanding any other provision of law, the Architect of the Capitol, with the approval of the House Office Building Commission and Senate Committee on Rules and Administration, be authorized to secure, through rental, lease, or other appropriate agreement, storage space in areas within the District of Columbia and its environs beyond the boundaries of the U.S. Capitol Grounds for use of the U.S. Senate, the U.S. House of Representatives, and the Office of the Architect of the Capitol, under such terms and conditions as such Commission and committee may authorize, and to incur any necessary incidental expenses in connection therewith. Any expenditures required to implement the provisions of this act will be paid from the appropriation "Contingent expenses, Architect of the Capitol" any and funds appropriated under that head would thereafter be available for such purpose.

JOHN WESLEY POWELL FEDERAL BUILDING—PUBLIC LAW 93-183

The act names the headquarters building in the Geological Survey National Center under construction in Reston, Va., the "John Wesley Powell Federal Building."

John Wesley Powell was a soldier, scientist, explorer and has left his mark on agencies and legislation for the development and conservation of the natural resources of the world. Partly as a result of his activities and interests, the U.S. Geological Survey was established within the Interior Department, by legislation in 1879, and from 1881 through 1894 Major Powell was Director of that agency.

EARLE CABELL FEDERAL BUILDING—PUBLIC LAW 93-187

The act names the Federal office building at 1100 Commerce Street, Dallas, Tex., the "Earle Cabell Federal Building."

Earle Cabell served in the House of Representatives for 8 years. During his years in Congress, he served on the Committee on Science and Astronautics and the Committee on the District of Columbia. He served with great distinction and enjoyed the respect and affection of his colleagues and constituents.

HALE BOGGS FEDERAL BUILDING—PUBLIC LAW 93-215

Section 1 of the Act names the U.S. courthouse and Federal office building under construction in New Orleans, La., the "Hale Boggs Federal Building."

The purpose of sections 2 and 3 are to make corrective amendments. Section 21 of the Dwight D. Eisenhower Memorial Bicentennial Civic Center Act (Public Law 92-520) inadvertently designated the wrong address of the building which was intended to be named in honor of the late Senator Mundt. Section 2 amends the act so as to correctly designate the Earth Resources Observation Systems Data Center facility in Minnehaha County as the "Karl E. Mundt Federal Building."

Section 11 of the Dwight D. Eisenhower Memorial Bicentennial Civic Center Act (Public Law 92-520) named the jet propulsion laboratory in Pasadena, Calif., as the "H. Allen Smith Jet Propulsion Laboratory." Subsequent to the action of this committee, Representative Smith advised the committee he preferred the laboratory not be named after him. Accordingly, the effect of section 3 is to nullify the action taken in section 11 of the Dwight D. Eisenhower Civic Center Act (Public Law 92-520).

Hale Boggs served in the House of Representatives for 28 years until his tragic disappearance. His years in Congress were marked by qualities of determination and leadership. He was deputy Democratic whip in the House from 1957 to 1961. Democratic whip from 1962 to 1970, and House majority leader from 1971 until his disappearance. He served with distinction as a member of the House Ways and Means Committee, Committee on Elections, Subcommittee on Highway Financing, Joint Economic Committee, Subcommittee on Foreign Trade Policy, and the Joint Committee on Internal Revenue Taxation.

Devotion, love of country, and loyalty are just some of the remarkable standards that he adhered to throughout his lifetime of public service.

U.S. CAPITOL HISTORICAL SOCIETY STUDY—PUBLIC LAW 93-226

The act provides for a feasibility study for a sound and light performance system on the east front of our National Capitol.

The act also allows the United States, through the Capitol Buildings, Architect of the Capitol account, to accept gifts from the Historical Society.

Section 2 provides that the Architect of the Capitol review the study and submit it, along with his recommendations, to the Speaker, the majority and minority leaders of the House, and the U.S. Senate Commission on Art and Antiquities. If these House and Senate officials approve of the Architect's report, the Architect can then accept a gift of such sum or sums necessary to implement the project.

Section 3 allows the Architect, under the direction of the House leaders and Senate commissions to make expenditures in carrying out the review of such report.

Section 4 authorizes the Architect to expend any money left over from the gifts by the Historical Society to implement the project to defray the operation expenses of the sound and light show.

LYNDON BAINES JOHNSON MEMORIAL GROVE—PUBLIC LAW 93-211

The act authorizes the Secretary of the Interior to cooperate with two nonprofit associations—the Committee for a Lyndon Baines Johnson Memorial Grove on the Potomac, and the Society for a more Beautiful National Capital, Inc.—in developing a memorial to honor Lyndon Baines Johnson, the 36th President of the United States.

The memorial would be in the form of a living grove of trees and related facilities located in Lady Bird Johnson Park adjacent to the Potomac River here in the District of Columbia. The design of the grove would be subject to the approval of the National Capital Planning Commission, the Commission of Fine Arts, and the Secretary of the Interior.

The act provides the Secretary of the Interior opportunity to approve the design of the grove, and gives the organizations a period of 10 years in which to raise the necessary funds. The act clarifies the intent that the memorial will be developed at no expense to the United States.

BILL APPROVED BY THE HOUSE AND AMENDED BY THE SENATE WHICH RECEIVED NO ACTION

H.R. 11565, a bill to insure that certain buildings financed with Federal funds utilize the best practicable technology for the conservation and use of energy, was reported on November 29, 1973. On December 3, 1973, the House passed the bill and it now awaits action by the Senate. A hearing on this bill had been held November 27, 1973.

Approximately 450,000 buildings owned or leased by the United States exist today. These buildings range in size from small agricultural stations to imposing high rise buildings. Very little attention has been paid in the past to achieving building construction based on sound design incorporating the best practicable technology to assure efficient utilization and conservation of energy. Accordingly, the Administrator of the General Services Administration is authorized to develop design criteria to serve as the basis of design of buildings to assure that the best practicable use and conservation of energy is taken into account.

Architectural features and site orientation as well as insulation and elimination of excessive fenestration would be considered in the development of this criteria. The energy expended in the manufacture and transportation of building materials would be considered in the selection of materials of construction for a building at any given site. New techniques for energy supply, generation and transmission would also be studied.

The committee confined itself at this time to the development of legislation relevant to buildings under the control and custody of the General Services Administration. The number of buildings covered by this legislation is approximately 10,000; that is about one forty-fifth of the buildings owned or controlled by the United States.

The bill distinguishes between "new buildings" and "existing buildings". In both cases, buildings owned by the United States or where more than 66 percent of the net assignable area is leased by the United States are considered. A "new building" is a building that is to be constructed or altered by or on behalf of the United States or is to be leased by the United States after the date of enactment, while an "existing building" is a similar building owned or leased on or before the date of enactment of this act.

The Administrator of the General Services Administration is directed to develop design criteria for new buildings which shall be incorporated into the plans or specifications for new buildings to be under their custody or control. He is required to consider, among other items in the development of design criteria, architectural features and site orientation to make the most efficient use of sunlight and other material phenomena, insultation and elimination of excessive fenestration, energy expended in the manufacture and transportation of building materials, and many techniques of energy supply, generation, and transmission. It is not intended that criteria be used to justify the location of a building in one region as opposed to another. The determination of the location of a necessary Federal building would be based upon existing law which remains unchanged.

Once developed, the criteria would be incorporated into plans or specifications for "new buildings" to be constructed or altered or specifications for "new buildings" to be leased.

The most immediate energy conservation impact of the bill is section 3 requiring the Administrator to inventory and examine existing buildings under his custody or control in order to determine the improvements that can be made to insure that these buildings are energy efficient.

The Administrator of the General Services Administration is directed to report back his findings to Congress no later than January 1, 1975. Moreover, the Administrator of General Services Administration is directed to report to Congress not later than January 1, 1975, the results of his activities in developing design criteria. Your committee anticipates that this design criteria will be of use not only to the General Services Administration but to all agencies and others with the responsibility for construction and maintenance of buildings.

BILLS APPROVED BY THE HOUSE BUT NOT ACTED UPON BY THE SENATE

H.R. 10203

Authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes—H.R. 10203:

H.R. 10203 is a water resources development project authorization and basin monetary authorization bill. Title I of the bill includes water resources development project authorizations similar to those found in the River and Harbor and Flood Control Acts which have been passed in recent years. The new title—Water Resources Development Act of 1973—reflects a reorganization of the committee in which the Rivers and Harbors and Flood Control Subcommittees were combined into one Water Resources Subcommittee. It also removes an unnecessary distinction between flood control and navigation projects. Both are truly water resources development projects.

A total of 20 projects is contained in sections 1, 2, and 3 of title I of this bill, with a Federal cost of $27,354,000. The projects are located in 15 States and cover all types of works under the jurisdiction of the committee and within the province of the Corps of Engineers.

Other provisions in title I include modifications to existing projects and general laws.

1973 FLOOD CONTROL ACT

The Water Resources Subcommittee held hearings on May 17, 22, 23, and on June 5, 6, 7, 12, 13, 14, 19, 20, and 21 on proposed rivers and harbors and flood control projects of the U.S. Army Corps of Engineers. During the course of the hearings, testimony was heard from representatives of the Corps of Engineers, Members of Congress, and concerned groups and individuals. These hearings provided a base for the Water Resources Act of 1973 which passed the House on October 12 and is awaiting action by the Senate.

A section-by-section analysis of title I, as passed by the House, is as follows:

SECTION-BY-SECTION ANALYSIS

Section 1—This section establishes a new procedure for authorization of major water resources development projects of the Corps of Engineers. Subsection (a) would authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake the Phase I design memorandum stage of advanced engineering and design of major water resources development projects substantially in accordance with, and subject to conditions recommended by the Chief of Engineers in the reports designated in section 1. Subsection (b) would authorize the Secretary of the Army to undertake advanced engineering and design for the projects in Subsection (a) after completion of the Phase I design memorandum stage of such projects only upon a finding by the Chief of Engineers, transmitted to the Committees on Public Works of the Senate and House of Representatives, that the project is without substantial controversy, that it is substantially in accordance with and subject to the conditions recommended by the Chief of Engineers or the Secretary of the Army, as appropriate, in the designated reports, and that the advanced engineering and design will be compatible with any project modifications which may be under consideration. There is authorized to be appropriated for subsection (b) an amount not to exceed $5,000,000, and such funds may not be used for land acquisition or construction.

The Committee has adopted this change in procedure in recognition of its growing concern over the major changes that often take place in water resources development projects between the time a project is first proposed for authorization and the time detailed plans are prepared for construction. While the Committee recognizes the need to refine plans to make them responsive to changing public attitudes and needs that develop during the post-authorization planning period and which are responsive to newly enacted legislation and policy changes, it is noted that the changes incorporated in the project plans are often of such magnitude that the scope of the project is materially changed or that alternative solutions may prove to be more acceptable in the overall public interest. Under these circumstances, the Committee has adopted the procedure prescribed in section 1 which would give the Congress the opportunity to reaffirm or modify its previous authorization in keeping with the new information that becomes available.

A table of the projects in section 1 follows. Those projects are authorized for accomplishments of the Phase I design memorandum stage of advanced engineering and design only. The table lists the projects, project document numbers, and estimated Federal costs.

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Project	H. Doc. No.	Federal cost
Virginia Beach, Va	92-365	$954,000
Buena Vista, Va	93-56	665,000
Camp Ground Lake, Ky	92-374	330,000
Bowie Creek, Miss	92-359	390,000
Pearl River, Miss	92-282	310,000
Zumbro River, Rochester, Minn	93-156	150,000
Greenville Harbor, Miss., Sen. Doc	93-38	200,000
Warren to Wilkinson Counties, Miss	93-148	150,000
Bushley Bayou, La	93-157	300,000
Roaring River Reservoir, N.C		400,000
Curry Creek Reservoir, Ga		400,000
Dalton Reservoir, Ga		440,000
Blanco River, Tex	92-364	177,000
Arkansas River, Colo	93-143	1,140,000
Center Creek, Miss	92-361	150,000
Libby Reregulating Dam, Mont	93-29	10,000

Section 2—A list of the projects in section 2 follows. These projects are authorized for construction in their full amounts rather than for the Phase I design memorandum stage only because the proposed works are either largely non-structural or do not entail major structural measures and do not require significant time and costs for advanced engineering and design prior to initiating construction. The table lists the projects, project document numbers, and total estimated Federal construction costs.

Project:	*Federal cost*
Tamaqua, Pa	$2,355,000
Charles River, Mass	7,340,000
Prairie du Chien, Wis	1,840,000

Section 3—This section authorizes a modification of the authorized project for the Obion and Forked Deer Rivers to provide for the acquisition and development of lands for fish and wildlife purposes.

Section 4—This section authorizes a beach erosion control project on Ediz Hook at Port Angeles, Wash. The authorization includes such emergency interim measures as may be necessary to prevent the breaching of Ediz Hook prior to construction of the project.

Section 5—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to remove the sunken Steamer Glen from Manistee Harbor, Michigan.

The removal by the United States of wrecks in navigable waters is governed by Sections 19 and 20 of the Rivers and Harbors Act of March 3, 1899. The removal of a wreck by the Federal Government is predicated on its being an obstruction to navigation.

The wreck is obstructive to navigation, but present plans of the Department of the Army do not call for its removal in the near future. The purpose of section 5 is to secure the removal of the wreck as soon as possible, through the granting of specific authority, so that an existing hazard to navigation may be eliminated.

Section 6—This section provides the costs of operation and maintenance of the general navigation features of small boat harbor projects shall be borne by the United States. The long standing policy has been that the Federal Government assume these costs. Since 1970, however, small boat harbor projects submitted to the Congress for authorization, or undertaken by the Secretary of the Army, have provided for maintenance by non-Federal interests. Section 6 would restore the long standing policy as a matter of law.

Section 7—Section 116 of the River and Harbor Act of 1970 authorized the Secretary of the Army, acting through the Chief of Engineers, to undertake measures to clear the channel of the North Branch of the Chicago River, Illinois, of fallen trees, roots, and other debris and objects which contribute to flooding, unsightliness, and pollution of the river. Section 7 amends that authority to provide for continued maintenance of the channel by the Secretary of the Army.

Section 8—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to operate and maintain the San Francisco Bay-Delta Model in Sausalito, California, for the purpose of testing proposals affecting the environmental quality of the region including, but not limited to, salinity intrusion, dispersion of pollutants, water quality, improvements for navigation, dredging, bay fill, physical structures, and other shoreline changes which might affect the regimen of the bay-delta waters.

Section 9—This section provides that at any water resources development project under the jurisdiction of the Secretary of the Army, where non-Federal interests are required to hold and save the United States free from damages due to the construction, operation, and maintenance of the project, such requirement shall not include damages due to the fault or negligence of the United States or its contractors. The assurance was never intended to provide insurance to the United States against its own fault or negligence or that of its contractors, and section 9 clarifies the assurance's meaning.

Section 10—This section modifies the McClellan-Kerr Arkansas River Navigation System to include alteration at Federal expense of the municipal water supply facilities of the City of Conway, Arkansas, by the construction of water impoundment facilities at a location outside the flat flood plain of Cadron Creek, together with interconnecting pipeline and other appurtenant work, so that the water supply capacity is approximately equivalent to that existing before construction of the navigation system.

The Federal project contributes to an objectionable odor and taste that now occur during summer periods of extended low streamflow. A new source of raw water supply, different than the present streambank intake along Cadron Creek, is required.

Section 11—This section is similar to those in previous river and harbor and flood control acts providing for authorization of needed surveys at specifically named localities. It authorizes the Secretary of the Army to make survey investigations for navigation, flood control, and allied purposes at the following named localities:

San Luis Obispo County, California

East Two Rivers between Tower, Minnesota, and Vermilion Lake.

Buffalo River Basin, New York (wastewater management study).

Palo Blanco Creek and Cibolo Creek, at and in the vicinity of Falfurrias, Texas.

Miami River, Florida, with a view to determining the feasibility and advisability of dredging the river in the interest of water quality.

Port Las Mareas, Puerto Rico, with a view to determining the feasibility and advisability of assumption of maintenance of the project by the United States.

Saint Marys River at, and in the vicinity of, Sault Sainte Marie, Michigan, with a view to determining the advisability of developing a deep draft navigation harbor and international port.

Section 12—This section provides a uniform procedure for the deauthorization of water resources projects. This section provides that as soon as possible after the date of enactment of this section, and at least once each year thereafter, the Secretary of the Army, acting through the Chief of Engineers, shall review and submit to Congress a list of those authorized projects under his jurisdiction which have been authorized for at least eight years without any Congressional appropirations within the last eight years, and which he determines should no longer be authorized.

A project on the list is no longer authorized after one hundred and eighty calendar days of continuous sessions of Congress after the date of delivery of the list unless during that period either the House or Senate Committee on Public Works adopts a resolution stating that the project shall continue to be an authorized project.

The Secretary of the Army, acting through the Chief of Engineers, is required to review a project for inclusion in the list of projects provided for in subsection (a) if requested by a resolution of either the House or Senate Public Works Committee. If the project is not included in any of the first three lists submitted to Congress after the date of the resolution, a report giving the reasons for not recommending deauthorization must be submitted to the House and Senate Committees on Public Works not later than the date of the third list submitted to Congress after the date of the resolution. This provision spells out a means for the Congress to initiate the consideration of a project for deauthorization as part of the procedure established by this section.

Section 13—This section authorizes the Chief of Engineers and the Commissioner of the Bureau of Reclamation to make use of traffic projections in the engineering determination of the design standard to be used in the relocation of public roads at Federal expense as part of Federal water resources project construction.

Section 14—The project for the Sandridge Dam and Reservoir, Ellicott Creek, New York, was authorized by the Flood Control Act of 1970. That authorization contained the provision that construction should not be initiated until approved by the Secretary of the Army and the President.

It further provided that prior to commencement of the project, the Secretary of the Army, acting through the Chief of Engineers, shall investigate all possible alternative methods that will accomplish the purpose of the project, and shall report his findings and determinations to the Congress.

The flood situation in the area is critical, especially in view of the construction in the area of a new campus for the State University. Section 14 modifies the project to authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake remedial flood control measures to alleviate the flooding in the reach between Stahl Road and Niagara Falls Boulevard in Amherst, New York. The measures must be compatible with the authorized project and any alternatives currently under study pursuant to the Flood Control Act of 1970. This will ensure that the work will be useful no matter what alternative method of flood protection is finally adopted.

Section 15—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to reconstruct the existing service and access roads along the line of protection at St. Louis, Missouri, so as to adequately carry present and anticipated traffic loads.

No appropriations for the reconstruction may be authorized until the engineering plans have been submitted to the House and Senate Committees on Public Works and approved by resolution of such committees.

Section 16—This section modifies the comprehensive plan for flood control and other purposes in the White River Basin to provide for a free highway bridge over the Norfolk Lake in the area where United States Highway 62 and Arkansas State Highway 101 were inundated as a result of the construction of the Norfolk Dam and Lake.

When this project was constructed, in the early 1940's during World War II, the State of Arkansas agreed to accept the payment of $1,342,000 from the United States as compensation for the inundation of State Highway 101, rather than insist that the United States construct a replacement bridge. This decision, made during the emergency wartime situation, turned out to be most disadvantageous to the State, as a serious need exists for a crossing of the lake to replace the inundated road. Section 16 provides for such a crossing, with the condition that the State repay to the United States the compensation received in 1943, with interest from that date.

Section 17—This section modifies the projects for Melvern Lake and Pomona Lake, Kansas, to authorize the Secretary of the Army, acting through the Chief of Engineers, to improve surface roads in the vicinity of the projects which he determines to be necessary for appropriate utilization of the projects.

The Federal share of the work authorized by the section may not exceed 70 percent. This is consistent with the cost sharing requirements under the Federal-Aid Highway Program.

Section 18—This section modifies the project for Tuttle Creek Reservoir, Kansas, to authorize the Secretary of the Army, acting through the Chief of Engineers, to improve a portion of a highway providing access to the project. This section is similar to section 17 and the reasons for it are the same—to authorize the improvement of roads needed for access to recreation areas at a Federal project.

Section 19—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to convey to the Andrew Jackson Lodge Numbered 5, Fraternal Order of Police, of Nashville, Tennessee, all right, title, and interest of the United States in and to thirty-eight acres of the Old Hickory Lock and Dam project.

The lands involved are currently leased to the lodge, which uses them for a youth camp facility for disadvantaged children. The usual protective provision is included that if the lodge shall ever use, or permit to be used any part of the property for any purpose other than as a youth camp facility for disadvantaged children, title to the property shall revert to the United States.

Section 20—Section 213 of the Flood Control Act of 1970 authorized the Secretary of the Army, acting through the Chief of Engineers, to resolve the seepage and drainage problems in the vicinity of the town of Niobrara, Nebraska, that may be related to operation of the Gavins Point Dam project. Not to exceed $7,800,000 was authorized to be appropriated for the work.

Subsequent to enactment of that legislation, the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 was enacted. Primarily because of the provisions of that Act, the cost of the Niobrara project has risen to an estimated $11,400,000. This section increases the appropriation authorization accordingly.

Section 21—This section modifies the project for flood protection on the Minnesota River at Mankato, Minnesota, to authorize the Secretary of the Army, acting through the Chief of Engineers, to reimburse the city of Mankato for local costs incurred in relocating that portion of the existing Mankato interceptor sewer extending approximately one thousand six hundred feet upstream and one thousand five hundred feet downstream of the Warren Creek Pumping Station.

Section 22—This section authorizes a general program of assistance to States in the planning for development, utilization, and conservation of water and related resources. The cooperative program authorized by this section will constitute a valuable complement to the program being carried out under the Water Resources Planning Act. The appropriation authorization is limited to $2,000,000 annually, and no more than $200,000 may be expended in any one year in cooperating with any State.

Section 23—Section 123 of the River and Harbor Act of 1970 authorized the Secretary of the Army to construct spoil disposal facilities in the Great Lakes. Non-Federal interests are required to contribute 25 percent of the construction cost of the facilities. This requirement is waived upon a finding of the Administrator of the Environmental Protection Agency that for the area to which the construction of the facility applies the State, its political subdivisions and industrial concerns are participating in an approved plan for construction, modification, expansion, or rehabilitation of waste treatment facilities.

This waiver provision applies only before construction of these facilities is commenced, as the repayment agreement must be executed prior to construction. If a local community agrees to pay the 25 percent and later meets the requirements for the Administrator's findings, no reimbursement may be made.

Section 23 remedies this inequity by providing that in the event the Administrator's findings occur after the agreement is entered into, any payments due after the date of the findings shall be waived.

Section 24—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to make a complete study of the items of local cooperation involving hold and save harmless provisions which have been required for water resources development projects prosecuted by the Department of the Army, and the reasons for such requirements, and to report thereon to the Congress not later than June 30, 1974, together with recommendations as to those items of local cooperation which should appropriately be required for various types of water resources development projects.

Section 25—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to study land use practices and recreational uses at water resource development projects under the jurisdiction of the Department of the Army, and to report thereon to the Congress not later than June 30, 1974, with recommendations as to the best use of such lands for outdoor recreation, fish and wildlife enhancement, and related purposes.

Section 26—This section amends existing authority of the Secretary of the Army to undertake small projects for snagging and clearing for flood control in two respects. It raises the limit for individual projects from $100,000 to $250,000 and the annual expenditure limit from $2,000,000 to $5,000,000. The increase is needed to keep pace with rising construction costs.

Section 27—This section increases the monetary limitations applicable to emergency bank protection works undertaken by the Corps of Engineers. The individual project amount is raised from $50,000 to $250,000 and the annual expenditure limitation from $1,000,000 to $5,000,000. The increases are necessary to keep pace with the increase in construction costs since 1946 when the authority was enacted. The section also clarifies the application of the authority by adding churches, hospitals, schools and other nonprofit public services to the definition of facilities which are eligible for protection.

Section 28—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to improve perimeter access at Lake Texoma, Texas and Oklahoma. Existing roads are to be utilized to the extent feasible. Not to exceed $3 million is authorized to be appropriated for the work.

Section 29—This section authorizes the construction of approaches to the eastern end of the Rock Island, Illinois, Centennial Bridge. It amends the Rock Island toll bridge Act, 52 Stat. 110, by inserting "(including the eastern approach in Rock Island, Illinois)", after the provisions for reconstruction, enlargement, and extension. This amendment would apply specifically to the eastern end of the bridge and work is to commence prior to December 1, 1974, and shall be completed by December 1, 1977.

Section 30—This section modifies the project for enlargement of Lavon Reservoir, Texas, to authorize the Secretary of the Army, acting through the Chief of Engineers, to provide a crossing and approaches at Tickey Creek and suitable surfacing to permit all-weather use of Collin County Road 115 (Culleoke Road).

Section 31—This section modifies the project for the Atlantic coast of Long Island, Fire Island Inlet to Montauk Point, New York, to provide that non-Federal interests shall (1) contribute 30 percentum of the first cost of the project, including the value of lands, easements and rights of way; (2) hold and save the United States free from damages due to the construction works; and (3) maintain and operate the improvements in accordance with regulations prescribed by the Secretary of the Army.

Section 32—This section authorizes a varied and comprehensive approach to find means of preventing and reducing the damages caused by the severe erosion problems along the Ohio River. The section authorizes an intensive evaluation of the erosion with a view to determining whether bank protection works should be provided at this time. It also authorizes the Corps of Engineers to develop and evaluate new methods and techniques for bank protection, conduct research on soil stability, identify the causes of erosion, and recommend means for prevention and correction of the problems.

In addition, the Secretary of the Army, acting through the Chief of Engineers, is authorized to construct and evaluate demonstration projects as determined by the Chief of Engineers.

Section 33—This section modifies the project for the Scioto River, Ohio, to permit the construction of local protection works at Chillicothe, Ohio, prior to commencement of construction of the Mill Creek Reservoir.

The project as originally authorized provided that the local work could not be undertaken until after construction of the reservoir.

Construction of the reservoir has been delayed. In the meantime, the town of Chillicothe is without badly needed flood protection. Under this section, the local protection work can proceed first with necessary revisions in the plan to provide a degree of protection substantially equivalent to that provided by the project as originally authorized.

Section 34—This section modifies the project for Newburgh Lock and Dam, Indiana, to direct the Secretary of the Army, acting through the Chief of Engineers, to perform bank protection work along the Ohio River at Newburgh, Indiana. Local interests are required to furnish necessary lands, easements and rights of way, operate and maintain the works after completion, and hold and save the United States free from damages due to the construction works.

Section 35—This section authorizes a demonstration pilot study program of bank stabilization on the delta and hill areas of the Yazoo River Basin, Mississippi.

Section 36—This section authorizes the construction of a two lane, all-weather paved road extending from old United States Highway 40, near Weimar, California, to the Eldorado County Road near Spanish Dry Diggings, to replace a road which will be closed as a result of construction of the Auburn Dam and Reservoir.

Section 37—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to review the requirements for local cooperation for the Santa Cruz Harbor project, Santa Cruz, California, with particular reference to Federal and non-Federal cost sharing, and report his findings to Congress within one year.

Section 38—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to review the requirements of local cooperation for the project for Anaheim Bay, California, with particular reference to Federal and non-Federal cost sharing, and to report his findings to Congress within one year.

Section 39—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to undertake such emergency bank stabilization measures as are necessary to protect the Sacred Heart Hospital in Yankton, South Dakota, from damages caused by bank erosion downstream of Gavins Point Dam on the Missouri River.

Section 40—This section modifies the project for San Luis Obispo Harbor, California, to authorize the Secretary of the Army, acting through the Chief of Engineers, to accept in annual installments during the period of construction the cash contribution of local interests required by the project.

Section 41—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to make a detailed study and report of the total benefits and costs attributable to the water resources development projects undertaken in the Ohio River Basin by the Corps of Engineers. The evaluation of benefits and costs is to include consideration of the enhancement of regional economic development, quality of the total environment, the well being of the people, and the national economic development. The report of the study must be submitted to Congress within two years after funds are made available to initiate the study.

Section 42—This section authorizes a combination of emergency work and studies to help prevent and reduce damages from streambank erosion in the reach of the Missouri River between Fort Randall Dam, South Dakota, and Sioux City, Iowa. It provides for emergency bank stabilization works as determined to be necessary by the Secretary of the Army, acting through the Chief of Engineers.

The section also authorizes and directs an intensive evaluation of streambank erosion along the Missouri River with a view to determining whether additional bank protecton works should be provided at this time. In addition, the Corps of Engineers is to develop and evaluate new methods and techniques for bank protection, conduct research on soil stability; identify the causes of erosion, and recommend means for prevention and correction of the problems. The results of the studies, with recommendations, are to be reported to the Congress.

Section 43—This section modifies the Cave Run Lake Project, Kentucky, to provide that the construction of any proposed road to the Zilpo Recreation Area shall not be undertaken which bisects those lands in the Daniel Boone National Forest, Kentucky, designated as the Pioneer Hunting Area.

Section 44—This section authorizes and directs the Secretary of the Army to convey to the Mountrail County Park Commission of Mountrail County, North Dakota, certain described tracts of land at the Garrison Dam and Reservoir project on the Missouri River. The lands are to be used by the Commission solely for public park and recreational purposes.

Section 45—This section amends section 252 of the Disaster Relief Act of 1971 to provide that the costs of replacing certain community services, for which the Act provides assistance, shall include those costs incurred in obtaining substitute services during the period of repair, restoration, reconstruction, or replacement of facilities to the extent such costs exceed the cost which would have been incurred in providing such services but for the disaster.

Section 46—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to amend the contract between the city of Aberdeen, Washington, and the United States for use of storage space in the Wynoochee River, Washington, for municipal and industrial water supply. The city entered into the contract on the basis of projected needs of local industry, however, these needs have not materialized because of adverse economic and employment conditions in the area, and the city has no customers for the water.

Section 46 provides for an adjustment in the repayment schedule so that while the city is seeking customers, its payments will start at only one-tenth of what they otherwise would have been, and will increase gradually over a ten year period. The interest rate to be charged will remain that established by the Water Supply Act of 1958.

Section 47—This section modifies the project for Wynoochee Dam and Lake to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to transfer to the State of Washington not to exceed $696,000 for construction of fish hatchery facilities for mitigation of project-caused losses of natural spawning areas for trout.

Section 48—Section 7 of the River Basin Monetary Authorization and Miscellaneous Civil Works Amendment Act of 1970 authorized the Secretary of the Army, acting through the Chief of Engineers, to participate with the State of Montana in the construction, operation, and maintenance of fish hatchery facilities to mitigate fish losses caused by the Libby Dam project, Kootenai River, Montana. The amount of Federal participation was limited to $750,000. This participation was intended to cover the construction cost of hatchery facilities capable of producing 25,000 pounds per year of west slope cutthroat trout and operating and maintaining the facilities for about ten years.

The actual costs have turned out to be much higher than originally estimated, primarily because of requirements for pollution control and water reuse, and section 48 reflects this increase.

Section 49—This section modifies the project for Libby Dam, Montana, to authorize the Secretary of the Army to acquire not more than twelve thousand acres of land for the mitigation of wildlife grazing losses caused by the project, and to participate with the State of Montana in the maintenance of the lands for grazing purposes.

Section 50—This section modifies the project for Libby Dam, Montana, to authorize the Secretary of the Army, acting through the Chief of Engineers, to reimburse Boundary County, Idaho, for the cost incurred to elevate, relocate, or reconstruct the bridge located at the mouth of Deep Creek as it joins the Kootenai River. This work on the bridge is made necessary by the increased duration of high flows in the Kootenai River caused by drawdown of Libby Dam, which would substantially increase the amount of time the bridge is under water and unusable during spring and early summer.

Section 51—This section declares a described portion of the East River in New York County, State of New York, to be not a navigable water of the United States within the meaning of the laws of the United States, and gives the consent of Congress to the filling in of all or any part of the area or the erection of permanent pile supported structures in the area.

The area involved is the site of the proposed Manhattan Landing Project being developed by the City of New York.

The declaration of non-navigability is necessary to remove the cloud on title resulting from the navigation servitude of the United States.

The Committee has included the requirement that the proposed project be determined to be in the public interest on the basis of environmental studies conducted pursuant to the National Environmental Policy Act of 1969. This will require the consideration and balancing of the environmental and other impacts of the proposed project.

Section 52—The project for hurricane-flood control protection, from Cape Fear to the North Carolina-South Carolina State line, was authorized in 1966. Advanced engineering and design has been completed, but construction has not yet been commenced. The State of North Carolina is anxious to begin work at the Brunswick County Beaches, and wishes to start the work with State funds. Section 52 authorizes the State to do this and be reimbursed later.

Section 53—This section modifies the project for flood protection on the Grand River and tributaries, Missouri and Iowa, authorized by the Flood Control Act of 1965, to authorize the Chief of Engineers to proceed with engineering and design of the Pattonsburg Lake project so as not to preclude the subsequent addition of power.

Section 54—This section, which is to be cited as the "Shoreline Erosion Control Demonstration Act of 1972," authorizes a program to develop and demonstrate low-cost means to prevent and control shoreline erosion. The Secretary of the Army is directed to establish and conduct, for a period of five years, a national shoreline erosion control development and demonstration program, consisting of planning, constructing, operating, evaluating, and demonstrating, prototype devices, both engineered and vegetative. The program is to be carried out in cooperation with the Secretary of Agriculture, other Federal, State, and local agencies, private organizations, and the Shoreline Erosion Advisory Panel established by the Act.

Demonstration projects are to be undertaken at no less than two sites each on the shorelines of the Atlantic, Gulf, and Pacific coasts, and of the Great Lakes.

Section 55—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to provide technical and engineering assistance to non-Federal public interests in developing structural and nonstructural methods of preventing damages attributable to shore and streambank erosion.

Section 56—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to investigate, plan, and construct projects for the control of streambank erosion in the United States, its possessions, and the Commonwealth of Puerto Rico, when in the opinion of the Chief of Engineers, such projects are consistent with the objectives of sound flood plain management and will result in substantial public benefits through the provision of needed protection to public, residential, and commercial properties.

No single project may be constructed under this section if the estimated Federal first cost exceeds $250,000. An annual expenditure limitation of $10,000,000 is imposed.

Section 57—The initial project for Presque Isle Peninsula, Erie, Pennsylvania, was a cooperative project by the United States and the Commonwealth of Pennsylvania, completed in 1956. The River and Harbor Act of 1960 modified the project by providing for Federal participation in beach replenishment for a period of ten years from the year of the first major replenishment. The 10-year time limit for Federal participation in beach replenishment has expired. The project is being severely eroded and portions of the groin system are threatened by erosion. The project is under review at this time by the Corps of Engineers to determine whether it should be modified to provide other means of protection to reduce erosion.

This section would reactivate Federal participation in beach replenishment for another five years, or if the review study is not completed by that time, until a report on the review study is submitted to the Congress.

Section 58—This section modifies the project for navigation in the Atchafalaya River and Bayous Chene, Boeuf, and Black, Louisiana, to provide that local interests shall contribute 25 per centum of the costs of areas required for initial and subsequent disposal of spoil, and of necessary retaining dikes, bulkheads and embankments therefor.

This cost sharing requirement is to be waived upon a finding by the Administrator of the Environmental Protection Agency, that appropriate local interests are participating in and in compliance with an approval plan for the general area, for the construction, modification, expansion, or rehabilitation of waste treatment facilities.

Section 59—This section authorizes the States of Illinois and Iowa to contract individually or jointly with either or both of the cities of Keokuk, Iowa and Burlington, Iowa, to assume responsibility for the operation, maintenance, and repair of the bridges at Keokuk and Burlington over the Mississippi River. The bridges will become toll free after execution of the agreement shifting the responsibility for the bridges to either or both States.

Section 60—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to perform channel clean-out operations and snagging and clearing for selected streams where chronic and persistent flooding conditions exists in the lower Guyandot River Basin, West Virginia, in the interest of flood control and related purposes. These measures are to be performed on an interim measure pending completion of the R. D. Bailey Lake project, scheduled for 1974.

Section 61—This section authorizes the construction of small flood protection projects not specifically authorized by Congress. No more than $2 million may be allotted for any one project, and there is authorized not to exceed $25 million in each fiscal year for the next five fiscal years to construct these projects.

Section 62—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to perform such work as may be necessary to provide for the repair and conversion to a fixed type structure of dam numbered 3 on the Big Sandy River, Kentucky and West Virginia. This dam, originally a Federal project, was authorized to be turned over to the local interests by the Act of August 6, 1956. It is used to provide water supply for communities in the area. The section authorizes work necessary to place the dam in good condition and prevent its collapse.

Section 63—This section extends the date by which non-Federal interests must give their agreement of local cooperation for the Texas City and vicinity flood control project. The additional time is needed for the local interests to determine if they want the original project or an expanded project protecting a larger area, as authorized by the Flood Control Act of 1968 which gave them the option of the two projects.

Section 64—This section raises the annual authorized funding for the Corps of Engineers flood plain management services program. Under this program the Corps identifies flood plain areas and gives related technical and planning guidance to local and State agencies and to other Federal agencies.

Section 65—Section 102(b) of the Federal Water Pollution Control Act provides that the need for the value of storage for water quality control in any Federal reservoir shall be determined by the Administrator of the Environmental Protection Agency.

Where a project has been authorized with water quality storage, and that storage is determined by the Administrator to be not needed, or needed in a different amount, an Act of Congress is needed to modify the project, as a project purpose may not be deleted without such Congressional approval. Section 65 provides a procedure whereby projects may be modified to delete water quality storage without the specific approval of Congress in limited situations.

Section 66—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to undertake measures to clear that portion of the Little Calumet River, Illinois, between the point of its confluence with the Calumet-Sag channel and the Indiana State line, of fallen trees, roots, silt, and other debris and objects which contribute to flooding, unsightliness, and pollution of the river.

Section 67—This section authorizes a study by the U.S. Army Corps of Engineers of possible recreational conservation and preservation uses of the New River between its South and North Forks and the town of Fries, Va.

Section 68—This section directs the Secretary of the Army, acting through the Chief of Engineers, to make a review of the plan of development for the Lower Rio Grande

Basin in Willacy, Hidalgo and Cameron Counties, Texas, recommended as Phase I in the report of the United States Department of Agriculture, dated July 1969, and submit a report to Congress on the feasibility of the proposed Willacy-Hidalgo Floodwater Channel, and the North Floodway Channel as flood control improvements for the Lower Rio Grande Basin.

Section 69—This section modifies the project for beach erosion control and hurricane flood protection in Dade County, Florida, to provide for construction by non-Federal interests a segment of the project south of Baker's Haulover Inlet. The non-Federal interests would be reimbursed the Federal share as that share is defined in the original project authorization.

Section 70—This section extends the program to demonstrate the practicability of extending the navigation season on the Great Lakes, authorized by the River and Harbor Act of 1970. The extension of the program is necessary to enable the gathering of sufficient data and to complete the report which is to be made to the Congress on the results of the program.

Section 71—This section directs the Chief of Engineers to expedite the authorized study of the feasibility of enlarging the Corpus Christi Ship Channel and authorizes him to accept advance funds from non-Federal interests to perform the study.

Section 72—This section would authorize the Corps of Engineers to commence work on the beach erosion aspect of the combined hurricane-flood protection and beach erosion project at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, authorized by the Flood Control Act of 1965. Initiation of construction would follow completion of environmental studies and receipt of adequate local participation assurances for the beach erosion aspect. Local interest would be required to contribute 50 percent of the cost of the beach erosion aspect.

Section 73—This section directs that in the survey, planning, or design by any Federal agency of any project involving flood protection, consideration shall be given to nonstructural alternatives to prevent or reduce flood damages. These non-structural alternatives would include such things as floodproofing of structures; flood plain acquisition for recreational, fish and wildlife, and other public purposes; and relocation.

Section 74—This section authorizes the construction of the Area VIII unit of the Arkansas Red River Basins Water Quality Control Project in advance of the final engineering and design of the feasibility of the other units in the project. This will avoid unnecessary delay in implementation of the overall project.

Section 75—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to make a study of the need for means of providing visitor protection services at Corps of Engineers recreation areas, and to report to Congress with recommendations not later than December 31, 1974.

Section 76—This section amends the existing authority available to the Corps of Engineers to conduct a survey of water utilization and control of the Great South Bay, New York, including the waters of adjoining lesser bays and inlets, and including but not limited to navigation, fisheries, flood control, control of noxious weeds, water pollution, water quality control, beach erosion and recreation, by specifying that the survey shall be provided to the Congress by 31 July 1975, and shall include the use of a comprehensive computer model.

Section 77—This section amends the Federal Water Project Recreation Act to increase the Federal share of the separate costs allocated to fish and wildlife enhancement from fifty percent to seventy-five percent.

Section 78—This section modifies the project for Indian Bend Wash, Arizona, to provide that the costs of a required siphon system be borne by the United States.

Section 79—This section modifies the Oologah Reservoir project, Oklahoma, to provide that the storage provided in the reservoir for hydroelectric power production may be reassigned to municipal and industrial water supply and made available for such purpose under the provisions of the Water Supply Act of 1958, as amended.

Section 80—This section enacts into law the interest rate formula used in the formulation and evaluation of water resource projects as established by the Water Resources Council in 1968. It also enacts into law the so-called "Grandfather" provision adopted by the Water Resources Council to determine the applicability of the 1968 formula to previously authorized projects.

Section 81—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to study the feasibility and practicality of constructing, operating and maintaining a hydraulic model of all or a part of the Great Lakes and their connecting channels and an associated technical center. The model would be used primarily to study levels and flows with secondary purposes and uses being determined during the study as applicable and needed by the various Federal and State agencies concerned with the water resources of the basin. The report of the study must be submitted to Congress not later than June 30, 1976.

Section 82—This section amends the Corps of Engineers emergency flood fighting authority by clarifying the intent of Congress that such sums as are necessary to reimburse the Secretary of the Army for his emergency expenditures may be appropriated to him. It also authorizes the emergency provision of drinking water on a temporary basis to communities whose water supply is contaminated and a threat to the public health.

Section 83—This section authorizes the Chief of Engineers to relocate the town of North Bonneville, including cooperating in the planning of the new town with other Federal agencies and appropriate non-Federal agencies; to acquire lands necessary for the new town and to convey title to said lands to individuals, business or other entities; to construct a central sewage collection and treatment facility and other necessary municipal facilities in connection with the construction of the Bonneville Lock and Dam, Oregon and Washington (Second Powerhouse).

Section 84—This section modifies the project for flood control on Four-mile Run, city of Alexandria and Arlington County, Virginia, to incorporate certain reductions in the physical aspects of the project, to limit the Federal participation, and to require non-Federal interests to bear an equitable portion of project responsibilities.

Section 85—This section authorizes a comprehensive plan to satisfy the water and related resources needs of the Potomac River Basin and the Washington Metropolitan Area. It consists of advanced engineering and design of the Verona and Sixes Bridge projects, construction and evaluation of a treatment plant to purify the waters of the Potomac Estuary, and a review study of the water and related resources needs of the Potomac River Basin and the Washington Metropolitan Area.

Section 86—This section authorizes the Secretary of the Army, acting through the Chief of Engineers, to assist the National Park Service in the Park Service's program to restore the ecological and historical values of Dyke Marsh on the Potomac River.

The section also directs the Corps of Engineers, in consultation with other interested agencies, to study the siltation and to recommend feasible and environmentally sound means of removing riverbed materials, and methods of disposal of such materials.

Section 87—This section authorizes the Corps of Engineers to study the feasibility of modifying the project for Bayou Cocodrie, Louisiana, by enlarging the channel of Bayou Coutableau between Washington and the protection levee, in lieu of the authorized diversion channel, and the installation of additional culverts through the west protection levee.

Section 88—This section modifies the project for flood control below Chatfield Dam on the South Platte River, Colorado, to authorize the Secretary of the Army to participate with non-Federal interests in the acquisition of lands and the development of recreational facilities immediately downstream of the Chatfield Dam in lieu of a portion of the authorized channel improvements.

Section 89—This section modifies the Applegate Dam and Reservoir Project, Oregon, to provide that prior to use of the project for irrigation, non-Federal interests must make arrangements with the Bureau of Reclamation for repayment of the irrigation costs under the reclamation laws.

Section 90—This section authorizes, through Phase I advanced engineering and design, flood protection measures for the Tug Fork Valley, Kentucky and West Virginia.

Section 91—This section authorizes a drift and debris removal project for New York Harbor, and authorizes not to exceed $14 million to carry out the project.

Section 92—This section modifies the hurricane-flood protection project for Lake Pontchartrain, Louisiana, to permit the non-Federal interests to repay their case contribution in 25 yearly installmnets.

Section 93—This section increases from $22,000 to $45,000 the authorized annual expenditure for United States participation in the Permanent International Association of Navigation Congresses (PIANC).

Section 94—This section authorizes and directs the Secretary of the Army acting through the Chief of Engineers to repair existing flood damage to River Road and Huff Road in Boone County, Kentucky, or to relocate these roads and to construct needed streambank protection works to prevent future erosion damage to public and private facilities at and near Boone County, Kentucky.

Section 95—This section modifies the project for Russian River, Dry Creek, California, to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to compensate for fish losses on the Russian River, which may be attributed to the operation of the Coyote Dam, through measures such as possible expansion of the fish hatchery at Warm Springs Dam.

Section 96—This section authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to undertake a feasibility study concerning acquisition of approximately 4,000 acres adjacent to the project for Kehoe Lake, Kentucky, authorized by the Flood Control Act of 1966. Acquisition would provide for preservation of the area in its natural state for environmental investigations.

Section 97—This section declares certain described portions of the South Prong of the Wicomico River, Wicomico County, Maryland, to be non-navigable within the meaning of the laws of the United States. The declaration is contingent upon a finding by the Secretary of the Army, acting through the Chief of Engineers, that the proposed project is in the public interest, based on engineering and environmental studies. The proposed project involves revitalization and renewal of the riverfront in Salisbury, Maryland.

Section 98—This section authorizes the

Secretary of the Army acting through the Chief of Engineers to remove silt and aquatic growth from Broadway Lake, Anderson County, South Carolina, at an estimated cost of $400,000.

Section 99—This section authorizes modification of the Cache River Basin feature, Mississippi River and tributaries project, Arkansas, to provide for the acquisition of lands for the mitigation of fish and wildlife losses caused by the project.

Section 100—This section directs the Corps of Engineers to construct necessary measures to correct a design deficiency in the Knife River Harbor project on Lake Superior, Minnesota, at an estimated cost of $850,000.

Due to this error in judging the extent of the protective works necessary, unsafe entrance conditions to the harbor continue to exist and boats moored in the harbor have been severely damaged.

This section directs the undertaking of the necessary work to remedy the design deficiency.

Section 101—This section modifies the authorized project for flood protection on the Rahway River, New Jersey, to provide that costs of relocating utilities within the channel walls shall be borne by the United States.

Section 102—This section provides that title I of the bill may be cited as the "Water Resources Development Act of 1973."

TITLE II.—RIVER BASIN MONETARY AUTHORIZATION ACT OF 1973

Purpose

The purpose of Title II is to authorize an increase in the monetary authorization for 16 comprehensive river basin plans previously approved by Congress.

Section 201 provides increased authorizations for the prosecution of river basin plans for flood control and related purposes under the jurisdiction of the Secretary of the Army and the Chief of Engineers. The appropriations intended to be covered by the increased authorizations are those necessary for the scheduled funding requirements through calendar year 1975.

Monetary authorizations first were put into effect by the Flood Control Acts of 1936 and 1938. They limit authority to appropriate and expend funds within specified basins or specified major projects to levels below the total costs of the authorized basin or project developments. In this way they give the Congress opportunity to review and control the rate of accomplishment of the basin plans and major projects to which they apply.

In these plans, the Congress has approved an entire plan for development of a river basin in the interest of flood control, navigation, power, and allied water uses, but limited the amounts of funds to anticipated appropriations for a specified period of years, allowing accomplishment of only part of the plan. Subsequently the Congress has augmented some of the previously approved plans, by authorizing additional projects, or modifications of projects, and increased the monetary authorization to provide for additional appropriations. When the monetary authorization limit of a plan is approached, legislation is required to provide additional authorization so that appropriations can be made to permit the plan to continue. If such legislation is not forthcoming when needed, construction of projects in the basin plan cannot proceed, even if funds have been included in appropriation acts for this purpose.

At the present time there are 29 basin development plans subject to basin monetary authorization limitations. Authorizations provided to date, including the most recent provided by legislation in 1971, are adequate for work to be performed through calendar year 1973. However, there are basins whose monetary authorizations will be exhausted in calendar years 1974 and 1975, unless further authorization is provided.

The following table furnishes for the basins shown in section 201 of the bill the dates of original authorization and the amount of increased authorizations needed for the work to be performed through calendar year 1975.

Basin	Act of Congress	Amount
Alabama-Coosa River	Mar. 2, 1945	$31,000,000
Arkansas River	June 28, 1938	14,000,000
Brazos River	Sept. 3, 1954	19,000,000
Central and southern Florida	June 30, 1948	15,000,000
Columbia River	June 28, 1944	94,000,000
Mississippi River and tributaries	May 15, 1928	211,000,000
Missouri River	June 28, 1938	72,000,000
North Branch, Susquehanna River	July 3, 1958	64,000,000
Ohio River	June 22, 1936	120,000,000
Ouachita River	May 17, 1950	4,000,000
Red River Waterway project	Aug. 13, 1968	9,000,000
San Joaquin River	Dec. 22, 1944	83,000,000
South Platte River	May 17, 1950	15,000,000
Upper Mississippi River	June 28, 1938	4,000,000
White River	June 28, 1938	9,000,000
Total		764,000,000

Section 202—Section 202 authorizes the initiation of the second phase of the bank erosion control works and setback levees on the Sacramento River, California authorized by the Flood Control Act of 1960. Not to exceed $16,000,000 is authorized to be appropriated for this purpose and this $16,000,000 is added to the Sacramento River Basin monetary authorization.

Section 203—Section 203 of the bill provides that Title II of this bill may be cited as the "River Basin Monetary Authorization Act of 1973".

H.R. 11622

A bill to name the Federal office building, south, in New Orleans, La., as the "F. Edward Hébert Federal Building"—H.R. 11622: The purpose of H.R. 11622 is to name the Federal office building, south, in New Orleans, La., as the "F. Edward Hébert Federal Building."

F. EDWARD HÉBERT was elected to the 77th Congress and has been reelected to each succeeding Congress ever since. He is the chairman of the Armed Services Committee and has served with great distinction on the District of Columbia Committee, Naval Affairs Committee, House Un-American Activities Committee, and the House Committee on Standards of Official Conduct.

He is widely recognized by his colleagues and constituents for his invaluable contributions and dedicated service.

H.R. 11311

A bill to name the Federal building, U.S. post office, U.S. courthouse in Brunswick, Ga., as the "Frank M. Scarlett Federal Building"—H.R. 11311—the purpose of H.R. 11311 is to name the Federal building, U.S. post office, U.S. courthouse, at 801 Gloucester Street, Brunswick, Ga., as the "Frank M. Scarlett Federal Building."

Francis Muir Scarlett was born in Glynn County, Ga., on June 9, 1891, and remained a resident of Glynn County until the day of his death on November 18, 1971.

In 1946 he was appointed as a U.S. district judge for the southern district of Georgia. Among Judge Scarlett's professional accomplishments was the establishment of the Brunswick of the southern district of Georgia.

H.R. 10044

A bill to increase the amount authorized to be expended to provide facilities along the border for the enforcement of the customs and immigration laws—H.R. 10044.

The purpose of H.R. 10044 is to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," approved June 20, 1930, as amended (19 U.S.C. 68) to increase from $100,000 to $200,000 the limitation on the amount of funds that may be expended to provide facilities for the enforcement of the customs and immigration laws along our land borders.

Under existing law (19 U.S.C. 68) the Secretary of Treasury and the Attorney General are authorized to expend from the general appropriations of the Bureau of Customs and the Immigration and Naturalization Service such amounts as may be necessary to acquire land and erect buildings, sheds, office quarters, and living facilities which are otherwise unavailable, at points along the Canadian and Mexican borders and in the Virgin Islands, as an aid to the enforcement of the customs and immigration laws, provided that the amount expended on any one project, including the site, does not exceed $100,000. The Attorney General is authorized to expend not more than $100,000 for similar purposes in Guam. If a project is intended for the joint use of the Bureau of Customs and the Immigration and Naturalization Service, its combined cost including the site is charged to the two appropriations concerned. The proposed bill would increase the maximum costs that may be incurred under existing law to $200,000.

The proposed new ceiling of $200,000 is needed to meet the increased costs of site acquisition and construction since 1962 when Congress last amended the original act.

H.R. 11763

A bill to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal, and for other purposes—H.R. 11763.

The purpose of H.R. 11763, is to amend the National Visitor Center Facilities Act of 1968 to facilitate the construction of an intercity bus terminal, and for other purposes.

Section 1 of H.R. 11763 amends the National Visitor Center Facilities Act of 1968 to authorize the Secretary of the Interior to lease space within the visitors center parking facility to be constructed pursuant to the act for the purpose of facilitating the terminal in connection with the new railroad passenger station now planned. It is contemplated that intercity bus companies will cooperate to construct a joint passenger facility.

Essentially, the Department would be making air space and some portions of the parking facility available to the private companies so as to allow private development of an intermodal transportation terminal.

Under section 1 of the bill, the lessee would bear the cost of construction of the facility and would pay rent based upon the economic value of the leased premises and the cost of the improvements to be constructed by him. The plans and specifications would be subject to the Secretary's approval and other conditions of the lease arrangement would protect the Government's long-term interest in the property, particularly in regard to the terminal's relationship to the interpretive program of the visitor center.

Section 2 of the bill is intended to expand and make more flexible the utilization of the parking facility which is required by the act to be constructed as part of the visitor center complex. The bill deletes the goal that the parking facility be constructed to accommodate as nearly as possible 4,000 motor vehicles, but instead, required that the facilities house a balance of transportation needs, by providing for adequate circulation for all uses and the accommodation of charter buses and shuttle and interpretive visitor transportation, as well as private automobiles.

BILL REPORTED TO THE HOUSE WHICH FAILED OF PASSAGE

A hearing on H.R. 11714 a bill to provide for the development of improved design, lighting, insulation, and architectural standards to promote efficient energy use in residential, commercial, and industrial buildings, was held on December 11. The bill was reported on the floor of the House on December 18 under suspension, but failed to receive the two-thirds majority.

The bill provides an authorization of $5 million for fiscal year 1974, $10 million for fiscal year 1975, and $1 million for fiscal year 1976. The testimony before the subcommittee from both the private sector and the GSA showed that this sum was reasonable and necessary to accomplish the following purposes:

First. Experimentation to determine ways to save our energy being wasted in building. A waste which far exceeds that of most other uses. The National Bureau of Standards has a test house and an environmental chamber for this purpose. They are doing important experimental work in this area. This work should be encouraged and made available to the American citizen.

Second. Universities, public agencies, private individuals and organizations have been working in this area. Until now with a seemingly inexhaustible supply of inexpensive energy little attention has been paid to them. It is imperative now that we gather that information, analyze it, and see to it that it is made available to the public.

Third. Major installations such as hospitals, schools, industrial buildings use great amounts of energy. But we are informed that very little attention has been paid to design of such facilities to make thrifty use of energy. This is not as simple a problem as say adding insulation to an existing dwelling place. It is a complicated problem requiring study and evaluation by the best engineering and architectural brains, coordination between discipline and development, and new understanding of our needs.

Fourth. Dissemination of the information. Telling the public, the professions, and the State and local authorities the findings and best way of utilizing them. Today most of us rely on a little folder that comes with our heating bill for advice. We need more than that now. We need to know when we support a bond issue for a building that proper energy-saving techniques will be used. They can only be used if we will find out what they are and tell the American public so it too knows.

BILLS REPORTED IN THE HOUSE BUT NOT ACTED UPON

S. 1901

A bill to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings (S. 1901): Hearings were held on November 13, 1973, by the Subcommittee on Public Buildings and Grounds and the bill was reported favorably to the full committee. On November 29, 1973, the Committee on Public Works ordered S. 1901 to be reported to the House without objection.

The act of August 20, 1963, as amended (31 U.S.C. 291–4), authorized the Secretary of the Treasury, acting through the Administrator of General Services to acquire sites for, and to construct and equip, such buildings as may be necessary in connection with the operations of the Bureau of the Mint. The legislation would amend section 4 of that act to increase from $45 million to $95 million the amount authorized to be appropriated for the building of new mints and would extend the time during which monies could be appropriated from July 1, 1973 to July 1, 1983. This increase, together with the balance remaining for that previously authorized, will permit construction of a new mint at Denver, Colo., to replace the existing Denver mint.

S. 261

On December 21, 1973, the Committee on Public Works reported favorably S. 261, extension of the Uniform Relocation Assistance Act.

The primary purpose of this bill is to continue full Federal funding of the first $25,000 of any single relocation payment for 2 additional years after the July 1, 1972, deadline which was established in Public Law 91–646. This extension should be sufficient to allow all States to come into compliance with the law.

Since amendments to the act passed both Houses of the Congress in 1972, but the conference report failed final enactment in the late hours of the session, in our judgment States have a legitimate right to anticipate reimbursement for projects commenced, and this legislation will insure the continuation of some very meaningful programs which had been planned with full expectation of Federal reimbursement.

The committee held 3 days of hearings, March 13, 14, and 15, 1973, at which time testimony was heard from Federal, State, and local officials which indicated that because of the lack of Federal funds, many worthwhile programs were being delayed.

In addition to the 2-year extension, three additional amendments are included in the House version of S. 261. The first, section 101(1), clarifies the inclusion of "legislative takings" in the original 1970 act.

Sections 2 and 3 of the amendment reiterate the intent of Congress to insure that all persons displaced by projects after January 2, 1971, shall receive the benefits of the act. The first involves a General Services Administration lease project in Alexandria, Va., and the second involves the National Cancer Institute Research Center at Tufts University, Boston, Mass.

H.R. 10701

A bill to amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for construction and operation of certain port facilities—H.R. 10701.

This legislation provides for the licensing and regulation of deepwater ports off the coast of the United States. These port facilities are necessary to handle the large supertankers and make possible the efficient importation of crude oil and petroleum products.

Among the most basic and important concepts in the bill are those of "adjacent State" and "significantly affected State."

A State must meet two requirements to qualify as an adjacent State. Its coast must be nearer than that of any other State to the deepwater port facility; and all or a major part of the land-based facilities directly related to that deepwater port must be located in the State. If a State meets these requirements, then its interest in the facility and the facility's potential effect on the State are such that the State is given three special considerations by the legislation. These are: First, a preferential right to be granted a license for the construction and operation of the facility; second, no license may be granted to any person to construct or operate such a facility unless the adjacent State has an environmental program which includes construction of deepwater port facilities off its coast and the proposed facility and directly related land-based facilities are consistent with that program; and third, the adjacent State may charge fees for the use of the facility and its directly related land-based facilities, such fees to be limited to the State's economic, environmental, and administrative costs attributable to the facilities, as approved by the Commission. The fees cannot include costs that can be recovered through other cost recovery provisions such as ad valorem taxes.

A "significantly affected State" is defined as a State whose shorelines might suffer environmental harm as a result of the activities of a deepwater port facility. The Deepwater Port Facilities Commission cannot issue a license for a deepwater port facility unless it has first considered the economic, environmental, esthetic, and regional effects of the construction and operation of the facility on all significantly affected States.

The bill establishes a Deepwater Port Facilities Commission to grant licenses for the construction and operation of the deepwater port facilities. The Commission consists of the Secretary of Transportation, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and the Secretary of the Army, acting through the Chief of Engineers. The Secretary of Transportation is designated Chairman of the Commission. The Commission's license is the only Federal license required. One environmental impact statement for each license is prepared by the Commission.

The legislation authorizes two or more States to negotiate or enter into agreements or compacts, not in conflict with any law or treaty of the United States, for the construction and operation of deepwater port facilities, and the establishment of agencies to implement the compacts.

The legislation also provides that no person shall on the ground of sex be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity: first, carried on or receiving assistance under the act of October 27, 1965; second, under the jurisdiction of the Deepwater Port Facilities Commission; and third, the water resources program of the Secretary of the Army acting through the Chief of Engineers.

BILL APPROVED BY THE HOUSE AND SENATE AND VETOED BY THE PRESIDENT

H.R. 10511

Section 164(a) of the Federal-Aid Highway Act of 1973 provided that no Federal financial assistance for the purchase of buses under the Urban Mass Transit Act of 1964 and under subsections (a) and (c) of section 142, title 23, United States Code—urban system—and under subsection (e) of section 103, title 23, United States Code—interstate transfer—shall be provided to any applicant for such assistance unless the applicant and the Secretary of Transportation shall have first entered into an agreement that such applicant will not engage in charter bus operations outside the urban area within which the applicant provides regularly scheduled mass transit service. A violation of the agreement would bar an applicant from receiving additional assistance under these provisions of law.

Unfortunately, section 164(a) was construed as prohibiting local transit authorities from engaging in charter bus operations even though private bus operators in the area were unwilling or unable to provide the necessary service. Since this was not intended, H.R. 10511 was passed by the Congress to ease the restrictions imposed on local transit operators as a result of section 164(a).

The amendment provided that no Federal financial assistance for the purchase of buses under the Urban Mass Transportation Act may be provided to any applicant if it engages in charter bus operations outside the urban area within which it provides regularly scheduled mass transit service, except as provided in an agreement with the Secretary of Transportation. The Secretary would assure that fair and equitable agreements are reached which would not foreclose private operators from the charter bus industry. The agreements would be enforceable by the Secretary; for a continuing pattern of violations, the Secretary would be authorized to bar a grantee or operator from further capital assistance under the Urban Mass Transportation Act.

The amendment would also permit the Secretary to revise any agreements theretofore entered into under section 164(a) to reflect the new standards and remedies authorized by the new legislation.

BILL ORDERED REPORTED TO THE HOUSE

S. 2079

A bill to amend the Federal Property and Administrative Services Act of 1949, as amended (S. 2079): The bill would exempt the Federal Judiciary and the U.S. Tax Court from the authority of the Administrator of General Services under section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, to charge anyone furnished space and services at rates to be determined by the Administrator, beginning with fiscal year 1975. It would authorize appropriations to General Services Administration to reimburse the fund into which such user charges are deposited for the loss of revenue resulting from the Federal Judiciary and the United States Tax Court being exempt.

On November 29, 1973, the Committee on Public Works ordered S. 2079 to be reported to the House without objection.

SUMMARY

BILLS AND RESOLUTIONS ENACTED INTO LAW

Public Law No.	Bill No.	Date approved	Title
93-6	H.J. Res. 123 (S.J. Res. 42)	Feb. 16, 1973	To extend the life of the Commission on Highway Beautification.
93-46	H.R. 2246	June 18, 1973	Public Works and Economic Development Act of 1965, extend for a 1-year period.
93-87	S. 502 (H.R. 6288)	Aug. 13, 1973	Federal-Aid Highway Act of 1973.
93-62	H.R. 5857	July 6, 1973	To amend the National Visitor Center Facilities Act of 1968 and include interpretive transportation services.
93-67	H.R. 5858 (S. 1759)	July 10, 1973	To authorize further appropriations to the Secretary of Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for Performing Arts.
93-72	H.R. 6330	July 10, 1973	Robert F. Kennedy Stadium, increase the seating capacity.
93-81	H.R. 6717	Aug. 1, 1973	Public recreation areas located at lakes and reservoirs under the jurisdiction of the U.S. Corps of Engineers, amend the Flood Control Act of 1968 regarding collection of special recreation use fees.
93-40	H.R. 6830 (S. 1235)	June 12, 1973	To authorize an additional appropriation for an International Center for Foreign Chanceries.
93-61	S. 1808	July 6, 1973	Interim apportionment of Interstate and other highway funds.
93-139	H.R. 10252 (S. 2486)	Oct. 26, 1973	Richard B. Russell Dam and Lake, change the name of the Trotters Shoals Dam and Lake, Georgia and South Carolina, to the.
93-141	H.R. 9611 (S. 2282)	Oct. 26, 1973	B. Everett Jordan Dam and Lake, change the name of the New Hope Dam and Lake, North Carolina, to the.
93-186	H.R. 974 (S. 2604)	Dec. 15, 1973	Wright Patman Dam and Lake, designate the Texarkana Dam and Reservoir, Red River Basin, Texas, as the.
93-180	S.J. Res. 155	Dec. 3, 1973	Storage space for the U.S. Senate, the U.S. House of Representatives and the Office of the Architect of the Capitol, authorize.
93-183	H.R. 6862 (S. 1618)	Dec. 15, 1973	John Wesley Powell Federal Building, name the Geological Survey National Center under construction in Reston, Va., as the.
93-187	S. 2503	Dec. 15, 1973	Earle Cabell Federal Building, name a Federal Office Building in Dallas, Texas, as the.
93-231	H.R. 1920 (S. 2535)	Dec. 29, 1973	James G. Fulton Flood Protection Project, designate that portion on Chartiers Creek, Allegheny County, Pennsylvania, as the.
93-217	H.R. 655	Dec. 28, 1973	H. V. Eastman Lake, name the lake to be created by the Buchanan Dam, Chowchilla River, California, as the.
93-215	H.R. 9430 (S. 2178)	Dec. 28, 1973	Hale Boggs Federal Building, name the U.S. Courthouse and Federal Office Buildings under construction in New Orleans, La., as the.
93-239	H.R. 11372	Jan. 2, 1974	Emergency National Maximum Highway Speed Act.
93-226	H.J. Res. 736	Dec. 29, 1973	Provide for a feasibility study and to accept a gift from the U.S. Capitol Historical Society.
93-207	S. 1776	Dec. 28, 1973	Amend the Federal Water Pollution Control Act, as amended.
93-211	H.J. Res. 858	Dec. 28, 1973	Lyndon Baines Johnson Memorial Grove on the Potomac, provide for the establishment of.
93-243	H.R. 11928 (S. 2812)	Jan. 2, 1974	Federal Water Pollution Control Act, amend to establish the ratio for allocation of public works construction grant funds to insure grants may be given for other than open units, and to clarify the requirements for development of priorities.

BILL APPROVED BY THE HOUSE AND AMENDED BY THE SENATE WHICH RECEIVED NO FINAL ACTION

Bill No.	Date passed House	Date passed Senate	Title
H.R. 11565	Dec. 3, 1973	Dec. 20, 1973, amended	Insure that certain buildings financed with Federal funds utilize the best practicable technology for the conservation and use of energy.

BILLS APPROVED BY THE HOUSE BUT NOT ACTED UPON BY THE SENATE

Bill No.	Date passed House	Title
H.R. 11311	Dec. 17, 1973	To name the Federal building, U.S. post office, U.S. courthouse, in Brunswick, Ga., as the "Frank M. Scarlett Federal Building."
H.R. 11622	Dec. 17, 1973	To name the Federal office building, south, in New Orleans, La., as the "F. Edward Hébert Federal Building."
H.R. 10044	Dec. 18, 1973	Border facilities for the enforcement of the customs and immigration laws, increase the amount authorized to be expended to provide.
H.R. 11763	Dec. 18, 1973	National Visitor Center Facilities Act of 1968, as amended, amend to facilitate the construction of an intercity bus terminal.
H.R. 10203 (S. 2798)	Oct. 12, 1973	Water Resources Development Act of 1973 and River Basin Monetary Authorization Act of 1973.

BILL REPORTED TO THE HOUSE WHICH FAILED OF PASSAGE

Bill No.	Date reported	Failed of passage	Title
H.R. 11714	Dec. 14, 1973	Dec. 18, 1973	Energy use in residential, commercial, and industrial buildings, provide for the development of improved design, lighting, insulation, and architectural standards to promote efficiency.

BILLS REPORTED IN THE HOUSE BUT NOT ACTED UPON

Bill No.	Date reported	Title
H.R. 10701	Nov. 28, 1973	Construction and operation of certain port facilities, amend the act of October 27, 1965, relating to public works on rivers and harbors to provide for.
S. 1901	Nov. 29, 1973	To amend the act of Aug. 20, 1963, as amended. relating to the construction of mint buildings.
S. 261	Dec. 21, 1973	To amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to provide for minimum Federal payments for four additional years.

BILL APPROVED BY THE HOUSE AND SENATE AND VETOED BY THE PRESIDENT

Bill No.	Date vetoed	Title
H.R. 10511	Jan. 3, 1974	Amendment to the Federal-Aid Highway Act of 1973.

BILL ORDERED REPORTED TO THE HOUSE

Bill No.	Date ordered reported	Title
S. 2079	Nov. 29, 1973	To amend the Federal Property and Administrative Services Act of 1949, as amended.

My sincere appreciation for their splendid cooperation to the committee members, particularly the subcommittee chairmen—Congressman RAY ROBERTS, chairman of the Subcommittee on Water Resources; Congressman JOHN C. KLUCZYNSKI, chairman of the Subcommittee on Transportation; Congressman KENNETH J. GRAY, chairman of the Subcommittee on Public Buildings and Grounds; Congressman ROBERT E. JONES, chairman of the Subcommittee on Economic Development; Congressman JIM WRIGHT, chairman of the Subcommittee on Investigations and Review; and Congressman JAMES J. HOWARD, chairman of the Subcommittee on Energy.

To Congressman WILLIAM H. HARSHA, of Ohio, the ranking minority member of the committee, as well as the other able members of the minority who have done much to further the work of the committee, I wish to extend my deep and sincere appreciation also.

To all the staff of the committee and subcommittees, may I thank you sincerely for a job well done.

REPORTS ON VOTING RECORD

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 22, 1973

Mr. OWENS. Mr. Speaker, under leave to extend my remarks, I include a report of my voting record during the first session of the 93d Congress.

The RECORD contains all rollcall votes for 1973. The description of the bills is for the purpose of identification only; no attempt has been made to extensively describe the bills or to elaborate upon the issues encompassed within them. The purpose of this report is, rather, to provide my constituency with a comprehensive, accessible compilation of my voting record.

The report follows:

CONGRESSMAN WAYNE OWENS' VOTING RECORD, 1ST SESS., 93D CONG., 1973

Roll call No.	Date	Measure, question, result	Vote
2	Jan. 3	Election of Speaker (236–188).	Albert.
10	Jan. 31	H. Res. 132. A resolution to create a select committee to study the operation and implementation of rules X and XI of the Rules of the House of Representatives. On agreeing to the Resolution. (282–91.)	Yes.
11	Feb. 5	H.J. Res. 123. A joint resolution to amend sec. 123 of the Federal-Aid Highway Act of 1970 establishing the Commission on Highway Beautification, as amended. On motion to suspend the rules and pass. (283–40.)	Yes.
15	Feb. 7	H.R. 2107. A bill to require the Secretary of Agriculture to carry out a rural environmental assistance program. On amendment to make available $140,000,000 of REAP appropriation for the purpose of carrying into effect the rural environmental assistance program authorized by secs. 7 through 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, for the fiscal year ending June 30, 1973. (Failed, 176–217.)	No.
16	do	H.R. 2107. On amendment to require that as a condition of eligibility for cost-sharing benefits, a person must certify in writing that his average annual net income from all sources during the preceding 3 years, as reported to the Internal Revenue Service, was $10,000 or less. (Failed, 132–260.)	No.
17	do	H.R. 2107. A bill to require the Secretary of Agriculture to carry out a rural environmental assistance program. On passage. (251–142.)	Yes.
19	Feb. 20	H.R. 3694. A bill to amend the joint resolution establishing the American Revolution Bicentennial Commission, as amended. On motion to suspend the rules and pass. (286–72.)	No.
20	Feb. 21	H.J. Res. 345. A joint resolution making further continuing appropriations for the fiscal year 1973, and for other purposes. On passage. (311–73.)	Yes.
21	Feb. 22	H.R. 1975. A bill to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes. On amendment to extend coverage under the act for 18 days to 555 counties designated as disaster areas. (196–160.)	Yes.
22	do	H.R. 1975. A bill to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes. On passage. (269–95.)	Yes.
24	Feb. 27	H.R. 3577. A bill to provide an extension of the interest equalization tax, and for other purposes. On passage. (358–23.)	Yes.
26	Feb. 28	H. Res. 256. A resolution creating a select committee to investigate all aspects of crime affecting the United States. On agreeing to the resolution. (317–75)	Yes.
28	do	H. Res. 257. A resolution authorizing the Committee on the District of Columbia to conduct studies and investigations. On agreeing to the resolution. (Failed, 153–234.)	Yes.
30	Mar. 1	H.R. 3298. A bill to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act. On passage. (297–54.)	Not voting.
32	Mar. 5	H.R. 4278. A bill to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973, as amended. On motion to suspend the rules and pass. (352–7.)	Do.
33	do	H.J. Res. 393. A joint resolution to amend the education amendments of 1972 to extend the authorization of the National Commission on the Financing of Postsecondary Education and the period within which it must make its final report. On motion to suspend the rules and pass. (332–29.)	Do.
37	Mar. 7	H. Res. 259. A resolution to amend the Rules of the House of Representatives to strengthen the requirement that committee proceedings be held in open session. On amendment that representatives from executive agencies be permitted to attend mark-up sessions. (201–198.)	No.
38	do	H. Res. 259. A resolution to amend the Rules of the House of Representatives to strengthen the requirement that committee proceedings be held in open session. On agreeing to the resolution. (371–27.)	Yes.
41	Mar. 8	H.R. 17. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes. On amendment in the nature of a substitute. (Failed, 165–213.)	No.
42	do	H.R. 17. A bill to amend the vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes. On passage. (318–57.)	Yes.
44	Mar. 13	H.R. 71. A bill to strengthen and improve the Older Americans Act of 1965. On amendment in the nature of a substitute. (Failed, 168–229.)	No.
45	do	H.R. 71. A bill to strengthen and improve the Older Americans Act of 1965. On passage. (329–69.)	Yes.
48	Mar. 14	S. 583. A bill to promote the separation of constitutional powers by securing to the Congress additional time in which to consider the rules of evidence for U.S. courts and magistrates, the amendments to the Federal Rules of Civil Procedure and the amendments to the Federal Rules of Criminal Procedure which the Supreme Court on Nov. 20, 1972, ordered the Chief Justice to transmit to the Congress. On passage. (399–1.)	Yes.
50	Mar. 15	H.R. 2246. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period. On passage. (278–108.)	Not voting.
52	Mar. 20	H. Res. 285. A resolution providing funds for investigations and studies by the Committee on Public Works. On agreeing to the resolution. (372–9.)	Yes.
54	Mar. 21	H.R. 5446. A bill to extend the Solid Waste Disposal Act, as amended, for 1 year. On passage. (392–2.)	Yes.
56	Mar. 22	H. Res. 308. A resolution providing funds for investigations and studies by the Committee on Internal Security. On agreeing to the resolution. (289–101.)	Not voting, A[1]
57	do	H.R. 5445. A bill to extend the Clean Air Act, as amended, for 1 year. On passage. (387–1.)	Not voting.
61	Mar. 29	H.R. 5293. A bill authorizing continuing appropriations for the Peace Corps. On motion to recommit. (Failed, 132–238.)	No.
62	do	H.R. 5293. On passage. (299–72.)	Yes.
63	Apr. 2	H.R. 3153. A bill to amend the Social Security Act to make certain technical and conforming changes. On motion to suspend the rules and pass. (340–1.)	Yes.
64	do	H. Res. 330. A resolution on United States oceans policy at the Law of the Sea Conference. On motion to suspend the rules and pass. (303–52.)	Yes.
70	Apr. 4	H.R. 3577. A bill to provide an extension of the interest equalization tax. On agreeing to the conference report. (396–18.)	Yes.
74	do	H.R. 5683. A bill to amend the Rural Electrification Act of 1936, as amended, to establish a rural electrification and telephone revolving fund to provide adequate funds for rural electric and telephone systems through insured and guaranteed loans at interest rates which will allow them to achieve the objectives of the act. On amendment in the nature of a substitute. (Failed, 162–244.)	No.
75	do	H.R. 5683. On passage. (317–92.)	Yes.
77	Apr. 5	H. Res. 340. A resolution authorizing additional investigative authority to the Committee on Interior and Insular Affairs. On agreeing to the resolution. (281–70.)	Yes.
79	Apr. 9	H.R. 4586. A bill to incorporate in the District of Columbia the National Inconvenienced Sportsman Association. On passage. (328–0.)	Not voting.
80	do	H.R. 342. A bill to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel. On passage. (331–1.)	Do.
82	Apr. 10	H.R. 3298. An act to restore the rural water and sewer grant program under the Consolidated Farm and Rural Development Act. On overriding Presidential veto. (⅔ required. Failed, 225–189.)	Yes.
85	Apr. 11	H.R. 3180. A bill to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress. On passage. (354–49.)	Yes.
86	Apr. 12	H.J. Res. 496. A joint resolution making supplemental appropriations for the fiscal year 1973. On passage. (367–0.)	Yes.
90	Apr. 16	H.R. 6168. A bill to amend and extend the Economic Stabilization Act of 1970. On amendment to the substitute amendment (H.R. 2099, by voice vote, considered in lieu of) imposing a price ceiling. (Failed, 139–263.)	Yes.
91	do	H.R. 6168. On amendment to substitute amendment providing regulations for proposed wage or salary adjustments. (271–132.)	Yes.
92	do	H.R. 6168. On amendment to substitute amendment on extending date from Apr. 30, 1973, to June 30, 1973. (Failed, 151–253.)	Yes.
93	do	H.R. 6168. On amendment to substitute amendment to authorize President to stabilize rents at January 10, 1973 levels. (Failed, 173–225.)	Yes.
94	do	H.R. 6168. On amendment to substitute amendment to allow President to stabilize rents and roll back rents. (Failed, 147–250.)	Yes.
95	do	H.R. 6168. On amendment to substitute amendment to establish wage, rent and price ceilings. (Failed, 101–303.)	No.
97	do	H.R. 6168. On passage. (293–114.)	No.
100	Apr. 17	H.R. 6691. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1974. On amendment to delete funds for the extension of the West Front of the Capitol. (Failed, 189–195.)	No.
102	Apr. 18	H.R. 6691. On motion to recommit. (Failed, 185–215.)	No.
108	do	S. 50. A bill to strengthen and improve the Older Americans Act of 1965. On concurring in Senate to House amendment, essentially identical to House passed version of the bill. (348–0.)	Yes.
110	Apr. 19	S. 502. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code. On amendment to permit use of urban systems funds for mass transit projects. (Failed, 190–215.)	Yes.
111	do	S. 502. On amendment to assign to the States the responsibility for allocation of funds on basis of need instead of per capita distribution. (292–93.)	Yes.
114	Apr. 30	S. 398. A bill to extend and amend the Economic Stabilization Act of 1970. On agreeing to the conference report. (267–115.)	Yes.
116	May 1	H.R. 3932. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate. On amendment that would exempt current Director and Deputy Director of OMB from Senate confirmation. (Failed, 130–263.)	No.
117	do	H.R. 3932. On passage. (229–171.)	Yes.
119	May 2	H.R. 6388. A bill to amend the Airport and Airway Development Act of 1970 to increase the U.S. share of allowable project costs under such act; to amend the Federal Aviation Act of 1958 to prohibit certain State taxation of persons in air commerce. On passage. (386–16.)	Yes.

Footnote at end of table.

Roll call No.	Date	Measure, question, result	Vote
121	May 3	H.R. 982. A bill to amend the Immigration and Nationality Act. On amendment to strike 3-step civil and criminal penalty for employers who knowingly employ aliens. (Failed, 96–266.)	No.
122	do.	H.R. 982. On passage. (297–63.)	Yes.
124	May 7	H.R. 4967. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1974. On motion to suspend rules and pass. (336–8).	Yes.
125	do.	H.R. 6574. A bill to amend title 38, United States Code, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserve. On motion to suspend the rules and pass. (341–1).	Yes.
126	do.	H.R. 2828. A bill to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration. On motion to suspend the rules and pass. ⅔ required. (340–1.)	Yes.
127	do.	H.R. 29. A bill to provide for payments by the Postal Service to the Civil Service Retirement Fund for increases in the unfunded liability of the fund due increases in benefits for postal employees. On motion to suspend the rules and pass. ⅔ required. (344–0.)	Yes.
128	May 8	H.R. 5452. A bill to extend and make technical corrections to the National Sea Grant College and Program Act of 1966. On motion to suspend the rules and pass. ⅔ required. (368–9.)	Yes.
129	do.	H.R. 5451. A bill to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended. On motion to suspend the rules and pass. ⅔ required. (370–1.)	Yes.
131	May 9	H.R. 7445. A bill to amend the Renegotiation Act of 1951 to extend the act for 2 years. On passage. (388–0.)	Yes.
133	May 9	H.R. 6370. A bill to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations. On passage. (376–4.)	Yes.
134	May 10	S. 394. An act to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year. On agreeing to the conference report. (363–25.)	Yes.
136	do.	H.R. 7447. A bill making supplemental appropriations for the fiscal year ending June 30, 1973. On amendment to delete language authorizing the transfer of $430,000,000 by the Department of Defense. (219–188.)	Yes.
137	do.	H.R. 7447. On amendment that would postpone the provisions of amendment prohibiting the use of funds to finance combat activities in Cambodia. (Failed, 180–219.)	No.
138	do.	H.R. 7447. On amendment to prohibit use of funds appropriated to the Department of Defense for direct or indirect support of combat activities in, over or from off the shores of Cambodia by United States Forces. (224–172.)	Yes.
139	do.	H.R. 7447. On amendment to increase the funding for category B impacted aid school assistance from 54 percent to 68 percent. (211–178.)	Yes.
140	do.	H.R. 7447. On amendment prohibiting transfer of $430,000,000 within the Department of Defense. (194–187.)	Yes.
141	do.	H.R. 7447. On passage. (284–96.)	Yes.
143	May 15	H.R. 6768. A bill to provide for participation by the United States in the United Nations environment program. On amendment to delete $40,000,000 total authorization and reduce the $10,000,000 authorization for fiscal year 1974 to $2,500,000. (Failed, 164–216.)	No.
144	do.	H.R. 6768. On an amendment to authorize appropriation of $5,000,000 for fiscal year 1974. (200–184.)	No.
145	do.	H.R. 6768. On amendment to authorize appropriation of $5,000,000 for fiscal year 1974. (Failed, 192–198.)	No.
146	do.	H.R. 6768. On passage. (266–123.)	Yes.
148	May 16	H.R. 5777. A bill to protect hobbyists against the reproduction or manufacture of certain imitation hobby items and to provide additional protections for American hobbyists. On passage. (382–7.)	Yes.
149	May 21	H.J. Res. 512. A joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorization under laws relating to housing and urban development. On passage. (357–1.)	Not voting.
150	do.	H.R. 6330. A bill to amend sec. 8 of the Public Buildings Act of 1959, relating to the District of Columbia, as amended. On motion to suspend the rules and pass. (270–98.)	Do.
152	May 22	H.R. 6717. A bill to amend sec. 210 of the Flood Control Act of 1968, as amended. On motion to suspend the rules and pass. (307–90.)	No.
154	do.	H.R. 7200. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to revise certain eligibility conditions for annuities; to change the railroad retirement tax rates; and to amend the Interstate Commerce Act in order to improve the procedures pertaining to certain rate adjustments for carriers subject to pt. I of the act. On passage. (387–5.)	Yes.
156	May 23	S. 518. An act to require that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate. On overriding Presidential veto. ⅔ required. (Failed, 236–178.)	Yes.
158	do.	H.R. 7528. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management. On amendment which would prohibit appropriated funds to be used for tracking and data acquisition to be expended in South Africa. (Failed, 104–294.)	Yes.
159	do.	H.R. 7528. On passage. (322–73.)	No.
161	May 29	H.R. 6912. A bill to amend the Par Modification Act. On amendment to permit private purchase, sale and ownership of gold after Dec. 31, 1973. (Failed, 162–162.)	Yes.
162	do.	H.R. 6912. On amendment to prohibit Presidential determination of private gold ownership. (Failed, 100–218.)	No.
163	do.	H.R. 6912. On passage. (281–36.)	Yes.
166	May 30	H.R. 5857. A bill to amend the National Visitor Center Facilities Act of 1968. On passage. (288–75.)	Not voting.
167	do.	H.R. 5858. A bill authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts. On passage. (260–100.)	Do.
169	May 31	H.R. 7806. A bill to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act. On passage. (372–1.)	Do.
170	do.	H.R. 7724. A bill to amend the Public Health Service Act to establish a national program of biomedical research fellowships, traineeships, and training to assure the continued excellence of biomedical research in the United States. On amendment which would provide that the Secretary may not conduct or support research in the United States or abroad on a human fetus which is outside the uterus of its mother and which has a beating heart. (354–9.)	Do.
171	do.	H.R. 7724. On passage. (361–5.)	Do.
172	do.	H.R. 6458. A bill to amend the Public Health Service Act to authorize assistance for planning development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions. On passage. (261–96.)	Do.
174	June 4	H. Res. 398. A resolution providing for the promotions to positions of a supervisory capacity on the U.S. Capitol Police force authorized for duty under the House of Representatives, to reduce by 15 positions the total number of positions on such force under the House. On motion to suspend the rules and pass. ⅔ required. (299–0.)	Do.
176	June 5	H.R. 8070. A bill to authorize grants for vocational rehabilitation services. On motion to suspend the rules and pass. ⅔ required. (384–13.)	Yes.
179	June 6	H.R. 7935. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act. On amendment to raise the minimum wages of agricultural workers to the base level of industrial workers. (Failed, 186–232.)	Yes.
180	do.	H.R. 7935. On amendment to increase minimum wage to $2.10 by 1975 for workers covered prior to 1966, set a lesser scale for agricultural workers, provide a youth differential and offer no additional coverage. (Failed, 199–218.)	No.
181	do.	H.R. 7935. On amendment to set a minimum wage scale for workers covered prior to 1966 at levels lower than the bill provided. (Failed, 193–225.)	No.
182	do.	H.R. 7935. On amendment to increase minimum wage to $2.20 over a 2-year period instead of 1 year in the bill. (Failed, 189–224.)	No.
183	do.	H.R. 7935. On amendment to provide for a less rapid increase in the minimum wage for agricultural workers. (Failed, 195–224.)	No.
184	do.	H.R. 7935. On amendment to raise agricultural worker's minimum wage to $2.20 by June 30, 1975. (Failed, 102–313.)	No.
185	do.	H.R. 7935. On amendment to strike language extending coverage of the minimum wage to all Federal employees. (Failed, 167–249.)	No.
186	do.	H.R. 7935. On amendment to strike out extension of coverage to employees of local and State governments. (Failed, 182–233.)	No.
187	do.	H.R. 7935. On amendment to provide exemption from overtime payments for workers in the canning of perishable products for a period of 20 days each year. (251–163.)	Yes.
188	do.	On amendment to establish a subminimum wage rate for workers 18 and under at 80 percent of the applicable minimum wage or $1.60 per hour, whichever is higher. (Failed, 199–215.)	No.
189	do.	H.R. 7935. On amendment to allow that the increases in the minimum wage rates prescribed by this bill would not apply to the minimum wage rates applicable under this bill to employees employed in the Canal Zone. (213–203.)	No.
190	do.	H.R. 7935. On passage. (287–130.)	Yes.
194	June 7	H. Res. 382. A resolution disapproving Reorganization Plan No. 2. On agreeing to the resolution. (Failed, 130–281.)	Yes.
195	do.	H.R. 7645. A bill to authorize appropriations for the Department of State. On passage. (331–57.)	Yes.
196	do.	H.R. 7446. A bill to establish the American Revolution Bicentennial Administration. On passage. (344–14.)	Yes.
197	June 8	H.R. 2246. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for 1-year period. On agreeing to the conference report. (276–2.)	Yes.

CONGRESSMAN WAYNE OWENS' VOTING RECORD, 1ST SESS., 93D CONG., 1973—Continued

Roll call No.	Date	Measure, question, result	Vote
199	June 8	H.R. 7670. A bill to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce. On passage. (266–10.)	Yes.
203	June 11	H.R. 4083. A bill to improve the laws relating to the regulation of insurance in the District of Columbia. On passage. (330–0.)	Yes.
204	do	H.R. 6713. A bill to amend the District of Columbia Election Act regarding the times for filing certain petitions, regulating the primary election for Delegate from the District of Columbia. On passage. (330–12.)	Yes.
205	do	H.R. 8250. A bill to authorize certain programs and activities of the government of the District of Columbia. On passage. (268–84.)	Yes.
206	do	H.R. 4771. A bill to regulate the maximum rents to be charged by landlords in the District of Columbia. On passage. (210–144.)	Yes.
207	June 12	H.R. 5293. A bill authorizing continuing appropriations for the Peace Corps. On agreeing to the conference report. (329–64.)	Yes.
209	do	H.R. 77. A bill to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services. On amendment to provide for employees, their families and dependents the right to select their own counsel. (279–126.)	No.
210	do	H.R. 77. On amendment to provide that no labor organization or employer shall be required to bargain on the establishment of any such trust fund, and refusal to do so shall not constitute an unfair labor practice. (Failed, 111–293.)	No.
211	do	H.R. 77. On amendment concerning what constitutes an unfair labor practice. (Failed, 177–223.)	No.
212	do	H.R. 77. On passage. (257–149.)	Yes.
219	June 13	H.R. 8410. A bill to continue the existing temporary increase in the public debt limit through Nov. 30, 1973. On passage. (261–152.)	No.
222	June 14	H.R. 3926. A bill to extend the National Foundation on the Arts and the Humanities Act. On amendment reducing funding levels. (Failed, 141–248.)	No.
223	do	H.R. 3926. On amendment to eliminate funding of program for fiscal years 1975 and 1976. (Failed, 146–235.)	No.
224	do	H.R. 3926. On passage. (309–63.)	Yes.
228	June 15	H.R. 8619. A bill making appropriations for agriculture, environmental, and consumer protection programs for the fiscal year ending June 30, 1974. On amendment prohibiting funds for salaries of personnel with Cotton, Inc., engaged in research and promotion of cotton. (234–125.)	Not voting.
229	do	H.R. 8619. On substitute amendment that would prohibit use of funds under this act for payment of salaries of personnel who formulate or carry out certain programs. (195–157.)	Do.
230	do	H.R. 8619. On passage. (304–3.)	Do.
233	June 18	H.R. 8658. A bill making appropriations for the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1974. (321–64.)	Do.
235	do	H.R. 8152. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice. On amendment making optional the inclusion of representatives of citizen, professional, and community organizations on State planning agencies and regional planning units. (227–162.)	Do.
236	do	H.R. 8152. On amendment clarifying administration's authority over grants and grantees. (231–161.)	Do.
237	do	H.R. 8152. On passage. (391–0.)	Do.
238	June 19	H.R. 689. A bill to amend sec. 712 of title 18 of the United States Code, to prohibit persons attempting to collect their own debts from misusing names in order to convey the false impression that any agency of the Federal Government is involved in such collection. On motion to suspend the rules and pass. (⅔ required. (399–0.)	Yes.
239	do	H.R. 6129. A bill to amend sec. 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands. On motion to suspend the rules and pass. ⅔ required. (387–14.)	Yes.
240	do	H.R. 7127. A bill to amend the act of Oct. 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historical properties throughout the Nation. On motion to suspend the rules and pass. ⅔ required. (385–16.)	Yes.
242	do	H.R. 5464. A bill to authorize appropriations for the saline water program for fiscal year 1974. On agreeing to committee amendment raising authorized funds from $2,500,000 to $9,100,000. (281–125.)	Yes.
243	do	H.R. 5464. On passage. (399–4.)	Yes.
244	June 20	H.R. 5094. A bill to amend title 5, United States Code, to provide for the reclassification of positions of deputy U.S. marshal. (319–84.)	Yes.
246	do	H.R. 8760. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974. On amendment striking $1,600,000 for construction of the moorings for the Mackinaw at Cheboygan, Michigan. (Failed, 107–309.)	No.
247	do	H.R. 8760. On amendment adding $3,000,000 for urban transportation for the aged, the handicapped and the lame. (Failed, 204–213.)	Yes.
248	do	H.R. 8760. On amendment adding $9,700,000 for research and demonstration for a personal rapid transit system. (Failed, 137–277.)	Yes.
249	do	H.R. 8760. On amendment striking funds for research, development and demonstrations for urban mass transportation programs. (Failed, 17–392.)	No.
250	do	H.R. 8760. On passage. (414–2.)	Yes.
254	June 21	H.R. 7824. A bill to establish a legal services corporation. On amendment prohibiting the corporation from giving contracts or grants for backup research, training or technical assistance. (245–166.)	No.
255	do	H.R. 7824. On amendment permitting individuals to bring suit against the corporation and recover costs in case of favorable rulings. (Failed, 159–237.)	No.
256	do	H.R. 7824. On amendment to insure that no funds made available to recipients by the corporation shall be used at any time, directly or indirectly, to undertake to influence any executive order or similar promulgation of any Federal, State, or local agency, or to undertake to influence the passage or defeat of legislation by the Congress of the United States, or by any State or local legislative bodies, except under certain conditions. (200–181.)	No.
257	do	H.R. 7824. On amendment to place certain regulations on activities of attorneys receiving more than one-half of their annual professional income from legal assistance activities supported in whole or in part by the corporation. (207–171.)	No.
258	do	H.R. 7824. On amendment prohibiting legal services for litigation relating to the desegregation of schools. (221–150.)	No.
259	do	H.R. 7824. On amendment eliminating funds for backup legal research centers. (233–139.)	No.
261	do	H.R. 7824. On amendment prohibiting providing legal assistance in proceedings or litigation which seeks to procure a nontherapeutic abortion. (316–53).	Yes.
262	do	H.R. 7824. On amendment prohibiting legal assistance with respect to any proceeding or litigation relating to abortion. (301–68.)	Yes.
263	do	H.R. 7824. On passage. (276–95.)	Yes.
265	June 22	H.R.8510. A bill to authorize appropriations for activities of the National Science Foundation. On amendment to restrict fund transfers to 10 percent of any particular category and require congressional notification of such transfers. (Failed, 109–238.)	No.
266	do	H.R. 8510. On amendment prohibiting expenditure of funds to conduct or support research in the United States or abroad on a human fetus which is outside the womb of its mother and which has a beating heart. (288–73.)	No.
267	do	H.R. 8510. On passage. (364–6.)	Yes.
269	do	H.R. 8825. A bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain related agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974. On amendment to increase funds for the comprehensive housing and development planning grants. (Failed, 168–184.)	Yes.
270	do	H.R. 8825. On amendment to increase the amount of funds allocated for urban renewal. (Failed, 106–241.)	Yes.
271	do	H.R. 8825. On passage. (316–21.)	Yes.
273	June 25	H.R. 7447. A bill making supplemental appropriations for fiscal year ending June 30, 1973. On amendment to recede from disagreement to Senate amendment prohibiting use of funds herein appropriated or appropriated under any other act to support directly or indirectly combat activities in, over, or from off the shores of Cambodia or in or over Laos by the U.S. forces. (235–172.)	Yes.
274	do	H.R. 7447. On amendment to agree with Senate amendment with amendment allowing for use of funds until Sept. 1, 1973. (Failed, 204–204.)	No.
275	do	H.R. 445. A resolution providing that it shall be in order for the Speaker at any time during the week of June 25, 1973, to entertain motions to suspend the rules notwithstanding the provisions of clause 1, rule IIVII. On agreeing to the resolution. (276–129.)	Yes.
277	do	H.R. 8662. A bill to authorize appropriations to the Atomic Energy Commission in accordance with sec. 261 of the Atomic Energy Act of 1954. On amendment to permit the States to regulate the level of emissions from atomic reactors. (Failed, 136–266.)	Not voting.
278	do	H.R. 8662. On passage. (398–4.)	Do.
282	June 26	H.J. Res. 636. A joint resolution making continuing appropriations for the fiscal year 1974. On a motion to limit further debate. (275–136.)	No.
283	do	H.J. Res. 636. On amendment to extend limitations on expenditure of funds in Southeast Asia to previously appropriated but unexpended funds. (218–194.)	Yes.
284	do	H.J. Res. 636. On amendment to cut off funding under this resolution after Sept. 1, 1973, for direct or indirect support of combat activities in or over Cambodia or Laos or off the shores of Cambodia or Laos. (232–181.)	Yes.
285	do	H.J. Res. 636. On amendment to prohibit use of funds under this resolution for support directly or indirectly combat activities in or over or off the shores of Cambodia, Laos, Vietnam and South Vietnam without the express consent of the Congress. (240–172.)	Yes.
286	do	H.J. Res. 636. On passage. (325–86.)	Yes.
290	do	H.R. 8877. A bill making appropriations for the Department of Labor, and Health, Education and Welfare, and related agencies, for the fiscal year ending June 30, 1974. On amendment to reduce funds appropriated for the Office of Economic Opportunity. (Failed, 110–288.)	No.
291	do	H.R. 8877. On package of amendments to reduce funds for 26 sections of the bill. (Failed, 186–213.)	No.
292	do	H.R. 8877. On amendment to increase funds for bilingual education programs. (Failed, 161–244.)	Yes.
293	do	H.R. 8877. On amendment to reduce by 10 percent the funds for educationally deprived children. (Failed, 190–218.)	No.

Roll call No.	Date	Measure, question, result	Vote
294	June 26	H.R. 8877. On motion to recommit with instructions. (Instructions sought to reduce funds in 26 sections of the bill by $500,000,000.)(Failed, 186–219.)	No.
295	do	H.R. 8877. On passage. (347–58.)	Yes.
297	June 27	H.R. 8215. A bill to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976. On agreeing to the committee amendments to accomplish suspension. (403–0.)	Yes.
298	do	H.R. 4200. A bill to amend sec. 122 of the Internal Revenue Code of 1954. On passage. (402–0.)	Yes.
299	do	H. Res. 470. A resolution waiving points of order against H.R. 8917, a bill making appropriations for the Department of Interior and related agencies for the fiscal year ending June 30, 1974. On agreeing to the resolution. (401–12.)	Yes.
300	do	H.R. 7447. A bill making supplemental appropriations for the fiscal year ending June 30, 1973. On over-rising Presidential veto; ¾ required. (241–173.)	Yes.
304	do	H.R. 8917. A bill making appropriations for the Department of Interior and related agencies for the fiscal year ending June 30, 1974. On passage. (405–4)	Yes.
306	June 28	H.R. 8537. A bill to amend the Dependents Assistance Act of 1950. On motion to instruct conferees to insist on House position prohibiting flight pay for persons assigned to flight units who do not fly. (238–175.)	Yes.
308	do	H.R. 8947. A bill making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974. On amendment to eliminate funds from the program for the nuclear stimulation of natural gas. (Failed, 108–303.)	No.
309	do	H.R. 8947. On amendment to add $4,700,000 for geothermal research. (206–205.)	Yes.
310	do	H.R. 8947. On passage. (384–26.)	Yes.
311	do	H.R. 8548. A bill to amend the International Economic Policy Act of 1972 to change membership of the Council on International Economic Policy. On passage. (322–62.)	No.
313	June 29	H.R. 9055. A bill making supplemental appropriations for the fiscal year ending June 30, 1973. On amendment to prohibit use of funds under this bill for direct or indirect support of combat activities in over or from any other sovereign state. (Failed, 57–346.)	No.
314	do	H.R. 9055. On amendment to prohibit use of funds herein or heretofore appropriated under any other act for direct or indirect support of combat activities in, over or from off the shores of Cambodia or in or over Laos by the U.S. forces. (Failed, 169–236.)	Yes.
315	do	H.R. 9055. On passage. (278–124.)	No.
317	do	H.R. 8916. A bill making appropriations for the Department of State, Justice, and Commerce, the Judiciary and related agencies for the fiscal year ending June 30, 1974. On amendment to increase funds for probationary and supporting personnel. (220–164.)	Yes.
318	do	H.R. 8916. On passage. (370–11)	Yes.
319	do	H.R. 8410. A bill to continue the existing temporary increase in the public debt limit through November 1973. On motion to recede from disagreement to the Senate amendment. (Failed, 185–190.)	Yes.
321	June 30	H.R. 8410. On motion to recede and concur on amendment, including provisions relating to unemployment compensation, continuation of maternal and child health programs, and the dollar campaign check-off. (294–54.)	Yes.
322	do	H.J. Res. 636. A joint resolution making continuing appropriations for the fiscal year 1974. On agreeing to the conference report. (266–75.)	No.
323	do	H.R. 7445. A bill to amend the Renegotiation Act of 1951 to extend the act for 2 years. On motion to recede and concur with an amendment, including an increase in social security payments, modifications in welfare and medicaid, and an extension of certain social service programs. (327–9.)	Yes.
325	July 10	H.R. 8860. A bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices. On amendment limiting farm subsidy payments to $20,000 per commodity. (313–89.)	Yes.
326	do	H.R. 8860. On amendment to limit farm subsidy payments for the 1974 through 1978 crop years to no more than $20,000 total under 1 or more of the annual programs established by titles IV, V, and VI of this act. (246–163.)	Yes.
327	do	H.R. 8860. On amendment prohibiting use of funds of the Commodity Credit Corporation for direct or indirect financing or guaranteeing sale of any wheat or feed grains to the Union of Soviet Socialist Republics or to the People's Republic of China. (Failed, 139–264.)	No.
329	July 11	H.R. 8860. On amendment ending $10,000,000 annual authorization for cotton promotion and research by Cotton, Inc. (241–162.)	Yes.
330	do	H.R. 8860. On amendment to remove the escalator clause providing for annual adjustment of target prices. (Failed, 174–239.)	No.
331	do	H.R. 8860. On amendment to permit Secretary of Agriculture to extend loan provisions to noncooperators under the wheat, feed grains, and cotton programs. (Failed, 160–247.)	No.
322	do	H.R. 8860. On amendment to provide a 3-year phaseout of income payments and by shifting the set-aside program to a cropland basis. (Failed, 186–220.)	No.
335	July 12	H.R. 8606. A bill to amend the Small Business Act. On amendment to strike the $2,500 forgiveness at 3 percent and/or the choice of a 1-percent loan. (Failed, 167–245.)	No.
336	July 12	H.R. 2990. A bill to provide for annual authorization of appropriations to the U.S. Postal Service. On passage. (328–65.)	Yes.
338	July 16	H.R. 8860. A bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices. On amendment to strike out cotton section of the bill. (207–190.)	No.
340	do	H.R. 8860. On amendment to strike provisions transferring OSHA from the Department of Labor to the Department of Agriculture. (221–177.)	Yes.
342	July 17	S. 504. A bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems. On agreeing to the conference report. (306–111.)	Yes.
343	do	H.R. 6078. A bill to include inspectors of the Immigration and Naturalization Service or the Bureau of Customs within the provisions of sec. 8336(c) of title 5, United States Code, relating to the retirement of certain employees engaged in hazardous occupations. On motion to suspend the rules and pass. ⅔ required. (296–123.)	Yes.
344	do	H.R. 8949. A bill to amend title 38 of the United States Code relating to basic provisions of the loan guaranty program for veterans. On motion to suspend the rules and pass. ⅔ required. (412–3.)	Yes.
345	do	H.R. 9048. A bill to amend title 38 of the United States Code to provide improved medical care to veterans; to provide hospital and medical care to certain dependents and survivors of veterans; to improve recruitment and retention of career personnel in the Department of Medicine and Surgery, as amended. On motion to suspend the rules and pass. ⅔ required. (421–0.)	Yes.
346	do	S. 2120. A bill to amend the Federal Railroad Safety Act of 1970 and other related acts to authorize additional appropriations. On motion to suspend the rules and pass. ⅔ required. (409–7.)	Yes.
347	do	S. 1752. A bill prescribing the objectives and functions of the National Commission on Productivity and Work Quality. On motion to suspend the rules and pass. ⅔ required. (174–237.)	No.
349	July 18	H.J. Res. 542. A joint resolution concerning the war powers of Congress and the President. On an amendment to require Congress to specifically approve or disapprove by bill or resolution the commitment of forces by the President in the absence of a declaration of war within 90 days of such Executive action. (Failed, 166–250.)	No.
350	do	H.J. Res. 542. On amendment to prohibit the President from committing troops unless Congress declared war or authorized such commitment, or if the President found such action within his constitutional authority. (Failed, 353–262.)	No.
351	do	H.J. Res. 542. On amendment to require Congress to specifically approve or disapprove the commitment of troops within 120 days by a declaration of war or by passage of a resolution. (Failed, 200–211.)	No.
352	do	H.J. Res. 542. On passage. (244–170.)	No.
354	July 19	H.R. 8860. A bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices. On amendment deleting language including persons in public assistance programs under social security in the food stamp program and food distribution program. (238–173.)	Not voting.
355	do	H.R. 8860. On amendment to make ineligible for food stamps those persons involved in a labor dispute or strike. (213–203.)	Do
356	do	H.R. 8860. On amendment to substitute the food stamp section which removes the requirement of a prior certificate of eligibility, restores the eligibility of students, and permits use of stamps to purchase imported foods. (210–207.)	Do.
357	do	H.R. 8860. On amendment to prohibit payments, direct or indirect, to any producer of agricultural commodities by any agency or instrumentality of the United States with respect to any crop which was planted, cultivated, or harvested during a labor dispute involving such producer and persons who have been in his employ. (Failed, 85–326.)	Do.
358	do	H.R. 8860. Substitute amendment that would make ineligible for food stamps those presons involved in a labor dispute or strike, unless they had been receiving food stamps prior to the commencement of the strike. (208–207.)	Do.
359	do	H.R. 8600. On amendment that reinserts the cotton section to the bill, but eliminates $10 million for Cotton, Inc. (250–165.)	Do.
361	do	H.R. 8860. Amendment to strike escalator clause for cotton. (248–165.)	Do.
362	do	H.R. 8860. On motion to recommit with instructions to strike all of the escalator clause provisions. (Failed, 182–225.)	Do.
363	do	H.R. 8860. On passage. (226–182.)	Do.
365	July 20	H.R. 8538. A bill to amend the Communications Act of 1934, to extend certain authorizations for the Corporation for Public Broadcasting and for certain construction grants for noncommercial educational television and radio broadcasting facilities. On amendment prohibiting grants to any applicant who is not in compliance with laws, rules and regulations relating to nondiscrimination in employment. (Failed, 189–190.)	Do.
366	do	H.R. 8538. On passage. (363–14.)	Do.
368	July 23	H.R. 5356. A bill to regulate interstate commerce to protect health and the environment from hazardous chemical substances. On amendment defining Administrator's authority under this act. (193–192.)	Yes.

CONGRESSMAN WAYNE OWENS' VOTING RECORD, 1ST SESS., 93D CONG., 1973—Continued

Roll call No.	Date	Measure, question, result	Vote
369	July 23	H.R. 5356. On amendment to sec. 23 concerning rules promulgated by the Administrator. (Failed, 159–236.)	No.
370	do	H.R. 5356. On amendment defining Administrator's authority under the act. (Failed, 189–202.)	Yes.
371	do	H.R. 5356. On passage. (324–73.)	Yes.
374	July 24	S. 1888. A bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices. On ordering the previous question on the motion to instruct conferees. (244–155.)	Yes.
375	do	S. 1888. On motion to instruct conferees. (371–35.)	Yes.
377	do	H.R. 8480. A bill to require the President to notify the Congress whenever he impounds funds, to provide a procedure under which the House of Representatives or the Senate may disapprove the President's action and require him to cease such impounding, and to establish for the fiscal year 1974 a ceiling on total Federal expenditures. On amendment to empower the Comptroller General to exempt from provisions of the act impoundments he determines in accordance with the Anti-Deficiency Act. (Failed, 180–229.)	No.
378	do	H.R. 8480. On amendment to require both Houses of Congress to disapprove impoundments by concurrent resolution. (Failed, 205–206.)	No.
380	July 25	S. 1423. A bill to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services. On agreeing to conference report. (256–155.)	Yes.
382	do	H.R. 8480. A bill to require the President to notify the Congress whenever he impounds funds, to provide a procedure under which the House of Representatives or the Senate may disapprove the President's action and require him to cease such impounding, and to establish for the fiscal year 1974 a ceiling on total Federal expenditures. On amendment that provides that an impoundment cease after 60 days unless ratified by both Houses by concurrent resolution. (Failed, 96–318.)	Yes.
383	do	H.R. 8480. On amendment reducing spending ceiling to $260,000,000,000 which would balance the budget. (Failed, 156–252.)	No.
384	do	H.R. 8480. On amendment reducing spending ceiling by $3,800,000,000. (Failed, 205–205.)	No.
385	do	H.R. 8480. On motion to recommit with instructions. (Failed, 208–212.)	No.
386	do	H.R. 8480. On passage. (254–164.)	Yes.
391	July 26	H.R. 9360. A bill to amend the Foreign Assistance Act of 1961. On amendment reducing authorized funds by $75,000,000. (Failed, 131–271.)	No.
392	do	H.R. 9360. On amendment to strike language authorizing $93,000,000 for selected development problems. (Failed, 203–204.)	No.
393	do	H.R. 9360. On amendment to strike language authorizing $60,000,000 for assistance to selected countries and organizations. (Failed, 173–232.)	Yes.
395	do	H.R. 9360. On amendment restricting assistance under this act to countries which nationalized or expropriated or seized ownership or control of property owned by any U.S. citizen or by any corporation, partnership, or association not less than 50 per centum of which is beneficially owned by U.S. citizens. (278–102.)	No.
396	do	H.R. 9360. On amendment to strike out section which establishes the U.S. Export Development Credit Fund. (240–137).	Yes.
397	do	H.R. 9360. On amendment to reduce total authorization by $68,000,000. (232–139.)	Yes.
398	do	H.R. 9360. On passage. (188–183.)	No.
399	July 30	H.R. 8947. A bill making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974. On agreeing to the conference report. (373–9.)	Yes.
400	do	H. Res. 512. A resolution providing for the consideration of S. 1989, a bill to amend sec. 225 of the Federal Salary Act of 1967 with respect to certain executive, legislative and judicial salaries. On agreeing to the resolution. (Failed, 156–237.)	No.
401	do	S. Con. Res. 42. A concurrent resolution providing for the conditional adjournment of the Senate and the House from Aug. 3, 1973 to Sept. 5, 1973. On agreeing to the resolution. (370–22.)	Yes.
402	do	H.R. 9474. A bill to amend title 38 of the United States Code to increase the monthly rates of disability and death pension, and dependency and indemnity compensation. On motion to suspend the rules and pass. ⅔ required. (385–0.)	Yes.
405	July 31	H.R. 9826. A bill to authorize appropriations during fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selective Reserve of each Reserve component of the Armed Forces, and the military training student loads. On amendment to delete the authorization of $657,000,000 for further construction of the CVN–70 nuclear aircraft carrier. (Failed, 88–323.)	Yes.
406	do	H.R. 9826. On amendment to strike the B–1 bomber program. (Failed, 96–313.)	Yes.
407	July 31	H.R. 9826. On amendment prohibiting stationing or basing of active duty forces in any nation to aid in the defense of that nation where the nation in question is expending a smaller proportion of its gross national product on its own defense than does the United States or has failed to officially notify the Secretary General of the NATO that henceforth its commitment to its own defense in terms of its own gross national product shall be at least equal to that of the United States for fiscal year 1974 and subsequent years. (Failed, 130–282.)	Yes.
408	do	H.R. 9826. On amendment to reduce U.S. troop levels in NATO, and in the Western Pacific. (Failed, 67–339.)	Yes.
409	do	H.R. 9826. On amendment to add language: That the Committee on Armed Services of the House shall report to the House by Apr. 1, 1974, a detailed and independent study on the advisability of maintaining our present military commitment to Europe in view of the current economic and military situation in Europe. (242–163.)	No.
410	do	H.R. 9826. On amendment concerning spending limitation under titles I and II of the act. (242–163.)	Yes.
411	do	H.R. 9826. On passage. (367–37.)	Yes.
412	Aug. 1	H.R. 8825. A bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974. On agreeing to the conference report. (401–9.)	Yes.
413	do	H.R. 8825. On motion that the House disagree with Senate Amendment numbered 44. (222–189.)	No.
415	do	H.R. 9590. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974. On amendment to cut the committee recommendations for the Office of the President by 5 percent. (Failed, 199–209.)	Yes.
416	do	H.R. 9590. On amendment to reduce the appropriation for OTP salaries and expenses by 25 percent. (Failed, 190–217.)	Yes.
419	Aug. 2	H.R. 9130. A bill to amend sec. 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline. On amendment restricting granting of right-of-way or permit in certain circumstances. (Failed, 160–261.)	Yes.
420	do	H.R. 9130. On amendment to add new section: Proceedings in any U.S. Federal court with respect to any action taken by the Secretary of the Interior in accordance with the Provisions of the National Environmental Policy Act of 1969 or relating to any right-of-way to construct the proposed trans-Alaska pipeline or to any permit in relation thereto shall be given precedence over all other cases pending therein, and shall be assigned for hearing and determined at the earliest practicable date, and all courts involved shall cause the case to be in every way expedited. (Failed, 198–221.)	Yes.
421	do	H.R. 9130. On amendment to assure all regions of the U.S. equitable allocations of crude oil. (Failed, 179–233.)	Yes.
42	do	H.R. 9130. On amendment to prohibit use of materials supplies or articles not from or manufactured by the United States in the construction of the trans-Alaska pipeline.	Yes.
423	do	H.R. 9130. On amendment to require permits issued by civil authorities in addition to those issued by the Secretary of the Interior. (Failed, 177–228.)	Yes.
424	do	H.R. 9130. On passage. (356–60.)	Yes.
425	Aug. 3	S. 1636. A bill to amend the International Economic Policy Act of 1972. On agreeing to the conference Report. (335–71.)	No.
426	do	H. Res. 518. A resolution providing for the consideration of S. 1264, a bill to authorize and direct the Secretary of the Treasury to make grants to Eisenhower College, in Seneca Falls, N.Y., out of proceeds from the sale of silver dollar coins bearing the likeness of the late President of the United States, Dwight David Eisenhower. On agreeing to the resolution. (Failed, 183–230.)	No.
427	do	S. 502. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code. On agreeing to the Conference Report. (382–34.)	Yes.
428	do	H.R. 7935. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under the act, to expand the coverage of that act. On agreeing to the conference report. (253–152.)	Yes.
429	do	S. 1888. A bill to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices. On ordering the previous question on motion to concur in the Senate amendment with an amendment. (349–54.)	Yes.
430	Aug. 3	S. 1888. On motion to concur in the Senate Amendment with an amendment directing the Secretary of Agriculture to implement policies under this act which are designed to encourage American farmers to produce to their full capabilities during periods of short supply to assure American consumers with an adequate supply of food and fiber at fair and reasonable prices. (252–151.)	Yes.
431	do	H.R. 8658. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1974. On agreeing to the conference report. (342–47.)	Yes.

Roll call No.	Date	Measure, question, result	Vote
432	do	H.R. 8760. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974. On agreeing to the conference report. (359–5.)	Yes.
434	do	H.J. Res. 512. A joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development. On motion to recommit the conference report. (202–172.)	Not voting.
435	Sept. 5	H.R. 8920. A bill to amend the Lead-Based Paint Poisoning Prevention Act. On passage. (368–11.)	Do.
436	do	H.R. 8449. A bill to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood prone communities to participate in the program. On passage. (359–21.)	Do.
437	Sept. 6	H.R. 6912. A bill to amend the Par Value Modification Act. On agreeing to the conference report. (322–59.)	Yes.
438	do	H.R. 8351. A bill to amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation. On passage. (357–37.)	Yes.
440	do	H.R. 8547. A bill to amend the Export Administration Act of 1969, to protect the domestic economy from excessive drain of scarce materials and commodities and to reduce the serious inflationary impact of abnormal foreign demand. On amendment to direct the Secretary of Commerce to immediately report any prohibiting or curtailment of exportation of any commodity pursuant to this section to the Speaker of the House and the President pro tempore of the Senate. If either House of Congress shall by simple resolution disapprove of such prohibition or curtailment it shall cease with the passage of said resolution. (Failed, 154–211.)	Yes.
441	do	H.R. 8547. On passage. (220–133.)	No.
442	Sept. 10	H. Res. 536. A resolution to direct the Speaker of the House of Representatives to certify a certain report on G. Gordon Liddy by the Committee on Armed Services of the House of Representatives to the U.S. Attorney for the District of Columbia. On agreeing to the resolution (334–11.)	Yes.
443	do	H.R. 7482. A bill to amend the Federal Cigarette Labeling and Advertising Act of 1965 as amended by the Public Health Cigarette Smoking Act of 1969 to define the term "little cigar". On passage. (287–63.)	Yes.
445	Sept. 11	H.R. 7645. A bill to authorize appropriations for the Department of State. On motion to reject section 13 of the conference report. (213–185.)	No.
446	do	H.R. 2096. A bill to prohibit the imposition by the States of discriminatory burdens upon interstate commerce in wine. (248–152.)	No.
447	do	H. Res. 511. A resolution providing for the consideration of the bill S. 1697 to require the President to furnish predisaster assistance in order to avert or lessen the effects of a major disaster in the counties of Alameda and Contra Costa in California. On agreeing to the resolution. (Failed, 163–233.)	Yes.
449	Sept. 12	S. 504. A bill to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research and training projects for systems for the effective provision of health care services under emergency conditions. On overriding presidential veto. ⅔ required. (Failed 273–144.)	Yes.
450	do	H.R. 7974. A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations. On passage. (369–40.)	Yes.
451	do	H.R. 8789. A bill to provide a new coinage design and date emblematic of the bicentennial for the American Revolution for dollars, half-dollars, and quarters. On passage. (396–4.)	Yes.
452	Sept. 13	H.R. 8619. A bill making appropriations for the Agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974. On motion to instruct conferees. (231–160.)	Yes.
453	do	H.R. 6576. A bill to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments. On passage. (321–74.)	Yes.
455	do	H.R. 9639. A bill to amend the National School Lunch And Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs. On amendment to delete section raising Federal reimbursement for school lunches from 8 cents to 10 cents. (Failed, 127–272.)	Yes.
456	do	H.R. 9639. On passage. (389–4.)	Yes.
457	do	H.R. 9553. A bill to amend the communications Act of 1934 for 1 year with regard to the broadcasting of certain professional home games. On passage. (336–37.)	Not voting.
458	Sept. 17	H.R. 7265. A bill to provide for the operation of programs by the ACTION Agency, to establish certain new such programs. On motion to suspend the rules and pass. (⅔ required. (339–14.)	Yes.
459	Sept. 18	H.R. 8070. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services to those with severe disabilities. On agreeing to the conference report. (400–0.)	Yes.
460	do	H.R. 7730. A bill to authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip, as amended. On motion to suspend the rules and pass. ⅔ required. (Failed, 236–164.)	Yes.
461	do	H.R. 37. A bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are threatened with extinction or likely within the forseeable future to become threatened with extinction, as amended. On motion to suspend the rules and pass. ⅔ required. (390–12.)	Yes.
463	do	H. Res. 420. A resolution to establish as part of the congressional internship program, an internship for secondary school teachers of government or social studies in honor of President Lyndon Baines Johnson, as amended. On motion to suspend the rules and pass. ⅔ required. (345–64.)	Yes.
465	Sept. 19	H.R. 7935. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act. On overriding a Presidential veto. ⅔ required. (Failed, 259–164.)	Yes.
466	do	H.R. 9715. A bill to authorize appropriations for the United States Information Agency. On amendment: "After the expiration of any 35-day period beginning on the date the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives has delivered to the office of the Director of the USIA a written request that the committee be furnished any document, paper, communication, audit, review, finding, recommendation, report, or other material in the custody or control of such agency, and relating to such agency—none of the funds made available to such agency shall be obligated unless and until there has been furnished to the committee making the request the material requested. The written request to the agency shall be over the signature of the chairman of the committee acting upon a majority vote of the committee. (240–178.)	Yes.
467	do	H.R. 9715. On passage. (305–108.)	No.
470	Sept. 20	H.R. 8917. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974. On agreeing to the conference report. (385–14.)	Yes.
417	do	H.R. 8917. On motion to recede and concur in Senate amendment with an amendment reducing the Senate appropriation for the National Endowment for the Arts by $4,000,000. (326–73.)	Yes.
472	do	H.R. 9281. A bill to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel. On motion to recommit with instructions. (Failed, 116–282.)	No.
473	do	H.R. 9281. On passage. (299–93.)	Yes.
474	do	H.R. 9256. A bill to increase the contribution of the Government to the costs of health benefits for Federal employees. On passage. (217–155.)	No.
475	Sept. 25	H.R. 8619. A bill making appropriations for the agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974. On agreeing to the conference report. (348–24.)	Yes.
476	do	H.J. Res. 727. A joint resolution making further continuing appropriations for fiscal year 1974. On amendment to provide full 1973 funding levels for per pupil grants to local school districts. (Failed, 184–198.)	Yes.
477	do	H.J. Res. 727. On amendment providing that the aggregate amount made available to each local educational agency under title I–A of the Elementary and Secondary Education Act of 1965 shall not be less than 85 percent of the amount made available for that purpose for 1973. (286–94.)	Yes.
478	do	H.J. Res. 727. On amendment to provide that none of the funds made available by this act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products. (371–7.)	Yes.
479	do	H.J. Res. 727. On passage. (368–7.)	Yes.
481	Sept. 26	H.R. 981. A bill to amend the Immigration and Nationality Act. On amendment to provide ceiling of 35,000 temporary immigrant visas for natives of Canada and Mexico, and a 20,000 ceiling for all other foreign states. (Failed, 174–203.)	Not voting.
482	do	H.R. 981. On amendment to provide a 5-year aggregate limit on extensions of 1-year visas for migrant workers, and specified employment contract requirements and working conditions. (Failed, 70–310.)	Do.
483	do	H.R. 981. On passage. (336–30.)	Do.
485	Oct. 1	H.R. 8029. A bill to provide for the distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the Court of Claims. On motion to suspend the rules and pass. ⅔ required. (331–33.)	Yes.
486	do	S. 2419. A bill to correct typographical and clerical errors in Public Law 93–86. On motion to suspend the rules and pass. 2 required. (330–28.)	Yes.
487	do	H.R. 10397. A bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-speaking People On motion to suspend the rules and pass. 3 required. (Failed, 241–130.)	No.
488	Oct. 2	S. 795. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965. On agreeing to the conference report. (294–106.)	Yes.
489	do	S. 1914. A bill to provide for the establishment of the Board of International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty. On passage. (313–90.)	No.
493	Oct. 3	H.R. 6452. A bill to amend the Urban Mass Transportation Act of 1964, to provide a substantial increase in the total amount authorized for assistance thereunder, to increase the portion of project cost which may be covered by a Federal grant, and to authorize assistance for operating expenses. On amendment to delete provisions for Federal funding of operating expenses of mass transportation systems. (206–203.)	No.

CONGRESSMAN WAYNE OWENS' VOTING RECORD, 1ST SESS., 93D CONG., 1973—Continued

Roll call No.	Date	Measure, question, result	Vote
494	Oct. 3	H.R. 6452. On motion to strike the enacting clause. (Failed, 143–268.)	No.
495	do	H.R. 6452. On amendment. (Failed, 205–210.)	No.
496	do	H.R. 6452. On passage. (219–195.)	Yes.
497	do	H.R. 10088. A bill to establish the Big Cypress National Preserve in the State of Florida. On passage. (376–2.)	Yes.
499	Oct. 4	H.J. Res. 748. A joint resolution making an appropriation for special payments to international financial institutions for fiscal year 1974. On amendment to reduce the obligational authority of the U.S. Treasury to the International Monetary Fund. (Failed, 129–237.)	Not voting.
500	do	H.J. Res. 748. On passage. (274–90.)	Do.
505	Oct. 10	H.R. 9682. A bill to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, and to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, On Amendment giving President power to appoint judges to the District of Columbia Superior Court and Court of Appeals. (228–186.)	No.
506	do	H.R. 9682. On amendment. (Failed, 138–273.)	No.
507	do	H.R. 9682. On amendment to create a Federal enclave within the District of Columbia. (209–202.)	No.
508	do	H.R. 9682 On amendment. (132–275.)	No.
510	do	H.R. 9682. On amendment prohibiting physical planning for the Federal Government in the Metropolitan Washington area being under the control of the District government. (Failed, 130–278.)	No.
511	do	H.R. 9682. On amendment containing provisions of H.R. 10692 implementing the recommendations of the Nelsen Commission and providing an elected city council and appointed mayor. (Failed, 144–273.)	No.
512	do	H.R. 9682. On passage. (343–74.)	Yes.
515	Oct. 11	H.J. Res. 727. A joint resolution making further continuing appropriations for the fiscal year 1974. On motion to recommit the conference report. (Failed, 182–225.)	Yes.
516	do	H.J. Res. 727. On agreeing to the conference report. (309–99.)	No.
518	Oct. 12	H.R. 10614. A bill to authorize certain construction at military installations. (359–28.)	Yes.
520	do	H.J. Res. 542. A joint resolution concerning the war powers of Congress and the President. On agreeing to the conference report. (238–123.)	Yes.
521	do	H.R. 10203. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control. On passage. (337–14.)	Yes.
525	Oct. 15	S. 907. A bill to authorize the appropriation of $150,000 to assist in financing the Arctic Winter Games to be held in the State of Alaska in 1974. On motion to suspend the rules and pass. ⅔ required. (306–54.)	No.
526	do	H.R. 8346. A bill to amend the Housing and Urban Development Act of 1970 to provide a more effective approach to the problem of developing and maintaining a rational relationship between building codes and related regulatory requirements and building technology in the United States, and to facilitate urgently needed cost-saving innovations in the building industry, through the establishment of an appropriate nongovernmental instrument which can make definitive technical findings, insure that the findings are made available to all sectors of the economy, public and private, and provide an effective method for encouraging and facilitating Federal, State, and local acceptance and use of such findings. On motion to suspend the rules and pass. ⅔ required. (Failed, 108–258.)	No.
528	Oct. 16	H.R. 9590. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974. On agreeing to the conference report. (403–10.)	No.
529	do	H.R. 9590. On motion to recede and concur in Senate amendment to permit per diem compensation rates of individuals to be set by the President notwithstanding existing Government service regulations for such rates. (253–153.)	No.
530	do	H.R. 9590. On amendment to provide funding of the President's official entertainment expenses. (302–107.)	No.
531	do	H.R. 6691. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1974. On agreeing to the conference report. (400–11.)	Yes.
532	do	H.R. 10717. A bill to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians. On motion to suspend the rules and pass. ⅔ required. (404–3.)	Yes.
533	do	H.R. 9681. A bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority. On amendment on application of provisions concerning pricing for producer level. (Failed, 136–245.)	Yes.
534	do	H.R. 9681. On motion to close debate. (Failed, 161–214.)	No.
536	Oct. 17	H. Res. 601. A resolution providing for the consideration of the conference report on the bill H.R. 9286, the military procurement authorization for 1974. On agreeing to the resolution. (Failed, 193–216.)	No.
537	do	H.R. 9681. On amendment. (Failed, 152–256.)	No.
538	do	H.R. 9681. On passage. (337–72.)	Yes.
539	do	S. 2016. A bill to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation. On agreeing to the conference report. (346–51.)	Yes.
541	Oct. 18	H.R. 10397. A bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-speaking People. On passage. (273–97.)	Not voting—A.[1]
542	do	H.R. 9639. A bill to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs. On motion to concur in Senate amendment. (Failed, 145–218.)	Not voting.[1]
544	Oct. 23	H.R. 10586. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations. On passage. (345–41.)	Yes
549	Oct. 24	H.R. 3927. A bill to extend the Environmental Education Act for 3 yrs. On amendment to reduce period to 1 yr. (Failed, 140–252.)	No.
550	do	H.R. 3927. On passage. (335–60.)	Yes.
552	Oct. 25	H.R. 10956. A billion the Emergency Medical Service Systems Act of 1973. On passage. (364–18.)	Yes.
554	Oct. 30	H.R. 9456. A bill to extend the Drug Abuse Act of 1970 for 3 yr. On passage. (372–13.)	Yes.
556	Oct. 31	H.R. 9286. A bill to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces and the military training student loads. On motion to reject Public Health Service hospitals of conference report. (Failed, 103–290.)	No.
558	Nov. 6	H.J. Res. 735. A joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy 2 citizens and subjects of the Empire of Iran. On motion to suspend the rules and pass. ⅔ required. (343–28.)	No.
559	do	H.R. 5874. A bill to establish a Federal Financing Bank, for coordinated and more efficient financing of Federal and federally assisted borrowings from the public. On motion to suspend the rules and pass. ⅔ required. (349–25.)	Yes.
560	do	H.R. 8219. A bill to amend the International Organizations Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity. On motion to suspend the rules and pass. ⅔ required. (340–39.)	Yes.
561	do	H.R. 10937. A bill to extend the life of the June 5, 1972, grand jury of the U.S. District Court for the District of Columbia, as amended. On motion to suspend the rules and pass. ⅔ required. (378–1.)	Yes.
563	Nov. 7	H.J. Res. 542. A joint resolution concerning the war powers of Congress and the President. On overriding Presidential war-powers veto. ⅔ required. (284–135.)	Yes.
566	do	H.R. 11104. A bill to provide for a temporary increase of $13,000,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974. On amendment to reduce the increase of the debt limit by $2,300,000,000. (263.147.)	Yes.
567	do	H.R. 11104. On amendment to make the increase in the debt ceiling permanent. (253–153.)	Yes.
570	Nov. 8	H.R. 9142. A bill to restore, support and maintain modern, efficient rail service in the northeast region of the United States, to designate a system of essential rail lines in the northeast region to provide financial assistance to rail carriers in the northeast region, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes. On amendment concerning limitation on payments and allowances to protected railroad employees and to provide that railroad retirement benefits will be paid in the same manner as under the Railroad Retirement Act. (Failed, 148–245.)	No.
571	do	H.R. 9142. On amendment to define length of time the monthly displacement allowance shall continue for protected employees deprived of employment. (Failed 187–198.)	No.
572	do	H.R. 9142. On passage. (306–82.)	Yes.
574	Nov. 13	S. 1081. A bill to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment. On motion to recommit the conference report with instructions. (Failed, 162–213.)	No.
575	do	S. 1081. On agreeing to the conference report. (361–14.)	Yes.
577	do	H.R. 8619. A bill making appropriations for the Departments of State, Justice, and Commerce, the Judiciary and related agencies for the fiscal year ending June 30, 1974, and for other purposes. On agreeing to the conference report. (394–11.)	Yes.
578	do	H. Con. Res. 378. A resolution providing that when the House adjourns on Thursday, Nov. 15, 1973, it stand adjourned until 12 o'clock meridian, Monday, Nov. 26, 1973. (215–190.)	Yes.
579	do	H.R. 8877. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1974, and for other purposes. On motion to recommit the conference report. (272–139.)	Yes.

Footnotes at end of table.

Roll call No.	Date	Measure, question, result	Vote
581	do	S. 1570. A bill to authorize the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes. On agreeing to the conference report. (348–46.)	Yes.
582	Nov. 14	H. Res. 128. A resolution expressing the sense of the House of Representatives with respect to actions by Members convicted of certain crimes. On agreeing to the resolution. (388–18.)	Yes.
585	do	H.R. 11459. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes. On passage. (366–29.)	Yes.
587	Nov. 15	H. Res. 702. A resolution providing funds for the Committee on the Judiciary. On amendment to reduce total amount of investigative funding by $500,000. (230–182.)	Yes.
588	do	H. Res. 702. On ordering the previous question. (233–186.)	Yes.
589	do	H. Res. 702. Recorded vote on motion to recommit the resolution with instructions. (Failed, 190–227.)	No.
590	do	H. Res. 702. On agreeing to the amendment. (367–151.)	Yes.
591	do	H.R. 11333. A bill to provide a 7 percent increase in social security benefits beginning with March 1974 and an additional 4 percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes. On amendment to strike out the "hold-harmless" provision of the bill under SSI. (246–163.)	Yes. Yes.
592	do	H.R. 11333. On passage. (391–20.)	Yes.
594	Nov. 26	H.R. 11238. A bill to amend the act of March 16, 1926—relating to the Board of Public Welfare in the District of Columbia—to provide for an improved system of adoption of children in the District of Columbia, and for other purposes. On passage. (350–0.)	
595	Nov. 27	H.R. 7446. A bill to establish the American Revolution Bicentennial Administration, and for other purposes. On agreeing to the conference report. (357–34.)	Yes.
597	do	H.R. 11324. A bill to provide for daylight saving time on a year-round basis for a 2-year trial period. On passage. (311–88.)	Yes.
599	Nov. 28	H.R. 11010. A bill to assure opportunities for employment and training to unemployed and underemployed persons. On amendment to reduce from 100,000 to 50,000 population level required for a unit of local government to be a prime sponsor of public service programs. (248–149.)	Yes.
600	do	H.R. 11010. On amendment to permit local units of government which in combination equaled 50,000 population to qualify as prime sponsors of public service programs. (260–140.)	Yes.
601	do	H.R. 11010. On amendment to increase by $500,000,000 the funds for manpower training. (Failed 107–292.)	No.
602	do	H.R. 11010. On passage. (369–31.)	Yes.
603	Nov. 29	H. Res. 721. A resolution disagreeing to the Senate amendments to H.R. 11104, a bill to provide for a temporary increase of $10,700,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974. On agreeing to the resolution. (347–54.)	No.
605	do	H.R. 11575. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes. On amendment to restore $1,250,000 in funds cut from the race relations and equal opportunity programs. (Failed, 178–226.)	Yes.
607	Nov. 30	H.R. 11575. On amendment to remove fixed employment levels between private and naval personnel in shipyard employment. (Failed 170–203.)	Yes.
608	do	H.R. 11575. On amendment to provide that from total appropriations made available in this act, $3,500,000-000 shall be available only from unobligated and unexpended balances available to the Department of Defense. (Failed, 118–250.)	Yes.
609	do	H.R. 11575. On amendment seeking an additional general troop strength reduction of 22,000. (Failed, 160–210.)	Not voting.[3]
610	do	H.R. 11575. On passage. (336–23.)	Not voting—F.[3]
612	do	H.R. 11576. A bill making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes. On amendment to increase funds for vocational rehabilitation. (Failed, 160–164.)	Not voting.[3]
613	do	H.R. 11576. On passage. (295–8.)	Do.[3]
615	Dec. 3	S. 1191. A bill to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes. On motion to suspend the rules and pass. ⅔ required. (354–36.)	Do.[3]
616	do	H.R. 11710. A bill to insure that the compensation and other emoluments attached to the Office of Attorney General are those which were in effect on Jan. 1, 1969, to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress, and for other purposes, as amended. On motion to suspend the rules and pass. ⅔ required. (261–129.)	Do.
617	do	H.R. 9437. A bill to amend the International Travel Act of 1961 to authorize appropriations for fiscal years 1974, 1975, and 1976, as amended. On motion to suspend the rules and pass. ⅔ required. (272–120.)	Do.
620	Dec. 4	S. 1443. A bill to authorize the furnishing of defense articles and services to foreign countries and international organizations. On agreeing to the conference report. (120–193.)	No.
621	do	H. Con. Res. 173. A concurrent resolution relating to congressional support of the U.S. fishing industry as amended. On motion to suspend the rules and pass. ⅔ required. (405–0).	Yes.
622	Dec. 5	H.R. 8877. A bill making appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974. On agreeing to the conference report. (371–33.)	Yes.
623	do	H.R. 8877. On amendment limiting Presidential impoundments. (263–140.)	No.
624	do	H.R. 7130. A bill to amend the rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a legislative budget director and staff. On amendment to change the date by which all authorization bills must be acted upon. (Failed, 106–300.)	No.
625	do	H.R. 7130. On amendment to establish procedures to evaluate Federal programs. (Failed, 185–218.)	No.
626	do	H.R. 7130. On amendment to require reviews on period of authorization of new budget authority for major outlay programs. (Failed, 192–217.)	No.
627	do	H.R. 7130. On amendment to provide that all appropriations bills go to the President at the same time. (Failed, 117–289.)	Yes.
628	do	H.R. 7130. On amendment to strike out title II of the committee amendment in the nature of a substitute. (Failed, 108–295.)	No.
629	do	H.R. 7130. On amendment to provide for a concurrent resolution disapproving of a Presidential impoundment. (Failed, 186–221.)	No.
630	do	H.R. 7130. On amendment delaying effective date of anti-impoundment provisions until Oct. 1, 1975. (Failed, 185–221.)	No.
631	do	H.R. 7130. On passage. (386–23.)	Yes.
634	do	H. Res. 735. A resolution confirming the nomination of Gerald R. Ford, of the State of Michigan, to be Vice President of the United States. On agreeing to the resolution. (387–35.)	Yes.
635	Dec. 7	H.R. 11459. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974. On agreeing to the conference report. (329–40.)	Yes.
637	do	H.R. 9107. A bill to provide increases in certain annuities payable under chapter 83 of title 5, United States Code. On passage. (270–95.)	Yes.
643	Dec. 11	H.R. 10710. A bill to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States. On amendment to deny loans, credits, and guarantees to nonmarket countries denying freedom of emigration. (319–80.)	Yes.
644	do	H.R. 10710. On amendment to strike title IV. (Failed, 106–298.)	No.
645	do	H.R. 10710. On passage. (272–140.)	No.
646	do	H.R. 11088. A bill to provide emergency security assistance authorizations for Israel and Cambodia. On amendment providing for funds authorized under this act shall be applicable to support of the implementation of U.N. Security Council Res. 242. (Failed, 82–334.)	No.
647	do	H.R. 11088. On passage. (364–52.)	Yes.
650	do	H.R. 11771. A bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974. On amendments to delete funds for and prohibit aid to Chile. (Failed, 102–304.)	Yes.
651	do	H.R. 11771. On amendment to reduce by $100,000,000 emergency military assistance funds for Cambodia. (Failed, 147–256.)	Yes.
652	do	H.R. 11771. On amendment prohibiting obligation or expenditure of funds under this paragraph for the use or benefit of any nonmarket economy country. (Failed, 134–266.)	No.
653	do	H.R. 11771. On passage. (219–180.)	No.
658	Dec. 12	H.R. 11450. A bill to direct the President to take action to assure, through energy conservation, rationing, and other means, that the essential energy needs of the United States are met. On amendment concerning energy conservation plan provisions for transportation controls or such other restrictions on the public or private use of energy. (Failed, 152–256.)	No.
659	do	H.R. 11450. On amendment to strengthen and clarify antitrust provisions of the bill. (286–112.)	Yes.
661	Dec. 13	H.R. 11450. On amendment to remove coal from the windfall profits section of the bill. (256–155.)	Yes.
662	do	H.R. 11450. On amendment prohibiting allocation of petroleum products to any person if the product so allocated will be used for the transportation of any public school student farther than the public school closest to his home offering educational courses for the grade level and course of study of the student within the boundaries of the school attendance district wherein the student resides. (221–192.)	No.
663	do	H.R. 11450. On motion to limit debate. (Failed, 58-351)	No.
664	do	H.R. 11450. On amendment to redefine windfall profits. (Failed, 188–213).	No.
665	do	H.R. 11450. On amendment to relax emission control standards under the bill. (199–180.)	Yes.
667	Dec. 14	H.R. 11450. On amendment to strike sec. 114 the antitrust exemptions on retail business voluntary agreements. (Failed, 170–223.)	Yes.
668	do	H.R. 11450. On amendment to delay by 3 yr the effective date for emission controls. (Failed, 180–210.)	Yes.
669	do	H.R. 11450. On amendment to remove from energy controls school busing that was voluntarily enforced into by a school board or appropriate school authority. (Failed, 185–202.)	Yes.
670	do	H.R. 11450. On motion to limit debate. (197–196.)	Yes.
671	do	H.R. 11450. On motion to strike enacting clause. (Failed, 56–335.)	No.
672	do	H.R. 11450. On amendment to limit Government purchase of more than 30 percent of fuel inefficient vehicles. (299–89.)	Yes.
673	do	H.R. 11450. On amendment concerning subsec. (9)(a) on p. 36 dealing with 1st sale of crude oil or petroleum condensates produced from any lease within the United States. (Failed, 189–194.)	Yes.

Footnote at end of table.

CONGRESSMAN WAYNE OWENS' VOTING RECORD, 1ST SESS., 93D CONG., 1973—Continued

Roll call No.	Date	Measure, question, result	Vote
674	Dec. 14	H.R. 11450 On amendment that under sec. 105, energy conservation plans submitted pursuant to section shall include proposal to provide for federally sponsored incentives for the use of public transportation and Federal subsidies to maintain or reduce existing fares and additional expenses incurred because of increased services. (197–184.)	Yes.
675	do	H.R. 11450. On motion that the committee rise. (Failed, 104–280.)	No.
676	do	H.R. 11450. On amendment concerning authorizing President to make grants to States to provide assistance to any individual unemployed as a result of administration or enforcement of this act. (311–73.)	Yes.
677	do	H.R. 11450. On amendment to prevent discrimination against businesses which operate at hours other than 9 to 5, Monday through Friday. (301.60.)	Yes.
678	do	H.R. 11450. On amendment to include marine activities within the category of agriculture. (332–19.)	Yes.
679	do	H.R. 11450. On amendment prohibiting exportation of coal, petroleum products, or petrochemical feedstocks if either Secretary of Commerce or of Labor certifies that such exports would contribute to unemployment in the United States. (327–27.)	Yes.
680	do	H.R. 11450. On amendment that nothing in this act shall affect the naval petroleum reserves or any other Federal land under the jurisdiction of the Department of the Defense. (Failed, 174–202.)	No.
681	do	H.R. 11450. On amendment to exempt certain oil producers from the "windfall profits" provisions. (Failed, 140–226.)	Yes.
682	do	H.R. 11450. On amendment to adding subsection: The Interstate Commerce Commission shall by expedited proceedings adopt appropriate rules under the Interstate Commerce Act which will contribute to conserving energy by eliminating discrimination against the shipment of recycled materials in rate structures and other Commission practices. (349–8.)	Yes.
683	do	H.R. 11450. On motion that the committee rise. (Failed, 86–290.)	No.
684	do	H.R. 11450. On amendment to limit exportation of crude oil, residual fuel oil or refined petroleum product unless the President, by order, after considering evidence submitted by the person desiring to export approves such export upon a finding that such export will in no way contribute to any shortages of any such oil or product within the United States. (Failed, 152–205.)	Yes.
685	do	H.R. 11450. On amendment suspending requirement of emission controls on automobiles until Jan. 1, 1976, or the day on which the President declares that shortage of petroleum is at an end. (Failed, 170–205.)	Yes.
686	do	H.R. 11450. On amendment prohibiting petroleum exports for military operations in Indochina. (201–172.)	Yes.
687	do	H.R. 11450. On amendment prohibiting petroleum exports for military operations in South Israel. (Failed, 50–230.)	No.
688	do	H.R. 11450. On motion to recommit. (Failed, 173–205.)	No.
689	do	H.R. 11450. On passage. (265–112.)	Yes.
692	Dec. 17	S. 1435. An act to provide an elected mayor and city council for the District of Columbia. On motion to recommit the conference report. (Failed, 80–259.)	No.
693	do	S. 1435. On agreeing to the conference report. (272–74.)	Yes.
694	do	S. J. Res. 180. A joint resolution relative to the convening of the 2d sess. of the 93d Congress. On motion to suspend the rules and pass. ⅔ required. (263–91.)	No.
695	do	S. 2482. An act to amend the Small Business Act, as amended. On motion to suspend the rules and pass. ⅔ required. (339–21.)	No.
697	Dec. 18	H.R. 9256. A bill to increase the contribution of the Government to the cost of health benefits for the Federal employees. On agreeing to the conference report. (307–82.)	Yes.
698	do	H. Res. 746. A resolution authorizing the Speaker to entertain motions to suspend the rules on Wednesday, Dec. 19, 1973, and for the balance of that week. On agreeing to the resolution. (284–101.)	Yes.
699	do	S. 2166. An act to authorize the disposal of opium from the national stockpile, as amended. ⅔ required. (270–122.)	No.
700	do	S. 2316. An act to authorize the disposal of copper from the national stockpile and the supplemental stockpile, as amended. On motion to suspend the rules and pass. ⅔ required. (315–73.)	No.
701	do	H.R. 11714. A bill to provide for the development of improved design, lighting, insulation, and architectural standards to promote efficient use in residential, commercial, and industrial buildings. As amended. On motion to suspend the rules and pass. ⅔ required. (Failed, 230–160.)	Yes.
702	do	H.R. 11763. A bill to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal. On motion to suspend the rules and pass. ⅔ required. (356–18.)	Yes.
704	Dec. 19	H.R. 11576. A bill making supplemental appropriations for the fiscal year ending June 30, 1974. On motion to recommit with instructions the conference report. (216–180.)	No.
706	do	H.R. 11510. A bill to reorganize and consolidate certain functions of the Federal Government in the New Energy Research and Development Administration and in a Nuclear Energy Commission in order to promote more efficient management of such functions. On amendment to add 1 additional assistant administrator designated for energy conservation. (Failed, 112–271.)	Yes.
707	do	H.R. 11510. On passage. (355–25.)	Yes.
709	Dec. 20	S. 1559. An act to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services. On motion to recommit the conference report. (Failed, 93–264.)	No.
710	do	S. 1559. On agreeing to the conference report. (330–33.)	Yes.
711	do	H.R. 11575. A bill making appropriations for the Defense Department for the fiscal year ending June 30, 1974. On motion to recommit the conference report. (Failed, 88–280.)	No.
712	do	S. 11575. On agreeing to the conference report. (336–32)	Yes.
713	do	H.R. 11771. A bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974. On agreeing to the conference report. (216–149.)	No.
714	do	S. 1983. An act to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are threatened with extinction or likely within the foreseeable future to become threatened with extinction. On agreeing to the conference report. (335–4.)	Yes.
715	do	H. Res. 754. A resolution to take from the Speakers table the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions, with Senate amendments thereto, and agree to the Senate amendments. On motion to suspend the rules and agree. ⅔ required. (319–26.)	Yes.
716	do	H.R. 9142. A bill to restore, support and maintain modern efficient rail service in the Northeast Region of the United States to designate a system of essential rail lines in the Northeast Region, to provide financial assistance to rail carriers in the Northeast Region, to improve competitive equity among surface transportation modes, and to improve the process of Government regulation. On agreeing to the conference report. (284–59.)	Yes.
717	do	H.R. 11576. A bill making supplemental appropriations for fiscal year ending June 30, 1974. On agreeing to the conference report. (329–10.)	Yes.
719	Dec. 21	H.R. 11333. A bill to provide a 7-percent increase in Social Security benefits beginning with March 1974, and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes, with the Senate amendment thereto, and to concur in the Senate amendment. On concurring in the Senate amendment. (301–13.)	Yes.
720	do	H. Res. 759. A resolution to take from the Speakers table the Senate bill S. 921, to amend the Wild and Scenic Rivers Act, with a Senate amendment (S. 2589) to the House amendment thereto, and agree to the Senate amendment to the House amendment with an amendment (H.R. 11228—Energy bill with windfall profits provision. On ordering a second. ⅔ required. Failed, 148–13.)	Yes.
721	do	H. Res. 759. On motion to suspend the rules and agree. (169–95.)	Yes.
723	do	H. Res. 761. A resolution to take from the Speaker's table the Senate bill S. 921, to amend the Wild Scenic Rivers Act with a Senate amendment (S. 2589) to the House amendment thereto, and agree to the Senate amendment. On motion to suspend the rules and agree. ⅔ required. (Failed, 36–228.)	No.
724	do	H. Con. Res. 411. A concurrent resolution providing for the adjournment sine die of the 1st session of the 93d Congress. On agreeing to the resolution. (Failed, 74–171.)	No.
725	Dec. 22	On motion to adjourn. (Failed, 39–160.)	No.

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[1] Not voting, paired against.

[2] In district.